



Sustainability Report



GRUPPO
ORSERO

Dear readers,

It is with pride that I present to you the third edition of the Orsero Group Sustainability Report, in which we describe our commitments and our journey towards the ambitious goal of sustainability, through which we aim to combine sustainable development with the growth of our business, creating value in the medium to long term for all our stakeholders.

We have made great strides over the years, working with determination to fulfil our commitments, and in 2021 we achieved important milestones: we created a dedicated Sustainability Management function, adopted an online platform to facilitate the collection of sustainability data and their management, defined the Group Sustainability Policy, and adhered to the United Nations Global Compact (UNGC), the global pact that encourages companies to conduct their business responsibly, pursuing the 2030 Sustainable Development Goals.

In line with the International Year of Fruits and Vegetables (IYFV 2021) and its objectives to raise awareness of the nutritional benefits of eating these foods and to focus on the importance of combating food waste, we have defined and adopted our first Strategic Plan. In the document we not only describe our approach to sustainability but also identify our main medium- to long-term objectives with which we could contribute to the creation of a sustainable food system.

With the fruits of our labour, we aim to contribute every day to the promotion of a healthier life and planet, by striving to reduce the environmental impacts of our operations, to make our supply chain more responsible, to recognise the value of each person and to spread a healthier and more sustainable food system.

Our journey towards sustainability is a path that we share with all of you, which is integrated more and more into our way of working every day, involving everyone from our suppliers to our customers, just as stated in our mission statement, because we are convinced that people are the key ingredient of our success and that our supply chain has an indispensable value.

This report summarises our achievements to date and the concrete commitments we have decided to pursue with a view to continuous improvement, convinced that today's actions will define our tomorrow.

Enjoy the read.



Paolo Prudenziati
Chair of the Orsero Group



We are an international Group.

We are local, we are global.

**Our people are the key to our success,
passionate, flexible.**

We are the leader in southern Europe.

Fruit and vegetables: this is our world.

What guides us is offering only the best.

**What motivates us
is promoting a healthy lifestyle.**

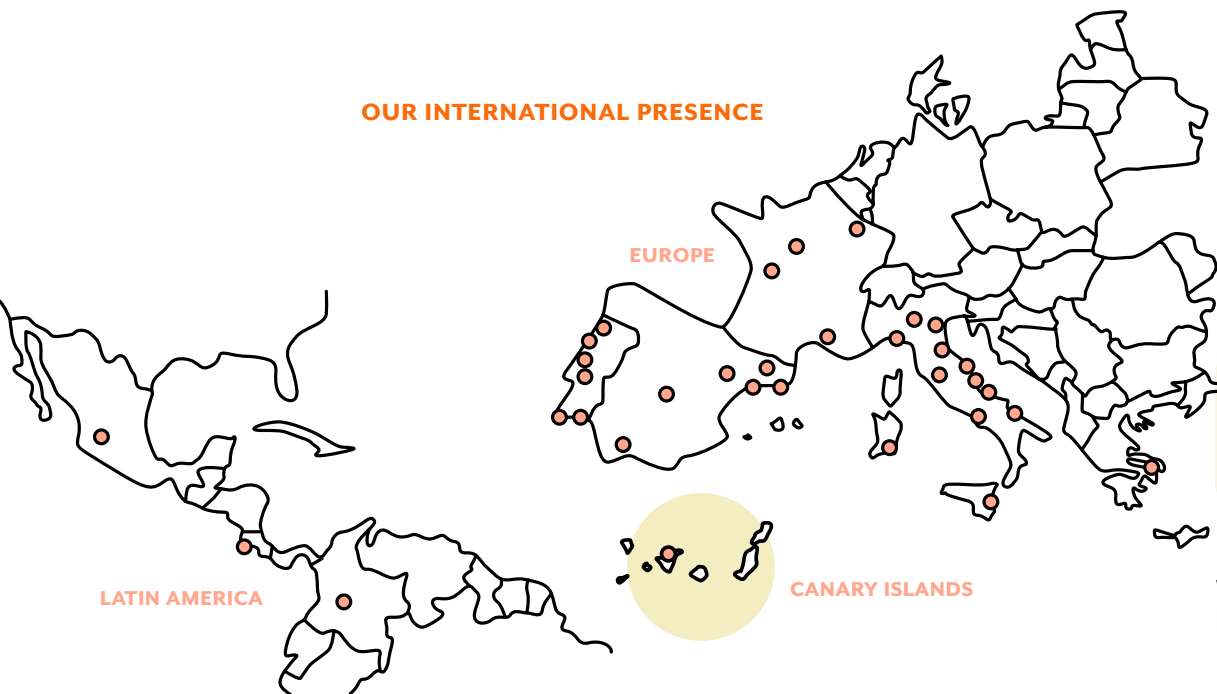
**What sets us apart is
our commitment to working sustainably
to generate well-being.**

