

'20

**WE NEED TO MAKE RESPONSIBLE
CHOICES FOR OUR FUTURE**

DELICIOUS 2020 SUSTAINABILITY REPORT





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Responsibility and commitment

2020 was a year that changed us profoundly, but at the same time it made us more aware of and attentive to our surroundings and the future we want to create.

Limited social interaction, difficulties in moving around, and a new complexity of operations led us to reflect on our path and on what we will leave as a legacy to future generations.

For all these reasons, and with deep conviction, we decided to publish, on the occasion of World Ocean Day, our 2020 Sustainability Report, a tool created to share with society the path we have mapped in line with the United Nations Sustainable Development Goals, part of the 2030 Agenda.

Through this experience we realised how much effort there is still to be made, because the road mapped out is only a starting point, not a point of arrival. We realised that in order to follow a path to sustainability we needed to measure the impact of our actions on the basis of objective criteria, and to do this we subjected some of our most iconic products to LCA (Life Cycle Assessment) analysis, to enable us to define the impact of certain product categories according to specific scientific standards.

But we are learning, and we realised that only by nurturing our knowledge can we take concrete action.

We worked in close synergy with all the Delicieux people who, with great pride and a sense of duty, guaranteed the normal running of activities even in situations of heightened health issues, guaranteeing a safe and stimulating working environment.

Lastly, we have strengthened our ties with our territory through the donation of products to communities in need and collaboration projects with Organisations and Foundations, such as our support for the FAI (Fondo Ambiente Italiano) project for the protection, preservation, and enhancement of Italy's artistic and natural heritage.

Despite its limitations, what we are presenting to you here is the path we have definitively mapped with a sense of responsibility, which gives us great pride because it closely represents the energy, determination and great dedication that inspires us.

EMILIO AND MARIA GRAZIA
WITH IRENE AND ANDREA RIZZOLI

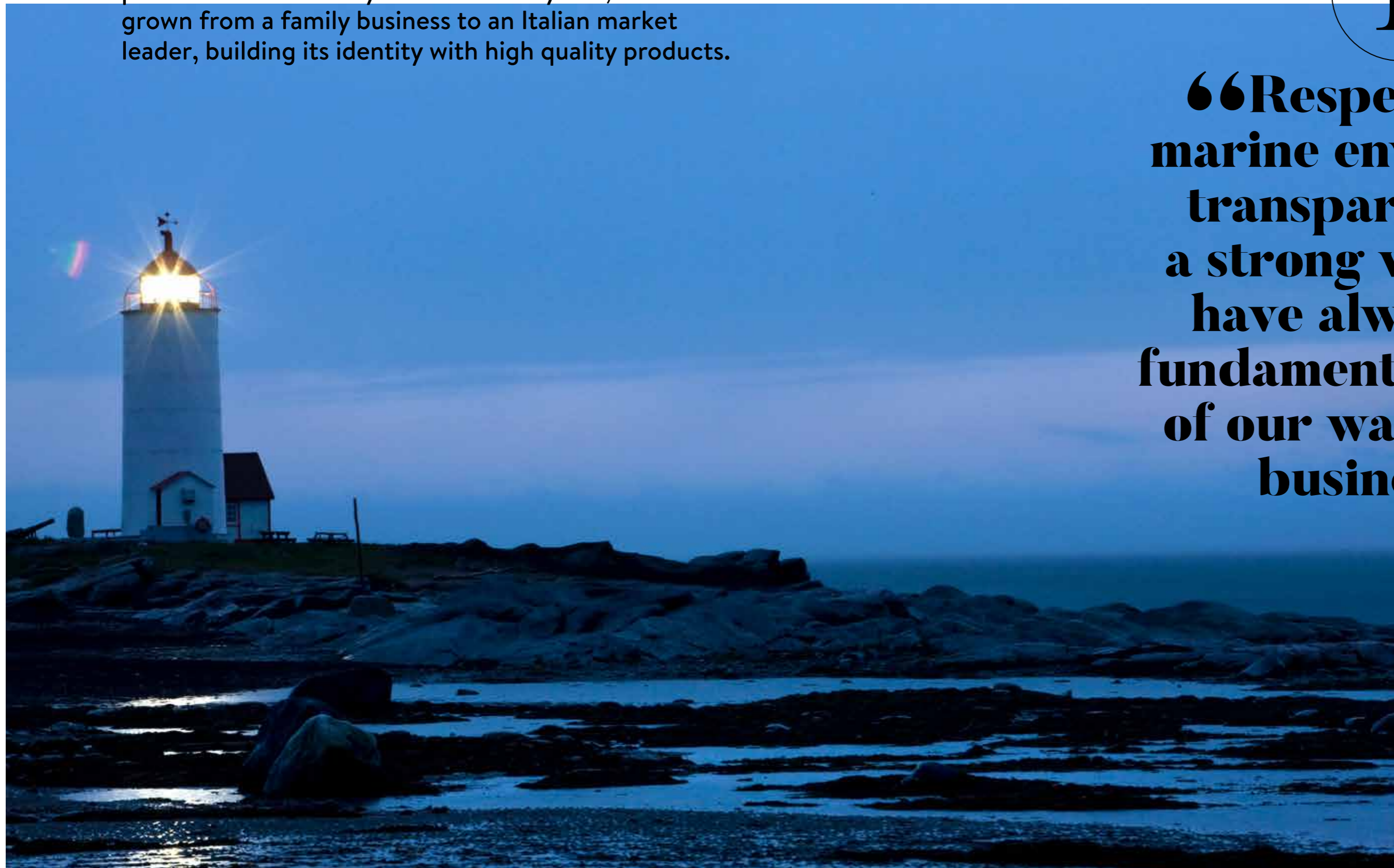
Delicius was founded in 1974 in Parma, Italy, and has developed, produced and sold canned fish products for over 40 years. Over the years, it has grown from a family business to an Italian market leader, building its identity with high quality products.

OUR GROUP

1

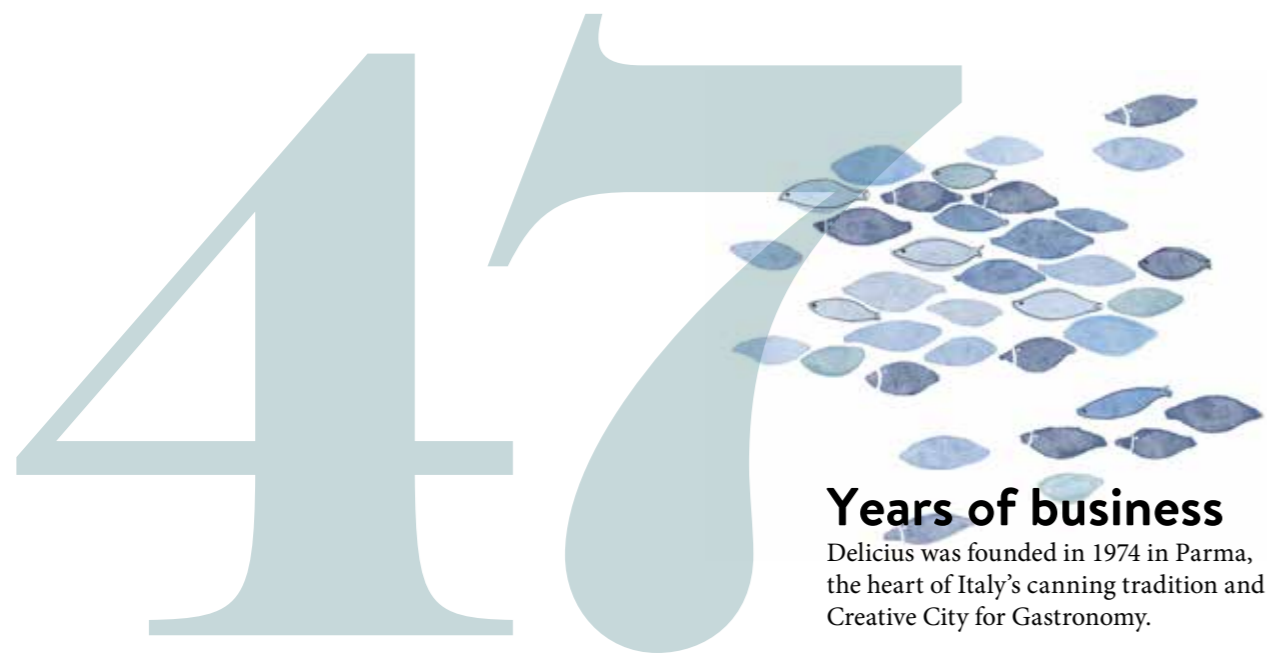
“Respect for the marine environment, transparency and a strong work ethic have always been fundamental elements of our way of doing business.”

