



# 2019 SUSTAINABILITY REPORT



# PREMISES

The Sustainability Report is a **voluntary communication tool** through which we share the corporate management results, beyond simply accounting and financial aspects, with intent to consider the implications of the company impact on the territory, environment and society.

This Consorzio Casalasco del Pomodoro publication has been drafted with the support of **Deloitte**.

The information and data presented measure **ESG performance compared to the reference sector**, in accordance with the proprietary methodology of Integrate srl, owned by **Cerved Rating Agency S.p.A.** and is subject to management and coordination by **Cerved Group S.p.A.**

The ESG rating elaborated from Consorzio Casalasco del Pomodoro 2019 data provides the following assessment:

**SECTOR:** Industrials  
**INDUSTRY:** Food & Beverage  
**SUB-INDUSTRY:** Food Products  
**COUNTRY:** Italy



# LETTER TO STAKEHOLDERS



President of the BOD  
Paolo Voltini

It is with great pleasure that I introduce you to our company's second sustainability report where, through facts and figures, we share a journey that fills us with pride and confirms once again the responsibility that we consciously take every day.

In fact, in 2019, the Board of Directors where I chair was reappointed the Cooperative's governance mandate for the next three years, with the goal of focusing our efforts on the development and progress of the Consortium's view of both economic but also, and above all, the commitment to responsible agriculture, which confirms fundamental leverage in our food supply chain.

This is why I'm turning to farmers, thanking them for their trust, to remind

them that together we're building a path that will confirm and strengthen our approach, which has historically called for integrating sustainability in the business, along the entire value chain, from the agricultural phase to our commitment to strengthen the relationship with consumers, passing by production and impacts on the territory and the environment.

These virtuous actions, which constitute the typical way in which we operate, represent however a commitment that we all have to take based on the belief that, by simply offering the highest level of quality and expanding the way in which we communicate, we could secure the future of our business and bring recognition to the community that we represent and serve.

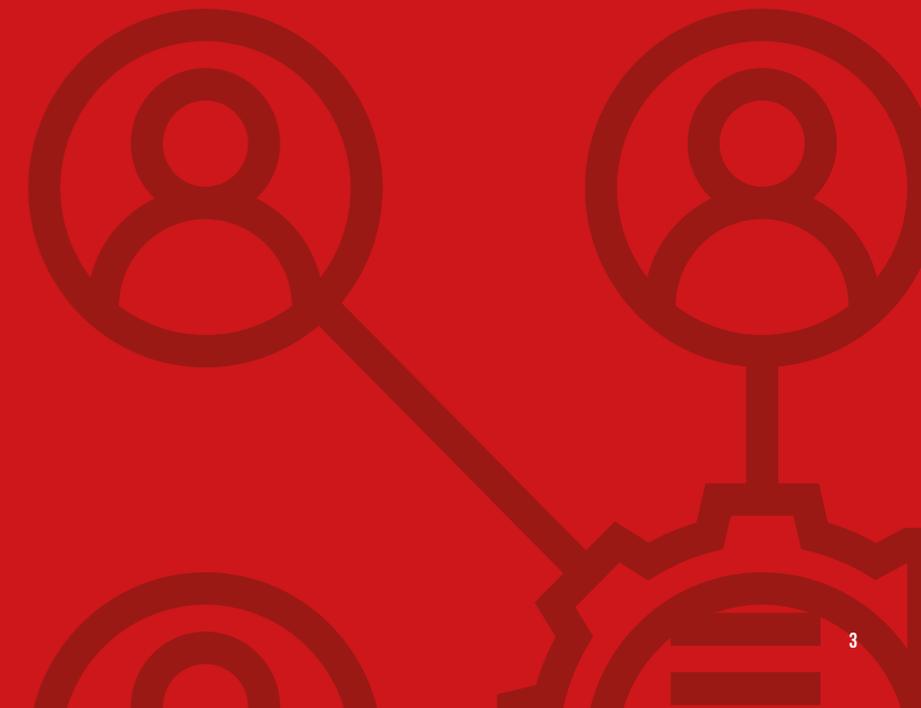
The Consorzio Casalasco grows in turnover values, volumes of finished product, amplitude of products and services offered to the market and to members and, for this reason, the level of awareness of our work towards all stakeholders must increase.

I am convinced that to be close to all stakeholders directly and indirectly involved in our activities, the Consortium needs to improve its presence and capacity to listen in order to understand and interpret in the best possible way the leadership role which it is continuing to confirm.

Nonetheless, I would like to address the staff thanking them for their professionalism and results obtained, which also represent the result of an organization sensitive to safeguarding, retaining and enhancing its human capital. This is due to, amongst other things, safety programs, vocational trainings,

an attention to work-life balance as well as health and well-being systems inspired by the best international standards.

It is in this spirit that I leave you with the reading of this report, with the hope that results presented serve as a guide to further and more challenging milestones.



# LETTER TO STAKEHOLDERS



General Manager  
Costantino Vaia

For the Consorzio Casalasco del Pomodoro, 2019 has been an important year, both in terms of the objectives achieved and in terms of the awareness that the business model developed represents the ideal platform to face the future challenges that are ahead of us.

On the economic side, we increased revenues significantly, particularly in terms of market share in foreign markets, both in the co-packing segment and in sales of our Pomì and De Rica brands, areas in which we invested the most.

Exports, a goal pursued by our organization for twenty years, now represent two thirds of total

turnover, confirming the growth of the cooperative and its commercial subsidiaries: in particular, Pomì USA Inc. has expanded its product portfolio and recorded significant increases in both the Retail and Out-of-Home channels, while SAC SpA has outperformed the objectives set at the beginning of the year, confirming its historical vocation for exports - with more than 93% of revenues - characterized by significant increases, especially in finished tomato-based products.

The Retail segment is confirmed as the first sales channel both with its own brand products (Pomì and De Rica) and with third party products with premium positioning for important food multinationals.

And it is precisely in this favourable context of growth, sustainability and social responsibility that the key elements for a correct interpretation of the expectations and needs of the markets in terms of transparency, ethics and profitable relations with stakeholders are confirmed.

The efforts made in recent years in terms of investments in this direction have strengthened monitoring and allowed improvement actions along the entire production chain; these activities combined with a high level of know-how have allowed us to further consolidate direct, stable and long-lasting relationships with major international players.

For the future we will continue to invest resources in and attention to sustainability, in all its applications, to accompany a new phase of growth that is not only economic.





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# 1

# CONSORZIO CASALASCO

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# CONSORZIO CASALASCO

in numbers:

## SUPPLY CHAIN

- 562 associated farms
- 7,000 hectares of land cultivated with tomatoes
- 3 production plants
- Transformation capacity of over 560,000 tons of fresh tomatoes
- Over 550 million units produced (b2b and retail formats)
- The 1<sup>st</sup> tomato industrial chain in Italy
- The 3<sup>rd</sup> tomato industrial chain in Europe

## ECONOMIC IMPACT

- 996 employees<sup>1</sup>
- Over €270 millions in revenues
- Over 50 packaging lines
- 74 international markets served including more than 50 under the Pomì brand

<sup>1</sup> The human resources data in this document is expressed in Annual Working Units (AWU). This also includes seasonal workers who work mainly during the peak period of production at Consorzio's facilities. See Chapter.5



CONSORZIO CASALASCO IS THE LINK BETWEEN THE TERRITORY AND ITS TRADITIONS, BETWEEN AGRICULTURAL WORK AND THE ENHANCEMENT OF CULTIVATED PRODUCTS THROUGH QUALITY, PROGRESS AND TECHNOLOGICAL INNOVATION IN RESPECT OF MAN AND THE ENVIRONMENT.

## THE PLANTS

### Rivarolo del Re

Cremona - Strada Provinciale, 32

Total Area: 265,000 sq.m.

Activity: Reception and fresh tomato processing for production of all kinds of tomato derivatives (pulp, paste, concentrate)

Specialties: sauces, condiments, ketchup in retail formats

### Gariga di Podenzano

Piacenza - Via Primo Maggio, 25

Total Area: 106,000 sq.m.

Activity: Reception and fresh tomato processing for production of all kinds of tomato derivatives (pulp, paste, concentrate). Legume processing.

Specialties: tinplate (cans) of cubed pulp for both retail and food service, products for catering raw or transformed, tubed concentrates

### Fontanellato

Parma - Via Ghiara, 24

Total Area: 182,000 sq.m.

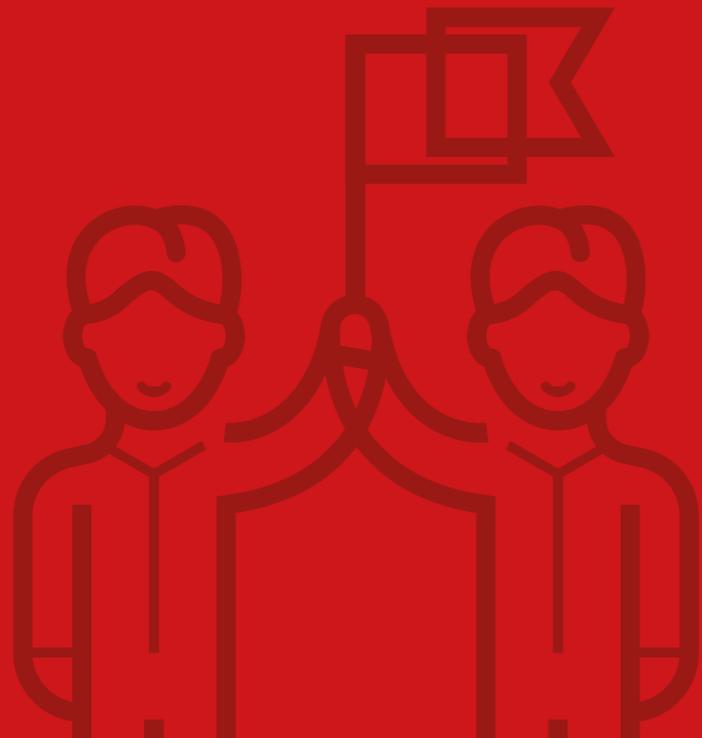
Activity: Reception and fresh tomato processing for production of all kinds of tomato derivatives (pulp, paste, concentrate).

Specialties: soups, broths, white sauces, beverage in paper cartons, glass and PET

For storage and distribution activities, the Consorzio Casalasco uses, in addition to warehouses at production sites, several logistics centers both in Italy and abroad, some of which are owned.



## 1.1

HISTORY AND  
EVOLUTION OF  
CONSORZIO  
CASALASCO

Conorzio Casalasco is a cooperative dedicated to cultivating, processing and packaging **100% Italian grown tomatoes and other agricultural products**. The Consorzio relies on a supply from 500 **member farms** (direct members, cooperatives and subcontracting partners), who supply the **three production plants**, with raw materials from land located in the Padana Plain, located on average no further than 50 km from the processing plant.

Tomatoes and legumes bestowed by farmers are transformed into a wide range of semi-finished and agri-food products destined for industry and global distribution.

Commercialisation takes place mainly as co-packer and private label, but an increasingly significant share of turnover is made by the sales of own-brand products (Pomì and De Rica), strategic business for the Consorzio.

The cooperative was founded in 1977 to ensure farmers the opportunity to yield products at a fair price, minimizing

risks due to varying seasonal trends and market prices by taking away the bargaining power of the large industrial private transformers.

Over time, this relationship has been consolidated and the partnership has been enhanced by opportunities and benefits. In fact, the cooperative has always supported its members in agricultural activities from seed selection to the planning of the collection schedule and bestowal.

These traditional activities have been added over the years, and aim to support and help partners grow their management and business skills.

Thanks to **technologically innovative tools, state-of-the-art services and greater product valuation than the one recognized by the market, the Consorzio now, more than ever, gives a fundamental contribution to the economic, social and environmental sustainability of the farms on the territory in which its communities are located.**

**COOPERATION,  
AN ANCIENT TOOL  
OF ECONOMIC  
DEMOCRACY,  
PROVES TO BE,  
EVEN TODAY, A  
WINNING FACTOR  
FOR ENHANCING  
ONE'S WORK AND  
BEING PREPARED  
FOR WHAT THE  
FUTURE HOLDS.**



1977

17 farms from the Casalmaggiore region straddling the provinces of Mantua, Cremona, and Parma team up to commercialize tomatoes from their production: the Consorzio Casalasco del Pomodoro is born.



2000

The Consorzio Casalasco del Pomodoro with other producer organizations constitutes the Consorzio Interregionale Ortofrutticoli (C.I.O.), for the commercialisation of the semi-finished tomato products and integrated management of supplies (seeds, fertilizers, etc.)



2009

Pomì USA is born, Distributor of Pomì in more than 20,000 stores in North America.



2017

The De Rica brand of General Conserve S.p.A, operating in the Premium segment, is acquired. This expands the range of branded products.



1982

The number partner farms increases and the Rivarolo del Re (CR) factory is built to transform tomatoes into semi-finished products for industry.

2007

Boschi Luigi & Figli is acquired. The production facilities (PR) of Fontanellato (PR) and Felegara (PR) are added, now logistics hub, as well as the Pomì, Pomito e Pais brands. The range of products is enlarged with drinks, teas and soups.

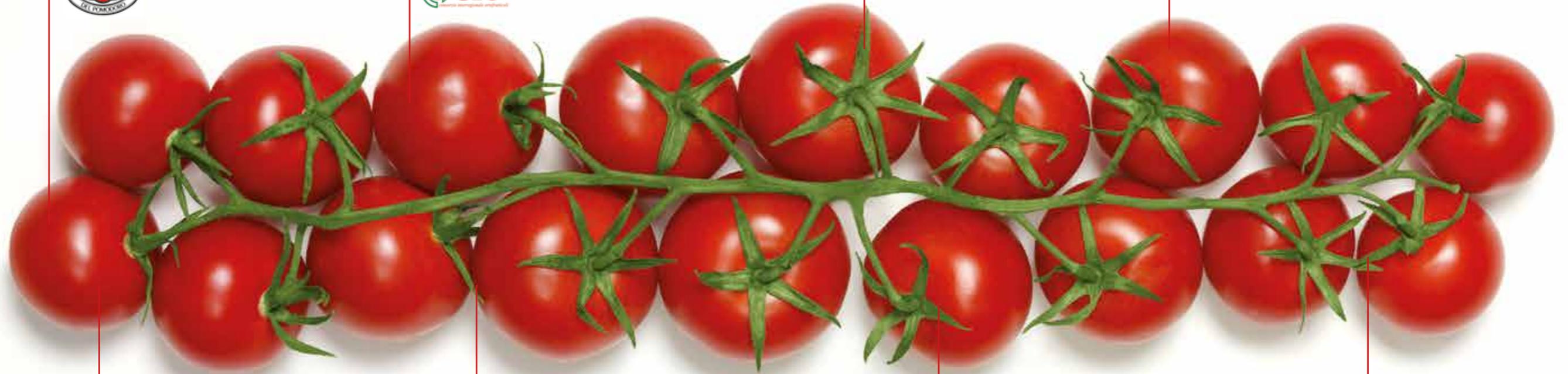
2015



A.R.P. (Agricoltori Riuniti Piacentini) and the Gariga di Podenzano (PC) production plant are acquired. 65 new farms enter the Consorzio Casalasco. To the tomato supply chain, the legume supply chain is added and the range of formats is enriched with tins (cans) and food service formats.

2018

A majority stake is acquired in SAC (Società alimentare carnagnolese) which specializes in the export and distribution of tomato derivatives such as sauces and condiments on the international market, to guarantee the development and leadership position in new markets.



# 1.2 MISSION AND VALUES

“ THE CONSORZIO CASALASCO IS A COOPERATIVE THAT CULTIVATES, WORKS AND PACKAGES THE TOMATO FROM INDUSTRIES THAT ARE 100% MADE IN ITALY, AS WELL AS OTHER AGRICULTURAL PRODUCTS. WE WORK IN A WAY THAT IS ETHICAL AND SUSTAINABLE ALL ALONG THE SUPPLY CHAIN, PUTTING AT THE DISPOSITION OF CONSUMERS, CUSTOMERS AND BRANDS A WIDE RANGE OF PRODUCTS THAT RESPECT NATURE FROM THE SEED TO THE SHELF. ”

## OUR SUPPLY CHAIN

- It ensures quality and safety through the strict enforcement of standards and control of all production phases.
- Is committed to protecting the environment through controlling and improving impacts throughout the product lifecycle.
- Respects workers and ensures the enforcement of human rights standards, workers' rights and safety.
- Uses management systems and operations to reach goals and ensure that performance getting better and better.

# 1.3 ACTIVITY AND PRODUCTS

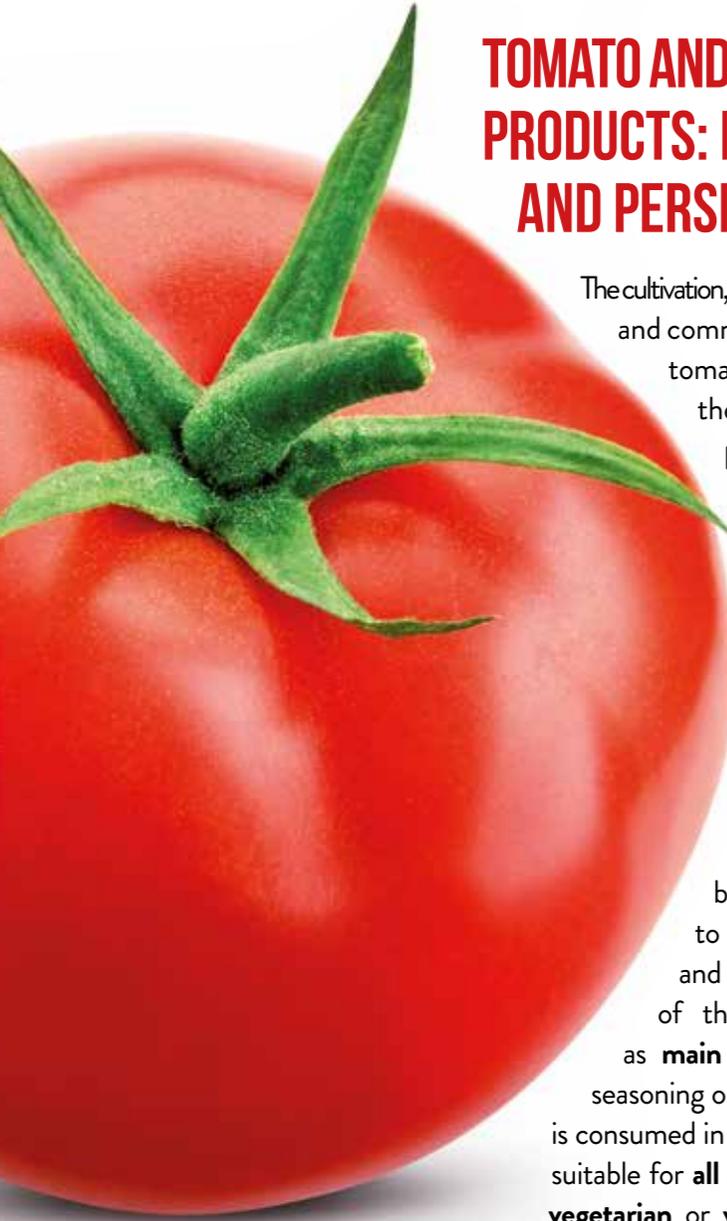
Cultivating, processing, packaging of fresh tomato intended for the **three large customers/ distribution channels.**

**1** The basic natural semi-finished product packaged in “industrial” formats for sale as ingredient for the food industry: pulp, paste, concentrated for frozen pizza preparation, lasagna, stuffed pasta etc...

**2** Natural finished product, for sale under the proprietary brands (Pomì and De Rica) in the Food-Service retail channel internationally

**3** Finished product, natural or as a recipe, sold as co-manufacturer to large multinational food companies or as private label for European and global retail chains.





## TOMATO AND DERIVATIVE PRODUCTS: DIFFUSION AND PERSPECTIVES

The cultivation, harvest, transformation and commercialization of the tomato are at the core of the business and the prevailing activity of the Consorzio Casalasco.

A known vegetable used in many countries and particularly appreciated for its health properties, who knows no barriers to entry, due to its multiple uses and finding roots in all of the world's kitchens as **main dishes, ingredient, seasoning** or as **juice to drink**. It is consumed in **low sodium** recipes, suitable for **all ages**, at the basis of **vegetarian** or **vegan** lifestyles and allowed in the kitchens that underlie

specific **religious beliefs**, such as in Jewish and Muslim cuisine.

**It is not an allergen** and is therefore used in food preparation in all distribution channels, for home use and catering, as well as in the industrial market for the preparation of ready-to-eat, fresh or frozen dishes.

The tomato is grown in specific areas but consumed worldwide: only in the European Union is it expected that **the consumption of tomato derivatives will increase** to over 21 kg in 2030 (fresh tomato equivalent).

**100% FRESH ITALIAN** 

**ADAPTED TO ALL CUISINES** 

**FAT-FREE** 

## OUR BRANDS

**Pomì**

Iconic, young and distinctive, Pomì is a GLOBAL brand distributed in 57 countries across 5 continents with major market penetration in countries such as the USA, Germany, Austria, Russia and the Middle East.



**De Rica**

Traditional high-end brand synonymous with quality, freshness, flavor and genuineness, that today extends to vegetable products other than those derived from the tomato, intended for both the domestic market as well as foreign markets.



**Gustodoro**  
Alta Qualità Italiana

“Umbrella brand”, capable of representing a wide range of packaged products from the Casalasco plants, with the “value for money” feature a quality product, 100% Italian, sourced from a farmers’ cooperative to bring high quality at a fair price to the table.



BRANDS REPRESENT ABOUT 17% OF THE TURNOVER CONSOLIDATED FOR CONSORZIO CASALASCO. THEY SERVE THE PURPOSE TO REPRESENT THE COOPERATIVE AND TO CREATE A DIRECT LINK WITH THE CONSUMER. THEY ALSO GUARANTEE GREATER PROFITABILITY TO ITS MEMBERS GIVEN THE ADDITIONAL MARGINS A WELL-KNOWN AND DISTRIBUTED BRAND CAN GUARANTEE IN THE MEDIUM-LONG TERM.

## OUR BRANDS



ARP is a brand historically tied to the establishment of the Gariga di Podenzano Plant (PC), that from its foundation in the mid-1950's to 2015 was called "Agricoltori Riuniti Piacentini" or United Farmers of Piacentini. It represents a range of products closely related to the processing and packaging plants of that production site particularly suited to packaging for the Food-Service channel.



1due3 is a brand that customizes a small range of juices from high-quality fruit. Established in 2010 to accompany in the Italian distribution of Casalasco in the world of beverages. It's a niche product, much appreciated for the quality and design of its packaging.



## THE CO-MANUFACTURING SEGMENT

Over the past 20 years, the Consorzio has undertaken a policy of production diversification, using know-how and plants for different product categories; Casalasco, doesn't just mean tomato, but rather a very wide range of processes, products and recipes, in various formats, to offer standard or tailored responses to international partners in 6 segments:

1



### TOMATOES

Pulp and from concentrate derived from the transformation of fresh tomatoes

2



### SAUCES AND CONDIMENTS

Vegetable and meat sauces, dairy-based sauces, condiments, ketchup

3



### SOUPS

Pesto, legumes, soups, velvety soups, minestrone soups

4



### BROTHS

Vegetable and meat broths

5



### FRUIT JUICES

Fruit juices, fruit nectars and vegetable blends

6



### BEVERAGES

Alternative milks (almond, soy, coconut...), teas and beverages

## 1.4

# CONSORZIO CASALASCO COMPANY STRUCTURE



CONSORZIO CASALASCO CONTROLS A NUMBER OF COMPANIES UPSTREAM AND DOWNSTREAM OF ITS MAIN PROCESSING AND PACKAGING ACTIVITIES WITH THE AIM TO INTEGRATE THEM WITH TASKS THAT MAXIMIZE VALUE CREATION:

## C.I.O.

(Conorzio Interregionale Ortofrutticolo - Parma), as the first Association of Producers' Organisations (AOP) in Europe in the industrial tomato sector, carries out various selection, collective purchasing and traceability management activities from seed to farm field.

## POMÌ USA

Founded in 2009 and 100% controlled by Consorzio Casalasco, Pomì USA Incorporation is the exclusive distributor of Pomì branded products in the USA. In 2019, reinforced its core team by hiring a new executive director and ended the year with growing revenues compared to the previous year.

## CASALASCO AGRICOLA

is responsible for testing tomato varieties and supporting Consorzio in primary agricultural activities.

## S.A.C.

In 2018, the Carmagnola-based (TO) company saw 65% of its social capital owned by Consorzio Casalasco, but continues to be managed in accordance with past traditions (Oglino family). In addition to the distribution of products for the French Private Label and of other European countries, it has held the Victoria brand for decades, which has generated revenues of 13.2 million euros (equivalent to 32.5% of total revenues) in 2019.

# 1.4.1

## CONSORZIO CASALASCO COMPANY GOVERNANCE

The Governance Model Adopted by the Cooperative and the organization of the actors that form it is described below.

THE CASALASCO CONSORZIO DEL POMODORO COOPERATIVE IS AN O.P. (ORGANIZATION OF PRODUCERS) THAT FOLLOWS A STRAIGHT LINE AND IS DISCIPLINED ACCORDING TO THE PRINCIPLE OF MUTUALITY, WITHOUT PRIVATE SPECULATION, WITH THE AIM TO ENHANCE THE PRODUCTION OF MEMBERS AND PROMOTE THE IMPROVEMENT OF THEIR FARMS.

### MEMBERS

Ordinary co-operating members are entrepreneur farmers who can contribute to the achieving of social purpose. They benefit from the institutional performance of the cooperative and participate in its management for the mutual benefit of others. They provide the exclusive cultivation, harvesting and bestowal of the entire tomato industry produced, based on the agreements of the consortium. In addition to the co-operating members, the Consorzio Casalasco also comprises supporting members and financing partners.

### ASSEMBLY OF MEMBERS

Members participate in the Company's General Assembly that takes place at least once a year. Each co-operating member has a vote while every supporting member has one or more votes up to a maximum

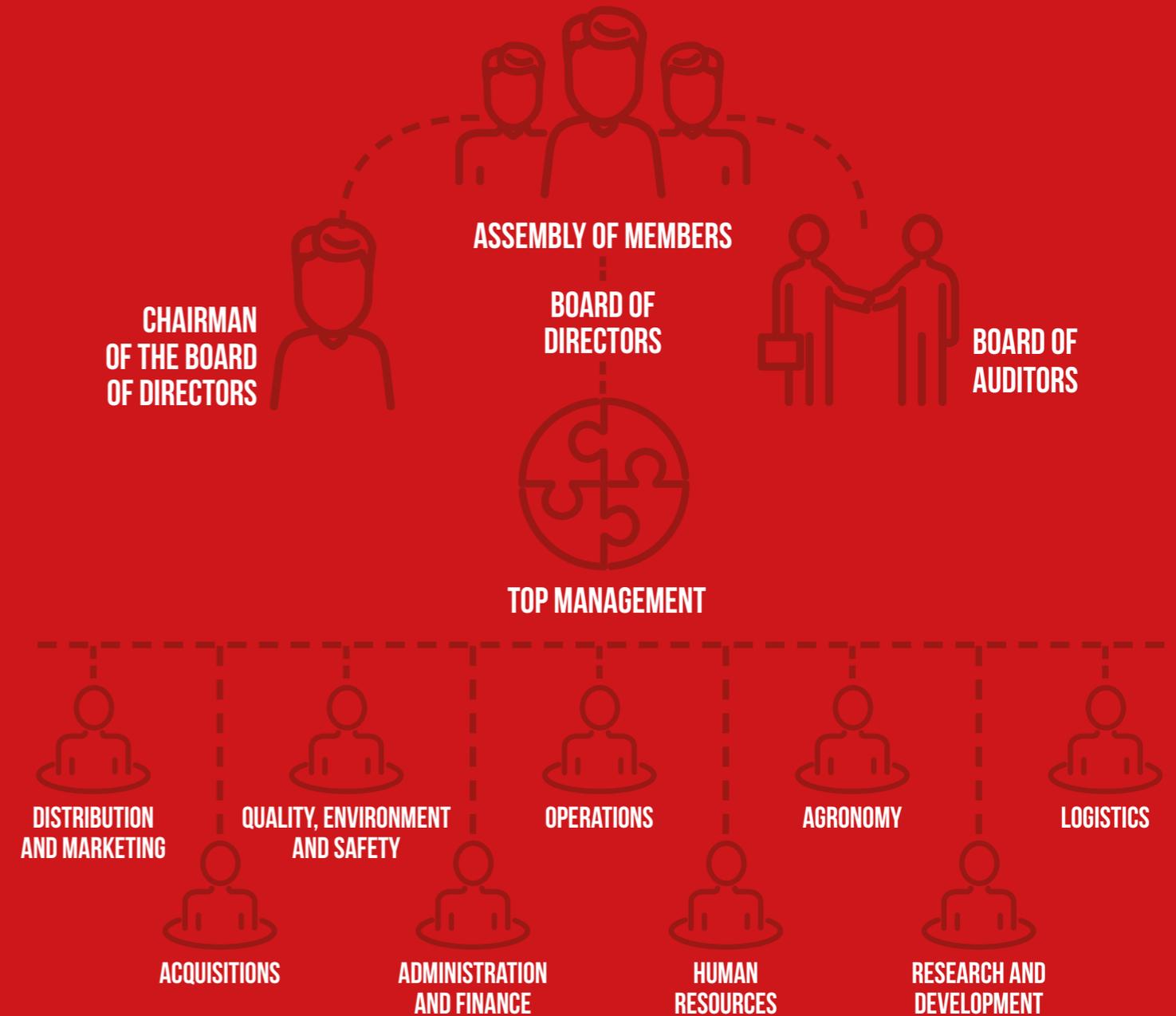
of five, allocated based on the amount of capital paid. The main functions of the Assembly are the approval of the budget, the appointment of the Board of Directors and Board of Auditors and the approval of internal regulations.

### BOARD OF DIRECTORS

The Board of Directors, formed of 14 members, 13 of whom were chosen from the co-operating members and 1 indicated by the lenders, serves as a strategic organizational coordination. The Board, through regular meetings, elects the Chairman and his deputy and appoints technical committees. The Chairman of the Board is awarded all ordinary administrative powers needed in order to prepare the industrial plan, annual budget and organizational arrangements of administrative services. Please refer to pages 176 and 177 for details about the composition of the Board of Directors.

### BOARD OF AUDITORS

The Board of Auditors is made up of members elected by the Assembly of Members and supervises mutual initiatives



The organizational structure adopted by the Consorzio Casalasco del Pomodoro, under the Presidency, provides for the Top Management to which the following Areas are headed: Administration & Finance, logistics, distribution & marketing, Human Resources, Operations, Quality, Environment and Safety, Purchasing, R&D

# 1.5 ETHICS, INTEGRITY AND COMPLIANCE

**CONSORZIO CASALASCO IS COMMITTED TO FIGHT AGAINST CORRUPTION AND THE PREVENTION OF RISKS RELATED TO ILLEGAL PRACTICES.**

Conorzio Casalasco, in accordance with the principles inspired by its Statute and to ensure maximum correctness and transparency in the conduct of its business and related corporate activities, is adopting the **Organizational and Management Model** pursuant to Legislative Decree no. 231 (hereinafter the “Model” or “Organizational Model” structured as follows:

- **Analysis of different potential risks**
- the Consortium’s **Code of Ethics**
- **Management system to minimize the risk of breaching laws and company directives**
- Appointing of a **Supervisory Board** that oversees the enforcement and adequacy of the model, all encompassing of the company’s operating practices.

The aim of this Model is to encourage a cooperative and transparent approach towards stakeholders, to prevent unethical and/or illegal conduct in the conduct of business, to increase the company’s reputation and image, to ensure that the company’s activities are carried out in compliance with current legislation and in accordance with the provisions of the Consortium’s Code of Ethics. The aim is to disseminate an ethical and socially responsible business model in the sector in which it operates.

## **ANTI-CORRUPTION**

Conorzio Casalasco is committed to fight against corruption and the prevention of risks related to illegal practices, both through the dissemination and promotion of ethical values and principles and through the

effective provision of rules of conduct and the implementation of control processes. In this context, the Consortium defines in the United Nations Global Compact Annual Report its commitments to promote relationships with its customers and suppliers based on honesty, transparency and integrity.

