



Sustainability Report 2024



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1 INTRODUCTION

1.1 LETTER TO STAKEHOLDERS

Dear stakeholders,

This year again, we would like to open our sustainability report by revisiting the practices of the past, because in truth there is nothing new under the sun, as Ecclesiastes says. People once learned not to throw anything away, because many things could be reused. Leftover food was served again at a later meal, perhaps with a few new ingredients, or given to animals; paper—even newspaper—was used for wrapping (older readers may remember roasted chestnuts) and reused several times. White sheets of paper were written on until there was almost no space left, package string was saved for reuse, worn sheets became kitchen cloths, and so on. In our garden there was a pit in a secluded corner beneath large bushes where kitchen scraps that even the animals could not eat, along with all the garden waste, were thrown. After a year, they had turned into a light, extremely fertile soil. No one called it compost at the time, but it was done as a matter of course.

Why are we telling this story? Because this was the behavior of a society that was less wealthy and more responsible than today's. We are now rediscovering values that were common to humanity for millennia and, thanks to scientific discoveries, research, and today's technologies, we can be much more effective. We are therefore very pleased that we have all become more aware of the need to reduce waste and reuse everything possible, taking care of the Planet together through the lens of sustainable development.

Within the company, much of what is done in the field of sustainability comes from common sense, almost unconsciously; but if what is done is not put in writing, it is impossible to fully appreciate how much is being achieved to protect the environment and health, and it is difficult to set the next ambitious goals. We therefore write this document because it helps us better understand and gain an overall view of the improvements made through sustainability. It also serves to present to our stakeholders, in an organized and rational way, all the work carried out in support of sustainability.

In 2024, we were committed to developing every sector in which we operate. Our presence in markets around the world grew even stronger, although in some countries serious difficulties had to be overcome because of war. We introduced many new cultures in the dairy sector and in the food sector more broadly, paying particular attention to cultures with a protective effect, to counter both pathogens and the microorganisms that spoil food, reduce food waste in line with the European Farm to Fork philosophy, and preserve the highest quality of milk. We were also highly active in offering solutions for the fermentation of plant-based products as valuable alternatives to foods of animal origin, and we achieved very encouraging results in the use of microorganisms to support crop health. In the Microbiome division, we developed many new microorganisms for the health of both humans and animals. The steady and rapid growth of this sector confirms the value of the products we offer.

For us, this is the best possible way to contribute to sustainable development and to achieving the goals of the 2030 Agenda: putting the enormous potential of microorganisms at the service of the Planet so that, together, we can build a better future.

Thank you for standing by our side again this year.

Verga Family

1.2 OUR SIXTH SUSTAINABILITY REPORT

1.2.1 Methodological note

Sacco System publishes its sustainability report with the aim of communicating its environmental, social, and economic performance to all stakeholders with full transparency, describing the initiatives undertaken and the results achieved.

This publication is intended to report on the most significant economic, environmental, and social aspects that characterized the company's activities during the period from 01/01/2024 to 12/31/2024, comparing them with previous years whenever possible.

The scope of analysis for these three chapters includes the three largest companies, by revenue, size, and historical significance, located in Italy: Sacco S.r.l., Caglifacio Clerici S.p.A., and Centro Sperimentale del Latte S.r.l. Within these chapters, the three companies may collectively be referred to as Sacco System. In the chapter on economic performance, however, the entire consolidation perimeter is used.

This year as well, we prepared our report using as a reference framework the leading voluntary global reporting standards: the GRI Standards of the Global Reporting Initiative. At the end of the document, the GRI Content Index indicates which GRI disclosures have been reported and will help the reader locate them in the report.

The 2024 Report was prepared by a cross-functional internal working group, coordinated by an external consultant (holding the GRI Sustainability Professional certification), under the supervision of Top Management. The reporting cycle remained annual.

The selection, calculation, and interpretation of the indicators, as well as the collection, contextualization, and processing of the data and texts needed to report each topic, involved a range of company professionals, area managers, or similarly qualified roles. The departments involved were Finance & Control, Procurement, Production, Operations, Logistics, Human Resources, Research & Development, Scientific, Quality Assurance, Marketing & Communications, and Sales. The final document was reviewed and approved by Top Management.

1.2.2 Materiality analysis

During the second half of 2024, Sacco System launched an important process to identify the material topics that will guide the company's future sustainability initiatives, according to a double materiality approach.

This allowed us to move closer to the reporting requirements set by the CSRD (Corporate Sustainability Reporting Directive - Directive 2022/2464/EU), while at the same time maintaining compliance with the GRI Standards.

This process was structured into several key phases, each of which helped create a solid foundation for future decisions.

First, a stakeholder mapping exercise was carried out. This step involved reviewing and updating the previous map in order to better understand who the people and organizations currently influencing, or influenced by, the group's activities and value chain are. This gave us a clear picture of the main stakeholders involved and how they interact with SACCO SYSTEM (Figure 1).

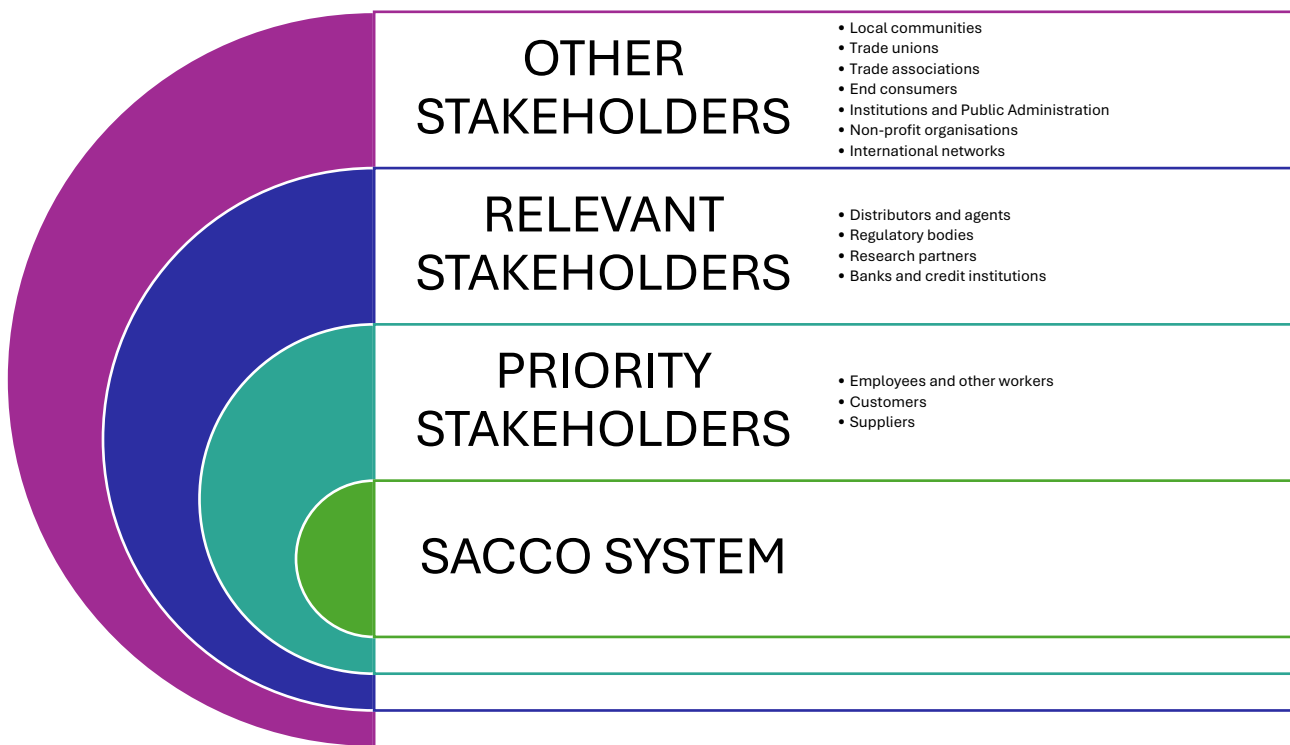


Figure 1 - Updated stakeholder map

Next, a context analysis was conducted: the company’s activities, organizational structure, business relationships, and the geographic context in which it operates were examined. Particular attention was paid to PESTEL macro-factors (Political, Economic, Social, Technological, Legal, and Environmental), which provided a comprehensive overview of the external dynamics that may influence the company.

Another crucial phase was the IRO analysis. This step made it possible to identify sustainability-related impacts, risks, and opportunities.

To define the topics to be analyzed, the themes listed by the GRI Topic Standards (Global Reporting Initiative) and the European Sustainability Reporting Standards (ESRS) were considered. Each topic was then assessed by the ownership, supported by an external consultant, in terms of external impacts and economic-financial effects, using a scale of severity and likelihood. This provided a clear picture of priorities and the areas on which to focus most closely.

A key element of the process was stakeholder engagement. Through online questionnaires, it was possible to gather the views of the most relevant stakeholders (employees and workers, customers, and suppliers) and integrate them into the decision-making process. This ensured that the decisions made took these viewpoints into account and reflected the expectations and concerns of all the main interested parties.

Finally, the material topics were reviewed and validated by the internal sustainability committee. This step ensured that the selected topics were aligned with Sacco System’s vision and strategic objectives.

The final outcome of this process is a list of material topics (Table 1), which will form the basis of targeted planning and guide the company’s future sustainability initiatives. Some newly introduced topics, such as biodiversity and the section related to input materials for the circular economy, will not be reported in this reporting cycle because new measurement and monitoring processes still need

to be implemented. For more details, please refer to the GRI Content Index at the end of the document.

List of material topics
Economic performance
Customer health and safety
Training and education
Employment
Occupational health and safety
Water
Energy
Diversity, equity and inclusion
Biodiversity
Climate change
Anti-corruption
Circular economy

Table 1 - Updated list of material topics

1.3 WELCOME TO SACCO SYSTEM

In October 2016, we announced to the world the birth of Sacco System, the highly innovative Italian network of biotech companies that brings together nearly a century and a half of knowledge and experience.

The union of the four companies Caglifificio Clerici, Sacco, Centro Sperimentale del Latte, and Kemikalia (now Sacco System Nordic), working in synergy, has enabled us to respond to customers more quickly and more completely by offering innovative solutions in food, agro, and health. Thanks to everyone's excellent work, Sacco System is now recognized and valued worldwide by customers, distributors, competitors, and industry experts.

Fully satisfied with the experience of those first five years, in June 2021 Sacco System Holding S.r.l. was established: a new corporate structure through which the Verga Family intends to look ahead, further strengthening group synergies in order to achieve structured and lasting international growth, positioning itself in the market with an ever-stronger and more widely recognized brand. Our products are currently sold in more than 110 countries around the world.

Over time, Sacco System has grown and expanded: the entities currently belonging to Sacco System Holding are shown in Figure 3 and briefly described in Table 2; all entities in which even a minimal equity interest is held are included. With the exception of Como Venture s.r.l., Sacco Brazil, ProBioEtna s.r.l., Fitbiomics Inc., ProBioFuture S.p.A., and Infinant Health Inc., all are included in the consolidated financial statements. Compared with the previous year, notable changes include the transfer of Infinant Health from Caglifificio Clerici to CSL and the change in company name from CSL France and Sacco System France s.a.s.

SACCO SYSTEM HOLDING

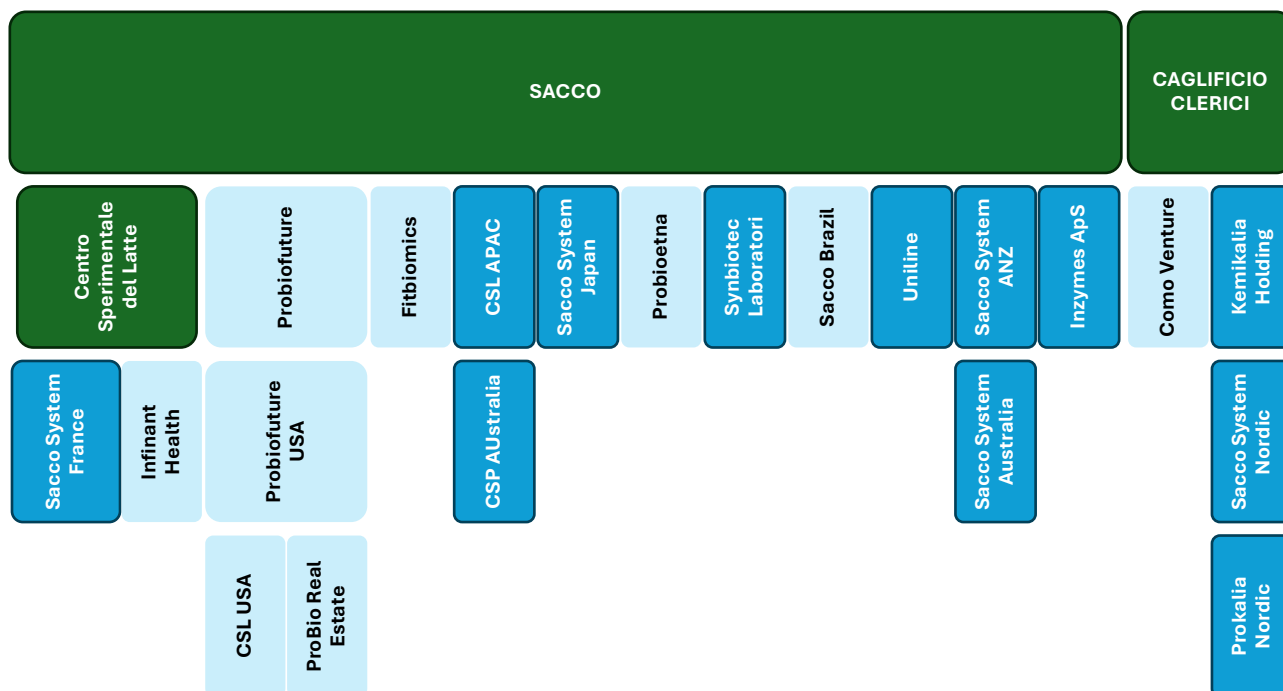


Figure 3 - Corporate structure of Sacco System Holding (in green, the entities included in the sustainability reporting perimeter; in lighter color, the entities excluded from the consolidated financial statements)

