



Sustainability Report 2022

HIGHLIGHTS



GRUPPO
ORSERO

Dear readers,

We present Orsero Group's fourth Sustainability Report.

2022 opened in a climate of uncertainty, which underscored the importance of keeping the three dimensions of sustainability – social, environmental and economic – in balance and which made the management of some complex issues, such as supply chains or energy supply, even more delicate.

These additional challenges have not changed the commitments we made in our Strategic Sustainability Plan. It was a year of hard work that led to our first results: internally with the launch of GOWelfare project and the beginning of sharing and training on sustainability topics; and externally with the stipulation of strategic partnerships for goals dedicated to supply chains (Sedex platform), combating waste (the Too Good To Go start-up), and promoting a healthy lifestyle (the Gasol Foundation). For the first time we communicated our commitments to the general public at Reflection, an installation dedicated to raising awareness of food waste.

Furthermore, in 2022 we continued our Group's growth project, with the acquisitions of 100% of Capexo, a leading company in the French market specialising in the import and sale of exotic fruit and vegetables, and 80% of Blampin Groupe, the leading operator in wholesale markets with 12 sales platforms.

The strategic management of a cross-cutting matter such as sustainability, even more so in a dynamic group like ours, requires widespread awareness and common sensitivity. Aware of this, we defined GO Sustainability Governance, which identifies contact persons at a Group level for topics that are common to all the companies (Sustainability Coordinator) and the position of a Sustainability Country Leader for each country we operate in to support everyone's commitment, coordinate efforts and support the gradual adoption of local management of the topic.

2021 was a turning point for the management of sustainability within the Group, but it is with this past year that we began to appreciate this change of course, witnessing the first results of a strategic management of the topic. As evidence of the importance of the Group's commitment to the implementation of the Strategic Sustainability Plan, the Board of Directors decided to disclose the annual ESG targets to the market: a further strategic integration of sustainability and ethical business conduct, which is the basis of our operations.

With this document, we invite you to learn all about our journey towards sustainability, our efforts and the challenges we are facing.

We hope you enjoy reading our 2022 Sustainability Report's Highlights.

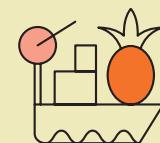


Paolo Prudenziati

Chairman of Orsero Group



More than
1,800
suppliers
worldwide



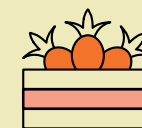
5
ships of the reefer
fleet dedicated
to bananas and
pineapples



More than
7,000
quality checks in
Europe alone



25
warehouses



22
ripening
centres



26
market stands

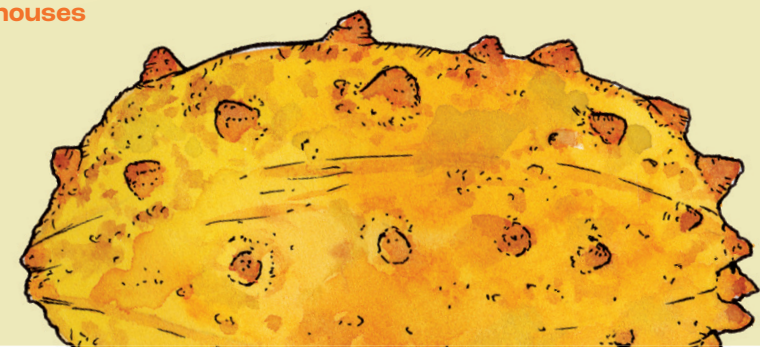


4
fresh-cut centres
in Italy

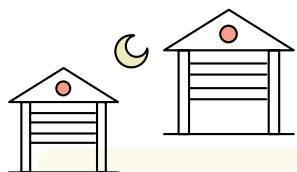


About
60%
sales to large-scale
retailers in 2022*

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

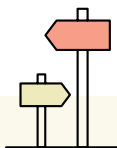


• Our business •



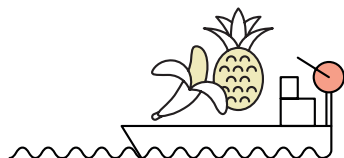
DISTRIBUTION

Each day we distribute a complete range of fresh fruit and vegetables with **more than 300 different items**, guaranteeing a high level of service and offering customised solutions. Our suppliers ensure that we offer a complete range of products that is available 365 days a year, and our widespread presence in the territory, with **specialised warehouses for processing, ripening and storing of fresh produce**, allows us to meet the different needs of customers. The products that arrive in our warehouses complete their ripening cycle and subsequently reach the main Mediterranean supermarkets and wholesalers.



