



impact
report
2022



BECIRCULAR
La sostenibilità in Labomar



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Letter from the President

Welcome to our third Impact Report, where we look back on 2022, a particularly busy year for Labomar and its drive for sustainability. Over the months we made important progress, with projects and activities in each of the areas of the purposes of common benefit, and we laid the foundations for new, even more ambitious goals in the future.

We also began to reap the fruits of our labour, receiving confirmation from highly authoritative sources that our efforts are paying off.

*Starting with **EcoVadis certification**, one of the most trusted providers of sustainability assessments in the world. It was the first time Labomar had been assessed and it obtained a Silver medal, a result that only 25% of the top companies manage to achieve. The balanced distribution of the score across the different assessment areas - environment, labour and human rights, ethics and sustainable procurement – was particularly gratifying, reaffirming the company's commitment to the ESG goals set by the United Nations Agenda 2030 for sustainable development.*

*But there's more: Labomar is currently ranked one of the top 100 most sustainable companies in Italy. It received the **Sustainability Award** from the Kon Group and Credit Swisse, an important recognition reserved for Italian companies that have shown leadership in facing the challenges of climate emergency, turning it into an opportunity for innovation and activating the best energies in the country. This year the award focussed particularly on companies that have made sustainable development part of their corporate DNA, setting up processes, systems and resources to reduce their environmental and social impact.*

We are proud of both these achievements because they acknowledge our long-term sustainability policy and the way it engages not only all our company departments but also our employees and suppliers, heightening their sense of responsibility, as we all work towards a common goal. In today's world a challenge isn't something we can put off to the future; it must be, from the outset, concrete and measurable, verified with impartial and certified data. This approach has even more strategic importance in the pharmaceutical sector, which is becoming more and more demanding and attentive to the sustainability of the entire supply chain.

Not only do accomplishments like this confirm the wisdom of Labomar's decision to become a benefit corporation, they also acknowledge the work and responsibility that goes into driving sustainable and inclusive growth, which also creates added value for the community. This has always been a priority for us, even before we decided to formalise our commitment.

It is particularly important to point out that the journey we have embarked on, and which has gone from strength to strength this year, is gradually including the whole Labomar Group. Little by little, all the companies in the Group are getting involved in our projects and best practices: each and every one of them is working hard to achieve sustainability and Importfab has already become a benefit corporation. Labomar, and the Group as a whole, still has a long way to go. We mustn't think of our successes as milestones; they're more like checkpoints which, like in a marathon, mark the runners' progress and encourage them to keep going, without looking back. Because the route isn't a straight line, it isn't always downhill, it is littered with obstacles but also moments of extraordinary beauty, making the challenge more complex but ultimately more gratifying.

This Impact Report is a clear and complete record of what we have achieved this year and our future goals.

I hope you enjoy the report,

Walter Bertin
CEO Labomar S.p.A.



“WE'VE ONLY GOT
ONE PLANET,
SO LET'S LOOK
AFTER IT”



About Us



Labomar's story begins in 1933, when the Bertin family bought a pharmacy in Istrana, a small town on the outskirts of Treviso. Walter Bertin, a third-generation pharmacist who had always had a passion for natural raw materials and understanding the secrets of Galenic formulations, began working in the family pharmacy as soon as he graduated from university. His natural curiosity and resourcefulness led him to explore herbal medicine. He began studying and experimenting and eventually started producing dietary supplements, which were immediately a resounding success with the pharmacy's customers. He expanded the family business and in 1998 founded Labomar, a highly innovative company specialising in the development and production of private label dietary supplements, medical devices, food for special medical purposes and cosmetics, falling within the broader scope of nutraceuticals.

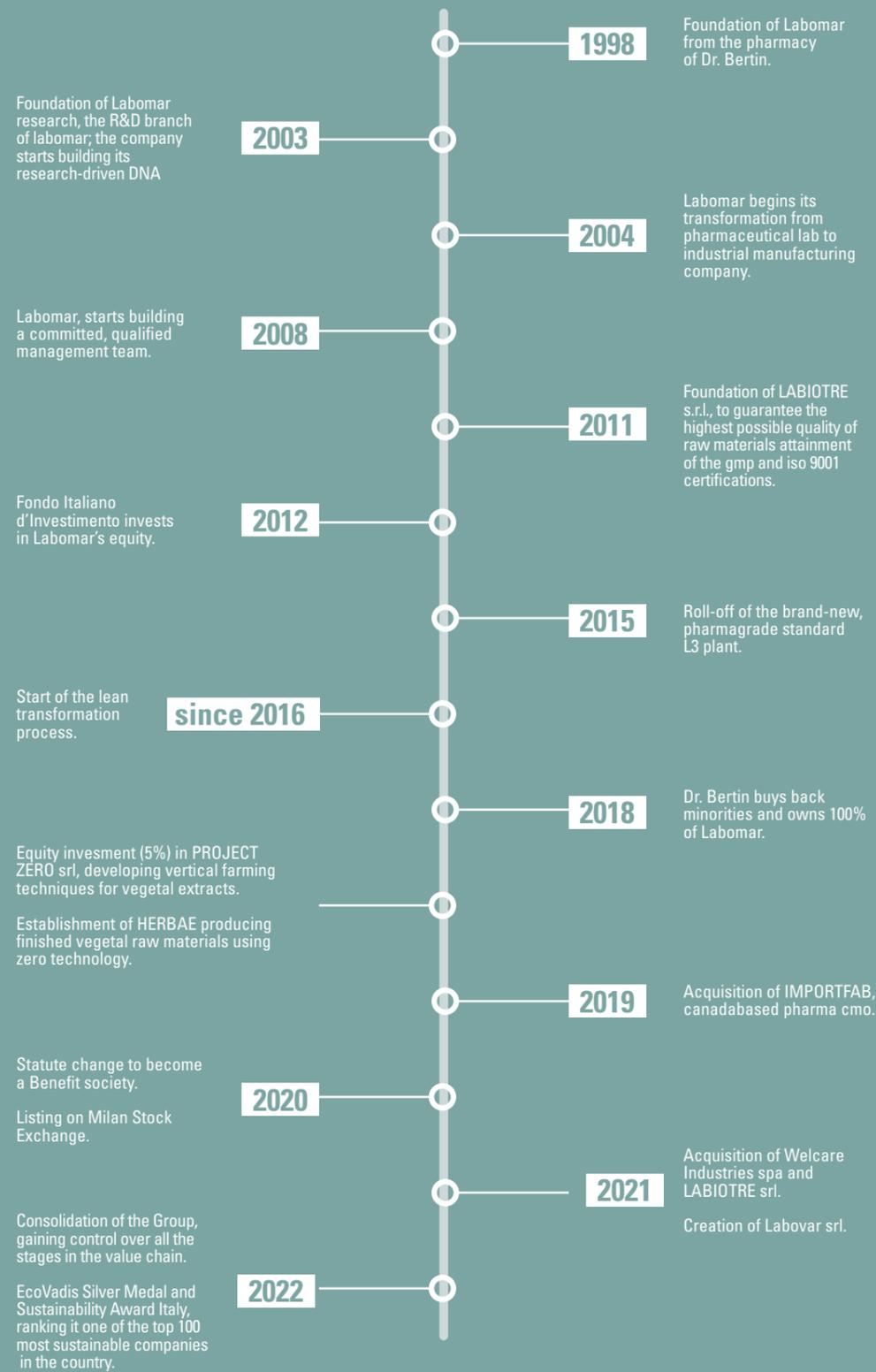
Today, Labomar offers an all-round service for its clients, starting from the selection of the raw materials to delivery of the finished product. The company adopts an ethical and responsible approach and guarantees innovative products and services of great scientific value. Labomar's strategy involves investing internally to consolidate its production structure and externally through strategic transactions to ensure two key aspects that are crucial to the sector: innovation and product quality.

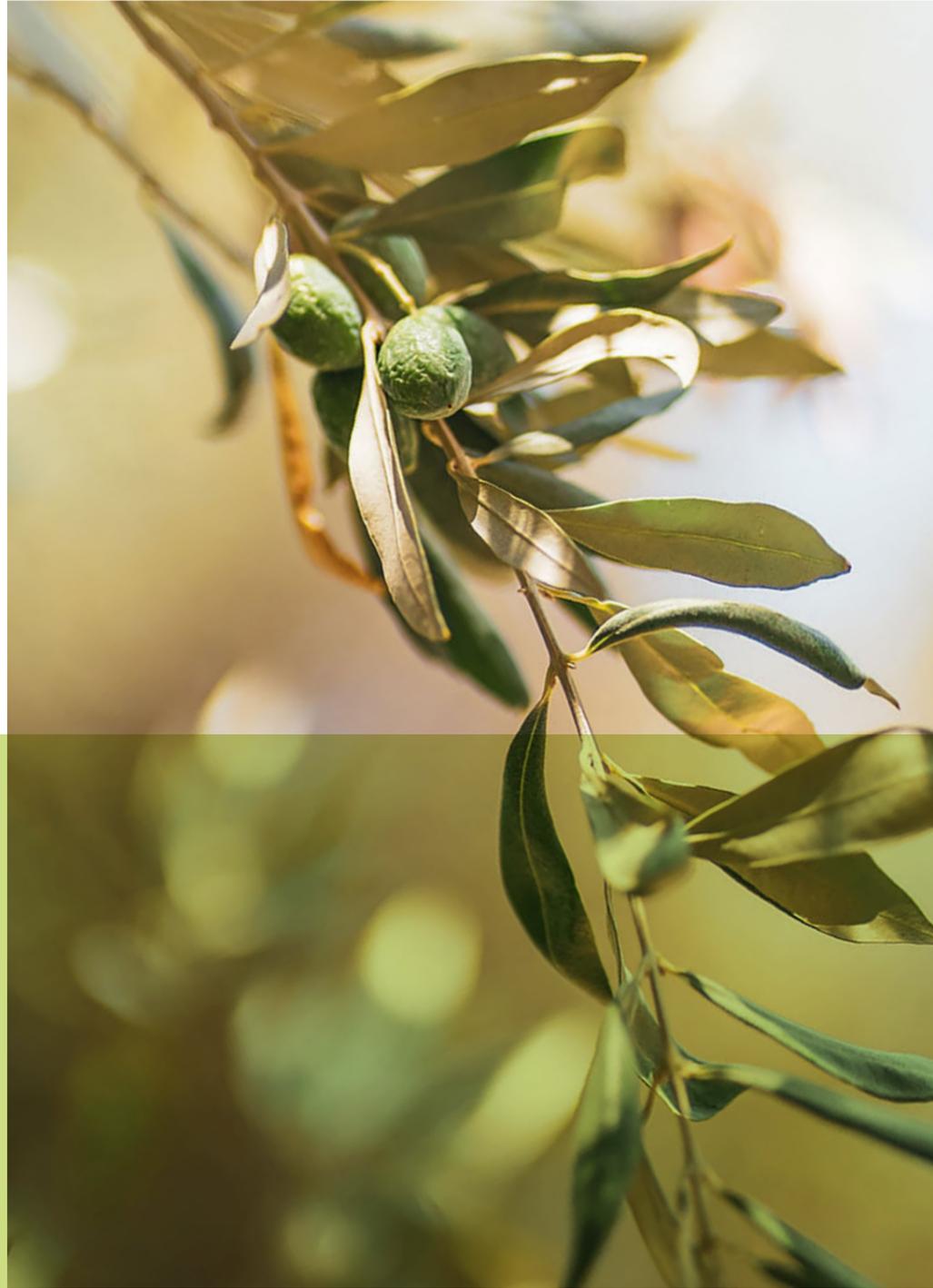
In October 2019 Labomar acquired the Canadian company Enterprises Importfab Inc., based in Montreal. The acquisition gave Labomar direct access to North America, the world's leading nutraceuticals market. In early October 2020, Labomar listed on the Milan Stock Exchange. The listing was the culmination of a long and challenging journey which, over the course of more than twenty years, saw the company's internal structure and production capacity grow rapidly and steadily, thanks in part to the development of new technologies and internationalisation. That same year, Labomar achieved an important milestone, electing to become a benefit corporation.

This was another stage in its journey to express and realise its commitment to sustainability, which is part of its DNA. This change in its legal status formalised the company's determination to generate value and a positive impact on people and the environment.

The company was involved in a number of highly strategic transactions in 2021: the acquisition of Welcare Industries S.p.a., manufacturer of medical devices for skin treatments headquartered in Umbria, and Labiotre Srl, specialised in the production of plant extracts and based in Tuscany. Lastly, Newco LaboVar was set up, thanks to a partnership with the Sesa Group, for the online sale of nutraceutical products on the Chinese market.

One of the company's future projects is to construct a new logistics centre, using sustainable building practices. Not only will it optimise the flow of incoming goods and the availability of production materials, it will give us complete control over raw material procurement and our stock of finished products, putting an end to the constant transportation of goods from Labomar premises to third-party logistics centres and thus generating a reduction in CO₂ emissions.





Vision & Mission

Labomar’s journey towards sustainability is based on a desire to become a forward-thinking company whose values, ideals and aspirations form an integral part of the community and area in which the company operates.

To achieve this, Labomar supports health-related initiatives and has a special interest in personal well-being: from those who will choose its products once marketed for their efficacy and quality, to its employees who are an active part of the company. Its change in status to a benefit corporation is a clear and legal declaration of its environmental and social commitment.

Convinced of the strong interdependence between the company and its local community, productivity and the environment, success and personal well-being, Labomar has embarked on a forward-looking programme to adopt a new ethical conduct throughout its business.

It launched an important strategic project in 2021 to review and share its values and also redefine its vision and mission in terms of sustainability.

