

SUSTAINABILITY REPORT

2018



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LETTER TO STAKEHOLDERS



This is the first time that the **Consorzio Casalasco del Pomodoro** has communicated its values through a Sustainability Report and therefore, like every first time, we feel particularly proud.

Although 2018 is the baseline year from which to start measuring, reflecting and trying to improve ourselves, it is out of fairness to the associated Farms, Collaborators and all of you that I must pay attention to how much the results obtained represent the Mission that our organization has been pursuing for over a decade. The awareness of the role that we play in the economic and social sphere, the environmental commitment,

and sustainability in all its forms - concepts that some improperly define as "intangible values" - are for us an indissoluble part of our identity. To be agricultural cooperators on a territory and have the opportunity to represent the **Made in Italy food** in the world, leads us on a daily basis to think about how much every action of ours can enhance the man, his work and relationships that go far beyond the boundaries of that field that we cultivate and preserve with dedication.

In the following pages, you will find the actions that, declined in thousands of gestures by all operators, become the emblem of how **Consorzio Casalasco** considers its food products: not just a nutriment but a **vehicle of values, human and environmental rights along all the tomato supply chain we represent since 1977.**

For this reason, **Consorzio Casalasco** wishes to share through this publication in a transparent and continuous manner its results,

instruments of measurement and improvement projects, in the knowledge that the fundamental added value for our company is the relationship of trust with the Stakeholders, whose needs and expectations guide us in the fundamental choices and in the social, technological and product progress.

With this first report, the Consortium confirms its commitment to maintaining sustainability as a guide in strategic choices, as part of a process now underway, aimed at implementing innovative solutions to control and mitigate aspects that need improvement.

Chairman of the Board of Directors
Paolo Voltini



2018 was a year full of results with the achievement of **265 million euros in consolidated revenues and more than 460 thousand tons of processed fresh tomatoes**, which has seen major investments made in the industrial and production chain, also sanctioned by the latest acquisition of SAC S.p.A., which has been strengthening the strategy also by internationalizing the Supply chain through agreements and partnerships with actors successfully working with Foreign markets.

With our first Sustainability Report, for the year 2018, we intend not only to report on our achievements, but to demonstrate our commitment to implementing a sustainability strategy that is increasingly interlinked with the business strategy, in a path

between environmental, social and economic objectives.

It is with this in mind that **Consorzio Casalasco** declares the continuous strengthening of its values for the development of management policies. In particular: from an environmental point of view, **the Consortium aims at a constant search for solutions aimed at ensuring the responsible use of natural resources, the efficiency of consumption energy and an ever-increasing management of emissions in the atmosphere.**

Social sustainability, which manifests in the primary responsibility towards collaborators, sees the Consortium committed to protecting human rights and workers' rights issues through continuous investment, with the aim of improving the work of our employees and the social-ethical conditions of the different levels of the production chain.

Lastly, in line with its nature as a cooperative of members, the

Consortium aims at increasing the involvement of its stakeholders, first among them the partners, in order to meet their expectations, to integrate them into their sustainability strategy and to improve the process of non-financial reporting.

It is with all these attributes that the Consortium intends to continue its own path of sustainable growth.

Chief Executive Officer
Costantino Vaia



1

CONSORZIO CASALASCO

- 1.1 HISTORY AND EVOLUTION OF CONSORZIO CASALASCO
- 1.2 MISSION OF CONSORZIO CASALASCO
- 1.3 PRODUCT RANGE
- 1.4 CONSORZIO CASALASCO COMPANY STRUCTURE
- 1.5 ETHICS, INTEGRITY AND COMPLIANCE
- 1.6 ECONOMIC RESULTS AND VALUE ADDED



CONSORZIO CASALASCO

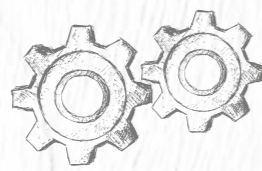
"Consortio Casalasco is the link between the territory and its traditions, between agricultural work and the enhancement of cultivated products through quality, progress and technological innovation in respect of man and the environment".

CONSORZIO CASALASCO IN NUMBERS



SUPPLY CHAIN

- ✓ 370 associated farms
- ✓ 7,000 hectares of land cultivated with tomatoes
- ✓ 3 production plants
- ✓ Transformation capacity of **over 560,000** tons of fresh tomatoes
- ✓ The **1st** tomato **industrial chain** in Italy
- ✓ The **3rd** tomato **industrial chain** in Europe



ECONOMIC IMPACT

- ✓ **896** average number of employees¹
- ✓ **€265 millions** in consolidated revenues



ENVIRONMENTAL AND SOCIAL IMPACT

- ✓ **73,000** tons of CO₂ emissions produced
- ✓ **1,128,614** GJ of energy consumed
- ✓ **5,054** mega liters of water withdrawn
- ✓ **21,000** tons of waste produced
- ✓ **22,688** hours of training, of which more than 4,000 hours in health and safety matters
- ✓ **Global Gap** Certification
- ✓ **Social Footprint** Certification
- ✓ **SMETA** Certification

¹ The human resources data in this document are expressed in Annual Working Units (AWU), which consist of the average monthly number of full-time employees employed during the year, considering part-time employees as fractions of AWU (in proportion to the percentage of part-time employees). The data also include adventitious workers and seasonal workers who work mainly during the peak period of production at the Consortium's plants



THE PLANTS

RIVAROLO DEL RE

(Cremona)

- **140,000 mq** total area
- **40,000 mq** floor area

FONTANELLATO

(Parma)

- **110,000 mq** total area
- **30,000 mq** floor area

GARIGA DI PODENZANO

(Piacenza)

- **110,000 mq** total area
- **30,000 mq** floor area

LOGISTICS HUBS

FELEGARA

(Parma)

- **60,000 mq** total area
- **30,000 mq** floor area

CASALMAGGIORE

(Cremona)

- **48,661 mq** total area
- **26,738 mq** floor area





HISTORY AND EVOLUTION OF CONSORZIO CASALASCO



Consorzio Casalasco, founded in 1977, is a company dedicated to the cultivation, processing and packaging of **100% Italian tomatoes**. By being an agricultural cooperative, the members play a central role in the development and creation of the Consortium, as they represent not only its human capital but also the main contributors of the raw material that enters the

production cycle. Precisely because of this dual nature, members are first and foremost interested in the Consortium offering the market a healthy, high-quality product in line with the highest industry standards.

The cooperative **supports its members on a daily basis** in agricultural and business

management activities, creating a system that, thanks to the offer of **cutting-edge services and technologically innovative tools**, is able to make the most of the tomato. Moreover, the Consortium recognizes the value of its people by giving its member farmers a higher remuneration than that offered on the market.

In spite of having conquered a leading role in the tomato preserve market, resulting the first Italian tomato supply chain and the third in Europe, the Consortium has always remained **strongly linked to the territory of origin**, protecting

the interests of its members and adopting **business strategies that respect the environment and the community in which it operates**.

In 2018, the Consortium can rely on **370 associated farms** that supply the **three production plants** with raw materials from the fields in the surrounding areas. The tomatoes and legumes supplied by farmers are processed into semi-finished and agri-food products for industry and large-scale distribution worldwide. Commercialization takes place mainly as co-packers and private labels, but it should be noted that

an increasingly significant share of turnover is covered by the sales of the proprietary brands (Pomì and De Rica), on which the Consortium has been investing more and more resources in recent years.



1977

Cooperative foundation

1982

Creation of the first production plant in Rivarolo del Re

2000

Constitution of the Consorzio Interregionale Ortofrutticolo (C.I.O)



2007

Acquisition of Boschi Luigi Figli Spa, a Parmalat subsidiary, of the Felegara and Fontanellato factories and of the Brands Pomì, Pomito and Pais.



2015

Merger by incorporation of A.R.P. into Consorzio Casalasco



2017

Acquisition of the De Rica Brand



2018

Acquisition of majority stakes SAC shares



1.2

MISSION OF CONSORZIO CASALASCO

Our **mission** is to **support customers, partners and brands** in order to develop a wide **product range, conceived in respect with nature and its rhythms.**



1.3

PRODUCT RANGE

Since the early 2000's, in order to bring them ever closer to the growing needs of consumers and to promote its members' values, ideas and products abroad, Consorzio Casalasco has concentrated its efforts on increasing **technical know-how** and has invested in **Research & Development.**

The continuous plant investments completed in 2018 have allowed Consorzio Casalasco to be consider one of the players in the sector with **one of the largest and most complete production facilities in Europe.**



The range of products and packaging is vast and covers, in addition to the **core business of tomatoes** and their derivatives, other product categories that can be divided into five distinct segments: **SAUCES AND CONDIMENTS, SOUPS, BROTHS, FRUIT JUICES, ICED TEA AND BEVERAGES.**



TOMATOES
Sieved tomatoes,
chopped
tomatoes



**SAUCES AND
CONDIMENTS**
Sauce,
ketchup



SOUPS
Velvety,
purée,
minestrone soup



BROTHS
Meat broth,
vegetable broths



BEVERAGES
Tea, beverages,
isotonic
beverages



**FRUIT
JUICES**
Fruit juices,
vegetable juices



THE TOMATO

THE CULTIVATION, HARVESTING, PROCESSING AND COMMERCIALIZATION OF TOMATOES ARE THE HEART OF THE BUSINESS AND THE CORE BUSINESS OF CONSORZIO CASALASCO, REPRESENTING 75% OF THE REVENUES IN 2018.

A vegetable known and used in many countries and particularly appreciated for its healthy properties, which knows no "barriers to entry", being its multiple uses and finding its roots in all world cuisines as a **main dish, ingredient, condiment** or as a **juice to drink**. It is consumed in **hyposodic** recipes, suitable for **all ages**, the basis of **vegetarian** or **vegan** lifestyles and allowed in kitchens that underlie **specific religious beliefs**, as in Jewish and Muslim cuisine.

It is not an allergen and is therefore used in the preparation of food in all distribution channels, for domestic and catering use, as well as in the industrial market for the preparation of ready-to-serve, fresh or frozen dishes. Tomatoes are grown in specific areas but consumed worldwide: in the European Union alone, **tomato consumption is expected to increase** from 20.5 kg per capita in 2014-2016 to over 21 kg in 2030 (in fresh tomato equivalent).



VITAMIN-RICH

FAT
FREE

SUITABLE
FOR
ANY
DIET



1.4 CONSORZIO CASALASCO COMPANY STRUCTURE

Conorzio Casalasco controls a number of companies upstream and downstream of its main processing and packaging activities:

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.

CASALASCO AGRICOLA is responsible for testing tomato varieties and supporting the Consortium in primary agricultural activities.

POMI' USA
Founded in 2009 and 100% controlled by Consorzio Casalasco, **Pomì USA Incorporation** is the exclusive distributor of Pomì branded products in the USA. During 2018 it presented to the market its new product line with the aim of expanding the current range of products towards different packaging categories and consumer habits.

S.A.C.
In order to take advantage of the best opportunities for growth on the market, as with the constitution of **Pomì Usa Inc.**, Casalasco believes it is important to have commercial and distribution structures to bring the offer and service closer to the reference market.
On the 25th of July 2018, Casalasco, together with the Sac Shareholders, defined the acquisition of 65% of SAC's share capital and obtained its control.

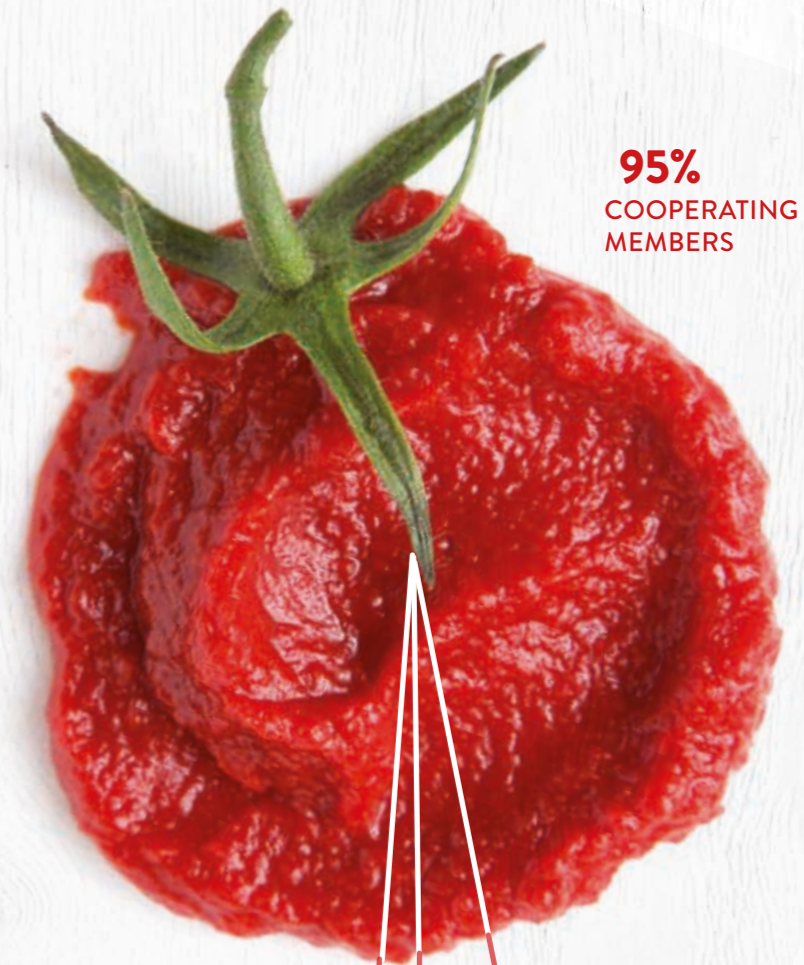


CONSORZIO CASALASCO IS FORMED BY:

- **Cooperating members:** they confer, as provided for by the Statute, the totality of their tomato production exclusively to the Consortium.
- **Supporting members, including Producers' Organizations (POs):** they confer part of their production to the Consortium based on specific agreements and particular characteristics of the food (e.g. organic production).
- **Financing partners:** they do not provide raw material but financial capital.

The share capital of the Casalasco Consortium as at December 31st 2018 is comprised of **203 members**, of which **193 cooperators**, **8 subsidizing members** and **2 financing members**.

The number of contributing farms (about 370) is represented by direct member farms, farms associated to member cooperatives and farms associated to O.P.



95%
COOPERATING MEMBERS

1% FINANCING PARTNERS

4% SUPPORTING MEMBERS



1.5

ETHICS, INTEGRITY AND COMPLIANCE

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").

The aim of this Model is to encourage a cooperative 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 Organisational Model, together with the Code of Ethics, represents a valid tool to regulate the relations of all employees and collaborators of the Consortium with the most significant stakeholders (partners, customers, suppliers, etc.), preventing the risk of committing the crimes covered by Legislative Decree 231/2001.

Conorzio Casalasco **monitors the risks** associated with its operations through the activity of a Supervisory Body in order to assess in advance the potential negative effects and take appropriate corrective action. In this context, the Consortium has mapped, with respect to all processes in place, the different operating methods and related risks that are managed by the same.

Particular attention has been paid to the management of suppliers, the environment, workplace safety, relations with Authorities and Public Administration, and the company's reputation. The aim of the Consortium is to **disseminate an ethical and socially responsible business model in the sector in which it operates in order to induce all the players in the supply chain, from member farms to the final consumer, to make critical and informed choices.**



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.**

ENVIRONMENTAL RESPECT

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 and the study of low impact products both in terms of formulation and packaging.



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 reflected in the Consortium's 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 is the first food company to have obtained the **Social Footprint** certification which attests the commitment to transparency on the respect of the rights of the workers involved throughout the tomato processing chain.

THE FIRST FOOD COMPANY TO OBTAIN SOCIAL FOOTPRINT CERTIFICATION

Thanks to this project, it is possible to share with customers and consumers information about the social impacts of tomato cultivation and processing throughout the supply chain, demonstrating how the protection of workers' rights is an essential factor for the Consortium. Health, respect, legality and lasting relationships are fundamental ingredients for a good product from every point of view. The Social Footprint **is the first certification that maps the social footprint of a product along the supply chain** and allows the consumer to make an increasingly conscious choice by also evaluating the "social" aspects of a product.

The label, visible on the website, **indicates place, type of production and profile of human resources employed; it also traces the supply chain and gives evidence of the number of raw materials, ingredients and related suppliers involved in the certification.**

The Social Footprint standard management system is integrated into the Quality, Environment and Social Responsibility Management System, which covers all stages of the tomato supply chain from sowing in the field to delivery of the finished product.