EMILIO RIZZOLI,
DELICIUS PRESIDENT



Our figures

These paint a picture of an Italian company that over time has built up an integrated system of competencies that is responsive to external stimuli.



Years of business

Delicious was founded in 1974 in Parma, the heart of Italy's canning tradition and UNESCO Creative City for Gastronomy.



34.000*

Checks and analyses

To guarantee the safety and wholesomeness of our products; a corporate paradigm inspired by continuous improvement.

*the figure refers only to Anchovies.



Brands

Delicious and Marechiaro, to meet different market needs, seeking the best balance between quality and positioning.



Research laboratories

And analysis, where our products are carefully tested and verified throughout the whole process.



Turnover 2020

Compared to 2019. With a turnover of 44 million euros, Delicious achieves around 8% of its turnover abroad.



20.000.000

Packs sold

In one year, in the categories of Anchovy Fillets, Anchovy Paste, Mackerel Fillets, Sardines, Shrimp, Clams and Tuna.



Employees

Including direct staff at the Parma site and staff employed by the associated company based in Lezhe (Albania).



Production plants

Which we control through our own direct personnel and through an integrated management system among the various plants that allows us to verify the regular progress of activities at any time, even remotely.

The future ahead of us
The global scenario forces us to make important reflections on issues such as health, food safety, origin and environmental impact.

Fish preserves, especially oily fish, because it is a natural food, rich in proteins and fats with a high organic value (such as Omega-3), practical, ready to use, economically accessible, caught using low-impact fishing methods that respect the sea and its workers, and always available at room temperature, have all the characteristics to responsibly meet the needs of a nutritionally balanced diet, inspired by the Mediterranean diet.

“Enjoy your special canned fish! Eat healthy and live well.”



We are guided by one mission: to produce high quality preserved fish which is gratifying in flavour and experience. To do this, the company is constantly searching for the best raw materials and improving its processes, while also assessing its own environmental impact, from the sampling of fish stocks to the verification of organoleptic parameters and the safety and wholesomeness of its products. A condition for “living well” is also the protection of the environment, first and foremost the marine environment.

Our manifesto

We have a great passion: the sea.

Our knowledge of the sea has always grown to become an integral part of our experience.

We have followed this road pursuing our philosophy, which is a taste for good, simple things, produced with care.

We have observed it, wondered at it, and sometimes feared it.

We have sought to learn its secrets, respecting the need to conserve it and paying the utmost attention to the sustainability of our supply chain.

We have done it as was natural for us to do, professionally and respectfully, redesigning our processes and our innovation to protect it.

Milestones

A history of innovation, product culture and the search for sustainability in processes.



Creation of the fish canning district in Parma
A geographical accident, activated by the canning expertise acquired in the tomato district.

1892



The first logo
With a nod back to Antelami, the logo of fish facing the waves became the company's logo.

1976



Mackerel, Sardines, Shrimp and Clams
Delicius gradually expanded its product range, rapidly becoming a benchmark company.

1984



The introduction of the PANO cap
Delicius introduced the PANO cap on the market, designed specifically for semi-preserved products, with a guarantee seal.

1986



Integrated Intercompany system
In order to select the best raw material, it is necessary to have a direct presence in different fishing areas and a digital hub to coordinate it.

2002



Photovoltaic system in San Polo di Torrile
The effort to equip ourselves with a renewable energy system became a fundamental part of our path towards sustainability.

2014



Rebranding
An important brand identity consolidation project was launched, starting from the shop shelves.

2017



Launch of the magazine "Alici&co."
With the aim of creating product culture and raising awareness among our stakeholders on topics of major interest.

2019



Foundation
By family germination, Delicius Rizzoli sas was founded as the fruit of the intuition and entrepreneurship of the third generation.

1974



Pull-top tin
An absolute novelty compared to the traditional key opening, Delicius introduced a packaging solution, inspired by practicality.

1979



The new plant in San Polo di Torrile
The volume of business expanded and it became necessary to invest in a larger and more modern plant.

1985



New Eurofish plant
Thanks to the President's pioneering insights, Delicius arrived in the *Land of the Eagles*, training highly qualified personnel.

1997



Supply chain certification
To guarantee transparency, for the first time in our sector we decided to have the entire process verified by an external body.

2012



The OMI book award for "Alice o Acciuga?"
Through a publishing project created in collaboration with Mondadori, we were recognised as promoters of industrial culture in our sector.

2016



ISO 50001 Energy certification
The energy efficiency process continued, with the aim of improving and implementing processes.

2018



100 Ambassadors Award
An award received at Palazzo Madama, the seat of the Senate, which confirmed our business plan.

2020

Governance

We have chosen to adopt a broad sustainability governance model, which is fed by the constant exchange of ideas between the various players involved.

The Delicius corporate structure has changed over the years, so that today the family is the full owner, led by Emilio Rizzoli, founder, together with his wife Maria Grazia Guatelli. For several years now, his children Irene Rizzoli and Andrea Rizzoli have been an integral part of the Board of Directors, with roles of responsibility, supporting a generational transition already underway. Today, the company is in the favourable position of being able to benefit from the entrepreneurial experience of the first generation and, at the same time, from the propulsive drive of the new generation, which is constantly responding to new trends. The company is particularly sensitive to sustainability issues, to the point that the new generation has been formally delegated the responsibility for sustainability.



The entire Board of Directors is always fully involved in drafting the sustainability plan and approves its guidelines and objectives. Since 2017, Delicius has also pursued a process of managerial paradigms in line with its strategic developments. The company climate has become particularly lively and constructive with these new recruits, in part thanks to the first generational change that has seen young, motivated and competent people join the company. The percentage of university graduates among employees, middle managers and executives has risen and now exceeds 80%. Being aware that the issue of sustainability is one that lives and thrives on the sharing of values and objectives, an **Internal Sustainability Committee**, which meets once a month, has been created that involves management.

Risks and responses

Operating in the market inevitably involves exposure to a whole range of risks that can affect a company's ability to generate value.

It is therefore essential for a company to assess the risk, its possible effects, but above all to analyse how the management or containment of the risk can then be translated into new opportunities.

Sourcing raw materials

The raw materials mainly purchased by Delicius come from the sea (fish) and the land (oil). Clearly, these products are subject to the unpredictability of the weather (now more than ever at the mercy of the climate emergency), and therefore to consequent price volatility. To cope with this risk, Delicius is always on the lookout for new sourcing opportunities, but over the years it has been able to build up a solid network of long-term relationships with its suppliers, based on trust (punctuality of payments and deliveries) and on a mutual commitment to improve sourcing and tracking.

Competition/Market

Delicius is one of the leading players in the retail canned fish sector in Italy, particularly in the segments of Anchovy Fillets, Anchovy Paste, Mackerel, Sardines, Shrimp and Clams.

The canned fish categories are characterised by a high level of competition, which places the leader under constant pressure. In order to retain this position and maintain its attractiveness, Delicius is using several levers. Firstly, it is pursuing a policy of production efficiency; it then carries out studies and research to meet the expressed or potential needs of its customers; and thirdly, it is managing a long-term project aimed at building a distinctive brand identity to consolidate its reputation.

Counterfeiting

The risk of counterfeiting lies in the possibility of operators in the sector using raw materials that do not comply with laws or regulations, or that provide untruthful and misleading information.

To avoid this risk, Delicius actively participates in the work of trade associations and applies absolute rigour in the purchase of raw materials and processing, starting with the ISO 22005 certification on traceability in the sector, in place since 2012.

Machinery obsolescence

The risk of machinery obsolescence for Delicius is very low, given the large manual component our product requires. However, as far as the environment is concerned, we constantly check the efficiency of our plants and lines, and are continuously investing in 4.0 to improve their performance.

Environment

It is limiting to define environmental risk as something detached from all the other types. Through our behaviour, we are both responsible for, and victims of, climate change. In response to this risk, Delicius' commitment is to imbue all our activities with a new awareness and to extend everyone's sense of responsibility in their work.

Dialogue with our stakeholders

In order to give substance to its commitment, Delicius has considered it essential to listen to its stakeholders.

The process took place in three stages:

- **Identification of stakeholders.**
- **Collection and assessment of expectations and issues of greatest interest.**
- **Construction of the materiality matrix.**

This dialogue, which has fuelled reflection and exchanges of ideas, has enabled us to prioritise projects from an internal and external point of view, critically assessing our short, medium and long-term objectives.