**We draw the world closer,
every day.**



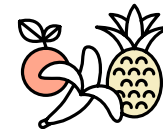
• Our business •

OUR INTERNATIONAL PRESENCE



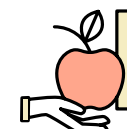
OUR 2021 RESULTS

Turnover



1,069
millions of €

Adjusted EBITDA



52.9
millions of €

Net profit

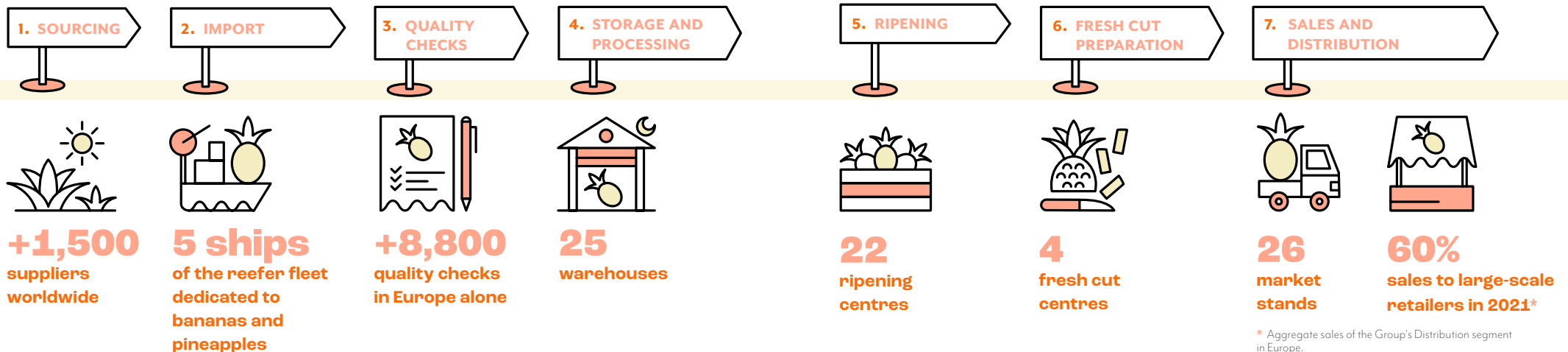


18.5
millions of €

We are leaders in Italy and Mediterranean Europe in the distribution of fruit and vegetables.