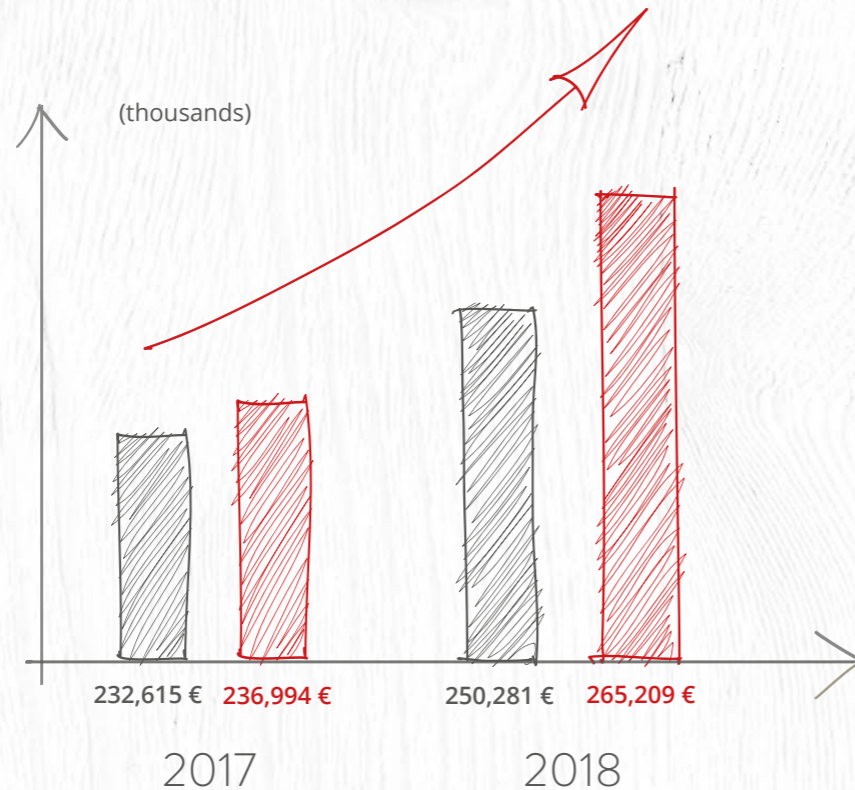
1.6

ECONOMIC RESULTS AND VALUE ADDED

ECONOMIC RESULTS

Despite the fact that in 2018 the world market of fresh tomatoes for industrial processing fell by 7.8% in quantity compared to the previous year, **Consorzio Casalasco has closed its consolidated balance sheet with an increase in revenues of 11.9%**, from 237 million in 2017 to 265 million at present.

This increase is chiefly the result of higher sales volumes of simple tomato products, with receipt and ketchup Pomì and De Rica branded. In addition, it is worth pointing out that the **retail sales segment continues to be of growing importance, which coincides with 79% of the Consortium's revenue.**



STATUTORY FINANCIAL STATEMENT

CONSOLIDATED FINANCIAL STATEMENT

ECONOMIC VALUE GENERATED AND DISTRIBUTED

In order to evaluate the performance of Consorzio Casalasco, a cooperative company by its nature strongly linked to the territory and the community of its members, it is not possible to analyse the economic-financial results without looking at who and how the value generated by the business itself is being redistributed. A sustainable company, in fact, is not only able to create value over time, but also has the ability to recognize the role and merits of all the players in the field (suppliers, employees, financiers, public administration and the surrounding community), distributing to everyone their share of the produced wealth.

The following are the **figures for 2018**, which are the result of a reclassification of the Income Statement items included in the Consortium's financial statements.

(thousands)	2018
ECONOMIC VALUE GENERATED	271,869 €
ECONOMIC VALUE DISTRIBUTED	251,891 €
Operating costs	183,871 €
Personnel remuneration	33,177 €
Lenders remuneration	5,301 €
Members remuneration	28,194 €
Public Administration Remuneration	397 €
Community	951 €
ECONOMIC VALUE RETAINED	19,977 €

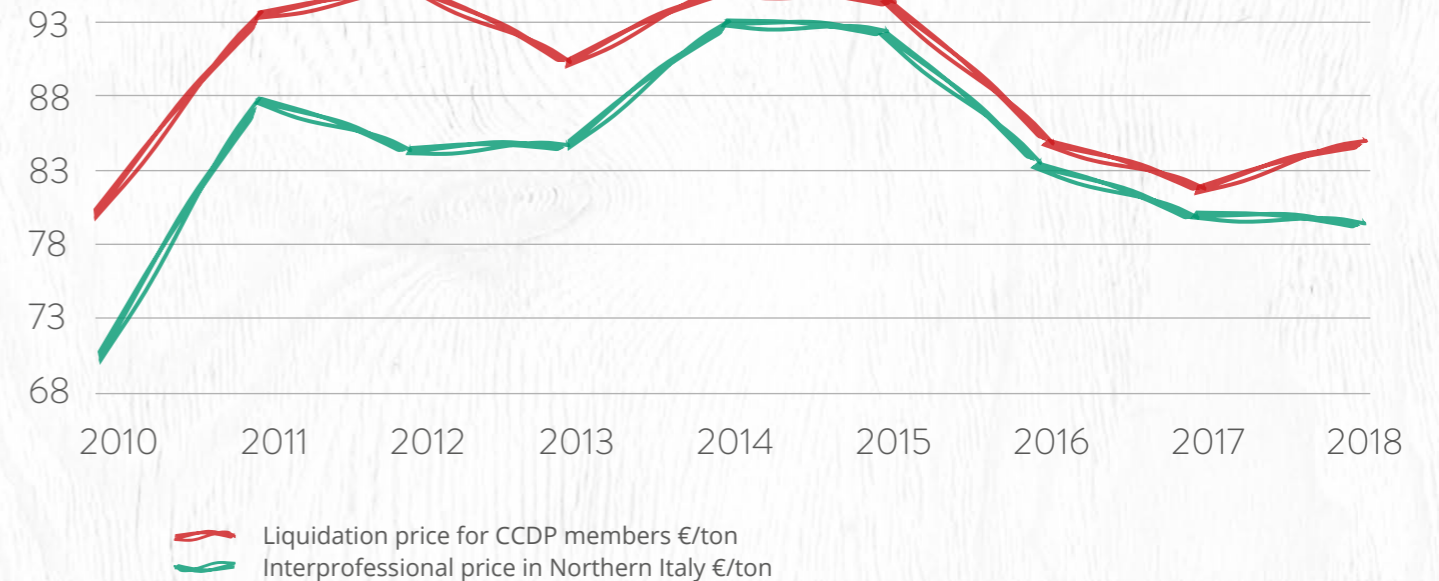
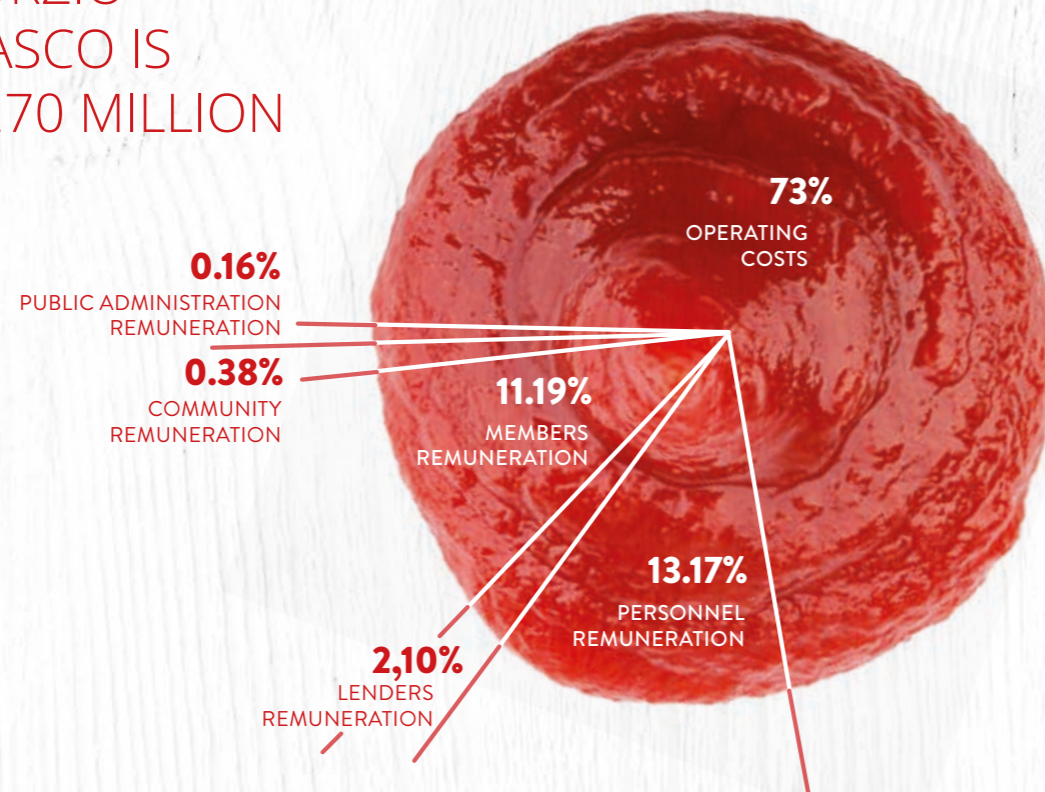
THE CALCULATION FOR THE FINANCIAL YEAR 2018 SHOWS THAT THE ECONOMIC VALUE GENERATED BY CONSORZIO CASALASCO IS OVER 270 MILLION EUROS

The economic value was distributed among the various stakeholders, divided into: "**Reclassified operating costs**" (mainly purchases of raw materials, goods and services from third-party suppliers), "**Personnel remuneration**" (direct remuneration consisting of wages, salaries and severance indemnities and indirect remuneration consisting of social

security contributions), "**Lenders' remuneration**" (interest expenses), "**Members' remuneration**" (down payment tomato conferred by the members and the balance of the price paid to cooperating members), "**Public Administration remuneration**" (taxes) and "**Community**" (donations and sponsorships for the territory).

Reclassified **operating expenses** amounting to a total of **approximately 184 million euros** represent the largest part of this value. The commitment to a fair redistribution of wealth by the Consorzio Casalasco is evidenced by the fact that about **a quarter of the value generated is distributed between cooperative members** (over 28 million euro) **and personnel** (over 33 million euro).

The following graph illustrates the trend of the Consortium members' liquidation price compared with the Interprofessional Price of Northern Italy. During the months of the tomato campaign, the Consortium guarantees and anticipates to its members a price for the raw material conferred, which in recent years has settled at an average value 6% higher than the inter-professional price applied in Northern Italy.





2

SUSTAINABILITY APPROACH

- 2.1 SUSTAINABILITY STRATEGY
- 2.2 CERTIFICATIONS
- 2.3 CONSORZIO CASALASCO'S
STAKEHOLDERS
- 2.4 MATERIAL TOPICS



2.1

SUSTAINABILITY STRATEGY

For Consorzio Casalasco, sustainability means conducting its activities always looking to the future and orienting its business strategy towards the creation of value for stakeholders in the medium and long term.

In undertaking this path of sustainability, the Casalasco Consortium has established itself as one of the most active players, distinguishing itself from other competitors for its good market practices and for the offer of products that respect the environment and people who, through their daily work, represent the values and passion of the Consortium.

Committed to the constant improvement of its results, **the Consortium has the following objectives:**

1 ensure members a profitable destination of their production and **contribute to the support and development of farms and territory** by providing information, training and updates, quality services at competitive prices and **support in the adoption of agronomic practices with low environmental impact;**

2 stabilize and capitalize the process of change that the company has invested in recent years, by **improving the organization**, increasing organizational awareness and improving internal communication;

3 **oversee the life cycle and value chain of products** to be able to:

- propose and develop with customers multi-year projects and new product lines that are attractive, complete and integrate improvements in the management of direct and indirect environmental impacts;
- strengthen the Consortium's brands with highly innovative research and development activities capable of integrating the principles of sustainability and social responsibility.



QUALITY

- ✓ Respond promptly to our customers' requests for **innovative, attractive products in line with new lifestyles and consumption;**
- ✓ implement new lines and new cutting-edge production technologies by integrating, already in the Good Manufacturing Practices design phases, consolidated know-how, environmental protection, in order to obtain the highest quality and safety standards;
- ✓ overseeing aspects related to **efficiency, productivity, waste reduction.**



ENVIRONMENT

- ✓ Focus the integrated management system on **environmental objectives** as a means to ensure:
 - achieving results in line with and improving on what is required by law;
 - assessment and preventive management of risks related to the activity carried out;
 - adequate environmental protection and reduction of pollution;
 - optimal management of direct and indirect impacts;
 - continue the path of technological and plant engineering innovation with a view to simplification, increased efficiency, innovation, optimal management of environmental impacts, reduction of safety risks at work.



SOCIAL RESPONSIBILITY

- ✓ Define a program to improve **health and safety indicators in the workplace** with the aim of reducing serious accidents;
- ✓ invest resources in **training and information programs** in order to improve employee awareness and internal communication on issues of Social Responsibility and Health and Safety in the Workplace;
- ✓ define projects aimed at **improving the quality of life in the workplace.**



CERTIFICATIONS

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

The product and process certifications of Consorzio Casalasco testify the commitment to pursue improvement in all activities and to obtain a better commercial value of the products.



CERTIFICATIONS LIST

- ✓ **UNI EN ISO 9001:2015**
- Quality Management System
- ✓ **BRC Global Standard**
- Standard British Retail Consortium (GFSI)
- ✓ **IFS** - International Food Standard (GFSI)
- ✓ **Integrated production rules and regulations** of the Emilia Romagna Region: tomatoes for the **production of quality QC branded tomatoes (LR28/99)**

- ✓ **Global GAP**
Worldwide Standard for Good Agricultural Practice
- ✓ **UNI EN ISO 22005:2008**
Traceability system for agri-food chains
- ✓ **Social Footprint Product**
Certification
- ✓ Raw material **100% Italian tomato**
- ✓ Compliance with **Regulation 834/07/CE for Organic Production**

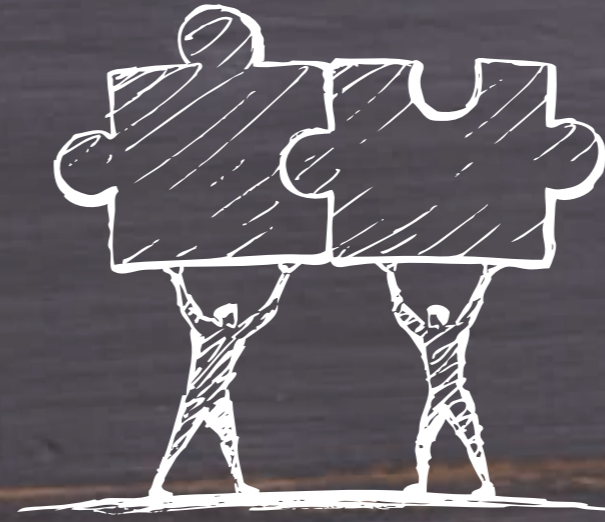
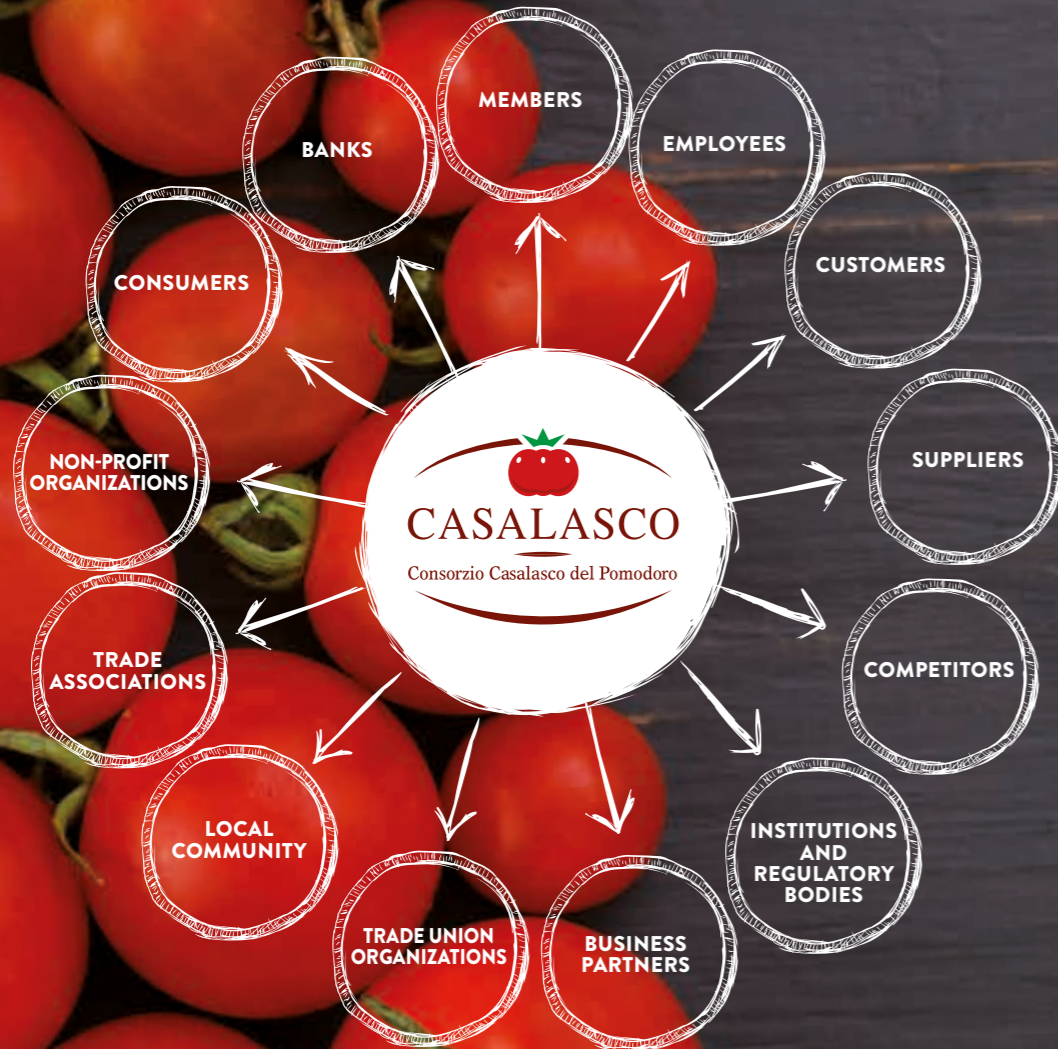
- ✓ **KRAV** - certification for organic products sold in Sweden
- ✓ **UNI EN ISO 14001:2015** - Environmental management system
Rivarolo del Re
- ✓ Regulation CE 2017/1505
(EMAS) Rivarolo del Re and Gariga di Podenzano
- ✓ **Carbon Footprint (Carbon Trust)**
Certification
- ✓ **Sedex** - Registration - and audits in accordance with **SMETA** protocol for Farms and Production Sites

- ✓ **RSPO** Certification (Roundtable on Sustainable Palm Oil)
- ✓ Controlled supply chain for use of **non-GMO seed**
- ✓ **NON-GMO** - non gmo project verified (US)
- ✓ **GFCO** - Gluten-Free Certification Organization (US)
- ✓ **Halal** certificate for tomato processed products
- ✓ **Kosher** certificate for tomato processed products



2.3

CONSORZIO CASALASCO'S STAKEHOLDERS



Stakeholders play a key role in the growth and sustainable development of Consorzio Casalasco del Pomodoro. Through an in-depth analysis of the context in which it operates, the Consortium has identified its main stakeholders.