Company name	Location	Activity
Caglificio Clerici S.p.A.	Cadorago, Italy	Administrative offices, R&D, production
Centro Sperimentale del Latte S.r.l.	Zelo Buon Persico, Italy	Administrative offices, R&D, production
Como Venture s.r.l.	Como, Italy	Administrative offices
CSL APAC PTE LTD	Singapore, SG	Administrative and sales offices
Sacco System France sas	Echirrolles, France	Administrative and sales offices
Fitbiomics Inc.	New York, USA	Administrative offices
Infinant Health Inc.	California, USA	Administrative offices, production
Inzymes ApS*	Hellerup, Denmark	Administrative offices
Kemikalia Holding AB	Skurup, Sweden	Administrative offices, production
Probioetna S.r.l.	Catania, Italy	Administrative offices, research & development
Probiofuture S.p.A. (Probiofuture USA Inc., CSL USA Inc., ProBio Real Estate LLC)	Milan, Italy / Wisconsin, USA	Administrative office / Administrative offices, production
Sacco Brazil	Campinas, Brazil	Administrative and sales offices
Sacco S.r.l.	Cadorago, Italy	Administrative offices, R&D, production
Sacco System ANZ Pty Ltd	Yeerongpilly, Australia	Administrative and sales offices
Sacco System Australia Pty Ltd.	Yeerongpilly, Australia	Administrative offices, production
Sacco System Japan	Tokyo, Japan	Administrative and sales offices

Synbiotec Laboratori S.r.l.	Camerino, Italy	Administrative offices, R&D, production
Uniline Ltd.	Moscow, Russia	Administrative and sales offices

Table 2 - Companies belonging to Sacco System Holding

1.3.1 Business units

Sacco System organizes its operations into four business units:

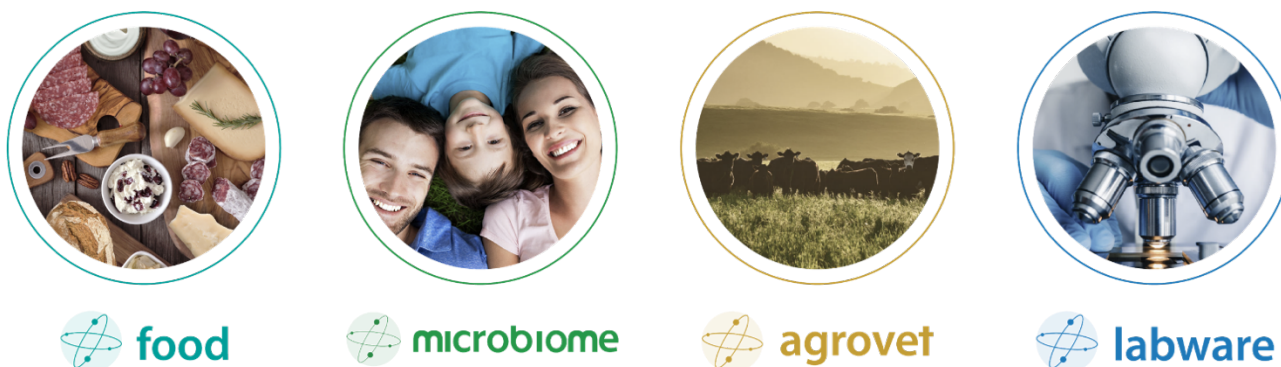


Figure 4 - Sacco System's four Business Units

1.3.1.1 Food

Sacco System products for the food industry

A broad range of lactic acid cultures, microorganisms, probiotics, and enzymes designed to enhance food culture and quality of life, specifically developed for the production of cheese, fresh products, fermented products, cured meats, meat, fish, baked goods, and fermented beverages.

1.3.1.2 Microbiome

Microorganisms and active ingredients for human health

Production, research, and development activities for probiotics for the nutraceutical and pharmaceutical sectors. With our two GMP-certified facilities, we are able to support companies in development, process validation, and the commercial production of probiotics, postbiotics, next-generation bacteria (aerobic and obligate anaerobic strains), and biotherapeutics (BP).

1.3.1.3 Agrovet

Cultures for the Agro-Veterinary sector

Sacco System cultures for the agro-veterinary sector are formulated, tested, and produced to improve animal well-being and performance, while at the same time optimizing the wholesomeness and quality of livestock products in full respect of ecosystem balance. Sacco System produces silage cultures, probiotics for plants and agriculture, and probiotics for all poultry, dogs, and cats.

1.3.1.4 Labware

Instruments, equipment, and reagents for laboratories

We stock and market more than 10,000 items: laboratory instruments and equipment, disposable materials, and rapid kits for chemical and microbiological analysis, thanks to partnerships with more than 250 suppliers, including leading brands such as 3M, Novasina, Bruker, CDR, Unisensor, Prognosis Biotech, QualiTru, and others, enabling us to offer the most innovative products and solutions for the needs of quality-control laboratories, production and logistics departments in the food and pharmaceutical industries, and research centers.

1.3.2 Corporate mission

Our mission is to offer the best products that improve food culture and lifestyle. Tailor-made products based on lactic acid bacteria, probiotics, and enzymes, resulting from the latest research and experimentation and applied to our heritage in food science, health, and well-being: this is, and will remain, the secret of our success. Our company works with life, for life, and draws strength from its relationship with its employees and collaborators, Sacco System's most precious resource: we are a family-owned company that believes in offering the next generation a better future and strengthening the competitiveness of Italian companies.

It is a constant challenge, but one that allows us to share our values with our stakeholder network—direct customers, partners, collaborators, suppliers, and end consumers—with the utmost transparency and honesty. To this end, Sacco System is open to dialogue and committed to developing a community of talented professionals, passionate people, and curious consumers. We make all our skills and experience available to our customers. We evolve in harmony with nature: we speak about healthier, more natural, practical, and tailor-made products in a new way.

1.3.3 A family story

The story of Sacco System is the story of the Clerici family, now the Verga family. This story of deep commitment to quality and research began in 1872, when Martino Clerici founded Caglificio Clerici in Cadorago, 40 km north of Milan near Lake Como, and proudly continues today.

Now in its fifth generation of family management, the company continues to believe in the importance of tradition in the service of quality and research. With a history spanning more than a century and a half, our excellence in industrial innovation is recognized around the world. Dedication is the quiet force that guides the family in its business choices: commitment to quality, research, development, and Made in Italy technology within the company and around the world.

1.3.4 The values of virtuous growth

In its activities, Sacco System pursues an ambitious mission: to promote virtuous growth in good nutrition, capable of improving consumers' lives. To achieve this objective, Sacco System is committed to operating in accordance with three values, for which sustainability is a cross-cutting characteristic (Figure 5).



Figure 5 - Sacco System values

1.3.4.1 Family Spirit

- a. Family company: the central role of people and human relationships, both within the company and with customers and suppliers, promoting respect, care, and willingness to help;
- b. Tradition and expertise: a 150-year history made up of tradition, shared experiences, and the company's qualitative and technological growth alongside the market;
- c. Reliability: a solid corporate presence that inspires trust and credibility, reflected in consistent performance, product effectiveness, and improved results.

1.3.4.2 Creative Intelligence

- d. Research and innovation: valuing lively and dynamic minds, with strong economic and scientific backgrounds, capable of generating ever-new ideas and anticipating trends; the desire to improve, grow, and progress in the food and life sector, thanks to the synergy between Research & Development and the sales force, and to investing part of annual revenue in research and innovation;
- e. Continuous training: the high specialization of our people, achieved through tailored refresher programs with internal and external trainers and through collaborations with research centers and universities around the world.

1.3.4.3 Agility

- f. Flexibility and customization: the development of projects tailored to each customer, born of constant passion and attention on both a small and large scale;
- g. Customer satisfaction: the ongoing commitment to meeting or exceeding our customers' expectations, striving to build with them a stable, continuous, lasting relationship based on trust and on satisfying their needs and requirements.

1.3.5 Code of Ethics

To remain leaders and successfully face the challenges of the global market, we must continue pursuing excellence, seeking employee satisfaction, customer satisfaction, and environmental protection.

Quality is our guiding principle: this is the foundation of our established reliability. We operate with economic awareness, in compliance with the law, and with respect for the environment and for occupational health and safety. We plan our activities and monitor results in line with the principles of transparency in corporate administrative and accounting responsibilities. Our ethical principles are rooted in the continuous improvement of health and safety conditions in the workplace and of the external environment.

In our Code of Ethics, we set out the principles of action and conduct that must govern the activities of every director, executive, employee, and collaborator of the Company. They engage all of our preparation, intelligence, and determination in working with passion, enthusiasm, and positive energy.

The Codes of Ethics of the three companies (Sacco, Caglificio Clerici, and CSL) can be downloaded from our website.

1.3.6 Quality policy and certifications

Sacco System is a biotech organization focused on consistently achieving quality in Agrofood, Health & Nutrition: the group's companies have always fully met the highest quality standards in terms of product and service safety, ethics, and legality.

To achieve this strategic objective, Sacco System relies on a corporate organization that promotes a culture of awareness and sensitivity regarding workplace health and safety, continuous staff training on hygiene and sanitary matters, and production processes that comply with current regulations and respect the environment.

These are the foundations of Sacco System's scientific research, focused on improving health, safety, and well-being for both customers and end consumers. The quality and food safety policy can be downloaded from the "Quality" page of the saccosystem.com website.

As further confirmation of its strong commitment to quality, Sacco System has obtained the main certifications over the years, both qualitative and religious. Here are the details, company by company:

- ✓ ISO 9001 (SACCO)
- ✓ FSSC 22000 (Food Safety System Certification) (CLERICI, SACCO, CSL)
- ✓ KOSHER PRODUCTS (CLERICI, SACCO, CSL)
- ✓ HALAL PRODUCTS (CLERICI, SACCO, CSL)
- ✓ VEGAN PRODUCTS (V-label) (SACCO)
- ✓ GMP AUTHORIZATION (Good Manufacturing Practices) (SACCO, CSL)
- ✓ AUTHORIZATION TO MANUFACTURE ZOOTECHNICAL ADDITIVES (CSL)

1.3.7 The Companies

1.3.7.1 Caglificio Clerici: family spirit

Caglificio Clerici is the historic family company: more than 150 years of passion for quality, research, development, and technology, all carried out in Italy but serving the food industry worldwide. Founded

in 1872, Caglificio Clerici has produced animal rennet and other enzymes for the dairy industry ever since.

For more than 150 years, we have studied and developed technologies that help cheese factories and dairies process milk in the safest, healthiest, and most hygienic way. To achieve this goal, we select only the highest-quality abomasa for our rennet production. The gentle and careful extraction of enzymes is the key point of our production, an art handed down through generations. Clerici produces rennet with the same dedication and enthusiasm as in the past, but using new technologies placed in the expert hands of our team of professionals.

1.3.7.2 Sacco: tailor-made innovation

Since 1934, Sacco has presented itself on the international market as a biotech company and partner in research, scale-up, production, and packaging of selected microbial cultures, both freeze-dried and frozen, to be used primarily in the dairy industry and the food sector in general. Sacco's expertise and know-how support the food industry in producing healthier fermented foods, enriched with the characteristics appreciated by customers and end consumers. The company's strength lies in its Research & Development group, capable of producing customized cultures for each individual customer through validated and guaranteed procedures.

Sacco also includes the Labware division, which operates with the goal of providing customers (food industries, testing laboratories, and research institutes) with products, solutions, and technical consulting related to microbiological and chemical controls of raw materials, finished products, and working environments.

1.3.7.3 Centro Sperimentale del Latte: probiotics between science and research

CSL, Centro Sperimentale del Latte, is the Italian company founded in 1948 with the goal of studying and enhancing lactic acid bacteria and other food microorganisms. Following the teachings of its founder, Dr. Leo Vesely, Centro Sperimentale del Latte now researches, develops, produces, and markets probiotics, lactic cultures, molds, and yeasts for the pharmaceutical, nutraceutical, dairy, food, and agro-livestock sectors.

Its industrial work is supported by a substantial body of basic and applied scientific research, reflected in more than 300 publications, including experimental papers and reviews. Customers have always been at the heart of CSL's activities, making it the ideal partner for studying and developing new products and technologies that meet the needs of each client and of the market.

Following the acquisition in 2013, together with Sacco it became Italy's reference hub in the lactic cultures sector and, in practice, the world's fourth-largest production force in bacterial cultures, with a vast collection of microbial strains isolated and selected according to their fermentative and functional characteristics. Our strain library, one of the richest in Europe and beyond, contains more than 6,000 bacterial strains.

1.3.8 Governance

Sacco System Holding s.r.l. is a company owned by the Verga Family, which owns 100% of Sacco S.r.l. (which in turn owns 100% of Centro Sperimentale del Latte S.r.l.) and controls 60% of Caglificio Clerici S.p.A.

Sacco System Holding, Sacco, and Centro Sperimentale del Latte are governed by a Board of Directors, which holds all powers for the ordinary and extraordinary management of the company; it is composed of five members of the Verga Family, four of whom—including the Chairwoman—are women. The Board of Directors of Caglifacio Clerici, on the other hand, consists of a Chairwoman and a Chief Executive Officer, both from the Verga family. Board members have always been appointed through direct descent, and the Chairwoman does not simultaneously hold executive management roles. At CSL, the roles of Plant Director and General Manager are assigned to two individuals who are not members of the Board; in the same company, the former has been granted delegated responsibility for occupational health and safety, being recognized as the “employer” pursuant to art. 2(b) of Legislative Decree 81/08 (Consolidated Occupational Safety Act). No other delegations of responsibility for managing impacts on the economy, the environment, and people are in place in any of the group’s companies.

