



# SUSTAINABILITY REPORT 2024

# CONTENT INDEX

<b>3</b>	<b>Letter from the CEO</b>	<b>37</b>	<b>Smart, Sustainable Solutions</b>
<b>4</b>	<b>About IRCA Group</b>	39	Developing smart and sustainable solutions for our customers
6	IRCA Group global footprint	40	Environmental management
7	A history in high-quality ingredients	41	Reducing our carbon emissions
<b>8</b>	<b>Sustainability Governance</b>	46	Sustainable sourcing
9	Our sustainability manifesto	49	Domori: Mastering Chocolate Production with Full Supply Chain Control
10	Strategic framework and targets	50	Improving the sustainability of our packaging
11	Stakeholder engagement	51	Case study - Preserving better, using less
13	Our Commitment to Human Rights	52	Water
<b>14</b>	<b>Healthier Indulgence &amp; Wellbeing Options</b>	53	Waste
16	Offering healthier & wellbeing options	54	Case study - Achieving 100% circular economy by upcycling fruit residue
20	Alternative option spotlight	<b>55</b>	<b>Data Index</b>
22	Ensuring high-quality products	<b>74</b>	<b>Methodological Note</b>
<b>24</b>	<b>A People Company</b>		
27	Creating a great place to work		
30	Helping all our people realise their potential		
32	Keeping our people safe and well		
34	Engaging with our communities		
36	Spotlight on skills and education		

# LETTER FROM THE CEO

It is with great pride that I share with you the second edition of the IRCA Group Sustainability Report. This milestone reflects the continued commitment to our sustainability journey and to the comprehensive monitoring and evaluation efforts we've implemented across the Group. These efforts continue to guide our strategy and underscore the company-wide dedication to making a positive impact.

Since the release of our Sustainability Roadmap in 2023, we have taken substantial steps to bring our sustainability vision to life. We've translated our objectives into tangible initiatives, embedded sustainability into our governance structure, and embraced a proactive, data-driven approach that continues to inform the way we think and operate across the business.

Our targets are well-defined: integrating sustainability at the core of our business strategy, IRCA Group reinforces its role as an international leader in specialty ingredients. By uniting over a century of expertise and Italian craftsmanship with forward-looking sustainable practices, we can create lasting value for our people, customers, and partners.

As a testament to our work, in 2024, we were honored to receive the Gold Medal in the EcoVadis Sustainability Rating, placing our company in the Top 5% with the highest ESG score in the sector and affirming our commitment to sustainability, ethics, safety, and human rights. This achievement was an additional confirmation in our efforts to continue improving every day: from our approach and management system on ESG issues, to the concrete actions within the commitment we have made with the Sustainability Strategy that consists of three pillars:

- **Healthier Indulgence and Wellbeing Options**
- **A People Company**
- **Smart, Sustainable Solutions**

I am pleased to report the progress made in our Healthier & Wellbeing program this year. By expanding our product lines, investing in innovation, and evolving our sales mix, we are aligned with modern market trends and broadening our reach to meet the needs of an increasingly diverse consumer base – all while maintaining the exceptional quality and craftsmanship we are known for.

As part of our People-focused initiatives, this year also saw the launch of one of our most impactful community programs, the Cioccolateria project. This project provides pastry training and employment opportunities to disadvantaged individuals, directly reflecting IRCA's belief that education is key to inspiring action and driving positive social impact. In fact, a core objective across our company is to significantly expand our training initiatives in the coming years, with a strong focus on upskilling professionals and empowering young people. We strongly believe that everybody should have the opportunity to become a chef.

I must also take a moment to celebrate IRCA SpA's major cultural achievement: certification as a Great Place to Work. As a recognition based on employee feedback, this is a powerful representation of the strength of our workplace culture. We are now setting our sights on achieving similar certification (or its equivalent) in all our key markets by 2028.

Finally, in 2024, our critical Sustainability focus was the refinement of our climate strategy and the setting of robust emissions reduction targets. We understand that addressing climate change is both a responsibility and a strategic imperative. The investments we are making in renewable energy and technological innovation will not only reduce our direct emissions but also empower our suppliers to join us on this journey, creating shared value and enhancing long-term business resilience.

As a company that works extensively with raw materials, we recognize the challenges and responsibilities we face in managing environmental and social risks across our value chain. But we also see a tremendous opportunity exemplified through our partnership with Domori: building more transparent, resilient supply relationships in vulnerable sectors like cocoa, which are already feeling the effects of climate change will be imperative.

I invite you to explore the details of our progress in the pages that follow. Above all, I want to thank our incredible people and partners for their dedication, energy, and belief in our joint efforts.

Together, we are shaping a future where business growth and sustainability go hand in hand, creating a positive impact at every level.

**Massimo Garavaglia**

*CEO IRCA S.p.A*



**Extraordinary  
made simple.**

# ABOUT IRCA GROUP

## OUR BUSINESS

**IRCA Group is an international leader in chocolate, pastry creams and other high-quality ingredients.**

With a solid history of over 100 years in the food sector, the Group has a strong global footprint with 20 production sites and over 2,100 employees throughout Europe, the Americas and Vietnam. Through its brands IRCA, Dobra, JoyGelato, Ravifruit, Domori Professional and Cesarin, IRCA Group offers an unparalleled “one-stop shop” approach, delivering quality solutions for all ingredient needs through a broad range of innovative products.

In July 2022, IRCA Group was acquired by Advent International, a leading global private equity fund.

Since then, the Group has completed multiple acquisitions, adding new technologies and capabilities, including Anastasi, Cesarin and the Kerry Sweet Ingredients Portfolio. In 2024, the Group acquired the exclusive B2B global rights for Domori Professional, producer of fine aromatic chocolate products, further elevating its premium product offering and brand portfolio.

These acquisitions, coupled with strong organic growth, have led the Group to double its revenue and rapidly grow the company’s presence beyond Italian borders. While retaining its Italian roots, IRCA Group now has a significant representation and proximity to customers in key local markets, and a global presence in manufacturing, R&D, commercial offices, and its Academy network of training centres.

## OUR VISION

**Your best solution, always and everywhere.**

## OUR MISSION

**We create tasteful, innovative and sustainable products, which are the result of our passion, to offer unique moments of indulgence.**

## OUR VALUES

**PEOPLE**  
The value of our people

**PASSION**  
Dedication and commitment

**TRANSPARENCY**  
Reliable by nature

**EXCELLENCE**  
Quality beyond all expectations

**COMMITMENT TO THE FUTURE**  
Taking care of the only planet we have

## OUR BRANDS

### SMART SOLUTIONS



Undisputed leader in indulgent ingredients, such as chocolate and creams, pastry mixes, inclusions, and many other products

### GELATO SOLUTIONS



Finest Italian gelato ingredients for all application needs

### THE SIGNATURE COLLECTION



Leading supplier of frozen and ambient fruits as well as IQF



Producer of super premium and sustainable chocolate made from fine aromatic cacaos



Specialized in candied and semi-candied fruit, as well as marmalades and jams



Chocolate decorations, chocolate toppings and chocolate cups

## OUR PRODUCT PORTFOLIO

### CHOCOLATE & CREAMS



### INCLUSIONS & DECORATIONS



### FRUIT



### PASTRY & BAKERY



### NUTS






### GELATO



# IRCA GROUP GLOBAL FOOTPRINT

IRCA Group has a significant international footprint through manufacturing, commercial, and R&D sites and academies. These locations collectively allow us to progress our strategic priorities of proximity to customers in local markets, innovation in products and services, and education as the key to inspiring action and positive impact.

-  **20** Manufacturing sites
-  **3** R&D centres
-  **7** Academies/Studios



US



EUROPE



VIETNAM

**2,100+** employees

**#16** logistic centers

**#15** commercial centers

**1,000+** clients in

**100+** countries

**300+** distributors in EMEA

# A HISTORY IN HIGH-QUALITY INGREDIENTS

1919

The Nobili family acquires the company Le Essenze Italiane and starts the production of essences for liquors.

1940'S

**1940/1949**  
Acquisition of the first production machines to produce malt and malt extracts.

1960'S

**1960/1964**  
New line of improvers for semi-finished bakery goods and malt extracts.

**1965/1970**  
New line dedicated to mixes for pastry creams and patisseries.

1970

First production line for chocolate.

First technical demonstrations with products targeted at clients.

1980

Export of the products abroad.

Participation at international trade fairs.

2000

Increase of the plant in Vergiate with new production lines for flours, chocolate, followed by almonds and hazelnuts.

2015

Launch of the brand dedicated to produce ice-cream



2018-2019

IRCA inaugurates



IRCA acquires



IRCA celebrates 100 years



2021-2023

IRCA acquires






Sweet ingredients portfolio



2024

IRCA acquires



IRCA acquires Domori global rights for the Professional sector



# SUSTAINABILITY GOVERNANCE

To further develop our sustainability strategy and implement sustainability initiatives, in 2023, we appointed our first Sustainability Manager and established a Sustainability Steering Committee. This Committee brings together leaders from across our European and US affiliates, including both global business and regional staff members. Throughout 2024 the Committee met quarterly to identify sustainability objectives and trends, in order to oversee the implementation of the sustainability strategy of the Group.

**The responsibilities of the Sustainability Steering Committee include:**

- **Oversee and give guidance on key global sustainability matters, reviewing performance of the Group in line with the adopted sustainability strategy**

- **Propose and provide advice on strategic projects and resourcing**

- **Monitor, evaluate, if appropriate, and provide guidance on the Group's policies, procedures and practices with respect to sustainability**

- **Keep up-to-date with regulatory requirements and customer priorities**

- **Oversee public disclosures and alignment with sustainability rating systems**

In 2025, an Ethical Committee was appointed as the consultory body to further support the board of directors in addressing sustainability-related issues.

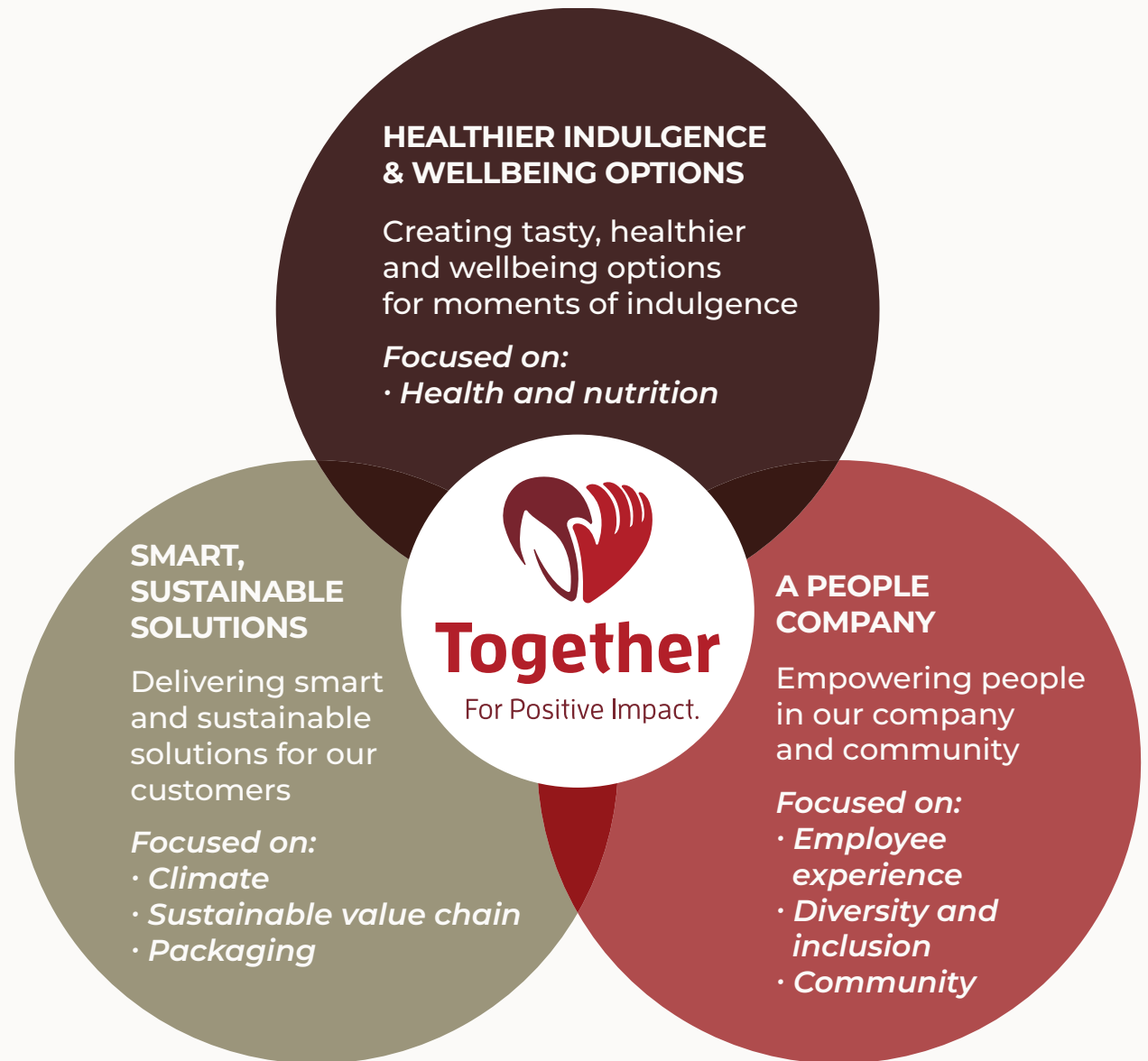


# OUR SUSTAINABILITY MANIFESTO

Our approach to **sustainable positive impact** has **people** at its **heart** – whether in creating **healthier products** for consumers, supporting the **equitable development of people** in our company and community, or offering **smart and sustainable solutions** to our customers.

