



Sustainable Goodness

Growing together tastes better

SUSTAINABILITY REPORT
AS OF JUNE 30TH, 2025

1922
Bauli

Our sustainability performance at a glance

1,311

Employees as of 30th June 2025.

548.2

Mln €
Turnover as of 30 June 2025.

1.5

Mln €
Local Community
Remuneration.

48%

Women out of total group
employees as of 30th June 2025.

17,616

Hours of non-mandatory
training in 2024/2025.

97%

Employees with permanent
contracts as of 30 June 2025.

82%

Of electricity purchased
from renewable sources.

11.3%

Energy from renewable
sources out of total energy
used by the Group.

288,265

tonCO₂e
Total emissions (Scope 1,
Scope 2 LB, Scope 3*).

59%

Great Place to Work – Trust
Index 2024/2025.

73%

recycled packaging
On the total packaging
purchased.

+21%

waste diverted from disposal
Compared to 2023/2024.

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A message from our Chairman

In continuity with over a century of entrepreneurial history, 2025 represents a moment of strategic relevance for Bauli Group, as we strengthen the integration between our founding values and the evolving expectations of a rapidly changing world.

This year, we operated in a complex and unpredictable environment. Rising costs of raw materials and energy, together with changing consumer habits, tested the resilience of the entire food sector. Yet, these same challenges strengthened our determination to innovate, to act responsibly, and to reaffirm sustainability as a cornerstone of our long-term vision.

Building on the Sustainability Strategy launched in 2024, we have taken tangible steps to embed ESG principles into sourcing, production, packaging, and people management. One of the key milestones was the definition of our Decarbonization Roadmap, built on the Scope 3 emissions assessment completed last year, which sets a clear, science-based path toward our climate ambitions.

Throughout this journey, our mission remains unchanged, to bring moments of joy through the products we craft, while contributing to a more equitable, sustainable, and respectful future. To all who share this journey with us, your trust and commitment enable us to move forward with confidence, remaining true to who we are while embracing the change we aspire to lead.



Michele Bauli
Chairman Bauli Group

A message from our CEO

The 2024–2025 fiscal year marked a decisive acceleration in Bauli Group's sustainability journey. Guided by our six strategic pillars, we advanced with clarity and purpose—particularly in the areas of waste reduction, circularity, and decarbonization.

In a sector built around food, sharing, and joy, generating waste is no longer acceptable. Over the past year, we have reduced inefficiencies and food waste across our production sites and launched new circular initiatives that give new life to materials and by-products. At the same time, our Decarbonization Roadmap began to translate into action, from energy efficiency upgrades to renewable sourcing at our key facilities.

Our people remain at the heart of this transformation. New welfare programs, leadership development paths, and inclusivity initiatives have reached more colleagues than ever before, reinforcing a culture where well-being and responsibility go hand in hand.

Sustainability also extends through our supply chain. We are embedding environmental and social criteria into our procurement practices and engaging our suppliers to co-create impact across every link of our value chain.

A year after the launch of our new brand architecture, we are seeing tangible results: a stronger and more distinctive portfolio, growing international presence, and the ability to invest in innovation even in a complex macroeconomic context. Sustainability is now not just a responsibility—it is a driver of competitiveness and long-term growth.

Looking ahead, we know the path toward net-zero and full circularity will be demanding. Yet, it is also an extraordinary opportunity—to innovate responsibly, to grow inclusively, and to create lasting value for future generations.

I would like to thank everyone who shares this commitment—our employees, suppliers, partners, and consumers. Together, we will continue to evolve with passion, integrity, and the same joy that has always defined Bauli.



Fabio Di Giammarco

Chief Executive Officer Bauli Group



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About us

Our story

Bauli is a leader in the confectionery sector and the number one brand in the Italian seasonal market, offering a wide range of products.

Founded in 1922 in Verona as a small artisan pastry shop, Bauli has successfully combined tradition with economic growth, promoting the excellence and taste of Italian products worldwide. The acquisition of historic Italian brands such as **Motta, Doria, Bistefani, Alemagna** and **Olivieri 1882** has strengthened this vision, while preserving each brand's unique identity and heritage.

Today, the Group operates in multiple market segments:

- The **Seasonal market** where it leads with over 34.7% market share at Christmas and 30.4% at Easter in terms of total volumes.
- The **everyday market** through which it offers both sweet and salty products for different consumption occasions.
- The **'Free-from' market**, which includes gluten-free, lactose-free and/no-added sugar products under the Bauli and Doria brands.

Bauli products are available in **over 70 countries**, supported by a production capacity of 8 plants in Italy and India, and a commercial structure with 7 sales offices located in France, Slovakia, the USA, the UK, India, and Singapore.



1922

Ruggero Bauli opens a small workshop in Verona, focusing on the traditional pandoro recipe.

50's

The company developed its activities by starting up its industrial production.

60's

Ruggero's sons Alberto, Adriano and Carlo take over the company.

90's

Bauli enters the everyday bakery product market with a new line of croissants.

2000's

Strong expansion begins with the acquisition of different Italian historic brands.

2025

Launch of the Group Sustainability Strategy & Scope 3 assessment.

2023

Launch of the new One Page Strategy.

2022

For 100 years Creators of Goodness. Celebrations for the 100 years anniversary.

2010's

The development process proceeds not only on the national territory, but also in the rest of the world with the Establishment of a factory in India, to better reach Southeast Asian countries.



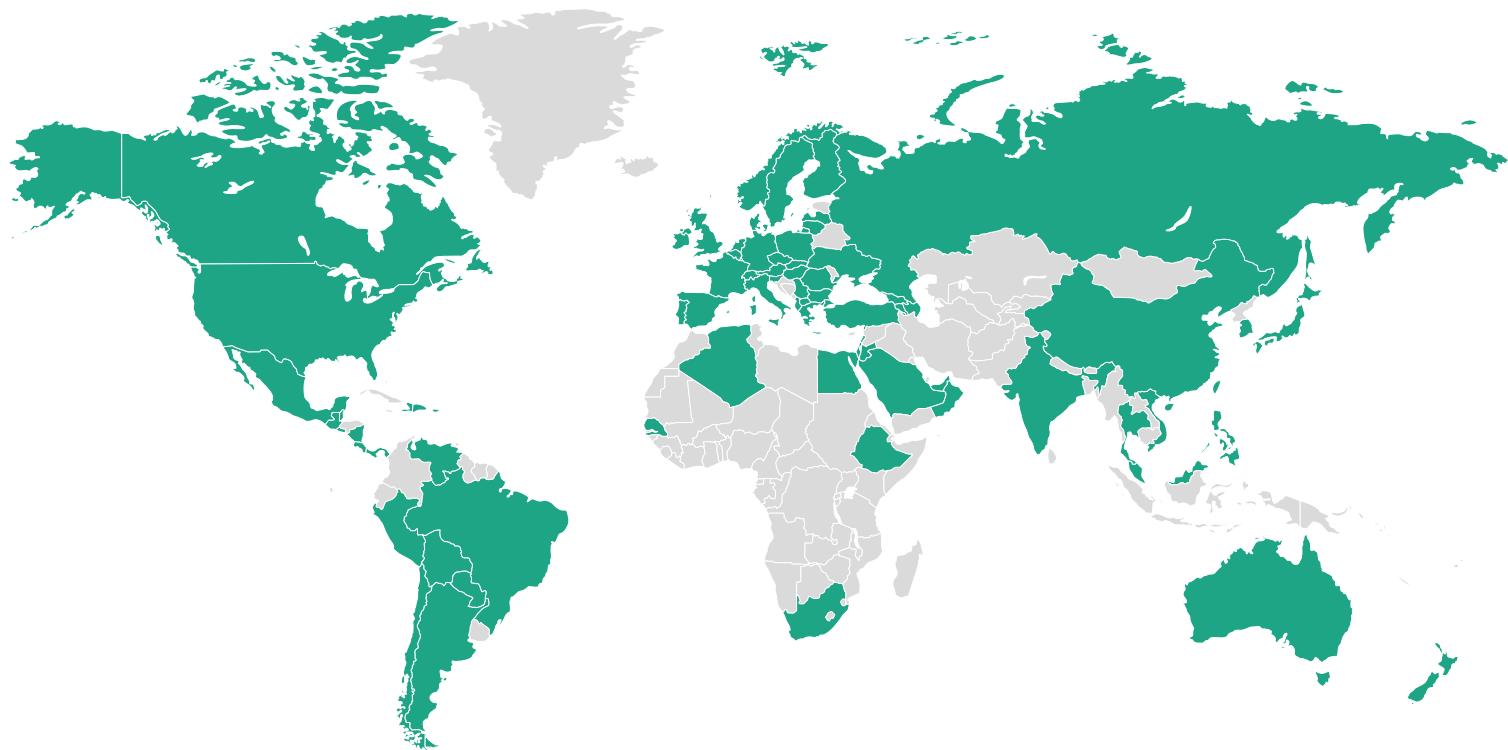
The fiscal year 2024/2025 closed with a net profit of 1,365,816 €, marking a decline compared to the previous year, primarily due to increased production costs and higher prices for essential ingredients.

Nonetheless, thanks to its integrated strategy and ongoing expansion efforts, the Group achieved a 3% increase in revenue for the 2024/2025 financial year, reaching 548,177,214 €.





70 COUNTRIES WHERE THE GROUP'S PRODUCTS ARE SOLD.



■ Country where you can find Bauli products



An ever-growing community

This year, Bauli Group proudly welcomes Olivieri 1882—an icon of Italian artisan pastry—into its family. Renowned for its excellence, creativity, and tradition, Olivieri perfectly embodies the values that drive Bauli. While preserving its unique identity and creative independence, Olivieri will continue to chart its own path, now supported by Bauli's strength. Together, we aim to share the finest Italian craftsmanship with new audiences around the world.

OLIVIERI
1882





Our Brands



Now in its third generation, **Bauli** has grown into an established industrial player, combining deep expertise in the art of confectionery with continuous investment in innovation and technology. Over the years, this blend of tradition and progress has made Bauli a market leader in both seasonal products and croissants. With over a century of passion and commitment to quality, Bauli is the go-to brand for those seeking soft, pastry-inspired creations—perfect for turning every day and festive moments into something special.

Founded in Milan in 1919 by **Angelo Motta**, the Motta brand quickly gained recognition for its **mastery in confectionery and its technical excellence**. Thanks to this expertise, Motta has not only pioneered iconic products but has also played a key role in shaping trends in Italian society, culture, and lifestyle—becoming a true innovator well beyond the realm of food.



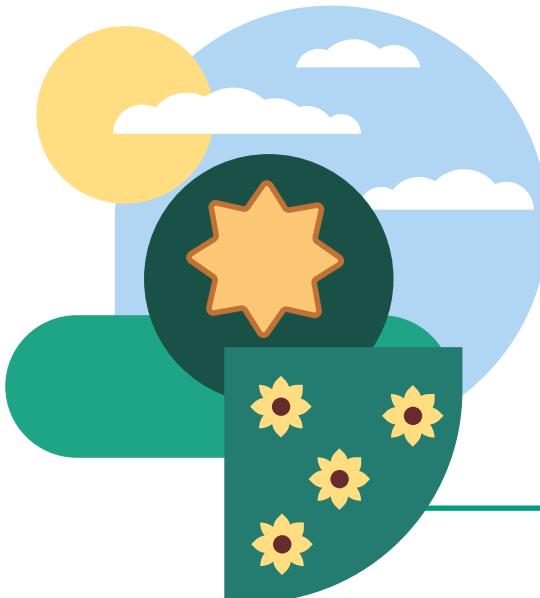
The **Doria** brand traces its origins to the **late 19th century**, beginning with Alessandro Zanin's family bakery. It gained prominence in the confectionery industry with the creation of the iconic frollino Bucaneve in 1950.



Established in 1955 in Casale Monferrato, the brand's iconic biscuits reflect a timeless tradition that blends respect for heritage with innovative techniques, delivering everyday indulgence with consistent quality.



In **1921**, The **Alemagna** brothers launched a confectionery business marking the beginning of the Alemagna legend. Based on a naturally leavened pastry, quickly gained popularity. Today, Alemagna represents artisanal production marked by high quality, elegance, and style.



OLIVIERI 1882

Olivieri 1882 was founded as a small bakery in Arzignano in 1882 and has since evolved into a renowned brand known for its artisanal baked goods, particularly panettone. Now led by the fifth generation, the company skillfully combines tradition and innovation, earning international acclaim for its commitment to quality.

Our Product Portfolio

For over 100 years, Bauli has been a symbol of **quality and tradition**, bringing the taste of Italian baking to consumers in more than 70 countries. Rooted in **ancient artisan methods** and enhanced by **cutting-edge technology**, Bauli continues to innovate while staying true to its origins. A key focus of the Group is the development of products based on extensive consumer research, aimed at meeting evolving dietary preferences—including the growing demand for healthier lifestyles and the needs of individuals with gluten and lactose intolerances.

The Group's expertise lies in the natural leavening process, a hallmark of its most iconic products. This method, preserved and perfected over the decades, is supported by continuous investment in research and development, rigorous raw material selection, and meticulous quality controls.

Seasonal products

Bauli is a market leader in festive baked goods, holding a 34.7% volume share of the Christmas market and 30.4% at Easter. The Group is also a prominent player in the **Easter Egg** segment, with steadily growing market share driven by high-quality chocolate recipes and exclusive surprises tailored to all age groups. Its portfolio includes celebrated icons such as **Pandoro Bauli**—the most loved and best-selling Christmas product—also available in the innovative chocolate version, **Panmoro**, enriched with cocoa and chocolate chips. The range is completed by **Panettone Motta**, the **Motta Premium collection** (developed in collaboration with Michelin star chef Bruno Barbieri) and **Colomba Bauli**, crafted with natural leavening and traditional processing, representing the pinnacle of the Group's artisan-inspired approach. Bauli's festive products are made using carefully selected ingredients and a 40-hour natural leavening process, which gradually incorporates water and flour into a core of fermented dough. This technique ensures long shelf life without preservatives, offering both authenticity and quality.



Everyday products

Bauli also brings its passion for baking to everyday moments. Through constant innovation and quality control, the Group offers a wide range of croissants, cookies, snacks, and crackers that meet diverse tastes and consumption occasions. Designed to accompany consumers throughout the day—from breakfast to snack time and evening indulgences—these products reflect Bauli's commitment to combining taste, nutrition, and convenience in daily life. This year, Bauli has launched its brand-new product, **Pandori**. Crafted to sprinkle a touch of magic on your breakfast, Pandori expands Bauli's range of irresistible everyday snacks.

International portfolio

Bauli's international expansion took a major step forward with the opening of a state-of-the-art production plant in Baramati, India, in 2017. The Group adopts a vertically integrated, multinational model—sourcing ingredients locally to ensure freshness, while leveraging Italian know-how to maintain product quality. With Bauli India, the Group is pursuing strong growth across key markets such as Vietnam, Malaysia, Bhutan, Nepal, the Maldives, and the Gulf Cooperation Council countries. International development is not limited to traditional Italian holiday products; it also includes a more diversified portfolio of sweet and savory goods tailored to local preferences, all united by Bauli's signature quality and care.