The Board of Directors is directly involved in approving and updating the mission, guidelines, strategies, policies, and corporate objectives, including those related to sustainable development. The Board, which is always present at the production sites, receives relevant information directly from managers and department heads, on the basis of which it determines and approves long-term strategies and operational business choices. Adverse events are also communicated directly to Board members by department heads: in particular, critical issues relating to occupational health and safety are conveyed by the Prevention and Protection Service Manager (RSPP) or the Workers’ Safety Representatives (RLS) (see the “Occupational Health and Safety” chapter), while non-conformities are reported by Quality Assurance. Through whistleblowing tools (anonymous reporting), reports can be submitted regarding irregularities and unlawful conduct relating to the companies’ activities or individual behavior. The whistleblowing procedure is publicly available on Sacco System’s institutional website.

The Board of Directors is also responsible for reviewing and approving this sustainability reporting document, including the list of material topics.

For all four companies, the task of overseeing the activities of directors and ensuring that company management and administration comply with the law and the articles of association is entrusted to a Board of Statutory Auditors or, in CSL’s case, to a Sole Statutory Auditor. Accounting audits are instead carried out by an auditing firm.

The collective knowledge of directors and managers on sustainable development is constantly updated through participation in various working groups and involvement in institutional activities carried out within trade associations (Federchimica, EFFCA, Confindustria, AMFEP, AISPEC, MIAF: for more on this, see the “Associations” paragraph). Internal company activities on sustainability also involve consultants, experts, and professionals with relevant expertise.

1.3.8.1 Associations

Sacco System companies belong to:

Confindustria Como	Federchimica AISPEC
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Federchimica AISPEC MIAF	Italian Dairy Association
Association of Manufacturers and Formulators of Enzyme Products	European Food & Feed Cultures Association
International Dairy Federation	International Probiotics Association

2 2024 IN FIGURES

429	employees
157	€m revenue
149	t frozen blends
420	t freeze-dried blends
1,080	t enzymes
913	t growth media
34	t chemical products



3 ECONOMIC RESPONSIBILITY

Economic value serving innovation, people, and the local area

3.1 ECONOMIC PERFORMANCE

Sacco System is strongly committed to creating value for its stakeholders, and the measurement of economic results provides a clear and truthful representation of the impacts distributed to them.

For Sacco System, economic performance is the primary element in assessing company results and is measured through the use of indicators that balance the various aspects of management within the broader perimeter of equity and financial performance.

Ownership defines the best organizational structure for implementing the company strategy by establishing priorities, objectives—both quantitative and qualitative—and the methods for measuring and monitoring economic and financial performance. Company policy is clearly geared toward preserving corporate integrity, with efficient and effective use of financial resources in order to ensure long-term sustainable development.

The efficiency and effectiveness of company management are monitored through key performance indicators (KPIs), which are an important part of management objectives (MBO - Management By Objectives), together with other non-financial objectives, within an integrated management approach. Results are periodically analyzed at management level in order to determine alignment with predefined objectives and identify any corrective actions in the event of misalignment.

In recent years, Sacco System has experienced continuous growth marked by positive results. Although it recorded a slight decline compared with the previous year (-3.8% vs. 2023), 2024 still confirms itself as a successful year for Sacco System (see Chart 1).

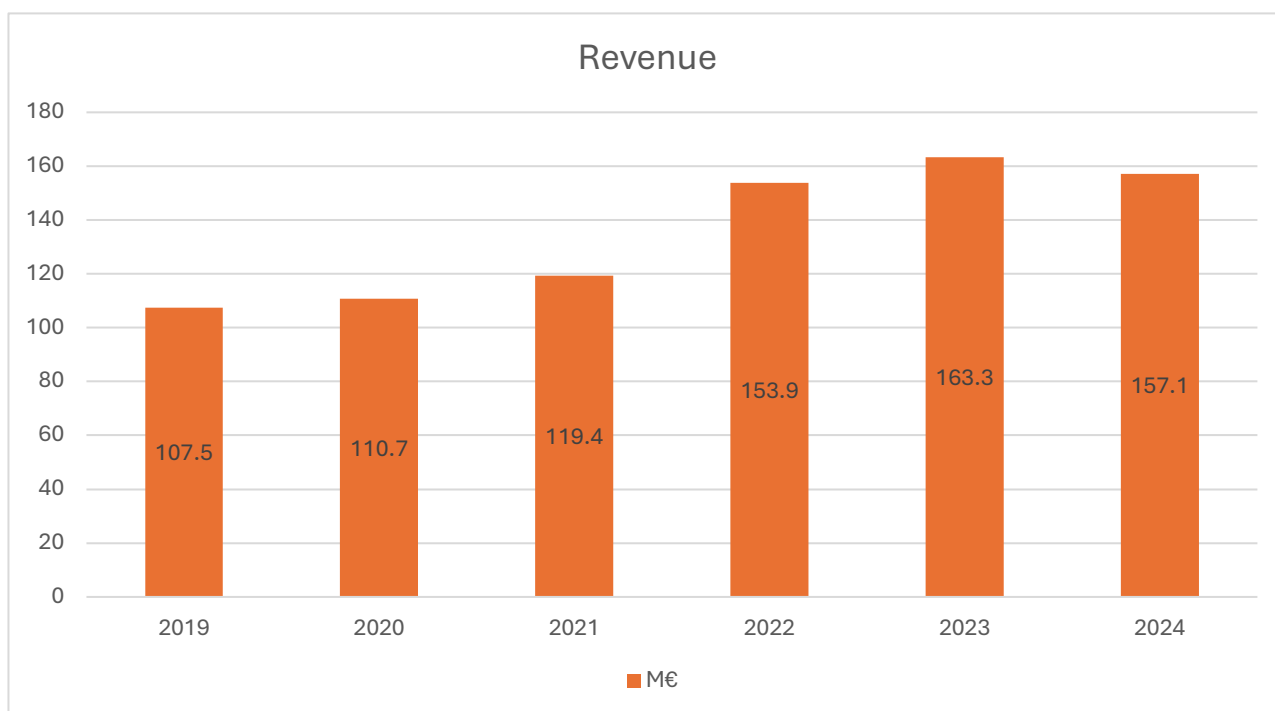


Chart 1 - Sacco System revenue, in millions of euros

The distribution of economic value provides an indication of the wealth created by Sacco System for its stakeholders; below (Table 3) are the main economic and financial data useful for sustainability reporting for the last three years.

Economic and financial data	2022	2023	2024
Direct economic value generated (revenue)	€153,872,376	€163,258,468	€157,138,665
Economic value distributed (operating costs, employee wages and benefits, payments to providers of capital and to Public Administration, community investments)	€133,673,135	€137,856,932	€126,504,811
Economic value retained	€20,199,241	€25,401,536	€30,633,854
Financial assistance received from government (Industry 4.0, Advertising, Research & Development tax credits)	€2,851,079	€1,515,942	€666,243.64

Table 3 - Sacco System economic and financial data

3.2 SUPPLIER RELATIONSHIPS

At Sacco System, we are aware that the quality and safety of our products are built throughout the entire supply chain. For this reason, all our suppliers are subject to careful selection and monitoring in order to verify compliance with our quality and reliability requirements.

For Sacco and CSL, suppliers of raw materials, media, proteins, microbial cultures, packaging, and production auxiliary materials that come into contact with the product must be certified to ISO 22000, FSSC 22000, GMP, BRC, or IFS; suppliers of laboratory materials are instead required to hold ISO 9001 certification. Supplier qualification may also be obtained in the absence of a valid certification, but only after completion of a detailed questionnaire validated by our quality assurance system, the performance of audits, and/or systematic testing of supplied products. Qualification is reassessed annually based on the impact of any non-conformities and following documentary verification.

At Clerici, for rennet production, stomachs are purchased only from slaughterhouses authorized by health authorities and subject to systematic veterinary controls to ensure their suitability for human consumption or classification as Category 3 by-products (for which the health risk is minimal or nil). For other products, such as additives, legal purity requirements must be met.

Sacco System also has a policy against food fraud and a food defense policy, which all our suppliers must comply with.

The Labware BU products marketed by Sacco are selected not only on the basis of their technical characteristics, market potential, and company growth objectives, but also according to the quality of the supplier/manufacturer, taking into account parameters such as ISO 9001 certification, CE marking, the availability of Safety Data Sheets for relevant items, and continuity of supply, guaranteed in many cases by partial or total exclusivity agreements.

Sacco System has a total of more than 4,300 different suppliers of services and goods (both manufacturers and distributors). The majority of suppliers, more than 93%, are European, and they account for 91% of total spending.

For the purchase of raw materials needed for Sacco and CSL fermentations, an Italian presence is ensured by major distributors, while there is also a strong presence of foreign manufacturers, especially from France, Germany, and Switzerland. As for packaging, we rely on Italian manufacturers (90%), mainly from Lombardy and Emilia-Romagna, but the raw materials used to produce the packaging mostly come from abroad.

In 2024, there were no significant changes in the supply chain: the changes that did occur partly concerned the inclusion of new suppliers for the construction activities of the new production site in Vertemate (Como).

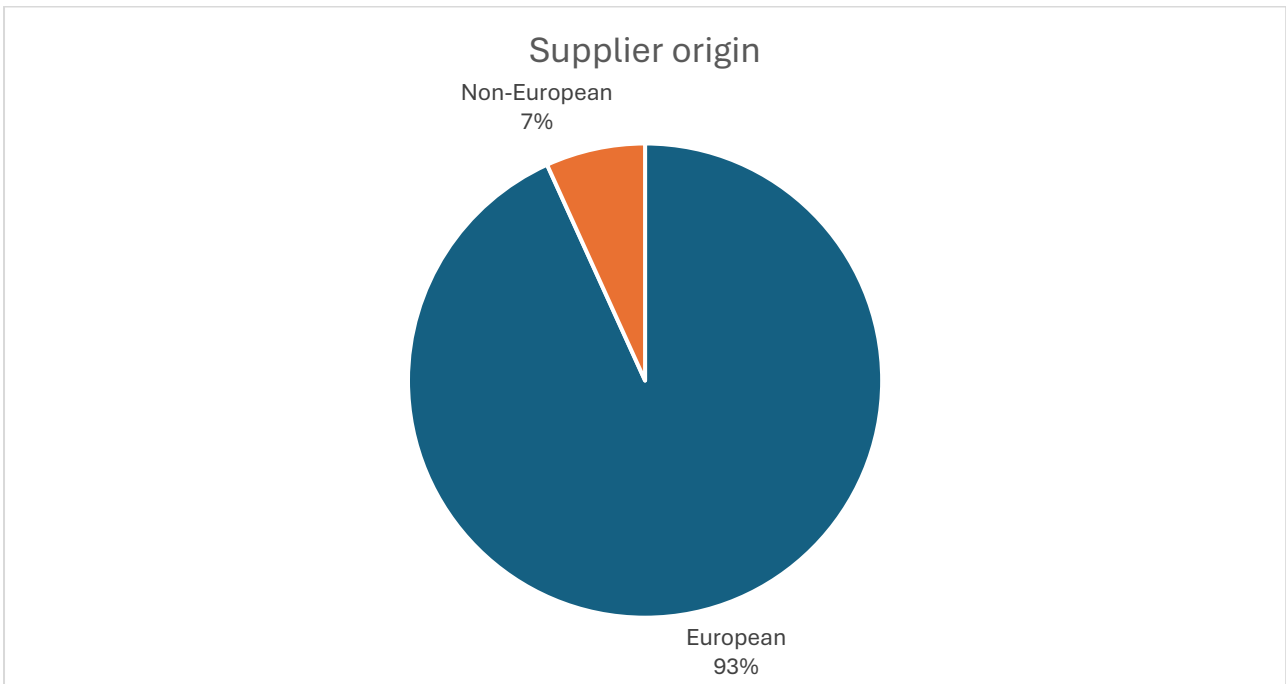


Chart 2 - Breakdown of the number of suppliers by geographic origin

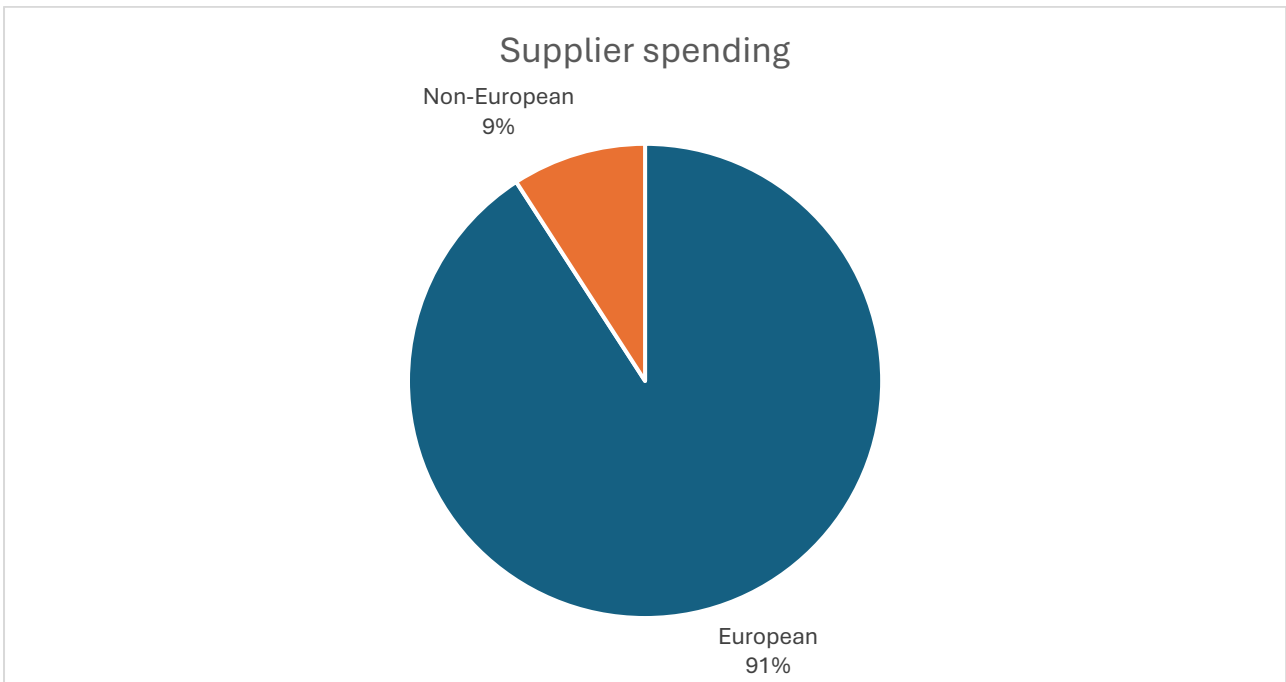


Chart 3 - Breakdown of supplier spending by geographic origin

3.3 ANTI-CORRUPTION AND CONFLICT OF INTEREST

Our stakeholders consider anti-corruption and conflict of interest to be particularly relevant topics.

