

SIMONELLI | GROUP



SUSTAINABILITY
REPORT 2023

SIMONELLI | GROUP

SUSTAINABILITY REPORT 2023

Edition n. 5

LETTER TO THE STAKEHOLDERS

Dear Stakeholders,

It is with great pleasure that I present to you Simonelli Group's fifth Sustainability Report, a tangible proof of our concrete commitment towards a sustainable progress, in which ethics, protection of the environment and people's well-being are inextricably intertwined with our business growth and with mid- and long-term value creation, for the benefit of shareholders and respecting the interests of all our stakeholders.

2023 was a year characterized by numerous global challenges. The geopolitical context, marked by conflicts in Ukraine and the Middle East, has had a significant impact on the supplies of raw materials and services, leading to a consequent increase in prices. The climate crisis and profound social transformations have further complicated the scenario, with evident repercussions also in the coffee sector. We are witnessing an ever-increasing scarcity of green coffee in the countries of origin, due to the general increase in temperatures, in the face of a constant growth trend in the consumption of coffee in the cup: according to a study conducted in 2015 by the Columbia University, 50% of the land currently arable for coffee will no longer be usable by 2050. This will likely mean an increase in raw material prices, but also a deterioration in the general quality of coffee, especially the "robusta" one.

At Simonelli Group, we have always worked to find new technological solutions that allow us to reduce the environmental impact of the machine throughout its life cycle.

From LCA studies on 100% of our products, to the use of recycled materials or the reuse of those destined for disposal: our goal is to design and produce increasingly high-performance machines, capable of guaranteeing high quality coffee with the lowest possible energy consumption. In the catering sector in Italy, there is a shortage of 150,000 professional figures, 50% of whom are baristas (according to Confcommercio-Fipe, the Federation of public establishments).

To the lack of staff and the high turnover rate, which represent an increasingly felt problem among catering operators, Simonelli Group responds with important investments in automation and digitization: increasingly high-performance machines that reduce the number of low added value manual activities required of the bartender, while ensuring constant quality of the dispensed beverage.

However, the search for increasingly advanced technological solutions cannot ignore adequate training of coffee operators. Thanks to our Youth Academy, of which we are proud, every year we accompany young people from all over the world on their career path in the coffee and restaurant sector.

We have always firmly believed in the social role of our company and in its close connection with the territory in which it operates. For this reason, we have never stopped fostering initiatives aimed at improving the lives of people in difficulty, young people and the entire community.

In January we inaugurated the Campus, the open and multidisciplinary space that hosts the

scientific research of doctoral students in our RICH (Research and Innovation Coffee Hub), technical courses on coffee in equipped classrooms, and conferences on the most important topics open to the public.

During 2023, more than 1,000 people had the opportunity to participate in the over 30 events organized: an enthusiastic response that confirmed to us how much the company can make a difference in positioning itself as a point of reference and driver of change in the territory. A territory which, however, for Simonelli Group, has expanded over the years in step with the growth of our organization, and which today is a global territory: we are present in more than 100 countries directly managing the various branches which represent an extension of Simonelli Group in USA, UK, France, Germany, Australia, United Arab Emirates (UAE) and Singapore.

We are aware that that towards sustainability is a dynamic path, not always a linear one, made of great efforts and a lot of courage. But we know equally well how high the stakes are, not to feel deeply called into question.

The 2023 Sustainability Report is the story of how we at Simonelli Group are doing and intend to keep on doing our part. All together.

Enjoy the reading.



Marco Feliziani
CEO — Simonelli Group

key data 2023

SUSTAINABILITY REPORT

109

Million €
turnover

99

Million € distributed
economic value

1%

Of profits for
social projects

-36%

Gas consumption
vs 2022

42.5%

Self-produced
energy

167

Employees
(23,4% women)

1,707

Total hours of education
(14 hours per capita)

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METHODOLOGICAL NOTE

Simonelli Group's 2023 Sustainability Report was drawn up with the aim of providing a complete and detailed overview of the economic, environmental and social impacts deriving from the company's activities, as well as of reporting the initiatives that Simonelli Group has undertaken to improve its sustainability performance.

The following document was drawn up with reference to the Global Reporting Initiative Standards (GRI Standard) defined by the Global Reporting Initiative and with a selection of the "European Sustainability Reporting Standards" published by EFRAG (European Financial Reporting Advisory) and approved by the European Commission in July 2023, as indicated by ESRS 1 - General requirements. The general principles applied for the preparation of the Sustainability Report are those established in Appendix B of ESRS 1 (relevance, faithful representation, comparability, verifiability and understandability), as well as the selected performance indicators, which are representative of the specific sustainability areas analysed.

The selection of these indicators was carried out on the basis of a relevance analysis, as described in the "Stakeholder engagement and dual relevance analysis" section.

For several years, Simonelli Group has embarked on a path towards increasingly integrated reporting, which has led it to publish, on an annual basis, an Integrated Report inspired by the Guiding Principles and Content Elements of the International <IR> Framework.

This edition of the Sustainability Report is the first

to abandon the now consolidated "capital" structure inspired by the <IR> Framework, in order to articulate a content index more similar to the disclosure requirements introduced by the new Corporate Sustainability Reporting Directive (EU Directive 2464/2022, also known by the acronym "CSRD") and the ESRS.

The partial reorganization of the contents of the Report should therefore not be understood as a desire to abandon the so-called "integrated thinking", which will continue to represent a key element of Simonelli Group's approach to strategic planning, the daily management of company activities and reporting all levels.

Based on the indications contained in Appendix D of ESRS 1, the information contained in the document is grouped into four main chapters:

1. GENERAL INFORMATION

contains information relating to the identity of Simonelli Group, the corporate structure and the structure of its business.

2. ENVIRONMENTAL INFORMATION

reports environmental information, starting from policies and moving up to the company's consumption.

3. SOCIAL INFORMATION

reports information of a social nature, relating to personnel management and relations with external stakeholders.

4. INFORMATION ON GOVERNANCE

reports information relating to the company's conduct, the relationship with suppliers and economic performance.



In addition, from this year, Simonelli Group's reporting perimeter also extends to four foreign branches: France, UK, Asia and the United States (these locations are not production centres, but rather commercial offices); the North Europe, Australia and Middle East branches, however, remain excluded from the reporting as they are not yet operational in 2023. Any changes with respect to this reporting perimeter and any omissions have been appropriately indicated in the following paragraphs. From a temporal point of view, the data presented refers to the financial year that ended on December 31, 2023 with comparison, where possible, with the results of 2022 and 2021 (also consult the attachment to this document containing the tables on three-year period).

It is underlined that the company does not fall within the scope of Legislative Decree no. 254 of December 30, 2016 which, in implementation of

Directive 2014/95/EU, provided for the obligation to prepare a Non-Financial Declaration ("NFD") for public interest entities that exceed certain quantitative thresholds. This Sustainability Report is therefore drawn up on a voluntary basis and does not represent a NFD.

The document was created under the guidance of the Sustainability Team and saw the involvement of the entire organization, was approved by the Board of Directors of Simonelli Group on July 9, 2024 and was not subject to review by a third party.

The Sustainability Report is published on Simonelli Group's institutional website: www.simonelligroup.com

For any information you can contact the company at: info@simonelligroup.it

STAKEHOLDER ENGAGEMENT AND DOUBLE MATERIALITY ANALYSIS

STAKEHOLDER ENGAGEMENT

Maintaining a constant, solid and transparent relationship with the stakeholders is a fundamental condition for the correct development of business activities and is indicative of the level of accountability that the company assumes towards the economic and social context with which it interacts.

Simonelli Group **recognizes as stakeholders** all those subjects (institutions, organizations, groups or individuals) who can, more or less directly and to varying degrees, influence or be influenced by the Company's activities. Their identification process is based on three main criteria:

- **Level of interest and dependence:** the degree of interest and dependence that these entities may demonstrate towards the company's activities;
- **Degree of influence:** the influence they exercise on company decisions and strategies;
- **Contractual or legal obligations:** the existence of contractual or legal obligations in relationships with these subjects.

Understanding the different needs and priorities of each stakeholder is of fundamental importance to:

- **Anticipate and manage potential critical issues;**
- **Define targeted actions** in response to the identified interests;
- **Identify the most effective communication and engagement channels.**

Simonelli Group has activated a wide range of dialogue channels to interact effectively and constantly with the various interlocutors, monitoring issues directly or indirectly linked to ESG aspects.

MAIN CHANNELS OF INTERACTION AND DIALOGUE WITH STAKEHOLDERS



STAKEHOLDER CATEGORY	MAIN CHANNELS OF INTERACTION AND DIALOGUE
Customers	<ul style="list-style-type: none"> → Website → Visits to the customer's or to Simonelli Group's headquarters → Business meetings (live or remotely) → Customer care service → Market research and focus groups → Participation in fairs and events organized by third parties → Organization of events
Consumers	<ul style="list-style-type: none"> → Website → Customer care service
Suppliers	<ul style="list-style-type: none"> → Constant discussion (verbal, via e-mail etc.) → Sharing of periodic reports → Definition and sharing of standards → Focus group
Financiers	<ul style="list-style-type: none"> → Constant discussion (verbal, via e-mail, via certified e-mail etc.) with financial institutions → Periodic sharing of economic-financial reports
Associates	<ul style="list-style-type: none"> → Communication programs → Ad hoc meetings → Investment projects → Periodic sharing of economic-financial and operational reports
Employees	<ul style="list-style-type: none"> → Internal communication programs → Constant dialogue with the unitary trade union representatives (RSU, according to the Italian acronym) at the company → Training courses → Induction programs for new hires
Society (coffee community, environment and collectivity, school and university)	<ul style="list-style-type: none"> → Ad hoc meetings → Participation in events and conferences → Website → Organization and/or sponsorship of public events → Participation in fairs and events organized by third parties → Participation in category and institutional tables → Innovation and research projects

DOUBLE MATERIALITY ANALYSIS

Pursuant to the GRI Universal 2021 standards, the 2022 materiality analysis was conducted through the Impact Materiality approach, according to which the issues considered relevant are defined as “material” if associated with the most significant impacts (positive or negative, actual or potential, short or long-term ones) that corporate activities are capable of generating on the economy, the environment and people, including impacts on human rights.

This approach is based on the “inside-out” perspective, i.e. focused on the impacts that company activities generate on the socio-economic context in which the Group operates.

In light of the significant regulatory changes defined in the field of sustainability reporting, and with the approval by the community institutions of the Corporate Sustainability Reporting Directive (CSRD), Simonelli Group has decided to conduct a first **Double Materiality** analysis exercise this year.

The **impact materiality** assessment was therefore integrated with the **Financial Materiality** assessment, which takes into consideration the risks and opportunities connected to sustainability issues that generate or can generate significant financial effects for the company, because they influence (or could influence) significantly the company’s cash flows, development, performance, position, cost of capital or access to financing over a short, medium and long-term time horizon.

This approach is based on the adoption of the “outside-in” perspective, i.e. focused on the organization’s relationships with the external context.

- The 2023 analysis was divided into the following steps:
- **Comparison** and integration of potentially material issues identified in 2023 with the “Sustainability issues to be included in the relevance assessment” proposed by the new ESRS standards
- **Evaluation** by the Simonelli Sustainability Team of the risks and opportunities identified related to the new list of potentially material topics
- **Representation** of Impact and Financial materiality

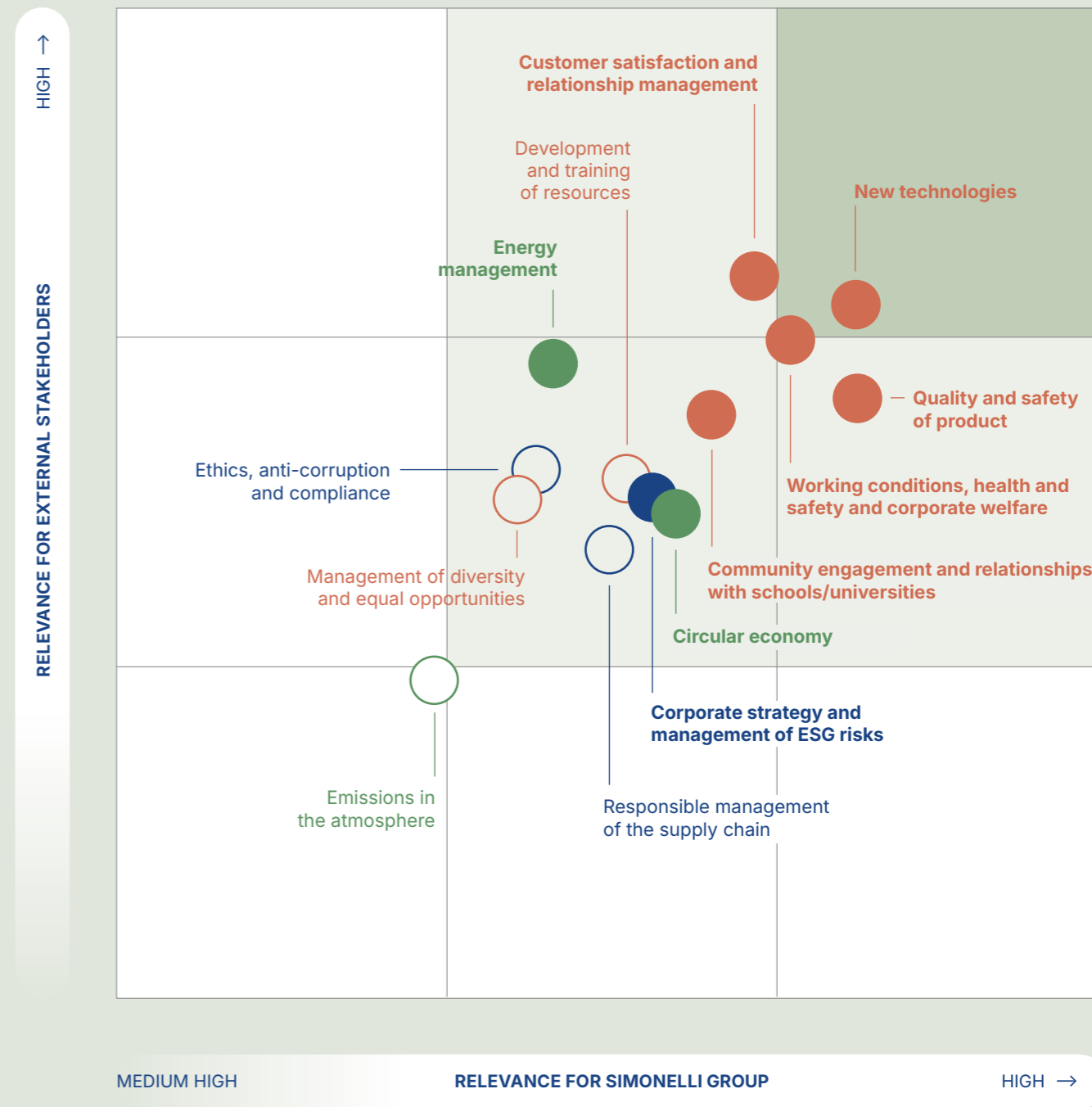
In **phase 1**, the list of potentially material topics identified last year was compared with that reported in the text of the ESRS, in Appendix A, Application Requirement 16, standardizing the terminology. This first phase made it possible to update the materiality of impact, by modifying the wording of some material themes.

Below, therefore, the results of the impact Materiality carried out last year are shown in a matrix graph, where the material results are highlighted in bold.

In the following matrix:

- the topics are highlighted with a different colour by type of area (● environmental responsibility, ● social responsibility, ● governance);
- on the “X” axis the significance of Simonelli’s impacts on society and the environment was represented from the perspective of internal stakeholders;
- on the “Y” axis the significance of Simonelli’s impacts on society and the environment was represented from the perspective of external stakeholders.

IMPACT MATERIALITY



With respect to the potentially material topics considered in the 2022 Impact Materiality analysis, three topics have been added in the Financial Materiality analysis, in order to provide a more comprehensive picture: Consumption habits and distribution channels, Cyber security and information security and Geopolitical context.

The following table represents the list of 15 potentially material topics assessed in the Financial Materiality analysis.

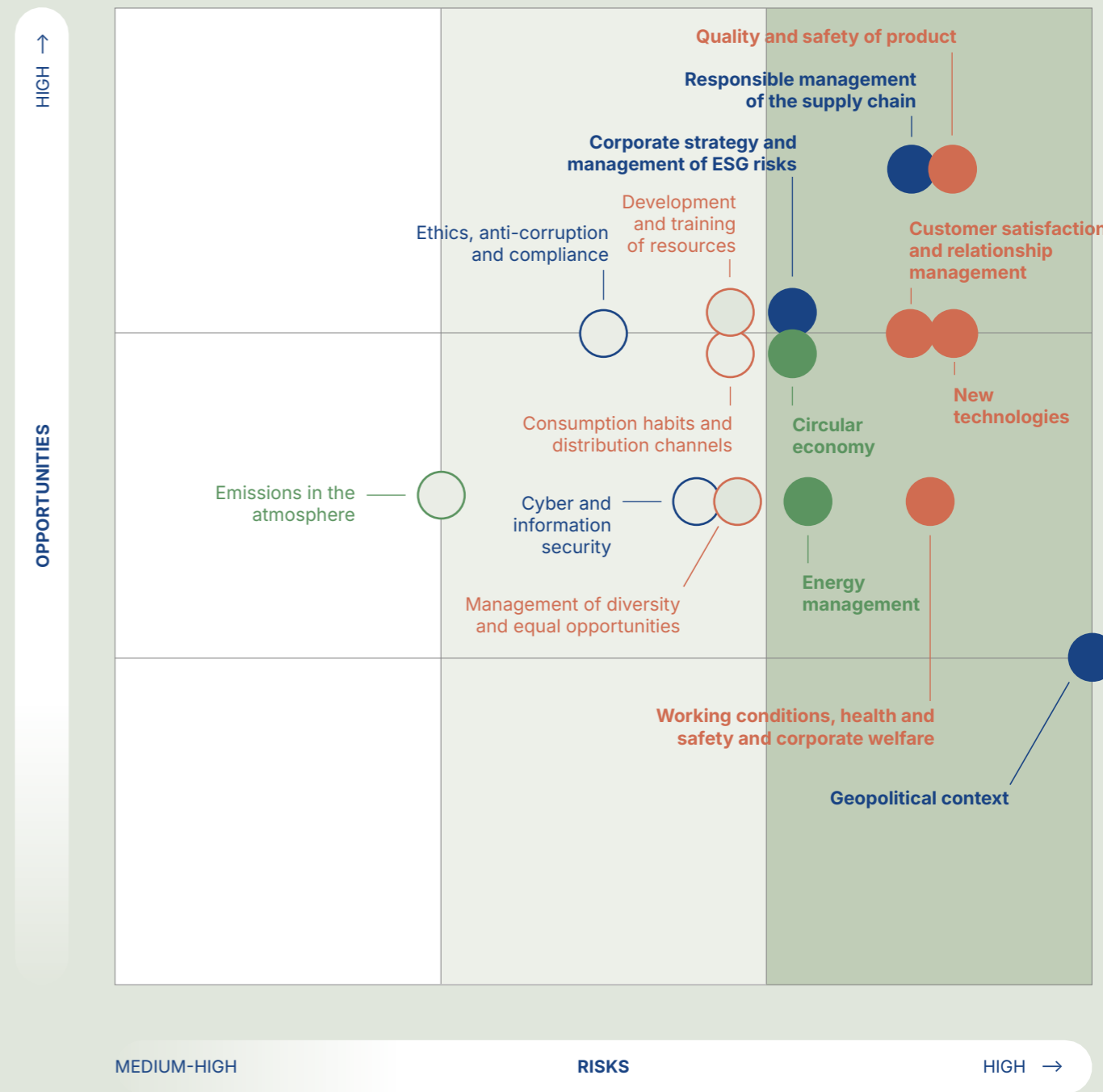
In the Financial Materiality analysis, the relevance of risks and opportunities (phase 2) was assessed through an ad hoc workshop, which involved Simonelli Group's Sustainability Team and which took into consideration the following elements:

- **magnitude:** measure of the extent of the risk or opportunity for Simonelli Group;
- **probability:** probability with which this risk or opportunity could occur in the short, medium and long term.

The processing of these assessments led to the result shown in the following matrix:

The geopolitical context is the topic that had the highest assessment from a risk point of view since the effects of politics and international relations are those with the potential to have the highest impact on Simonelli Group's business and the markets in which it operates.

FINANCIAL MATERIALITY







In **phase 3**, the Working Group cross-referenced the results of the two analyses and developed the following table which contains the **9 material topics according to the Double Materiality approach**.






Compared to the topics found to be material according to Impact Materiality, among the new topics identified in Financial Materiality, the topics Geopolitical context and Responsible management of the supply chain are also material.

The following table describes, for each topic found to be material for the Simonelli Group, the main impacts generated and the main financial effects:

SIMONELLI GROUP MATERIAL TOPICS

 Energy management  Circular economy
 Working conditions, health and safety and corporate welfare  Quality and safety of product  New technologies
 Customer satisfaction and relationship management
 Corporate strategy and management of ESG risks  Responsible management of the supply chain  Geopolitical context

MATERIAL TOPIC	MAIN RELATED IMPACTS (positive and negative)	MAIN FINANCIAL EFFECTS (risks and opportunities)
 <p>Climate change and Energy management</p>	<ul style="list-style-type: none"> - Contrasting climate effects through the containment of emissions into the atmosphere and the implementation of various types of energy management measures (e.g. purchase of renewable electricity) 	<ul style="list-style-type: none"> - Exposure to fluctuations in fossil fuel prices - Excessive and inefficient energy consumption - Future sanctions due to transition risk - Loss of market share - Efficiency of consumption and savings on energy costs - Development of innovative renewable technologies and resulting competitive advantage
 <p>Circular economy</p>	<ul style="list-style-type: none"> - Creation of a circular economy model that contributes to saving raw materials and recycling waste and products - Possibility for Group customers to purchase refurbished or second-generation products 	<ul style="list-style-type: none"> - Contribution to the waste of resources and inefficient use of materials - Supply risk due to shortages and price fluctuations of virgin raw materials - Loss of market share - Efficient use of resources and cost reduction - Increase in market share (customers attentive to sustainability) - Reduction of negative externalities
 <p>Working conditions, health and safety and corporate welfare</p>	<ul style="list-style-type: none"> - Level of psycho-physical well-being of employees, with consequent impact on the actual opportunity for each collaborator to fully realize their potential, through the offer of a positive, healthy working environment characterized by a set of programs aimed at improving the employee work-life balance - Guarantee of the safety and health of company staff, reducing injury rates and levels of related work stress - Training and awareness on exposure to risks associated with work 	<ul style="list-style-type: none"> - Lack of attractiveness and loss of talent with consequent increase in turnover and related costs - Difficult to find professional figures - Reduction and slowdown of productivity - Increased costs (workers' compensation, increased insurance premiums, legal and criminal costs, etc.) - Increased productivity, attractiveness and retention - Increased reputation
 <p>Customer satisfaction and relationship management</p>	<ul style="list-style-type: none"> - Satisfaction of customer needs in terms of product offering and quality of services 	<ul style="list-style-type: none"> - Loss of trust on the part of stakeholders - Reputational damage - Sanctions and onset of legal liability - Loss of market share - Gain in credibility and increased reputation - Increase in market share

MATERIAL TOPIC	MAIN RELATED IMPACTS (positive and negative)	MAIN FINANCIAL EFFECTS (risks and opportunities)
 <p>Quality and safety of product</p>	<ul style="list-style-type: none"> - Creation of products with high quality and safety performance within their specific markets - Satisfaction of consumer needs in terms of product offering and quality of services 	<ul style="list-style-type: none"> - Onset of legal liability for regulatory non-compliance - Reputational damage - Loss of market share <ul style="list-style-type: none"> + Customer loyalty + Increase in market share
 <p>New technologies</p>	<ul style="list-style-type: none"> - Identification and capitalization of new market opportunities, responding to the real needs of customers - Prompt and effective realization of the transition towards technologies with low emissions and environmental impacts 	<ul style="list-style-type: none"> - Technological obsolescence - Entry of new players - Loss of market share <ul style="list-style-type: none"> + Introduction of disruptive technologies + New business opportunities + Increase in market share
 <p>Corporate strategy and management of ESG risks</p>	<ul style="list-style-type: none"> - Promotion of a strategy that can design a vision of future and development focused on sustainability - Ability to influence company decision-making processes - Ability to respond to emergencies involving situations generated by environmental, social and governance risks 	<ul style="list-style-type: none"> - Failure to comply with new regulations - Loss of trust on the part of stakeholders - Failure to consider risks in the traditional ERM model <ul style="list-style-type: none"> + Increased reputation + Increased stakeholder trust
 <p>Responsible management of the supply chain</p>	<ul style="list-style-type: none"> - Management of environmental and social impacts along the entire supply chain (e.g. greenhouse gas emissions, energy and water consumption, responsible selection of materials, workers' health and safety, protection of human rights, adequate remuneration policies, etc.) - Quality of work and respect for human rights along the supply chain 	<ul style="list-style-type: none"> - Negative impacts along the value chain - Reputational damage - Risk of sanctions <ul style="list-style-type: none"> + Reduction of operational risks + Improved efficiency and reduced costs + Increase in market share
 <p>Geopolitical context*</p>		<ul style="list-style-type: none"> - Loss of turnover - Increase in customs barriers (import/export) <ul style="list-style-type: none"> + Business continuity

* The "geopolitical context" topic was considered only for the sphere of financial analysis, which is why the possible related impacts were not considered.



THE COMMITMENT TO SUSTAINABLE DEVELOPMENT

In 2021 Simonelli Group **formally joined the Global Compact** to demonstrate its commitment to achieving the goals of the 2030 Agenda, in particular those relating to "Good health and well-being" (3), "Quality education" (4), "Gender equality" (5), "Affordable and clean energy" (7), "Decent work and economic growth" (8), "Industry, innovation and infrastructure" (9), "Sustainable cities and communities" (11), "Consumption and responsible production" (12), "Climate action" (13) and "Partnership for the goals" (17).

2030 AGENDA of the United Nations for Sustainable Development

It is an action plan to promote the well-being of people, planet and prosperity. It was signed in September 2015 by 193 United Nations countries, including Italy, as a common commitment to guarantee a better present and future for our planet and its inhabitants. The 2030 Agenda outlines 17 Sustainable Development Goals (SDGs), with 169 specific targets to be achieved by 2030, providing practical guidance for institutions and businesses around the world to create a sustainable model of global development.



3.8
GOOD HEALTH AND WELL-BEING
 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

4.4
QUALITY EDUCATION
 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

5.5
GENDER EQUALITY
 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

7.2
AFFORDABLE AND CLEAN ENERGY
 By 2030, increase substantially the share of renewable energy in the global energy mix.

8.5
DECENT WORK AND ECONOMIC GROWTH
 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

9.4
INDUSTRY, INNOVATION AND INFRASTRUCTURE
 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, all countries taking action in accordance with their respective capabilities.

11.4
SUSTAINABLE CITIES AND COMMUNITIES
 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

12.2
RESPONSIBLE CONSUMPTION AND PRODUCTION
 By 2030, achieve the sustainable management and efficient use of natural resources.

