



ILTA ALIMENTARE S.P.A.
**SUSTAINABILITY
REPORT**

2020

VISION

ILTA Alimentare is a fully vertically integrated agribusiness focused on the pulse market from the farm to the table. **ILTA Alimentare S.p.A.** is 100% owned by ILTA Commodities S.A., Swiss holding company based in Geneva, and represents the last phase of a spectacular journey in agribusiness started more than 45 years ago.

ILTA Alimentare was founded in 2015 in Venice with the purpose to develop the existing international operations of the ILTA group in the Retail and Industry market, operating a brand new processing and packaging plant in Marghera, Venice. With an important strategic choice, in 2016 ILTA Alimentare launched **AMÍO** brand with the goal to innovating the natural vegetable-based protein food market.

The trend towards plant-based protein will be strong and irreversible because of their nutritious and environmental benefits: human health, climate change, resource conservation, animal welfare. In addition to the current trend towards lower consumption of meat and to the greater consumption of vegetable protein food there are many other trends taking place, that strongly guide consumer choices: natural and certified organic, full traceability (from farm to table), authentic ethnic and regional food and recipes, food that provide a balanced and healthy lifestyle. For thousands of years nature has offered us a vast choice food based on real plant proteins: they are tasty, can be prepared in thousands different ways and are natural. At the top of the list is the world of pulses. We at **ILTA** are working with passion to innovate in plant-based protein food and make **AMÍO** a leading world brand, Made in Italy.

Since its foundation in 2015, **ILTA Alimentare** has embedded many sustainability and social responsibility standards in its culture both at corporate strategy and at operational level. Our CSR commitment focuses on environmental and educational aspects, in a process of mindset change and operational improvement spreading across all departments with a multi-stakeholder benefit approach. **ILTA Alimentare** this year has reached the status of Founder at UN Global Compact Network Italy.



VALUES



TRANSPARENCY

Through ILTA Alimentare S.p.A., we carefully select which producers to work with and we always state the origin of our products.



QUALITY

We ensure that constant microbiological checks are performed at each stage of the supply chain, from cultivation to packaging.



SUSTAINABILITY

We believe that pulses are the foundation for a fairer and more equitable food culture. The International Year of Pulses has been an opportunity to start a real change.



SAFEGUARDING BIODIVERSITY

We encourage a culture that recognises the value of the product's uniqueness by its very origin. We invest in crops grown in Italy and across the world to ensure a diverse offering with many varieties to choose from.



CEO STATEMENT

“ILTA Alimentare S.p.A. supports the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. This Sustainability Report includes our Communication on Progress, describing our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations.”

Yours sincerely,

Theodore Margellos
CEO

WE SUPPORT



REPORTING METHOD

This report refers to the fiscal year 30.06.2019-30.06.2020 according to the reporting standards of the company. This report was written taking consideration of:

Ten Principles of the UN Global Compact



HUMAN RIGHTS

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2 - make sure that they are not complicit in human rights abuses.



LABOUR

Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4 - the elimination of all forms of forced and compulsory labour;
Principle 5 - the effective abolition of child labour; and
Principle 6 - the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

Principle 7 - Businesses should support a precautionary approach to environmental challenges;
Principle 8 - undertake initiatives to promote greater environmental responsibility; and
Principle 9 - encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



UN Sustainable Development Goals



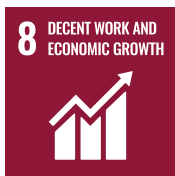
THE GLOBAL GOALS
For Sustainable Development

ILTA Alimentare responds to the UN universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. We identified 3 relevant areas where our business can bring its positive impact and this report presents our main achievements, vision and goals for the future.



FOOD SECURITY AND HUNGER

Agriculture is the single largest employer in the world and the largest source of income and jobs for poor rural households. Investing in smallholder people is an important way to increase food security and nutrition, as well as food production for local and global markets. We invest in PULSES because they represent the food of the future: highly nutritional, accessible and positive for the environment.



SUSTAINABLE ECONOMIC GROWTH

Inclusion, employment and decent work are fundamental drivers to preserve the global sustainable socio-economic growth and to improve the living standards. We sensitise our employees and partners on human and labour rights importance, we have started to implement a supply chain monitoring program to analyse the performance of our first-tier suppliers on a large set of social and environmental responsibility issues.



RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable consumption and production can contribute to the transition towards low-carbon and green economies. Reducing waste, improving recyclability and using natural resources more sustainably are key activities we focus on.



HUMAN RIGHTS

GLOBAL COMPACT PRINCIPLES

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

We aim at sensitise our employees and partners on a wide set of social responsibility issues. In our Code of Conduct and intrinsically embedded in our Culture, the respect of the Universal Declaration of Human Rights principles is fundamental.

