



**OUR
COMMITMENT TO
SUSTAINABILITY**

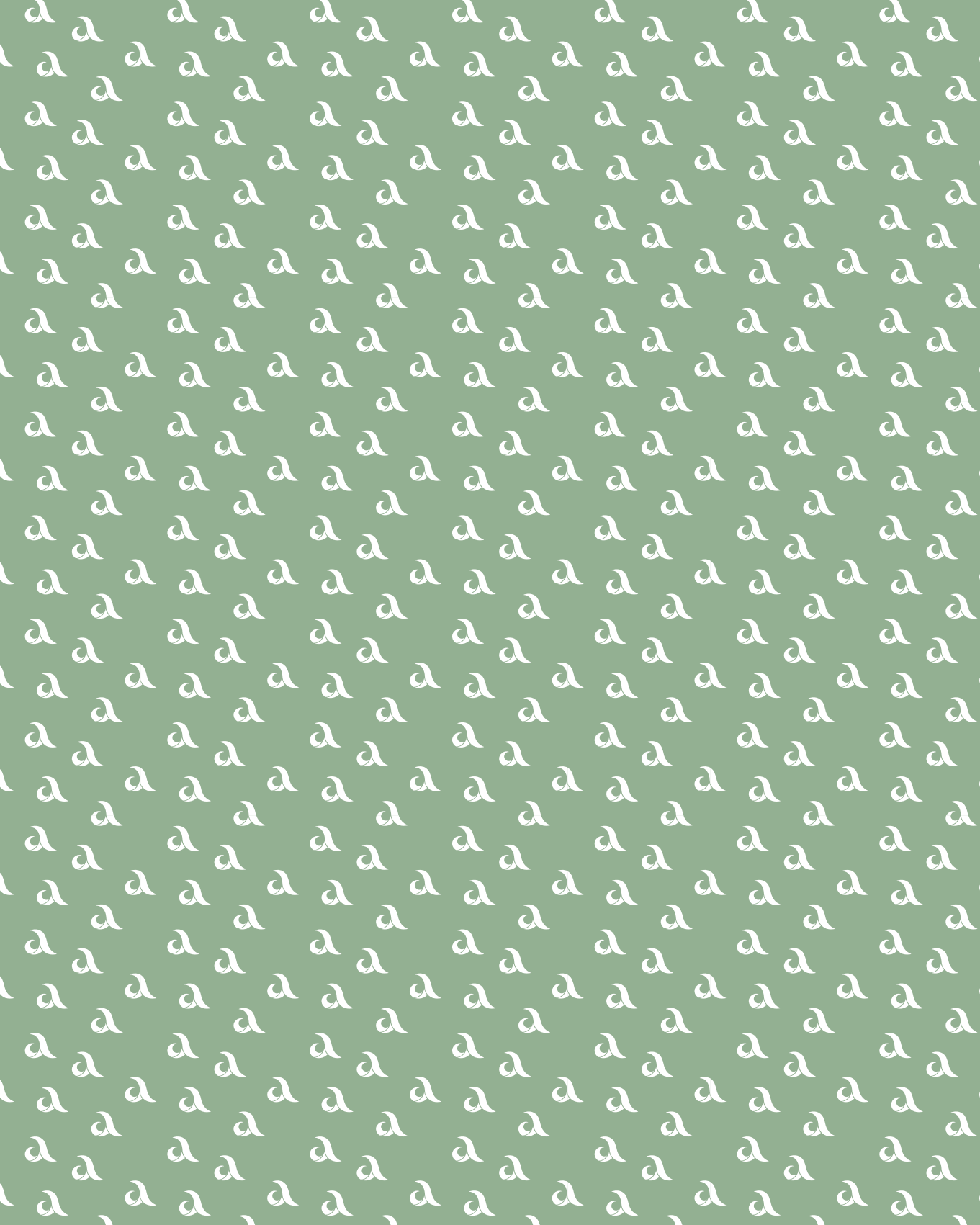


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1. A Journey Towards Sustainable Development

The spirit of Andriani's approach can be summed up in a simple concept: think positive & good innovation. Innovation understood as ways of thinking, acting, saying and communicating. Innovation understood as a holistic concept: beginning with products and processes, but then extending to practical day-to-day activities. Innovative thinking helps us to live well and leave fertile soil for future generations. ANDRIANI's path to sustainability is made up of concrete daily actions, aimed at achieving a measurable and continuous result over time.