VISION

We improve well-being and the quality of people life.

MISSION

We work together with passion, to conceive and manufacture products and services for well-being, in respect of the environment. We innovate with courage, proud to belong to a great family.



Labomar is constantly looking to the future and everything it does is based on five values which are a guide and inspiration for everyone:



Customer orientation

Willingness to listen, professionalism, trustworthiness and transparency guide everything we do, so we can meet our customers' needs promptly and efficiently, foster productive relationships and come up with the best solutions and services for them.



Team spirit

We work together and we share information, we communicate honestly and support each other any way we can. Every day brings us closer as a team; it helps us grow and gives us the courage and determination to achieve our goals.



Our passion for excellence

Every day we work tirelessly and responsibly to improve our products and processes and thus create value. Our strong sense of accountability inspires us to uphold the highest standards of results and professional conduct, encouraging all members of our team to come up with and share innovative ideas.



Well-being and sustainability

We believe in a business model based on product safety and respect for the environment and people, creating long-lasting relations which value diversity. Promoting sustainable actions, initiatives and projects is essential for collective well-being.



Coherence

Trust is based on coherent, concrete and transparent behaviour. Our ability to act, our determination to meet our targets and our alignment of corporate, functional and personal goals drive everything we do inside and outside the company.





Labomar is a Benefit Corporation



Benefit Corporations engage in a new way of doing business with the goal of generating a positive impact on the environment and on the societies in which they operate.

Specifically, Benefit Corporations are a new legal form of business introduced in Italy through Articles 376 and 384 of Stability Law of December 28, 2015. They centre around a dual purpose: the pursuit of traditional business purposes alongside new purposes aimed at creating shared benefits or one or more positive impacts on people, society, and the environment.

Labomar sincerely believes in operating as a business focusing on sustainability and the well-being of the individual, the environment and the community. It has therefore amended its By-Laws to become a Benefit company. This new legal status formalises the decision to develop a responsible development model, which marries operating earnings objectives with social and environmental aspects. With this in mind, Labomar has launched the BeCircular improvement programme, which establishes concrete improvement actions for all of its corporate stakeholders. In 2022 the company decided to measure its impacts using the B Impact Assessment tool, in accordance with the requirements of the above-mentioned law and Annexes 4-5. It exceeded the threshold of 80 points, although this score has not yet been verified and validated by third parties.

Labomar also recruited some new staff, who will work alongside the directors, and whose job it is to pursue the purposes of common benefit set out in its Articles of Association and monitor activities.



LABOMAR'S SHARED BENEFIT GOALS

Labomar's main goal is to foster personal well-being by embarking on a journey towards continuous, ethical and sustainable improvement, accompanied by the desire to help make the world a better place.

As a Benefit Corporation, Labomar seeks to pursue one or more shared benefit goals and to operate in a responsible, sustainable and transparent way towards people, communities, regions and the environment, and with regard to cultural and social heritage and activities, bodies and associations, and other stakeholders.

The company's shared benefit goals are as follows:

1. To dedicate careful attention to the sustainable innovation of production processes in order to create products that are ethical, high in quality, safe, and effective in response to the needs of our customers and final consumers;

2. To establish a concrete and transparent commitment to protecting the environment by monitoring our impact, introducing beneficial company practices, selecting safe and sustainable raw materials, and looking to form valuable partnerships with customers and suppliers;

3. To guarantee the well-being of employees, their families and the local community by developing initiatives that promote the growth of skills, awareness and the concept of a healthy lifestyle and the principles of respect and diversity;

4. To promote a culture of beauty, support for cultural and social initiatives, and the promotion of value in the local area.



MATERIALITY MATRIX

Materiality analysis is an essential tool for involving the company's stakeholders in its progress towards sustainability. It serves to better define the sustainability topics that should receive the most attention from the senior management team, and precisely defines the concrete meanings of sustainability for Labomar.

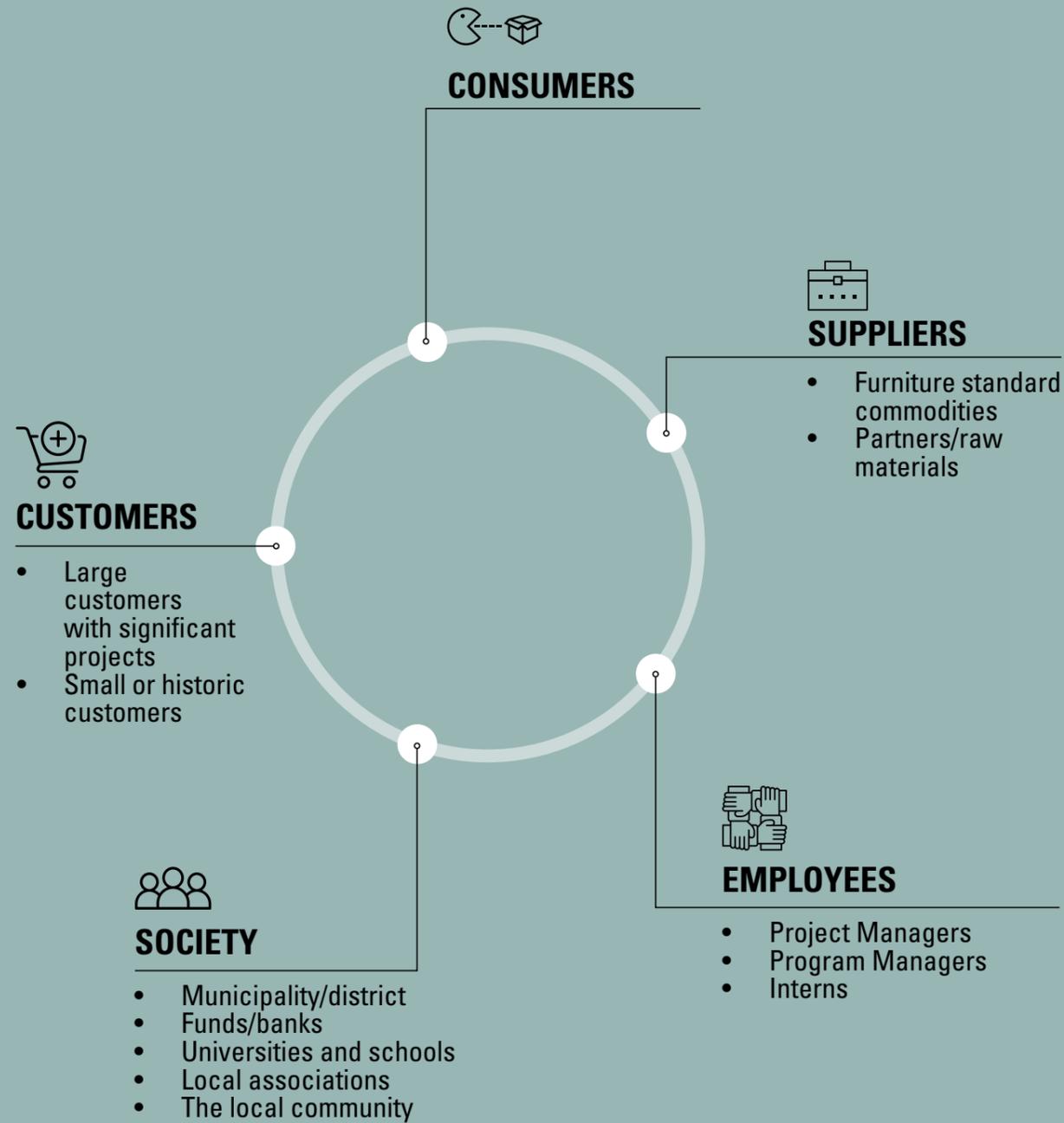
In 2020, Labomar completed a detailed internal mapping process to identify its material sustainability topics. An external survey was subsequently conducted to identify the importance of each topic for the company's stakeholders.

An internal BeCircular team was established in 2020 to analyse and report on the company's impact and to oversee the process. The materiality analysis was then submitted for the approval of the CEO and the Board of Directors. The team identified fourteen material topics, shown in the matrix below, as a result of its internal analysis and stakeholder engagement activities.

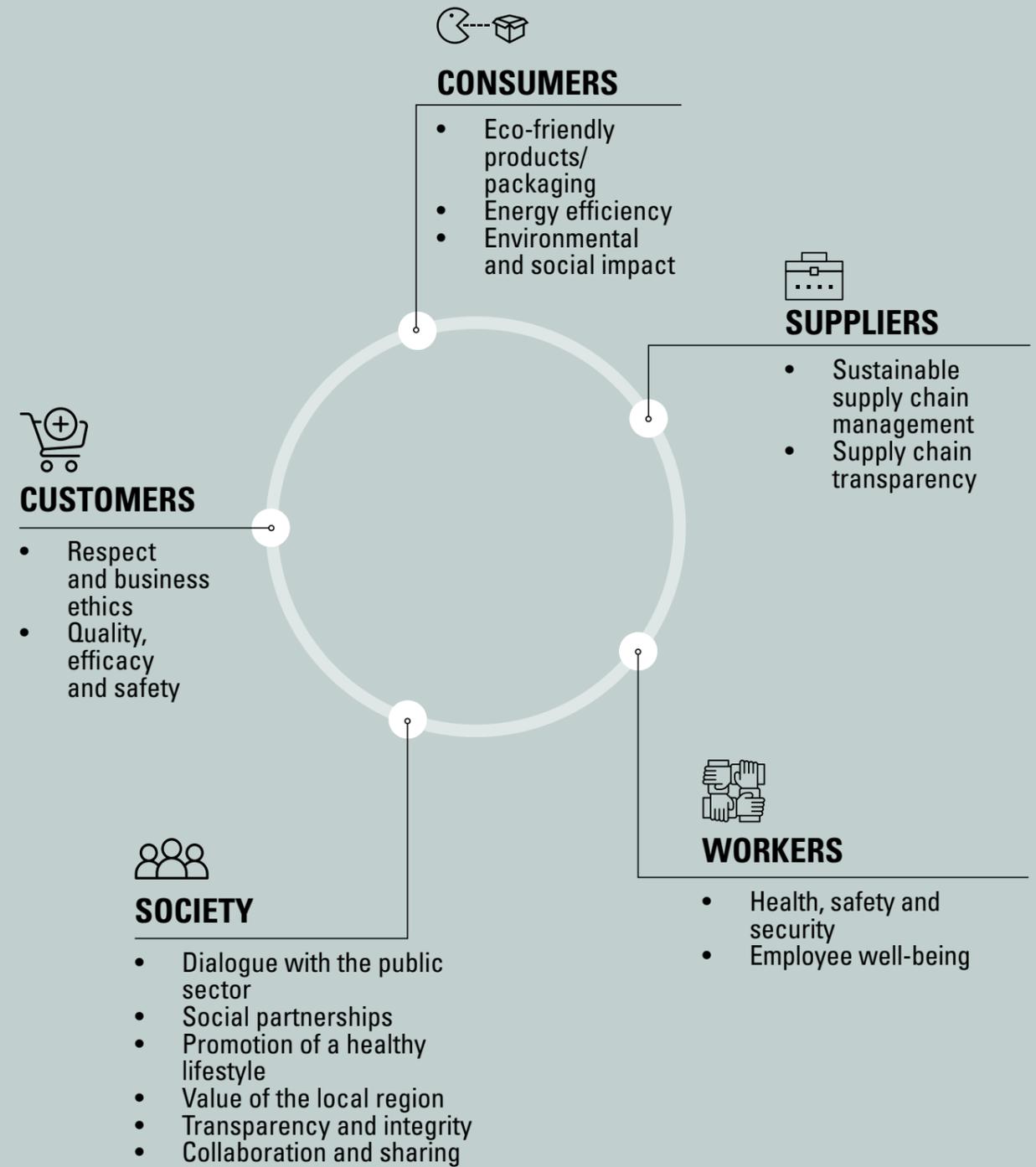
The materiality matrix is also confirmed for 2022. In 2023 Labomar's goal is to update the materiality, integrating it with the assessment of actual and potential impacts within the organisation's business activities and relationships. This will help to redefine a new priority in the company's materiality list and create value in the long term.