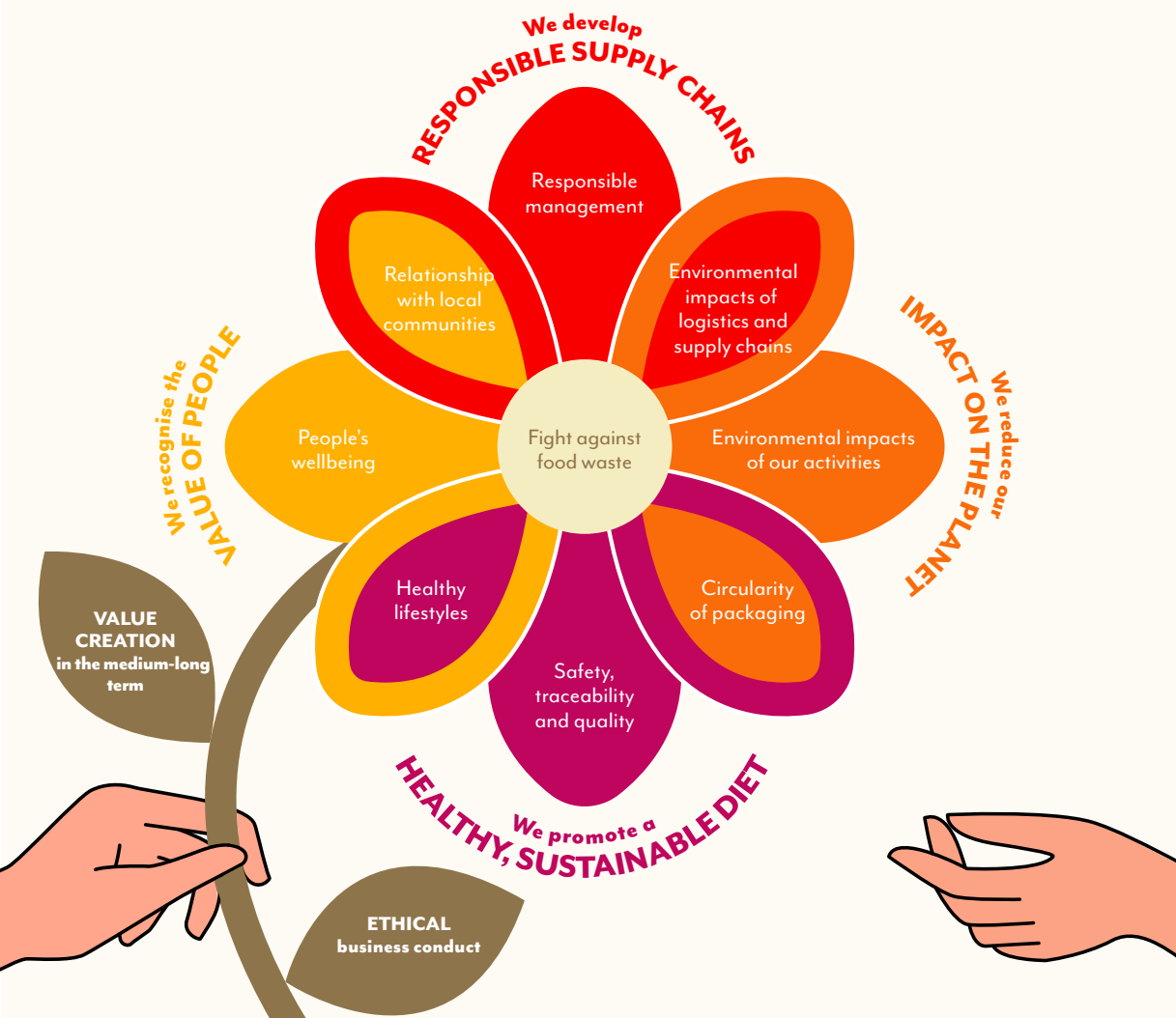
- 80 years of business
- 750,000 tonnes of fruit and vegetables handled and distributed every year
- More than 300 different products distributed every day

OUR BUSINESS MODEL



* Aggregate sales of the Group's Distribution segment in Europe.

Our sustainability strategy



We strive to build sustainability and responsibility into our entire value chain, taking into account economic, social and environmental factors, and are committed to engaging all our stakeholders.


Our strategy is founded on two essential prerequisites to ensure the soundness and sustainability of the Group's activities over time: **ethical business conduct** and **value creation in the medium-long term**.

These are the pillars on which we have developed **four main areas** that define the scope of the actions we intend to take and inspire a set of **concrete goals** we are committed to achieving in the coming years.

Our sustainability goals

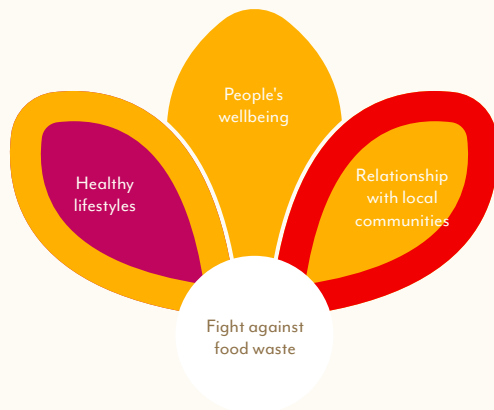
The strategic goals we have identified are aimed at creating value and our progressive improvement, in line with the United Nations Sustainable Development Goals (SDGs).

Each year we will report on their development in a clear, transparent dialogue with our stakeholders.