13.1
CLIMATE ACTION
 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

17.17
PARTNERSHIPS FOR THE GOALS
 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GENERAL INFORMATION



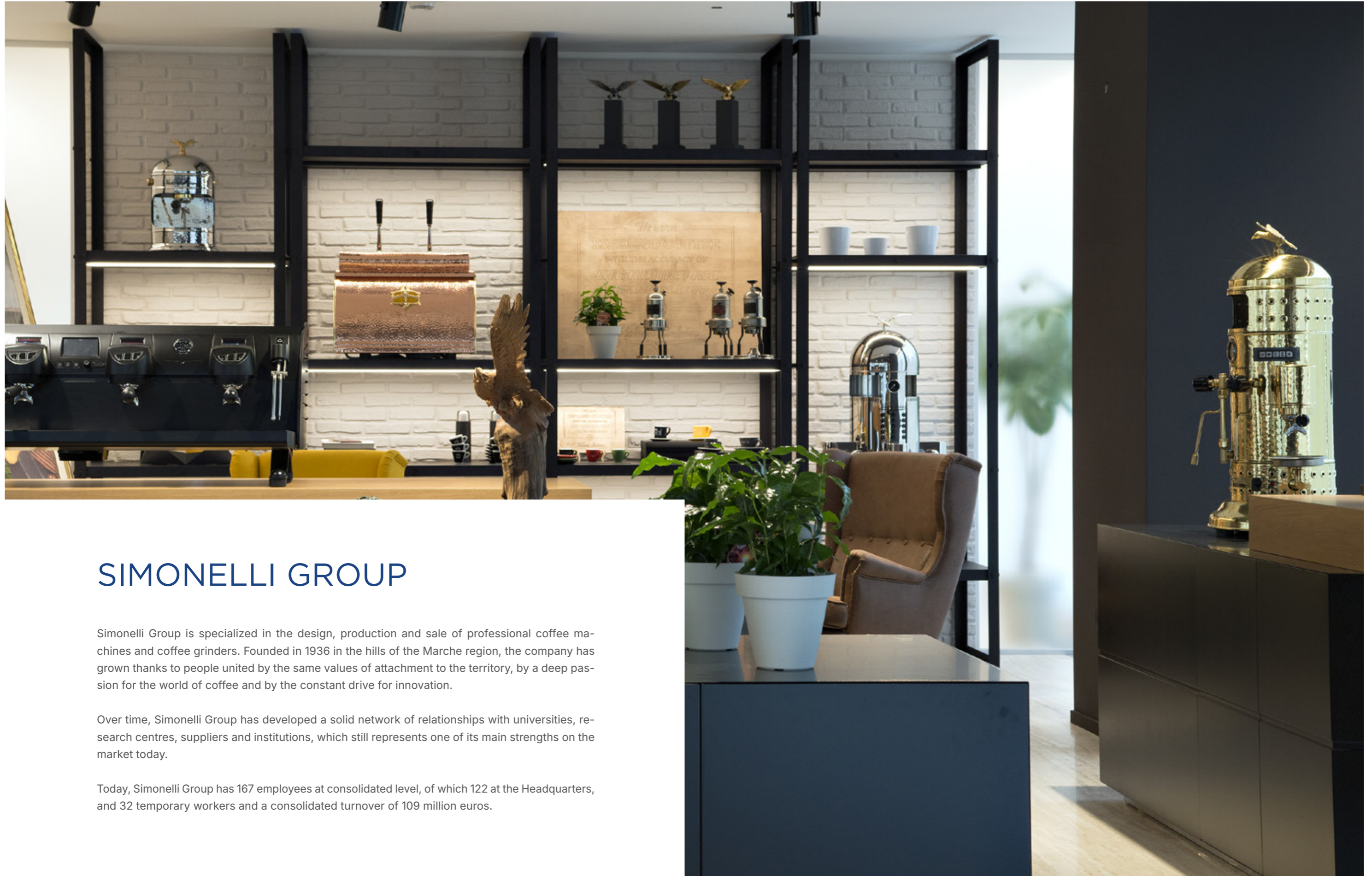
PRESENT KEY RESULTS 2023

- ✓ Export in 130 countries
- ✓ 40,000 machines produced during the year
- ✓ Opening of Australia and Middle East branches

FUTURE MAIN GOALS 2024

- Inauguration of the historic plant in Via Madonna d'Antegiano
- Realization of a prototype that respects the aim of reducing coffee waste





SIMONELLI GROUP

Simonelli Group is specialized in the design, production and sale of professional coffee machines and coffee grinders. Founded in 1936 in the hills of the Marche region, the company has grown thanks to people united by the same values of attachment to the territory, by a deep passion for the world of coffee and by the constant drive for innovation.

Over time, Simonelli Group has developed a solid network of relationships with universities, research centres, suppliers and institutions, which still represents one of its main strengths on the market today.

Today, Simonelli Group has 167 employees at consolidated level, of which 122 at the Headquarters, and 32 temporary workers and a consolidated turnover of 109 million euros.



86
YEARS OF
HISTORY

1936

BIRTH OF SIMONELLI

In a still predominantly rural society, Orlando Simonelli created, in a small laboratory under his home, the first espresso coffee machine he designed himself: the "1936" was born. The machine was subsequently chosen by Treccani among the symbolic objects of design and of Italian culture.

1972

FROM SIMONELLI TO NUOVA SIMONELLI

On May 9, 1971 Orlando Simonelli passed away in his home in Tolentino. The following year some employees decided to transform themselves into entrepreneurs by acquiring the firm, which became a company and changed its name: from Simonelli to Nuova Simonelli.

* Treccani, "1925-2015, 90 oggetti: design, eccellenza e memoria italiani":
www.treccani.it/90anni/oggetti/1936-Simonelli.html

1975

FIRST STEPS TOWARDS INTERNATIONALIZATION

Internationalization began in 1975, with the first sales in the US market. The new partners decided to move the business to a new location, with adequate space for the construction of a larger factory: in 1976, the company moved to Belforte del Chienti.

1993

FIRST BRANCH IN USA

In the 1980s and 1990s, production expanded with the development of models with increasingly advanced technology. The presence on international markets was consolidated with the opening, in 1993, of the first branch in the USA, "Nuova Distribution", based in Ferndale (Washington).

2001

ACQUISITION OF VICTORIA ARDUINO

Nuova Simonelli becomes a multi-brand company and also establishes itself in the "luxury coffee machines" sector, thanks to the acquisition of the prestigious Victoria Arduino brand, synonymous with Italian quality since 1905.



2005

NEW PRODUCTION CENTER

A new, 10,000-sqm large, entirely covered production centre is inaugurated, created to offer a comfortable, safe and energy-sustainable working environment.

2008

OFFICIAL PARTNER OF THE WBC

The "Aurelia" machine is selected as the official machine of the World Barista Championship for the three-year period 2009-2011.



2016

ESTABLISHMENT OF THE SCIENTIFIC RESEARCH CENTER ON COFFEE (RICH)

The collaboration with the University of Camerino leads to the creation of the International Hub for Coffee Research and Innovation (later to become RICH - Research and Innovation Coffee Hub), a one-of-a-kind coffee research centre that involves both the corporate and the university one world.

2017

FROM NUOVA SIMONELLI TO SIMONELLI GROUP

The company changes its name to Simonelli Group. Inauguration of the new, 3,000-sqm large management centre which, in addition to offices, showrooms and meeting rooms, is also equipped with an 80-seat auditorium.

2020

NEW LOGISTICS CENTER

Opening of the new, 6,000-sqm large logistics centre.

2023

CAMPUS INAUGURATION

The Campus, a 1,000-sqm multidisciplinary space dedicated to research, training and open innovation, is officially presented and opened to the public audience.



CORPORATE STRUCTURE

Simonelli Group S.p.A. was established in June 2017, on the initiative of Nuova Simonelli S.p.A., through the transfer of the industrial branch of the production of espresso coffee machines, starting to operate in August of the same year. In April 2018, Nuova Simonelli S.p.A. is incorporated into OMT Belforte S.r.l., which today controls 100% of Simonelli Group S.p.A. through the ownership of 20,000 ordinary shares, corresponding to 20 million euros of share capital.



PRESENCE ON THE MARKET

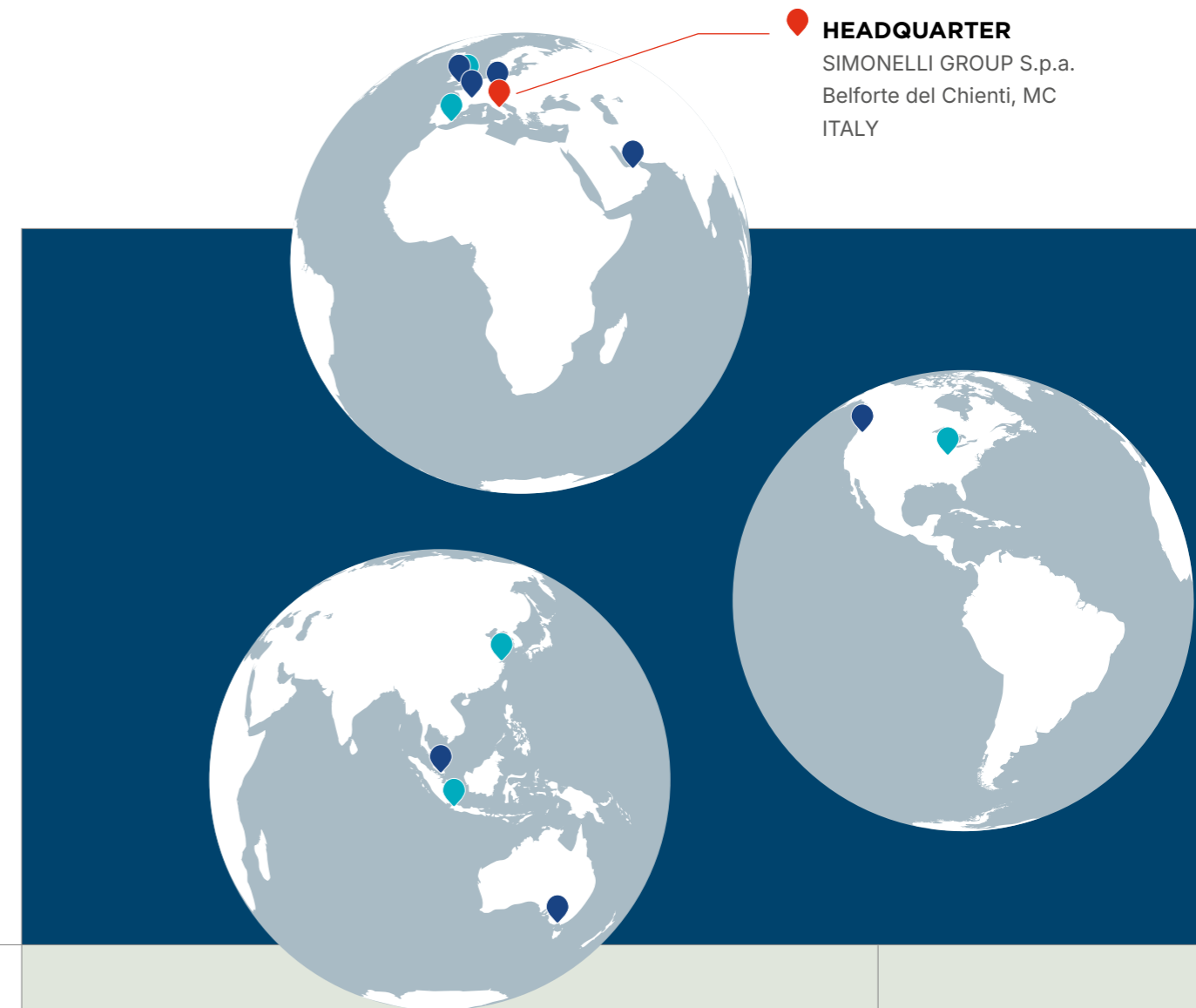
Simonelli Group is a protagonist in the reference sector on a global level and exports its products to 130 countries with an export share of 95%.

Simonelli Group products are distributed worldwide to chains of coffee shops and exclusive venues, bars, restaurants and hotels, through a commercial network made up of over a thousand entities including distributors, dealers, importers and specialized retailers, present in every part of the world.

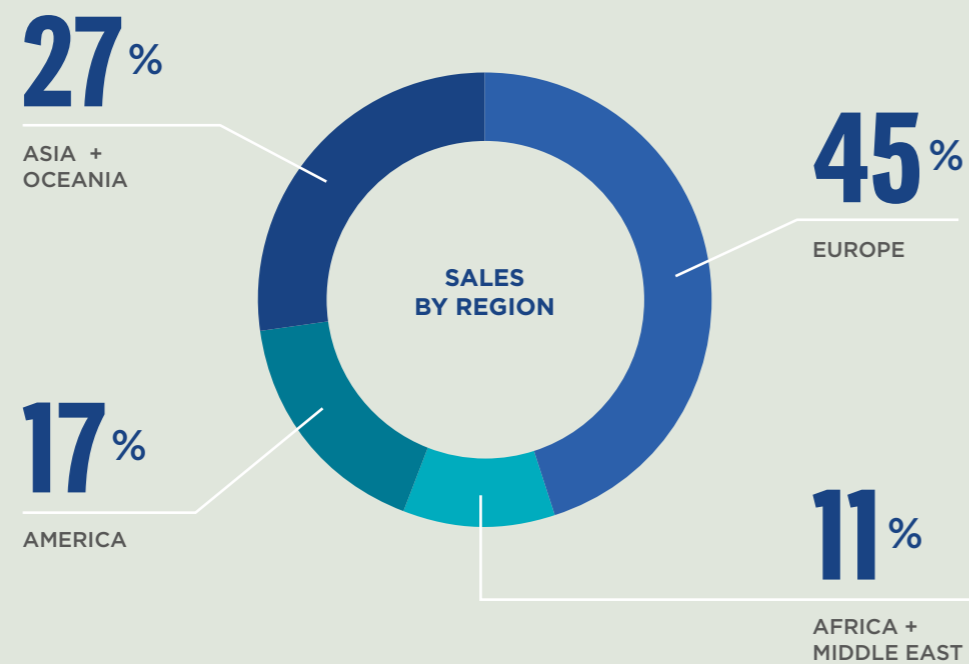
The 2023 financial year was characterized by a series of particularly critical geopolitical and economic-financial challenges. The two ongoing conflicts have had strong repercussions on the markets, especially on the energy and raw materials ones, which have triggered an inflationary process which significantly affects consumption dynamics.

To mitigate the potential negative repercussions of this situation of global uncertainty, Simonelli Group has adopted organizational, financial and commercial countermeasures: greater proximity to strategic markets, greater flexibility in the supply chain, streamlining of processes thanks to the digitization of most of the primary ones.

During the 2023 financial year, the company continued to invest, dedicating 5% of turnover to Sales & Marketing and 2% to R&D.



HEADQUARTER
SIMONELLI GROUP S.p.a.
Belforte del Chienti, MC
ITALY



7
BRANCH OFFICES

- Nuova Distribution USA
- Simonelli Group Asia Pacific
- Nuova Distribution France
- Nuova Distribution UK
- SG North Europe
- Simonelli Group Australia
- Simonelli Middle East Trading

5
EXPERIENCE LABS

- Jakarta
- Chicago
- Barcelona
- Shanghai
- London

130
COUNTRIES




**nuova
SIMONELLI®**
 The coffee machines you can trust.

The brand, on the market for 87 years, represents the functional soul that is embodied in ergonomic machines, effective in terms of performance and efficient when it comes to energy saving, thus allowing everyone to prepare good coffee, regardless of the experience level.



Victoria Arduino

 INSPIRED BY YOUR PASSION.

For almost 120 years, this brand has represented the sophisticated soul that is embodied in machines with a great historical past, refined design and advanced technology: a combination that enables every bartender to express their professionalism to the fullest.

INFRASTRUCTURE AND ASSETS

Simonelli Group operates in an advanced 10,000-sqm **production plant**, structured into six assembly lines, each with its own testing and inspection area. The same factory houses the warehouse of raw materials and components useful for production.

It is associated with a 6,000-sqm **logistics centre**, where finished products ready for delivery are stored.

The 3,000-sqm **business centre**, inaugurated in 2017, is equipped with the most modern home automation technologies, in order to guarantee a welcoming atmosphere, with a low environmental impact and featuring all the infrastructures useful for company activities. In addition to the offices and meeting rooms, it includes two large showrooms for the two brands, a spacious and modern 80-seat auditorium and a digital area for shooting films and having video conferences with customers.

BUSINESS CENTRE

3,000-sqm
surface area

80-seats
auditorium

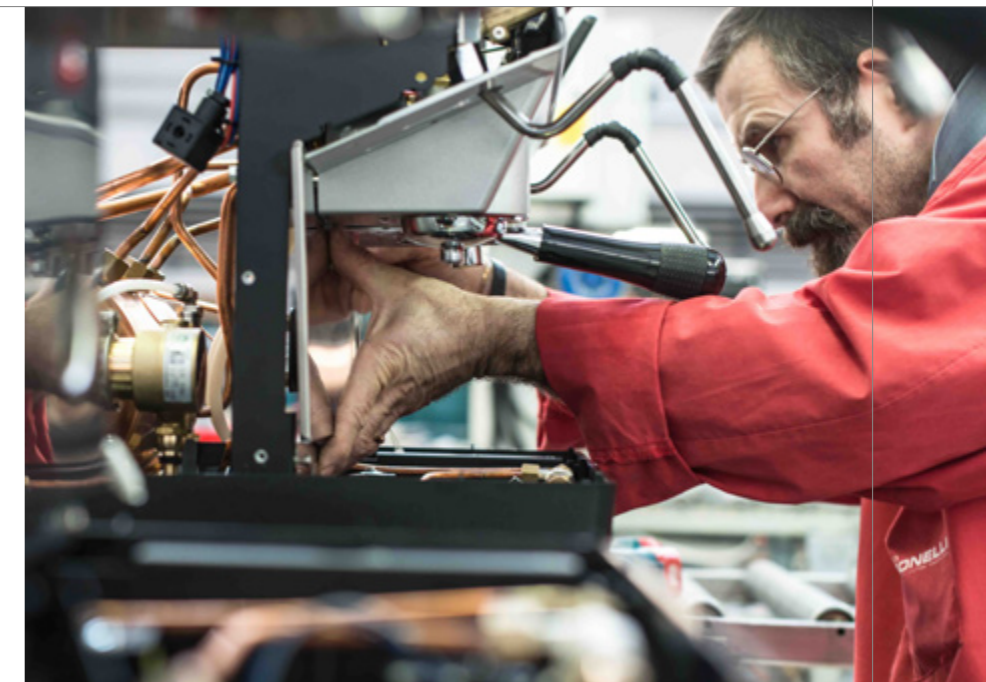
2
showrooms



PRODUCTION PLANT

10,000-sqm
surface area

6
assembly lines



LOGISTICS CENTRE

6,000-sqm
surface area





CAMPUS

An area of 1,000 sqm dedicated to training, research, open innovation and business culture, with the aim of promoting knowledge and growth of the territory and its community. The Campus, inaugurated in January 2023, is the expression of the Simonelli Group's vocation for the relationship and direct involvement of collaborators, communities and markets.

The space is divided into specialized areas:

- **Research and Innovation Area:**
hosts the RICH (Research and Innovation Coffee Hub), a centre dedicated to studies and research on coffee (for further details, see the Scientific Research section).
- **Training Area:**
houses classrooms equipped to host courses on coffee (Roasting, Sensory, Brewing, Barista, etc.) and specific courses on the operation and maintenance of coffee machines.
- **Networking Area:**
a space dedicated to meetings and events, in which 'doing business' and 'creating culture' become a continuously evolving whole.

1,000-sqm
surface area

31
events



ENGAGING TALKS

03.02.2023

MARINA SALAMON

"Il nuovo ruolo dell'azienda nel territorio: come costruire un'impresa di successo, sostenibile, innovativa."

CAMPUS
SIMONELLI | GROUP

VISION, MISSION AND VALUES

VISION

We believe in a world where innovation comes from creativity and brings wisdom, for a growth that strengthens ethics, enhances work and territories, and respects the environment.

MISSION

We combine passion and dedication, creativity and ingenuity, to allow our customers to distil their best potential into a cup. We do it with a laboratory and workshop approach, applying research to design, creating innovative and sustainable, ergonomic and highly performing machines, solid but with a sophisticated design. From the Marche region to the rest of the world, to bring the culture of coffee everywhere.

CORPORATE VALUES

CONTINUOUS AND TRANSVERSAL INNOVATION

We believe in the intuitions that arise from systematic thinking, challenging traditional logic and procedures.



INTEGRATED SUSTAINABILITY

We believe in shared growth, respecting people and the environment. We believe in generating sustainable value over time, that involves all of us and our stakeholders.

KNOWLEDGE AND CULTURE OF COFFEE

We believe in spreading conscious knowledge of coffee: we encourage customers, collaborators and coffee communities to express their full potential.



VALUE CREATION PROCESS

Simonelli Group's business model is based on an innovative and customer-oriented approach aimed at transforming the company into an authentic "Solution Provider", under the guidance of a solid and transparent governance that integrates sustainability principles into business decisions and which has the objective of creating value for all stakeholders.

This model is built around five fundamental strategic orientations, each of which is aimed at consolidating the company's presence on the market, fuelling competitiveness and strengthening relationships with customers:

FOCUS ON RESEARCH AND DEVELOPMENT (R&D):

Simonelli Group constantly invests in research and development to create innovative and cutting-edge solutions. The goal is to anticipate market trends and offer products and services that respond to changing customer needs. This commitment to innovation ensures the company remains competitive and an industry leader.

CUSTOMER-CENTRIC APPROACH:

The company adopts a customer-centric approach, working closely with customers to understand their specific needs. This close and collaborative relationship allows Simonelli Group to develop tailor-made solutions, by building long-term relationships.

DIGITIZATION:

Digitization is a key element in the business model of Simonelli Group. The adoption of new digital technologies allows to optimize internal processes and offer an advanced experience to customers. Digitization not only increases productivity, but speeds up processes and increases the value of services, making them more effective and user-friendly.

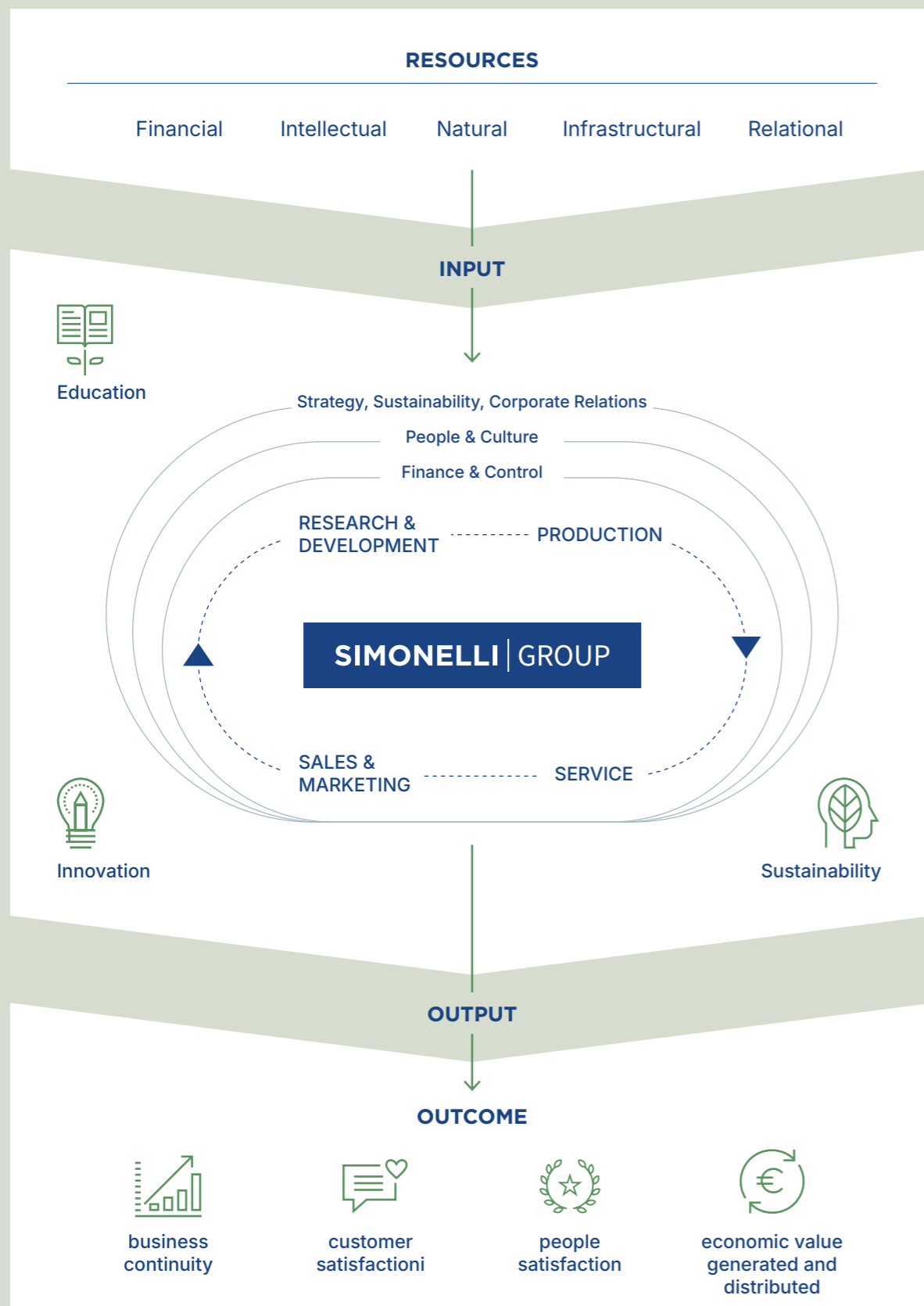
OPERATIONAL EFFICIENCY:

The implementation of efficient processes and the continuous improvement of operations is aimed at reducing waste and containing costs. Operational efficiency is one of the indispensable conditions to guarantee the growth of the company's competitiveness and profitability.

RISK MANAGEMENT:






Simonelli Group adopts all the necessary strategies to identify, evaluate and mitigate risks, thus ensuring business resilience. This approach protects the interests of stakeholders and ensures the operational continuity of the company even in situations of uncertainty.