Labomar's Stakeholders

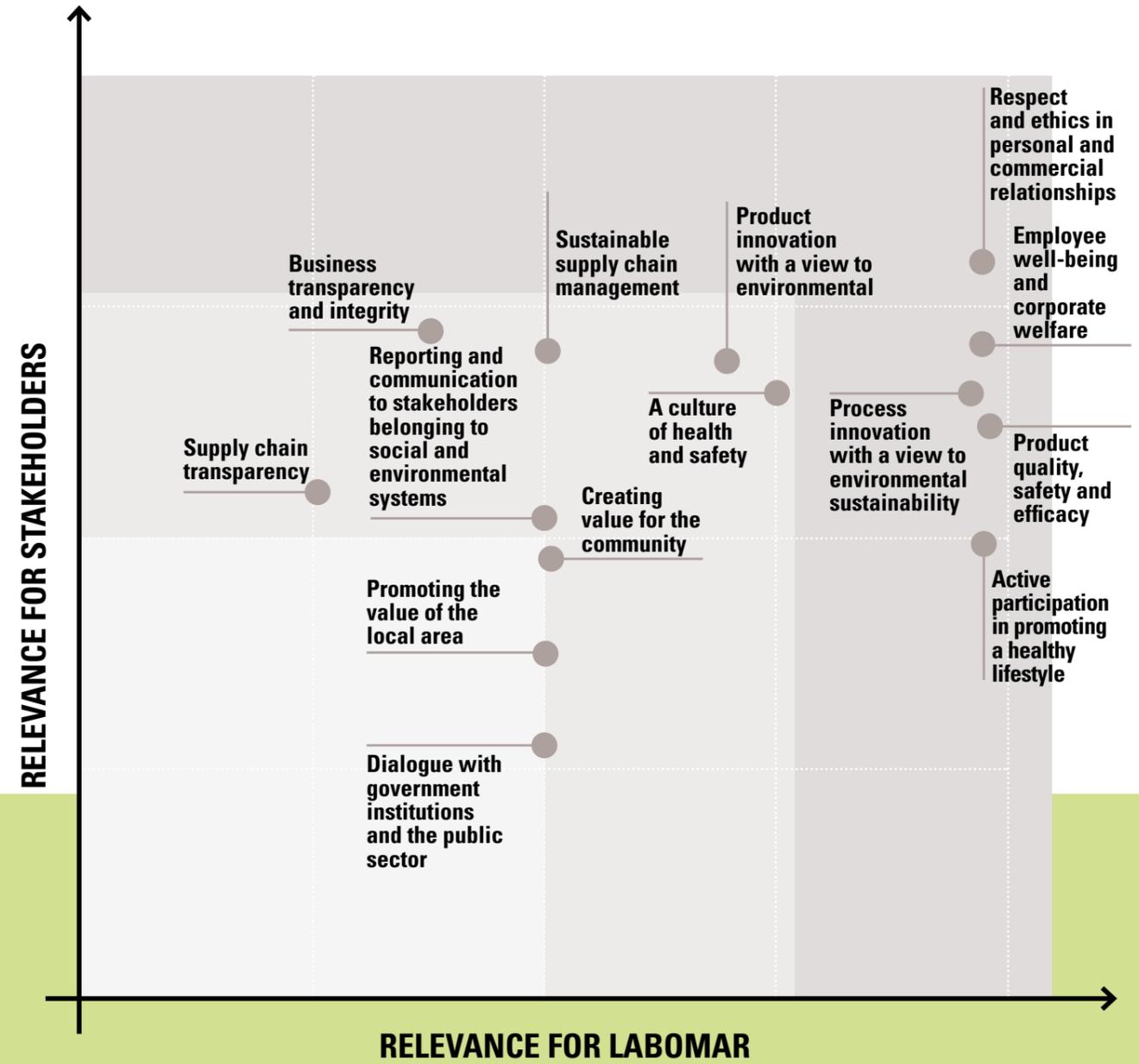


Labomar's Material Topics





The Materiality Matrix





BECIRCULAR

La sostenibilità in Labomar

BeCircular is Labomar's sustainability programme and it provides for the creation and implementation of an activity plan to achieve measurable and tangible objectives. The objective of BeCircular is to implement an ongoing business change process with annual targets that turn Labomar's shared benefit goals into tangible actions.

Creating value as a company means having a clear vision of one's contribution towards a better environment and society. It entails a daily commitment to achieving this vision and implementing an agenda for change that consists of small but clear steps. These small steps will allow the company to achieve its goal of promoting and ensuring the well-being of people, the environment, and the local area in the long term. BeCircular demands ongoing responsibility and effort. It is not possible to become a sustainable business by simply declaring good intentions, and without seeking feedback on everyday operations. Sustainability means committing fully to corporate transformation, which requires an ability to overcome consolidated thinking styles and internal resistance to make room for new ways of improving. BeCircular is in its third year and we have learnt so much from this experience; the beacon that guided our projects was our greater awareness of the value we are generating. Thanks to the four Purposes of Common Benefit, Labomar was able to rationalise the areas of intervention of each of its projects, verifying the outcomes in relation to the targets. By setting ourselves new and ever more ambitious targets, Labomar renews its concrete and transparent commitment to help improve personal well-being and protect the environment and its organisations.



Team BeCircular





SHARED
BENEFIT
GOALS





**ETHICS,
QUALITY,
EFFECTIVENESS**

*The noblest search
is the search
for excellence*

Lyndon B. Johnson



“Focus on the sustainable innovation of processes to create products that are ethical, top-quality, safe and effective and that meet the needs of our clients and, consequently, our end consumers.”



Scientific research and the development of innovative patented technologies are at the very heart of Labomar’s business. Its Research and Development team works with high-quality raw materials and innovative formulations on a daily basis and produces thorough regulatory documentation. Labomar works closely with our clients on all new projects, guiding them from conception to manufacture and delivering innovative ideas and patented technologies. Labomar’s manufacturing plants are equipped with cutting edge technologies and offer a wide range of packaging options. We closely monitor the quality of our products and processes throughout the project, from the preparation of the raw materials to delivery of the finished product, in accordance with Good Manufacturing Practices (GMPs). Every end product is the result of a highly rigorous process and the commitment of a team of qualified professionals who are passionate about what they do.

Every product that leaves company premises complies with the highest quality, safety and efficacy standards. Labomar believes this is only possible through innovation. Over the past few years, sustainable innovation has been the driving force behind the Labomar business model. Sustainability is a process that starts in the design stage, with sustainable features developed for every product from its very conception.

In 2022 Labomar focussed its attention on the production chain and in July 2022 it organised an event with some of its suppliers entitled “The sustainable way forward”. The aim was to forge meaningful partnerships to produce sustainable products.

Over the year, the company developed two new formulations, thus widening its ready-to-market portfolio:

- *Laxamov* is a food supplement in liquid form which contains *Malva sylvestris* plant extract. Mallow is a plant which has been used throughout time to treat gastrointestinal problems and it has been combined in this product with a traditional carrier to produce the desired soothing effect. The product packaging is made with 50% R-PET.
- *Pure Immuno* is a food supplement containing vitamins C and D and *Echinacea purpurea* L.. The chewable tablets help maintain the normal function of the immune system. The product has the following sustainable features:



- Ratio of ground-water saving 1:1000;
- Italian supply chain;
- Free from silicon dioxide;
- Packaging made of materials with sustainable features;
- No solvents or pesticides used in production processes.

The R&D team worked in synergy with all the other departments, especially the packaging department, to come up with packaging which would have the lowest possible impact on the environment. It assisted the clients throughout the project, sharing its resources and know-how.

2023 TARGETS

Develop a raw material in partnership with a Labomar supplier which does not contain silicon dioxide in the formula;

Redesign at least 3 products with sustainable packaging, using 50% or 100% R-PET for the primary packaging and secondary and tertiary FSC-certified packaging;

Develop pre-clinical analyses in-house to optimise the research and development process in order to develop new products.

DESCRIPTION	2021	2022 TARGETS	2022 RESULT	STATUS	2023 TARGET
Intellectual property (patents, clinical trials)	50	Develop at least one new intellectual property	New intellectual property was developed in October 2022	Target met	Development of a new intellectual property
Publications	18	At least one new scientific publication	A new scientific publication was created in November 2022	Target met	Create a new scientific publication
New products developed with sustainable features	New indicator added in 2022	New indicator added in 2022	Two new products developed with sustainable features	New indicator added in 2022	Redesign at least 3 products with sustainable features as regards the packaging





COMMITMENT, TRANSPARENCY, THE ENVIRONMENT

“*The Earth is what we all have in common*”

Wendell Berry



“A concrete and transparent commitment to protecting the environment by monitoring our impact, introducing beneficial company practices, selecting safe and sustainable raw materials and looking to form valuable partnerships with customers and suppliers.”



ENVIRONMENT PROGRAMME

Protecting the environment means respecting the delicate balance of its ecosystems, making a concrete and ongoing commitment to improving the well-being of the people who inhabit that ecosystem. Climate change and the over-exploitation of our planet’s resources pose a threat for Europe and the world as a whole. In 2019 the European Commission launched its European Green Deal, a new growth strategy aimed at tackling the challenges of climate change to ensure ecological transition and achieve net zero emissions of greenhouse gases by 2050. Labomar has decided to do its part and has drawn up an Environment programme, a long-term project whose first step is to monitor and measure its environmental impact. This will help the company identify potential critical issues in its use of resources and plan the necessary actions using the Life Cycle Thinking approach. In 2021 Labomar put a series of initiatives into practice to measure and transparently communicate the environmental impact of its activities in order to identify any critical areas and decide on the actions to take to improve performance. In 2022 the company continued to purchase electricity from renewable sources only.

1. ENVIRONMENTAL MANAGEMENT PROGRAMME

This project focuses on the company’s environmental impact, including its production processes, and assesses how to optimise it. The aim of this process is to implement an environmental management system with third-party certification. In 2021 the company introduced activities to create indicators to monitor its environmental impact. This process enabled it first and foremost to measure its impact and verify critical issues regarding its environmental impact, defining action areas and reduction targets.



The company's environmental policy was published in the Labomar Book and, thanks in part to its Organisational, Managerial and Control Model in accordance with Italian Legislative Decree no. 231/2001, compliance with the control system overseen by its Supervisory Body was improved, to pre-empt any behaviour which may fall within the scope of the offences set out in Italian Legislative Decree no. 231/01. The most frequently used source of energy by the company continued to be electricity in 2022. Purchasing energy from renewable sources only sends a clear message of the commitment Labomar has taken to reduce its indirect emissions of CO₂. The company also made progress in its lighting systems by investing in LED technology. This will increase the average life span of the lighting systems and improve its energy-efficient performance, reducing the amount of electricity it uses.

SUMMARY

2021	2022	
4,4	4,3	million kWh of electricity used
100%	100%	of electricity bought from renewable sources
435	423,66	direct CO ₂ emissions (Scope 1) in tons of CO ₂ eq.
10,6	14,8	megalitres of water
27%	38%	waste generated for potential recycling

The results of the data mapping are given in the table below. The data were calculated from the consumption figures and the information gathered at the company's production facilities in Istrana (TV), using conversion coefficients available in literature.



Generally speaking, there was an increase in water consumption and generated waste in 2022 compared to 2021. This is due to a parallel increase in the company's business, namely the number of pieces produced and its turnover. However, as far as waste was concerned, despite the total increase in the amount of waste generated, there was also an increase in the percentage of recycled waste, going from 27% in 2021 to 38% in 2022. Furthermore, the amount of waste generated in relation to the number of pieces produced also improved in 2022 compared to the figure for 2021. CO₂ emissions (Scope 2) fell drastically in 2021 due to the purchase of electricity from renewable sources only.

IMPACT AREA	DESCRIPTION	2021	2022
Energy	Total energy consumed by company, electricity purchased, natural gas, LPG, fuel for company cars (Gj)	23.260,02	22.866,70
	Energy purchased from renewable sources (Gj)	15.878,60	15.615,16
	Electricity intensity indirect location-based emissions: tons of CO ₂ / number of boxes produced in millions of pieces	45,13	32,72
Water	Total water consumption in megalitres*	10,6	14,8
Total waste (t)	generated	1.322	1.371
	recycled	361	518
Hazardous waste (t)	generated	8,4	3,5
	recycled	0,011	0,014
Non-hazardous waste (t)	generated	1.314	1.368
	recycled	361	517,2
KPI waste	Percentage of recycled waste / total waste generated	27%	38%
CO ₂	direct emissions of CO ₂ (Scope 1) in tons of CO ₂ eq.**	435	423,66
	indirect emissions of CO ₂ (Scope 2), location-based*** total, in tons of CO ₂	1.482	1.457,42
	indirect emissions of CO ₂ (Scope 2), market-based**** total, in tons of CO ₂	0	0
	Total emissions intensity, tons of CO ₂ / turnover in millions	34,36	26,61

* Estimates made using the information available when drawing up this Report; data may change upon receipt of supplier's final data.

** Ref. Defra 2022

*** Ref. Terna International Comparisons 2019

**** Ref AIB2022 - European Residuel Mixes 2021



It should be noted that in 2022 the data pertaining to direct and indirect emissions were reviewed using other emissions factors for both 2021 and 2022. The CO2 data for 2022, therefore, cannot be compared with that of previous reports.

2023 TARGETS

Continue monitoring environmental parameters

Assess critical areas to optimise energy consumption.
This target was not reached in 2022.

Continue assessing the trend of indicators used in order to identify measures to take to improve performance

Continue using 100% purchased electricity from renewable sources

Perform in-house environmental audits of energy, water and waste management

Maintain the percentage of recycled waste

2. SUSTAINABLE PACKAGING PROJECT

The Sustainable Packaging Project reflects Labomar’s commitment to reducing the environmental impact of its product packaging. The project has a dual purpose: on the one hand, it is an opportunity for Labomar to develop expertise and knowledge about the emerging green economy and, on the other, it heightens awareness of environmental issues throughout the supply and production chain. Aspects such as how recyclable a packaging material is must be taken into account in the design stage.

Labomar decided to innovate its primary, secondary and tertiary packaging with more eco-friendly solutions, following sustainability-based guidelines. It launched a new project in 2021 to create a model which would assess the sustainability of its packaging during the design stage, and this was completed in 2022. Throughout the year, it continued to use a plastic film to wrap its pallets which has the same features as traditional films but uses less plastic. As a result, it reduced the amount of plastic used to wrap pallets compared to previous years. Furthermore, thanks to a carbon footprint project the supplier was part of, the company was able to calculate the amount of CO₂ offset for the amount of plastic film purchased by Labomar.