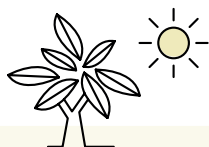
SERVICES AND HOLDING COMPANY

Some Group companies manage **internal services**, which are essential for the proper operation of our value chain.



SHIPPING

Our four Cala Rosse **ships**, together with a chartered vessel, **constantly link Central America with the main Mediterranean ports** through a 35-day voyage that allows fresh fruit to arrive each week in European markets.



PRODUCTION

With our two farms in Spain and Mexico, we are dedicated to the cultivation of two unique local products: the **Canary Island plantain** in Tenerife, in the Canary Islands, and the **avocado** in the state of Jalisco, Mexico.



Turnover



1,196
Million euros

Adjusted EBITDA



76
Million euros

Net profit



32.5
Million euros

EUROPE



LATIN AMERICA



CANARY ISLANDS

5 fincas dedicated to the cultivation of the Canary Island plantain.

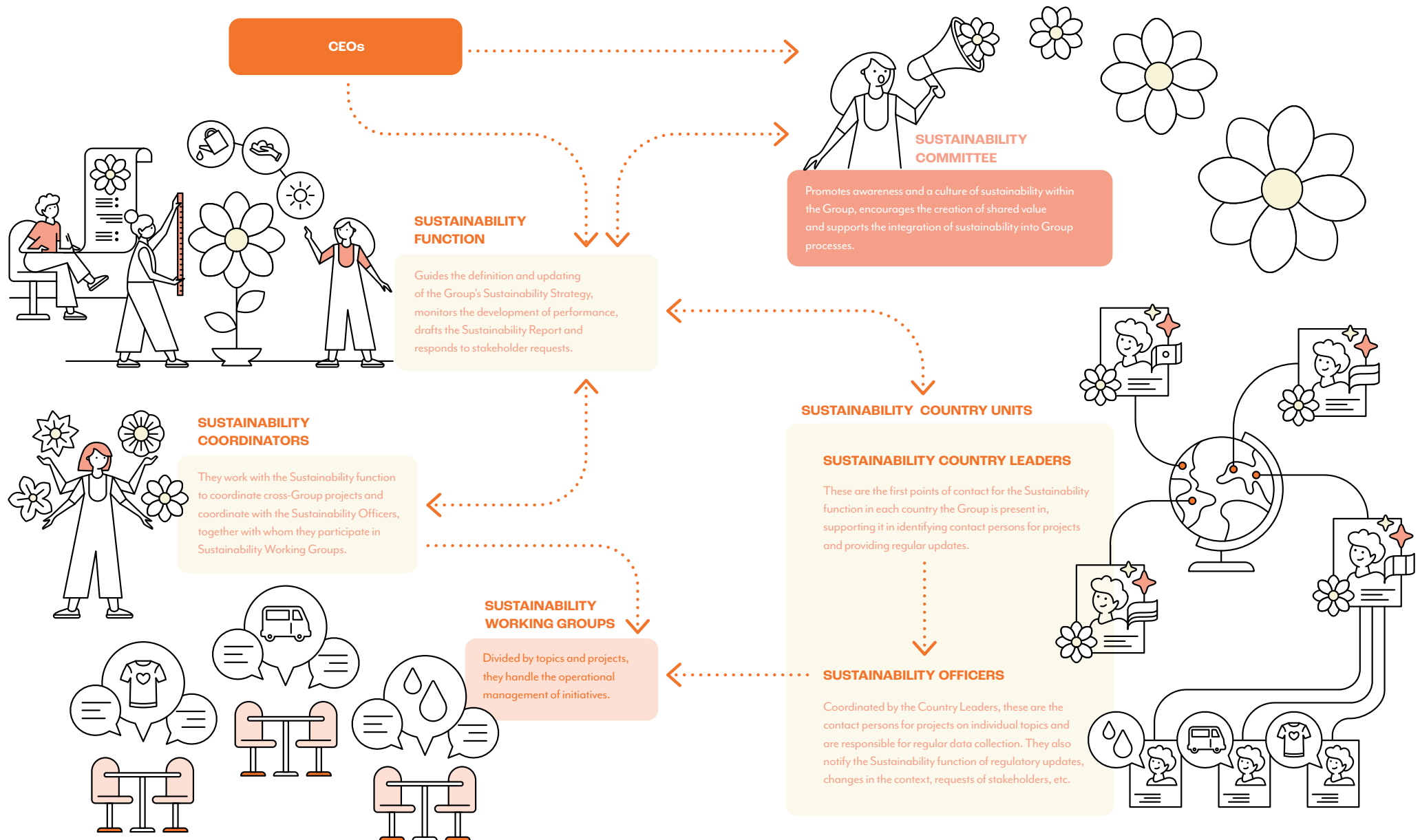
MEXICO

An avocado farm covering 117 hectares.