OUR STRATEGIC SUSTAINABILITY GOALS	SDGs	AREAS INVOLVED
1 100% of fruit and vegetable suppliers engaged in social and environmental issues by 2025	2 ZERO HUNGER 6 CLEAN WATER AND SANITATION 8 DECENT WORK AND ECONOMIC GROWTH 15 LIFE ON LAND	
2 Finalise the energy efficiency plan by 2028, reducing energy consumption by 20%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
3 Promote the reduction of food waste along the value chain, testing at least one innovative solution each year	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
4 100% of market stands engaged in activities to fight food waste by 2025	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
5 100% of Fratelli Orsero packaging to be recycled, recyclable, reusable or compostable by 2025	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
6 100% of Group companies involved in packaging circularity assessment by 2023	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
7 Inspiring people inside and outside the Group by launching a communication project every year aimed at promoting healthy, sustainable lifestyles	3 GOOD HEALTH AND WELL-BEING	
8 100% of Group companies participating in the GO WELFARE programme by 2025	3 GOOD HEALTH AND WELL-BEING	
9 100% of Group employees involved in sustainability training and awareness initiatives by 2025	4 QUALITY EDUCATION	
10 100% of the Group's storage and processing warehouses certified for food safety by 2025	2 ZERO HUNGER	
11 100% of Group companies engaged in a project aimed at supporting local communities by 2030	2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	

The main areas of • our strategy •

We recognise the VALUE OF PEOPLE



People are the first ingredient of our success. We strive to recognise the value of every human being in every context, whether they are employees, suppliers, customers or consumers.

We translate this attention into a commitment to:

- building relationships based on mutual respect for differences;
- creating workplaces that foster people's well-being, health and safety;
- respect both the local communities where we operate directly and the communities we engage with along our supply chain;
- spread healthy lifestyles and promote awareness against food waste inside and outside our Group.

We develop RESPONSIBLE SUPPLY CHAINS

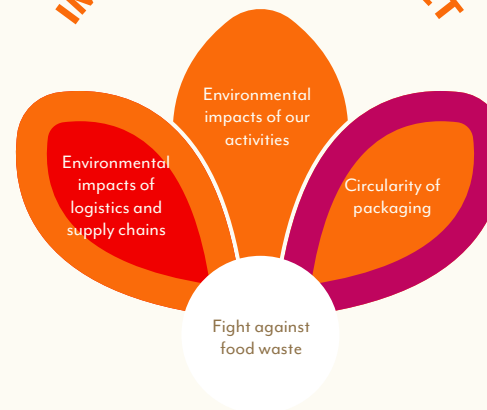


We have always explored the world in search of high-quality fruit and vegetables. For this reason, our supply chain is of fundamental value and we are aware of the importance of maintaining a responsible approach throughout the supply chain.

To us, this means:

- maintaining a relationship of trust with all our suppliers, based on shared values;
- respecting the fundamental rights of each person, as a human being and as a worker;
- protecting the environment, by paying attention to the responsible use of natural resources, promoting good agricultural practices and reducing food loss and waste along the supply chain;
- building partnerships aimed at supporting local communities.

We reduce our IMPACT ON THE PLANET



We believe that caring for the environment is a way of acting responsibly towards present and future generations.

That is why we are committed to:

- paying attention to the impacts of logistics and supply chain activities;
- supporting the evolution of packaging towards circular solutions, focusing on innovation and the life cycle of materials;
- reducing the impacts of our company offices in terms of energy, water and waste, and checking those of our naval fleet, monitoring consumption levels and externalities and always promptly complying with the highest regulation standards and best practices;
- preventing waste and promoting food waste recovery.

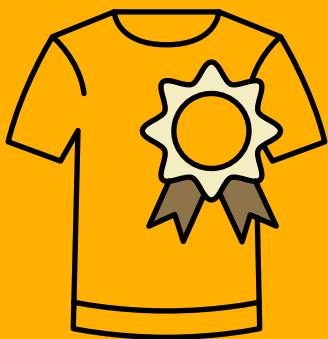
We promote a HEALTHY, SUSTAINABLE DIET



We believe in the need to build an increasingly healthy and sustainable food system. By their very nature, fruit and vegetables make it possible to combine care for human health with care for the environment, as they are among the foods with the lowest environmental impact.

With this awareness as our starting point, we aim to:

- ensure high, stringent standards for food traceability, quality and food safety;
- promote knowledge of the nutritional contributions of foods and their importance in a healthy diet;
- encourage proper management of packaging at the end of its life in order to stress the importance of the circularity of materials;
- raise awareness of food waste in order to promote the conservation and proper use of scraps.



We recognise the value of people

We recognise the value of our people's daily work, promoting team spirit, transparency and mutual respect as the foundation of our corporate culture.

Thanks to the work of more than 1,600 employees, we are able to bring fresh, healthy, high-quality products to the tables of families all over Europe.