The materiality issues identified are the result of an initial list that examined the main environmental, economic and social impacts of the company in the context in which it operates. Subsequently, we considered it important to enrich these themes through a benchmark analysis of companies operating in similar sectors.

The issues addressed by the analysis are the following:

- 1-Product quality: goodness, health and food safety:** the search for the best raw materials and the safeguarding of an industrial process achieved by combining the good practices of tradition with constant verification of product safety and wholesomeness, especially in the light of emerging environmental hazards.
- 2-Protection of biodiversity and the marine ecosystem, sustainable fishing and legality:** the safeguarding and protection of marine environments starting with the verification of fishing methods and aspects related to respect for work and legality on fishing vessels.
- 3-Product labelling and traceability:** a commitment to provide, as far as space permits, qualitative information on the product, particularly on those aspects that are not yet regulated but which consumers deem important.
- 4-Protection of human rights, worker and workplace health and safety,** based on international standards throughout the supply chain, respecting individual needs and seeking to offer opportunities for professional growth at every level.
- 5-Waste and refuse management,** for the conscious and careful management of waste and refuse related to the

company's business activities, starting from a precise verification of processes and promoting virtuous methods and practices.

6-Communications to stakeholders and responsible marketing: playing an active role in spreading the message of the Global Goals, starting with correct and transparent information.

7-Sustainable packaging: heightened focus on sustainable, recyclable or recoverable materials as fundamental elements of the company's impact on the planet.

8-Sustainability in the innovation process, consistent with the company's commitments.

9-Creation of economic value: the company's ability to create value, jobs and product culture.

10-Energy management, to respond consciously to the challenges of climate change.

OUR STAKEHOLDERS AND COMMUNICATION CHANNELS

Suppliers
Periodic meetings and audits are held at plants and the "Alici&co." magazine is sent out.

Shareholders
Regular meetings on sustainability issues take place between shareholders and management.

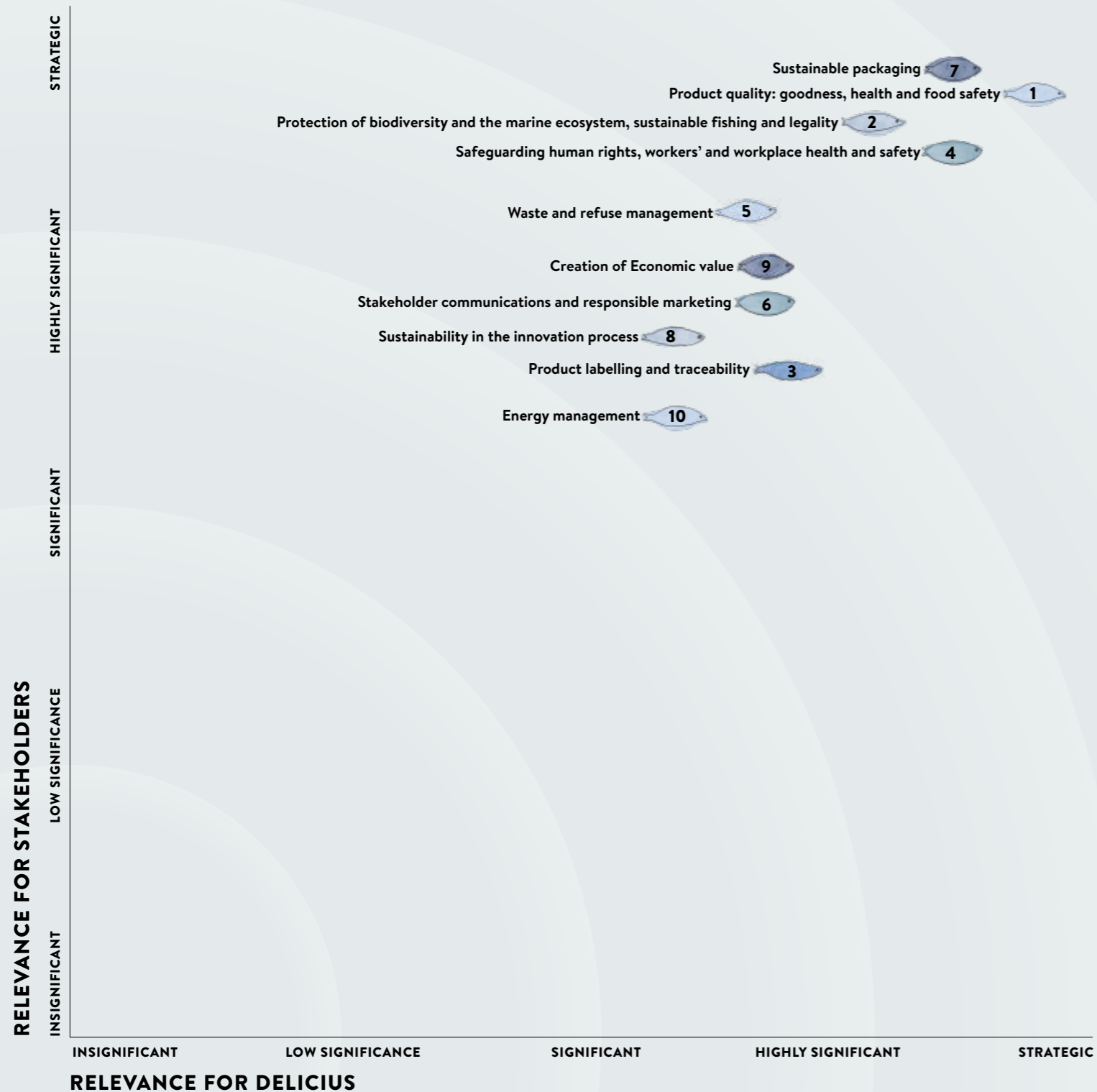
Human resources
In addition to training, internal communication initiatives are carried out through the magazine "Alici&co.", and a newsletter.

Distributors
The sales force is an excellent channel through which to learn, and specific sustainability issues are discussed; the "Alici&co." magazine is sent out.

Local community and institutions
Participation in discussions with civil society associations on the ground and research projects with universities.

End customers
Consumer analysis is carried out and topics of interest are monitored through social networks.

MATERIALITY MATRIX



Materiality matrix

This matrix shows the degree of priority attributed to the issues identified, both from the internal (horizontal axis) and external (vertical axis) points of view.

The activity was carried out through one-to-one meetings, in which Delicius listened to its stakeholders. The result allowed us to verify the extent to which the subject of the issue could influence the company's ability to create value in the short, medium and long term.

The following preference grid was created to prioritise projects:

1 - Insignificant

The issue appears to be marginal in influencing Delicius' ability to create value over time.

2 - Low significance

The issue appears to be of low relevance in influencing Delicius' ability to create value over time.

3 - Significant

The issue is significant and influences Delicius' ability to create value over time.

4 - Highly Significant

The issue's significance strongly influences Delicius' ability to create value over time.

5 - Strategic

The issue is considered decisive in influencing Delicius' ability to create value over time.

The relevant issues that emerged from the study fall under the macro-chapters identified while drafting this report and direct our commitment to three fundamental pillars: Sea, People and Community.

Linked to the issue of the "Sea", the following issues emerged as very significant: Protection of biodiversity and the marine ecosystem, sustainable fishing and legality; Sustainable packaging; Waste and refuse management; Sustainability in the innovation process and Energy management.

For the topic of "People", the issues of Safeguarding human rights, workers' and workplace health and safety, and creation of Economic value emerged as highly significant. Associated with the issue of "Community", the topics of Product quality: goodness, health and food safety; Stakeholder communications and responsible marketing, product labelling and traceability also emerged as very significant.

These three pillars guided our thinking in terms of reporting and objectives.

THE 2030 AGENDA

2

“Time is running out, and there is much hard work ahead... ..Climate action for people and the planet: the time is now.”

ANTONIO GUTERRES,
SECRETARY-GENERAL
OF THE UNITED NATIONS

The 2030 Agenda for Sustainable Development is a programme of action for people, planet and prosperity signed in September 2015 by the governments of the 193 UN member countries.



Sustainability: a global need

In order to direct its activities in the area of sustainability, Delicius has decided to embrace the Goals of the 2030 Agenda for Sustainable Development.

In 2015 the United Nations General Assembly endorsed the 2030 Agenda: a development plan comprising 17 goals called Sustainable Development Goals (SDGs), which aim to safeguard our planet and assist the spread of economic prosperity and social well-being. The governments of 193 UN member countries have undertaken to achieving these goals by 2030. Following the UN agenda, we have sought to reshape our strategic processes to achieve these goals. Developing a sustainable value chain is a commitment we are seeking to achieve throughout the **supply chain**.