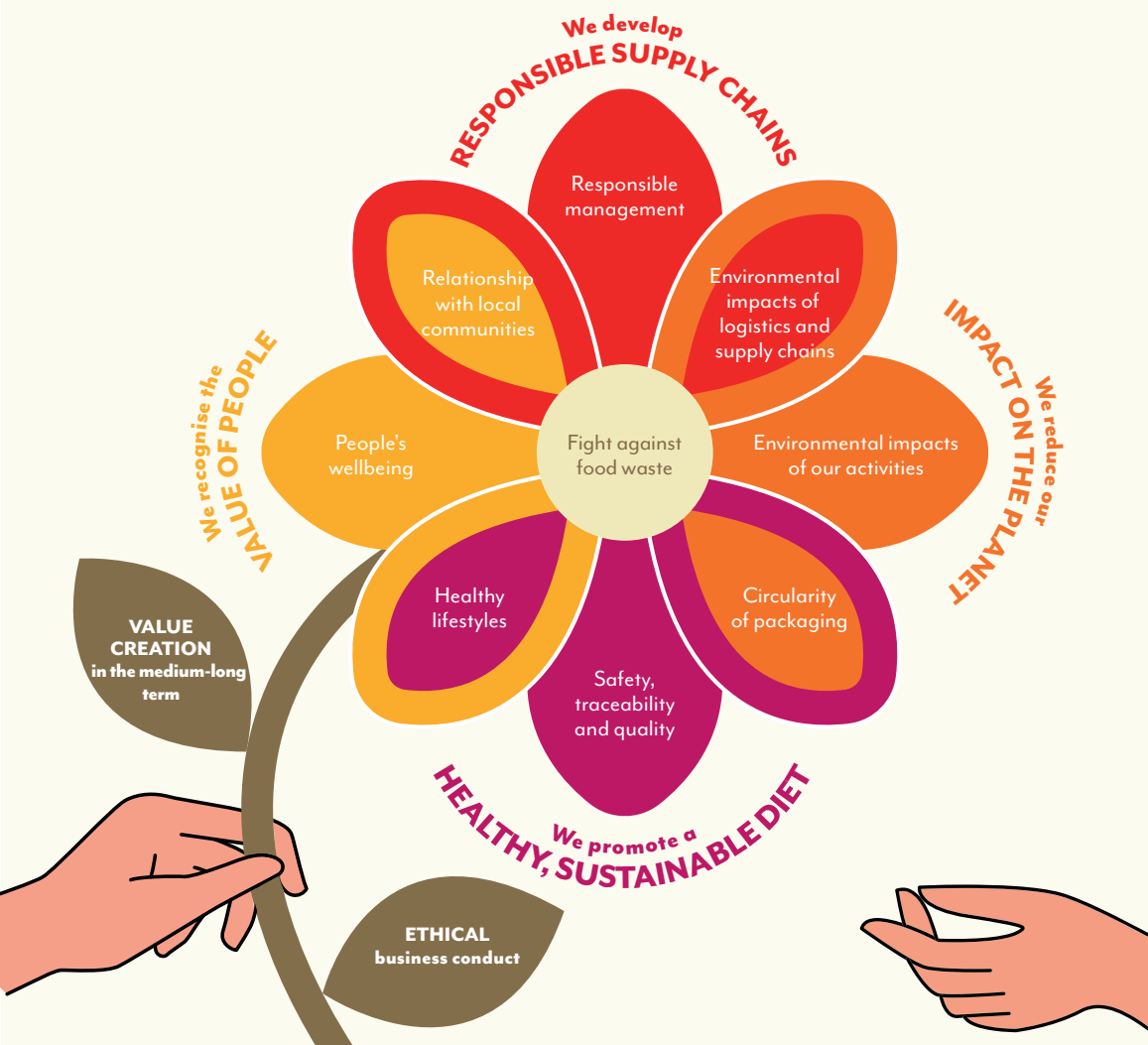
Sustainability • for our Group •

In February 2022 we published our first **Strategic Sustainability Plan**, setting out concrete goals that we are committed to achieving in the coming years.

In order to reach these goals we need everyone's involvement: for this reason we have put in place a **Sustainability Governance** system.