Mission, Vision e Valori

Vision

OUR ICONIC PORTFOLIO OF BRANDS CREATES JOYFUL AND DELICIOUS MOMENTS FOR CONSUMERS EVERYWHERE, ONE TASTY BITE AT A TIME.

Mission

INSPIRED BY A CENTENARY TRADITION OF ITALIAN QUALITY, OUR BRANDS CREATE DELICIOUS SOLUTIONS TO THE NEEDS AND WANTS OF CONSUMERS AND CUSTOMERS WORLDWIDE.

GOODNESS

WE MAKE DELICIOUS, HIGH-QUALITY PRODUCTS

For over a century, we have been exploring and seeking goodness in everything we do. It's the secret of our pastry art, which characterizes all our products. A promise of irresistible taste, the utmost attention to quality, safety, continuous drive for innovation, search for new recipes and distinctive style. Our goodness is constantly evolving.



PASSION

WE AIM TO WIN IN THE MARKET, WITH CUSTOMERS & CONSUMERS

Passion is our first ingredient. It defines our innovative business vision, the drive to compete successfully in a global market and the determination to give our all for our brands, our people and the values we believe in. We go beyond rationality, we put our heart into it.



COLLABORATION

WE PLAY, WIN, AND LEARN AS ONE INTEGRATED TEAM

Collaboration is our strength. Feeling good together is the prerequisite to achieve our goals. We have inherited the sense of a large family; we leverage each other's skills and synergies between teams and people in every area of our business. There are no barriers, there is trust, listening, continuous feedback and the desire to work towards a common goal.



COURAGE

WE DREAM BIG, INNOVATE, AND DELIVER ON OUR PROMISES

Our founder Ruggero Bauli crossed the ocean in search of a dream: his courage has always inspired us. We are visionaries, we embrace innovative ideas and, most of all, we are fully committed to facing the risks necessary to make them come true. We are fast and love challenges, without ever losing sight of our reference points.



CARE

WE TAKE CARE OF OUR PEOPLE AND OUR PLANET

We care about the physical, social and psychological well-being of our people, we promote respect for equal opportunities and fair treatment of all those who work with us. We care about our planet and are committed to reducing the environmental impact of our activities to zero. This is why we share a sustainability plan with our stakeholders aimed at creating a better tomorrow.



INTEGRITY

WE TAKE THE HIGH ROAD IN EVERYTHING WE DO

Integrity guides us in every aspect of our business. We act with responsibility, ethics and transparency towards all stakeholders. We believe that our #bauliness is enriched by diversity and strengthened by inclusion: it's the representation of the uniqueness of our current and future collaborators. We feel free to express our identity and our potential.



One Bauli

In 2023, Bauli initiated a structured transformation process internally known as **ONE BAULI**, or **ONE B**. This program of initiatives is designed to strengthen the Group's position both in the Italian market and internationally.



ONE B represents a gradual reorganization of the Group aimed at creating a more streamlined corporate structure and governance model. It promotes greater integration among the consolidated companies under a centralized coordination framework. As part of this process, three new strategic Business Units (BUs) were established: **BU Italy**, **BU India&Asia**, and **BU International**.

To ensure effective strategic coordination, Bauli established the **Global Leadership Team (GLT)**—a team composed of the Group's C-level executives. The GLT oversees the Group's core business activities at both national and international levels and maintains direct interaction with the CEO. Supporting the Group's internationalization journey, Bauli also launched "**Bauli Together**", a monthly meeting shared across all Group entities. It fosters transparency and knowledge sharing on performance results, KPIs, projects, and strategic priorities, allowing the GLT and CEO to engage directly with teams across geographies.

The **Extended Leadership Team (ELT)** was also established in 2023 to further cascade the Group's strategy, culture, and

values. Composed of managers from across Bauli's companies, the ELT plays a key role in operational implementation and in nurturing the Group's future leadership.

Our Governance

Bauli Group's governance structure is designed to ensure responsible, transparent, and efficient management aligned with value creation for all stakeholders. The Bauli Group comprises several companies¹, the majority of which are fully owned by the parent company Bauli S.p.A., itself controlled by Ruggero Bauli S.p.A., a family-owned holding company now in its third generation.

The **Board of Directors** is responsible for the Group's strategic direction and is composed of eight members (seven men and one woman), with 25% aged between 30 and 50, and 75% over 50. The Board was appointed on 20 December 2022 and will remain in office until the approval of the 2024/2025 financial statements. The Board does not currently include internal committees or a formal self-assessment process.

Board of Directors²

Fabio Di Giammarco (CEO)	Michele Bauli (Chairman)	Carlo Alberto Bauli (Vice President)	Enrico Bauli (Vice President)	Marco Bauli (Advisor) ³	Andrea Giuseppe Zocchi ⁴ (Advisor)	Chiara Laura Bauli (Advisor)	Paolo Isolati (Advisor)
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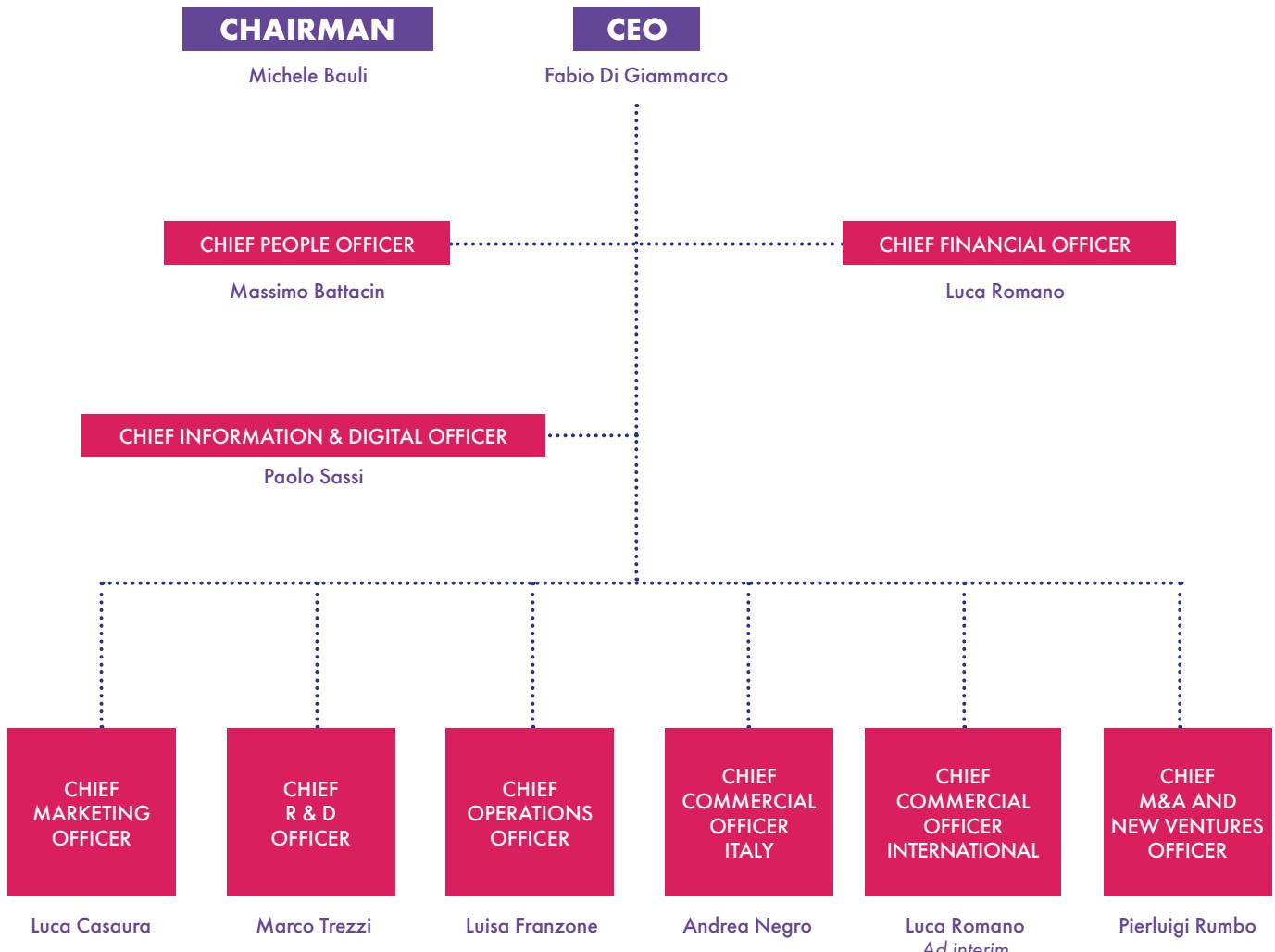
¹Refer to the chapter "About this Report" for the list of companies included in the Group.

²All members of the Board of Directors are non-executive except for the CEO and the Chairman.

³Mr. Marco Bauli was appointed as Advisor to the Board of Directors on 25 October 2024, pursuant to the deed of appointment, replacing Mr. Carlo Bauli.

⁴Independent member.

GRAPHIC: CORPORATE GOVERNANCE FRAMEWORK AS OF 30 JUNE 2025



The **Board of Statutory Auditors**, composed of three effective and two alternate members, supervises compliance with laws and internal regulations and monitors the adequacy of the internal control system and organizational structure.

80
MEMBERS OF
THE ELT

Board of Statutory Auditors				
Giovanni Maccagnani (President)	Alessandro Testa (Statutory Auditor)	Franco Valotto (Statutory Auditor)	Alberto Mion (Substitute Auditor)	Milena Reitondini (Substitute Auditor)



Bauli's **legal representation** is typically held by the CEO across subsidiaries. Where necessary, other board members or GLT/ELT managers may also be part of the administrative body of each subsidiary.

The remuneration of the Board of Directors is established through dedicated resolutions approved by the Shareholders' Meeting. For Bauli SpA, all members of the Board receive a fixed component, and a variable component tied to business objectives. As part of the implementation of Bauli's ESG Strategy, the achievement of **industrial waste reduction targets**—detailed in the chapter "Packaging & Waste"—has been directly tied to the variable remuneration of directors. This marks a first step in integrating ESG priorities into the incentive system.

To prevent **conflicts of interest**, Bauli has implemented formal procedures to ensure transparent relationships between the parent and subsidiaries. These are documented using headed paper, as required by law. The Group does not hold shareholdings in third-party suppliers, thereby minimizing the risk of undue influence.

Consistent management practices are available for the whole Group and supervised by the Administration & Finance function. They define operational standards, ensure regulatory compliance, establish reporting obligations, and promote best practices across all Group companies. The **Board of Directors**, with the support of the **GLT** and the **Group Sustainability Officer**, also oversees the Group's sustainability strategy and related impacts. ESG performance is reviewed regularly throughout the year and formally during the approval of the Sustainability Report.

Considering the results of the materiality analysis and the related significant positive and negative impacts for the Group, the responsibility for managing such impacts is informally delegated to the GLT, under the coordination of the Group Sustainability Officer. In the event of a relevant issue, the function has the possibility to engage with the Board of Directors.

This structure ensures that impact management is integrated across the Group's strategic and operational levels. **Critical ESG related concerns** raised by internal or external stakeholders are reported to the GLT or Group Sustainability Officer and, when material, escalated to the Board of Directors. These concerns can be presented during Bauli Together sessions, compliance meetings, or via the whistleblowing platform. Both the Board and the GLT engage in continuous **learning sessions** on sustainability topics to strengthen internal capacity.

Business Ethics

Bauli Group maintains a steadfast commitment to ethics and integrity within its operations, aiming to minimize potential negative impacts on people, the economy, and the environment due to regulatory breaches or non-compliant behavior. The Group's operations are guided by values of fairness, honesty, and respect, which shape both its strategic direction and day-to-day conduct.

To ensure continuous alignment with legal requirements and ethical standards, the Group has developed dedicated **policies and procedures**, overseen by the **Compliance function**, which is coordinated by the **Group Legal & Compliance Manager** and reports directly to the **Board of Directors**. Under the **One Bauli** framework, the Group promotes the harmonization of compliance practices across its companies, facilitated through **regular Compliance Meetings** that involve both central and local managers.



Organizational and management model

Since 2012, **Bauli S.p.A.** has implemented an **Organizational and Management Model** (Legislative Decree 231/2001), which has been regularly updated to reflect changes in the organizational and regulatory landscape. This model comprises principles, rules, procedures, and controls aimed at preventing potential crimes through risk assessment and management. It includes a clear disciplinary system for violations. The model was fully revised and reapproved in 2023.

Code of Ethics 2.0

Bauli S.p.A. operates and interacts with its stakeholders in accordance with the principles and values outlined in the **Code of Ethics 2.0**, updated in 2023. The Code is binding for all employees, directors, and collaborators, and is extended to external stakeholders (e.g. suppliers and partners) through contractual clauses. Violations may result in contract termination and sanctions. Bauli promotes widespread awareness of the Code through onboarding materials, regular training sessions, and ongoing updates.

Supervisory body

Bauli has established an **independent Supervisory Body** tasked with monitoring compliance with the Model 231 and the Code of Ethics. It:

- **Collects** reports from stakeholders to monitor the Code of Ethics' enforcement.
- **Recommends** sanctions for violations of the Code.
- **Provides feedback** on procedure revisions to ensure alignment with the Code of Ethics.
- **Advises** on necessary updates of the Code.
- **Reports** to the Board of Directors on its activities.

The Body exercises oversight across all Italian entities and locations with specific powers to conduct inspections and verifications. It consists of three members and conducts regular audits across Italian production sites.

Bauli promotes widespread awareness of the Code through onboarding materials, regular training sessions, and ongoing updates.



Whistleblowing

The **whistleblowing tool** is available at: <https://bauligroup.whistlelink.com>

Since 2019, Bauli S.p.A. has implemented a **Whistleblowing Procedure** that enables employees and external stakeholders to anonymously report any harmful conduct towards the company or its employees without fear of retaliation. Updated in line with Legislative Decree 24/2023, this procedure ensures proper handling of reports concerning violations of the Organizational Model or Code of Ethics, criminal activities, and serious ethical and professional breaches.

The whistleblowing system was enhanced at the corporate level and is now accessible to all Group companies via an online platform. Anonymous reports are processed by the Group Legal & Compliance Manager, categorized, and then communicated to the Supervisory Board for investigation and further action if required.

During the 2024-2025 fiscal year, no reports were submitted to the Supervisory Board regarding the Legislative Decree 231/2001.

To mitigate potential **corruption risks**, the Group has implemented a **Gift Policy** that outlines control principles and behavioral guidelines for managing gifts, gratuities, and sponsorships. This policy, referenced in the Code of Ethics and Model 231, clearly defines the circumstances under which acts of courtesy can be accepted or declined. All gifts and acts of courtesy must be authorized and properly documented. To ensure internal and external transparency and integrity, the company has also established a system to monitor interactions with the Public Administration. All company areas are required to report their dealings with Public Administration members to the Supervisory Board, detailing the nature of the relationships, the reasons, the activities carried out, and the individuals involved.



Crisis management procedure

Bauli Group has a specific procedure to manage situations that could harm the company's performance and reputation. The Crisis Management procedure enables the company to manage and mitigate the negative impacts of potential crises or critical situations, whether they result from unintentional acts, accidental events, or intentional malicious actions.

The procedure involves various company areas and includes the CEO, who may inform the parent company's entire Board of Directors as part of his role.

