

Sustainability  
Report  
**2023**

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## Letter to stakeholders

Dear friends, dear readers,

The year 2023 closed with a gloomy outlook for the international stage, due to the growing concern about tensions in the Middle East, the Russian-Ukrainian conflict that shows no signs of abating, the continuing tragedies in the Mediterranean Sea, and much more. Several months later, the forecasts have unfortunately been confirmed, outlining a global scenario that weighs on entrepreneurs' confidence indicator that has fallen for the fourth consecutive month (Istat, July 2024), still below last year's average. We would like to recall the words of the Secretary General of the United Nations, Antonio Guterres, who at the 79<sup>th</sup> General Assembly defined ours as "a world of impunity, where violations and abuses threaten the very foundations of international law and the UN Charter", declaring - and this had never happened in the history of the Organisation - that "the level of impunity in the world is politically indefensible and morally intolerable".

These big issues, unfortunately, are not far from us at all and urge us to invest increasingly greater effort in supporting the idea of 'sustainability' to which we at Felicetti wish to contribute, as entrepreneurs and as a business community. We can all do something to improve the not only environmental, but also social quality of the world in which we operate, starting by always doing better what we know how to do best while respecting people and the environment which, in our case, consists in these majestic mountains. We are pleased to point out that in 2023 too, organic pasta contributed to Felicetti's profit and loss account in a substantial manner, representing the main revenue item (31.1% in value), demonstrating yet again that organic production is also economically sustainable. If we add to this the fact that our packaging - made 100% of paper and completely recyclable - was the first to make its debut in commercial distribution, overcoming early day scepticism, we can better understand how healthy it is to always move the goalposts forward, not only for us but for all those involved in various ways in the supply chains in which we are engaged. Experience has taught us that stringent specifications are not enough. Building reliable supply chains requires bringing on board suppliers of semolina and services, sharing projects and results with them, building small and big things to make them grow, in everyone's interest. Including to be able to count on the imagination of the artists, who in our case are the chefs and fans of R&D cuisine.

A lesson that also resonates in what has been passed on to us by the generation that preceded us in the company ('take care of things, always build, never destroy'), and it is the vision that we would like to enhance with the key stakeholder, the only one able to include and represent all others without exception, be they shareholders, employees, bankers, customers or suppliers. It is the 'future generations' stakeholder to whom this publication is dedicated.



## Highlights of 2023

### Production and economic value

**52**  
million Euros  
of turnover  
(-3.3% vs. 2022)

**28,700**  
tonnes  
of pasta sold  
(-7.4% vs. 2022)

**100%**  
Italian durum wheat  
semolina for branded  
products (with the exception  
of the Kamut® lines)

**58%**  
share allocated  
to export

**50**  
countries of the world  
in which Felicetti  
pasta is distributed

**22%**  
Paper-packaged pasta  
(+3% vs. 2022)

### People and communities

**121**  
employees  
at 31.12.2023  
(+4 units vs. 2022)

**12%**  
positive turnover

**96%**  
open-ended contracts  
(+4% vs. 2022)

**50%**  
female presence  
as employees and  
managers

**18%**  
personnel under  
30 years of age

**1,000**  
training hours

### Environment

**54,359**  
GJ of energy  
self-produced  
and consumed

**-38%**  
indirect scope 2  
GHG emissions  
(2023 vs. 2022)

**56**  
tonnes of CO<sub>2</sub>e  
saved with a single-  
material paper  
packaging

**100%**  
waste generated  
sent for recovery

**-22.5%**  
plastic packaging

**2**  
photovoltaic  
systems



# 1

## Identity and profile

GRI 2-1a, GRI 2-1b, GRI 2-1c, GRI 2-1d,  
GRI 2-6a, GRI 2-6b-i, GRI 2-6c, 2-6d

## Pasta makers of the Dolomites

Producing at high altitude implies taking on responsibilities that no inhabitant of Val di Fiemme would ever wish to evade.

This stems from an innate attitude to include the environment in one's vision and which Felicetti chose to make explicit by adopting shared parameters and by remaining open to discussion.

Pastificio Felicetti is a joint-stock company still firmly in the hands of the family of the founder and that has been carrying out highly specialised production in Val di Fiemme since 1908.

And if mountains and extreme climates are now sought-after ingredients and appreciated by gourmets all over the world, this was not true in the early years of the 20<sup>th</sup> century when Valentino Felicetti had the intuition that spring water and high-altitude air could give durum wheat pasta a specific flavour. This entrepreneurial experiment gave birth to a dynasty of pasta makers in the Dolomites - now in its fifth generation – and to a highly distinctive research production path. Felicetti is the only pasta factory in Europe located 1000 metres above sea level.

### THE VISION AND VALUES MAP

Pasta is a simple product and so is its tradition. Evolving this tradition while holding firm to the values that founded it is a rather complex task, requiring the energy of various talents to identify and sometimes anticipate the needs of the market and translate them into new forms of expression.

Pastificio Felicetti has always been characterised by its choices in the field: the use of semolina that is exclusively

domestically sourced for the entire brand range of shelf-stable lines (with the exception of Kamut khorasan wheat pasta®), expertly blended with water from Alpine springs and dried in the pure mountain air;

environmental protection as an indispensable working method, concept shared with an Italian supply chain that favours organic processing - 37% of the entire production - and the responsible use of land and resources; respect for an area of extraordinary beauty and great fragility - the UNESCO World Heritage Dolomites - and support for the communities that inhabit it; focus on the product, on continuous innovation and on the satisfaction of all pasta consumers, to spread a culture of goodness capable of dialoguing with contemporary taste without giving in to fashion trends.

It is these choices, made once and never waived, that have made Felicetti what it is today. All the people who work in the Pastificio adhere to these values: it is the respect that they show that makes the company a responsible entity, aware of its own weight, not only economically but also socially, environmentally and institutionally.



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## One hundred and fifteen years of history

"Ours is the story of three families, united by a sentiment that grandfather Valentino defines as 'indomitable courage', convinced that we, too, will grow by pursuing the art of pasta-making without ever losing the drive towards innovation that has brought us this far, always faithful to our roots.

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### 1908

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The history of the Pastificio (pasta factory) begins in 1908 in Predazzo under the Austro-Hungarian Empire, when the founder, Valentino Felicetti, acquired the 'first factory in Fiemme of pasta products'. Under new ownership the small company starts to grow and the business engages the whole family, which increases production thanks to new and more advanced machinery.

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### 1930-1940

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In the 1930s, the sawdust-fuelled 'static' dryer was introduced, which represents a great innovation and makes use of local carpentry scraps.

During the Second World War production faces difficulties in supply, but it never stops. Not until 1945, when the factory is consumed in a violent fire that reduces it to ashes, forcing the machines to stop. Thus, in the Italy of post-war reconstruction, the Felicetti family also works tirelessly to revive what had been destroyed, inaugurating nine months later, also in Predazzo, the renovated pasta factory.

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### 1950-1960

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The third generation, represented by Giuliano, Silvio, Valentino, Tullio, Matteo, Luigi, Remo, Fabio, joins the company. The boom years arrive and, with them, the expansion of tourism in the Dolomite area. It is thus decided to expand production, making the pasta not only for families but also for the expanding hotel industry, as well as for export to Austria, with which Trentino has a free trade agreement. In 1960, under the leadership of Valentino Felicetti - grandson of the founder by the same name – all the family is ready to invest in new machinery for the continuous evolution of the Pastificio. All eyes are turned towards the future, fuelled by innovation and unprecedented technological development.

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### 1976

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This is the breakthrough year: thanks to the acquisition of the Cielo pasta factory in Rovereto (then five times the size of Felicetti, as well as the main producer in the region), the company moves to and reinstalls the machinery in Predazzo, thus creating its first real industrial structure, multiplying its production capacity by about seven times.

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### 1980-1989

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Felicetti pasta starts travelling overseas and reaches Japan, the United States and Northern Europe. The heart, however, remains tied to the territory and a special relationship is established with the Buhler workshop in Trento. Here Valentino becomes an unrivalled expert in the analytical quality of semolina. There are not many men who can recognise wheat varieties in a fistful taken from a silo: Valentino Felicetti is one of them.

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### 1990-1999

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Exports expand and the family invests in innovative technology to give pasta better cooking performance, developing a product for the catering and processing industry. In 1995, when the fourth generation – constituted by Riccardo, Paolo and Stefano, together with Nadia and Enrico - is established in the company, Felicetti decides to enter the world of organic foods, aware of working in a unique ecosystem where the purity of the water and air are reflected in the organoleptic quality of the pasta.

New products are developed, adding other organically grown cereals to the processing of durum wheat.

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### 2004

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With the launch of the Monograno line, four monovarietal specialities are introduced: Spelt, Kamut®, Matt and later Cappelli, combining tradition with technology to meet the expectations of star chefs, catering professionals and discerning consumers. Only single-varietal organic grains, cultivated on limited plots, to guarantee a superior quality perceptible to the palate.

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### 2018

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Demand now exceeds the supply capacity of the historic factory of Predazzo. To cope with the increased production needs comes the project to build a second plant in Val di Fiemme, in Molina, confirming the commitment of Pastificio to the development of the local area and doubling production capacity.

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### 2022

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In the presence of institutions and company stakeholders, the new Molina di Fiemme plant is inaugurated, an industrial jewel created to be integrated into the territory, which today produces 15 thousand tonnes of pasta per year.

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### 2023

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The Molina plant comes into full operation, doubling the pasta factory's production capacity and firmly leading the company out of a global crisis marked by the soaring of energy and raw material costs. 2023 is also the year in which Felicetti, always aware of the need to accelerate environmental protection, begins its own reporting process by publishing its first sustainability report.

## THE TERRITORY

To briefly return the identity of Felicetti, a company more than 100 years old, it is worth starting from the places who saw its birth: a unique environmental and social ecosystem for a pasta factory, so unique that it takes us right to the heart of the vision and policies of corporate sustainability.

Headquarters and factories have always been located in Val di Fiemme: a mountain enclave at an altitude of 1,000 metres a.s.l., where two rivers, the Travignolo and the Avisio, converge. In a panorama dominated by the peaks of the Lagorai chain stands Predazzo, the historical headquarters of the Pastificio. A place that seems enchanted, but which does not spare any harshness to those who have inhabited it for millennia. Here, human activity is exposed to an incessant dialogue with nature, in an attempt to turn the rigour of the mountains into an opportunity.

### THE VAL DI FIEMME VALLEY

Closed in by the mountains of the Lagorai chain to the south and the Latemar group to the north-east, the valley is located in the centre of two nature reserves (Paneveggio and Monte Corno), which feature a large variety of flora and fauna. The entire Val di Fiemme can be defined as a true park, thanks to the vast expanse of forests that, over the centuries, have represented a source of subsistence for the local population, influencing air quality and climate also due to the morphology and the orientation of the valley. The landscape is typically alpine, characterised by the presence of spruce that can grow to a height of 50 metres and with specimens reaching even 6 metres in circumference. About half of the valley's forests belong to the Magnifica Comunità di Fiemme, an ancient institution that from 1100 to 1800 formed a kind of small republic within the principality of Trento and is today engaged in the fight for environmental protection with numerous activities implemented by individual municipalities and by the entire valley community.

It is said that the pride of the valley dwellers is a response to the privilege of living amidst landscapes of extraordinary beauty, to be enhanced and protected. For Felicetti, the native environment has become an integral part of the production process, thanks to the use of mountain water and pure mountain air for drying; distinctive traits that have turned this experience into a brand known in so many countries around the world. The company's entire activity is carried out in two plants located in the valley, in Molina and in Predazzo, less than 20 km apart. Production at high altitude, in the heart of the Dolomites, has earned Felicetti the nickname of 'Europe's highest pasta factory'.

## THE FACTORIES

### Predazzo

Historical headquarters and company headquarters, the Predazzo plant - located near the historical centre of the Alpine town - was the only production site for Felicetti pasta until 2021. All that remains of the century-old site is the heart, around which were built over the years several extensions to accommodate new facilities plus a state-of-the-art automated warehouse, proof of a company concept that has always favoured innovation aimed at preserving the original characteristics of the raw materials. Structured into 4 main lines, by the end of 2023 production reached a total of 70 tonnes per day, employing 93 people. Quality assurance protocols cover all processing steps and generate strict self-control procedures, also in relation to certifications obtained and continuously renewed (BRCGS and IFS).



Predazzo under the snow, historical archive of the Polo family, 1872-1960. On the previous pages, the Palazzo della Magnifica Comunità di Fiemme, a historic building dating back to the 13th century, now a museum and cultural centre. ph. Stefano Dal Pozzolo, 2022.

The in-house laboratory, which is always active, performs analyses on every incoming batch of raw material, as well as on finished products in release and is in constant dialogue with accredited external public and private laboratories.

### Molina di Fiemme

In operation since 2021 but opened only in 2022 due to the Covid pandemic, the Molina di Fiemme production facility is an industrial jewel perfectly immersed in the natural environment, created with the mission of integrating itself into the territory, borrowing from its shapes and respecting its prerogatives of a context of great beauty and great fragility. The architectural firm that signed the project realised an industrial complex whose elevations are inspired by the cliff overlooking the site: a sequence of monoliths with a faceted prismatic surface

like the porphyry of the valley, reflecting continuous variability due to the varying light conditions and the inclination of the sunrays. The key numbers of the factory - which has allowed Felicetti to increase pasta production from 20,000 to 35,000 tonnes per year - are impressive: 16,500 square metres of floor space (8,700 covered), of which 1,250 square metres are for production and 2,500 square metres for packaging, added to which are offices and services covering a further 1,500 square metres; the largest space is reserved for handling and the warehouse, with more than 3,000 square metres and a capacity of 9,200 pallet slots, plus 6,000 square metres for outdoor manoeuvring areas. From an energy point of view, the site is powered by a trigeneration plant designed to cover all power needs.





## Pasta in the world

A symbolic Made in Italy food, pasta has long been a global product. Italy still holds the leadership, but the market is increasingly crowded and competitive. Focusing on quality and specialisation is Felicetti's strategy.

### SECTOR PERFORMANCE

More than ten years have passed since Unesco included the Mediterranean diet among the intangible world heritages of humanity on 16 November 2010, whose nutritional model places cereals at the base of the food pyramid. A recognition that has strengthened global demand for durum wheat, the raw material from which pasta is made, and pasta is the symbol of the Mediterranean diet, known and appreciated throughout the world.

Italy boasts several records in this supply chain, as stated in the sector survey published by Area Studi Mediobanca in January 2024: with 3.7 million tonnes per year - or 22.3% of the global output - our country firmly holds first place in the world in the production of pasta and is also its main exporter, shipping abroad 52.6% of its production or 2.1 million tonnes (or 48% of the value of Italian exports of bakery and flour-based products and 8% of food products overall). Italy is also the largest annual consumer of pasta per capita, with around 23 kg per person, of which 19.8 kg consist of dry pasta and 3.4 kg of fresh pasta.

### THE RAW MATERIAL

Italy is also one of the leaders of durum wheat production, with 3.8 million tonnes per year, representing 12% of the world total behind Canada (15%). Cultivation is concentrated mainly in the southern part of the peninsula. In first place is Apulia, from which 23% of Italian wheat comes, followed by Sicily with 21.6% and Emilia-Romagna with 11.1%. Italy also holds a record for processing, with 125 mills distributed throughout the national territory producing 4 million tonnes of semolina per year, or two thirds of the European total. 79% of the factories - around 70% of Italian production - are concentrated in the South, particularly in Sicily, the region with the largest number of mills, while Apulia stands out in terms of production share (source: Ismea, December 2023). The destinations of Italian semolina are varied. In 2022, 91.6% was used to make pasta, 4.5% to produce bread, 2.8% was exported, while the remaining 1.1% satisfied other domestic uses (source: Italmopa, Association of Italian Millers). Despite its important production quota, the Italian durum wheat sector is not self-sufficient, with a ratio between volumes produced and consumed of around 64%. This is why our country is also the fourth largest importer of durum wheat in the world (6.4% of the world total, amounting to 1.9 million tonnes). The supply comes mainly from Canada, France and Greece, which together meet two thirds of our import needs.

## THE ITALIAN PASTA INDUSTRY

According to the Mediobanca report, there are 74 pasta factories (capital companies based in Italy and a turnover of more than EUR 10 million in 2022), mostly located in the southern regions: 19% of the national production, with 13% of domestic pasta factories - including four in the municipality of Gragnano alone - being concentrated in Campania that is also the leading region for pasta exports, with 24.4% of volumes destined for foreign countries. This is followed by Emilia-Romagna, in second place in terms of export (20.4% of the total) and of production volume (18%), with number of pasta factories amounting to 8%. Although Sicily has the largest number of mills (36%), it only produces 7% of Italian pasta and exports only 0.4%. In this scenario, Pastificio Felicetti represents an almost unique reality, if one considers that 60% of dry pasta production plants are located in the Centre-South and only 19% in the North-East, leaving to the North the primacy in the production of fresh pasta (with 90% of all factories). In terms of sales, it is once again the southern pasta factories that develop the largest share of turnover - 49.8% - followed, however, at a short distance by those in the North-East (38.5%). While the former lead in the production of dry pasta - with 75.6% of the total turnover of the sector - the latter dominate in the fresh pasta market: 86.4% of the segment value is made by factories located in the north-eastern part of Italy.

However, when analysing the corporate structures, a common trait stands out across the entire peninsula: 81.1% of the sector's net assets - for a value exceeding 1.7 billion - is in the hands of family-controlled companies, 53% of which are run by natural persons - as in the case of Felicetti - and in 28.1% by legal entities, while the remaining share is divided between foreign-controlled companies (11.5%) and financial investors (7.4%).

## THE INDUSTRY'S CHALLENGES

Like the entire food industry, the pasta industry is facing a profound change in consumer habits and patterns, aided by the impact of the Covid-19 pandemic that raised levels of common awareness of the inter-relationships between health, ecosystems, supply chains and limits of the planet. In addition to issues related to land and water use, preservation of biodiversity, loss in production and food waste, the recent global geopolitical scenario led to a significant increase in commodity prices, including that of wheat, making quality food products less affordable for large segments of the global population. Within this context, national and international institutions are adopting strategies to make the food system more sustainable, healthy and environmentally friendly. An important instrument, at EU level, is the Green Deal, i.e. the set of policies that aim to make the European Union the first carbon-neutral continent through the joint action of member states on climate issues, energy, transport and taxation.



Harrods department store in London, illustration, 1929. On the previous page, La Grande Épicerie de Paris, headquarters of Passy, a world-class gourmet temple and a Felicetti customer on French soil.

To address the challenges in the agricultural sphere, in particular, the strategy was defined as "From farm to fork", aligned with the UN Sustainable Development Goals (SDGs). It defines the guidelines for making the food system sustainable, including measures to reduce the use of pesticides, antimicrobials and fertilisers, extending organic farming, improving animal welfare and restoration of biodiversity. The primary purpose is to create a fair, healthy and environmentally friendly food system capable of involving and protecting the entire value

chain, also from the point of view of health and quality of life, thus contributing to the reduction of costs related to healthcare and the outsourcing and export of unsustainable practices. In such a complex historical moment, all companies of the sector are called upon to make their contribution. In this sense, the Pastificio's is strongly committed to the transition to a more sustainable economy, through the promotion of good practices along the production chain, with the awareness that - in addition to taking action on its own business - it is necessary to raise awareness and actively involve all actors in the value chain, from farmers to end consumers.