82%
employees with
permanent contracts

We promote a healthy, inclusive working environment

People from very different backgrounds work in our Group.

We are committed to providing all with a safe, stimulating working environment, investing in their skills, **promoting a good work-life balance**.

In order to promote the diversity of our employees – whether cultural, gender or due to disabilities – we strive daily to ensure equal opportunities in every field.



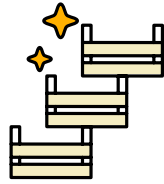


Safety first

We safeguard the health and safety of workers through appropriate supervision and control policies. We ensure that workplaces are safe and healthy by promoting prevention and protection for all workers.

-9%

employee injury rate compared to 2020

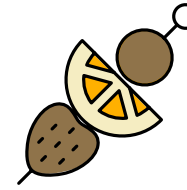


The importance of continuous training

We believe in the strategic importance of continuous training to improve our performance. At the end of 2021 our Italian companies activated the Talent LMS platform, which delivers training courses and disseminates company documents.

+15%

training hours provided compared to 2020



Against food waste, for the benefit of communities

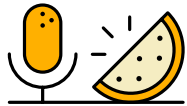
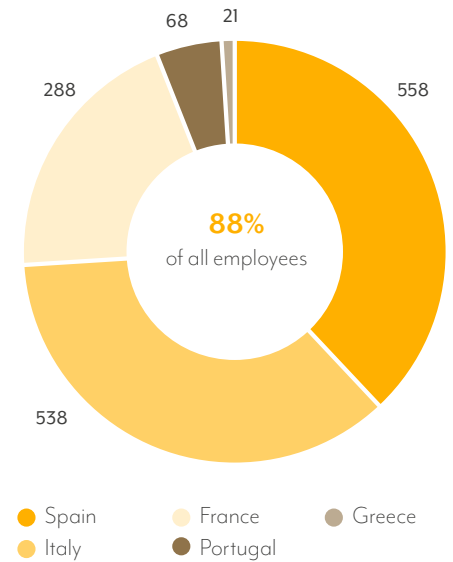
We have several partnerships to recover unsold food: in 2020 at a European level with FEBA (European Food Banks Federation), in 2021 in Italy with "RECUP" and in France with "Phenix".

More than

5 mln

portions of fruit and vegetables donated

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES IN EUROPE AS AT 31.12.2021



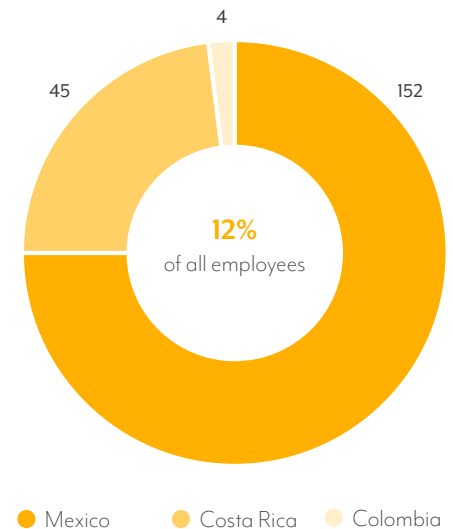
Employee opinion on welfare

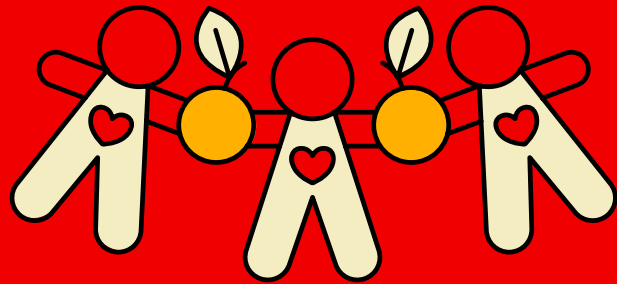
We asked our employees to express their views on corporate welfare in a survey, with the aim of learning their preferences and increasing their well-being and that of their families.

80%

employees who responded to the corporate welfare survey

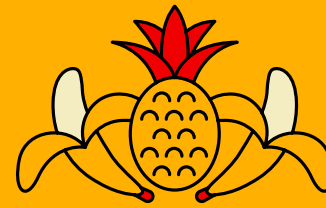
GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES OUTSIDE EUROPE AS AT 31.12.2021





We develop responsible supply chains

We have always explored the world in search of high-quality fruit and vegetables. For this reason, our supply chain is of fundamental value and we are aware of the importance of maintaining a responsible approach throughout the supply chain. For us, conducting business in an efficient, sustainable manner inherently implies responsible management of the value chain, and especially of procurement processes. Over the past two particularly difficult years, having a strong relationship with our suppliers has ensured a steady supply of raw materials.