Reporting Scope	INPUT	OUTPUT	OUTCOME
GENERAL INFORMATION	<ul style="list-style-type: none"> Procedures and codes of conduct Intellectual property rights Factories and machinery Digital infrastructure Logistics infrastructure 	<ul style="list-style-type: none"> Certifications Procedures Research and development Production Logistics Distribution Products 	<ul style="list-style-type: none"> Innovation Reputation Patents Knowledge Product quality Production efficiency
ENVIRONMENTAL INFORMATION	<ul style="list-style-type: none"> Energy and natural resources Raw materials 	<ul style="list-style-type: none"> Supplies Disposal 	<ul style="list-style-type: none"> Waste GHG emissions Environmental impact
SOCIAL INFORMATION	<ul style="list-style-type: none"> Ability and talent Training acquired Relationships with customers Relations with the territory, institutions and trade associations University and school relations 	<ul style="list-style-type: none"> Welfare Training provided Health & Safety Sale of Products and Services Communication and branding activities 	<ul style="list-style-type: none"> Employer engagement Competence Skills and performance Accidents Reputation Customer satisfaction Stakeholder engagement Employer branding Relationships network
INFORMATION ON GOVERNANCE	<ul style="list-style-type: none"> Internal financial resources External financial resources Relationships with suppliers 	<ul style="list-style-type: none"> Investment plan Operation management Sale of Products and Services 	<ul style="list-style-type: none"> Sales Cash Flow Added value distributed among the various stakeholders Profit reinvested Reputation

ACKNOWLEDGEMENTS

<p>BEST PERFORMANCE AWARD SDA BOCCONI</p>	<p>BEST MANAGED COMPANIES DELOITTE</p>		<p>SUSTAINABILITY AWARD</p>	<p>“IMPRESE BEST PERFORMER DELLE MARCHE” AWARD ITALY POST AND CORRIERE DELLA SERA</p>
<p>Simonelli Group won the “Best Performance Award” 2022/2023 for the “medium company” category, a prize that SDA Bocconi School of Management gives to the best Italian companies that stand out for their excellence in creating economic, technological, human, social and environmental value, operating in a sustainable way. It is aimed at Italian companies with a turnover between 15 million and 5 billion euros, divided into three categories (Small, Medium, Large), which are evaluated every year on the basis of performance criteria which concern: EBITDA, Growth of revenues, Capex/Total assets ratio, NFP/EBITDA ratio less than 3.</p> 	<p>Simonelli Group was awarded with the “Best Managed Companies Award”, the prize for entrepreneurial excellence of Made in Italy promoted by Deloitte Private, with the participation of ALTIS - Graduate School of Sustainable Management of the Catholic University of the Sacred Heart, ELITE- Euronext Group and Small Industry of Confindustria. An important recognition for those Italian companies which, thanks to excellent managerial skills, have managed to establish themselves in a complex international scenario by leveraging valuable investments, training and talent of people in the company, and competitive strategic choices.</p> 		<p>Simonelli Group won the first prize of the Sustainability Award, the initiative promoted by Credit Suisse and the Kon Group agency with the scientific support of the Catholic University of Milan and in partnership with Forbes magazine. The award is an important recognition reserved for Italian companies that have distinguished themselves in facing the challenges of the climate emergency, transforming it into an opportunity to express innovation.</p> 	<p>Simonelli Group received the “Best Performer Companies of the Marche” award. The ranking of the awarded companies was drawn up by the Italy Post Study Centre and L’Economia del Corriere della Sera which, on the basis of rigorous budgetary parameters, selected the companies that have demonstrated their ability to brilliantly overcome contemporary economic and social challenges. These companies have been able to produce constant value over time and activate exogenous development processes which have led them to generate double-digit increases in turnover and maintain Ebitda levels of around 13-14%.</p>  <p>Impresa best 2023 Marche</p> 

RESEARCH AND OPEN INNOVATION

Research is part of the Simonelli Group's DNA. From the introduction, at the end of the 1950s, of the first continuous dispensing machine with the electric pump system, to the application of the first electronic microprocessors in the mid-1970s: the focus on research and innovation continues today and represents one of the main growth drivers.

Efforts are focused on **four main directions**:

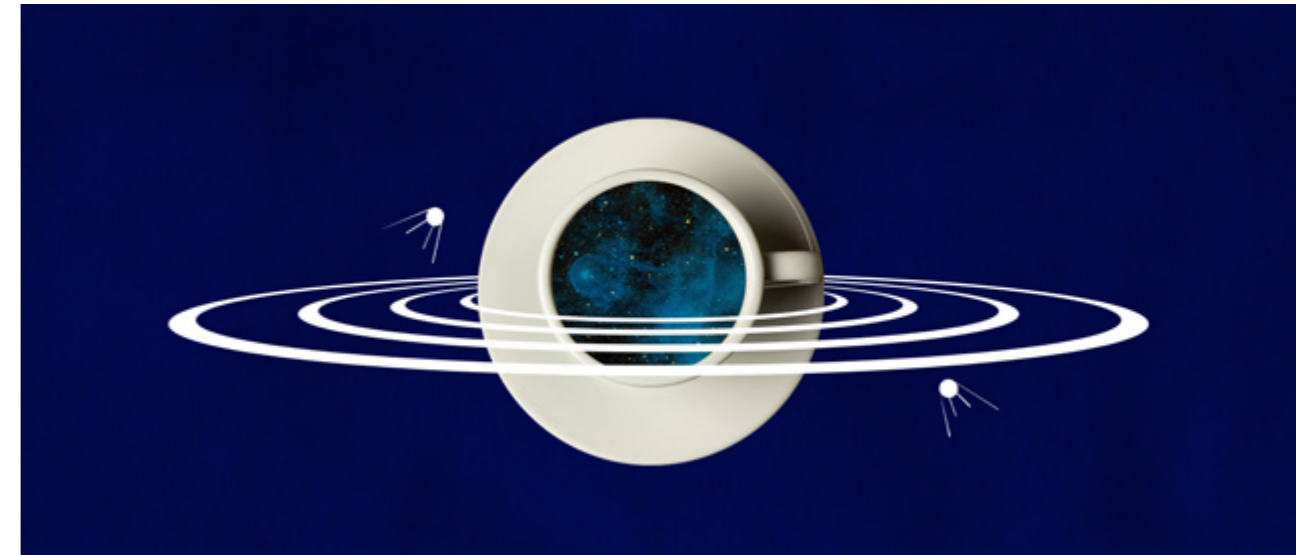
- 1. ECO-SUSTAINABILITY**

From the production phase to the operational one, up to the end of life, the company is committed to reducing the environmental impact of its products through research into new technologies aimed at energy saving, the use of recycled materials and the design of products that can be disassembled and easily recyclable at the end of their life.

In 2023, Simonelli Group has taken a further step forward in technological innovation, introducing the **Vacuum Insulated Panel** on the Victoria Arduino Black Eagle Maverick model: a new **thermal insulation** technology that allows heat dispersion to be reduced by 69% compared to a standard technology and 33% compared to the previous system.
- 2. ERGONOMICS AND WORK FLOW**

The search for technical solutions that protect the well-being of the barista and increase the speed of service, while ensuring constant quality of drinks, responds to the request from cafes and chains to constantly improve the consumer experience. The projects that Simonelli Group is carrying out are in fact aimed at facilitating the barista's work by increasing the automation of low added value activities and at the same time simplifying all those that determine the quality of the service.

In this sense, the new **filter holder recognition** technology allows the automation of some functions carried out by the barista; the new **e-milk technology**, however, automates milk frothing activities and improves its hygiene.



- 3. EXTRACTION PERFORMANCE**

Simonelli Group has always stood out for the high quality of its coffee machines. The company identifies the optimization of the extraction process as a priority to guarantee drinks of the highest level, balancing taste, aroma and creaminess. Furthermore, optimized coffee extraction allows to obtain high quality drinks using lower coffee weights, compared to traditional standards.

VIS (Virtual Scale) technology, introduced during 2023, allows accurate monitoring of the extraction flow and therefore greater precision of the result.
- 4. RELIABILITY**

Simonelli Group is committed to the design and production of increasingly reliable and durable machines, to contain the environmental footprint of each product and at the same time reduce the TCO (Total Cost of Ownership).

Predictive Maintenance is an innovative project aimed at detecting and reporting potential anomalies before they occur: ad hoc sensors allow remote monitoring and allow technicians to intervene remotely or schedule a timely inspection. The system uses a specially developed AI (artificial intelligence) that recognizes anomalies by tracing the causes.

The **TECX (Telemetry Coffee Experience)** platform, further developed during 2023, allows technicians to intervene remotely on the machines and resolve most anomalies without the need for an inspection, with significant advantages both in terms of timeliness and economic savings and greenhouse gas emissions due to travel.

TECHNOLOGICAL EVOLUTION

From the introduction, at the end of the 1950s, of the first continuous dispensing machine with the electric pump system, in a market dominated by the lever machine, to the application of the first electronic microprocessors in the mid-1970s, innovation is part of Simonelli Group's DNA.

The focus on innovation continues to lead the company today, as evidenced by the latest technologies:

2003

- SIS (Soft Infusion System)**
 System projected to improve the extraction performance of coffee machines.

2009

- T3**
 Technology aimed at optimizing the quality of cup coffee, through rigorous control of the extraction and grinding temperatures.

2011

- CLIMA PRO**
 Technology that has revolutionized coffee grinding through temperature stabilization.

2013

- GRAVITECH**
 Gravimetric technology applied to both the coffee machine and the coffee grinders (2017), to provide absolute precision of extractions.

2015

- LANCE COOLTOUCH**
 Thermal insulation system of the steam wands, through a double internal chamber to improve cleaning and avoid burns to the barista.

2017

- SMART WATER SYSTEM**
 System for monitoring water quality.
- PULSE JET**
 Pulsed extraction technology that allows for a greater balance of the flavour of the coffee in the cup.



2019

- NEO (New Engine Optimization)**
 Innovative supply water heating system, which reduces energy consumption and allows savings of 35%, compared to other machines in the same category.
- TERS (Thermal Energy Recovery System)**
 Thermal energy recovery system from waste water, to preheat the incoming water. Allows energy savings of 8%.



2021

- PURE BREW**
 Technology that revolutionizes coffee extraction and infusion systems.
- T3 GENIUS**
 Water heating technology that reduces energy consumption by 5% compared to T3.

2022

- FILTER HOLDER RECOGNITION**
 Technology that allows the coffee grinder and coffee machine to recognize the filter holder and automatically adjust the extraction parameters of the associated drink.
- VIS**
 VIS technology extrapolates the weight of coffee in the cup through an algorithm based on the energy flow and guarantees greater precision of the extraction parameters, compared to the traditional volumetric system.

2023

- VACUUM INSULATED PANEL**
 Vacuum panel technology to insulate the steam boiler, which reduces heat dispersion by 69%, compared to standard technology.
- E-MILK**
 Technology through which the steam wand detects the presence of milk in the jug, automatically starts frothing the milk based on the set recipe and automatically purges at the end of the cycle.

SCIENTIFIC RESEARCH (RICH)



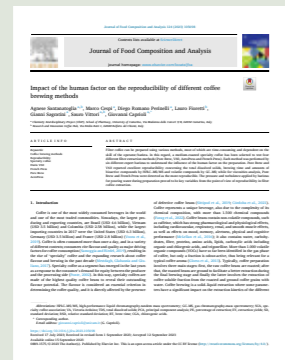
Founded in 2016 in collaboration with the University of Camerino (Unicam), the RICH (Research and Innovation Coffee Hub) is a real laboratory dedicated to scientific research around coffee and its derivatives. During 2023, the four researchers, assisted by their university professors, conducted the research published in the following scientific studies:



1. Santanatoglia, A., Caprioli, G., Cespi, M., Ciarlantini, D., Cognigni, L., Fioretti, L., ... & Vittori, S. (2023). *A comprehensive comparative study among the newly developed Pure Brew method and classical ones for filter coffee production.* LWT, 175, 114471.



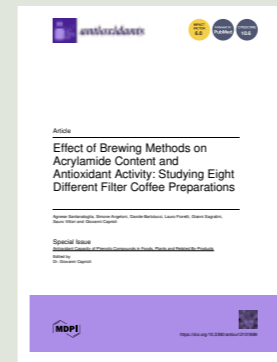
2. Santanatoglia, A., Alessandrini, L., Fioretti, L., Sagratini, G., Vittori, S., Maggi, F., & Caprioli, G. (2023). *Discrimination of Filter Coffee Extraction Methods of a Medium Roasted Specialty Coffee Based on Volatile Profiles and Sensorial Traits.* Foods, 12(17), 3199.



3. Santanatoglia, A., Cespi, M., Perinelli, D. R., Fioretti, L., Sagratini, G., Vittori, S., & Caprioli, G. (2023). *Impact of the human factor on the reproducibility of different coffee brewing methods.* Journal of Food Composition and Analysis, 124, 105698.



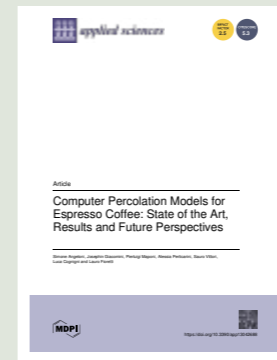
4. Santanatoglia, A., Angeloni, S., Fiorito, M., Fioretti, L., Ricciutelli, M., Sagratini, G., ... & Caprioli, G. (2024). *Development of new analytical methods for the quantification of organic acids, chlorogenic acids and caffeine in espresso coffee by using solid-phase extraction (SPE) and high-performance liquid chromatography-diode array detector (HPLC-DAD).* Journal of Food Composition and Analysis, 125, 105732.



5. Santanatoglia, A., Angeloni, S., Bartolucci, D., Fioretti, L., Sagratini, G., Vittori, S., & Caprioli, G. (2023). *Effect of Brewing Methods on Acrylamide Content and Antioxidant Activity: Studying Eight Different Filter Coffee Preparations.* Antioxidants, 12(10), 1888.



6. Santini, G., Klimanova, Y., Pucciarelli, S., Polzonetti, V., Cespi, M., Perinelli, D. R., ... & Vincenzetti, S. (2023). *Effects of different steam injection conditions on cappuccino's nutritional profile.* Food Chemistry, 428, 136757.



7. Angeloni, S., Giacomini, J., Maponi, P., Perticarini, A., Vittori, S., Cognigni, L., & Fioretti, L. (2023). *Computer Percolation Models for Espresso Coffee: State of the Art, Results and Future Perspectives.* Applied Sciences, 13(4), 2688.





INNOVATION

The organizational model for innovation adopted by Simonelli Group is that of the network enterprise. This approach involves the constant collaboration of operators inside and outside the company, in order to achieve increasingly ambitious goals through the sharing of complementary skills and expertise.

Simonelli Group collaborates with various university centres, including the Polytechnic of Milan, the Polytechnic of Marche, the University of Camerino, the University of Parma and the University of Perugia. Furthermore, it is active on Open Innovation platforms to develop new technologies, in collaboration with other organizations. Below are the main projects:

AIEM

AIEM - PROJECT FINANCED THROUGH THE SUSTAINABLE GROWTH FUND

The aim of the project that Simonelli Group is carrying out together with Sigma SpA is to study and develop algorithms, technologies and advanced artificial intelligence and machine learning systems, in order to improve the efficiency of both production and assistance processes. The project also aims to develop a new generation of products with advanced AI and high environmental sustainability: new human-machine and machine-machine interaction functions are being studied, to facilitate the user's task and self-regulation functions, aimed at reducing energy consumption and waste.

During 2023, both the first simulacra of the filter holder recognition system by the grinder machine and the grinding self-regulation algorithm were tested.

The goal for 2024 is to create a working prototype that meets the goal of reducing calibration coffee waste by 10%.



OSSERVATORI.NET POLYTECHNIC OF MILAN

Simonelli Group participates in a Startup Intelligence Observatory project, linked to Digital Innovation, which aims to bring together companies that have innovation needs and excellent small businesses to carry out joint projects.



SMAU PROJECT AND START-UP INTELLIGENCE (OBSERVATORY OF POLYTECHNIC OF MILAN)

Participation in the SMAU network, as well as that of Milan's Polytechnic, is part of a strategy of continuous observation and scouting of the world of start-ups, in order to seize innovation opportunities applicable to the processes, products and organization of Simonelli Group.

PRODUCTS



PRODUCTS LAUNCHED IN 2023

EAGLE TEMPO NEW - VICTORIA ARDUINO

The Eagle Tempo coffee machine is the optimal solution for restaurants, coffee shops, chains, bakeries, pastry shops, hotels and cafés that simply want to offer good coffee and plant-based drinks. And as with all Victoria Arduino coffee equipment, Eagle Tempo is attentive to sustainability.

EAGLE ONE VIS - VICTORIA ARDUINO

Eagle One is the professional coffee machine created to meet the needs of coffee shops, where design, performance and sustainability offer customers a memorable experience. With the VIS technology, the system becomes even more intelligent and performing. Programming is quick and easy: just specify the desired weight in the cup and start extraction.

E1 PRIMA EXP - VICTORIA ARDUINO

E1 Prima EXP unleashes creativity and enhances each ingredient, creating infinite espresso-, Pure Brew- and milk-based recipes. thanks to high-performance technologies that are extremely easy to use.

The versatility and compactness of the single group meet the technology of a professional machine. In E1 Prima EXP, all Victoria Arduino's experience is manifested through the ease of use with which you can obtain espresso-milk-, Pure Brew Coffee-based drinks, up to the experimentation of taste and the boundaries of the most innovative mixology are concentrated.

MYTHOS ONE NEW

MYONE completes the range of the Mythos family which is characterized by the excellence of the grinding. MYONE guarantees the same accessibility, precision and design of the Mythos range, through an immediate and simple to use information display.



PRODUCTS LAUNCHED IN 2023

APPJA LIFE TIMER NEW - NUOVA SIMONELLI

The Appia Life range, which has established itself as the top seller of the Nuova Simonelli brand thanks to its ease of use, constant results and energy reduction, is enriched with a new model: the Appia Life Timer. This new version, available with 2 and 3 group volumetric dosing, has a TFT display that allows the user to control dispensing times, to obtain a constant and waste-free result in the cup.

MDJ E MDXS NEW

The MDJ and MDXS on-demand coffee grinders combine all the technology and ergonomics of Nuova Simonelli for cafes, chains and restaurants that require consistent quality grinding, together with ease of use and maintenance.

MDJ on-demand is the high quality professional coffee grinder. With its 75 mm grinders, it's the ideal solution for all high-productivity environments, up to 3 kg of ground coffee per day. The MDXS has 65mm burrs and a daily grinding capacity of 1.5kg.

Both stand out for their consistency in the dose, quiet operation and ease of use.

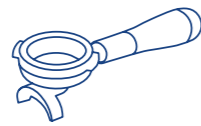


PRODUCTION SYSTEMS AND PRODUCTS' QUALITY

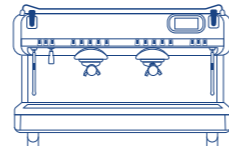
Quality, safety and high performance of production systems are the principles that guide the Group's production processes. Each production phase and each machine produced are subjected to continuous checks, in order to guarantee compliance with the set quality standards, anticipating possible errors and optimizing the use of resources.

In this sense, over the years the company has equipped itself with an integrated management system to certify the quality of production processes according to the ISO 9001 standard.

1,229
product codes
moved



40,000
machines
produced



ISO 9001

The ISO 9001 standard establishes criteria for a quality management system that focuses on the **effectiveness of quality processes**, helping to work more efficiently and to reduce product errors.

It promotes the adoption of an approach to processes based on **risk analysis**, emphasizing requirements, added value, performance and effectiveness of processes and continuous improvement through objective measurements.

LEAN PRODUCTION

Lean production is a working methodology that aims to minimize waste in production systems, maximizing quality, flexibility and productivity. The objective of lean manufacturing (as lean production is also called) is that of reducing waste and making the company more efficient compared to market needs. It is an organizational philosophy that identifies as waste everything that does not have to do with creating value for the customer.

Lean Production is commonly associated with the production system of the Toyota company, born in the 1950s and which has become increasingly popular in the West as well, to the point of establishing itself as the dominant model and replacing Ford's mass production system, based on the assembly line.

Simply put, the key principles of Lean Production are:

1. Orientation to the customer and its perceived value
2. Reduction of waste through the optimization of the production process
3. Continuous improvement through motivation and involvement of people

The company works daily to make its organization more efficient and to ensure maximum reactivity of its functions, in the face of sudden problems or critical issues. For this reason, information sharing and cross-functional collaboration are supported and strongly encouraged in each of the company divisions involved (Operations, Quality, After Sales, R&D).

With a view to multidisciplinary sharing aimed at quality, it has been decided to introduce structured monitoring processes and interfunctional bodies that guide production activities:

- A. Quality Team:** Monitors and supervises production activities, manages non-compliances and promotes corrective actions. It takes care of relationships with suppliers, ensuring compliance of supplies with company standards and is involved in the product development phase, to identify any quality critical issues in advance.
- B. Quality Improvement Team:** This cross-functional team meets weekly to analyse quality KPIs by comparing them with the feedback arriving from the market, identifying corrective actions aimed at improving performance.
- C. Unit Team:** Made up of operators from the various production lines, the team meets weekly to analyse specific critical issues that impact the achievement of quality KPIs.
- D. Morning and Weekly Meeting:** to analyse the daily operational KPIs and manage the progress of the week's critical issues (Obeja room), in which all the first operations levels participate.



The control of each production phase and of the quality of the products has been progressively improved over the years through technological and process solutions that aim to reduce the possibility of error to a minimum:

RFID (Radio Frequency Identification)

RFID technology is a monitoring system that uniquely associates each individual component with the respective machine and thus allows total traceability of products throughout all production phases, reducing assembly errors and facilitating technical assistance after installation of the machine.

STRESS TEST

All the machines produced are subjected to a 4-hour stress test before packaging during which every single function is monitored in detail.

CSQ (Statistical Quality Control)

Introduced in 2022, the CSQ is a random aesthetic and functional control process that applies to products already packaged and ready for shipping and which determines an Average Quality Index (IMQ) for each product. In the total absence of flaws, the IMQ is 100.

CALL OF RATE

this advanced system for reporting and measuring flaws found by technicians and customers in products already placed on the market provides objective indicators of the quality level and effectiveness of the corrective actions implemented.



At the basis of an efficient production system and effective quality control, the motivation and involvement of operators are essential elements. Simonelli Group has therefore adopted actions and solutions that aim to encourage a sense of belonging, the sharing of ideas and the drive for continuous and collective improvement.

The training of each new production employee begins before joining the company with training material specifically created to provide an introduction to operational processes and continues with an on-site training course once they join the company.

Each production line is equipped with an interactive display that provides real-time feedback on productivity and quality: in this way the line operators have the possibility to self-monitor their performance and possibly take the necessary corrective actions.



IL CAMMINO
DELLA QUALITÀ

IDEA ORO 2023
ANDREA CAPRADOSSO

Each operator is invited to contribute to the **Quality Path**, by proposing ideas and suggestions to improve production processes or products from the point of view of efficiency, quality, energy saving, usability or safety. The ideas collected are evaluated by a technical team that assigns a score based on a series of parameters; the best are rewarded during an annual ceremony.

In 2023, 123 reports were collected, and the three winners received a prize trip to a European capital, while the first-place winner was also awarded with a diploma.

ENVIRONMENTAL INFORMATION



PRESENT KEY RESULTS 2023

- ✓ ISO 14001
- ✓ Energy consumption equal to 1,889.48 MWh
- ✓ 100% renewable electricity purchased in Italy
- ✓ + 33% of self-produced energy in the photovoltaic system

FUTURE MAIN GOALS 2024

- Electricity self-sufficiency through expansion of the photovoltaic system



MANAGEMENT OF THE ENVIRONMENTAL IMPACT OF PRODUCTS

The reduction of GHG emissions is one of Simonelli Group's primary objectives in terms of environmental commitment. The company focuses its efforts on:

- reduction of the environmental footprint of its products;
- reduction and efficiency of company energy consumption;
- reduction of waste materials;
- progressive elimination of non-recyclable materials.

As a result of Simonelli Group's commitment to the environment, **ISO 14001 CERTIFICATION** was obtained.

Research activities focus largely on identifying innovative solutions that can contribute to reducing the environmental footprint and energy consumption: in 2023, over 90% of the products sold on the market belong to the category of products with low consumption technology. The company, together with the UCIMAC Association ("Espresso Coffee Machines Manufacturers"), is actively collaborating in technical discussions to define a protocol for measuring the energy consumption of coffee machines aimed at defining energy labelling within the EU.

ISO 14001

ISO 14001 is recognized internationally as the reference standard for environmental management systems (EMS Environmental Management System) and is applicable to organizations of all sizes and sectors. ISO 14001 provides a management framework for the integration of environmental management practices, pursuing environmental protection, pollution prevention, as well as the reduction of energy and resource consumption.

On the subject of eco-sustainability, the company has collaborated since 2009 with the Polytechnic University of Marche to evaluate the environmental impact of its production and distribution activities and, starting from 2011, has carried out the LCA (Life Cycle Assessment) analysis of new products. The results of these analyses have allowed the company to introduce new generations of products onto the market which allow for a reduction in overall CO2 emissions by 23% and a contraction in energy consumption of up to 41% (with the NEO and TERS systems) on equal terms of performance.









The results of the LCA analysis that the company has regularly carried out on new products since 2011 with the Polytechnic University of Marche are shown in the following table.








LCA Life Cycle Assessment

In the last two years, the databases that allow LCA calculation have undergone continuous and significant updates. The 2020 version of the SimaPro software (which uses the Ecoinvent 3.6 database) presents new environmental impact values for individual materials (in the case of Simonelli Group, metals). The new impact values depend on the use of more up-to-date analytical data, the inclusion of data from new geographical areas and the greater difficulties of finding/extracting materials.

Based on these new calculations, the impact of the "materials and manufacturing" phase has increased on average by 30%, and the "end of life" phase reports positive values in 99% of cases.



Environmental footprint of products (LCA)	Environmental footprint of products (LCA)			
	GROUPS	MATERIALS AND MANUFACTURING (KgCO ₂ eq)	END OF LIFE (KgCO ₂ eq)	ENVIRONMENTAL FOOTPRINT net (KgCO ₂ eq)
Appia II 	2	309.0	-66.5	242.5
Appia Life 	2	268.4	-59.4	209.0
VA388 	2	667.0	-167.6	499.4
VA358 Digit 	2	559.0	-155.9	403.1
Aurelia II T3 	2	454.0	-91.6	362.4
Aurelia II Digit 	2	388.2	-88.5	299.7
Eagle One 	2	647.1	-121.1	526.0
Aurelia Wave T3 	2	500.8	-105.3	395.5
Eagle One Prima 	1	237.6	-43.8	193.8
Black Eagle Maverick 	2	872.5	10.7	883.2***
Eagle Tempo 	2	448	40.2	488.2***

Environmental footprint of products (LCA)	Environmental footprint of products (LCA)		
	MATERIALS AND MANUFACTURING (KgCO ₂ eq)	END OF LIFE (KgCO ₂ eq)	ENVIRONMENTAL FOOTPRINT net (KgCO ₂ eq)
Mythos One 	129.6	-55.6	74.0
Mythos 2 GF 	262.2	-106.4	155.8
Mythos 2 GV 	283.5	-109	174.5
Mythos My75 	163.5	-43.8	119.7
Mythos Myg75 	168.5	-45.5	123.0
Mythos My85 	163.8	-44.4	119.4
Mythos Myg85 	168.9	-46.2	122.7

***Carbon footprint calculated with the updated version of the Ecoinvent 3.6 database

CONSUMPTION MANAGEMENT

The consumption of raw materials, materials, energy and water resources represents one of the aspects with the greatest impact in the management of an engineering company in terms of environmental sustainability.

MATERIALS CONSUMPTION

Simonelli Group has activated a program to contain and reduce the use of **plastic materials** in its products (packaging and components).

To contain the consumption of printed **paper**, the company has been carrying out the **Paperless Project** since 2021 which aims to raise awareness of the responsible use of paper through quarterly monitoring of the printouts made by each collaborator.