In compliance with the principles of efficiency, honesty, transparency, and fairness that guide its activities, Sacco System has adopted and implemented a Code of Ethics governing the conduct of each director, executive, employee, and collaborator of the company, and each of them is required to comply with it. The Code of Ethics is distributed to all Sacco System employees, is publicly available on the website, and can also be provided to anyone who requests it.

Sacco System prohibits every employee or collaborator from accepting or offering money or any other form of benefit intended to generate personal advantage and/or benefit for the Company. Every relationship with customers and suppliers must be guided by the general principles of business ethics.

Each Sacco System collaborator, in keeping with the values of honesty and fairness, is also required to avoid any possible conflict of interest, with particular reference to personal interests and conflicts between customers, or between suppliers and customers. This applies when an employee pursues an interest other than the company's mission, derives personal benefit from business opportunities, or acts against the fiduciary duties associated with his or her position. Employees must therefore avoid all situations and activities in which a conflict with the company's interests may arise or that may interfere with their ability to make impartial decisions in the company's best interest and in full compliance with the law.

To facilitate the reporting of possible violations of these rules by anyone who becomes aware of them, a dedicated communication channel has been established with the members of the Supervisory Body, who are responsible for ensuring full compliance with and interpretation of the Code. They undertake to respond promptly, without the reporting party facing any risk of retaliation, even indirect, and to take the necessary corrective and preventive measures to ensure that the same incident does not recur.

Starting in 2023, Sacco, Caglificio Clerici, and CSL adopted a specific procedure and whistleblowing platform for reporting corporate misconduct, information on which is available on the Sacco System website. All parties who have contractual relationships with the companies are entitled to report any misconduct in which they were directly involved or of which they became aware, insofar as it is relevant under Legislative Decree 231/2001.

During the reporting year, no reports were made through the whistleblowing platform and no incidents of corruption or conflicts of interest were recorded within Sacco System's sphere of influence. No specific training or communication initiatives were undertaken regarding anti-corruption regulations or procedures.

4 ENVIRONMENTAL RESPONSIBILITY

Measuring impacts as the first step toward improving environmental performance

4.1 ENERGY

The energy sources used in the company's activities are electricity and natural gas for production processes and on-site activities, and motor fuels for company vehicles (see Table 4 and Chart 4).

Electricity demand is met both through self-generation—via the natural gas cogeneration plant operating since 2022 at the Cadorago site and the 5 kW photovoltaic system at the Zelo Buon Persico facility—and through purchases from external suppliers.

Energy consumption	2021	2022	2023	2024
Natural gas m3	3,310,942	5,235,756	6,582,500	6,514,040
Purchased electricity (production sites) kWh	22,630,361	20,129,246	15,985,913	17,694,733
Purchased electricity (car charging) kWh	2,894	7,843	5,913	n/a
Self-generated and self-consumed electricity (photovoltaic system) kWh	7,000	6,900	6,863	6,500
Unleaded gasoline liters	10,503	13,945	14,034	30,529
Diesel liters	82,996	72,614	48,055	60,712
Total MJ	214,146,633	281,632,177	309,383,596	310,791,434

Table 4 - Sacco System energy consumption; total energy consumption expressed in MJ (definitions, sources, and methodological note)

During 2024, the cogeneration plant generated and directly consumed 2,871 MWh of heating energy and 4,078 MWh of steam energy. It has been calculated that the cogenerator allows us to save 1,400 tonnes of oil equivalent per year. The photovoltaic system produced 6,500 kWh, all of which was consumed on site.

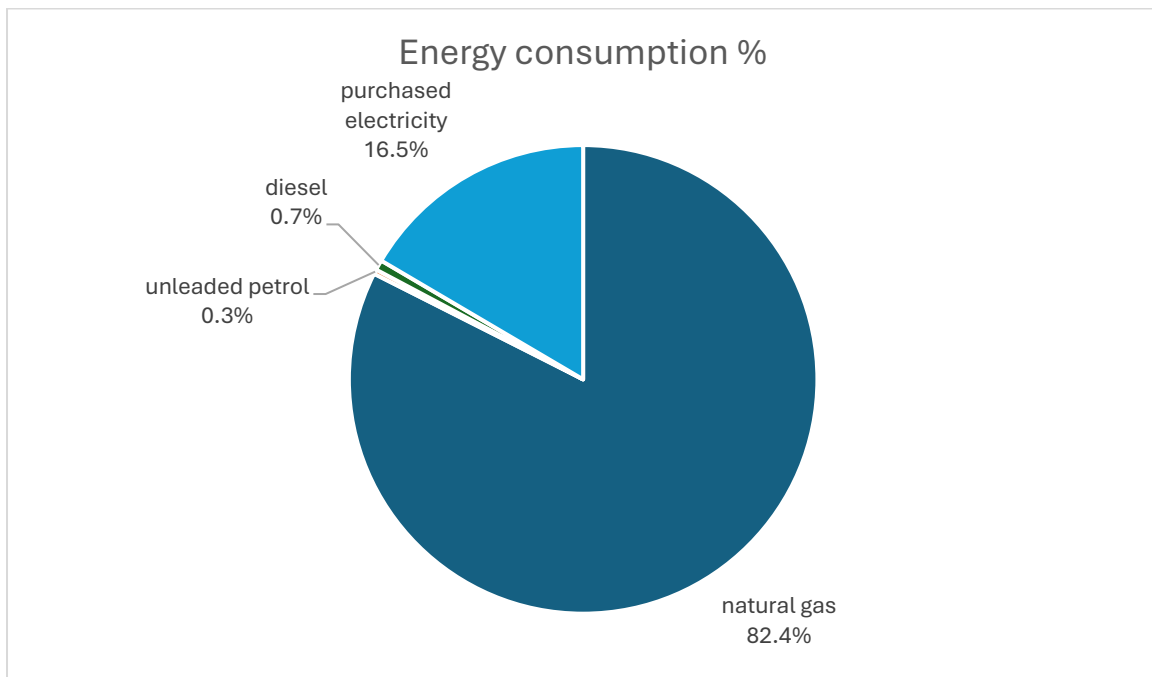


Chart 4 - Percentage distribution of 2024 energy consumption

At Sacco System, energy consumption is mainly attributable to the operation of fermentation production and refrigeration plants, which are highly energy-intensive. Energy consumption is constantly monitored, and initiatives aimed at reducing it are considered through the introduction of technological solutions and the periodic renewal of equipment for greater efficiency. With a view to improving our energy efficiency and reducing waste, we are subject to energy audits and, at plant level, we are equipping lighting systems with LED technology and introducing increasingly efficient machinery and systems.

4.2 WATER AND WASTEWATER

Water is a fundamental resource for all Sacco System production processes. It is used as a primary ingredient in fermentation and is necessary for the operation of machinery, as well as to ensure proper hygiene and cleaning of plants and equipment.

As with any production process in the food or pharmaceutical industry, water recycling and reuse interventions are extremely difficult to implement because of the high associated risk of contamination. Nevertheless, mechanisms are in place for the recovery and recycling of certain process waters for purely industrial uses, such as the closed loop for heating and cooling waters and the recovery of condensate, wash water, and waste waters from osmosis systems.

In addition, in recent years significant investments have been made to implement technological solutions that make it possible to reduce the impact on water resources, both in terms of withdrawals and discharges. None of Sacco System's production sites are located in water-stressed areas.

At our production sites, we use both water supplied by public aqueducts and water drawn from wells, with a total annual withdrawal of nearly 375 million liters (see Chart 5 and Table 5). The use of water from private wells reduces the impact on the public network.

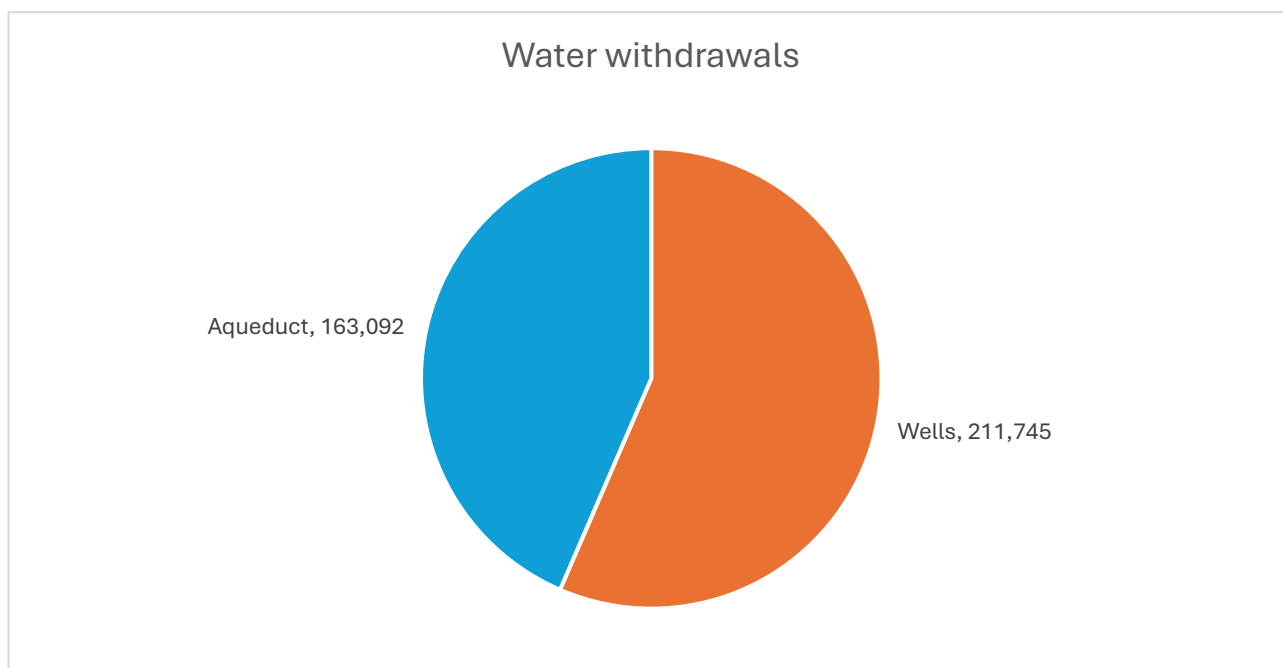


Chart 5 - Amount of freshwater withdrawals (in m3) by source

As regards effluent management, at the Zelo Buon Persico site, an MBR (Membrane Biological Reactor) wastewater treatment plant with a capacity to treat up to 230,000 m³ of wastewater per year has been in operation since February 2022. Following the commissioning of the treatment plant, we completed the authorization process for discharging wastewater into surface water bodies, and since October 2023 we have no longer discharged our water into the public sewer system; instead, it is entirely returned to the ecosystem for irrigation purposes, thus completing the circular water process.

At the Cadorago operating site, on the other hand, wastewater undergoes initial physical treatment in equalization tanks, is then fed into the sewer system—for which we hold the required environmental

permits—and is finally sent for treatment through consortium plants. Since 2022, an evaporator has been in operation that makes it possible to concentrate production eluates (spent fermentation broths), which can thus be transferred as by-products for reuse as fertilizers or animal feed, promoting circular and sustainable practices. This concentration process reduces the amount of wastewater to be disposed of and enhances the value of process residues.

At CSL, eluates have already been reused for years in livestock farming to feed pigs: during 2024, 5,600 tonnes of eluate were thus recovered as a feed formulation ingredient.

Discharge limits are established by law, and any exemptions are agreed with the relevant local authorities. Compliance with these limits is ensured through periodic checks by control bodies or by means of self-monitoring. In 2024, no out-of-specification values were detected.

The water consumption of Sacco System’s activities, understood as water no longer usable by the ecosystem or the local community, is given by the residual water contained in our sale products (e.g., liquid rennet, frozen cultures, chemicals in aqueous solution, feed or concentrated eluates) and by water evaporated in production processes. There are also consumptions that escape measurement, such as those destined for civil uses or irrigation of green areas. Finally, at the production plants there are tanks for temporary storage of water, which may lead to modest annual inventory differences.

Information on water use	2024
Withdrawals	374,837 m3
Discharges	316,198 m3
Water remaining in products	6,962 m3
Evaporated water	75,000 m3
Unmonitored consumption	23,323 m3
Temporary storage	760 m3

Table 5 - Details regarding the use of water resources in 2024

4.3 EMISSIONS

Internal greenhouse gas emissions arising from Sacco System’s production activities can be distinguished as direct and indirect.

Our direct emissions (Scope 1, according to the GHG Protocol) are those resulting from combustion by machinery owned or controlled by the company (cogenerator, boilers, burners, as well as transport such as company cars), or from F-gas leaks from our refrigeration systems. Direct emissions currently represent 80% of total internal greenhouse gas emissions (Chart 6). Indirect emissions (Scope 2), on the other hand, are those resulting from the production of imported electricity consumed by the company: their reduction in recent years reflects improved efficiency and a different energy mix.