# The leading countries in the supply chain



## Italy

**Durum wheat production**

1° producer in Europe

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2° producer in the world

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12% quota of world production (3,892,000 t)

## Milling industry

1° for number of mills (125 units)

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1° for semolina production (3,900,000 t)

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64% rate of self-sufficiency

## Pasta industry

1° producer in the world

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22.3% quota of world production (3,700,000 t)

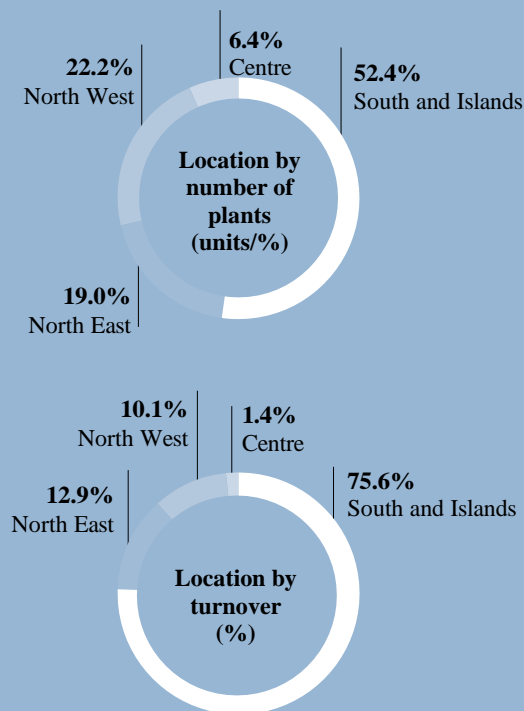
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Source: Mediobanca on IPO data

Source: Mediobanca on data from Ismea and Igc

Source: Mediobanca on Semouliers data

## Dry pasta industry in Italy



Source: Mediobanca



## Canada

## Durum wheat production

1° producer in the world

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15% quota of world production (4,747,000 t)

## Exporting durum wheat

1° exporter to the world

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39.2% quota of total exports to the world

## Turkey



## Durum wheat production

3° producer in the world

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10% quota of world production (3,137,000 t)

## Pasta industry

2° producer in the world

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12.8% quota of world production (2,100,000 t)

## USA



## Durum wheat production

5° producer in the world

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4% quota of world production (1,455,000 t)

## Pasta industry

2° exporter to the world

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12.1% quota of world production (2,000,000 t)

Source: Mediobanca on data from Ismea, Igc, Ipo and UN Comtrade

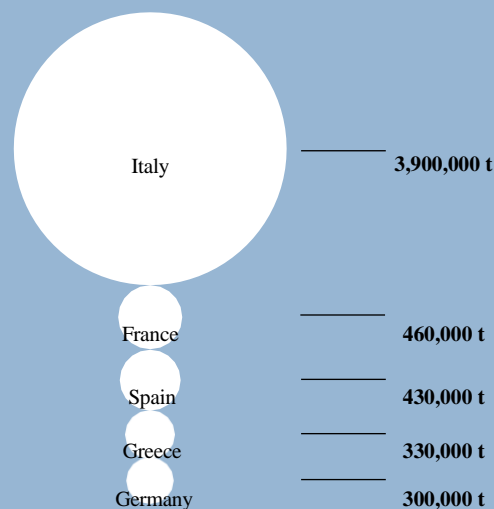
# The competitive framework

We are among the world leaders in durum wheat cultivation, but volumes are not enough to cover the needs for all the pasta we consume and export.

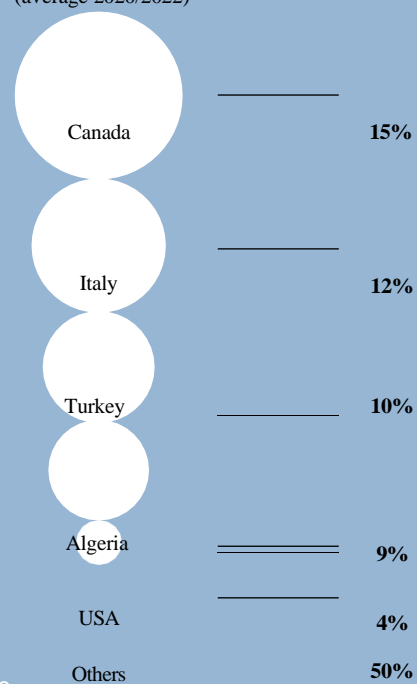
This is what emerges from the sector survey published by Mediobanca, some highlights of which are reported in these pages. Italy is the first country globally in terms of production of pasta, ahead of Turkey and the USA, and is also its main exporter.

A record that grows even stronger if one looks at the European picture: two thirds of value production is concentrated in our country and Italy exports 77% to EU27.

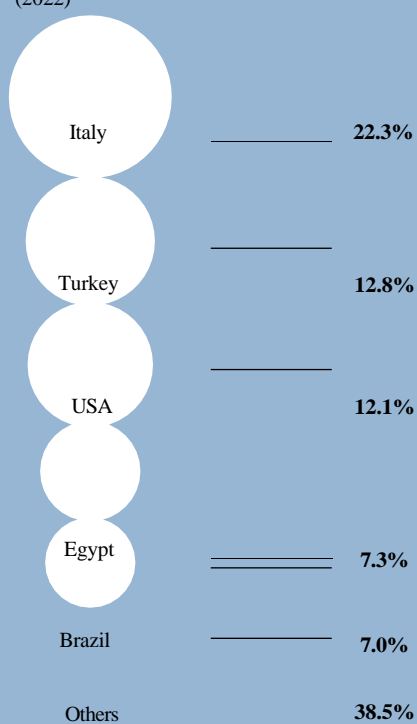
**Semolina production in Europe (2022)**



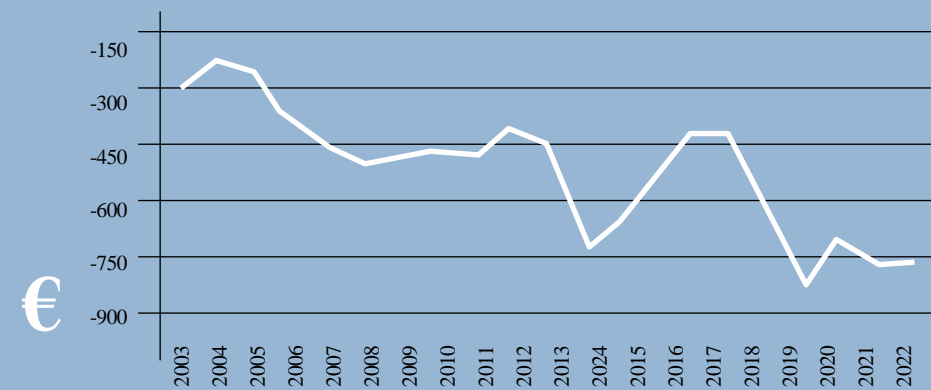
**Wheat production in the world (average 2020/2022)**



**Pasta production in the world (2022)**



**Italian durum wheat trade balance (2003-2023, millions of Euros)**



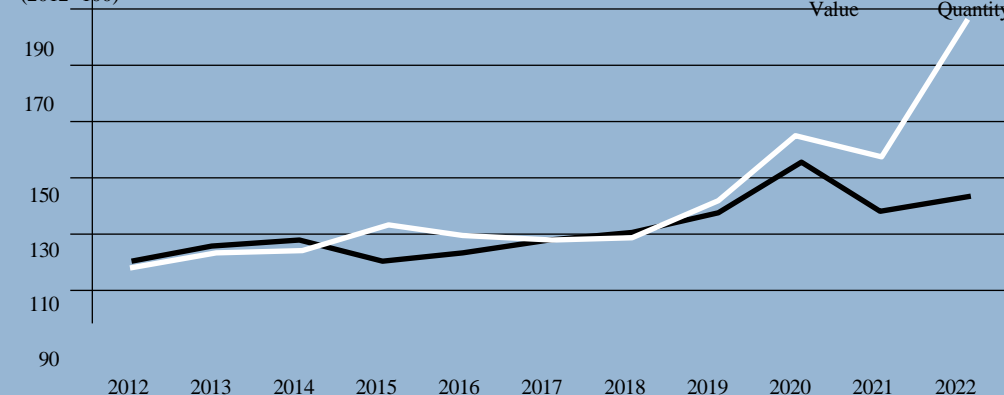
Source: Mediobanca on Ismea data

**The European pasta market (2022)**

	VALUE (M €)				QUANTITY ('000T)				Average price per kg
	2022 total	% on 2017-2022	Var. % 2021-2022	Var. %	2022 total	% on 2017-2022	Var. % 2021-2022	Var. %	
<b>Italy</b>	5,212	64.1	+55.9	+21.1	4,212	66.6	+23.6	-5.8	1.24
<b>France</b>	692	8.5	+30.9	+24.1	397	6.3	+108.4	3.1	1.74
<b>Spain</b>	395	8.5	+61.4	+47.4	372	5.9	+7.0	7.1	1.06
<b>Germany</b>	342	4.2	+16.1	+15.0	314	5.0	+22.6	-7.1	1.09
<b>Greece</b>	210	2.6	-51.5	+39.7	190	3.0	+16.1	19.7	1.11
<b>Total EU27</b>	<b>8.141</b>	<b>100.0</b>	<b>-53.2</b>	<b>+26.2</b>	<b>6.328</b>	<b>100.0</b>	<b>+19.4</b>	<b>-0.7</b>	<b>1.29</b>

Source: Mediobanca on Eurostat data

**Exports of Italian pasta (2012=100)**



Source: Mediobanca elaborations on Eurostat data

**FELICETTI ON THE MARKET**

In 2023 - due to the physiological calming of the market after the phase of significant stock purchases related to the Covid period - sales volumes are slightly

decreased compared to 2022, from EUR 53.7 million to EUR 51.9 million, although margins increased, with a net profit at the end of the year of 178,330 EUR.

This profitability was influenced by several factors, including the stabilisation of raw material prices (semolina, paper, packaging, etc.) after two difficult years, which made it possible to recover much of the lost marginality in the process of raising price lists,

and the drop in energy costs (gas and electricity), which passed from EUR 2.9 to 1.9 million. Another positive impact on the 2023 financial year consisted in the commissioning of the Molina plant, which doubled Felicetti's production capacity (from 200,000 to 400,000 quintals), enabling the company to focus on brand productions

(Felicetti and Monograno brands), in constant growth compared to

the overall turnover and a real flagship in terms of format and rate of innovation. Regarding the impact of each type of marketed product, once again in 2023 organic pasta represented

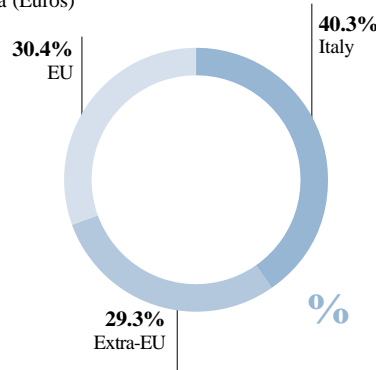
the main item in the balance sheet in terms of value (31.1%), followed by classic semolina pasta (25.6%), which represents the best-selling product in terms of volumes (35.0%).

The graphs show the percentage distribution of the complete product mix leaving the Felicetti factories in 2023.

In terms of market presence, Italy accounts for 40.3% of the turnover of the Pastificio, while the major

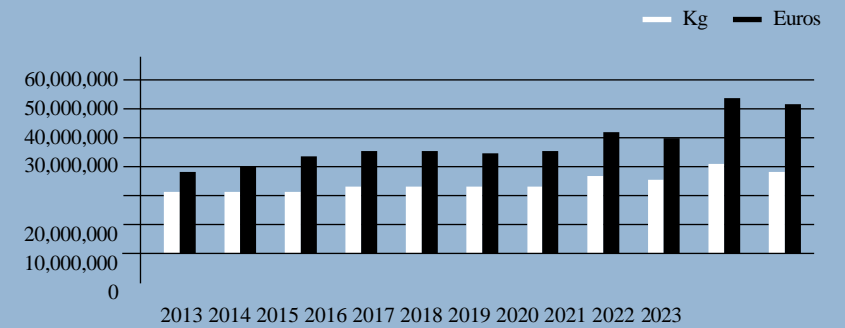
share of production is destined for export and is divided between 50 countries. The European Union (national territory excluded) accounted for 30.4% of sales in 2023, led by Germany (16.4%), followed by the Netherlands (3.2%) and Denmark (2.9%). Non-EU sales, which account for 29.3% of turnover, are mainly to Great Britain, the United States, Canada and Japan.

**Turnover distribution 2023**  
by geographical area (Euros)



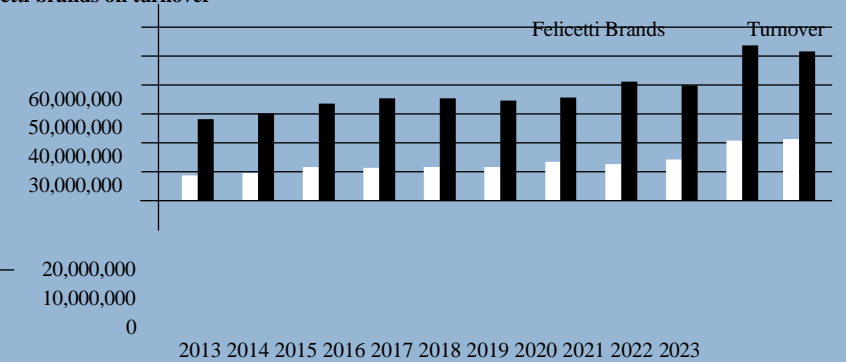
**Production and turnover trends**  
2013-2023 (kg - €)

kg/€

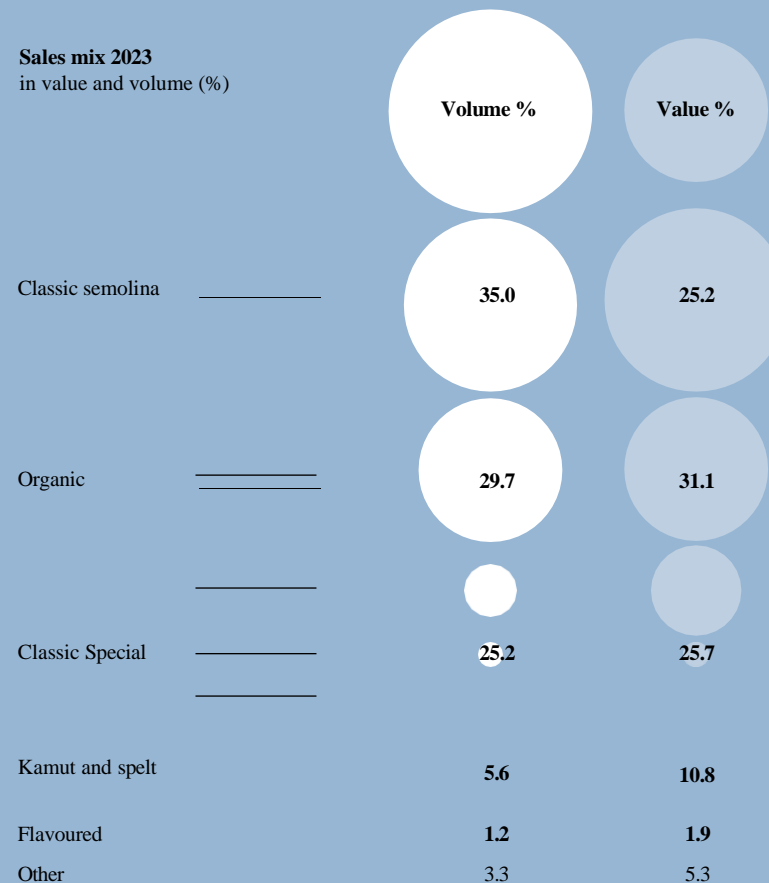


**Incidence of Felicetti brands on turnover**  
2013-2023 (Euros)

€



**Sales mix 2023**  
in value and volume (%)





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## Felicetti, the chef's pasta

A passion for research and constant dialogue with many Michelin-starred chefs have enabled the company to constantly innovate, winning a place in R&D kitchens around the world. Five production lines providing over one hundred formats.

Pastificio Felicetti offers products of the highest quality, combining experience and traditional craftsmanship with continuous innovation, to ensure not only pasta with exceptional organoleptic qualities, but also full respect for the territory in which it operates. Continuously renewed through the development of new formats - which now number more than 100 - the product portfolio is structured into 5 main lines: Monograno, Originale, Biologica, Speciale and Speciale Gastronomia.

The Originale line includes durum wheat semolina and whole-wheat pasta (red brand) and durum wheat egg pasta (yellow brand). Biologica (green brand) includes durum wheat, whole durum wheat, spelt (brown brand), khorasan Kamut® and khorasan Kamut® whole wheat (orange brand).

The Speciale line (grey brand) includes cuttlefish ink, garlic and chilli and tricolour. All of the packagings are distinguished by their Havana colouring.

Then there is the Speciale Gastronomia line, designed for chefs and only available in 1 kg packages.

Last but not least is the Monograno Felicetti line, a monovarietal wheat pasta highly appreciated by the horeca channel dedicated to R&D cuisine.

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### FELICETTI MONOGRANO

The Monograno (single wheat variety) line represents the Pastificio's commitment to offering the most discerning palates a pasta of the highest quality, obtained exclusively from organic monovarietal wheat semolina cultivated on limited land lots thanks to direct or supply chain agreements with farmers.

The range includes different types of product: Matt, a rich variety of durum wheat from the fields of Apulia; khorasan Kamut®, the ancestor of modern wheats with ancient origins in the Middle East and today produced in Canada; Spelt, in the Dicocco and Spelta varieties, once used by Celts, Egyptians and Etruscans and today cultivated by Umbrian and Tuscan farmers; finally 'Il Cappelli', a variety harvested in the Murge, between Apulia and Basilicata: an ancient wheat variety that has remained authentic, unmodified by man to increase its yield, particularly rich in flavonols and polyphenols with anti-inflammatory and antioxidant properties.

Each semolina type preserves the identity of the original wheat variety, retaining all of its nutritional characteristics and organoleptic qualities. During the production process, Felicetti pays the utmost attention to their treatment, in order to keep their quality and taste intact, fully respecting the production territories and their peculiarities in terms of flavours, aromas and textures.

Each format is also carefully designed to make the most of the pasta recipe, thanks to the product's perfect consistency, its firmness during cooking and its ability to hold the condiment. Aspects that, over time, have made this line very popular with restaurateurs and starred chefs, so much so that it has led to the creation of a special range without cardboard packaging.

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### SPECIALE FELICETTI

The Speciale (special) line was created for those who wish to experiment with unique and bold flavours, harmonising the maritime notes of squid ink, the spiciness of garlic and chilli and the sweetness of tomato and spinach with the traditional Felicetti flavour. Ingredients that add a touch of originality to the dishes, creating unforgettable culinary experiences.

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### ORIGINALE FELICETTI

The Originale (original) line embodies all of the knowledge of tradition, from the meticulous selection of the best durum wheat to the accurate grade of milling and bronze drawing, so as to offer the palate all the flavour of homemade pasta. The selection, as mentioned, includes durum wheat semolina pasta, whole durum wheat and durum wheat egg pasta.

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### BIOLOGICA FELICETTI

The Biologica (organic) line brings with it all the authenticity of the earth and the purity of mountain water and air. The selection of certified organic origin includes durum wheat semolina pasta, whole durum wheat, spelt, khorasan Kamut® wheat and khorasan Kamut® wholemeal wheat. These organically grown ancient wheats offer unique flavour and valuable nutrients, ensuring a health-conscious choice for all customers.

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### SPECIALE GASTRONOMIA

The Speciale Gastronomia (special gastronomy) line, packaged in 1 kg bags, is designed for chefs who make their cooking an art and who need the guarantee of consistent performance in cooking time, firmness and distinctive flavour.

# 2

## Commitments to sustainable development

GRI 2-29; GRI 3

### An environmental and social agenda

Two inseparable and interdependent issues - protection of the ecosystem and corporate citizenship - which for Felicetti translate into a sustainable development strategy based on four pillars: low impact production, cooperation with the community, food safety and responsible governance.

Felicetti strongly believes that there can be no future without sustainable development that respects the planet and knows how to square the economy, society and the environment, ensuring constant balance between business prosperity, equity and environmental protection.

This is why in early 2024 - following a path that has already seen the company dedicated to protecting the natural heritage of the Dolomites, the community and the entire territory in which it operates – Felicetti formalised its commitment to sustainability through a framework based on four strategic pillars:

- low environmental impact production, focusing on reducing the effects generated by production processes in terms of anti-waste, recycling, recovery and renewable energy sources;
- protection of individuals and the community, understood as both the safeguarding of security, equity and talent development, and as cooperation and support for local stakeholders;
- nutrition and food safety, issues that are central and strongly emphasised throughout all production stages;
- accountable governance, which is essential to ensure adequate sustainability, empowering and involving all stakeholders participating, in various capacities, in Felicetti's value chain.