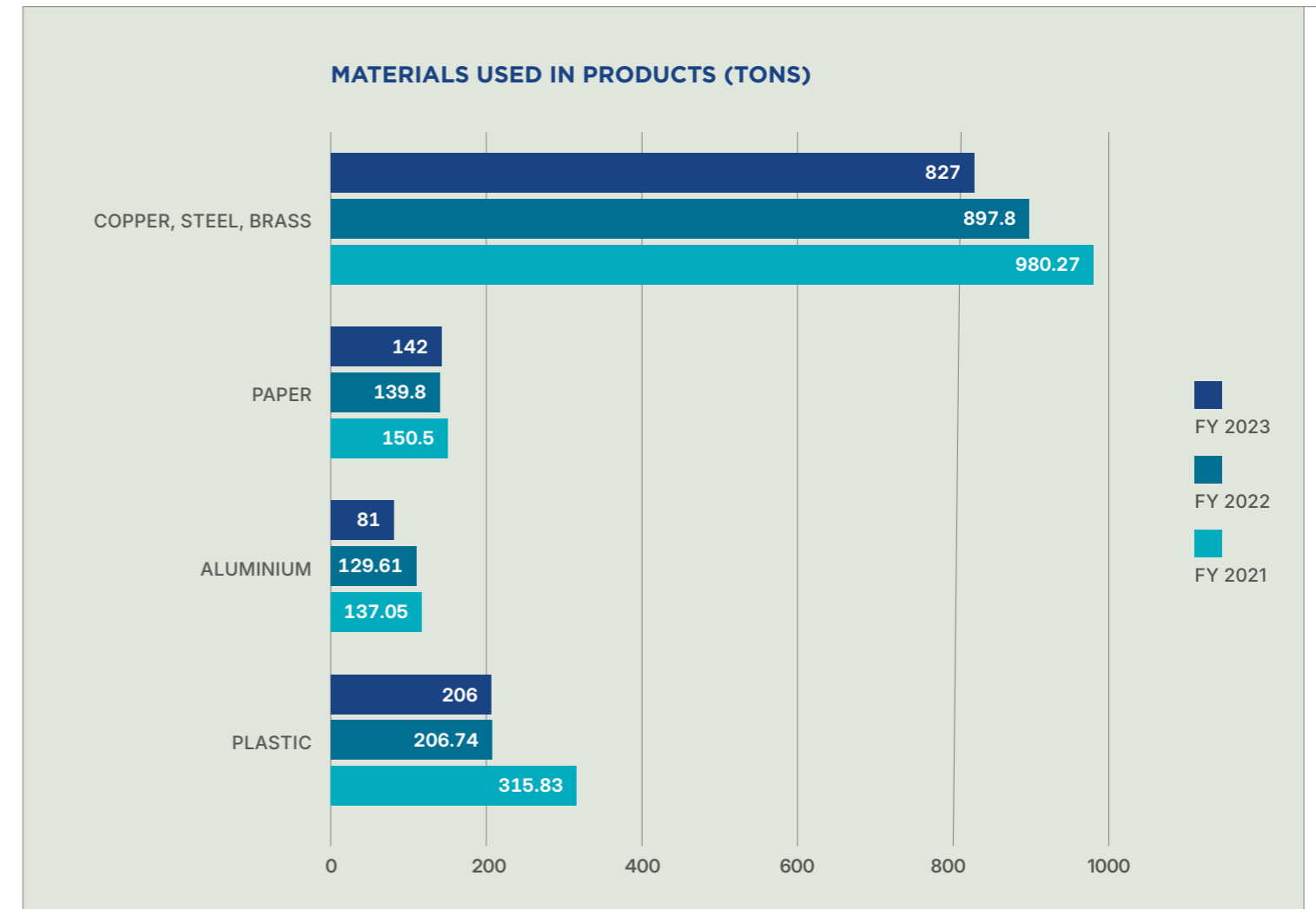
- 550 Kg
printed paper



- 1,091 prints
prints per capita vs 2021

Thanks to this project, a total of 550 kg of printed paper were saved in 2023, with a decrease in the number of prints per capita from 2,737 in 2021 to 1,646 in 2023.

In the last three years the company has committed itself to sourcing **aluminium** from recyclable material.



As regards product packaging, Simonelli Group is committed to the transition towards eco-sustainable materials through the replacement of virgin plastic materials with recovered and/or re-generated materials such as cardboard. In particular, in the packaging of the machines and their spare parts, virgin plastic has been replaced with 50-65% recycled plastic. The company has also started a project within the supply chain aimed at replacing disposable packaging with returnable packaging.

CONSUMED PLASTIC (ITALY ONLY)			
	YEAR 2021 (tons/turnover in M)	YEAR 2022 (tons/turnover in M)	YEAR 2023 (tons/turnover in M)
plastic for PACKAGING	0.36	0.56	0.37
plastic for PRODUCTS	2.71	1.40	1.82
TOTAL	3.07	1.96	2.19*

* The increase in the plastic/turnover ratio is due to a different mix of products sold and a different composition of the total turnover.

ENERGY CONSUMPTION

The Group's main energy consumption concerns:

- **Natural gas** for heating;
- **Diesel** for company cars and trucks;
- **Electricity** for the production of machines, air conditioning and office lighting.

In general, Simonelli Group's energy consumption is mainly attributable to production activities and to a lesser extent to the air conditioning and lighting of company structures.

Starting from 2023, Simonelli is committed to collecting data also from foreign branches whose consumption, as they are not production plants, is marginal (13% of total energy consumption).

The graph below shows the data relating to energy consumption for the three-year period 2021-2023 of the Belforte del Chienti plant.

In this regard, the company commissioned an energy survey to identify the areas of efficiency and calculate the needs to be covered with the installation of further photovoltaic systems.

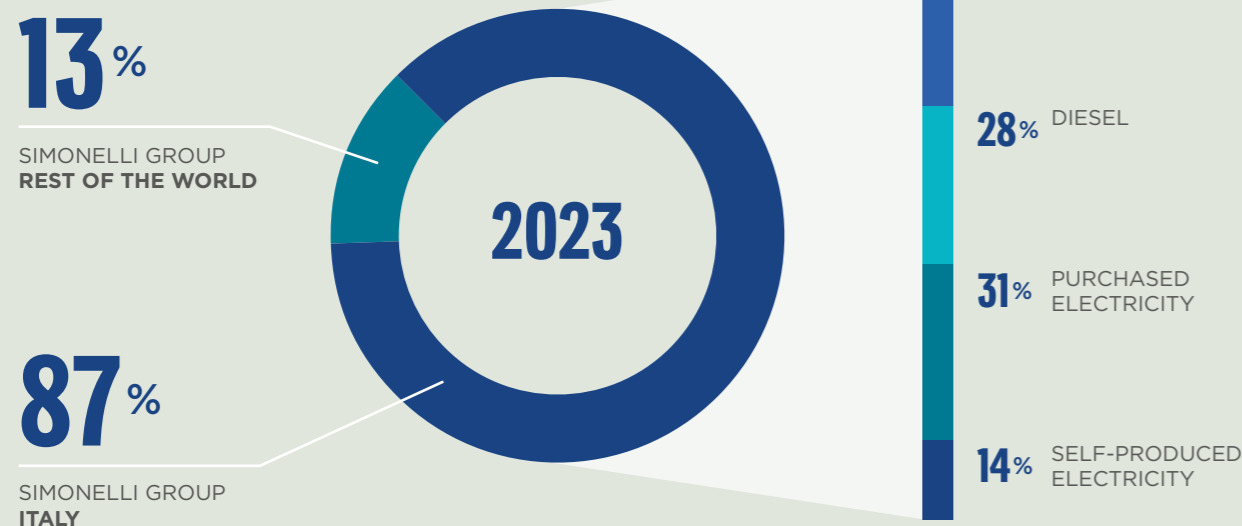
Over the last year, in fact, Simonelli Group has approved the project to extend the photovoltaic system of a further 82kW to be installed in the soon-to-open factory in Via Madonna d'Antegiano.

The energy produced amounted to 315,695 kWh (equivalent to 568.25 GJ), of which 72% was consumed. Regarding the self-produced electricity from photovoltaics, the graph below shows an increase in energy consumption of 12% compared to 2022.

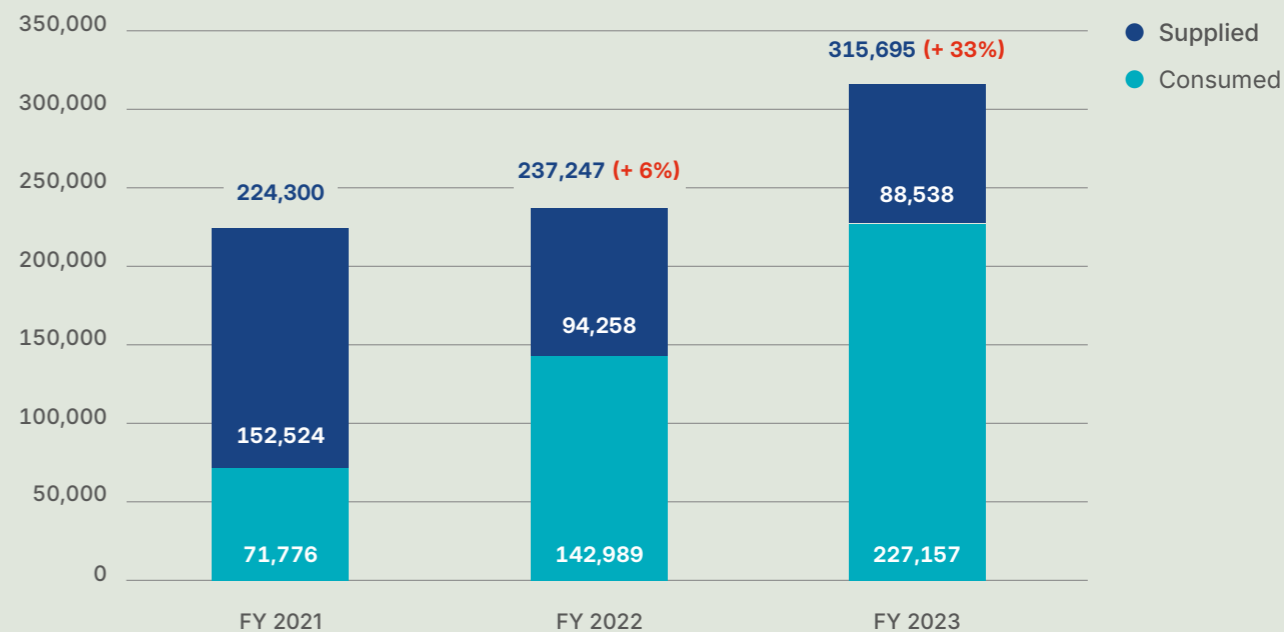
Self-production of electricity increased by 33% compared to 2022 and represents 14% of the total energy consumed in the Belforte del Chienti.

ENERGY CONSUMPTION (GJ)

ITALY detail



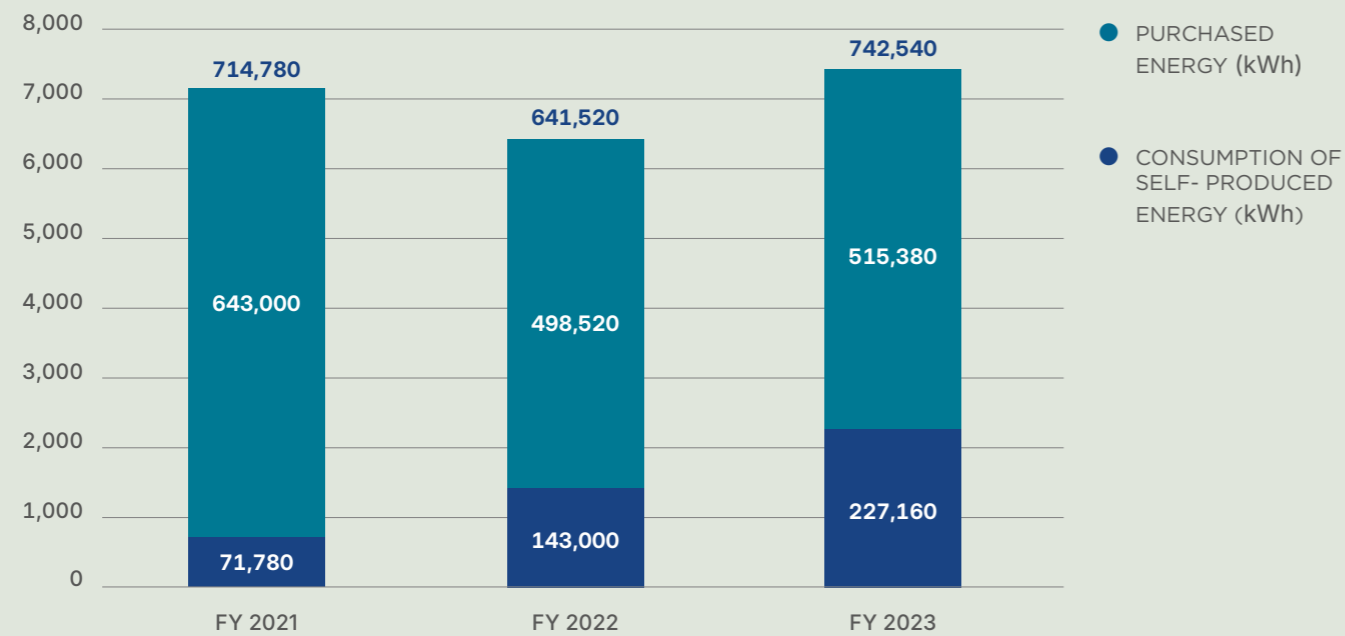
ELECTRICITY FROM PHOTOVOLTAICS (kWh)



Simonelli Group's energy consumption for the year 2023 amounted to 5,901 GJ, a slight decrease compared to the previous year. In particular, a reduction in natural gas consumption of 36% was recorded.

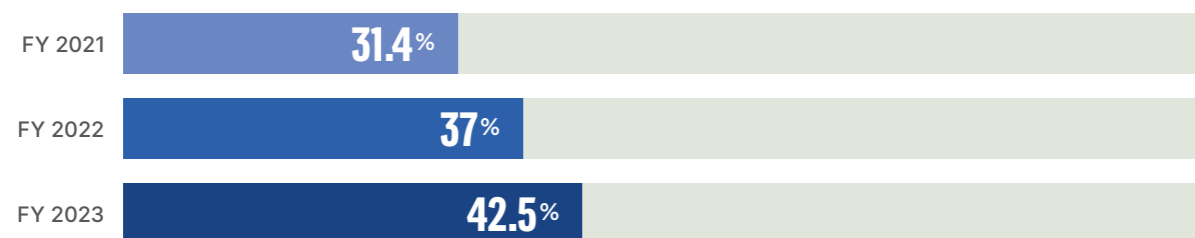
Total electricity consumption increased by 15% compared to 2022 (from 641,508 kWh to 742,534 kWh), but **the percentage of self-produced and self-consumed energy grew to 59%** (from 142,989 kWh to 227,157 kWh)

ELECTRICITY CONSUMPTION (kWh)



Simonelli Group has set itself the ambitious goal of **achieving self-sufficiency in electricity by 2025**. The following graphs show the path towards achieving this objective: the percentage of self-produced energy compared to that consumed has risen to 42.5% in the year 2023.

SHARE OF SELF-PRODUCED ELECTRICITY OVER TOTAL CONSUMPTION



WATER CONSUMPTION

Simonelli Group's activity has a **limited impact in terms of water consumption**. However, the company is aware of the importance of responsible use of water and takes the necessary measures to manage this resource sustainably.

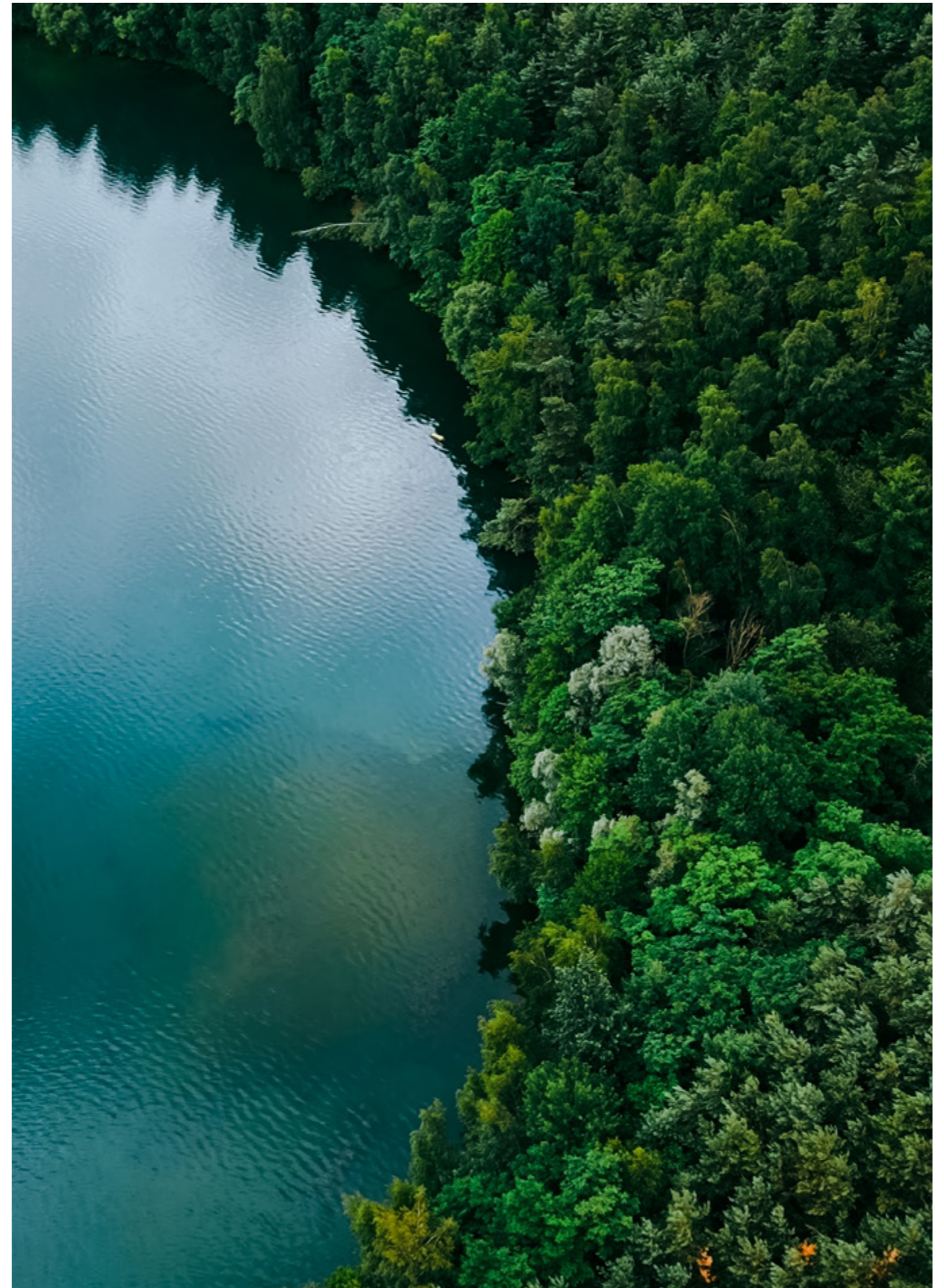
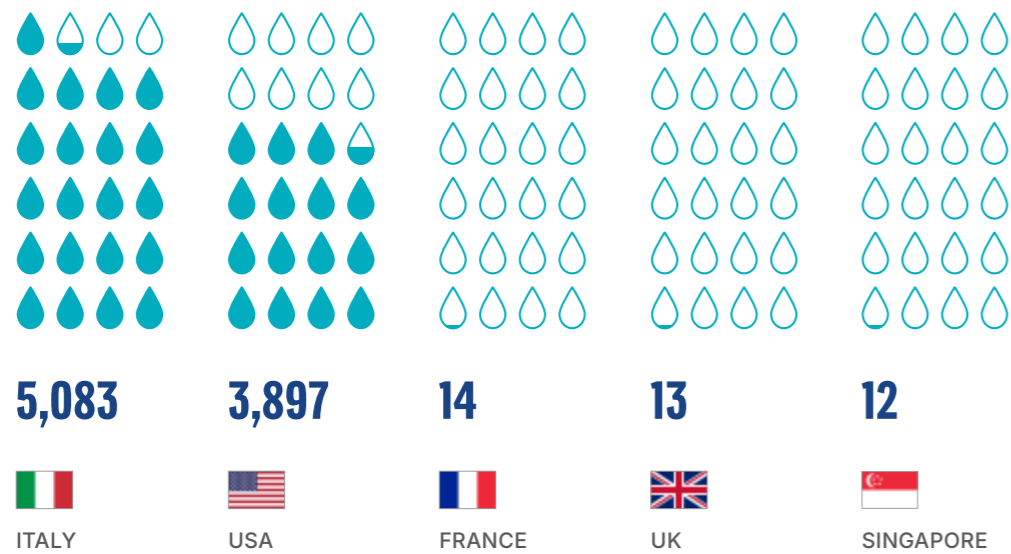
The company's water needs are met partly by private well water and partly by public mains. Over 80% of the water taken from the Belforte del Chienti well is used to irrigate the green areas around the plant.

During the reporting year, Simonelli Group withdrew 5,083 cubic meters of water in the Italian factory and 3,936 cubic meters in the other branches.

As can be seen from the graph below, water consumption derives mainly from the Italian headquarters and, partly, from the American one.

The company is also implementing a water consumption monitoring system in the main destinations, to verify possibilities for further efficiency gains.

TOTAL WATER WITHDRAWAL (cubic meters)



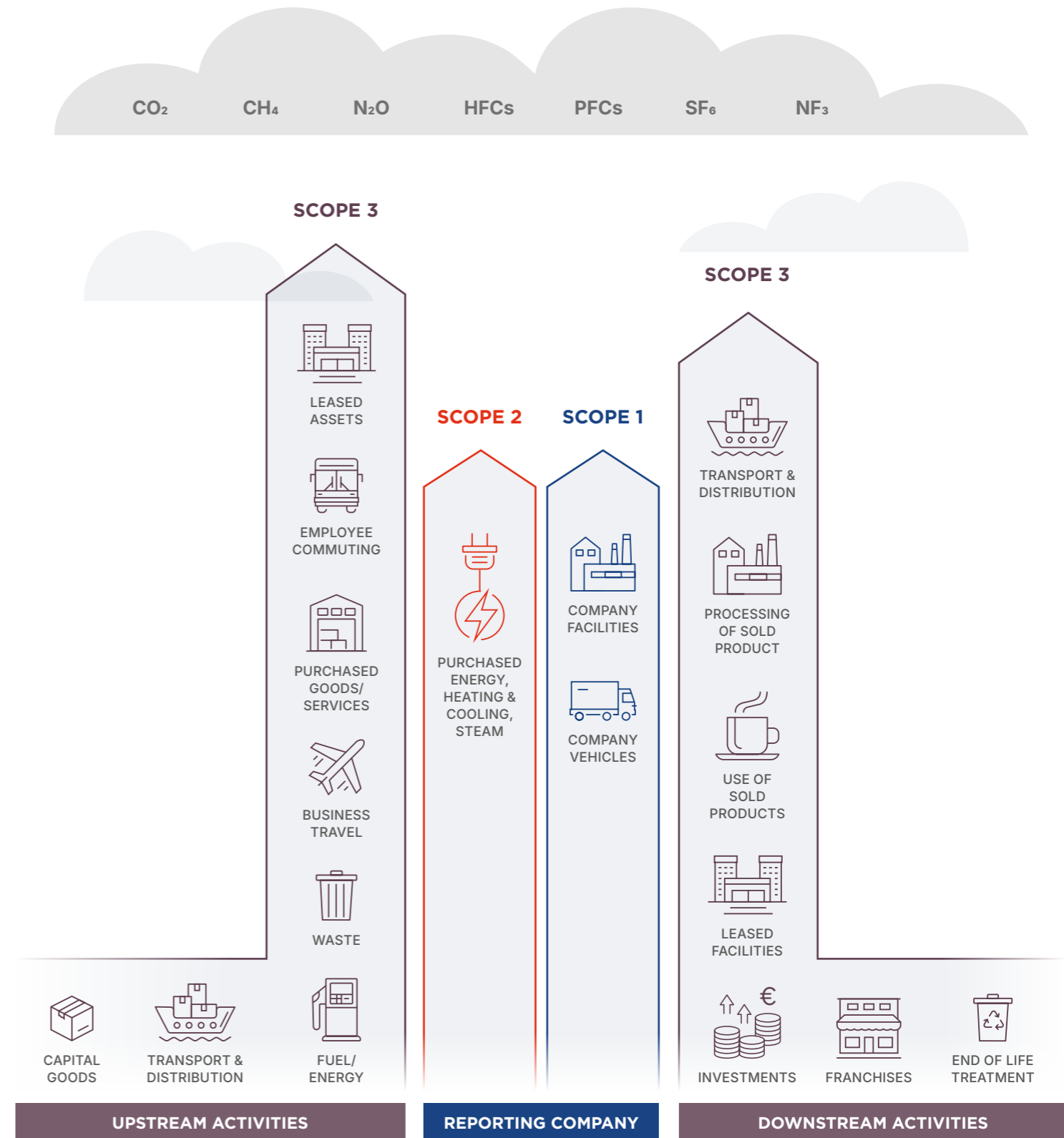
GREENHOUSE GAS EMISSIONS

Direct emissions (**Scope 1**) derive from the direct combustion of fossil fuels for the production of electrical and thermal energy and for the refuelling of transport vehicles, or from the dispersion of fluorinated gases used for refrigeration, air conditioning and the operation of pumps heat. In the case of Simonelli Group, direct emissions are mainly produced by the combustion of natural gas and fuels from the company fleet.

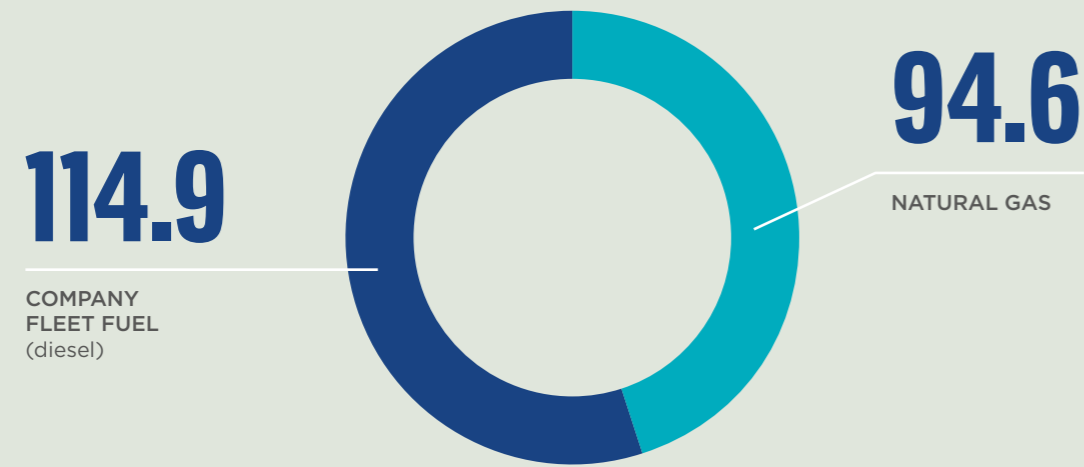
Indirect emissions (**Scope 2**) refer to the production of electricity purchased and consumed by the company for the various internal services (production, testing, air conditioning, lighting, etc.). 100% of the electricity purchased for the Belforte del Chienti infrastructure comes from renewable sources.

Indirect emissions (**Scope 3**) (also called "value chain emissions") arise from both upstream and downstream organizational activities. The GHG Protocol for Corporate Value Chain accounting and reporting standards group Scope 3 emissions into 15 specific categories that include business activities common to many organizations. These categories provide companies with a framework for measuring, managing and reducing emissions in key areas of the corporate value chain.