To do this, we have identified three pillars of work: **Sea** (understood as source of supply and processes), **People** and **Community**. These pillars tell the story of the challenges Delicius faces on its journey towards sustainability. Each pillar has specific goals, which are the concrete response to the 2030 Agenda. Each objective is measured through performance indicators (KPIs). A fundamental requirement of all processes is **transparency**, to identify a path to improvement that is clear and understandable to all stakeholders.

The infographic displays 17 Sustainable Development Goals (SDGs) in a grid format. Each goal is represented by a colored square with an icon and text. Specific targets for several goals are highlighted with additional text blocks:

- Goal 3: GOOD HEALTH AND WELL-BEING**
 - 3.3 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
- Goal 5: GENDER EQUALITY**
 - 5.5 Ensure women's full and effective participation and equal opportunities.
- Goal 8: DECENT WORK AND ECONOMIC GROWTH**
 - 8.8 Promote safe and secure working environments.
- Goal 11: SUSTAINABLE CITIES AND COMMUNITIES**
 - 11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.
- Goal 12: RESPONSIBLE CONSUMPTION AND PRODUCTION**
 - 12.2 Efficient use of natural resources.
 - 12.5 Substantially reduce waste generation.
- Goal 13: CLIMATE ACTION**
 - 13.3 Improve education, awareness [...] on climate change.
- Goal 14: LIFE BELOW WATER**
 - 14.1 Prevent and significantly reduce marine pollution.
 - 14.2 Sustainably protect marine ecosystems.

For Delicieux, the sea is the primary source of supply and its protection is an essential element of our strategic policy, in terms of fishing and water health, which inevitably reflects on the safety of our products.

PROTECTING
OUR SEAS

3

“The sea is everything. It covers seven tenths of the terrestrial globe. Its breath is pure and healthy. It is an immense desert where man is never lonely, for he feels life stirring on all sides.”

JULES VERNE



This year we focused on raw material sourcing and packaging.

Oceans cover more than 70% of the earth's surface, contain diverse ecosystems, provide sustenance for more than 3.5 billion people, allow us to absorb excess heat and about a third of CO2 emissions, and are one of the planet's main sources of atmospheric oxygen, thanks to marine microorganisms; but they are highly endangered, to the point that the UN has dedicated a specific target to the sea, number 14.

The LCA (Life Cycle Assessment) studies that began in 2020 on some of our most representative Items are showing that the most significant environmental impact of our activity comes from the fish raw material - by which we mean the issue of harvesting fish stocks - and from packaging, since the mainly manual processing activity has the lowest impact.

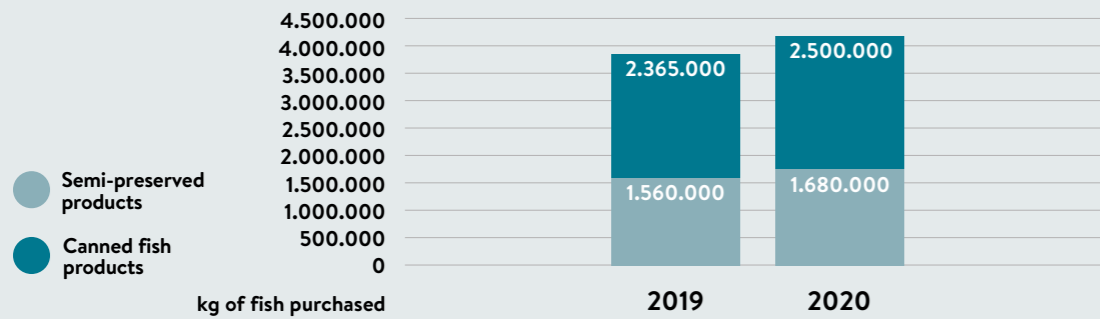
This year we have therefore concentrated our efforts on these two aspects, which we monitor more closely and on which the company has decided to set itself clear objectives and concrete guidelines.

However, the LCA analysis is not a static process, nor can we consider the analysis to be complete. Its aim is therefore to extend the verification to other items, and we do not rule out that next year we will be able to enrich our report with further significant elements that may emerge from the study.

OUR PERFORMANCE

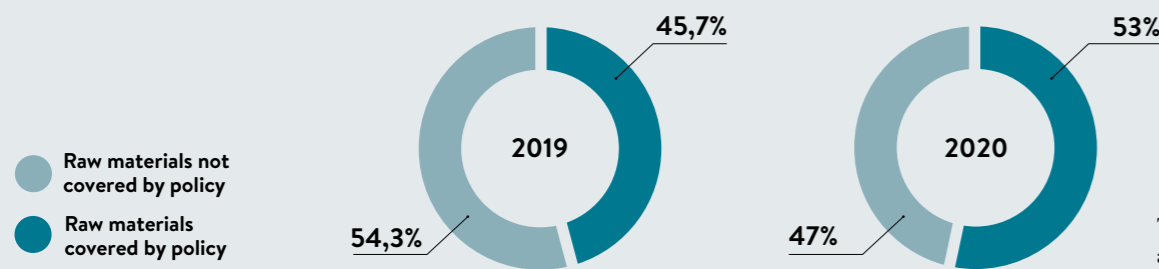
For some years now, Delicius has been following a path which, through process analysis, aims to optimise the use of resources, manage waste responsibly and create increasingly sustainable consumption and production models.

VOLUME OF FISH PURCHASED (2019/2020)



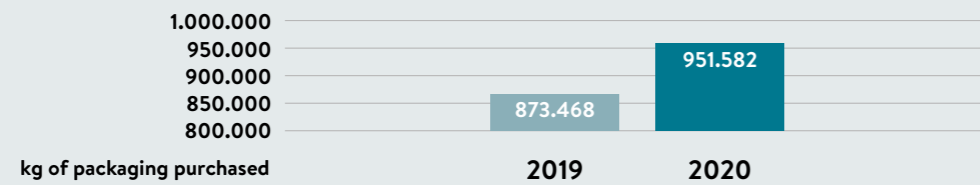
The graph shows the amount of fish purchased by Delicius in 2019 and 2020 based on sales. Semi-preserved fish represents a direct purchase, canned fish an indirect purchase. For calculation purposes, the figure is reported in kg of total fresh fish used to make the finished product. The higher figure is due to the growth in the company's turnover.

VOLUME OF RAW MATERIALS COVERED BY SUSTAINABLE FISHING PROJECTS (2019/2020)



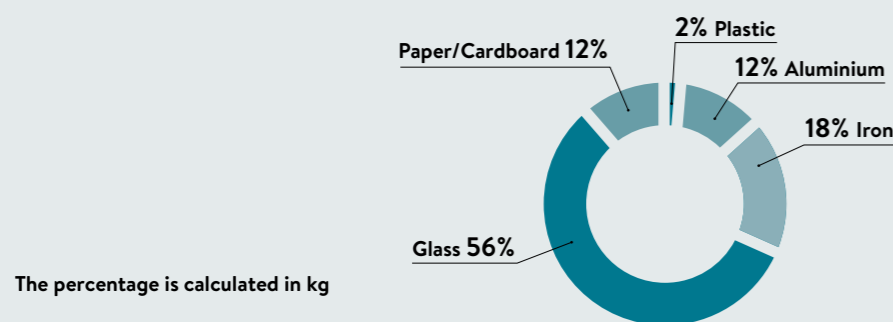
The figure refers to MSC, FOS and Dolphin Safe certifications.

TOTAL PACKAGING PURCHASED (2019/2020)



The graph measures total packaging consumption, understood as primary, secondary and tertiary packaging.

TYPES OF PACKAGING (2019/2020)



Delicius' efforts are increasingly focused on 100% recyclable materials. The small percentage of plastic represents Delicius' strong commitment in recent years. 84% of the paper used is recycled.

Our commitment and goals

Sustainability is a commitment that requires us to make consistent choices aimed at finding the best balance between development, profitability, production processes and the environment.

In the pursuit of this path, we are aware of the complexities involved, not least because of the nature of the market segments in which we operate, but we are convinced that the challenge we face represents a great opportunity to rethink our processes with a view to creating value. Delicius has been committed to implementing the FAO fishing and harvesting guidelines for several years now. We renewed our BRC, IFS, ISO 22005, KOSHER, MSC and BIO certificates in 2020, confirming our ongoing commitment to offering a top-quality product throughout the whole supply chain. In 2020, the ISO 50001 certificate on energy efficiency was

also confirmed for the Parma plant, with the aim of defining, implementing and actively improving a specific company energy policy.