In order to strengthen the prevention and contrast of potential corruptive practices, the Consortium pursues the following objectives:

- provide high quality products and services that meet the Customer’s reasonable expectations and protect their safety and security;
- provide accurate, complete and truthful information;
- be consistent with advertising, commercial or other communications;
- scrupulously observe current regulations and internal procedures relating to the selection and management of relationships with Suppliers;
- adopt objective and transparent evaluation criteria in the selection of any supplier companies that meet the required requirements;
- observe and respect in supply relationships the applicable legal provisions and the contractually established conditions;



- be inspired by the principles of fairness and good faith in correspondence and dialogue with Suppliers, in line with the strictest business practices. Finally, the Consortium respects and is inspired by the applicable regulations and regulations in its relations with the Public Administration, the authorities and other regulatory bodies.



## RESPECT FOR THE ENVIRONMENT

Consorzio Casalasco, conscious of the fact that the territory in which it operates represents an “asset” to be respected and preserved, has been active for several years in the management of innovative initiatives and projects, aimed at the development of more sustainable agricultural practices to maximize savings and energy and water efficiency, both in its production sites and in those of its consortium members.

It is also strongly committed to the implementation of agronomic protocols aimed at a responsible and rational use of plant protection products to ensure an increasingly safe product and a lower impact of its activities on the environment. The Consortium undertakes numerous projects in this field every year with the aim of increasing the environmental awareness of all actors along the entire supply chain, from cultivation in the field to the industrial processing of

the product, up to its packaging and commercialization.

The Consortium participates in European programmes and collaborates with international partners in projects aimed at reducing the impact of cultivation activities on natural resources. It also participates the study of low impact products both in terms of formulation and packaging. Finally, it is part of the Gruppi di Azione Locale (Local Action Group) for the protection and promotion of the Territory.



**NUMEROUS ARE THE PROJECTS THE CONSORTIUM UNDERTAKES IN THIS FIELD EVERY YEAR WITH THE AIM OF INCREASING THE ENVIRONMENTAL AWARENESS OF ALL ACTORS ALONG THE ENTIRE SUPPLY CHAIN, FROM CULTIVATION IN THE FIELD TO THE INDUSTRIAL PROCESSING OF THE PRODUCT, UP TO ITS PACKAGING AND COMMERCIALIZATION.**



## RESPECT FOR HUMAN RIGHTS AND WORKERS' RIGHTS

Consorzio Casalasco is committed to spreading an ethical management model along the entire supply chain, based on the respect and dissemination of standards to protect human and workers' rights.

This commitment is manifested in the adherence to the **United Nations Global Compact**, to sustainable initiatives and policies that the Global Compact supports in the areas of human rights, safety in the workplace, the environment and anti-corruption, as well as in making public the results of the actions undertaken in compliance with corporate social responsibility.

Moreover, the Casalasco Consortium participates in the Sedex platform, a tool for the management of ethical data on the supply chain and adheres to SMETA ethical audits at processing

sites. In order to identify, manage and mitigate ethical risks in its supply chain, it subjects its supplier members to 2nd and 3rd party audits by applying SMETA and ETI feedback lists.

Aware that people represent a fundamental resource for the Casalasco Consortium and its member farms, over the years training and information courses have been developed to disseminate issues related to health and safety in the workplace, correct hygienic behaviour and environmental sustainability.

The Consortium has mapped the supply chain of the tomato and packaging used in semi-finished products and Pomì branded products, committing to all vendors to share and subscribe to the Code of Conduct, obtained from the 2016 **Social Footprint** certification (refer to chapter 5, page 122 for more information).

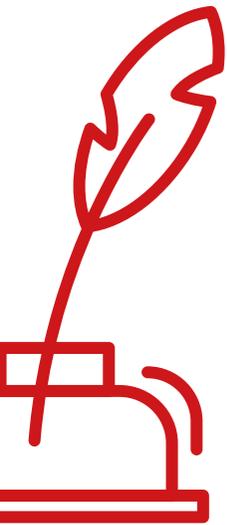


## 1.6

QUALITY ASSURANCE  
AND GLOBAL RISKS  
MANAGEMENT

THE CONSORZIO CASALASCO DEL POMODORO HAS AN INTEGRATED MANAGEMENT SYSTEM IN ORDER TO:

- Manage consciously, preventively and while checking business-related risks.
- Create expertise and awareness within operators who are put in a position to operate proactively by knowing the correct ways to work and the consequences of their work on the rest of the system.
- Have a large and reliable bank of information that allows management to make decisions supported as much as possible by trusted data shared to all management, thus enabling the synergistic risk assessment of opportunities and threats in both the internal and external context.



## 1.7 CERTIFICATIONS

To achieve the objectives set out in its Policy for Quality, Environment and Social Responsibility, **Consorzio Casalasco**, in addition to complying with mandatory regulations, adheres to voluntary standards.



**THE PRODUCT AND PROCESS  
CERTIFICATIONS OF CONSORZIO  
CASALASCO TESTIFY TO ITS  
COMMITMENT TO PURSUE  
IMPROVEMENTS IN ALL  
ACTIVITIES AND TO OBTAIN A  
BETTER COMMERCIAL VALUE  
OF THE PRODUCTS**

## LIST OF CERTIFICATIONS

- ★ **BRC Global Standard**  
Standard British Retail Consortium (GFSI)
- ★ **UNI EN ISO 22005:2008**  
Traceability system for agri-food chains
- ★ **UNI EN ISO 14001:2015**  
Environmental Management System  
*Rivarolo del Re*
- ★ **RSPO Certification**  
(Roundtable on Sustainable Palm Oil)
- ★ **IFS – International Food Standard (GFSI)**
- ★ **Social Footprint Product Certification** (Social Product Identity)
- ★ Regulation CE 2017/1505 (**EMAS**)  
*Rivarolo del Re and Gariga di Podenzano*
- ★ **Controlled supply chain for use of non-GMO seed**
- ★ **Integrated production rules and regulations** of the Emilia Romagna Region: tomatoes for the production of quality QC branded tomatoes (LR28/99)
- ★ Raw material **100% Italian tomato**
- ★ **Carbon Footprint (Carbon Trust) Certification**
- ★ **NSF - non GMO** project verified (US)
- ★ Compliance with **Regulation 834/07/CE for Organic Production**
- ★ **Sedex** – Registration – and audits in accordance with **SMETA** protocol for Farms and Production Sites
- ★ **GFCO** – Gluten-Free Certification Organization (US)
- ★ **KRAV** – certification for organic products sold in Sweden
- ★ Adhesion to the **ECOVADIS** platform (silver ranking)
- ★ **Halal** certified for tomato processed products
- ★ **Kosher** certificate for tomato processed products

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All mandatory and voluntary standards are managed consistently and in synergy with the integrated management system that covers aspects of product quality and safety, ethics and social responsibility, supply chain management, environmental aspects, product standards and customer specifications.

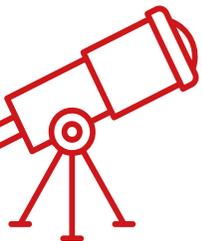
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Indicators and KPIs (key performance indicators) of the integrated system provide continuity of a comprehensive and reliable information bank for strategic planning and process reporting at the heart of this sustainability report.

# 1.8 STRATEGIC VISION

**TO APPLY AN ETHICAL MANAGEMENT MODEL, THAT IS, BASED ON THE DISSEMINATION, RESPECT OF, APPLICATION AND CONTROL ALONG THE SUPPLY CHAIN OF STANDARDS DEFENDING HUMAN RIGHTS AND THE RIGHTS OF WORKERS, THE ENVIRONMENT AND LEGALITY.**

- Reunite tomato producers to no longer only offer the fruit of their cultivation on the market but an enhanced product with a higher added value.
- To be a partner to member farms in their efficient, sustainable and innovative management.
- Evaluate our brands coherence with the different brand identities to conquer the space among the excellency of Italian brands on the domestic and international markets.
- Confirm excellent, reliable and innovative partners for the main brand companies and distribution for:
  - production of semi-finished products that use as ingredients, sauces and condiments ready for the shelf
  - development, production and packaging of sauces and tomato-based sauces and not, soups, minestrone, drinks and fruit juices.
- Apply an ethical management model, that is, based on the diffusion, respect, application and control along the chain of rules in defense of human rights, workers' rights, the environment and legality.
- Promote a management model able to enhance, and retain qualified staff, carefully respecting human rights, while promoting work-life balance.
- Continue the growth strategy in terms of turnover, volumes, and market share.





# 2

# THE CONSORZIO'S STAKEHOLDERS

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# 2.1 THE CONSORZIO'S STAKEHOLDERS



After an initial mapping of stakeholders, the Consortium's path is continued in 2019 with an analysis meant to prioritize and aggregate the different stakeholders based on converging expectations.

The next step was to identify, starting with defined "strategic" stakeholders, commitments that will be subject to evaluation and reporting at the end of 2020 and related channels communication.

Among the **priority stakeholders** are:

### MEMBERS

Owners of shares but also providers of the Consortium's raw material.

### EMPLOYEES

To which Chapter 5 is dedicated.

### CUSTOMERS

Divided into end-users of the product of the brand and customers of the industrial channel or co-manufacturer and Private Label.

- MEMBERS
- AGRICULTURE COMMUNITY AND THE ENVIRONMENT
- TRADE ASSOCIATIONS

- END CONSUMER

- INFLUENCERS
- TREND SETTERS

- ORGANIZATIONS
- TRADE UNION
- ORGANIZATIONS AND NON-PROFIT ORGANIZATIONS
- INSTITUTIONS
- REGULATORY BODIES

- PARTNERS
- SUPPLIERS

- LOCAL COMMUNITY

- COMPETITORS

- CUSTOMERS



# 2.2 THEMES AND COMMITMENTS TO STAKEHOLDERS

STAKEHOLDER	COMMUNICATION CHANNEL	MATTERS OF INTEREST	COMMITMENTS
<b>EMPLOYEES AND FAMILIES</b>	<ul style="list-style-type: none"> <li>• Communication boards in factories and offices</li> <li>• Training and periodic updating activities</li> <li>• Regular meetings with the social partners</li> <li>• Service orders and internal communication e-mails</li> <li>• Training and informative events</li> </ul>	<ul style="list-style-type: none"> <li>• Health initiatives at the workplace and in general (thyroid screening)</li> <li>• Welfare policies</li> <li>• Competence and awareness: training on the application of mandatory regulations and operational practices</li> <li>• Communication of strategies and results</li> </ul>	<ul style="list-style-type: none"> <li>• Continue initiatives to protect health and well-being at home and in the workplace</li> <li>• Identify spaces and tools dedicated to sharing information on objectives, results and the main events in corporate life</li> <li>• Providing the right professional tools for addressing the company's growth</li> </ul>
<b>MEMBERS</b>	<ul style="list-style-type: none"> <li>• Assembly and meetings</li> <li>• Informal meetings</li> <li>• Publication of information materials and extracts of the social report</li> <li>• Publication of information on request</li> <li>• Press Releases</li> <li>• News on the website</li> <li>• Collaboration and support in daily agricultural land management activities</li> </ul>	<ul style="list-style-type: none"> <li>• Consortium performance, price of tomatoes, industry prospects, strategies</li> <li>• Technical meetings</li> <li>• Farm awareness on human rights, workers' rights and agriculture-related labour standards</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing the path of growth and enhancement of the Consortium</li> <li>• Increase initiatives to support farmers in their entrepreneurial action (info., services, technical support)</li> <li>• Create institutionalized moments in which to communicate the results of the Consortium not only economic, but also social and environmental</li> <li>• Promoting membership in the Consortium for Farms who have a medium-to-long-term perspective that involves growing tomato</li> </ul>





STAKEHOLDER	COMMUNICATION CHANNEL	MATTERS OF INTEREST	COMMITMENTS
<p><b>AGRICULTURE COMMUNITY, THE ENVIRONMENT AND TRADE ASSOCIATIONS</b></p>	<ul style="list-style-type: none"> <li>• Meetings, conferences</li> <li>• Press releases</li> <li>• Publication of information material and excerpts from the social report</li> <li>• News on site</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability, commitments and results of the Consortium</li> <li>• Sustainability and innovation: good practices for optimal impact management in agriculture</li> <li>• The farmer’s role as a steward of the territory and its protection</li> </ul>	<ul style="list-style-type: none"> <li>• Support for farmers in the adoption of sustainable practices</li> <li>• Social goals for the agricultural world: respect for human rights in the new GRASP standard</li> <li>• Sustainability from fields to shopping cart</li> </ul>
<p><b>CUSTOMERS AND END-CONSUMERS</b></p>	<ul style="list-style-type: none"> <li>• Daily relations with the commercial offices and Quality Assurance of the Consortium</li> <li>• Participation in major B2B and B2C trade fairs</li> <li>• Audits and technical meetings at the Consortium</li> <li>• Meetings with strategic customers presenting the Social report and Consortium results</li> <li>• R&amp;D project management and specifications</li> <li>• Publication of information material and extracts of the social report</li> <li>• Website and every digital tool gradually available</li> </ul>	<p><b>CO-MANUFACTURING ACTIVITY</b></p> <ul style="list-style-type: none"> <li>• Consortium’s Strategic Results and Objectives</li> <li>• Launch of new products and processes</li> <li>• Technical meetings on sustainability: sustainable agriculture</li> <li>• Ethics and human rights</li> <li>• Business continuity and risk management</li> </ul> <p><b>BRANDED PRODUCTS</b></p> <ul style="list-style-type: none"> <li>• Launch of an organic range in the US</li> <li>• Launch of the De Rica legume range</li> <li>• Launch of new tomato sauces for export</li> <li>• TV advertising campaign for Pomì and De Rica Italia</li> </ul>	<p><b>CO-MANUFACTURING ACTIVITY</b></p> <ul style="list-style-type: none"> <li>• Enhancing tools to ensure transparency, integration and reliability of the Consortium and its products</li> <li>• Implementation of global risks management systems</li> <li>• Support for development-related initiatives of products that integrate long-term sustainability aspects in their entire life cycle</li> </ul> <p><b>BRANDED PRODUCTS</b></p> <ul style="list-style-type: none"> <li>• Increase communication across multiple channels to consumer in Italy and abroad on targets and Consortium results</li> </ul>
<p><b>BANKS AND FINANCIAL INSTITUTIONS</b></p>	<ul style="list-style-type: none"> <li>• Website</li> <li>• Press releases</li> <li>• Periodical financial reports</li> <li>• Ad hoc meetings</li> <li>• Editorials and specialized press articles</li> </ul>	<ul style="list-style-type: none"> <li>• Presentation of the Consortium, its achievements and objectives</li> <li>• Enhancement of intangible assets</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing on the accountability path to improve dialogue with the market</li> </ul>

<sup>1</sup> B2B: Business to Business  
<sup>2</sup> B2C: Business to Consumer

# 2.3 MATERIAL TOPICS

The selection of the topics to be reported on was made on the basis of relevance for the company and key stakeholders, input from those responsible for different business areas and the most recurring requests made by customers and other stakeholders.

**Material topics**, i.e. the aspects with economic, social and environmental relevance for the Consortium and that affect or could significantly affect stakeholder decisions, have been **aggregated and correlated to strategic goals** that the different aspects can be referred to, to give evidence of consistency with business strategies with the crucial aspects in the relationship with stakeholders.



## GOVERNANCE AND COMPLIANCE

- Ethics and Compliance
- Business continuity and risk management
- Corporate Governance
- Anti-corruption
- Economic and financial performance and value creation



## SUPPLY CHAIN RESPONSIBILITY

- Sustainable and transparent supply chain
- Human Rights



## ENVIRONMENTAL RESPONSIBILITY

- Management of direct environmental impacts
- Sustainable agriculture and protection of the territory



## PRODUCT RESPONSIBILITY

- Food quality and safety
- Traceability in the supply chain and product certification
- Product and process innovation
- Responsible communication and labeling
- Brand image and reputation
- Nutrition and healthy lifestyle



## SOCIAL RESPONSIBILITY

- Occupational health and safety
- Personnel management and development
- Welfare policy
- Diversity and equal opportunities
- Industrial relations



## 2.4

# THE HEART OF THE CONSORZIO: THE MEMBER COMPANIES AND THE AGRICULTURAL SUPPLY CHAIN

The short supply chain of the Consortium is in the first place thought of as proximity relational: **Consortium Technicians work in close contact with farmers**, with whom they have relationships based on knowledge and trust, and play a role that goes beyond mere technical support for growing tomatoes, but become real **management consulting for agricultural companies**, which are **assisted and supported in their main needs: insurance coverage, access to credit, use**

**of contractors, access to funding.**

This in addition to **agronomic activities**, such as the proposal for innovative technology solutions, integrated along the whole tomato value chain, to ensure improvements at the level of environmental sustainability, safety, ethics, quality, traceability, efficiency.

The relevant aspects of the tomato supply chain are explained in-depth in Chapter 3.

Among the **services offered to members**:

- **Continuous technical support** with fortnightly visits throughout the cultivation of the tomato field;
- **Organization of training courses** to comply with requirements (in 2019 First aid course for 11 companies and update for 113) or for technical-agronomic updates;
- **Agriculture production insurance coverage** for members with economic conditions that are better than the market and management of related claims;
- **Access to full-time funding for buying machinery** to harvest tomatoes (10 in 2018 and 1 in 2019) thanks to the Operating of the Consortium;
- **Economic support for using sustainable techniques** (e.g. micro irrigation cultivation of experimental varieties);
- **Provision on behalf of members for the application contributions** as part of Measure 10.1.10 of the Rural Lombardy Region Development Plan. The notice proposes incentives to farmers for the introduction and maintenance of agricultural practices with low environmental impact, through more use-conscious production models and the use of sustainable resource and conservation of animal and vegetation biodiversity.



# 2.5 SUPPORT OF LOCAL COMMUNITIES



## 2.5.1

### THE OGLIO-PO AND TERRE DEL PO LOCAL ACTION GROUPS

The Consorzio Casalasco takes part in two Local Action Groups (L.A.G), the Oglio Po and Terre del Po L.A.G, cover the territories of the basin of origin of the farms in the provinces of Mantua and Cremona.

The **L.A.G** is a consortium company composed of other partners, both public and private, such as Municipalities, Trade Unions, Enterprises, Freelancers, Associations of entrepreneurs, Etc.

**The objective of Local Action Groups is to schedule, encourage and incentivize development in rural areas**, through the use of European Structural Funds such as FEASR, the European Agricultural

Development For Rural Development, using the Local Action Plan as a tool for defining interventions.

As a member of the two L.A.G (also currently serving as an advisor in the Oglio Po L.A.G) **the Consortium plays the fundamental role of connecting farm needs and offer opportunities from national and European funds for the development of the territory.** In this way important resources for the development of territories and the communities not only belong to members, but it promotes the adoption of member company initiatives aimed at innovation, the development of entrepreneurship and the enhancement of the territory and local characteristics.

**The L.A.G has funded social, cultural and environmental projects** (4 companies that are members of the Consortium have made investments benefiting 35% of the contribution).



# 2.5.2

## SPONSORSHIPS

The company's two flagship brands, **Pomì** and **De Rica**, are used to sponsoring and supporting organizations and events closely related to the territory and the community in which the Consortium operates.



**Pomì**, young, dynamic, healthy and trendy brand combines well with **sports**, and in particular with three disciplines, **volleyball, athletics and football**, in which fatigue, spirit of team spirit, endurance, technique and the pursuit of excellence are key factors for victory.

Among the various sponsorships, especially the one for the women's Casalmaggiore volleyball team, which over the years has seen an unstoppable rise from B2 to A1 and the victory in the European Champions League.

The **De Rica** brand, which embodies classic and traditional values, is instead a partner of **cultural and artistic initiatives**, has sponsored the restoration and reopening to the public of the so-called "Walk of Artists" Of Santa Maria di Campagna in Piacenza in 2018.

THE CONSORZIO CASALASCO IS ALWAYS AWARE OF THE NEEDS OF ITS TERRITORY THROUGH THE PARTICIPATION AND REPRESENTATION IN TRADE UNIONS, NETWORKS, PROFESSIONAL AND UNIVERSITY TRAININGS, PARTNERSHIP WITH INSTITUTIONS AND OF THE PRIVATE SECTOR BODIES.

The **Consortio Casalasco** supports **Nonprofits, religious communities and parishes** with direct sponsorships, the donation of food products or hire people in situations of social fragility.

2019 CHARITY  
**€ 97,815**

2019 SPONSORSHIPS  
**€ 494,698**

MONETARY VALUE OF PRODUCTS DONATED TO BANCO ALIMENTARE AND NONPROFITS 2019  
**€ 27,500**



### BANCO ALIMENTARE

THE COLLABORATION WITH BANCO ALIMENTARE HAS THE PURPOSE TO PROMOTE COMMON VALUES IN THE FIGHT AGAINST POVERTY AND FOOD WASTE. THE COLLABORATION HAS BEEN ACTIVE FOR MANY YEARS, REDISTRIBUTING BASIC NEEDS FOOD PRODUCTS AS WHEN THEY ARE AVAILABLE.

These initiatives, in addition to other deliveries, obviously not only highlight a focus on the problems faced by receiving communities, but also a simple and concrete style of direct intervention, aimed at taking charge of the problems close to the Consortium and its people in a method that is representative of its style and values.



## 2.6

THE CONSORZIO  
CASALASCO FOR  
INDUSTRIAL CUSTOMERS:  
THE TOP CUSTOM-MADE  
QUALITY



**THE CONSORZIO CASALASCO, HAS ALWAYS BEEN A PARTNER OF THE BEST MULTINATIONALS IN THE FOOD SECTOR AS A CO-PACKER, AS WELL AS LARGE INTERNATIONAL DISTRIBUTION OF CLASSIC MANUFACTURER FOR PRIVATE LABEL.**

The Consorzio Casalasco has always been a **partner of the best multinationals in the food sector as a co-packer, as well as of the Great International Distribution as a classic manufacturer of private label.**

The service offered goes from the production of its recipe to the development of packaging and product according to the customer's specifications or internal proposal of R&D.

The Consortium is therefore able to offer **exclusive and tailored quality for each customer.** The service includes a "key in hand" offering with the realization of a product defined in all its parameters and process, the study of shelf-life, the control plan, choice and guarantee of ingredients according to established specifications, labeling according to the rules of the countries of distribution and packaging in a variety of formats. In 2019, it produced of more than 2,200 different references and operated safe and efficient logistics capable of reliably meeting the demand.

And if the HACCP analysis and the study of critical process points is now know-how and consolidated with other regulatory requirements (e.g. regulatory rules of the US Food and Drug Administration), **new tools** have come together over time to meet the needs of customers and to ensure the **global risk management** of voluntary and mandatory compliance requirements.

Thus, to meet the demands of the International Market, the Consortium developed product lines that respond to cultural, ethical and religious requirements (Kosher, Halal, Vegan), to meet specific needs (GFCO, Gluten Free, lactose-free) and in line with the most current lifestyles and consumption trends (low-sodium, sugar, etc.).

To highlight the company's capacity to ensure product supply even in emergency conditions, it has in fact done an in-depth study on **Business Continuity risks management**, while a **built-in management system** helps you efficiently **keep under control** all

**food, environmental, work and safety, compliance constraints** including every single requirement under contracts specifications.

And **because tomato suppliers are also members**, these **guarantees can also be extended to the agricultural supply chain** thanks to the application of agreements, (such as supply chain agreement and the Code of Conduct) specific standards (as for GlobalGAP, for example, which allow you to conduct audits and inspections of farmers.

The **close integration of farmers and transformation** ensured by the assurance of the sharing of the report in the company, **provides the Consortium with one very unique tool that allows to quickly shift the entire supply chain, strategic decisions, products and their characteristics:** varietal choices, treatments, quality parameters, etc.

Ultimately, this is a unique situation that provides a product that is not only secure in its characteristics but also transparent and with a valuable history.



## 2.7

# COMMUNICATION WITH CUSTOMERS: CORRECT, TRANSPARENT AND PART OF OUR IDENTITY



## COMMUNICATION

The **promotion activities for 2019** have been articulated via the following channel categories covering Italy and Exports, for both the Pomì and De Rica branded products:

-  OUTDOOR POSTERS
-  OFFLINE ADVERTISING ON NEWSPAPERS AND INDUSTRY MAGAZINES
-  ONLINE ADVERTISING IN LOCAL NEWSPAPERS
-  TELEVISION SPOT PLANNING
-  B2B FAIRS AND EVENTS OPEN TO THE PUBLIC
-  SPORTS SPONSORSHIPS
-  ONLINE ACTIVITY (WEBSITE MANAGEMENT, PROFILE MANAGEMENT AND MODERATION OF SOCIAL, ADVERTISING ACTIVITY)



## CASALASCO ON TV



The **Pomì Italia television campaign** appeared on the Rai network in early 2019 with disclosure of the 3 subjects in a hundred commercials, which aired with a duration of 15 seconds. The commercials covered **more than 55% Prime Time's** reach of **more than 18 millions of contacts** and have had as protagonists three different situations: a group of friends, a couple and a dad with a baby.



The **“De Rica. Preserving values from 1963” new television campaign** wanted to communicate the work done in 2018: A profound brand makeover and an expansion of its range that has evaluated it in the market of 100% Italian vegetable preserves, well beyond tomato segment. The new television campaign has provided 3 subjects for as many products of the natural legume line, as a symbol of a rich pantry of 100% Italian products in the supply chain. A film of aesthetic value, enhanced with elegance the product details through the cinematic approach. The elements portrayed are those of tradition and preservation of values, memories and taste through the De Rica brand. Hundreds of commercials aired with a duration of 30 and 15 seconds covered **more than 50% of Prime Time reach to more than 200 million contacts.**



## CASALASCO WEB & SOCIAL

If 2018 saw the launch of a new multi-country digital platform, with 13 dedicated sites in strategic and major markets for the Pomì brand, 2019 was entirely dedicated to consolidating this Channel. Available in 8 different languages, with information on products, the company and supply chain, the **13 sites are always up-to-date with original recipes, news and curiosities**, while the social **networking channels** are fed weekly for weaving new relationships, stimulating people to interact on the most exciting topics.

Alongside the detail of the active social channels in different countries. Monthly editorial plans are developed for each channel. These contain posts, images, and videos that tell the story of the values of the brand (supply chain, sustainability, Italian identity, etc.), and promote products through the disclosure of dedicated tips and recipes, also created by popular influencers or food bloggers in the destination countries. The launch of the digital platform has marked the beginning

Platform management is insured by an **Italian agency leaning on 5 international partners** for ad hoc content creation that respects tradition, culture and current trends and moderates any conversations with social media users.

of a new long-term communication strategy: a **storytelling brand** designed to exchange in conversations with people throughout the world, aimed at direct and personalized contact with the public. The worldwide digital presence follows along with Pomì's commercial successes: a virtual journey to new markets make known the goodness and versatility of our products and expand the family of tomato lovers and authentic Italian cuisine.

## 13 COUNTRIES AND WEBSITES

- USA
- Canada
- Guatemala
- Germany
- Austria
- Italy
- Lebanon
- Jordan
- Saudi Arabia
- Bahrain
- United Arab Emirates
- Russia
- Japan



ITALY



USA



GERMANY AUSTRIA  
MIDDLE EAST JAPAN  
GUATEMALA RUSSIA



## WEB COMMUNICATION NUMBERS

In 2019, as shown on the next page, a total of 1500 posts were published on various social media channels and 40 articles on the sites that not only talk about the company and the values of the brand, but also about culinary tradition, wellness and healthy lifestyle advice.

Pomì also promoted the publication of 5 cookbooks that are meant to disseminate Pomì-based recipes, and to increase the fan base of the brand through consumer loyalty (subscription to the monthly newsletter).

The objectives of the editorial plans for the year to come aim to elaborate on issues dear to the Consortium such as a healthy diet, its supply chain and sustainability, as well as the theme of food waste, providing some tips for its reduction in the kitchen. This communication strategy will be proposed on various levels in Italy as well as abroad.

# 1,500

POSTS PUBLISHED  
ON 18 SOCIAL MEDIA PROFILES

# 40

BLOG ARTICLES

Publication and translation of articles on corporate themes, health and wellness, Mediterranean cuisine

# 185

ORIGINAL RECIPES

In 5 free downloadable cookbooks

## COMMUNICATION OF BRAND SUPPORT



# 2.8 WORDING AND PRODUCT LABELING

Food labeling includes the set of indications, trademarks, images or symbols that relate to the food product and that appear directly on the packaging or on a label or on ring bands tied to the product itself or on accompanying documents of food products.

**Using the label, the manufacturer conveys essential information about products** (ingredients, weight, expiration date, storage and use, etc.), as well as information that is considered non-essential but rather consumer-friendly

(nutrition facts, package recycling details, source of the product, etc.).

The exact wording of the labels for a huge and ever-growing number of references according to **languages and countries and different legislation**, is one of the most more complicated aspects of the food industry.

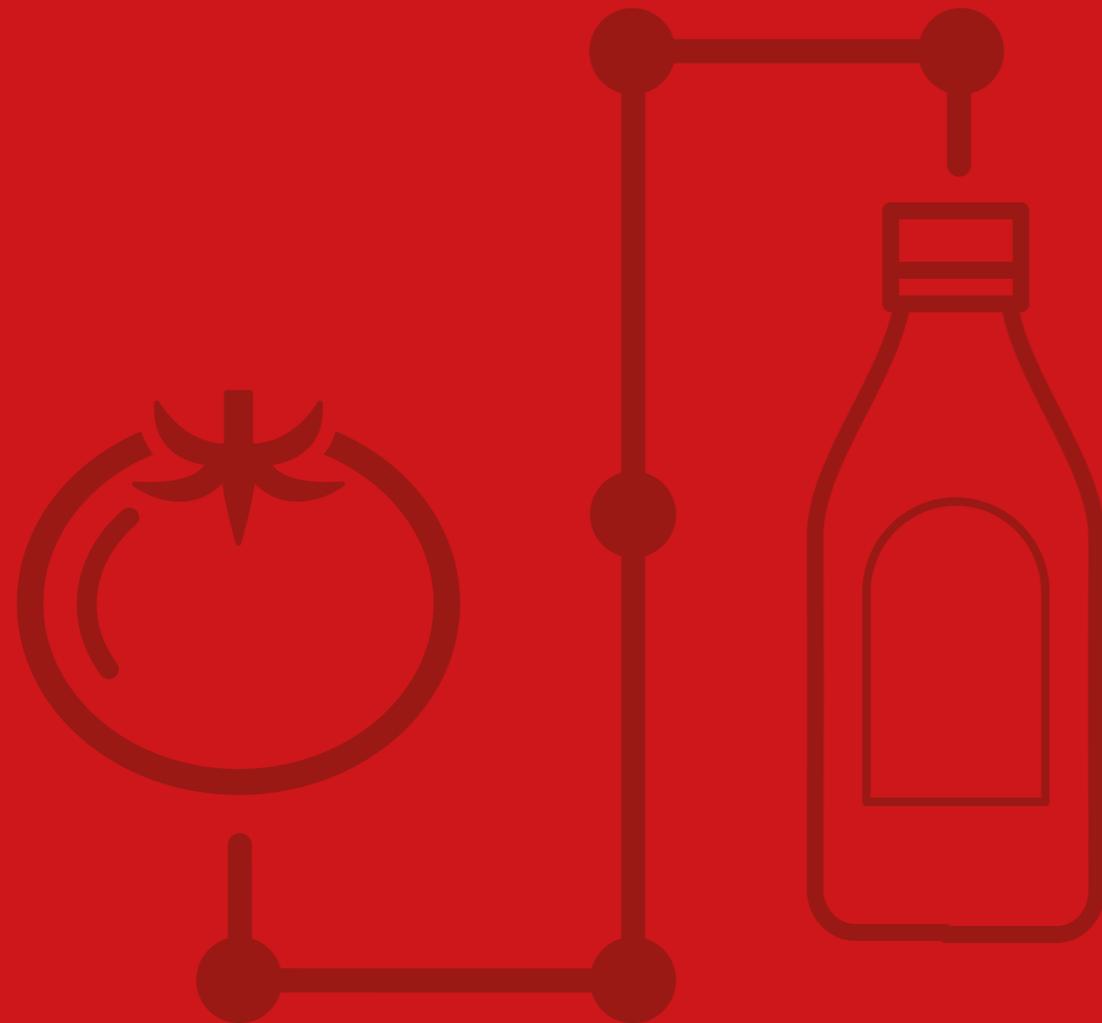
On one hand, there is, the **respect of regulatory requirements in all countries** across all products, which means not only legal protection and

transparency but also the safety of the consumer; on the other hand there are the issues related to honest and ethical messages that are placed on the product packaging.

The latter can, for the number of contacts that it collects throughout the product lifecycle, constitutes undoubtedly an **opportunity for increasingly critical and conscious dialogue**, and a chance to inform them, for example, of features and product performance which can be decisive in their choice between countless but not identical alternatives.