The stakeholder mapping was developed thanks to the direct involvement of the Consortium's employees based on criteria that privilege the closeness of relationships and the complementarity of the activities carried out. The results of this analysis, which took as their starting point the mapping carried out internally in 2018, have been integrated and compared with

what emerged from a benchmark analysis aimed at identifying the trends in progress among the main competitors and national and international best practices.

This work led to the identification of **13 categories of stakeholders that may influence or be influenced by the Consortium's activities.**

The Consortium promotes a transparent and constructive dialogue with its stakeholders by involving them in strategic choices. Although the range of stakeholders that relate to the Consortium is very wide, in this Sustainability Report the focus relies on those that benefit from the document itself.

The following is a summary of the main channels of dialogue and the relevant issues that are frequently discussed; the methods and frequency of stakeholder involvement vary according to the issues considered relevant and the opportunities for discussion during the year.

MAIN CHANNELS OF DIALOGUE AND STAKEHOLDER ENGAGEMENT

✓ EMPLOYEES

CHANNELS OF DIALOGUE:

- Communication boards in factories and offices
- Training and periodic updating activities
- Regular meetings with the social partners

MATTERS OF INTEREST:

- Compliance with administrative, labour and health and safety regulations
- Recognition of meritocracy
- Need to increase employee know-how
- Welfare and work/life balance initiatives
- Stimulating and respectful environment
 - Fair pay and growth opportunities
 - Flexibility for employee needs

✓ MEMBERS

CHANNELS OF DIALOGUE:

- Publication of information on request
- Press Releases
- Collaboration and support in daily agricultural land management activities

MATTERS OF INTEREST:

- Compliance with binding regulations on safety at work, respect for human rights and agri-food quality standards
- Compliance with the supply chain agreement
- Compliance with regulations on cooperatives
- Transparency, collaboration and mutual listening skills
- Technological and agricultural know-how support
- Economic competitiveness of the tomato price
- Support in the application of current legislation

✓ CUSTOMERS

CHANNELS OF DIALOGUE:

- Daily relationship with the Group's sales offices
- Participation in major trade fairs
- Visits organized at the Group's offices
- Interviews related to sustainability issues carried out on a selected sample
- Collaboration and support in the daily activities of breeding and facility management
- Trade relations
- Attendance at events
- Complaints management
- Information material

MATTERS OF INTEREST:

- Standards, production and control methods
- Quality products at affordable prices
- Traceability and management of social and environmental risk throughout the supply chain
- healthy, sustainable and ethic products
- transparency and traceability of products
- compliance with labeling regulations
- compliance with product and packaging health and safety regulations
- compliance with social and environmental regulation

✓ SUPPLIERS / BUSINESS PARTNER

CHANNELS OF DIALOGUE:

- Daily relationship with the Group's Purchasing Department
- Supplier selection and performance evaluation in terms of quality cost of service and ethical, social and environmental responsibility criteria
- Periodic meetings and supplier audits

MATTERS OF INTEREST:

- Achieving business objectives (quantity and price) that ensure earnings and survival
- Sustainable prices and payment conditions
- Management of an appropriate audit plan to suppliers requested by customers
- Adoption of voluntary standards
- Mutual growth
- Compliance with quality, product safety and packaging regulations
- Compliance with nutrition labelling regulations
- Compliance with social and environmental regulations
- Transparent and long-lasting collaborations

✓ BANKS

CHANNELS OF DIALOGUE:

- Website
- Press Releases
- Periodic financial

MATTERS OF INTEREST:

- Developing and maintaining relationships of trust based on the correctness and transparency of information concerning the facts of corporate management
- Economic results of the company and distribution of the value generated to stakeholders
- Reputation and shared values

✓ LOCAL COMMUNITY

CHANNELS OF DIALOGUE:

- Participation in local events
- Discussion panels and regular meetings with community representatives
- Request/report management
- Mass Media

MATTERS OF INTEREST:

- Compliance with the regulations issued by the Municipality and Region on traffic, waste management, noise, tax, acoustic zoning, emergency plans
- Participation and support in the life of the community and its socio-economic well-being
- Respect for the environment and the quality of life of the surrounding communities
- Transparency, sensitivity and collaboration to meet each other's needs

THE CONSORTIUM IS COMMITTED TO EXPANDING ITS STAKEHOLDER ENGAGEMENT ACTIVITIES IN ORDER TO MEET THE EXPECTATIONS OF BOTH INTERNAL AND EXTERNAL STAKEHOLDERS



MATERIAL TOPICS



In order to identify the material issues, i.e. the economic, social and environmental aspects that are relevant to the Consortium and that influence or could significantly influence stakeholders' decisions, during 2018 Consorzio Casalasco carried out an analysis, which resulted in the definition of the aspects to be reported in this Sustainability Report, broken down by macro-area:



GOVERNANCE AND COMPLIANCE

- ✓ Ethics and Compliance
- ✓ Corporate Governance
- ✓ Anti-corruption
- ✓ Economic and financial performance and value creation



SUPPLY CHAIN RESPONSIBILITY

- ✓ Sustainable and transparent supply chain
- ✓ Human Rights



ENVIRONMENTAL RESPONSIBILITY

- ✓ Waste and food waste
- ✓ Packaging
- ✓ Water resources
- ✓ Energy consumption
- ✓ Emissions and climate change
- ✓ Sustainable agriculture




PRODUCT RESPONSIBILITY

- ✓ Food quality and safety
- ✓ Innovation and R&D
- ✓ Responsible marketing and labelling
- ✓ Brand image and reputation
- ✓ Nutrition and wellness
- ✓ Sustainability of raw materials



SOCIAL RESPONSIBILITY

- ✓ Occupational health and safety
- ✓ Personnel management and development
- ✓ Corporate Welfare
- ✓ Diversity and equal opportunities
- ✓ Industrial relations
- ✓ Local community and territory



3

VALUE CHAIN

- 3.1 THE TOMATO PRODUCTION CHAIN
- 3.2 CONSORZIO CALASCO SUPPLY CHAIN
- 3.3 PURCHASES
- 3.4 FOOD SAFETY AND QUALITY



3.1

THE TOMATO PRODUCTION CHAIN

The **tomato production chain** is composed of a series of **phases supervised and coordinated by Consorzio Casalasco**, to carry out all the activities, from the purchase of the seed to the distribution of the product.

An essential role is played by the **farms** with which the Consortium promotes agreements aimed at promoting profitability and guaranteeing quality and safety for the final consumer.

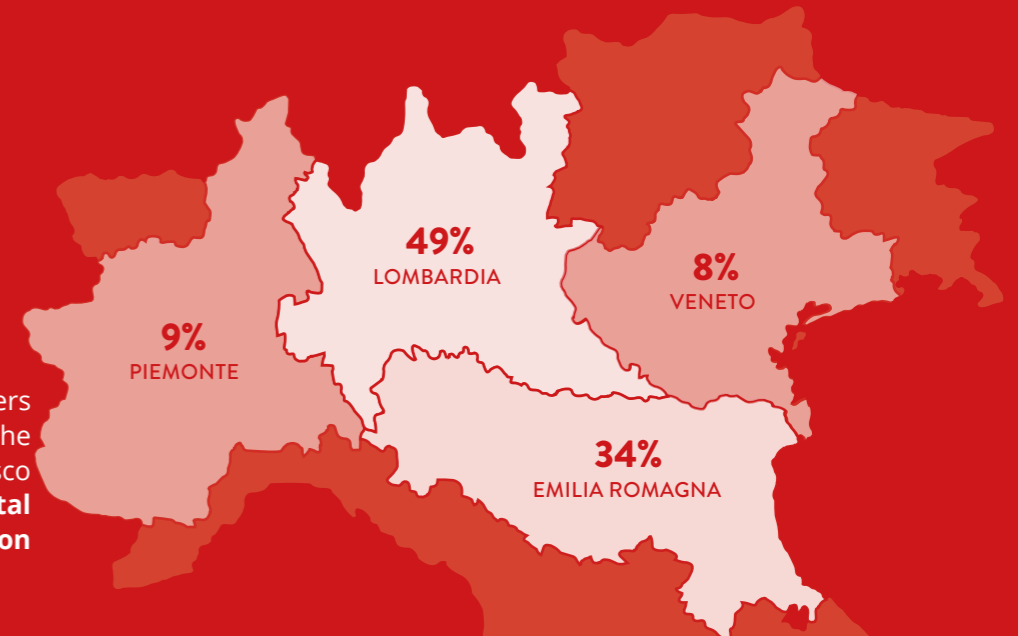
The **Supply Chain Agreement**, signed following the acceptance of the request for contribution and the subsequent subscription of the share capital, **regulates the relations between the associated farms and Consorzio Casalasco**.

Through the Agreement, the farm agrees to:

- ✓ Ensure that the agricultural activities are carried out in accordance with the requirements set out in the **Integrated Production Rules and Regulation**
- ✓ Operate in accordance with the **Global G.A.P.** standard.
- ✓ Guarantee the traceability of products in line with the **UNI EN ISO 22005** standard
- ✓ Use only **NO GMO** seeds
- ✓ Respect the Code of Ethics (**ETICODE**)
- ✓ Ensure that cultivation operations are carried out in a **sustainable** manner, to reduce the consumption of natural resources and not damage the agri-environmental system and biodiversity

✓ Sign the **Code of Conduct** for the respect of human rights, labour and workers' safety regulations, prohibiting discriminatory, coercive or exploitative behavior.

The Consortium is committed to withdraw all the tomatoes of the conferring members, who commit themselves to the delivery of their product by means of the **Commitment to supply**.



535 farms of direct members and POs have conferred the tomato to Consorzio Casalasco (**463 thousand tons**), for a **total turnover of about 35 million euros**.

All contributing subjects are farms that are members of the Casalasco Consortium or other Producers' Organizations who cultivate land located in Northern Italy, specifically in **Lombardia (49%), Emilia Romagna (34%), Piemonte (9%), Veneto (8%)**, making the supply chain 100% Italian.



CONTROL ALONG THE ENTIRE SUPPLY CHAIN

The **activities for the production of the tomato** begin with the preparation of the **soil** and the analysis useful to prepare a **fertilization** plan suited to the

needs of the tomato. Subsequently the agronomic office prepares the **sowing** program and selects the most suitable seed varieties for industrial processing.

In spring, the seeds are given to the hatcheries for the **production of seedlings** that will be delivered to farms for **transplanting** in open field. The seedlings are cultivated

according to Good Agronomic Practices until the **ripening** of the berries, which are **harvested mechanically** and delivered to the nearest factory to preserve their

quality characteristics. Immediately after acceptance, the tomato is **processed and packaged** to be stored and distributed to the final consumer.

NOVEMBER - FEBRUARY

JANUARY - FEBRUARY

MARCH - APRIL

MAY - JUNE

JULY - SEPTEMBER

JULY - SEPTEMBER

OCTOBER AND THE 12 FOLLOWING MONTHS



FERTILISATION AND SOIL PREPARATION

DRAFTING SOWING PROGRAM

SOWING AT HATCHERIES

DELIVERY OF SEEDLINGS TO FARMS, TRANSPLANTING AND OPEN FIELD CULTIVATION

COLLECTION AND CONFERMENT

PROCESSING AND PACKAGING

STORAGE, DELIVERY AND GLOBAL DISTRIBUTION



SOIL ANALYSIS AND FERTILIZERS

GMO ANALYSIS OF EACH BATCH OF SEEDS

MULTIRESIDUAL ANALYSIS OF SEEDLINGS

IRRIGATION WATER ANALYSIS
MULTI-RESIDUAL ANALYSIS OF TOMATOES BEFORE HARVESTING

ANALYSIS OF CHEMICAL AND PHYSICAL PARAMETERS OF THE TOMATO IN ACCEPTANCE

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

Consorzio Casalasco guarantees food safety throughout the entire production process, planning **strict controls at every stage of the process.**

To assist members and to coordinate better the entire supply chain, Consorzio Casalasco avails itself of an **Agronomic Office** made up of internal technicians supported by external consultants.

The technical assistance makes it possible to carry out a complete control of the production chain and guarantee a product with high quality and food safety characteristics.

The technicians also promote and involve companies in projects of experimentation of new cultivations, development of "precision agriculture" techniques, new cultivations protocols, in synergy with research institutes, universities and seed companies.

CODE OF CONDUCT FOR ASSOCIATED MEMBERS AND SUPPLIERS IN THE SUPPLY CHAIN

Consorzio Casalasco asks its members and its suppliers of raw materials or services to share values, strategies and projects on issues related to:

- ✓ **Labour and Human Rights**
- ✓ **Quality, Safety and Environment**
- ✓ **Ethics**

This commitment is realised by subscribing the **Code of Conduct.**

GLOBAL G.A.P.

Since 2009, all member companies producing the tomato processed by the company have been certified in accordance with the Global G.A.P. standard that defines Good Agricultural Practices, with regard to environmental and social aspects. The voluntary adherence of the member companies to the initiative strengthens the Consortium's commitment to respect the environment and social issues, traceability and food safety.



INTEGRATED PRODUCTION SPECIFICATIONS FOR THE REGION OF EMILIA ROMAGNA

In application of Regional Law no. 28/99, the Integrated Production Rules and Regulation define the guidelines for obtaining quality products that offer greater guarantees to consumers while respecting the environment, making the best use of the most modern cultivation and conservation practices, defined in collaboration with research centres and producer organizations.

MULTIRESIDUAL ANALYSIS ON TOMATO BERRIES

✓ **1 analysis every 959 tons** of conventional tomato

✓ **1 analysis every 86 tons** of organic tomato



Quality assurance develops an annual analytical plan that takes into account the production programs, the results obtained in the previous year and any problems and alerts disseminated nationally and internationally.

ANALYSIS CARRIED OUT DURING THE 2018 TOMATO CAMPAIGN (60 DAYS)

✓ **544,620** chemical-physical analysis **9,077 per day**

✓ **1,976** enzymatic test **33 per day**

✓ **33,183** microbiological analysis **553 per day**

✓ **355** multi-residual analysis **6 per day**

SUSTAINABLE AGRICULTURE AND AGRICULTURE 4.0

Consorzio Casalasco recognizes the importance of the land and operates with respect for the environment and the society, carefully monitoring its impact on the territory and on biodiversity to ensure a safe, quality and sustainable production.

To this end, it considers of fundamental importance to focus on an innovative agriculture capable of satisfying society's food needs, without compromising the ability of future generations to meet their own needs.

The Consortium makes advanced technologies available to its members and offers them technical support, promoting the participation of farms in sustainable agriculture projects.



✓ **21 farms using humidity probes** connected to a software that communicates on portal or through sms the **water requirement to maximize production**, increasing water efficiency up to 25% (Cropsense system);

✓ use of particularly advanced "precision farming" technologies such as the **sensors installed on tractors** that allow the production of vigor maps with a high level of detail and significance. The sensors make it possible to **understand the vegetative development of the plant** and create water and nutrient prescription maps that allow to adapt the optimal amount of water and fertilizers to the precise needs of the crop;

✓ **18 weather stations** distributed throughout the territory of competence to **detect the main climate parameters that favor the development of fungal diseases** to allow timely targeted interventions;

✓ incentive to members to maintain areas of **uncultivated land** or cultivated with nitrogen-fixing essences.

DIVERFARMING FOR AN INNOVATIVE, SUSTAINABLE AND RESILIENT AGRICULTURE

Consorzio Casalasco adheres to the European **Horizon 2020** program and participates, with international partners, in DiverFarming, a project aimed at **analyzing the effects of crop diversification**.

The Diverfarming project aims to identify, develop and test diversified crop systems with low impact, **to increase productivity and crop quality** in conventional and organic farming systems through case studies by reducing the use of agricultural machinery, fertilizers, pesticides, energy and water.

It also aims at exploring how **diversified farming systems can increase the provision of ecosystem services** (soil fertility, prevention of soil and water

contamination, water availability, reduction of greenhouse gas emissions, carbon sequestration, erosion prevention, above and below ground, biodiversity and pest and disease control).

ORGANIC CULTIVATION

Consorzio Casalasco believes that healthy soil produces healthy products. It is for this reason that it promotes agriculture aimed at the production of quality food that is nutritious and contributes to disease prevention and health, avoiding the use of fertilizers, pesticides and food additives that can have harmful effects on health.

Starting from the 2015 processing campaign, the Consorzio Casalasco has started the processing of **organic tomatoes** for the production of organic pulp and puree, in compliance with European Union regulations (Reg. CE 834/07 and CE 889/08).