Our Strategic Goals



WE RECOGNISE THE VALUE OF PEOPLE		2022 UPDATE
8	100% of Group companies participating in the GOWelfare programme by 2025	56%
9	100% of Group employees participating in sustainability training and awareness activities by 2025	44%
11	100% of Group companies engaged in a project aimed at supporting local communities by 2030	Partnership between the Hermanos Fernández López and Gasol Foundation.
WE DEVELOP RESPONSIBLE SUPPLY CHAINS		2022 UPDATE
1	100% of fruit and vegetable suppliers engaged in social and environmental issues by 2025	Sedex Membership
WE REDUCE OUR IMPACT ON THE PLANET		2022 UPDATE
2	Finalise the energy efficiency plan by 2028, reducing energy consumption by 20%	- 9%
3	Promote the reduction of food waste along the value chain, testing at least one innovative solution each year	TooGoodToGo partnership and testing of an innovation to extend shelf-life
4	100% of market stands engaged in activities to fight food waste by 2025	35%
5	100% of Fratelli Orsero packaging to be recycled, recyclable, reusable or compostable by 2025	98%
6	100% of Group companies involved in packaging circularity assessment by 2023	Mapping process started
WE PROMOTE A HEALTHY, SUSTAINABLE DIET		2022 UPDATE
7	Inspiring people inside and outside the Group by launching a communication project every year aimed at promoting healthy, sustainable lifestyles	Reflection event in Milan
10	100% of the Group's storage and processing warehouses certified for food safety by 2025	55%

We recognise the value of people

People are the first ingredient of our success. We are committed to recognising the value of every person in every context, and we promote team spirit, transparency and mutual respect as the foundations of our corporate culture.

1,709
employees



84%
employees
with permanent
contracts



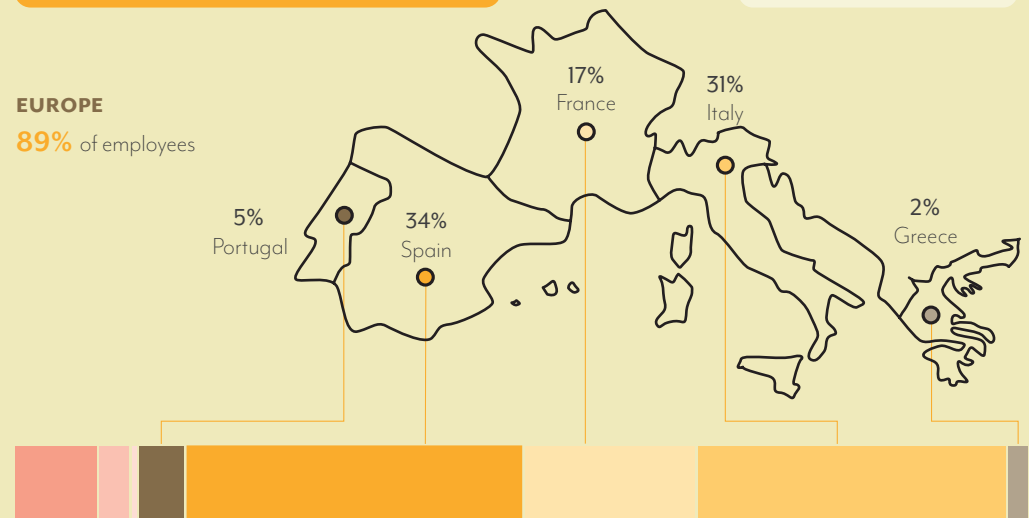
566
women



1,143
men

EUROPE

89% of employees



NON-EUROPE

11% of employees



56%

Group companies that have adopted GOWelfare (Goal 8)

44%

employees trained in sustainability topics (Goal 9)

+46%

training hours provided compared to 2021

Employee well-being

We are committed to providing all our employees with a safe, stimulating working environment, investing in their skills, promoting a good work-life balance and valuing the diversity of each and everyone. In 2022 we launched the GOWelfare project (Goal 8), which 56% of the Group companies have adopted. In 2022 we provided 14,204 hours of training, which we consider to be of strategic importance for the professional development of our resources. Moreover, Goal 9 of our Strategic Sustainability Plan is to involve all our employees in specific sustainability training courses by 2025, and during the year we organised the first course on Food Waste.

Health and safety

We safeguard the health and safety of workers in each of our Group companies, complying with regulatory requirements. Thanks to the management and control activities carried out in all our companies and the training offered to workers, in 2022 the number of injuries to Group employees decreased by 20% compared to the previous year.



Community relations

In all countries we operate in, we support voluntary organisations with food or charitable donations. Goal 11 of the Strategic Sustainability Plan calls for all Group companies to be involved in the implementation of projects dedicated to local communities by 2030: at the end of 2022 Hermanos Fernández López signed an agreement with the Gasol Foundation. The Foundation is committed to reducing and preventing childhood obesity through initiatives promoting physical activity and healthy diets.