**The Consorzio Casalasco has developed, within the Quality Department, an important know-how to respond to product compliance needs of its own and other brands, and is able, with the advice of technical industry experts to support customers and its own Marketing Department the correct label formulation and in verification of compliance for all packaged products coming out of the establishments.**





# 3

## THE SUPPLY CHAIN AND ITS CONTROL

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# 3.1 CASALASCO IN THE FIELD: THE TOMATO SUPPLY CHAIN

The configuration of the Consortium, with member farms that take on the double role of owners and suppliers of the agricultural raw material, allows for a level of control and integration between the agricultural and processing stages which cannot be found in industrial supply chains. The main players in this system are:

## **CONSORZIO INTERREGIONALE ORTOFRUTTICOLI (CIO)**

Selects the seed varieties and purchases them for all contributors.

## **NURSERIES**

Purchase and receive the seeds and grow the seedlings that will later be delivered to member farms.

## **FARMS**

Responsible for the phases that take place in the field, from seeding/transplanting to harvesting and subsequently delivering products to the Consortium.

## **PRODUCER ORGANISATION (PO)**

Through the supply chain agreement signed with the Consortium it carries out control and assistance activities to its associates, with regard to compliance with the regulations in force and signed.

## **AGRONOMIC DEPARTMENT OF THE CONSORTIUM**

It is the main link between the demands of the market and more generally of the external environment and the needs and expectations of the producer members, thus also representing an important vehicle of ideas, awareness, innovation for Corporate Companies.

The technicians of the Agronomic Office, supported by external consultants, provide assistance to the partners allowing them to gain control of the chain of production and guarantee a high quality product respecting food safety characteristics.



**NOVEMBER-FEBRUARY**

**FERTILIZATION AND SOIL PREPARATION**

SOIL ANALYSIS AND FERTILIZERS



**JANUARY-FEBRUARY**

**DRAFTING SOWING PROGRAM**

GMO ANALYSIS OF EACH LOT OF SEEDS



**MARCH-APRIL**

**SOWING AT HATCHERIES**

MULTIRESIDUAL ANALYSIS OF SEEDLINGS



**MAY-JUNE**

**DELIVERY OF SEEDLINGS TO FARMS, TRANSPLANTING AND OPEN FIELD CULTIVATION**

IRRIGATION WATER ANALYSIS

MULTI-RESIDUAL ANALYSIS OF TOMATOES BEFORE HARVESTING



**JULY-SEPTEMBER**

**COLLECTION AND CONFIRMENT**

ANALYSIS OF CHEMICAL AND PHYSICAL PARAMETERS OF THE TOMATO IN ACCEPTANCE



**JULY-SEPTEMBER**

**PROCESSING AND PACKAGING**

MULTI-RESIDUAL, GMO, CHEMICAL-PHYSICAL, MICROBIOLOGICAL AND ORGANOLEPTIC ANALYSES ON THE PROCESSED PRODUCT



**OCTOBER AND THE 12 FOLLOWING MONTHS**

**STORAGE, DELIVERY AND GLOBAL DISTRIBUTION**



**ACTIVITIES IN THE FIELD START IN AUTUMN AND CONTINUE IN THE FOLLOWING MONTHS UNTIL THE HARVEST, COMPLETELY MECHANICAL, EXECUTED WHEN THE TOMATO REACHES THE RIGHT POINT OF MATURITY AS NOT TO IMPAIR ITS QUALITY AND PROFITABILITY.**

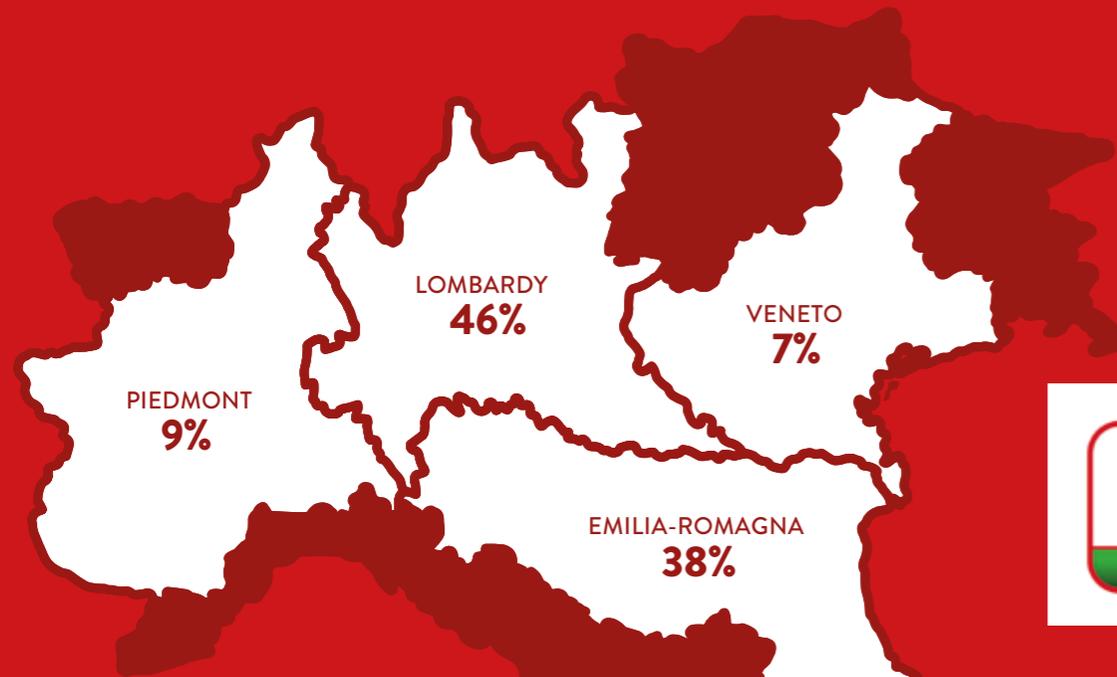
Consorzio Casalasco consists of 562 tomato-processing farms. Of these 246 are direct or cooperative members, while 316 belong to 6 Producer Organizations (P.O.), also considered as members.

All of the conferred tomato is guaranteed non GMO, in accordance with the Integrated Production Rules and Regulations of the Emilia Romagna Region, following the traceability principles of the ISO 22005 standard and is 100 % of Italian origin as it is cultivated on land located in Lombardy (46%), Emilia Romagna (38%),

Piedmont (9%) and Veneto (7%).

Since 2009, all member companies producing the tomato that is processed by the company have been certified in accordance with the Global G.A.P. standard.

For the 2019 transformation campaign, the companies conferred 436 thousand tons of tomato for a total value of 35.7 million euros, in line with last year's amount. The tomato conferred by direct members and Cooperative members correspond to about 80% of the total.



The relations between the member farms and the Consorzio Casalasco are regulated by the application of the following documents:

- 1 REQUEST FOR CONTRIBUTION** 
- 2 APPROVAL** 
- 3 SUBSCRIPTION OF THE SHARE CAPITAL** 
- 4 SUPPLY CHAIN AGREEMENT** 
- 5 COMMITMENT TO SUPPLY** 

## GLOBAL G.A.P

The Global G.A.P. standard, used all around the world, defines the Good Agricultural Practices to reduce to a minimum the impacts of environmentally damaging agricultural activities and chemical inputs, ensuring a responsible approach with regard to the health and safety of workers and animal welfare. Members are consistently supported in the application of such practices and informed when the standard is updated. Compliance with the requirements of the standard is assessed each year by internal assessors and during the certification audit. The 2020 standard will include the additional GRASP (GLOBAL G.A.P Risk Assessment on Social Practices) module, focused on social aspects related to the activities agriculture workers.

### SUPPLY CHAIN AGREEMENT

Signed each year following the acceptance of the request for contribution and, in the case of new partner farms, the subsequent subscription of the share capital. Through the Agreement the farm agrees to operate in compliance with the Consortium's required standards.

### COMMITMENT TO SUPPLY

binding the direct and cooperative partners to cultivate the agreed amount of hectares of tomatoes and to deliver all products to the Consortium, which is entitled to this withdrawal.

### MEMBER CODE OF CONDUCT

committing to the respect of human rights, workers' rights and of agriculture regulations.



### INTEGRATED PRODUCTION RULES AND REGULATION

defines the required quality parameters and evaluation criteria.



### CONTROLS ALONG THE SUPPLY CHAIN

The safety and quality of the tomatoes supplied and the derivative products are guaranteed by an annual control plan which provides for multi-residual, chemical-physical and microbiological analyses.

The analytical plan takes into account the production campaign, results obtained from previous processing campaigns, Customer requests and possible problems and alerts spread at the national and international level.

### MULTIRESIDUAL ANALYSIS ON TOMATO BERRIES (2019)

- 1 analysis every 968 tons of conventional tomato
- 1 analysis every 95 tons of organic tomato

### ANALYSES MADE DURING THE TOMATO CAMPAIGN (2019\_60 DAYS)

- 460,385 chemical-physical analyses (7,631 per day)
- 1,974 enzymatic tests (33 per day)
- 36,217 microbiological analyses (604 per day)
- 321 multi-residual product analyses (5 per day)

### ORGANIC CULTIVATION

Organic farming aims to minimise external inputs, preserving the natural fertility of the soil and making the most mechanisms and natural equilibriums; favors native varieties and intervenes **only in case of need** with natural natural organic fertilizers and soil conditioners, in compliance with European Union regulations (Reg. CE 834/07 and CE 889/08).

Starting from the 2015 processing campaign, the Consorzio Casalasco has started the processing of organic tomatoes for the production of organic pulp and puree by increasing the cultivated areas yearly, going from 36.5 ha in 2018 to 54 ha in 2019.

### ZERO RESIDUE TOMATO

To further reduce the impact on the environment and offer an excellent quality product, the Consortium tests agronomic practices that can guarantee a tomato without any pesticide residue (“zero residue” tomato).

Tests have been performed, in collaboration with the Sagea test center, to verify the decay duration of 30 different agents used in the cultivation of tomatoes, in the aim to define a protocol to apply in the field.

In the 2019 campaign, the protocol was applied to 50 ha and the harvested tomato confirmed the decay times obtained experimentally.

# 3.2 TRACEABILITY OF THE TOMATO SUPPLY CHAIN

TRACEABILITY IS A TOOL FOR RESPONDING TO THE GROWING DEMANDS FOR FOOD PRODUCT QUALITY, SAFETY, TRANSPARENCY AND RELIABILITY. THE CONSORZIO CASALASCO HAS ESTABLISHED A TRACEABILITY SYSTEM EXTENDED TO INGREDIENTS, PACKAGING, PROCESS PARAMETERS, CONTROLS AND LOGISTICS, IN ORDER TO:

### MAP OUT THE SUPPLY CHAIN

from field to packaged product.



### PROVIDE DETAILED PRODUCT HISTORY INFORMATION

to the customer and the end consumer.



### PROVIDE THE B2B<sup>1</sup> SEGMENT WITH A SOPHISTICATED TOOL

for reliable management of product safety and/or non-compliance.



### GIVE EVIDENCE

of particular characteristics such as organic, lycopene content, gluten-free, Kosher, Halal).



The tomato supply chain that is built and documents its relevant activities, through the Consortium's traceability system provides, in a short delay, information about:

- origin and characteristics of the raw material, ingredients and packaging
- soil characteristics and treatments
- results of laboratory analyses in the field and in production, up to the stages of storage and shipping
- product route and destinations shipped.

The proper functioning of traceability is verified during testing and dedicated audits that are carried out with a bottom to top view from raw material to product, and top to bottom, from finished product to components of the technical sheet.

<sup>1</sup> Business-to-business: identifies industrial trade, commercial or service companies.

## IPOMÌ - POMITRACE: TO KNOW EVERYTHING ABOUT EVERY SINGLE PACKAGE

The development of a computer system for the final consumer capable of recording and retrieving all the information relating to operations from cultivation to the finished product has made it possible to achieve very high levels of traceability.

Starting from a unique code on the finished product, the consumer is able to trace in real time the history of the product, from the geographical origin to the name of all the producers involved in the tomato cultivation process.

Consumers simply need to go to the website [www.pomitrace.it](http://www.pomitrace.it) or download the app "PomìApp", choose the product and enter the data required to trace back to each individual farmer who has grown the fresh tomato to feed the Pomì sauce or pulp of that precise package. In this way, by being able to trace the loads of raw material entering the plants in time and geographically, it is possible to create a symbolic link between the final consumers and the cooperative members, who represent the experience and passion that characterize the Consortium.



## PRODUCT CERTIFICATIONS



Halal certified  
for tomato products



Standard British Retail  
Consortium (GFSI)



Gluten-Free Certification  
Organization (US)



International Food  
Standard (GFSI)



**1K Kosher**

Kosher Certified



# 3.3

## NOT JUST TOMATO: THE OTHER SUPPLY CHAINS

With the entry of ARP (Agricoltori Riuniti Piacentini) into the Consorzio Casalasco, partner farms have expanded their contributions to peas and beans (borlotti and cannellino), produced in the Piacenza region and neighboring provinces.

These productions, for which nearly all the same rules and controls established for the tomato apply, have allowed to expand the types of vegetable raw materials beign supplied and consequently Casalasco brand's range of products available to the end consumer.



**917,098 KG  
OF PEAS**

CONTRIBUTED BY 17 COMPANIES  
(9 OF THE PROVINCE OF PC,  
5 OF BS AND 3 OF CR)



**136,045 KG  
OF BORLOTTO AND  
CANNELLINO BEANS**

FROM 4 FARMS ALL OF WHICH  
IN THE PROVINCE OF PIACENZA

3.4

FOCUS ON...  
THE PLANS FOR TOMORROW

## SUSTAINABLE AGRICULTURE AND AGRICULTURE 4.0

Beyond the regular activities of tomato production and supply, the Consortium's technicians make themselves promoters at companies of innovative projects such as, for example, experimentation with new cultivations and new low impact cultivation protocols in synergy with research institutes, universities and seed companies.

The advanced technologies that Casalasco supports at its member farms aim at reducing the impacts of agricultural cultivation by promoting a more efficient use of resources and alternative infestation prevention and control techniques or reduced pesticide use. These include:

### Fertigation

Combined with the use of humidity probes, it increases water efficiency (+25%). The equipped surfaces have gone from 3896 ha in 2018 to 4150 ha in 2019, with the aim of increasing them by 15% by 2021.

### Experimentation with useful insects

(*Amblyseius andersoni* and *Phytoseiulus persimilis*) to counteract the little red spider, mite to date controlled by the use of agrochemicals. The useful insects are dispersed on the infested cultivation through a drone that covers large areas in a short amount of time.

### Use of pheromone traps

equipped with an infestation detection camera of yellow night (*Heliothis armigera*). The applied technology allows a control Traps Distance: Inside the traps there is a device takes pictures of the harmful insect at each captures and sends the captured images to a server/cloud which makes them accessible via web or on mobile devices via app, allowing to formulate timely and targeted interventions.

### DIVERFARMING FOR INNOVATIVE, SUSTAINABLE AND RESILIENT AGRICULTURE

Consorzio Casalasco joins the European Horizon 2020 program and participates, with international partners, in DiverFarming, a project that aims to identify, develop and test diversified systems for low-impact crops, to increase productivity and quality of crops in conventional farming systems, through case studies.

The first Regional Meeting was held in Italy in May 2019 to address the theme of the best crop diversification strategies

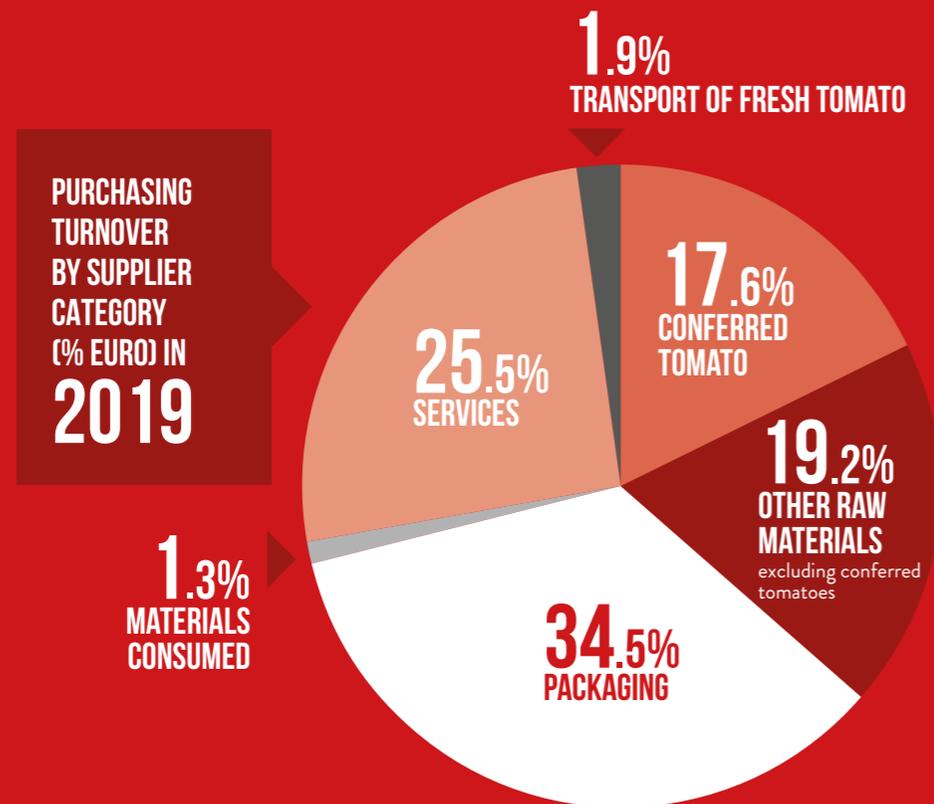
to be applied in response to climate change. These include the relevant role of diversified agronomic alternatives' approach to monoculture, such as the rotation of crops (time rotation of different crops), intercropping (the introduction of of intercrops between different main crops) and multicropping (the coexistence of different crops in one same area).

The meeting took place at the Ferrari company offices in Gariga, one of the 3 Consortium farms with leguminous crop - durum wheat - tomato crop rotation, and fertilization by anaerobic digestion.

DIVERFARMING, A PROJECT THAT AIMS TO PINPOINT, DEVELOP AND TEST DIVERSE LOW-IMPACT CULTIVATION SYSTEMS.

# 3.5

## THE SUPPLY CHAIN OF THE CONSORZIO CASALASCO



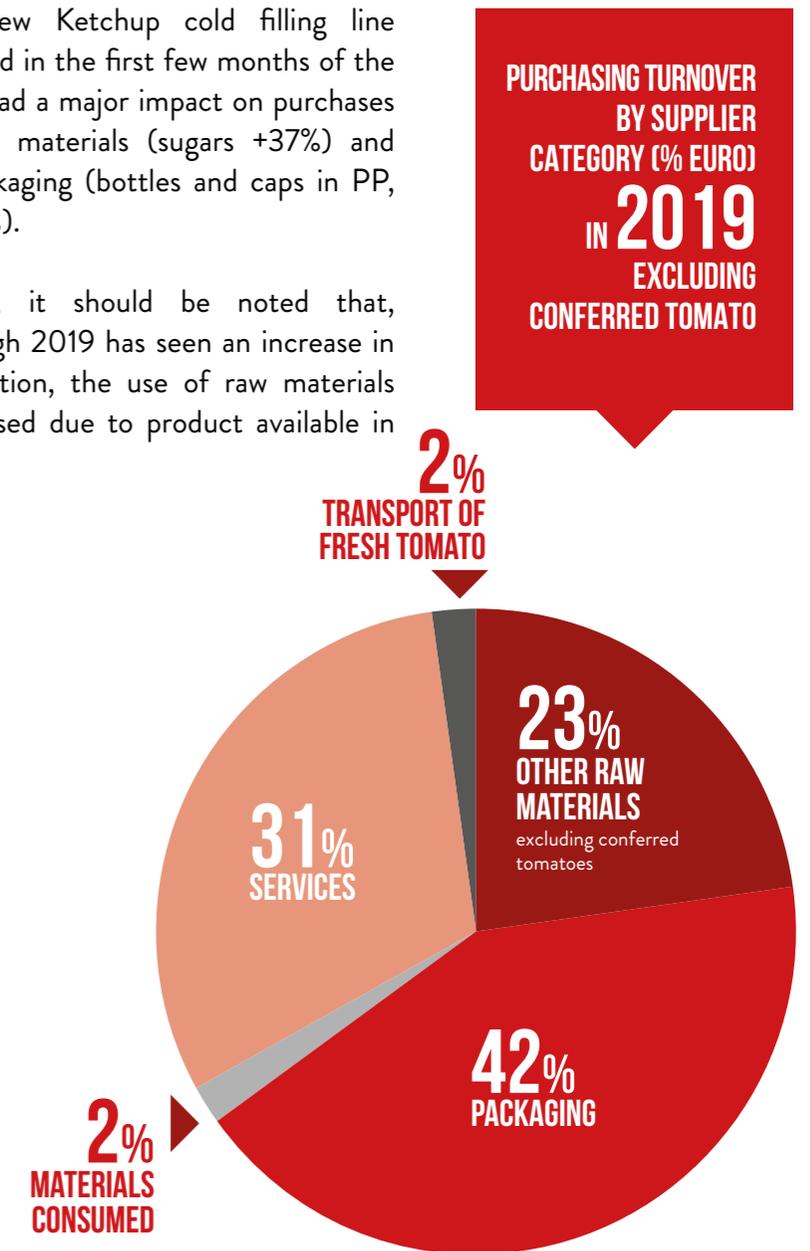
In 2019, Consorzio Casalasco collaborated with more than **2,500 suppliers (2,492 in 2018)**. Of these, 1,324 take care of services (logistics, maintenance, cleaning, consulting, etc.), for a turnover of € 51.8 million.

The most significant category in economic terms of is confirmed to be, even in 2019, that of packaging suppliers represented by 154 companies, for a Consortium purchase turnover of 35% (€70 million), while 212 are the suppliers of raw materials that impact a turnover of just under 39 million € (19%). Other purchases of materials consumption represent a significantly small share in relation to total purchases.

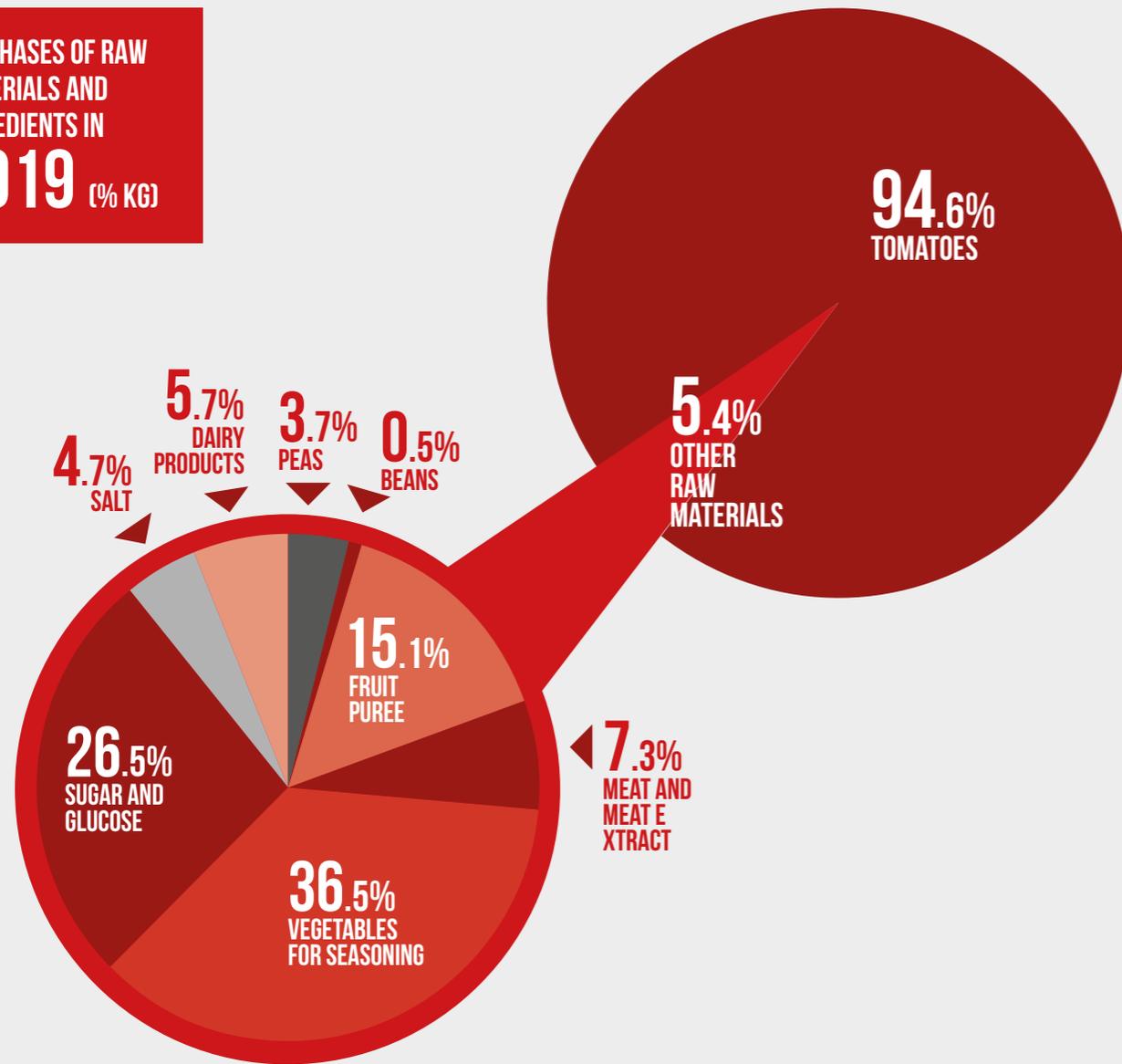
In 2019 the categories of finished products packaged by the Consortium have been considerably redesigned for development of new references based on vegetables (used for the production of condiments, velvet soups and soups) whose purchase has increased by 11%, dairy products (+41%) and tomato-based seasonings (ketchup) with a reduction in meat products.

The new Ketchup cold filling line installed in the first few months of the year, had a major impact on purchases of raw materials (sugars +37%) and of packaging (bottles and caps in PP, +264%).

Finally, it should be noted that, although 2019 has seen an increase in production, the use of raw materials decreased due to product available in stock.



**PURCHASES OF RAW MATERIALS AND INGREDIENTS IN 2019 (% KG)**

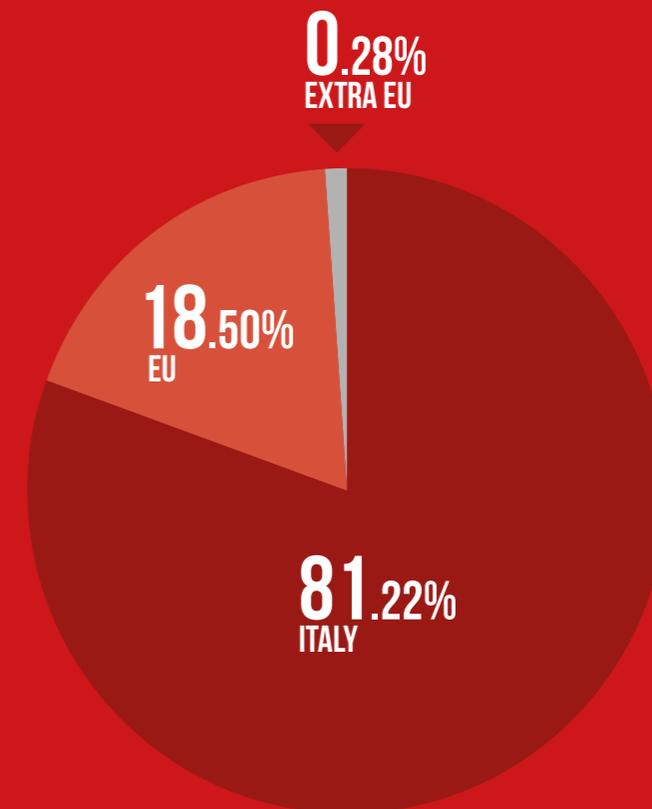


The quantity of tomato and legumes conferred for the 2019 campaign has decreased compared to the previous year, due to the adverse climatic conditions caused by a very rainy spring (including May, the pea harvest period), hailstorms that have destroyed several hectares of tomato crops, and a very hot summer that has reduced returns in the field.

Nevertheless the product obtained from tomato processing increased compared to 2018 because products with lesser concentration like pulp and paste, already packaged in retail packaging, for optimize packaging lines and reduce costs due to out of country rework.

IN 2019  
**OVER 81%**  
OF PURCHASES  
BY THE CONSORTIUM  
COMES FROM  
AND IS BASED ON  
ITALIAN SOIL.

**DISTRIBUTION OF PURCHASES BY GEOGRAPHICAL AREA (% €) IN 2019**



# 3.5.1 SUPPLIER SELECTION AND CONTROL

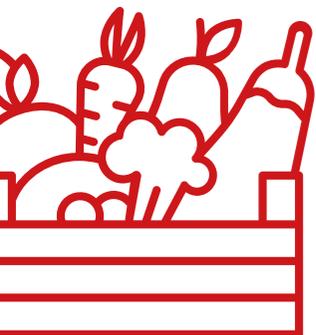
The main raw materials purchased are vegetables for seasoning (onion, garlic, carrot, celery, basil), sugar, dairy products and meat (the latter in reduction by 44% compared to 2018).

The Consortium's control system provides for the drafting of technical specifications for each raw material purchased, for the of precisely defining the parameters of the desired quality, as required by product data sheets and customer specifications.

Beside the technical and commercial parameters the purchase procedure provides for also the evaluation of

further aspects, including environmental aspects, which have been identified according to the logic of product life cycle, and the requirements of social responsibility, linked to the respect of human rights, workers' rights and business ethics standards.

All suppliers of raw materials, packaging and services are required to subscribe to a Supplier Code of Conduct which outlines, with obvious differences, the code signed by the partners. In this way the Consortium promotes and solicits membership to values of transparency, fairness, legality and respect for fundamental rights that respond not only to corporate values and the whole cooperative movement, but also to the requests of customers and a large proportion of end consumers



## SUPPLIER CODE OF CONDUCT

Every Consortium supplier, once selected, must sign the Code of Conduct and verify that it is applied throughout the entire supply chain. The Code aims to monitor compliance with the following issues:

- ✓ Correctness in conducting business
- ✓ Quality, safety of product/service and production
- ✓ Workers' rights
- ✓ Health, safety and environment

In 2019, there were 55 new suppliers<sup>1</sup> who started working with the Consortium including 5 tomato suppliers, 11 suppliers of other raw materials, 8 of packaging and 31 of services. 38% of new suppliers were evaluated on the basis of social criteria, while 44% on the basis of environmental criteria.



<sup>1</sup> The figure for new suppliers only includes suppliers of raw materials and services related to portorage, cleaning, transport, laboratory and other types of services for amounts in excess of €10,000

After the final selection, the performance of suppliers is monitored during the course of the supply relationship; the supplier is then evaluated periodically and, if the evaluation gives positive results, included

within the list of qualified suppliers. Purchases from suppliers not included in this list are possible only in case of emergency and in any case subjected to reinforced controls.

Out of the **19 suppliers** that have been assessed:



**4** HAVE SOCIAL CERTIFICATIONS



**1** HAS ENVIRONMENTAL CERTIFICATIONS

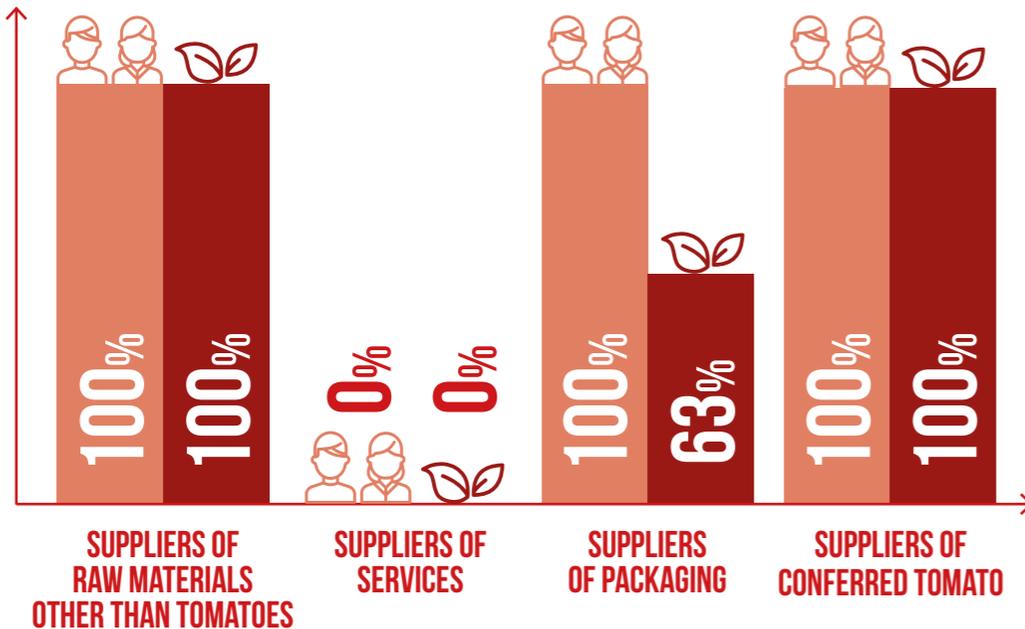
NEW SUPPLIERS THAT HAVE BEEN SUBJECT TO A SOCIO-ENVIRONMENTAL ASSESSMENT (%) IN **2019**



Assessed according to social criteria



Assessed according to environmental criteria



## LOGISTIC SERVICES

The purchase of 3.8 million euros worth of logistic services in 2019, is valid for the Consortium for the transport of tomatoes from the fields to the production plants.