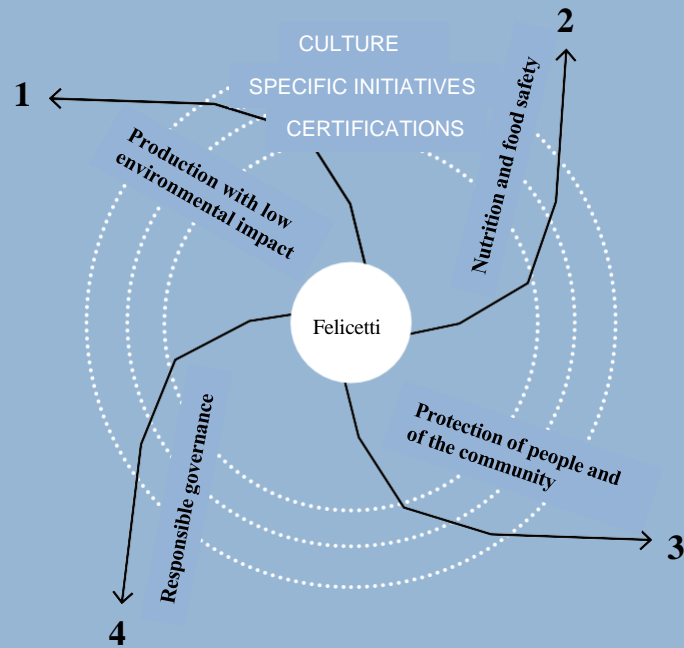
Starting from these strategic lines, Felicetti is developing a sustainability plan that encompasses short-, medium- and long-term objectives and targets relating to the areas of environmental, social and governance sustainability. Through specific actions, the Pastificio will be able, by 2030, to improve its performance, as well as to monitor and reduce the risks associated with these issues.

Internal managers were identified to ensure the implementation of each action. They will be put in charge of monitoring the pursuit of the objectives and define, if necessary, any corrective actions.

The sustainability plan was approved by the Board of Directors at the end of the first half of 2024.

## Pastificio Felicetti's sustainability framework

Evolving the pasta tradition to offer our customers products of excellence that are never conventional and always sustainable.



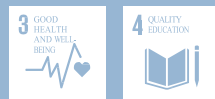
### 1/ Production with low environmental impact

Reducing the environmental impacts of production processes, through 'zero-waste' production based on renewable energy and recyclable packaging.



### 2/ Nutrition and food safety

Ensuring high quality standards and food safety, ensuring for the end customer transparent and effective product communication and promoting food culture.



### 3/ Protection of people and of the community

Promoting the professional development of employees through dedicated growth programs, ensuring equal opportunities and welfare, the health and safety of employees by enhancing security and proposing corporate welfare programs. Enhancing the territory through specific initiatives.



### 4/ Responsible governance

Activating a virtuous circle of shared growth through relationships of cooperation with actors in the value chain. Ensuring the progressive protection of sustainability issues along the value chain.



## The network of stakeholders

Internal or external, direct or indirect, proximity or perspective, each stakeholder category goes to make up that horizon the company looks to to commensurate with the impact of its work, in the present and to future generations.

Not a programmatic commitment but a daily exercise.

Establishing and maintaining constant dialogue with all stakeholders of interest represents for the Pastificio a strategic option, as it helps to increase trust, improve decision-making processes and reduce potential conflicts. This approach led, as early as 2022, to the mapping and subsequent involvement of stakeholders, aimed at understanding the impact of their expectations on the activities of the organisation and to share programs, objectives and initiatives, in the belief that transparent performance reporting generates shared value and supports sustainable business growth.

The methods of involvement, the purposes and the frequency of engagement vary according to the individual stakeholder category.

#### • Employees

Felicetti considers its employees one of its most important stakeholders, with whom the company is committed to maintaining solid relations through direct, open and transparent communication. To this end, periodic meetings are organised with employees

to share information on the company's progress, to listen to opinions and concerns and to provide opportunities for training and career development. The Pastificio also makes sure to maintain the levels of employee well-being high, thanks to programs and initiatives aimed at improving the quality of life within the company.

#### • Customers

The company makes a constant effort to understand the needs of distributors and retailers, to provide them with safe, high-quality products that meet their expressed and unexpressed expectations. Felicetti also periodically submits to major customers questionnaires aimed at collecting feedback, to assess the level of satisfaction regarding the products and services provided, so that improvements can be made where necessary. A dialogue that is also fundamental to understanding market trends and to evaluating the development of new products and services.

#### • Lenders and shareholders

The Pastificio meet their capital providers through institutional channels, providing in a transparent manner all economic, financial and sustainability-related details necessary for understanding corporate performance.

#### • Trade associations

Felicetti actively works with trade associations to promote the interests of the pasta sector, participating in meetings and trade

conferences to which it contributes its know-how. Particular mention should be made of, among others, Confindustria Trento, Trentino Export and Unione Italiana Food, an association that directly represents 530 companies in the Italian food industry, including 30 companies in the pasta sector belonging to the Pastai group, of which Riccardo Felicetti was president for 12 years.

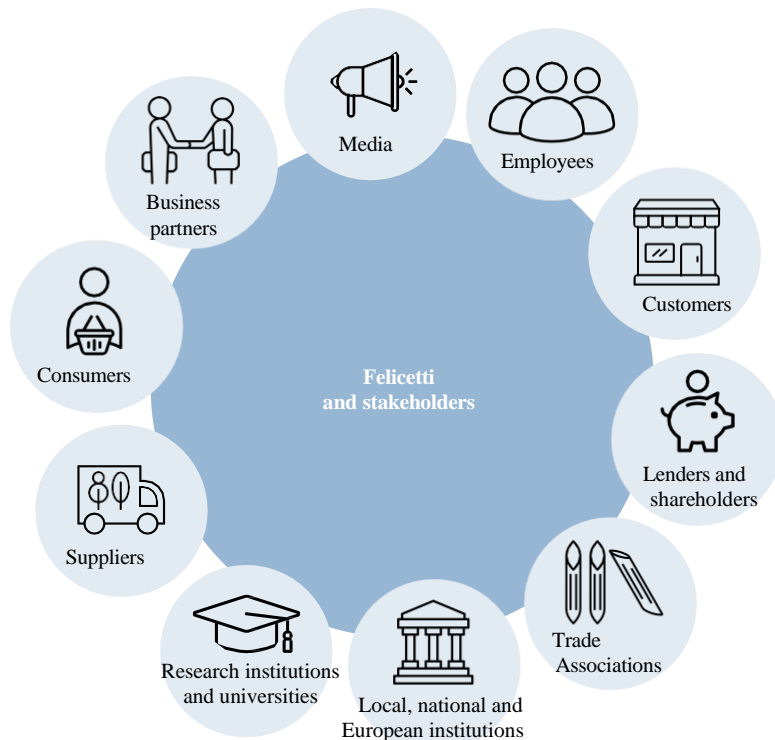
- **Local, national and European institutions**

The Pastificio maintains close relations with the institutions, with a focus on local governments, and is a founding member of FiemmePer, an Ets foundation that aims to make a concrete contribution to the sustainable development of Val di Fiemme. Also worth mentioning is the partnership

with the Magnifica Comunità di Fiemme, a public body of historical origin (the first records date back to 1111), which today autonomously manages part of the forest and real property heritage of the Dolomites. Please refer to Chapter 6 for more details on the commitment of the Pastificio to the territory and local communities.

- **Research institutions and universities**

Collaboration with the academic world is ongoing and focuses on several specific projects. Of great importance are those developed with the University of Trento for life cycle analysis and the resulting impact on the environment of different types of packaging - which led Felicetti to the design of the new 100% paper packaging - and with the University of Gastronomic Sciences in Pollenzo.



A picture of the Latemar chain in the Fiemme Dolomites whose highest peak measures 2,846 metres above sea level.

- **Business partners**

The Pastificio works with multiple partners from the corporate world in activating specific projects to achieve common goals. See Chapter 6 for further details.

- **Consumers**

The company engages consumers through multiple initiatives aimed at promoting food culture, food education and a healthy lifestyle, combining proper nutrition with regular sports activity. Please refer to Chapter 6 for more details.

- **Suppliers**

Please refer to Chapter 3 for an in-depth analysis of the process for the selection, employment and assessment of suppliers.

- **Media**

Felicetti maintains ongoing relations with the local and national press, newspapers, web and radio and television channels, involving them through targeted actions - press releases, events and interviews - with the aim of consolidating the company's reputation and giving visibility to projects, initiatives, partnerships, new products and economic and financial results.

# Materiality analysis

Every sustainable development strategy must stand on a realistic base called 'materiality analysis'.

This is a codified grid designed to measure impacts and offer them for evaluation, giving concrete and comparable targets and striving to achieve them.

In 2022, Felicetti conducted its first materiality analysis in line with

the GRI 2016 standard in order to identify the sustainability topics considered most relevant (so-called 'material topics') that significantly reflect economic, environmental and social aspects of the Pastificio and influence the decisions of stakeholders. In 2023, the analysis process was updated from the previous year with a view to improving reporting, in order to ensure compliance with the latest GRI universal standard 2021 and in particular GRI Standard 3 that provides guidelines and minimum requirements for conducting the analysis. This standard defines the criteria for the so-called 'impact materiality', i.e. that process that allows an organisation to identify, by engaging stakeholders, "the most significant impacts on the economy, environment and people, including those on human rights".

The identification of material impacts, then grouped into topics, was done through:

- a preliminary investigation of the external context, i.e. trends and best practices adopted by other companies in the sector;

- an analysis of the internal context, through the direct involvement of ten heads of department.

By then examining the value chain of the pasta factory, an initial list of positive and negative, actual and potential impacts was made, which were assessed by 150 internal and external stakeholders belonging to the following categories: suppliers, customers, institutions, banks, experts, employees and BoD members.

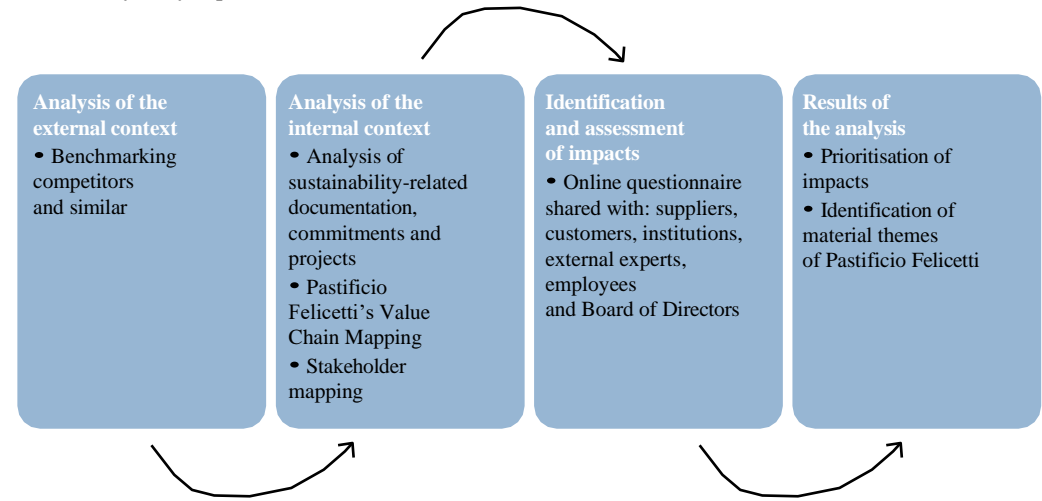
This evaluation was carried out through the distribution of a

questionnaire that provided for the awarding of a score from 1 to 4 to identify the contribution of the Pastificio to the individual types of impact identified.

The results obtained were aggregated and put in order of priority through a weighing operation of evaluations which took into account the influence and the knowledge of each stakeholder category on the specific impacts, leading to the identification of two materiality thresholds, obtained as the median of positive impacts (3.36) and negative impacts (1.17), which then led to the identification of material topics. Each impact was finally associated with one or more Sustainable Development Goals (SDGs), in order to outline the contribution Felicetti proposes to make. The role of the Board of Directors was fundamental to the entire materiality analysis process and ended with the validation of the results.

The table summarises the positive, negative, actual and potential material impacts, grouped into sustainability topics and listed by governance, social and environmental areas. Overall, the material topics relevant to the Pastificio turned out to be 9,

## Materiality analysis process



## Impacts generated by the Pastificio

■ Environmental ■ Social ■ Governance

### POSITIVE IMPACTS

Material topic	Impact	Type	Relevance	SDGs
Quality, labelling and food safety	Ensuring the best quality of the product through the selection of raw materials and the commitment to ensuring correct information on nutritional values.	Actual	3.97	8 – Decent work and economic growth 12 – Responsible consumption and production
	Ensuring consumer safety through a plan of complete and accurate controls.	Actual	3.96	
	Compliance with contractual conditions, timing and customer expectations.	Actual	3.53	
Research and innovation for sustainability	Contribution to the circular economy e.g. by ensuring complete recoverability of packaging through product innovation.	Actual	3.75	9 - Industry, innovation and infrastructure 12 – Responsible consumption and production 13 – Climate action
Supporting the territory and the community	Community's and end consumers' awareness on the issues of food safety and quality consistently with the European strategy "From producer to consumer".	Actual	3.71	8 - Decent work and economic growth
	Supporting the local and non-local community through charitable initiatives and promotion of sports clubs.	Actual	3.64	12 - Responsible consumption and production

<b>Creating value in an ethical and transparent manner</b>	Creation and distribution of economic value in the territory.	Actual	3.69	<b>8 - Decent work and economic growth</b>
<b>Employee health and well-being</b>	Well-being of employees and workers thanks to a healthy and safe workplace that promotes people's optimal mental and physical state.	Actual	3.36	<b>3 – Good health and well-being</b>
<b>Human resources management and development</b>	Developing skills and abilities of employees through the implementation of career development plans or programs.	Actual	3.36	<b>4 - Quality education 8 - Decent work and economic growth</b>
	Attracting talent and promoting people's personal and professional growth.	Actual	3.36	

**NEGATIVE IMPACTS**

Material topic	Impact	Type	Relevance	SDGs
<b>Energy efficiency</b>	Energy consumption deriving from company activities.	Actual	2.41	<b>7 - Clean and accessible energy 13 – Climate action</b>
	Contribution to climate change through emissions of greenhouse gases (GHG) of scopes 1, 2 and 3.	Actual	2.29	
<b>Circularity and resource utilisation</b>	Water consumption in production plants.	Actual	2.32	<b>6 - Clean water and sanitation</b>
	Contamination of ecosystems and release of microplastics due to the dispersion of packaging waste.	Actual	1.81	<b>12 - Responsible consumption and production</b>
	Waste generation and non-recoverable disposal.	Actual	1.78	
<b>Supporting the territory and the community</b>	Noise and light pollution in the areas surrounding the production plant.			<b>3 – Good health and well-being 8 - Decent work and economic growth</b>
<b>Human resources management and development</b>	Employee turnover attributable to ineffective management.	Potential	1.80	
	Impact on employee well-being in the presence of a balance gap between work and personal life.	Potential	1.71	
<b>Supply and traceability of raw materials</b>	Loss of biodiversity, pollution and depletion of ecosystems due to agricultural practices of suppliers.	Potential	1.71	<b>12 - Responsible consumption and production</b>

to which one or more impacts are linked, whether positive or negative, actual or potential: quality, labelling and food safety; research and innovation for sustainability; supporting the territory and the community; creating value in an ethical and transparent manner; employee health and well-being; human resources management and development; energy efficiency; circularity and resource utilisation; supply and traceability of raw materials.

The impacts identified generate effects on the economy, the environment and people that can contribute, positively or negatively, to the achievement of targets and for the sustainable development goals (SDGs), defined by the United Nations as part of the 2030 Agenda.

This document, signed in September 2015 by 193 countries, including Italy, aims to guide the world towards achieving

17 objectives by 2030, consisting of 169 targets and more than 240 indicators. The 2030 Agenda is not just a document that sets out the 17 objectives to be achieved for a sustainable future but represents a global challenge involving the entire planet and to which the Pastificio continuously strives to offer its contribution. To this end, Felicetti has identified 8 Sustainable Development Goals that can be associated with the material topics identified, which concern people's health and well-being, environmental protection, the path to a circular economy and innovation.

The forward-looking vision of the sustainability framework and the related plan then highlighted the potential to contribute to 5 additional SDGs in the future, concerning gender equality and combating inequalities, sustainable communities, good governance and cooperation with all stakeholders.

SDGs taken on



Potential SDGs





# 3

## Production and supply chain

GRI 2-6; GRI 204-1, GRI 301-1, GRI 416-1  
SASB FB-PF-250a.1, FB-PF-410a.1

## How Felicetti pasta is created

From the choice of wheat to the dough, to the drawing and the drying, and finally to the store shelves, the making of pasta is complex and requires timely supervision of each production stage.

With the awareness that in addition to controls, to the quality of technologies and to the expertise of the head pasta maker, two simple elements make the difference: the air and water of the Dolomites.

With more than one hundred different formats, Felicetti reaches a total of 35 thousand tonnes of production output per year - of which 20 thousand are made at the Predazzo site and 15 thousand in the Molina plant - through 6 main lines that allow both plants to achieve an output of 70 tonnes of pasta per day, with the important goal of putting their signature on a product of the highest quality, of 'artisanal' design but with high technological content.

Centuries of know-how built up generation after generation and process innovation are at the service of a production chain that, by its very nature, constantly dialogues with the surrounding environment, preserving the original quality of raw materials and respectfully employing natural resources, starting with spring water for the mixtures and the air of the Dolomites for drying.

### SELECTION AND MILLING, FROM FIELD TO SILO

The production process of Felicetti pasta does not start in the factory but in the fields. Starting with the careful selection of the ideal kernels and the right soil for growing wheat, the Pastificio is committed to promoting sustainable farming practices that respect the environment and preserve natural resources.

Once the wheat has reached full maturity, it is harvested and delivered to the mill and ground to obtain a semolina with the desired quality characteristics that is then loaded into tankers dedicated exclusively to transporting edible grains. On arrival at the plant, the truck is weighed twice (before and after unloading) and subjected to sampling to verify that the information on the transport documents matches that of the certificates of conformity issued by suppliers. The in-house laboratory, located next to the storage silos, analyses the samples to check the quality of the raw material delivered: moisture, ash and protein (which are the legal requirements), as well as gluten content, bran residues, colour and grain size. If the parameters are compliant, the semolina receives discharge authorisation and it is sent directly from the tanker truck to the storage silos via pneumatic pipelines. Meanwhile, at each delivery, a sample is kept for the purpose of monitoring the quality of the product, even when it has left the plant. Accurate planning allows to manage production efficiently, adapting it dynamically to market requirements.

## KNEADING AND DRAWING, FROM THE SILO TO THE KNEADING MACHINE

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At this stage, a computerised system coordinates two key processes: sifting and cleaning the semolina, which are essential to guarantee the purity and quality of the raw materials used. Once these operations are completed, the semolina is mixed with pure mountain water to make the dough. Another automatic system ensures the right dosage of the two ingredients to obtain a dough suitable for drawing that is the next step that will give the pasta its shape. Using specially designed and custom-built inserts, extrusion through the die gives life to the individual shapes, giving each individual piece of pasta all the detailed attention and passion that characterise Felicetti products.

## DRYING (WHEN PASTA REALLY BECOMES PASTA)

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The pasta that comes out of the draw still fresh is transferred to dryers, where it is hit by hot air that removes excess moisture, turning it into dry pasta. Modern automated systems control every aspect of this process, adapting to the specific needs of each variety. Once the drying cycle is complete, each format is stored in dedicated storage silos, ready to be collected, screened and sent to the packaging machines.

## PACKAGING, A SAFE PRODUCT

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At the end of the production cycle, the pasta is sent to the packaging machines, which weigh and pack it, subjecting it to further quality and safety checks. The packs

then pass through a metal detector, which guarantees their integrity and safety while also ruling out the presence of foreign bodies. Once they have passed the check, the packs reach the shrink wrapper where they are sealed in sturdy cartons and, with the help of line robots, are placed neatly on pallets, ready for dispatch.

## FROM PACKAGING TO WAREHOUSE

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After being packaged, the pasta undergoes the palletising process, an essential logistical step to optimise space in the plant. The cartons, carefully arranged on pallets, are wrapped in protective film to ensure safety and compactness during transport and - via a shuttle system - are sent to the warehouse. This high-tech, fully automated space receives the product, lifts and places it in the destination shelves thanks to state-of-the-art stacker cranes. The pasta is now ready to be sent to the loading bays and loaded into the goods transport vehicles.

## FROM WAREHOUSE TO TABLE

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Once the production cycle is complete, the pasta is delivered to transporters who, with care, bring it to our tables. The company prefers partnerships with wholesale customers, such as supermarkets and retail chains, but offers end consumers the possibility of purchasing Felicetti pasta also through direct channels, such as the website [www.felicetti.it](http://www.felicetti.it) or the retail stores present at the two plants. The Pastificio is also committed to maintaining lasting and collaborative relations with all its business partners through long-term contracts based on trust and mutual satisfaction.



## From organic to monovarietal

Among the Pastificio's assets, rightfully at the top are the know-how accrued in the research and selection of the best and least conventional semolina varieties as well as the expertise in organic production that started as early as the mid-1990s, when the Felicetti family's fourth generation joined the company. Compliance with production specifications, entrusted to the control of the Ccpb and carried out continuously for over thirty years, constitutes one of the company's intangible assets.