In Italy we have been supporting Flying Angels from its foundation. The organization is devoted to giving critically ill children access to medical care.

We donate fruit and vegetables

Each day we strive to fight food waste, to reduce it and to develop an increasingly responsible supply chain. With this in mind, we have been working for years to prevent waste and partner with organisations committed to this issue. In 2022 we donated 4,153,208 portions of fruit and vegetables, or 623 tonnes.



The Great Collection: Hermanos Fernández López and the partnership with FESBAL

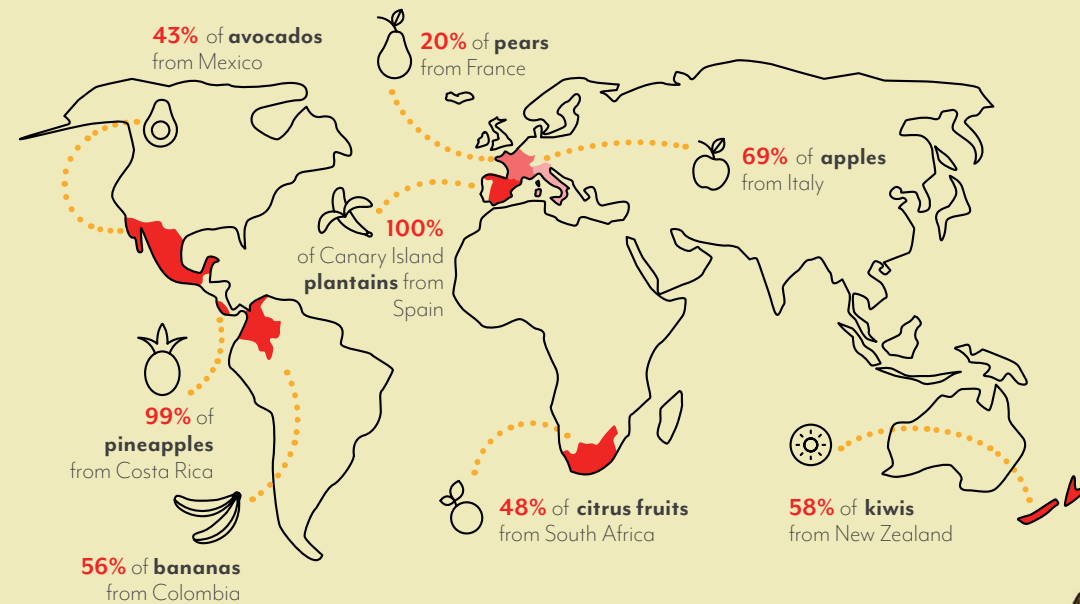
Hermanos Fernández López decided to involve its employees in a special initiative with the Federación Española de Bancos de Alimentos (FESBAL): to bring the Great Food Collection from supermarkets to the company's offices and warehouses.

Thanks to everyone's cooperation and sensitivity, we managed to collect a total of 1,150 kg of food products, which were then distributed to food banks in Tenerife, Seville, Alicante, Madrid, Lleida, Tarragona and Barcelona.

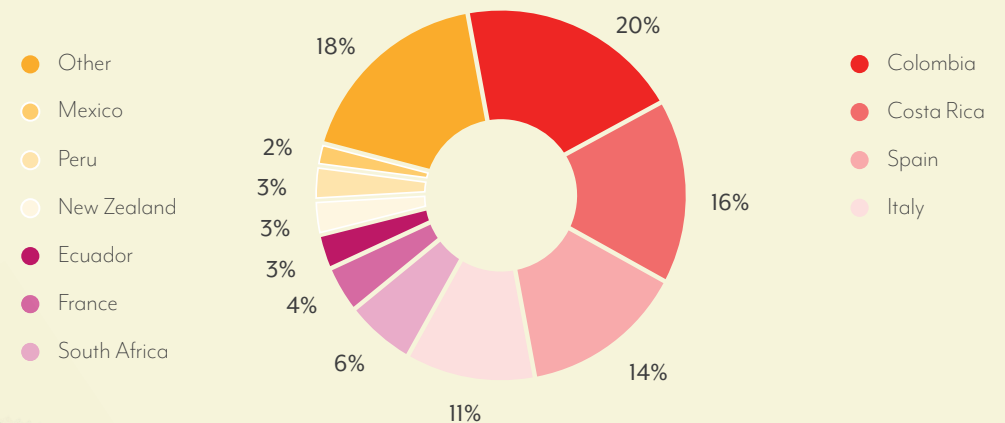
We develop responsible supply chains

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 in purchasing, building relationships based on trust with our suppliers, paying attention to the responsible use of natural resources and respecting the inalienable rights of every person.