The most used type is transport on trucks, although in recent years 26% was channeled to low impact intermodal

transport, which favours the train versus traditional wheeled vehicles and sea transport to air transport. In this way the Consortium not only controls its CO<sub>2</sub> emissions, but also helps to decongest roads with a positive impact on quality of the life of the residential areas that host establishments and warehouses and on the environment in general.





# 3.6

## PROCESS CONTROL: QUALITY ASSURANCE AND FOOD SAFETY



**THE CONSORZIO CASALASCO PAYS MAXIMUM ATTENTION TO THE VERIFICATION OF THE QUALITY AND SAFETY OF ITS PRODUCTS THROUGH THE IMPLEMENTATION OF A CONTROL SYSTEM BASED ON:**

- operational processes managed according to parameters tested and kept under strictly control
- adequate facilities and equipment with proper maintenance
- study and application of prevention systems (*HACCP, food defence, Risk Assessment Document*), to prevent non-compliance and safety risks
- integrated operational procedures for staff, for hygiene aspects, of safety at work and protection of environmental aspects
- training plans to ensure competence and awareness of operators
- control plans and surveillance in all production steps to test the effectiveness of operating systems
- emergency management procedures and business continuity from the perspective of global risk management.

### **OPERATIONAL CONTROL: LABORATORY ANALYSIS AND SURVEILLANCE**

Consorzio Casalasco has over the years heavily invested in the development of a state-of-the-art laboratory system that carries out **analyses on the process, environment and on finished products** in order to ensure the compliance with customer expectations and the healthiness and food safety of his products.

The Consortium has three of its own central laboratories and two line laboratories that carry out **chemical-physical analyses**; it is equipped with also of three laboratories, one for each production site, for **microbiological analyses**, for a total of **8 in-house labs**. While the first are in charge of studying, analyzing and implementing the specifications of each product or raw material, the latter certify safety from a hygienic-sanitary point of view of the final products, production lines and workers.

For carrying out multi-residual analyses on the finished product and of tomato berries, and in cases where the types of

analysis or the required level of accuracy are not compatible with the instrumentation, **six external laboratories accredited by Accredia<sup>1</sup>** are at Consortium's disposal. The Consortium also benefits from the services of the Stazione Sperimentale per l'Industria delle Conserve Alimentari (SSCIA), institute of applied research in the field of food preservation to promote technical and technological scientific progress, of the Italian canning industry.

To ensure the compliance of its products and services, the Consorzio Casalasco additionally carries out, systematic surveillance in order to verify:

- The behavior and the *modus operandi* of operators;
- Compliance with environmental management requirements and workplace safety;
- The adequacy and updating of risk assessments (operator safety, food safety, environmental impacts);
- The application of prescriptive documentation.

<sup>1</sup> National accreditation body designated by the Italian Government, in application of European Regulation 765/2008, to attest to the competence, independence and impartiality of the certification, inspection and verification bodies and testing and calibration laboratories (<https://www.accredia.it/chi-siamo/>)

### IMPROVEMENT TOOLS: INTERNAL, SECOND AND THIRD-PARTY AUDITS

To the various instruments of operational control then the inspections are flanked by internal, to verify compliance and adequacy of the implemented system, deviations from the standard and above all opportunities for improvement.

In 2019 Consorzio Casalasco has hosted 53 second and third-party verifications on its three production sites, i.e. turns by customers or third parties to qualify the company as a supplier or maintain such a qualification.

The purpose of these audits is to:

- certify the production sites according to the voluntary standards illustrated below
- classify the supplier
- assess the risk of using the manufacturer in terms of its respect of standards, compliance with norms both mandatory and voluntary, production continuity, hygiene and safety of the production, staff behaviour, condition of buildings and equipment, good practices, etc.
- discuss and solve any problems at the start of new partnerships.

#### RIVAROLO DEL RE

- **93 Internal audits and surveillance** (86 in 2018)
- **22 Audits performed** (19 in 2018)

#### FONTANELLATO

- **55 Internal audits and surveillance** (60 in 2018)
- **16 Audits performed** (24 in 2018)

#### GARIGA

- **40 Internal audits and surveillance** (40 in 2018)
- **15 Audits performed** (21 in 2018)

### INNOVATION, RESEARCH & DEVELOPMENT

*Quality, Efficiency* and *Time to Market* are the cornerstones of our Research and Development area: in this field the collaborators of the Consorzio Casalasco have acquired skills recognised by all multinationals operating in the food sector.

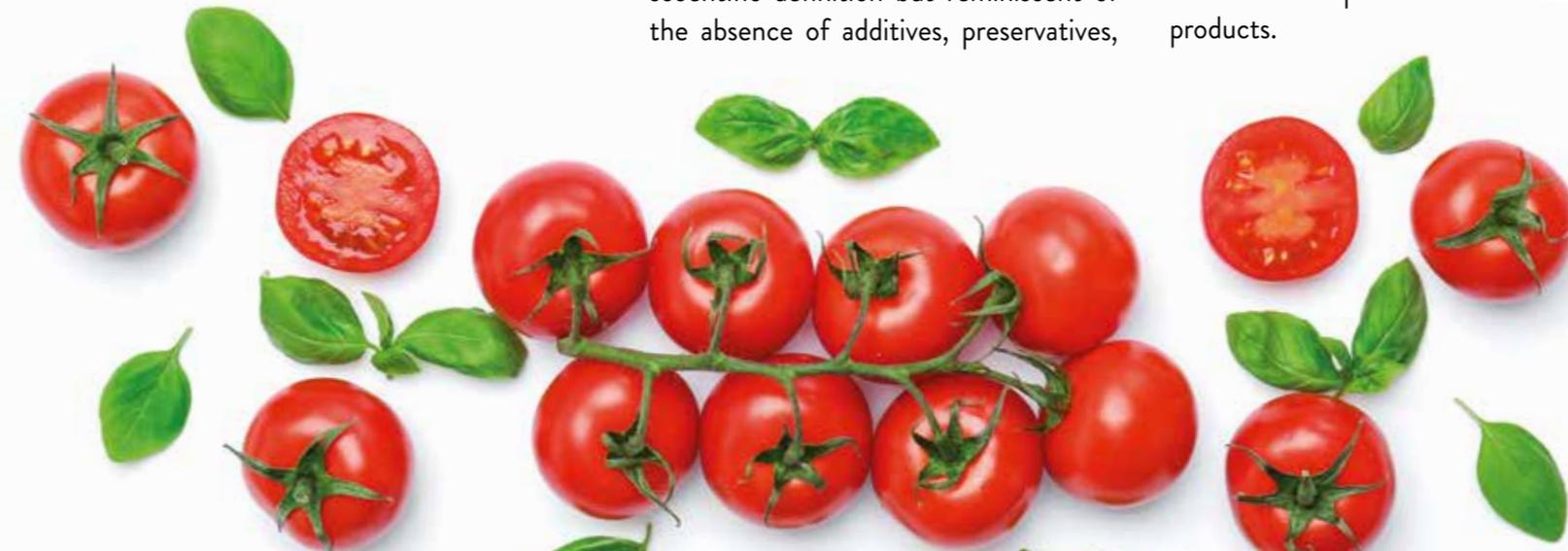
This activity is aimed towards new products in terms of recipe, characteristics of ingredients, production process and packaging, or to realize or innovate products, recipes, formats already tested.

Market trends require “clean” products, i.e. with a short list of ingredients, “free from”, adapted to nutrition needs and “natural” details, concept of difficult scientific definition but reminiscent of the absence of additives, preservatives,

colorants. To this add a caloric profile in accordance with health requirements, without neglecting appearance, aesthetics, functionality and practicality of packaging, shelf life and responding to the gastronomic trends of the moment.

Product research and development is then followed by the test phases in the plant pilot, industrialization, determination of product and process parameters, the issuing of technical specifications and analytical and control plans.

This work is the result of collaboration within an integrated multidisciplinary team composed of food skills, legal, industrial, put at the service of the customer and Casalasco marketing for the development of its own brand products.



### OUR NUMBERS 2019:

Casalasco  
co-manufacturing  
in numbers



with a positive balance of  
129 articles (246 exiting  
production against 375  
new additions)



## 2019 RESEARCH AND DEVELOPMENT PROJECTS

LINE	TOTAL PROJECTS (N.)	FINISHED PROJECTS (%)	ONGOING PROJECTS (%)
TETRA RECART	25	4	32
TETRA GEMINA	6	50	17
COMBI	18	22	22
GLASS	21	10	14
CANS	5	20	0
TUBES	1	100	0
ENVELOPES	5	20	0
VIALS	1	0	0
BAGS, DRUMS, BUCKETS	7	0	0
BEVERAGE	5	20	0
RESEARCH	11	18	9
<b>TOTAL</b>	<b>105</b>	<b>15</b>	<b>16</b>

**DURING 2019, THE CASALASCO CONSORTIUM DEVELOPED 105 PROJECTS OF WHICH 15% HAVE BEEN FINALISED AND 16% ARE ONGOING.**

In 2019, the Consortium centralized research and development activities at the Fontanellato site. It invested more than 1.1 million euros in the development of new recipes and almost 3 million euro in the Tomatina Project, an increase of 26% over the previous year. In 2019 internal and customer demand for new product development increased considerably. Some of the projects started during the year have been suspended or canceled and the remaining part, which began at the end of the year, will be developed in 2020 as as ongoing projects are finalized. The percentage of projects that have not been concretized is due in part to the fact that they are becoming increasingly complex and partly to their aggregation as they are development; however, even the projects that have been set aside have a great importance, because they enrich know-how and data base, necessary conditions for a timely response to customers.

### CUSTOMER SATISFACTION

The Consortium commits itself daily to satisfying their customers and consumers, developing methodologies for collecting their feedback and, where possible, anticipate their expectations proactively and innovatively.

To communicate responsibly and transparently and to monitor the level of

appreciation of its products, the Consortium has enabled a number of communication channels with end consumers.

Finally, all consumer complaints and reports are collected by the Quality Department and shared between the different business units involved. The Consortium is constantly striving to provide an effective and timely response, and avoiding the reoccurring of the same problems.

**IN 2019 WE REPORTED A REDUCTION IN THE NUMBER OF COMPLAINTS RECEIVED COMPARED TO 2018 BOTH BY CUSTOMERS (-15%) AND BY CONSUMERS (-10%).**



	CASALASCO		POMI/DE RICA	
	2018	2019	2018	2019
No. OF COMPLAINTS RECEIVED	941	804	59	53
No. OF COMPLAINTS RECEIVED per million of pieces produced	1.97	1.51	1.36	0.97



# 4

## THE SCENARIO IN WHICH WE OPERATE AND THE VALUE CREATED BY THE CONSORZIO

<b>4.1</b> <u>The world tomato market</u>	100
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## 4.1

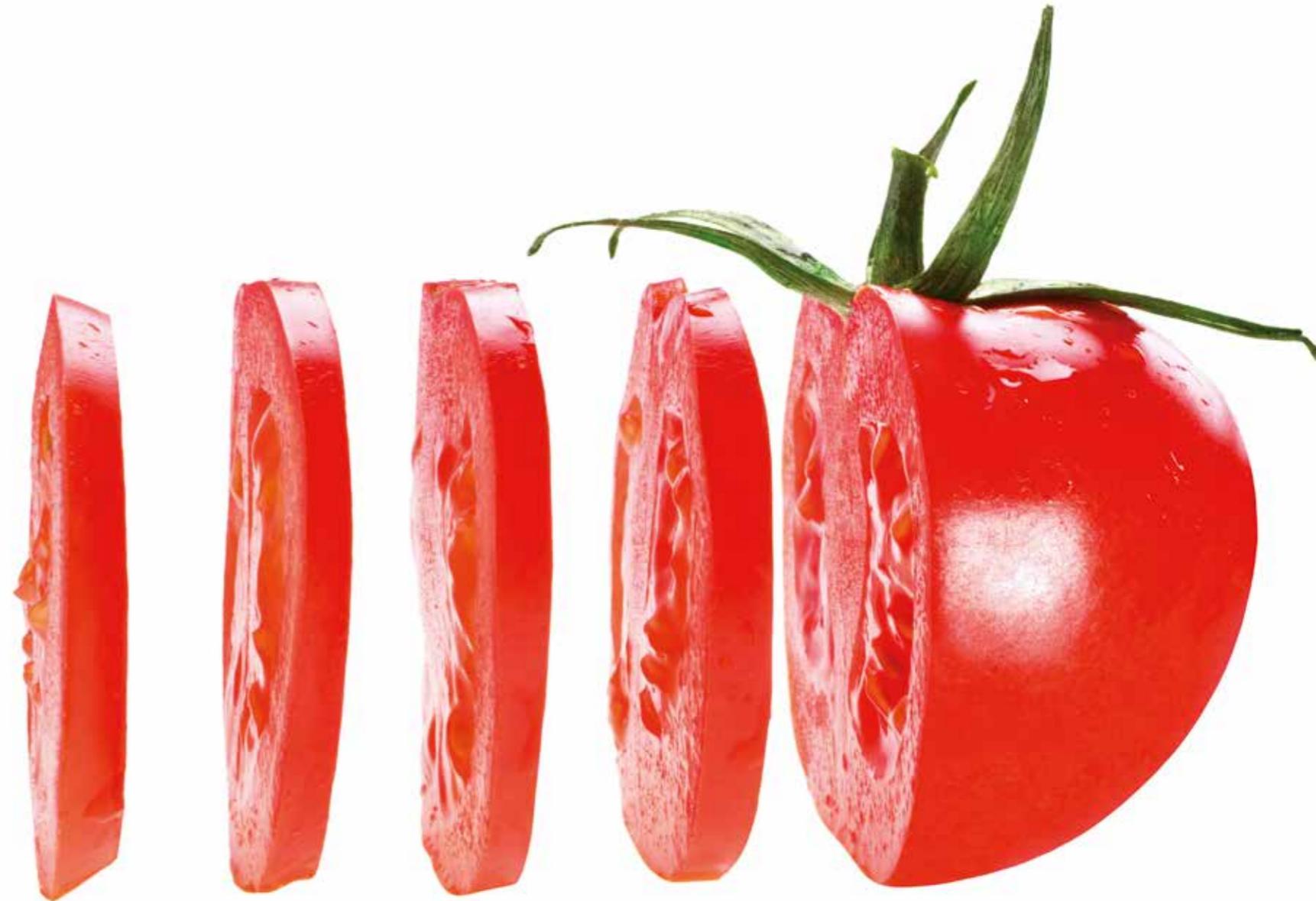
THE WORLD  
TOMATO  
MARKET

IN 2019, THE  
WORLD INDUSTRY  
HAS PROCESSED  
**37,398**  
MILLION TONS OF  
TOMATO, DESTINED  
TO BE PROCESSED  
INTO FOOD  
CONSERVES.

The worldwide production of tomato is located in between two macro-areas in the northern hemisphere: U.S.A. (10.14 mio/tons), Italy (4.89 mio/tons), and China (4.60 mio/tons). The production in these three states indeed covers 50% of the total production, thanks to favorable weather conditions, water availability and agricultura know-how.

The U.S.A. and China present

significant difference in correlation to the markets they serve; if the Californian production center serves the internal U.S.A. market, the same reasoning does not apply to China. Indeed, this country, that in the past has also surpassed Italy in terms of quantity produced, does not register a solid internal demand, thus it transfers its tomatoes into the international market, as semi-finished products.



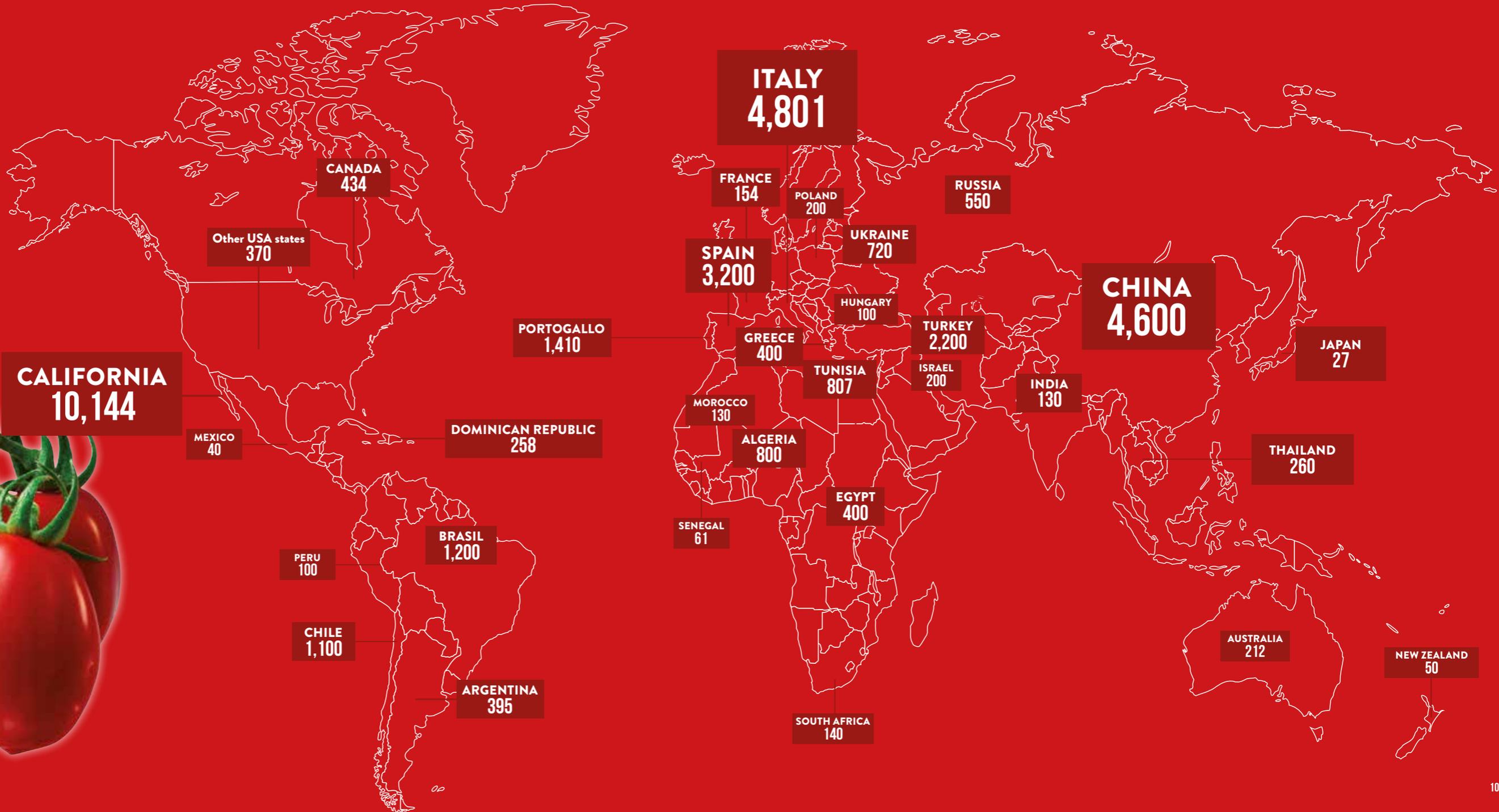
# WORLDWIDE TOMATO PROCESSING

IN 2019:

## 37,398 MILLION MT



**CALIFORNIA**  
10,144



# 4.2 THE SITUATION IN ITALY

TOMATOES ARE CULTIVATED ALL OVER ITALY, THE QUANTITY PRODUCED ARE EQUALLY DISTRIBUTED BETWEEN NORTHERN AND SOUTHERN ITALY.

**The Northern regions** have a higher concentration of players in comparison to the Southern one, with 21 processing companies and 16 producers organisations (PO).

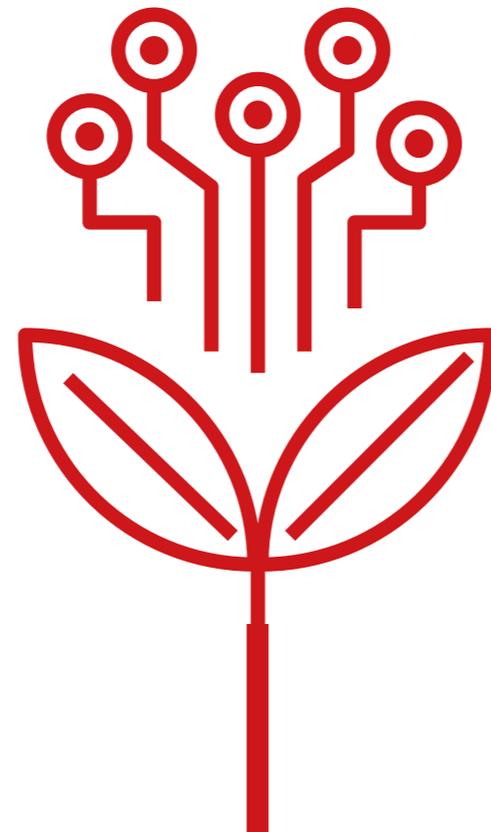
**The Southern regions**, in terms of volume of fresh tomato processed, associates about 70 processing companies and 30 POs. Also the difference between the average dimensions of farms in the Northern and Southern regions is quite marked: about 5.5 hectares in the South, against 19 hectares in the North.

On the industrial side, the Italian market of the last twenty years has seen a continuous exercise of merging of processing companies, in the light of the features and the dimensions of the companies; on this regard, paying particular attention to Northern Italy, we can realize that this polarisation process has developed to the level that almost 80% of the volume of finished fresh tomato is processed by 5 big industrial groups, each of them being the owner of several production sites, apart from possessing renowned commercial brands which were bought or developed throughout the years.

In 2019, in Northern Italy, the total volume of tomato produced was proven to be 2,370,000 tons, originating from 36,600 hectares, for an average performance of 76 t/ha. This data is 18% inferior in comparison to the volume contracted, even if it is aligned with the data from 2018. The reason of this difference lies in the fact that the season was not favorable. The weather was indeed very rainy during the seedling period, while during the summer the extreme temperatures and the several hailstorms caused delays in the production.

The quality of the raw materials was nonetheless average, with a brix that totaled 4.76.

In southern Italy, after a bad start of the season, the last few years' best September has allowed to recover the volumes to reach a total of 2.4 million tons. September's agricultural performances were optimal, with peaks of more than 100 t/ha, which lead the average of the season to reach 88 t/ha.



## 4.3 THE ECONOMIC RESULTS AND ADDED VALUE



**IN 2019 THE CONSORZIO CASALASCO HAS CLOSED THE STATUTORY FINANCIAL STATEMENT WITH AN INCREASE OF THE REVENUE EQUAL TO 9%, MOVING FROM 250 MILLION IN 2018 TO THE CURRENT 274.**

The business just terminated has highlighted very satisfying results. The management was able to remunerate all of its associates on the whole, also considering the different rewards recognized for late tomatoes, that were about 3% higher than the market.

### ECONOMIC VALUE GENERATED AND DISTRIBUTED

The financial statement of the economic value generated and distributed reports the re-organization of the balance sheet in:

- Chart for determining the economic value generated and distributed
- Chart for the allotment/distribution of the Added Value among the different stakeholders of the Consortium.

Thanks to this model, the traditional structure of the statutory financial statement is reorganized so that all the internal and external actors can evaluate the coherence and congruity between the Consortium and the management, as well as the impact generated towards stakeholders.

In this way, the Consortium showcases, in a transparent and verifiable way:

- the economic and financial demonstrations of its strategic and operative decisions
- the impacts on each single stakeholder
- to what extent the objectives have been achieved and the commitments towards the different interested parties have been respected.

This is accountability, the commitment towards stakeholders of the Consortium's to give disclosure of its choices and its temporary fallouts on the three economic, social and environmental stages.



### IN THOUSANDS

#### ECONOMIC VALUE GENERATED

Sales revenues	273,721 €
Change in inventory of finished goods	-10,500 €
Change in inventory of ingredients and packaging	373 €
Financial income	1,094 €

Increase in capital gains from fixed assets	5,560 €
Early payment discount	-87 €
Investments write-down	0 €
Unrealized exchange rate differences	-90 €
Exchange rate losses	-5 €

Other revenues and proceeds	10,654 €
-----------------------------	----------

#### ECONOMIC VALUE DISTRIBUTED

#### OPERATING COSTS

Ingredients, packaging and materials (reclassified)	132,728 €
Services (reclassified)	50,894 €
Use of third-party assets	6,715 €
Other operating expenses (reclassified)	387 €

#### EMPLOYEES REMUNERATION

Employees	35,944 €
-----------	----------

#### INVESTORS REMUNERATION

Financial expenses (reclassified)	5,552 €
-----------------------------------	---------

#### MEMBERS REMUNERATION

Down payment for tomato conferred by cooperative members	26,099 €
Integration of the price of tomato conferred by the cooperative members	1,716 €

#### PUBLIC ADMINISTRATION REMUNERATION

Income taxes	52 €
Indirect taxes and other taxes	914 €

#### COMMUNITY

Donations	98 €
Sponsorships	495 €

#### ECONOMIC VALUE RETAINED FOR RE-FINANCING

Operating results	1,905 €
Amortization	16,609 €
Other provisions	613 €

2019

280,720 €

273,721 €

-10,500 €

373 €

1,094 €

5,560 €

-87 €

0 €

-90 €

-5 €

10,654 €

261,594 €

190,725 €

132,728 €

50,894 €

6,715 €

387 €

35,944 €

35,944 €

5,552 €

5,552 €

27,815 €

26,099 €

1,716 €

966 €

52 €

914 €

593 €

98 €

495 €

19,127 €

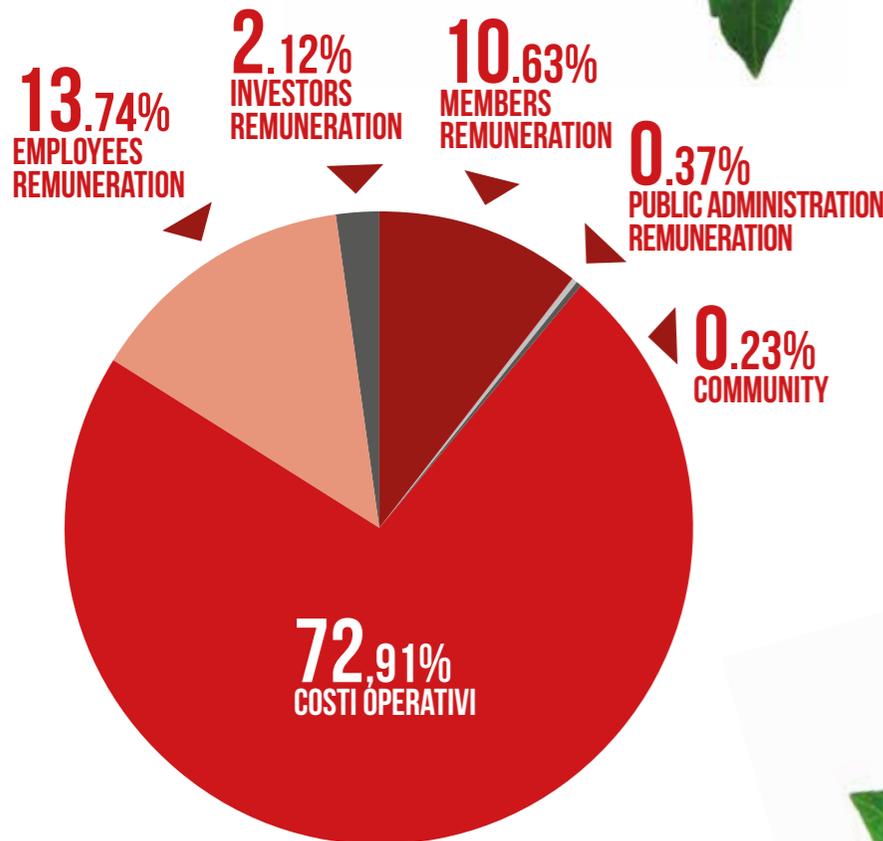
1,905 €

16,609 €

613 €

**THE CALCULATION FOR THE 2019 FY HIGHLIGHTS THAT THE ECONOMIC VALUE GENERATED FROM THE CONSORZIO CASALASCO IS MORE THAN 280 MILLION EUROS.**

VALUE GENERATED AND DISTRIBUTED 2019



The economic value is distributed among the different stakeholders, according to the following allocation: “Operating costs reclassified” (mainly for the purchase of raw materials, goods and services from third-party providers), “Employees remuneration” (direct remuneration composed of salaries, wages, severance pays, and indirect remuneration in the form of social contributions), “Investors remuneration” (interests payables), “Members remuneration” ( Advance payment and price supplement for tomato conferred by the members of the cooperative), “Public Administration remuneration” (taxes) and “Community” ( donations and sponsorships for the territory).



The majority of this value is composed by the operating costs reclassified, that totals about 191 million euro (+3% in comparison to 2018). The Consorzio Casalasco’s commitment to equally redistribute wealth is highlighted in the fact that about a quarter of the value generated is distributed among the members of the cooperative (about 28 million euro, in line with 2018) and the personnel (36 million euro, +8% in comparison to 2018).

In line with the past years, it is also important to outline that the entity of the result of the Consortium has to be valued considering the mutual objective of the cooperative, that has lead to bestow members with a part of the profit obtained.



NET PROFIT  
**€ 1.9 MILLION**

ECONOMIC VALUE GENERATED  
**€ 280.7 MILLION**

VALUE DISTRIBUTED TO MEMBERS  
**10.63%**

INVESTMENTS  
**€ 18,852,273**

SOCIAL CAPITAL  
**€ 67,402,550**

# 4.4 FOCUS ON...

This paragraph deals with different specific matters related to Consorzio Casalasco and its 2019 tomato campaign; from the volume transformed, to the

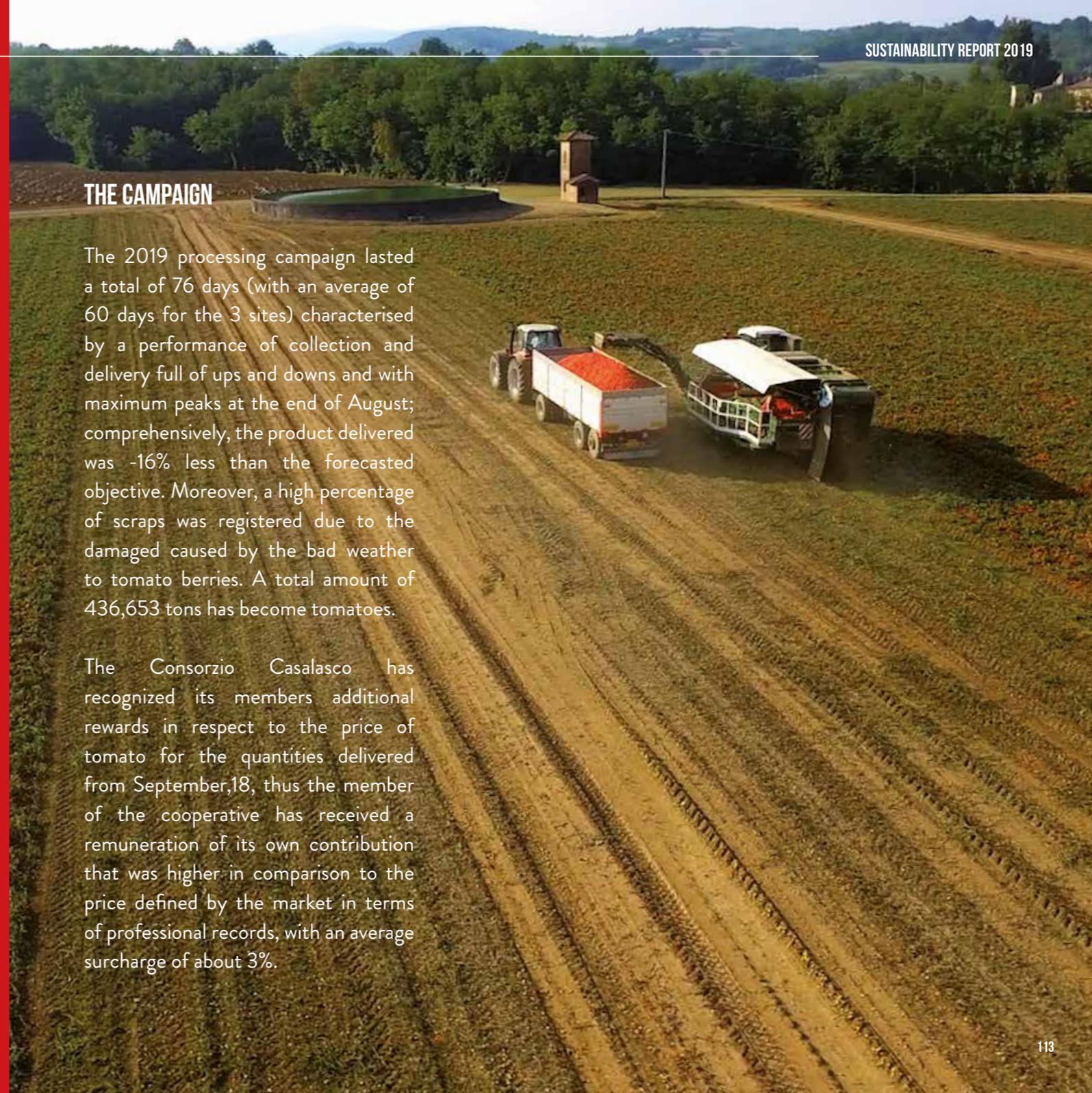
valorisation of raw materials, from the commercial evolution to the turnover allocation by product category or distribution channel.