2021’s goal had been to identify certain product ranges which could benefit from more sustainable packaging solutions, using primary packaging with a smaller environmental impact, such as R-PET and bio-based plastic. This activity continued throughout 2022, resulting in the realisation of a proof of concept to verify the compatibility of other sustainable packaging options with Labomar’s products. An interdepartmental team, made up of members of the packaging, stability and research and development departments, was set up to assess the best solutions as regards both product quality and safety and sustainability. The following parameters were established:

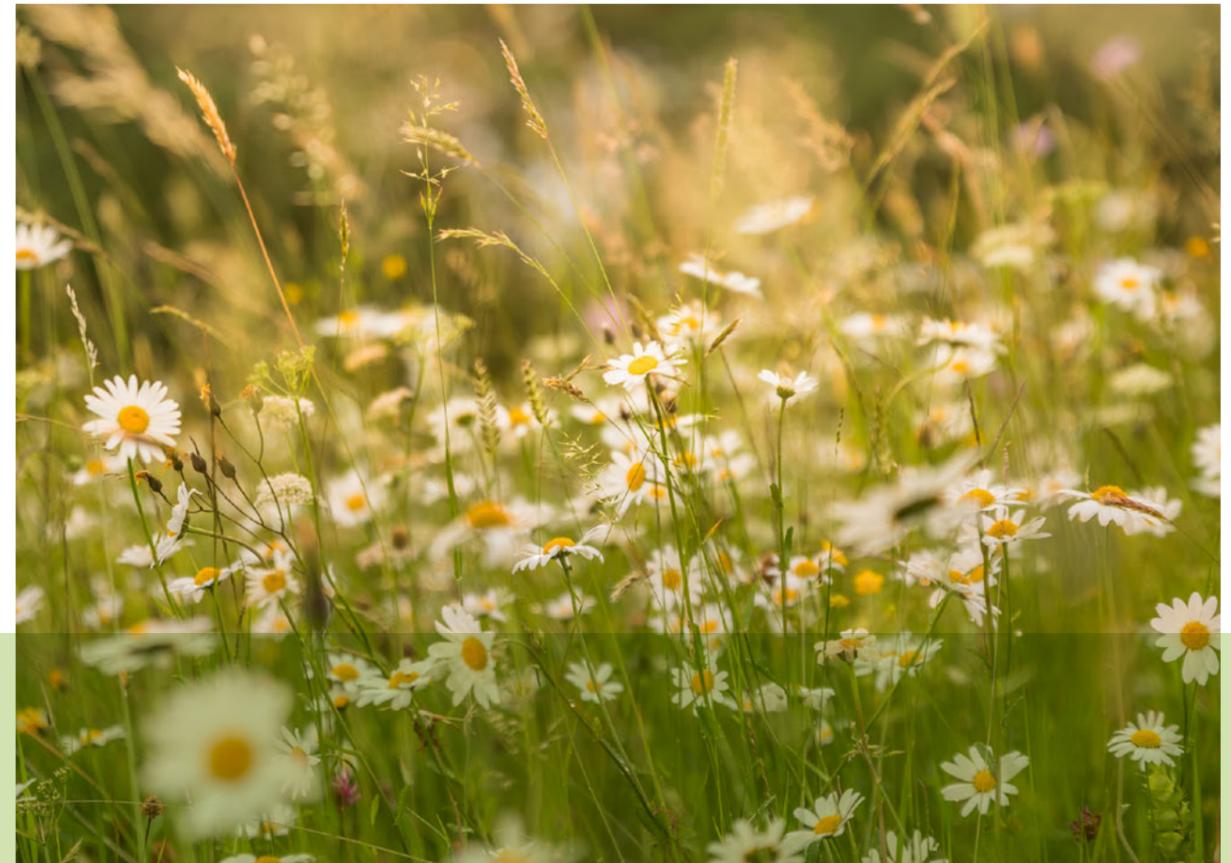
Formulation

Product category

Sustainable features of packaging

Acceptance test criteria

Six accelerated stability tests were carried out to verify compatibility over 6 months. Details of the analyses conducted are given below.





FORMULATION	SUSTAINABLE PACKAGING	ACCEPTANCE CRITERIA	PRODUCT CATEGORY
Non-coated tablets/capsules	50% R-PET pill container	Compliance: - organoleptic - AW - LOD	Hygroscopic
	100% R-PET pill container		Oxidizable
	Bio-PE pill container		Natural extracts
			Essential oils
Liquids	50% R-PET bottles	Compliance: - organoleptic - PH - Density - Concentration - Microbiological analysis	Probiotics
	100% R-PET bottles		Oxidizable
			Natural extracts
			Alcohols

The results showed that liquid formulations with natural extracts passed the stability test with 50% and 100% R-PET primary packaging. This means Labomar will now be able to give its customers more sustainable packaging options. More analyses will be conducted over the coming years to source alternative solutions and broaden the sustainable product portfolio.

2023 Targets

Further increase the percentage of FSC-certified boxes purchased

Approx. 70% FSC-certified corrugated cardboard

Develop certain product ranges with sustainable packaging (primary, secondary and tertiary packaging)

DESCRIPTION	2021	2022 TARGETS	2022 RESULTS	STATUS	2023 TARGETS
Use of plastic: stretch film for wrapping pallets	4.5 tons of CO2 offset from using 2.15 tons of film	Continue monitoring this metric	10.04 tons of CO ₂ offset from using 4.90 tons of film	Target met	Continue monitoring this metric
Secondary packaging: percentage of FSC-certified boxes purchased	1% FSC-certified boxes	3% FSC-certified boxes	18% of boxes sold FSC and/or PEFC-certified	Target met	20% FSC-certified boxes
Tertiary packaging: average percentage of corrugated cardboard containing recycled paper	70% - 90%	Continue	70% - 90%	Target met	Continue
Tertiary packaging: percentage of FSC-certified corrugated cardboard – New target					75% FSC-certified corrugated cardboard
Information leaflets: Percentage of FSC-certified information leaflets – Target set during the year	Metric not monitored	40% FSC-certified information leaflets	45% FSC-certified information leaflets	Target met	50% FSC-certified information leaflets



3. SUSTAINABLE SUPPLY PROJECT

The supply chain is central to developing sustainable products. The first step is to choose suppliers who share the same values as Labomar and are sensitive to the issue of sustainability. To generate actual value, Labomar intends to involve its partners and, primarily, its suppliers. Over the years, steps have been taken to achieve this, adding sustainable parameters and objectives to its purchasing policy. In 2021 a supplier analysis was carried out from a sustainable, risk-based, ethical, social and environmental perspective. In 2022 all new suppliers were given a copy of the Code of Ethics and a clause was added to purchase documents, explaining that suppliers had to abide by the Labomar Code of Ethics if they wished to do business with the company.

One of the objectives in the 2021 Impact Report was to launch projects and establish strategic partnerships with suppliers. Labomar is a staunch believer in the importance of sustainability and is committed to fostering a new approach to doing business if it is to meet the ambitious goals of Agenda 2030. One activity it organised in this regard was the event “The sustainable way forward”, which a number of suppliers were selected to take part in on 7 July 2022 at Villa Corner della Regina (Treviso). It was an important opportunity for Labomar to share its sustainable roadmap and illustrate the steps taken to broaden its products and services through meaningful partnerships. The day gave suppliers the chance to share their experiences and good practices and come together to work on a strategy that will help the company and its supply chains continue to grow and go from strength to strength.

Area involved	Italy
Labomar stakeholder involved	Management, Purchasing, Sales, R&D, Communication and Marketing.
Event numbers	<ul style="list-style-type: none"> • 25 external stakeholders; • 10 internal stakeholders; • 15 suppliers.

DESCRIPTION	2020	2021	2022 TARGETS	2022 RESULTS	STATUS	2023 TARGETS
Percentage of new suppliers assessed using sustainable criteria (ethical, social and environmental parameters)	100%	100%	100%	100%	Target met	Continue
Total percentage of suppliers assessed using sustainable criteria (ethical, social and environmental parameters)	50%	94%	100%	100%	Target met	Continue
Percentage of suppliers assessed who adhered to the Code of Conduct	20%	21%	30%	100%	Target to add clauses in contractual documents referring to the Code of Ethics met	Continue
Percentage of suppliers assessed who answered the Labomar sustainability questionnaire	Sustainability questionnaire distributed	22%	27%	22%	Obiettivo non raggiunto	Define new criteria
Percentage of purchases from local suppliers, within 80 km of Labomar head office	Metric not monitored	Monitoring of metric began	5%	Approx. 11% of purchase costs	Target met	Continue





2023 TARGETS

Repeat the event for suppliers with a new sustainability-related theme

Update the risk assessment model for suppliers

Introduce a system for appraising suppliers' sustainable performance

Make holding sustainable certifications an evaluation criterion for suppliers

Monitor the percentage of purchase costs from suppliers who hold sustainable certifications

4. ZERO WASTE PROJECT

Launched in 2021, the main aim of the project is to monitor and measure waste within the company, while defining specific actions and strategies for improvement.

Many measures were taken to reduce environmental impact, produce less waste and lead a more sustainable existence. One such measure saw us team up with one of Italy's leading waste collection and management companies to place numerous customised containers in the Labomar offices, refreshment areas and production departments to separate waste. Throughout 2022 Labomar staff received training on correct waste disposal. The Zero Waste policy was also published in the Labomar Book to make it easily accessible to all workers, as well as the purchasing department. One of its goals for 2023 will be to take special measures to ensure more accurate measurement of the impact generated by Labomar as regards the production and reduction of waste.



SCOPE OF REDUCTION	2021 ACTIONS	2022 TARGETS	2022 RESULTS	STATUS	2023 TARGETS
Separate waste collection	1. Containers for separate waste collection installed	Implement a system to monitor the amount of waste disposed of in the office area	Total of 80 hours of waste disposal training. The system to monitor the amount of waste disposed of in the offices was not introduced	Target not met	Redefine the scope and goals of the project
	2. 150 hours of employee training				
Paper in offices	1. FSC-certified paper	Continue	1. FSC-certified paper purchased 2. 4600 kg of recycled fibre paper purchased	Target met	Continue
	2. Approx. 4600 kg of recycled fibre paper purchased				
Travel	4 electric company cars 3 charging stations installed on company property	Monitor CO ₂ emitted by electric cars when on company business	8000 kWh supplied from the charging stations installed at Labomar to recharge company cars	Target not met	Calculate total CO ₂ emitted by electric cars when on company business



WELL-BEING, THE COMMUNITY, RESPECT

“Coming together is a beginning, staying together is progress, and working together is a success

Henry Ford



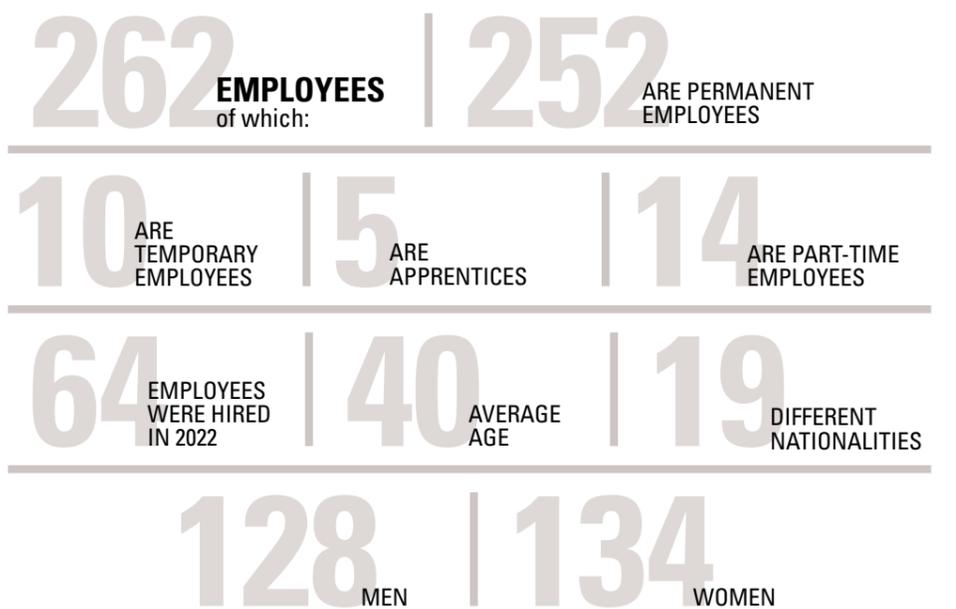
“Guarantee the well-being of our workers, their families and the community, supporting projects that encourage professional growth, the awareness and promotion of healthy lifestyles and the principles of respect and diversity”



LABOMAR PEOPLE

Labomar sees well-being as a mission involving all its stakeholders, as stated in its Articles of Association and Code of Ethics. People and their well-being have always been central to its products, its relations with its clients, its production and organisational processes and the relationships that go beyond company walls and into the homes of the families of the Labomar workforce and the local community, which Labomar has always had close ties with. The People programme is Labomar’s response to its third purpose of common benefit as a benefit corporation. It is a series of activities rooted in the Company’s history and culture which, in the pursuit of continuous improvement, have been developed to include personal development. Its aim is to foster the professional growth of the people who work at Labomar and consists of the following projects:

- | | |
|----------------------------|------------------------------------|
| 1. Grow at Labomar Project | 4. Diversity and Inclusion Project |
| 2. Well-Being Project | 5. Health and Safety Project |
| 3. BeLabomar Project | |





In 2022 around 96% of Labomar’s employees had a permanent employment contract. The average age of its workers is 40, an indication that it is a young, dynamic company. Its part-time staff accounts for 5% of the total workforce.

The turnover rate was 11%, of which 13% were men and 10% women.

METRIC	2021	2022
Turnover rate	10%	11%
Job growth rate	13%	24%

The tables below give the indicators for Labomar S.p.A. employees, where an employee is defined as an individual who has a working relationship with an organisation. The data in the tables give the total number of employees at the end of the reporting period, 31 December 2022.