We see **education** as key to inspiring action, working together to create **positive impact**.

***Our approach to sustainability has people at its heart, working together to create positive impact***



# STRATEGIC FRAMEWORK AND TARGETS

## HEALTHIER INDULGENCE & WELLBEING OPTIONS

Promoting alternative options for key product categories, improving nutritional profiles and meeting diverse customer needs and preferences.

**50%**  
of new products launched with options for healthier & wellbeing by 2025

**100%**  
of all training for chefs and Innovation Days with customers to include content for healthier & wellbeing options by 2025

**100%**  
of key product categories have healthier & wellbeing options by 2025

  
Increase sales of products with healthier & wellbeing options by 2028

## A PEOPLE COMPANY

Enhancing people's experience through education, promoting inclusivity and investing in local communities.

### EMPLOYEES

**2X**  
Twice the training hours per employee, per year, for IRCA Italy by end of 2025



Achieve Great Place to Work certification or equivalent in key markets by 2028

**80%**  
Aim for an 80% inclusivity sentiment score in annual employee-engagement survey by 2028



Achieve gender balance<sup>1</sup> in managerial positions globally by 2028

### COMMUNITIES

**10%**  
of external master-class training hours made available to people coming from social inclusion programmes by 2025



Expanding our pastry-making training initiatives by 2028, leveraging our corporate chefs to upskill professionals, with a focus on supporting young people



IRCA people have the opportunity to volunteer in the community for one day a year by 2025

## SMART, SUSTAINABLE SOLUTIONS

Reducing the impact of our products through cutting GHG emissions, smarter packaging solutions and sustainable sourcing.



Define a target for scope 1 and scope 2 emissions reduction and a scope 3 emissions reduction plan by 2024

**100%**  
of packaging is recyclable or reusable by 2028

**100%**  
renewable electricity in all key markets by 2025

**25%**  
reduction in virgin plastic per tonne of finished product by 2028

**100%**  
deforestation-free and traceable cocoa, palm oil, soy and coffee by end of 2025

# STAKEHOLDER ENGAGEMENT

## STAKEHOLDER ENGAGEMENT – ADVANCING SUSTAINABILITY THROUGH COLLABORATION

In 2024, IRCA Group continued to adopt a structured and proactive approach to stakeholder engagement as a core component of its sustainability strategy. This initiative focused on nurturing meaningful dialogue with employees, suppliers, and customers, offering transparency in the Group’s sustainability efforts, and promoting collaborative action around environmental and social issues.

The Group’s stakeholder engagement strategy was designed to pursue the key objectives of:

- **Enhancing knowledge and awareness, providing information and educating stakeholders on sustainability issues and company initiatives and standards**

- **Encouraging sustainable practices and the integration of sustainability into daily business operations**
- **Promoting an open dialogue with stakeholders to enhance opportunities for their input in guiding our innovation**

Following the publication of the Group’s inaugural Sustainability Report in 2024, a comprehensive engagement plan was developed for both internal and external audiences; this initiative emphasized performance-driven objectives, employing key performance indicators to assess effectiveness based on participation levels, knowledge shifts, and stakeholder feedback.

### CUSTOMER AND SUPPLIER ENGAGEMENT

To strengthen collaboration with customers and suppliers, the Group introduced targeted engagement initiatives:

- **Digital and Direct Communication: Engagement activities were launched via the Group’s website and social media platforms, complemented by follow-up one-on-one calls and emails in response to customer inquiries. Communication decks at exhibitions further supported these efforts**

- **Innovation Days: These events offer regular engagement with our customers, providing an interactive platform for customers to explore and propose product innovations, as well as sustainability-driven innovations, and community initiatives**

- **Knowledge Sharing: in 2025, sustainability training will be incorporated into sales and procurement team development initiatives, to ensure that sustainability becomes a core component of client presentations and supplier meetings**

### EMPLOYEE ENGAGEMENT INITIATIVES

Throughout 2024, the Group implemented several internal initiatives to engage employees in sustainability efforts:

- **Information and Awareness: sustainability newsletters and webinars were introduced, along with specialized sustainability training for key account managers and sales teams**
- **Integrating Sustainability into Daily Operations: in 2025 the Group will develop a program for employees to create a network of Sustainability Ambassadors**

*Stakeholder engagement is a core component of our sustainability strategy*



## ECOVADIS ASSESSMENT

In 2024, IRCA S.p.A. was awarded the Gold Medal in the EcoVadis Sustainability Rating, ranking among the top 5% of companies in its sector.

IRCA S.p.A. achieved a total score of 73/100, a recognition of its advanced environmental management system and strong labour, human rights and ethics policies, and sustainable procurement practices.

# ETHICS & TRANSPARENCY



IRCA Group is committed to the highest standards of corporate ethics and transparency. In 2024, we updated our Code of Ethics, outlining rules and principles for conducting business legally, fairly, and transparently while respecting confidentiality and human dignity.

- **The Code of Ethics aligns with IRCA Group's sustainability strategy, reinforcing commitments to social responsibility and environmental protection**
- **Approved by the Board of Directors, it applies to all stakeholders, including corporate members, employees, customers, suppliers, distributors, agents, and advisers**
- **The Code of Ethics was adopted by IRCA Group Luxembourg Midco 4 S.à.r.l. and its subsidiaries controlled companies have also adopted the revised Code, along with**

**new policies addressing third-party risks, anti-corruption, and anti-bribery measures, as well as the international sanctions**

At the end of 2023, IRCA S.p.A., together with its Italian subsidiaries, and IRCA Manufacturing Germany GMBH, adopted a Whistleblowing Procedure in line with EU Directive 2019/1937, ensuring reports of violations and misconduct are handled in accordance with regulations, implementing an external online platform accessible to any potential whistleblower that guarantees protection and anonymity to whistleblowers and provides investigation guidelines for the internal Whistleblowing Committee.

In 2025 the procedure will be extended to all the other companies which are part of the Group.

## OUR COMMITMENT TO HUMAN RIGHTS

In February 2025, IRCA Group adopted a comprehensive Human Rights policy, expanding the principles already embedded in the Code of Ethics and extending ethical commitments across all business partners and stakeholders, including directors, employees, suppliers, and advisers. The policy enforces a zero-tolerance approach to modern slavery and human trafficking and provides for appropriate rigorous due diligence and risk assessments to be conducted with third parties in order to identify and mitigate risks.

**Specialised training for personnel and stakeholders will be provided throughout 2025.**

Knowledge of Business Ethics documentation is regularly promoted internally and externally via company networks and the website, as well as through training of the stakeholders involved. Implementation of the Business Ethics obligation on third parties is pursued and monitored additionally through the inclusion of

adequate provisions in commercial agreements, such as automatic termination, should ethical obligations be violated.

To further strengthen governance, in May 2025 we also established an Ethics Committee composed of Leadership Team representatives from the European and US associates. This Committee will oversee compliance, reinforcing corporate integrity and responsible business practices. All these initiatives confirm and reaffirm IRCA Group's dedication to ethical leadership, transparency, and sustainability.

***We have a comprehensive Human Rights policy, extending ethical commitments across all business partners and stakeholders***





# HEALTHIER INDULGENCE & WELLBEING OPTIONS



## ACHIEVEMENTS 2024

**43%** of new products launched in gourmet segment are H&W

**82%** options in key product categories are H&W



Sales mix of H&W product **raised to 22%** (from 19% in 2023)

## OUR TARGETS

**50%** of new products launched with healthier & wellbeing options by end of 2025

**100%** of key product categories have healthier & wellbeing options by end of 2025

**100%** of chef training sessions and Innovation Days with customers to include content on healthier & wellbeing options by end of 2025



**Increase sales** of products with healthier & wellbeing options by 2028

## OFFERING HEALTHIER & WELLBEING OPTIONS

IRCA Group offers moments of indulgence - we believe all foods can be enjoyed as part of a balanced and varied diet. To meet the increasing demands for alternative dietary choices, our teams are constantly developing new solutions that will improve the ingredient profile of our products, all while maintaining the high quality and taste expected by consumers. We strive to create product alternatives that suit consumer needs, observing market trends and offering consumers a range of choices that respect dietary requirements and cater to different beliefs and values.

***We develop new products that meet customer needs, observing market trends and offering consumers a range of choices***



## MAKE DIFFERENT CHOICES

In 2023, we undertook a project to define the criteria for alternative projects within our portfolio, with the aim of offering healthier choices to consumers. These criteria include:

- **Products rich in fruit, fibre, protein and whole grains**
- **Products which meet specific consumer needs, such as vegan, plant-based, gluten-free and dairy-free**
- **The reduction of “less healthy” ingredients such as salt, certain fats and sugar**
- **“Clean label” alternatives, such as free from additives, preservatives, artificial colours and artificial flavours**
- **The use of organic or 100% natural ingredients, in some cases**

Our aim is for 50% of all new product launches to meet one or more of these criteria by the end of 2025, and we are pleased to report that in 2024, 43% of new products developed in the gourmet business segment met these requirements.

Health and wellbeing options form a key part of our R&D initiatives and we have invested in a monitoring tool to ensure continued progress. It is equally our objective to offer alternative choices for all our products by the end of 2025, a goal we are on track to achieve, with 82% of our key product portfolio already featuring healthier and well-being alternatives. Additionally, we are making steady progress toward our goal of increasing the share of total sales derived from these products, having moved from 19% in 2023 to 22% in 2024, with the highest percentage in the EMEA & APAC market at 27%.

**Over 40%**  
*new products launched in gourmet segment are H&W*



## COMMUNICATION AND INNOVATION

To enhance our efforts in promoting the importance of a balanced, varied diet and the diverse options within our portfolio, we are implementing a comprehensive communication plan covering both the topic and our latest product offerings. A new Health and Wellbeing section has been implemented across our website, and a dedicated social media plan was rolled out across company platforms. Additionally, we have updated our product catalogues, ensuring that they highlight our healthier and well-being alternatives.

**When innovating for healthier and well-being options, our key advancements stem from identifying and evaluating new raw materials and formulations.**

In our R&D process, we try to understand the impact different ingredients can have on our products, an activity often conducted in collaboration with our suppliers.

For example, we were one of the first customers of a supplier to test a specific ingredient in a chocolate application, and we now use this in our vegan chocolate.

We also run Innovation Days with our customers, to help educate and inspire them by demonstrating our products' capabilities and their use in applications.

Our aim is that, by the end of 2025, all our Innovation Days will include applications with alternative ingredient options, and we will encourage customers to consider them as alternatives or additions to products they may already use. In addition, we will include these options in our chef training to build more awareness of the importance of balanced nutrition and respect for varied diets - to this end, we are currently implementing a specific training plan for chefs focused on vegan pastry.

*By integrating healthier product alternatives into our customer engagement and chef training, we build awareness of the importance to balanced nutrition*



## LOOKING TOWARD THE FUTURE

We will continue to pursue alternative choices through a dual approach: creating champion products tailored to meet evolving market demands — such as our vegan chocolate range and reduced-sugar alternatives — while also continuously evaluating our existing products for potential improvements, like reducing sugar and fat content without compromising on great taste.

Initiatives currently underway include:

- **Reviewing our product portfolio for EU food-labelling thresholds - for example, no/low/reduced or source of-/high in**
- **Reviewing our product portfolio for customer dietary preferences or intolerances - for example vegan, gluten-free, allergens, organic**
- **Developing new wellbeing products**
- **Operating a fully segregated dairy-free production plant**
- **Improving the portfolio with fruit-based products**
- **Developing new cocoa inclusions with solely natural flavours and without hydrogenated fats, and with a high content of low-fat cocoa**





# ALTERNATIVE OPTION SPOTLIGHT

## CASE STUDY: EXPANDING PLANT-BASED INNOVATION WITH JOYGELATO

As consumer preferences shift towards healthier, sustainable choices, the demand for high-quality plant-based indulgences has surged. To respond to this market, JoyGelato partnered with an international leader in plant-based drinks, to create a groundbreaking vegan gelato solution.