Dry pasta by its very nature has a short, very short list of ingredients: only durum wheat semolina, water and air. This is why Felicetti has always recognised the importance of selecting raw materials with extreme care and strong awareness, on a production pathway that strives for excellence. Durum wheat semolina is the main component of Felicetti's purchases, accounting for over 66% of raw material costs (please refer to the next chapter for more details). The selection of the best semolina - from Senatore Cappelli to khorasan Kamut® to spelt - is based on strict quality criteria that affect all the stages of the process, from the choice of soil and cereals to milling and grinding, relying on close collaboration with suppliers and specialised agronomists working

directly on the monovarietal crops, checking daily the quality not only of raw materials but also of finished products.

The priority the Pastificio gives to the choice of excellent raw materials is also reflected in the decision to use, for the Monograno and Felicetti brands, exclusively durum wheat semolina of Italian origin, with the sole exception of the khorasan Kamut® wheat semolina that comes from Canada. Overall, more than 89% of the pasta sold in Italy is made from semolina of national origin. This choice not only promotes local agriculture and fortifies local business but also helps to reduce the environmental impact related to the transport of raw materials.

### COMMITMENT TO ORGANIC

Since 1995, with the entry into the company of the fourth generation, environmental protection has taken a prominent role in Felicetti's corporate policies.

This is why the Pastificio has progressively embraced the organic production process, which until now has represented one of the main pillars of its activity. An approach enthusiastically welcomed by a large network of Italian partners who implement sustainable agricultural practices, avoiding the use of chemical fertilisers and engaging in responsible management of natural resources in order to protect and preserve the ecosystem. Today, organic pastas make up about 37% of Felicetti's total production output, making it one of the main players in the organic dry pasta sector in Italy,



Cultivation of durum wheat; Harvesting takes place when the ears - which flower in two or three days - have taken on a golden yellow colour.

and for which it has gained awards from numerous international bodies.

Since the 1990s, Felicetti organic pasta has been certified by Ccpb - the Consortium for the control of organic products, one of the first and most authoritative control and certification bodies in accordance with EU Reg. 2018/848 on organic farming, accredited according to UNI CEI EN/ISO/IEC 17065:2012 and holding the necessary

authorisations to operate in the most important international markets.

The Pastificio's reputation in the industry is evidenced not only by the widespread acclaim and appreciation received by Felicetti-brand organic pasta, but also by the trust placed in it by all the distributors who choose to place their own brand alongside that of the Pastificio.

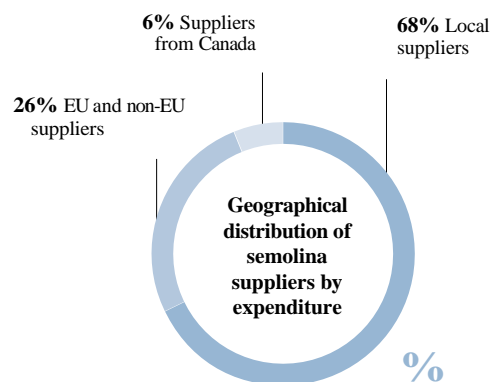


## Supply partnerships

The production specifications indicate the quality of the supply relationship from a technical point of view, but there is a value that does not appear between the lines of the contracts and that is the result of long-standing relationships, carried on with continuity and reciprocity by investing in trust.

The sustainable management of the supply chain represents one of the most difficult challenges for both Felicetti and for the entire pasta industry. In the constant quest for product quality, the accreditation of suppliers represents a fundamental process, which Felicetti - aware of the impacts generated by the entire supply chain - has chosen to govern with a responsible approach, so as to create shared value over time.

The Pastificio has established a solid partnership with a few selected suppliers - who in many cases have been working with the company for more than 30 years - so that they have guarantees in terms of reliability, safety and quality of the products used. Suppliers are identified on the basis of multiple criteria - which include legality, correctness, transparency, reliability and possession of certifications - through risk analysis and assessment, which can also take place by means of self-assessment questionnaires.



In particular, for the assessment and mitigation of product vulnerability and supplier, a 'fraud vulnerability risk

assessment' is made. At the end of the process, the staff of the Pastificio carries out audits based on the level of criticality of both the suppliers and the type of supply. The Pastificio's supply chain consists of two main groups: durum wheat semolina and packaging materials.

Total number of suppliers and value of durum wheat purchases, referred to total production

	Suppliers numbers	Annual expenditure value (€)
2023	9	20,010,503
2022	9	26,183,537
2021	8	18,149,129

DURUM WHEAT SEMOLINA

Considering the total production of the Pastificio, which also includes numerous private labels, durum wheat semolina is the main raw material purchased by the company.

In 2023, 68% of semolina purchases came from local suppliers based in Italy.

The remaining quota comes from from EU and non-EU countries (26.3% of the total) and Canada (5.7% of the total) for production of Kamut® pasta. The total number of semolina suppliers stands at 9, a figure in line with the three-year period, for a total expenditure of approximately EUR 20 million.

### PAPER, CARDBOARD AND PLASTICS

In 2023, the Pastificio continued to invest in the transition from plastic to paper reels. The total of packaging materials purchased by Felicetti amounted to approximately 326 tonnes, with a 11% reduction in polyethylene or polypropylene packaging and a 6% increase in paper packaging, in the amount of approximately 214 and 11 tonnes,

respectively (65.8% and 34.2%). Packaging paper, sourced from responsibly managed and PEFC-certified forests, is a renewable and 100% recyclable material. In the reporting period, one device was purchased that sprinkles the cartons with a wax-based solvent-free solution that stabilises the pallets and increases safety during transport by reducing the use of interlayers, as well as to limit the use of stretch film.

This machinery, currently installed on only one line of packaging, will be tested to verify the actual savings of cardboard and the stability of the pallet. Once the test phase is completed and the expected results are achieved, the pasta factory aims to extend the use of the machinery to other packaging lines as well.

### Type of material used for primary packaging

Units of Measurement	2023	2022	2021
<b>Renewable materials</b>			
Paper reels	kg 111,268	105,372	90,309
<b>Non-renewable materials</b>			
Plastic spools (polyethylene and polypropylene)	kg 214,327	241,495	194,674
<b>Total</b>	<b>kg 325,595</b>	<b>346,867</b>	<b>284,983</b>

## Choosing quality

The Felicetti method: strict controls at all stages of the production cycle and a long list of certifications.

In the increasingly competitive landscape of the food industry, ensuring high standards of quality and safety has become not only a fundamental prerequisite but also a necessity for establishing and maintaining the loyalty of consumers who are increasingly attentive to the origin and labelling of the food they buy. In this context, Pastificio Felicetti stands out for its ongoing commitment to the production of pasta of excellence, placing food quality and safety at the centre of each business process through careful supervision of all the stages of the production cycle, from the selection of raw materials to the sale of finished products.

In line with international standards and directives regarding food safety reports, the company adopts a rigorous risk assessment strategy to identify and analyse potential product safety risks and define preventive and management measures. In 2023, 100% of products has undergone a health and safety impact assessment. The Pastificio also actively implements specific monitoring plans, adapted to the characteristics of each ingredient and type of pasta, in order to ensure constant control over every stage of production. Monitoring of key performance indicators makes it possible to assess the effectiveness of initiatives aimed at disseminating a quality- and food safety-oriented

corporate culture, supporting the achievement of increasingly ambitious goals.

A crucial aspect of this philosophy is the relentless commitment to in-depth analytical testing, which goes beyond industry regulations and is customised where possible to meet specific customer requirements. An approach that not only enables compliance with food industry directives but also promotes a constant improvement in quality standards, anticipating the needs of customers and end consumers. To formalise this commitment, Felicetti over the years has developed an internal manual that incorporates the highest international food safety standards, such as BRCGS and IFS. These certifications, first obtained in 2004, attest to the company's continuous effort to guarantee high levels of quality and safety in all its processes.

In the reporting period the Pastificio obtained confirmation of its certifications, maintaining high scores. No critical incidents related to food safety involved the company. Felicetti also undertakes to respect contractual conditions, timeframes and the expectations of its customers, offering products that not only meet the highest quality standards but also their specific needs, so as to ensure maximum satisfaction.

A system of engagement and feedback makes it possible to constantly assess the quality of the products and services offered by the Pastificio.

The numerous product and process quality certifications obtained over the years, issued by independent international bodies, well represent the solidity of this commitment.



# Certifications



## **BRCGS - Brand reputation through compliance**

A global standard for food safety, it meets the criteria set by the Global food safety initiative of the Consumer good forum, the international organisation of CEOs and senior executives from almost 400 retailers (with more than 200,000 outlets) and manufacturers of all sizes. It is a standard accepted by the majority of Anglo-Saxon food retailers.



## **IFS - International food standard**

Standard that meets the criteria established by the Global food safety initiative to assess a manufacturer's ability to produce safe, authentic and quality food in compliance with legal requirements and customer specifications. It is shared between the large-scale food chains of France, Germany and Italy.



## **EU Reg. 2018/848**

Organic farming is a method of agricultural production that enhances the natural fertility of the soil ecosystem and the healthiness of products, enhancing sustainability without using synthetic products (e.g.: pesticides and chemical fertilisers). EU Reg. 2018/848 defines the methods for organic production, processing, labelling, inspection and certification in the European Union.

The EU has equivalence agreements in place to facilitate trade of certified organic products to and from non-EU countries. Organic equivalency with the European Union includes agreements with Argentina, Australia, Canada, Chile, South Korea, Costa Rica, Japan, India, Israel, the United States, Switzerland, Tunisia and New Zealand. All agreements may provide for exceptions: sometimes they do not cover all products, sometimes they define some specific requirements.



## **JAS**

Japan agricultural standards (JAS) regulate the procurement and labelling of organic agricultural and food products for the Japanese market. This system was already in place in the 1950s and was integrated in 2000 with the inclusion of fresh and processed organic products, with the exclusion of alcoholic beverages and aquaculture products.



## **COR**

COR (Canadian organic regime) is the Canadian regulation on organic products, which establishes production and labelling rules of plant and animal products. Following the equivalency agreement between Canada and the European Union, since June 2011 agricultural products obtained and processed in accordance with European Regulation 834/2007 (now repealed and replaced by EU Reg 2018/848) are considered equivalent to products obtained and processed in accordance with COR.



## **NOP**

The National organic program (NOP) is the legislation that since 2002 regulates the production and labelling of organic products in the United States and is administered by Usda (United States department of agriculture).

In 2012, the equivalency agreement between the United States and the European Union was concluded, which allows most of the products certified as organic in Europe to be exported to the US, albeit with some additional requirements and with the obligation of being accompanied by the NOP import certificate.



## **Organico Brasil**

IBD is one of Brazil's largest certification bodies, authorised by the *Ministério da agricultura pecuária e abastecimento* (Mapa), which ensures supervision and verifies compliance with standards for organic products in force in the Brazilian Federation, allowing the export of organic agricultural and processed products for human consumption to Brazil. According to Brazilian regulations, the entire supply chain must be certified and is subject to inspections.



## **Kosher**

Kosher is the set of religious rules that govern the nutrition of orthodox Jews. The Hebrew word kasher or kosher means 'in accordance with the Law (Torah)', 'permitted'. Certification is issued by rabbinical agencies who also avail themselves of the collaboration of experts, and is indicated on the product by an appropriate symbol or wording identifying the certifying agency.

# 4

## Governance to create shared value

GRI 2-9a; GRI 2-10a; GRI 2-11a; GRI 2-14;  
GRI 2-26; GRI 205-2a,b; GRI 205-3; GRI 206-1

## Governing bodies and organisational structure

Felicetti is a family business that has adopted a collegial governance model with several members of the family as directors sitting next to the financial shareholder.

Pastificio Felicetti has adopted a traditional governance model, based on the executive centrality of the Board of Directors (BoD), responsible for corporate governance, and the supervisory activity performed by the Board of Statutory Auditors.

The members of both bodies, according to the company by-laws, are appointed by the shareholders' meeting every three years and can be re-elected for several terms.

The members of the Board of Directors and of the Board of Statutory Auditors, whose term of office will end in 2024, are shown below.

The Board's responsibilities also include, since 2023, the year of the first sustainability report, overseeing the drafting process and approval of the contents of the sustainability report, including impacts and material topics. The president also holds the position of CEO and head of the Operations and Logistics Department and of the Procurement Department.

To preside over transparency and the correctness of the economic and financial data that are communicated to stakeholders, Pastificio relies on an external consultant, with the role of accountant and tax advisor, and on an independent auditing company.

The manifold activities of the Pastificio are managed by specific company functions coordinated and supervised by the Steering Committee, composed of the CEO, the Chair and Vice-Chair of the Board of Directors. Each corporate function is headed by an operational department, appointed by the Steering Committee, which is responsible for coordinating the organisation, operating on the general directives issued by the management, and to ensure that employees and external freelancers know and respect the corporate values. Below is the company organisation chart, which highlights the information flows and shows the close cooperation between the Steering Committee and the operational departments.



Stefano Felicetti,  
BoD Chair



Paolo Felicetti,  
BoD Vice-Chair



Riccardo Felicetti,  
CEO

Corporate bodies

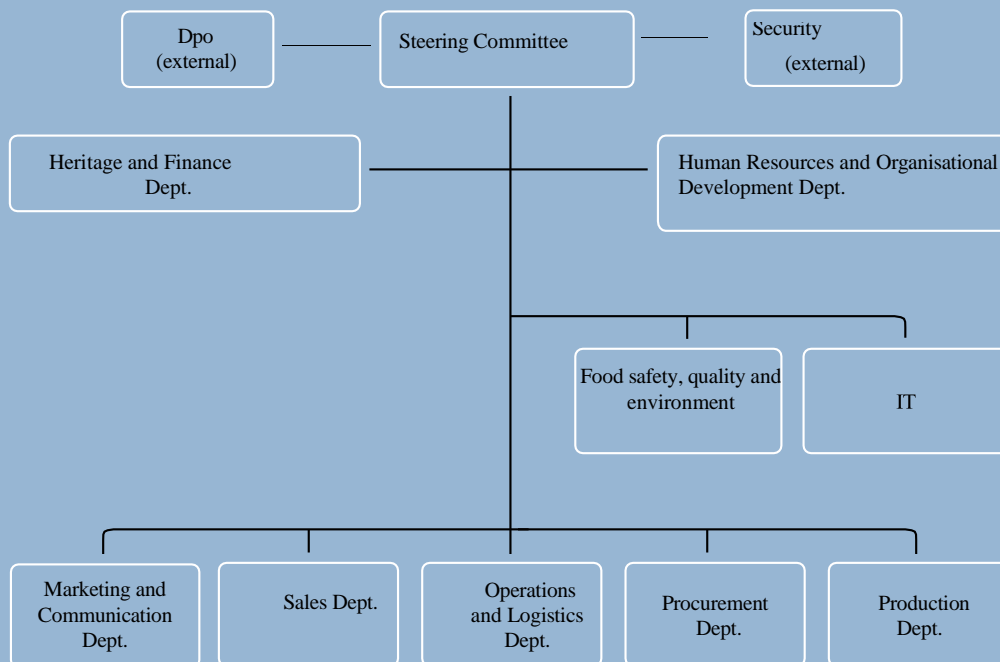
**The Board of Directors**

Chair	Stefano Felicetti
Vice-Chair	Paolo Felicetti
CEO	Riccardo Felicetti
Director	Valentino Felicetti
Shareholder	Giorgio Franceschi

**The Board of Statutory Auditors**

Chair	Marilena Segnana
Standing auditor	Mauro Conzatti
Standing auditor	Stefano Curzio
Alternate auditor	Diego Salvatore
Alternate auditor	Giovanni Paolo Bortolotti

Organizational chart



## Ethics, transparency and the control model

**The Code of Ethics and Model 231**

regulate behaviour within the company in terms of appropriate conduct, integrity and legality in the workplace.

The principles are the same as those that inspire the International Labour Organisation conventions, the Convention on the Rights of the Child and the Universal Declaration of Human Rights.

On the strength of the family-run business that has characterised its activity for over 100 years, Pastificio believes that values represent the foundations of the organisation and enable its continuous development. Legality and integrity, honesty and transparency, fairness and confidentiality, combined with respect for others, represent guidelines for Felicetti in conducting its activities. These principles led to the adoption in 2020 of the Management and Control Organisational Model pursuant to Legislative Decree 231/2001 (Mog 231), aimed at preventing the risk of committing crimes and administrative offences that could theoretically arise in the course of the company's activities, constituting one of the essential elements of the broader system of internal control and risk management. The responsibility for establishing and implementing an effective internal control and risk management system is present at every level of the company's organisational structure and concerns all corporate officers within the range of their official

functions and responsibilities. An important section of Model 231 is the one dedicated to Felicetti's Code of Ethics, based on the core conventions of the International Labour Organisation (ILO), the Convention on the Rights of the Child (UNCRC) and national and international laws on human rights, including the Universal Declaration of human rights. This document, consistent with corporate values, defines the guiding principles of the company's way of doing business, which include the protection of freedom of association, expression and religion and the repudiation of all forms of discrimination, abuse, harassment or intimidation, child labour or forced labour. The Code also recognises that corruption not only generates costs that reduce economic efficiency, depriving communities of certain services to the benefit of a few and distracting the company from its continuous effort towards technological development and competitiveness, but also undermines the dignity and integrity of those who involuntarily suffer its consequences. For these reasons, Pastificio Felicetti condemns corruption in all its forms, at any time, place or circumstance, and periodically communicates to members of the control bodies and to all employees the regulations and procedures relating to anti-corruption through dedicated notice boards, the company's intranet and totem stations that can be consulted at each site. During the three-year period covered by this report, no cases of corruption and anti-competitive behaviour were observed.

In order to ensure widespread knowledge of and adherence to the corporate Code of Ethics, the document is distributed internally and to all stakeholders.

Suppliers of materials and services, subcontractors and all business partners are required to adhere to the Code and to international labour standards.

The Pastificio reserves the right to request proof of compliance with this document from their suppliers, e.g.: through self-assessment questionnaires and third-party audits. In the event of an incident of child labour in a supplier's plant, Pastificio Felicetti reserves the right to cancel orders and terminate the business relationship, unless the provider assures that it will take remedial action, such as removing the child/children by offering a viable alternative, helping the family by paying the a salary until he/she reaches compulsory school age, offering the position to a member of the child's family, guaranteeing him/her the possibility of being employed once he/she reaches the legal working age. At the same time, with reference to internal resources, Pastificio undertakes to constantly implement specific training activities to foster knowledge and observance of the Code of Ethics, including through the adoption of appropriate tools and information, prevention and control procedures.

To ensure vigilance and control in the management of the company, a Supervisory Board (SB) was created. The SB is an autonomous body, appointed by the Board of Directors after consulting the Board of Auditors, that carries out all necessary activities for monitoring the correct adoption of and compliance with the principles set in the Organisational Model.

Felicetti has opted for a monocratic, externally sourced Supervisory Board, investing Mr. Matteo Mancaruso with this role, following a process selection process based on requirements of professionalism, honour, competence, independence and functional autonomy.

It is, in fact, a structure responsible to society that, working with all relevant corporate functions, ensures the continuous supervision of administrative and corporate management activities. The importance of the Supervisory Board is also underlined by its direct relationship with the top management, which requests, on a six-monthly basis, the presentation of a report summarising the reports received, the results of analyses and any disciplinary measures that have been taken.

Pastificio Felicetti recognises that any organisation can be subject to the risk of wrongdoing or unlawful conduct and, therefore, has the responsibility to take appropriate measures to prevent such events and to remedy them should they occur. The company is committed to operating with the highest standards of transparency, legality, fairness and ethical integrity in the conduct of its business relations with employees, suppliers, customers and all stakeholders. To this end, the Pastificio has implemented internal systems for reporting violations, including whistleblowing, to enable employees and third parties to report infringements of national or EU regulatory provisions that may harm the public interest or the integrity of the company and of which they have become aware within the context of their work, including violations of the Code of Ethics or of the Model



Ski jumping from the trampoline, the Polo family's historical archives, 1872-1960.

of organisation, management and control pursuant to Legislative Decree 231/2001. The reporting systems, in compliance with Legislative Decree 24/2023, guarantee the processing of secure and confidential communications sent from reporting persons, preserving them from any retaliation, and allow the company to identify any irregularities and take timely corrective action, so as to avoid any damage of an economic or reputational nature. In order to guarantee conscious, accurate and professional reporting, the Pastificio regularly carries out information and

training activities to raise awareness in internal and external subjects who, for various reasons, are or could be involved in this process. Felicetti is committed to ensuring the constant implementation and updating of the Model, according to the Confindustria guidelines and best practices of reference, in order to identify the areas most at risk and to improve their management through specific procedures.