Division of professional categories by age

	≤24	25-29	30-50	>50	TOTAL
Senior Managers / Middle Managers	0	0	15	1	16
White-collar Workers	0	10	68	10	88
Blue-collar Workers	4	18	98	33	153
Other Employees	0	5	0	0	5
Total	4	33	181	44	262

Workforce by professional category

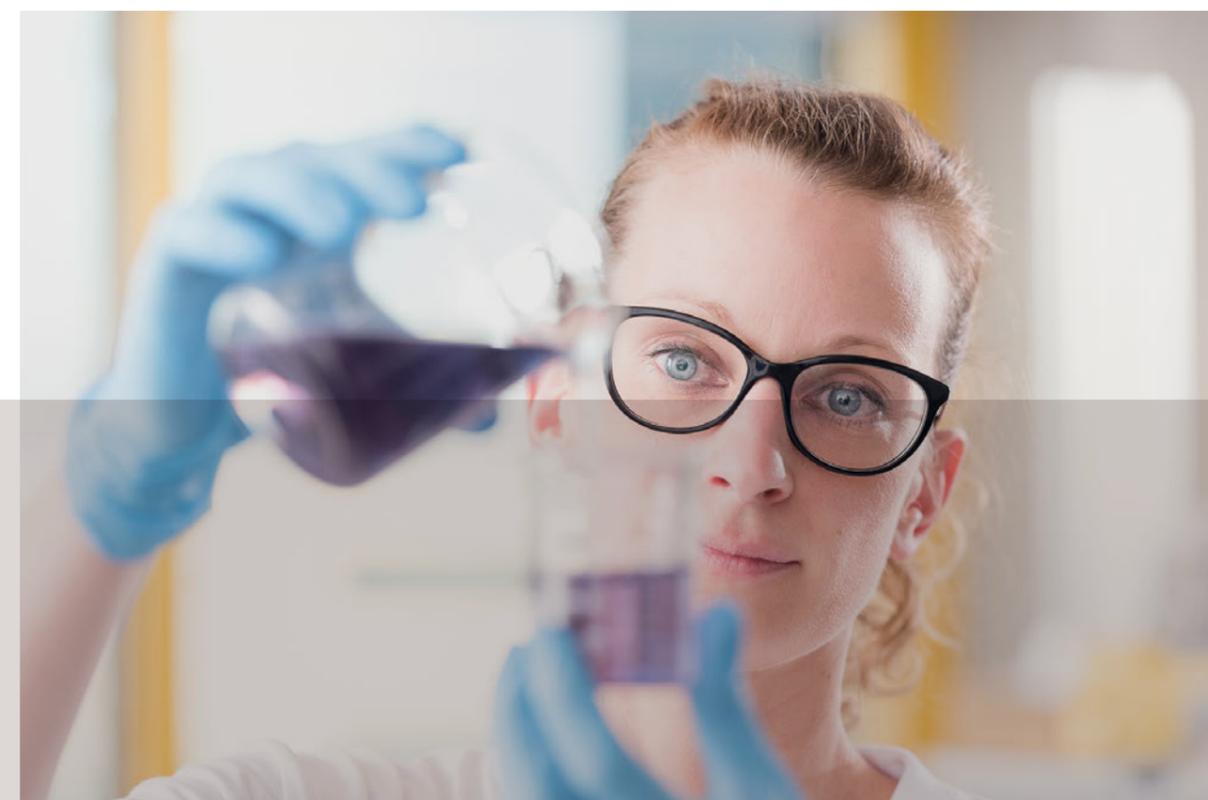
	MEN	WOMEN	TOTAL
Senior Managers / Middle Managers	13	3	16
White-collar Workers	35	53	88
Blue-collar Workers	80	73	153
Other Employees	0	5	5
Total	128	134	262

Type of employment by gender

	MEN	WOMEN	TOTAL
Full time	126	122	248
Part-time	2	12	14
Total	128	134	262

Division of employees by employment contract

	MEN	WOMEN	TOTAL
Permanent	124	128	252
Temporary	4	6	10
Totale	128	134	262





New hires and turnover

2022 - NEW HIRES			
	MEN	WOMEN	TOTAL
≤24	3	1	4
25-29	7	6	13
30-50	21	21	42
>50	3	2	5
Total	34	30	64

2022 - HIRING RATE			
	MEN	WOMEN	TOTAL
≤24	100%	100%	100%
25-29	44%	35%	39%
30-50	24%	22%	23%
>50	13%	10%	11%
Total	27%	22%	24%



2022 - TURNOVER			
	MEN	WOMEN	TOTAL
≤24	1	0	1
25-29	1	3	4
30-50	10	5	15
>50	4	5	9
Total	16	13	29

2022 - TURNOVER RATE			
	MEN	WOMEN	TOTAL
≤24	33%	0%	25%
25-29	6%	18%	12%
30-50	12%	5%	8%
>50	17%	24%	20%
Total	13%	10%	11%



1. "GROW AT LABOMAR" PROJECT

Labomar supports the growth, development and continuous enhancement of its employees' skills. It recognises the great strategic value of its people and seeks to foster a sense of belonging and motivation in all those who work in the company. Providing professional development plans and organising training opportunities to improve a person's skills is key to increasing well-being, a sense of belonging to the Labomar team and productivity. Training and skills development are the cornerstones of a person's professional growth, a process that helps them achieve their potential, identifying their strengths and motivations. The aim is to transform the workplace into a place where everyone can realise their full potential and be seen as a person with their own unique qualities.

A variety of training activities were held in 2022, aimed at developing basic professional growth and transferable skills. One key area was sustainability, with activities to teach the importance of correct waste management and disposal and others to share the company's path to sustainability with its staff, focusing mainly on benefit corporations and the indicators currently introduced. Training was divided into three main areas: on-the-job training, transferable skills training, such as language courses, sustainability training and mandatory health and safety training. As regards reporting training, in 2022 the company decided to include the hours of training of both Labomar employees and temporary workers when calculating the total number of hours. This underlines the importance Labomar invests in training its temporary workforce. This is why these values cannot be compared to those in the 2021 report.

2023 Targets

Bearing in mind the 2022 objective which was set but not achieved, in 2023 we intend to set up a performance management system for all members of staff and further improve feedback management. The responsibilities of our managers will also be extended to include sustainability-related matters which they will integrate into their individual area. The company's sustainability objectives will be included in the various MBO (Management by Objectives), assigning goals, defining targets and introducing a monitoring and assessment system. This will allow Labomar to appraise its staff and their output using sustainability-related metrics.

Another 2023 objective will be to invest in training for production personnel, drawing up a structured educational programme. As well as reporting the average hours, more training indicators will be introduced to assess and analyse progress more closely and monitor whether needs are actually being met and objectives reached.

Types of training

TRAINING	2022
Total hours of training, of which:	3.867
Professional training	3.006
Health and safety training	765
Sustainability training	96

Average hours of training per Labomar employee for 2022:

	MEN	WOMEN	TOTAL
Senior Managers / Middle Managers	12,2	8,7	11,5
White-collar Workers	14,2	12,3	13,1
Blue-collar Workers	21,4	12,3	17,1
Other Employee	0,0	26,3	27,5
Total	18,6	12,7	15,6

**the data on the average hours of training refer to Labomar employees, namely those with a working relationship with the company.*





2. “LABOMAR WELL-BEING” PROJECT

Well-being within the company is created through the cooperation and active participation of all those involved in the business, working together to achieve continuous personal and collective improvement. The Well-Being Project focuses on issues regarding health and safety, corporate welfare and wellness.

Labomar has always supported the promotion and awareness of a healthy lifestyle, a natural extension of its corporate philosophy. Nutrition, exercise and healthy habits fall within the remit of the LABOFIT project, which provides Labomar employees and the community as a whole with sports facilities, training programmes with two personal trainers and dietary advice, combining exercise with healthy eating. Throughout 2022 we continued to give employees wellness information sheets to help them improve their posture and well-being; we encouraged this behaviour by putting up posters with pictures of postural exercises at the end of the production lines and running a daily feature on the Labomar Channel. To promote a better work-life balance, an agreement was drawn up to allow certain categories of workers to work from home. Approximately 50 people took advantage of this opportunity in 2022. Corporate welfare in 2022 focused mainly on offering fuel and shopping coupons.

In November 2022, thanks to the suggestion of one of our employees, we organised a five-a-side football match at the company; its aim was not only to promote sport and well-being, but to come together in a shared activity. Sport is the ideal metaphor for the spirit that drives Labomar. We must all strive to come together and turn it into something more concrete, a real opportunity to “train” together, to win matches and the challenges we face both at work and in our daily lives.



DESCRIPTION	2020	2021	2022 TARGET	2022 RESULT	STATUS	2023 TARGET
Corporate welfare: % of employees entitled to benefits who received them	100%	100%	Continue	100%	Target met	Make the platform available to all those who earned a productivity bonus
LABOFIT (% of employees enrolled)	10%	6,8%	11%	15%	Target met	18%

3. BE LABOMAR PROJECT

Sharing values, objectives and best practices is a growth driver for everyone on the Labomar team. Our journey towards sustainability and the continued success of the business would never reach its destination if we relied on the strength of the community but didn't share this journey with those who are directly involved. The aim of the BeLabomar Project is to involve employees by sharing the Company's values and activities with them. BeLabomar is also the name of the house organ which is published twice yearly and the in-house Newsletter which comes out every two months; both have been published for more than three years and played a particularly important part during the challenging times of the pandemic. Alongside the project to redefine the corporate mission and values, 2022 saw the completion of the BeLabomar Book: an employee handbook containing key information of interest to our employees, like the company rules and regulations, Code of Ethics and the different corporate policies. The aim of the BeLabomar Book was to publish the main company policies involving employees in a single document, which is given to every new member of Labomar staff.

Another part of the BeLabomar project is the Mindset Innovation Contest

3.1. Mindset Innovation Contest

The “Mindset Innovation Contest” was held in 2022, a project encouraging our staff to come together and work as a team to promote synergy and to grow together. It was the first Group project for the Labomar Group and everyone was invited to come up with innovative ideas and solutions for the sector and context Labomar operates in.

Labomar believes innovating is both a challenge and an opportunity for growth that calls for many different qualities: listening to and involving others, understanding needs, simplifying processes and coming up with practical solutions. Exchanging ideas, sharing resources and working with others are key to creating positive change and this is useful both inside and outside the Group. The message we want to get across is: **every idea, however simple, can make an invaluable contribution.**



Labomar, Welcare, Importfab and Labiotre all had a dedicated team leader who supported and assisted staff with their projects and submitting them for the contest. The projects, which could be presented as a team or individually, were then judged by an in-house jury who shortlisted the best ideas. The criteria for judging the projects were: originality, teamwork and the benefits the idea would have on collective well-being.

The teams worked on seven different thematic areas:

- 1. Customer service
- 2. Smart Packaging
- 3. Hybridisation
- 4. Inclusivity
- 5. Sustainability
- 6. Flow management
- 7. Continuous improvement

The winners were announced at the Labomar summer event and taken out to lunch at Ristorante Venissa, a Michelin-starred restaurant, in their own private boat from St Mark's Square to the island of Mazzorbo.

4. DIVERSITY AND INCLUSION PROJECT

Labomar believes that diversity and inclusion are not problems that need to be dealt with but opportunities to embrace. A diverse, truly inclusive team is a lot stronger and delivers better results than a less varied one. Labomar therefore decided to monitor metrics regarding these issues and this led to the decision to compile and publish information regarding diversity and inclusion and compare it with 2021.

2021 SUMMARY



2022 SUMMARY



DESCRIPTION	2021	2022	2023 TARGETS
Percentage of departments which contributed content to the Labomar Channel	40%	91%	Continue
New content published monthly on the Labomar Channel	Average of 9 contents a month	Average of 20 contents published a month	Continue
BELabomar newsletter	6 Newsletters 70% of employees on average opened the newsletter	12 Newsletters 71% of employees on average opened the newsletter	Merge the BELabomar newsletter and Be Circular in a single newsletter for the entire Labomar Group
BECircular newsletter	6 Newsletters 61.2% of employees on average opened the newsletter	7 Newsletters 59.4% of employees on average opened the newsletter	





Division of employees by gender

	MEN	WOMEN	TOTAL
Senior Managers / Middle Managers	81%	19%	6%
White-collar Workers	40%	60%	34%
Blue-collar Workers	52%	48%	58%
Other Employees	0%	100%	2%
Total	49%	51%	100%

Division of employees by category in the different age ranges:

	≤24	25-29	30-50	>50	TOTAL
Senior Managers / Middle Managers	0%	0%	94%	6%	6%
White-collar Workers	0%	11%	77%	11%	34%
Blue-collar Workers	3%	12%	64%	22%	58%
Other Employees	0%	100%	0%	0%	2%
Total	2%	13%	69%	17%	100%

4.1. TREVISO IN ROSA

Throughout the year, the Labomar social media channels publicised the Treviso in Rosa 2022 event, a 7-km fun run for women which was held on 8 May 2022. The event is open to women only, filling the city with their smiles and desire to do something together for a good cause. Treviso in Rosa is close to Labomar’s heart and its founding principles, as it focuses on health, well-being, inclusion and charity. Labomar decided to pay the entry fee for any member of the Group who wished to take part. The proceeds went to a LILT project in Treviso and the event also helped raise awareness and encourage reflection on important issues concerning our health and correct lifestyles.

2022 numbers: 11% of Labomar’s female workers took part in the event.