72%

of bananas and pineapples purchased Global Gap certified

54%

of bananas and pineapples purchased Rainforest Alliance certified

We require our suppliers to comply with certain basic requirements to ensure product quality and ethics.

- **Global Gap e GRASP**
certify food safety thanks to the application of integrated and sustainable farming techniques;
- **Rainforest Alliance**
certifies that the products meet certain social and environmental criteria, from the protection of flora and fauna to pesticide and fertiliser management, working conditions and relations with local communities;
- **Fairtrade**
certifies products from suppliers who respect the rights of farmers and workers in developing countries, in compliance with Fair Trade criteria.

More than

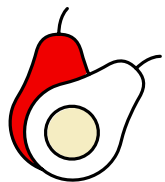
1,500
suppliers worldwide



Fruit and vegetables from

70
countries





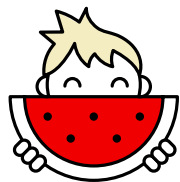
In Mexico for the avocado

Since 1999 we have been present in Mexico to **produce and sell** what is known there as green gold: the **avocado**.

The company Productores de Aguacate de Jalisco grows them on its 120-hectare farm, situated adjacent to the Nevado de Colima protected area, declared a National Park in 1936 and famous for the presence of the no-longer-active Fuego de Colima volcano. Comercializadora de Frutas, on the other hand, is responsible for the selection and quality control of avocados that we buy from small independent growers in the Jalisco and Michoacán areas.

Following quality checks, we pack the fruit and vegetables in our packing house and ship them to our customers in the US and Europe, especially France.

Both companies are members of the Global GAP (Good Agricultural Practices) for the promotion of the safety and environmental and social sustainability of agricultural production. Moreover, Comercializadora de Frutas holds the SEDEX Ethical Trade audit certification, which attests to its commitment to social and ethical aspects.

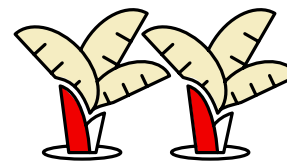


Commitment against child labour

As a producer, Productores de Aguacate de Jalisco is certified Global GAP with the additional GRASP module, thus demonstrating its commitment to both safe and sustainable agriculture and respect for workers' rights.

The Mexican company's focus on social and environmental issues is demonstrated through strict compliance with both local laws and **ILO conventions** against any form of forced or compulsory labour.

The company does not employ children under the age of 18 and has adopted a **Child Labour Policy** whereby it commits not to promote, accept or tolerate children under the age of 18 being involved in paid activities, even if only in support of family members, especially when such activities prove to be dangerous or harmful to the child's physical and mental well-being.

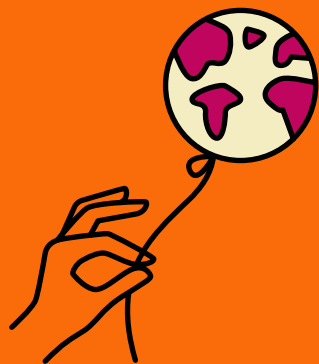


Our presence in the Canary Islands

In Spain we operate through Hermanos Fernández López, one of the largest fruit and vegetable distributors in the country. We have the distinction of nationally distributing **the unique Platano Canario**. In fact, in addition to being one of the primary sources of livelihood for the local population, it is found exclusively on these islands. It is cultivated with respect for integrated farming practices and the shared good of water, so as to preserve the natural landscape.

The companies operating in the Canary Islands for the procurement of local products, including Platanos, are ISA Platanos, dedicated to cultivation, and Bonaoro, dedicated to stocking and packaging of local products.

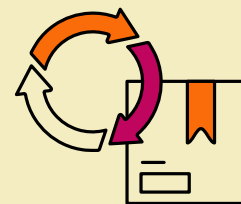




We reduce our impact on the planet

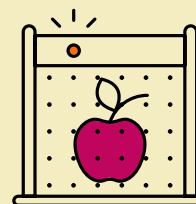
By definition sustainability is closely linked to the environment, and we at Orsero are fully aware of this: nature and climate are the main factors for the excellence of our products.