Value Creation

This year has seen moderate growth, with Italian GDP projected to increase by 0.8%, supported by strong internal demand and rising employment. Nonetheless, the high inflation experienced in recent years, driven by the global pandemic and the Russo-Ukrainian war, remained relatively stable at 1.7%, largely thanks to a gradual decline in energy prices.

In 2024 and early 2025, demand for pastry products continued at a moderate pace (+1.6%), accompanied by growing interest in the health and wellbeing segment, which fueled demand for healthy and "free-from" products.



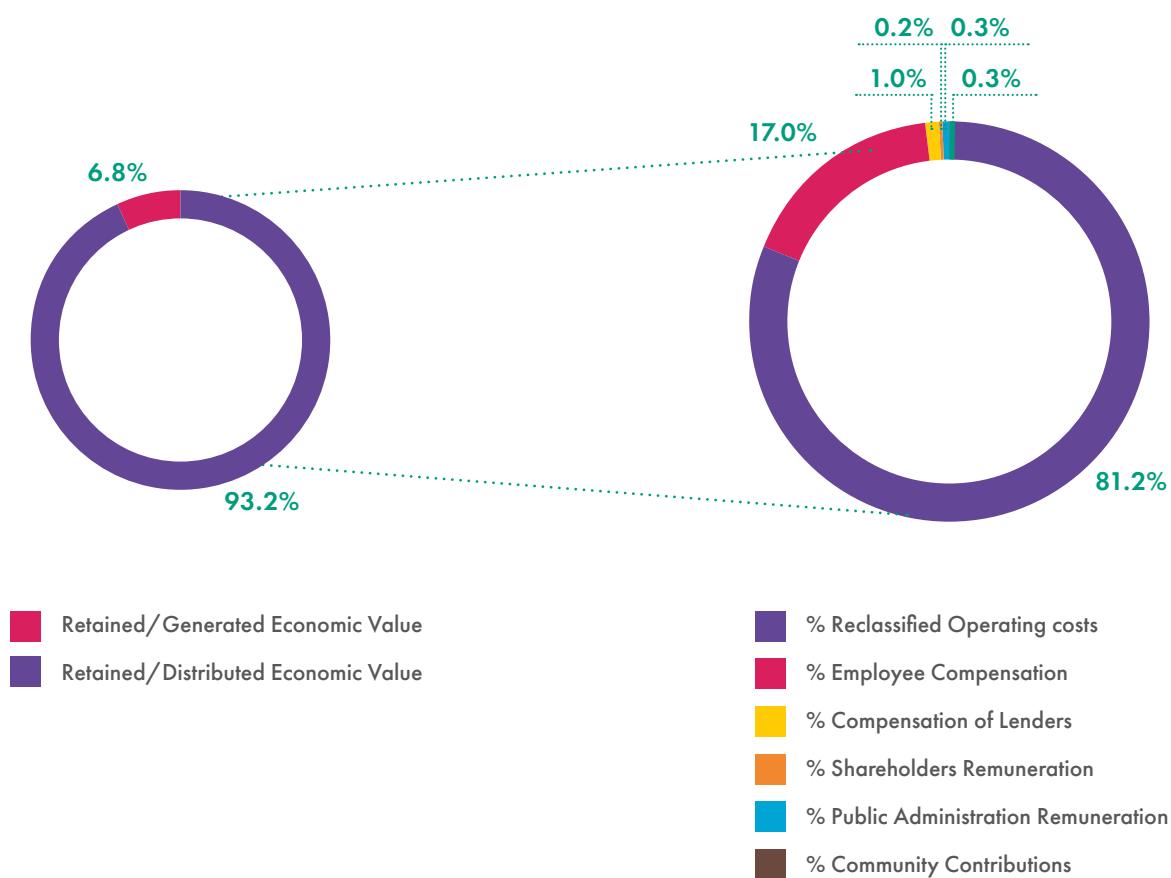
In 2025, the commodity market experienced severe turbulence. Cocoa prices, in particular, skyrocketed to record levels, profoundly impacting production costs. Butter and energy prices also rose significantly, forcing companies to reassess their business strategies and optimize operational efficiency.

Overall, FY 2024-2025 can be described as a period of moderate growth for the Italian bakery sector, alongside clear signs of transformation in specific segments such as healthy and "free-from" products. Inflation remained relatively stable, though certain raw materials experienced pronounced price spikes. Consequently, the Bauli Group continues to face challenges related to price volatility, sustainability, and evolving consumption patterns, while maintaining its commitment to tradition and artisanal quality.

In this context, the economic **value directly generated** by the Bauli Group in fiscal year 2024/2025 amounted to 550,848,607 €, an increase of about 4% percent over the previous year. The **economic value distributed**, amounting to 513,136,056 €, is mainly represented by reclassified operating costs of 416,797,452 €, followed by personnel remuneration 87,170,763 €. Public administration remuneration amounted to 1,637,533 € while shareholder remuneration was 688,000 € and, financiers' remuneration, was 5,302,567 €. The value distributed by Bauli to the community was of 1,539,741 €. Therefore, the value retained by Bauli was 37,712,550 € (equal to 6.8% of the total generated).

Since 2019, Bauli S.p.A. has implemented a Whistleblowing Procedure that enables employees and external stakeholders to anonymously report any harmful conduct towards the company or its employees without fear of retaliation.

ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED BY THE GROUP



Sustainability Approach

Our journey

FY 2020/21 Foundations of the ESG Journey

Bauli published its first Sustainability Brochure. The company also carried out its first sustainability assessment and materiality analysis, starting a structured ESG path.



FY 2021/22 Measuring and Reporting Progress

Bauli carried out its first stakeholder engagement and published the 2022 Sustainability Report during its 100th anniversary. This marked the beginning of structured monitoring of environmental, social, and economic performance.

GROWING TOGETHER TASTES BETTER

SUSTAINABILITY REPORT AS OF
JUNE 30th, 2023



FY 2022/23 Sustainability Reporting Maturity

Bauli enhanced its sustainability maturity by releasing the 2023 Sustainability Report with an updated materiality analysis. Completing the EcoVadis questionnaire marked a key step toward greater transparency and performance tracking.

BAKING A BETTER FUTURE : OUR COMMITMENT TO SUSTAINABILITY

SUSTAINABILITY REPORT AS OF JUNE 30th, 2024



FY 2023/24 Aligning with Evolving Regulations

Bauli published its 2024 Sustainability Report and launched a CSRD gap analysis & roadmap to align with future European sustainability standards. The Group completed the EcoVadis questionnaire receiving a Silver Medal.

FY 2024/25 Sustainability Strategy

Bauli strengthened its ESG commitment by launching a structured sustainability strategy and completing its first full Scope 3 emissions assessment. The publication of the 2025 Sustainability Report and the achievement of a third consecutive EcoVadis Medal reflecting steady progress toward the Group's long-term objectives.

Management of Material Topics

In Accordance with the GRI Universal Standards 2021, Bauli conducted an **updated materiality analysis in 2024–2025**, to identify its economic, environmental, and social impacts of the Group's activity. The process followed four main stages:

1

Step 1: Context analysis

Through a benchmark analysis, the main companies in the food sector were analyzed and the main international reference standards were evaluated (e.g. GRI Standards).

2

Step 2: Identification of impacts

The current and potential positive and negative impacts generated by the company's activities on the economy, the environment and people, including human rights, were identified.

3

Step 3: Impact assessment

Each impact was assessed, through working sessions with the Sustainability Team, on the basis of the criteria identified by the GRI Standards: Scale, Scope and for potential impacts, the Probability of occurrence.

4

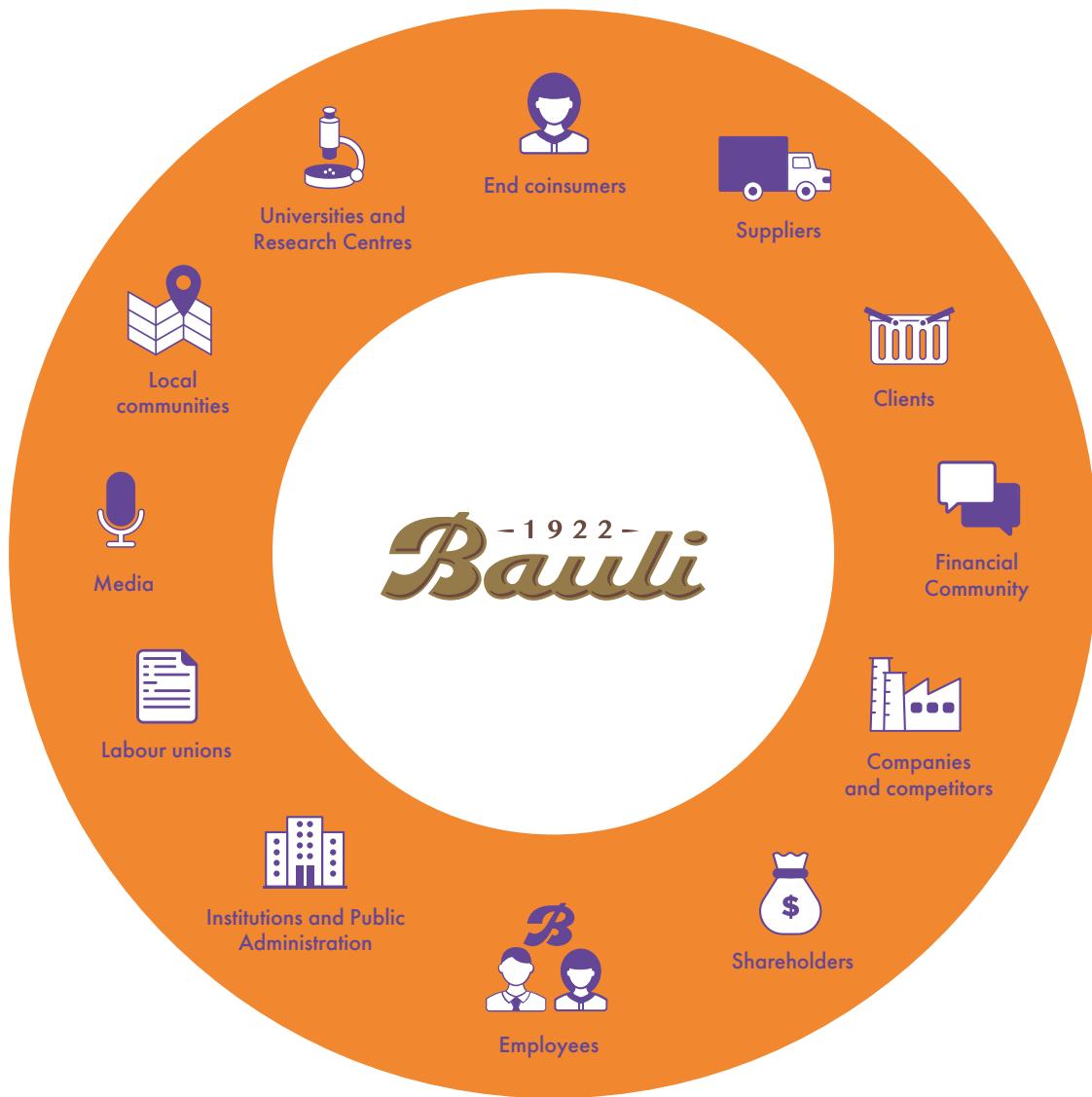
Step 4: Impact prioritization

The impacts were then prioritized and aggregated into material issues, with the exception of impacts that were the minimum relevant threshold.

The **material topics** presented below serve as a strategic reference for guiding Bauli Group's ESG initiatives and shape the future development of its sustainability reporting. Each topic has also been mapped to the relevant United Nations Sustainable Development Goals (SDGs), ensuring alignment with global priorities and strengthening the Group's contribution to international sustainable development efforts. These material topics also encompass the impacts identified, which, together with their management, are described in detail throughout the various sections of this Report.

1. CONSUMER PROTECTION AND FOOD SAFETY
2. HEALTH AND SAFETY OF WORKERS
3. ENERGY CONSUMPTION, EMISSIONS AND CLIMATE CHANGE
4. DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES
5. WASTE MANAGEMENT AND CIRCULAR ECONOMY
6. SUSTAINABLE PACKAGING
7. ECONOMIC PERFORMANCE
8. TRAINING, DEVELOPMENT AND WELFARE OF WORKERS
9. RESPONSIBLE SUPPLY CHAIN MANAGEMENT
10. QUALITY AND SUSTAINABILITY OF RAW MATERIALS
11. ETHICS, BUSINESS INTEGRITY AND ANTI-CORRUPTION
12. RESPONSIBLE MARKETING OF SUPPLY CHAIN
13. PROCESS AND PRODUCT INNOVATION, R&D
14. PROPER NUTRITION AND CONSUMER WELL-BEING

Stakeholders are a core component of the materiality process. The Group regularly maps and reviews its stakeholder ecosystem based on proximity to the business, influence on strategic decisions, and degree of exposure to the company's impacts. This process ensures that the perspectives of all relevant stakeholder categories are considered in shaping Bauli's priorities and long-term commitments.



The Bauli Group acknowledges its responsibility in actively contributing to the achievement of the SDGs.

As part of its first sustainability assessment completed in the fiscal year 2021/2022, Bauli engaged a selected group of external stakeholders to better understand the ESG impacts of its operations. The process involved:

- 10 key raw materials suppliers, through a dedicated focus group
- 7 major clients, via one-to-one interviews

These initiatives provided valuable insights into stakeholders' expectations and helped identify the most significant environmental, social, and economic impacts along the value chain. The engagement also supported the prioritization of material topics and strengthened the Group's ability to align its sustainability strategy with stakeholder needs.



Focus: SDGs

The Sustainable Development Goals (SDGs) are a set of **17 global objectives adopted by the United Nations in 2015** as part of the 2030 Agenda, aimed at fostering inclusive, equitable, and environmentally responsible development. They address key global challenges such as climate change, decent work, natural resource protection, and food security. In line with these principles, the Bauli Group acknowledges its responsibility in actively contributing to the achievement of the SDGs. Operating in a sector closely linked to the protection of the environment, the promotion of local supply chains, and consumer well-being, Bauli integrates environmental, social, and economic sustainability across its entire value chain.

In this context, the Group has identified a set of priority goals that guide its strategies and initiatives, as detailed in the table illustrating the impacts generated along the value chain:



Roadmap to 2030

In 2024 Bauli launched its **Group Sustainability Strategy**, formally approved in 2025 by the Board of Directors⁵ — an ambitious and forward-looking plan that reflects its long-term commitment to a more sustainable future, with targets set by 2030.

The Group recognizes its **responsibility to generate positive change** and actively contributes to sustainable development. The strategy not only aims to reduce environmental impacts, but also seeks to create value for people and the communities in which Bauli operates. This commitment is expressed through the definition of **clear objectives** and the identification of **strategic initiatives** aligned with both current business priorities and the Group's long-term vision. The strategy is closely connected to the materiality analysis. For most material topics, a clear goal has been defined. This strategy was developed to respond to stakeholder expectations and to align with new sustainability regulations. In addition, it guides Bauli in bringing sustainability into daily activities and supports the Group's long-term growth and responsibility.