2023 TARGETS

1. Launch a new project focusing on diversity, fairness and inclusion
2. Analyse the salaries of the different positions within the company by gender
3. Maintain a fair balance between the number of men and women in the company





5. HEALTH AND SAFETY

In line with its Health and Safety Policy, Labomar believes that the health and safety of its employees is key to the success of the company, to its brand reputation and to protecting its workers. The issue of health and safety is therefore not limited to delivering reliable products but extends to promoting health and safety in all its factories. Compliance with legislation and agreements on the health and safety of workers is a top priority for Labomar, as it considers the health of its workers an integral part of the overall management of the organisation. Labomar strives to encourage the involvement, cooperation and collaboration of all company staff in matters regarding health and safety in the workplace. This commitment results in the organised management of health and safety matters, whose goal is twofold: to respond positively and concretely to the needs of everyone involved in its business and make its premises safe for all its employees and partners. The company has drawn up a Health and Safety Policy containing guidelines to achieve this. In 2022 this policy was included in the Labomar Book. Thanks in part to its Organisational, Managerial and Control Model in accordance with Italian Legislative Decree 231, which includes matters pertaining to health and safety, compliance with the control system overseen by the company's Supervisory Body was improved.

Labomar maintains a risk assessment document which it updates in accordance with the law; by carrying out a detailed risk analysis, it identified all the possible risks for its workers and took the necessary steps to prevent, reduce and, wherever possible remove these risks: from the proper handling of chemicals and management of its processes to the correct operation, maintenance and control of its systems. When required, the company is assisted by external experts who perform instrumental tests to assess, for example, noise level or chemical risk. Once the risks have been identified, they are given a rating and this enables the company to determine the level of risk and prioritise the actions to take. A chart has been drawn up and posted in the company showing the staff who are responsible for health and safety and the dedicated teams. Periodic meetings are organised and held in accordance with the law. The aim of every measure taken to prevent and protect the health and safety of its workers is to reduce any existing risk. The company organises training courses on health and safety in the workplace in accordance with regulations currently in force for all its staff, especially its new employees. As regards the total number of work-related injuries of Labomar employees in 2022, there was an increase in the frequency compared to 2021, although no reported work-related injury had serious consequences. As a corrective measure, in 2023 the company will increase staff awareness of health and safety issues and will encourage workers to use the suggestion system introduced to report potentially hazardous situations even more and increase awareness and the attention threshold within the company for health and safety matters.





Below are the work-related injuries of employees and agency workers; the number of injuries, the main types of injuries in the workplace and the number of hours worked will be included in the next reporting period..

Work-related injuries of employees and temporary staff

DESCRIPTION	2021	2022	2023 TARGETS
Incident Rate (frequency of work-related injuries)*	1,92	3,40	below 3
Incident Rate (frequency of work-related injuries with serious consequences)**	0	0	0
Death Rate (fatalities as a result of work-related injury)	0	0	0

*(No. of work-related injuries / No. of hours worked) x 200,000
 ** "Serious consequences" means injuries which lead to death or an injury from which the worker cannot recover, does not recover or is not expected to recover fully to pre-injury health status with 6 months or which lead to an absence of more than 6 months (180 days).

Work-related injuries of employees

DESCRIPTION	2021	2022	2023 TARGETS
Incident Rate (frequency of work-related injuries)*	1,66	3,63	below 3
Incident Rate (frequency of work-related injuries with serious consequences)**	0	0	0
Death Rate (fatalities as a result of work-related injury)	0	0	0

*(No. of work-related injuries / No. of hours worked) x 200,000
 ** "Serious consequences" means injuries which lead to death or an injury from which the worker cannot recover, does not recover or is not expected to recover fully to pre-injury health status with 6 months or which lead to an absence of more than 6 months (180 days).

Work-related injuries of agency workers

DESCRIPTION	2021	2022	2023 TARGETS
Incident Rate (frequency of work-related injuries)*	3,68	2,35	Continue
Incident Rate (frequency of work-related injuries with serious consequences)**	0	0	0
Death Rate (fatalities as a result of work-related injury)	0	0	0

*(No. of work-related injuries / No. of hours worked) x 200,000
 ** "Serious consequences" means injuries which lead to death or an injury from which the worker cannot recover, does not recover or is not expected to recover fully to pre-injury health status with 6 months or which lead to an absence of more than 6 months (180 days).





“Promote a culture of beauty, support cultural and social projects and create value in the local area”



BEAUTY, CULTURE AND SOCIETY THE LOCAL AREA

Beauty will save the world

Fedor Dostoevskij



LOCAL COMMUNITY: THE LOCAL LOVE PROGRAMME

Labomar has always actively contributed to the growth of its local community by making donations and supporting cultural, social and sporting associations in the area. Its numerous sponsorships and attendance of events, round tables and business-related initiatives have enabled the company to create an extensive network of invaluable corporate relations. Labomar’s Local Love project is testimony of the bond it has with the area it was born and ‘raised’ in. Labomar considers itself a member of the community of Istrana and, as such, has always taken part in events and entered into partnerships with some of the most important players in the area. It actively seeks to build relationships with associations, non-profit organisations, schools and institutions and is passionate about what it does. As a benefit corporation, Labomar wanted to give the Local Love project a long-term, well-defined and measurable purpose and objective to generate value. Throughout 2022 it embarked on numerous projects aimed at generating a positive impact on the local community and area.

ONGOING 2022 PROJECTS TO GENERATE VALUE

1. Treviso Creativity Week	2. Trevisatletica
3. Istrana Landscape Redevelopment Project	4. Comisso Award
5. Camminare per la Vita	6. Istrana Sostenibile
7. Christmas Hampers	8. Nevegal 2021
9. Universo Treviso Basketball	10. Treedom Project

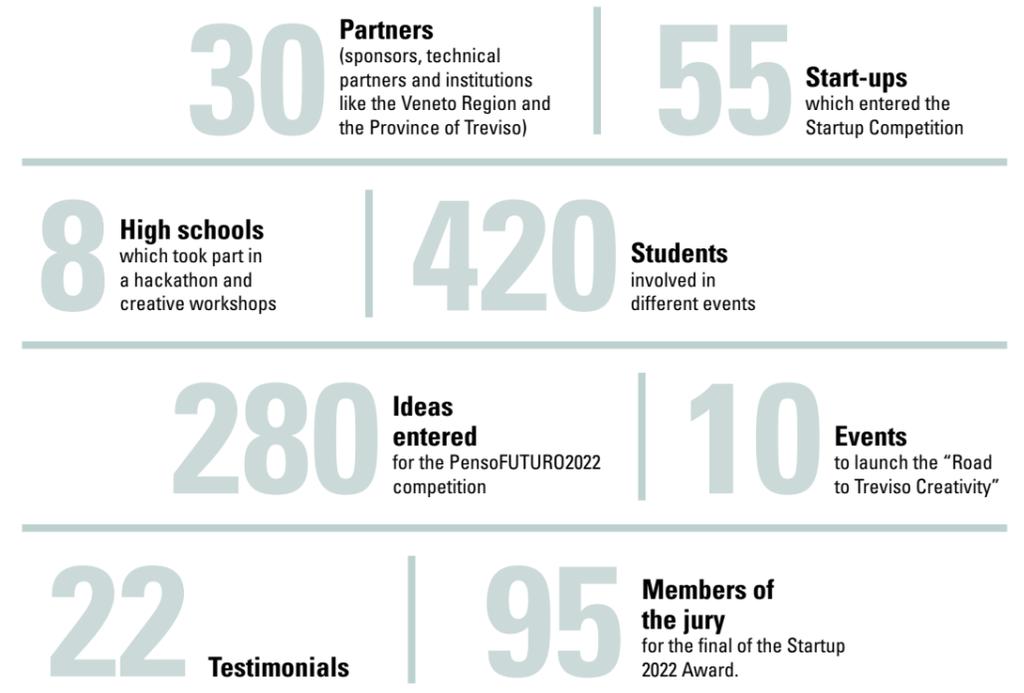


- | | |
|--|--|
| 11. Preventive breast cancer screening | 12. SOL.CO |
| 13. AIPD "La casa del cuore" | 14. Non-profit "Per Mio Figlio" Association |
| 15. Support for local cultural activities: | 16. Support for sports and lifestyle activities: |
| <ol style="list-style-type: none"> 1. Luigi Cherubini Youth Orchestra 2. Christmas concert 3. Tale Cultural Association 4. Art Voice Academy | <ol style="list-style-type: none"> 1. Scarpe bianche Sports Club 2. Parish of the Purification of the Blessed Virgin Mary 3. Sponsorship of swimmer Barbara Pozzobon 4. Sponsorship of other local associations 5. Master's Degree in Applied Phytotherapy 6. 30th National Phytotherapy Conference |



1. TREVISO CREATIVITY WEEK

The Innovation Future School (IFS) organises programmes which teach about creativity and innovation courses for local students and businesses to foster a close bond between the community and the people who live there. The main aim of the IFS association is to provide assistance to companies and institutions to stimulate the creativity and imagination of young people, to help them realise their dreams and become the driving force behind the revitalisation of their local area. Labomar is one of the sponsors of the project. One of its activities, Creativity Startup, saw the involvement of the following throughout 2022:



Labomar actively contributed to the project in the following ways:

- In September 2022, Labomar was a member of the jury at the final of the Creativity Camp held at Treviso's Arts High School;
- In November 2022, students visited Labomar and met with Management;
- In November 2022, Labomar awarded a special prize for the STARTUP COMPETITION and took part in the final of PensoFUTURO held at the Teatro Accademico in Castelfranco Veneto;
- Lastly, in December 2022 the winners of the Startup Competition and PensoFUTURO were invited to Labomar, where they met the President and R&D Manager, who discussed their projects in detail with them and took them on a tour of the production department to give them an insight into the business.



2021	2022 Target	2022	Status	2023 Targets
Projects were given visibility and promoted on different communication channels	Continue the collaboration with 8 hours of meetings with Labomar's CEO and company visits	Projects were given visibility and promoted on different communication channels	Target met	Continue the collaboration
Sponsorship worth €5,000		Sponsorship worth €5,000		Continue the collaboration

2. TREVISATLETICA

Trevisatletica is an amateur sports club with around 402 members (207 men and 195 women), 227 of whom are under 15, including athletes with disabilities. Labomar decided to support the club in 2021, making a donation to build a small gym so members can complement their track training with other exercises. The project was brought to completion by Labomar in 2022 with the purchase of a 36 m² wooden building with a flat roof made out of guaranteed slow-growing wood. The building was presented to Trevisatletica, ready for installation.

2021	2022 Target	2022	Status
Collaboration began with sports club	Donation	Donation of €6,480 made	Target met

3. ISTRANA LANDSCAPE REDEVELOPMENT PROJECT

In 2021, Labomar helped redevelop 5,000 m² of land in the Municipality of Istrana to enhance the landscape and its social purpose. Throughout 2022, Labomar contributed towards the upkeep of the area, replacing trees which had died in the drought during the hot summer months and cleaning up to ensure it was safe for the local community to use while waiting for it to be handed over to the Municipality.

2021	2022 Target	2022	Status	2023 Target
14 new native trees planted	Maintain the area so the local community can use it	Replace dead trees and plant new ones (€3,000)	Target met	Continue with activities while waiting for the space to be handed over to the Municipality
Donation of €6,800		Maintain the area and cut the grass (€2,400)		

4. COMISSO AWARD

The Giovanni Comisso literary award was established in Treviso in 1979 and is one of the most prominent literary prizes in Italy. It is awarded every year to a work of Italian fiction and a biography (including international works). One of the aims of this award, organised by the association 'The Friends of Giovanni Comisso', is to give visibility to up-and-coming Veneto authors. Numerous cultural events are held both in person and online to celebrate the award. The association, in conjunction with the Rotary Club of Treviso, also sponsors the Under 35 Award and the #Comisso15righe Award for reviews, emotions and comments inspired by the competition entries. The final was held at the Mario Del Monaco Theatre in Treviso on 8 October 2022.

Labomar donated € 1,500 to the initiative in 2022, sharing the vision of the association of 'The Friends of Giovanni Comisso' for the event to become a "local infrastructure". The aim is to encourage social and creative learning processes, as well as cultural activities, both locally and further afield. The company will continue to lend its support in 2023.





5. CAMMINARE PER LA VITA

Camminare per la Vita is an event held in collaboration with 150 volunteers of ‘Sciare per la Vita Odv’, the association founded and led by Deborah Compagnoni. It takes place every year in Treviso and its goal is to promote exercise, well-being and enhancement of the local area, as well as raising awareness of others and the environment.

The total number of people who took part in 2022, including children and those who attended the afternoon activities without a ticket, was around 3000 and €66,500 was raised. The proceeds were donated to the following worthy causes:

- € 52,000 to ‘Fondazione Città della Speranza Onlus’ for children’s research and care projects;
- € 5,000 to Abilmente Insieme, an association from Ponzano Veneto which organises inclusive sports and educational projects;
- € 7.000 to Fattibillimo, an association from Mogliano Veneto which provides educational activities and helps the disabled;
- € 2.500 to “Il Filo di Simo”, a charity based in Ponzano Veneto which assists and teaches about young people suffering from depression.



Labomar lent its support to this event in 2022, promoting it on social media and the Labomar Channel, thus encouraging its employees and partners to take part.

2021	2022 Target	2022	Status	2023 Target
Donation of €3,000	Continue support	Donation of €3,000	Target met	Continue support

6. ISTRANA SOSTENIBILE

In 2021 Labomar organised the “Istrana Sostenibile” project, coordinating the local town administration and sports clubs (football, basketball, volleyball, skating, karate, tennis).

The aim is to teach youngsters more about sustainability, with the support of Contarina, ATS (Alto Trevigiano Servizi and Plastic Free), involving them a series of activities during summer camps run by the local municipality: separate waste collection and sustainable good practices, meetings to heighten awareness and sense of responsibility, testimonies from experts.

In 2022 Labomar put up banners with personalised, sustainable-themed slogans at the entrance to Istrana sports centre and in all the gyms and changing rooms of the other local sports clubs (with messages chosen by them).