Our team worked to combine products, creating a formula capable of replicating classic gelato's creamy texture and rich flavor. The result is a Kit, a mix of plant based drink for Professionals and JoyGelato's Joylife Vegan Pro powdered base. This kit

supports artisans in creating indulgent, dairy-free gelato, and includes an exclusive recipe book with guidance and techniques to perfect plant-based creations.

By making vegan gelato more accessible, this innovation ensures that great taste can bring everyone together for sustainable indulgence.

## RECENT IRCA INITIATIVES AND NEW PRODUCT DEVELOPMENTS

### PLANT-BASED CREAMS

- A new plant-based solution for pastry creams, including pistachio and hazelnut flavors. These gourmet, high-quality creams will contain at least 16% pure pistachio and 12% pure hazelnut. These creams do taste as indulgent as the non vegan options.

### VEGAN POWDERS

- A vegan range of pastry solutions with powdered cream mixes and powdered pastry mixes, suitable for cakes, biscuits and even croissants.

### BAKERY WELLNESS LINE

- A relaunch of our bakery wellness line, including alternative options that are high in fibres and grains, enriched with protein and lower in carbohydrates.

### JOYGELATO

- Our new range of vegan fruit sorbets contains 54% to 78% pure fruit. A concentrated fruit paste that will feature a clean-label recipe, free from preservatives, flavorings, and emulsifiers.

### RAVIFRUIT

- A new puree range containing 100% fruit. Additionally, a new recipe for Le Fruit Compoté product, with 70% pure fruit and without xanthan gum.

### CESARIN

- Our team has removed potassium sorbet from our new semi-candied fruit product, a clean label version of the Tutta Frutta line. Additionally, a new light jams lines with 50% less added sugar and a clean label was created.

### DOBLA

- New decoration ranges with natural food coloring, without E numbers or AZO, that is naturally sourced and processed.



# ENSURING HIGH-QUALITY PRODUCTS

Product safety and food quality standards are our top business priority. Our aim is to ensure high-quality, sustainable products, traceable from the raw material to the consumer.

Our commitment to quality is demonstrated by our high score on the Global Food Safety Initiative (GFSI) certification, a coalition for strengthening and harmonizing food systems and standards. The GFSI certification score is a central KPI for IRCA Group, as well as a guarantee of quality for our customers and relevant health authorities. Irca legacy sites are all BRC and IFS certified. Other sites are FSCC2200 or BRC certified. All of these certifications fall under GFSI. To qualify for GFSI, IRCA Group

must maintain an internal auditing program, and in 2024 in the EMEA region over 270 hours were invested in this objective. In addition, our quality-control laboratories undertake more than 1,000 tests and analyses every year on finished products and raw materials. Our commitment to quality extends across our entire supply chain, with over 90% of our suppliers (by volume) certified GFSI.

Several IRCA business units also have other certifications and policies that accommodate specific target market needs. These different actions share a common commitment to quality and food safety but are tailored to different industry sectors or regions.

In IRCA's EMEA/APAC region, policies are in place for food safety and complaint handling, supported by a Centralized Quality Documentation System (QDS) accessible to employees, customers, and auditors. The centralized QDS is being rolled out in 2025.

To continuously improve the Quality and Food Safety (FS) standards, IRCA EMEA is rolling out FS standards that all sites must fulfill. These Group standards are based and

created based on legal standards, certification standards and specific customer requirements.

In IRCA's USA sites, health, safety and quality policies are renewed every 3 years, consisting of audits, sanitation & allergen controls, safety measures and a reporting framework. A customer expectations procedure ensures compliance with specifications and addresses supply disruptions. As an additional quality initiative, it is IRCA's USA-specific goal to eliminate Red 3 dye completely from all products by July 2025.

The table below illustrates certification achievements.

**More than 1,000 tests and analyses every year in finished products and raw materials**

REGION	CERTIFICATION
EMEA/APAC	<ul style="list-style-type: none"> <li>- Each site holds GFSI certification: (BRC, IFS, or FSSC22000).</li> <li>- Sustainable product certifications: RSPO, Rainforest Alliance, Vegan<sup>2</sup>.</li> </ul>
USA	<ul style="list-style-type: none"> <li>- Compliance with HACCP, ISO/TS 22002, and GFSI benchmarked systems.</li> </ul>

<sup>2</sup> Our range of alternative products include options with each of these certifications, but singular products may not have all them.

## PRODUCT MARKETING AND LABELLING

IRCA Group is a business-to-business operator and, as such, our labelling is in clear black and white, explaining regulatory requirements in appropriate detail. On the gourmet and artisanal side of our business, we see scope for providing additional useful advice and for communicating about dietary requirements such as halal and kosher.

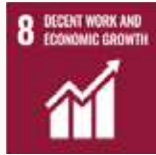
We use QR codes on artisanal products to communicate information digitally and in local languages.

**Over 90%**  
*of our suppliers  
(by volume) is GFSI\*  
certified*





**A PEOPLE COMPANY**



# ACHIEVEMENTS 2024

**13.05**  
(+6%)

average<sup>3</sup> hours of **training per employee** in Italy



**Great place to work certification** achieved in Italy



**New D&I policy** and procedure

**35%**

women in **managerial positions**

**65%**

men in **managerial positions**

**24%**

of external masterclass **training hours dedicated to social inclusion programs** in Italy



**IRCA Young project** for young professionals launched

EMPLOYEES

COMMUNITIES

# OUR TARGETS

**2X**

the number of **training hours per employee** per year for IRCA Italy by end of 2025



**Achieve Great Place to Work certification** or equivalent in key markets by 2028

**80%**

score of **inclusion sentiment** in annual employee engagement survey by 2028



**Achieve gender balance<sup>4</sup>** in managerial positions by 2028

**10%**

of external masterclass training hours dedicated to **people from social inclusion programmes** by end of 2025



**Expand our pastry-making training initiatives by 2028**, leveraging our corporate chefs to upskill professionals, with a focus on young people



IRCA people have the opportunity to **volunteer in their community one day a year by 2025**

EMPLOYEES

COMMUNITIES

<sup>3</sup> Please consider that this ratio refers to IRCA Spa's employees only and is calculated on the total of people who attended the courses.

<sup>4</sup> Gender balance refers to 40-60% of any one gender.

## EMPOWERING PEOPLE IN OUR COMPANY AND COMMUNITY

The dedication and talent of our people are the driving forces behind IRCA Group's success as an international leader in high-quality food ingredients. We are committed to making IRCA Group a workplace in which all feel included, supported in their personal and professional growth, and valued for their unique contributions. It is through empowering our global workforce that we create positive outcomes for employee experience, our customers, and the planet.

We also know that our future success relies on a strong, diverse talent pipeline; as such, we proudly support training and development opportunities in underrepresented communities via our IRCA Academy and network of corporate chefs.

**24%**  
*of training hours for  
social inclusion programs  
in Italy*

***We are committed to making IRCA Group a workplace in which all feel included, supported in their personal and professional growth, and valued for their unique contributions.***



# CREATING A GREAT PLACE TO WORK

## OUR APPROACH

We want IRCA Group to be the workplace of choice in our sector, attracting and retaining high-calibre talent across all business functions. To achieve this, we have set a goal of earning Great Place to Work® certification, or an equivalent recognition, in key markets by 2028.

**2,144**  
*employees worldwide*

By actively listening to our employees and acting on their feedback, we will continue to enhance the experience of being part of IRCA Group, ensuring that everyone can thrive and contribute to our collective success.

Having recently welcomed many new colleagues to IRCA Group through both acquisitions and organic growth, we are focused on nurturing a common workplace culture across our different sites, built on our values of People, Passion, Transparency, Excellence, and Commitment to the Future (see page 4 for full description).



## EMPLOYEE ENGAGEMENT

Since 2021, IRCA Italy has utilized the Great Place to Work® survey to assess its workplace culture and identify areas for improvement. The survey focuses on key issues such as credibility, respect, equity, organization, and cohesion. Participation in the survey is highly encouraged and consistently strong, with a 77% participation rate in 2024.

Once collected, survey results are analyzed and shared with key stakeholders. Insights help shape immediate improvements and inform long-term action plans. Workshops are then conducted to translate findings into concrete initiatives, ensuring our business policies align with employee sentiment.

As a testament to this commitment, we are proud that, in 2024, IRCA Italy achieved the Great Place to Work® certification.

This recognition reflects IRCA's dedication to fostering a workplace where everyone feels valued, inspired, and empowered.

As part of its dedication to continuous improvement, the Group plans to expand this initiative to at least one other country in the EMEA region by end of 2025, with the long-term goal of involving all Group companies. Beyond direct engagement, IRCA also fosters dialogue through indirect channels, collaborating with workers' representatives via Work Councils in every country where the Group operates.

*In 2024, IRCA Italy achieved  
Great Place to Work® certification*



---

## A CULTURE OF SUSTAINABILITY

We aim to nurture a culture of sustainability at all levels of business, helping employees incorporate appropriate objectives and initiatives – such as recycling and energy efficiency – into their day-to-day work. Efforts include regular communications on sustainability, such as newsletters, as well as sustainability training.

### **Together for a Positive Impact - Training and Engagement Program**

To foster a cohesive and shared internal culture across IRCA Group's vast and diverse network, throughout 2025, a comprehensive training program will be developed to engage the entire corporate community.

The initial phase of the training program aims to equip 20 individuals with the knowledge and tools to become ambassadors. These ambassadors will play a pivotal role in disseminating IRCA's sustainability principles both internally and externally.

Participants will explore the broader sustainability context and goals, examine the impact of sustainability on decision-making and daily behaviors, and receive spokesperson training to effectively communicate these principles.

Ambassadors will commit to training their colleagues, extending the program's reach and embedding sustainability within the organization's culture.

In the second phase, the program will focus on equipping key departments - including Sales and Marketing, Quality and Procurement, Operations, and HR - with the tools and insights necessary to integrate sustainability into their daily operations and external communications. By embedding these principles into core business functions, IRCA aims to establish a long-term, sustainability-driven culture.

---

## WELLBEING AT WORK

We offer flexible working arrangements in selected locations where job roles permit. For example, in Italy, employees can work remotely for up to two days per week. Additionally, we are actively exploring ways to enhance work-life balance for factory workers on shift schedules.

# HELPING ALL OUR PEOPLE REALISE THEIR POTENTIAL

## AN INCLUSIVE APPROACH

IRCA Group aims for equality, from recruitment through development to promotion. We want the best people, in the roles that best suit them, and to provide them with the support needed to help them achieve their full potential.

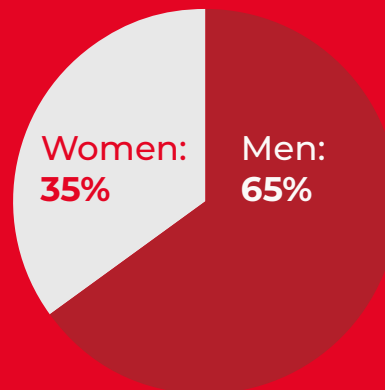
We will be reviewing and formalising recruitment and professional development to ensure unbiased and objective decision-making.

We want to ensure all employees feel IRCA Group is an inclusive place to work. We have a company-wide objective to achieve gender balance<sup>5</sup> in managerial positions by 2028, a goal we are on target to reach;

We now have a 35% female and 65% male representation in managerial positions.

We have additionally set a goal to achieve an 80% inclusion sentiment score in all annual employee engagement surveys by 2028.

### *Employees identified as Managers*



## Addressing the Gender Gap through Recruitment

To achieve our gender balance targets, in 2024, IRCA introduced a new recruitment process aimed at improving gender representation.

This approach focuses on addressing the underrepresented gender within each function. The initiative was kick-started through recruitment meetings covering awareness, assessment, and strategic approaches, leading to a candidate shortlisting process that ensured balanced representation.

IRCA Group will continue to review and standardise recruitment, promotion and professional-development processes across the company, to ensure unbiased and objective decision-making.

## TRAINING AND DEVELOPMENT

As a food company, we have always adopted a technical approach to training, addressing key areas such as safety and food quality. However, we are now expanding our training focus to include 'softer' skills development. Currently, we assess training needs through an evaluation process led by line managers, with personalized actions for each individual. Moving forward, we aim to enhance this approach by adopting a more comprehensive 360-degree evaluation method.