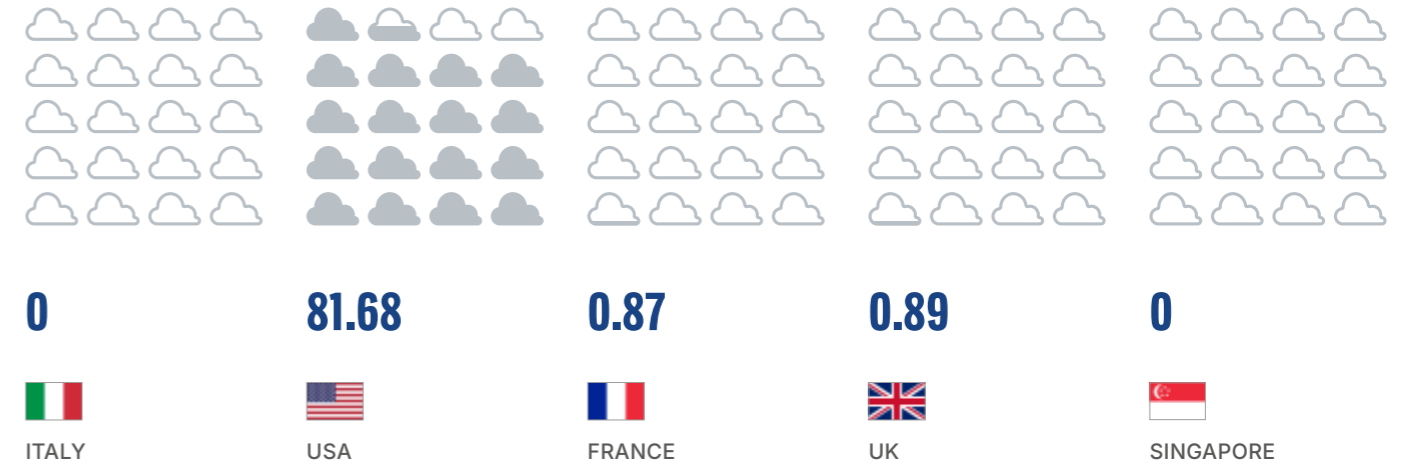
For the 2023 financial year, Simonelli Group limited itself to calculating the emissions relating to employee commuting, but has the aim of expanding the calculation survey to other categories by 2025.



DIRECT SCOPE 1 EMISSIONS
(tons CO₂ eq.)



INDIRECT SCOPE 2 EMISSIONS
(tons CO₂ eq.)



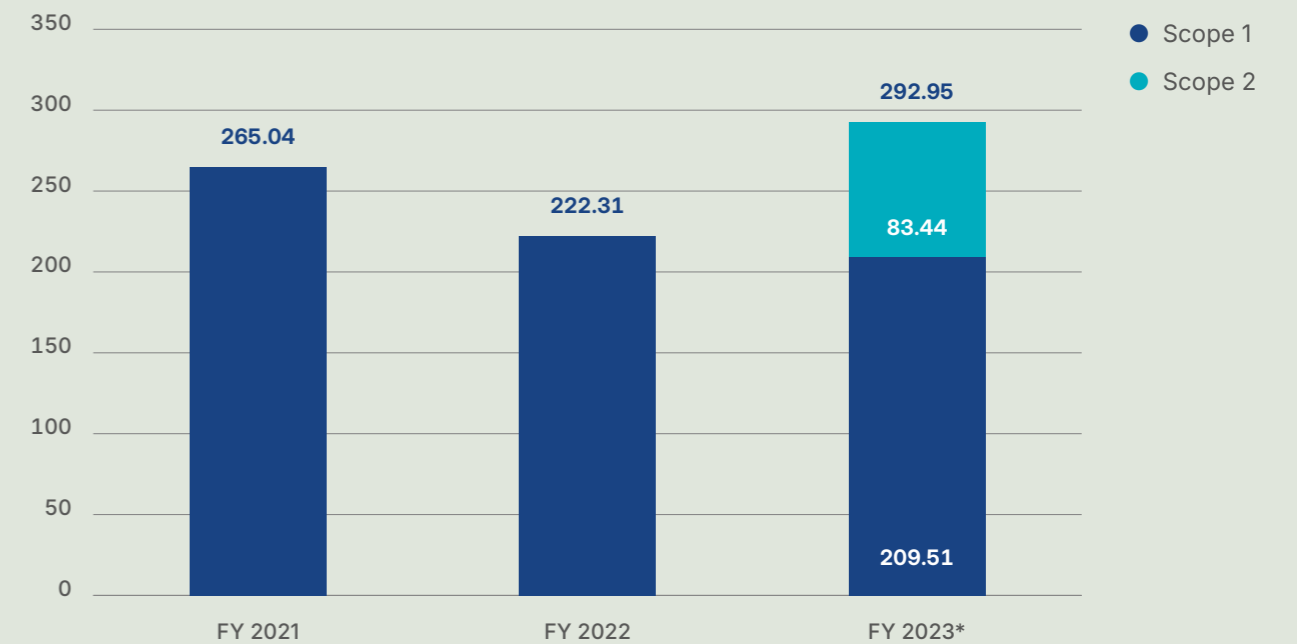
Although emissions from foreign branches are included in 2023, tons of carbon dioxide decreased by 6% compared to 2022 thanks to lower consumption of natural gas also due to a milder winter.

The "location based" calculation methodology considers the average intensity of greenhouse gas emissions of the national networks on which energy consumption occurs, while the "market based" methodology considers the specific emissions of the electricity that the company has chosen to obtain supplies by stipulating a supply contract with a specific supplier.

Again, in the year 2023, in continuity with 2022, 100% of the electricity purchased by Simonelli Group comes from renewable sources, as attested by the GO Guarantee of Origin Certificates issued by the GSE acquired through ENEL ENERGIA SPA and therefore the emissions calculated according to the Market Based method, they refer only to foreign branches.

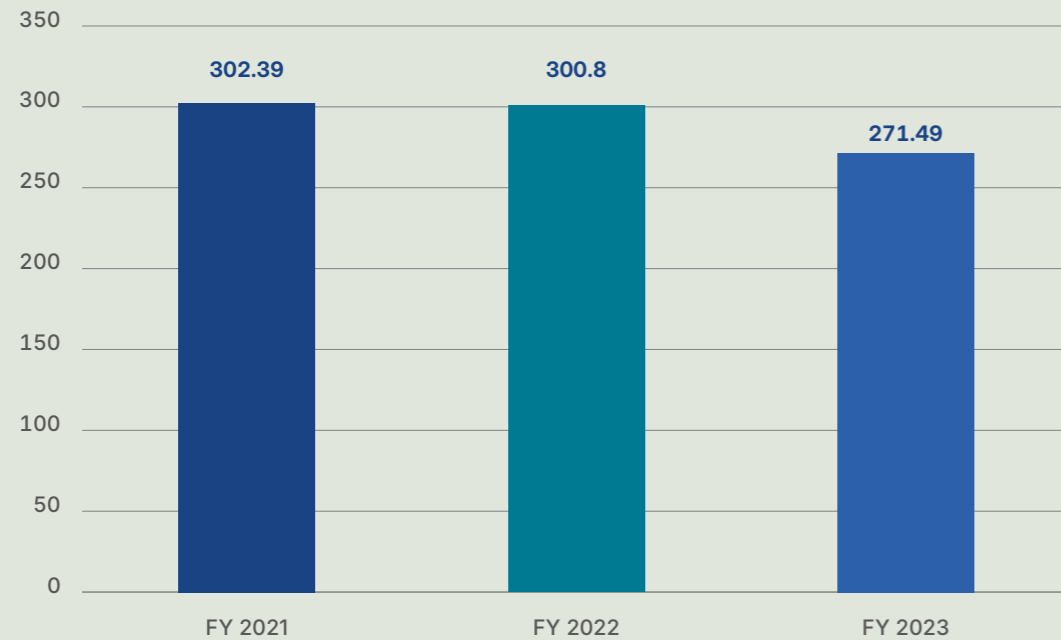
The total direct and indirect emissions (Scope 1 and Scope 2) of Simonelli Group, compared to 2022, increased by 32% as foreign emissions were added from this year; on a like-for-like basis, however, emissions decreased.

SCOPE 1 + SCOPE 2
(tons CO₂ eq.)



* The 2023 data also includes foreign branches

COMMUTING EMPLOYEE EMISSIONS
(tons CO2 eq.)



The kilometres travelled in commuting between home and work by employees estimated in 2023 are 1,629,228, down 10% compared to 2022. This resulted in a drop of approximately 10% in indirect Scope 3 emissions linked to employee commuting: from 300.80 tCO2e in 2022 to 271.49 tCO2e in 2023.

The gradual replacement of the current **company fleet** with electric or hybrid vehicles has the aim of reaching 80% by 2027.



-10%
commuting employee emissions



80%
hybrid or electrical vehicles in company fleet by 2027

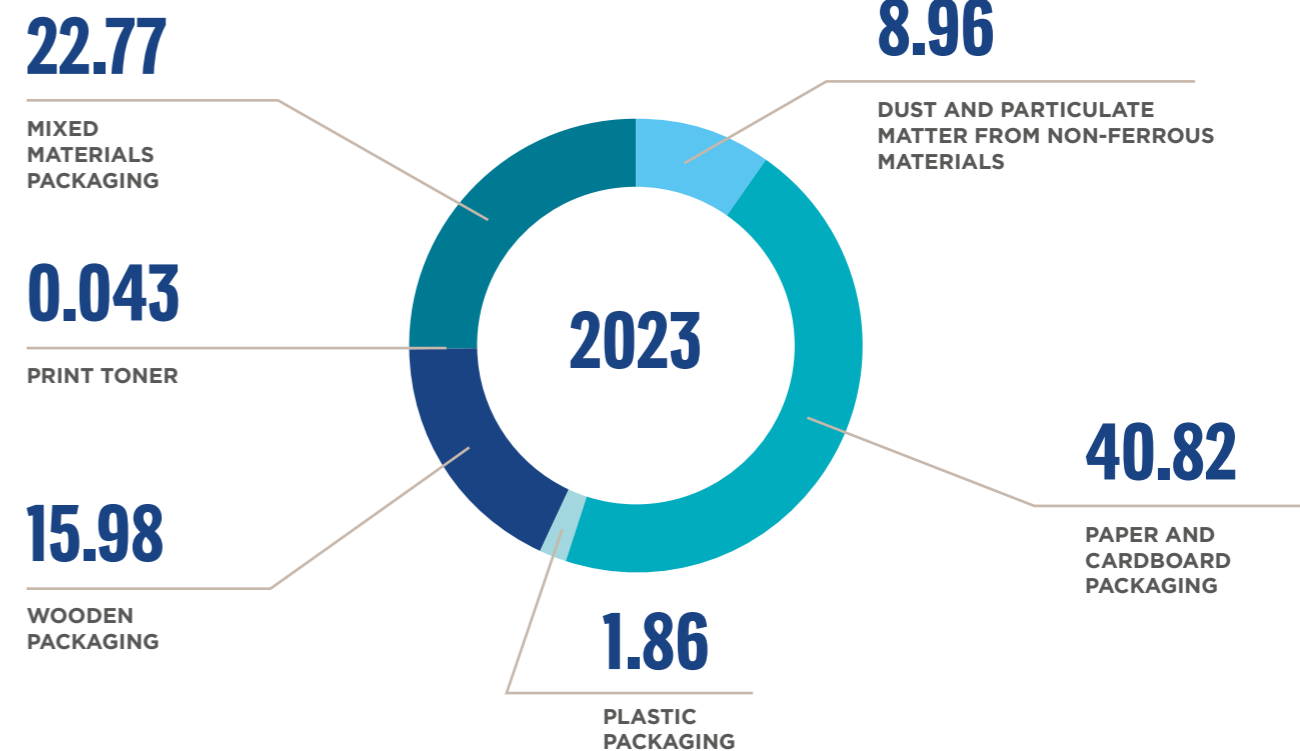
WASTE MANAGEMENT

Since 2022, Simonelli Group has changed the tracking process of disposed waste, moving from estimation to precise measurement of its volumes.

Below is the detail of the volume of waste generated by the Belforte del Chienti plant divided by hazard and management method: in 2023 the company produced a total of 90.43 tons of waste that can be categorized as non-hazardous, entirely destined for recovery operations.

In the second half of 2023, the company purchased a compactor for paper and cardboard waste, installed near the assembly lines, which reduces logistics costs and impacts. In the period September-December 2023, card withdrawals were in fact reduced by 2/3 compared to the same period of the previous year.

WASTE TYPOLOGIES IN TONS



SOCIAL INFORMATION



PRESENT KEY RESULTS 2023

- ✓ 167 employees of which 92% on a permanent contract
- ✓ 16 new hires
- ✓ 1,707 hours of training provided
- ✓ ISO 45001 Management System for Health and Safety in the Workplace
- ✓ No injuries

FUTURE MAIN GOALS 2024

- Customer satisfaction analysis through ad hoc questionnaires
- Brand Equity analysis
- Increase in active users on the DOSE (Digital Online SErvices) Platform



PEOPLE MANAGEMENT

People management represents a fundamental pillar for the success of Simonelli Group. The company's ability to generate value and increase competitiveness strictly depends on the motivation, professionalism and skills of its employees. This is why Simonelli Group aims to create a work environment that inspires passion and innovation, encourages open and respectful collaboration and motivates everyone to give their best; an environment in which every employee, regardless of geographic location, feels part of a global family and contributes to the growth and success of the company.

#ExtractYourPotential

Our mission is to create an inclusive and trusting work environment that enhances the well-being and development of our collaborators and the community around us.

We are committed to developing leadership that guides people with clarity and coherence, respecting all diversity, to achieve company objectives, encouraging innovation in all its forms and the continuous improvement of products and services.

We promote communication and collaboration as key elements of the company's success, we work with the territory and the community to attract and retain talent, developing skills that guide the development of the coffee world.

We act to foster a work environment based on the value of people, the integrity and sustainability of territories, the community and the environment.

Our strength is in the values and goals we share, everywhere in the world.
#ExtractYourPotential



To guarantee fairness in the management of people at all times, Simonelli Group has implemented specific procedures (for example the Whistleblowing procedure, referred to in the Corporate Governance chapter) which allow employees and collaborators to report any possible problems. Reports can be addressed directly to managers or to the Human Resources Department, ensuring a transparent and safe working environment in which every voice is heard and respected.

The company's **Code of Ethics**, which can be consulted in the "Business ethics and integrity" section, guarantees an inclusive work environment, free of prejudice and discrimination. Simonelli Group is committed to protecting human rights, promoting meritocracy and combating all forms of discrimination.

The company cultivates stable and continuous relationships with trade unions, both at national and company level, promoting participatory dialogue and shared decisions on relevant social issues.

Simonelli Group, as of 31.12.2023, has a workforce of 167 employees, of which 39 women and 128 men.

167
EMPLOYEES

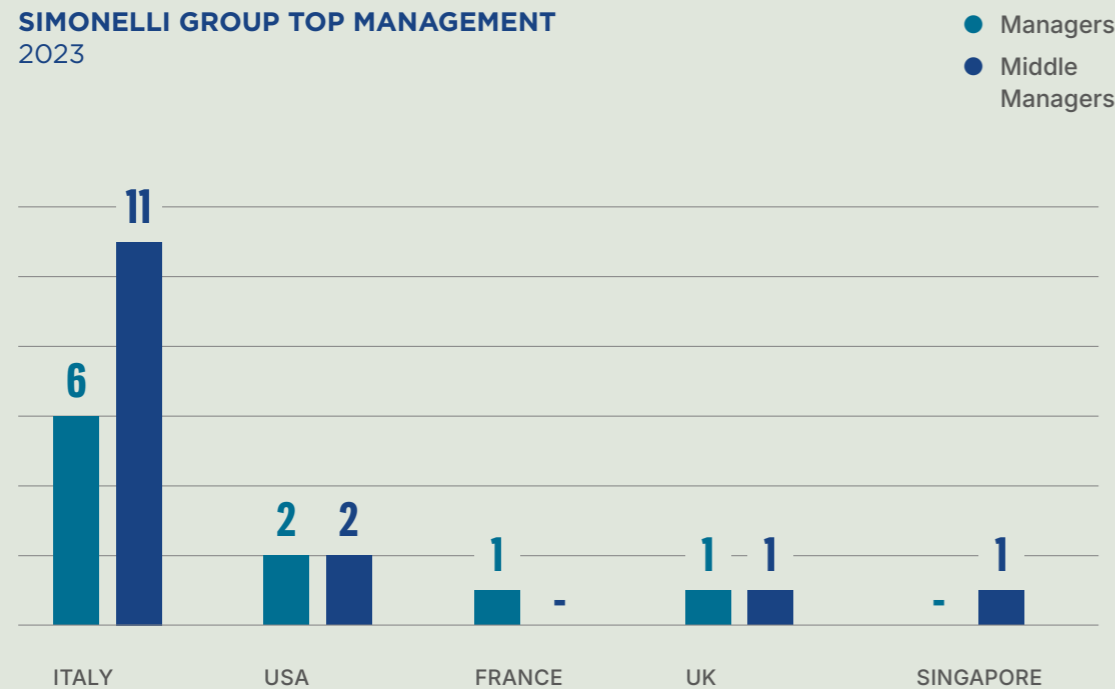


23.4%
WOMEN



76.6%
MEN

SIMONELLI GROUP TOP MANAGEMENT
2023



Middle managers and managers represent, respectively, 9% and 6% of the total.

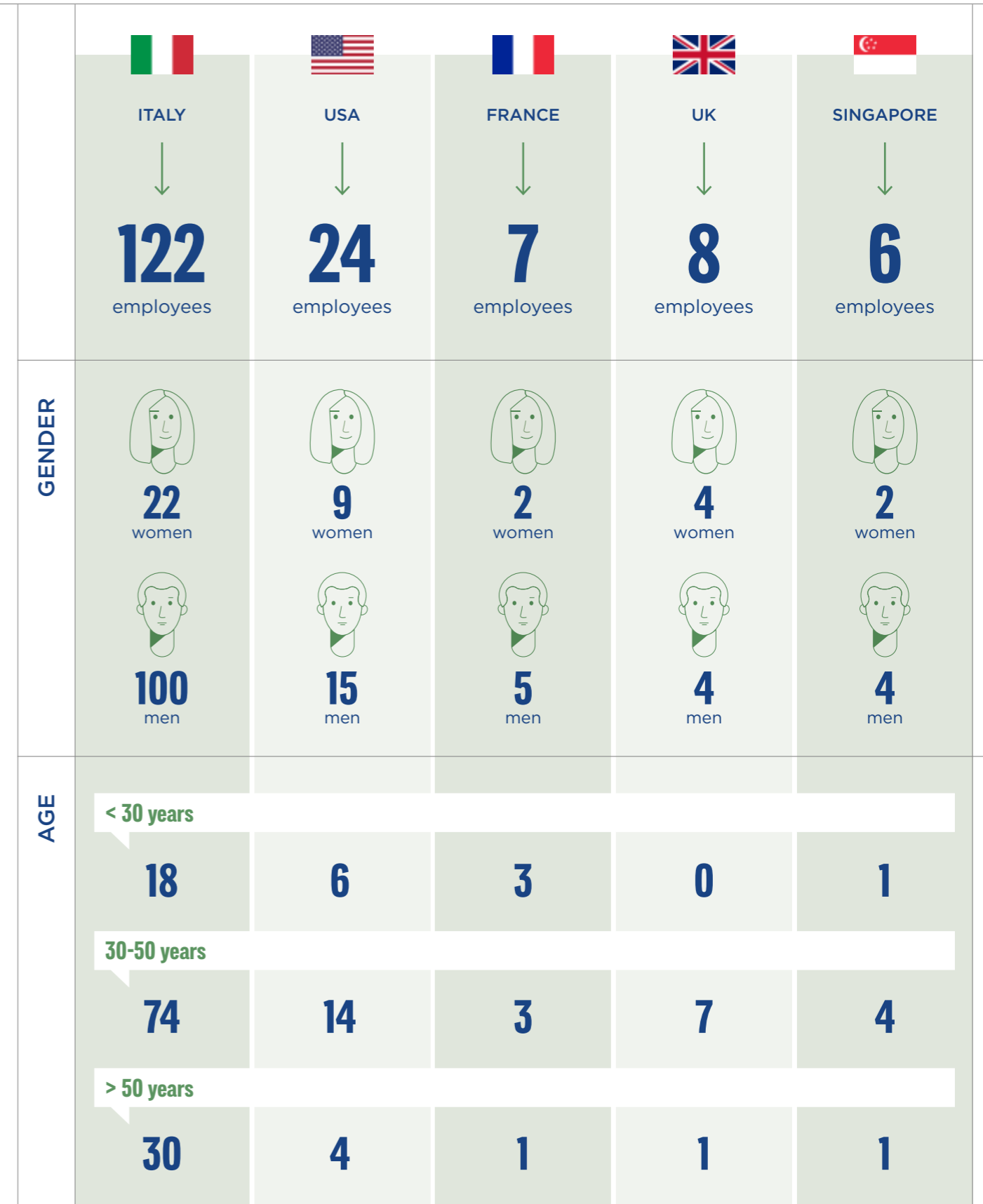
The workforce is made up of 61% of employees aged between 30 and 50, in continuity with the data of previous years. The average age of employees is 40.55 years.

Within the Simonelli Group Italian workforce there is a share of resources relating to protected categories which, in 2023, amounts to 8 employees, 3 women and 5 men.

PROTECTED CATEGORIES AMONG EMPLOYEES
divided by professional profile and by gender

	2021			2022			2023		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
TOTAL	3	4	7	3	4	7	3	5	8

SIMONELLI GROUP EMPLOYEES
2023



The company fosters and favours long-term employment relationships: 92% of employees are employed on a permanent basis.

In 2023, the average seniority of collaborators was approximately 12 years. Specifically, the average seniority for women is equal to 9.5 years, lower than that of men equal to 12.33 years, due to an increase in the number of hires of young women.

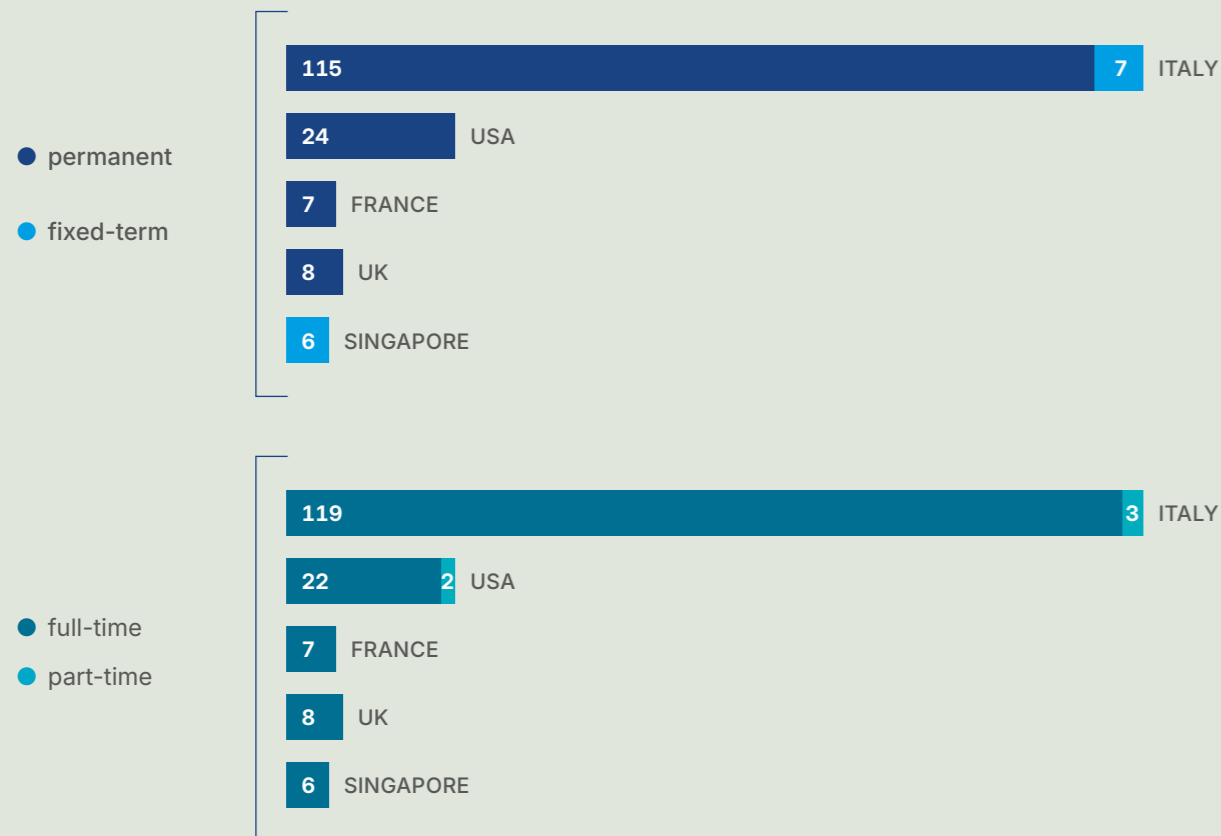
Labour relations in Italy, both for employees and for temporary workers, refer to the national collective bargaining agreements (CCNL) for the engineering industry.

Outside Italy, they refer to the regulations of the country of the branch to which they belong.

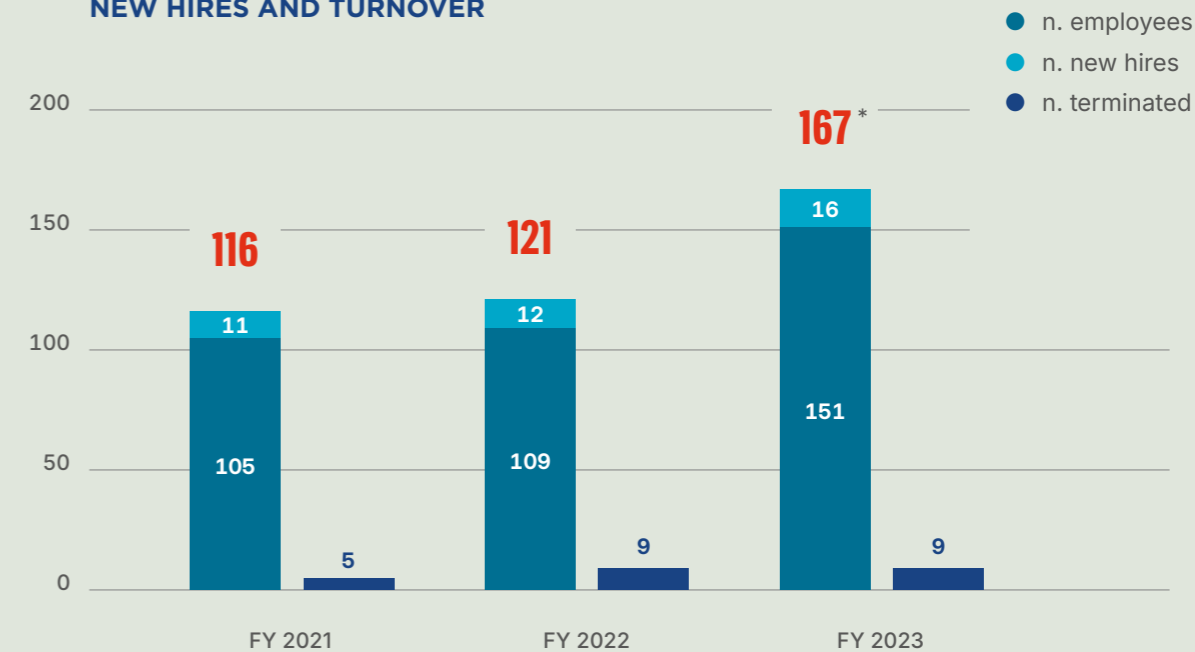
In 2023, Simonelli Group also made use of the contribution of 51 non-employee workers, including 33 temporary workers, 14 interns and 4 contractors. Contractors are present only in foreign branches.