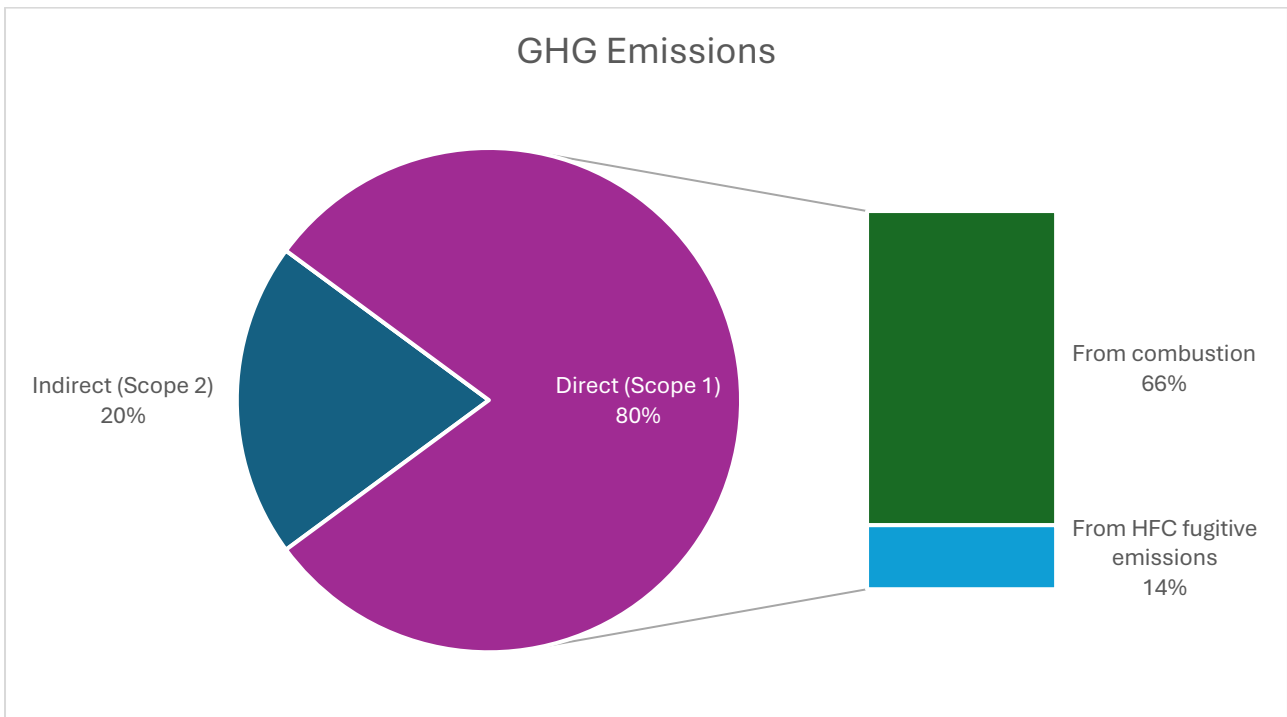


Chart 6 - Breakdown of greenhouse gas emissions by source

Based on these definitions, direct emissions were calculated and converted into tonnes of CO2 equivalent, tCO2eq, using GHG Protocol tools for the combustion of natural gas and vehicle fuels, and the GWP-ODP Calculator for F-gases (Table 6), while the estimate of indirect emissions from thermoelectric production was made on the basis of the most recent ISPRA coefficients using a location-based approach (Chart 7).

Although no specific emissions policies are currently in place, reducing them remains a sensitive issue for our stakeholders; we consider it important to further develop the management, measurement, and monitoring of emissions in the future, given that our impact is not negligible, by undertaking a path of progressive reduction of our carbon footprint in order to meet the European climate neutrality goals for 2050.

Direct GHG emissions (tCO2eq)	2020	2021	2022	2023	2024
From natural gas combustion	5,874.19	6,247.06	9,878.78	12,419.80	12,278.97
From unleaded gasoline combustion	12.23	23.86	31.68	31.88	69.85
From diesel combustion	224.43	224.31	196.40	130.04	164.45
From F-gas leakage	1,130.24	523.18	1,323.49	1,670.81	1,197.84
Total Scope 1 emissions	7,241.09	7,018.41	11,430.35	14,252.53	13,711.11

Table 6 - Estimate of direct greenhouse gas emissions (Scope 1) over the last five years

As regards other types of emitted gases, the cogeneration plant is equipped with an emissions analysis system that monitors CO, NOx, XOX-NO2, SOx, NH3, and H2O emissions in real time: if the system approaches the legal limits, it automatically stops, while in the event of accidental exceedance, a notification is sent to the competent provincial authorities.

Other atmospheric emissions are the dust resulting from mixing and bagging operations at the Caslino al Piano facility, which is constantly monitored and always well below legal limits.

The refrigerant gases used in our refrigeration systems are not ODS (“ozone-depleting substances”).

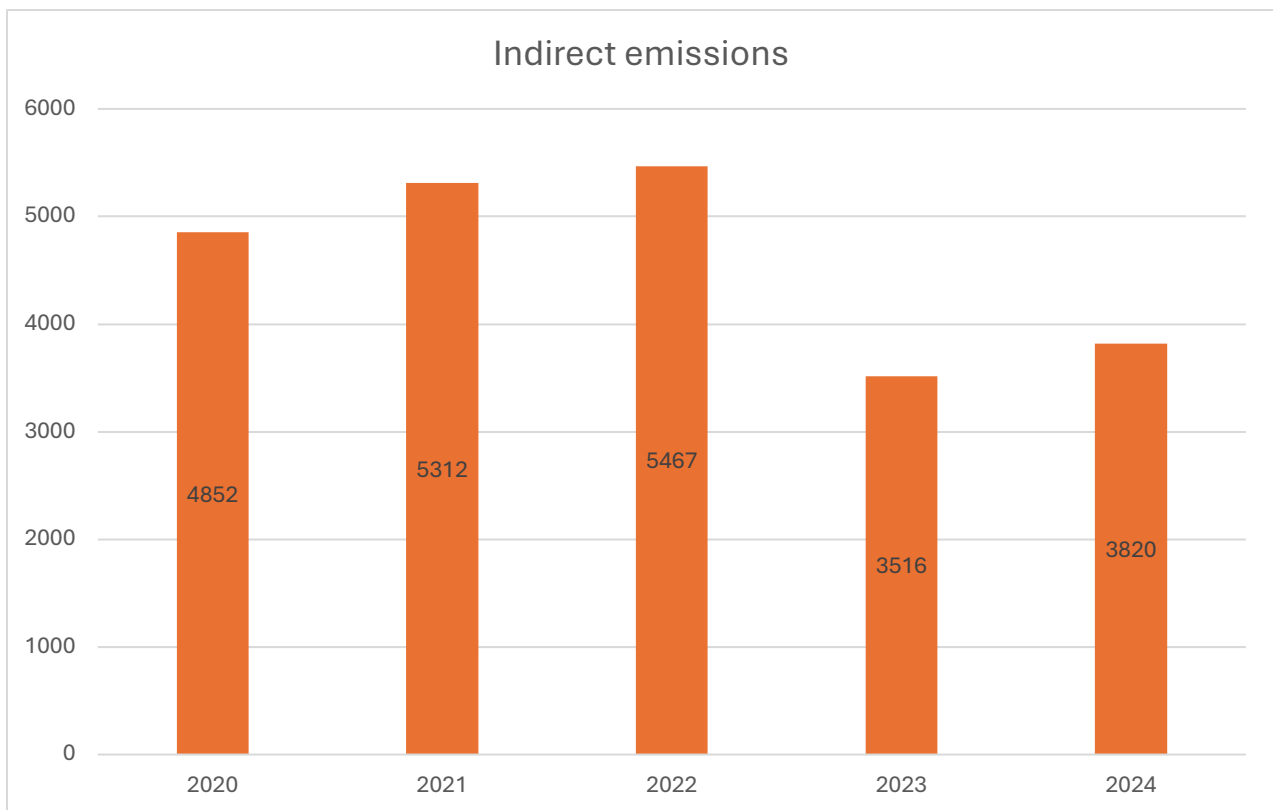


Chart 7 - Estimate of indirect greenhouse gas emissions (Scope 2, in tCO2eq) over the last five years, according to a location-based approach

4.4 WASTE

At Sacco System, waste management is a relevant topic. The variety and complexity of our operations and activities are reflected in a wide variability of production scraps and waste. It is essential for us to manage them in compliance with applicable regulations and to work toward reducing the environmental impact they generate.

The waste management procedure at our production sites is inspired by the “4R theory,” which prioritizes Reduction of waste (understood as prevention at source), then, in descending order of priority, Reuse, Recycling, and Energy Recovery. Disposal is used only as a last resort. This fits well with the circular economy paradigm we are pursuing within the company, optimizing production processes, reducing waste materials, and seeking to keep materials in the value chain for as long as possible. The waste management system is therefore based on separation at source, identification of appropriate collection streams, and reliance on authorized operators.

The input and output flows and waste-related activities are illustrated in Figure 9.

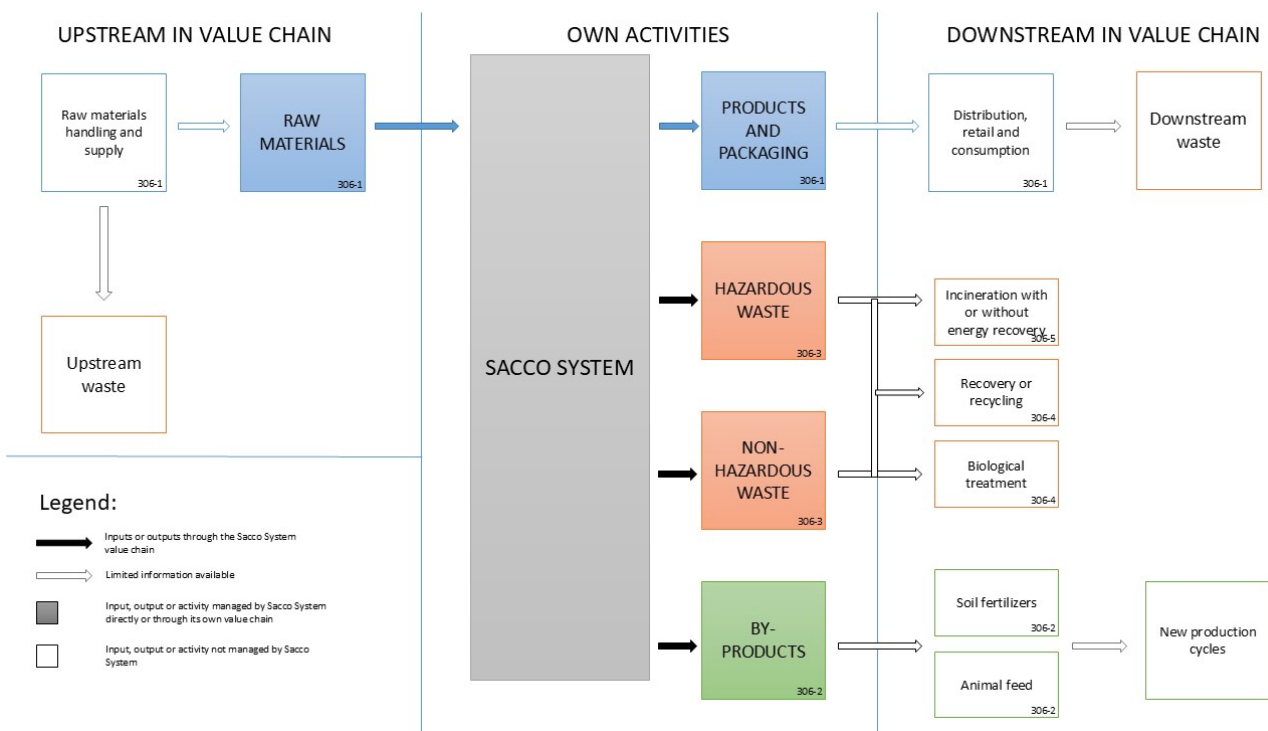


Figure 9 - Process flow for waste generation and the significant impacts associated with it

Sacco System receives raw materials from its suppliers together with the related packaging; downstream parties that distribute, market, and use our products will themselves generate waste from our products, essentially consisting of empty packaging. The products themselves, being consumable goods, do not become waste unless they are unusable for the end user (for example, because they have passed their expiration date).

In carrying out its production, laboratory, and office activities, Sacco System directly generates waste, 54% of which consists of packaging waste (mixed materials, paper and cardboard, plastic, metal); other types of waste ordinarily produced include waste resulting from laboratory or maintenance

activities, sludge from equalization tanks and the treatment plant, unusable scraps (processing waste, expired or out-of-specification samples), and discarded equipment (Table 7).

EER CODE	WASTE DESCRIPTION	kg
020502	Sludge from on-site treatment of effluents	139,540
150106	Mixed-material packaging	135,340
150101	Paper and cardboard packaging	63,120
150102	Plastic packaging	40,780
150104	Metal packaging	23,280
150101	Paper and cardboard packaging	20,980
170407	Mixed metals	18,650
170405	Iron and steel	14,250
160214	Discarded equipment (computers, etc.)	13,387
180103*	Waste that must be collected and disposed of applying special precautions to avoid infection	12,429
160306	Non-hazardous organic waste	10,500
180103*	Waste that must be collected and disposed of applying special precautions to avoid infection	9,375
020304	Waste unsuitable for consumption or processing	8,750
170402	Aluminum	7,360
020304	Waste unsuitable for consumption or processing	4,400
130208*	Other engine, gear, and lubricating oils	3,770
150110*	Packaging containing residues of hazardous substances or contaminated by such substances	3,150
160506*	Laboratory chemicals consisting of or containing hazardous substances, including mixtures of laboratory chemicals	814
160211*	Discarded equipment containing chlorofluorocarbons, HCFCs, HFCs	500
170603*	Other insulating materials consisting of or containing hazardous substances	415
160216	Components removed from discarded equipment, other than those referred to in item 16 02 15	320
160213*	Discarded equipment containing hazardous components	315
150202*	Absorbents, filter materials (including oil filters not otherwise specified), wiping cloths and protective clothing contaminated by hazardous substances	120
080318	Waste printing toner (non-hazardous)	80
160601*	Lead batteries	10
160604	Alkaline batteries	5

Table 7 - List of waste sent for recovery or disposal in 2024 (in kg)

Ninety-four percent of the waste produced consists of non-hazardous waste. As for its destination, 94% is sent to recycling, recovery, or biological treatment; the remaining 6% is sent to disposal (incineration, including energy recovery, or landfill) (Table 8 and Chart 8). All waste is entrusted for subsequent treatment to authorized Italian companies duly registered in the National Register of Environmental Managers.