In 2024, we launched a new program in Italy dedicated to R&D Talents, our "R&D Graduate Program". After a specific assessment of different steps, we hired 4 talents who graduated in Food Science Technology. These individuals had the opportunity to explore different functions such as Operations, Procurement, Customer Service and Marketing, building a 360° view of the company and its processes in order to develop a broader and more strategic vision of their final role.

Our goal for IRCA Italy is to double the number of training hours per employee by the end of 2025, and we plan to set similar targets across the entire Group.

Our global objective is to establish a company-wide policy and strategy for training and development, ensuring that all employees have access to training appropriate for their role and level.

**21**  
*average hours of training per employee globally*

***Our training merges technical areas such as safety and quality, with softer skills development - we strive to ensure that all employees have access to empowering training that matches their role***



# KEEPING OUR PEOPLE SAFE AND WELL

## OUR APPROACH

At IRCA, workplace safety is a key cultural value. Ensuring world-class Health & Safety (H&S) performance is our top commitment as we have a responsibility to provide a zero-harm work environment for our employees and on-site contractors, and to ensure that our sites and activities do not cause harm to the local communities where we operate.

IRCA is committed to compliance with legal requirements and with IRCA internal standards and requirements in all regions where it operates. Safety and health are part of IRCA's conversations with workers at all levels of the organization. IRCA

also collects and responds to feedback as part of the safety meeting and training processes and has adopted the "All Together for Safety" program. Developed based on insights from frequent employee surveys, this initiative significantly reduces incidents and enhances employee awareness of health and safety.

Organizational leaders' involvement and dedication to prioritizing and promote health, safety, and environmental practices is also one of our key expectations. Group Health and Safety Manager is also conducting internal audits which are crucial for maintaining compliance with regulatory requirements and international standards, identifying opportunities for improvement, promoting a culture of proactivity in identifying weaknesses, as well as preventing a gap that could become a more serious deviation.

**H&S measures in place include:**

- **All production managers have health and safety (H&S) targets cascaded from corporate objectives and targets**

- **Plants track H&S metrics, including injury frequency index, gravity index, number of reported near misses and H&S training hours**

- **All reportable injuries are investigated; corrective and preventive actions (CAPAs) are identified and tracked for timely and effective closure. Investigations are being shared for proper leveraging**

- **All employees receive EH&S training based on job role, job location, knowledge/skill performance and regulatory requirements**

- **The gaps identified during internal audits are tracked for timely and effective closure**

Following the expansion of the Group, we are aligning the health and safety approaches of the legacy IRCA Group companies and the newly acquired companies, incorporating the best practices from each to ensure a proactive, risk-based approach. For example, our IRCA USA sites have adopted a 'We Care for Safety' policy, customized to align with the specific needs and logistical realities of the local context.





## WORKING CONDITIONS

The IRCA Group Code of Ethics (see page 12/13) outlines our policy on human and labour rights. Globally, 20 IRCA Group plants have completed a SEDEX self-assessment (identifying them as low risk), and all IRCA Sweet sites have undergone SMETA four-pillar audits, covering labour, health & safety, environmental assessment and business ethics.

Currently, eight sites in Italy have achieved the ISO 45001 certification for health and safety. This international standard outlines criteria for H&S policy, with key elements including leadership commitment, worker participation, hazard identification and risk assessment, legal and regulatory compliance, emergency planning, incident investigation, and a focus on continual improvement. Implementing ISO 45001 provides significant value for those intent on reducing workplace incidents. Our Italian site teams worked diligently to achieve and maintain certification, undergoing rigorous auditing and demonstrating consistent effort and proactive risk management over time. Our goal is for all sites to have this certification or equivalent. In Vietnam, our plant is SA8000-certified, the most widely recognised global standard for managing human rights in the workplace.

## WORKING INJURY AND ILLNESS PREVENTION (IIPP)

At IRCA Group, the commitment to maintaining a safe and healthy workplace is strengthened by its Injury and Illness Prevention Program (IIPP). This program aims to prevent and minimize injuries and illnesses by enhancing key elements such as management commitment, employee participation, hazard identification, prevention, and training.

The program aims for continuous improvement and applies to all employees, emphasizing clear responsibilities, communication, and effective emergency responses.

## EMPLOYEE CONSULTATION

Moreover the collective agreement, in Italy the company used to sign a three years second level agreement with trade unions enhance collaboration and improve working conditions through mutual consultation. The next one will be signed in 2025.

# ENGAGING WITH OUR COMMUNITIES

Our approach to community engagement has traditionally focused on supporting local social and charitable initiatives in the areas where we operate our plants and offices. Moving forward, we are developing a global community strategy with a primary emphasis on educational initiatives. This strategy will focus on fostering skill development for individuals from disadvantaged backgrounds.

Our goal for 2025 is to allocate 10% of external masterclass training hours in professional pastry skills to individuals from social inclusion programs. Additionally, we are developing a dedicated program for young pastry chefs as part of our broader objective to increase skills training in the pastry and bakery industry tenfold by 2028.

We also want to ensure that our employees have meaningful opportunities to give back to their commu-

nities. Engaging in social causes not only benefits our communities, but equally nurtures a sense of purpose and fulfillment.

For example, in Vietnam, each year we organize an initiative to engage employees, like tree plantation or blood donation. In 2024, we successfully planted 1,700 Melaleuca trees on company territory. A total of 50 people attended the event, and the employees managed to cover an area of around 6000 m<sup>2</sup>.

Enhancing our volunteering opportunities helps us to improve employee engagement, strengthen team morale, and create a culture of social responsibility that extends beyond the workplace. It is therefore IRCA Group's goal that by the end of 2025, all employees will have the opportunity to volunteer for one day a year.

**1,700**  
*Melaleuca trees planted on company territory in Vietnam.*

***Our employee volunteering opportunities improve engagement, strengthen morale and build a workplace culture of social responsibility that extends beyond IRCA***



## COMMUNITY ACTIVITY HIGHLIGHTS IN 2024

### CIOCCOGELATERIA

As part of our social commitment, in 2024, IRCA Italy launched the Ciocco-gelateria project. This empowerment initiative is built on the belief that everyone should have the opportunity to become a chef.

Cioccogelateria was designed to provide pastry training and employment opportunities to disadvantaged individuals; the project emerged from a collaboration between San Carlo Società Cooperativa Sociale – an organization that supports people with disabilities and women who have experienced violence – Pasticceria Buosi, and IRCA Group, with IRCA Italy assuming a key role in providing financial support, training, and pastry products.

The initiative aimed at creating new opportunities for people with disabilities or those from challenging social backgrounds, providing them with tangible opportunities for social inclusion and personal autonomy.

In March 2024, the training program took place at the IRCA Academy in Gallarate, featuring six modules totalling 18 hours of ice cream-making skills. The program was led by 2 IRCA Corporate chefs and trained seven individuals from Cooperativa Sociale San Carlo.

The individuals trained are now employed at the newly opened “Cioccogelateria Sociale,” which opened in the historic center of Tradate, in the province of Varese, in Autumn 2024.

We are proud to have developed the dedicated training program which equipped these individuals with the technical skills needed to pursue meaningful employment opportunities. As part of our ongoing commitment to community engagement, IRCA will continue to harness our expertise in training as a powerful tool for driving positive social impact.



La CioccoGelateria Sociale  
DIVERSAMENTE BUONI



# SPOTLIGHT ON SKILLS AND EDUCATION

## IRCA YOUNG

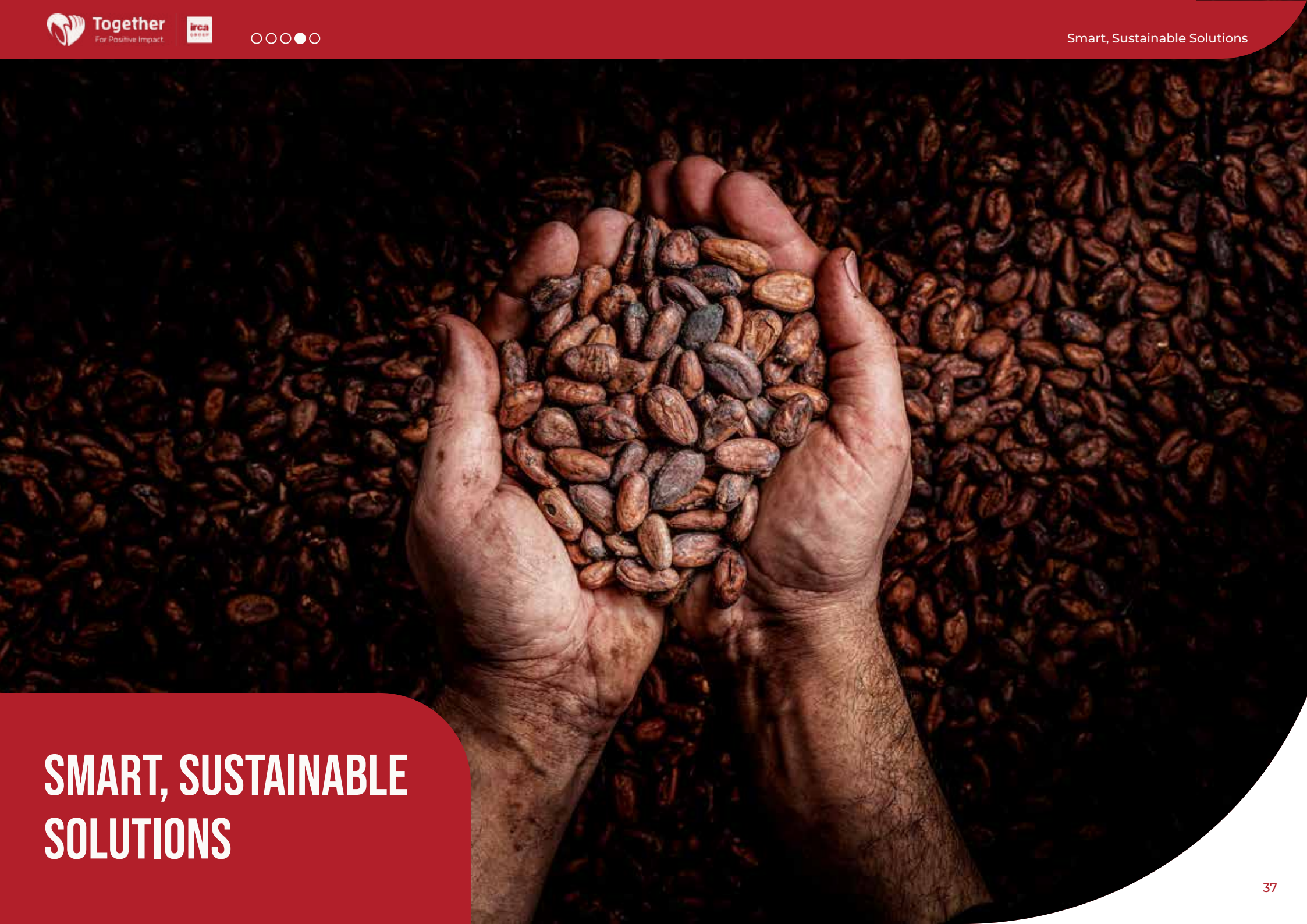
In 2024, we launched the IRCA Talent program, IRCA Young. Specifically designed for aspiring young chefs, the program leverages a hands-on approach to deliver a stimulating and unparalleled learning experience.

The initiative aims to create value for young people, raise awareness of the opportunities within the culinary sector, and empower the next generation of pastry chefs. We offered young chefs, students, trainees, and emerging professionals the chance to participate in a pilot program, launched in 2024 at two IRCA culinary schools: Falcone in Gallarate and Zanardelli in Brescia. Plans are in place for a wider rollout in Italy and internationally in 2025, engaging additional schools and brands.

At Falcone, a public school deeply connected to the local community, a five-day training course was delivered to five students, focusing on the preparation of the traditional Italian Christmas dessert, panettone. Known for its complexity, the students gained valuable hands-on experience, practicing modern pastry techniques to master this challenging product. At Zanardelli, 10 students participated in a similar training program, focusing on the production of an exclusive chocolate bar line. This session allowed students to acquire specialized skills in complex chocolate techniques while contributing to the development of a product to be launched on the market.

These initiatives offer participants not only expert training but also practical, project-based experience that mirrors the challenges they will face in the industry, all while providing the opportunity to meet top pastry chefs. For IRCA, it is an excellent way to discover and nurture emerging young talent. For these reasons, we are committed to expanding our industry-leading training programs, enhancing their accessibility, and working to ensure that as many individuals as possible have the opportunity and the skills to become a chef.