We are aware that it is impossible to control the natural events that impact fruit and vegetable crops, but in our own small way we are convinced that it is essential to understand and limit the impacts that our activities generate. Aware of this, we share a sensitivity to all issues affecting the environment and are committed to constantly monitoring our impacts and improving our performance.



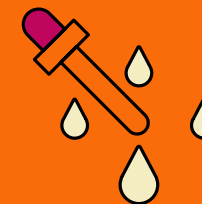
-20%

non-renewable packaging
compared to 2020



0

non-conformities
with environmental regulations
and laws



-19%

water withdrawal
compared to 2020

-21%

of LUBOIL for ships
compared to 2020

Fruit and vegetables are among the foods with the lowest environmental impact. Nevertheless, there is no shortage of challenges. In fact, the food system is responsible for producing between 21% and 37% of global greenhouse gas (GHG) emissions, agricultural production uses around 70% of the world's water¹ and in 2021 17% of all food available to consumers will end up in the trash.² This is why we are committed to reducing our impact on the environment and counteracting the negative effects of our operations.

¹. The Economist Intelligence Unit and Barilla Foundation (2021), "Fixing Food 2021: An opportunity for G20 countries to lead the way", foodsustainability.eiu.com

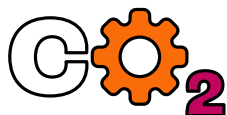
². United Nations Environment Programme (2021). Food Waste Index Report 2021. Nairobi.



Ecological Footprint ³

Fruit	Vegetables
1,860 km ² in total	799 km ² in total

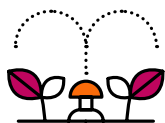
Quantifies the total area of terrestrial and aquatic ecosystems needed to sustainably provide all the resources used and absorb the emissions produced.



Carbon Footprint ³

Fruit	Vegetables
43,401 tonnes of CO ₂	60,352 tonnes of CO ₂

It identifies the impact associated with a product in terms of carbon dioxide equivalent emissions, calculated over the product's entire life cycle.

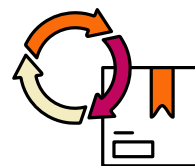


Water Footprint ³

Fruit	Vegetables
372,004 megalitres of water	21,183 megalitres of water

This is a specific indicator of freshwater use, expressing both the quantities of water actually used and the way the water is used.

³. The data presented are estimates and take into account the quantities of product sold by the Orsero Group in 2021. As reported by the Barilla Foundation, conversion factors relating to the average fruit figure were used for fruit, while those relating to the average seasonal vegetable figure were used for vegetables.



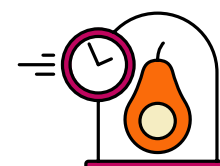
Sustainable packaging for F.lli Orsero

For Orsero brand products we increasingly use packaging with a high percentage of recycled and recyclable material.

In the last two years – where possible – we have replaced polystyrene packaging with paper equivalents, and purchased FSC-certified labels.

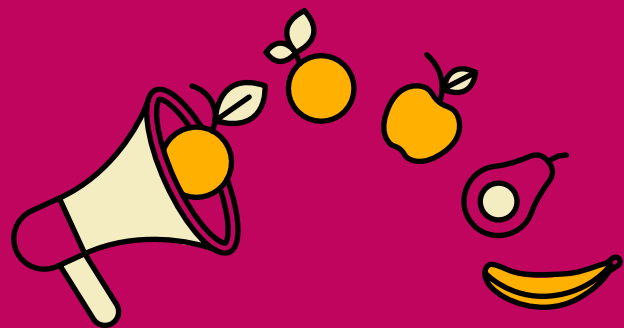
October 2021 saw the launch of the ECOPACK packaging for F.lli Orsero's exotic fruit lines, including the popular “ripe to the right point” and the organic line. The packaging is 100% recyclable in the paper or organic waste and the brand's tropical graphics are printed with vegetable-based inks. The two types of packaging are suitable for every fruit and size:

- **ECOPACK – ZERO PLASTICA**, 100% paper stackable trays to optimise space in the fridge, with hexagonal openings on the sides designed to leave the product clearly visible and to unleash the colours and fragrances of fruits such as mango, papaya and passion fruit;
- **ECOPACK – FLOWPACK**, paper trays covered with a flowpack of compostable cellulose for holding and protecting the most delicate fruits such as the bananito and special shapes such as the pitaya.