In 2023, the Italian branch activated 7 internship courses and 3 school-work alternation courses.

SIMONELLI GROUP EMPLOYEES
TYPE OF CONTRACT



NEW HIRES AND TURNOVER



* For 2023, consolidated data has been taken into account

Outgoing turnover is in line with the previous year. Incoming turnover is confirmed at around 10% over the three-year period.

All collaborators, employees and non-employees, are covered by social protection against loss of income due to illness, unemployment, accident at work and acquired disability, parental leave, retirement.

During 2023, 39 employees were entitled to parental leave for family reasons (including maternity) and, of these, 20 took advantage of it.

	FY 2023		
	WOMEN	MEN	TOTAL
N. employees	39	128	167
N. of employees entitled for parental leave	11	28	39
Percentage of employees entitled to parental leave	28%	22%	23%
Number of entitled employees who benefited from parental leave for family reasons	5	15	20
Percentage of entitled employees who benefited from parental leave for family reasons	45%	55%	100%

TRAINING AND DEVELOPMENT OF SKILLS

The development of skills and the professional growth of collaborators are the subject of continuous investments in training by the Simonelli Group.

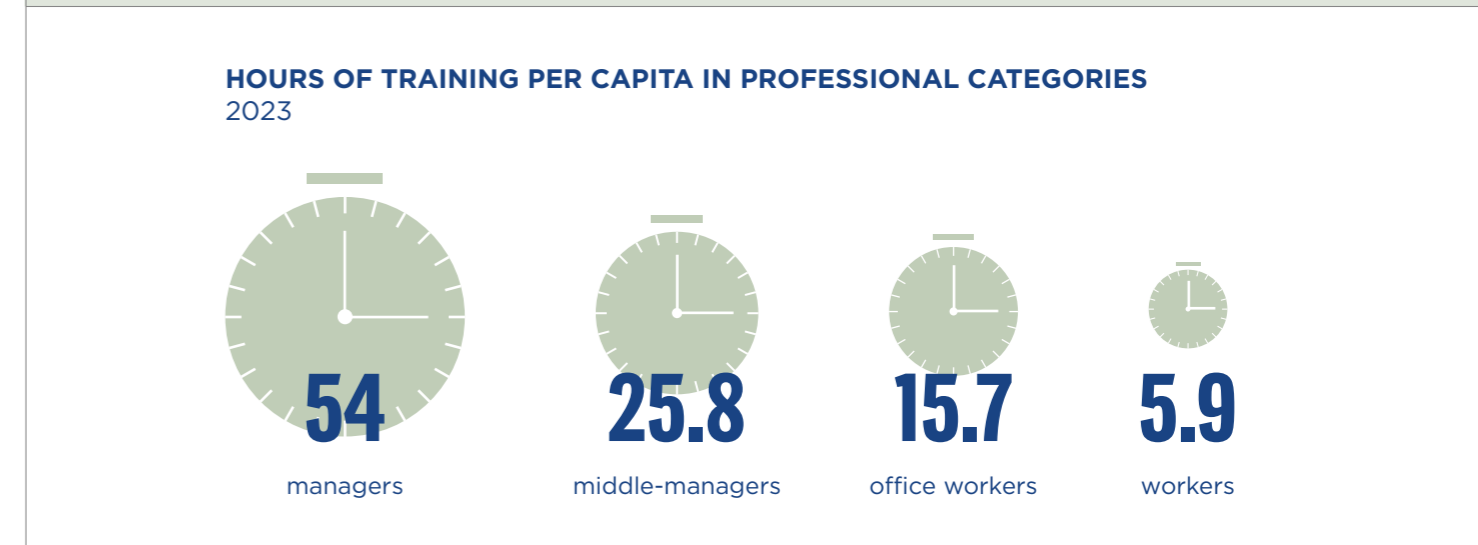
In 2023, team building activities were carried out aimed at all company employees with the aim of both improving communication and interpersonal relationships between collaborators and increasing individual and group performance.

A specific training course on leadership and strategic skills was created for members of the Leadership Team through participation in specific forums and the involvement of qualified experts.

Of particular importance is the **Sustainability Pills** event, organized in January 2023, during which operational activities were suspended to allow all staff to participate in a training day on sustainability, also open to suppliers.



In 2023, several training courses were held in Italy on the topic of safety, responsibility at work, digital transformation, coffee and language skills, for a **total of 1,707 hours of training (13.99 average hours each)**.



CORPORATE WELFARE AND WELL-BEING

Simonelli Group is committed every day to building a stimulating work environment, in which each person can feel appreciated for their contribution and motivated to grow both on a professional and personal level.

The company has provided an extra healthcare service provided through the Metasalute platform, which allows all collaborators to benefit from healthcare services more quickly, both from public and private entities.

In order to facilitate an adequate work-life balance, Simonelli Group has introduced a flexibility of 1 hour in and out in the morning for all collaborators. Furthermore, in agreement with the trade unions, the collaborators of the production plant have the possibility of modulating their working hours in certain periods of the year.

In 2023, bonuses for a total value of € 495,000 were paid, partly through the company welfare program and partly as a one-off bonus to all collaborators.



Suspended Hours

This internal solidarity program allows each employee to contribute, on a voluntary basis, to the creation of hours available to colleagues in need, by donating part of their unused vacation hours or leave. The use of the hourly amount is governed by a protocol and anyone who finds themselves in the foreseen conditions can use it anonymously.

GENDER SALARY GAP		FY 2023
Average gross salary of male employees		36,761
Average gross salary of female employees		23,567
Salary gap		35.89%

GENDER SALARY GAP hourly salary difference (in %) by professional category*				FY 2023
Average hourly cost	F	M		
Managers	0	64.4		100%
Middle managers	50.6	42.1		20%
Office Workers	15.4	23.5		34%
Workers	13.9	13		7%
Total Average	17.12	22.98		26%

* Data referring to Simonelli Group Headquarters.



Path of Sustainability

Addressed at those who work in production, the program provides that each collaborator can suggest initiatives aimed at improving company performance in terms of sustainability. All proposals are examined and the most deserving are rewarded with a bonus at the end.

HEALTH AND SAFETY IN THE WORKPLACE

In line with the provisions of current legislation, the Group has internally implemented the **Prevention and Protection Service (PPS)** which, in carrying out its activities, collaborates closely with Production, Human Resources, Maintenance and Logistics.

In collaboration with the Competent Doctor and the Human Resources Office, the PPS manager constantly monitors cases of "near misses", anomalies and reports of professional diseases, pathologies and health disorders related to work activities.

The company has also implemented an **SGSI (integrated system) for Environment and Safety**, according to UNI ISO 45001.



ISO 45001

ISO 45001 is an international standard that specifies the requirements for an occupational health and safety (OH&S) management system, which aims to improve safety and preserve the health of both employees and external personnel.

Introduced in March 2018, ISO 45001 represents a significant step forward in the overall effort to improve occupational health and safety (OHS) around the world. The standard allows organizations to proactively improve injury prevention and reduce health problems, while protecting their longevity.



Simonelli Group uses the criteria defined in the safety procedure PS07 "Risk assessment criteria and planning of corrective and improvement interventions" to guarantee a safe working environment and has adopted the general procedure PGSA02 "Measurements, analysis and improvement of the SGSA", with which manages non-conformities, complaints, corrective and improvement actions, external and internal communication, as per the SGSL adopted. All workers can use a reporting form to communicate any critical issues, which is also shared with the Workers' Safety Representative and the company ASPP.

The safety policy is communicated to workers by posting it on company noticeboards and included in the booklet delivered upon hiring. This policy, together with all the most up-to-date regulations, is illustrated during mandatory training on workplace safety.

In the reference year, no cases of injuries or occupational diseases were reported, and there were no incidents or complaints regarding human rights.

DIALOGUE WITH KEY STAKEHOLDERS

RELATIONSHIPS WITH CATEGORY ASSOCIATIONS

Simonelli Group actively participates in the various associations of which it is a member, because major challenges must be faced through collaboration between the various stakeholders. The company participates in various working groups and has taken on association roles several times.

RELATIONSHIPS WITH CUSTOMERS

The relationship with customers is a central relationship for the Simonelli Group's business. For this reason, the company continues to invest energy and resources to improve and consolidate the involvement of its customers by strengthening the offer of digital services and field support for marketing and sales activities.

MARKETING SUPPORT

In 2023, Simonelli Group continued to support and coordinate clients in their marketing and brand promotion activities globally. The company made available and shared artwork, videos, photos and brand guidelines. During the launches of the new products, in addition to the sharing of support material, preview days were organized in which communication strategies were discussed.

The Group continued to support customers in the organization of trade fair events, helping them in the creation of the layout and visual appearance of their stands. In 2023, between direct events managed by HQ or subsidiaries, the company participated in 75 industry events. The most relevant of these was HOST Milan, an international fair where important product and technological innovations were presented. The HOST fair also represented an opportunity to strengthen relationships with customers and distributors, through moments of engagement and training that took place during and immediately after the fair at the Belforte del Chienti Headquarters.

The company has also strengthened direct communication with end users and various target audiences through targeted communication strategies on various touchpoints, including social media, newsletters, apps dedicated to products and sector magazines.



DOSE PLATFORM

Through the DOSE platform, users can access the materials made available by the company for technical assistance and marketing activities, including instructions, images, brochures, technical documentation, video tutorials for assistance and use of the products, courses e-learning for technical training, technical update sheets, spare parts catalogues, orders sent, etc.

The goal is that of allowing all customers and all technicians involved in equipment support to benefit from these services in real time. As of December 31, 2023, 1,550 users were active in the technical area and 280 in the sales & marketing one, numbers in line with the company objectives.

In 2023, 98% of spare parts orders passed through the e-commerce platform launched in 2021. The objective for 2024 is to stabilize the use of the platform and improve the level of service. Furthermore, during 2023, the "Warranty and Claims" service was strengthened, allowing service providers who provide customer assistance to access customers' warranty requests.

From a Sales & Marketing point of view, the platform, in addition to sharing useful materials and information for sales and promotion, aims to coordinate the integrated image of both brands and products on the global market, strengthening the value of the brands over time.

COMMUNITY AND TERRITORY

Simonelli Group's commitment to society and communities is manifested through multiple initiatives carried out in collaboration with entities, non-profit associations, NGOs, school and university institutions. All the projects in which the company participates fall within the cultural and scholastic, youth sports and social welfare fields.

CULTURAL SPHERE

In the cultural field, Simonelli Group has supported the following initiatives:

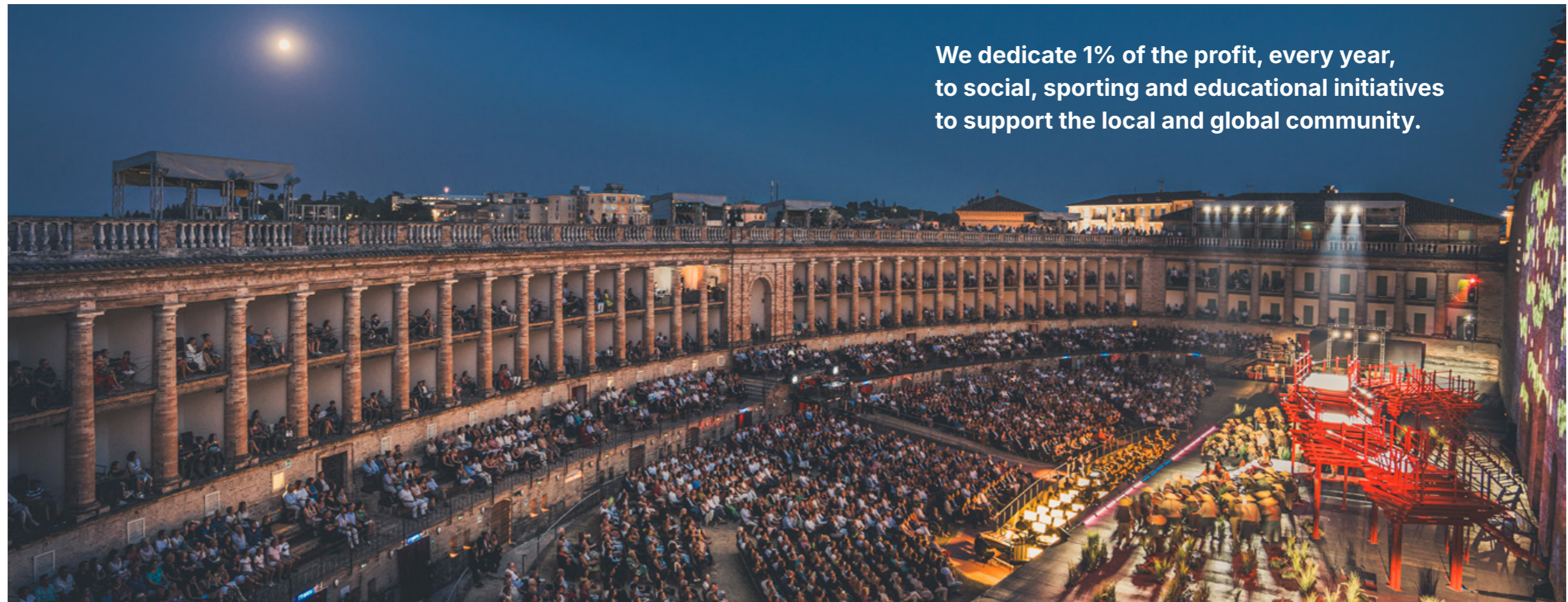
Macerata Opera Festival - for years Simonelli Group has supported the Macerata Opera Festival and the Sferisterio Arena, an internationally renowned symbol of the cultural production of the area and one of the main tourist attractions of the Region.

In 2023 the company supported the "InclusivOpera" project which aims to make opera accessible to sensory disabled people of all ages, with particular attention to the youngest, through workshops, shows and specific training sessions. Participants participated over 400 people.

Politeama di Tolentino - Simonelli Group has subsidized three different initiatives:

- **Friend Card**: a pre-loaded card distributed to middle and high school students to introduce young people to the world of theatre and entertainment.
- **Free access for disabled people** and their companions to all scheduled shows.
- **Tutti in Scena**: an inclusive theatre course dedicated to people with disabilities which, in May 2024, will end with a show performed by the children.

Pannaggi Award - the company continues to support the Award promoted by the "Amici di Palazzo Buonaccorsi" association which aims to support the careers of artists from the Marche under 40 in the figurative arts, enhancing their work on a national and international level. The 2023 winner is the young painter Alessandro Fogo.



We dedicate 1% of the profit, every year, to social, sporting and educational initiatives to support the local and global community.



SPORTS SPHERE

Sports activity is a fundamental element in ensuring the healthy and balanced growth of children. For this reason, Simonelli Group has supported some initiatives aimed at bringing young people closer to sporting activities:

Associazione Basket Tolentino (ABT) – For over thirty years the company has supported ABT which represents an important aggregation centre for children and young people promoting healthy growth through play, fun and social interaction.

The 2023 initiatives:

- The **"Minibasket Ladies"** project continued which, through the contribution of the Simonelli Group, made it possible to form a women's team of 13 girls;
- The **Nutribasket project** continued which includes a series of meetings between families and nutrition professionals to raise awareness of the importance of a healthy and balanced diet;
- A **help desk** has been activated for parents and children;
- Activation of the **Easybasket Project**, to introduce primary school children to physical activity through lessons led by a qualified instructor.

Redevelopment of the "Maria Reggio" basketball court, in collaboration with the Municipality of Tolentino and the Marche Region, Simonelli Group contributed to the full redevelopment of a sports facility which is also an important meeting point for one of the most populous neighbourhoods of the city.

Associazione Tennis Tolentino – with the WheelChair project, Simonelli Group and Associazione Tennis Tolentino intend to promote inclusion and encourage access to sports practice for people with motor difficulties of all ages.

The goal for 2024 is to increase the number of members with the help of Social Services and other reference centres.

SOCIAL WELFARE SPHERE

Simonelli Group is committed to supporting people with various difficulties to improve their condition and encourage their inclusion in the social context. Below are the activities carried out:

Social Enterprise "I Bambini delle Fate" – Started in 2021, the collaboration continued in 2023 with the aim of promoting initiatives to support disabled and autistic children.

Omphalos – Simonelli Group supported Omphalos, an organization that acts as a point of reference for families affected by autism.

Anffas – The collaboration with Anffas Sibillini, an association made up of families of children with intellectual disabilities, whose objective is to help them on the path towards autonomy, continued in 2023.

Nemo Clinical Centre – the NeMo Clinical Centre (Neuro Muscular Onmicentre) is a highly specialized structure designed to respond specifically to the needs of those affected by neuromuscular diseases and muscular dystrophies, improving their quality of life through clinical, health-care and psychological also extended to families. Simonelli Group contributed to the opening of the Nemo Centre in Ancona which was able to take care of 475 families, allowing 350 families to receive treatment in the Marche region without having to face long and expensive journeys to larger centres.

Simonelli Group has also renewed its support for the "Affectivity Clinic Project", the psychology service of the Nemo Centre.

RELATIONS WITH SCHOOLS

Training and research constitute the two souls of "knowledge", the basis of all progress and the lever that allows people and organizations to evolve. Simonelli Group collaborates with universities, schools and training institutes, not only in the research field, but also through internship projects for students, grants for scholarships and collaboration in educational activities.

During 2023 Simonelli Group has established relationships with some high school institutes to launch initiatives aimed at bringing female students closer to technical-scientific training courses and providing them with opportunities to join the company.

On the university front, Simonelli Group has intensified the already active collaborations with the Polytechnic Universities of Marche, Camerino, Macerata and with the Polytechnic of Milan, precisely to encourage the exchange of knowledge and provide new opportunities for both research and students.

Also for 2023 Simonelli Group is a partner of **SITUM, the School of Technological Innovation and Managerial Humanities**, in which the Universities of Perugia, L'Aquila and Polytechnic of Marche participate. Over 60 participants in this third edition of the course, which offers specialized training courses to graduates and undergraduates and is structured in theoretical classroom lessons integrated with field training in 30 partner companies in the Abruzzo, Marche and Umbria regions.

COFFEE COMMUNITY

For over fifteen years Simonelli Group has actively supported and collaborated with the main associations in the coffee sector: SCA (Specialty Coffee Association), CSF (Coffee Science Foundation), CQI (Coffee Quality Institute), ASIC (Association for Science and Information on Coffee), Consortium for the protection of espresso coffee, Italian Coffee Consortium, Italian Group of roasters.

SCA – SPECIALTY COFFEE ASSOCIATION – It is a global non-profit, membership-based organization representing thousands of coffee professionals (from producers to baristas) from all over the world. Founded on the principles of openness, inclusiveness and shared knowledge, it promotes a global coffee community and supports initiatives aimed at ensuring equity and sustainability along the entire specialty coffee value chain, while improving quality standards around the world. Simonelli Group has collaborated with SCA since 2005 (before the merger of SCAA and SCAE, dating back to 2017, the company used to collaborate with individual associations) in various fields: in international competitions, as sponsor of the World Barista Champion championship; in training, making its facilities available and promoting SCA courses; in events, participating in organized meetings and fairs (Expo and World of Coffee); in the community, supporting various initiatives of the various Guilds (roaster guilds, barista guilds, technical guilds) and of the National Chapters..

ASIC - ASSOCIATION FOR SCIENCE AND INFORMATION ON COFFEE - Nasce nel 1966 a Born in Paris, in 1966, it's the main international association dedicated to sharing and disseminating scientific research on coffee. ASIC organizes a biennial conference, where leading researchers and specialists from around the world meet to share the results of their research on coffee. Simonelli Group contributes with the work conducted by its RICH (Research and Innovation Coffee Hub).



COFFEE KNOWLEDGE HUB (CKH) - Launched in April 2021, CKH is a phygital training platform (which combines digital and in-person training activities) through which Simonelli Group offers coffee training courses, in collaboration with the best experts and the most prestigious global organizations (Cup of Excellence, CQI, SCA). The platform has 4,683 members. In 2023, 46 courses were held to an attendance of 854 students.



YOUTH ACADEMY

Since 2018, Simonelli Group has been promoting a free training program for young people under 30 who intend to start or consolidate a professional path in the world of coffee, based on the Specialty Coffee Association training program.

For each session, 6 students are selected based on the CVs provided and a selection phase, who are offered scholarships for the following courses:

- Green coffee (Foundation level)

- Brewing (Foundation level)

- Sensory (Foundation level)

- Roasting (Foundation level)

- Barista (Foundation level)

- Barista (Intermediate level)

- Barista (Professional level)

In 2023, the Youth Academy was held in Italy, Malaysia, UK, Spain and Turkey, and the first edition of the "Youth Academy ex alumni Italy" also took place at the Simonelli Group Campus, where students of previous editions of the Youth Academy gathered.

INFORMATION ON GOVERNANCE



PRESENT KEY RESULTS 2023

- ✓ € 109 million turnover
- ✓ € 221,477 of investments on the community
- ✓ 746 Italian suppliers

FUTURE MAIN GOALS 2024

- Training on fighting active and passive corruption
- Evaluation of new suppliers according to environmental and social criteria



CORPORATE GOVERNANCE

The Simonelli Group corporate governance system is based on an organizational model in line with the current regulations applicable to the reference sector.

In particular, the Board of Directors (BoD), as the company's highest governance body, is invested with all the powers for ordinary and extraordinary administration and has strategic guidance and control functions over company activities. Through its councillors, the Board of Directors has the power to convene meetings, setting the agendas according to the methods defined by the Statute; the President and the Vice President legally represent the company before third parties and in court, with the power to promote legal actions and requests; other directors are provided with further specific powers of attorney to act.

Furthermore, the Board of Directors has the function of acknowledging, and subsequently managing, any critical issues highlighted by the CEO. The Board of Directors is made up of 5 members who are appointed by the Assembly and remain in office for no longer than three consecutive financial years, with the possibility of being re-elected. The Chairman of the Board of Directors is responsible for the final review and approval of corporate decisions, including those relating to the identification of material topics.

As part of the company's ongoing evolution, some organizational changes were implemented in 2023:

- Marco Feliziani replaced Fabio Ceccarani in the position of CEO;
- Luca Mari joined the Group as People & Culture Director;
- Federico Ortile joined the Group as Director of the UAE Branch;
- Andrea Calvio joined the Group as Director of the Australia Branch.

BOARD OF DIRECTORS

NAME	POSITION	ROLE	TERM OF OFFICE
NANDO OTTAVI	President, Chief Executive Officer	Executive	Until approval of 2025 financial statements
MARCO FELIZIANI	Vice President, Chief Executive Officer	Executive	
SONIA BOLDRINI	Councillor	Non-executive	
NICOLA OTTAVI	Councillor	Non-executive	
GIORGIO ZIEMACKI	Councillor	Independent	

BOARD OF DIRECTORS DIVERSITY

In 2023, the Board of Directors was made up of 4 men and 1 woman, of which 2 members are aged between 30 and 50 (40%) and 3 are over 50 (60%).



1 WOMAN
20%



4 MEN
80%

AGE

40%

30-50
years

60%

> 50
years

The Board of Auditors supervises compliance with the law and the Articles of Association, compliance with the principles of correct administration and the adequacy of the organizational and administrative structure adopted by the company and its concrete functioning. In particular, the Board of Auditors is made up of three effective members and two alternate members, with a term of office of three years and with the possibility of being re-elected.

BOARD OF AUDITORS

NAME	POSITION	TERM OF OFFICE
FRANCESCO SPERANDINI	President of the Board of Auditors	Until approval of 2025 financial statements
BRUNO OLIVIERI	Auditor	
MARINA ROCCO	Auditor	
NAZARENO MINNOZZI	Temporary auditor	
GRAZIANO FELIZIANI	Temporary auditor	

BOARD OF AUDITORS DIVERSITY

In 2023, the Board of Auditors was made up of 2 men and 1 woman, all aged over 50.



1 WOMAN
33%



2 MEN
67%

AGE

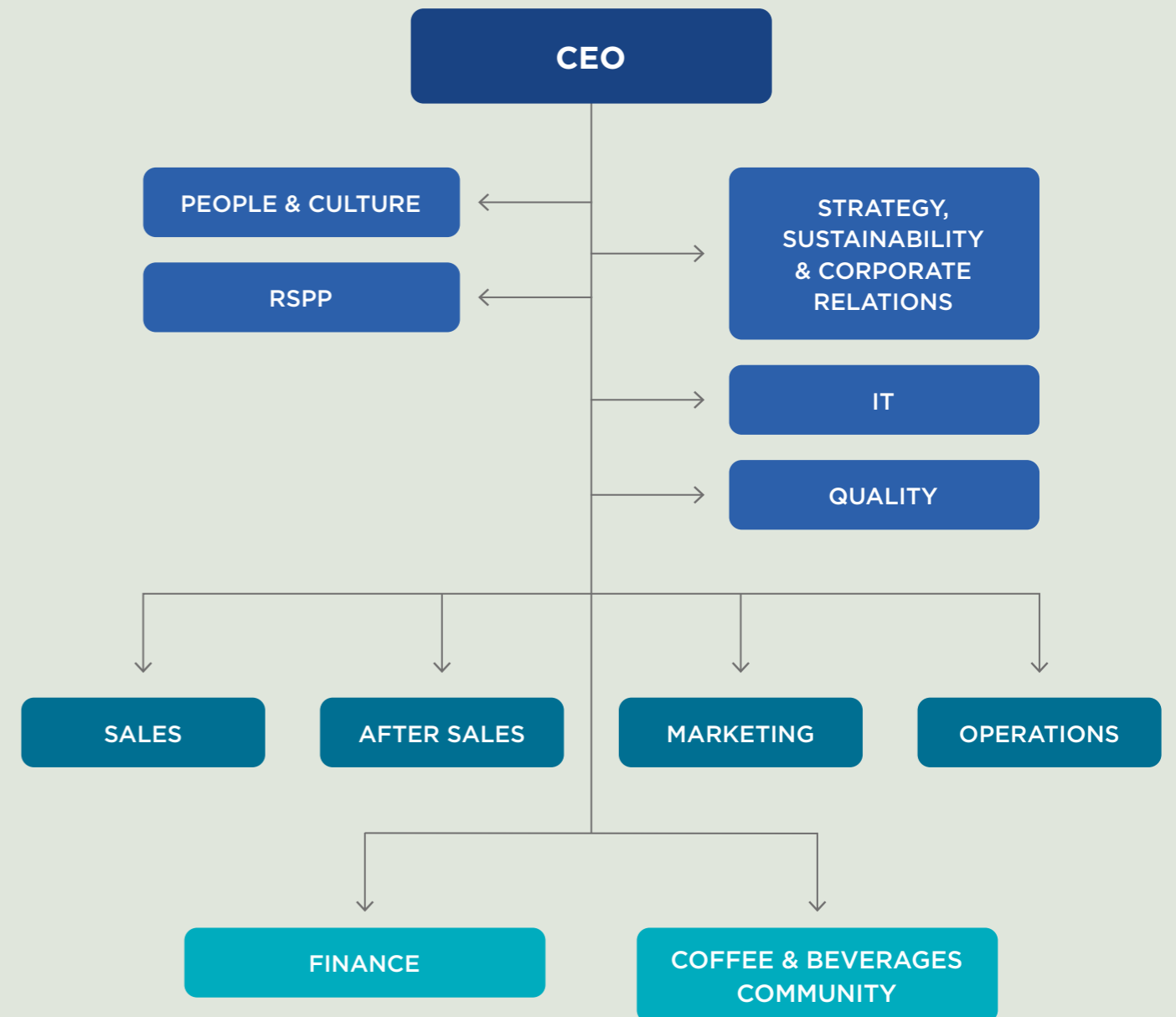
100%

> 50
years

The legal control of the accounts is exercised by the auditor Dr. Giovanni Marco Borroni.