# SMART, SUSTAINABLE SOLUTIONS



## ACHIEVEMENTS 2024



**New climate strategy launched in 2024** with targets reduction for Scope 1 and 2 emissions



**Full scope 1, 2, 3 GHG inventory assessment**

**100% renewable electricity** in 9 sites and 2 sites with transition already agreed for 2025 in EU (on a total of 16)

## OUR TARGETS



Define a **target for scope 1 and scope 2 emissions reduction** and a **scope 3 emissions reduction plan** by 2024

**100% renewable electricity** in all key markets by 2025

**100% deforestation-free** and traceable cocoa, palm oil, soy and coffee by 2025

**100% of packaging is recyclable or reusable** by 2028

**-25% reduction in virgin plastic** per tonne of finished product by 2028

## DEVELOPING SMART AND SUSTAINABLE SOLUTIONS FOR OUR CUSTOMERS

We are committed to being a solution-oriented partner for our customers, working together with a strong ambition for sustainability. We are dedicated to continuous improvement and continuously seek sustainable solutions across our value chain to help our customers achieve their environmental goals. This includes sourcing raw materials responsibly, setting climate targets, reducing plastic use, and enhancing the recyclability of our packaging.



# ENVIRONMENTAL MANAGEMENT

## OUR APPROACH

Our approach to environmental management encompasses energy, water, and waste, with a foundation in operational efficiency. We integrate internationally recognized standards into our processes, including ISO certifications. Currently, 10 of our sites are certified to ISO 14001 (environmental management), and one site holds ISO 50001 (energy management).

The ISO 14000 family of standards, provides a framework for organizations to:

- **Minimize their environmental impact on air, water, and land**

**Comply with environmental laws, regulations, and requirements**

- **Continuously improve environmental performance**

As with international standards for quality management, ISO 14000 certifications focus on the processes behind a product or service rather than the end result - certification is conducted by third-party organizations, following precise auditing standards. Our sites are compliant with the most recent version, ISO 14001:2015, published in September 2015.

At our ISO 14001-certified sites, the commitment to continuous environmental improvement includes preventing pollution, reducing waste and greenhouse gas emissions, conserving resources by optimizing energy and water use, and managing environmental risks. Our environmental management systems integrate sustainability into production and logistics while ensuring legal compliance and ongoing performance monitoring.

We also prioritize employee engagement and training, as these are equally key to solidifying a culture of environmental responsibility. By empowering our teams, we reinforce participation in sustainable practices that contribute to a more resource-efficient and environmentally responsible operation.

**62%**  
*of production sites certified ISO 14001 globally*

***Our environmental management certifications attest to our continuous improvements, reducing pollution, waste, emissions, and conserving energy and water***

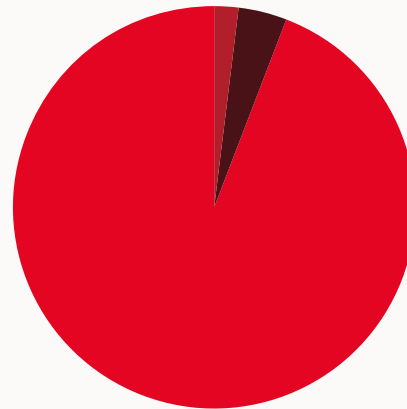
# REDUCING OUR CARBON EMISSIONS

## OUR APPROACH

Operational efficiency is at the core of our business, and energy efficiency plays a crucial role in this. In recent years, we have made significant progress in reducing energy consumption at our manufacturing facilities by identifying improvement opportunities and making strategic investments. Expanding our use of renewable energy has also been a key component in lowering our greenhouse gas (GHG) emissions.

### Calculating our Carbon Footprint

In 2024, IRCA Group took a major step in its Climate Strategy by committing to reducing both direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions. That same year, we conducted our first comprehensive GHG inventory, revealing:



- **Scope 1 emissions:**  
4% of total GHG emissions
- **Scope 2 emissions:**  
2% of total GHG emissions
- **Scope 3 emissions:**  
94% of total GHG emissions

This distribution aligns with our business model, which relies on sourcing raw materials such as cocoa, sugar, and palm oil from South America and Africa.



# EMISSION REDUCTION TARGETS

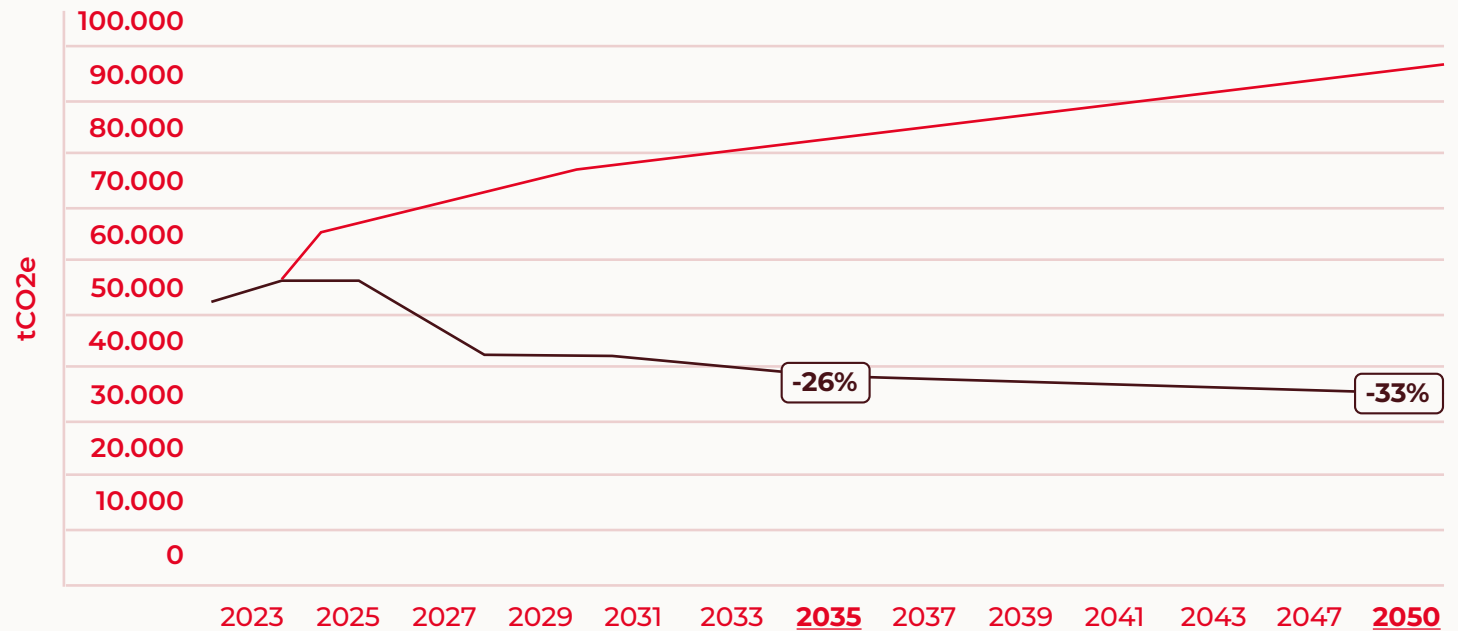
At IRCA Group, we recognize that mitigating climate impact is both a responsibility and a business necessity. Our commitment to sustainability starts with addressing our direct emissions and gradually expanding our efforts across the value chain.

Our Reduction Trajectory Plan sets the following goals for Scope 1 and Scope 2 emissions, using 2023 as the baseline year:

- 26% reduction by 2035
- 33% reduction by 2050

## DECARBONIZATION TRAJECTORIES SCOPE 1 2

- EMISSION TRAYECTORY BAU (BUSINESS-AS-USUAL)
- REDUCTION TRAJECTORY



These targets represent a realistic and structured approach to balancing ambition with feasibility. As we gain more insights and refine our strategy, we will revisit and adjust these targets accordingly.

## LEVERS FOR EMISSIONS REDUCTION

To achieve these targets, IRCA Group has identified several key levers for reduction. One of the most significant is covering all electricity consumption with renewable energy - either purchased through Guarantees of Origin (GOs) or self-produced via photovoltaic (PV) plants, which are already operational at nine facilities. This number will continue to grow with new installations, several of which have already been approved, as expanding on-site renewable energy generation remains a priority.

Additional levers include the implementation of IoT-integrated monitoring systems - already in place at initial sites - to improve energy efficiency and reduce consumption across major energy loads, as well as transitioning our company car fleet to more hybrid or electric vehicles. Other measures involve electrifying heating systems and replacing high Global Warming Potential (GWP) refrigerants with low or zero-emission alternatives.

Our strategy also includes two further areas under active evaluation to help close the remaining gap toward our 2035 and 2050 decarbonization targets: enhancing energy efficiency in production processes and substituting natural gas. An in-depth analysis of these levers is underway to identify the most technically and economically viable solutions for the Group's long-term GHG emissions reduction.

This chapter outlines key initiatives related to energy efficiency, renewable electricity use, emissions reduction, and broader environmental efforts implemented to meet these targets, conserve resources, and enhance overall environmental performance.

While these initial efforts have centered on our own operations, we are now working with suppliers to better understand and address Scope 3 emissions. This will facilitate the development of a Scope 3 reduction plan.

*Transitioning all our electricity consumption to renewable energy sources - including self-produced - will be key to reducing IRCA's overall emissions*



# ENERGY EFFICIENCY

In 2024, we focused on implementing high-impact energy efficiency measures based on insights from our carbon footprint analysis. Across multiple IRCA sites, we have undertaken targeted improvements, including LED Lighting Upgrades. Energy-efficient, sensor-controlled LED lighting was installed at our sites in Hochheim, IRCA UK, Bretton, and multiple locations in Italy. At our USA EGV site, 80% of the facility now uses LED lighting, with the remaining 20% scheduled for completion in 2025.

## Site-Specific Initiatives

### BRETTON, UK

- Introduced a monitoring system to ensure all appliances and lighting are switched off in offices over weekends
- Replaced existing motors with high-efficiency models, reducing energy consumption by 15%
- Upgraded insulation, coatings, and windows to enhance heating efficiency in winter and cooling efficiency in summer
- Installed gas meters on ovens, leading to a 3–12% improvement in energy efficiency

### ALL UK SITES

- Implemented a cogeneration system, producing both electricity and heat from a single energy source to enhance efficiency and reduce emissions

### HOCHHEIM, DE

- Introduced an internal suggestion system and employee training programs to promote energy-conscious behavior
- Integrated energy efficiency criteria into procurement decisions
- Adopted peak shaving, reducing reliance on high-emission power plants by lowering energy demand during peak times
- ISO 50001 certified

### GALLARATE, IT

- In 2024, all production sites in Gallarate achieved ISO 50001 certification. This international standard provides a framework for organizations to establish, maintain, and improve an energy management system (EnMS), enhancing energy efficiency, reducing costs, and minimizing environmental impact
- At the Orsini site we replaced the existing chiller with a new energy-efficient model

# RENEWABLE ELECTRICITY

Our goal is to purchase 100% renewable electricity in key markets by the end of 2025. We have already achieved 100% renewable electricity procurement at all production plants in the UK and Belgium, at four manufacturing sites in Italy, and in France, where our energy supply is fossil-fuel free.

Recognizing that change starts from within, we are actively exploring opportunities to generate our own renewable energy by installing solar panels at various sites, further supporting our transition to sustainable power sources. We have currently installed solar panels at nine sites, including 7 in Italy, 1 in Belgium and 1 in Vietnam.

The latter was installed at our Dobra plant in Vietnam, for a total of 926 photovoltaic (PV) solar panels with a total capacity of 500 kWp. The system, operational since April 2023, is monitored online and can cover up to 25% of daily electricity consumption of the site, depending on weather conditions.

Given the stable sunlight in southern Vietnam, annual CO<sub>2</sub> savings are projected at approximately 300 tons. In March 2025 we increased the capacity with an additional 400 kWp and estimated 240 tons/year of CO<sub>2</sub> emissions saved. This figure clearly demonstrates the benefits of PV installation in sunny climates, and we will strive to expand the initiatives to other suitable IRCA Group sites.

## KPI 2024<sup>6</sup>

**37,477**

Total Scope 1 and Scope 2 CO<sub>2</sub>e emissions (metric tons CO<sub>2</sub>e, MB)

**0.127**

CO<sub>2</sub>e intensity (metric tons CO<sub>2</sub>e/metric tons of product produced)

**176,777**

Total energy consumption (MWh)

**0.60**

energy intensity (MWh/tons)

**54%**

of the electricity purchased from renewable energy sources, GO certified

# SUSTAINABLE SOURCING

## OUR APPROACH

It is our global objective that by the end of 2025, all our cocoa, palm oil, soy, and coffee is 100% traceable and deforestation-free, and we work closely with our suppliers to meet customers' requirements for sustainable sourcing. Our approach is grounded in working with recognised NGOs, industry-leading certification programmes such as Rainforest Alliance and Fairtrade International and Roundtable for Sustainable Palm Oil (RSPO), and membership organisations such as the World Cocoa Foundation.