We travel the world in search of the best produce: our fruit and vegetables come from more than 90 countries, and they are carefully selected to ensure quality and freshness.



Origin of purchased fruit and vegetables (volume)



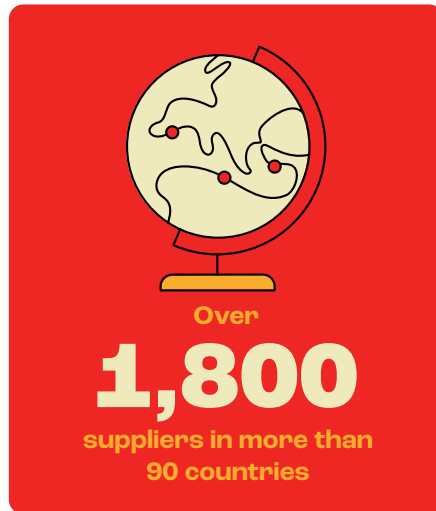
Supplier selection and evaluation

Each company in our Group follows precise procedures in the selection and evaluation of fruit and vegetable suppliers. 65% of our suppliers have one of the following certifications:

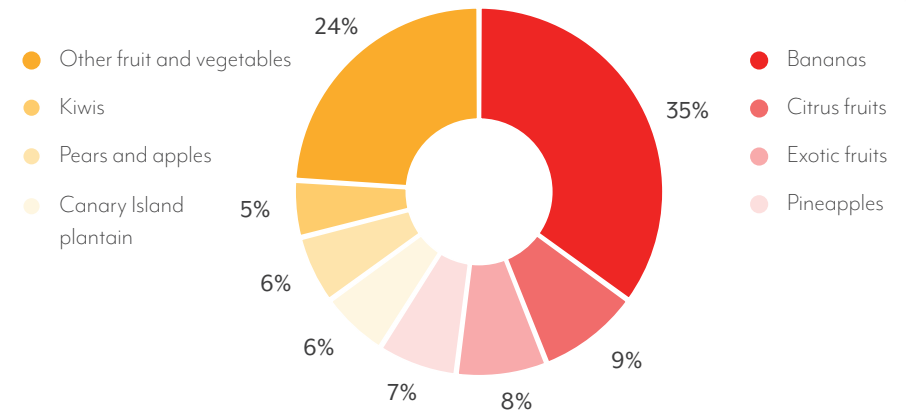
GLOBAL GAP AND GRASP: food safety certification through the application of integrated farming techniques that protect the environment and the consumer. GRASP is a module that focuses on the assessment of social aspects related to the activities of agricultural workers such as: children's rights, work time, salaries, worker representation and the guarantee of legal protection.

RAINFOREST ALLIANCE: certifies that 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: certification of products from suppliers who respect farmers' and workers' rights, with production according to Fair Trade criteria. It guarantees that the price paid to producers is fair and stable (Fairtrade minimum price) and an additional margin to be invested in social and health projects for communities (Fairtrade Premium).



Purchased fruit and vegetables (volume)



Orsero Group and Sedex

As part of our commitment to develop responsible supply chains, in October 2022 we decided to become a member of SEDEX (Supplier Ethical Data Exchange), a non-profit organisation that offers the largest European platform for collecting and processing data on the sustainability performance of supply chains. In 2023, within the context of our commitment to involve 100% of our suppliers in social and environmental issues (Goal 1), we will ask the Group's most important suppliers to use this tool, and based on the results we will plan both the expansion of our operations and the definition of the subsequent methods of involvement.



We reduce our impact on the planet

In keeping with a responsible approach, we are committed to limiting the externalities generated by our operations, contributing to the protection of a common heritage, and we constantly monitor our impacts with a view to continuous improvement.



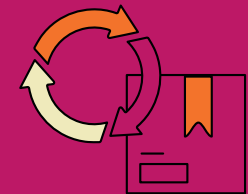
-9%

energy consumption index
compared to 2018 (kWh/m³)
(Goal 2)

Energy-saving culture

Since 2018, we have been committed to optimising energy consumption through the modernisation of facilities and a targeted action plan, and have dedicated Goal 2 of our Strategic Sustainability Plan to these activities: the reduction of our energy consumption index (kWh/m³) by 20% by 2028.

In 2022 our performance improved with an overall reduction of 9% compared to 2018 and 3% compared to 2021.