Labomar purchased the material for the banners and invoiced it to the Istrana Basketball Association (CU.RI.S.S. BASKET ISTRANA A.S.D.) as a free gift and the club distributed and installed them..

2021	2022 Target	2022	Status
770 bottles donated, worth € 4,489	Continue to support and promote the project in the local press, on the Labomar Channel and in the Be Circular newsletter	Put up banners with personalised, sustainable-themed slogans	Target met
Approx. 287 youngsters involved in learning activities			



7. CHRISTMAS HAMPERS

It has always been Labomar’s mission to look after people and their well-being. By becoming a benefit corporation, Labomar’s intent to act in a responsible and transparent manner towards people, the community, the local area, organisations and associations has been heightened. In 2022 Labomar decided to give Christmas hampers to its clients and partners again containing products made of Radicchio Rosso di Treviso IGP (a typical local winter product) which it purchased from the Nonno Andrea farm, a local producer who promotes biodiversity, farming his land organically and respecting the seasons and crop rotation. Labomar will continue this partnership in 2023 to help farms in the area prosper and promote local products.

8. NEVEGAL 2021 SRL

Nevegal 2021 Srl was set up to relaunch the ski district of Nevegal, which had suffered greatly in 2021 from high maintenance costs of its slopes and ski lifts. As one of the sponsors, Labomar received coupons for daily ski passes which it distributed as a benefit to its employees, so they could use them in the winter season. The aim of this was twofold: to raise awareness and encourage healthy lifestyles (Labomar’s third purpose of common benefit).

2021	2022 Target	2022	Status	2023 Target
42 coupons for daily ski passes, worth € 3,660	Continue this initiative or transform it into another health and well-being initiative	35 coupons for daily ski passes distributed to staff	Target met	Continue this initiative or transform it into another health and well-being initiative

9. UNIVERSO TREVISO BASKET SRL

Labomar supplied the basketball team with products to enhance the performance of its players during training and matches and to boost their energy levels if they had a particular deficiency. In 2022 the company entered into a sponsorship agreement with the team to provide it with food supplements at a discounted price and give them any remaining monies upon issuing an invoice.

2021	2022 Target	2022	Status	2023 Target
50 different types of products donated (food supplements and surgical masks)	Continue sponsoring	Signed agreement worth €23,000	Target met	Continue sponsoring and attending occasional training sessions; share information about the use of food supplements, so they can be taken responsibly by members of the team
1,215 products overall				

10. THE TREEDOM PROJECT

The Treedom project helps protect the environment and offset CO2. It is a web platform which allows people to plant trees all over the world, involving farmers in local communities and supporting them through this social and environmental protection project. The trees are tended to by local farmers. Labomar has pledged to plant 200 trees/year with a mixture of forest and fruit trees.

10.1. “A TREE FOR EVERY BABY” PROJECT

“A tree for every baby” is an extension of the Treedom project. Labomar has pledged to plant a tree for every child born to its employees. The happy events are also celebrated on the Labomar Channel and in the corporate newsletter. Ten trees were planted in 2022.

2021	2022 Targets	2022	Status	2023 Target
200 trees in Cameroon	Maintain the 200 trees planted	Maintain the 200 trees planted	Target met	Continue the project
	Continue the A TREE FOR EVERY BABY project	10 trees to celebrate the new arrivals		



11. PREVENTIVE BREAST CANCER SCREENING

The town administration of Istrana is working with the “Prevenzione è Vita” association to provide women aged between 35 and 49 who live in the town the chance to have a mammogram and ultrasound scan free of charge as part of a preventive breast cancer screening programme.

Given the importance of this initiative, Labomar approached the association to extend this opportunity to its employees, irrespective of where they live.

Labomar sponsored, promoted and made a donation to the project in 2022.

2022	2023 Target
Sponsored the project with a donation of €2,000	Continue this initiative or transform it into another health and well-being initiative for staff

12. SOL.CO

SOL.CO is a cooperative set up in 1992 which helps provide training and find work placements for people with psychological and mental problems. Its training courses are organised with and for people and their aim is to grow a person’s potential, resources and personal independence. In 2022 Labomar decided to support the cooperative by making a donation towards the festival “Robe de Mati”, a series of recreational and informative events organised in the province of Treviso and Cortina from May to July 2022. The Festival was co-ordinated by the Municipality of Treviso. Labomar also promoted Sol.Co’s work, reporting on the celebrations for its 30th anniversary held at the cooperative’s headquarters on 9 September. Labomar’s Executive Assistant represented the company at the event.

2022	2023 Target
Donation of €5,000 towards the organisation of the festival “Robe de Mati”	Continue lending support through projects

13. AIPD “LA CASA DEL CUORE”

AIPD ‘La Casa del Cuore’ was founded on 2 January 1979 by a small group of families and was originally called the Down Children Association (A.B.D.). The mission of AIPD is to:

- help people with Down syndrome and their families;
- raise awareness among as many people as possible with books, seminars and conferences;
- help people with Down syndrome find schools where they will be happy and where their learning needs will be met;
- help people with Down syndrome find a suitable job;
- make society a better place for everyone;
- help enforce the rights of people with Down syndrome.

The Treviso branch needed new administrative headquarters for a number of different activities: it needed space for its offices and to welcome families new to the area, to prepare and wrap gifts, raise money and organise workshops teaching domestic and personal autonomy, as well as areas where members with Down syndrome could socialise. It also needed somewhere to hold meetings and spaces for family members and caregivers to meet. A property which needed renovating and adapting to these specific needs was found. Labomar contributed to the project with 20 lights and 20 LED low-energy light bulbs which will be installed in the various rooms.

2022	2023 Target
Took part in the AIPD ‘LA CASA DEL CUORE’ project, purchasing lights and LED light bulbs worth €1,500	Continue lending support through projects





14. "PER MIO FIGLIO" ASSOCIATION

1.14 "PER MIO FIGLIO" ASSOCIATION

The non-profit association "Per Mio Figlio" was founded in December 1997 by a group of entrepreneurs in Treviso who were sensitive to the needs of children in hospital. The main aim of the organisation is to improve the quality of life of both children and their parents during their stay in hospital and this they do in their daily activities in the paediatrics wards in the hospitals of the Province of Treviso.

In 2022 the event "Cuori in campo" was held to mark 110 years of the Paediatrics Department at Treviso Hospital and to raise money for the "Per Mio Figlio" association to build an educational playground at the CRAL club at Ca' Foncello. A charity football match between mayors and television and social media celebrities was held on 15 October 2022 at Treviso's Tenni stadium. The event was organised by ULSS 2 (the local health authority) in collaboration with "Per Mio Figlio" and CRAL, with the support of the Municipality, the Province of Treviso and the Veneto Region. Labomar contributed with a donation of €2,000.

15. SUPPORT FOR LOCAL CULTURAL ACTIVITIES

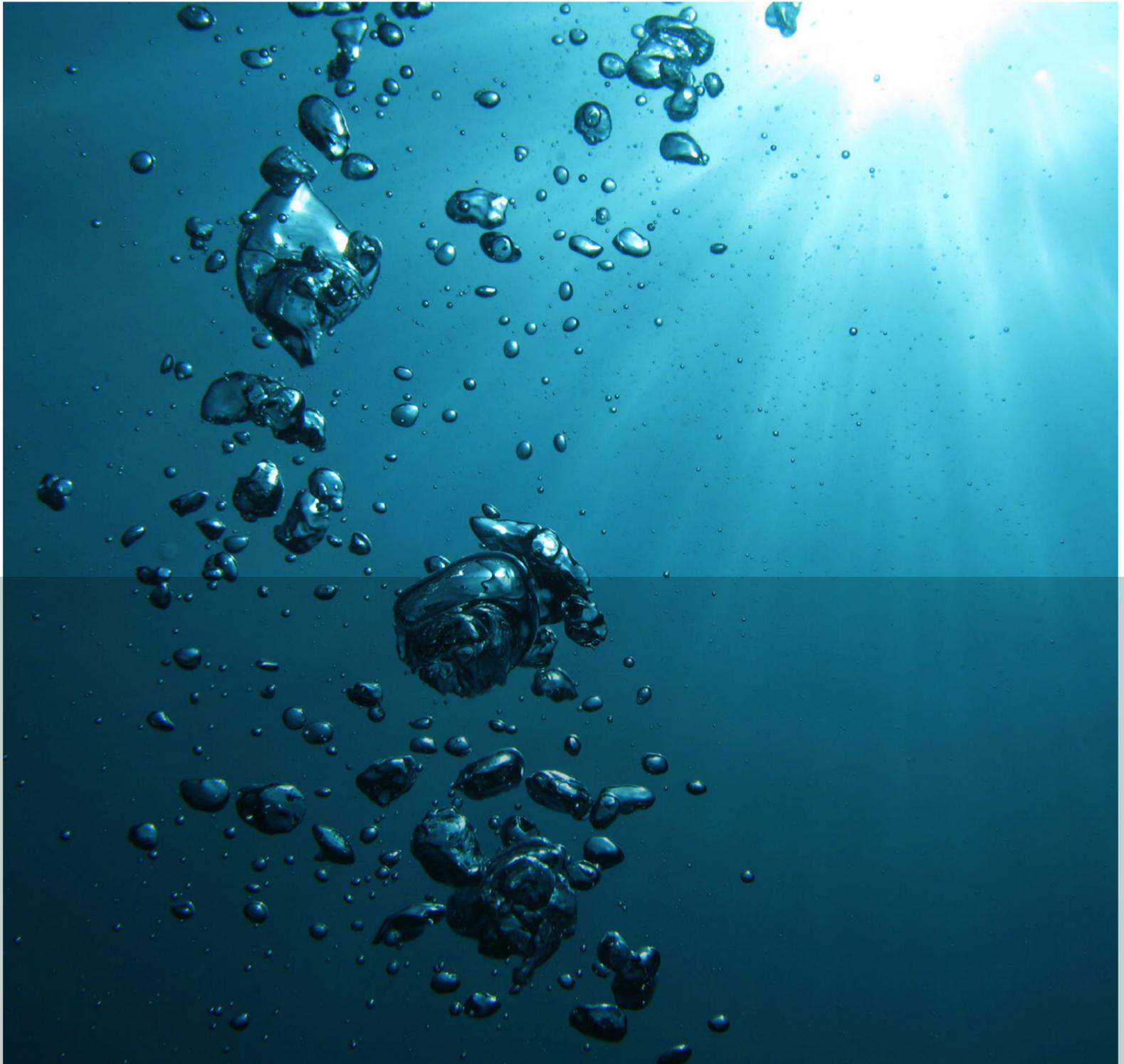
Supporting local cultural activities is one aspect of Labomar's fourth purpose of common benefit, so it decided to lend its support to a series of projects throughout 2022. As well as making donations to causes, the company encouraged its staff to get involved in some of the activities.

2022	2023 Target
Promote and support cultural projects in the local area to foster a culture of beauty in all its forms. Labomar's total contribution for 2022 was €3,890	Continue promoting local cultural projects

15.1. Luigi Cherubini Youth Orchestra

Founded in 2004 by Riccardo Muti, the Luigi Cherubini Youth Orchestra is a privileged link between the conservatoires and the professional world. Its members are all under 30 and come from all over Italy. This year it organised a concert, conducted by the soloist David Fray, to thank the staff of the ULSS2 health authority of Treviso who worked so hard during the Covid-19 pandemic and to raise money for the Caritas Tarvisina charity, which is helping those escaping from another humanitarian emergency: the war in Ukraine. The concert, sponsored by the Rotary Club of Treviso and attended by 650 people, was held at the Tempio di San Nicolò, Treviso.

Labomar was one of the main sponsors of the event.





15.2. Christmas concert

On 7 December 2022, the non-profit association “Per Mio Figlio” and ULSS 2, together with the Teatro Stabile del Veneto and the Municipality of Treviso, organised a charity concert to raise money for the “La Stanza dei Sogni” project. The proceeds will go towards “creating” a room where paediatric and paediatric surgical patients at Treviso Hospital can go to get some relief from their pain and anxiety. Labomar helped with the organisational cost of the concert, which featured the Children’s Choir of the Academy of Maggio Musicale Fiorentino, the international school of excellence of the opera theatre of the same name in Florence.

15.3. ‘Tale’ Cultural Association

To raise money to mark the International Day for the Elimination of Violence against Women, ULSS2 decided to organise a show based on a real story that took place in Treviso in the Seventies. The proceeds were donated to:

- Telefono Rosa – Treviso
- Stella Antares – Montebelluna/Asolo/Vedelago
- N.I.L.D.E. - Castelfranco Veneto
- Women’s shelter – Vittorio Veneto
- Women’s shelter – Quinto di Treviso

Labomar’s contribution was a donation to the association.

15.4. Art Voice Academy srl

Art Voice Academy is a drama school which was founded in 2003 in Castelfranco Veneto (Treviso) by Maestro Diego Basso and today is famous in Veneto and throughout Italy. The Municipality of Morgano appealed for sponsors to help organise a concert entitled Symphony, which the Art Voice Academy orchestra, conducted by Maestro Diego Basso, and Roby Facchinetti took part in. Labomar purchased a number of tickets to the concert and gave them to staff and their families. Six employees attended the concert with a member of their family.

16. SUPPORT FOR SPORTS AND LIFESTYLE ACTIVITIES

Raising awareness and encouraging healthy lifestyles by taking part in local activities is one of Labomar’s priorities. It can also be found in its second and fourth purposes of common benefit. In 2022, Labomar decided to support a series of sports and educational activities to teach people about healthy lifestyles.