For cocoa and palm oil, we offer both mass-balance and segregated sourcing for customers who require this additional level of traceability. By working with NGO certification schemes, we can demonstrably meet both our own and our customers' sourcing requirements.

This includes sourcing products from non-deforested and non-exploited areas, complying with full chain-of-custody traceability regulations, and upholding high ethical standards in the supply chain, including those related to human rights. Additionally, all certification schemes include environmental requirements related to biodiversity.

We require all our suppliers to sign the IRCA Group Code of Ethics as part of commercial agreements or provide their own ethical standards so we can ensure they align with ours.

### COCOA

- We source high-quality cocoa to make our chocolate products. In the EMEA region, certified cocoa accounted for 20% of our total volume, including both Rainforest Alliance

and Fairtrade. By leveraging the capabilities of different suppliers, we can create specifications to suit each different customer's requirements, an approach that also increases the resilience of our supply chain.

To strengthen our overall contribution to the sustainability of the cocoa supply chain, we are also an active member of the World Cocoa Foundation (WCF), a science-backed, industry-led forum. WCF supports primary production of cocoa through multiple initiatives that empower farmers and promote sustainable choices for people and the environment.

### PALM OIL

- We are close to sourcing 100% of our palm oil from certified sources. In 2024, 97%<sup>7</sup> of the palm oil we purchased came from RSPO-certified sources, either mass-balanced or segregated.

### OTHER INGREDIENTS

- Our largest ingredient by volume is sugar. We source this mostly from within Europe, as well as small amounts of imported cane sugar

from countries approved by the EU. We source all our dairy products from Europe, using European milk.

### KPI 2024

**97%**  
of palm oil purchased  
RSPO-certified

**20%**  
of cocoa purchased  
was Rainforest Alliance  
Certified or Fairtrade



## THE EU DEFORESTATION REGULATION (EUDR)

The European Union's new Deforestation Regulation (EUDR) requires companies trading in products derived from cocoa, coffee, palm oil, soy, cattle, rubber, and wood to conduct extensive due diligence across their supply chains. This ensures that goods do not originate from recent deforestation, forest degradation, or violations of local environmental and social laws.

At IRCA, even if most of our suppliers are based in EU countries we have been proactively working with our suppliers over the past year to ensure compliance with the EUDR by the end of 2025. We have taken significant steps to engage suppliers and customers, define compliance processes, and implement IT systems to support these efforts.

### Key Actions Taken

- **Supplier Engagement:** Conducted surveys, meetings, and collaborations with suppliers and trade associations;
- **Traceability & Data Management:** Completed raw material and product mapping and we are implementing a comprehensive data management system.

- **Compliance Preparation:** Developing a Due Diligence Statement (DDS) for clients, including a digital document folder with traceability and geomapping data.

We remain committed to transparency and sustainability, ensuring that our supply chain aligns with the highest environmental and ethical standards.

## HUMAN RIGHTS IN OUR SUPPLY CHAIN

To ensure our suppliers uphold high standards of human rights – including zero-tolerance of child labour, forced labour and bonded labour – they must adhere to the IRCA Group Code of Ethics.

In February 2025, IRCA Group adopted a new comprehensive Human Rights policy, expanding the principles already embedded in this Code of Ethics and extending ethical commitments across all business partners and stakeholders, including directors, employees, suppliers, and advisers. The policy enforces a zero-tolerance approach to modern slavery and human trafficking and provides for appropriate rigorous due diligence and risk assessments to be conducted with third parties in order

to identify and mitigate risks.

The Group is also working on a due diligence process to monitor risks and ensure sustainability along the value chain. As part of our broader commitment to human rights, IRCA also participated in developing a sector-wide Supplier Code of Conduct with Fedima, the European bakery trade association, to help promote a focus on human rights throughout the industry.

We are also members of the World Cocoa Foundation, through which we are supporting work that combats child labour in the cocoa supply chain, one of their three key focus areas.

***IRCA Group's Code of Ethics and Human Rights policy extend our strong commitment to ethics and human rights across our value chain***

# TRAINING ON SUSTAINABLE PROCUREMENT

Training on sustainable procurement is mandatory for all employees, from directors to factory workers, to be able to maintain sustainability certifications such as RSPO, Rainforest Alliance and Fairtrade. In 2024, the course was runned by 171 people<sup>8</sup>.

Topics covered include how IRCA works towards sustainability certification, and the various applied models, such as mass balance and segregation. Those who work directly in procurement, and with the certifications, undergo additional specific training across all business units.

Additional specialised training specific to our new human rights policy will be provided to personnel and stakeholders throughout 2025.

## STRENGTHENING SUPPLY CHAIN TRANSPARENCY

As of February 2025, IRCA Group has begun integrating software solutions to enhance supply chain transparency and sustainability.

The introduction of the digital solutions will enable automated, data-driven risk assessments across the entire supply chain, ensuring systematic adherence to due diligence obligations related to human rights and environmental standards.

With these tools, IRCA Group takes a proactive step toward meeting evolving regulatory requirements while reinforcing our commitment to sustainable and responsible sourcing.

*We maintain our important sustainability certifications by providing mandatory training on sustainable procurement for all employees*

### KPI 2024

**171 people** have received training on sustainable procurement

## DOMORI: MASTERING CHOCOLATE PRODUCTION WITH FULL SUPPLY CHAIN CONTROL

Domori, the premium chocolate producer (for which IRCA Group signed an exclusive global B2B commercialization agreement in 2024), has deep expertise in cocoa cultivation. As both a grower and manufacturer, the company understands the complexities of producing fine cacao, a delicate and low-yield crop. Domori selects its suppliers directly, nurturing long-term relationships built on trust, quality, and paying growers fairly.

Because fine cacao requires careful cultivation, Domori invests in continuous training, ensuring growers can improve productivity while maintaining high standards. By adding a fair margin to the market price, the company guarantees sustainable wages, protecting farmers from market fluctuations and reinforcing its commitment to ethical sourcing.

Domori itself produces cocoa: beyond its own Criollo cacao farms in Venezuela and Ecuador, Domori sources Trinitario from nine countries and Arriba Nacional from Ecuador, working with local NGOs, cooperatives, and authorities to uphold fair labor practices, sustainability, and quality. Its strict partner selection ensures compliance with ethical and environmental standards throughout the supply chain.

Domori also incentivizes biodiversity by rewarding partners who cultivate rare, low-yield cacao varieties. It upholds strict environmental standards, avoiding post-harvest chemical treatments and prioritizing organic production.



# IMPROVING THE SUSTAINABILITY OF OUR PACKAGING

## OUR APPROACH

As a B2B company, we primarily package our products in bulk rather than individually wrapped consumer formats. While our packaging is already highly efficient in terms of product-to-packaging ratio, we recognize the need to further minimize its environmental impact. To achieve this, we are testing lighter materials, eliminating unnecessary components, and transitioning to recyclable or reusable solutions. However, maintaining product safety and quality throughout transportation and storage remains our top priority, requiring us to balance sustainability efforts with the operational needs of our clients.

We are currently developing a sustainable packaging roadmap for our core categories, aiming for 100% recyclable or reusable packaging by 2028 while reducing overall plastic use. Some of our initiatives include shipping liquid chocolate and creams in bulk via tanker trucks to eliminate packaging, and reducing labelling by embossing logos directly onto containers. We are also increasing the use of recycled materials in cardboard packaging and exploring reusable packaging solutions in alignment with the EU Packaging and Packaging Waste Directive. These efforts will have implications across our entire value chain as we continue to drive sustainability in our packaging approach.

In 2024, we began a project at our subsidiary Dobra to reduce the impact of the plastic trays used for our decorations. Supported by a specialized advisor, the entire leadership team participated in workshop sessions aimed at finding practical solutions to address the issue. These included optimizing the number of pieces per tray, avoiding unnecessary

overpackaging, and exploring alternative materials. We are currently in the testing phase to identify solutions for implementation and scaling.

In Italy, we also introduced a new reusable solution for pastry creams. The pilot was tested to meet the needs of a specific client and could potentially be extended to other products.

Finally, in 2025, we launched a new global project to review all packaging in the EMEA market, with the goal of making it recyclable or reusable. The project is still ongoing.

***We work hard to reduce packaging impact, testing lighter, recyclable solutions while ensuring our products remain safe and high-quality for our clients***



## CASE STUDY: PRESERVING BETTER, USING LESS

Ensuring optimal preservation for frozen products often comes with environmental challenges. RAVIFRUIT, the fruit purée brand and a distinct company within the Group, has embraced this responsibility by launching an ambitious, ongoing packaging improvement project.

Its objective is to protect product quality while using fewer resources. In 2024, RAVIFRUIT achieved a major milestone – 100% recyclable packaging for its frozen fruit purées.

One key innovation was printing the label directly onto the same material as the tub – polypropylene – creating a single, seamless, recyclable unit. This integrated design makes the packaging not only recyclable but also washable and reusable, much like a standard food tin.

Looking ahead, RAVIFRUIT’s packaging team is exploring ways to further reduce the plastic present in the product’s lid, targeting a 14% reduction, without compromising safety or product integrity.

In alignment with the Group’s broader climate goals, RAVIFRUIT is also investing in carbon-neutral packaging: all cardboard used is sourced from FSC-certified forests, ensuring that the wood used comes from sustainably managed forests, and that its extraction does not harm biodiversity.

### **KPI 2024**

**100%**  
recyclable packaging for  
frozen fruit purées

# WATER

We manage water in our plants as part of our approach to operational efficiency, and we are always looking for opportunities to reduce the amount of water we use. As part of our new sustainability strategy, we will be conducting a water-stress assessment. Following this, we will set water reduction targets for IRCA Group plants in water-stressed areas, with the goal of being water-balanced.

Our plants use water mainly for cleaning the production lines between different product runs, so reducing the flushing in the production sequence can have an important effect on water use. All IRCA Group sites track the volume of water used per tonne of finished product, aiming to continuously improve water efficiency and detect potential inefficiencies in our manufacturing processes. We also have a project underway to repair leaks.

In Cesarin, we have reduced water use by moving from a dynamic cleaning process for the fruit to a new static cleaning process. This new approach has reduced water use by 50%, while also reducing the wear on our machinery.

In our plants at Gallarate and Vergiate (Italy), we have installed plants to treat all our wastewater discharge by physical, chemical or biological filtration, to return cleaner water to the environment. We also treat wastewater at our UK plant and are installing a treatment plant at our Vietnam site in 2025.

At our USA site, in 2025 we intend to upgrade our hot water appliances, to reduce water usage during cleaning.

*All our sites track the water used per tonne of finished product, and we strive to continuously improve water efficiency*

## KPI 2024

**266,625**  
water consumption (m<sup>3</sup>)

**0.90**  
water intensity (m<sup>3</sup>/ton)



# WASTE

We have achieved zero waste to landfill at a number of sites, including at 90% of our European manufacturing sites. Affton and New Century, in the US, send no waste to landfill. Elk Grove Village and Union City are close to declaring the same.

We follow the same efficiency-based approach as for energy, assessing where we generate waste and then planning clear steps for how to reduce it. All our sites track the amount of waste generated per tonne of finished product and have implemented measures to reduce it – with a particular focus on food waste – through continuous improvement of each production process. Each line and each plant has KPIs in place to track this.

Our goal is to reduce the waste created during the production process. We do this through increased training, as well as increasing awareness of all general waste and participation in reduction initiatives. Where there is waste, where possible we find alternative uses for it, such as anaerobic digestion or production of animal feed. We also work to reduce waste from our packaging.

## **KPI 2024**

**99.6%**  
diversion rate from landfill

***Minimizing production waste is our priority. We accomplish this through training, raising awareness and encouraging involvement in waste reduction programs.***





## CASE STUDY:

# ACHIEVING 100% CIRCULAR ECONOMY BY UPCYCLING FRUIT RESIDUE

At IRCA Group, we are committed to repurposing waste and by-products from our manufacturing processes, striving for a more sustainable and circular economy.

RAVIFRUIT, the fruit purée brand and a distinct company within the Group, has successfully implemented 100% circular economy solutions by upcycling all fruit residues. By giving new life to fruit waste, they reduce resource consumption, minimize environmental impact, and create innovative products using natural materials. In addition, RAVIFRUIT provides fruit leftovers to partner companies, allowing them to repurpose these materials for their own needs.