## THE CAMPAIGN

The 2019 processing campaign lasted a total of 76 days (with an average of 60 days for the 3 sites) characterised by a performance of collection and delivery full of ups and downs and with maximum peaks at the end of August; comprehensively, the product delivered was -16% less than the forecasted objective. Moreover, a high percentage of scraps was registered due to the damaged caused by the bad weather to tomato berries. A total amount of 436,653 tons has become tomatoes.

The Consorzio Casalasco has recognized its members additional rewards in respect to the price of tomato for the quantities delivered from September,18, thus the member of the cooperative has received a remuneration of its own contribution that was higher in comparison to the price defined by the market in terms of professional records, with an average surcharge of about 3%.

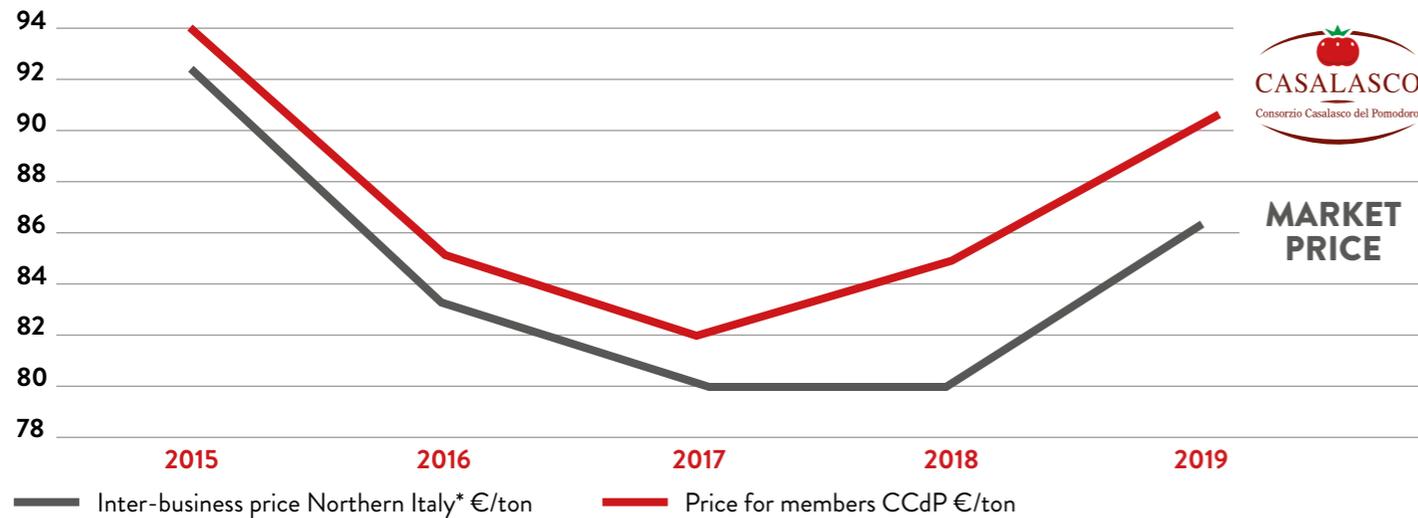


The graph highlights the trend of the tomato valorisation granted by members to the Consortium in the last five years, in relation to the price

recognized to the industry and its conferrers in the same period, and with an evident gap that favors the first ones.

	2015	2016	2017	2018	2019	AVERAGE
Inter-business price Northern Italy* €/ton	92	83	79.75	79.75	86	84.10
Price for members CCdP €/ton	94	85	81.75	84.75	90	87.10
Delta €/ton	2	2	2	5	4	3.00
Delta %	2.2%	2.4%	2.5%	6.3%	4.7%	3.6%

THE GRAPH REPORTS THE TREND OF THE PRICE OF TOMATO TO MEMBERS IN RELATION TO THE MARKET PRICE IN THE LAST 5 HARVESTING CAMPAIGNS.

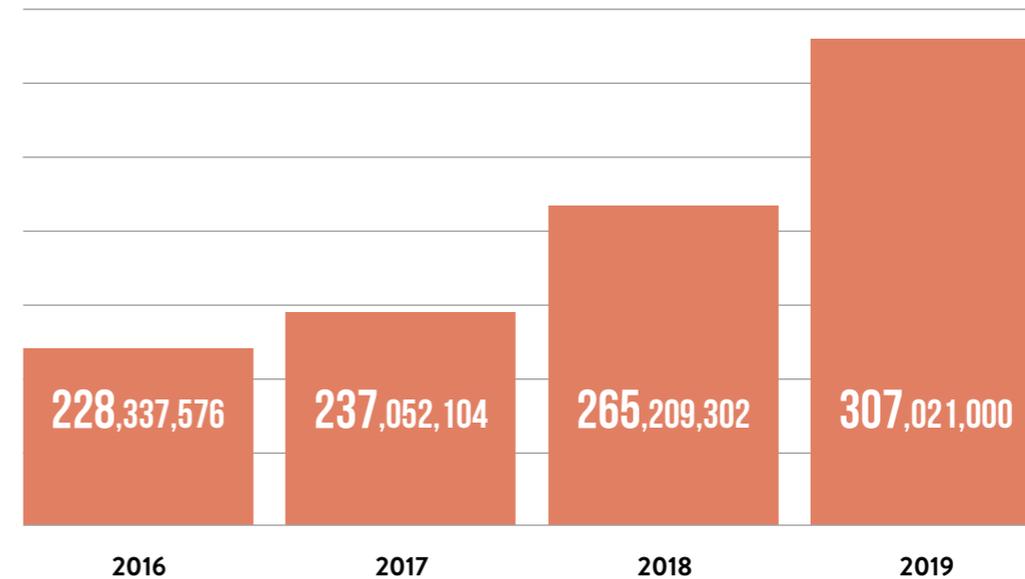


\* Prezzo e condizioni concordate annualmente per la materia prima "pomodoro da Industria" tra le Organizzazioni dei Produttori e Industrie di Trasformazione Private situate nel bacino dell'Italia settentrionale.

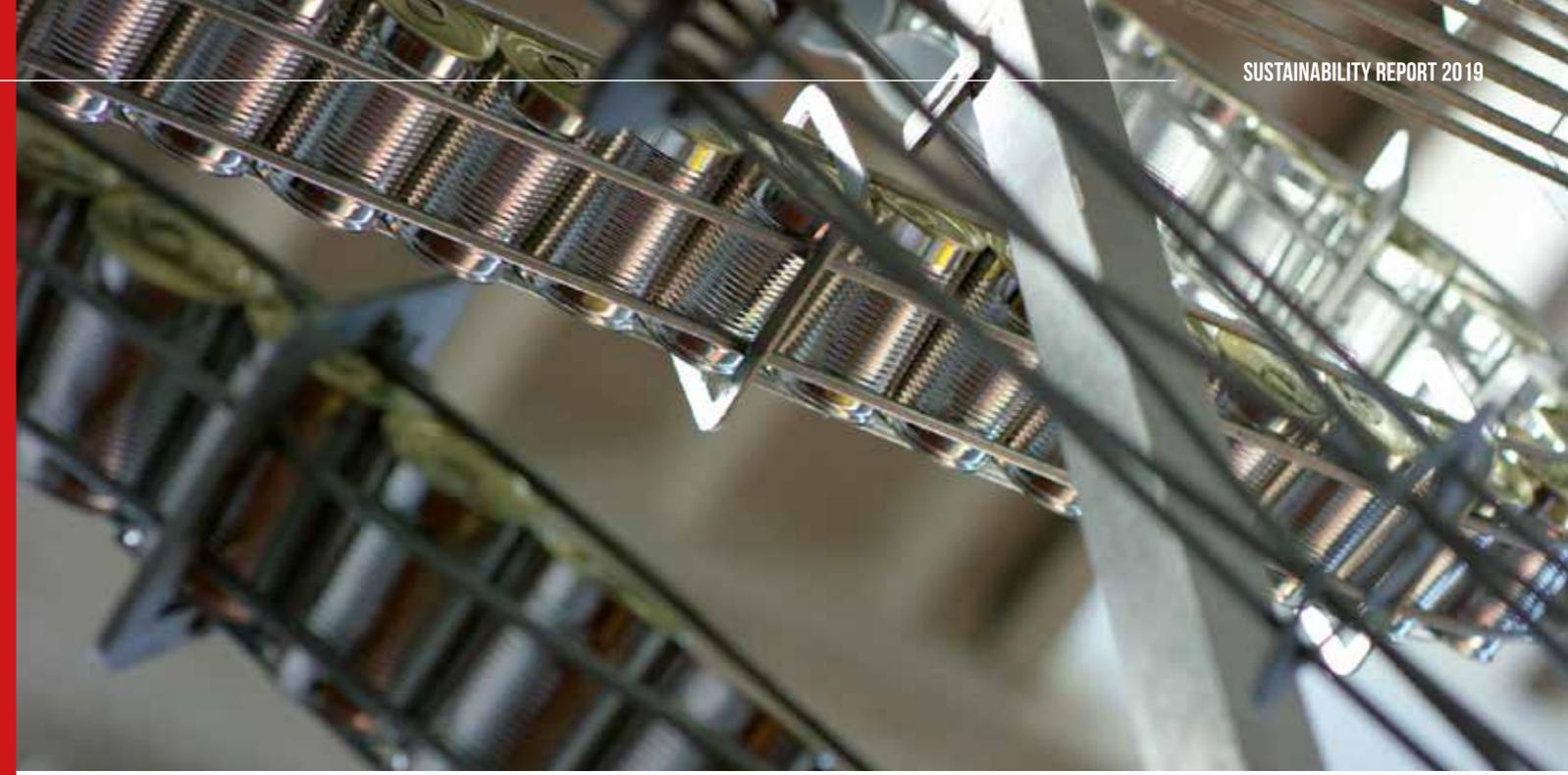
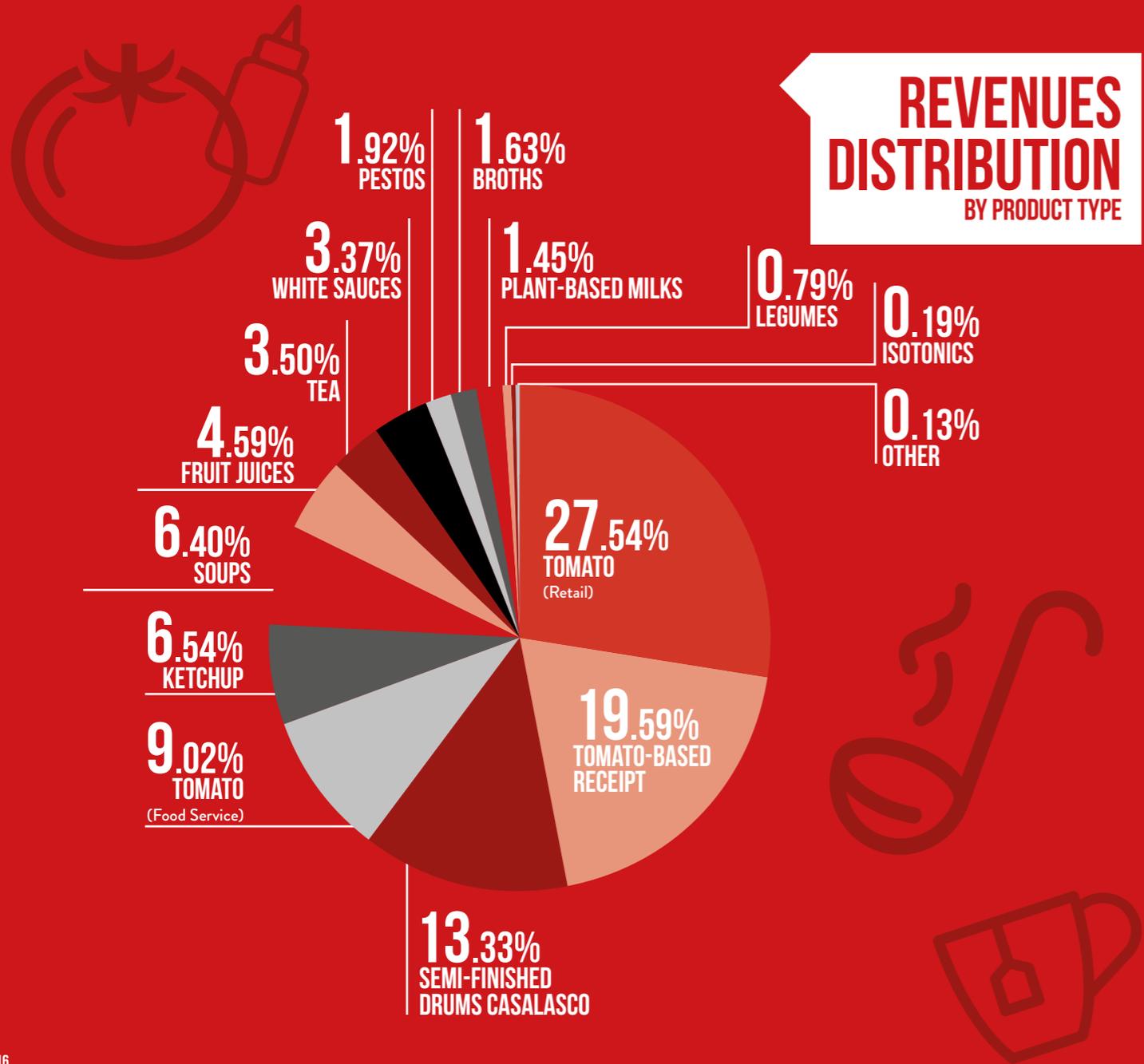
### BUSINESS PERFORMANCE OF THE GROUP

Despite the progressive decrease of the price of tomatoes in the last three years period that also influenced the price of the finished product, the Consorzio Casalasco has seen a constant increase in its revenues. In particular, the increase of revenues in the consolidated financial statement of 41.8 million euro in 2019 (equal to 15.76%), was due to an increase of the market share covered, both in terms of sales of co-packing and of the Consortium's own labels. More than 65% of the products' final

destination is represented by the revenues from export (growing by 8% in comparison to 2018) and that has proven to be, throughout the years, the pivotal element for Casalasco's and its subsidiaries' business. The results further outline how the distribution of the turnover keeps being consistent both with the Business Plan and with the business strategy of the Consortium: the business production and the commercialization of tomato based and derivatives (76% of the total revenues) and the wide range of products to complement the offer, as well pointed-out by the graph in the following graph.

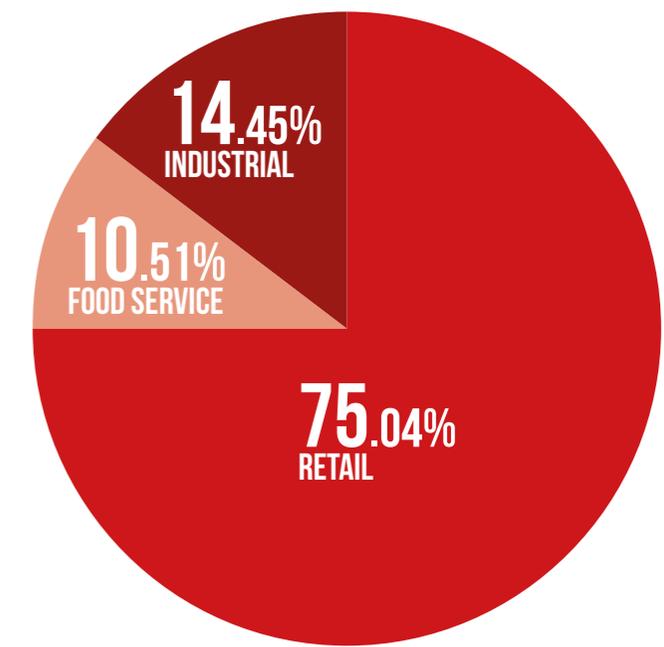


PROGRESSION OF CONSOLIDATED REVENUES 2016-2019



THE DIVISION FOR SALES CHANNEL HIGHLIGHTS HOW THE RETAIL SEGMENT IS PREDOMINANT, THANKS TO THE PRODUCTS LABELLED WITH THE BRAND POMI AND DE RICA, AND THE PRODUCTIONS FOR THIRD PARTIES.

### DIVISION OF 2019 REVENUES BY DISTRIBUTION CHANNEL



# 5 OUR PEOPLE

<b>5.1</b> <u>A supply chain of rights</u>	120
<b>5.2</b> <u>The Identity Card of the Consorzio's Staff</u>	127
<b>5.3</b> <u>Our commitment to employee health and safety</u>	131
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<b>5.6</b> <u>You're from Casalasco if...</u>	138



# 5.1 A SUPPLY CHAIN OF RIGHTS



The company complies with all standards regarding human rights and workers' rights, and is strongly committed to require the same from everyone who, at every stage of the supply chain, work for the Consortium and with the Consortium.

In essence the winning characteristics of quality, reliability, transparency, traceability, compliance, innovation, sustainability, are extended from product to the management of human resources.

This result is achieved thanks to a range of policies, business practices and processes that ensure consistency with the values and corporate goals, and promote and strengthen common values and culture all along the supply chain. This starting from producers of raw material, (which as already pointed out are suppliers but also partners of the company), to all external parties who enter into this process through the supply of goods and services.

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**THE CONSORZIO CASALASCO DEL POMODORO RECOGNISES THE CENTRALITY OF THE PEOPLE AND PROMOTES A STYLE OF LEADERSHIP THAT ENHANCES IT'S STRATEGICAL IMPORTANCE. THIS IS BECAUSE THE HUMAN RESOURCE IS A CRITICAL FACTOR OF SUCCESS, AND MOREOVER AN IDENTITARY VALUE.**

---

The reference standard for this type of management is **Social Footprint**, a voluntary standard, developed by some of the most prestigious certification bodies operating in Italy, which consists of the evaluation and communication to customers, final consumers, and in general to all interested parties, of information relating to the company and its supply chain, with particular reference to workers and respect for their rights.

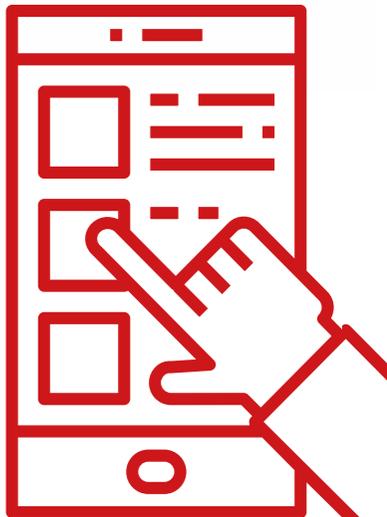


The following image shows the “**social label**” of tomato juice L+ in keg. Who buys this or any other product of the Consortium, has at its disposal, along with all the information requested by the contract, also data relating to verifiable social impacts generated by the product, quickly and transparently. The label in fact gives clear information with regard to the profile of human resources of the company and its policies in matters of social responsibility. In

addition, it is possible to check a whole set of information regarding his supply chain.

A legend at the bottom of the label allows you to clearly decode the information provided, with the related date of update. Essentially it is a sort of “**ethics labelling**” of the products, which allows to define the perimeter of their social impact.

**All the “social labels” of Casalasco are available at [www.ccdp.it](http://www.ccdp.it).**



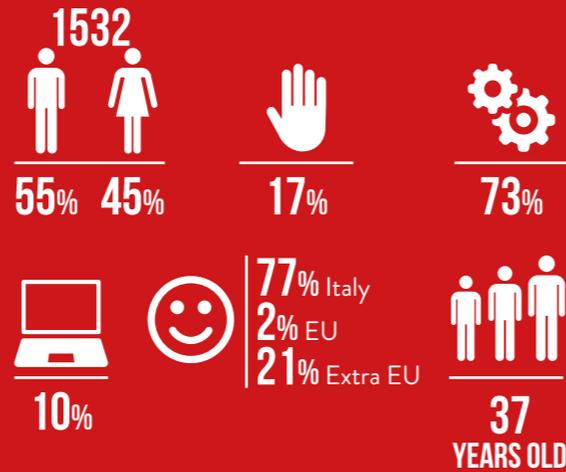
### FURTHER INFORMATIONS

For over 30 years, control of the supply chain from field to finished product, to ensure quality, environmental protection, respect of the territory.

The company's commitment to the entire supply chain to the respect of child/juvenile work with reference to ILO and national legislation. Commitment of the suppliers of the product chain with respect to the principles of SFP.

More information available on the website.

### ORGANIZATION: LARGE COMPANY



### TOTAL SUPPLIERS: 26



### NATIONAL SUPPLIERS: 25

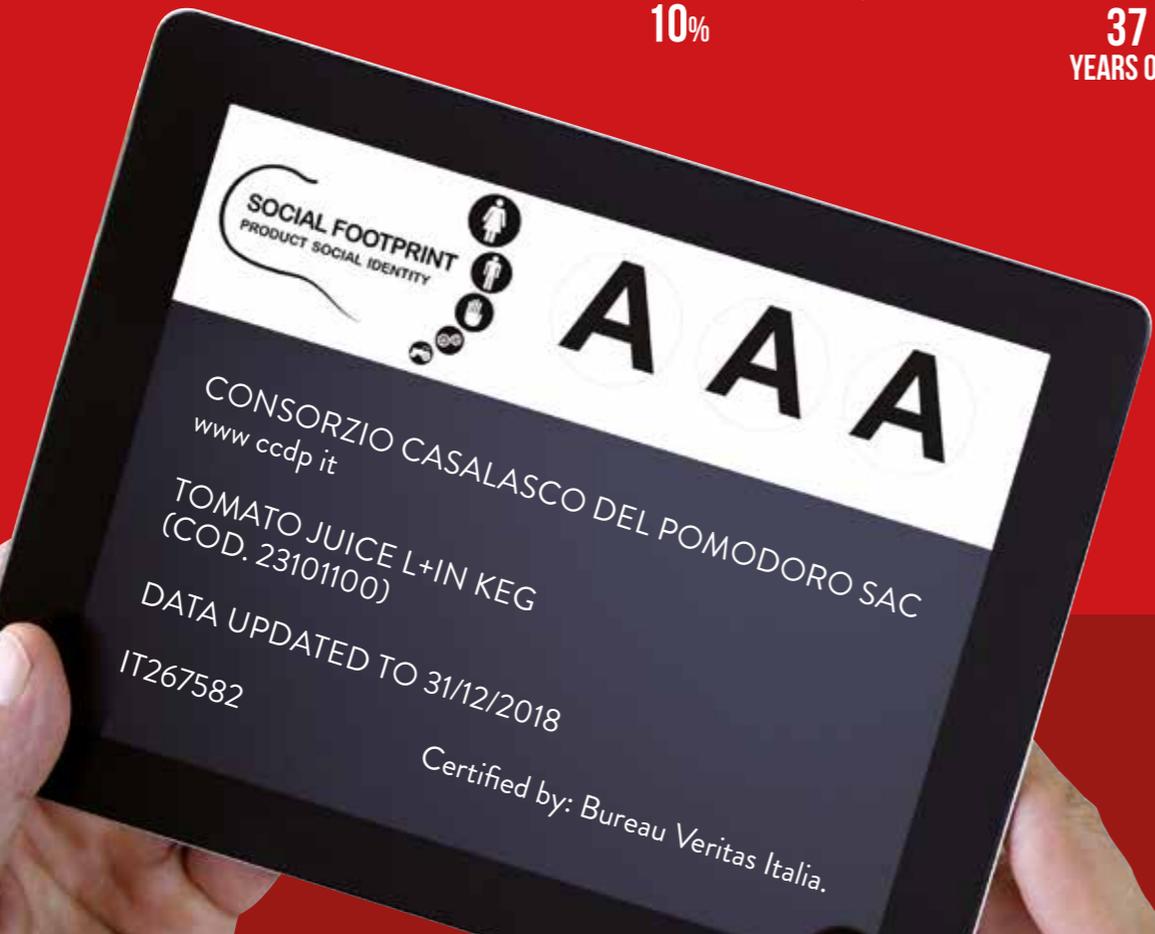
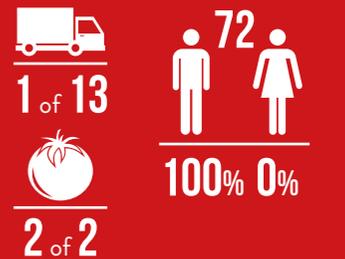


### INTERNATIONAL SUPPLIERS



### SUPPLIERS

with prevailing revenue with the organization (>50%)



### LEGENDA:

- Employees' nationality
- Suppliers' Provenience
- Manual activity
- Machinery use
- Backoffice activity
- Organization
- Tomato suppliers
- Suppliers of ingredients and packaging
- Service and logistics providers
- Employees' average age

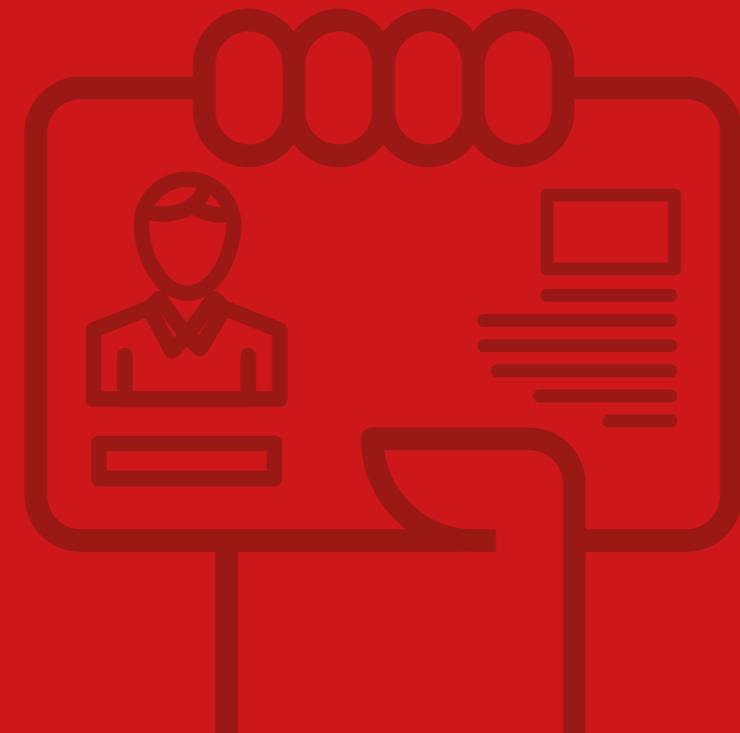


The ethical system has its summit in the Codes of Conduct that the Consortium has drafted and signed, governing the rules that the company itself, the partners and suppliers of goods and services, are required to follow regarding respect human rights, workers' rights, occupational health and safety, environmental protection and business ethics. These documents transpose all mandatory national and international regulations as well as the principles established by the most popular international voluntary standards on the subject (UN Global Compact, Eti Base Code).

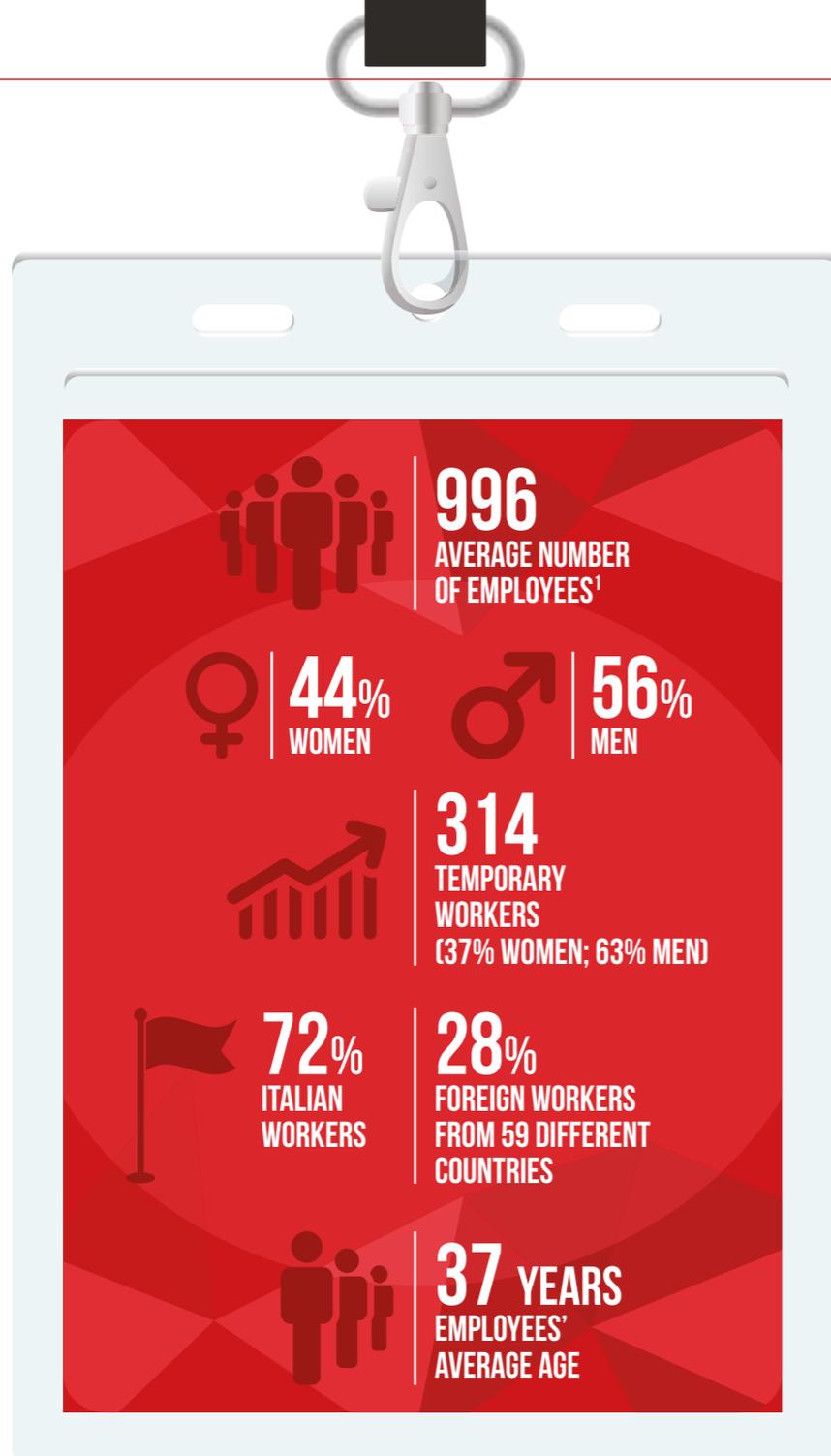
Following these documents, there are operational procedures included in the Integrated System regulate human resources management and administration, training, internal and external communication, health and safety, management of reports and non-compliance, improvement actions, internal and supplier audits.