Waste destination		kg	%
NON-HAZARDOUS WASTE		500,742	94%
of which	Not sent to disposal	491,992	92%
of which	Sent to disposal	8,750	2%
HAZARDOUS WASTE		30,898	6%
of which	Not sent to disposal	8,280	2%
of which	Sent to disposal	22,618	4%

Table 8 - Production of hazardous and non-hazardous waste and final destination

Since 2021, waste from rennet processing has been managed entirely as Category 2 animal by-products (ABP) (not intended for animal consumption), sending it to a rendering plant for conversion into fertilizers. This has made it possible, since 2021, to manage all waste from rennet processing as ABP.

In 2024, the new eluate concentration process led to the processing of 1,411 tonnes of concentrated eluate destined for the feed and agrochemical industries, meaning that more than 14,000 tonnes of raw eluate were processed that would otherwise have been discharged as effluent, while at CSL 5,600 tonnes of eluate were recovered as a feed formulation ingredient for the pig farming industry.

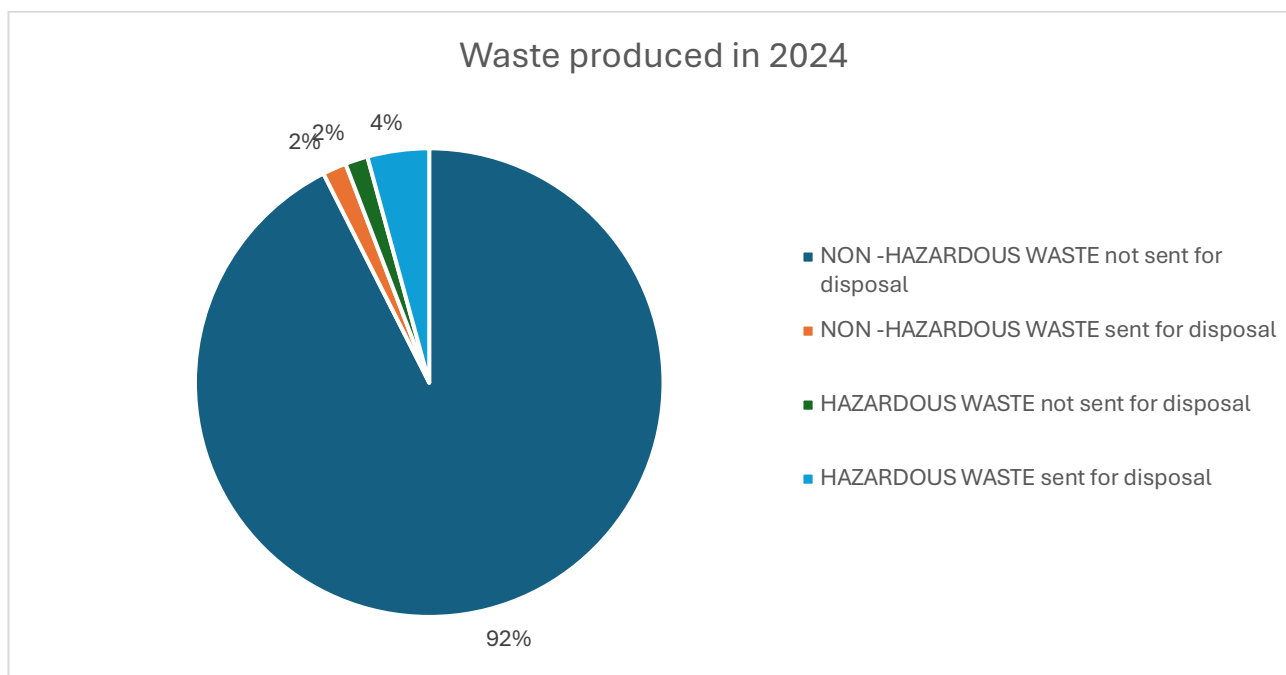


Chart 8 - Percentage distribution of waste produced, broken down by hazardousness and final destination

5 SOCIAL RESPONSIBILITY

The strength of human relationships, the cornerstone of our governance

People are Sacco System’s most valuable resource: every achievement reached and every future goal have always been—and always will be—the result of the ingenuity, capabilities, commitment, expertise, and sense of belonging that each collaborator brings to their daily work within their functions and responsibilities.

Sacco System’s network is first and foremost made up of human relationships, interconnected and functional only in relation to one another, guided by principles of exchange, collaboration, and reciprocity. In every company strategy, we believe it is essential to involve workers through participation, consultation, and skills development actions.

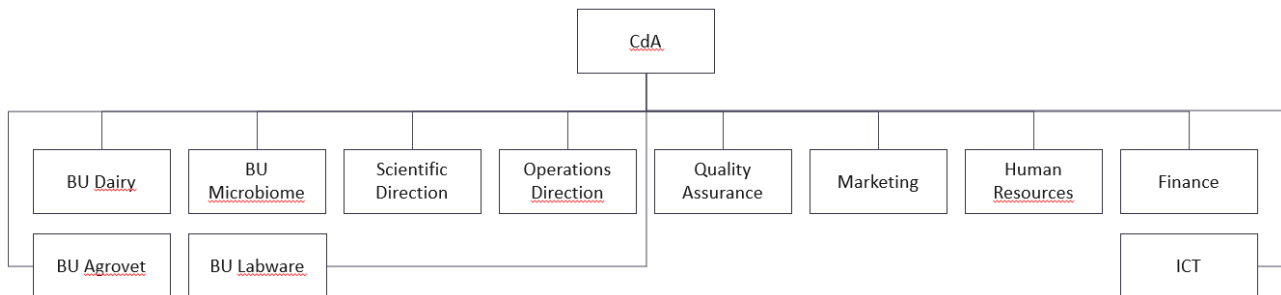


Figure 10 - Sacco organizational chart as of 12/31/24

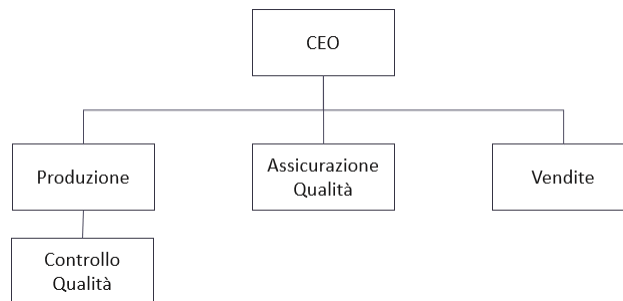


Figure 11 - Caglifacio Clerici organizational chart as of 12/31/24

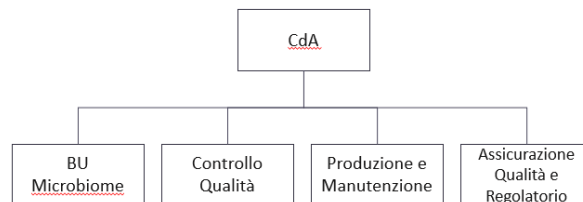


Figure 12 - CSL organizational chart as of 12/31/24

5.1 EMPLOYMENT

The Sacco System family is continuously growing and evolving, as shown by positive turnover data and the strong demographic growth recorded in recent years. Overall, 271 men and 158 women work at Sacco System, all covered by collective bargaining agreements (Chemical-Pharmaceutical and Food Industry National Collective Agreements). The vast majority of current contracts are permanent (95.3%) and full-time (96.7%). During 2024, 52 hires were finalized (+12.1%), compared with 23 departures (-5.3%) (Chart 9 and Table 9).

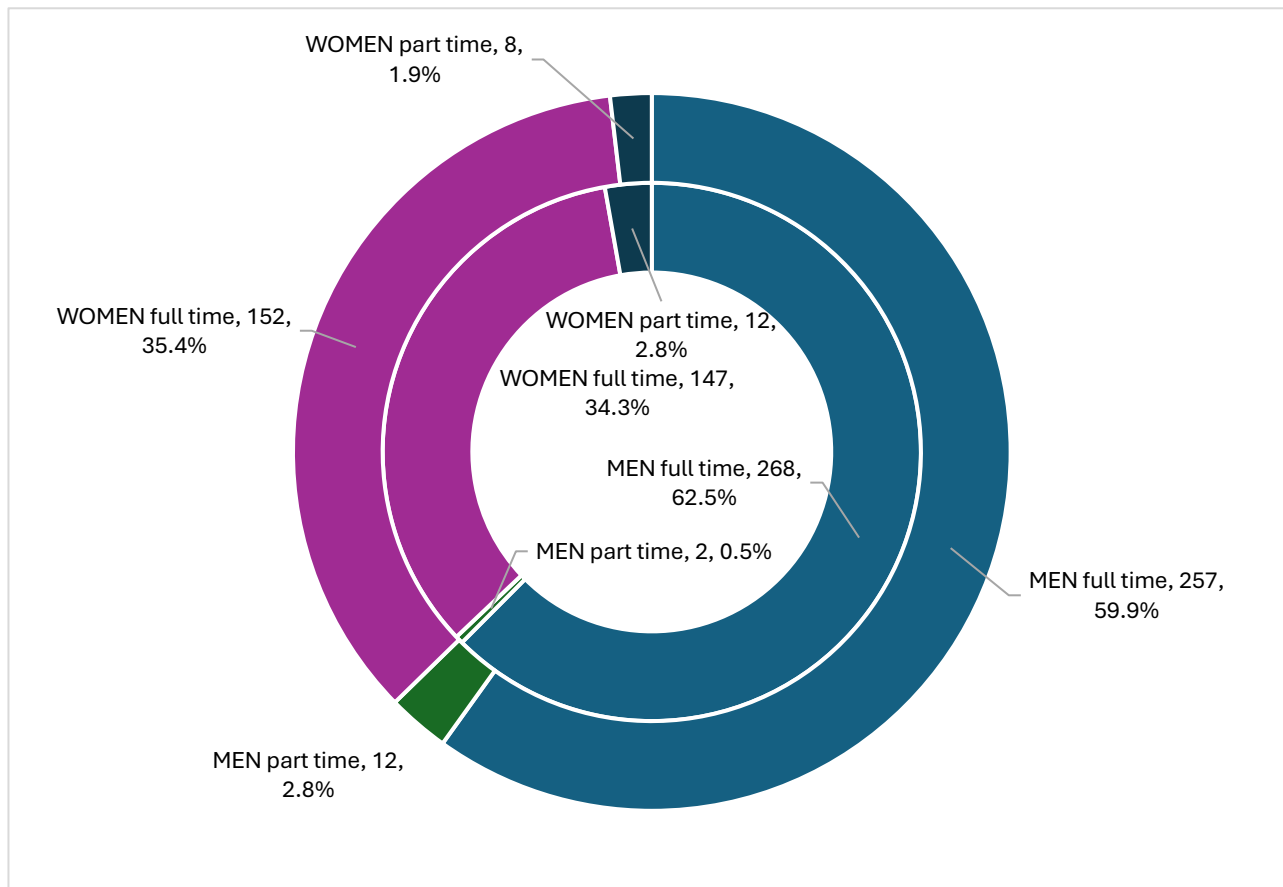


Chart 9 - Breakdown of contract types (permanent or fixed-term, outer ring) and employment type (full-time or part-time, inner ring), by gender

Contract type	PERMANENT	FIXED-TERM	by gender
M	255	13	268
F	152	8	160
by type			428

Employment type	FULL-TIME	PART-TIME	by gender
M	266	2	268
F	148	12	160
by type	414	14	428

HIRES	<30	30-50	>50	by gender
M	22	16	0	38
F	4	9	1	14
by age	26	25	1	52

VOLUNTARY TERMINATIONS	<30	30-50	>50	by gender
M	4	5	2	11
F	2	1	0	3
by age				

DISMISSALS	<30	30-50	>50	by gender
M	2	2	0	4
F	1	1	0	2
by age				

RETIREMENTS	<30	30-50	>50	by gender
M	0	0	3	3
F	0	0	0	0
by age				

DEATHS	<30	30-50	>50	by gender
M	0	0	0	0
F	0	0	0	0
by age	0	0	0	0

Table 9 - Total number of employees by employment contract and employment type, and hires and turnover in 2024, broken down by age group and gender.

Part-time workers enjoy the same rights and benefits reserved for full-time workers. At times, agency workers or coordinated and continuous collaborators (Co.Co.Co.) are also used, especially for short-term replacements in production and packaging departments; there were 12 of them as of 12/31/2024. The following activities are usually outsourced to external companies: cleaning of premises, maintenance of green areas, ordinary and extraordinary installation and maintenance of certain systems, equipment and machinery, pest and rodent control, and food service.

Our corporate employment policy is merit-based and focused on making managers accountable for staffing needs in relation to company objectives, planning during budgeting the description of the professional profiles required together with the resulting organizational solutions and looking first to internal resources for recruitment. Staff turnover is monitored through targeted interviews with resigning employees in order to gain the necessary insights.