PROTECTION OF HUMAN RIGHTS AND DIGNITY OF THE HUMAN BEING

Any intruding, offensive and persistent behavior deliberately referred to sexual, political, racial, religious or social condition, with the consequence of determining a situation of inconvenience to the person, is forbidden and condemned.

SUPPLY CHAIN MONITORING

A zero-tolerance approach applies to all cases of non-compliance to the international standards for human rights and labour rights. A new monitoring activity was implemented as part of a process of upstream supply chain sustainability mapping. Through a Glocal approach ILTA Alimentare S.p.A. aims to monitor his entire first-tier suppliers on the following key issues: human and labour rights, public health risks, impact on human health and safety, impacts on environmental protection and sustainable use of natural resources.

Our Global Sourcing



LABOUR RIGHTS

GLOBAL COMPACT PRINCIPLES

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ILTA Alimentare adheres and recognizes as fundamental, in compliance with the national regulation, the ILO Conventions for rights at work: freedom of association and the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation. Our supply chain monitoring program aims at



SDG TARGET 8.7

END MODERN SLAVERY, TRAFFICKING AND CHILD LABOUR

“Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.”

DIVERSITY MANAGEMENT

Diversity within our work environment - whether it is gender diversity, sexual orientation, ethnic origins, culture or physical skills - is important for us. All the workers need to feel free to express their selves and work in an inclusive environment, this vision helps us to unlock every person's hidden talent and let their point of view contribute to the organization.

HYGIENE, ACCIDENT PREVENTION, HEALTH PROTECTION

Hygiene, health protection and accident prevention are of great importance for workers and the company. We regularly assess labour related risks with external audits and take action to address risk factors and adopt all the necessary prevention measures in compliance with the national regulation.



SDG TARGET 8.8

PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS

“Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.”

TRAINING AND WORK SAFETY

ILTA Alimentare ensures constant safety and professional training, fostering a safe, diverse, inclusive and growth-focused workplace.

Total time invested in training sessions: 104 hours.

Note: training hours are not multiplied by the number of employees attending the same course.

STAFF TRAINING AND DEVELOPMENT

Our company systematically invests in human capital in order to enable the professional growth of its HR. The management assigns employees a personalized training in relation to their job profile and career plan.



ENVIRONMENT

GLOBAL COMPACT PRINCIPLES

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

We address environmental challenges by taking initiative to raise environmental responsibility, encouraging the adoption of eco-friendly solutions and investing in biodiversity and organic crops. Our commitment to reducing dependence on pesticides and synthetic fertilizers, supporting organic agriculture and reversing the trend of biodiversity loss as main objectives of the organic culture, is now officially part of the specifications of the European Commission which intends to cut 50% of pesticide use and to convert at least 25% of the EU's agricultural land under organic farming by 2030.

SAFEGUARDING BIODIVERSITY

We invest in crops grown in Italy and source across the world as well to ensure a diverse offer. Since 2017, we developed the AMÍO BÍO Organic Supply Chain project, a long-term relationship initially involving more than 20 Italian commercial farms, with the aim of building a direct relationship between small Italian producers and consumers. Through the AMÍO brand, we guarantee the quality and transparency of the supply chain. "From the hands of those who cultivate to people, always following the shortest path": this is the promise of a short supply chain. The producers grow, harvest and certify 100% Italian organic pulses and grains; then the raw materials arrive in ILTA's plant in Venice plant for cleaning and packaging. Thanks to a precise process of raw materials traceability, in each AMÍO BÍO Organic product the consumer can find the signature of the producer, the address of the farm and a traceability code to find

additional information about the product in the website www.amiolegumi.it. ILTA's supply chain main pillars are the farm-to-fork approach, safeguarding biodiversity and organic farming practices. ILTA manages a volume of over 1000 tons per year of Italian organic product, 800 tons of which are sourced through the AMÍO BÍO Organic Supply Chain. The project will continue to grow in the upcoming years, according to the development program of ILTA in the organic sector.



**SDG TARGET 2.5****MAINTAIN THE GENETIC DIVERSITY IN FOOD PRODUCTION**

"By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed."

**SDG TARGET 2.6****INVEST IN RURAL INFRASTRUCTURE, AGRICULTURAL RESEARCH, TECHNOLOGY AND GENE BANKS**

"Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries."

**INVESTING IN ORGANIC CROPS**

Our commitment to safeguard biodiversity will experience a strong tendency towards organic crops and sustaining local producers. We will promote the organic farming signing new long-term contracts with local and small farmers already producing organic pulses or supporting those converting to this agricultural system.