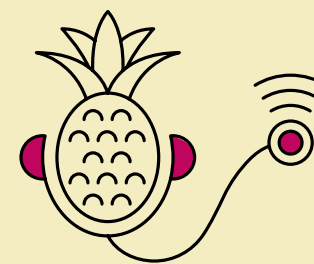
Preventing food waste upstream in the supply chain

In 2021 we announced our partnership with Apeel, an innovative American company with a mission to reduce food waste, which we implemented in our Mexican companies. Apeel applies a plant-based protection to the peel, consisting of substances that can be found naturally in fruit and vegetables. It reduces the rate of product spoilage and thus prevents food waste throughout the supply chain: from production to consumption through to sales.



Promoting a healthy, sustainable diet

We believe in the need to promote a healthy, sustainable diet. By their very nature, fruit and vegetables make it possible to combine caring for human health – at the basis of a healthy diet – with caring for the environment since they are among the foods with the lowest levels of environmental impact. Aware of this starting point, each day we strive to ensure high, rigorous standards of traceability, quality and food safety.



Production checks

Our inspectors in Central America regularly visit the farms to ensure compliance with the Group's strict technical specifications.

More than

8,800

quality checks
in Europe alone

Distribution checks

Touch checks

The product's form is checked, i.e. its weight, size, pressure and degree of ripeness.

Visual inspections

The products are checked on arrival, making sure that they are of the correct variety and that the characteristics of the fruit are correct.

Temperature monitoring

Upon the arrival of each load of products, the temperature inside the truck or container is measured. The temperature is checked in different areas to ensure the freshness of the entire load.

Aesthetic checks

Products are checked for a long commercial life, free from disease and deformations.

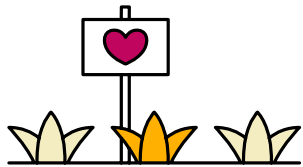
Customer standards

In order to respond to consumer preferences, each product is checked to make sure that it is ready for distribution and therefore meets certain customer standards.

Humidity monitoring

Each product must always be in a healthy environment with the right conditions, therefore the ambient humidity is constantly checked.





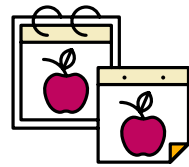
F.lli Orsero and its Organic, Zero Residue and Nickel free lines

We are committed to ensuring that our F.lli Orsero brand promotes the transition to a food system that not only safeguards food safety but also gives consumers access to healthy and sustainable food systems, including organic, residue-free and nickel-free products.

Organic farming is based on respect for the natural cycles of soil and water, flora and fauna, and consequently also for people.

Zero residue fruit and vegetables are grown following the dictates of integrated agriculture in combination with good agricultural practices, and have a detectable pesticide residue of less than 0.01 mg/kg.

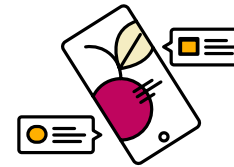
As for the **Nickel Free** label, only certain fruit and vegetables can be considered as such, thanks to the cultivation method applied and the controls aimed at preventing any contamination.



International year of fruit and vegetables

The General Assembly of the UN declared 2021 to be the **International Year of Fruit and Vegetables**, a unique opportunity to raise awareness of their importance for human nutrition, food security and health, and to achieve the UN SDGs.

Sharing the objectives of the initiative, we decided to promote it on all our communication channels (homepages of our company websites, social networks, company presentations).



Responsibility also requires communication

We believe that being socially responsible also means being close to the consumer, at all times: establishing an open dialogue that can support people in their choices, providing useful information, advice and adequate and correct information. Through **F.lli Orsero communication channels** we offer people clear and transparent information on products and suggestions for avoiding waste, reusing fruit and vegetable scraps, advice on special recipes and lots of other useful information that can help spread **healthy eating habits** and raise awareness of **conscious consumption**.



>46,000

total followers between Instagram (8,553), Facebook (23,874) and LinkedIn (14,118)

>10 mln

unique users contacted on social networks

1 mln

website visitors



A detailed illustration of a tropical jungle scene. It features large, vibrant green banana leaves, delicate fern fronds, and clusters of yellow pineapples at the top. In the lower left, there are white star-shaped flowers with yellow centers, and in the lower right, a purple lotus flower is in bloom. A small orange fruit is visible near the bottom center. The background is a solid light orange color.

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Read the document on:

www.orserogroup.it/sostenibilita/



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