98%

Fratelli Orsero packaging
is recyclable, compostable,
biodegradable or reusable
(Goal 5)

97%

packaging materials
from renewable sources

Circular packaging

For years we have been working to use and promote more circular packaging materials, looking for solutions that are recyclable, recycled, reusable or compostable while ensuring product quality.

97% of the materials used for packaging are made of renewable materials (e.g. paper, cardboard, wood and cellulose).

As part of our Strategic Sustainability Plan, we have committed to all F.lli Orsero packaging being recycled, recyclable, reusable or compostable by 2025 (Goal 5). In 2022, 98% of the materials used by the F.lli Orsero brand met the requirements of the goal.

Fight against food waste



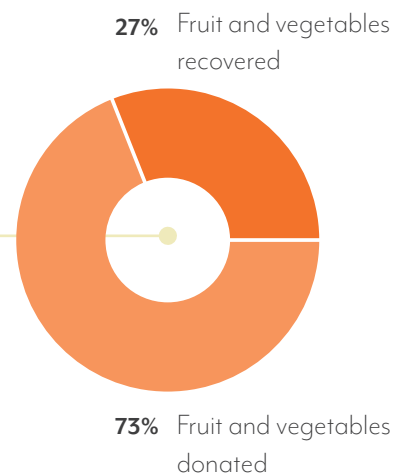
More than 760,000
tonnes of fruit and vegetables handled

2.15%

fruit and vegetables
destroyed

0.11%

fruit and vegetables
recovered or donated



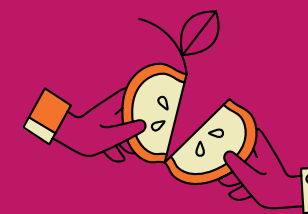
Hermanos Fernández López and the collaboration with Foodback at Mercabarna

On 1 February 2022, a new food recovery centre was born in the Mercabarna market in Barcelona: **Foodback**. Thanks to the collaboration of the entities present in Mercabarna, the centre is able to make use of products that are still edible by distributing them to social entities throughout Catalonia, and by allocating what is no longer edible to an energy production plant.

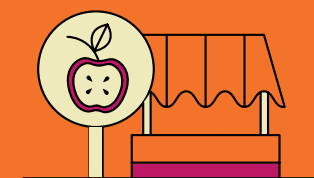
In 2022 Hermanos Fernández López allocated 37 tonnes of fruit and vegetables to Foodback, 74% of which was redistributed to local organisations to alleviate food poverty, with the remainder going to energy production.

The fight against food waste is the centre to our Strategic Sustainability Plan: it is a topic that impacts all four areas of our strategy and above all it involves every actor along the fruit and vegetable supply chain, from the farmer to the end consumer. Our handling of the topic is based on a two-pronged approach: on the one hand preventing, on the other fighting waste and scraps. In keeping with this approach, we have defined two goals:

- Each year test an innovation dedicated to reducing food waste (Goal 3): during the year we reached an agreement with TooGoodToGo in Italy that enabled us to save around 15 tonnes of fruit and vegetables.
- Engage all our market stands in initiatives to fight food waste by 2025 (Goal 4): in 2022, 9 stands were involved (35%), by donating a total of 309 tonnes of fruit and vegetables donated.



Partnership with
TooGoodToGo
(Goal 3)



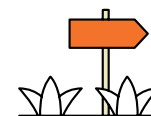
35%
market stands
engaged in activities
to fight food waste (Goal 4)



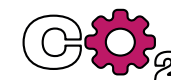
In 2022 we saved

856 tonnes

of fruit and vegetables, avoiding the waste of:



3 km²
of soil



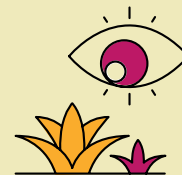
159.31 tonnes
of CO₂ already emitted



302.35 megalitres
of water

We promote a healthy, sustainable diet

Each day we apply high, strict standards to ensure the traceability, quality and safety of our products, which are indispensable requirements, and we share our commitment to a more sustainable food system, fighting waste, promoting a proper use of packaging throughout its life, and supporting a healthy lifestyle.



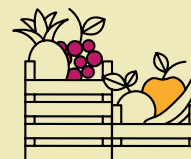
FRUIT AND VEGETABLES PROCUREMENT

We check for all the necessary product certifications. For the bananas and pineapples we buy in Costa Rica and Colombia, our local inspectors perform daily quality checks at our suppliers' farms.



STORAGE, PROCESSING AND RIPENING

When products arrive at our warehouses, we check their food safety parameters, quality and the proper application of product standards. We aim to **certify 100% of storage and processing warehouses for food safety by 2025 (Goal 10)**. During the year the number of certified warehouses increased to **12 (55%)**.