**UN SDG TARGET 2.3****DOUBLE THE PRODUCTIVITY AND INCOMES OF SMALL-SCALE FOOD PRODUCERS**

"By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment."

**UN SDG TARGET 2.4****SUSTAINABLE FOOD PRODUCTION AND RESILIENT AGRICULTURAL PRACTICES**

"By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality."

CERTIFIED ENERGY EFFICIENCY

Our HQ is located in a TÜV SÜD Standard CMS 83 Generation EE certified building powered by 100% renewable energy with photovoltaic system integrated in the building. The energy is supplied by Hydroelectric power plant (226,56MW flowing water power).

ACTION ON PLASTICS IS A PRIORITY

We stimulate all employees to avoid disposable plastic while encouraging the use of water and food refillable containers. Packaging is the real challenge: last year we implemented a new AMÍO branded product with recyclable packaging: a multi-layer mono-material film with modified atmosphere barrier and 30% plastic reduction with respect to the previous lines. We are currently researching on new packaging solutions to extend our plastic reduction policy and full recyclability goal to all product lines. Our R&D is also undertaking a scouting process to find new packaging solutions to reduce plastic or to substitute it with alternative green materials. Our new product development process involves assessments on the role of packaging and plastics to guarantee the best choice in terms of food conservation, to reduce food waste, and environmental impact.



SDG TARGET 12.5

SUBSTANTIALLY REDUCE WASTE GENERATION

"By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse."

WASTE AND NEGATIVE EXTERNALITIES MANAGEMENT

All production processes are mechanical and not involving any water pollution or direct gas emission, thus our plant is not producing negative by-products as direct result of industrial processes. All waste materials are managed according to the national recycling regulation and properly disposed in collection centers. A different procedure applies to all excess food by-products:

- if not edible, by-products follow a waste-to-energy recovery process to transform into biogas;
- if edible, they are sold to other partners in the circular food economy (e.g. zootechnics or farms) or donated to charities.



SDG TARGET 12.4

RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE

"By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment."



**SDG TARGET 8.4
IMPROVE RESOURCE EFFICIENCY
IN CONSUMPTION AND PRODUCTION**

"Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10 Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead."

100% FSC CERTIFIED CARDBOARD

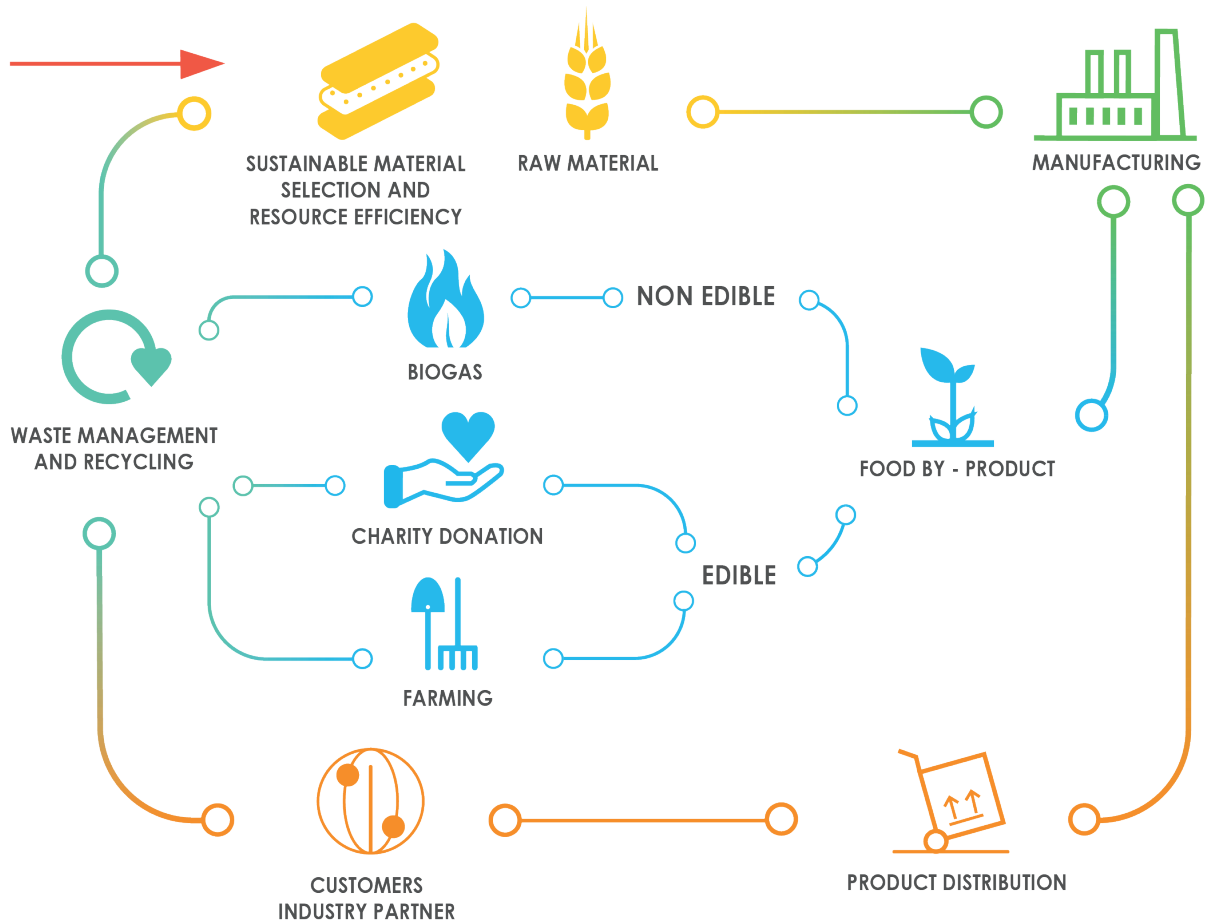
2020 marks the year in which ILTA Alimentare will reach the 100% FSC certified cardboard box/tray purchasing target. This activity will ensure the wood within any purchased cardboard box or tray is from FSC-certified forests, recycled material, or controlled wood, thus legally harvested from non-genetically modified forests where high conservation values are safeguarded respecting also traditional and civil rights.