# 5

## Environmental performance

GRI 302-1, GRI 302-3, GRI 303-3, GRI 303-4, GRI 303-5, GRI 305-1, GRI 305-2, GRI 305-4

### Awareness that can no longer be shirked

No longer just data. Today it also involves the direct observation of each one of us to declare the emergency of climate change, with its continuous anomalous phenomena and large and small environmental catastrophes. The challenge is to believe that such phenomena are to some extent still reversible.

The key lies in our behaviour.

According to the Global climate highlights report published by Copernicus, 2023 was the hottest year ever recorded worldwide (+0.60°C compared to the 1991-2020 average) and the second warmest in Europe after 2020 (+1.02°C). The data of the IPCC's (Intergovernmental panel on climate change) Climate change synthesis report 2023, released in March this year, also confirm worsening global warming levels: between 2001 and 2020, the planet's temperature increased by 0.99°C compared to the 1850-1900 period, and by 1.09°C if we consider the decade 2011-2020 alone. A trend directly linked to human activity, and in particular to the emission of greenhouse gases, which have continued to grow exponentially due to the unsustainable use of energy resources and territories, with dramatic consequences for all areas of the globe, including the rising of water levels (+0.20 m between 1901 and 2018, with a peak of 3.6 mm per year on average between 2006 and 2018) and the increase in extreme weather events such as heat waves, violent rainfall, hail, desertification, tropical cyclones. These are effects that directly or indirectly impact not only the planet, but also mankind's actual chances

of survival, with particular reference to the most vulnerable areas that historically have contributed the least to global warming but are now the most affected by it. The IPCC estimates that, between 2010 and 2020, mortality caused by floods, droughts and storms was 15 times higher in the most fragile areas of the planet than in less exposed ones.

Moreover, soil degradation, reduced water availability and high temperatures not only alter ecosystems and reduce biodiversity but also have direct consequences on agricultural productivity and crop quality, in terms of protein content for example.

The European Environment Agency predicts that climate change could reduce the value of European agriculture alone by 16% by 2050, while production in Mediterranean countries could fall by 80% by 2100, with global knock-on effects in terms of price stability, food security and access to food.

A dramatic scenario that no one can afford to ignore anymore and that requires urgent and responsible action by not only public decision-makers at all levels but also of all companies, especially those operating in the food sector.



## Energy efficiency and emissions

Aiming for energy independence with photovoltaic and cogeneration plants, but also promoting virtuous and resource-conscious behaviour in the company: all this is not enough if no systems are adopted for monitoring, calculating and evaluating consumption and emissions. Objective: gradual but continuous improvement.

Aware of the role each company plays in the fight against climate change, Felicetti has long been committed to reducing its environmental impact through innovation and continuous improvement of its production processes - to increase their efficiency and reduce its external impacts - and the optimisation of resources, with particular attention to the management and monitoring of energy consumption. The main actions implemented by the Pastificio include:

- self-generation of energy through photovoltaic and cogeneration plants in the Predazzo and Molina factories; the Molina complex, in particular, has a trigeneration system that, thanks to its combined production, makes it possible to generate electrical, thermal and cooling energy at the same time;
- sustainable mobility, declined in terms of investment in the company fleet, through the rental of hybrid and electric cars, and the installation of 4 charging stations made available for employees and visitors which allow the simultaneous charging of eight cars;

- the commitment signed in 2023 for the transfer of the wet by-product to the Predazzo biodigester to produce biogas for the district heating plant and made available to the local community;
- the analysis of boiler efficiency and related atmospheric emissions, with the aim of reducing the use of energy produced from gas in favour of the purchase of energy produced by a biomass-fuelled district heating plant.

### CONSUMPTION AND ENERGY USE INTENSITY

As part of its production activities, the Pastificio makes use of thermal energy and electricity. Thermal energy is achieved through cogeneration plants and boilers at the production sites and is mainly used for production activities. Electricity, on the other hand, is both purchased and self-generated through photovoltaic panels and the plant's own co-generator and used to power not only production departments but also auxiliary services such as air treatment systems, lighting and offices. Natural gas accounts for almost all (97%) fuel consumption and 53% is used to feed the cogeneration plant, with the remainder going to the boilers. Over the three-year period, gas consumption increased on average by about 6% against a 10% increase in quantities produced. Diesel fuel and gasoline, on the other hand, power part of the company fleet and reflect its expansion.

Overall, the fuels used by Felicetti in 2023 amount to approximately 79,577 GJ, increased on average by 6% on average over the period. At the same time, electricity covers about 8% of the Pastificio's energy needs. The table shows the details of energy consumption in the three-year period 2021-2023. Overall, energy consumption from non-renewable sources decreased by 0.7% compared to 2022, while the withdrawal from renewable sources - from the contribution of the photovoltaic system - increased by 0.4% compared to the previous year, covering 0.47%

of the company's total energy needs. The Pastificio's investments in the various energy production systems have allowed the generation of a total of 54,359 GJ in 2023, ensuring greater energy independence and less exposure to market volatility over time. In particular, the use of natural gas in cogeneration plants allowed a total thermal energy production in 2023 of 38,983 GJ, up by 10% compared to 2021. Furthermore, thanks to the commissioning of the cogeneration plant in the Molina factory,

electricity production increased by 19% year-on-year to 14,913 GJ, thus decreasing the share of purchased energy by about 38%. Given the nature of self-generation plants and the absence of storage systems, a residual share of the total energy produced - 3% - is sold to the grid. For a better representation of consumption trends, the latter were related to the total output of

pasta produced during the year in order to quantify energy use intensity, i.e. the level of energy efficiency measured by dividing the total of energy consumed in GJ per total production in tonnes. It should be noticed that energy use intensity in 2023 was 3.18 GJ/tonne, down over the three-year period but up slightly from the previous year due to a slight drop in production.

#### Internal energy consumption within the organisation<sup>1</sup>

	Units of Measurement	2023	2022	2021
<b>Consumption from non-renewable sources</b>				
Natural gas	GJ	77,742.32	74,391.07	68,666.95
- for boilers	GJ	36,253.07	40,744.68	35,079.13
- for cogeneration	GJ	41,489.25	33,646.39	33,587.82
Diesel fuel	GJ	1,702.47	1,690.02	1,607.43
Gasoline	GJ	132.43	76.31	6.03
<b>Total fuels</b>	<b>GJ</b>	<b>79,577.22</b>	<b>76,157.40</b>	<b>70,280.41</b>
Electricity purchased from the grid	GJ	6,658.28	10,677.90	6,077.11
<b>Total purchased electricity</b>	<b>GJ</b>	<b>6,658.28</b>	<b>10,677.90</b>	<b>6,077.11</b>
<b>Total non-renewable energy consumption</b>	<b>GJ</b>	<b>86,235.50</b>	<b>86,835.30</b>	<b>76,357.52</b>
<b>Consumption from renewable sources</b>				
Self-produced and consumed electricity	GJ	407.39	405.62	411.25
<b>Total renewable energy consumption</b>	<b>GJ</b>	<b>407.39</b>	<b>405.62</b>	<b>411.25</b>
<b>Total energy consumption<sup>2</sup></b>	<b>GJ</b>	<b>86,642.89</b>	<b>87,240.93</b>	<b>76,768.77</b>
<b>% of consumption from renewable sources</b>	<b>%</b>	<b>0.47%</b>	<b>0.46%</b>	<b>0.54%</b>

1 - The conversion factors used to calculate electricity and fuels were published by the UK Department for environment food and rural affairs (Defra), in the 2023 edition of 'Greenhouse gas reporting: conversion factors'.  
2 - The figures for the years 2021 and 2022 have been recalculated against improvements in the reporting methodology.

#### Self-generation of electricity and heat<sup>3</sup>

	Units of Measurement	2023	2022	2021
<b>Self-produced and consumed electricity</b>	<b>GJ</b>	<b>14,913.49</b>	<b>12,581.40</b>	<b>12,772.06</b>
From cogeneration	GJ	14,506.11	12,175.78	12,360.81
From photovoltaic systems	GJ	407.39	405.62	411.25
<b>Self-generated electricity sold to the grid</b>	<b>GJ</b>	<b>462.33</b>	<b>247.67</b>	<b>175.83</b>
From cogeneration	GJ	449.70	239.68	170.16
From photovoltaic systems	GJ	12.63	7.98	5.66
<b>Self-produced and consumed thermal energy</b>	<b>GJ</b>	<b>38,983.04</b>	<b>42,160.26</b>	<b>35,526.86</b>
From boilers	GJ	29,427.20	33,519.54	28,605.50
From cogeneration	GJ	9,555.84	8,640.72	6,921.36
<b>Total self-generated energy</b>	<b>GJ</b>	<b>54,358.86</b>	<b>54,989.33</b>	<b>48,474.74</b>

3 - The conversion factors used to calculate electricity and fuels were published by the UK Department for environment food and rural affairs (Defra), in the 2023 edition of 'Greenhouse gas reporting: conversion factors'.

#### Energy intensity<sup>4</sup>

	Units of Measurement	2023	2022	2021
Total energy consumed within the organisation	GJ	86,642.89	87,240.93	76,768.77
Total pasta produced	t	27,281.02	29,851.00	23,169.00
<b>Energy intensity</b>	<b>GJ/t</b>	<b>3.18</b>	<b>2.92</b>	<b>3.31</b>

4 - The figures for the years 2021 and 2022 have been recalculated against improvements in the reporting methodology.



Hotel garden in Val di Fiemme, historical archive of the Polo family, 1872-1960.

## EMISSIONS OF CLIMATE-CHANGING GASES

Greenhouse gas (Ghg) emissions associated with the activities of the Pastificio's emissions. Direct emissions, or Scope 1, are derived from natural gas combustion processes or fuels, thus including self-generation processes, while indirect emissions, or Scope 2, are those related to electricity purchased and used by the company. The GRI Standards and the international Ghg Protocol guidelines provide for the calculation of Scope 2 emissions using two methodological approaches, the location-based and the market-based methods. The former reflects the average intensity of emissions from total electricity production at national level, while the latter refers to the average intensity emissions specifically associated with the electricity chosen by the organisation. The table shows the Pastificio's climate-

altering gas emissions in the three-year period 2021-2023, calculated with the operational control method and over a time horizon of 100 years for the global warming potential (Gwp). In 2023, Felicetti recorded Scope 1 emissions amounting to 4,531 tCO<sub>2</sub>e, up 4.5% year-on-year, as a direct result of the start-up of the trigeneration plant and thus an increased use of natural gas for energy production. Scope 2 greenhouse gas emissions, related to the purchase and consumption of electricity, on the other hand, decreased by about 38% compared to the previous year,

and amounted respectively to 494 tCO<sub>2</sub>e or 846 tCO<sub>2</sub>e calculated using the location-based or market-based method, respectively. Overall, considering both Scope 1 and Scope 2 emissions, calculated according to the location-based approach, the activities of the Pastificio generated a total of 5,025 tCO<sub>2</sub>e in 2023, a 5.6% decrease compared to the

previous year. Like energy consumption, greenhouse gas emissions also have been related to tonnes of pasta produced to determine the emission intensity, which in the three-year period 2021-2023 remained fairly constant, with an average value of 0.18 tonnes of CO<sub>2</sub>e per tonne of pasta produced.

### Greenhouse gas emissions<sup>5</sup>

	Units of Measurement	2023	2022	2021
Scope 1 <sup>6</sup>	tCO <sub>2</sub> e	4,531.30	4,337.40	3,975.24
Scope 2 - Location-based <sup>7</sup>	tCO <sub>2</sub> e	493.82	791.94	450.72
Scope 2 - Market-based <sup>8</sup>	tCO <sub>2</sub> e	845.51	1,355.95	771.71
<b>Total Scope 1 and Scope 2 (location-based)</b>	<b>tCO<sub>2</sub>e</b>	<b>5,025.12</b>	<b>5,129.34</b>	<b>4,425.96</b>

5 - Data for the years 2021 and 2022 have been recalculated as a consequence of the change in the energy consumption reporting methodology.

6 - The conversion factors used for the calculation of Scope 1 direct emissions were published by the Department for environment food and rural affairs UK (Defra), in the 2023 edition of 'Greenhouse gas reporting: conversion factors'.

7 - Location-based indirect emissions were calculated on the basis of the emission factors present in the 'Report 363/2022' published by the Higher Institute for Environmental Protection and Research (Ispra) - Italian Ministry of the Environment.

8 - Market-based indirect emissions were calculated with the factors present in 'European residual mix' published in 2023 by the Association of Issuing Bodies (Aib).

Emission intensity	Units of Measurement	2023	2022	2021
Total Scope 1 and Scope 2 (location-based)	tCO <sub>2</sub> e	5,025.12	5,129.34	4,425.96
Total pasta produced	t	27,281.02	<b>29,851.00</b>	23,169.00
<b>Emission intensity</b>	<b>tCO<sub>2</sub>e/t<sub>2</sub></b>	<b>0.18</b>	<b>0.17</b>	<b>0.19</b>

9 - Data for the years 2021 and 2022 have been recalculated as a consequence of the change in the energy consumption reporting methodology.



## Water consumption

Water is one of the most important resources for human survival, but also one of the most threatened. For Felicetti it represents something more: water is the child of the mountains and is also a fundamental ingredient for the production of pasta. In the Dolomites, saving and protecting water is an imperative.

The challenges linked to the management of water resources are significant for the food industry, and in particular for the pasta sector, which is known to feature high consumption of water that is essential for production. Within this context, the Pastificio pays particular attention to the quantities of water used both for dough production and for technical uses such as cooling and creation of steam, striving to use it in a sustainable and responsible manner, despite the fact that the analysis conducted with the help of the Aqueduct water risk atlas, the World resource institute's global water risk mapping tool, has allowed to confirm that the Predazzo and Molina plants are not located in significantly water-stressed areas. In both plants, the Pastificio relies exclusively on fresh water sources from the municipal network or from underground aquifers, performing periodic in-depth checks to guarantee the hygiene of the water resources used and compliance with current regulations, and has undertaken a series of initiatives over the years to minimise the environmental impact of water use.

One of the first actions undertaken was the monitoring and tracking of water withdrawals and water discharges, which makes it possible to monitor and manage consumption, identifying any inefficiencies and optimising the use of this resource. Furthermore, the Pastificio has implemented recovery systems to reduce the total consumption of water and allow its reuse in different production processes. In the case of the Molina plant, for example, the machinery cooling system was revised and optimised to minimise consumption through the use of a chiller and of an absorber, which allows part of the excess thermal energy produced by the trigenerator to be converted into usable energy for the cooling process. It is important to emphasise that this cooling system operates within a closed circuit, thus further reducing water withdrawal and optimising available resources. In 2023, Felicetti drew 165 megalitres of water from the freshwater well, up by 10% wrt 2022, and 32 megalitres from the municipal network, down by about 54% wrt the previous year. With regard to water discharges, however, these have been reduced by 11%, totalling 184 megalitres, and have not recorded the presence of major potentially harmful substances. Water consumption, understood as water withheld by the organisation's activities and not returned to the ecosystem, amounts to around 14 megalitres in 2023, in line with the previous year. In the period considered, no changes were made to water storage systems.

## Water Withdrawals and Discharges

	2023		2022		2021	
	All areas	Water-stressed areas	All areas	Water-stressed areas	All areas	Water-stressed areas
<b>Water withdrawals (megalitres)</b>						
<b>Groundwater</b>	<b>165.53</b>	<b>0.00</b>	<b>150.46</b>	<b>0.00</b>	<b>117.88</b>	<b>0.00</b>
Fresh water (≤1,000 mg/l total dissolved solids)	165.53	0.00	150.46	0.00	117.88	0.00
Other water (>1,000 mg/l total dissolved solids)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Third-party waters</b>	<b>32.37</b>	<b>0.00</b>	<b>69.89</b>	<b>0.00</b>	<b>55.94</b>	<b>0.00</b>
Fresh water (≤1,000 mg/l total dissolved solids)	32.37	0.00	69.89	0.00	55.94	0.00
Other water (>1,000 mg/l total dissolved solids)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total water withdrawals</b>	<b>197.91</b>	<b>0.00</b>	<b>220.35</b>	<b>0.00</b>	<b>173.83</b>	<b>0.00</b>
<b>Water discharges (megalitres)</b>						
<b>Third-party waters</b>	<b>184.02</b>	<b>0.00</b>	<b>207.13</b>	<b>0.00</b>	<b>165.90</b>	<b>0.00</b>
Fresh water (≤1,000 mg/l total dissolved solids)	184.02	0.00	207.13	0.00	165.90	0.00
Other water (>1,000 mg/l total dissolved solids)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total water discharges</b>	<b>184.02</b>	<b>0.00</b>	<b>207.13</b>	<b>0.00</b>	<b>165.90</b>	<b>0.00</b>

## Water consumption

	2023		2022		2021	
	All areas	Water-stressed areas	All areas	Water-stressed areas	All areas	Water-stressed areas
<b>Total consumption of water (megalitres)</b>	<b>13.89</b>	<b>0.00</b>	<b>13.21</b>	<b>0.00</b>	<b>7.93</b>	<b>0.00</b>

## Waste management

The 100% target for Felicetti is already a reality. All waste produced by the company in 2023 has been sent for recovery, with no recourse to landfills.

The foundations are now being laid for the creation and development of a territorial energy community.

The European Green Deal has emphasised circularity as a key element in achieving climate neutrality by 2050, highlighting the importance of a transition to more sustainable production and consumption patterns in order to address increasingly pressing environmental and economic challenges. In this context, the Pastificio has initiated projects to encourage the recovery of by-products from the production process. Specifically, a contract was concluded with the Predazzo Biodigester Agricultural Cooperative, preparing the technical data sheets of the raw by-product and declarations of conformity necessary to carry out the biodigester operations to obtain biogas and digestate. The biogas, derived from an anaerobic fermentation process, will be fed into the district heating plant of Predazzo, while the digestate will be used to fertilize fields in the area. In addition, collaborations with animal feed industries were consolidated in order to use offcuts of dry pasta as raw material for the production of animal feed.

Also with regard to waste management, Felicetti adopts a circular logic, delivering 100% of its waste to R12 recovery operations, based on waste exchange, or R13, temporary waste storage, to subject them to other operations.

In total, in 2023, the Pastificio produced 113 tonnes of waste, 99% of which was non-hazardous, a category that has declined by 28% over the three-year period 2021-2023. Of extreme importance is the work to reduce hazardous waste, which dropped by 51% over the three years in question.

All waste produced in 2023 was destined for recovery at specific external sites, unlike the previous year in which part of the hazardous waste was sent to disposal (20%). The table shows the details of waste generated by category, type and destination.

Regarding the composition of the waste elements, it is important to notice the decrease in the share of hazardous waste, mostly attributable in prior years to the construction of the Molina plant. In 2023, 80% of hazardous waste consists of mineral oils used for engines, gears and lubrication, a category that decreased by 19.3% during of the three-year period, while waste relating to other solvents and solvent mixtures has fallen to zero. With regard to non-hazardous waste, there was also a complete elimination of sludge and freshwater well drilling waste.

Furthermore, compared to 2022, plastic packaging was reduced by 22.5% and paper and cardboard packaging by 18.1%.

### Composition of waste generated - hazardous and non-hazardous

	Units of measurement	2023	2022	2021
<b>Hazardous waste</b>				
Depleted waxes and fats	t	0.00	0.14	0.00
Aqueous washing solutions	t	0.00	0.07	0.00
Mineral oils for engines, gears and lubrication oils, non-chlorinated	t	0.96	1.62	1.19
Other solvents and solvent mixtures	t	0.00	0.21	1.09
Packaging containing residues of or contaminated by hazardous substances	t	0.11	0.12	0.12
Oil filters	t	0.08	0.00	0.00
Antifreeze liquids containing hazardous substances	t	0.00	0.16	0.04
Lead-acid batteries	t	0.04	0.00	0.00
<b>Total hazardous waste</b>	<b>t</b>	<b>1.19</b>	<b>2.31</b>	<b>2.44</b>
<b>Non-hazardous waste</b>				
Sludge and drilling waste from freshwater wells <sup>10</sup>	t	0.00	0.00	44.58
Paper and cardboard packaging	t	69.89	85.35	78.55
Plastic Packaging	t	31.53	40.70	26.18
Components not otherwise specified	t	0.30	0.00	0.00
Discarded equipment, other than that mentioned in 16 02 09 to 16 02 13	t	0.38	0.00	0.00
Paper and cardboard	t	9.88	7.76	4.35
Septic tank sludge <sup>10</sup>	t	0.00	0.00	0.20
<b>Total non-hazardous waste</b>	<b>t</b>	<b>111.98</b>	<b>133.81</b>	<b>153.86</b>
<b>Total<sup>11</sup></b>	<b>t</b>	<b>113.17</b>	<b>136.12</b>	<b>156.30</b>

<sup>10</sup> - The sludge used during 2021 was attributable to the construction of the Molina plant.