- We are committed to using sustainable raw materials.
- We are committed to using 100% recyclable packaging.
- We include sustainability criteria in our choice of suppliers.
- We are committed to reducing waste.
- Sustainability is central to the innovation process.
- We are committed to verifying the sustainability of our processes (LPD).

Goal	Target	Objective
14	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by enhancing their resilience and taking action to restore them, in order to achieve healthy and productive oceans.	Increased percentage of MSC or FOS or Dolphin Safe certified raw materials each year.
14	14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine litter and pollution of waters by nutrients.	Elimination of single-use plastics from primary packs by 2023.
12	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Every year we strive to improve our yields, thanks to a 4.0 control system of our entire production process.
12	12.2 By 2030, achieve sustainable management and efficient use of natural resources.	By 2021, EPD certification for LCA study items in 2020 and extension of LCA study for Mackerel and Sardine items by 2022.

Our projects

We have embarked on a path that focuses on two major issues: the emergency of plastic in the seas and food waste, seeking to be consistent with our values and commitment.



We want to contribute to reduce plastic in the seas

Every minute the equivalent of a truck full of plastic ends up in the oceans, causing the death of turtles, birds, fish, whales and dolphins: this is an environmental emergency that must not be ignored.

WWF has estimated that 570,000 tonnes of plastic end up in the waters of the Mediterranean every year, the equivalent of 33,800 plastic bottles thrown into the sea every minute. But while there is general awareness of plastic pollution, the figures are getting worse.

Greenpeace has estimated that all the plastic could circle the Earth 400 times. 8 million tonnes, mostly microplastics and non-recycled single-use plastics, end up in the sea every year. 700 species of marine animals are at risk as they mistake plastic for food and die from indigestion or suffocation. But the projections are even more alarming: Nature has estimated that at this rate of consumption in 2050 the sea will be home to more plastic than fish!

This is featured in a report by the Ellen MacArthur Foundation, together with the McKinsey Research Centre, and presented at the 2016 Davos Economic Forum.

According to the analysis, the ratio of tonnes of plastic in the oceans to tonnes of fish, which is currently one to five, will become one to three by 2025.

So, a quarter of a century later, there will be fewer fish in the sea than plastic waste.

According to the report presented in Davos, the only way to avoid making the oceans unlivable is through a “**complete rethink of packaging and plastic products in general**”.

In the absence of ambitious laws and responsible behaviour, the risk is that we will find ourselves flooded with plastic, because unfortunately recycling is still insufficient and extremely ineffective.

The reason is simple: end-of-life management and recycling of plastic packaging are among the most complex, due to the many different materials (PP, PE-HD, PE-LD and PET) and to the fact that these materials are often coupled, for performance and marketing reasons, with other materials. This explains why in Italy (which is in any case one of the virtuous countries) only 43% of plastic packaging is sent for recycling out of the total of that collected separately, and the

European target for 2025, despite great efforts, is still very low (50% according to Directive 94/62/EC on packaging and packaging waste).

Biopolymers (or bioplastics: polymers synthesised from renewable and/or biodegradable and compostable sources) represent only 3% of the total plastic used to make packaging and are not currently a possible alternative.

Consequently, and in view of the future scenarios, we feel that we must take concrete responsibility, all the more so since plastic packaging is not a constraint on the preservation of our products. Glass and aluminium are in fact 100% recyclable alternatives that our market can and must commit to using to protect the marine environment. A general rethink of packaging as a whole thus begun in 2020.

The first objective will be to eliminate 9 plastic items by 2023, the last ones in our range. In 2021, a study will begin to measure the impact of the materials used. Once the data is available and alternatives are studied, the aim is to start improving our performance even further.



“Say no to waste” project.

According to the UN Food Waste Index Report 2021, more than 17% of food is wasted. “Say no to waste” is the title of the awareness campaign that Delicius has decided to support in 2021 through its communication channels. In support of its message, Delicius has promoted a study in collaboration with Prof. Luca Chiesa of the University of Milan, with the aim of verifying the parameters of the Delicius anchovy preservation oil, which can be reused as a highly nutritional condiment, rich in vitamin A and Omega-3. The campaign will be implemented through suggestions for use on our proprietary social media and various activities in collaboration with our media partners, as well as some actions carried out in collaboration with our influencers.

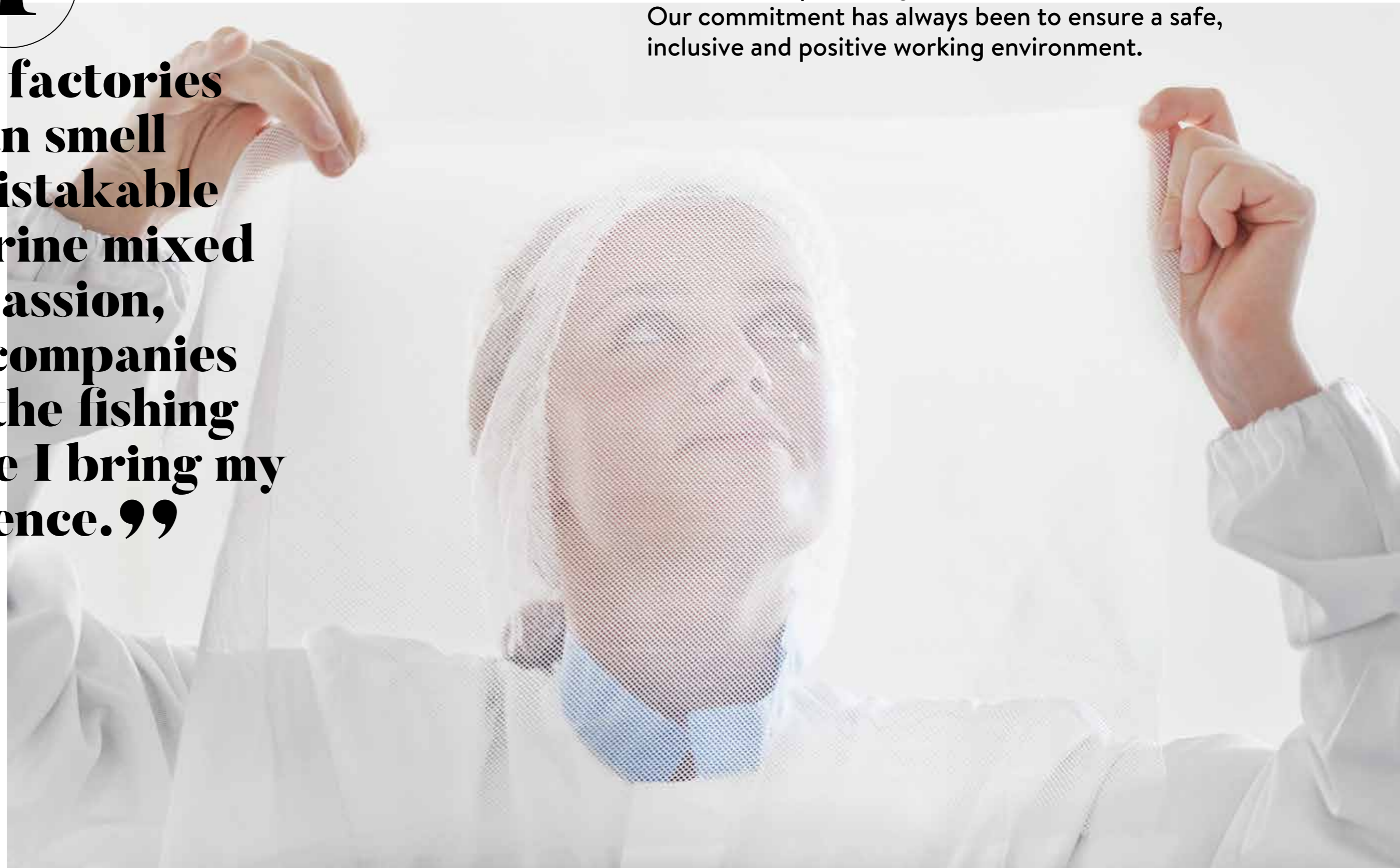
TAKING CARE
OF OUR PEOPLE

4

**“In the factories
you can smell
this unmistakable
scent of brine mixed
with passion,
which accompanies
me in all the fishing
ports where I bring my
experience.”**

UMBERTO BANCALE
(MASTER SALTER)

Our products are the result of the work, expertise and professionalism of many people who, with skill and passion, give value to our craft. Our commitment has always been to ensure a safe, inclusive and positive working environment.





Dignified Work, Equal Opportunity and spreading the message of the Sustainable Development Goals.