Guided by a structured monitoring approach, Bauli's sustainability strategy is designed to **deliver measurable progress and tangible impact by fiscal year 2029-2030**. In line with its **corporate values**, the Group has identified **six strategic pillars** that define the core areas of focus: **Climate Resilience, Packaging & Waste, People, Sustainable Supply Chain, Product, and Consumers First**.

Among these pillars, **Packaging & Waste stands as the most central and distinctive one**. Considering the relevance of the topic per se and within the sector, Bauli has made waste prevention a top strategic as well as a moral priority. A more thorough description of each strategic objective of the Group sustainability strategy can be found in its own individual chapter.

Bauli integrates environmental, social, and economic sustainability across its entire value chain.

⁵The Board had formally approved the Sustainability Strategy on April 17th, 2025.



CARE	COURAGE	COLLABORATION
		
<h3>Climate resilience</h3> <ul style="list-style-type: none">• Transition entirely to renewable electricity• Achieve a 69% reduction in Scope 1 and 2 emissions intensity• Achieve a reduction in Scope 3 emissions intensity	<h3>Packaging & waste</h3> <p>B</p> <ul style="list-style-type: none">• Reduce waste produced up to the World Class Manufacturing Benchmark (1.5%)• Achieve zero waste to landfill across all manufacturing sites• Reduce the environmental impact of our packaging• Ensure that 100% of our packaging is designed for recycling	<h3>People</h3> <ul style="list-style-type: none">• Achieve a 10% annual reduction in Lost Time Injury Rate (LTIR)• Triuplicate the annual investment in employee wellbeing and DE&I initiatives• Increase the average non mandatory training hours per employee by 8%• Be recognized as a Great Place to Work by reaching a Trust Index of at least 60%• Ensure a fair compensation for all Bauli employees
		
<h3>Sustainable supply chain</h3> <ul style="list-style-type: none">• Screen 75% of supplied volumes through ESG criteria• Ensure that 100% of palm oil we source directly will be RSPO segregated certified	<h3>Product</h3> <ul style="list-style-type: none">• Grow the revenue share from Bauli Free products• Ensure that 70% of product volumes are assessed through LCA	<h3>Consumers first</h3> <ul style="list-style-type: none">• Ensure transparent product information and responsible marketing practices• Ensure compliance and prevent non-conformities concerning the health and safety impacts of products



FOCUS: Ecovadis

Building on its efforts in previous years, Bauli has once again demonstrated its commitment to sustainability in 2024/2025 by participating in the **EcoVadis sustainability questionnaire**. The company earned a silver medal, achieving a score of 73/100 (+12% compared to 2023/2024) and ranking within the top 15% of evaluated companies.

Bauli Group's involvement in the EcoVadis initiative represents a strategic step toward the achievement of its Sustainability Strategy's goals. Based on the results and feedback received in the four key evaluation areas—environment, labor and human rights, ethics, and sustainable procurement—the Group can further develop focused actions that drive progress across its six core pillars.

SILVER | Top 15%

ecovadis

Sustainability Rating

AUG 2025



3. **PRODUCT: INNOVATION AND CONSUMER VALUE**

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Product: innovation and consumer value

At Bauli, product innovation begins with a deep understanding of evolving consumer needs. From traditional recipes to inclusive product lines for people with dietary restrictions, the Group continuously invests in R&D to ensure quality, safety, and delight in every bite. This chapter explores Bauli's approach to product excellence, responsible marketing, and innovation as a driver of long-term value.

Material Topic	Impact	2030 Strategy				SGDs
		Target	Base Value/Year	2024-2025	Base Year Variation	
Proper Nutrition and Consumer Well-Being	Health impacts on consumers related to unhealthy diets	Grow the revenue share from Bauli "Free-from" products	3.4% 2023/24	4.2%	+23.5%	 
Process and Product Innovation, R&D	Technological innovation of processes and products	By 2030 ensure that 70% of product volumes are assessed through LCA	0.0% 2021/22	26.2%	+100% (+ 63 % from 2023/2024)	
Responsible Marketing and Communication	Misleading communication to clients and end-consumers	Ensure transparent product information and responsible marketing practices		Zero non-compliance with regulations resulting in a fine or penalty		
Consumer Protection and Food Safety	Food contamination and reduced consumer safety	Ensure compliance and prevent non-conformities concerning the health and safety impacts of products		Zero non-compliance with regulations resulting in a fine or penalty		 
	Reduction of customer and end-consumer satisfaction					



Bauli Free

Key impacts

Impact	Features	Related GRI	Target
Health impacts on consumers related to unhealthy diets	-	A	Not related to GRIs Grow the revenue share from Bauli Free products

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Acknowledging the impact on health that confectionery and other products may have, the Group aims to develop offerings focused on health and well-being through ongoing product innovation.

Policies

The Group is working to **offer products that are more focused on well-being**, mainly through innovation and changing recipes. These actions are a first step towards paying more attention to consumer health.

Actions

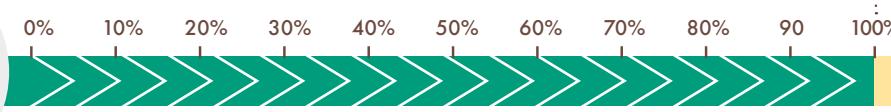
Bauli is dedicated to promoting health and wellbeing through healthier dietary choices by offering a growing range of gluten-free, lactose-free, and reduced-sugar products. Bauli has developed throughout the years a number of "Free-from" products thoughtfully crafted to meet the needs of individuals with intolerances or allergies, without compromising on taste, texture, and overall enjoyment. Innovative options like Gluten-Free Panettone and Added Sugar-Free Croissant exemplify this commitment. Furthermore, to ensure quality and trust, Bauli has partnered with Elle Free to **certify all lactose-free products** with the "Lfree" symbol, guaranteeing they meet strict lactose-free standards. Recognizing the importance of offering inclusive choices that cater everyone's needs, starting from 2025/2026 all these products will be brought together under the new brand **Bauli Free**.

Bauli is dedicated to promoting health and wellbeing through healthier dietary choices by offering a growing range of gluten-free, lactose-free, and reduced-sugar products. This program is called Bauli Free.

Metrics and Targets

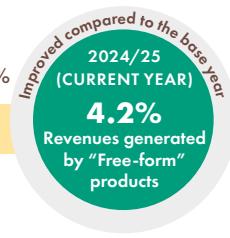
The Group's main objective in the area of health-oriented innovation is to **grow the revenue share generated by Bauli "Free-from" products**, which include gluten-free, lactose-free, and no-added-sugar references. This metric currently reflects the proportion of total Group revenues generated by "Free-from" products. In FY 2024/2025, the share reached **4.2%**, marking an increase compared to the previous year (**3.4% in 2023/2024**).

Starting from next year, following the launch of the dedicated brand **Bauli Free**, this metric will specifically measure the revenue share generated by products under that brand. The Group aims to continue expanding this share by developing new recipes, entering new markets with health-conscious demand, and reinforcing communication around the nutritional benefits of the Bauli Free range.



TARGET: Grow the revenue share from Bauli "Free-from" products

FY
2024/2025
100% of target
achieved



Product & Process Innovation

Key impacts

Impact	Features	Related GRI	Target
Technological innovation of processes and products	-	A	Not related to GRIs Ensure that 70% of product volumes are assessed through LCA

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

The Bauli Group considers innovation a key driver of long-term value creation, enabling the development of high-quality products that meet evolving consumer preferences and market trends. Product and process innovation contributes to improving health and well-being, enhancing operational efficiency, and reducing environmental impacts, notably through reformulation, sustainable ingredients, and improved production processes.

Policies

Innovation activities are coordinated by a dedicated **R&D team and guided by a cross-functional** internal Innovation Group. This governance model ensures alignment with strategic business goals and sustainability principles. Innovation projects follow the **"Stage & Gate"** model, which enables a structured assessment of feasibility, development, testing, and launch phases.

In addition, the Innovation Center fosters dynamic collaborations with pastry schools, universities, and strategic partners, driving research and development initiatives that serve both the Italian and international markets.

In parallel, Bauli has continued to advance its **digital transformation**. The Group has implemented a six-pillar strategy focused on new digital channels, smart manufacturing, application simplification, multi-cloud infrastructure, information security, and digital enablement of people.

Actions

Over the years, Bauli has consistently demonstrated its innovation capacity with more than **100 active R&D projects and over 30 new product launches** annually —accounting for more than 6% of Group revenues. Recent developments have focused on high-quality products with artisanal characteristics and health-forward features, including natural, wholegrain, fiber-rich, preservative-free, and “free-from” attributes.

The **Bauli Innovation Center**, based in San Martino Buon Albergo (VR), serves as a hub for experimentation and research. Guided by a team of nine highly specialized professionals, **the Center replicates Group technologies on a smaller scale** to test different types of dough, long fermentation processes, and baking methods. It also hosts analytical and sensory labs for product profiling and consumer testing. Each year, **more than 5,000 samples** are developed within its walls. The Center also serves as the home of the **Bauli Patisserie Academy**, reinforcing its role as a place where expertise, innovation, and artisanal tradition converge.





The Group is now actively exploring the potential of artificial intelligence to further enhance operational efficiency. **AI Agents** are currently being piloted to automate repetitive administrative tasks, while AI-powered visual recognition systems in production are helping to optimize material usage, lower costs, and increase flexibility along the production line.

Moreover, **generative AI** is being used to create digital marketing content, reducing reliance on physical prototypes and associated costs. In logistics, the implementation of a new Transportation Management System (TMS) is expected to improve load planning, minimize empty returns, and lower the environmental footprint of transport operations.



#BauliNext - The Digital Lab

In its pursuit of innovation, the Bauli Group has created a physical space in the headquarter, where Technology meets Business.

We connect people ideas, we find proper solutions and put together our **Digital Innovation Pipeline**: then we build prototypes, and we launch pilot projects. Always keeping in mind that our Business must grow in a sustainable way.



FOCUS ON

Focus on Research: Unlocking the Power of Lievito Madre Futura

In 2025, Bauli initiated a research project with local universities to assess the advantages of its sourdough, Lievito Madre Futura. The study combined sensory analysis, consumer testing, and chemical-physical assessments to evaluate its impact on softness, moisture retention, and shelf-life. Results from this research aim to support the reduction of artificial additives and enhance product quality—reinforcing Bauli's commitment to authenticity, innovation, and consumer well-being.



Focus on Innovation: From Holiday Classics to Everyday Delights

In 2024, Bauli expanded its portfolio by entering the frozen dessert segment, introducing a line of ice creams inspired by its iconic holiday recipes. Developed in collaboration with Tonitto, a historic Italian ice cream maker, this collection brings the flavors of Pandoro, Panettone, and apricot croissant to life in refreshing, summer-friendly formats—marking a strategic diversification into the high-growth ice cream category. Continuing its innovation journey, Bauli launched Pandorì in 2025: a modern, compact reinterpretation of the classic Christmas Pandoro. Made with the same rich dough and Bauli's exclusive Lievito Madre Futura, Pandorì is designed to offer the authentic holiday taste in a format suited for everyday enjoyment—bringing festive indulgence into the daily lives of consumers.



Finally, for the past couple of years, Bauli has proudly been a **Corporate Partner** of the **Intesa Sanpaolo Innovation Center**—the company within the Intesa Sanpaolo Group dedicated to frontier innovation. The Center focuses on developing multidisciplinary research projects, supporting startups, and accelerating business transformation through Open Innovation—a forward-thinking approach that promotes collaboration between internal R&D departments and external stakeholders such as universities, research centers, and startups—and in alignment with **Circular Economy principles**.

As a Corporate Partner, Bauli plays a key role in identifying innovation needs and gaps, as well as in scouting and selecting promising startups and SMEs to join the program. Being part of this valuable network enhances the Group's ability to collaborate across industries, fueling the development of cutting-edge, sustainable solutions.

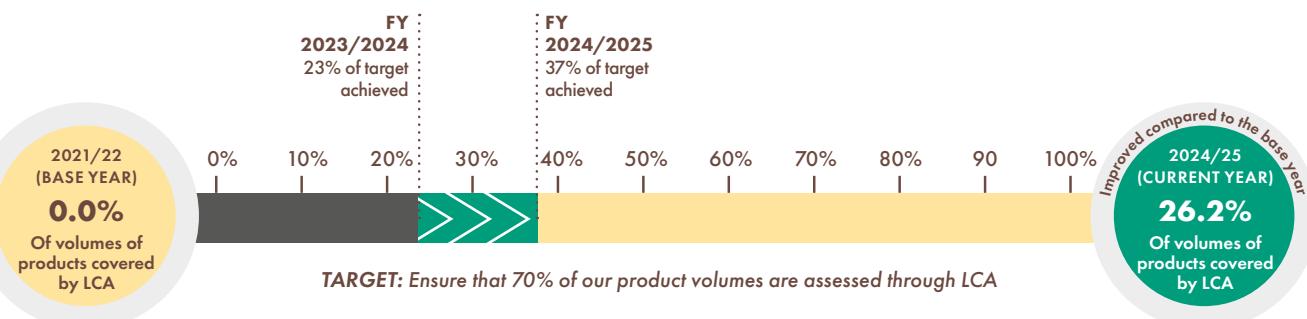
Metrics and Targets



In line with Bauli's broader commitment to technological innovation, the Group has identified Life Cycle Assessment (LCA) as a key tool to guide product development through an environmental lens. LCA is a standardized methodology used to assess the environmental impacts of a product, process, or activity throughout its life cycle—from "cradle to grave".

The strategic objective to assess **70% of product volumes through LCA by 2030** reflects the Group's intention to embed sustainability within innovation processes and support data-driven eco-design choices.

The Group began this journey in 2020 with a pilot study on Panettone Motta, under the EU-funded LIFE MAGIS – Made Green in Italy Scheme. In the following years, Bauli conducted LCAs for several flagship products, including Pandoro, Buondi, Croissants, Panettone di Verona, and Traditional Panettone. All studies followed ISO 14040 and 14044 standards and the Product Category Rules (PCR) for bakery products, resulting in the publication of **19 third-party verified Environmental Product Declarations (EPDs)** on the EPD International platform—making Bauli the fourth-largest contributor globally in the "Food & Beverages" category. As of June 2025, **26.2% of product volumes have been assessed through LCA**, marking steady progress toward the 2030 target.



To further accelerate this path, Bauli is currently developing an internal procedure for managing environmental impact assessments. The objective is to expand monitoring activities across the various product categories offered by the Group, enabling a more structured and consistent evaluation of environmental impacts throughout the portfolio. This will additionally help R&D and procurement teams prioritize sustainable materials and packaging at the early stages of product development.

All verified Environmental Product Declarations are available at: www.environdec.com.

Responsible marketing & communication

Key impacts

Impact	Features	Related GRI	Target
Misleading communication to clients and end consumers	- P	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling GRI 417-3 Incidents of non-compliance concerning marketing communications	Ensure transparent product information and responsible marketing practices

Legend: + Positive Impact / - Negative Impact / A Actual Impact / P Potential Impact

Potential negative impacts on clients and end consumers arising from misleading communications and incorrect labeling information could stem from both direct activities and business relationships. The Group is committed to ensuring transparency and accuracy in all communications and labeling practices and manages these impacts through ongoing monitoring and continuous improvement.