<sup>11</sup> - The figures for the years 2021 and 2022 have been recalculated against improvements in the reporting methodology.

Waste not sent to landfills, by recovery method

	Units of Measurement	2023	2022	2021
<b>Hazardous waste</b>				
Preparation for re-use	t	0.00	0.00	0.00
Recycling	t	0.00	0.00	0.00
Other recovery operations	t	1.19	1.85	2.40
<b>Non-hazardous waste</b>				
Preparation for re-use	t	0.00	0.00	0.00
Recycling	t	0.00	0.00	0.00
Other recovery operations	t	111.98	133.81	153.86
<b>Total</b>	<b>t</b>	<b>113.17</b>	<b>135.66</b>	<b>156.26</b>

Waste sent to landfills, by disposal method

	Units of Measurement	2023	2022	2021
<b>Hazardous waste</b>				
Incineration (with energy recovery)	t	0.00	0.00	0.00
Incineration (without energy recovery)	t	0.00	0.00	0.00
Landfill	t	0.00	0.00	0.00
Other disposal operations	t	0.00	0.45	0.00
<b>Total</b>	<b>t</b>	<b>0.00</b>	<b>0.45</b>	<b>0.00</b>

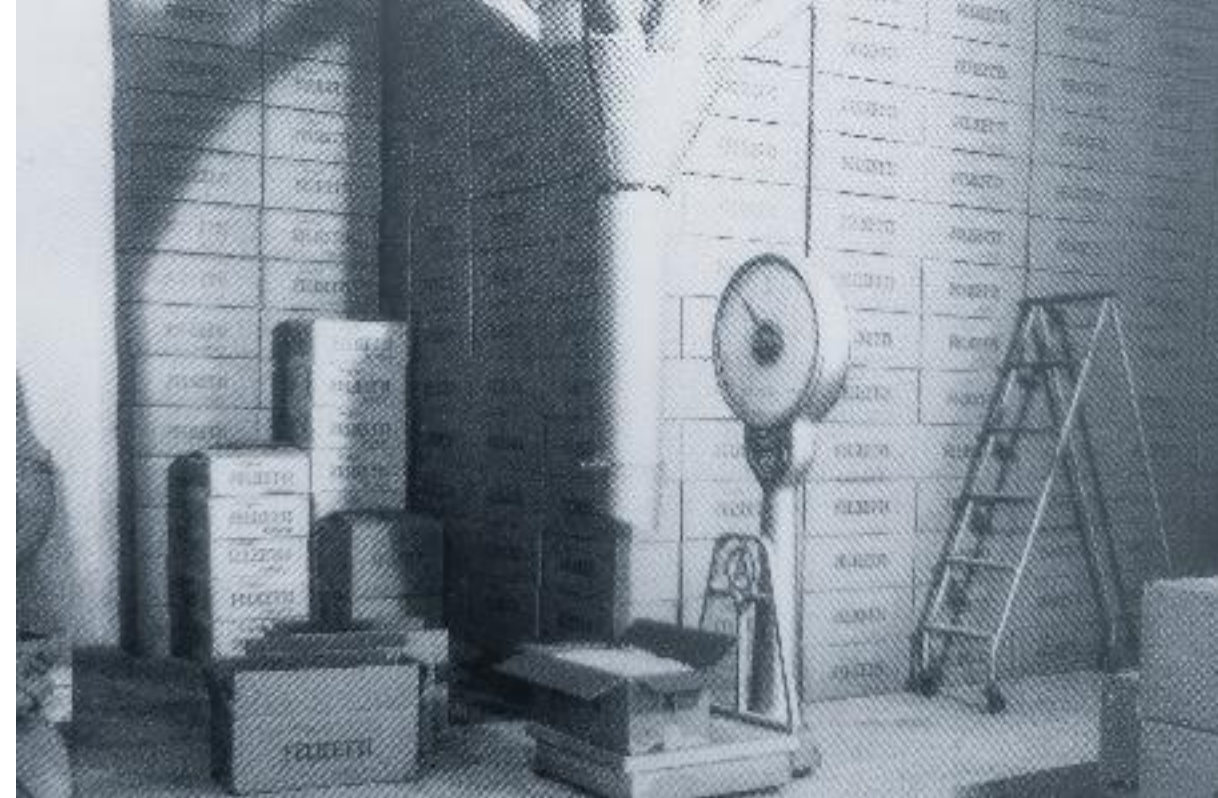


## Research and development in sustainable packaging

The first packet of pasta made of 100% recyclable paper has turned three years old. The LCA analysis carried out with the collaboration of the University of Trento calculated that the environmental benefit in terms of carbon footprint in 2023 achieved the target of 56 tonnes of CO<sub>2</sub>e saved. A value that is destined to grow.

As part of its commitment to environmental sustainability, Felicetti has invested considerable resources in the research and development of sustainable packaging solutions, introducing 100% Pefc-certified natural pure cellulose paper packaging and by initiating with the University of Trento a collaboration aimed at conducting a detailed life cycle analysis of different package types. Objective: to evaluate not only the performance of individual materials but also the actual environmental impact of the entire process, from extraction or production of raw materials to the disposal of finished products. The practical implications of this research were manifold and of great significance. Firstly, the study allowed the identification of critical points in the product life cycle, enabling the Pastificio to adopt targeted strategies to reduce environmental impact. Furthermore, by analysing the contributions of the different life cycle phases, Felicetti was able to prioritise interventions on different products and processes, orienting its

resources towards the areas needing more urgent action. Finally, in terms of communication, the survey enabled the Pastificio to provide its stakeholders with transparent and reliable information through environmental product declarations (Epd). The analysis focused on four types of packaging, in paper and plastic, in order to determine the optimal solution for both long and short pasta. To achieve this goal, it was necessary to collect and analyse a wide range of data relating to the filling, packaging and transport of packages, as well as data specifics on the production process. The Pastificio has adopted a holistic approach, considering not only the direct impact of primary packaging but also that of secondary packaging, transport and associated energy consumption related to filling and internal handling. To ensure an accurate and complete assessment, mass allocation was applied, focusing exclusively on the contribution of the packaging under study and not on its content. The results obtained - calculated according to the Epd 2018 methodology - confirmed that the environmental impact of paper packages is significantly lower than plastic ones: the Gwp (Global warming potential) category shows a reduction by 27-30%, while the Ad-Ff (Abiotic depletion-Fossil fuels, which measures the consumption of non-renewable sources) showed an even greater decrease, by 55-57%. These results not only confirmed the effectiveness of Felicetti's sustainable choices, but they



Warehouse, Felicetti family's historical archive.

also made it possible to quantify the savings in terms of carbon footprint. Overall, in 2023 the use of paper packaging - equal to 22% of total production (+3%<sup>12</sup> wrt 2022) - allowed a reduction of 56 tonnes of CO<sub>2</sub>e released into the atmosphere, confirming the company's commitment to reducing emissions and to protecting the environment.

For the future, the Pastificio aims to reach 30% of paper packaging for its pasta by 2027 and, thanks to its own research and development department, continues to study innovative, stable and highly performing materials that can be disposed of directly as organic matter, thus shifting a further percentage of plastic volumes to natural compostable materials.

<sup>12</sup> - The percentage increase in the use of paper packaging was calculated considering the 2022 figure of almost 19%. It is specified that this figure results from a refinement of the calculation method compared to the result disclosed in the 2022 sustainability report, which was 25%. Consequently, also CO<sub>2</sub> emissions, through the use of paper packaging in the financial year 2022 are to be considered equivalent to 52 tCO<sub>2</sub>e.

# 6

## Social performance

GRI 2-7; GRI 2-8; GRI 2-30; GRI 401-1; GRI 403-1; GRI 403-2; GRI 403-3; GRI 403-4; GRI 403-5; GRI 403-6; GRI 403-7; GRI 403-8; GRI 403-9a; GRI 403-10; GRI 404-1; GRI 404-3; GRI 405-1b

## A community within the community

Working in the place where you grew up is an increasingly less frequent condition. Not at Felicetti, where the 123 employees – plus freelancers - are people capable of walking on ice with ease. The inhabitants of the valley make up almost the entire staff. Women and men who share not only a very close relationship with the historical company in the area, but also an irreducible love for the mountains.

Felicetti believes strongly in its people, considering them a fundamental pillar for the creation of value. That is why it is committed to ensuring the health and well-being of employees on a daily basis, supporting them through targeted professional and personal development programs, fostering dialogue and mutual respect and encouraging inclusion and appreciation of diversity, in the belief that the best way to continue to grow as an organisation is to build a widespread and shared corporate culture.

### HUMAN CAPITAL

The Pastificio's achievements in 2023 are the result of the constant commitment of 190 people. The company has 121 employees operating in the Predazzo and Molina (64%) plants and 69 external freelancers (36%). Employment is secure and continuous: 96% of those employed can count on an

open-ended contract, a typology that has increased steadily over the three-year period.

96% of the company staff at the end of 2023 was employed in full-time contracts, a 6% increase compared to the previous year.

Part-time is provided for 5 employees, in an attempt by the company to make itself more flexible and meet the specific needs of some workers.

All employees are covered by collective bargaining agreements, with particular reference to the Food Industry Collective Bargaining Agreement and the Industry Executives Collective Bargaining Agreement.

Furthermore, in order to reconcile workers' rights with business needs, Felicetti has always promoted constant and transparent dialogue with trade union representatives. As already mentioned, the Pastificio can also rely on a quota of freelancers, amounting to 36% of the total workforce. The table shows the details of the external workforce by gender and type of contract. In 2023, there was a physiological turnover of company resources, with a total of 14 new hires against 10 terminations.

Commitment to valuing people and ensuring each person the full possibility to express their potential is a distinctive element of the Pastificio, directly linked to talent attraction and retention. The selection of new resources takes place following carefully defined processes, which aim to guarantee respect for equal opportunities and avoidance of discrimination and conflicts of interest.

Total number of employees by type of contract and gender

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Open-ended	91	25	116	85	23	108	77	16	93
Fixed-term	4	1	5	5	4	9	8	3	11
<b>Total</b>	<b>95</b>	<b>26</b>	<b>121</b>	<b>90</b>	<b>27</b>	<b>117</b>	<b>85</b>	<b>19</b>	<b>104</b>

Total number of employees by full-time and part-time contract

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	94	22	116	89	23	112	84	17	101
Part-time	1	4	5	1	4	5	1	2	3
<b>Total</b>	<b>95</b>	<b>26</b>	<b>121</b>	<b>90</b>	<b>27</b>	<b>117</b>	<b>85</b>	<b>19</b>	<b>104</b>

External workforce by professional category and gender

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Freelancers	0	5	5	0	5	5	0	6	6
Self-employed workers	54	10	64	55	9	64	50	10	60
<b>Total</b>	<b>54</b>	<b>15</b>	<b>69</b>	<b>55</b>	<b>14</b>	<b>69</b>	<b>50</b>	<b>16</b>	<b>66</b>

Each company function has specific requirements for each position and level of seniority, which act as reference during the technical and aptitude selection phase. Once the recruitment is formalised, the employee receives

the necessary training and is provided with any PPE and equipment needed to carry out his or her job. The table shows data on new entries and terminations over the three-year period 2021-2023, broken down by age and gender.



## New entries by age and gender

2023					
	<30 years	30-50 years	>50 years	Total	Entry rate
Men	0	9	1	10	11%
Women	3	1	0	4	15%
<b>Total</b>	<b>3</b>	<b>10</b>	<b>1</b>	<b>14</b>	<b>12%</b>
<b>Entry rate</b>	<b>14%</b>	<b>13%</b>	<b>5%</b>	<b>12%</b>	

2022					
	<30 years	30-50 years	>50 years	Total	Entry rate
Men	1	9	0	10	11%
Women	2	5	2	9	33%
<b>Total</b>	<b>3</b>	<b>14</b>	<b>2</b>	<b>19</b>	<b>16%</b>
<b>Entry rate</b>	<b>14%</b>	<b>19%</b>	<b>9%</b>	<b>16%</b>	

2021					
	<30 years	30-50 years	>50 years	Total	Entry rate
Men	8	6	0	14	16%
Women	3	3	0	6	32%
<b>Total</b>	<b>11</b>	<b>9</b>	<b>0</b>	<b>20</b>	<b>19%</b>
<b>Entry rate</b>	<b>52%</b>	<b>14%</b>	<b>0%</b>	<b>19%</b>	

It should be noted that although the total number of entries decreased in percentage terms compared to previous years, the entry rate of the lowest age group (employees under 30) remained constant at 14%. As shown in the table, the rate of terminations decreased overall by 3% over the three-year period, although it increased from 2022 to 2023. The figure was affected in particular by the exit of 8 female resources between 2021 and 2023, five of which in the year just ended; a turnover linked to multiple reasons, including retirement,

voluntary change of job, moving within the country for personal reasons or joining an owned company. The valorisation of human resources is also achieved through corporate welfare programs for all employees with the exception of managers. They include multiple initiatives, such as supplementary health care and a life insurance policy currently being extended in terms of coverage. Employees can also count on the hour bank provided for in the second level trade union

## Terminations by age and gender

2023					
	<30 years	30-50 years	>50 years	Total	Exit rate
Men	2	2	1	5	5%
Women	0	4	1	5	19%
<b>Total</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>10</b>	<b>8%</b>
<b>Exit rate</b>	<b>9%</b>	<b>8%</b>	<b>10%</b>	<b>8%</b>	

2022					
	<30 years	30-50 years	>50 years	Total	Exit rate
Men	0	4	1	5	6%
Women	0	1	0	1	4%
<b>Total</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>5%</b>
<b>Exit rate</b>	<b>0%</b>	<b>7%</b>	<b>4%</b>	<b>5%</b>	

2021					
	<30 years	30-50 years	>50 years	Total	Exit rate
Men	5	2	2	9	11%
Women	0	1	1	2	11%
<b>Total</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>11</b>	<b>11%</b>
<b>Exit rate</b>	<b>24%</b>	<b>5%</b>	<b>16%</b>	<b>11%</b>	

agreement and, if not included in the Mbo system, on an annual bonus calculated according to company performance.

### DIVERSITY AND EQUAL OPPORTUNITIES

Felicetti considers inclusion an indispensable factor in human capital management. Diversity is protected through the development of actions and targeted strategies, with the aim of ensuring for all people equal treatment and equal opportunities for development. To this end, the Pastificio started - in parallel with the reporting

pathway - also an accurate monitoring of the composition of its workforce in terms of gender and contract type, with a view to observing the dynamics and to taking improvement actions if necessary. The table shows the distribution of employees by professional category and gender. Between 2022 and 2023, there was an increase in the number of male employees (by a total of 5), while women decreased overall by one. While the top management (managers and executives)



**Total number of employees by professional category and gender**

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	3	1	4	1	1	2	1	1	2
Quadri	3	1	4	5	2	7	4	1	5
Employees	14	16	30	12	16	28	12	12	24
Workers	75	8	83	72	8	80	68	5	73
<b>Total</b>	<b>95</b>	<b>26</b>	<b>121</b>	<b>90</b>	<b>27</b>	<b>117</b>	<b>85</b>	<b>19</b>	<b>104</b>

**Total number of employees by age group and classification**

	2023				2022				2021			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Managers	0	2	2	4	0	0	2	2	0	1	1	2
Quadri	0	4	0	4	0	6	1	7	0	4	1	5
Employees	6	18	6	30	5	18	5	28	3	16	5	24
Workers	16	53	14	83	16	49	15	73	18	43	12	73
<b>Total</b>	<b>22</b>	<b>77</b>	<b>22</b>	<b>121</b>	<b>21</b>	<b>73</b>	<b>23</b>	<b>117</b>	<b>21</b>	<b>64</b>	<b>19</b>	<b>104</b>

**Total number of employees belonging to protected categories, broken down by gender and classification**

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	0	0	0	0	0	0	0	0	0
Quadri	0	0	0	0	0	0	0	0	0
Employees	0	2	2	0	2	2	0	2	2
Workers	2	3	5	2	2	4	2	1	3
<b>Total</b>	<b>2</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>5</b>

is mainly composed of males (75%), as is the case also in the large group of blue-collar workers (90%), the white-collar category sees a majority of women (53%). A situation that remained overall

stable over the three-year period 2021-2023, with a slight increase in the female component for the latter classification. In terms of age, the majority of employees belong to the age bracket between

30 and 50 years of age, representing 64% of the company's population. Of note is a 5% growth in employees under the age of 30, representing 18.1% of the total, reflecting the company's investment in young talent.

The protection and enhancement of diversity takes place especially in the most vulnerable categories. Felicetti can count on the valuable contribution of 7 employees belonging to protected categories, equal to 6% of the workforce (71% of whom are women), which grew during the period under consideration.

**CAREER DEVELOPMENT**

Strengthening skills and developing talent are at the heart of the growth path of every employee at the Pastificio. From the very first days in the company, resources are accepted with onboarding initiatives aimed not only at welcoming new colleagues, but also at providing initial training both on cross-cutting topics related to food safety and on specific topics related to the team they have joined.

Depending on the position they were recruited to fill, Felicetti provides an induction pathway with training activities lasting approximately 6-8 months. The Human Resources Department, in synergy with company management, is responsible for defining a dedicated plan for the acquisition of skills in relation to the challenges that each resource will face on a daily basis. The analysis of training needs takes into account multiple factors, such

as: reports and surveys carried out by management members, including on the basis of analyses of the files of each worker; training needs arising from the risk assessment for each company

department; occurring of emergency conditions due to training gaps; individual career development pathways; technical training needs regarding the application of the procedures of the self-assessment manual for food safety; and so on. Subsequently, the HR department coordinates and implements the training plan, selecting possible service providers, managing the budget and carrying out continuous monitoring before arriving at the final evaluation. In 2023 Felicetti provided their employees with more than 1,000 hours of training, with an average of 8.9 hours per employee. Details by gender and classification are given in the table.

As can be seen, the total number of average training hours per employee decreased slightly from the previous year, from 12.6 in 2022 to 8.9 in 2023.

The biggest impact was the reduction in the number of training hours allocated to the cadre qualification, from 48.6 hours in 2022 to 11 in 2023. The number of training hours reserved for white-collar and blue-collar workers also decreased slightly, by 5.1 and 1 per employee, respectively. Training sessions for managers instead remained stable, with an average of 37 hours.

During their career in the company, each employee is encouraged to cultivate their skills and develop new ones. In 2023, the management development project continued, targeting both top and middle management, with classroom and

individual activities. For more than 3 years, in fact, the Pastificio has been providing a structured and flexible training offer that has been enriched over time by several coaching activities, delivered by an external consultant



Average training hours, by gender and classification

	2023			2022		
	Men	Women	Total	Men	Women	Total
Managers	47.3	6.0	37.0	10.0	64.0	37.0
Cadres	5.3	28.0	11.0	56.0	30.0	48.6
Employees	9.4	12.8	11.2	22.2	11.9	16.3
Workers	6.1	10.8	6.6	7.7	6.8	7.6
<b>Total</b>	<b>7.8</b>	<b>12.5</b>	<b>8.9</b>	<b>12.5</b>	<b>13.2</b>	<b>12.6</b>

Number of persons subject to performance review, by gender and classification

	2023			2022		
	Men	Women	Total	Men	Women	Total
Managers	3	1	4	1	1	2
Cadres	3	1	4	4	1	5
Employees	0	1	1	0	0	0
Workers	0	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>3</b>	<b>9</b>	<b>5</b>	<b>2</b>	<b>7</b>

with the aim of improving performance, collaboration and the realisation of joint projects. Special attention is aimed at consolidating relations between people employed in the company. Among the 2023 projects is the shadowing pathway called 'Crossing the River', via which the company - through a mix of training, coaching and process consulting - has set itself the goal of providing support to the entire organisation in its evolutionary path towards increasingly managerial kind of approach. The Pastificio has also financed two master's degrees on foreign trade and customs, so that beneficiaries could pursue personalised training.