Our company's wealth of knowledge is based on an extraordinary human component, made up of experience, respect for time and refinement. The knowledge of the master salters and the manual intervention in the transformation of the raw material are just some of the competitive elements to be safeguarded and enhanced. Delicius' objective is to create an inclusive, safe workplace that offers everyone their own personal path to growth and development.

In 2020, our associate Eurofish Sh.P.k. was audited according to the SMETA protocol. The Sedex Members Ethical Trade Audit (SMETA) IV Pillar is the most widely used social audit methodology internationally to assess the social compliance of companies. It covers four key areas relating to human and labour rights, health and safety, management of environmental impacts and business ethics. The results of the audit were then shared through the SEDEX platform.

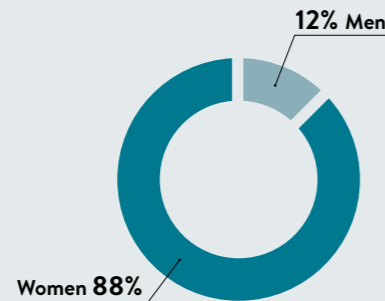
With improvement, the need to guarantee an increasingly solid training path grows every year, both in the direction of raising awareness and involving the material component of the processes more and more, and towards the culture of digitalisation and sustainability, which represent the two pillars of the training plan that began in 2020 and is continuing into 2021.



OUR PERFORMANCE

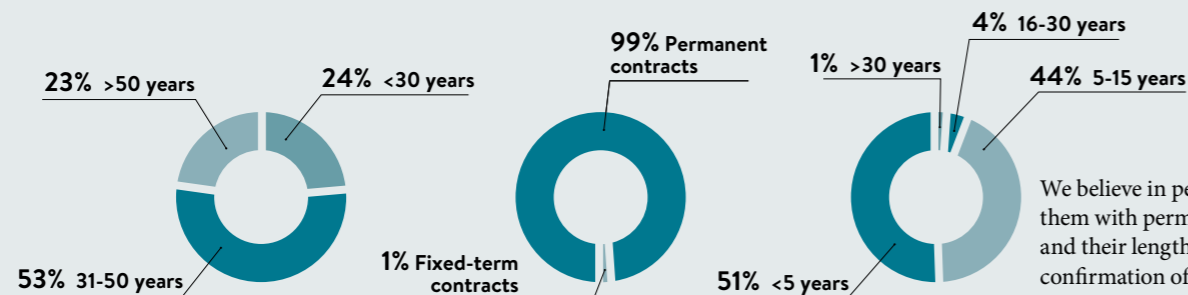
The figures describe a company which is profoundly immersed in the tradition of manufacturing and where the irreplaceable element is still represented by the delicacy and wisdom of women's hands.

OUR WORKERS



The female component of our 334 workers (including our direct employees and those of our associate Eurofish) is a point of great strength for us.

AGE GROUPS, CONTRACT TYPES AND LENGTH OF SERVICE



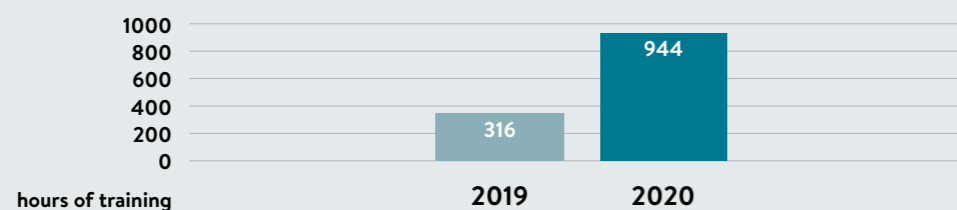
We believe in people, we invest in them with permanent contracts, and their length of service for us is confirmation of the solidity of our business project over time.

HEALTH AND SAFETY

	2019	2020
Absence rate	4,82%	4,07%
Injuries	7,00%	0,00%
Illness	1,86%	1,91%
Maternity	2,05%	0,04%
Paid and unpaid leave	3,48%	4,72%

The data refer to direct staff employed in Italy. The absence rate was calculated using (illness + injury + unpaid leave) / total Hours worked x 100. The average absence rate in Italian companies is 6.6% (Source: Centro Studi Confindustria, 2020).

TRAINING



These data refer to training carried out by Delicius employees at the Parma premises.

Our commitment and goals

We have always believed in our workers, which is why over time we have invested in training, their safety and their full participation.

At different times of the year, our human capital is redeployed in several Mediterranean countries, some within the European Community such as Italy, Spain and Croatia, others outside the EU such as Albania and Tunisia. This multicultural melting pot has certainly required certain skills of adaptation, which is not simple and sometimes not always easy to manage, but over time it has enriched us and allowed us to grow as a company and as individuals. In Parma, during the months of lockdown, with a reorganisation spread over two shifts, the whole organisation contributed with pride and a sense of duty to

providing an essential service. This is why we decided to award a 25% salary increase and a child care bonus to people who kept on coming into work and took out insurance to cover any employee who caught the virus, as well as insurance to cover all employees in the event of contagion.

- We promote human rights throughout the supply chain.
- We promote equal opportunity.
- We promote sustainable economic growth.
- We promote the spread of the Global Goals message to our stakeholders (magazine).

Goal	Target	Objective
	8.8 Protecting labour rights and promoting a safe and secure workplace for all workers, including migrant workers, especially migrant women and those in temporary employment.	Ensuring permanent employment for at least 95% of our workers, with a particular focus on women.
	5.5 Ensuring women's full and effective participation and equal leadership opportunities at all levels of decision-making in political, economic and public life.	Ensuring a strong female representation (at least 40%) at the top of the processes.
	13.3 Improving education, awareness and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	Hours of internal training and shared drafting of a policy for more sustainable resource management: <ul style="list-style-type: none"> • Reducing single-use plastics at the Parma facility. • Implementing a digital archive for responsible use of paper.

Our projects

We like to think of ourselves as a big family, committed to sharing thoughts and values, where everyone has the opportunity to express their potential.



Introduction of Form 231 for safety

Occupational health and safety are fundamental elements in the management of Delicius' activities.

In Italy, having taken note of the crimes provided for in Article 25-septies of Legislative Decree 231/2001 and the obligations set out in Law 81/08, Delicius has implemented its own management system for occupational health and safety and hygiene, with rules and principles of conduct and management aimed at preventing the occurrence of accidents and injuries, maintenance of machinery and equipment and training workers.

This system is organised through appropriate instructions to manage internal communications related to health and safety, PPE, machinery and non-conformities related to poor safety management. Moreover, with regard to occupational health and safety, compliance with Legislative Decree 81/2008 is assessed, monitored and optimised through a MOG Descriptive Model Special Part - Safety at Work. It should also be noted that our associate Eurofish Sh.P.k. became a **vaccination hub** and in April 2021 we were able to vaccinate all our employees.

Engagement and spreading the message

Launched in 2019, the "Alici&co." magazine is a brand journalism project created with the aim of involving all stakeholders, first and foremost our workers, in the company's projects, values, reflections and objectives, including those related to sustainability.

The biannual magazine is part of a wider strategic project to give transparency to our activities and build a strong brand identity over time by explaining and highlighting the company's activities, the people who work there, the collaborations that Delicius carries out from time to time, the incentives, food trends and much, much more.

This publishing project has also aroused the interest of other organisations, starting with the University of Parma, which has asked us to teach on these topics. As part of its natural evolution, the magazine is also being enriched by prestigious writers who, with their valuable contribution, allow us to build new perspectives of thought.

In 2015 Delicius promoted the publication of a book entitled "Alice o Acciuga?", published by Mondadori, distributed in bookshops and to our employees and collaborators, with the focus on protecting and enhancing an ancient and traditional craft such as that of semi-preserved Anchovies, a craft that few people know about but which even to today is unique in our Italian manufacturing culture.