Simonelli Group's responsibility management strategy is divided into specific Departments with directional and control autonomy and with management and coordination responsibilities aimed at guaranteeing the highest quality standards through the monitoring of objectives and the supervision of the most sensitive areas. The Managements work in close collaboration to guarantee the efficiency of the organization. Below is the company organization chart.

COMPANY ORGANIZATION CHART



SUSTAINABILITY GOVERNANCE

Over the years, Simonelli Group's sensitivity towards sustainability issues has become increasingly central, so much so that it has been included among the 3 main strategic drivers.

- In 2018 the company adopted new governance to achieve its objectives, aligned with the United Nations 2030 plan.
- In 2019 it implemented a sustainability reporting system based on the GRI principles, which involved the main stakeholders.
- In 2021 Simonelli Group highlighted its commitment to sustainability objectives by joining the Global Compact.
- With a view to continuous improvement, in 2023 the reporting was based on the ESRS (European Sustainability Reporting Standards), defined by EFRAG and approved by the European Commission in July 2023.

Furthermore, the company has two dedicated bodies, which have the function of defining and implementing sustainability strategies:

SUSTAINABILITY TEAM

It is the main cross-cutting governance body responsible for implementing sustainability principles within the company. Working closely with the operations department, it is responsible for developing, coordinating and monitoring sustainability strategies. Together with the Sustainability Committee, the Sustainability Team also coordinates analysis and reporting activities.

MARCO FELIZIANI	Chief Executive Officer	Strategic address
MAURIZIO GIULI	Chief Strategy Officer	Coordination of sustainability strategies
MANUELA FELIZIANI	Social Sustainability	Coordination of social activities
PAOLA BENEDETTI	Sustainability Accounting	Coordination of the analysis of period results and planning for the future
EMANUELA MIGLIORELLI	Corporate Communication	Coordination of communication activities



SUSTAINABILITY COMMITTEE

It is an inter-functional body made up of the main function managers who, within their area of competence, ensure the achievement of the strategic objectives defined by the Sustainability Team.

CLAUDIO CINGOLANI	R&D and Technical Dept.	Contribution to analysis and reporting for R&D and Technical Department
MARCO FELIZIANI	CEO	Contribution to analysis and reporting for the Commercial area
LAURO FIORETTI	Knowledge and Education	Contribution to analysis and reporting for the Coffee Science and Academy area
SIMONA GIAMPIERI	Marketing	Contribution to analysis and reporting for the Marketing area
STEFANO MOGLIANI	After Sales	Contribution to analysis and reporting for the COTS area
MAURO PARRINI	Operations	Contribution to analysis and reporting for the Operations area
LUCA MARI	People&Culture	Contribution to analysis and reporting for the Human Relations area



SIMONELLI GROUP SUSTAINABILITY ROAD MAP

EVOLUTIONARY STAGES OF SUSTAINABILITY FROM 2000 TO TODAY

2003

- Study on the ergonomics of the coffee machine for the protection of the barista with the European Institute of Ergonomics and Psychology. Aurelia is the first ergonomic machine.

2009

- Study on ergonomic machine disassembling with UNIVPM.

2011

- First Product LCA analysis.

2012

- Installation of a photovoltaic system (98 kW).

2017

- New business centre with low impact technical solutions.

2018

- Establishment of the Sustainability Team for the coordination and implementation of sustainability activities.
- Installation of a heat pump cooling system in the production plant.

2019

- First Sustainability Report and implementation of the Code of Ethics.

2025

- Objective of electrical energy self-sufficiency.

2023

- ISO 14001 and ISO 45001 certifications.

2022

- Allocation of 1% of net profits to social sustainability activities.
- Creation of an energy assessment for the objective of energy self-sufficiency.
- Start of ISO 14001 and ISO 45001 certification procedure.

2021

- Extension of the photovoltaic system by a further 90 kW.
- 100% electricity supply from renewable sources.
- Adherence to the Global Compact.
- Replacement of lighting system with LED technology.

2020

- Development of NEO and TERS energy efficiency technology.
- 80 kW photovoltaic system extension.



ETHICS AND BUSINESS INTEGRITY

Simonelli Group has adopted a **CODE OF ETHICS** which lists and declares the values and behavioural rules to which the company intends to constantly refer in the exercise of its entrepreneurial activity. **The Code is an essential tool of the internal control system and is structured around the following principles of conduct:**

- Legality
- Liability and Conflict of Interest
- Honesty, Fairness, Fair Competition and Transparency
- Transparency
- Integrity
- Environment
- Social Responsibility
- Equal Opportunities, Respect for Diversity and Non-Discrimination (Personnel Management)

Codice Etico

TO VIEW THE CODE OF ETHICS, SCAN THE QR CODE ON THE SIDE



The company has also prepared a **CODE OF CONDUCT**, integrated with **Whistleblowing**, which provides the possibility for anyone to anonymously report any inconsistencies regarding policies or practices in company conduct. It should be noted that, in 2023, no doubts have been raised regarding the correct conduct of company activities.

Ethics and integrity are the basis of Simonelli Group's relationships with all the stakeholders with whom it interfaces during the performance of its corporate activities. The company is committed to respecting human rights, ensuring fair labour practices, protecting the environment and advancing research and innovation in its industry.

In particular, Simonelli Group:

- avoids and combats any form of discrimination and/or harassment based on age, sex, state of health, ethnicity, nationality, political and religious opinions;
- offers all workers the same opportunities, so that everyone can enjoy fair treatment, based on meritocratic criteria;
- takes care of the selection and hiring of personnel, ensuring compliance with the values of equal opportunities, merit and equality;
- creates a working environment suitable for the human and professional growth of its employees;
- does not employ minors and avoids any type of labour exploitation;
- ensures the protection of the privacy of personal data;
- commits not to establish any working relationship with individuals who do not meet the legal requirements and not to carry out any activity aimed at encouraging the illicit entry of illegal individuals;
- fosters the culture of health and safety in the workplace.

ECONOMIC PERFORMANCE

Long-term sustainable economic-financial growth is fundamental for any entrepreneurial activity. Simonelli Group has maintained and consolidated a balanced growth trend over the years which has allowed it to generate the resources necessary to invest in new technologies, products, services, infrastructures and processes. This ability to maintain economic-financial balance has made the company particularly solid and capable of guaranteeing reliability to both customers and other stakeholders in complex situations such as those of the current socio-economic context.

Thanks to this solidity, Simonelli Group managed to contain the impact of the increases in raw materials and components, also recorded in 2023, without transferring them in full to the price lists. A careful procurement policy, inventory management and internal processes also contributed to this.

BALANCE SHEET

From a patrimonial point of view, the level of Financial Fixed Assets as at December 31, 2023 has increased significantly and the Invested Capital is still more than three quarters covered by Own Resources (Net Equity). At the same time, there's a balance in the Net Working Capital, with Current Liabilities that cover the level of Inventories and Receivables and with a level of Immediate Liquidity of ample safety.

The same trend was also recorded at a consolidated level.



ACQUISITIONS DURING THE YEAR

In the course of 2023, the company SIMONELLI GROUP SPA has made investments in intangible and tangible assets in the following categories:

FIXED ASSETS	ACQUISITIONS DURING THE YEAR
Immaterial	741,181
Industrial rights and patents	270,217
Trademarks and similar rights	14,830
Other multi-year expenses	456,134
Material	625,934
Plants and machinery	34,399
Industrial and commercial facilities	59,535

DISTRIBUTION OF ECONOMIC VALUE GENERATED

The economic value generated and distributed by the company for the benefit of the entire system with which it interacts represents a primary indicator of the success and effectiveness of its ESG strategies. This value is quantified on the basis of the income statement for the reference period, highlighting its distribution to internal and external stakeholders.

In 2023 there was a decrease in the Economic Value Generated of 9% compared to 2022, mainly due to a decrease in revenues: in fact, the 2023 results were affected by the international crises affecting some important markets such as in the case of Russia, as well as by national economic contexts and strategic choices in the process of being redefined as in the case of eastern markets and China in particular.

Despite this, Simonelli Group has continued to believe and invest in people, as demonstrated by the higher costs incurred for personnel. As regards the retained economic value, Simonelli Group continued its careful reserve policy in 2023.



ECONOMIC VALUE €*	FY 2021	FY 2022	FY 2023
Revenues	115,345,450	121,108,697	109,424,723
Financial income	492,392	607,697	1,566,587
Total economic value generated	115,837,842	121,716,394	110,991,310
Operating costs	63,790,969	68,554,404	65,916,884
Staff remuneration	10,091,898	11,123,196	11,595,119
Remuneration of financiers	862,359	1,494,141	1,235,054
Investor remuneration	18,512,392	18,646,492	11,986,523
Remuneration of the Public Administration	7,388,006	10,211,692	8,122,312
External donations (investments in the community)	168,046	287,307	221,477
Total economic value distributed	100,813,670	110,317,232	99,077,369
Amortization, write-downs and adjustments	6,654,965	6,354,497	6,588,413
Provisions for risks and other provisions	-	-	-
Operating result allocated to reserves (Profit - Dividends distributed)	8,369,207	5,044,665	5,325,528
Retained economic value	15,024,172	11,399,162	11,913,941

* The table refers to the consolidated data of Simonelli Group and the four historical subsidiaries: ND USA, ND FRANCE, ND UK and Simonelli Group Asia Pacific.

RELATIONSHIP WITH SUPPLIERS

Suppliers are the basis of Simonelli Group's relational network, built on a deep sense of trust and mutual respect, as the first link in the company's value chain. Simonelli Group favours the choice of local suppliers, in order to support the economic-social growth of the area in which it operates, while also contributing to reducing the environmental footprint of logistics.

When local companies do not meet corporate parameters, Simonelli Group still favours Italian companies or those that share the same regulatory system, which offers ample guarantees on respect for human and environmental rights, thus facilitating the possibility of maintaining long-term relationships that guarantee stability of the supply system.



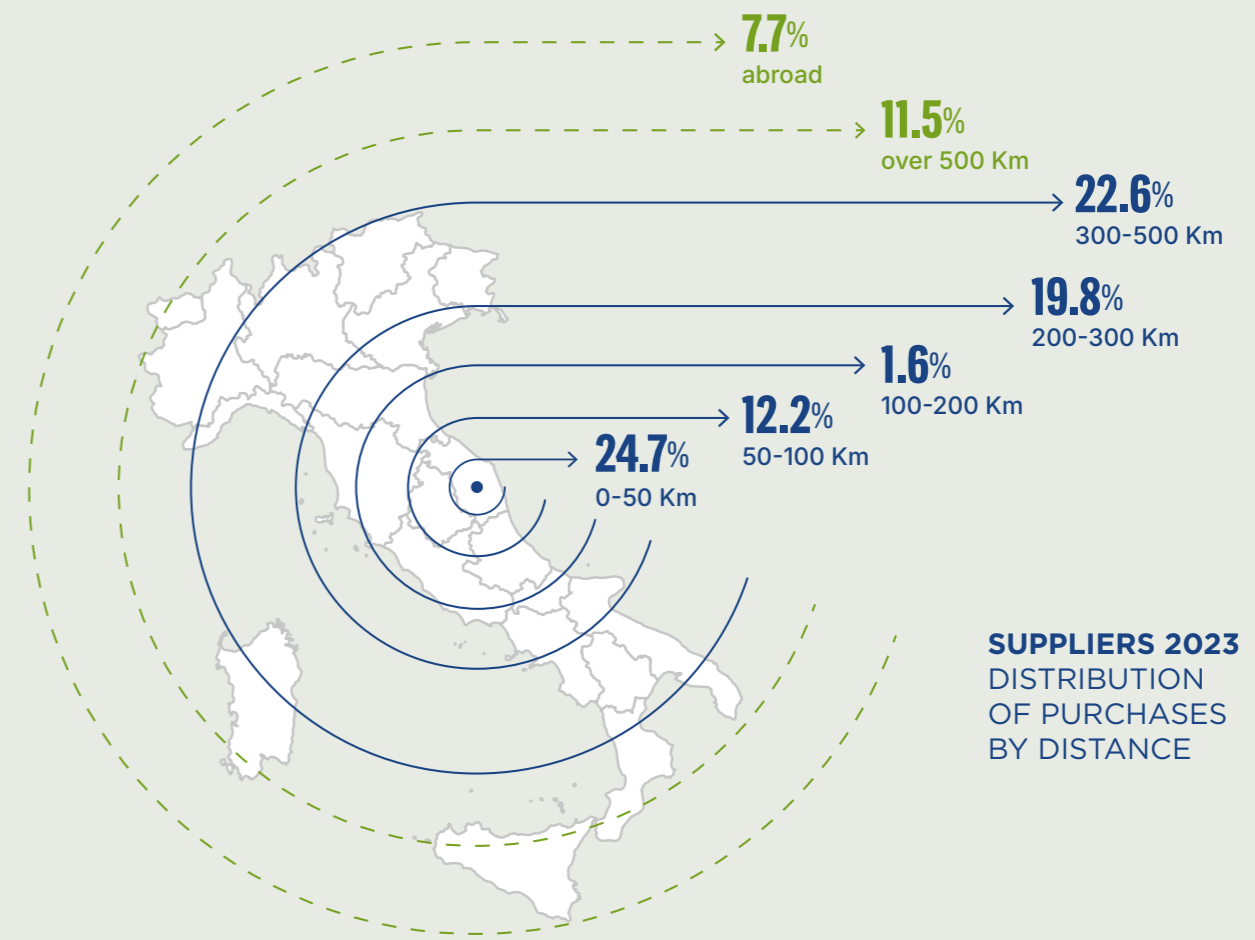
In 2023, Simonelli Group started a process to raise awareness among its suppliers towards the issues of environmental and social respect to share the strategic orientation and involve partners in its commitment to sustainable growth. This context also includes, among other activities, their involvement in the Sustainability Pills training day, as already described in the Training and skills development section.

The same year saw the launch of the new Supplier Portal, enabling to exchange documents and share the status of production needs in real time to speed up processes, reduce errors and increase flexibility.

During 2023 Simonelli Group extended the **Kanban Portal** for the optimized management of incoming materials to the high and medium rotating codes. It also introduced the Electronic KanBan, based on the "pull" rather than on the "push" method, in order to optimize stocks.

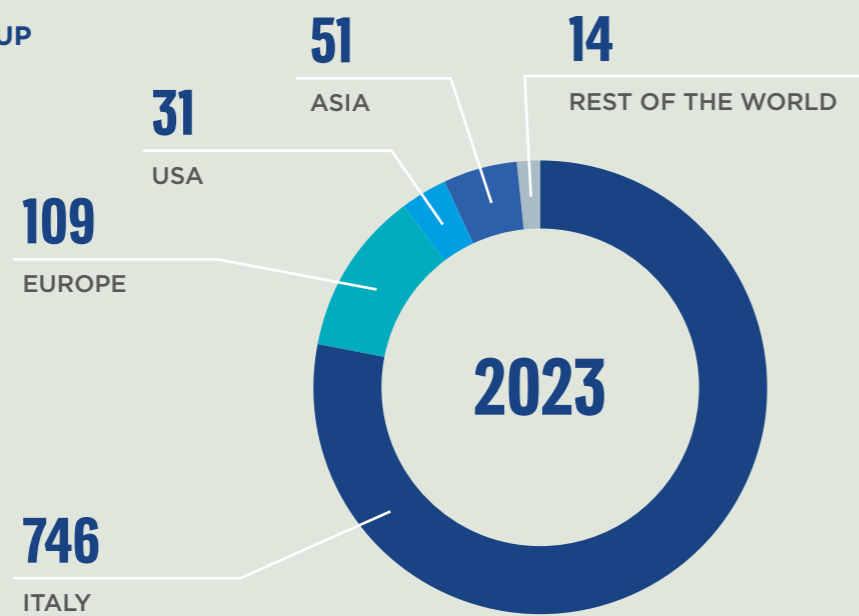
KANBAN BOX SYSTEM

The company has activated on the 215 highest-rotating items a procurement system based on the Kanban box logic, which guarantees less waste and eliminates unnecessary phases in the production cycle..

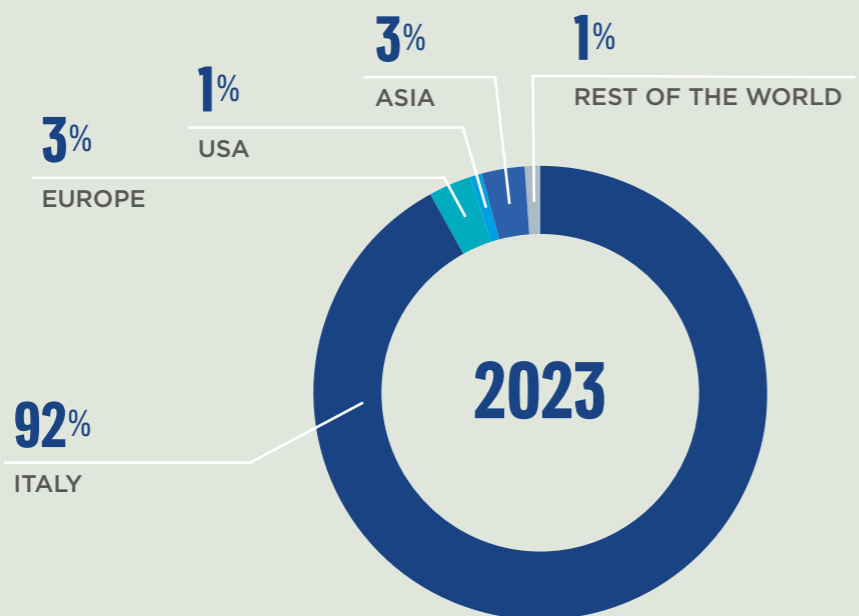


In 2023, Simonelli Group had a supplier base of 951 entities, of which 78% Italian and 39.5% local, for which it spent 61% and 31% of the dedicated budget respectively. As regards the foreign branches, their main supplier located in the Italian territory coincides with Simonelli Group Italia, which supplies products and services to the subsidiaries, as these are, in fact, *intercompany* relationships.

SIMONELLI GROUP SUPPLIERS

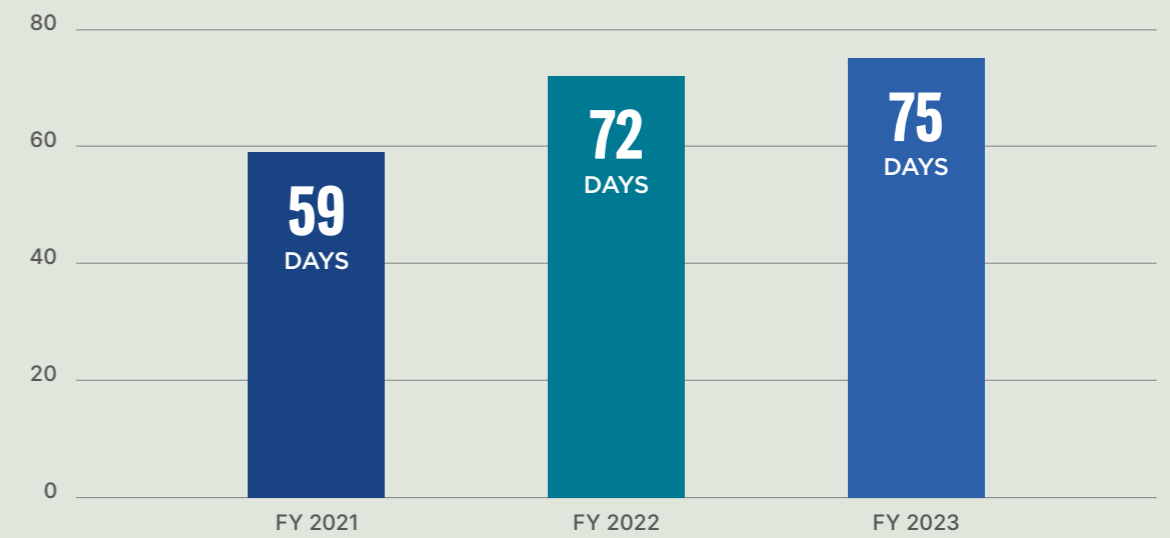


BUDGET SPENT ON SUPPLIERS



The company is also attentive to payments: in particular, it reports the average time taken by the company to pay an invoice, from the date on which the contractual or legal payment term begins to be calculated. There are currently no pending court cases due to delays.

AVERAGE INVOICE PAYMENT TIME



GRI & ESRS CONTENT INDEX

The following table serves as a link between the contents of this Sustainability Report and the information in the European Sustainability Reporting Standards.

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
GRI 2: GENERAL INFORMATION			
2-1	Organizational details		General information
2-2	Entities included in the organization's sustainability reporting	ESRS 1, 5.1: Information reporting enterprise and value chain ESRS 2, BP-1: General criteria for preparing sustainability statements	Methodological note
2-3	Reporting period, frequency and point of contact		Methodological note
2-4	Restatements of information	ESRS 2, BP-2: Information in relation to specific circumstances	Methodological note There are restatements for the calculation of Scope 1 emissions relating to Diesel for the years 2021 and 2022.
2-5	External assurance		Methodological note The Report has not been subjected to external assurance.
2-6	Activities, value chain and other business relationships	ESRS 2, SBM-1: Strategy, business model and value chain	General information
2-7	Employees	ESRS 2, SBM-1: Strategy, business model and value chain ESRS S1-6: Characteristics of the company's employees	Social information
2-8	Non-employee workers	ESRS S1-7: Characteristics of non-employee workers in the company's own workforce	Social information
2-9	Structure and composition of governance	ESRS 2, GOV-1: Role of the administrative, management and control bodies	Information on governance
2-12	Role of the highest governing body in overseeing impacts	ESRS 2 GOV-1: Role of the administrative, management and control bodies ESRS 2 GOV-2: Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them ESRS G1: Business conduct	Information on governance
2-14	Role of the highest governance body in sustainability reporting	ESRS 2 GOV-5: Risk management and internal controls over sustainability reporting	Letter to the stakeholders
2-22	Statement on sustainable development strategy	ESRS 2, SBM-1: Strategy, business model and value chain	Letter to the stakeholders

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
2-23	Commitments in policies		
	ESRS S1-1: Own workforce policies		
	ESRS S1-2: Processes for involving own workers and worker representatives regarding impacts	General information	
	ESRS S3-1: Policies relating to affected communities	Social information	
	ESRS S4-1: Policies related to consumers and end users	Information on governance	
	ESRS G1-1: Policies on corporate culture and business conduct		
2-24	Integration of commitments in policies		
	ESRS 2, GOV-2: Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them		
	ESRS S1-4: Interventions on relevant impacts for the own workforce and approaches for mitigating relevant risks and pursuing relevant opportunities in relation to the own workforce, as well as the effectiveness of such actions	Letter to stakeholders	
	ESRS S3-4: Interventions on impacts relevant to affected communities and approaches to managing relevant risks and achieving opportunities relevant to affected communities, as well as the effectiveness of such actions	General information	
	ESRS S4-4: Interventions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, and the effectiveness of such actions	Environmental information	
	ESRS G1-1: Policies on corporate culture and business conduct	Social information	
		Information on governance	
2-25	Processes to fix negative impacts		
	ESRS S1-1: Own workforce policies		
	ESRS S1-3: Processes for fixing negative impacts and channels for own workers to raise concerns	Letter to stakeholders	
	ESRS S2-1: Policies related to workers in the value chain	General information	
	ESRS S3-1: Policies relating to affected communities	Environmental information	
	ESRS S4-1: Policies related to consumers and end users	Social information	
	ESRS S4-3: Processes for fixing negative impacts and channels for consumers and end users to raise concerns	Information on governance	
	ESRS S4-4: Interventions on relevant impacts for consumers and end users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end users, as well as the effectiveness of such actions		

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
2-26	Consultation mechanisms and expression of doubts		
	ESRS S1-3: Processes for fixing negative impacts and channels for own workers to raise concerns	Stakeholder engagement and Double materiality analysis	
	ESRS S4-3: Processes for fixing negative impacts and channels for consumers and end users to raise concerns	Information on governance	
	ESRS G1-1: Policies regarding corporate culture and business conduct		
	ESRS G1-3: Prevention and detection of active and passive corruption		
2-27	Compliance with laws and regulations		
	ESRS G1-4: Confirmed cases of active or passive corruption	Information on governance	
2-28	Associations		
		Social information	
2-29	Stakeholder engagement approach		
	ESRS S1-1: Own workforce policies		
	ESRS S1-2: Processes for involving own workers and worker representatives regarding impacts		
	ESRS S3-1: Policies relating to affected communities	Stakeholder engagement and Double materiality analysis	
	ESRS S3-2: Processes for engaging affected communities on impacts		
	ESRS S4-1: Policies related to consumers and end users		
	ESRS S4-2: Processes for engaging consumers and end users on impacts		
2-30	Collective bargaining agreements		
	ESRS S1-8: Coverage of collective bargaining and social dialogue	Social information	
GRI 3: MATERIAL TOPICS			
3-1	Process for determining material topics		
	ESRS 2, BP-1: General criteria for preparing sustainability statements	Stakeholder engagement and Double materiality analysis	
	ESRS 2, IRO-1: Description of processes for identifying and evaluating relevant impacts, risks and opportunities		
3-2	List of material topics		
	ESRS 2, SBM-3: Relevant impacts, risks and opportunities and their interaction with the strategy and business model	Stakeholder engagement and Double materiality analysis	
ECONOMIC PERFORMANCES			
201-1	Economic value directly generated and distributed		Information on governance

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
INDIRECT ECONOMIC IMPACTS			
203-2 Significant indirect economic impacts	ESRS S1-4: Interventions on relevant impacts and approaches for mitigating relevant risks and pursuing relevant opportunities in relation to its own workforce, as well as the effectiveness of such actions and approaches	Social information	
	ESRS S3-4: Interventions on relevant impacts on affected communities and approaches to managing relevant risks and achieving relevant opportunities for affected communities, as well as the effectiveness of such actions	Information on governance	
PROCUREMENT PRACTICES			
204-1 Proportion of expense towards local suppliers		Information on governance	
ANTI-CORRUPTION			
205-2 Communication and training on anti-corruption regulations and procedures	ESRS G1-3: Prevention and detection of active and passive corruption	Information on governance	
205-3 Confirmed corruption accidents and measures adopted	ESRS G1-4: Confirmed cases of active or passive corruption	Information on governance	In 2023 there were no confirmed cases of active or passive corruption.
MATERIALS			
301-1 Material used by weight or volume	ESRS E5-4: Incoming resource flows	Environmental information	
301-2 Materials used that come from recycling	ESRS E5-4: Incoming resource flows	Environmental information	
ENERGY			
302-1 Energy consumed within the organization	ESRS E1-5: Energy consumption and energy mix	Environmental information	
WATER AND WASTE WATER			
303-1 Interaction with water as a shared resource	ESRS E3-2: Actions and resources related to waters and marine resources	Environmental information	
303-3 Water withdrawal		Environmental information	
303-5 Water consumption	E3-4: Water consumption	Environmental information	

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
EMISSIONS			
305-1 Direct GHG emissions (Scope 1)	ESRS E1-4: Objectives relating to climate change mitigation and adaptation to them ESRS E1-6: Scope 1, 2, 3 gross GHG emissions and total GHG emissions	Environmental information	
305-2 Indirect GHG emissions from energy consumption (Scope 2)	ESRS E1-4: Objectives relating to climate change mitigation and adaptation to them ESRS E1-6: Scope 1, 2, 3 gross GHG emissions and total GHG emissions	Environmental information	
305-3 Other indirect GHG emissions (Scope 3)	ESRS E1-4: Objectives relating to climate change mitigation and adaptation to them ESRS E1-6: Scope 1, 2, 3 gross GHG emissions and total GHG emissions	Environmental information	
305-5 Reduction of greenhouse gas (GHG) emissions	ESRS E1-3: Actions and resources related to climate change policies ESRS E1-4: Objectives related to climate change mitigation and adaptation ESRS E1-7: GHG removals and GHG mitigation projects financed with carbon credits	Environmental information	
WASTE			
306-3 Waste produced	ESRS E5-5: Outgoing resource flows	Environmental information	
306-4 Waste not intended for disposal	ESRS E5-5: Outgoing resource flows	Environmental information	
306-5 Waste intended for disposal	ESRS E5-5: Outgoing resource flows	Environmental information	
SUPPLY CHAIN			
204-1 Proportion of expense on local suppliers		Information on governance	
	ESRS G1-6: Payment practices	Information on governance	

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
WORKING CONDITIONS			
401-1	Hiring new employees and employee turnover	ESRS S1-6: Characteristics of the company's employees	Informativa sociale
401-3	Parental leave	ESRS S1-15: Work-life balance	Informativa sociale
		ESRS S1-16: Compensation Metrics (Pay Gap and Total Compensation)	Informativa sociale
HEALTH AND SAFETY AT WORK			
403-1	Health and safety at work management system	ESRS S1-1: Policies relating to the company's own workforce	Social information
403-3	Occupational health services		Social information
403-4	Worker participation and consultation and communication on health and safety at work		Social information
403-5	Training of workers on health and safety at work		Social information
403-8	Workers covered by an occupational health and safety management system	ESRS S1-14: Health and safety metrics	Social information
403-9	Injuries at work	ESRS S1-4: Interventions on relevant impacts for the company's own workforce and approaches for the mitigation of relevant risks and the pursuit of relevant opportunities in relation to the company's own workforce, as well as the effectiveness of such actions ESRS S1-14: Health and safety metrics	Social information During 2023 there were no cases of occupational disease.
403-10	Professional diseases	ESRS S1-4: Interventions on relevant impacts for the company's own workforce and approaches for the mitigation of relevant risks and the pursuit of relevant opportunities in relation to the company's own workforce, as well as the effectiveness of such actions ESRS S1-14: Health and safety metrics	Social information During 2023 there were no cases of accidents at work.