Policies

Bauli prioritizes transparency and truthfulness in its communications to consumers, aiming to avoid any misleading information and **ensure compliance with applicable regulations and ethical standards**. The "Consumer First" strategy involves continuous improvement of consumer understanding through constant dialogue, enabling targeted communication strategies. This approach is applied in both commercial advertising and product packaging.

Actions

To transparently communicate its sustainability efforts and engage effectively with consumers, Bauli utilizes various tools, including questionnaires, digital tracking, and a tailored LinkedIn editorial strategy, to gather consumer insights and create targeted online content, always prioritizing privacy. Special attention is devoted to **sustainability-related claims**, which are subject to internal validation by the Quality Assurance, R&D Regulatory, and Marketing functions. This cross-functional review process ensures that each claim is substantiated with evidence, particularly for messages concerning environmental attributes of packaging or ingredients.

Special attention is devoted to sustainability-related claims, which are subject to internal validation by the Quality Assurance, R&D Regulatory, and Marketing functions.

Metrics and Targets

During the reporting period of 2024-2025, Bauli recorded **no incidents of non-compliance** with regulations concerning **marketing communications**. However, one minor issue was reported **concerning product labelling**. Specifically, a labelling dispute related to a products sold in Brazil was identified. The dispute, which could have potentially resulted in a fine or sanction, was swiftly resolved. This case underscores Bauli's **proactive approach to regulatory compliance** and its ability to respond swiftly to emerging concerns.

Food Quality & Safety

Key Impacts

Impact	Features	Related GRI	Target
Food contamination and reduced consumer safety	-	P	GRI 416-1 Assessment of the health and safety impacts of product and service categories
Reduction of customer and end-consumer satisfaction	-	P	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Legend: + Positive Impact / - Negative Impact **A** Actual Impact / **P** Potential Impact

The Group's operations may give rise to potential negative impacts related to food contamination and reduced consumer safety, stemming both from direct production activities and from relationships with suppliers and distributors. In parallel, customer and end-consumer satisfaction may be affected by challenges in meeting expectations around product quality, variety, and complaint handling.

Policies

The Group has been following the main international product safety and **quality management standards**, meeting the requirements of standards recognized by the GFSI (Global Safety Initiative) such as **BRC Food** and **IFS Food**. The system is certified according to **ISO 9001⁶** and inspired by the principle of "Fare Qualità a 360 gradi"—ensuring comprehensive attention to process efficiency, product excellence, and regulatory compliance. This system also reflects the Group's voluntary commitments, such as a **non-GMO policy** applied to all raw materials, proving Bauli's dedication to product integrity and consumer trust.

manages audits, certifications, and customer service. These activities are coordinated through structured procedures defined in the **Group Quality Manual**.

Across the production network, Quality Assurance specialists ensure food safety standards are consistently upheld. Each site includes dedicated hygiene managers responsible for sanitation protocols and cleaning plans.

Key Actions

With the launch of **ONE BAULI** program, strong synergies have been established among various functions to ensure a comprehensive approach to **quality and food safety**. The **Operations function** oversees safety protocols, R&D is responsible for food labelling while Quality Assurance



⁶BRC, IFS and ISO 9001 standards are upheld by all Italian sites of Bauli S.p.A.



The entire value chain is monitored through **risk-based testing of raw materials**, packaging, and finished goods, informed by **HACCP** risk assessments. Control plans are designed for each product and line, ensuring **100% coverage of products** with respect to potential impacts on consumer health and safety. Testing is performed in internal and external labs, including **microbiological and chemical analysis** to detect allergens, GMOs, and contaminants.

Key production sites operate **in-house laboratories**, while conformity is reinforced through **external audits** by customers, certifying bodies, and public authorities. Bauli is also developing the Full Safety Plan, a digital platform designed to integrate lab data and centralize reporting processes.

The Group maintains close **collaboration with Unionfood and academic institutions** to align with evolving food regulations and scientific standards. A centralized complaint management system enables the monitoring of consumer reports and performance KPIs, ensuring a prompt and proportional response.

Finally, Bauli guarantees full **traceability** through an integrated **IT system** that tracks the flow of raw materials and finished products, from **SSCC labels** to palletization and logistics data. A new Supplier Portal will further enhance transparency on raw material, in the light, also, of the incoming EUDR regulation.

The Group has obtained the following product certifications for **branded and private label products**, including:

*With the launch of **ONE BAULI** program, strong synergies have been established among various functions to ensure a comprehensive approach to quality and food safety.*



Fairtrade

Fairtrade has established a mandatory minimum price for each type of products, calculated together with the farmers themselves to cover the costs necessary for sustainable production.



RSPO

RSPO (Roundtable on Sustainable Palm Oil) is a global organization with volunteer members focused on uniting stakeholders throughout the palm oil supply chain to develop and implement global standards for sustainable palm oil.



UTZ Quality food

The UTZ (now part of the Rainforest Alliance) label represents more sustainable agriculture and better opportunities for farmers in the cocoa supply chain. It involves compliance with stringent requirements, including good agricultural practices, safe and healthy working conditions, combating child and forced labour, and environmental protection.



Lactose Free

This certification offers a safe alternative for people with lactose intolerance, allowing them to enjoy dairy products without digestive problems.



Gluten free

Critical for people with celiac disease or gluten sensitivity, this certification provides a safe option to avoid gluten in the diet, ensuring products are contaminant-free and preventing cross-contamination during production.



Organic

This certification requires processing using organic farming ingredients, reducing the use of additives, and adopting appropriate processing and packaging procedures in line with European regulations.



4. **PACKAGING & WASTE**

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Packaging & Waste

Packaging and waste management represent a central pillar of Bauli's sustainability strategy. In a sector where it is difficult to produce without creating waste, it is still necessary to ensure that our activities are carried out in a more sustainable manner. Bauli is committed to designing recyclable packaging and minimizing production waste across its value chain. This chapter details the Group's actions to reduce environmental impact, enhance circularity, and embed eco-design principles into every packaging decision.

Material Topic	Impact	2030 Strategy				SGDs
		Target	Base Value/Year	2024-2025	Base Year Variation	
Waste management and circular economy	Recycling and reusing production scraps and generated waste	Achieve zero waste to landfill across all manufacturing sites	820 ton 2023/24	3,747 ton	+356%	 
	Waste generation	Reduce waste produced up to the World Class Manufacturing Benchmark (1.5%)	3.34% 2023/24	4.81%	+44%	
Sustainable packaging	Raw material consumption for packaging	Reduce the environmental impact of our packaging	To be defined			 
		Ensure that 100% of our packaging is designed for recycling	99.7% 2023/24	99.7%	0%	

Waste reduction and circularity

Key Impacts

Impact	Features	Related GRI	Target
Waste generation	- A	GRI 306-3 Waste generated	Reduce waste produced up to the World Class Manufacturing Benchmark (1.5%)
Recycling and reusing production scraps and generated waste	+ A	GRI 306-4 Waste diverted from disposal GRI 306-5 Waste directed to disposal	Achieve zero waste to landfill across all manufacturing sites

Legend: + Positive Impact / - Negative Impact **A** Actual Impact / **P** Potential Impact



The food industry generates significant amounts of waste, with serious environmental consequences. Bauli is committed to minimize the waste produced by its operations through efficient management systems and the promotion of recycling and reuse. The Group's production activities generate both hazardous and non-hazardous waste, primarily from food processing, packaging, and maintenance. By reducing production scraps and encouraging recovery practices, Bauli aims to lower its environmental impact and contribute to a more circular model.

Policies

The Bauli Group manages waste through structured operational practices aligned with key environmental regulations. Actions are already underway to reduce waste generation and promote recycling and reuse, particularly in core production sites. Waste management is conducted in compliance with:

- **Italian Legislative Decree 152/2006** the national Environmental Code, as well as the **Legislative Decree 205/2010**;
- **Indian national laws concerning waste and circular economy principles.**

Actions

To support its waste reduction strategy, Bauli has undertaken a variety of **initiatives across operations**. At production sites, efforts were made to improve waste segregation and recycling systems, including pilot projects such as the Castel d'Azzano **waste sorting program**. The Group has **partnered with specialized firms to recover and recycle materials** like safety shoes and obsolete IT equipment, while internal digitization processes—such as cloud computing and digital approvals—help reduce physical waste and improve efficiency.

The company has also strengthened a “**shared responsibility**” approach to waste and, in particular, scrap management: waste is now a weekly KPI discussed during daily production meetings, and for top management it has become a performance indicator linked to variable compensation. In collaboration with academic and industry partners, including the **Politecnico di Milano** and **Cyrkl**, Bauli is also exploring innovative recovery solutions for unsold or non-compliant products, aligned with food waste prevention principles.

Actions to **reduce food scrap** include recipe optimization—like adjustments to the croissant at San Martino Buon Albergo (VR)—and process improvements shared across sites by a dedicated task force. Packaging waste saw some variation due to rebranding and seasonality, but targeted studies have been launched to better manage these peaks. Efforts also continue to **minimize waste linked to expired products**, with redistribution to food banks where feasible and responsible disposal where necessary.

Packaging waste has seen some fluctuations, partly driven by rebranding activities. Studies on packaging obsolescence during peak periods, such as Christmas, have been completed, with similar analyses underway for Easter. **Finished product** and raw material waste remain areas for improvement, affected by slowed sales in recurring products leading to expired stock. While finished products near expiration date are **redistributed to food banks where possible**.



Document digitization

Bauli has streamlined HR and logistics processes through the digitization of hiring and transport documents. This transition significantly reduces paper use and storage needs, cutting CO₂ emissions annually and supporting the Group's environmental goals.

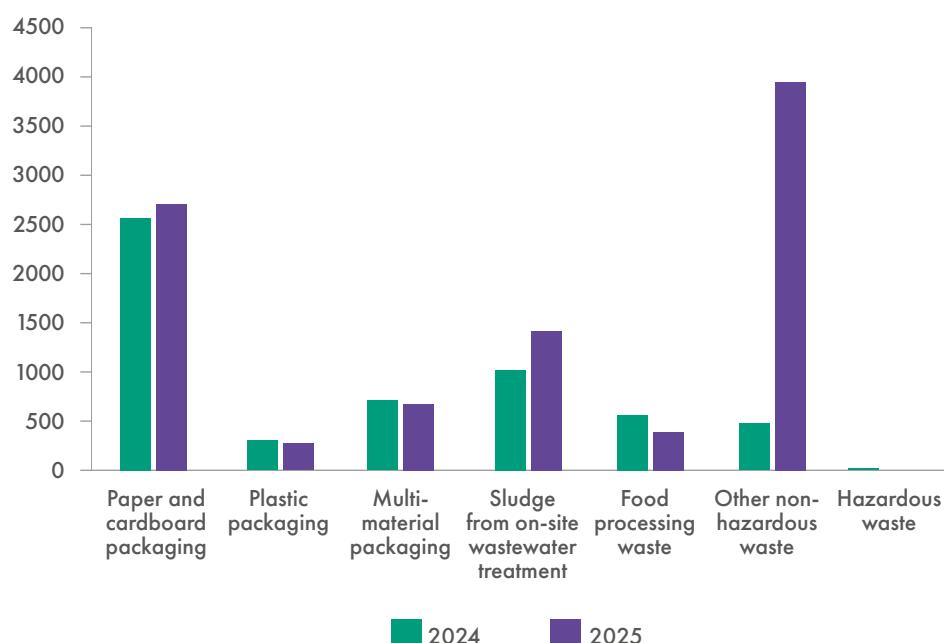


Metrics & Targets

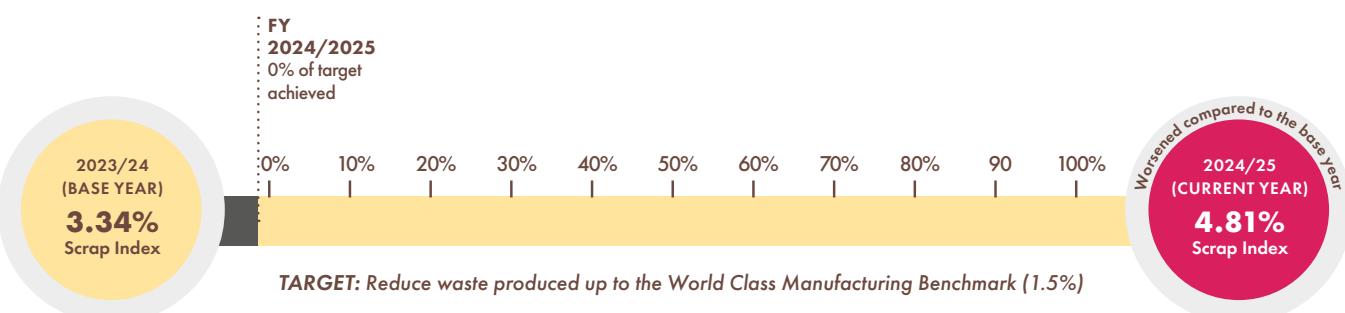
Bauli monitors the environmental impact of its operations through key indicators that reflect both the **volume of waste generated** and the effectiveness of waste recovery strategies.

In the fiscal year 2024/2025, the Group produced a total of **9,139 tons of waste**. Most of the waste (99%) is non-hazardous and includes packaging residues (paper, plastic, multi-material), and sludge from water treatment processes. Compared to the previous year (5,281 tons), total waste **increased by 73%**. This extraordinary increase was mainly due to an **additional 3,320 tons of wastewater generated at the Castel d'Azzano plant** which, in compliance with the discharge limits of the treatment plant, had to be transferred externally by tank trucks instead of being directly discharged.

TYPE OF WASTE GENERATED (TON) FY 2024/25



Food scraps from production are reused internally or converted into by-products for the feed industry. To reduce this figure, Bauli has set the ambitious goal of lowering **industrial waste to 1.5% by 2030**⁷, aligned with the World Class Manufacturing (WCM) benchmark, starting from a **2023 baseline of 3.34%**. This KPI excludes test-phase waste, supplier-related defects, and expired stock. In FY 24/25, the industrial waste indicator increased to 4.81%, moving away from the 2030 target of 1.5%.



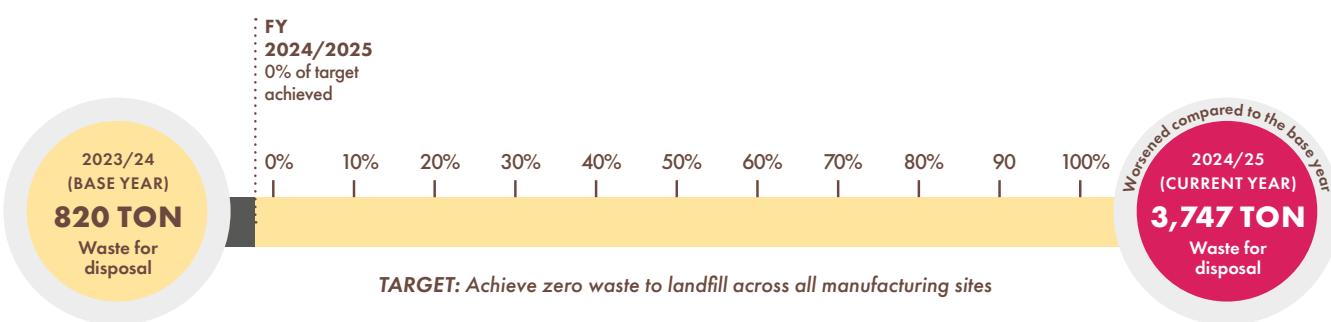
⁷The reporting scope includes the plants of Altopascio, Castel d'Azzano, San Martino Buon Albergo, Orsago, Romanengo and, starting from 2024, also the plant of Guarone. The expansion of the scope highlights the growing contribution of Guarone, which has gradually increased its weight in the Group thanks to important production growth.