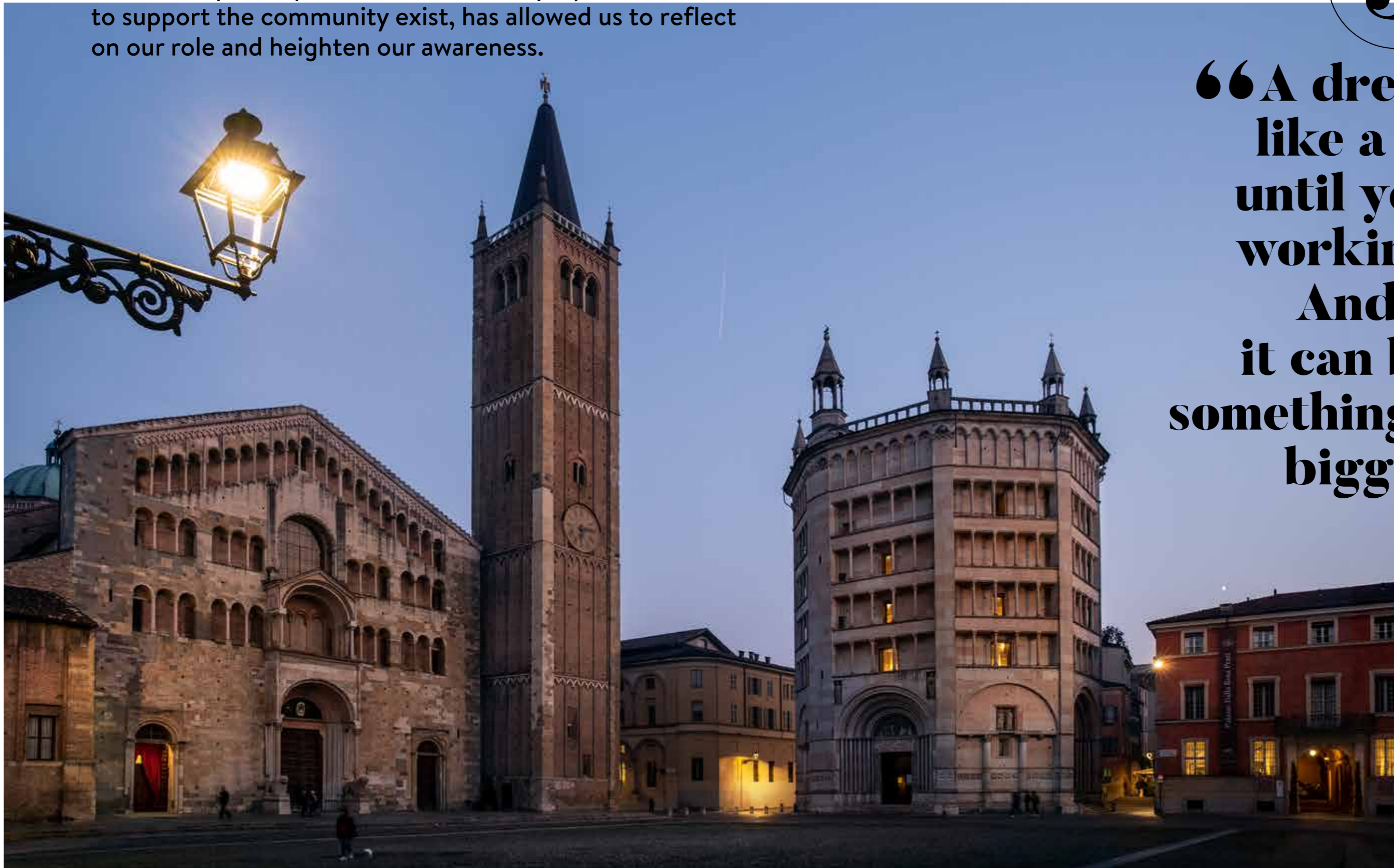
Belonging to an area such as Parma, where virtuous companies are questioning the issues of sustainability, and where public-private collaboration projects to support the community exist, has allowed us to reflect on our role and heighten our awareness.

SUPPORTING THE
COMMUNITY

5

“A dream seems like a dream until you start working on it. And then it can become something infinitely bigger.”

ADRIANO OLIVETTI



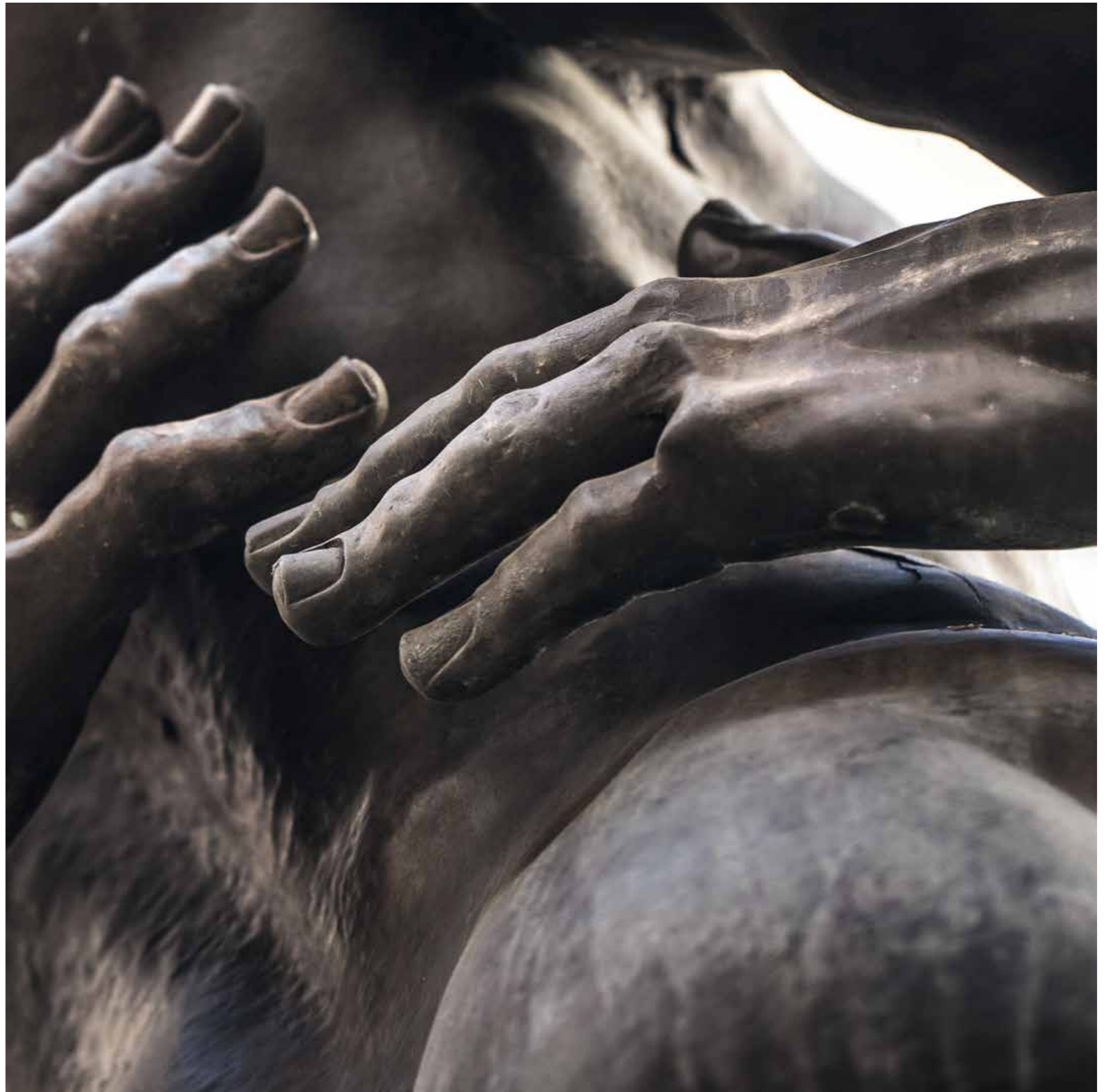


Research, sensitivity and attention connect us to our territory.

Parma has historically been an extremely attractive area for canning production. Starting at the end of the nineteenth century with the skills generated by the emerging tomato sector, and followed by studies developed by the SSICA (Stazione Sperimentale per l'Industria delle Conserve Alimentari - Experimental Station for the Preserves Industry), fish preserves developed their own identity in Parma (a city far from the sea!), becoming a true novelty on the Italian scene. Faithful to the agri-food vocation of our territory, we have always tried to pursue projects creating industrial, cultural and research value.

We were the first to enrich our relationships with our local area, nourishing ourselves through an exchange of ideas, promoting projects to enhance the value of the supply chain, and seeking to support communities in need.

And we believe that this activity of growing, cultivating and transferring a "common heritage" into the future is the fundamental lesson that a territory with its companies, institutions and policies can leave to future generations.



OUR PERFORMANCE

We strongly believe in research to safeguard the wholesomeness of our products, which is why we have promoted an ambitious research project called “**Metal Tested**” carried out in collaboration with Prof. Luca Chiesa of the University of Milan (Department of Health Animal Science and Food Safety Research centre for the study of residues in foods of animal origin).

LOTS ANALYSED

278

Lots analysed in

20

Months of study

The sampling plan was defined to give a correct statistical representation of Delicius sampling.