The career development of the Pastificio's staff is managed through a performance review system involving the positions of the top management. This system is based on a management by objectives (Mbo) logic, which, aligned with corporate strategies, allows to identify key performance indicators (Kpi) and to measure the degree of achievement for each resource. On the basis of the results achieved and within the company's budget, employees may receive variable compensation based on the evaluations received. In the course of 2023, 9 employees including managers, executives and clerks (6 men and 3 women) received formal periodic performance review

of performance. For all employees, however, there are informal systems for the evaluation of results, which aim to ensure a stimulating working environment and to foster career development.

## HEALTH AND SAFETY

Felicetti ensures the protection of the health and safety of all those who, in varying capacities, work in its factories and offices, both by fulfilling the obligations provided for by European regulations, Italian legislation and industry contracts, and by making a daily commitment to improve the efficiency of structures and processes in the workplace, also through the creation of synergies between the various company functions and with suppliers, partners and customers. The identification, assessment and management of hazards and risks concerning the health and safety of internal and external personnel are conducted on a regular basis by a team consisting of the employer, the head of the prevention and protection service (Rsp), the competent doctor and the workers' representatives (RIs). The company supervisors support the work group in supervising safety and - together with the prevention and protection officer (Aspp), a figure introduced in the last year - participate in discussions with workers. The competent doctor, an internal company figure, offers his/her services to all personnel, who can contact him/her directly, and who, if necessary, establishes the need for health surveillance measures. All data regarding matters are handled exclusively by the competent doctor with the utmost confidentiality, in full compliance with national laws.

In 2023, the activities for the implementation of the Occupational Health and Safety Management System (OHSMS), continued, overseen by the Aspp, in order to achieve international ISO 45001 standard certification in 2024. The Hazards Reporting Process by workers is done by means of verbal reports directed to the supervisors, the Aspp, the Rsp or the employer. Moreover, with the introduction of the whistleblowing system, one can report any potentially harmful behaviour or actions (even anonymously). Worker consultation is ensured through employee safety representatives (RIs) - one appointed for the Predazzo plant and one for Molina di Fiemme plant - who play a key role as a communication channel between workers and the Pastificio on health and safety issues.

The corporate safety culture is promoted through specific information and training activities: workers have the possibility to consult the company's electronic notice boards and dedicated tokens, while the human resources department identifies training needs and gives employees the possibility of taking in-depth courses on the subject.

All Pastificio employees receive comprehensive and specific training in health and safety at work, at different levels of advancement according to the level of risk associated to their tasks. The courses are aimed at white-collar workers, blue-collar workers and supervisors, with a special focus on workers who use fall arrest harnesses, mobile elevating platforms, forklift trucks and cargo positioning systems



Holidaymakers, Polo family historical archive, 1872-1960.

with ropes. A periodic five-year refresher course is envisaged for each one of these categories with respect to the training programs carried out.

In addition to the appointment of the competent doctor, who ensures the application of health protocols, the Pastificio applies the withholding provided for the FASA fund (a complementary welfare scheme for food industry employees), as per collective agreement and sector agreements. The Fund offers Pastificio employees and their families a series of additional and complementary healthcare services in addition to those guaranteed by the National Health Service, including specialist visits, diagnostic tests, surgery, rehabilitation therapies and drugs.

The same right stands for executives, who have access to the FASI fund (Complementary Health Care Fund).

Felicetti also has internal regulations - which every employee is made aware of upon hiring - that represent a general code of conduct, which can be consulted at any time on the dedicated notice board. The set of rules contained within the document concerns not only employees but also anyone who wants to enjoy a collaborative relationship with the company. The code requires workstations to be equipped with all the tools and materials needed to perform their tasks and to maintain working keep tools in good working order. It also envisages that the maintenance of plant, machinery and vehicles be carried out systematically by the persons in charge of it and that every employee must contribute



Number of occupational accidents of employees<sup>1</sup>

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Total number of accidents</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>
at the workplace	3	0	0	0	0	0	0	0	0
in itinere	0	0	0	0	0	0	0	0	0
<b>Total number of deaths as a result of accidents</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
at the workplace	0	0	0	0	0	0	0	0	0
in itinere	0	0	0	0	0	0	0	0	0
<b>Total number of accidents with serious consequences (excluding deaths)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
at the workplace	0	0	0	0	0	0	0	0	0
in itinere	0	0	0	0	0	0	0	0	0
<b>Working hours</b>	<b>153,038</b>	<b>41,865</b>	<b>194,903</b>	<b>150,745</b>	<b>45,027</b>	<b>195,772</b>	<b>149,884</b>	<b>33,505</b>	<b>183,389</b>
<b>Rate of recordable occup. accidents</b>	<b>19.60</b>	<b>0.00</b>	<b>15.39</b>	<b>6.63</b>	<b>0.00</b>	<b>5.11</b>	<b>6.67</b>	<b>0.00</b>	<b>5.45</b>

<sup>1</sup> - The rate of recordable occupational accidents is calculated as the ratio of the number of recordable occupational accidents to hours worked multiplied by 1,000,000.

constantly and actively to maintaining optimal hygienic conditions in all company areas and premises, even if the cleaning and sanitising staff is present. In addition, in order to prevent accidents at work and occupational diseases, workers are required to use clothing and means of protection to limit the risk of accidents at work, by wearing clothing that is able provide an adequate level of protection and specific protective equipment to protect hands, feet, eyesight and hearing.

Every year, Felicetti monitors the number of accidents and near misses that occurred during the reporting period. In 2023, 3 occupational accidents occurred but without serious consequences. The accident rate - with reference to employees only – was 15.39 (compared to 5.11 in the previous year). In the three-year period 2023 and 2021, on the other hand, there were no cases of occupational diseases related to the work performed by employees. The table shows the total number of occupational accidents incurred by Pastificio employees.

## A social investment

Once again, in 2023, Pastificio Felicetti was listed by Forbes as one of the 100 most sustainable companies in Italy in the social impact category. This is not a new recognition, but one that continues to reinforce the company's commitment to creating partnerships aimed at promoting food culture, nutrition and sports education as sources of well-being.

Being part of a community, for a company, means not only establishing a constructive coexistence with the territory based on the principles of dialogue and respect, but also actively engaging in the creation of a model of truly sustainable development, taking responsibility in leaving the next generations a better environment and society than those they inherited.

The social dimension, both internal and external, represents for Felicetti one of the pillars of the sustainability strategy, which is reflected in the creation of partnerships and initiatives aimed at promoting food culture, nutrition education and a healthy lifestyle, associating proper nutrition to regular physical activity and sports.

As proof of this constant commitment, in 2023 the Pastificio was again placed by Forbes among the 100 most sustainable companies in Italy - in the category of social impacts - at the annual Sustainability award promoted by the famous business magazine.

An award that is the result of a long process of evaluating the ESG performance of the candidate companies, awarded to the companies that best managed to

understand the principles of sustainability, integrating it into business strategies and process innovations. In particular, the Pastificio was awarded for 'having correctly interpreted the company's social role towards stakeholders and the territory'.

### FOR THE PROMOTION OF A HEALTHY AND SUSTAINABLE DIET

Felicetti has always promoted the culture of pasta as a pillar of the Mediterranean diet, a healthy food that respects ecosystems. Activities aimed at supporting the product that is a symbol of Made in Italy include collaborations with professionals in the sector and with great chefs who recognise the quality of Pastificio's products and espouse its ethical and sustainable approach.

Of particular importance is the synergy with the two regional starred chef ambassadors - Alessandro Gilmozzi and Norbert Niederkofler - testimonials of mountain cuisine but also great interpreters of Monograno Felicetti products.

This high-altitude partnership is not solely based on the continuous striving for excellence in the kitchen. Playing the role of common denominator between the Pastificio and its ambassadors



Predazzo, Polo family historical archive, 1872-1960.

local is also the awareness of the role that restaurateurs play in promoting the territory through food & wine tourism. This is why Felicetti has married the 'Cook the mountain' project of three-star Chef Niederkofler, founded on the rediscovery of local ingredients, on the respect for biodiversity, on the diffusion of organic and 0 mile products and on slow living by adhering to seasonality. The Pastificio is also a partner of Care's - The ethical chef days, an event that brings together companies and

food and wine professionals around the same goal: caring for the environment, for communities and for the rhythm of nature, promoting an ethical approach and sustainable cooking. As part of Care's, the Pastificio awards the Young ethical chef prize to emerging young chefs who distinguish themselves through sustainable cooking. The award in went to Jacopo Ticchi, of Trattoria da Lucio in Rimini.

## Felicetti Ambassadors 2023



**Norbert Niederkofler**  
**Atelier Moessmer, Brunico (BZ), three Michelin stars and green star**

Norbert Niederkofler is volcanic, creative, genuine and an advocate of a return to local cuisine. He loves the mountains, where he was born and then returned to after travelling the world – London, Zurich, Milan, Munich and New York - and as an ibex lover loves to travel the mountain regions of the planet to investigate and collect the most diverse gastronomic experiences. After working at Ciastel Colz he alighted at the St. Hubertus in San Cassiano in Badia, where he won the three stars that also followed him in his new adventure in Brunico.



**Alessandro Gilmozzi**  
**El Molin, Cavalese (TN), one Michelin star and green star**

Class of 1965, Alessandro Gilmozzi was born into a family that has been running restaurants for generations in Val di Fiemme and trained at the court of great chefs such as Adrià and Ducasse, while remaining humble – an attitude rarely found among similar figures. In 1990 he opened his own restaurant in a 17th century mill in the heart of Cavalese, gradually moving from the local cuisine to a creative one that earned him the star and, later, also the green star for sustainability. He experiments with unusual raw materials, such as lichen, harvests herbs from the woods on a daily basis, perfects ancient recipes that have lost some of their shine, using smoke in an original way and working with avant-garde techniques on suggestions from the past. Every new addition to his menu is the result of meticulous, scientific study. Because he knows that those who are accustomed to the centuries-old history of Trentino's cuisine do not accept shortcuts. Especially if the direction is that of the future.



**Luca Fantin**  
**Bulgari Ginza Tower, Tokyo**

For a long time the only Italian starred chef in Japan, Luca Fantin grew up with an unbridled passion for cooking and the obsession of using local ingredients. His training took place in the Italian kitchens of Massimo Ferrari, Carlo Cracco, Gualtiero Marchesi and Heinz Beck. Then he landed in Tokyo, where he has been running his own restaurant in the imposing Bulgari Ginza Tower since 2009. It is here that the conflict between local and Italian cuisine finds a solution: Japanese raw materials for Italian dishes.



**Michele Casadei Massari**  
**Lucciola, New York**

A true renaissance man, Michele was born in 1975 in his still beloved Riccione and grew up in Bologna. He moves to New York City in 2009, a city where he has grown roots ever since. Creative and expressive but also a staunch advocate of the truth of science, Massari is driven by an endless thirst for exploration. As executive chef he merges each of his personal passions in a visionary gastronomic style, with delicate textures and bright colours capable of enchantment.



**Cristiano Tomei**  
**L'imbuto, Lucca**

Born in 1974 in Viareggio, where he spent his childhood, Cristiano attended nautical school and began touring the world driven by a passion for surfing. In the course of his travel experiences, he began to develop a passion for the many local flavours, so much so that when he returned to Italy, he decided to open his own restaurant on the beaches of Viareggio at the age of 27. Shortly afterwards, he moved to Lucca, opening in the ancient stables of the 17th-century Palazzo Pfanner L'Imbuto, a restaurant that is awarded a Michelin star in 2014. Today Tomei is one of the most controversial chefs on the Italian gastronomy scene for the creative flair of his dishes and his original combinations.



Among Pastificio's long-standing collaborations is the one with *Identità Golose*, an international haute cuisine magazine that, since 2005, has been the promoter of 'Identità Milano', an international kermesse dedicated to food culture. In 2023, Felicetti was again among the partners of the event, inviting to cook at its stand chefs Massimo Piccolo of the Rome Marriot Grand Hotel Flora, Cristiano Tomei of Lucca's L'Imbuto restaurant and Andrea Alfieri, executive chef at Da Noi In, Magna Pars Hotel à Parfum in Milan: a tribute to the increasingly symbiotic link between haute cuisine and hotellerie, which sees in catering one of the strengths of Italy's hospitality industry.

The monovarietal pastas of the Monograno line were also the focus of the customary appointment with the 'Identità di pasta' format, in its fourteenth edition in 2023: seven vertical lessons dedicated to the iconic Made in Italy product, signed by great chefs who each year pay homage to the absolute centrality of pasta in modern gastronomic culture.

The collaboration with *Identità Golose* also includes the patronage of its Guide to restaurants, bringing together the best of haute cuisine in Italy and the world, with which Felicetti each year assigns a young under 40 chef the 'Identità di Pasta' award.

In 2023, it was the turn of Michele Lazzarini, born in 1991, trained at the court of Niederkofler and now owner of Contrada Bricconi, a farm and agritourism company in the upper Seriana Valley, where he has created a fine-dining mountain restaurant. The projects already mentioned are accompanied by other important partnerships with associations committed to enhancing the Italian food and

wine heritage, as well as to supporting private or publishing initiatives with the same objectives.

- Ambassadors of Taste**  
 Founded in 2016 by 44 founding members, it is an expression of excellence in Italian catering and hospitality.  
 Its members include chefs, restaurateurs, pizza makers, sommeliers, pastry chefs and ice cream makers, as well as journalists, writers, scholars and researchers, united by the objective of promoting Italian products and Made in Italy at home and abroad also through the exchange of experiences and resources and the training of new generations. Felicetti is part of the association's Partners Club that brings together companies from the food and wine sector committed to pursuing objectives for the promotion and enhancement of high quality Italian cuisine.
- 'In Cibum' Higher gastronomic education academy**  
 Felicetti, in the role of main partner, promotes training courses for students of the academy whose aim is to train professionals in the food and wine sector, facilitating their entry into the labour market.
- Gualtiero Marchesi Foundation**  
 'The teaching of what is good and the attention to what is beautiful' have been the life leitmotif of maestro Gualtiero Marchesi, unanimously considered the founder of modern Italian cuisine. This is the starting point for the Foundation by the same name, which aims to promote constant reflection and dialogue on

training, research and knowledge in the food sector.

Part of the Foundation - of which Felicetti is a supporter - is also the Academy, a place of study, learning and experimentation where talented chefs are trained and the principles of a healthy diet are disseminated.

- Genesis**  
 An initiative conceived by chef Riccardo Gaspari and by Ludovica Rubbini - owners of the SanBrite in Cortina d'Ampezzo, a Michelin green star restaurant - to spread a concept of regenerative and sustainable cuisine, where each element of the supply chain moves in a circular and constant manner, from nature to the plate and from the plate back again to nature. Felicetti was for the third year running among the protagonists of the event, which was divided into several appointments that included outdoor activities in the Ampezzo Dolomites, tastings and workshops focusing on the themes of sustainability, the mountains and human regeneration.
- Marie Claire Bistrot**  
 This was the second year in which the Pastificio was a partner of Marie Claire Bistrot, a Hearst initiative dedicated to food and wine culture. Two days of conversations, master classes and good food centred on the close and increasingly collective relationship with what we eat, in the course of which Felicetti gave an account of how our relationship with pasta is evolving, in home kitchens as well as in starred restaurants.

- Gruppo L'Espresso, Guide to the 1,000 restaurants in Italy**  
 In December 2023, at the presentation of L'Espresso's *Guida ai 1,000 ristoranti d'Italia 2024*, Felicetti awarded the special 'Best pasta dish' prize to chef Marco Galtarossa of the one-Michelin-starred Villa Elena restaurant in Bergamo for his creation 'Spaghetti, nettles, sea snails and urchin zabaglione'. An award that fits well into the increasingly consolidated relationship between the Pastificio and the world of haute cuisine, which has enabled the company to constantly innovate the iconic Made in Italy product, gaining a place of honour on starred menus around the world.

In addition to the training activities already mentioned at the national level, we would like to mention the collaboration with the hotelier institutes of Val di Fiemme and with the Enaip bar and lounge training school in Tesero, whose students have the opportunity to practice under the guidance of professional chefs at local events organised by the Pastificio.

#### FOR SPORT

An all-round passion for sport – be it professional, recreational, in groups or individually - is in Felicetti's DNA, which has been sponsoring various disciplines for years with the knowledge that a healthy and well-balanced diet is an integral part of every athlete's training, and even more so the basis of our relationship with our bodies. With the *Passione per i Primi*' team of athletes, in particular, the Trentino company has joined its name to that of so many

champions of Nordic disciplines as well as of other sports: Lisa Vittozzi and Tommaso Giacomel, biathlon world champions in the 2023-2024 season, Omar Visintin and Mirko Felicetti (snowboarding), Nadia Battocletti (middle distance running), Melania Delai (tennis), Alessandro Pittin (Nordic combined), Gianluca Pozzatti (triathlon) and Simone Daprà (cross-country skiing). The Pastificio is also a sponsor of the Aquila Basket team of Trento and has recently signed a two-year partnership with Fidal, the Italian Athletics Federation, as an official supplier.

As part of this agreement, Felicetti was also the official supplier of Casa Italia at the World Athletics Championships in Budapest, from 19 to 27 August 2023.

In addition to these sponsorships, on a local level there is its support given to many local sports teams: Val di Fiemme Hockey Club, Fassa Falcons Hockey, Fiemme Calcio, Atletica Val di Cembra and many others, including the Asd Läufer Club of Bolzano, which organises a number of historical competitions each year, reserved for young people, such as the Nikolaus-Cross Südtirol cross race, the Stadt Bozen Südtirol athletics meeting, the Boclassic New Year's Eve run and the Ironkid triathlon.

Among the initiatives of national importance aimed at promoting the value of sports activities is the partnership with the Sports Festival, organised by the *Gazzetta dello Sport* and Trentino Marketing in collaboration with the Autonomous Province of Trento and the City of Trento, the University of Trento, Trentino Sviluppo and Apt Trento and with the patronage of Coni and the Italian Paralympic Committee. The 2023 edition, scheduled to be held in Trento from 12 to 15 October 2023, featured chef Alessandro Gilmozzi and his high-altitude cuisine for an evening

event dedicated to the Giro d'Italia inside Castello del Buonconsiglio in Trento. Main ingredient? Felicetti pasta. Also worth mentioning is the partnership between the Pastificio and Livigno, a ski resort in Valtellina now home to one of the Coni national centres for Olympic training. Located 1,816 metres above sea level, the centre houses a 350 square metre fitness centre, an Olympic swimming pool and an athletics track surrounded by the Alps, making it an ideal location for at-altitude training throughout the calendar year.

The collaboration, which includes the supply of Felicetti pasta for the sports centre's bistrot, represents the partnership between two realities that have made the mountains and extreme climates not only an identity feature but also their own ingredient of success. As part of the initiatives carried out in Livigno, the Pastificio supported the Valtellina Training School's educational activities related to sporting events, for example at the Sgambeda, a historic cross-country skiing competition.

#### **Felicetti alongside the Italian biathlon champions**

Also for the 2023-24 season, the Pastificio has renewed its sponsorship of biathlon stars Lisa Vittozzi and Tommaso Giacomel, joined to the brand not only by their unconditional love of the mountains and high altitudes but also by their continuous striving for excellence, in sports as well as in the kitchen.

The beginning of the new partnership was celebrated during of the twenty-fifth World Pasta Day - an event promoted annually by Unionfood and Ipo (International pasta organisation) to celebrate the best-loved and best-known product of the Mediterranean





diet in the world - at which Felicetti presented a limited-edition package dedicated to the two athletes. The Pastificio's confidence in the two champions was more than reciprocated by outstanding results. Lisa Vittozzi closed her best season by bringing home a historic gold medal in the individual women

at the World Championships held in Nove Mesto (Czech Republic) and the extraordinary World Cup victory in Canmore (Canada), making her the second Italian ever to win the title. Excellent performance also for the young promise Giacomel, who won the 2024 World Cup for under-25s.

**LISA VITTOZZI, A 'SUPER-AWARDED' ATHLETE**

Olympic athlete, now a member of the Italian national biathlon team and of the 'Milan-Cortina 2026' team, Lisa Vittozzi has a rich collection of medals to her credit: after third place in the relay at the World Championships in Kontiolahti in 2015, she again won bronze in the mixed relay in both her Olympic debut at the XXIII Winter Games in Pyeongchang in 2018 and at the Östersund World Cup in 2019, and went on to collect two silver medals (individual in Östersund 2019 and mixed relay in Antholz 2020) and then win her first individual World Cup in 2019. Success came again in the 2022-2023 season, in which Lisa won the Individual World Cup for the second time and led the Italian team to a historic relay title at the World Championships in Oberhof, winning the gold medal together with Samuela Comola, Dorothea Wierer and Hannah Auchenbacher. Also in Oberhof 2023, the champion from Sappada also brought home the silver medal in the mixed relay and bronze medals in the individual and single mixed relay. The 2023-2024 season has confirmed she is the best of the best with the extraordinary victory of the Women's World Cup. The final tally counts five victories, three second places and two third places (including a gold and three silver medals at the World Championships in Nove Mesto), and she has also won two speciality cups, in the individual and in pursuit.