In this way the Consorzio Casalasco operates in a controlled, verifiable manner and with a view to continuous improvement with the aim of improving quality of the life and work of those who work with him and for him.

## 5.2 THE IDENTITY CARD OF THE CONSORZIO'S STAFF



**DURING 2019 THE AVERAGE NUMBER OF CONSORZIO CASALASCO'S EMPLOYEES HAS INCREASED BY 11 %, FROM 896 TO 996 WORKERS, AS WELL AS THE NUMBER OF WOMEN EMPLOYEES, WHICH HAD AN INCREASE OF 17%, AND FOREIGN WORKERS (+37%). THE MAXIMUM NUMBER OF EMPLOYEES REACHED THROUGHOUT THE YEAR DURING THE TOMATO CAMPAIGN INCREASED FROM 1,451 IN 2018 TO 1,613 IN 2019.**



<sup>1</sup> Data on human resources in this chapter represent the average number of employees expressed in Annual Work Units (AWU); Are included adventitious workers and seasonal collaborators working mainly during peak of production at the production plants of the Consortium.

## ADVENTITIOUS AND SEASONAL WORKERS

The main feature of the staff of the Consortium, as well as all the primary processing companies of agricultural products, is the high percentage of staff recruited each year with a temporary contract. This to cope with the peak of work during the period of transformation of tomato and legumes, the so-called “campaign”, which takes place from July to September.

This type of work, which strongly characterizes all the territory with agricultural vocation, has always connoted the economy of entire territories, determining also traditionally the rhythms and organization of family life.

Although with different characteristics according to the different regions and the economic contingency, seasonal work is not necessarily a fallback for workers seeking stable employment, but it's often the first professional experience for young people and/or students and for workers, who grasp the possibility of part-time employment partially harmonising it with other commitments regarding work, study or family. In cooperative companies then, the experience often

have in common at the same time several generations of the same family, which frequently also gives the product to the production plant. In these cases the “country” work is lived as a sort of appendix to the agricultural appendix. Precisely for this reason very often relationships have continuity over the years, and workers achieve high levels of competence, reliability and a strong attachment to the reality in which they operate, so much so that the number of campaigns underway, with the experiences and memories that each brings with it, constitutes a kind “palmarés” to show off when you want to. to demonstrate your professional ability. The adventitious staff is selected by Consortium in compliance with the Collective Bargaining Agreement reference standards and with the norms that protect impartiality, equal opportunities, and the ones that regulate the work on a temporary basis. Previously on their entry into service the workers receive training on issues such as human and workers rights, health and safety, product safety, environment and in relation to the tasks assigned to them. Where appropriate, provision shall also be made for shadowing period.



**SINCE 2016, HAS BEEN APPLIED A SUPPLEMENTARY CONTRACT THAT PROVIDES FOR BETTER CONDITIONS IF COMPARED TO THE CONTRACTUAL BASIS, WELFARE INITIATIVES FOR WORKERS AND VARIABLE REMUNERATION LINKED TO THE ACHIEVEMENT OF TARGETS.**

**CONTRACT AND REWARDS**

The Consortium applies the Collective Bargaining Agreement (CCNL) of the agricultural cooperatives and consortia; since 2016 it is applied a supplementary agreement which provides for conditions that are better than the contractual basis, welfare initiatives for workers and a share of variable remuneration linked to the achievement of objectives.

The reward system, the object of negotiation, is extended to all employees indefinitely, excluding managers, and is linked to parameters such as the corporate performance, product non-compliance,

and operational non-compliance. There is also a incentive scheme for adventitious staff, not target-related, but linked to the days of work done during the period covered by the contract, thus enhancing the continuity and commitment retention of the worker engaged at the time of hiring.

All the Consortium employees are covered by collective bargaining agreements.

In accordance with the second level agreements, the Consortium expects that any significant operational change that could impact on staff are communicated as early as possible.



**WORKING WITH YOUNG PEOPLE: INTERNSHIPS**

The Consortium has signed agreements with schools and universities to carry out training and internships. The internships were started in different departments of the company and, in 2019, involved 16 students.

**5.3**

**OUR COMMITMENT TO EMPLOYEE HEALTH AND SAFETY**





**THE COMPANY IS COMPLIANT WITH THE REGULATIONS REGARDING HEALTH AND SAFETY OF WORKERS, WHICH IS EXTENDED TO ALL THE SUBJECTS, EVEN IF THEY ARE SUPPLIERS OR GUESTS THAT ENTER THE PRODUCTION PLANTS.**

The Casalasco Consortium has always placed the maximum attention to the issue of health and safety of the workers, constantly striving in spreading the culture of prevention with the aim of creating a working environment safe and healthy.

Within the strategy of the Consortium regarding injury prevention and management, mitigation and reduction of potential health risks, has been adopted a Policy for quality, environment and social responsibility, which has the following objectives:

1. Define an improvement program of the main indicators related to health and safety in the workplace, in order to reduce the risk of serious injuries;
2. Invest resources in internal communication, training and information programs to raise awareness of workers in the area of social responsibility and health and safety at work;

3. Define welfare projects aimed at improving the quality of life at work.

In accordance with the regulations, the Consortium has identified in each site the person in charge of the prevention service and protection (RSPP), the members of the first aid team and fire-fighting, as well as those responsible for safety and the competent physician.

The Consortium also provided for the identification of the hazards, the risk assessment and mitigation, through the implementation of technologies, the adaptation of work environments, the adoption of good practice and protective equipment. The identification of the hazards, the evaluation of the risks and their mitigation are elements which are taken into account since the design of the plants, in the definition of the processes that are the subject of constant updating.

The company rigorously comply with the regulations regarding the health and safety of workers, which extends to all subjects, even if they are suppliers or visitors, who enter in the production sites. Particular importance is given to the training of adventitious workers, to change of jobs, at start-up of new plants and equipment and to the inclusion of new hired staff. During the periodic Health and Safety meeting, held annually at each site, injuries and near misses are analyzed and discuss, together with the results of the health check-up and technical interventions and organizational measures taken to improve the level of security.

Additional meetings are also planned with workers and workers' representatives in

order to share issues that have arisen during work and cooperate to find solutions. All health and safety rules and instructions are integrated in the operational documentation, because everyone should know that injury prevention is a fundamental part of the conscious and professional action of every member of the organization, protecting his own and others' health capital, operational continuity and corporate reputation.

There was a slight increase in the injury rate (4%), but is confirmed even for 2019 the absence of high consequence injuries<sup>1</sup>. The company has planned surveillance in production sites to identify situations that need to be improved and specific training courses for the staff.

<sup>1</sup> Injuries from which the worker cannot recover, or does not or is not expected to recover fully to pre-injury health status within 6 months. The injury rate has been calculated as the ratio between the total number of injuries and the total hours worked, using a multiplication factor of 1,000,000. The data includes the commuting incidents only where the transport has been organized by the organisation.

HEALTH AND SAFETY NUMBERS

**4.18**  
PER CAPITA  
**HEALTH AND SAFETY**  
TRAINING HOURS

**6,384**  
**MANDATORY**  
TRAINING HOURS

**84**  
**VOLUNTARY**  
TRAINING HOURS

# 5.4 MANAGEMENT AND EMPLOYEE DEVELOPMENT

**THE MANAGEMENT OF HUMAN RESOURCES IS BASED ON RESPECT, FAIRNESS, TRANSPARENCY AND NON-DISCRIMINATION.**

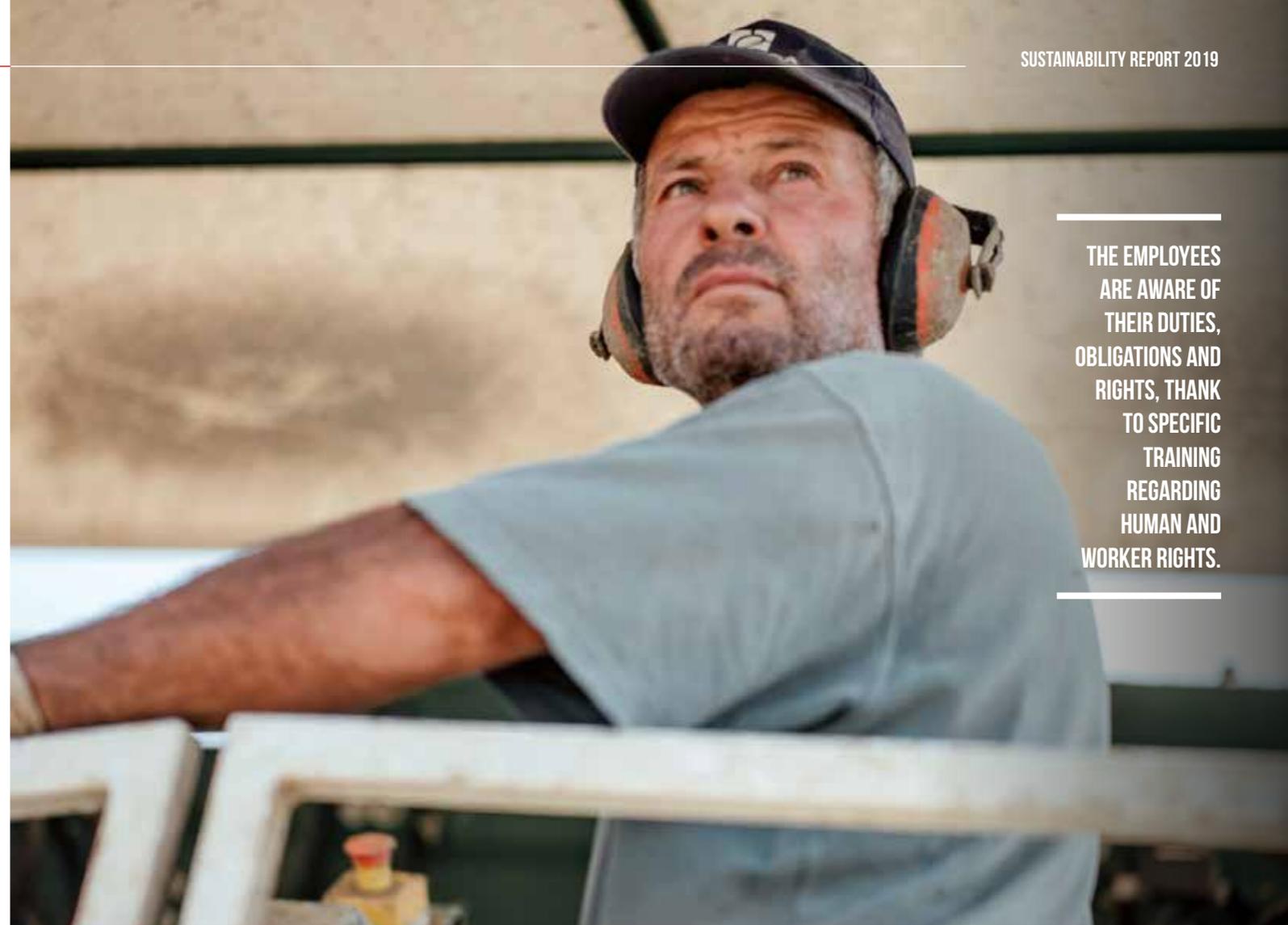


In compliance with these values all the staff is made aware of its duties, obligations and rights, through specific training regarding human and worker rights, which are documented in a company regulation applied since 2016, the Personnel Code. The document has been shared with the Trade unions and has therefore contract value; it is distributed to the fixed-term and adventitious staff, and is subject of periodic training.

The Regulation contains the contractual rules regarding working hours, absences, disciplinary measures, but also the rules of conduct, of hygiene, environment, safety which everybody are required to comply.

The aim is to have well-known and shared standards and rules. The company want to develop awareness in the staff at all levels regarding their role within the organization, and the consequences on them and on the company itself in case the rules are not respected.

THE EMPLOYEES ARE AWARE OF THEIR DUTIES, OBLIGATIONS AND RIGHTS, THANK TO SPECIFIC TRAINING REGARDING HUMAN AND WORKER RIGHTS.



The company promotes a collaborative and proactive application of these provisions, and is available for clarification or notice of breach.

With regard to the latter, the Consortium guarantees everyone the freedom and confidentiality to communicate, even anonymously, situations that are detrimental to the rights and dignity of anyone who is on its premises or working with the company or for the company.

**31,538**  
TOTAL  
TRAINING HOURS

**7,824**  
MANDATORY  
TRAINING HOURS

**23,714**  
VOLUNTARY  
TRAINING HOURS



## TRAINING

During 2019, the were disbursed more than **31,538 total training hours** equal to 31.7 training hours per capita (increasing by 25% compared to the previous year). The topics covered are safety at work, food hygiene, environment, management of issues and non-conformities, implementation of new lines, installations and equipment, new products and new operational or control strategies. Particular attention is also given to the knowledge of organisational and product standards underlying the integrated system, as well as special requirements and specific customers' requests.

As regards the acquisition of new skills, it should be mentioned the refresher courses aimed to learn the new legislation about labelling, the revision of the BRC standards and FSMA procedures for export to the United States.

Finally, it should be pointed out that it has been planned a three-year specific training in the area of anti-corruption for employees, which involved 7% of the staff in 2018 (52 hours). New training activities have been planned for 2020.

## INTERNAL COMUNICATION

The company is committed to improving his internal communication process. Alongside the traditional tools such as posting notices on the notice board, direct communication from the management, e-mail and meetings with the Top Management, has therefore planned in 2020 the organisation of meetings for all the employees working in the production sites and in the headquarter, in order to share: mission and corporate values, strategies and results, prospects, new products and markets, relations with stakeholders and, last but not least, the opening of a dialogue channel regarding the contents of this document.



# 5.5 WELFARE

SINCE 2018 IS PROPOSED TO EVERY EMPLOYEE A SCREENING PROGRAM AIMED TO ONCOLOGICAL PREVENTION.

Corporate welfare include the very wide range of initiatives, mainly contractual, through which the employer addresses its attention to employees and commits himself to improve their well-being, both in the workplace and in conciliation between professional activity and private life.

The Casalasco began this process in 2017 with the distribution of a questionnaire, shared with Corporate management and Trade Union Representatives, aimed at collecting indications about the level of occupational well-being and needs of care and "work-life balance." From the results of this survey the first initiatives were born, such as corporate

ironing service, the yoga class during the lunch break and the no-smoking course.

Since 2018, in collaboration with ANVOLT (Associazione Nazionale Volontari Lotta Contro i Tumori) of Parma, the Consortium has promoted a program for the prevention of oncological diseases in the three production sites and during working hours, which provided ultrasound scanning, breast and dermatological examination with mapping of moles and, in 2019, ultrasound examination of the thyroid gland for 317 employees.



## 5.6

## YOU'RE FROM CASALASCO IF...

In ethical schemes the term “Personnel” is understood in the broad sense; it is not only referable to those who are employees of the company, but is extended to all those which, regardless of the type of contract that ties them to the company, operate on its behalf; this “widened” notion of the term wants to avoid that organisations recognises rights and protection only for a limited number of privileged employees, leaving others workers, to whom it contracts the performance of some of his trials or that he hires with flexible instruments, without those guarantees which they would be entitled.

The Consortium recognizes the right to be treated with justice and fairness to all workers operating on his behalf.

That's because:

- it makes no inappropriate use of unprotected contracts forms;
- it checks the compliance of service providers operating in the production sites and in member farms
- aims to offer job opportunities and inclusion to fragile people and/or in situations of marginality.





For several years the Consorzio Casalasco has externalized the cleaning activities and the management of the ecological area of one of the production sites to the **social cooperative Onlus Emc2**, which has as its main goal the job placement of disadvantaged people, in order to foster integration of all the categories of our society. The activity is managed under the supervision and the advice of the Servizio Inserimento Lavorativo (Employment of Disabled People Service) of the Province of Parma.

The cooperative is equipped with laboratories, the “Educational workshops”, which contemplate different opportunities of engagement, important to improve the autonomy of the people involved, as well as protected educational coaching pathways. Emc<sup>2</sup>

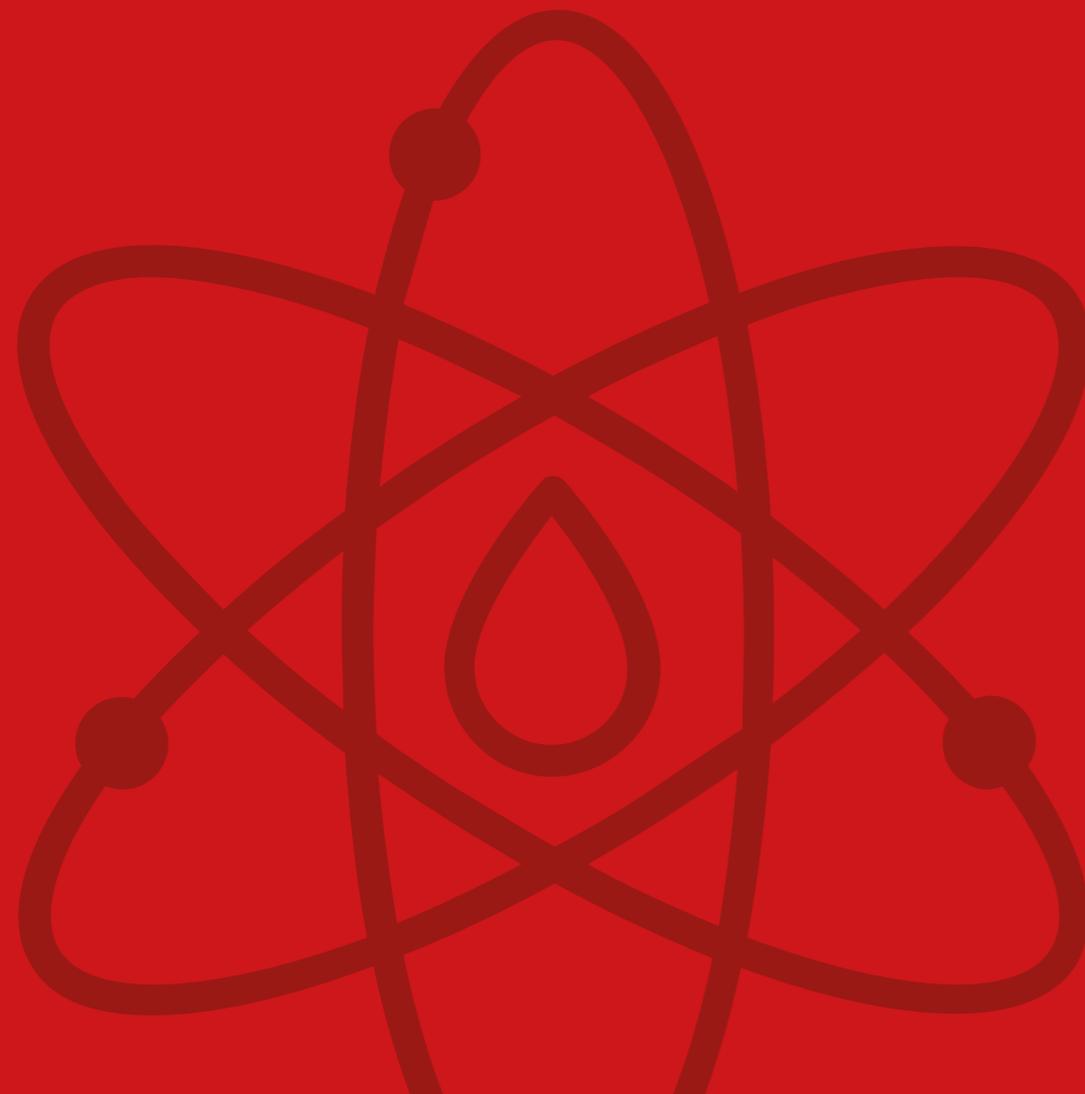
also collaborates with institutions that operate in the area, with the common goal of supporting the employment and implementation of support pathways for disadvantaged people (ASL, ASP, Pedemontana sociale, Comuni), realizing individualized projects on measure. These projects offer many different jobs: “creative”, in the field of artistic craftsmanship, which require more physicality and energy, for example in green management, and repetitiveness of operations to offer occupations suitable for different talents and skills.

Casalasco has undertaken with the Cooperative a project in order to entrust the personnel employed in these “educational Workshops” part of the rework on the finished products of the production plant in Fontanellato.



# 6

# ENVIRONMENTAL SUSTAINABILITY



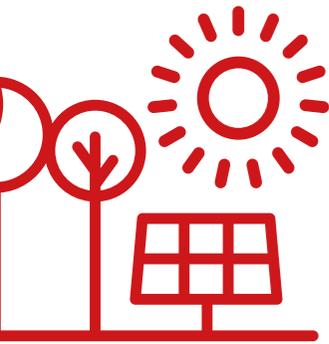
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# 6.1

## SUSTAINABILITY ISSUES IN THE AGRI-FOOD SUPPLY CHAIN AND OUR COMMITMENT TO THE ENVIRONMENT

**CONSORZIO CASALASCO IS PART OF AN AGRI-FOOD SYSTEM OF INDUSTRIAL TYPE. SYSTEMS OF THIS KIND ALLOW TO INCREASE THE PRODUCTION LEVEL AT ALL STAGES OF THE SUPPLY CHAIN, PAYING A GREAT ATTENTION IN RELATION TO THE ENVIRONMENTAL IMPACTS GENERATED.**



During the agricultural production, matters such as the reduction of the fertility of the land, water pollution, biodiversity deterioration, as well as the product safety and salubrity fallouts have to be dealt with.

To this, the direct impacts deriving from the transformation of the agricultural product shall be added: the consumption of natural resources (water, energy), emissions, and waste production. Finally, the so-called indirect impacts must be considered, thus those deriving from the supply chain and other activities that take place in all phases of the product's life, from research and development to the disposal / recycling / reuse of what remains after its consumption.

Today the consumer is increasingly attentive and oriented towards conscious purchases and when contemplating the quality of agri-food products the customer also includes values such as a product's environmental and social sustainability. On the other hand,

business partners see the approval of the society as a paramount requirement for the business continuity. Consorzio Casalasco del Pomodoro is thus well aware that for creating value in the short-term and surviving in the long-term, its opportunity as well as that of other farms, relies on the production of healthy and genuine food, on the protection of natural resources, and on the sustainable development of the territory.

The choice to safeguard the environment not only implies the selection of values, but it is also a precise strategic orientation, that adds up to the conscious assumption of the responsibility to promote the same choice to his partners, in the belief that an agriculture increasingly respectful of the environment contributes to the survival of farms, preserving the territory and local communities.

Chapter 3 discussed about the environmental and social sustainability aspects on the field; following, the reader can find a focus on the environmental impacts that are undergoing an industrial transformation.

## 6.2

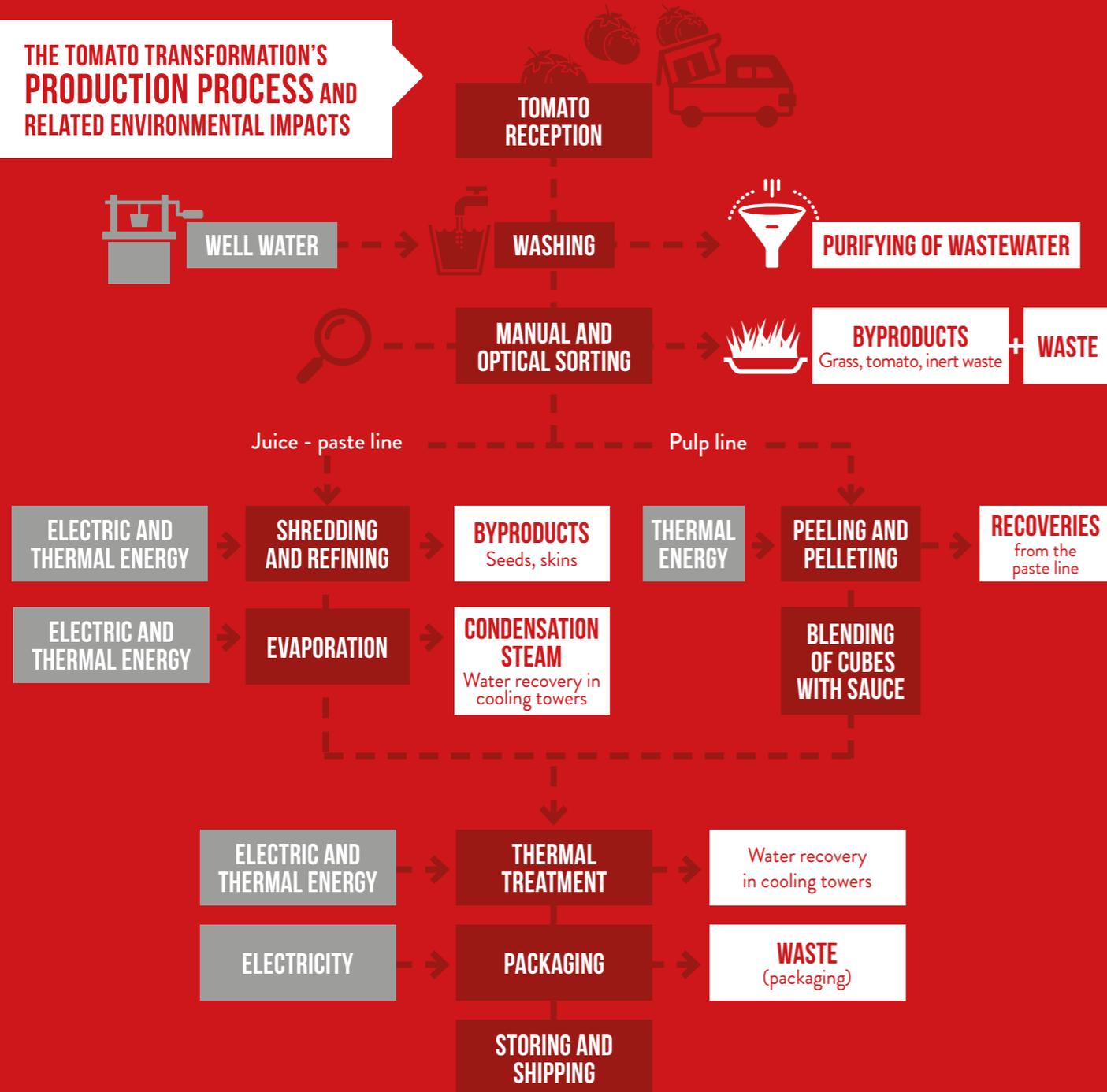
# THE PRODUCTION CYCLE AND IDENTIFICATION OF SIGNIFICANT ENVIRONMENTAL IMPACTS

**THE ACTIVITY OF CONSORZIO CASALASCO IN ITS PRODUCTION SITES CAN BE TRACED BACK TO TWO MACROACTIVITIES ON A SEASONAL BASIS.**

- The re-processing of semi-finished tomato products for the production of sauces and condiments, the production of pestos and soups, and of juices and drinks. These processings are executed in the remaining months of the year, even if, to a lesser extent, they can still occur during the tomato campaign. The peas campaign, that are processed only in the Gariga site, takes place in May, while the processing of borlotti beans occurs in October.
- The tomato transformation campaign that goes from the end of July until the beginning of October; occurring in all the three sites, the processing of fresh tomato for the production of semi-finished products for industry, catering and retail;



**THE TOMATO TRANSFORMATION'S PRODUCTION PROCESS AND RELATED ENVIRONMENTAL IMPACTS**



The environmental impacts deriving from operations outside the countryside are similar to those deriving from the processing of tomato, which are also predominant in terms of quantity. Thus, the following part will only further investigate the main seasonal transformation process, with some references to tomatoes' extra-campaign operations.

The figure in the previous page showcased the main phases of tomatoes' transformation process and the related direct environmental impacts. In order to identify these aspects, all the fallouts related to the activities, the products and services to which the Consortium has a direct control, have been contemplated.

Following this analysis, that has taken into account operating conditions of normal, anomalous, and of emergency kind, a hierarchy between the impacts has been identified. This organization allows both to give priority to the management of operations, and to organize the environmental management of the Consortium in a coherent and consequent way.

**THE MOST SIGNIFICANT DIRECT IMPACTS TURNED OUT TO BE:**

**ENERGY CONSUMPTION 1,147,802 GJ**



**WATER WITHDRAWAL 5,057 MI**



**PRODUCTION OF WASTE WATER 4,763 MI**

To purify, and related discharge in surface waters



The Consortium commits to focus on these aspects for improving its plants, its processes, and its management in order to minimize consumption, its impacts and and the risks related.

In the following paragraphs, there is a deeper focus on the results and the actions for each of the impacts. Morevoer, attention is also paid to the waste caused by fallouts, even those of ethical type, which are present in the food industry, and more generally, also in the production system.

# 6.3 THE ENVIRONMENTAL MANAGEMENT SYSTEM OF CONSORZIO CASALASCO



The Casalasco Consortium has developed an integrated management system for the control of all relevant business processes in relations with the Customer and other interested Parties. For all the activities of the plants with a potential impact on the environment, procedures and instructions have been defined that provide the personnel concerned with the operating methods to control their impacts and prevent accidents. The implemented system allows, through

the identified performance indicators for the main processes, to measure the results achieved against the defined objectives as well as to identify potential areas for improvement.

The system has a document structure described in the integrated management Manual and is periodically reviewed during the review, in order to evaluate its effectiveness for achieving the corporate objectives.

The 3 sites of the Consortium operate under the Integrated Environmental Authorization (IEA), and the authorization related to the EU ETS Directive<sup>1</sup>

## ISO 14001 Certification

for the  
Rivarolo del Re site

## Certification EMAS

for the Rivarolo del Re  
and Gariga sites

<sup>1</sup> Directive 2003/87 / EC establishes a trading system for greenhouse gas emission allowances in the EU (European Union Emissions Trading Scheme - EU ETS)

# 6.4 ENERGY CONSUMPTION AND EMISSIONS



In order to mitigate the impacts associated with energy consumption, throughout the past few years the Consortium has executed the following interventions:

- **the substitution of obsolete engines with high-efficiency ones**
- **the insertion of inverters on the well's compressors and pumps**
- **the isolation of the steam pipes**
- **the substitution of traditional lamps with LED lights**, and for the 2019 campaign,
- **the installation of 3 new economisers** for increasing the energetic performance of the heat pumps utilised for the transformation of tomatoes from 90 to 95%.

Throughout 2019, the Consorzio Casalasco has 1,147,802 GJ of energy. The amount of energy depleted is in line with the amount of last year, even though there was an increase of production by 14% (1,128,614 GJ).

The 82% of the Consortium's energy consumption is due to natural gas (937,559 GJ), consumed for production activities. Less relevant are the consumption of diesel, related to production and transport (2,639 GJ), and the consumption of electricity (207,304 GJ), that is composed 98% by purchased energy, while the remaining part is self-produced in the Gariga site, which has a capacity of 962 MWh.

The conversion plan to transform oil-fired boilers into natural gas boilers started in the Rivarolo del Re site has continued in 2019, with the adaptation of a boiler, leaving the last one remaining as a backup. Consequently, the consumption of fuel oil fell down (3 GJ in 2019, in comparison to 46,888 GJ in 2018), as well as the most polluting emissions, such as PM, SO<sub>x</sub> and NO<sub>x</sub> (-29% in comparison to 2018).

MOST OF THE ENERGY CONSUMPTION AND THE CONSEQUENT ATMOSPHERIC EMISSIONS OF THE CONSORTIUM ARE CONCENTRATED IN THE PERIOD OF THE TOMATO PROCESSING CAMPAIGN AND ARE ATTRIBUTABLE TO THE INTENSE AND CONTINUOUS OPERATION OF THE INDUSTRIAL PLANTS.



## ENERGY INTENSITY INDICATORS

The energy intensity indicators have been calculated taking into account both the period that coincides with the tomato campaign, the core business of the Consortium, during which more than half of the energy consumption is concentrated, and the remaining 10 months of the year.