Although the overall industrial waste reduction target was not achieved in FY 2024/2025, all production sites continue to be monitored on a **semi-annual basis**, with **tailored objectives and site-specific improvement plans**. Performance varied significantly across plants: the **San Martino Buon Albergo** facility stood out as a best-practice benchmark, successfully reducing industrial scraps to **below 1%**. Other sites, such as Guarone, came close to meeting their targets, while Castel d'Azzano, Orsago, Romanengo and Altopascio fell short. The increases recorded in these plants were mainly linked to equipment-related issues, including line breakdowns and aging machinery, which generated higher levels of production scraps. Furthermore, the launch of several new products during the year contributed to additional waste, as the testing of innovative recipes naturally involves a degree of trial and error.

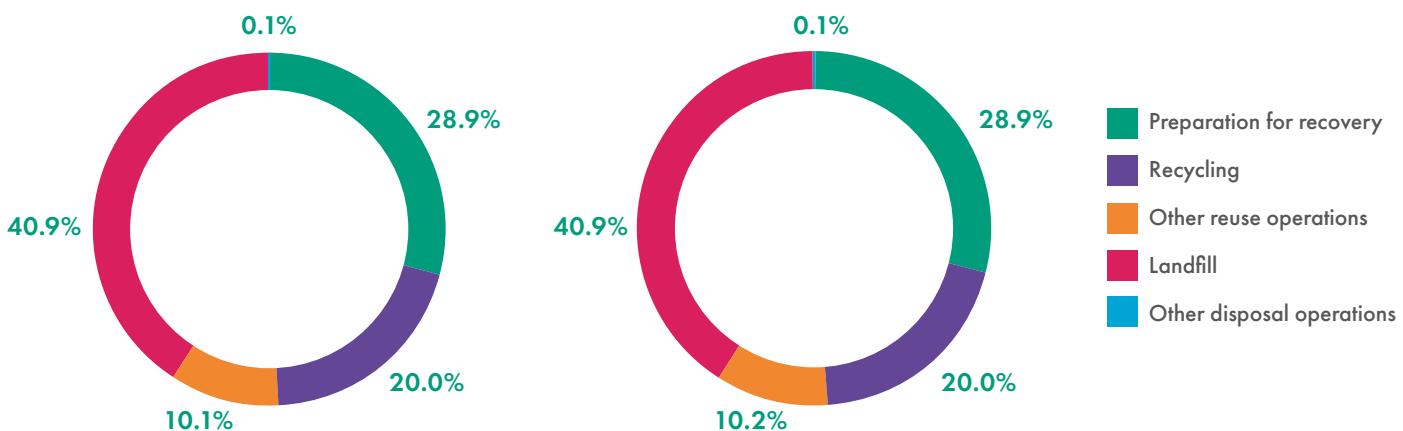
Minimizing Waste to Landfill

Effective waste management is central to Bauli's environmental strategy: The Group aims to **achieve zero waste to landfill across all manufacturing sites** by 2030.



In 2024/2025, due to the extraordinary events previously underlined, the quantity of waste sent to landfill has roughly tripled. Nonetheless, through recycling and recovery processes, the Group **was able to divert 5,393 tons of waste from landfill (59% of the total)**, marking a +21% from the 2023/2024. This result underscores the Group's ongoing commitment to waste valorization and the steady expansion of recycling initiatives, while also reflecting the dual challenge of maximizing recovery and managing unexpected waste generation.

WASTE BY TREATMENT METHODS OF JUNE 30, 2025 (%)



Sustainable Packaging Solutions

Key Impacts

Impact	Features	Related GRI	Target
Raw material consumption for packaging	- A	GRI 301-1 Materials used by weight or volume GRI 301-2 Recycled input materials used	Reduce the environmental impact of our packaging Ensure that 100% of our packaging is designed for recycling

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Packaging plays a vital role in protecting food quality and ensuring product safety. However, its environmental impact is significant, particularly in relation to the extraction and transformation of raw materials, energy use, and end-of-life disposal. Although packaging production does not occur directly within Bauli's facilities, its environmental footprint is indirectly generated through design choices and supply chain partnerships.

Policies

Bauli is proactively introducing **internal sustainability and recyclability guidelines**. These standards are going to guide the Group's packaging design and material choices, ensuring full compliance and alignment with circular economy principles. Packaging design will be approached holistically: beyond functionality and aesthetics, it must guarantee recyclability, reduce material use, and limit reliance on virgin resources.

Actions

Bauli's action plan is based on three core principles: **reduce, recycle, and source responsibly**.

- To **promote recycling**, most new packaging designs now use **mono-materials** (either paper or plastic), and all include clear sorting instructions to support proper disposal by end users.

- A key innovation was the introduction of certified **compostable cupcake liners**, which can be disposed of with organic waste and converted into compost or biogas.
- Nearly all **paper and cardboard** used by the Group is **recycled**, with virgin materials used only when in direct contact with food or when structurally necessary.
- In 2024/2025, Bauli initiated the measurement of the **Global Warming Potential (GWP)** of all packaging across the Group. This assessment, integrated within the Scope 3 emissions accounting, allows the company to establish a clear baseline for defining specific targets to reduce the climate impact of its packaging solutions. These actions are part of an ongoing improvement process that aims to embed eco-design principles into all packaging development activities.



Metrics & Targets

The Bauli Group is committed to ensuring that **100% of its packaging is designed for recyclability**, in alignment with the upcoming Packaging and Packaging Waste Regulation (PPWR). In the 2023/2024 reporting year, **99.70% of the packaging used was already recyclable**, demonstrating a high level of compliance. However, this percentage remained unchanged in 2024/2025, and the Group has not yet fully met its target.

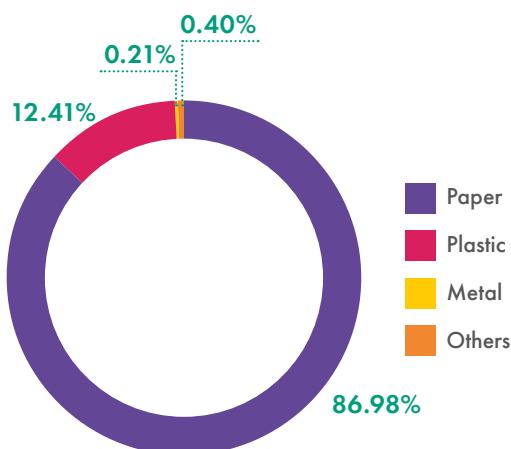
Looking ahead, Bauli plans to **launch targeted initiatives** to replace the few remaining non-recyclable materials, addressing each case specifically to close the gap and achieve full recyclability across all packaging.



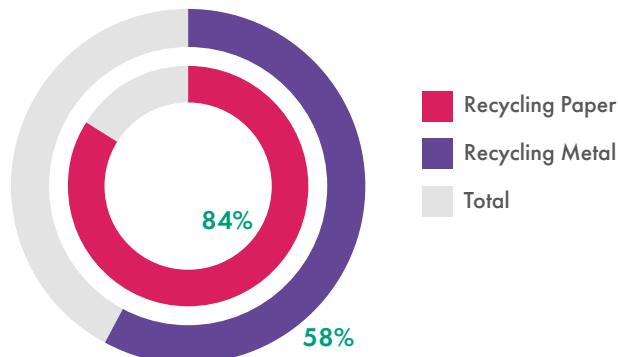
The Group continues to monitor the types and volumes of packaging materials used. Most of the packaging is based on **paper and cardboard**, which account for **87%** of total materials used. **Plastic** represents **12.4%** used primarily for flow packs and protective films, while **metal (0.2%)** and **other materials (0.4%)** remain marginal. Nearly all secondary and tertiary paper-based packaging used by the Group came from recycled sources (**84%**) as virgin paper is used exclusively where required for food contact or specific structural needs. Overall, **73%** of all material used come from recycled sources, representing a slight decrease compared to last year's figure of **76%**. This decline is attributed to reduced production volumes as well as a decrease in total materials purchased in 2024/2025.

With the completion of the **Scope 3 analysis**, Bauli can now rely on a **data-driven foundation** to set measurable reduction goals, aligned with the emissions profile that emerged from the evaluation. Within Scope 3, **Category 1 – Purchased Goods & Services** accounts for 81.6% of total emissions, with **packaging alone contributing 17%**, confirming its strategic relevance in the Group's decarbonization pathway.

**PACKAGING MATERIALS
USED BY THE GROUP (%)⁸**



**SHARE OF RECYCLED PAPER
AND METAL COMPARED
WITH TOTAL PURCHASES (%)**



⁸The scope of data on total volume of materials used includes the production plants in Italy and the Indian plant.



5. OUR PEOPLE AND WORKPLACE CULTURE

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Our People and Workplace Culture

People are at the heart of Bauli's long-term growth. The Group promotes a workplace culture based on well-being, inclusiveness, and continuous development, ensuring fair treatment and safety for all employees. This chapter presents Bauli's commitments and progress on diversity, training, health & safety, and employee engagement.

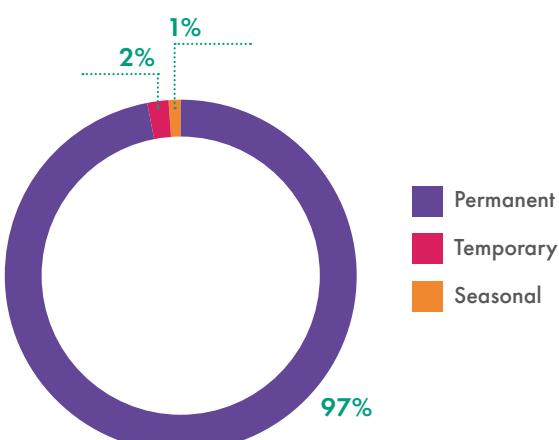
Material Topic	Impact	2030 Strategy				SGDs
		Target	Base Value/Year	2024-2025	Base Year Variation	
Diversity, Inclusion and Equal Opportunities	Discrimination and non-inclusive practices in the workplace	Reach an annual investment of €70,000 in employee wellbeing and DE&I initiatives	0.0€ 2021/22	€45,900	+100% (+ 47% from 2023/2024)	   
	Fair compensations for employees	Ensure fair and equal compensation for all Bauli employees		To be defined		
Health and Safety of workers	Injuries in the workplace	Achieve a 10% annual reduction in Lost Time Injury Rate (LTIR)	10.29 LTIR 2022/23	14.71 LTIR	+43%	 
Training, Development and Welfare of Workers	Training and development of workers	Increase the average non-mandatory training hours per employee by 8%	6.83 h 2023/24	13.44 h	+97%	   
	Reduction in employees' satisfactions and wellbeing	Be recognized as a Great Place to Work by reaching a Trust Index of at least 60%	47% Trust Index 2022/23	59% Trust Index	+26%	

Workforce overview

As of June 30, 2025, Bauli Group's **total headcount was 1,311 employees**, marking a small yet steady increase compared to prior fiscal years. Most of the workforce is based in **Italy (84%)**. The Group also maintains a consolidated presence in **India (12.6%)** and **Slovakia (3%)**, with smaller teams operating in **France & in the United States**. On average, workforce during the year amounted to 1,627 employees, +2.3% with respect to 2023/2024.

From a **role-based perspective**, "Workers and Intermediates" represent approximately 61.6% of the total workforce (808 people), followed by "white-collar" personnel representing 29.4% (386) and "middle managers" and "executives" (totalling 9%, equal to 117 individuals).

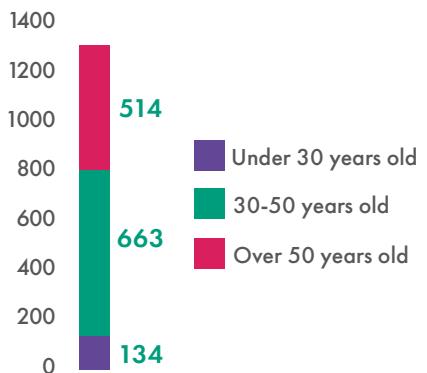
WORKFORCE BY TYPE OF CONTRACT AS OF 30 JUNE 2025



Regarding **age distribution**, 51% of employees are between 30 and 50 years old (663 individuals), 39% are over 50 (514), and 10% are under 30 (134). The number of employees belonging to protected categories has increased with respect the previous year, with 58 individuals.

The Group also collaborates with a significant number of **external workers**. As of June 30, 2025, these include 200 agents representing different product lines ("Seasonal" and "Everyday"), 348 agency workers, and 13 interns and trainees (-41% from previous year). Overall, this external workforce amounts to 561 people, reflecting a 15.4% increase from last year.

WORKFORCE BY AGE GROUP OF CONTRACT AS OF 30 JUNE 2025



Diversity & Inclusion

Key Impacts

Impact	Features	Related GRI	Target
Discrimination and non-inclusive practices in the workplace	- P	GRI 405-1 Diversity of governance bodies and employees GRI 406-1 Incidents of discrimination and corrective actions taken	Reach an annual investment of €70,000 in employee wellbeing and DE&I initiatives
Fair compensations for employees	- A	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Ensure fair and equal compensation for all Bauli employees

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Practices such as discrimination or lack of inclusion can compromise **employee well-being**, and motivation, potentially affecting cohesion and performance within the organization. Bauli acknowledges these risks and actively promotes a respectful, diverse, and inclusive work environment across all its sites.

At the same time, Bauli is committed to guarantee to all its employees a fair and equitable compensation that contributes positively to their financial security, strengthens engagement, and supports long-term organizational resilience.

Bauli is committed to guarantee to all its employees a fair and equitable compensation that contributes positively to their financial security, strengthens engagement, and supports long-term organizational resilience.

Policies

The Group adopts the **SA8000 standard** at all production sites of Bauli S.p.A. and plans to extend this certification to all production sites. This framework enforces strict ethical requirements across the organization and its suppliers, addressing critical issues such as discrimination, child and forced labor, workplace health and safety, freedom of association, fair wages, and working hours. In terms of salary, The Group ensures compliance with national labor laws and collective agreements.



Actions

In May 2024, the Group launched the **MentorSHE** program in partnership with **Lifeed**, a platform specialized in self-coaching and personal development.

The program aims to build meaningful intergenerational relationships by pairing experienced female leaders with younger female colleagues across different departments and sites. Matching is managed via the MultiMe Finder tool to ensure compatibility and mutual growth. Mentors receive specific training to help them guide, inspire, and support mentees, with a focus on strengthening leadership potential, navigating career challenges, and building self-confidence.

As MentorSHE evolves, future editions will increasingly focus on developing technical and digital skills to prepare women for key roles in innovation and transformation. The program is one of Bauli's flagship initiatives for nurturing internal talent, strengthening female representation in leadership, and contributing to gender equity in the long term.