Organic farming aims to:

✓ Minimize external inputs, preserving the natural fertility of the soil and making the most of **natural mechanisms and balances**.

✓ Protect **biodiversity** and **soil fertility** by using extensive crop rotations.

✓ Prefer **native varieties** that are naturally resistant to pests and diseases.

✓ Intervene only in case of need with **natural organic fertilizers and soil conditioners** and biological control techniques (antagonistic insects, etc.).

The objective of Consorzio Casalasco in the coming years is to increase the areas dedicated to this practice, involving all members, in order to offer its customers and the final consumer an increasingly natural food.



Compliance with Regulation 834/07/EC for Organic Production



Certification for organic products sold in Sweden

TRACEABILITY OF THE TOMATO SUPPLY CHAIN

Consorzio Casalasco guarantees high levels of **traceability of its products and processes**.

Knowing the exact origin of a product or its ingredients is of fundamental importance for consumers: traceability is configured as means of response to the growing demands for quality and food safety, transparency and product reliability.

The Consortium has set up a traceability system aimed at:

- ✓ **Account for the supply chain** from seed to table
- ✓ **Provide information to the end consumer** about the history of the product
- ✓ **Provide the customer** with a sophisticated and reliable **tool for the management of product safety and any non-conformities**
- ✓ **Give evidence of particular characteristics** (biological, lycopene, gluten-free, Kosher, Halal)

The Consortium is committed to ensuring that **every single activity of the supply chain is traceable** so that it can be traced back in a short time to the raw material used, agronomic data, processing and laboratory analysis, storage and shipping.

Consorzio Casalasco measures and monitors the achievement of traceability objectives and promptly manages any cases of non-compliance in accordance with **Supply Chain Traceability Regulations**.



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 **pomionline.it/it**, 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.





CONSORZIO CASALASCO SUPPLY CHAIN

The quality of Consorzio Casalasco's products also depends on the strategic choice of selecting suppliers that are able to offer quality guarantees not only for the supply of the tomato, but also for other raw materials, packaging and services. Every supplier of the Consortium is selected not only with regard to the quality of the products offered and their price, but also based on the guarantees of traceability, hygiene and safety, as well as on the basis of **social and environmental criteria contained in the Code of Conduct** whose commitment to respect is required. To collect the information necessary for the qualification process

and evaluation of suppliers, the Consortium requires the completion of the Supplier Questionnaire in which specific information on production conditions, workers' safety, environmental and ethical issues is requested.

Consorzio Casalasco promotes lasting relationships with its suppliers, based on mutual fairness and collaboration; in fact, it believes that partnership with reliable suppliers is essential to improve the quality and safety characteristics of the finished product and to support its customers in the searching for innovative and high-performance products.

SUPPLIERS CODE OF CONDUCT

Each supplier of the Consortium is requested to sign the Code of Conduct and ensure the sharing and application of its principles in the following areas:

- ✓ **Fairness in conducting business**
- ✓ **Labor rights**
- ✓ **Quality, product/service and production safety**
- ✓ **Health, safety and environment**



INITIAL SCREEN

(requirements verification)



✓ **SENDING SUPPLIERS QUESTIONNAIRE**



✓ **SIGNING CODE OF CONDUCT**



EVALUATION AND QUALIFICATION OF THE NEW SUPPLIER





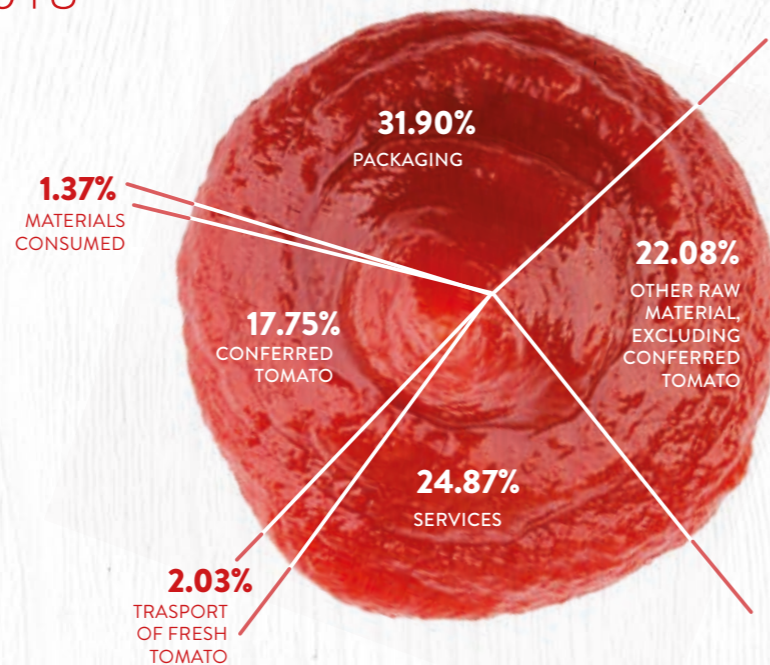
3.3 PURCHASES

In 2018, Consorzio Casalasco collaborated with almost 2,500 suppliers.

In addition to the 535 companies that supplied the tomato for a revenue of € 34.7 million, the Consortium undertook **business relations with 1,312 service suppliers** (logistics, consultancy, maintenance, cleaning, etc.) for a revenue of € 48 million and **with 211 suppliers of raw materials** (vegetables, meat, dairy products, spices, flavorings, etc.) for a revenue of over € 43 million.

Nevertheless, the most significant category of suppliers in economic terms is represented by the **packaging suppliers'** category. Although they are only 166 companies, they collect about one third of the Consortium's purchase revenue (€62 million). Other purchases of consumables represent a small share of total purchases.

PURCHASING TURNOVER BY SUPPLIER CATEGORY IN 2018



Due to the nature of business carried out by Casalasco, **fresh tomatoes are certainly the raw material purchased in greater quantities.** Other raw materials, as shown in the graph alongside, include vegetables used to make condiments and soups (8 million kg), sweeteners (sugar and glucose) with almost 5 million kg and fruit puree for juice production (4 million kg).

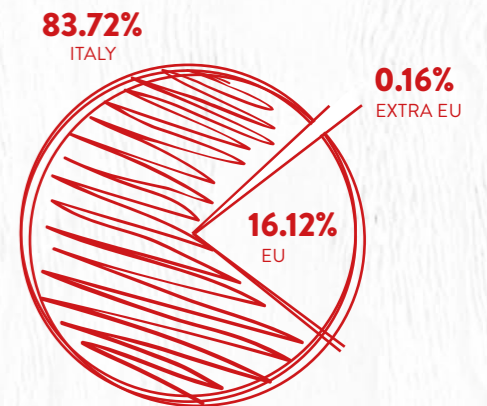
PURCHASES OF RAW MATERIALS AND INGREDIENTS 2018 (% by weight)



- ✓ 34.3% Seasoning plants
- ✓ 20.2% Sugar and glucose
- ✓ 18.2% Fruit puree
- ✓ 13.5% Meat and meat extract
- ✓ 4.2% Dairy products
- ✓ 5.3% Fresh legumes
- ✓ 4.3% Salt

DISTRIBUTION OF THE VALUE OF PURCHASES BY GEOGRAPHICAL AREA IN 2018

In 2018, **84%** of the Consortium's purchases were from suppliers based in Italy.



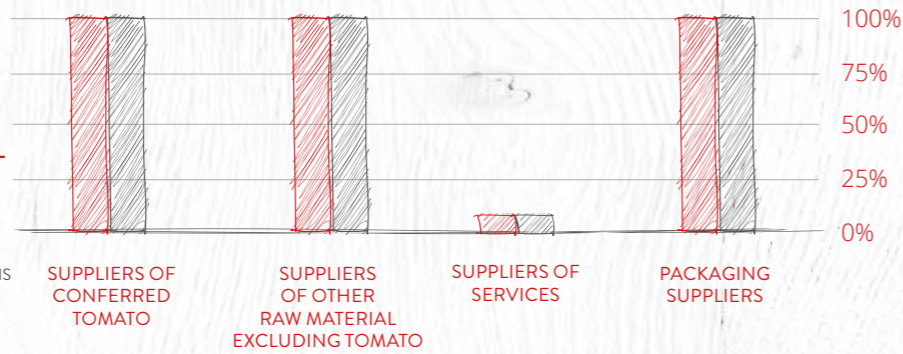
Consortio Casalasco also attributes the utmost importance to sustainability issues in the evaluation process of its suppliers. **In 2018, 64 new suppliers² started to collaborate with the Consortium:**

6 suppliers of tomatoes, 9 suppliers of other raw materials, 9 suppliers of packaging and 40 suppliers of services. 39% of the new suppliers were evaluated on the basis of **socio-environmental criteria**, in particular

100% of the new suppliers in the tomato sector, suppliers of other raw materials and packaging suppliers and 3% of service suppliers. Details by supplier category are as follows:

NEW SUPPLIERS SUBJECTED TO SOCIO-ENVIRONMENTAL ASSESSMENT

 ASSESSED ON THE BASIS OF ENVIRONMENTAL CRITERIA
  ASSESSED ON THE BASIS OF SOCIAL CRITERIA



Of the **25 new suppliers** evaluated on the basis of socio-environmental criteria:



✓ **11** have **SOCIAL CERTIFICATIONS**



✓ **9** have **ENVIRONMENTAL CERTIFICATIONS**

For several years Consortio Casalasco has **outsourced** the **cleaning** and **management of the ecological area** of one of the plants to the social cooperative **Onlus Emc2**, a cooperative whose main objective is the employment of disadvantaged people to promote the integration of all the weaker sections of society.

The activity is managed with the supervision and advice of the Disabled Workers Placement Service of the Province of Parma.

The cooperative is equipped with workshops, the "Educational Workshops", which contemplate different possibilities of commitment as well as more

protected paths with educational support Casalasco has undertaken with the Cooperative a project to be able to entrust to the staff employed in these "**Educational Workshops**" part of the rework on finished products related to the Fontanellato plant.



FOOD SAFETY AND QUALITY

Consortio Casalasco pays the maximum attention to the quality of its products and services through **constant attention to the improvement of business processes**.

To achieve this, the Consortium has equipped itself with a **Quality Management System** and has defined its objectives in the Quality, Environmental and Social Responsibility Policy.

As part of the quality system, the

company analyzes processes and organization, monitors the progress of the indicators, providing the necessary resources, personnel and tools, inspired by internationally recognized guidelines and standards.

All production plants are **certified according to BRC** (British Retail Consortium) and **IFS** (International Food Standard) standards, while the Quality Management System is **ISO 9001** certified.



² The figure for new suppliers includes only suppliers of raw materials and portage, cleaning, transport, laboratory and other services for amounts in excess of €10,000.

PROCESS CONTROL: AUDITS AND SURVEILLANCE

To ensure the conformity of its products and services, Consorzio Casalasco carries out systematic **internal audits** in order to verify:

- ✓ Application of **prescriptive documentation**
- ✓ Application of **voluntary standards** or **customer technical specifications**
- ✓ Behavior and **modus operandi** of operators
- ✓ Compliance with **environmental management** and **safety requirements** in the workplace
- ✓ Adequacy and updating of **risk assessments** (operator safety, food safety, environmental impacts).

The audit activity is complemented by **surveillance activities** in the production areas aimed at identifying improvement actions, any need for training and correction of operating practices. The clients of Consorzio Casalasco to guarantee maximum safety to consumers and to protect their brand, carry out numerous **second party audits** to verify the implementation of their standards and the conformity of the products. It should be noted that these audits, as well as other third party audits, take place, in some cases, without any advance planning, demonstrating the high degree of development and implementation of good production practices in each production department.



Audits during 2018:

- ✓ **RIVAROLO DEL RE** (Cremona)
 - 86 Internal audits or surveillance
 - 19 External audits
- ✓ **FONTANELLATO** (Parma)
 - 60 Internal audits or surveillance
 - 24 External audits
- ✓ **GARIGA DI PODENZANO** (Piacenza)
 - 40 Internal audits or surveillance
 - 21 External audits

PRODUCT CONTROL: LABORATORY ANALYSIS

Over the years, Consorzio Casalasco has significantly invested in the development of state-of-the-art laboratories and the training of technicians who carry out **analysis on raw materials, finished products and the environment** to ensure the healthiness and safety of its products.

The Consortium has three central laboratories and two in-line laboratories carrying out **chemical and physical analysis** and three laboratories, one for each production site, for microbiological analysis, reaching a total of 8 internal laboratories.

The **analysis plans** are defined and updated by the Quality Office taking into account the customer's requests, any problems and the company know-how for the type of product or production line.



In addition to laboratory analysis, process controls are carried out on critical parameters for product safety or commercial aspects (weight, expiry date, etc.).

To conduct multi-residual analysis on the finished product and on tomato berries, and when the types of analysis or the required level of accuracy are not compatible with the instruments available to the Consortium, the company uses **six external laboratories accredited by Accredia***.

The Consortium also avails itself of the services of the **Experimental Station for the Food Conservation Industry (SSICA)**, an applied research institute in the food conservation sector that aims at promoting the scientific, technical and technological progress of the Italian canning industry.

* Accredia is the sole national accreditation body appointed by the Italian government in compliance with the application of the European Regulation 765/2008, attesting the competence, independence and impartiality of certification, inspection and verification bodies, as well as testing and calibration laboratories. Accredia is a recognized association which operates on a non-profit basis, under the vigilance of the Ministry of Economic Development (<https://www.accredia.it/en/>).



4

THE BRANDS



✓ **PRODUCT 100%
MADE IN ITALY**

✓ **VERSATILE PRODUCT
STRONGLY LINKED
TO MEDITERRANEAN
CUISINE**

✓ **USE OF
NON-GMO SEED**

✓ **PRODUCT
TRACEABILITY**

✓ **ECO-SUSTAINABLE
PACKAGING**

✓ **SUSTAINABLE AND
CERTIFIED PRODUCTION**

✓ **IMPORTANT RESEARCH &
DEVELOPMENT ACTIVITIES**

Consorzio Casalasco operates in a conscious, careful and responsible way: it respects the territory, knows the origin of its tomatoes, and takes care of every phase of cultivation and processing because it believes that attention and safeguarding quality are the only way to preserve the tradition of Italian tomatoes.

The Consortium has always developed **third parties activities** (CoPacking for multinational brands and Private Label) and in the last decade has invested heavily in the **development of its own brands** purchased (Pomì, Pomito and De Rica) and its own creation (Gustodoro).

Today the own brands represent about **20% of the consolidated revenues of Consorzio Casalasco** and have the aim of representing the cooperative by creating a direct link with the final consumer, as well as guaranteeing members a higher profitability due to the additional margins that a well-known and distributed brand can guarantee in the medium-long term

ACTIVITIES

*Production and processing of fresh tomatoes into **semi-finished tomatoes** for industry (tomato puree and chopped tomatoes)*



*Production and Packaging of **sauces, condiments, soups, broths and drinks** for other brands (**co-manufacturing**)*



*Production and packaging for **proprietary brands** (Pomì, Pomito, De Rica)*



Pomì

Pomì, **born in 1982** within the multinational Parmalat, over the years has become renowned as a brand in the segment of preserved tomato derivatives, through an innovative model of agro-industrial brand that provides for the use of new production technologies to meet the different nutritional needs, changes in taste, the preservation of quality products and increasing demands for practicality of use.

The Consorzio Casalasco del Pomodoro became the owner of the Pomì and Pomito brands in July 2007 and since then has invested in expanding the range of products (not only pastes but also Pulps, Cubes, Concentrates and Ready-made Sauces) and the packaging range (not only brick paper but also boxes, glass, tubes and flexible packaging).

Today Pomì is distributed in over 50 countries, in 5 continents, both in the Retail and Food Service sectors.

The original Pomì brand is the foundation of a series of successive and complementary signs that in turn expand its scope and added value for the consumer in different segments: **Pomì L+** (puree produced only with tomatoes with a high Lycopene content), **Pomì Bio** (pulp and puree obtained from raw material grown according to organic specifications), **Pomì Food Service** (complete line for specialized catering) both in Italy and worldwide.

The brand has a 100% Italian positive perception, as confirmed by the latest market research on consumers⁴ that talks about a brand that has evolved over the years: "historic, but in step with the times, accessible, close to the hand, sunny and friendly, able to instill confidence and renew itself without losing its features of simplicity and tradition". In line with this desire to remain "modern" also in communication, the unusual propensity of this brand to create and develop digital and social tools should be underlined. In fact, in 2018 it implemented a digital platform for the centralized and optimized

management of 13 websites from different countries considered to be "core" for the brand, thus offering personalized information representative of local culture and traditions. It can therefore be said that **Pomì is "the most global" of the Casalasco Consortium's brands** and, also thanks to the opening of branches all over the world (as it was in 2009 with Pomì USA Inc.), **it is the distinctive brand with the greatest economic value, recognizability, protection on which the Casalasco cooperative intends to invest.**



⁴Nielsen Consumer Insights 2017



The De Rica brand **founded in 1963** by Luigi Tononi, owner of the Industria Conserve Alimentari (ICA) and one of the oldest tomato canning plants in the province of Piacenza since 1912. From the beginning, he speaks to the consumer with a new language and enters the homes of Italians to bring, all year round, the aroma and flavor of fresh tomatoes. **Since October 2017 De Rica has been owned by the Consorzio Casalasco del Pomodoro** which, during 2018, studied and began to implement a marketing strategy aimed at the cross-category extension of the brand and the catering channel with the creation of the **"De Rica Professional brand"**.