**3.5 GJ OF ENERGY CONSUMED DURING THE TOMATO CAMPAIGN**

(per ton of tomato based finished product) (3.8 GJ in 2018)

**2.7 GJ OF ENERGY CONSUMED OUTSIDE OF THE TOMATO CAMPAIGN**

(per ton of finished product of all types) (3.1 GJ in 2018)

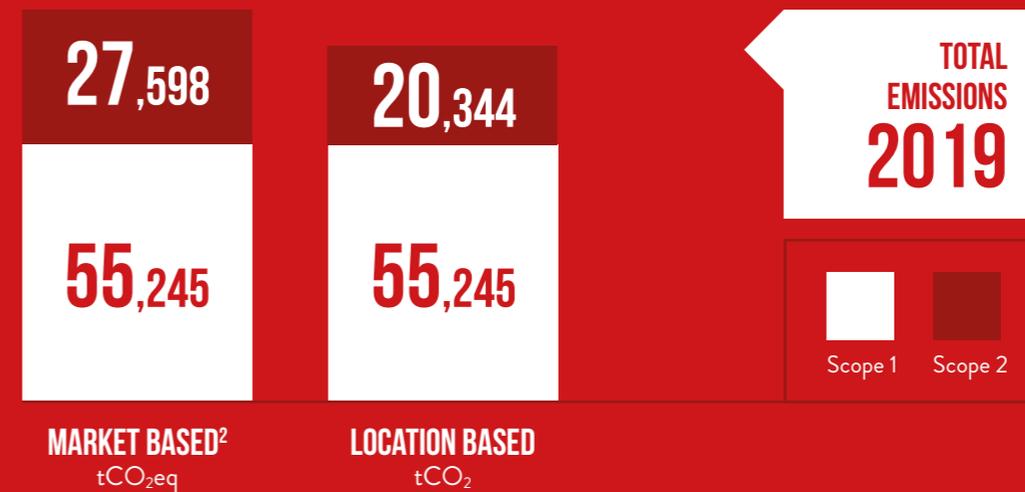
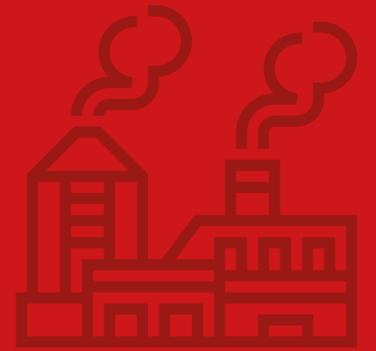
In comparison to 2018, there has been a reduction in both of the energy intensity indexes. This has occurred thanks to the efficiency measures and the increase of the production volumes that allow the saturation of lines and the optimisation of resources.

Following the energy audit, submitted to ENEA at the end of 2019, some measures aiming at increasing the usage of energy from renewable resources and at saving energy are under scrutiny:

1. The integration of a high-yield cogeneration plant, connected to the national electricity network and that meets the daily needs of electricity and of thermal energy (water + steam) of the plant
2. The integration of a photovoltaic plant, connected to the electricity network, that covers, as far as possible, the daily electricity needs of the Consortium, favouring the self-consumption of self-produced energy

The total amount of direct emissions related to production (Scope 1) produced by Consorzio Casalasco in 2019 have remained the same, following a slight increase of indirect emissions related to the production of electricity consumed (Scope 2). The total amount of emissions of CO<sub>2</sub> (Scope 1 and Scope 2 - Location based) is equal to 75,590

tCO<sub>2</sub>, and it has increased slightly in comparison to 2018 (74,952 tCO<sub>2</sub>)<sup>1</sup>, due to the increase in production. Scope 1 emissions include those emissions deriving from the usage of methane, fuel oil, diesel, LPG, and refrigerant gases; Scope 2 emissions include emissions deriving from the usage of electricity.



<sup>1</sup>The 2019 data also included emissions from refrigerant gases within Scope 1. Consequently, the data relating to Scope 1 emissions in 2018 have been restated compared to those published in the previous 2018 Sustainability Report, also including emissions from refrigerant gases.

<sup>2</sup> The Market-based is based on the CO<sub>2</sub> emissions issued by the energy suppliers from which the Consortium buys electricity through a contract and can be calculated considering energy guarantee certificates of origin and direct contracts with suppliers, emission factors specific to the supplier, emission factors relating to the residual mix, or to energy and emissions not monitored or unclaimed. The Location-based method is based on average emission factors relating to the generation of energy for well-defined geographical borders, including local, subnational or national borders. Specifically, the market based was calculated using the AIB Residual Mix 2018 source; the Location based method was calculated using the Terna 2017 source.

# 6.5 WATER WITHDRAWAL AND DISCHARGE



<sup>1</sup> IPPC - Integrated pollution prevention and reduction - decr. Legislative Decree 372/99 art. 2 paragraph 3 - Elements for issuing guidelines for identifying BATs for the food industry - 12/04/200

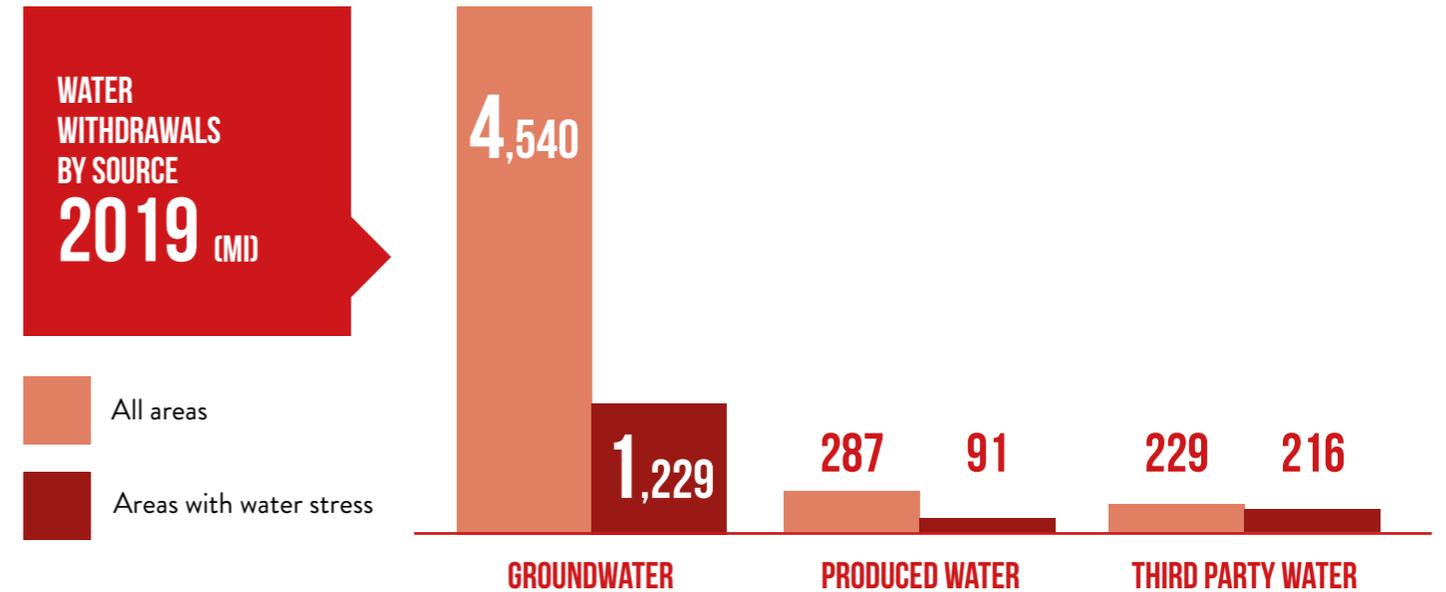
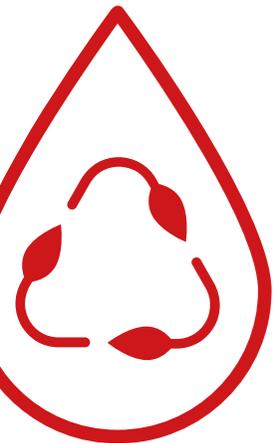
The agri-food industry is characterized by high water consumption. Water is used for unloading and washing the tomato, for generating steam, for the cooling systems and for cleaning the plants and the production environments. Water is also an ingredient in many preparations; although the quantity used in the recipes is considered as part of the consumption, it is not dissipated in the environment but transformed into tea, fruit juices, broths.

various stages of the production process. Over the last few years, water recovery systems have been set up at all production sites with the aim of containing their use, especially where used in greater quantities. Through the installation of cooling towers, dry coolers and recirculation systems, it is possible to reuse the cooling waters for the same purpose or for the discharge and first washing of the tomato.

In 2019, the Consortium withdrew 5,057 ML of water, the majority of which deriving from owned wells (4,540 ML). Process water (287 ML) and water from public aqueducts (229 ML) have a marginal impact. The overall withdraws are aligned with those of 2018 (5,054 ML), even though there was an increase of production by 14%, with an improvement of the indexes of water intensity.

The ability to use water resources rationally will become a strategic factor for the survival of agri-food plants. For this reason, the Consortium pays particular attention to water consumption and is engaged in the analysis of its processes to identify opportunities for plant operations and operating methods aimed at reducing this impact in the

The Best Available Technologies (BAT) were established in the EU<sup>1</sup> to determine the sustainability of plant. They involve the transformation of tomato in absence of recovery of the product, for a consumption equal to 130-180 m<sup>3</sup> of water/t of semi-finished product. For what concerns the Casalasco's 2019 campaign, they correspond to 23-33 ML, in comparison to the 12.64 ML actually utilized.



## INDEXES OF WATER INTENSITY

### 12.64 MI OF WATER WITHDRAWN DURING THE TOMATO CAMPAIGN

(per ton of finished tomato-based products)  
(13.41 MI in 2018)

### 14.83 MI OF WATER WITHDRAWN OUT OF THE TOMATO CAMPAIGN

( per ton of all finished product)  
(18.35 MI in 2018)

For the calculation of the water intensity indicators, both the consumption of the period that coincides with the tomato campaign (in fact in the 2 summer months, in fact, a significant share equal to 48% of the annual total), and the consumption waters of the remaining 10 months of the year.

## WATER DISCHARGES

The wastewater generated by the production plants are treated in activated sludge purification plants, that exploit bacteria's natural ability to degrade the organic matter, then release them in surface water.

In order to monitor the appropriate reduction of polluting materials in water, internal laboratories control the main qualitative parameters, which are aligned with what is prescribed in the Integrated Environmental Authorization (IEA).

In 2019 a total of 4,763 ML of water was discharged, which resulted a slight reduction in comparison to 2018 (-2%).

In relation to the withdrawal and the discharge of water in areas with water stress, the Consorzio Casalasco utilizes the Aqueduct Tool developed by the World Resources Institute<sup>1</sup> for the identification of areas in potential danger. According to this analysis, only the withdrawals and discharges made by the Rivarolo del Re were executed paying attention to areas with water stress.

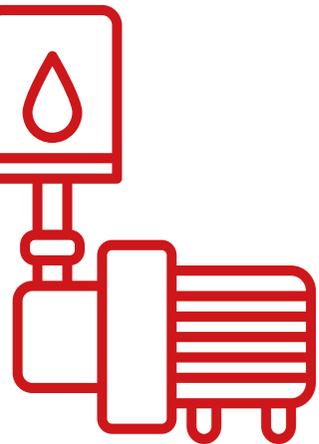
# 6.6 WASTE

The Consortium is attentive to the methods of waste management and disposal, and it acts in compliance with current regulations, following its commitment to environmental protection.

The waste produced mainly derives from production activities and generally consists of production waste, glass, paper, metal, wood and maintenance materials packaging

**FOOD WASTE, WHICH ALSO INCLUDES INDUSTRIAL WASTE, IS A HUGE PROBLEM FOR OUR PRODUCTION SYSTEM: IN EUROPE IT IS ESTIMATED THAT ABOUT A THIRD OF THE FOOD THAT IS PRODUCED IN EUROPE IS NOT CONSUMED AND THAT WASTE CHARACTERIZES EVERY STAGE OF THE CHAIN<sup>1</sup>.**

<sup>1</sup>Analysis associated with the Roadmap to a Resource Efficient Europe (European Commission Staff Working Paper, SEC(2011) 1067





Reducing the production scraps is an essential requirement of the food industry. This is so not only because high level of production efficiency correspond to large amount of savings, but also because reducing scraps means reducing the environmental impacts related to production and avoiding the dismantling of food resources of a Planet where millions of its inhabitants are still suffering from the scarcity of food. The measures aiming at reducing scraps are attributable mainly to two main categories of activities: the improvement of the production process and the recovery of the product. The latter one can occur both via human consumption (if edible) and by being intended for other uses, such as animal nutrition.

The Consorzio Casalasco, in order to reduce the amount of scraps generated, is committed to execute a series of efficiency and improvement measures on all of its sites. These activities have to contemplate the unavoidable necessity to grant business partners the safety and the compliance of products. Another important challenge is the reduction of incoming packaging; in order to achieve its aim, the Consortium has established agreements for delivering raw materials and packaging in boxes that can be returned or loose in silos.

In 2019, about 20,800 tons of waste was produced. In comparison to the absolute value of 2018 (21,063 t), the amount slightly fell down. 52% of waste was recovered in agriculture (sludge), about 38% was utilized for energy recovery, while about 2% was recycled.

Thanks to the above-mentioned measures, the waste recycling in which all the members of the staff are pro-actively engaged, only 8% of waste has been disposed as junk and destined for incineration or landfill. As in 2018, hazardous waste account for a marginal amount of the total waste generated ( equal to 0.1%), and they are mainly composed of waste oils, packaging of hazardous substances and laboratory chemicals.

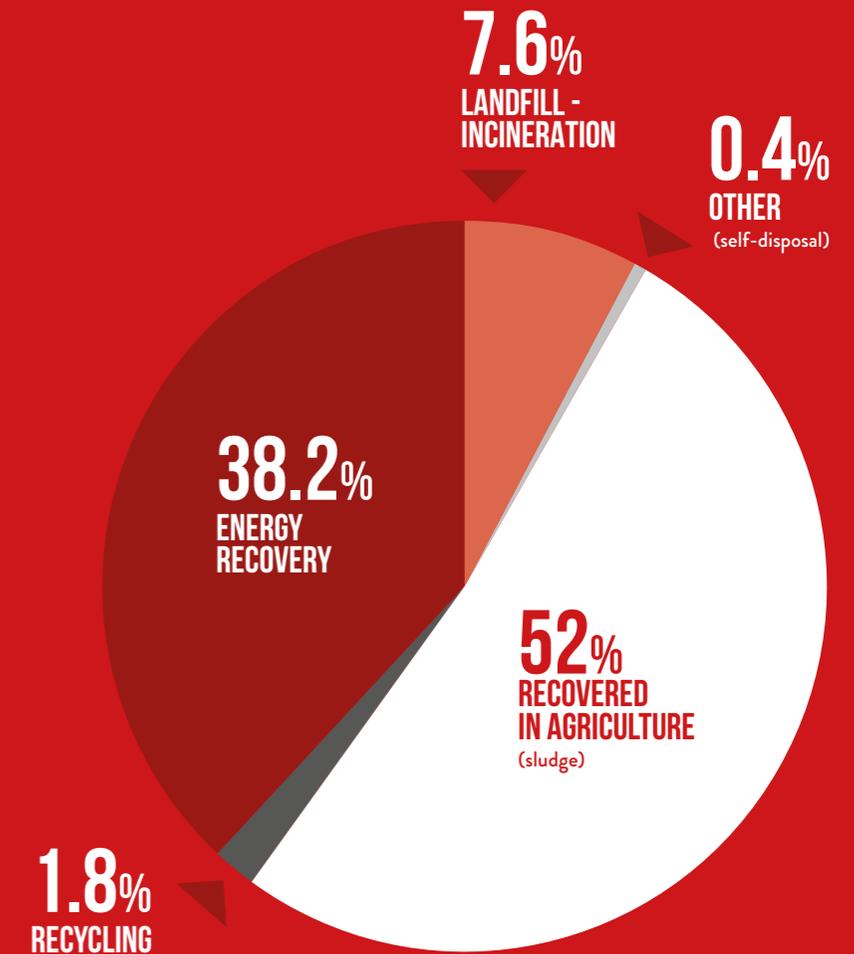
In light of the valorisation of an increasingly higher quantity of by-products, the correct management of industrial waste has allowed to reduce significantly the amount of waste produced. Indeed, the tomato skins and seeds, as well as the as well as berries that are discarded, are used as animal feed or biomass in biogas plants and therefore, and thus excluded from the waste regime.

## INTENSITY INDICATOR

**0.06 t**  
OF WASTE PRODUCED  
PER TONS OF  
FINISHED PRODUCT  
(0.07 t in 2018)

For the establishment of this indicator, all the activities of 2019 were taken into consideration, as there is no substantial difference in the production of waste during the tomato campaign compared to the other periods of the year. In addition to tomatoes, the tons of finished product also include all the other products (broths, soups, juices, legumes, etc.)

### WASTE BY TYPE AND DISPOSAL METHOD 2019 (%)



# 6.7 SUSTAINABLE PACKAGING

THE CONSORTIUM IS WILLING TO WORK ON THE RESEARCH AND DEVELOPMENT OF PACKAGING



The term primary packaging indicates the packaging that is in contact with the product, while secondary and tertiary packagings are those storage units that enclose the product already packaged to protect it, and to allow the storage and the transport.

The issues related to packaging are complex, because if on one side the materials utilized for packaging are a significant part of the waste deriving from all the stages of the supply chain, it is also true that no decision related to its reduction/modification can impact the safety of the food products; nor, from a different perspective, it can conflict with the commercial and marketing decisions taken, especially for the retail products.

That said, the research and development of sustainable packagings, which would allow saving up-materials, giving a possibility to recover, recycle and reuse them, has become a topical subject since few years.

Over a total of **41 millions kg of packaging materials**, the most used one is glass, which amounts to 24,159,892 kg, it is then followed by tinplate, FSC-certified paper, and steel.

As already briefly mentioned, it is important to highlight the increase of PP packaging. This was due to the insertion of a new production line for ketchup packed in bottles.

The Consorzio Casalasco has chosen to package its products in bricks with paper with the FSC logo (Forest Steward Council), a product certification which confirms that the paper utilised originates from renewable forests, managed in a responsible way and following rigorous environmental, social and economic standards.

Eventually, it is also important to remind that since ages the Consortium, together with its

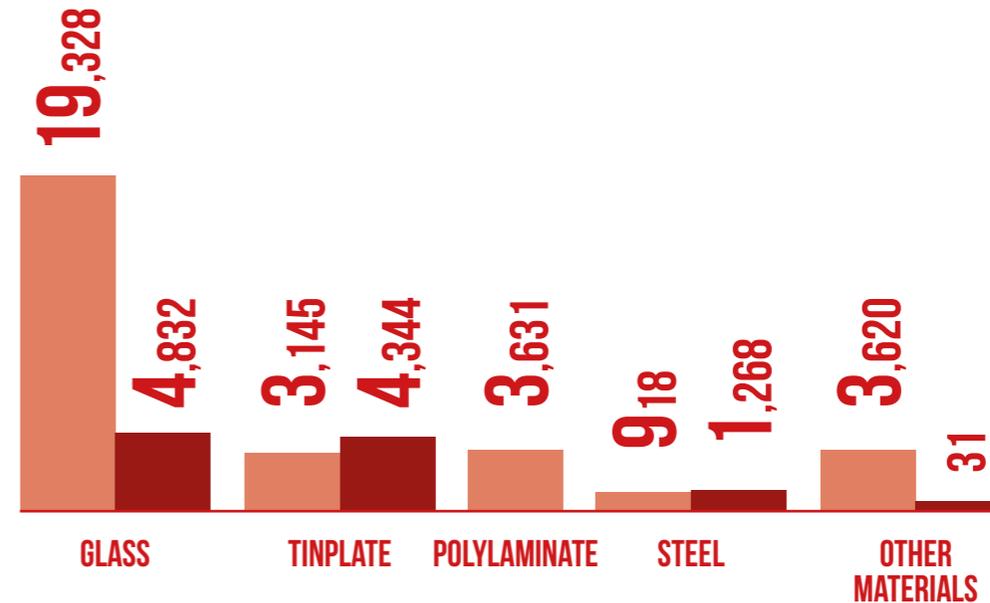
suppliers, is committed to use, when possible, recycled or reusable packaging. This is done for cisterns used for the wine, oil, cream, and for the silos where sugar, oil and vinegar are stored. Also for the packaging, especially for the PET bottles, we have adopted the supply of bins in cardboard and plastics, so that they can be utilized more times.

The main types of packaging utilized by the Consortium are glass, that equals to more than 24 million of kg and stands for 59% of the total amount of packaging material used, tinplate (cans) that totals 7.4 millions of kg, poly laminate containing FSC-certified paper

weighting 3.6 million kg, and steel (drums) equal to 2 million kg.

The other types of packaging (PET, PP, HDPE) cover a minor amount of the total (equal to 9%), in line with the Consortium's objective to reduce its own environmental impact to the bare minimum, favoring recyclable materials such as glass, steel, and tinplate.

The graphic below showcases the different types of packaging, specifying the percentage of recycling material for each type.



QUANTITY OF PACKAGING USED (ton) BY TYPE IN 2019



# APPENDIX



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# 7

## METHODOLOGICAL NOTE



The Sustainability Report of Consorzio Casalasco del Pomodoro presents the results achieved in 2019 (from January 1 to December 31).

The Sustainability Report, drawn up on an annual basis, aims to transparently communicate Consorzio Casalasco's sustainability strategies and its performance related to environmental, social and economic sustainability.

The 2019 Sustainability Report references a selection of the "GRI Sustainability Reporting Standards" (2016) and the "Food Processing Sector Disclosures" (2014), both published by the Global Reporting Initiatives (GRI), as reported in the "GRI content index" table. Regarding topic-specific standards: GRI 403 (Occupational Health and Safety) and GRI 303 (Water and Effluents), the latest version (2018) has been adopted.

The reporting boundary corresponds to Consorzio Casalasco del Pomodoro Soc. Agr. Cop.. In particular, the reporting boundary of the environmental data includes three productive plants of Consorzio Casalasco in Rivarolo del Re (CR), Gariga (PC) Fontanellato (PR), and the two external logistic sites of Castelmaggiore (CR) and Felegara (PR).

In order to allow the comparability of data over time and the evaluation and the assessment of the progress of the Consortium's activities, a year of comparison has been included if available.

The restatements of the data previously published have been clearly stated. In addition, to ensure the reliability of data, the use of estimates has been limited as much as possible. Any estimate in this document is made using the best available methods and is expressly noted.

Moreover, in 2019 no significant changes have occurred in the Consortium's size, organisational structure, ownership structure and supply chain. The document is not subject to external assurance.

For additional information and suggestions regarding the Sustainability reporting of Consorzio Casalasco you can find the references on the last page.

## 8

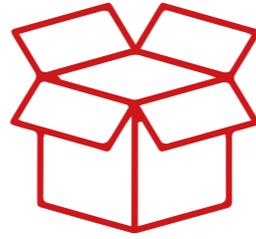
PERFORMANCE  
INDICATORS

## OUR VALUE CHAIN

GRI STANDARD 301-1 – Materials used by weight or volume

## MAIN AGRICULTURAL RAW MATERIALS, BY WEIGHT

Main agricultural raw materials	Unit of measurement	2018		2019	
		Quantity	% renewable	Quantity	% renewable
Tomato	kg	463,175,528	100%	436,653,089	100%
Peas	kg	1,029,286	100%	917,098	100%
Beans (borlotti and cannellini)	kg	256,669	100%	136,045	100%
Fruit puree	kg	4,377,810	100%	3,789,717	100%
Meat Extraction	kg	6,496	100%	2,850	100%
Meat	kg	3,238,504	100%	1,819,040	100%
Seasoning plants (chickpeas, onion, garlic, carrot, celery, basil)	kg	8,267,865	100%	9,165,100	100%
Sugar/Glucose	kg	4,866,765	100%	6,658,765	100%
Salt	kg	1,025,600	100%	1,181,675	100%
Oil and vinegar	l	2,783,881	100%	2,281,599	100%
Dairy products	kg	1,011,000	100%	1,423,786	100%



## MAIN PACKAGING, BY WEIGHT

Packaging	Unit of measurement	2018		2019	
		Quantity	% renewable	Quantity	% renewable
<b>Polylaminate</b> (bags, envelopes and Tetra-Combi)	kg	3,737,611	0	3,631,214	0
<i>of which paper</i>	kg	2,380,302		3,287,843	
<i>of which FSC certificate</i>	kg	2,380,302		3,287,843	
<i>of which recycled</i>	%	0		0	
<b>Tinplate</b> (cans)	kg	6,119,456	0	7,489,102	0
<i>of which recycled</i>	%	58		58	
<b>Glass</b>	kg	25,874,761	0	24,159,892	0
<i>of which recycled</i>	%	20		20	
<b>PET</b> (preform)	kg	1,266,847	0	1,721,752	
<i>of which recycled</i>	%	0		2	
<b>PP</b> (bottles, caps and drum lids)	kg	325,558	0	1,184,939	0
<i>of which recycled</i>	%	0		0	
<b>HDPE</b> (bottles)	kg	771,522	0	744,577	0
<i>of which recycled</i>	%	0		0	
<b>Steel</b> (drums)	kg	3,295,960	0	2,186,079	0
<i>of which recycled</i>	%	58	0	58	0

## OUR PEOPLE



GRI STANDARD 102-8 – Information on employees and other workers

### EMPLOYEES (AWU) BY EMPLOYMENT CONTRACT AND GENDER<sup>1</sup>

Type of contract	2018			2019		
	Men	Women	Total	Men	Women	Total
<b>Permanent</b>	206	114	320	198	116	314
<b>Temporary</b>	317	259	576	362	320	682
<i>- of which seasonal workers</i>	315	253	568	359	317	676
<b>Total</b>	<b>523</b>	<b>373</b>	<b>896</b>	<b>560</b>	<b>436</b>	<b>996</b>

### EMPLOYEES (AWU) BY EMPLOYMENT TYPE AND GENDER

Full-time / Part-time	2018			2019		
	Men	Women	Total	Men	Women	Total
<b>Full-time</b>	521	364	885	559	430	989
<b>Part-time</b>	2	9	11	1	6	7
<b>Part-time (%)</b>	0.4%	2.4%	2.8%	0.2%	1.4%	1.6%
<b>Total</b>	<b>523</b>	<b>373</b>	<b>896</b>	<b>560</b>	<b>436</b>	<b>996</b>

<sup>1</sup>Data related to human resources represent the average number of employees expressed in Annual Work Unit (AWU); include also seasonal workers and seasonal collaborators who work mainly in the peak period of production at the Consortium's plants

## EXTERNAL WORKERS BY GENDER (HEADCOUNT)

External workers	As of 31 December 2018			As of 31 December 2019		
	Men	Women	Total	Men	Women	Total
Interns	11	7	18	10	6	16

## MAXIMUM NUMBER OF EMPLOYEES<sup>2</sup> (HEADCOUNT)

	2018	2019
Employees	1,451	1,613

GRI STANDARD 405-1 – Diversity of governance bodies and employees

## TOTAL NUMBER OF EMPLOYEES (AWU) BY EMPLOYEE CATEGORY AND GENDER

Employees by employee category	2018			2019		
	Men	Women	Total	Men	Women	Total
Executive	5	0	5	5	0	5
Managers	12	4	16	12	4	16
White-collar	45	76	121	44	76	120
Blue-collar	460	294	754	499	356	855
Total	522	374	896	560	436	996

<sup>2</sup> Maximum number of employees reached during the year for the tomato campaign

## TOTAL NUMBER OF EMPLOYEES (HEADCOUNT) BY EMPLOYEE CATEGORY AND GENDER

Employees by employee category	As of 31 December 2018			As of 31 December 2019		
	Men	Women	Totale	Men	Women	Totale
Executive	5	0	5	5	0	5
Managers	12	4	16	13	4	17
White-collar	45	81	126	44	81	125
Blue-collar	144	41	185	136	41	177
Total	206	126	332	198	126	324

## TOTAL NUMBER OF EMPLOYEES (AWU) BY GENDER AND EMPLOYEE CATEGORY (%)

Employees by employee category	2018			2019		
	Men	Women	Total category/ Total employee	Men	Women	Total category/ Total employee
Executive	100.0%	0.0%	0.6%	100.0%	0.0%	0.5%
Managers	75.0%	25.0%	1.8%	75.0%	25.0%	1.6%
White-collar	37.2%	62.8%	13.5%	36.7%	63.3%	12.0%
Blue-collar	61.0%	39.0%	84.2%	58.4%	41.6%	85.8%
Total	58.3%	41.7%	100.0%	56.2%	43.8%	100.0%

## TOTAL NUMBER OF EMPLOYEES (AWU), BY AGE GROUP AND EMPLOYEE CATEGORY (%)

Employees by employee category	2018				2019			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Executive	0.0%	40.0%	60.0%	0.6%	0.0%	40.0%	60.0%	0.5%
Managers	0.0%	56.3%	43.8%	1.8%	0.0%	56.3%	43.8%	1.6%
White-collar	14.9%	62.0%	23.1%	13.5%	13.3%	62.5%	24.2%	12.0%
Blue-collar	26.0%	46.4%	27.6%	84.2%	27.0%	45.3%	27.7%	85.8%
Total	23.9%	48.7%	27.5%	100.0%	24.8%	47.5%	27.7%	100.0%

## COUNTRY OF BIRTH OF THE EMPLOYEES (AWU), BY GENDER

Country of birth	2018			2019		
	Men	Women	Total	Men	Women	Total
	523	373	896	560	436	996
Italy	399	291	690	401	313	714
Morocco	35	8	43	37	9	46
India	13	7	20	16	8	24
Romania	3	12	15	4	15	19
Albania	9	4	13	11	8	19
Senegal	7	5	12	10	5	15
Tunisia	11	1	12	13	1	14
Nigeria	4	8	12	11	11	22
Macedonia	8	1	9	12	4	16
Ivory Coast	1	5	6	2	11	13
Ukraine	2	4	6	2	4	6
Moldova	4	1	5	3	3	6
Ghana	2	1	3	3	1	4
Ethiopia	3	0	3	3	1	4
Burkina Faso	0	3	3	1	5	6
Ecuador	2	1	3	2	3	5
Cuba	0	3	3	0	5	5
Sudan	3	0	3	2	0	2
Syria	1	1	2	2	1	3
Brasil	0	2	2	0	3	3
Colombia	1	1	2	0	1	1
Other (34 in 2018, 39 in 2019)	15	14	29	25	24	49

## COMPOSITION OF THE BOARD OF DIRECTORS BY GENDER AND AGE GROUP

Members of the Board of Directors of Consorzio Casalasco del Pomodoro	As of 31 December 2018				As of 31 December 2019			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Men	0%	47%	53%	100%	0%	36%	64%	100%
Women	0%	0%	0%	0%	0%	0%	0%	0%
Total	0%	47%	53%	100%	0%	36%	64%	100%

## EMPLOYEES BELONGING TO PROTECTED CATEGORIES (AWU) (%) <sup>3</sup>

	2018	2019
Employees belonging to protected categories	2.50%	2.30%

## ABSTENTEE RATE <sup>4</sup>

	2018	2019
Abstentee rate	5.18	4.61

<sup>3</sup> Data related to employees belonging to protected categories are expressed in Annual Work Unit (AWU); include also seasonal workers and seasonal collaborators who work mainly in the peak period of production at the Consortium's plants

<sup>4</sup> Abstentee rate is calculated as the ratio between the number of days of absence (illness-related, injuries-related, maternity, parental leave, unpaid leave, strikes, union permits, permits ex-Legge 104/92) and the number of worked days, multiplied by 100. Moreover, data include also seasonal workers and seasonal collaborators who mainly work in the peak period of production at the Consortium's plants

## COMPOSITION OF THE HIGHEST GOVERNANCE BODY AND RELATED COMMITTEES

Position held	Component name	Gender	Experience in the BoD		Role		Independent	Attendance frequency		International experience	Number and description of any further positions held	Eventual membership of under-represented social group	Eventual categories of stakeholders represented	Expertise in the field:		
			Date of the appointment	Years in office	Executive	Non executive		Attendance	Participation rate					Social	Environmental	Economic
Chairman of the BoD	Voltini Paolo	M	30/6/01	18	X			8	100%		N° 4 - Councillor of Unaproa President of Coldiretti Lombardia President of CAP Cremona Councillor of Filiera Italia					X
Vice President of the BoD	Sartori Marco	M	30/6/01	18	X			8	100%		N° 3 - Councillor of CIO Councillor of Confcooperative Cremona President of Casalasco Agricola					X
Member of the Board	Barilli Piercarlo	M	30/4/98	21	X			7	88%		N° 1 - Vice President of Consorzio Bonifica Navarolo			X	X	
Member of the Board	Buttarelli Marco	M	30/6/01	18	X			8	100%		N°1 - Councillor of Consorzio Bonifica Navarolo			X	X	
Member of the Board	Martinelli Elvio	M	29/4/04	15	X			8	100%							X
Member of the Board	Borzi Giuseppe	M	26/4/07	12	X			3	38%							X
Member of the Board	Arata Daniele	M	26/8/15	4	X			8	100%		N° 2 - Councillor of Confagricoltura Piacenza Vice President of Consorzio Difesa Piacenza			X	X	
Member of the Board	Trentini Stefano	M	26/8/15	4	X			7	88%							X
Member of the Board	Gentili Graziano	M	26/8/15	4	X			8	100%							X
Member of the Board	Sfolcini Attilio	M	26/8/15	4	X			7	88%		N° 1 - Councillor of Consorzio Bonifica Piacentino			X	X	
Member of the Board	Bassi Piergiorgio	M	26/8/15	4	X			8	100%		N° 1 - President of CIO					X
Member of the Board	Fava Gianpaolo	M	26/4/16	3	X			8	100%		N° 1 - Councillor of Agroenergia			X	X	
Member of the Board	Spagnoli Claudio	M	26/4/16	3	X			8	100%							X
Member of the Board	Failli Fabrizio	M	29/4/19	0	X			5	63%		N° 1 - Head of Finance and Guarantees ISMEA					X
<b>Total</b>	<b>14</b>				<b>14</b>	<b>-</b>	<b>-</b>	<b>101</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>14</b>

Number of board meetings held in 2019	8
Number of BoD members	14
Total participation rate of the BoD	90%

As of 31 December 2019 the Bod turns out to be composed of 14 members, at 31 December 2018 there were 15. It should be noted that 5 out of 14 directors have specific environmental skills, while all the members of the Board of Directors has an economic background.