Compensation is defined according to the parameters indicated by the relevant collective agreements, is calibrated according to the responsibilities covered by employees, and is reviewed annually. In the first quarter of the year, the results achieved by employees and their performance are assessed and, depending on the findings, job classifications, levels, or pay may be reviewed. In the

event of increased responsibilities, levels are adjusted; in cases of positive performance, pay is reviewed; and when particular projects or activities are completed, bonuses may be awarded. Sales staff and executives are evaluated on personal objectives that determine a variable portion of their compensation.

Compensation is commensurate with responsibilities, organizational risks, and entrepreneurial choices. Those with higher pay assume higher risks and enable the entire organization to benefit from decisions taken and to continue the relevant business activities. At Clerici, the highest compensation is commensurate with the organizational responsibility of the role managing the departments. No stakeholders or external consultants intervene in setting compensation; specifically, consultation with workers' representatives is not required because we apply the National Collective Agreement and refer to market data (Table 10).

	Sacco	CSL	Clerici
Ratio between highest compensation and average compensation of all employees	3.5	7.4	1.8
Ratio between % increase of highest compensation and average compensation of all employees	1	1	1

Table 10 - Annual total compensation ratio, expressed as the ratio between the highest compensation and average compensation, and as the ratio between the percentage increase in the highest compensation and the average of all employees, for the three companies, with reference to 2023

In addition to mandatory social security contributions required by law, Sacco System guarantees its collaborators the possibility to join supplementary pension schemes (Previndai, Alifond, and Fonchim, into which severance indemnity is paid and to which 57% of employees subscribe) and health assistance funds (Faschim, FASA, FASI).

Employees are granted paid leave provided for by law, national contracts, and company supplementary agreements, such as marriage leave, parental leave, bereavement leave, etc. For traveling staff, life insurance and disability insurance policies are also taken out.

In 2024, parental leave was used by 9 women (out of 11 entitled) and 2 men (out of 26 entitled). Both the return-to-work rate and the retention rate after 12 months are 100%.

Sacco System also offers its collaborators a number of services and opportunities to improve their work and family life. With regard to time management, employees have access to a time bank, meaning they can convert overtime hours, in whole or in part, into paid leave to be used as needed. In addition, all “day shift” workers (not shift workers) may benefit from flexible working hours, both on arrival and departure, within time bands established department by department, as well as for the lunch break. Part-time work is granted to collaborators with particular family management needs, especially mothers with school-age children or those returning from maternity leave.

In addition to fixed pay, employees receive an annual performance bonus calculated on the basis of the achievement of economic and department objectives and the fulfillment of parameters linked to environmental aspects. Employees are therefore offered the option of converting this bonus, through the Edenred platform, into welfare services in various areas such as family assistance, shopping vouchers, travel, sports and wellness, leisure, training, health, transport, and mobility.

5.1.1 Diversity, equity and inclusion

At Sacco System, diversity and equal opportunity management is based on a concrete commitment to an inclusive and safe environment. We promote transparent merit-based selection, gender balance, and generational integration, rejecting all discrimination and ensuring confidential procedures for reporting concerns.

Diversity in governance bodies	Sacco	CSL	Cleric i
Women	4	4	1
Men	1	1	1
30-50 years	3	3	0
>50 years	2	2	2

Table - Gender and age diversity in governance bodies

Diversity among employees	Sacco	CSL	Cleric i	%
Women	121	31	6	36.8%
Men	189	63	19	63.2%
<30 years	56	18	5	18.4%
30-50 years	201	54	10	61.8%
>50 years	53	22	10	19.8%

Table - Gender and age diversity among employees and percentage of total

Women/men base salary ratio	Sacco	CSL	Cleric i
Executive	57%	n/a	n/a
White-collar	81%	87%	68%
Blue-collar	92%	84%	96%

Table - Ratio of women's and men's base salary

Women/men remuneration ratio	Sacco	CSL	Cleric i
Executive	48%	n/a	n/a
White-collar	82%	87%	65%
Blue-collar	95%	84%	96%

Table - Ratio of women's and men's remuneration

5.2 OCCUPATIONAL HEALTH AND SAFETY

Workers' health and safety in the workplace are indispensable elements in all Sacco System activities. Decisions in this area, from conception and design through technical choices to implementation and execution, are taken in compliance with the principles and general protective measures provided for by current laws, in particular Legislative Decree 81/08, with the primary objective of safeguarding the physical and psychological integrity of personnel. Sacco System companies have adopted an Organization, Management and Control Model in response to the requirements of Legislative Decree 231/2001, including a special section on workplace health and safety, consisting of an organic set of principles, rules, provisions, organizational schemes, and related duties and responsibilities aimed at preventing, reducing, or eliminating existing risks.

The corporate organization for health and safety includes a hierarchical structure headed by the Employer, who relies on Managers and Supervisors for implementation and oversight. The Occupational Health and Safety Management System is led by the OHS Management System Manager, who reviews the various issues so that the system is effectively implemented and maintained and cooperates in coordinating the Risk Prevention and Protection Service with its manager (RSPP). Workers' consultation is guaranteed by the presence of Workers' Safety Representatives (RLS), elected by them. The Employer also appoints the Occupational Physician for workers' health surveillance. Finally, teams are in place for fire prevention, evacuation and emergency response, and first aid.

Monitoring and assessment of the risks present in the company, with a view to minimizing and controlling them, as well as worker training, are carried out in accordance with legal provisions, with the support of qualified external personnel. The Risk Assessment Document (DVR) contains a detailed and systematic analysis of potential hazards present in the workplace and the prevention and protection measures to be adopted to mitigate them. This assessment is carried out taking into account various factors, such as the activities performed, the characteristics of the working environments, the tools used, and potential exposure to hazardous substances, through direct observation of the workplace, analysis of safety data, consultation with experts, or collection of information from reliable sources.

At Sacco System, the incidence of workplace accidents and injuries is constantly monitored and managed in order to keep it at the lowest possible levels. For years, we have recorded frequency rates (FR = no. of injuries / million hours worked) and severity rates (SR = days absent from work due to injury / thousands of hours worked) below the national average for manufacturing industry, for which an average FR of 11.9 was calculated for the 2020–2022 period (source: INAIL; Chart 10).

In 2024, the positive trend of reduced injury severity continued, together with a slight decrease in the frequency rate. The incidents that occurred were typically associated with the use of instruments and equipment (trauma), falls, and manual handling of loads, and are mainly attributable to human factors. By closely analyzing the possible underlying causes behind this increase in the indices, several hypotheses were identified: a period particularly affected by staff turnover, some changes in the work system such as shift work and the introduction of new production processes with new operations, as well as a more accurate reporting system. Based on the investigation of the causes of these incidents and thanks to near-miss reporting, corrective and preventive measures were implemented to prevent recurrence in the future.

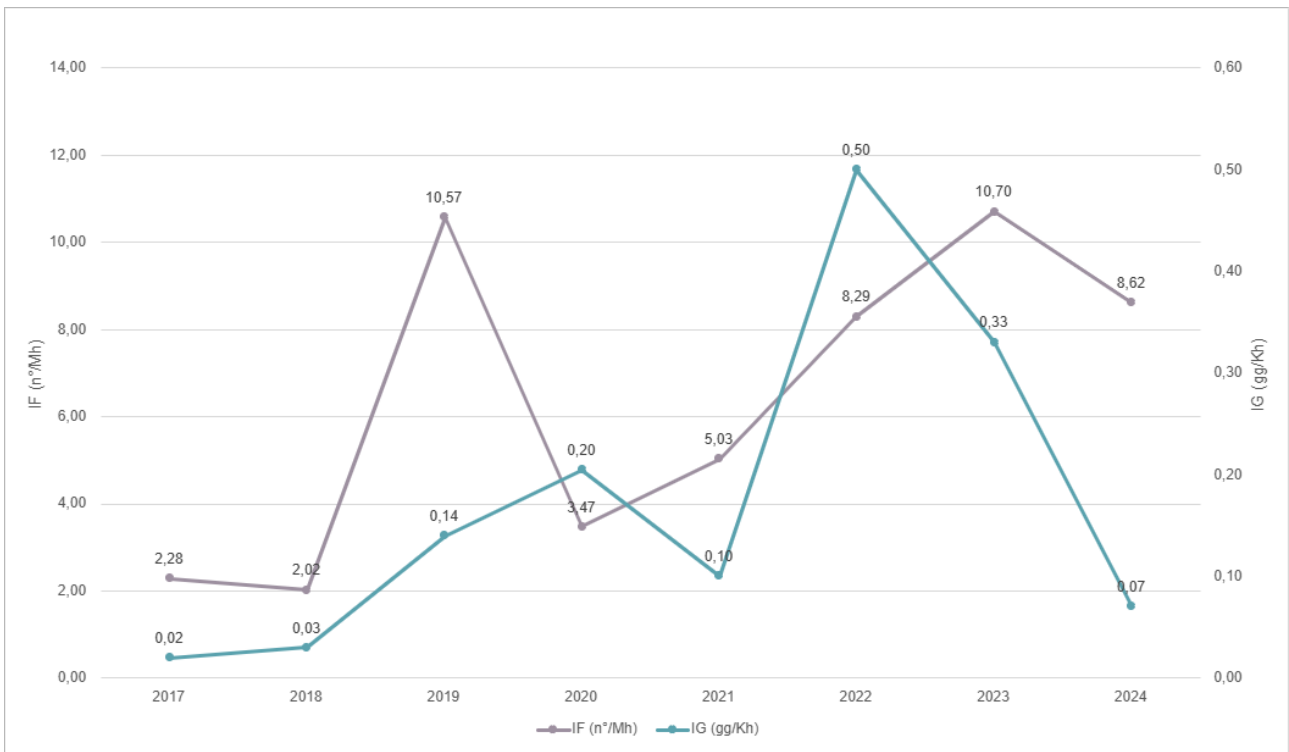


Chart 10 - Trend of Sacco System accident frequency and severity rates in the 2017–2024 period

Commuting accidents are always excluded from the calculation. No accidents were recorded involving non-employees whose work or workplace is under our control. No occupational diseases were reported either for employees or for other workers.

Where contractor companies are present at company sites, the Single Interference Risk Assessment Document (DUVRI) is prepared and delivered in order to make known to the contractor the risks present for workers and the prevention and protection measures to be adopted to reduce them.

5.3 TRAINING AND PROFESSIONAL GROWTH

Sacco System strongly believes in the importance of proper training and the personal and professional growth of its collaborators, enhancing their skills. Individual professional development plans and training paths are defined for each person and are subject to constant review.

Training activities in the company cover issues related to health and safety, staff training and updates regarding quality, hygiene, and good manufacturing practice procedures, as well as technical-scientific training. Courses are continuously offered throughout the year in the company in the form of seminars and lessons by internal personnel, experts, or university professors, or through participation in training programs, conventions and conferences off site, field activities, shadowing, or classroom learning. Soft-skills courses are also offered, aimed at developing attitudes and knowledge linked to managerial roles, planning, team leadership, and the internationalization of activities.

All employees receive an annual evaluation of performance and professional development. On that occasion, training is planned by gathering training needs from department managers for the professional growth of their collaborators. These needs are aligned with the organization and corporate objectives, and a training program is then planned for the entire year. Preliminary collection of overall needs, in addition to better cost planning, enables the involvement of functions and people in projects in a comprehensive way, creating value and synergies among different skills and knowledge and supporting interaction among people belonging to different company functions.

The onboarding of new hires includes a period of training and coaching, according to specific procedures that cut across company functions, so as to welcome them in the best possible way into the organization. Training activities are similarly implemented in professional succession plans within roles, including in cases of generational turnover due to retirement.

The effectiveness of this management model is verified through annual performance evaluation systems, which highlight improvement paths, the need to develop certain skills, or to reinforce concepts not yet fully acquired.

Overall, in 2024, 398 employees, corresponding to 93% of the total, were involved in training activities, with a total of 16,354 hours delivered, nearly half of which were devoted to training on quality systems or internal procedures, i.e., professional updating or acquisition of new skills, as well as mandatory or additional health and safety training (Chart 11 and Table 11).

Table 11 - Participation rate by gender and employee category, and average training hours per participant

	% of participants out of total	Average hours per participant
Women	93%	35.0
Men	93%	43.0
Blue-collar	83%	40.1
White-collar	99%	45.9
Middle managers	77%	61.9
Executives	69%	83.1
Total	93%	41.1



Chart 11 - Breakdown of training hours delivered in 2024 by topic

5.4 LOCAL COMMUNITIES

We have always been a company deeply connected to the area where the Sacco System family was born, grew, and developed. Every year, we undertake and promote numerous initiatives to strengthen this bond and involve the local community, seeking to foster the creation and distribution of shared value. We also support international cooperation projects through partnerships with NGOs. During 2024 as well, Sacco System and the Verga Family chose to support and participate in numerous sporting, cultural, and solidarity initiatives.

5.4.1 Sports

Tradition, investment in young people, innovation, and research for people's well-being are some of the values that our company, also thanks to its products, has promoted for more than 150 years. These values are shared by the sports associations we support, which passionately train girls and boys for success, educating them in teamwork and in a life marked by physical and mental well-being and healthy enjoyment.

Sacco is the official sponsor of A.S.D. Saronno Volley for the men's Serie B team and of the Cadorago bocce club. Sacco System also sponsors the four women's cycling teams of the Bike Cadorago sports club.

Caglificio Clerici sponsors Olimpia San Martino, A.S.D. Olimpia Cadorago, and Cadorago Calcio. It also sponsored the FPF team, with the Ferrarotti-Bizzocchi crew, at the Rally di Como (Figure 13).

We are also sponsors of Brember Ski, an amateur sports association active in alpine skiing that will participate with its athletes in the provincial, regional, and national FIS, FIS Europa Cup, and Gran Premio Italia circuits. The Sacco System logo appears on the van that takes the athletes to training and competitions, on clothing, on racing helmets, and on trackside banners (Figure 13).

5.4.2 Cultural initiatives

Our Chief Executive Officer, Cavaliere del Lavoro Martino Verga, is strongly committed to cultural initiatives in the Como area.