As shown by Nielsen's research⁵, today De Rica presents itself on the market as a "distinguished and refined brand, which distinguishes a genuine and handcrafted product"; a "prestigious", "refined" and "classical" brand, but never "luxurious" and never "opulent", anchored to

⁵ Nielsen Consumer Insights 2017

the territory and tradition, linked to the origins. With the acquisition of the De Rica brand, which is **one of the brands in the Premium segment**, Casalasco will be able to expand its assortment in the coming years in line with the skills acquired in the co-packing field with the objective of growing its own brand in quality Italian food preserves, whether tomato-based or in the other product categories already covered in recent decades.



The Gustodoro brand, **born at the end of the 80s, has always been owned by the Consorzio Casalasco del Pomodoro** which, since its origins, has taken on the role of "umbrella brand" capable of representing a wide range of

products packaged in Casalasco factories, establishing with the consumer the role of "value for money" or a quality product, 100% Italian, packaged by a farmers' cooperative to bring to the table an excellent product at the right price.

It is the trademark of Consorzio Casalasco that, in the course of the company's evolution, has been able to welcome the largest number of products and packaging compared to all the other brands, making it a commercial "jolly", appreciated by several national but especially international distributors.

In order to better segment the offer within it, in 2013 two different lines called **"Gustodoro Troppobuoni"**, for the Food line products, and **"Gustodoro Bellifreschi"** for Beverage products, were created and registered.

Today it is **distributed in more than 30 countries worldwide** and includes among its references dozens of products ranging from simple tomato derivatives (Pulps, Cubes, Passate and Concentrates) to Ready Sauces, Pizza Sauce and Ketchup, Ready-to-eat broths, Beverage (Fruit Juices, Nectars and

Cold Tea) and legumes such as Peas, Borlotti Beans and Cannellini in many formats and packaging.

It is the brand in which the company has invested fewer resources but results, however, in the light of the volumes progressively expressed over the years, appreciated by market operators and consumers, suggesting good potential still unexpressed.

INNOVATION, RESEARCH & DEVELOPMENT

Consorzio Casalasco is committed at every stage of the process so that not only the quality of the products remains unchanged but improves over time thanks to the research and development work carried out by its laboratories.

This activity is intended to create new products in terms of recipe, ingredient characteristics, production process and packaging, or to modify already standardized products.

Quality, Efficiency and Time to Market are the cornerstones of Research and Development: in this field Consorzio Casalasco employees have acquired skills recognized by all multinationals operating in the food sector. The daily work of a team composed of food technologists, quality officers and production operators consists in satisfying the customer's wishes and solving problems in the most effective way and in the shortest time.

Each plant of the Consortium has a **Research and Development service, conducting the following activities:**

- ✓ Evaluation of **new recipes, raw materials, packaging and production processes**
- ✓ Evaluation of substitutability of raw materials in use with **new materials or similar materials** but from different suppliers
- ✓ **Restyling** of existing products
- ✓ Definition and optimization of **production lines** and plants
- ✓ Study and definition of **new products** on internal or customer request

Taking advantage of the know-how in terms of research and development of the subsidiary **Casalasco Agricola**, a company established in 2016, the Consortium develops innovative cultivation techniques and identifies the most suitable varieties for production and subsequent processing, capable of guaranteeing quality and profitability to members and the cooperative.

POMI' L+

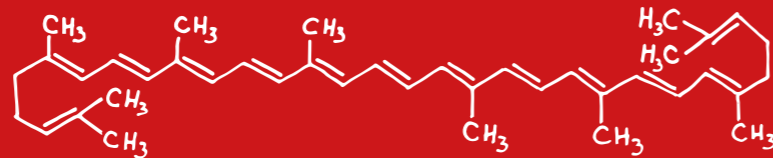


Lycopene is a carotenoid present in the human body but can only be taken through diet. **More than 80% of the lycopene found in the human body comes from the consumption of tomatoes or products derived from them.**

From the development protocol called "Pomì wellness Culture", in 2011, the Consortium launched **Pomì L+, the tomato puree obtained from tomatoes that**

contain 50% more lycopene than other traditional varieties and guarantees extraordinary organoleptic properties.

Pomì L+ was the result of many years of research and experimentation that led the Consorzio Casalasco's agricultural department to identify a variety of tomatoes suitable for cultivation in the lands between Parma, Piacenza, Mantua and Cremona.



Lycopene
 $C_{40}H_{56}$

CUSTOMER SATISFACTION

The Consortium is committed daily to **satisfying its consumers**, working with **passion and professionalism** and offering them products with **high standards of quality and safety**.

The company pays great attention to the information on the label, which is verified for all product categories to ensure responsible and transparent communication to the consumer.

In 2018, there were no cases of non-compliance with regard to product information and labelling.

To monitor the level of acceptance of its products, a series of channels of communication with end consumers are active. All complaints and reports from consumers are collected by the **Quality Department** and shared between the various company areas involved. The Consortium is constantly engaged in providing an effective and timely response, and in preventing problems from re-emerging.

FOR THE POMÌ BRANDS

✓ **59**
CLAIMS

✓ **1.36PPM**
(CLAIMS PER MILLION PIECES PRODUCED)

CUSTOMER'S REQUEST AND OBJECTIVE

- ✓ Organoleptic quality
- ✓ Production efficiency
- ✓ Produce with available technologies
- ✓ Compression of development time to get to market first
- ✓ Food safety
- ✓ Containment of necessary resources



CUSTOMER SATISFACTION



ECONOMIC SUSTAINABILITY AND CASALASCO DEVELOPMENT



5

THE PEOPLE

- 5.1 THE HUMAN RESOURCES OF CONSORZIO CASALASCO
- 5.2 MANAGEMENT AND EMPLOYEE DEVELOPMENT
- 5.3 COMMITMENT TO EMPLOYEE HEALTH AND SAFETY
- 5.4 WELFARE



5.1

THE HUMAN RESOURCES OF CONSORZIO CASALASCO⁶

THE SUCCESS OF CONSORZIO CASALASCO IS THE RESULT OF HARD WORK AND THE PASSION OF PEOPLE THAT TAKE PART IN IT

The work activity of Consorzio Casalasco varies greatly throughout the year and therefore requires the **employment of seasonal workers during peak production periods**, in particular during the tomato campaign which takes place **between July and September, for a period of about sixty days**. This has led to transforming fixed-term collaborations into stable employment if an increase in staff is required.

These workers, selected in accordance with principles of impartiality and equal opportunities, enjoy the same protections as other employees and receive the necessary training to perform the task assigned safely and for ensuring quality standards provided by the company.

Confirming the attention to its workers, **the Consortium is**

committed to strengthening working relations, recruiting as a priority seasonal workers who have already worked in previous years and transforming the temporary collaborations in permanent employment, whereas an increase in staff is needed.

✓ **896** AVERAGE NUMBER OF EMPLOYEES

✓ **42%** WOMEN

✓ **58%** MEN

✓ **320** EMPLOYEES WITH PERMANENT CONTRACT (36% women - 64% men)

✓ **37** years AVERAGE AGE

⁶ Data stated in Annual average resources, also includes employees with temporary contracts and seasonal employees working primarily during peak production periods.

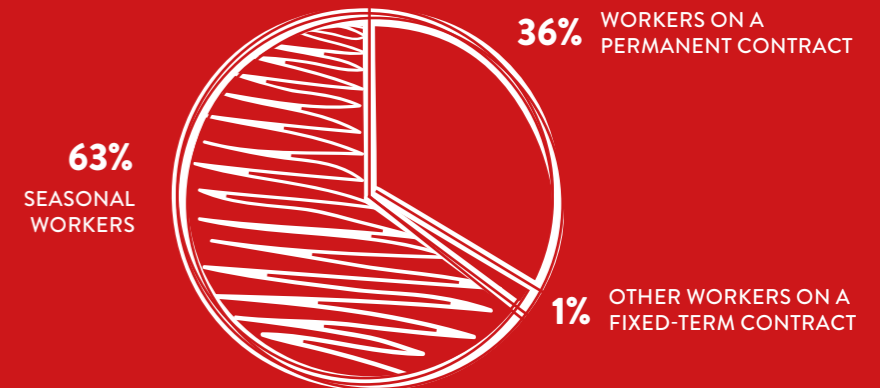


Conorzio Casalasco has stipulated a second level contract that provides improving pay supplements compared to Collective Bargaining Agreement (CBA), welfare intended for all employees, for permanent staff, a salary for objectives established on the achievement of qualitative parameters, shared with trade union representatives, while for seasonal staff there is an annual bonus parameterized to the days worked.

All employees of Consorzio Casalasco are covered by collective bargaining agreements. In line with second-level collective bargaining, Consorzio Casalasco expects that any significant operational changes that could have an impact on staff will be communicated as early as possible. Consorzio Casalasco considers it of fundamental importance to communicate actively with its employees.

Within the Organizational and Management Model pursuant to Legislative Decree no. 231, Consorzio Casalasco has set up whistleblowing channels to report non-conformities regarding the administrative responsibility of the organization and/or irregularities. To this end, during 2019, special boxes will be installed in the plants of Consorzio Casalasco.

EMPLOYEES BY CONTRACT TYPE IN 2018





MANAGEMENT AND EMPLOYEE DEVELOPMENT

Conorzio Casalasco promotes the development of its human capital in line with the business evolutions and for this reason defines growth and development competences paths that require both a **compulsory basic training on hygiene, environment and safety** to all employees when hires, and the support of expert operators and specific training on the tasks to enhance professional growth.

Conorzio Casalasco training plan is updated throughout the year adapted to the needs in relation to the productive units and to the role of each operator. The Consortium also offers to university students the realization of **curricular internships** and collaborates with educational institutes for the activation of **school-work alternation programs**.



THROUGHOUT 2018 OVER 22,000 HOURS OF COMPULSORY AND NON-COMPULSORY TRAINING HAVE BEEN DISPENSED.

- ✓ **22,688** total training **hours**
- ✓ **5,284 hours** of compulsory training
- ✓ **17,404 hours** of non-compulsory training





COMMITMENT TO EMPLOYEE HEALTH AND SAFETY

Conorzio Casalasco has always paid the maximum attention to the safeguarding of the health and safety of its employees, working constantly to spread the culture of prevention with the objective of creating a healthy and safe work environment. Within the Consortium's strategy of prevention and management of injuries, other than mitigation and reduction of potential risks to health, the **Quality, Environment, and Social Responsibility Policy sets the following objectives:**

1 Define an improvement program of the main indicators concerning **health and safety** in the workplace to **reduce the risk of serious injuries;**

2 Invest resources in **internal communication, formative and informative training** to increase workers' awareness in the areas of social responsibility and health and safety in the workplace;

3 Defining **welfare projects** aimed at improving the quality of life at the workplace.

In compliance with the law, Conorzio Casalasco has identified in each plant the health and safety manager (RSPP), the supervisors, the components of the team of first aid and firefighting, and also those responsible for health and

safety of workers and a competent doctor. It has also provided for the identification of hazards, risk assessment and their control through the implementation of technologies, the adaptation of work environments, the adoption of good operational practices and protective equipment.

Hazard identification, risk assessments and risk control are taken into account since the design of the plants, in the definition of the products, and are kept constantly updated.

Potential situations of interference in which company employees come into contact with employees of other companies operating within the company perimeter as suppliers of goods or services are also analyzed. In the event of the

periodic security meeting which is held annually at each plant, accidents and near-misses, the results of health surveillance and the technical and organizational measures taken to improve safety levels are analyzed. Additional meetings are also planned with workers and workers' representatives to share problems that have emerged during work activities and to participate in the identification of solutions.

The Consortium provides each applicant with the required training in safety and prevention with the aim of increasing awareness and sensitivity. The training is commensurated with the skills and competencies required for the job and specific training is added if the worker plays a safety role.

The company in fact has installed, in its plants, 3DAE (external automatic defibrillators)

IN 2018 THE CONSORTIUM HAS DISPENSED OVER 4,000 TRAINING HOURS ON HEALTH AND SAFETY.

- ✓ **4.8 hours** of pro-capite training
- ✓ **3,302 hours** of compulsory training
- ✓ **1,029 hours** of voluntary training





WELFARE

The Consortium is committed to promoting and organizing **initiatives that improve the well-being** of its employees and facilitate the reconciliation of family life and work.

Starting in 2017, through the distribution of a questionnaire, shared between company top management and trade union representatives, information on the level of wellbeing at work and the need for care and reconciliation of "work life" balance was gathered. Based on the results of the survey, the **project "Fare legami" (Enhance links)** was launched with the aim of promoting **time saving solutions for workers**, thanks to the activation of a company laundry service with a collection and delivery point within the company's premises, and at the same time favoring the employment of disadvantaged people.

Moreover, in collaboration with local volunteer doctors associations and with the support of ATS Valpadana, the Consortium has promoted the following initiatives in the field of health care:

ONCOLOGICAL DISEASE PREVENTION PROJECT

Conorzio Casalasco with the will of contributing to a correct awareness and diffusion of practices that prevent the occurrence of oncological diseases among workers has started a **screening for premature diagnoses of breast and skin cancer** in collaboration with ANVOLT (Associazione

Nazionale Volontari Lotta Contro i Tumori) of Parma. As part of the project, an opportunity to undergo screening was given during working hours and within company plants.

IN 2018, 184 BREAST CHECK-UPS AND BREAST ULTRASOUND WERE DONE AND 321 DERMATOLOGICAL CHECK-UPS HAVE BEEN CONDUCTED



ADHESION TO THE WHP NETWORK "HEALTH PROMOTING WORKPLACE" OF THE LOMBARDY REGION

Since 2016, Consorzio Casalasco joined the **WHP network of the Lombardy Region for the promotion of health at work.**

The Program has the primary objective of promoting organizational changes in the workplace to make them favorable environments for the adoption of healthy lifestyles and to encourage



personal growth, based on a general model codified by the World Health Organization "Healthy workplaces a model for action".

This foresees a **path of realization of good practices in the field of health promotion, of personal and social well-being.**

As part of the program, in the plant of Rivarolo, activities related to diverse topics have been conducted, such as, **yoga classes** to promote physical activity for employees having the most

sedentary duties, awareness to an **appropriate diet** with the contribution of a nutritionist and the **contrast to smoking**, through a group that with the methodology of self/ mutual help, and thanks to an expert on the matter, has undertaken a path with the objective of dissuading smoking.



6

ENVIRONMENTAL RESPONSIBILITY

- 6.1 COMMITMENT TOWARDS THE ENVIRONMENT
- 6.2 ENERGY CONSUMPTION AND EMISSIONS
- 6.3 WATER WITHDRAWAL AND DISCHARGE
- 6.4 WASTE
- 6.5 SUSTAINABILITY PACKAGING



6.1 COMMITMENT TOWARDS THE ENVIRONMENT

Consorzio Casalasco del Pomodoro considers the **protection of the environment in which it operates to be of primary importance and promotes the investment of resources and initiatives that from year to year reduce the impact of its activities and increase the awareness and sensitivity of all parties involved.**

Consorzio Casalasco believes that economic-financial balance and sustainability are not two opposite aspects but, on the contrary, they cannot disregard each other in guaranteeing lasting success over time for the company and its members. Sustainable agriculture helps to preserve natural resources, contributes to the protection of the environment and is able to support farmers' activity by supporting their capacity for innovation and innovation.

Climate change and the management of natural resources largely depend on the human activities: this is why it is important that all companies involved in the supply chain adopt **sustainable farming** practices, produce responsibly, reduce waste and impacts and promote healthy lifestyles.

The Consortium has identified the most significant environmental aspects of its processes and has put in place procedures to manage their impact. In addition to the direct impacts, it has identified other aspects which, although they are not caused by production output, are an indirect consequence of the Consortium's activities and influence its stakeholders. A significant example of its strong commitment in such field is the Consortium's participation to the **Progetto Life Prefer** conducted by the two regions of Lombardia and

Emilia-Romagna (www.lifeprefer.it) that, using the LCA methodology (Life-Cycle Assessment), calculates PEF (Product Environmental Footprint), consisting in the environmental footprint of semi-finished tomato products based on 15 parameters measured from the cultivation of tomatoes to the product's end-of-life.

The **Carbon Footprint**, which measures all greenhouse gases (GHG), expressed as CO₂ equivalent, emitted over the entire lifecycle, goes in the same direction.

The analysis of the environmental impacts directly and indirectly linked to the Consortium's activities has been deepened in detailed studies that have enabled it to identify the critical areas and, over the years, to start the improvement actions described in the following paragraphs.

QUALITY, ENVIRONMENT AND SOCIAL RESPONSIBILITY POLICY

Formalising the Environment and Social responsibility Policy Consorzio Casalasco is committed not only to comply to the current standards but also to implement a system that allows to offer consumers quality products.

This objective cannot ignore greater awareness and sensibility in the parties in environmental theme by all parties involved in the process, from partners and top management to employees.

The Consortium has obtained the **Integrated Environmental Authorization** (IEA), the **authorization related to the EU ETS Directive** and the following certifications:

ISO 14001 certification for **Rivarolo del Re** plant

EMAS certification for **Rivarolo del Re** and **Gariga di Podenzano** plants





CARBON FOOTPRINT

In collaboration with the Carbon Trust entity, since 2011, the Consortium has calculated and certified the Carbon Footprint for all products branded Pomì destined to the US, German and Italian market and for semi-finished products of tomatoes destined to the industry.

The **Carbon Footprint monitors and communicates the GHG emissions through the whole life-cycle of the product.** The study represents an important tool for environmental management since it allows to calculate environmental impact of different phases of the life-cycle, in order to identify those that need improvements.

Data gathered through such study highlight that tomato cultivation significantly contributes to total emissions; for this reason the consortium promotes low impact agro-economic practices at the member firms.