To complement this, Bauli collaborates with **Valore D**, Italy's first business association promoting gender balance and inclusive culture in organizations. Through this partnership, Bauli employees have access to a wide range of voluntary **digital training sessions** via Valore D's platform, **Younicity**. The platform offers not only training experiences but also best practices, research and networking opportunities to different seniority levels, fostering a company-wide culture of awareness and continuous learning on DE&I issues.

Lifeed, a platform specialized in self-coaching and personal development. The program aims to build meaningful intergenerational relationships by pairing experienced female leaders with younger female colleagues across different departments and sites.



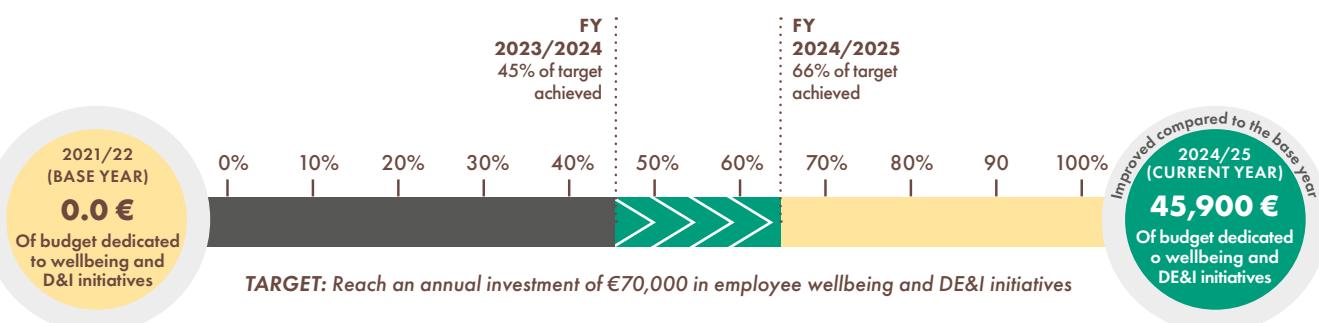


Caring Company 2025

In 2025, Bauli was recognized by Lifeed as a **Caring Company**, an award that honors organizations committed to creating inclusive, respectful, and people-centered work environments. This recognition celebrates companies that unlock the full potential of their employees by valuing the skills developed through the interplay of personal and professional life. It reinforces Bauli's dedication to fostering employee well-being and promoting personal growth across the organization.

Metrics and Targets

Progress towards the goal to reach an **annual investment of €70,000 in employee wellbeing and DE&I** (Diversity, Equity & Inclusion) has been consistent, and the Group remains on track with its plan. In fiscal year 2024/2025, efforts increased significantly, with investments reaching €45,900, equal to 65.5% of the target. While there is still room for improvement, these results highlight Bauli's dedication to promoting equality, fostering employee engagement and inclusion, and preventing discriminatory behaviors.



Recognizing that inclusion also requires **economic fairness**, Bauli is strengthening its commitment to **fair compensation** across all Group companies. In FY 2025/2026, a Group-wide KPI will be introduced to monitor the **gender pay gap**, based on pay equity analysis methodology and aligned with the *EU Pay Transparency Directive*. The current year will serve as a baseline, with a Group target to be defined for 2030. In parallel, Bauli continues to ensure compliance with fair wage practices across all countries of operation. In **Italy**, remuneration aligns with SA8000 certification requirements, **guaranteeing minimum living wages**. In **India**, Bauli has introduced a **company** collective agreement that exceeds national standards, further demonstrating its commitment to global wage equity and responsible employment practices.

Bauli is committed to promoting equality, fostering employee engagement and inclusion, and preventing discriminatory behavior.

Health & Safety

Key Impacts

Impact	Features	Related GRI	Target
Injuries in the workplace	-	A GRI 403-9 Work-related injuries	Achieve a 10% annual reduction in Lost Time Injury Rate (LTIR)

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Ensuring the health and safety of all employees and collaborators is a top priority for Bauli. Workplace accidents, while not frequent, can have serious consequences for individuals and the work environment. These events affect employee well-being and can undermine morale and trust. Bauli acknowledges this material risk and is committed to create increasingly safe workplaces by fostering a strong prevention culture and continuous improvement of health and safety practices.

Policies

Bauli has adopted an integrated Occupational Health and Safety Management System, aligned with ISO 45001⁹ and embedded within its broader quality and environmental frameworks. This system aims to reduce the risk of serious injuries, enhance workplace controls, and foster a culture of prevention and employee wellbeing.

To anchor safety behaviours, the Group has introduced its “Golden Rules Manifesto”—ten essential principles that guide daily actions on PPE use, fire prevention, and general workplace safety, applicable to all people working at Bauli sites.

Actions

The Bauli Group has adopted a proactive and structured approach to workplace safety, aimed at reducing risks, increasing awareness, and embedding a culture of prevention across all sites. Since the launch of the “Road to Zero Accidents” initiative in 2023, Health & Safety has become a central pillar of the One Bauli strategy.

To embed this commitment operationally, **Health, Safety & Environment (HSE) Committees** are active at Bauli S.p.A. factories. These multidisciplinary groups - comprising representatives from HSE, HR, Operations, Logistics, and Plant



Management - meet monthly to monitor ongoing projects and address safety-critical topics. Demonstrating the Group's strong emphasis on health and safety, this year, in collaboration with the labour unions, it was decided to include a **safety performance indicator** among the metrics linked to the performance bonus.

The HSE Committees hold **decision-making authority on health and safety policies and initiatives**. The Group ensures that all **employees can report safety concerns** either directly or anonymously (whistleblowing), to protect them from any form of retaliation or disciplinary action.

⁹For Bauli S.p.A. at the sites of Castel D'Azzano, San Martino Buon Albergo, Romanengo, Orsago and Guarone.



Routine risk assessments are conducted at Italian facilities in line with Legislative Decree 81/08. Based on these assessments, each employee receives **Personal Protective Equipment (PPE)** tailored to their role. A standardization project is underway to harmonize PPE across all Italian sites through a single supplier, in partnership with HSE manager.

Health surveillance is ensured through regular medical examinations for all employees, coordinated by the occupational health service. In the event of a workplace accident, the **Head of the Prevention and Protection Service, the HSE manager**, produces a detailed report, shared with top management and national authorities, which outlines corrective and preventive actions.

Worker engagement is promoted through regular meetings and participatory document updates. **Safety training is provided** to all employees and interns, based on a structured Training Plan, and includes in-person or e-learning modules tailored to the work area. Each site also allocates an annual budget for H&S improvements, which in recent years has financed major upgrades such as machinery redesign to reduce manual load handling.

Bauli requires all suppliers, contractors, and business partners to adhere to the Group's Health and Safety standards. Where risks are identified, corrective actions are agreed upon and monitored to ensure compliance. This commitment extends to collaborative training initiatives and sharing of best practices to promote a culture of safety across the supply chain.

In 2023, Bauli also launched a **monthly internal communication campaign** to raise awareness on specific safety topics—each month introduces a new “Golden Rule” tied to practical safety behaviour, reinforcing the Group’s “Safety-First” culture.

Digital innovation supports this strategy: the **Safety Walk app**, currently in pilot at the Romanengo plant, will soon be rolled out to all facilities. The app facilitates real-time monitoring

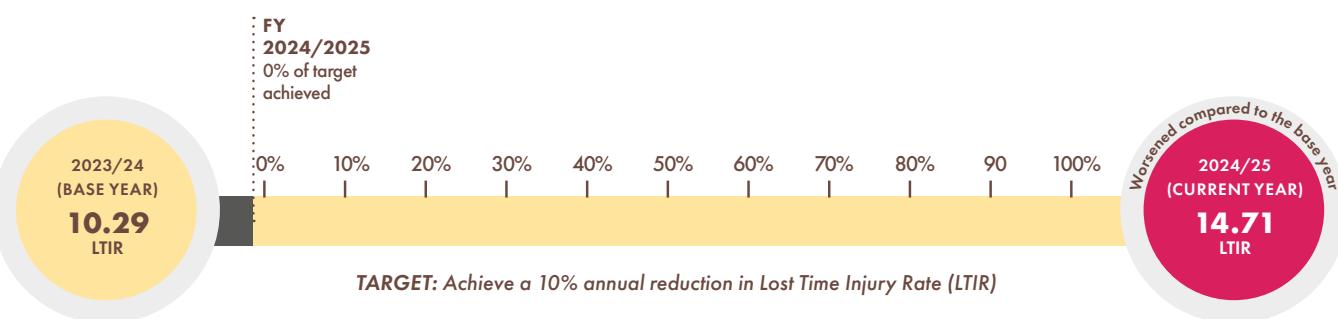
of incidents, task assignments, and reporting by employees, encouraging transparency and responsiveness.

In parallel, the Group is expanding the application of **Lock-Out Tag-Out (LOTO)** procedures to new lines, ensuring safe interventions on machinery during maintenance. This process also includes reviewing emergency stop systems to ensure machine safety in all operating conditions. The initiative represents an important cultural shift, fostering greater operator awareness and involvement in risk prevention. As part of this effort, training sessions and assessments are being planned to strengthen adoption and compliance across all sites.

Metrics and Targets

Ensuring a safe working environment is a top priority for Bauli. To mitigate the risk of injuries and protect employee wellbeing, the Group has set a clear target: **achieve a 10% annual reduction in the Lost Time Injury Rate (LTIR)**.

In the baseline year 2022/2023, the Lost Time Injury Rate (LTIR) was 10.29. This rose to 16.66 in 2023/2024 (+61.9%), before **improving to 14.71 in 2024/2025**, marking an **11.7% reduction** compared to last year. The improvement is partly attributable to a decrease in worked hours—driven by lower production volumes in line with the Group's strategic shift from volume to value creation. More importantly, the decline reflects **concrete progress in workplace safety**, with **recorded injuries falling by 19%** (35 in 2024/2025 vs. 43 in 2023/2024). This positive trend stems from the ongoing implementation of the “Road to Zero Accidents” strategy, supported by numerous awareness-raising initiatives focused on behavioral safety. Further reinforcing this commitment, safety-related KPIs were formally included in second-level collective agreements signed during the year at sites such as Castel d'Azzano and Romanengo.



Networking with other companies on occupational health and safety issues

Bauli actively takes part in health and safety networks such as **Unionfood** and **AIAS** to promote continuous improvement and share best practices. Through these collaborations, including participation in the **CGPO (Club of Prevention in Large Organizations)**, the Group contributes to the development of technical guidelines and training initiatives, fostering a culture of prevention and collaboration across large organizations.

Training & Development

Key Impacts

Impact	Features	Related GRI	Target
Training and development of workers	+	A Average hours of training per year per employee GRI 404-1	Increase the average non-mandatory training hours per employee by 8%

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Training and development play a vital role in enhancing employee skills, promoting personal and professional growth, and improving overall work quality. These initiatives represent a current positive impact for Bauli, with tangible benefits for individuals and long-term value creation for the organization. By fostering a culture of continuous learning, the Group strengthens its human capital, increases organizational resilience, and promotes quality employment.

Policies

The Group adopts a structured training and development system designed to meet both mandatory requirements and individual growth needs. **Training programs cover onboarding, company policies** (e.g., Legislative Decree 231/2001, GDPR), **food safety and quality, and health and safety regulations**. In parallel, Bauli invests in technical and cross-functional training, developed in collaboration with department heads and the HR function.

Training paths are tailored by role and seniority, with regular assessments and improvement plans to support upskilling, reskilling, and career development. The Group has also launched a formal talent development program aimed at identifying potential and supporting performance growth over time.

Actions

Since the creation of a dedicated training facility in Castel D'Azzano, Bauli has expanded its learning opportunities through both in-person and digital formats. The following **Training Academies** support the development of specific skills across functions and levels:

- **Operations Academy:** Focused on operational processes and continuous improvement for blue-collar workers.



in Learning

From 2023/2024 Bauli leverages **LinkedIn Learning**, a digital online training platform with a library of over 6,000 courses, able to cover a wide range of technical, business, software, and creative topics.

- **Future Academy:** Aimed at employees under 32, fostering soft skills, engagement, and innovation mindset.
- **Professional Academy:** Supports cross-functional collaboration and project-oriented thinking for professionals.
- **The Leadership Academy** offers experiential training for managers, focusing on managerial tools, feedback, delegation, and motivational techniques. Workshops and role plays facilitate the sharing of managerial experiences.
- **Toolkit Academy:** Offers all employees practical training on Office365, communication, and project management.

In addition, Bauli implemented several other initiatives such as:

- **A training collaboration with Politecnico di Milano** has been launched for technical upskilling.



- The **Speex partnership** provides tailored English training programs to white-collar employees and managers.
- **Supervisors** benefit from leadership training and safety courses delivered with HSE managers.
- **Trainings for machine operators** on Lock-Out Tag-Out (LOTO) procedures to enhance safety awareness.
- A Group-wide **Internal Job Posting** system, open to blue-collar workers as well.
- A **Referral Program** that reflects the key role of employees in attracting and recommending new talent.

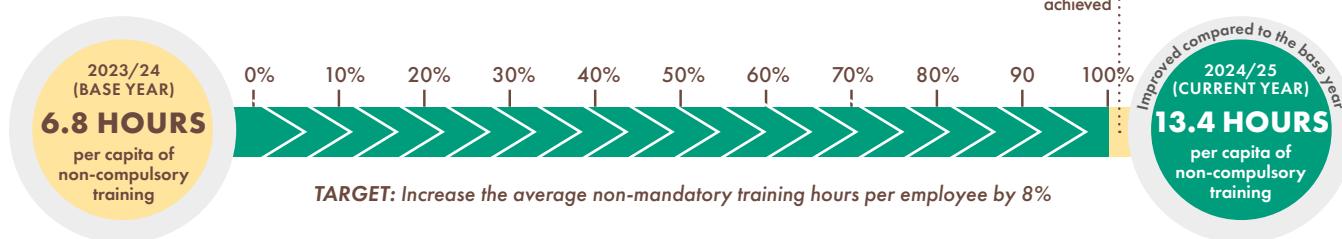
The Group adopts a structured training and development system designed to meet both mandatory requirements and individual growth needs.

Metrics and Targets

Bauli has set a strategic target to increase the **average number of non-mandatory training hours** per employee **by 8% annually**, reinforcing the Group's commitment to lifelong learning and talent development. In 2023/2024, the value stood at 6.83 hours per employee, while in 2024/2025 it rose to 13.44 hours—an **increase of 96.78%** compared to the previous year—thereby meeting and significantly exceeding the strategic target.

During the same period, **total training hours** delivered across

the Group amounted to 25,635, with an **average of 19.6 hours per employee**. Compared to the previous year, when the average was 10.01 hours per person, representing a **95% increase**. This sharp rise reflects the positive impact of several new initiatives implemented this year, such as the Great Place to Work workshops and other training sessions. It highlights the Group's commitment to promoting both mandatory and non-mandatory, development-focused learning opportunities.