Examples of this upcycling include blackcurrant skins, which are used by a partner to make herbal tea, raspberry seeds, which a pharmaceutical partner processes to extract polyphenols

for medicines, and peach pits, which a landscaping company repurposes as an ecological alternative to gravel for paving driveways.

Remaining co-products are sent to an agricultural methanization facility just a few kilometers from our Anneyron site, where they are converted into biogas and reinjected into the local grid as electricity.

In the future, the RAVIFRUIT production teams hope to collaborate with other manufacturers to produce plant-based leather, and to explore ways to convert fruit residue into electricity for local cities in France.

# DATA INDEX

IRCA's Group Sustainability Report is prepared on a consolidated basis, adopting a consolidation scope in line with the Group's Financial Statement, net of some exclusions detailed below. This has led to a significant reporting scope expansion with respect to previous disclosure, resulting in improved data accuracy and completeness.

This Report represents a first step towards the progressive alignment with the new regulatory requirements provided by the Corporate Sustainability Reporting Directive (CSRD): indeed, the Group has developed a reporting inspired by the principles defined in the European Sustainability Reporting Standards (hereinafter "ESRS" or the "Standards"), especially with regard to metrics. In this perspective, to ensure greater adherence to these Standards, some metrics have been updated compared to the previous reporting, while others have been introduced for the first time. All quantitative data are calculated

using the best available calculation methods at the time of drafting this document, always preferring the use of primary sources, where possible. If it was necessary to use estimates and assumptions, the Group ensured that the best-known practices were adopted, thereby guaranteeing accuracy and reliability of the results. With a view to continuous improvement, methodologies for data collection, measurement, and calculation will be refined in preparation for the next disclosures; it is therefore wise to expect potential variations in the historical data presented in the upcoming Sustainability Reports. For further details and insights regarding specific KPIs subject to disclosure and their related reporting scope, please refer to the table provided in the "Annex" section of this document.

The definition of the topics subject to disclosure, and the related associated KPIs associated, outlined in the section "Together for positive impact - Developing IRCA's sustainability strategy" of this document, to which reference is made for more details, is the result of the Materiality Impact Analysis process conducted by the Group, which focused on IRCA's own operations and, therefore, on the posi-

tive and negative impacts associated, in the short, medium, and long term<sup>9</sup>. Therefore, the current Sustainability Report does not reflect the principle of Double Materiality prescribed by the ESRS reporting principles; actions will be taken during the upcoming reporting period to ensure that the principle of Double Materiality will be incorporated into the next sustainability report.

Finally, it is specified that during the current reporting year, the Group conducted its first GHG inventory at consolidated level, adopting the operational control approach, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard – Revised Edition. This allowed a quantification of the Group's Scope 1, Scope 2 and Scope 3<sup>10</sup> emissions, through the application of documented emission factors<sup>11</sup>.

These constituted the foundational pillars for the delineation of precise decarbonization targets, harmoniously interwoven into the Group's overarching climate strategy. For further details on IRCA's Climate Strategy, please refer to the "Reducing our carbon emissions" section, included in this document.

<sup>9</sup> It is specified that the time horizons have been identified in accordance with the definition provided by the ESRS.

<sup>10</sup> The following categories, defined within the GHG Protocol, were considered: Cat. 1 – Purchased goods and services; Cat. 2 – Capital goods; Cat. 3 – Fuel and energy related activities; Cat. 4 – Upstream transportation and distribution; Cat. 5 – Waste generated in operations; Cat. 9 – Downstream transportation and distribution.

<sup>11</sup> DEFRA (Department for Environmental, Food & Rural Affairs: for Scope 1, Scope 2 and Scope 3 GHG emissions; EEA (European Emission Agency): for European sites Scope 2 Location-Based emissions; EPA (United States Environmental Protection Agency): for US sites Scope 2 Location-Based emissions; Green-e® Residual Mix: for US sites Scope 2 Market-based emissions; AIB (Association of Issuing Bodies): for EU sites Scope 2 Market-based emissions; ECOINVENT and AGRIALYSE: for Scope 3 emissions.

# E1- ENERGY & GHG EMISSIONS

ENERGY CONSUMPTION METRICS	UoM	FY 2024
Total energy consumption	MWh	176,777
Of which: fossil energy consumption		131,510 (74%)
Fuel consumption from crude oil		10,229
Fuel consumption from natural gas		83,515
Consumption of purchased electricity from fossil sources		37,766
Of which: renewable energy consumption		45,267 (26%)
Consumption of purchased electricity from renewable sources		43,667
Consumption of self-generated non-fuel renewable energy		1,600
Energy intensity (IRCA's approach)		MWh/tons
Energy intensity (ESRS approach)	MWh/Thousand €	0.15

## ENERGY PRODUCTION METRICS

## UoM

## FY 2024

Non-renewable energy production	MWh	2,250
Renewable energy production		1,751

With respect to energy consumption, the two main energy sources are natural gas (47% of total consumption) and electricity, both self-produced and purchased from third parties (47% of the total). With specific reference to the latter, over 54% of the electricity purchased comes from renewable energy sources, certified through the purchase of a Guarantee of Origin. In addition, the Group has other sources of consumption, used both for production purposes and to power vehicles and the company car fleet, such as diesel, petrol, LPG, propane and heavy fuel oil which, however, contribute only a minority to the Group's total energy consumption.

Finally, the Group has numerous plants to produce electricity: in particular, most of them are photovoltaic plants for the production of renewable electricity for self-consumption purposes. Furthermore, the Group also has a co-generation plant, which produces non-renewable electricity that, however, contributes only a minority to the Group's energy consumption.

**GHG METRICS**
**UoM**
**FY 2024**

Scope 1	tCO <sub>2</sub> eq	22,025
Scope 2 – Location Based		21,599
Scope 2 – Market Based		15,452
<b>Total Scope 1 and Scope 2 emissions (Location Based)</b>		<b>43,624</b>
<b>Total Scope 1 and Scope 2 emissions (Market Based)</b>		<b>37,477</b>
GHG Intensity (IRCA's approach)	tCO <sub>2</sub> eq/tons	0.148 (LB) 0.127 (MB)
GHG Intensity (ESRS approach) <sup>12</sup>	tCO <sub>2</sub> eq/thousand €	0.037 (LB) 0.031 (MB)

## E3- WATER

WATER METRICS	UoM	FY 2024
Water consumption	m <sup>3</sup>	266,625
Of which: water consumption in areas of high-water stress		2,902
Water intensity (production volumes)	m <sup>3</sup> /tons	0.90
Water intensity (net revenues)	m <sup>3</sup> /Thousand €	0.22

**WASTE METRICS**
**UoM**
**FY 2024**

# E5- WASTE

Total waste generated <sup>13</sup>	tons	28,953
Total waste diverted from disposal		7,170
Of which hazardous:		38
Recycling		33
Other recovery operations		5
Of which non-hazardous:		7,132
Preparation for reuse		1,579
Recycling		2,540
Other recovery operations <sup>14</sup>		3,013
Total waste directed to disposal		21,783
Of which hazardous:	175	
Incineration	168	
Landfill	4	
Other disposal operations	3	
Of which non hazardous:	21,608	
Incineration	791	
Landfill	127	
Other disposal operations <sup>15</sup>	20,690	

<sup>13</sup> It is specified that no radioactive waste was generated by the Group during FY24.

<sup>14</sup> It refers to any waste-recovery operation that serves a useful purpose by replacing other materials (e.g energy recovery). With respect to Irca Group, these recovery operations are used for reprocessing food waste for animal feed, for example.

<sup>15</sup> It refers to any disposal operation different from incineration on land and deposit into or onto land (i.e. landfill). In the specific case of Irca Group, this category only refers to "Biological treatment resulting in final compounds or mixtures which are discarded by any of the operations numbered D1 to D12" (Annex II of the Waste Framework Directive).

## WASTE METRICS

## UoM

## FY 2024

WASTE METRICS	UoM	FY 2024
Total waste diverted from landfill <sup>16</sup>	tons	28,822
Diversion rate from landfill	%	99.55%

As reported in the table above, most of the waste produced is non-hazardous waste (over 99% of the total waste generated) which is destined for both recovery (25%) and disposal operations (75%). With respect to the small portion of hazardous waste, most of them are due to solvents and inks, as well as to waste produced for cleaning old oil separators from sludge and packaging containing residues of dangerous substances or contaminated by them.

Overall, the volume of non-recycled waste was 26,492 tons, accounting for 91.5% of the total. It should be noted that, during the current financial year, a production site of the Group was forced to send a very significant quantity of sludge produced, potentially recyclable, for disposal operations due to a malfunction of the purification system at the anaerobic plant. A considerable increase in the percentage of waste for recovery is therefore expected from the next reporting year.

# S1- OWN WORKFORCE

## EMPLOYMENT AND DIVERSITY

### NUMBER OF EMPLOYEES BY GENDER AND OTHER DIVERSITY METRICS

UoM

31.12.2024

TOTAL		2,144
Male	No.	1,259
Female		883
Other		2
Employees with disabilities <sup>17</sup>		41

### NUMBER OF EMPLOYEES BY AGE

UoM

31.12.2024

TOTAL		2,144
Under 30	No.	374
30-50		1,088
>50		682

### NUMBER OF EMPLOYEES BY CONTRACT

UoM

31.12.2024

TOTAL		2,144
Permanent	No.	1,901
Temporary		243
Full-time		1,882
Part-time		262

**NUMBER OF EMPLOYEES BY COUNTRY**
**UoM**
**31.12.2024**

TOTAL		2,144
Italy		742
Spain		8
Russia		6
Poland		6
France		152
Germany		101
Netherlands		64
UK	No.	173
Ireland		6
Belgium		58
UAE		6
USA		504
Brazil		1
Canada		2
Vietnam		311
Australia		3
Hong Kong		1

## TURNOVER METRICS

UoM

FY 2024

Employees who left the undertaking	No.	363
Turnover rate <sup>18</sup>	%	16.75%

## NUMBER OF NON-EMPLOYEES

UoM

31.12.2024

TOTAL	No.	162
Self-employed workers <sup>19</sup>		5
Workers provided by the undertakings engaged in employment activities		157

## MANAGEMENT<sup>20</sup>

UoM

31.12.2024

MANAGERS	No.	399
Male		259 (65%)
Female		140 (35%)
TOP MANAGERS (LT)		31
Male		26 (84%)
Female		5 (16%)

<sup>18</sup> The turnover rate also includes terminations resulting from seasonality, retirements, and plant closures.

<sup>19</sup> All self-employed workers are part of the Leadership Team (LT).

<sup>20</sup> Managers are people in managerial positions. Top management: people who are part of the Leadership Team and are identified as the first line of management at a global and regional level.

# S1- OWN WORKFORCE

## TRAINING AND EMPOWERMENT

TRAINING METRICS	UoM	FY 2024
Total number of training hours offered	No. hours	43,877
Male		25,771
Female		18,062
Other		44
Average hours of training per employee	No. hours per employee	20.47

PERFORMANCE REVIEW METRICS	UoM	MALE	FEMALE	OTHER	TOTAL FY 2024
Total number of reviews done	No.	388	346	1	735
Senior Executives		18	5	0	23
Middle management		204	104	0	308
White collars		166	237	1	404
Employees who received a performance review	%	31%	39%	50%	34%
Total number of reviews agreed	No.	440	413	1	854

Please consider that blue-collar workers (representing 60% of the total workforce) are not included in this KPI, since they are not subject to a formalized performance review process. However, they receive periodic and recurring feedback from their supervisors regarding their work performance.<sup>21</sup>

# S1- OWN WORKFORCE

## HEALTH AND SAFETY

H&S METRICS	UoM	FY 2024
Workers covered by H&S management system <sup>22</sup>	%	100
Work-related accidents <sup>23</sup>	No.	37
Recordable work-related ill health		0
Total working hours	No. of hours	3,770,507
Frequency Index <sup>24</sup>	No. injuries / no. worked hours	9.81
Days lost due to work related injuries (employees)	No. of days	1,228
Days lost due to work-related injuries (non-employees)	No. of days	27
Severity Index <sup>25</sup>	No. of days lost / no. worked hours	0.33

## INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

In 2024 the Group reported 3 incidents and 3 complaints received by workers, of which 2 through own channels and 1 through national contact points. Even though, no fines have been paid due to those incidents. Moreover, none of them refers to severe human rights incidents.

<sup>22</sup> Data includes both employees and non-employees, meaning that the entire workforce is covered by IRCA Group's health and safety management system, which is subject to both internal and external audits.