6.2 ENERGY CONSUMPTION AND EMISSIONS

Consorzio Casalasco committed to reducing energy consumption at every stage of the production process and to limit CO₂ emissions.

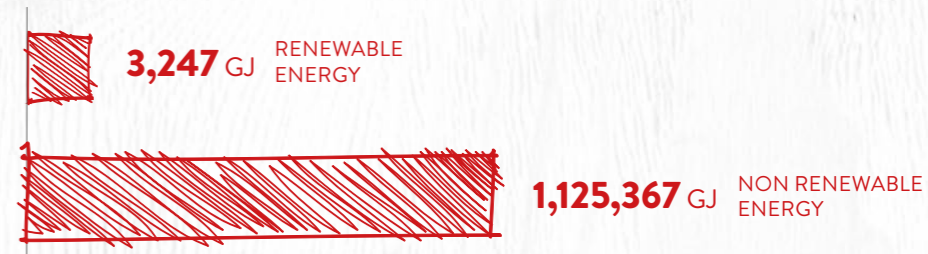
The majority of energy consumption (and the related GHG emissions) is concentrated in the phase of transformation of the tomato and are due to the intense and continuous functioning of the industrial plants.

With the objective to mitigate the impacts associated to energy consumption, in the last few years **several modernization projects** have been carried out which have seen the conversion of oil boilers into methane boilers (reducing the emission of the most polluting substances such as dust, SO₂, NO_x, CO), the replacement of obsolete motors with high-efficiency motors, the installation of inverters on compressors and well pumps, the

replacement of traditional lamps with led lights, the installation of economisers or preheaters on the most used boilers, and insulation of the pipes.

The Gariga site is equipped with a photovoltaic plant with a capacity of 962 MWh which, by exploiting solar energy, generates electricity that can be used for the production activities.

ENERGY CONSUMPTION 2018

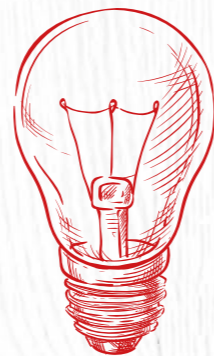




Throughout 2018 Consorzio Casalasco's total energy consumption amounted to 1,128,614 GJ.

Major share is referred to consumption of **methane gas** equal to **881,942 GJ**, that is attributable to the functioning of production plants and consequently correlated to the production. Minor share is the consumption of **fuel (3,233 GJ)** which is used both in production and transport (i.e. forklift truck consumption used in the plants) and **fuel oil (46,888 GJ)**, which is used only in the Rivarolo del Re plant where it is going to be disposed.

In the end, the **consumption of electricity** represents **196,267 GJ** and includes both the one purchased (98%) and self-produced by the Gariga plant (2%).



ENERGY INTENSITY INDICATORS

✓ **3.8 GJ of energy consumed during the tomato season** per ton of tomato-based finished product

✓ **3.1 GJ of energy consumed outside of the tomato season** per ton of finished product of all types

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

Although tomato processing is the core business of Consorzio Casalasco, it was decided to provide visibility to the energy impact of the other products.

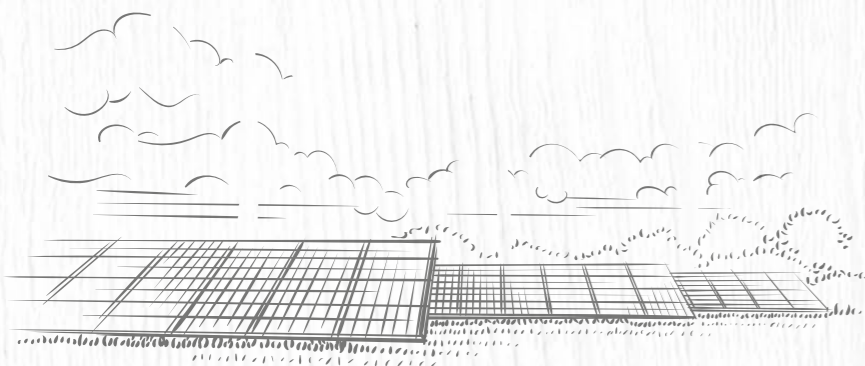
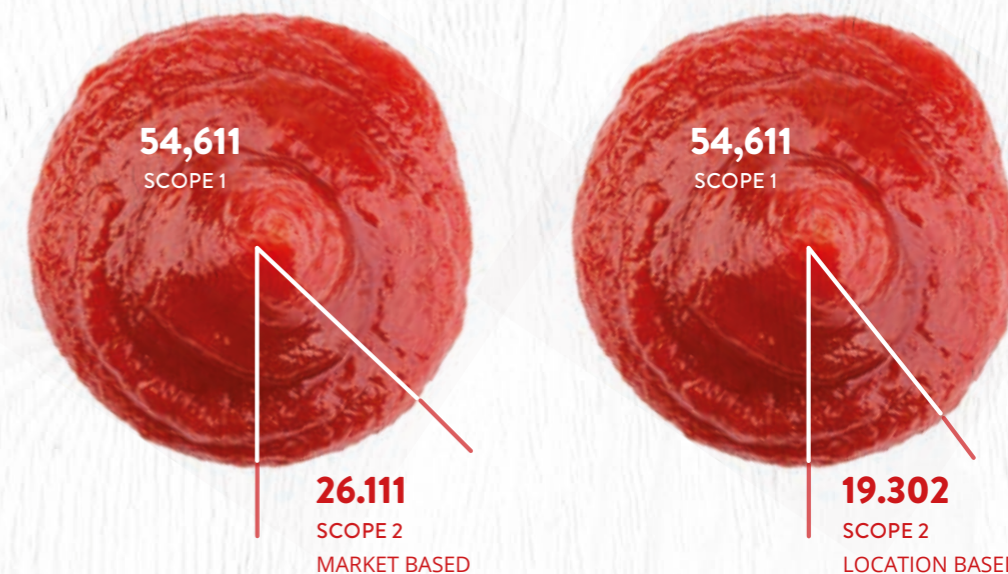
In order to guarantee the compliance of the emissions with the limits of the law, Consorzio Casalasco has installed smoke analyzers on all the boilers that allow to constantly monitor the correct functioning of the plants

and ensure maximum efficiency. Consorzio Casalasco's three production sites are covered by the **ETS** (Emissions Trading Scheme), a system implemented by the European Union to achieve the CO₂ reduction targets set by the Kyoto Protocol.

Total CO₂ emissions (Scope 1 and Scope 2) in 2018 amounted to **73,913 tCO₂**.

Emissions have been calculated using the "Location-based" method. However, both methodologies were used to calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards. Scope 2 emissions calculated using the "Market-based" method amounted to 26,111 tCO₂, which, added to Scope 1 emissions, represents a total of 80,722 tCO₂.

TOTAL EMISSIONS (tCO₂) IN 2018





6.3 WATER WITHDRAWAL AND DISCHARGE

Water is not only an ingredient of sauces and drinks, but is also used for handling and washing tomatoes, generating steam, cooling systems and cleaning systems and production environments.

The Consortium pays particular attention to the consumption of water as a resource and is constantly looking for activities aimed at reducing water consumption in the various stages of the supply chain.

In recent years, water-saving measures have been implemented at all production sites through the installation of evaporative towers and dry coolers to reuse cooling water.

In each plant, internal recovery and re-circulation systems have been pre-arranged with the aim of minimizing waste in the production process; the purification plants of the Fontanellato and Rivarolo del Re sites are also the subject of an upgrading plan.

Withdrawals⁸ are more significant, given their application, during the tomato campaign, while they decrease considerably during the rest of the year.

⁸ Sum of all water withdrawn from surface water, groundwater, seawater, or a third party for any use over the course of the reporting period



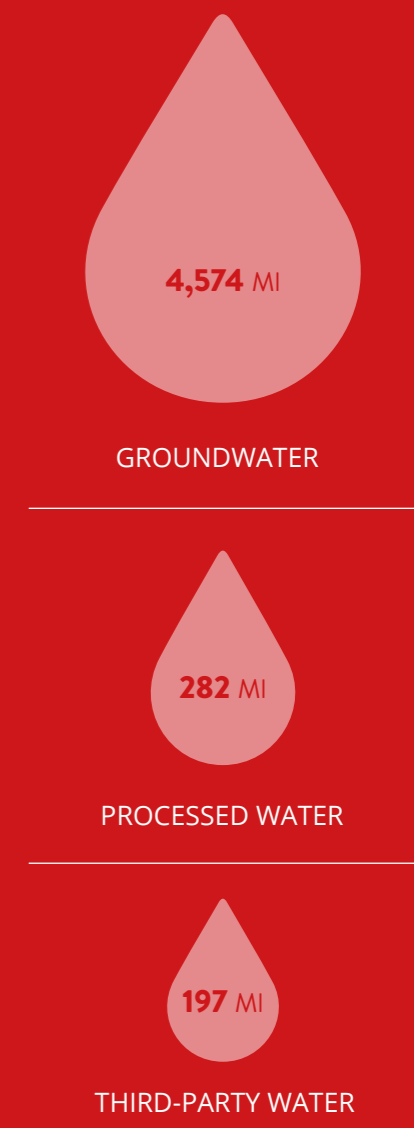
WATER WITHDRAWALS 2018 by source

In 2018 the Consortium has withdrawn around 5,054 megalitres of water: the water withdrawal mainly comes from the groundwater sources, namely from wells of property (4,574 MI).

The processed water (282 MI) and from public aqueduct (197 MI) have instead a marginal impact.



The wastewater generated by the production plants is treated in activated sludge treatment plants, which exploit the natural capacity of the bacteria to degrade the organic matter, and then discharge it into surface water.





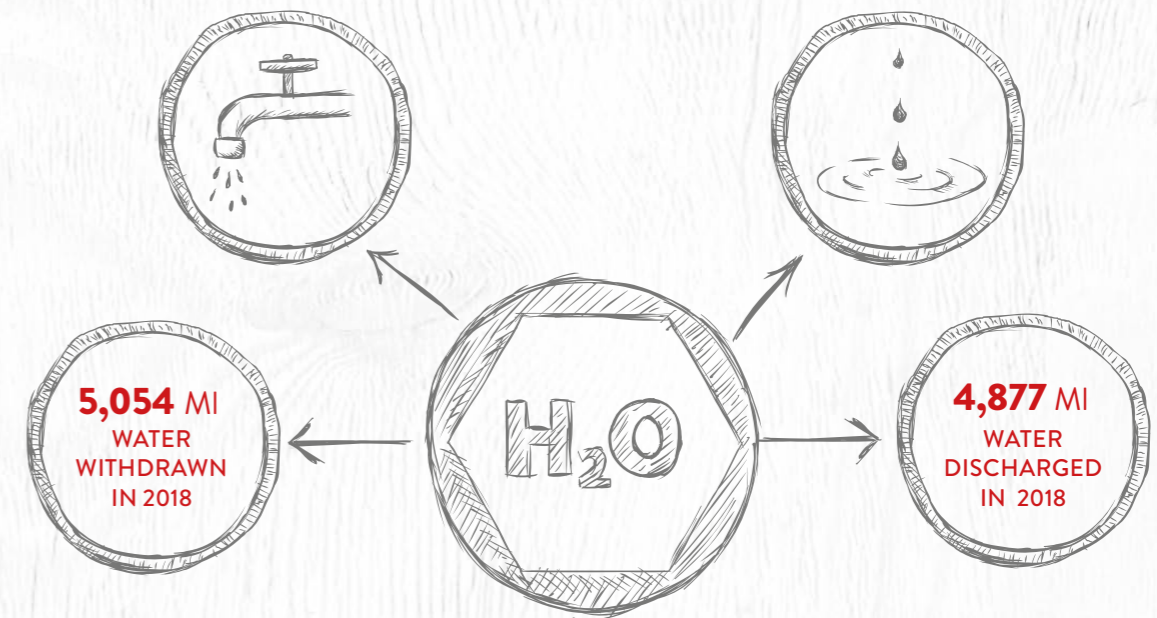
In order to guarantee the adequate abatement of water pollutants, internal laboratories monitor the main quality parameters in line with requirements of AIA.

In 2018 4,877 MI of water have been discharged.

✓ **13.41 m³ of water withdrawn during the tomato campaign period**
per ton of finished tomato-based products

✓ **18.35 m³ of water withdrawn out of the tomato campaign**
per ton of all finished product

For the calculation of the water intensity indicators, both the period of the tomato campaign (during the 2 summer months, in fact, a significant share equals to 49% of the annual total is counted) and the water consumption in the remaining 10 months of the year have been taken into account.





6.4 WASTE

The Consortium pay close attention to the waste management and disposal method, in compliance with current regulations and as part of its **commitment to environmental protection**.

The main waste products derive from the production activities and are mainly made up of **production waste, glass packaging, paper, metal, wood and maintenance materials**.

In order to reduce the production of waste Consorzio Casalasco has defined a maintenance preventive plan on the machines, finalized to minimize product waste. In addition agreements have been started with suppliers for procurement of raw materials and returnable packaging, while for most used raw materials (vinigar, oil, sugar) has

been planned a packaging bulk and storage in silos. The Consortium is committed to the waste recycling with the aim of recovery: to this end, dedicated containers have been set up for the collection of paper, cardboard, glass, plastic, aluminum, iron, etc.

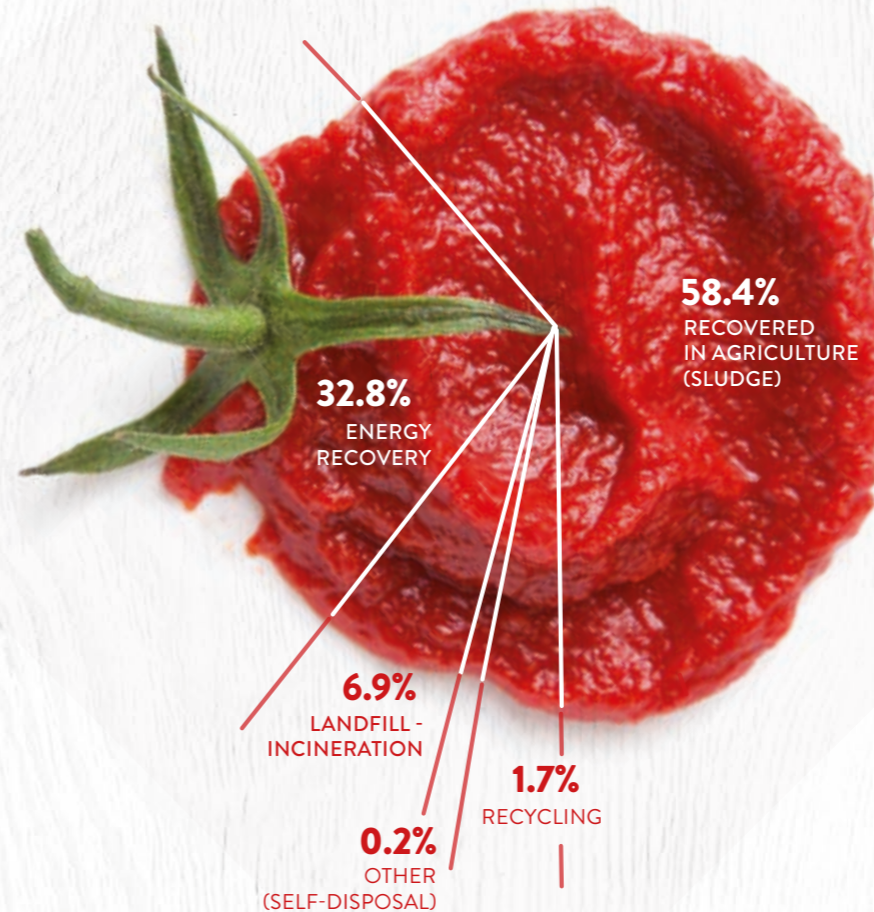
In 2018 the Consortium produced about 21 thousand tons of waste, of which 58% was recovered in agriculture (sludge) and about 33% was used for energy recovery.

An important component of waste is **sewage sludge**, the production of which is closely linked to the organic load of the waste water and the presence of soil in the delivered tomato. This mud, coming from waste water treatment plants, once dehydrated and stabilized, are destined to the reuse of soil as agricultural amend.

The correct management of production residues has made it possible to significantly reduce the amount of waste produced in the face of the ever-increasing amount of by-products; **tomato skins and seeds**, as well as berries that are not suit for their nutritional and energy characteristics, are in fact **used as animal feed or biomass** in biogas plants and therefore excluded from the waste regime.



WASTE BY TYPE AND DISPOSAL METHOD (%) 2018



Hazardous waste accounts for a marginal share of hazardous waste (0.1%) and consists mainly of waste oils, packaging of hazardous substances and laboratory chemicals.

✓ 0.07 t produced waste per ton of finished product

For the definition of this indicator, the 2018 financial year was taken into account, as there is no substantial difference in the production of waste in the short term compared to other periods of the year. The tones of finished product in addition to tomatoes also include all other products (broths, soups, juices, legumes, etc.).