The most important themes that feature in this project regard the following fundamental key aspects:
biodiversity, local area development, food traceability, smart agriculture, food safety and education, and well-being of individuals and local communities.

A JOURNEY TOWARDS SUSTAINABLE DEVELOPMENT

ANDRIANI passionately believes in the need for a sustainable and circular economy that combines economic growth with safeguarding the environment and social needs. This scenario, compatibly with product needs, includes a rediscovery of values such as transparency, dialogue, cooperation, social relations and eco-compatible behaviour. The Group's path to sustainability is an active commitment to ourselves and to our stakeholders: where the aim is that each one of us gathers our own energies and returns them to the planet, to safeguard its well-being. Because the planet is part of us and we are part of the planet. The first step was to outline the good practices of each player involved, from single operators, to internal and external collaborators, to suppliers, to local communities in order to give a single soul to the project and a coherent and univocal vision of the strategy of corporate sustainability.



OUR COMMITMENT

94,3%

permanent contracts

1 MLN

people reached on social media

30%

laser printed instead of ink

120

hours of management meetings on sustainability issues

4 MLN

euros invested in sustainability

60%

organic raw materials

40%

waste sent for recycling or energy recovery

80%

packaging in recyclable cardboard

54 MLN

turnover

5

countries visited for meetings on sustainability

35,3%

women in leadership positions

PROJECTS AND INITIATIVES

1. SUSTAINABILITY REPORT

The first edition of the Andriani S.p.a. Sustainability Report, relating to the year 2018 and now in the course of publication, is part of the company's policy of inaugurating a periodic communication channel.

The focus is on the social, environmental and economic impact of its activities, the assessment of results achieved in relation to commitments made, the programmes implemented, and the effects on different stakeholders.

The Sustainability Report will be prepared in accordance with the GRI Standard Core option, and will be certified by a "Big Four". The Agenda 2030 Sustainable Development Goals will be its dominant inspiration.

2. A GLOBAL COMPACT SIGNATORY

In early 2018, Andriani S.p.a adhered to the UN Global Compact as a Signatory to the "Corporate Citizenship" strategic initiative, created by the United Nations with the intention of promoting a sustainable global economy.

Andriani Spa took on the challenge, signing a Global Pact between the company and the United Nations, which aims to promote collaboration in order to overcome the most critical issues resulting from globalization.

Below are the commitments undertaken by Andriani Spa as a signatory of the United Nations' Global Compact:

- to ensure that the Global Compact and its principles inspire the company's strategy, culture and activities;
- to promote and disseminate the Global Compact and its principles;
- to report annually to its stakeholders on the progress made in implementing the Ten Principles related to Human Rights, Labour Standards, Environmental Protection, and Fight against Corruption.

3. ANDRIANI FOR THE CIRCULAR ECONOMY

Respecting Agenda 2030 principles, Andriani is developing various virtuous processes in order to reuse its production waste for transformation into low environmental impact products.

These initiatives include:

- the creation of the first Andriani Pet Food product, to meet the needs of all those who want to ensure their four-legged friends a complete and safe diet without nutritional imbalances;
- the launch, in collaboration with the Estel Group and the University of Bari's Faculty of Chemistry, of a research project investigating buckwheat chaff for re-use in the construction sector (to replace shavings from virgin trees), and in furnishing (in high-performance thermo-acoustic panels), to be used in the new Smart Building Andriani;
- the start-up of an efficient energy self-producing trigeneration plant, and the consequent increase in the use of methane gas and reduction of CO2 atmospheric emissions... a further demonstration of our convinced attention to natural resources;
- the reuse of waste water deriving from the washing of pasta-making dies, for the cultivation of Spirulina Algae.