<sup>23</sup> It is specified that none of these accident cases resulted in the death of workers within IRCA's own workforce. Furthermore, there were no cases of death involving value chain workers working on the Group's sites.

<sup>24/25</sup> Please consider that all IRCA's workers have been considered in the calculation (both employees and non-employees).

# ANNEX

## KPI / Calculation Methodology

### Reporting Scope (Environmental Data)

In 2024, a GHG inventory at a Group level was conducted. This led to a considerable expansion in the range of entities involved compared to the 2023 Sustainability Report, with a consequent improvement in data completeness. Despite the efforts made, some exclusions are still present, which will be addressed in subsequent years: indeed, contributions from commercial offices located in France and the Netherlands, as well as from the newly acquired Benetti Distribuzione Srl, were not included.

**Any further exclusions from specific KPIs will be detailed below.**

## ESRS EI / Climate Change

### Energy consumption

Total energy consumption includes all energy sources used by the Group, covering stationary combustion and purchased electricity for various operations. Furthermore, mobile combustion has also been accounted for the following legal entities: IRCA Spa, IRCA Poland, and Dobra Asia. Efforts will be made to ensure the inclusion of the contributions of all the other entities in the next IRCA's sustainability report.

Based on ESRS requirements, a breakdown between fossil fuel-based energy consumption and energy consumption from renewable sources was provided. The latter includes only electricity covered by a Guarantee of Origin Certificate and self-produced renewable energy. Finally, a representation of self-produced energy from non-renewable sources was provided.

### Energy Intensity

It is calculated with a dual approach:

- ratio between total energy consumption and total production volumes, in line with previous reporting;
- ratio between total energy consumption and the Group's 2024 net revenues, as required by the new ESRS Standards.

## ANNEX

### Total GHG Emissions

The indicator is the result of the sum of two different contributions:

- **Scope 1 Emissions:** emissions from sources directly controlled by the Group, including mobile combustion, stationary sources, and fugitive emissions from refrigerant gas losses in production plants. The calculation is based on direct measurements and/or estimates of activity data, multiplied by the associated emission factor provided by DEFRA (2024 UK Government GHG Conversion Factors for Company Reporting defined by the UK Government's Department for Environmental and Rural Affairs).

- **Scope 2 Emissions:** emissions from purchased electricity consumption, reported according to two different approaches:

**Location-Based:** it quantifies GHG emissions based on average energy generation emission factors within defined geographic boundaries. The emission factors used for the calculation are provided by the European Environmental Agency (EEA) for European countries, except for UK, whose emission factor is provided by DEFRA and Russia, whose emission factor is taken from Ecoinvent Database. The same is true also for UAE and Vietnam. With respect to sites located in US, EPA emission factors were used.

**Market-Based:** it quantifies GHG emissions from electricity purchased directly from generators, considering both bundled and unbundled instruments. The emission factors used for the calculation are provided by AIB for EU countries and by the Ecoinvent Database for Russia, UAE and Vietnam. With respect to US plants, their MB emissions were quantified using 2024 Green-e® Residual Mix Emission Rates.

It is specified that, based on materiality, GHG emissions are reported considering the following three gases: CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O.

## ANNEX

### Total Intensity

It is calculated with a dual approach:

- ratio between total GHG emissions and total production volumes, in line with 2023 Sustainability Report;
- ratio between total GHG emissions and the Group's 2024 net revenues, as required by the new ESRS Standards.

### ESRS E3 / Water

#### Total water consumption

It refers to the total water consumed for both productive and non-productive purposes, considering all types of incoming water. A specification on water consumption in water-stress areas, identified as regions where the percentage of total water withdrawn is high (40-80%) or extremely high (over 80%) by Aqueduct Water Risk Atlas, is included.

Additionally, the water intensity KPI is reported using a dual approach:

- ratio between total water consumed and total 2024 production volumes, in line with previous reports;
- ratio between the total water consumed and the Group's net revenue for FY24, as required by ESRS.

For these KPIs, data related to a US production site were not included due to the difficulty in obtaining such data as integrated within the general consumption of the building where the site operates. Efforts will be made to ensure the inclusion of such contributions in the next IRCA's sustainability report.

---

# ANNEX

## ESRS E5 / Resources use and circular economy

### Waste produced

Total amount of hazardous and non-hazardous waste generated, categorized by disposal method:

- **diverted from disposal:** waste subject to recovery operations such as preparation for reuse, recycling, or other recovery operations; and
- **directed to disposal:** waste sent for disposal through incineration, landfill, or other disposal activities.

It does not include contributions related to the commercial offices and to the production site in Duluth, due to the difficulty of obtaining the data caused by its integration within the total waste generated by the buildings in which the sites operate. Efforts will be made to ensure the inclusion of such contributions in the next IRCA's sustainability report.

### Non-recycled waste

Ratio between the quantity of waste sent for preparation for reuse, other recovery operations, incineration, landfill, and other disposal operations, in the numerator, and the total waste generated, in the denominator.

### Diversion rate from landfill

The indicator shows the percentage of waste not destined for landfill disposal, expressed as the ratio between waste diverted from landfill and the total waste generated. It is an entity-specific KPI, reported in continuity with 2023 Report.

---

## ANNEX

### Reporting Scope (Social Data)

The reporting scope for workforce-related data covers the entire consolidation perimeter, with the sole exclusion of contributions from the newly acquired Benetti Distribuzione Srl. Any further exclusions from specific KPIs will be detailed below.

### ESRS S1 / Own workforce

#### People

The methodology used is headcount, considering employees in force as of 31.12.2024. The disclosure includes details regarding workforce distribution by country, age group, gender, and type of contract.

The reported value may differ from that presented in the IRCA Consolidated Financial Statements due to differences in calculation methodology. For instance, the figure presented in the financial statements is the result of a weighted average of the Group's employee numbers in 2024.

Furthermore, the employee turnover rate is reported, i.e., the ratio between the number of employees who left the Group during 2024 and the total number of employees at the beginning of the reporting year. Please consider that this ratio also includes terminations resulting from seasonality, retirements, and plant closures.

In addition, disclosure regarding the number of non-employee workers as of 31.12.2024 is provided, considering agency workers, calculated using the headcount method.

## ANNEX

### Diversity & Inclusion

**Gender balance in managerial positions:** entity-specific KPI, reported consistently with past disclosure, on which a strategic target has been defined. It indicates gender distribution among employees with a managerial role at the company level.

**Members of the Top Management by gender:** gender distribution in the highest managerial positions (i.e. Leadership Team).

**Number of employees with disabilities:** this indicator has been provided only for the legal entities located in the EMEA Region, as it was not possible to provide this contribution for the APAC and North America Regions due to confidentiality restrictions.

### Training and Performance Review

**Performance reviews agreed:** total number of performance reviews planned for FY24. This is also expressed in relative terms, as the ratio between the number of performance reviews conducted during the year and the total number of employees as of 31.12.2024.

**Performance reviews done:** actual number of employees who have undergone a performance review in FY24. For both indicators, the blue collars category was excluded since it is not subject to a formalized process of performance review, as well as employees hired in the last quarter of the year, as they will be subject to a performance evaluation starting from the following year.

**Total training hours, by gender:** total number of training hours provided to employees, divided by gender. The latter is the result of an estimate made by reallocating the number of training hours based on the gender distribution in the Group. Furthermore, it is specified that the contribution related to a production site located in the US has not been included as it is currently unavailable.

**Average hours of training per employee:** ratio between the total number of training hours provided and the total number of employees as of 31.12.2024.

## ANNEX

### Health and Safety

**Work-related accidents:** total number of injuries occurred during FY2024 that resulted in at least one lost workday. Near miss or first aid condition cases are excluded.

**Number of cases of recordable occupational diseases of the workforce:** number of occupational disease claims reported in 2024, which have a causal link with occupational risks.

**Days of work lost due to work injury or work-related illness:** total number of days of work lost due to work-related accidents and work-related ill health.

**Frequency index:** ratio between the total number of injuries occurred in FY24, considering the entire own workforce, and the total hours worked in the same period, multiplied by 1,000,000.

**Severity index:** ratio between the total number of days lost due to work-related injury and/or illness, considering the entire own workforce, and the total working hours, multiplied by 1,000. This is an entity-specific indicator.

Please note that these indexes may slightly differ from the ones disclosed in other internal documents, as they are calculated using a different methodology.

### Reports

**Discrimination incidents:** number of reports received due to discrimination incidents, including harassment, occurring during the reference year.

**Complaints received:** number of reports submitted by employees through the internal channels set up by the Group as well as via the national contact points.

# MATERIALITY ASSESSEMENT

## TOGETHER FOR POSITIVE IMPACT DEVELOPING IRCA'S SUSTAINABILITY STRATEGY

Before initiating this reporting process, IRCA had a longstanding commitment to environmental and social values, with numerous ongoing sustainability initiatives. However, a structured plan with clear focus areas, targets, roadmaps, and messaging was required to advance a comprehensive sustainability strategy for the new IRCA Group. This strategy needed to align with industry best practices, comply with evolving regulations, address customer expectations, and enable the Group to develop tailored solutions.

Refining IRCA's sustainability strategy presented an opportunity to build on existing efforts, distinguish itself from industry peers, and drive both value creation and impact in key areas. A critical component of this refinement involved enhancing data collection processes to support performance

management, effectively monitoring regulatory and customer requirements, and establishing objectives that maximize the value derived from sustainability initiatives.

The strategy development process began with an analysis and prioritization of sustainability issues most relevant to IRCA's business. First, a materiality assessment was conducted across the Group, identifying both foundational and priority issues. This assessment followed a structured approach, with an extensive list of sustainability issues being compiled through desk research (on internationally recognised rating systems such as SASB, S&P, EcoVadis), supported with insights from interviews with internal stakeholders, customers, suppliers, and external experts.

### *This assessment identified the following:*

#### Foundational issues

- Food safety and product quality
- Environmental management (water, waste, animal welfare)
- Employee health and safety
- Business ethics
- Supply chain management and labor practices

#### Priority issues

- Health and nutrition
- Sustainable sourcing
- Climate, biodiversity, and deforestation
- Packaging
- Employee experience (talent acquisition, retention, development)
- Diversity, equity, and inclusion (DE&I)

### **A follow-up gap analysis evaluated IRCA's alignment with:**

- Customer expectations
- Regulatory demands
- Supplier capabilities
- Peer benchmarks

This analysis revealed that the strongest opportunities for differentiation and impact lay in the areas of Health and Nutrition, as well as People Experience (encompassing employees and stakeholders across the value chain).

Meanwhile, Climate, Sustainable Sourcing, Packaging, and DE&I were deemed critical to meeting compliance and market standards.

#### Specific insights include:

##### Customer Requirements:

Key customer focus areas include health and nutrition, sustainable sourcing, climate, and inclusion. Customers increasingly demand more from their suppliers in these areas, highlighting issues that IRCA must address to position itself as a strategic partner.

##### Supplier Insights:

IRCA relies on its suppliers to meet many customer sustainability requirements, particularly regarding sustainable sourcing, Scope 3 emissions, and reporting. Strengthening supplier relationships and setting clear expectations will be essential to improving environmental and social standards across the supply chain.

## BUILDING THE SUSTAINABILITY STRATEGY

### TOGETHER FOR A POSITIVE IMPACT

Leveraging both analyses, IRCA was able to refine its sustainability priorities, and create strategic pillars that represent these areas, namely:

#### Healthier Indulgence and Wellbeing Options

creating tasty, healthier and wellbeing options that enhance health and nutrition

#### A People Company

empowering people across IRCA Group, focusing on employee experience, inclusivity and equality, and supporting our communities

#### Smart, Sustainable Solutions

focusing on delivering smart and sustainable solutions for clients and customers, improving our performance across climate metrics, packaging, and sourcing a sustainable value chain

Having constructed these pillars, IRCA established specific targets and KPIs for each. This was followed by the development of an operational road-

map outlining the actions required to achieve the Group's sustainability targets, and the implementation of mechanisms to monitor progress. To reinforce its commitments to responsible business practices, the Group additionally published a sustainability manifesto, articulating its long-term vision and ambition to its stakeholders.

This sustainability strategy will help to ensure IRCA's compliance with regulatory standards, its ability to meet customer sustainability expectations, nurture innovation, and strengthen its brand purpose and employee value proposition. The sustainability strategy was designed to position IRCA competitively within its industry, recognizing that sustained effort and delivery on targets will be necessary to achieve a leadership position.

Looking ahead, IRCA's sustainability strategy and related targets will continue to evolve in alignment with emerging regulations and customer expectations. The Group's reporting framework will continue to be developed to ensure readiness for compliance with the EU Corporate Sustainability Reporting Directive (CSRD), and alignment with the United Nations Sustainable Development Goals.