He served as President of the Como section of UCID – Unione Cristiana Imprenditori Dirigenti, the association that brings together entrepreneurs, managers, and professionals in order to promote and advance in society the development of high professional ethics, ensuring effective and fair collaboration among business stakeholders, placing the person at the center of economic activity, fostering solidarity against all discrimination, and developing subsidiarity. He is also President of the Società Storia di Como, custodian of important historical documents of the city and province, and until January 2022 he was President of the Fondazione della Comunità Comasca, whose role is to promote a culture of giving and improve the quality of life of the community in the province of Como.

Cav. Verga also served as a Board member of the Teatro Sociale di Como and as President of the Nicolò Rusca Foundation, which manages the study center of the same name for the care, conservation, and enhancement of the documentary and book heritage of the Historical Archive of the

Diocese of Como and the Bishop's Seminary Library. Cav. Martino Verga also personally supports the scholarship of the Cavalieri del Lavoro University College.



Figure 13 - Some of Sacco System's sports sponsorships

5.4.3 Solidarity

People's well-being also passes through the joy of giving and the awareness of being able to help those who are less fortunate. With this spirit, since 2008, starting from an initiative by some employees, we have supported the NGO Mani Tese through voluntary donations by workers, doubled thanks to the Company's contribution. We are currently supporting the Ethaka project to improve food security, nutrition, and climate resilience in Northern Mozambique, particularly in the provinces of Zambezia and Nampula.

The project aims to create a model of agricultural production and sustainable consumption, helping local communities produce food in a more stable and environmentally respectful way. Its main

objectives are to improve food security for rural families, reduce malnutrition, especially among children (which exceeds 40% in some areas), increase the income of small farmers, and promote sustainable agricultural practices resilient to climate change.

Sacco System and the Verga Family also actively support several local volunteer associations and non-governmental organizations: Associazione Genitori di Cadorago, Como Cuore ONLUS, Croce Azzurra Cadorago, the Parish of San Martino di Cadorago, Centro Aiuto alla Vita, LIPU, WWF, and Fondazione Ambrosoli for the hospital of Kalongo in Uganda.

There have never been any actions related to the company's operations that have had significant negative impacts on local communities.

5.5 CUSTOMER HEALTH AND SAFETY

The reference topic is the food safety of the products sold, when they are used both by the direct customer and by the end consumer. Food safety is guaranteed through control of the following aspects: exclusive use of food-grade raw materials (for all three companies); for Clerici only, the purchase of raw material exclusively from slaughterhouses with health authorization recognized by veterinary authorities; and for CSL and Sacco, verification of the complete safety of produced strains through biomolecular testing.

The three companies are certified according to the FSSC 22000 standard, focused on food safety.

The companies put in place the resources and policies needed to guarantee the safety of their products. To this end, they have planned a self-monitoring system for production processes based on HACCP principles.

A Food Defense plan has also been developed to minimize the risk that produced items may be deliberately contaminated or adulterated. The companies have implemented a control plan from raw materials through packaged product, ensuring traceability throughout the entire production cycle.

Periodically, the companies assess food safety aspects as part of the management system review. In this context, process performance, complaints, non-conformities, achievement of objectives, and sustainability aspects are evaluated. These assessments make it possible to identify new improvement objectives for the various company areas.

The companies maintain a system of prerequisites and internal procedures related to production processes designed to prevent the manufacture of non-conforming products that could have an impact on product health and safety. Control plans have been developed to ensure the wholesomeness of products. All products are controlled in order to avoid non-conformities that could be harmful to health.

Procedures for managing non-conformities define the actions to be taken in the event of non-conformities or potentially unsafe products, the responsibilities for resolution, and the documentation to be produced. These procedures also define plans for developing and applying corrective, preventive, and improvement actions for the food safety management system. Procedures are also in place that establish how complaints are managed and handled, in particular the activation methods, information flow, and duties of the different functions involved. They also define how crisis status and product recall procedures are activated.

Table 12 shows the non-conformity incidents that could have had impacts on product health and safety but were promptly managed and resolved so that such impacts did not occur for the user or final consumer.

Non-conformity analysis	2024
Internal non-conformities (managed during production)	26
Supplier non-conformities (incoming material control)	2
Customer non-conformities (returns and complaints)	0
Third-party body non-conformities (veterinary bodies and certification entities)	0

Table 12 - Analysis of non-conformities that occurred in 2024 by type of report and event

All Labware products marketed by Sacco bear CE marking (for equipment) and are accompanied by User Manuals and Technical and Safety Data Sheets for the relevant items. Technical staff are periodically trained and updated by the parent company, which Sacco represents in Italy, regarding operation, technical applications, resolution of analytical issues and, in some cases, calibrations/maintenance relating to diagnostic kits, instruments, and materials for chemical and microbiological analyses.

In the case of products reported by customers as non-conforming or malfunctioning, intervention is immediate: after an initial remote discussion with the customer, if malfunction or defect is confirmed, we have the product returned for an initial investigation and, depending on the case, proceed directly with replacement in order to avoid downtime for the customer; at the same time, an in-depth investigation is opened with the manufacturer and the repair or replacement procedure is started.

6 APPENDICES

6.1 CONTACTS

We are at your disposal, contact us! info@saccosystem.com

6.1.1 CAGLIFICIO CLERICI S.p.A.

Via Manzoni 29
22071 Cadorago (CO), Italy
Phone: +39.031.8859311
Fax: +39.031.904769

6.1.2 SACCO S.r.l.

Via Manzoni 29/A
22071 Cadorago (CO), Italy
Phone: +39.031.8866611
Fax: +39.031.904596

6.1.3 CENTRO SPERIMENTALE DEL LATTE S.r.l.

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26839 Zelo Buon Persico (LO), Italy
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6.2 GRI CONTENT INDEX

Statement of use	Sacco System has reported in accordance with the GRI Standards for the period 01/01/2024 – 12/31/2024.
GRI 1 used	GRI 1: Foundations 2021
Applicable GRI sector standards	none

GRI STANDARD	Disclosure	Location	Omission		
			Omitted requirements	Reason	Explanation
GRI2: General Disclosures 2021	2-1 Organizational details	Welcome to Sacco System			
	2-2 Entities included in the organization’s sustainability reporting	Methodological note Welcome to Sacco System			
	2-3 Reporting period, frequency, and contact point	Methodological note Contacts			
	2-4 Restatement of information	<i>None</i>			
	2-5 External Assurance	<i>Sacco System has not subjected this sustainability report to external assurance</i>			
	2-6 Activities, value chain, and other business relationships	Welcome to Sacco System 2024 in figures Supplier relationships			
	2-7 Employees	Employment			
	2-8 Non-employee workers	Employment			
	2-9 Governance structure and composition	Governance			
	2-10 Nomination and selection of the highest governance body	Governance			
	2-11 Chair of the highest governance body	Governance			
	2-12 Role of the highest governance body in overseeing the	Governance			

	management of impacts				
	2-13 Delegation of responsibility for managing impacts	Governance			
	2-14 Role of the highest governance body in sustainability reporting	Governance			
	2-15 Conflicts of interest	<i>No conflicts of interest are present as described in the disclosure</i>			
	2-16 Communication of critical concerns	Governance			
	2-17 Collective knowledge of the highest governance body	Governance			
	2-18 Evaluation of the performance of the highest governance body	Governance			
	2-19 Remuneration policies	Employment			
	2-20 Process to determine remuneration	Employment			
	2-21 Annual total compensation ratio	Employment			
	2-22 Statement on sustainable development strategy	Letter to stakeholders Materiality analysis			
	2-23 Policy commitments	Quality policy and certifications			
	2-24 Embedding policy commitments	Quality policy and certifications			
	2-25 Processes to remediate negative impacts	Governance Occupational health and safety Customer health and safety			
	2-26 Mechanisms for seeking advice and raising concerns	La Governance Anti-corruption and conflict of interest			
	2-27 Compliance with laws and regulations	<i>No cases of non-compliance were</i>			

		<i>recorded during the reporting period</i>			
	2-28 Membership associations	Associations			
	2-29 Approach to stakeholder engagement	Methodological note			
	2-30 Collective bargaining agreements	Employment			
GRI3: Material topics 2021	3-1 Process to determine material topics	Materiality analysis			
	3-2 List of material topics	Materiality analysis			
Material topics					
Economic performance					
GRI3: Material topics 2021	3-3 Management of material topics	Economic performance			
GRI201: Economic performance 2016	201-1 Direct economic value generated and distributed	Economic performance			
	201-2 Financial implications and other risks and opportunities due to climate change	<i>No assessments were made regarding climate-related risks, opportunities, and impacts</i>			
	201-3 Defined benefit plan obligations and other retirement plans	Employment			
	201-4 Financial assistance received from government	Economic performance			
Anti-corruption					
GRI3: Material topics 2021	3-3 Management of material topics	Anti-corruption and conflict of interest			
GRI205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<i>No assessments have been carried out regarding the risks associated with corruption</i>			
	205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption and conflict of interest			

	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption and conflict of interest			
Energy					
GRI3: Material topics 2021	3-3 Management of material topics	Energy			
GRI302: Energy 2016	302-1 Energy consumption within the organization	Energy			
	302-2 Energy consumption outside of the organization		302-2-a 302-2-b 302-2-c	Information not available	The information necessary to report this disclosure is not available
	302-3 Energy intensity		302-3-a 302-3-b 302-3-c 302-3-d	Information not available	Sufficiently accurate data are not available for a reliable calculation of the indicator
	302-4 Reduction of energy consumption	Energy			
	302-5 Reductions in energy requirements of products and services		302-5-a 302-5-b 302-5-c	Not applicable	Finished products do not require the use of energy
Water					
GRI3: Material topics 2021	3-3 Management of material topics	Water and wastewater			
GRI303: Water and wastewater 2018	303-1 Interaction with water as a shared resource	Water and wastewater			
	303-2 Management of water discharge-related impacts	Water and wastewater			
	303-3 Water withdrawal	Water and wastewater			
	303-4 Water discharge	Water and wastewater			
	303-5 Water consumption	Water and wastewater			
Climate change					
GRI3: Material topics 2021	3-3 Management of material topics	Emissions			
GRI305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)	Emissions			

	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Emissions			
	305-3 Other indirect GHG emissions (Scope 3)		305-3-a 305-3-b 305-3-c 305-3-d 305-3-d 305-3-e 305-3-f 305-3-g	Information not available	The information necessary to report this disclosure is not available
	305-4 GHG emissions intensity		305-4-a 305-4-b 305-4-c 305-4-d	Information not available	Sufficiently accurate data are not available for a reliable calculation of the indicator
	305-5 Reduction of GHG emissions	Emissions			
	305-6 Emissions of ozone-depleting substances (ODS)	Emissions			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant emissions	Emissions			
	Circular economy				
GRI3: Material topics 2021	3-3 Management of material topics	Waste			
GRI301: Materiali 2016	301-1 Materials used by weight or volume		301-1-a	Information not available	The company is implementing a management system for this topic
	301-2 Recycled input materials used		301-2-a		
	301-3 Reclaimed products and their packaging materials		301-3-a 301-3-b		
GRI306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste			
	306-2 Management of significant waste-related impacts	Waste			
	306-3 Waste generated	Waste			
	306-4 Waste diverted from disposal	Waste			
	306-5 Waste directed to disposal	Waste			

Biodiversity					
GRI3: Material topics 2021	3-3 Management of material topics				Information not available
GRI101: Biodiversity 2024	101-1 Policy to halt and reverse biodiversity loss		101-1-a 101-1-b 101-1-c	Information not available	The company is implementing a management system for this topic
	101-2 Management of biodiversity impacts		101-2-a 101-2-b 101-2-c 101-2-d 101-2-e 101-2-f		
	101-3 Access and benefit sharing		101-3-a 101-3-b		
	101-4 Identification of biodiversity impacts		101-4-a		
	101-5 Locations with biodiversity impacts		101-5-a 101-5-b 101-5-c 101-5-d		
	101-6 Direct drivers of biodiversity loss		101-6-a 101-6-b 101-6-c 101-6-d 101-6-e 101-6-f		
	101-7 Changes in biodiversity status		101-7-a 101-7-b		
	101-8 Ecosystem services		101-8-a 101-8-b		
Employment					
GRI3: Material topics 2021	3-3 Management of material topics	Employment			
GRI401: Employment 2016	401-1 New employee hires and employee turnover	Employment			
	401-5 Benefits provided to full-time employees but not to part-time or temporary employees	Employment			
	401-3 Parental leave	Employment			
Occupational health and safety					
GRI3: Material topics 2021	3-3 Management of material topics	Occupational health and safety			
GRI403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Occupational health and safety			
	403-5 Hazard identification, risk	Occupational health and safety			

	assessment, and incident investigation				
	403-3 Occupational health services	Occupational health and safety			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety			
	403-5 Worker training on occupational health and safety	Occupational health and safety			
	403-6 Promotion of workers' health	Occupational health and safety			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Occupational health and safety			
	403-8 Workers covered by an occupational health and safety management system	Occupational health and safety			
	403-9 Work-related injuries	Occupational health and safety			
	403-10 Work-related ill health	Occupational health and safety			
	Training and education				
GRI3: Material topics 2021	3-3 Management of material topics	Training and professional growth			
GRI404: Training and education 2016	404-1 Average hours of training per year per employee	Training and professional growth			
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and professional growth			
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and professional growth			
Diversity, equity and inclusion					

GRI3: Material topics 2021	3-3 Management of material topics	Diversity, equity and inclusion			
GRI405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, equity and inclusion			
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, equity and inclusion			
GRI406: Non discriminazione 2016	406-1 Incidents of discrimination and corrective actions taken	<i>No incidents of discrimination occurred during the reporting year</i>			
Customer health and safety					
GRI3: Material topics 2021	3-3 Management of material topics	Supplier relationships Customer health and safety			
GRI416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Customer health and safety			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer health and safety			