SUSTAINABLE SUPPLY CHAIN FOR ITALIAN LEGUMES

We are in the third year of a project developing a sustainable Italian supply chain for legume production (lentils, chick peas, green peas). The goal is to enable numerous local farms to optimise the growing specifications for both integrated and organic legume production, implementing sustainable criteria. This means safeguarding the soil and the environment, guaranteeing food safety and food quality, and increasing the profitability of all the operators in the supply chain.

Andriani's engagement in Research & Development is constant and widespread. It also collaborates with Horta Srl, a spin-off from the Università Cattolica del Sacro Cuore specialised in providing crop production consultancy and services, with the aim of increasing the competitiveness of agricultural and agri-business companies: a highly authoritative scientific partner. Together we work to exploit and disseminate research

4. Sustainable Supply Chain For Italian Legumes

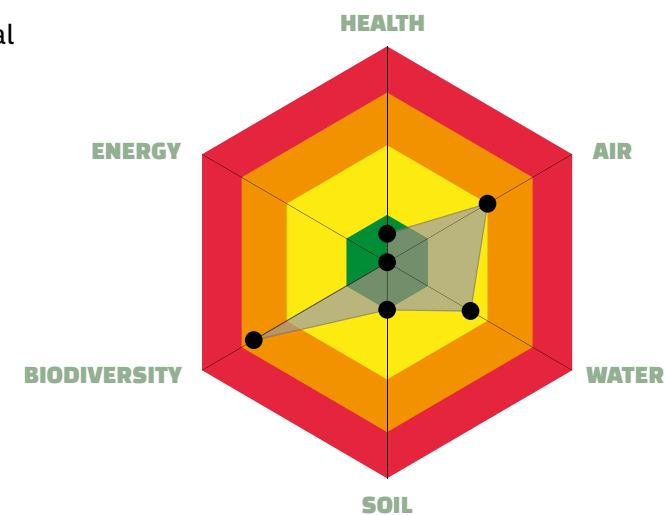
results, providing a transfer of technological innovation to agricultural producers.

This project is carried out in Italy and involves the use of IT tools and services to back up and facilitate decisions. For example legumi.net® - which supplies operational indications on cultivation techniques - and yousustain.net®, a system which measures product environmental impact by analysing its entire production cycle and expressing a sustainability score based on 6 parameters: water, soil, healthy air, biodiversity, health and energy.

This service draws on large databases that enable an environmental impact to be associated with each crop operation. The Registry of Crop Operations (ROC) - present in legumi.net - makes it possible to record all the activities carried out in every part of the supply chain: as a result the system can associate an environmental impact with every crop operation.

At the conclusion of each production unit's processes, all the environmental impacts of each cultivation operation are added up. This provides a definitive score for the individual production lot of that particular production unit in the supply chain. As a result, the farms involved are documented from a sustainability viewpoint, and their internal organisation is analysed to establish a score, which then becomes part of the final score of the overall agricultural supply chain.

Another important aspect of creating the new chain is the varietal and agronomic experimentation, whose aim is to establish and supply the best varieties and the most environmentally friendly cultivation techniques. The collaboration between industry, university research and development, and the agricultural sector represents - for the entire Alta Murgia territory - a key challenge in the years to come: that of developing a strongly sustainable economic fabric, fitting for its primary role in Italy's food industry.





With its operations, Andriani Spa contributes to the achievement of the Sustainable Development Goals (SDGs) of the UN Agenda 2030.



We safeguard food security and improve people's nutrition.
N.3 Company certifications
N.11 Product certifications



We promote a culture of well-being plus medical and scientific information by participating in selected conferences and seminars and through the Andriani Educational project.

FOOD EDUCATION •
Pre-primary schools c/o Murgia è Fiera
 Gravina, September 2018
The Leguminosa EVENT • Slow Food
 Naples, March 2018
Terra Madre • Salone del Gusto / Slow Food
 Turin, September 2018



ANDRIANI EDUCATIONAL

This is the first food education programme in Italy reserved for primary schools. The goal is to make children aware of sustainability issues and of the importance of adopting a healthy and natural lifestyle that respects themselves, others and the surrounding environment.

The project involves the participation of teachers, children and their families, all of whom will form an extended working group on sustainable food.