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
TRAINING AND EDUCATION			
404-1	Average hours of training per year per employee	ESRS S1-13: Training and skills development metrics	Social information
404-2	Employee upskilling programs and transition assistance programs	ESRS S1-1: Company's own workforce policies	Social information
DIVERSITY AND EQUAL OPPORTUNITIES			
405-1	Diversity in governance bodies and among employees	ESRS 2, GOV-1: Role of the administrative, management and control bodies ESRS S1-6: Characteristics of the company's employees ESRS S1-9: Diversity metrics ESRS S1-12: Persons with disabilities	Social information Information on governance
NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective measures adopted	ESRS S1-17: Incidents, complaints and serious impacts on human rights	Information on governance During 2023, there were no incidents of discrimination, complaints or serious impacts on human rights.
LOCAL COMMUNITIES			
413-1	Activities that involve local community engagement, impact assessments and development programs	ESRS S3-2: Processes for engaging affected communities on impacts ESRS S3-3: Processes for fixing adverse impacts and channels for affected communities to raise concerns ESRS S3-4: Interventions on relevant impacts on affected communities and approaches to managing relevant risks and achieving relevant opportunities for affected communities, as well as the effectiveness of such actions	Social information
HEALTH AND SAFETY OF CUSTOMERS			
416-2	Incidents of non-compliance regarding impacts on the health and safety of products and services	ESRS S4-4: Interventions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, and the effectiveness of such actions	Social information

GRI STANDARD	ESRS REFERENCE	TEXT REF.	NOTES
CUSTOMERS PRIVACY			
418-1 Substantiated complaints regarding violations of customer privacy and loss of their data	<p>ESRS S4-3: Processes for fixing adverse impacts and channels for consumers and end-users to raise concerns</p> <p>ESRS S4-4: Interventions on relevant impacts for consumers and end users and approaches for mitigating relevant risks and the achievement of relevant opportunities in relation to consumers and end users, as well as the effectiveness of such actions</p>	Social information	During 2023 there were no substantiated complaints regarding violations of customer privacy.
OTHER MATERIAL TOPICS			
3-3 Circular economy	<p>ESRS E5-1: Policies relating to the use of resources and the circular economy</p> <p>ESRS E5-2: Actions and resources related to resource use and the circular economy</p>	Environmental information	
3-3 New technologies		General information	
3-3 Community engagement and relations with schools/universities		Social information	
3-3 Customers satisfaction and relationships management	<p>ESRS S4-1: Policies related to consumers and end users</p> <p>ESRS S4-2: Processes for engaging consumers and end users on impacts</p> <p>ESRS S4-3: Processes for remediating adverse impacts and channels for consumers and end-users to raise concerns</p> <p>ESRS S4-4: Interventions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, and the effectiveness of such actions</p>	Social information	



ATTACHMENTS

ENVIRONMENTAL INFORMATION

MATERIALS

USED MATERIALS					FY 2023				
	Total weight (tons)	Does it come from a renewable source?	Weight (tons) coming from non-renewable material	Weight (tons) coming from renewable material					
Plastic	206	No	206	-					
Aluminium	81	Yes	65	16					
Paper	142	No	142	-					
Copper, Steel, Brass	827	No	827	-					
TOTAL	1,256		1,256						

USED MATERIALS					FY 2022				
	Total weight (tons)	Does it come from a renewable source?	Weight (tons) coming from non-renewable material	Weight (tons) coming from renewable material					
Plastic	206.74	No	206.74	-					
Aluminium	129.61	Yes	109.61	20.00					
Paper	139.80	No	139.80	-					
Copper, Steel, Brass	897.80	No	897.80	-					
TOTAL	1,373.95		1,353.95	20.00					

USED MATERIALS					FY 2021				
	Total weight (tons)	Does it come from a renewable source?	Weight (tons) coming from non-renewable material	Weight (tons) coming from renewable material					
Plastic	315.83	No	315.83	-					
Aluminium	137.05	Yes	117.05	20.00					
Paper	150.50	No	150.50	-					
Copper, Steel, Brass	980.27	No	980.27	-					
TOTAL	1,583.65		1,563.65	20.00					

ENERGY CONSUMPTION

ENERGY CONSUMPTION Italy (GJ) ¹	2021	2022	2023	VARIATION 2023/2022
Energy consumption from fossil sources	4,458.49	3,655.15	3,227.92	-12%
<i>Natural gas</i>	3,423.64	2,503.11	1,599.95	-36%
<i>Diesel</i>	1,034.84	1,152.04	1,627.97	+41%
Energy consumption from renewable sources	2,573.16	2,309.43	2,673.13	+16%
<i>Electricity purchased from renewable sources</i>	2,314.76	1,794.67	1,855.36	+3%
<i>Self-produced and consumed electricity</i>	258.39	514.76	817.77	+59%
TOTAL CONSUMPTION	7,031.64	5,964.58	5,901.05	-1%

ENERGY CONSUMPTION Italy (MWh) ²	2021	2022	2023	VARIATION 2023/2022
Energy consumption from fossil sources	1,237.26	1,013.93	896.64	-12%
<i>Natural gas</i>	951.35	695.16	444.43	-36%
<i>Diesel</i>	285.91	318.77	452.21	+41%
Energy consumption from renewable sources	714.78	641.52	742.54	+16%
<i>Electricity purchased from renewable sources</i>	643	498.52	515.38	+3%
<i>Self-produced and consumed electricity</i>	71.78	143	227.16	+59%
TOTAL CONSUMPTION	1,952.04	1,655.45	1,639.18	-1%

ENERGY CONSUMPTION foreign branches (MWh)	2023
Natural gas	22
Electricity consumption from fossil fuels, purchased or acquired	84.5 ³
Energy consumption of heat, steam and cooling from fossil fuels, purchased or acquired	136.9 ⁴
Energy consumption from nuclear sources	6.9 ⁵
TOTAL CONSUMPTION FROM FOSSIL SOURCES	249.89

ENERGY CONSUMPTION FROM FOSSIL SOURCES aggregate (MWh)	2023
<i>Natural gas</i>	466.43
<i>Diesel</i>	452.21
<i>Electricity consumption from fossil fuels, purchased or acquired</i>	84.5
<i>Energy consumption of heat, steam and cooling from fossil fuels, purchased or acquired</i>	136.9
<i>Energy consumption from nuclear sources</i>	6.9
TOTAL CONSUMPTION FROM FOSSIL SOURCES	1,146.94
TOTAL CONSUMPTION FROM RENEWABLE SOURCES⁶	742.54
TOTAL CONSUMPTION	1,889.48

ELECTRICITY FROM PHOTOVOLTAIC SYSTEM

SELF-PRODUCED ELECTRICITY (GJ)	2021	2022	2023	VARIATION 2023/2022
Total self-produced electricity	807.48	854.09	1,136.51	+33%
of which total Electricity consumed	258.39	514.76	817.77	+59%
of which total Electricity sold	549.09	339.33	318.74	-6%

WATER CONSUMPTION

WATER CONSUMPTION (cubic metres)	2021	2022	2023
Total withdrawal	5,100	3,730	9,019
Total discharge	-	-	1,338 ⁷

SCOPE 1 EMISSIONS

DIRECT SCOPE 1 EMISSIONS ⁸ (tCO ₂ eq)	2021	2022	2023	VARIATION 2023/2022
Natural gas	193.09	140.61	94.6	-33%
Fuel for company's fleet	71.95	81.70	114.91	+41%
<i>Diesel</i> ⁹	71.95	81.70	114.91	
TOTAL SCOPE 1	265.04	222.31	209.51	-6%

SCOPE 2 EMISSIONS

INDIRECT SCOPE 2 EMISSIONS ¹⁰ (tCO ₂ eq)	2021	2022	2023	VARIATION 2023/2022
Electricity purchased (Location Based Method)	172.26	154.00	241.72	+57%
Electricity purchased (Market Based Method)	0	0	83.44	

SCOPE 3 EMISSIONS

INDIRECT SCOPE 3 EMISSIONS ¹¹	2021	2022	2023	VARIATION 2023/2022
Km travelled	1,814,654	1,805,132	1,629,228	-10%
TOTAL SCOPE 3 (tCO₂eq)	302.39	300.80	271.49	-10%

WASTE

QUANTITY OF WASTE GENERATED (TON) BY MANAGEMENT METHODS	2021	2022	2023	VARIATION 2023/2022
Hazardous waste	0	0	0	
Non-hazardous waste	43.35	76.37	90.43	+18%
<i>Of which recovered</i>	43.35	76.37	90.43	+18%

WASTE PRODUCED BY TYPE OF MATERIAL (TON)	2021	2022	2023	VARIATION 2023/2022
Printing toner (CER 08.03.18)	0.09	0.05	0.043	-14%
Dust and particulates of non-ferrous materials (12.01.04)	1.76	2.96	8.96	+203%
Filings and shavings of plastic materials (CER 12.01.05)	3.24	4.22	-	
Paper and cardboard packaging (CER 15.01.01)	3.50	22.88	40.82	+78%
Plastic packaging (CER 15.01.02)	-	-	1.86	
Wooden packaging (CER 15.01.03)	34.76	26.70	15.98	-40%
Mixed material packaging (CER 15.01.06)	-	16.20	22.77	+41%
End-of-life electrical and electronic equipment (CER 16.02.14)	-	0.16	-	
Iron and steel (CER 17.04.05)	-	3.20	-	
Total non-hazardous waste not intended for disposal	43.35	76.37	90.43¹²	+18%

¹ As required by the GRI. The conversion factors used for FY 2021 and 2022 are taken from Annex 1 of Legislative Decree no. 28 of 03/03/2011 and from Italian Greenhouse Gas Inventory 1990 - 2020 - National Inventory Report 2022 Annex 6 National Emission Factors - Higher Institute for Environmental Protection and Research (ISPRA). For FY 2023 the source of conversion factors used is DEFRA 2023.

² As required by the ESRS.

³ The data refers to the UK and USA branches.

⁴ The data refers only to the USA branch.

⁵ The data refers only to the French branch.

⁶ Il dato si riferisce solo all'Italia.

⁷ The discharge concerns only the Italian factory and does not include the water taken from the wells with which the green areas are watered.

⁸ For FY 2023 the source of the emission factors is DEFRA 2023.

⁹ To calculate the tons of CO₂ equivalent relating to Diesel for the years 2021 and 2022, a recalculation was made with the conversion factor provided by DEFRA in 2023.

¹⁰ To calculate Scope 2 emissions, the emission factors provided by ISPRA, Terna, AIB and Defra were used.

¹¹ To calculate Scope 3 emissions, the emission factor published by UK Government GHG Conversion Factors for Company Reporting in June 2023 was used in the reference three-year period. The data is the result of estimates calculated starting from the km traveled in home-based journeys, employee work and multiplied by the emission factor which considers a medium-sized machine and an unspecified fuel.

¹² The increase in the quantity of waste compared to 2022 is due to more accurate calculation and tracking.

SOCIAL INFORMATION

TOP MANAGEMENT

TOP MANAGEMENT BY GENDER									
	2021			2022			2023		
	Woman	Man	TOTAL	Woman	Man	TOTAL	Woman	Man	TOTAL
Managers	-	8	8	-	8	8	-	10	10
Middle managers	1	11	12	2	12	14	2	13	15

EMPLOYEES BY AGE GROUP

EMPLOYEES BY AGE GROUP												
	2021				2022				2023			
	<30 years	30-50 years	>50 years	TOTAL	<30 years	30-50 years	>50 years	TOTAL	<30 years	30-50 years	>50 years	TOTAL
TOTAL	20	68	26	114	25	71	25	121	28	102	37	167
%	18%	60%	23%	100%	21%	58%	21%	100%	17%	61%	22%	100%

EMPLOYEES BY CONTRACT TYPOLOGY

EMPLOYEES BY CONTRACT TYPOLOGY AND BY GENDER									
	2021			2022			2023		
	Woman	Man	TOTAL	Woman	Man	TOTAL	Woman	Man	TOTAL
Permanent contract	15	97	112	20	97	118	34	120	154
Fixed-term contract	4	-	4	4	-	4	5	8	13
TOTAL	19	97	116	24	97	122	39	128	167
Full time contract	17	95	112	22	97	120	35	127	162
Part time contract	2	2	4	2	-	2	4	1	5
Contract with variable hours	-	-	-	-	-	-	-	-	-
TOTAL	19	97	116	24	97	122	39	128	167

NON-EMPLOYEE WORKERS

NON-EMPLOYEE WORKERS BY CONTRACT TYPOLOGY AND BY GENDER 2023			
	Woman	Man	TOTAL
Self-employed	-	-	-
Temporary Workers	3	30	33
Interns and trainees	7	7	14
Contractors	1	3	4
Subcontractors	-	-	-
TOTAL	9	40	51

NEW HIRES AND TURNOVER

NEW HIRES AND TURNOVER					
	2021				
	No. employees	No. new hires	No. ceased	Positive turnover rate	Negative turnover rate
TOTAL	116	11	5	9%	4%
	2022				
	No. employees	No. new hires	No. ceased	Positive turnover rate	Negative turnover rate
TOTAL	121	12	9	10%	7%
	2023				
	No. employees	No. new hires	No. ceased	Positive turnover rate	Negative turnover rate
TOTAL	167	16	9	10%	5%

TRAINING HOURS

TRAINING HOURS ¹³			
	FY 2023		
	Woman	Man	TOTAL
Managers	-	216	216
Middle managers	72	264	336
Office workers	308	543	851
Workers	40	264	304
TOTAL	420	1,287	1,707

¹³ The training hours do not include those of foreign branches, as the data is not available.

INFORMATION ON GOVERNANCE

ECONOMIC PERFORMANCES

FINANCIAL SITUATION 2023						
ASSETS ELEMENTS	2021		2022		2023	
	€	%	€	%	€	%
Net intangible assets	27,073,014	16.28%	21,983,666	13.55%	17,076,459	11.15%
Net tangible fixed assets	1,849,493	1.11%	2,254,743	1.39%	2,379,280	1.55%
Financial fixed assets and receivables beyond one year	55,066,463	33.11%	65,701,965	40.49%	80,112,980	52.31%
Consolidated activities	83,988,970	50.50%	89,940,374	55.42%	99,568,719	65.02%
Warehouse inventories	19,867,578	11.95%	20,251,725	12.48%	18,548,113	12.11%
Deferred liquidity	24,524,895	14.75%	22,263,519	13.72%	24,869,064	16.24%
Immediate liquidity	37,917,318	22.80%	29,825,031	18.38%	10,155,158	6.63%
Current activities	82,309,791	49.50%	72,340,275	44.58%	53,572,335	34.98%
INVESTED CAPITAL	166,298,761	100.00%	162,280,649	100.00%	153,141,054	100.00%
Net assets	114,403,243	68.79%	121,495,320	74.87%	121,900,949	79.60%
Consolidated liabilities	6,759,544	4.06%	4,315,017	2.66%	6,162,501	4.02%
Current liabilities	45,135,974	27.14%	36,470,312	22.47%	25,077,604	16.38%
OWN AND THIRD PARTY RESOURCES	166,298,761	100.00%	162,280,649	100.00%	153,141,054	100.00%

CONSOLIDATED FINANCIAL SITUATION 2023						
ASSETS ELEMENTS	2021		2022		2023	
	€	%	€	%	€	%
Net intangible assets	27,092,866	14.96%	21,983,666	12.34%	17,076,459	10.44%
Net tangible fixed assets	2,501,005	1.38%	3,250,347	1.82%	3,206,502	1.96%
Financial fixed assets and receivables beyond one year	60,350,466	33.32%	62,144,857	34.88%	78,902,673	48.22%
Consolidated activities	89,944,337	49.67%	87,378,870	49.04%	99,185,634	60.61%
Warehouse inventories	24,868,681	13.73%	27,706,453	15.55%	28,118,330	17.18%
Deferred liquidity	20,984,570	11.59%	21,644,633	12.15%	21,719,693	13.27%
Immediate liquidity	45,304,424	25.02%	41,462,778	23.27%	14,614,536	8.93%
Current activities	91,157,675	50.33%	90,813,864	50.96%	64,452,559	39.39%
INVESTED CAPITAL	181,102,012	100.00%	178,192,734	100.00%	163,638,193	100.00%
Net assets	119,590,788	66.04%	127,160,787	71.36%	125,520,915	76.71%
Consolidated liabilities	6,754,086	3.73%	4,315,017	2.42%	6,162,501	3.77%
Current liabilities	54,757,138	30.24%	46,716,930	26.22%	31,954,777	19.53%
OWN AND THIRD PARTY RESOURCES	181,102,012	100.00%	178,192,734	100.00%	163,638,193	100.00%

PROFIT AND LOSS ACCOUNT 2023						
INCOME ELEMENTS	2021		2022		2023	
	€	% compared to the value of production	€	% compared to the value of production	€	% compared to the value of production
Value of production	105,174,681	100.00%	106,041,843	100.00%	94,336,999	100.00%
Sales revenues	103,034,395	100.00%	105,105,243	100.00%	94,041,439	89.47%
Changes in inventories of work in progress, semi-finished and finished products	1,617,142	1.57%	531,986	0.51%	-600,950	-0.57%
Other income	523,144	0.51%	404,614	0.38%	896,510	0.85%
Intermediate production costs	65,285,423	63.36%	66,612,191	63.38%	62,255,117	59.23%
Consumption of raw materials, subsidiary materials, consumables and goods	37,464,974	36.36%	52,175,855	49.64%	47,145,727	44.86%
Costs for services	24,778,690	24.05%	11,518,947	10.96%	12,319,696	11.72%
Costs for the use of third party assets	2,387,491	2.32%	2,556,146	2.43%	2,271,182	2.16%
Provisions for risks and other provisions	338,935	0.33%	22,717	0.02%	51,663	0.05%
Various management costs	315,333	0.31%	338,526	0.32%	466,849	0.44%
Gross characteristic added value	39,889,258	38.71%	39,429,652	37.51%	32,081,882	30.52%
Accessory components	2,269,493	2.20%	5,623,945	5.35%	4,836,716	4.60%
Extraordinary components	-19,031	-0.02%	2,191	0.00%	-15,659	-0.01%
Gross global added value	42,139,720	40.90%	45,055,788	42.87%	36,902,939	35.11%
Labor cost	7,858,318	7.63%	8,024,197	7.63%	8,127,229	7.73%
EBITDA	34,281,402	33.27%	37,031,591	35.23%	28,775,710	27.38%
Depreciation	6,160,928	5.98%	6,160,961	5.86%	6,320,016	6.01%
EBIT	28,120,474	27.29%	30,870,630	29.37%	22,455,694	21.36%
Interest and other financial charges	297,037	0.29%	860,117	0.82%	967,961	0.92%
EBT	27,823,437	27.00%	30,010,513	28.55%	21,487,733	20.44%
Taxes	5,913,540	5.74%	7,918,435	7.53%	6,082,104	5.79%
Net income	21,909,897	21.26%	22,092,078	21.02%	15,405,629	14.66%

CONSOLIDATED PROFIT AND LOSS ACCOUNT 2023						
INCOME ELEMENTS	2021		2022		2023	
	€	% compared to the value of production	€	% compared to the value of production	€	% compared to the value of production
Value of production	118,023,152	100.00%	122,206,665	100.00%	111,361,975	100.00%
Sales revenues	115,345,450	111.95%	121,108,697	115.23%	109,424,723	116.36%
Changes in inventories of work in progress, semi-finished and finished products	1,617,142	1.57%	531,986	0.51%	932,225	0.99%
Other income	1,060,560	1.03%	565,982	0.54%	1,005,027	1.07%
Intermediate production costs	67,280,686	65.30%	70,206,208	66.80%	67,897,805	72.20%
Consumption of raw materials, subsidiary materials, consumables and goods	50,709,583	49.22%	51,583,150	49.08%	47,848,230	50.88%
Costs for services	13,212,611	12.82%	15,102,031	14.37%	16,628,362	17.68%
Costs for the use of third party assets	2,568,945	2.49%	2,874,670	2.74%	2,474,209	2.63%
Provisions for risks and other provisions	338,935	0.33%	22,717	0.02%	74,700	0.08%
Various management costs	450,612	0.44%	623,640	0.59%	872,304	0.93%
Gross characteristic added value	50,742,466	49.25%	52,000,457	49.47%	43,464,170	46.22%
Accessory components	492,392	0.48%	607,697	0.58%	1,566,587	1.67%
Extraordinary components	152,517	0.15%	121,906	0.12%	-126,254	-0.13%
Gross global added value	51,387,375	49.87%	52,730,060	50.17%	44,904,503	47.75%
Labor cost	10,091,898	9.79%	11,123,196	10.58%	11,595,119	12.33%
EBITDA	41,295,477	40.08%	41,606,864	39.59%	33,309,384	35.42%
Depreciation	6,316,030	6.13%	6,331,780	6.02%	6,513,713	6.93%
EBIT	34,979,447	33.95%	35,275,084	33.56%	26,795,671	28.49%
Interest and other financial charges	709,842	0.69%	1,372,235	1.31%	1,361,308	1.45%
EBT	34,269,605	33.26%	33,902,849	32.26%	25,434,363	27.05%
Taxes	7,388,006	7.17%	10,211,692	9.72%	8,122,312	8.64%
Net income	26,881,599	26.09%	23,691,157	22.54%	17,312,051	18.41%

SUPPLIERS

SUPPLIERS NUMBER Simonelli Group	2021		2022		2023	
	no.	% on total	no.	% on total	no.	% on total
Number of LOCAL suppliers ¹⁴	226	30%	240	27%	295	31%
Number of suppliers located in the rest of ITALY	400	53%	463	53%	451	47%
Number of suppliers located in EUROPE	71	9%	100	11%	109	12%
Number of suppliers located in AMERICA	14	2%	18	2%	31	3%
Number of suppliers located in ASIA	34	5%	35	4%	51	5%
Number of suppliers located in the REST OF THE WORLD	9	1%	20	2%	14	2%
TOTAL SUPPLIERS	754	100%	876	100%	951	100%

BUDGET SPENT ON SUPPLIERS Simonelli Group	2021		2022		2023	
	€	% on total	€	% on total	€	% on total
Budget spent on LOCAL suppliers	22,089,750	31%	19,718,400	29%	19,244,796	31%
Budget spent on suppliers located in the rest of ITALY	44,469,898	63%	42,760,171	64%	38,261,355	61%
Budget spent on suppliers located in EUROPE	1,607,580	2%	1,741,592	3%	1,947,713	3%
Budget spent on suppliers located in AMERICA	282,011	0,4%	625,472	1%	518,744	1%
Budget spent on suppliers located in ASIA	1,951,916	3%	1,831,292	3%	1,864,245	3%
Budget spent on suppliers located in the REST OF THE WORLD	282,116	0,4%	355,744	1%	475,644	1%
TOTAL SUPPLIERS	70,683,271	100%	67,032,671	100%	62,312,496	100%

¹⁴ By category of local supplier, we mean a supplier who is based between 0 and 200 km away from the Simonelli Group headquarters.

SUPPLIERS NUMBER USA	2023	
	n.	% on total
Number of LOCAL suppliers	6	86%
Number of suppliers located in ITALY	1	14%
TOTAL SUPPLIERS	7	100%

BUDGET SPENT ON SUPPLIERS USA	2023	
	USD \$	% on total
Budget spent on LOCAL suppliers	243,182	2%
Budget spent on suppliers located in ITALY	11,215,041	98%
TOTAL SUPPLIERS	11,458,223	100%

SUPPLIERS NUMBER UK	2023	
	n.	% on total
Number of LOCAL suppliers	1	25%
Number of suppliers located in ITALY	1	25%
Number of suppliers located in EUROPE	2	50%
TOTAL SUPPLIERS	4	100%

BUDGET SPENT ON SUPPLIERS UK	2023	
	GBP	% on total
Budget spent on LOCAL suppliers	1,922	0%
Budget spent on suppliers located in ITALY	2,321,380	98%
Budget spent on suppliers located in EUROPE	46,261	2%
TOTAL SUPPLIERS	2,369,563	100%

SUPPLIERS NUMBER FRANCE	2023	
	n.	% on total
Number of LOCAL suppliers	50	91%
Number of suppliers located in ITALY	4	7%
Number of suppliers located in EUROPE	1	2%
TOTAL SUPPLIERS	55	100%

BUDGET SPENT ON SUPPLIERS FRANCE	2023	
	€	% on total
Budget spent on LOCAL suppliers	300,000	10%
Budget spent on suppliers located in ITALY	2,700,000	87%
Budget spent on suppliers located in EUROPE	100,000	3%
TOTAL SUPPLIERS	3,100,000	100%

SUPPLIERS NUMBER SINGAPORE	2023	
	n.	% on total
Number of LOCAL suppliers	10	91%
Number of suppliers located in ITALY	1	9%
TOTAL SUPPLIERS	11	100%

BUDGET SPENT ON SUPPLIERS SINGAPORE	2023	
	€	% on total
Budget spent on LOCAL suppliers	607,682	98%
Budget spent on suppliers located in ITALY	14,730	2%
TOTAL SUPPLIERS	622,412	100%

APPROVAL

This Sustainability Report has been approved by
the Board of Directors of Simonelli Group on July 9, 2024.

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