**SDG TARGET 12.2
SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES**

"By 2030, achieve the sustainable management and efficient use of natural resources."

OUR CIRCULAR APPROACH



ANTI-CORRUPTION

GLOBAL COMPACT PRINCIPLES

Principle 10: *Businesses should work against corruption in all its forms, including extortion and bribery.*

ILTA Alimentare recognizes the importance of the UN Convention Against Corruption, acting in compliance with the national regulation and applying a zero-tolerance approach for corruption, bribery and extortion.

CODE OF CONDUCT

As reported in our Code of Conduct, every worker must act maintaining fidelity and fair behaviour towards the firm with absolute prohibition of dealing any business that may represent a prejudice to the company.

EXTERNAL AUDIT

Every year, in compliance with the national law, an external audit verifies that the annual accounts provided represent a true, lawful and fair picture of the organisation's finances and operations.



CUSTOMERS

TRANSPARENCY AND TRACEABILITY

Our retail branded product AMÍO always shows the provenance of the pulses. In particular, our Organic AMÍO line developed thanks to the AMÍO Italian Organic Supply Chain, ensures full traceability to the field with the signature of the farmer and a tracking code to uncover complete information about the producer, the name and address of the commercial farm, sowing and harvest time.



SDG TARGET 12.8 PROMOTE UNIVERSAL UNDERSTANDING OF SUSTAINABLE LIFESTYLES

"By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature."

NUTRITION, HEALY AND SUSTAINABLE LIFESTYLE PROMOTION

We also continue to sustain the research project on nutrition we developed our pulse and grains mix range with. Thanks to this contribution to apply scientific knowledge to healthy eating, the AMÍO range provide most of the nutrients that are essential for the diet: each mix is a balanced combination of carbohydrates and proteins, which represents the basis for the Healthy Plate, a complete and wholesome meal with all the essential amino acids.

FOOD SAFETY AND QUALITY ASSURANCE

We approve suppliers who can grant GMO free, traceability, growing techniques in compliance with standing food regulations. Our Quality Department controls all the production flow, from raw material arrival, through cleaning, sorting and packaging process controls, to batch realizing before dispatching: the strict analysis plan includes microbiological presence, aflatoxins, pesticides and heavy metals tests.

COMMUNITY

FOOD WASTE AND LOCAL SUPPORT

We undertake many activities to ensure the reduction of food waste. This year we upgraded the quality of the AMÍO Foodservice offer by implementing in all product lines the new Modified Atmosphere Packaging that thanks to the food conservation properties will cut 90% of production food waste. Moreover, our overstock management process involves three different types of stakeholders depending on the type of food in excess.

- All non-edible by-products follow a waste-to-energy recover pattern;
- All human edible excess stock packaged in small formats is donated to charity foundations serving social canteens and food banks;
- All big format overstock goes to zootechnical activities.



SDG TARGET 2.1

UNIVERSAL ACCESS TO SAFE AND NUTRITIOUS FOOD

"By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round."



SDG TARGET 2.2

END ALL FORMS OF MALNUTRITION

"By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons."



SDG TARGET 12.3

HALVE GLOBAL PER CAPITA FOOD WASTE

"By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses."

ILTA ALIMENTARE S.P.A.

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