**TOMMASO GIACOMEL, THE YOUNG PROMISE OF ITALIAN BIATHLON**

Originally from Imer (Trento), class of 2000, Giacomel is one of the most credible promises of Italian biathlon. After his debut in the World Cup in 2020, on 15 January 2021 he won his first podium, placing 3rd in the relay. The following two years confirmed his first successes: at Oberhof 2023 he brings home silver in the mixed relay, just 11.6 seconds from the Norwegians, and bronze in the individual mixed relay, together with Lisa Vittozzi. He then distinguished himself in Oestersund, where he won second place in the 20 km, his first ever individual podium. The consecration came with the 2023-2024 season, during which Tommaso won another silver medal in the individual mixed relay at the World Championships in Nové Město (Czech Republic), again paired with Vittozzi, but above all he took home the under-25 World Cup, jumping to 8th place in the overall ranking (after finishing 12th in the previous year and 36th in 2022).

### The Granfondo della Valle

Also in 2023 the Pastificio has maintained its role as technical sponsor of the Marcialonga, the prestigious Italian long-distance cross-country skiing competition, now in its 50th edition. Felicetti has launched a limited edition package for the occasion, testifying to its long-standing link with the event - which the company has supported since 1994 - and to the role that it plays in the civil, productive and hospitality fabric of the territories of Fiemme and Fassa. The Pastificio is also the technical sponsor of Marcialonga Running, a running race that winds its way through the valleys of Fassa and Fiemme, and of Marcialonga Cycling, a Granfondo cycling race that is one of the main Italian 'Big Ride' circuits and that takes place every year in early summer.

### On the golf course

Among the operations supporting sports - even amateur sports - as an opportunity for relationships and encounters, noteworthy is Felicetti's sponsorship of 'Chefs in Green', a golf event format devised and organised by *Golf&Gusto* magazine that includes the involvement of haute cuisine professionals, invited to spend a day of professional exchange

directly on the golf courses. Felicetti's passion for eighteen-hole golf is also evidenced by an event that bears the Trentino brand's signature, the 'Felicetti Golf Challenge', a tournament that in 2023 celebrated its ninth edition. On Saturday 29 and on Sunday 30 of July, 330 amateur and non-amateur players competed on the links, including Manfred Mölgg, winner of three world ski medals and a World Cup in special slalom. Felicetti is also sponsor of the Porsche Green Cup circuit, now in its 31st edition.

### FOR THE TERRITORY AND LOCAL COMMUNITIES

The Pastificio is deeply attached to a concept of corporate citizenship that sees it playing an active role within its own community, through multiple initiatives designed to favour the development and growth of the territory. As proof of this commitment, Felicetti has repeatedly become involved in charitable activities through the donation of significant quantities of pasta to local humanitarian associations that help troubled families and refugees.

Among the initiatives aimed at the more vulnerable groups is the support for the Sentieri project, a re-educational activity involving inmates of the Milan Opera prison, which considers the environment in its dual dimension - social and ecological - as a place to operate to bring prisoners closer to the community, in order to bridge the gap that has been created and to dash stereotypes of prison life by raising awareness and the involvement of the citizens. The project, launched in 2022 and continued in the following year, saw the inmates work alongside the citizens of Predazzo to restore several nature trails affected by the Vaia storm in the Paneveggio Park:



Val di Fiemme, snow-covered landscape, Polo family's history archive, 1872-1960.

an activity with a strong symbolic value, an instrument of redemption and strengthening of social ties. Felicetti's relationship with the community, in particular with the younger generations, expressed itself also in the organisation of initiatives involving schools in the area. At the Rosa Bianca Institute in Predazzo, the Pastificio took part in the Simulimpresa project, an initiative aimed at third and fourth grade classes to simulate the constitution of a student-run company, which carries out activities in a network of thousands of simulated enterprises. Felicetti acted as godmother for two pasta companies, with the aim of conveying the Pastificio experience and its way of doing business to the students. Pupils from the Valley's schools were able to see pasta production up close also during the visits

organised by Felicetti in the Molina di Fiemme factory. In 2023, 381 students were welcomed, part of the approximately 700 total guests - chefs, suppliers, distributors, consumers or simple tourists - who passed through the doors of the new production site during the year. The collaboration with the Magnifica Comunità di Fiemme, an institution that dates back to the 12th century and that still autonomously manages part of the forest heritage and real estate in the Dolomites, continued in 2023. Finally, the Pastificio is a founding partner of FiemmePer, an Ets foundation that aims - together with local players such as companies, cooperatives, professionals and citizens - to make a concrete contribution to the sustainable development of the Valley as a laboratory of social, economic and cultural innovation.

### DOLOMITES WELL-BEING SUMMIT

Inaugural convention of the World Wellness Weekend hosted in Val di Fiemme, the Summit is an expression of the will of a group of local entrepreneurs to promote the district as a wellness valley. In addition to Felicetti it also includes Starpool, which specialises in wellness, spas and solutions for psychophysical well-being, La Sportiva, a leading manufacturer of climbing shoes and high mountain boots, and Fiemme 3000, which deals with biocompatible wood flooring and furnishings that are 100% healthy and improve indoor air quality.

# 7

## Economic performance

### Tangible signs of the new phase

The coexistence of the two plants in Predazzo and Molina has expanded not only the perimeter of production activities but also Felicetti's commercial horizons, by virtue of new industrial capabilities and of the magnitudes that are now at stake.

A change that can be clearly read in the economic performance, carried out without betraying the vision focused on craftsmanship quality and advanced technologies.

Felicetti closes the 2023 year financial with a profit of Euros 178,330 and a cash flow that - gross of leasing - has risen from Euros 1,304,962 to Euros 2,845,475: a substantial increase, which demonstrates the prompt recovery of profitability and consequent cash generation after a challenging two-year period strongly marked by the hikes in raw material prices and energy costs.

The start-up of the Molina di Fiemme plant has given the Pastificio greater production capacity while reducing dependence on subcontractors and providing greater flexibility in warehouse management via a more rational management of work rhythms that helps avoid production peaks for coping with sudden customer requests. The yet unused production capacity (around 30%) also lays the foundation for

further commercial development, which the company has been vigorously pursuing for some years now through the monitoring of all target markets, both with the Felicetti brands as well as under private label. The increase in profitability that started in 2023 and has continued in the first months of 2024 brought the Ebitda to Euros 5,187,878, an amount almost doubled compared to the previous year. The expected further increase will allow Felicetti to achieve a solid financial balance towards fully honouring the bank commitments undertaken, most of which are to be ascribed to the construction of the new plant, which constituted a major investment but whose returns will be structural and long-lasting. Please refer to the annual report and the accounting records of Pastificio Felicetti for more details of the economic performance.



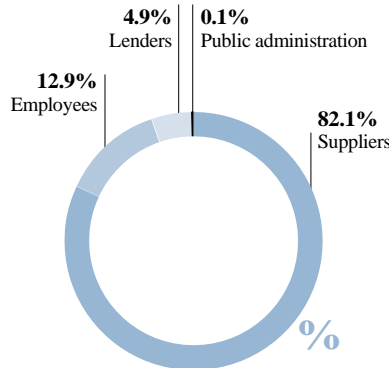
# The economic value generated, distributed and retained

Being able to calculate each year how much wealth is produced and with what impact on each category of stakeholders is an act not only of transparency but also of reflection and sharing, which fosters greater awareness of the value generated and distributed in the territory.

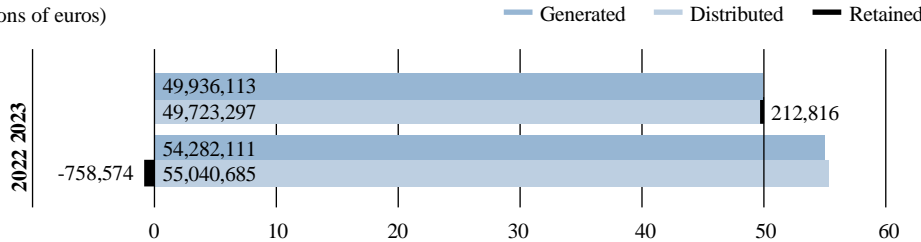
The main relevant economic indicators are listed in this sustainability report, i.e. the economic value generated by the company's activities, that distributed to stakeholders and that retained on an accrual basis, in accordance to the 202-1 reporting requirements of the GRI Standards.

Specifically, the value generated corresponds, on an accounting basis, to the value of production and income net of depreciation, changes in inventories of raw materials, miscellaneous operating expenses, foreign exchange gains and losses during the financial years 2022 and 2023. The distributed economic value includes the costs incurred by the company reclassified for the beneficiary stakeholder category; finally, the retained economic value relates to the difference between the economic value generated and that distributed. In the reporting period, the value generated by Felicetti was EUR 49,936,113, of which over 99% was distributed: 40.8 million went to the company's suppliers, over 6.3 million to employees for wages, salaries, social security charges and severance pay, approximately EUR 2.5 million to lenders and over EUR 57,000 to the public administration in the form of income taxes for the year (current, deferred and prepaid).

**Distribution of the economic value generated**



**Economic value generated and distributed**  
(millions of euros)





## Methodological note

GRI 2-1; GRI 2-2;  
GRI 2-3

This sustainability report (hereinafter also referred to as 'report' or 'the document') aims to communicate economic performance in a clear, transparent and comprehensive manner, the environmental and social aspects of Pastificio Felicetti in the period between 1 January 2023 and 31 December 2023. The reporting boundary covers Pastificio Felicetti Spa, to which belong the Molina and Predazzo plants. The document was drafted in accordance with the standards of the Global Reporting Initiative (GRI), which provide guidelines for reporting on the economic, environmental and social issues of an organisation, published in 2016 and updated in 2021, according to the reporting option 'with reference to the GRI standards'. In order to ensure transparency on performance and to foster the comparability of the data provided, the financial statements take into account the guidance provided by the Sustainability accounting standards board (Sasb) for the identification and publication of information considered most relevant to the creation of long term value for the sector. Given the nature of Pastificio Felicetti's activities, the document refers to the Sasb standard for the Processed foods sector.

Reporting was guided by the principles of materiality, completeness, balance, comparability, accuracy, timeliness and clarity, as defined in the GRI standards. Steps have been taken to ensure that the information reported is reliable, verifiable and relevant to stakeholders. The sustainability indicators used in the document were selected according to the guidelines provided by GRI standards. Economic, environmental and social indicators deemed relevant were included according to the perspective of impact relevance as envisaged by GRI 3 standards, as per section "Materiality analysis". Furthermore, as required by the GRI standards, at the end of the report the GRI content index is shown, with details of the indicators reported and the reference to the position of the disclosure within the document. This sustainability report has not been subject to independent external verification. However, appropriate measures have been taken to ensure the accuracy and reliability of the information reported. For further details regarding the contents of this document, please contact: [alessia@felicetti.it](mailto:alessia@felicetti.it)

## CONSULTATION GUIDE

The quantitative information reported in the sustainability report originates from timely data monitored by the company and subjected to thorough quality control by internal managers of each piece of information. Where necessary, the details needed to understand the calculation methodologies and any estimates or assumptions made have been included in the text of the document or in the footnotes. These methodologies are summarised below.

### Calculation of environmental indicators

The emissions reported in the section "Energy efficiency and emissions" were calculated over a time span of 100 years and using the following conversion factors:

- **electricity and fuel consumption:** Department for environment food and rural affairs UK (Defra) 2023;
- **direct CO<sub>2</sub>e Scope 1 emissions:** Department for environment food and rural affairs UK (Defra) 2023;
- **indirect CO<sub>2</sub>e 'location-based' Scope 2 emissions:** Ispra - Report No. 363/2022;
- **indirect CO<sub>2</sub>e 'market-based' Scope 2 emissions:** Aib 2023 - European residual mix.

### Calculation of social indicators

Below are the assumptions made for the calculation of the social indicators:

- **the positive turnover rate** was calculated as follows:  $\text{new hires} \div \text{total employees}$ ;
- **the negative turnover rate** was calculated as follows:  $\text{terminations} \div \text{total employees}$ ;
- **the rate of recordable occupational accidents** was calculated as follows:  $\text{number of recordable occupational accidents} \div \text{total number of hours worked} \times 1,000,000$ .

GRI Table of Contents<sup>1</sup>

GRI standard	Disclosure	Description	Chapter/Paragraph of reference
<b>GENERAL INFORMATION</b>			
<b>GRI 2 - General Disclosures (2021)</b>			
<b>The organisation and its reporting practices</b>	2-1	Organisational details	1. Identity and profile
	2-2	Entities included in the organisation's sustainability reporting	Consultation Guide
	2-3	Reporting period, frequency and contact point	Consultation Guide
<b>Activities and workers</b>	2-6	Activities, value chain and other business relationships	1. Identity and profile 3. Production and supply chain
	2-7	Employees	6. Social performance / Human Capital
	2-8	Workers who are not employees	6. Social performance / Human Capital
<b>Governance</b>	2-9 a	Governance structure and composition	4. Governance to create shared value / The governance bodies and organisational structure
	2.10 a	Nomination and selection of the highest governance body	4. Governance to create shared value / The governance bodies and organisational structure
	2-11 a	Chair of the highest governance body	4. Governance to create shared value / The governance bodies and organisational structure
	2.14 a	Role of the highest governance body in sustainability reporting	4. Governance to create shared value / The governance bodies and organisational structure 2. Commitments to sustainable development
<b>Strategy, policies and practices</b>	2-22	Statement on sustainable development strategy	Letter to Stakeholders
	2-26	Mechanisms for seeking advice and raising concerns	4. Governance to create shared value / Ethics, transparency and control model
<b>Stakeholder engagement</b>	2-29	Approach to stakeholder engagement	2. Commitments to Sustainable Development / The Network of stakeholders
	2-30	Collective bargaining agreements	6. Social performance / Human Capital

<b>GRI 3 - Material Themes (2021)</b>			
<b>Information on material topics</b>	3-1	Process to determine material topics	2. Commitments for sustainable development / Materiality analysis
	3-2	List of material topics	2. Commitments for sustainable development / Materiality analysis
<b>ECONOMIC AND GOVERNANCE ASPECTS</b>			
<b>Economic performance</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	7. Economic performance / Economic value generated, distributed and retained
<b>GRI 201 - Economic Performance (2016)</b>	201-1	Direct economic value generated and distributed	7. Economic performance / Economic value generated, distributed and retained
<b>Procurement practices</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	3. Production and supply chain / Supply partnership
<b>GRI 204 - Procurement practices (2016)</b>	204-1	Proportion of spending local suppliers	3. Production and supply chain / Supply partnership
<b>Anticorruption</b>			
<b>GRI 205 - Anti-Corruption (2016)</b>	205-3	Confirmed incidents of corruption and actions taken	No cases of corruption occurred during the reporting period
<b>Anti-competitive behaviour</b>			
<b>GRI 206 - Anti-competitive behaviour (2016)</b>	206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	No legal actions due to violations of competition or anti-trust laws were taken in the reporting period
<b>ENVIRONMENTAL ASPECTS</b>			
<b>Materials</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	3. Production and supply chain / Supply partnership
<b>GRI 301 - Materials (2016)</b>	301-1	Materials used by weight or volume	3. Production and supply chain / Supply partnership
<b>Energy</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	5. Environmental performance / Energy

<b>GRI 302 - Energy (2016)</b>	302-1	Energy consumed within the organisation	5. Environmental performance / Energy consumption and intensity
	302-3	Energy intensity	5. Environmental performance / Energy consumption and intensity

#### Water

<b>GRI 3 - Material Themes (2021)</b>	3-3	Management of material themes	3. Production and supply chain / Supply partnership
<b>GRI 303 - Water and effluents (2018)</b>	303.2 a	Management of impacts related to water discharge	5. Environmental performance / Water consumption
	303-3	Water withdrawal	5. Environmental performance / Water consumption
	303-4	Water drainage	5. Environmental performance / Water consumption
	303-5	Water consumption	5. Environmental performance / Water consumption

#### Emissions

<b>GRI 3 - Material Themes (2021)</b>	3-3	Management of material themes	5. Environmental performance / Climate-altering gas emissions
<b>GRI 305 - Emissions (2016)</b>	305-1	Direct GHG emissions (scope 1)	5. Environmental performance / Climate-altering gas emissions
	305-2	Indirect GHG emissions from energy consumption (scope 2)	5. Environmental performance / Climate-altering gas emissions
	305-4	Intensity of GHG emissions	5. Environmental performance / Climate-altering gas emissions

#### Waste

<b>GRI 3 - Material Themes (2021)</b>	3-3	Management of material topics	5. Environmental Performance / Waste Management
<b>GRI 306 - Waste (2016)</b>	306-3	Waste generated	5. Environmental Performance / Waste Management
	306-4	Waste not intended for disposal	5. Environmental Performance / Waste Management

#### SOCIAL ASPECTS

##### Employment

<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	6. Social performance / Diversity and equal opportunities
<b>GRI 401 - Employment (2016)</b>	401-1	New employee hires and employee turnover	6. Social performance / Diversity and equal opportunities

##### Occupational health and safety

<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	6. Social performance / Health and Safety
<b>GRI 403 – Occupational health and safety (2018)</b>	403-1	Occupational Health and Safety Management System	6. Social performance / Health and Safety
	403-2	Hazard identification, risk assessment and accident investigation	6. Social performance / Health and Safety
	403-3	Occupational health services	6. Social performance / Health and Safety
	403-4	Worker participation, consultation and communication on occupational health and safety	6. Social performance / Health and Safety
	403-5	Worker training on occupational health and safety	6. Social Performance/ Health and Safety and well-being
	403-6	Promotion of worker health	6. Social Performance/ Health and Safety and well-being
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relations	6. Social performance / Health and Safety
	403-8	Workers covered by an occupational health and safety management system	6. Social performance / Health and Safety
	403-9	Work-related injuries	6. Social performance / Health and Safety
	403-10	Work-related illnesses	6. Social performance / Health and Safety

##### Training and education

<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material themes	6. Social performance / Career Development
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<b>GRI 404 - Training and education (2016)</b>	404-1 a	Average hours of training per year per employee	6. Social performance / Career Development
	404-3 a	Percentage of employees receiving regular performance and career development reviews	6. Social performance / Career Development
<b>Diversity and equal opportunities</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	6. Social performance / Diversity and equal opportunities
<b>GRI 405 - Diversity and equal opportunities (2016)</b>	405-1	Diversity in governance bodies and among employees	6. Social performance / Diversity and equal opportunities
<b>Non-discrimination</b>			
<b>GRI 406 - Non discrimination (2016)</b>	406-1	Incidents of discrimination and corrective measures taken	No cases of discrimination occurred during the reporting period
<b>Customer health and safety</b>			
<b>GRI 3 - Material Topics (2021)</b>	3-3	Management of material topics	3. Production and supply chain / Choosing quality
<b>GRI 416 – Customer health and safety (2016)</b>	416-1	Assessment of health and safety impacts of product and service categories	3. Production and supply chain / Choosing quality
<b>OTHER INDICATORS</b>			
<b>Procurement and traceability of raw materials</b>			
<b>Non-GRI Kpi</b>		Number of evaluations and audits on suppliers that also included ESG aspects	3. Production and supply chain / Supply partnership

*1 - The GRI standards in the GRI Content Index have no omissions.*

**Table of Contents Sasb - Processed food<sup>2</sup>**

Appearance	Code	Metrics	Chapter / paragraph of reference
<b>Food safety</b>			
<b>Food safety</b>	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances.	3. Production and supply chain / Choosing quality
	FB-PF-250a.4	(1) Number of recalls issued and (2) total amount of food product recalled	3. Production and supply chain / Choosing quality
<b>Packaging lifecycle management</b>			
Packaging lifecycle management	FB-PF-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	3. Production and supply chain / Supply partnership

*2 - The Sasb standards given in the Sasb Content Index - Processed food have no omissions. Please note that the "Metrics" column, in order to make the information accessible to everyone, shows unofficial translation (into Italian) as they are not available in Italian.*

## **Pastificio Felicetti Spa**

Registered office and plant in  
Predazzo, Via L. Felicetti, 9  
38037 Predazzo (Trento)

Molina di Fiemme plant  
Via Ruaia, 4  
38030 Castello-Molina di Fiemme (Trento)

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