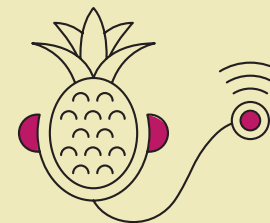


DISTRIBUTION

The strategic location of our warehouses allows us to distribute products quickly and promptly, meeting customers' needs without compromising quality.

Quality, safety and traceability

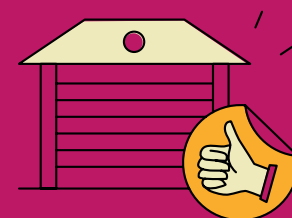
Every day we strive to ensure strict standards of traceability, quality and food safety thanks to the numerous checks performed at all stages of our supply chain.



More than

7,000

quality checks per day in Europe



55%

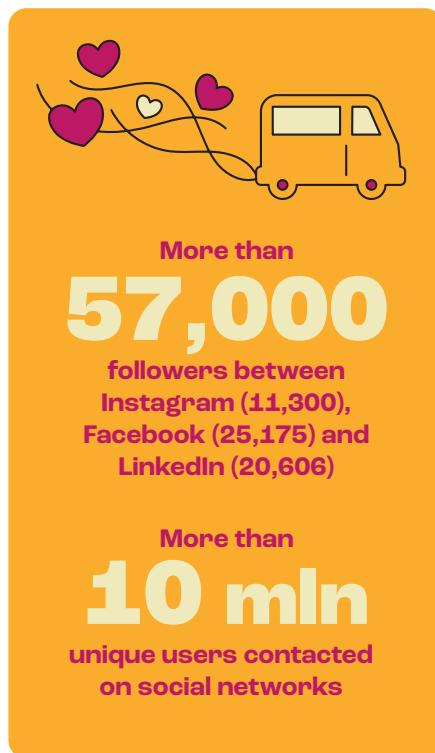
warehouses certified for food safety (Goal 10)

Responsible communication

We believe it is crucial to promote the benefits of fruit and vegetables, and to raise awareness on issues that are important to us such as tackling food waste and the proper disposal of packaging.

In 2022 we:

- Launched a partnership on Instagram and TikTok between **F.lli Orsero** and **Al.ta Cucina** in Italy, which totalled 88 stories, 12 reels and more than 4 million users engaged.
- Engaged 214 influencers on Instagram, for a total of 525 posts featuring our products.
- Launched a project focused on promoting good eating habits in two schools in Barcelona: **Hermanos Fernández López** shared with 320 students the importance of fruit and vegetables as part of a healthy diet, using a fruit and vegetable version of the Goose Game.



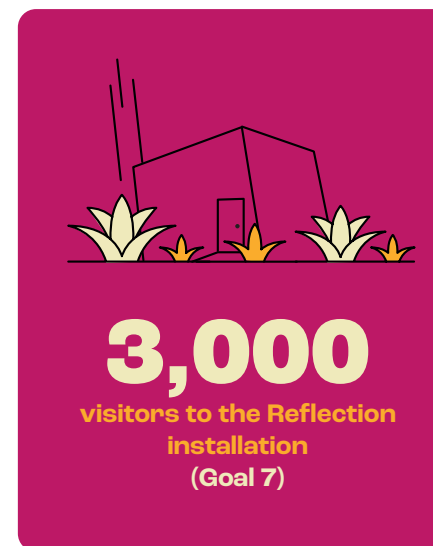
REFLECTION - It's time for your reaction

Landing on Earth from a mysterious planet.
Its mission is to make us reflect.

REFLECTION was a major communication project dedicated to raising awareness on food waste, which was held in Milan from 26 to 29 May.

Touring a mysterious capsule that landed inside Parco Sempione, 3,000 visitors were able to enjoy an immersive, multi-sensory experience that guided them towards the final message: *"Reflection: it's time for your reaction"*. On the way out, visitors had the chance to turn their reflection into concrete action by meeting the volunteers of the organisations we work with in Italy to fight food waste – RECUP, Pane Quotidiano and Fondazione Banco Alimentare – to find out more about their activities and how they can support their work.

Finally, on the Reflection.it website, visitors could learn more about food waste and be rewarded with a box of "saved" fruit from TooGoodToGo.




15,000
website visits

112

TooGoodToGo vouchers

100

influencers and journalists
involved with 158 social posts



Orsero S.p.A.

Registered office:
Via Vezza d'Oglio 7,
20139 Milan

Read the full document at:
www.orserogroup.it/sostenibilita/



GRUPPO
ORSERO