Considering the 8 meetings of the BoD, held in 2019, the average attendace rate is 90%

GRI STANDARD 102-41 – Collective bargaining agreements

### PERCENTAGE OF EMPLOYEES (AWU) COVERED BY COLLECTIVE BARGAINING AGREEMENT

	2018	2019
Number of employees covered by collective bargaining agreements	896	996
Percentage on total employees	100%	100%

GRI STANDARD 202-1

Ratios of standard entry level wage by gender compared to local minimum wage

### RATIO BETWEEN THE STANDARD ENTRY WAGE AND THE LOCAL MINIMUM WAGE BY GENDER

New hires	2018		2019	
	Men	Women	Men	Women
Ratio between gross minimum wage and local minimum gross wage according to national law	1.03	1.03	1.03	1.03

GRI STANDARD 401-1 – New employees hires and employee turnover

### TOTAL NUMBER OF NEW HIRES BY GENDER AND AGE GROUP<sup>5</sup>

Number of people	2018				2019			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Men	6	6	2	14	5	3	0	8
Women	4	3	0	7	4	1	0	5
Total	10	9	2	21	9	4	0	13

<sup>5</sup> Data on incoming and outgoing staff do not include seasonal staff

### TOTAL NUMBER OF EMPLOYEE TURNOVER BY GENDER AND AGE GROUP<sup>6</sup>

Number of people	2018				2019			
	<30 years	30-50 years	>50 years	Totale	<30 years	30-50 years	>50 years	Totale
Men	2	7	4	13	3	5	8	16
Women	3	2	1	6	1	3	1	5
Total	5	9	5	19	4	8	9	21

### RATE OF NEW EMPLOYEE HIRES BY GENDER AND AGE GROUP<sup>7</sup>

Number of people	2018				2019			
	<30 years	30-50 years	>50 years	Totale	<30 years	30-50 years	>50 years	Totale
Men	31.6%	5.0%	2.9%	6.7%	31.3%	2.6%	0.0%	4.0%
Women	33.3%	4.1%	0.0%	5.9%	40.0%	1.3%	0.0%	4.2%
Total	32.3%	4.6%	2.0%	6.4%	34.6%	2.1%	0.0%	4.1%

### TURNOVER RATE BY GENDER AND AGE GROUP<sup>8</sup>

Number of people	2018				2019			
	<30 years	30-50 years	>50 years	Totale	<30 years	30-50 years	>50 years	Totale
Men	10.5%	5.8%	5.9%	6.3%	18.8%	4.3%	11.9%	8.0%
Women	25.0%	2.7%	2.9%	5.0%	10.0%	4.0%	2.9%	4.2%
Total	16.1%	4.6%	4.9%	5.8%	15.4%	4.2%	8.8%	6.6%

<sup>6</sup> Data on incoming and outgoing staff do not include seasonal staff

<sup>7</sup> Data on recruitment rate do not include seasonal staff. 2018 data were accordingly restated

<sup>8</sup> Data related to turnover rate do not include seasonal staff. 2018 data were accordingly restated

GRI STANDARD 404-1 – Average hours of training per year per employee

### HOURS OF MANDATORY TRAINING FOR EMPLOYEES, BY GENDER AND EMPLOYEE CATEGORY

Hours of training	2018					
	N. hours Men	N. per capita hours Men	N. hours Women	N. per capita hours Women	N. Total hours	N. per capita hours
Executive	0	0.0	0	0.0	0	0.0
Managers	0	0.0	0	0.0	0	0.0
White-collar	54	1.2	94	1.2	148	1.2
Blue-collar	3,137	6.8	1,999	6.8	5,136	6.8
<b>Total</b>	<b>3,191</b>	<b>6.1</b>	<b>2,093</b>	<b>5.6</b>	<b>5,284</b>	<b>5.9</b>

Hours of training	2019					
	N. hours Men	N. per capita hours Men	N. hours Women	N. per capita hours Women	N. Total hours	N. per capita hours
Executive	0	0.0	0	0.0	0	0.0
Managers	21	1.8	2	0.5	23	1.4
White-collar	93	2.1	90	1.2	183	1.5
Blue-collar	4,409	8.8	3,209	9.0	7,618	8.9
<b>Total</b>	<b>4,523</b>	<b>8.1</b>	<b>3,301</b>	<b>7.6</b>	<b>7,824</b>	<b>7.9</b>

### HOURS OF NON MANDATORY TRAINING FOR EMPLOYEES, BY GENDER AND EMPLOYEE CATEGORY

Hours of training	2018					
	N. hours Men	N. per capita hours Men	N. hours Women	N. per capita hours Women	N. Total hours	N. per capita hours
Executive	160	32	0	0	160	32
Managers	626	52.2	210	52.5	836	52.3
White-collar	240	5.3	408	5.4	648	5.4
Blue-collar	9,595	20.9	6,165	21.0	15,760	20.9
<b>Total</b>	<b>10,621</b>	<b>20.3</b>	<b>6,783</b>	<b>18.1</b>	<b>17,404</b>	<b>19.4</b>

Hours of training	2019					
	N. hours Men	N. per capita hours Men	N. hours Women	N. per capita hours Women	N. Total hours	N. per capita hours
Executive	0	0.0	0	0.0	0	0.0
Managers	3	0.3	16	4.0	19	1.2
White-collar	38	0.9	185	2.4	223	1.9
Blue-collar	16,345	32.8	7,127	20.0	23,472	27.5
<b>Total</b>	<b>16,386</b>	<b>29.3</b>	<b>7,328</b>	<b>16.8</b>	<b>23,714</b>	<b>23.8</b>

GRI STANDARD 405-2

Ratio of basic salary and remuneration of women to men

### RATIO BETWEEN THE BASIC SALARY OF WOMEN AND MEN, BY EMPLOYEE CATEGORY<sup>9</sup>

	2018	2019
Executive	N.A.	N.A.
Managers	1.00	1.00
White-collar	0.92	0.93
Blue-collar	0.97	0.95

<sup>9</sup>This ratio is calculated using the following formula: “average basic salary for women / average basic salary for men”.  
When the ratio is less than one, the male average basic wage is higher than the female average basic wage

## RATIO BETWEEN TOTAL REMUNERATION OF WOMEN AND MEN, BY EMPLOYEE CATEGORY <sup>10</sup>

	2018	2019
Executive	N.A.	N.A.
Managers	1.05	1.07
White-collar	0.72	0.75
Blue-collar	0.77	0.80

GRI STANDARD 403-9 – Work-related injuries

## NUMBER OF INJURIES AND FATALITIES

Number of injuries	2018	2019
Number of fatalities as a result of work-related injury	-	-
Total number of high-consequence work-related injuries (excluding fatalities) <sup>11</sup>	-	-
Total number of recordable work-related injuries	39	46

## RATE OF INJURIES AND RATE OF ABSENTEISM

Rate	2018	2019
Rate of fatalities as a results of work-related injury	0.00	0.00
Rate of high-consequence work-related injuries (excluding fatalities)	0.00	0.00
Rate of recordable work-related injuries <sup>12</sup>	28.15	29.29

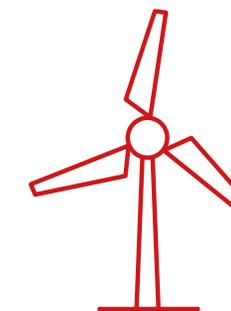
<sup>10</sup>This ratio is calculated using the following formula: “average overall pay for women / average overall pay for men”.

When the ratio is less than one, the average male salary is higher than the average female salary

<sup>11</sup> Injuries from which the worker cannot recover, or does not or is not expected to recover fully to pre-injury health status within 6 months.

<sup>12</sup> Rate of injuries is calculated as the ratio between the total number of injuries divided by the total number of worked hours, using 1,000,000 as multiplier factor. The data included employee commuting-related injuries only if the transportation is managed by the organization. In 2019 there were no confirmed cases of work-related ill health

# ENVIRONMENTAL RESPONSIBILITY



GRI STANDARD 302-1 – Energy consumption within the organization

## ENERGY CONSUMPTION, BY SOURCE

Types of consumption	Unit of measurement	2018		2019	
		Total <sup>13</sup>	Total GJ	Total <sup>14</sup>	Total GJ
Methane	smc	25,727,582	881,942	27,350,037	937,559
Fuel oil	t	1,151	46,888	87	3
LPG	t	6	284	6	297
Diesel	l	89,764	3,233	73,262	2,639
Electricity purchased	kWh	53,616,499	193,019	56,669,673	204,011
Electricity self-produced from renewable source (photovoltaic)	kWh	962,000	3,463	962,674	3,466
<i>Of which feed in into the public network</i>	kWh	60,000	216	48,000	173

<sup>13</sup> For calculating energy consumption in GJ, the following conversion have been used:

- For methane, diesel and LPG (Scope 1) the following conversion factors have been used, elaborated by the NIR National Inventory Report 2019.
- for fuel oil conversion factors calculated with DEFRA (ghg-conversion-factors-2018 update).

<sup>14</sup> For calculating energy consumption in GJ, the following conversion have been used:

- For methane, diesel and LPG (Scope 1) the following conversion factors have been used, elaborated by the NIR National Inventory Report 2019.
- for fuel oil conversion factors calculated with DEFRA (ghg-conversion-factors-2019 update).

## TOTAL ENERGY CONSUMPTION DIVIDED BY ENERGY FROM RENEWABLE SOURCE AND NON-RENEWABLE SOURCE

Energy	Unit of measurement	2018	2019
Total energy consumption	GJ	1,128,614	1,147,802
Renewable energy	GJ	3,247	3,293
Non-renewable energy	GJ	1,125,367	1,144,509
% Renewable energy	%	0.29%	0.29%
Energy intensity on production	GJ/ton	3.47	3.12
Energy intensity on production, during campaign	GJ/ton	3.77	3.52
Energy intensity on production, out of the campaign	GJ/ton	3.10	2.70

GRI STANDARD 303-3 – Water withdrawal

## WATER WITHDRAWALS BY SOURCE AND AREA <sup>15</sup>

Source of the withdrawal	Unit of measurement	2018		2019	
		All areas	Areas with water stress	All areas	Areas with water stress
<b>Surface water (total)</b>	<b>Megalitres</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	0	0	0	0
Other water (> 1000 mg/L total dissolved solids)	Megalitres	0	0	0	0
<b>Groundwater (total)</b>	<b>Megalitres</b>	<b>4,574</b>	<b>1,267</b>	<b>4,540</b>	<b>1,229</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	4,568	1,267	4,534	1,229
Other water (> 1000 mg/L total dissolved solids)	Megalitres	6	0	6	0
<b>Produced water (total)</b>	<b>Megalitres</b>	<b>282</b>	<b>102</b>	<b>287</b>	<b>91</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	238	102	221	91
Other water (> 1000 mg/L total dissolved solids)	Megalitres	44	0	66	0
<b>Third party water (total)</b>	<b>Megalitres</b>	<b>197</b>	<b>160</b>	<b>229</b>	<b>216</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	197	160	229	216
Other water (> 1000 mg/L total dissolved solids)	Megalitres	0	0	0	0
<b>Third party water by source of withdrawal</b>	<b>Megalitres</b>				
Groundwater	Megalitres		160		216
<b>Water withdrawal total</b>	<b>Megalitres</b>	<b>5,054</b>	<b>1,529</b>	<b>5,057</b>	<b>1,536</b>
<b>Water intensity, on production</b>	<b>Megalitres/ton</b>	<b>15.56</b>		<b>13.70</b>	
<b>water intensity, on production, during campaign</b>	<b>Megalitres/ton</b>	<b>13.41</b>		<b>12.64</b>	
<b>Water intensity on production - out of the campaign</b>	<b>Megalitres/ton</b>	<b>18.35</b>		<b>14.83</b>	

GRI STANDARD 303-4 – Water discharge

## WATER DISCHARGE BY DESTINATION AND AREA <sup>15</sup>

	Unit of measurement	2018		2019	
		All areas	Areas with water stress	All areas	Areas with water stress
<b>Surface water (total)</b>	<b>Megalitres</b>	<b>4,871</b>	<b>1,514</b>	<b>4,757</b>	<b>1,516</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	2,118	0	1,876	0
Other water (> 1000 mg/L total dissolved solids)	Megalitres	2,753	1,514	2,881	1,516
<b>Third party water (total)</b>	<b>Megalitres</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>0</b>
Freshwater (≤ 1000 mg/L total dissolved solids)	Megalitres	0	0	0	0
Other water (> 1000 mg/L total dissolved solids)	Megalitres	6	0	6	0
<i>Third party water sent for use to other organizations (total)</i>	<i>Megalitres</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Total water discharge</b>	<b>Megalitres</b>	<b>4,877</b>	<b>1,514</b>	<b>4,763</b>	<b>1,516</b>

GRI STANDARD 303-5 – Water consumption

## WATER CONSUMPTION BY AREA <sup>15</sup>

	Unit of measurement	2018		2019	
		All areas	Areas with water stress	All areas	Areas with water stress
<b>Water consumption (total)</b>	<b>Megalitres</b>	<b>52.8</b>	<b>15.3</b>	<b>83.1</b>	<b>20.9</b>
<b>Change in water storage</b>	<b>Megalitres</b>	<b>0.0</b>		<b>0.0</b>	

## RECYCLED AND REUSED WATER

	Unit of measurement	2018	2019
<b>Recycled and reused water (Total)</b>	<b>Megalitres</b>	<b>1,148</b>	<b>1,113</b>
<b>Recycled and reused water on total water withdrawal</b>	<b>%</b>	<b>23%</b>	<b>22%</b>

<sup>15</sup> Due to an improvement process of the reporting system and in order to ensure their comparability, data related to withdrawals, discharges and water consumption in 2018 have been restated compared to those published in the previous Sustainability Report.

GRI STANDARD 305-1 – 305-1 Direct (Scope 1) GHG emissions

**REFRIGERANT GASES**

	Unit of measurement	2018 <sup>16</sup>		2019 <sup>17</sup>	
		Refill	kg CO <sub>2</sub> e	Refill	kg CO <sub>2</sub> e
HFC-134a	kg	0	0	7	10,010
R-407C	kg	0	0	7	12,418
R-410A	kg	42	87,696	11	22,968
R-507A	kg	239	950,423	0	0
R-452A	kg	0	0	321	686,940

	2018	2019
Scope 1 <sup>18</sup>	55.649,70 tCO <sub>2</sub>	55.245,21 tCO <sub>2</sub>

GRI STANDARD 305-2 – 305-2 Energy indirect (Scope 2) GHG emissions

	2018 <sup>19</sup>	2019 <sup>20</sup>
Scope 2 - Location based <sup>21</sup>	19,301.94 tCO <sub>2</sub>	20,344.41 tCO <sub>2</sub>
Scope 2 - Market based <sup>22</sup>	26,111.24 tCO <sub>2eq</sub>	27,598.13 tCO <sub>2eq</sub>
Scope 1 + Scope 2 Market-based	81,760.93 tCO <sub>2eq</sub>	82,843.34 tCO <sub>2eq</sub>
Scope 1 + Scope 2 Location-based	74,951.64 tCO <sub>2</sub>	75,589.62 tCO <sub>2</sub>

<sup>16</sup> For calculating the emissions of refrigerant gases related to 2018 have been used emission factor DEFRA 2018.

<sup>17</sup> For calculating the emissions of refrigerant gases related to 2019 have been used emission factor DEFRA 2019.

<sup>18</sup> For calculating the emissions of Scope 1 for 2018 period have been used the emission factors ISPRA - Tabella parametri standard nazionali 2018.

For calculating the emissions of Scope 1 for 2019 period have been used the emission factors ISPRA - Tabella parametri standard nazionali 2019.

Emission of Scope 1 are expressed in tons of CO<sub>2</sub>, since the source used do not report emission factors of others gases.

Emission factor related to gas R-452A (GWP equal to 2-140, source GWP rev/4th IPCC) has been estimated equal to 2,140 ton CO<sub>2</sub>eq.

<sup>19</sup> For calculating the emissions of Scope 2 Market-based for the 2018 period have been used the emission factors AIB - European Residual Mix 2018 (version 1.1).

For calculating the emissions of Scope 2 Location-based have been used the emission factors Terna 2016.

<sup>20</sup> For calculating the emissions of Scope 2 Market-based for the 2019 period have been used the emission factors AIB - European Residual Mix 2018 (version 1.2)

For calculating the emissions of Scope 2 Location-based have been used the emission factors Terna 2017.

Emission of Scope 2 Location based are expressed in tons of CO<sub>2</sub>, even if the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emission (CO<sub>2</sub>equivalent) as inferred from the technical reference literature.

<sup>21</sup> Location-based: method based on average emission factors relative to energy generation for well-defined geographical borders, of which local borders, sub-national or national.

<sup>22</sup> Market-based: method based on GHG emissions by energy suppliers from which the organization purchases energy from through a contract.

GRI STANDARD 305-4 – GHG emissions intensity

	Unit of measurement	2018	2019
GHG emission intensity (Scope 1), on production	tCO <sub>2</sub> /t	0.17	0.15
GHG emission intensity (Scope 1 + Scope 2 Market based) on production	tCO <sub>2e</sub> /t	0.25	0.23
GHG emission intensity (Scope 1 + Scope 2 Location based) on production	tCO <sub>2</sub> /t	0.23	0.21

GRI STANDARD 305-7

Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

**POLLUTING GASES**

	2018	2019
	t	t
NO <sub>x</sub>	61.42	63.23
SO <sub>x</sub>	59.27	23.50
Particulate matters (PM)	1.28	0.04
Total	121.96	86.77

GRI STANDARD 306-2 – Waste by type and disposal method

**QUANTITY OF PRODUCED WASTE, BY TYPE AND DISPOSAL METHOD**

Disposal method	Unit of measurement	2018			
		Hazardous	Non-hazardous	Total	%
Reuse (slurries in agriculture)	t	0	12,297	12,297	58.4%
Recycle	t	0	363	363	1.7%
Composting	t	0	0	0	0.0%
Energy recovery	t	6	6,913	6,918	32.8%
Landfill/Incineration	t	5	1,438	1,444	6.9%
On-site storage	t	0	0	0	0.0%
Other (self-disposal)	t	0	41	41	0.2%
Total	t	11	21,052	21,063	100%
	%	0.1%	99.9%		

Disposal method	Unit of measurement	2019			
		Hazardous	Non-hazardous	Total	%
Reuse (slurries in agriculture)	t	0	10,820	10,820	52.0%
Recycle	t	0	374	374	1.8%
Composting	t	0	0	0	0.0%
Energy recovery	t	9	7,953	7,962	38.2%
Landfill/Incineration	t	2	1,579	1,582	7.6%
On-site storage	t	0	0	0	0.0%
Other (self-disposal)	t	0	80	80	0.4%
Total	t	11	20,806	20,817	100%
	%	0.1%	99.9%		

	Unit of measurement	2018	2019
Waste intensity index, on production	t/t	0,07	0,06

**ENVIRONMENTAL INVESTMENTS**

Plant	Investments in environmental protection and energy efficiency	2018	2019	Total
Rivarolo	<ul style="list-style-type: none"> <li>- In order to reduce air emissions (PM, SO<sub>x</sub>, NO<sub>x</sub>), between 2018 and 2019 3 oil burners in the boilers used for tomato transformation have been replaced with a gas burner. Moreover, 3 economizers have been installed in order to improve the performance.</li> <li>- In order to reduce the Consortium's environmental impact, due to dispersion of refrigerant gases in atmosphere, in 2019 some gas circuits have been replaced with others circuits with lower GWP (Global warming potential).</li> <li>- In 2018 a drycooler has been installed in order to reduce water consumption, as a result of the installation of 5 water autoclaves.</li> <li>- In some productive areas, between 2018 and 2019, traditional light bulbs have been replaced with LED bulbs.</li> <li>- In 2018 2 compressors with inverter have been purchased.</li> <li>- In 2018 pipe insulation of the thermal power plants has been realized.</li> </ul>	770,000 €	330,000 €	1,100,000 €
Gariga	<ul style="list-style-type: none"> <li>- In 2019 a new blower (with ventilation plates) has been inserted in the purifier oxidation tank</li> <li>- In 2019 new cooling towers for evaporators have been installed, reducing water and energy consumption</li> <li>- In 2018 the sludge extraction platform has been boosted</li> <li>- In 2018 efficiency measures regarding compressed air have been carried out (insertion of compressor with inverter) and regarding water management and steam production (new pasteurization tunnel for tinplate, hot filling line and new cooling towers for evaporators)</li> </ul>	1,103,000 €	259,000 €	1,362,000 €
Fontanellato	<ul style="list-style-type: none"> <li>- In order to increase purifying performance and energy efficiency of the sewage treatment plant, in 2019 an oxygen distribution system has been implemented in the oxidation tanks</li> <li>- In 2018 a new steam generator has been installed and the disused boiler tank has been cleaned up.</li> </ul>	660,000 €	285,000 €	945,000 €
<b>Total Consorzio Casalasco</b>		<b>2,533,000 €</b>	<b>874,000 €</b>	<b>3,407,000 €</b>

**SUSTAINABILITY GOALS (BASELINE 2018)**

Description	Target	Deadline
<b>Agricultural area</b>		
Increase in the hectares for the cultivation of zero residue tomatoes	+50%	2021
Increase in the hectares for the cultivation of organic tomatoes	+30%	2021
Usage of new innovative applications (hydrometric probes, pheromone traps)	+15%	2021
Increase in the hectares for fertigation	+15%	2021
Increase in the hectares for improving cultivations in rotation with tomato	+5%	2021
<b>Quality area</b>		
Decrease of the number of ethical non-compliance	-10%	2021
Decrease of the number of non-compliance, for each plant	-10%	2021
<b>Environmental area</b>		
Annual decrease of CO <sub>2</sub> emissions in the Rivarolo plant	-10%	2021
Annual decrease of CO <sub>2</sub> emissions in the Fontanellato plant	-5%	2021

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GRI CONTENT INDEX



GRI STANDARDS	DISCLOSURE	PAGE	NOTES
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<b>Strategy</b>			
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<b>Governance</b>			
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102-41	Collective bargaining agreements	130; 178	
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102-47	List of material topics	46-47	
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102-53	Contact point for questions regarding the report	167; back cover	
102-54	Claims of reporting in accordance with the GRI Standards	167	
102-55	GRI content index	191-205	
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GRI STANDARDS	DISCLOSURE	PAGE	NOTES
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<b>GRI 200: ECONOMIC</b>			
<b>ECONOMIC PERFORMANCE</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
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103-3	Evaluation of the management approach	107-117	
<b>GRI 201: Economic performance (2016)</b>			
201-1	Direct economic value generated and distributed	109-111	
201-2	Financial implications and other risks and opportunities due to climate change	189	This disclosure is compliant with the requirement a.v. of the standard.
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	130; 134; 138	
103-3	Evaluation of the management approach	130; 134; 138	
<b>GRI 202: Market presence (2016)</b>			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	178	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
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103-2	The management approach and its components	83-85	
103-3	Evaluation of the management approach	83-85	
<b>GRI 204: Procurement practices (2016)</b>			
204-1	Proportion of spending on local suppliers	85	
G4-FP1	Percentage of purchased volume from suppliers compliant with company's procurement policy	100% of purchases derives from suppliers compliant with procurement policy.	
<b>ANTICORRUPTION</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	26-27	
103-3	Evaluation of the management approach	26-27	
<b>GRI 205: Anticorruption (2016)</b>			
205-3	Confirmed incidents of corruption and actions taken	In 2019 there were no confirmed incidents of corruption.	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
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<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	26-27	
103-3	Evaluation of the management approach	26-27	
<b>GRI 206: Anti competitive behaviour (2016)</b>			
206-1	Legal action for anti competitive behaviour, antitrust and monopoly practices	In 2019 there were no legal actions taken for anti competitive behaviour, antitrust and monopoly practices.	
<b>GRI 300: ENVIRONMENTAL</b>			
<b>MATERIALS</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	82-85; 162-163	
103-3	Evaluation of the management approach	82-85; 162-163	
<b>GRI 301: Materials (2016)</b>			
301-1	Materials used by weight or volume	169-170	
301-2	Recycled input materials used	170	
<b>ENERGY</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	152-155	
103-3	Evaluation of the management approach.	152-155	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>GRI 302: Energy (2016)</b>			
302-1	Energy consumption within the organisation	183-184	
302-3	Energy intensity	154; 184	
<b>WATER AND EFFLUENTS</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	156-158	
103-3	Evaluation of the management approach	156-158	
<b>Water and Effluents (2018)</b>			
303-1	Interaction with water as a shared resource	156-158	
303-2	Management of water discharge-related impacts	156-158	
303-3	Water withdrawal	184	
303-4	Water discharge	185	
303-5	Water consumption	185	
<b>EMISSIONS</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	152-155	
103-3	Evaluation of the management approach	152-155	
<b>GRI 305: Emissions (2016)</b>			
305-1	Direct (Scope 1) GHG emissions	155; 186	
305-2	Energy indirect (Scope 2) GHG emissions	155; 186	
305-4	GHG emissions intensity	187	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	187	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>EFFLUENTS AND WASTE</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	159-161	
103-3	Evaluation of the management approach	159-161	
<b>GRI 306: Effluents and waste (2016)</b>			
306-2	Waste by type and disposal method	161; 188	
<b>ENVIRONMENTAL COMPLIANCE</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	150-151; 28-29	
103-3	Evaluation of the management approach	150-151; 28-29	
<b>GRI 307: Environmental compliance (2016)</b>			
307-1	Non-compliance with environmental laws and regulations	In 2019 there were no cases of non compliance with environmental laws and regulations.	
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	86-88	
103-3	Evaluation of the management approach	86-88	
<b>GRI 308: Supplier environmental assessment (2016)</b>			
308-1	New suppliers that were screened using environmental criteria	87-88	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>GRI 400: SOCIAL</b>			
<b>EMPLOYMENT</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	128-130	
103-3	Evaluation of the management approach	128-130	
<b>GRI 401: Employment (2016)</b>			
401-1	New employee hires and employee turnover	178-179	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	There are no benefits for full-time employees that are not provided for part-time or temporary employees. Benefits provided to employees are: - 1 extra-day of parental leave compared to the period foreseen by the regulations - 180-extended period of high-consequences illness compared to the period foreseen by regulations	
<b>LABOR/MANAGEMENT RELATIONS</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	128-130	
103-3	Evaluation of the management approach	128-130	
<b>GRI 402: Labor/management relations (2016)</b>			
402-1	Minimum notice periods regarding operational changes	The CCNL "Cooperative e Consorzi Agricoli" does not provide the minimum notice period for transfers. The art. 15 bis states that "the communication must be made in writing to the workers (...) and must take place.	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	132-133	
103-3	Evaluation of the management approach	132-133	
<b>GRI 403: Occupational health and safety (2018)</b>			
403-1	Occupational health and safety management system	132-133	
403-2	Hazard identification, risk assessment and incident investigation	132-133	
403-3	Occupational health services	132-133	
403-4	Worker participation, consultation and communication on occupational health and safety	132-133	
403-5	Worker training on occupational health and safety	132-133	
403-6	Promotion of worker health	132-133	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	132-133	
403-9	Work-related injuries	133; 182	
<b>TRAINING AND EDUCATION</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	134-136	
103-3	Evaluation of the management approach	134-136	
<b>GRI 404: Training and education (2016)</b>			
404-1	Average hours of training per year per employee	136; 180-181	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	30-31; 138-140	
103-3	Evaluation of the management approach	30-31; 138-140	
<b>GRI 405: Diversity and equal opportunity (2016)</b>			
405-1	Diversity of governance bodies and employees	172-177	
405-2	Ratio of basic salary and remuneration of women to men	181	
<b>NON-DISCRIMINATION</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	30-31; 134	
103-3	Evaluation of the management approach	30-31; 134	
<b>GRI 406: Non-discrimination (2016)</b>			
406-1	Incidents of discrimination and corrective actions taken	In 2019 there were no incidents of discrimination.	
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	30-31; 134	
103-3	Evaluation of the management approach	30-31; 134	
<b>GRI 407: Freedom of Association and Collective Bargaining</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Based on procedures of selection and controlling of the suppliers, there is no significant risk related to freedom of association and bargaining agreements for the most relevant Consortium's suppliers.	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>CHILD LABOR</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	30-31; 134	
103-3	Evaluation of the management approach	30-31; 134	
<b>GRI 408-1: Child labor (2016)</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	On the basis of the procedures in place for the selection and control of suppliers, it is believed that there is no significant risk relating to the use of child labor at the Consortium's main suppliers.	
<b>FORCED OR COMPULSORY LABOR</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	30-31; 134	
103-3	Evaluation of the management approach	30-31; 134	
<b>GRI 409: Forced or compulsory labor (2016)</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	On the basis of the procedures in place for the selection and control of suppliers, it is believed that there is no significant risk relating to the use of forced or compulsory labor at the Consortium's suppliers.	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>SUPPLIER SOCIAL ASSESMENT</b>			
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103-2	The management approach and its components	86-88	
103-3	Evaluation of the management approach	86-88	
<b>GRI 414: Supplier social assessment (2016)</b>			
414-1	New suppliers that were screened using social criteria	87-88	
<b>CUSTOMER HEALTH AND SAFETY</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	92-94	
103-3	Evaluation of the management approach	92-94	
<b>GRI 416: Customer health and safety (2016)</b>			
416-1	Assessment of the health and safety impact of products and service categories	All plants are certified according to food safety standards.	
416-2	Incidents of non compliance concerning the health and safety impacts of products and services	In 2019 there were no incidents of non compliance concerning the health and safety impacts of products and services.	
<b>G4: Consumer health and safety (2014)</b>			
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	100% of plants	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
<b>MARKETING AND LABELING</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	64-65	
103-3	Evaluation of the management approach	64-65	
<b>GRI 417: Marketing and labeling</b>			
417-1	Requirements for products and service information and labelling	64-65	
417-2	Incidents of non-compliance concerning product and service information labelling	In 2019 there were no cases of non compliance with laws and regulation in the the area of marketing and labelling of products.	
<b>SOCIOECONOMIC COMPLIANCE</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	26-27	
103-3	Evaluation of the management approach	26-27	
<b>GRI 419: Socioeconomic compliance (2016)</b>			
419-1	Incidents of non-compliance concerning product and service information labelling	In 2019 there were no cases of non compliance with laws and regulations in the social and economic area.	
<b>NUTRITION AND HEALTHY LIFESTYLE</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	17-20	
103-3	Evaluation of the management approach	17-20	

GRI STANDARDS	DISCLOSURE	PAGE	NOTES
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<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	95-96	
103-3	Evaluation of the management approach	95-96	
<b>BRAND IMAGE AND REPUTATION</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	52-53; 59-63	
103-3	Evaluation of the management approach	52-53; 59-63	
<b>SUSTAINABLE AGRICULTURE AND PROTECTION OF THE TERRITORY</b>			
<b>GRI 103: Management approach (2016)</b>			
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103-2	The management approach and its components	80-81; 51-53	
103-3	Evaluation of the management approach	80-81; 51-53	
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<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its boundary	46-47	
103-2	The management approach and its components	130; 137	
103-3	Evaluation of the management approach	130; 137	
<b>TRACEABILITY IN THE SUPPLY CHAIN AND PRODUCT CERTIFICATION</b>			
<b>GRI 103: Management approach (2016)</b>			
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103-2	The management approach and its components	33-35; 76-78	
103-3	Evaluation of the management approach	33-35; 76-78	

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