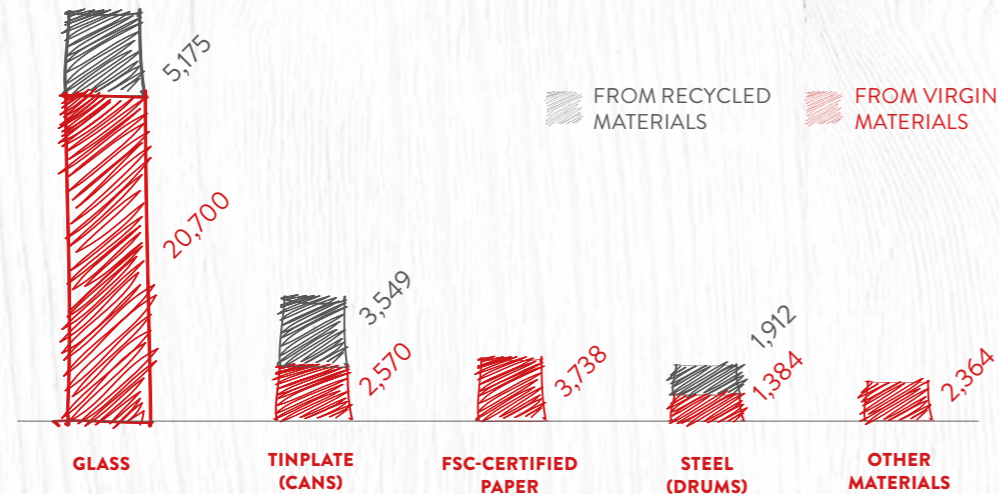
SUSTAINABILITY PACKAGING

The demand for **sustainable packaging, packaging reduction** and the gradual conversion of packaging to **more environmentally friendly materials** is constantly growing and is an increasingly important issue for end consumers and the Consortium's customers.

Increasingly, customers are asking for changes to the packaging to reduce glass weight, tray size, eliminate film in favour of additional paper packaging that is easier to dispose of.

Conorzio Casalasco del Pomodoro has chosen to pack its products in bricks certified by FSC (Forest Stewardship Council), which identifies the paper coming from renewable forests, managed responsibly according to environmental, social and economic standard.

QUANTITY OF
PACKAGING
USED (ton)
BY TYPE IN 2018



In **2018**, Conorzio Casalasco used **about 41 million kg of packaging materials** to package and market its products.

The main packaging categories used by the Consortium are: **tinplate** (cans) with **6 million kg**, **steel** (drums) with **3 million kg** and almost **4 million kg** of **polylaminate**.

The other packaging categories (PET, PP, HDPE) **account for a minority share of the total (6%)**, in line with the Consortium's objective of minimising its environmental impact through the use of recyclable materials such as glass, steel and tinplate.





COMMUNITY IMPACT

7.1 INITIATIVES AND COLLABORATIONS





INITIATIVES AND COLLABORATIONS

Consorzio Casalasco's commitment is to support and participate in **institutional** events, **socio-economic representation**, **professional** and **university training** and **trade unions**, so to maintain and develop relations with the aim of providing and transferring their values.

The two trademarks (Pomì and De Rica) are in fact used to sponsor and support organizations and events closely linked to the land and the community in which the Consortium operates.

Pomì The choice of partnership with **brand Pomì** was articulated mainly Dallby the motivation to come close to the sports, excluding "mechanical" or "polluting" activities as motorcycle or automotive. Football, volleyball and athletics have been grouped as sports whose values could be represented in the brand and shared by the Consortium.

Sweat, fatigue, union, health, nutrition are all topics, places and sensations that are shared in agriculture and in sport: the commitment of the Consortium to open a project of communication and advertisement linked to **sport** realities, **healthy diet**, **social activities** and **open air activities**.

One out of all, the ten-year experience in women's volleyball, alongside the Casalmaggiore team that over the years has brought the team from the B2 Championship to the A1, winning the championship and then arriving on the roof of Europe as the winner of the Champions League.



The **brand De Rica** tells the story of its roots traced back at the first years of the Nine-hundreds when production derived by tomatoes and vegetable preserves was a new profession, pioneer and difficult as much as "poetic".

In Italy as in the world, De Rica has lived as a guarantee of quality, and as the certainty of treasuring something that tastes good, authentic and fruit of the most noble tradition.

Starting from here the will of supporting, through this sign, activities linked to **Art**, **Music**, **Literature**, **Cinema** and **Theatre** and the **Cultural Heritage**.



The Casalasco Consortium supports **non-profit organizations, religious communities and parishes** with direct sponsorships, with the donation of food products or by making themselves available for hiring people in situations of social fragility.

For years, a partnership has been in place with **associations in the area**, which welcome those who live in situations of marginalization and poverty, offering jobs for people in difficulty.

Finally, both to reduce food waste to a minimum and above all to help the less well-off people, the Casalasco Consortium in 2018 decided to support some local and national **ONLUS and non-profit organizations** by giving them food products for a total value of € 128,312.

✓ **812,823 €**
SPONSORSHIPS
2018

✓ **128,312 €**
CHARITY 2018

The collaboration with the **Food Bank**, which promotes policies against food waste, allows the recovery and redistribution of non-marketable products due to slight packaging defects or because they are nearing their expiry date.

This allows to create social value and generate environmental benefits.

These initiatives, which are in addition to other free donations destined for the communities of the surrounding territories, again highlight the strong commitment of the Consortium to positively influence the daily life of the society.





APPENDIX

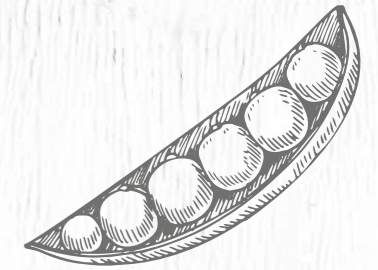
- 8 PERFORMANCE INDICATORS
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8 PERFORMANCE INDICATORS



OUR VALUE CHAIN



GRI STANDARD 301-1 Materials used by weight or volume

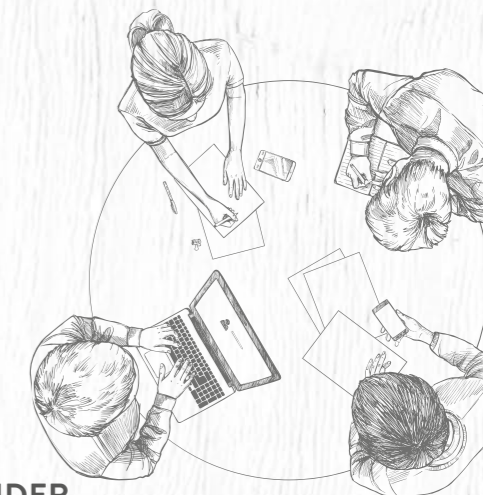
MAIN AGRICULTURAL RAW MATERIALS, BY WEIGHT

MAIN AGRICULTURAL RAW MATERIALS	UNIT OF MEASUREMENT	2018	
		QUANTITY	% RENEWABLE
Tomato	kg	463,175,528	100%
Peas	kg	1,029,286	100%
Beans (borlotti and cannellini)	kg	256,669	100%
Fruit puree	kg	4,377,810	100%
Meat Extraction	kg	6,496	100%
Meat	kg	3,238,504	100%
Seasoning plants (chickpeas, onion, carrot, celery, basil)	kg	8,267,865	100%
Sugar / Glucose	kg	4,866,765	100%
Salt	kg	1,025,600	100%
Oil and vinegar	l	2,783,881	100%
Dairy products	kg	1,011,000	100%

MAIN PACKAGING, BY WEIGHT

MAIN RAW MATERIALS FOR PACKAGING	UNIT OF MEASUREMENT	2018	
		QUANTITY	% RENEWABLE
Poly laminate (bags, envelopes and Tetra-Combi)	kg	3,737,611	0%
<i>of which paper</i>	kg	2,380,302	
<i>of which FSC certificate</i>	kg	2,380,302	
<i>of which recycled</i>	%	0	
Tinplate (cans)	kg	6,119,456	0%
<i>of which recycled</i>	%	58	
Glass	kg	25,874,761	0%
<i>of which recycled</i>	%	20	
PET (preform)	kg	1,266,847	0%
<i>of which recycled</i>	%	0	
PP (bottles, caps and drum lids)	kg	325,558	0%
<i>of which recycled</i>	%	0	
HDPE (bottles)	kg	771,522	0%
<i>of which recycled</i>	%	0	
Steel (drums)	kg	3,295,960	
<i>of which recycled</i>	%	58	

OUR PEOPLE



GRI STANDARD 102-8

Information on employees and other workers

EMPLOYEES (AWU) BY EMPLOYMENT CONTRACT AND GENDER

TYPE OF CONTRACT	2018		
	MEN	WOMEN	TOTAL
Permanent	206	114	320
Temporary	317	259	576
<i>of which seasonal workers</i>	315	253	568
Total	523	373	896

EMPLOYEES (AWU) BY EMPLOYMENT TYPE AND GENDER

EMPLOYMENT TYPE	2018		
	MEN	WOMEN	TOTAL
Full-time	521	364	885
Part-time	2	9	11
Part-time percentage	0.38%	2.41%	2.80%
Total	523	373	896

EXTERNAL WORKERS BY GENDER (HEADCOUNT)

EXTERNAL WORKERS	2018		
	MEN	WOMEN	TOTAL
Interns	11	7	18

MAXIMUM NUMBER OF EMPLOYEES⁹ (HEADCOUNT)

MAXIMUM NUMBER OF EMPLOYEES BY YEAR	2018
Employees	1,451

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		
	MEN	WOMEN	TOTAL
Executive	5	-	5
Managers	12	4	16
White-collar	45	76	121
Blue-collar	460	294	754
Total	522	374	896

⁹ Maximum number of employees reached during the year during the period of the Tomato Campaign.

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

EMPLOYEES BY EMPLOYEE CATEGORY	AS OF 31 DECEMBER 2018		
	MEN	WOMEN	TOTAL
Executive	5	-	5
Managers	12	4	16
White-collar	45	81	126
Blue-collar	144	41	185
Total	206	126	332

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

EMPLOYEES BY PROFESSIONAL CATEGORY	2018		
	MEN	WOMEN	TOTAL CATEGORY/ TOTAL EMPLOYEE
Executive	100%	0.0%	0.6%
Managers	75.0%	25.0%	1.8%
White-collar	37.2%	62.8%	13.5%
Blue-collar	61.0%	39.0%	84.2%
Total	58.3%	41.7%	100.0%

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

EMPLOYEES BY PROFESSIONAL CATEGORY	2018			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL CATEGORY/ TOTAL EMPLOYEE
Executive	0%	40%	60%	1%
Managers	0%	56%	44%	2%
White-collar	15%	62%	23%	14%
Blue-collar	26%	46%	28%	84%
Total	24%	49%	27%	100%

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

COUNTRY OF BIRTH	2018		
	MEN	WOMEN	TOTAL
	523	373	896
Italy	399	291	690
Morocco	35	8	43
India	13	7	20
Romania	3	12	15
Albania	9	4	13
Senegal	7	5	12
Tunisia	11	1	12
Nigeria	4	8	12
Macedonia	8	1	9
Ivory Coast	1	5	6
Ukraine	2	4	6
Moldova	4	1	5
Ghana	2	1	3
Ethiopia	3	0	3
Burkina Faso	0	3	3
Ecuador	2	1	3
Cuba	0	3	3
Sudan	3	0	3
Syria	1	1	2
Brazil	0	2	2
Colombia	1	1	2
Other (34 countries)	15	14	29

COMPOSITION OF THE BOARD OF DIRECTORS BY GENDER AND AGE GROUP

PERCENTAGE	AS OF 31 DECEMBER 2018			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Men	0%	47%	53%	100%
Women	0%	0%	0%	0%
Total	0%	47%	53%	100%

As of 31 december 2018 the board of directors is composed by 15 members.

GRI STANDARD 102-41 Collective bargaining agreements

PERCENTAGE OF EMPLOYEES (AWU) COVERED BY COLLECTIVE BARGAINING AGREEMENT

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

GRI STANDARD 202-1

Ratios of standard entry level wage by gender and local minimum wage

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

	2018	
	MEN	WOMEN
Ratio between gross minimum wage and local minimum gross wage according to national law	1.03	1.03

GRI STANDARD 401-1

New employee hires and employee turnover

TOTAL NUMBER OF NEW HIRES BY GENDER AND AGE GROUP¹⁰

HIRES BY AGE	2018			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Men	6	6	2	14
Women	4	3	-	7
Total	10	9	2	21

¹⁰ Data on incoming and outgoing staff do not include seasonal staff.

TOTAL NUMBER OF EMPLOYEE TURNOVER BY GENDER AND AGE GROUP¹⁰

TERMINATIONS BY AGE	2018			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Men	2	7	4	13
Women	3	2	1	6
Total	5	9	5	19

RATE OF NEW EMPLOYEE HIRES AND TURNOVER BY GENDER

NEW HIRES AND TERMINATIONS	2018			
	HIRES		TURNOVER	
	NUMBER	%	NUMBER	%
Men	14	3%	13	2%
Women	7	2%	6	2%
Total	21	2%	19	2%

HIRING AND TURNOVER NUMBER AND RATE BY AGE GROUP

NEW HIRES AND TERMINATIONS	2018			
	HIRES		TURNOVER	
	NUMBER	%	NUMBER	%
< 30 years	10	5%	5	2%
30 - 50 years	9	2%	9	2%
> 50 years	2	1%	5	2%
Total	21	2%	19	2%

GRI STANDARD 404-1**Average hours of training per year per employee****HOURS OF TRAINING FOR MALE EMPLOYEES,
BY EMPLOYEE CATEGORY**

HOURS OF TRAINING BY EMPLOYEE CATEGORY	2018		
	N. HOURS MEN	TOTAL EMPLOYEES MEN	N. PER CAPITA HOURS MEN
Executive	160	5	32
Managers	626	12	52.2
White-collar	294	45	6.5
Blue-collar	12,732	460	27.7
Total	13,812	522	26.5

**HOURS OF TRAINING FOR FEMALE EMPLOYEES,
BY EMPLOYEE CATEGORY**

HOURS OF TRAINING BY EMPLOYEE CATEGORY	2018		
	N. HOURS WOMEN	TOTAL EMPLOYEES WOMEN	N. PER CAPITA HOURS WOMEN
Executive	-	-	-
Managers	210	4	52.5
White-collar	502	76	6.6
Blue-collar	8,164	294	27.8
Total	8,876	374	23.7

**HOURS OF TRAINING FOR ALL EMPLOYEES,
BY EMPLOYEE CATEGORY****HOURS OF TRAINING BY
EMPLOYEE CATEGORY**

HOURS OF TRAINING BY EMPLOYEE CATEGORY	2018		
	N. TOTAL HOURS	EMPLOYEES TOTAL	N. PER CAPITA HOURS
Executive	160	5	32
Managers	836	16	52.2
White-collar	796	121	6.5
Blue-collar	20,896	754	27.7
Total	22,688	896	25.3

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**

BASIC SALARY	2018
	RATIO WOMEN TO MEN
Executive	-
Managers	1.00
White-collar	0.92
Blue-collar	0.97

*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

TOTAL REMUNERATION	2018 RATIO WOMEN TO MEN
Executive	-
Managers	1.05
White-collar	0.72
Blue-collar	0.77

This ratio is calculated using the following formula: "average overall pay for women / average overall pay for men".
When the ratio is less than 1, the average male salary is higher than the average female salary.

GRI STANDARD 403-9 Work-related injuries

NUMBER OF INJURIES AND FATALITIES

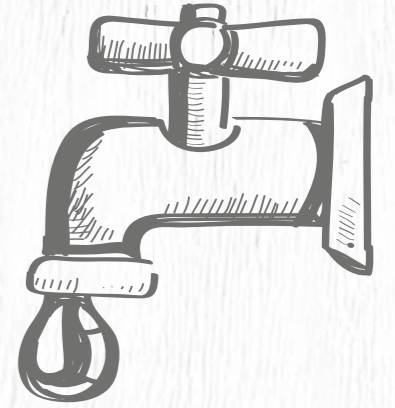
NUMBER OF INJURIES	2018
Number of fatalities as a result of work-related injury	0
Total number of high-consequence work-related injuries (excluding fatalities) ¹¹	0
Total number of recordable work-related injuries	39

RATE OF FATALITIES AND RATE OF INJURIES

INJURY RATES	2018
Rate of fatalities as a result of work-related injury	0.00
Rate of high-consequence work-related injuries (excluding fatalities)	0.00
Rate of recordable work-related injuries	28.15

¹¹ 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.