2022	2023 Target
Promoted and supported sports and educational activities to teach people about healthy lifestyles. Labomar’s total contribution for 2022 was €8,957.24	Continue promoting and supporting sports and educational activities to teach people about healthy lifestyles

16.1. “Scarpe bianche” Sports Club

A trail running race was held in 2022, starting from Villa di Maser (UNESCO World Heritage Site). The course, a highly technical loop in the hills, was 6 km long and had to be repeated several times over six hours. It took the competitors through the countryside and some of the sites of the Great War, as they ran between trenches and passages. On the day of the race, 26 March 2022, Labomar donated mineral salts for the race packs and food supplements with mineral salts to hand out to the runners at several points along the route and at the end. The food supplements were produced in the Labomar R&D laboratory.

16.2. Parish of the Purification of the Blessed Virgin Mary

In May 2022, a non-competitive event was held in the Sile park for the second year running. The 4,152 hectare River Sile Regional Natural Park lies within 11 municipalities in the provinces of Padua, Treviso and Venice. The growth of sustainable, educational and scientific tourism and its promotion within the Park present great potential but it must be managed very carefully to ensure the preservation of the area. The Park therefore encourages and promotes a number of development strategies to safeguard the natural setting which, although strongly influenced by man, must be protected and preserved for everyone’s benefit. Labomar decided to donate twenty jars of mineral salts to the people taking part in the event.



16.3. Sponsorship of swimmer Barbara Pozzobon

Labomar began helping the Italian swimmer, Barbara Pozzobon, in 2018, at the beginning of her career, by buying her a plane ticket for Santa Fe and donating dedicated products to help enhance her performance. Her results led to her becoming a member of the sporting branch of the Italian Police Force (Gruppo Sportivo Fiamme Oro). Barbara Pozzobon is still in touch with Labomar, namely its President Walter Bertin, whose advice she seeks on which food supplements to take and when. Her latest success was at the Budapest 2020 European Aquatics Championships, held in May 2021 at Lupa Lake, where she took bronze in the 25 km open water swimming competition.

16.4. Sponsorship of other local associations

In 2022 Labomar sponsored a number of local sports clubs, in particular the Istrana 1964 ASD football club and Asolo Golf Club.

16.5. Master's Degree in Applied Phytotherapy - University of Siena

Labomar teamed up with Schwabe Pharma Italia Srl - which belongs to the German group Schwabe which was founded in 1866 and is a world leader in the production of herbal medicines - to sponsor a three-year post master's degree course. In June 2022 Labomar hosted 35 students for two days of educational activities in its Research & Development laboratory. On Friday 10 June, the visiting students and lecturers were treated to lunch.

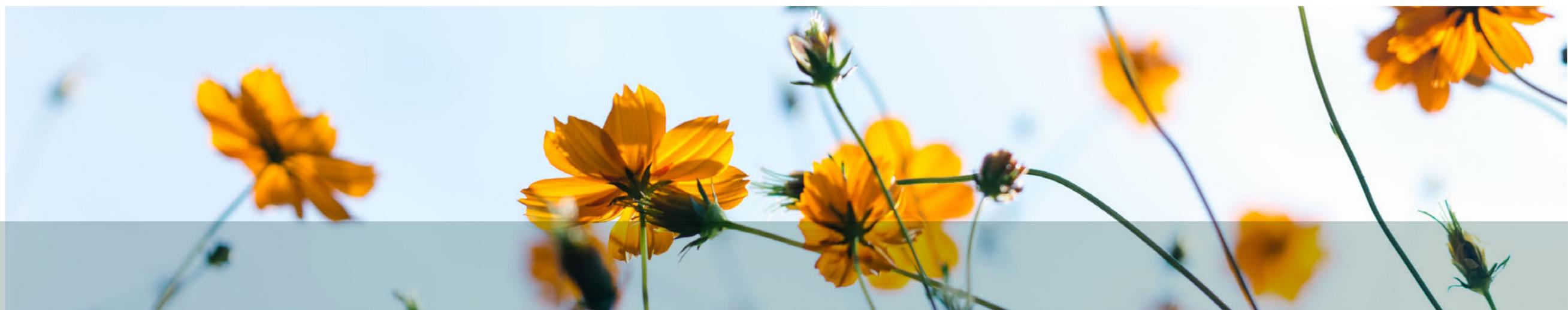
16.6. 30th National Phytotherapy Conference

The National Phytotherapy Conference, organised by the Italian Society of Phytotherapy, is one of the most important events of its kind in Italy. It is quite unique because it brings together academics, scientific associations and professionals like doctors, pharmacists, nutritional biologists, veterinarians and other people who work in the plant-based product industry, as well as companies. This synergy leads to a first-class programme, which is always very popular among attendees and also thought very highly of by national and local institutions. On average, 150 people have taken part in the last 10 conferences held in person, with more than 100 attendees every day.

Labomar, in its capacity as supporting member, made a donation and Samuele Zanatta (Technical Director and R&D Manager) was in attendance as a speaker.

The title of his talk was: "Agenda 2030 for Sustainable Development and Labomar's latest strategies for food supplements".

His talk focused on how Agenda 2030 will change our lives and how it will change Labomar's strategy for growth, how it will become part of the product value chain and introduce new goals and visions in the production of food supplements, cosmetics and medical devices for both oral and topical use. When formulating the food supplements of the future, the issues which will carry weight will be greater safety and efficacy, inclusion, nutrition, respect for the environment and the circular economy. These issues will be important for the scientific community and will focus attention on the "total design" of a product in the broadest sense of the meaning, rather than just its functional features which will still be key for personal well-being products.





RAISING LOCAL AWARENESS OF SUSTAINABILITY

Labomar believes in showing and communicating its commitment to sustainability in the local community and area. This prompted the company to take part in several local projects and initiatives in 2022 to help raise awareness of sustainability. Devoting time to these activities is very important for Labomar, as it strives to make a positive impact for all its stakeholders in everything it does. Labomar staff spoke at the following events in 2022:

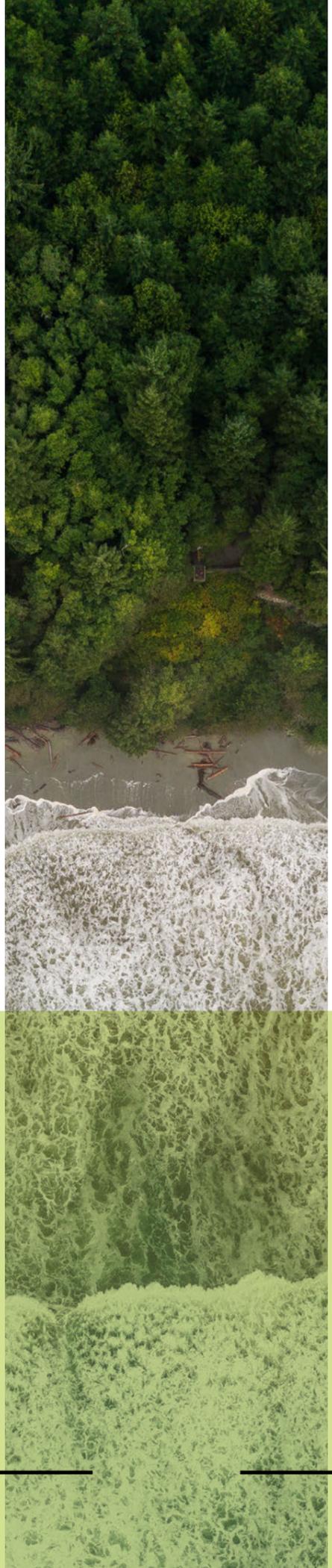
- The Association of the Friends of Padua University: in accordance with its mission to promote networking and synergy and foster relations between the university and the socio-economic world and industry in Veneto, the Association signed an agreement with the Department of Land, Environment, Agriculture and Forestry to run an international second-cycle degree course in “Food and Health” in English to provide advanced training in the field of food and health. In October 2022, during the presentation of the project, Labomar, represented by Vera Mason, and another company spoke of their own personal experiences, to show how important social responsibility is to young people and their education.
- Sustainability and ESG in company law, held by the Association of Accountants of Treviso, the Law Society (TV) and the Association of Young Lawyers (TV).
- Advanced training course entitled “Accountants, sustainability consultants”: the aim of the course was to teach the skills needed to accompany businesses along the path of sustainability, from introducing sustainability into their strategies to compliance, obligations and reporting;
- Confindustria VenetoEst: some Labomar staff members spoke at an event entitled “People at the Centre: new organisational models for sustainable companies and the sustainable development of businesses within the local community”;
- Dialoghi d’Impresa’ during the ‘Festival della narrazione d’impresa’ where businesses relate their experiences.





Glossary and definition of Labomar's material sustainability topics

GOVERNANCE	Business transparency and integrity	Labomar's ability to grow its business with integrity, ethics, loyalty and transparency..
	Reporting and communication to stakeholders belonging to social and environmental systems	Labomar's ability to communicate and keep track of results and objectives that contribute to creation of value for society.
	Sustainable management of the supply chain	A portion of the value of each manufactured product depends on materials, components and services provided by third parties. Labomar's ability to actively manage its procurement strategies with regard to its stakeholder relationships by monitoring and qualifying its supply chain according to certain social and environmental sustainability criteria (employee health and safety, respect for human rights, respect for the environment).
	Supply chain transparency	Labomar's ability to increase the availability and communication of information regarding direct and indirect supplier compliance with environmental and social topics.
ENVIRONMENT	Process innovation with a view to environmental sustainability	Labomar's ability to take a proactive approach to minimising its environmental impact. Examples include energy efficiency and renewable energy, the reduction of polluting emissions and waste, and the management of water resources, waste, and wastewater.
	Product innovation with a view to environmental sustainability	Labomar's ability to adopt a "life cycle" design approach in order to reduce the environmental and social impact of its products from the design stage through to their eventual disposal.



PEOPLE	The quality, safety and efficacy of products and services	Quality has always been one of the company's inalienable values, and excellence is not a topic up for discussion or compromise. The sector itself also demands high production standards. As such, Labomar applies a strict system of measures to its value chain to eliminate the risks associated with products and/or services used by customers or end users and will continue to make improvements in this regard.
	Respect and ethics in personal and commercial relationships	Labomar's ability to dedicate time and attention to human relationships and personal dignity, regardless of considerations linked to the nature of relationships (be they contractual or otherwise) or corporate proximity (both in geographical and other terms).
	Respect and ethics in personal and commercial relationships	The promotion of interest in the personal needs of employees by implementing policies and initiatives to improve work-life balance and to improve the wellbeing of employees both at and away from the office.
	A culture of health and safety	Labomar's ability to promote healthy living at the company by raising internal and external awareness of the need to look after one's mental and physical health.
	Creating value for the community	Labomar's ability to promote partnerships in active social projects with local people in order to distribute value to the community.
	Promoting the value of the local area	The company's desire to promote projects that help support and develop local entities.
	Active participation in promoting a healthy lifestyle	The external promotion of healthy, balanced behaviours and habits is relevant for Labomar with regard to its stakeholder relationships.
OTHER	Relationships and dialogue with government institutions and the public sector	The company's commitment to cultivating and building constructive relationships with public bodies and institutions with a view to creating added value and sharing it with the community and stakeholders.
	SDGs	<i>Sustainable Development Goals</i> 17 interconnected goals defined by the United Nations as a blueprint for a better and more sustainable future for everyone.
	GRI	<i>Global Reporting Initiative Standard</i> sustainability reporting parameters which enable businesses to measure their impact on planet Earth in a univocal and uniform way and make it public in a format that can be understood by everyone.



GRI Content Index and SDGs

This report was prepared with reference to the GRI Standards, which allowed us to measure sustainability performance in relation to impacts on the economy, the environment and people, and how these impacts were managed with regards to the objectives of the four shared benefit goals. In addition, for each GRI reported, there is the corresponding Sustainable Development Goal (SDGs) that provides insight into the Sustainable Development strategy.

Labomar has reported in the Content Index the information for the period 1 January 2022 - 31 December 2022, following *GRI 1: Foundation 2021*

GRI Standard	Disclosure	Page	SDGs
GRI 2: General Disclosures 2021	2-1 a, c Organizational details	2, 86	/
	2-6 a Activities, value chain and other business relationships	5	/
	2-7 a, b, c Employees	42, 43	 
	2-22 Statement on sustainable development strategy	2	/
	2-29 a.i. Approach to stakeholder engagement	15, 16, 17	/
GRI 3: Material Topics 2021	3-2 a List of material topics	17	/
GRI 302: Energy 2016	302-1 Energy consumption within the organization	31	   
	302-3 Energy intensity	31	   

GRI Standard	Disclosure	Page	SDGs
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	31	    
	305-2 Energy indirect (Scope 2) GHG emissions	31	    
	305-4 GHG emissions intensity	31	  
GRI 306: Waste 2020	306-3 a Waste generated	31	    
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	37	/
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	44, 45	   
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	54	
	403-6 Promotion of worker health	48	
	403-9 a, b Work-related injuries	56, 57	  



GRI Standard	Disclosure	Pagina	SDGs
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	47	
GRI 405: Diversity and Equal Opportunity 2016	405-1 <i>b</i> Diversity of governance bodies and employees	53	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	37	





Conclusions

The third Labomar Impact Report chronicles the important progress we have made on our path to sustainability which, this year in particular, has been supported and vouched by independent bodies and companies. These important acknowledgements are testimony of Labomar's ability to coordinate multiple projects, creating added value for the environment and the local community. They endorse the validity of our long-term strategy, engage all our company departments and heighten the sense of responsibility of our employees and suppliers, as we all work towards a common goal. Everything we do is done ethically, with quality, transparency and respect, qualities which are shared by all the companies in the Group. Because we all know that teamwork is the key to successful sustainability!





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