ITEMS

105

Items

To further solidify the study, the perimeter was extended to include the two fishing campaigns 2019 and 2020, verifying the origin of the Cantabrian Sea, the Strait of Sicily and the Adriatic Sea.

FISHING CAMPAIGNS

2

Fishing campaigns

3

Origins

The aim of the audit was to monitor origin, processing days and packaging materials.

DETERMINATIONS

2.502

Determinations

Test for nine metals are performed. In addition to the most common heavy metals (Mercury, Cadmium, Lead and Chromium), tests for Arsenic, Nickel, Tin, Aluminium and Uranium are also performed.

The objective of the study, which will be completed in July 2021, is the determination and risk assessment of a comprehensive range of metals in Delicius anchovy fillets. This study will lead to the drafting of specifications within which Delicius will set voluntary limits - as yet unregulated - which will also be submitted for validation by a third-party agency.

Food safety is a very real issue for consumers. Environmental pollutants in fish are among the most widespread concerns, second only to antibiotic, hormone and steroid residues in meat (Source: EFSA, Eurobarometer 2019).

Well aware of the critical issues that are emerging, Delicius - the first in its sector - thus plans to validate its production process through strict specifications aimed at guaranteeing the wholesomeness of its products, while at the same time becoming an immediate warning tool for any environmental critical issues that may arise in fish sampling. Since Delicius has become an authoritative point of reference for its stakeholders in terms of product safety and wholesomeness, we believe we can be a reliable and qualified partner for anticipating sustainability issues, which are increasingly talked about today.

Our commitment and goals

We believe in sharing our projects and in the enrichment that comes from dialogue, in order to promote and finance activities in favour of the community and the territory.



We have identified 3 main areas of interest: scientific research, the environment as cultural heritage and know-how, and social emergencies.

Our research partners are universities and research bodies, with whom we share projects aimed at verifying the safety of our products with regard to possible emerging pollutants, and at analysing, on a scientific basis, the best nutritional characteristics in relation to the production process and conservation, so that Delicius foods can maintain their nutritional characteristics over time.

We also believe that too little is known about our supply chain. Let alone about the hard work of finding the best species, about fishing - which is still done using traditional methods - or about the long months it takes for a conserve to reach the right degree of maturation. We believe that creating a product culture is a central theme of our

commitment, not least to give our end consumers all the elements they need to make a responsible choice.

- We study the nutritional characteristics of our products and constantly check their wholesomeness, including through collaboration with research institutes and universities.
- We promote sustainable consumption, understood as balanced and natural for consumers, through our products.
- We develop partnerships with foundations or institutions for the protection of Italy's cultural heritage.
- We promote projects to upgrade the Parma canned fish supply chain.
- We support projects in favour of particular categories in need.

Goal	Target	Objective
	3.3 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	Introduction of parameters included in the Specifications for metals, metalloids and contaminants in Delicius products.
	11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.	Conserve projects that support the community and the territory.

Our projects

We aim to enhance our presence in the territory with local but also national projects and we are doing this by sharing activities and initiatives with other companies, foundations and institutions.



We support the FAI (Italian National Trust)

From 14 to 16 February 2020 the XXIV National FAI Conference entitled “Lands of No Man or of Denied Sovereignty” was held in the Teatro Regio in Parma. This was one of the most important institutional events for the Foundation being the moment when over 800 people from the FAI territorial network met. For Delicius, the first year alongside FAI as Main Sponsor was an important moment of sharing and communication and exchanging ideas. Shared sensitivity for our heritage, made up of beauty, but also of traditions, knowledge and trades that need to be protected, was the common denominator for sharing a project that Delicius is continuing to support in 2021.



Projects to support product culture

Delicius believes that supporting local cultural activities enriches the community and the business. In 2019 Delicius supported the exhibition “[In]accessible, stories from the abyss”, an interesting tale of underwater archaeological finds including beautiful amphorae containing garum. The initiative was then linked to a project involving a number of restaurants in the area that offered a dish that gave a modern twist to garum/anchovies and whose menus featured a leaflet illustrating the exhibition: a link binding product, culture and territory to enhance and raise awareness of an excellence of Italian know-how.



Projects to upgrade the Parma canned fish supply chain

Delicius actively collaborates in the Steering Committee of the Municipality of Parma for the conception and implementation of several projects, together with other food supply chains in the area. The project started in 2019 with the fuori salone Cibus Off and the Settembre Gastronomico hosting the Cena dei Mille as a national event.

Here, Delicius was one of the promoters of the “L’Acciuga d’Argento” (Silver Anchovy) contest, a prize (a silver anchovy) was awarded to the winner of a fierce challenge in the kitchen, with dishes featuring anchovies as the star. This initiative, which was given national prominence through social media, was a success for the four leading companies in the canned fish sector in the Parma area, which intelligently managed non-competitive elements with great synergy.



Project to support communities in need

We have always sought to support the community, in particular the most marginalised groups. The prolonged lockdown in 2020 caused difficulties for many families and Delicius is proud of having actively taken part in local and national initiatives to help those most in need. In particular through donations of food to the Emporio Solidale of Parma and the “Solidarity” initiative: 20,000 “solidarity packs” coordinated by the Italia del Gusto consortium, which Delicius belongs to.

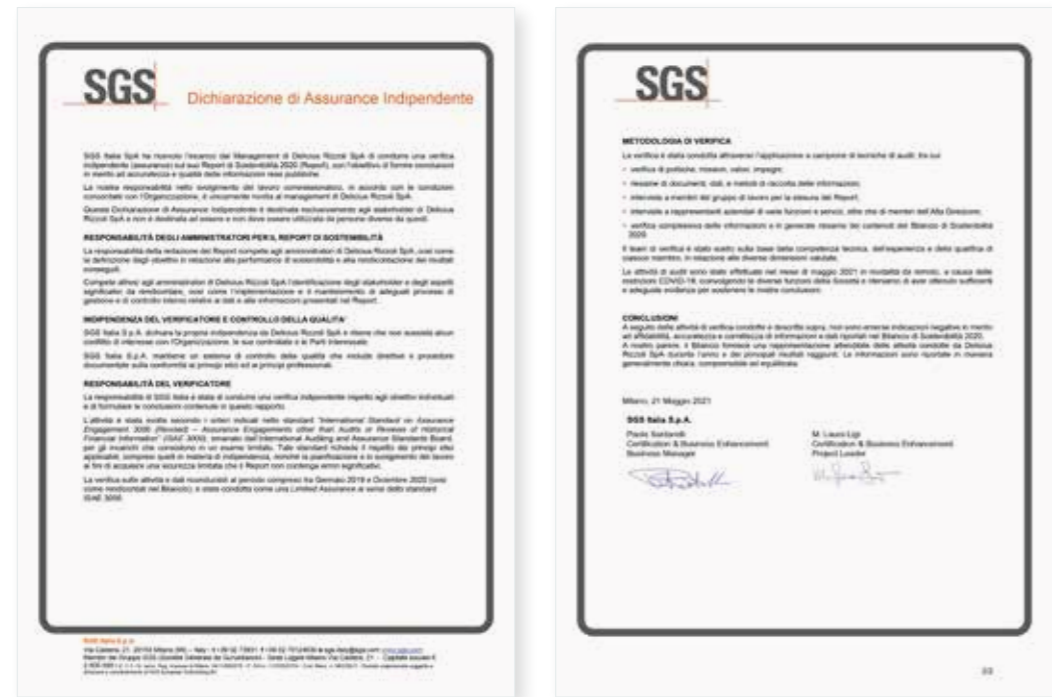
Methodological note

The Sustainability Report is the tool through which Delicius communicates its sustainability performance to stakeholders.

The aim was to introduce a working method into the processes to enhance the commitment, initiatives and internal and external dialogue and lay the foundations for identifying relevant reporting issues we have to face, setting increasingly ambitious targets.

The data and activities reported refer to the 2019-2020 two-year period. The scope extends to the associated company Eurofish Sh.P.k. based in Lezhe (Albania) with the aim of giving correct representation of our business model.

The choice of indicators was made taking into account the importance of the material issues covered by the materiality analysis and the targets are related to the 2030 Agenda targets.



This report was certified by SGS Italy. The Assurance phases included the following activities:

1. **Materiality Analysis validation.**
2. **Stakeholder Engagement process validation.**
3. **Verification of the accuracy and completeness of the data included in the Sustainability Report.**

The audit was carried out by reviewing qualitative/quantitative elements, deriving from the Report KPIs, through the support of objective evidence - such as the analysis of documents, verification of records and interviews with staff and data-owners involved in the preparation of the Report.



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