ENVIRONMENTAL RESPONSIBILITY



GRI STANDARD 302-1 Energy consumption within the organization

ENERGY CONSUMPTION, BY SOURCE

ENERGY CONSUMPTION	UNIT OF MEASUREMENT	2018	
		TOTAL	TOTAL GJ ¹²
Methane	smc	25,727,582	881,942
Fuel oil	t	1,151	46,888
LPG	t	6	284
Gasoil	l	36	1
Diesel	l	89,728	3,232
Electricity purchased	kWh	53,616,499	193,019
Electricity self-produced from renewable source (photovoltaic)	kWh	962,000	3,463
Of which feed in into the public network	kWh	60,000	216

¹² For calculating energy consumption in GJ, the following conversion have been used:

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

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

ENERGY CONSUMPTION	UNIT OF MEASUREMENT	2018
Total energy consumption	GJ	1,128,614
Renewable energy	GJ	3,247
Non-renewable energy	GJ	1,125,367
% Renewable energy	%	0.29%

GRI STANDARD 303-3
Water withdrawal

WATER WITHDRAWALS, BY SOURCE AND AREA

WATER WITHDRAWAL	UNIT OF MEASUREMENT	2018
		ALL AREAS
Groundwater (total)	Megalitres	4,574
Freshwater (\leq 1000 mg/L total dissolved solids)	Megalitres	4,568
Other water ($>$ 1000 mg/L total dissolved solids)	Megalitres	6
Processed waters (total)	Megalitres	282
Freshwater (\leq 1000 mg/L total dissolved solids)	Megalitres	238
Other water ($>$ 1000 mg/L total dissolved solids)	Megalitres	44
Third parties waters (total)	Megalitres	197
Freshwater (\leq 1000 mg/L total dissolved solids)	Megalitres	197
Other water ($>$ 1000 mg/L total dissolved solids)	Megalitres	0
<i>Third parties water for source of withdrawal from groundwater</i>	Megalitres	0
Water withdrawal Total	Megalitres	5,054

GRI STANDARD 303-4
Water discharge

WATER DISCHARGE BY DESTINATION AND AREA

WATER DISCHARGE	UNIT OF MEASUREMENT	2018
		ALL AREAS
Surface water (total)	Megalitres	4,871
Surface waters (\leq 1000 mg/L total dissolved solids)	Megalitres	2,118
Other water ($>$ 1000 mg/L total dissolved solids)	Megalitres	2,753
Third party water (total)	Megalitres	6
Surface waters (\leq 1000 mg/L total dissolved solids)	Megalitres	0
Other water ($>$ 1000 mg/L total dissolved solids)	Megalitres	6
<i>Third party water reused by other companies (total)</i>	Megalitres	0
Total water discharge	Megalitres	4,877

GRI INFORMATION STANDARDS 303-5
Water consumption

WATER CONSUMPTION BY AREA

WATER CONSUMPTION	UNIT OF MEASUREMENT	2018
		ALL AREAS
Water consumption (total)	Megalitres	52.8
Change in the water stock	Megalitres	0.0

GRI INFORMATION STANDARDS 305-1
Direct GHG emissions (Scope 1)¹³

DIRECT EMISSIONS	2018
	[t CO ₂]
Total Scope 1	54,612

GRI INFORMATION STANDARDS 305-2
Indirect GHG emissions from energy consumption (Scope 2)¹⁴

DIRECT EMISSIONS	2018
Scope 2 - Location based ¹⁵	19,302 t CO ₂
Scope 2 - Market based ¹⁶	26,111 t CO ₂ eq

¹³ For calculating the emissions of Scope 1 have been used the emission factors ISPRA - Tabella parametri standard nazionali 2018.

¹⁴ For calculating the emissions of Scope 2 Market-based have been used the emission factors AIB - European Residual Mix 2019.

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

¹⁵ 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.

¹⁶ Market-based: method based on GHG emissions by energy suppliers from which the organization purchases energy from through a contract.

GRI INFORMATION STANDARDS 305-7
Nitrogen oxides (NO_x), sulfur oxides (SO_x) and other significant air emissions

POLLUTING GASES	2018
	[t]
NO _x	61.42
SO _x	59.27
Particulate matters (PM)	1.28
Total	121.96

REFRIGERANT GASES

EMISSIONS OF REFRIGERANT GASES	UNIT OF MEASUREMENT	2018	
		RABBOCCHI	kg CO ₂ e
R-410A	kg	42	87,696
R-507A	kg	239	950,423

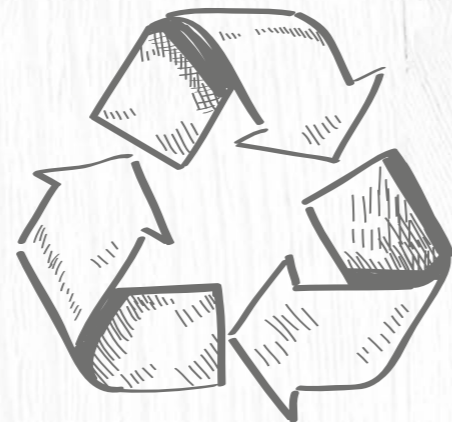
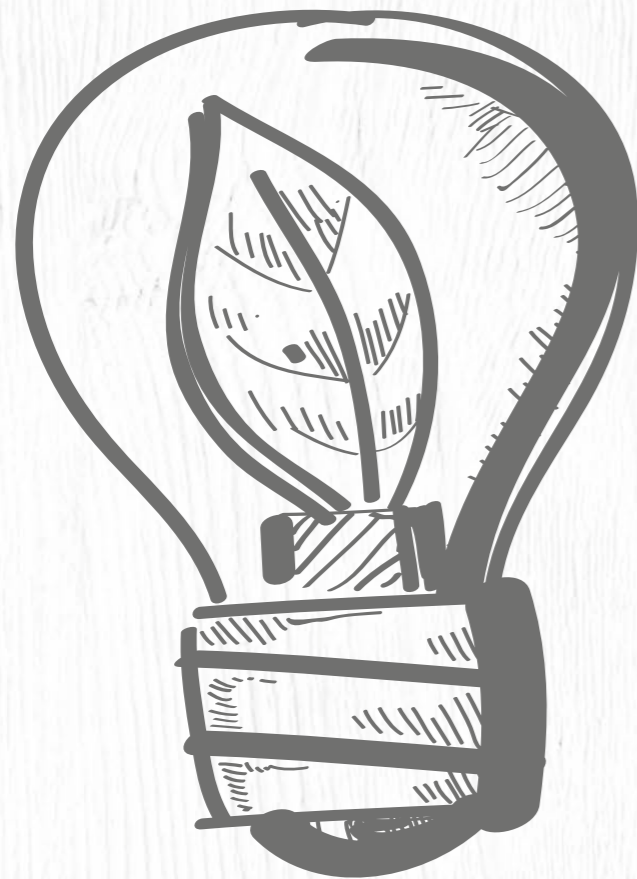
GRI INFORMATION STANDARDS 306-2
Waste by type and disposal method

QUANTITY OF PRODUCED WASTE, BY TYPE AND DISPOSAL METHOD

DISPOSAL METHOD	2018				
	UNIT OF MEASUREMENT	HAZARDOUS	NON-HAZARDOUS	TOTAL	%
Reuse (slurries in agriculture)	t	-	12,297	12,297	58.4%
Recycle	t	-	363	363	1.7%
Energy recovery	t	6	6,913	6,918	32.8%
Landfill/Incineration	t	5	1,438	1,443	6.9%
Other (self-disposal)	t	-	41	41	0.2%
TOTAL	t	11	21,052	21,063	100%
	%	0.1%	99.9%		



METHODOLOGICAL NOTE



This document, that represents the Consortium's first Sustainability Report presents the results achieved in 2018 (from 1 January to 31 December).

The Sustainability Report, drawn up on an annual basis, has the objective of communicating transparently Casalasco Consortium's sustainability strategies and its performance in the fields of environmental, social and economic sustainability.

The Sustainability Report 2018 references a selection of the "GRI Sustainability Reporting Standards" (2016) and the "Food Processing Sector Disclosures" (2014), both

published by the Global Reporting Initiative (GRI), as reported in the table "GRI content index".

The reporting boundary corresponds to Consorzio Casalasco del Pomodoro Soc.Agr. Cop. In particular, the reporting boundary of the environmental data includes the three productive plants of Consorzio Casalasco in Rivarolo del Re (CR), Gariga (PC), Fontanellato (PR), and the two external logistic sites of Casalmaggiore (CR) and Felegara (PR). With regards to the environmental data of the logistic sites, considering their business activity, the use of water resources, used exclusively for sanitary use, has not emerged as relevant.

For guaranteeing data reliability estimate use has been limited to a minimum, as such where present, is appropriately identified and based upon the best available methodologies.

No significant change has occurred in the ownership structure nor in the size of the organisation throughout 2018.

This document is not subject to external assurance.

For additional information and advice relative to the Sustainability reporting of Consorzio Casalasco it is possible to contact info@ccdp.it



GRI CONTENT INDEX



GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
GRI 102: GENERAL DISCLOSURE (2016)			
Organisational profile			
102-1	Name of the organisation	cover	
102-2	Activities, brands, products and services	11; 58-62	
102-3	Location of headquarters	7	
102-4	Location of operations	7	
102-5	Ownership and legal form	14-15	
102-6	Markets served	59-60	
102-7	Scale of the organization	6	
102-8	Information on employees and other workers	66-67; 101-102	
102-9	Supply chain	50-51	
102-10	Significant changes to the organization and its supply chain	3; 117	
102-12	External initiatives	92-94	
Strategy			
102-14	Statement from senior decision-maker	2-3	
Ethics and integrity			
102-16	Values, principles, standards and norms of behavior	2-3; 16-18	
Governance			
102-18	Governance structure	14-15	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
Stakeholder Engagement			
102-40	List of stakeholder groups	30	
102-41	Collective bargaining agreements	67; 105	
102-42	Identifying and selecting stakeholders	31	
102-43	Approach to stakeholder engagement	32-33	
102-44	Key topics and concerns raised	34-35 In 2018 no relevant criticisms have been raised by the stakeholders as far as the Consortium is concerned.	
Reporting practice			
102-45	Entities included in the consolidated financial statement	117	
102-46	Defining report content and topic boundaries	34-35	
102-47	List of material topics	34-35	
102-48	Restatements of information	This document is the first Sustainability Report of Consorzio Casalasco.	
102-49	Changes in reporting	This document is the first Sustainability Report of Consorzio Casalasco.	
102-50	Reporting period	117	
102-51	Recent reporting period	This document is the first Sustainability Report of Consorzio Casalasco.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
102-52	Reporting cycle	Annual	
102-53	Contact questions regarding the report		
102-54	Claims of reporting in accordance with the GRI Standards	117	
102-55	GRI content index	119-134	
102-56	External assurance	117	
MATERIAL TOPICS			
GRI 200: ECONOMIC			
ECONOMIC PERFORMANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	34-35	
103-2	The management approach and its components	20-23	
103-3	Evaluation of the management approach	20-23	
GRI 201: Economic performance (2016)			
201-1	Direct economic value generated and distributed	21-22	
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	34-35	
103-2	The management approach and its components	66-67	
103-3	Evaluation of the management approach	66-67	
GRI 202: Presenza sul mercato (2016)			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	106	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
PROCUREMENT PRACTICES			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its relative boundary	34-35	
103-2	The management approach and its components	50-51	
103-3	Evaluation of the management approach	50-51	
GRI 204: Procurement practices (2016)			
204-1	Proportion of spending on local suppliers	51	
G4-FP1	percentage of purchased volume from suppliers compliant with company's sourcing policy	100% of purchases derives from suppliers compliant with sourcing policy	
ANTICORRUPTION			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its relative boundary	34-35	
103-2	Management approach and its components	17	
103-3	Evaluation of the management approach	17	
GRI 205: Anticorruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	In 2018 there were no confirmed incidents of corruption.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
ANTICOMPETITIVE BEHAVIOUR			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its relative boundary	34-35	
103-2	The management approach and its components	16	
103-3	Evaluation of the management approach	16	
GRI 206: Anti competitive behaviour (2016)			
206-1	Legal action for anti competitive behaviour, antitrust and monopoly practices	In 2018 there were no legal actions taken for anti competitive behaviour, antitrust and monopoly practices.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
GRI 300: ENVIRONMENTAL MATERIALS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	76-77; 88-89	
103-3	Evaluation of the management approach	76-77; 88-89	
GRI 301: Materials (2016)			
301-1	Materials used by weight or volume	88	
301-2	Recycled input materials	26% of materials used for packaging derive from recycled source.	
ENERGY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	76-77; 79-81	
103-3	Evaluation of the management approach	76-77	
GRI 302: Energy (2016)			
302-1	Energy consumption within the organisation	111-112	
302-3	Energy intensity	80	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
WATER AND EFFLUENTS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	76-77; 82-83; 85	
103-3	Evaluation of the management approach	76-77; 82-83; 85	
GRI 303: Water and Effluents (2018)			
303-1	Interaction with water as a shared resource	82	
303-2	Management of water discharge-related impacts	83	
303-3	Water withdrawal	83; 85; 112	
303-4	Water discharge	85; 113	
EMISSIONS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	76-81	
103-3	Evaluation of the management approach	76-81	
GRI 305: Emissions (2016)			
305-1	Direct GHG emissions (Scope 1)	81; 114	
305-2	Energy indirect GHG emissions (Scope 2)	81; 114	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	115	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
WASTE AND WATER DISCHARGE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	Management approach and its components	76-77; 86-87	
103-3	Evaluation of the management approach	76-77; 86-87	
GRI 306: Effluents and waste (2016)			
306-2	Waste by type and disposal method	115	
ENVIRONMENTAL COMPLIANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	Management approach and its components	18; 76-77; 81; 85	
103-3	Evaluation of the management approach	18; 76-77; 81; 85	
GRI 307: Environmental compliance (2016)			
307-1	Non-compliance with environmental laws and regulations	In 2018 there were no cases of non compliance with environmental laws and regulations.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	48; 52	
103-3	Evaluation of the management approach	48; 52	
GRI 308: Supplier environmental assessment (2016)			
308-1	New suppliers that were screened using environmental criteria	52	
GRI 400: SOCIAL			
OCCUPATION			
GRI 103: Management approach (2016)			
103-1	Explanation of the management approach and of its relative boundary	34-35	
103-2	The management approach and its components	66-67	
103-3	Evaluation of the management approach	66-67	
GRI 401: Occupation (2016)			
401-1	New employee hires and employee turnover	106-107	
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.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
LABOR/MANAGEMENT RELATIONS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	Management approach and its components	66-67	
103-3	Evaluation of the management approach	66-67	
GRI 402: Labor/management relations (2016)			
402-1	Minimum notice periods regarding operational changes	The CCNL "Cooperative e Consorzi Agricoli" does not provide the minimum notice periods for transfers. The art.15 bis states that "the communication must be made in writing to the worker (...) and must take place as soon as possible before the date of transfer".	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	Management approach and its components	70-71	
103-3	Evaluation of the management approach	70-71	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
GRI 403: Occupational health and safety (2018)			
403-1	Occupational health and safety management system	70-71	
403-2	Hazard identification, risk assessment and incident investigation	70-71	
403-3	Occupational health services	70-71	
403-4	Worker participation, consultation and communication on occupational health and safety	70-71	
403-5	Worker training on occupational health and safety	69-71	
403-6	Promotion of worker health	70-71	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	70-71	
403-9	Work-related injuries	110	
EDUCATION AND TRAINING			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	Management approach and its components	69	
103-3	Evaluation of the management approach	69	
GRI 404: Education and training (2016)			
404-1	Average hours of training per year per employee	108-109	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	16; 18	
103-3	Evaluation of the management approach	16; 18	
GRI 405: Diversity and equal opportunities (2016)			
405 - 1	Diversity of governance bodies and employees	102-105	
405 - 2	Ratio of basic salary and remuneration of women to men	109-110	
NON DISCRIMINATION			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	16; 18	
103-3	Evaluation of the management approach	16; 18	
GRI 406: Non-discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	In 2018 there were no incidents discrimination.	
CHILD LABOR			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	16; 18-19	
103-3	Evaluation of the management approach	16; 18-19	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
GRI 408: Child labor (2016)			
408-1	Operations and suppliers at significant Risk for incidents of child labour	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 labour at the Consortium's main suppliers.	
FORCED OR COMPULSORY LABOR			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	16; 18-19	
103-3	Evaluation of the management approach	16; 18-19	
GRI 409: Forced or compulsory labor (2016)			
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 labour at the Consortium's main suppliers.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
SUPPLIER SOCIAL ASSESMENT			
GRI 103: Management approach (2016)			
103-1	Explanation of the topic and of its relative boundary	34-35	
103-2	The management approach and its components	48; 52	
103-3	Evaluation of the management approach	48; 52	
GRI 414: Supplier social assessment (2016)			
414-1	New suppliers that were screened using social criteria	52	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach (2016)			
103-1	Explanation of the topic and of its relative boundary	34-35	
103-2	The management approach and its components	53-55	
103-3	Evaluation of the management approach	53-55	
GRI 416: Customer health and safety (2016)			
416-1	Assesment of the health and safety impact of product 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 2018 there were no incidents of non compliance concerning the health and safety impacts of products and services.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
G4: Consumer health and safety (2014)			
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	53	
MARKETING AND LABELLING			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its relative boundary	34-35	
103-2	The management approach and its relative components	19;63	
103-3	Evaluation of the management approach	19;63	
GRI 417: Marketing and labelling (2016)			
417-1	Requirements for products and service information and labelling	19;63	
417-2	Incidents of non-compliance concerning product and service information labelling	63	
SOCIOECONOMIC COMPLIANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its relative boundary	34-35	
103-2	The management approach and its components	16	
103-3	Evaluation of the management approach	16	
GRI 419: Socioeconomic compliance (2016)			
419-1	Non compliance with laws and regulations in the social and economic area	In 2018 there were no cases of non compliance with laws and regulations in the social and economic area.	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
RISK MANAGEMENT			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	16-18; 27; 54; 70-71	
103-3	Evaluation of the management approach	16-18; 27; 54; 70-71	
NUTRITIONAL AND WELLBEING			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	62;72-73	
103-3	Evaluation of the management approach	62;72-73	
INNOVATION, RESEARCH AND DEVELOPMENT			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	27;61	
103-3	Evaluation of the management approach	27;61	
IMAGE AND BRAND REPUTATION			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	58-62;92-93	
103-3	Evaluation of the management approach	58-62;92-93	

GRI STANDARDS	DESCRIPTION	PAGE	OMISSION
SUSTAINABLE AGRICULTURE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	44-45	
103-3	Evaluation of the management approach	44-45	
CORPORATE WELFARE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	72-73	
103-3	Evaluation of the management approach	72-73	
LOCAL COMMUNITY AND TERRITORY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and of its relative boundary	34-35	
103-2	The management approach and its components	9;92-94	
103-3	Evaluation of the management approach	9;92-94	

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