A programme of cooking workshops, in-depth research studies, and school vegetable patches are scheduled, plus other concrete experiences involving experts in the food sector.

Promoting the use of legumes and beans is one of the recommendations of the FAO, the WHO and all international environmental and health authorities. However, their consumption is currently well below the levels recommended by experts, especially during growth and in teenage years.

Their promotion is truly essential to facilitate sustainable food behaviour, for our health and for the environment.

Project goals

- To raise awareness of the relationship between nutrition and health.
- To promote the protection of the planet's natural and agricultural resources, with respectful and conscious "use" of the environment.
- To promote knowledge of the food system and understanding of production and distribution methods.
- To stimulate awareness among children about the richness and biodiversity of the planet.
- To explain how acquiring habits that respect environmental resources helps us to appreciate that nature, culture and health are all essential elements for human well-being.
- To recognise and respect the diversity of the forms in which nature manifests itself as a value and a resource to be protected (biodiversity, cultural diversity, etc.).
- To identify and test strategies for sustainable living.



ANDRIANI EDU

5. Sustainable Development Goals



Andriani intends to achieve its goal of energy efficiency through self-production, by inaugurating its trigeneration plant and consequently increasing the use of methane gas and reducing CO₂ atmospheric emissions: a further demonstration of our convinced attention to natural resources.



We support well-being and a positive organisational atmosphere at work. **EMPOWERING PEOPLE:** Andriani is highly interested in

attracting and retaining talent that can contribute to the generation of new value. Transferring the culture and ethics that characterise the company, its teamwork and its appreciation of diverse viewpoints, are key elements for attracting new talents and integrating them harmoniously with our personnel.

In keeping with this philosophy, the company is planning a number of initiatives, including a Family Day, a Career Day, team-building activities and indoor and outdoor events.



5. Sustainable Development Goals



We promote sustainable automation. All production lines are highly automated and supervised via PLCs. The company uses the latest Buhler system, and were the first

company in the world to adopt it. Based on the principle of energy saving, the system offers great efficiency improvements in the drying process, improving both its timing and the quality of the end product.

We are currently saving 30-35% thermal energy with this system, which is also known as Ecothermatik.

This is essentially a method for making long-shaped pasta, turning out 1300 kilos of pasta per hour with a very high level of automation.

Processes are digitalized with the Rintrax software, designed by Hitech, which is the logistic management system chosen by Andriani to comply with all legal requirements in the area of food safety and traceability, while maximising logistic efficiency and offering products that are guaranteed by quality certification. Rintrax traces all stages of production, upstream and downstream, through the various TCPs (Traceability Control Points), producing labels and traceability documents in accordance with Indicod standards.



5. Sustainable Development Goals



We enhance everyone's natural skills.
DIVERSITY MANAGEMENT:
For Andriani, enabling everyone's potential

to emerge is key, because each person is endowed with different kinds of skills, expertise, intelligence and personal features that make the individual unique. The company enhances everyone's natural disposition and skills, following Gardner's principle of multiple intelligence, through a process of evaluation of each person's potential, geared to matching people's skills and aspirations with the most suitable jobs. The company also stimulates dialogue between generations, genders and cultures, because this exchange is instrumental to the achievement of good results and well-being in the workplace.



We favour sustainable initiatives for people and the community.
BIKE TO WORK:
Andriani has always been focussed on

improving the health and well-being of its consumers.

The emotional and personal well-being of all our workers is also essential for us, and we pursue it with welfare and work/life balancing actions, such as the 'bike to work' initiative.

At the same time, we keep a careful eye on the needs and issues facing the environment and the planet, which we need to defend through increasingly innovative and challenging initiatives.



5. Sustainable Development Goals



We protect ecosystems and defend biodiversity with our legumi supply chain project in the Alta Murgia National Park in Puglia.

Compared to animal husbandry, farming legumes saves water, produces less carbon dioxide and has a lower impact on climate. Farming legumes, especially in rotation with other plants like cereals, fertilises the soil, preventing erosion and helping control infestations and disease, reducing the need for chemicals.



We support and promote sport and sporting events of all types, at any level. We have therefore chosen to share our journey with several sport champions.