TOTAL NUMBER OF HOURS OF MANDATORY AND NON-MANDATORY TRAINING





Caring & Engagement

Key Impacts

Impact	Features	Related GRI	Target
Reduction in employees' satisfactions and wellbeing	- P	GRI 401-1 New employee hires and employee turnover GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Be recognized as a Great Place to Work by reaching a Trust Index of at least 60%

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Employee wellbeing and engagement directly influence motivation, satisfaction, and retention. When neglected, aspects like work-life balance, welfare, and mental health support can affect individual performance and overall workplace climate. Bauli acknowledges the strategic value of a positive, inclusive work environment in fostering both human and growth within the organization.



To further foster talent development, Bauli launched an internal job posting system in April 2024 to encourage mobility and collaboration across all employee levels. In early 2025, an employee referral program was introduced to reward successful hires, enhancing recruitment and employee engagement.

Policies

To support employee wellbeing, Bauli applies the principles of SA8000 and introduced the **Smart Flexibility Policy 2.0**, enabling up to 10 days of Smart Working per month and offering extra flexibility for specific life situations. These policies reflect Bauli's broader commitment to work-life balance, inclusion, and decent working conditions.

Actions

Bauli implements a wide range of initiatives to promote wellbeing, engagement, and work-life balance across all sites:

Performance and career development. Bauli has structured a performance appraisal system that integrates quantitative KPIs and qualitative competencies in alignment with corporate values. These evaluations support career development and inform annual incentive schemes (such as MBOs and sales bonuses), salary reviews, and promotion opportunities. Indeed, Bauli has a **robust Talent Review process** to monitor employee growth, assess capabilities, and pinpoint development opportunities. In 2024, a new **competency assessment framework** was introduced to tailor **Career Development Plans**, focusing on managerial, soft, and technical skills. Additionally, a more structured **succession and development process** is being implemented to support long-term talent growth, guiding employees along personalized growth paths that align both business objectives and personal goals. These key human resources initiatives, along with the compensation, benefits and learning programs, are now managed through a new **Human Capital Management (HCM) System**, which is in the final stages of rollout.



Onboarding and belonging. The “Phygital” onboarding experience combines digital tools with human connection. New hires receive a welcome kit, access a dedicated platform with leadership messages and resources, and join a Welcome Party that includes a tour of production facilities and interactive team-building experiences. This fosters early engagement and strengthens a sense of belonging from day one.

Corporate Welfare – BauliCares. Through the **Bauli People portal**, employees access the Jointly platform for customized welfare services and the Corporate Benefits portal for discounted purchases. Employees can also convert a portion of their performance bonuses into welfare credits. Recent agreements expanded these benefits for blue-collar workers, making them unconditional and increasing their value. In FY 2024/2025, 62% of bonuses were used on the Jointly platform. A **pilot hours solidarity bank** was launched at the Orsago site, encouraging employees to donate leave days to colleagues in need.



Psychological Support. Since 2024, Bauli has renewed its partnership with **Sygmund**, a psychological support platform offering employees secure access to licensed professionals. Despite the still-limited uptake, Bauli continues to promote the initiative and is developing new strategies to reduce stigma and increase participation in mental health programs.

Parenting Support. In 2024/2025, Bauli launched a **second parenting support package** in collaboration with Jointly, offering four structured modules focused on navigating different phases of children’s development. This initiative recognizes the interconnectedness of personal and professional life and aims to promote a healthier work-life balance.

Time Stamping Project. To foster autonomy and flexibility, Bauli eliminated daily clock-ins for white-collar and middle management employees in 2023/2024. The system now allows monthly flexibility within a working time window (8:00–19:00), with core hours (11:00–16:00) and rounding rules, reflecting a culture of mutual trust.

Great Place to Work® Partnership. Since 2022/2023, Bauli has collaborated with Great Place to Work to **monitor and improve organizational climate**. In 2025, workshops were held at Castel d’Azzano, Romanengo, and Orsago, with over 150 employees contributing to local action plans based on insights from the GPTW survey. This participatory approach resulted in around **40 concrete proposals** addressing **9 focus areas**:

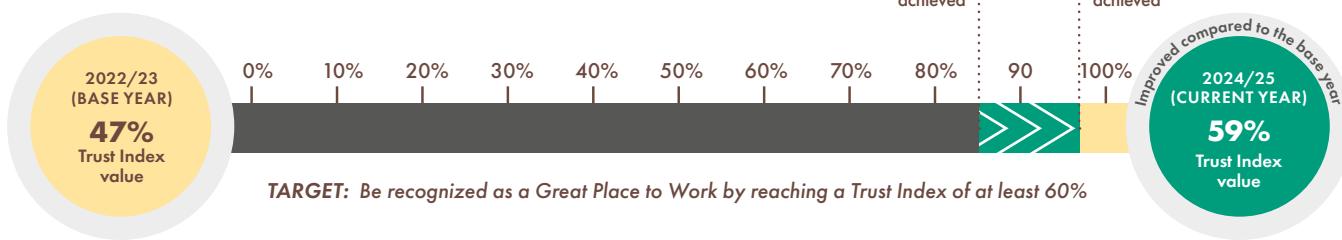


- Proximity to management
- Facilities and maintenance
- Improvement of workspaces
- Leadership training
- Listening and care
- Employee Evaluation
- Personnel selection and onboarding
- Shift management and scheduling
- Cleaning management

Metrics and Targets

Bauli aims to be **recognized as a Great Place to Work® by reaching a Trust Index of at least 60%** by 2030. This benchmark reflects a culture of trust, where employees feel respected, valued, and empowered in their daily work.

In the baseline year 2022/2023, the Trust Index stood at **47%**, with a participation rate of **87%**. In 2023/2024, Bauli implemented its first set of plant-specific improvement plans, laying the foundation for systemic change. Following this approach, in 2024/2025, after an extensive cycle of engagement activities and the roll-out of site-level improvement workshops, the **Trust Index rose to 59%**.



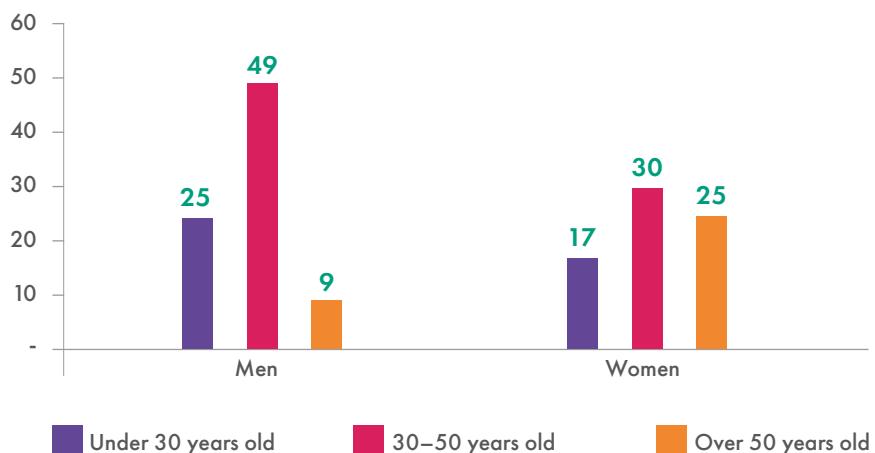


At Group level, the result reflects an 8-percentage-points improvement compared to the previous year (51% in 2023/2024), achieved with a participation rate of 78%. This progress represents a **16% increase toward the strategic target**, bringing the Group close to full achievement. In Italy, the Trust Index reached 57%, marking a 9-percentage-points increase, with the **most significant progress observed among blue-collar workers**, who reported a 16-point improvement. These results highlight the positive impact of the initiatives implemented at operational sites and signal growing alignment between organizational values and the employee experience. Notable improvements were seen in areas such as internal communication, managerial support, and recognition.

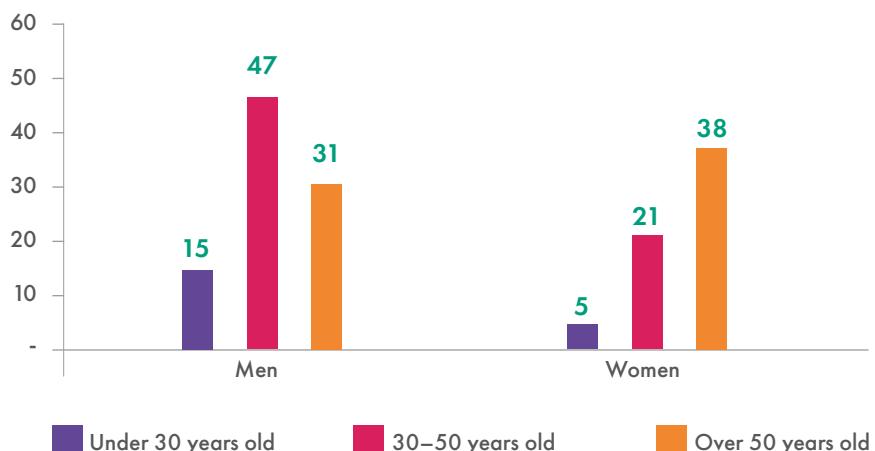
The turnover rate drops significantly to just 12%, highlighting Bauli's strong focus on employee retention.

In parallel, the Group is strengthening its **focus on retention and workforce stability, and monitors turnover** as a key indicator of internal climate. In the fiscal year 2024/2025, the overall turnover rate was 63%. Nonetheless, this figure is largely influenced by the inclusion of **temporary workers** hired during seasonal peaks – Easter and Christmas- but may not be retained at year-end. When excluding these seasonal contracts to provide a more accurate picture of workforce dynamics, the **turnover rate drops significantly to just 12%**, highlighting Bauli's strong focus on employee retention.

NEW HIRES (EXCLUDING SEASONAL WORKERS) AS OF JUNE 30TH, 2025 (HEADCOUNT)



TURNOVER (EXCLUDING SEASONAL WORKERS) AS OF JUNE 30TH, 2025 (HEADCOUNT)





Focus on: Community Support

Despite the pressures of a year marked by soaring costs of raw materials and key ingredients, Bauli made a deliberate choice to maintain its commitment to social responsibility. The Group continued to invest in community-based initiatives, recognizing their enduring value in fostering inclusion, culture, and future talent.

One of the Group's most cherished projects is the long-standing support for the **Capitolare Library in Verona** - the oldest working library in the world -. Through the *Capitolare Library Foundation*, Bauli contributes to the restoration and valorization of this historic site, helping to share its unique cultural heritage with a broader public.

BAULI FAMILY DAY

In 2024, Bauli also welcomed over 1,200 employees and their families for a **Family Day** at all production sites. The initiative featured guided tours, engaging activities for all ages, and shared moments of conviviality, reinforcing a sense of belonging and community.

To support future generations, the Group continues its collaboration with **CAST Alimenti** through the **Bauli Patisserie Academy**, offering training for aspiring pastry chefs. In 2025, Bauli also launched the **Premio Ruggero Bauli**, a competition inviting pastry chefs under 30 to creatively reinterpret the traditional Pandoro. This challenge not only celebrated innovation and craftsmanship, but served as a springboard for talented young chefs, empowering them to build a future of excellence in the world of patisserie.

On **International Women's Day**, Bauli partnered with the social cooperative Panta Rei, supporting female inmates in Verona who produce handmade marmalades during a dedicated workshop. These jars, gifted to all Bauli women employees, symbolized resilience, new beginnings, and female solidarity—woman to woman.

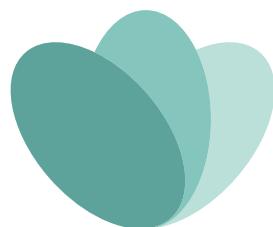
Bauli maintains strong ties with universities and young professionals through collaborations with institutions like **IULM University**



and **H-Farm College**. These partnerships create concrete opportunities for students to engage with real business challenges, guided by Bauli's HR and functional teams.

Fighting Food Waste

As part of the **Too Good To Go Pact Against Food Waste**, Bauli continues to make measurable environmental contributions. Since joining in 2021, the Group has saved approximately 1,625,905 products, equivalent to 360 Tons of food. This prevented the emission of **1,054 tons of CO₂**, saved 316 million liters of water as well as 1.093.812 m²/year of land, comparable to 127 Olympic-sized pools and 153 football fields. Recognized among the top five food partners in the initiative, Bauli remains committed to reducing food waste and promoting sustainable consumption.



Too Good To Go

505,239 products saved (equivalent to 119 tons of food) during 2024, 39% more than in 2023. 321 Tons of CO₂ have been saved (equivalent to 708 Rome-London flights).



6. **SUSTAINABLE SUPPLY CHAIN**

Our raw materials	61
Responsible sourcing of ingredients	64



Sustainable Supply Chain

Bauli is committed to building a responsible and resilient supply chain. From selecting high-quality raw materials to evaluating supplier ESG performance, the Group actively works to reduce environmental and social risks. This chapter explores the actions taken to ensure ingredient traceability, ethical sourcing, and supplier engagement.

Material Topics	Impact	2030 Strategy				SDGs
		Target	Base Value/Year	2024-2025	Base Year Variation	
Quality and sustainability of Raw Materials	Consumption of food raw materials for production	Ensure that 100% of palm oil we source directly will be RSPO segregated certified	39.9% 2023/24	34%	-6%	
	Impacts of crops on ecosystems and health of the soil					
Responsible management of Supply Chain	Ineffective management of material traceability and products	Screen 75% of supplied volumes through ESG criteria	40% 2023/24	64.6%	+25%	  
	Impacts generated by procurement practices local					
Negative environmental impacts related to suppliers						



Our raw materials

Key Impacts

Impact	Features	Related GRI*	Target
Consumption of food raw materials for production	- A	GRI 301-1 Materials used by weight or volume	
Impacts of crops on ecosystems and health of the soil	- A	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas GRI 304-2 Significant impacts of activities, products and services on biodiversity	Ensure that 100% of palm oil we source directly will be RSPO segregated certified
Ineffective management of material traceability and products	- P	Not related to GRIs	

Legend: + Positive Impact / - Negative Impact **A** Actual Impact / **P** Potential Impact

Through its business relationships, Bauli is indirectly involved in potential environmental and social impacts linked to unsustainable sourcing practices in the supply chain. To improve its understanding and management of these impacts, Bauli has mapped its key ingredients based on recognized scientific literature and sectoral studies.

Main ingredients	Related impacts
FLOURS	Environmental degradation due to the widespread use of fertilizers and pesticides, with wheat identified as a high-impact crop in the bakery supply chain.
SUGAR	Ecological imbalance caused by the dominance of monocultures and the abandonment of crop rotation practices, leading to soil impoverishment and increased vulnerability to pests and weeds
BUTTER & EGGS	Challenges related to animal welfare, biosafety, and the rise of antimicrobial resistance, all requiring integrated risk management in livestock farming.
VEGETABLE FATS (Palm Oil)	Deforestation, biodiversity loss, and CO ₂ emissions from plantations in Southeast Asia, which produce over 90% of the world's palm oil.
COCOA	Structural imbalances in the value chain and reliance on smallholder farmers subject to labor-intensive practices and low income, raising both social and environmental concerns
DRIED FRUITS	High water consumption and energy use, particularly in mechanical drying processes, as seen with raisins sourced mainly from Turkey.

Policies

While Bauli has **not yet formalized a global Sustainable Procurement Policy**, the Group has progressively strengthened its approach to responsible sourcing. Priority is given to suppliers that provide environmental and social guarantees, with particular attention to traceability, certifications (e.g., RSPO, UTZ/Rainforest Alliance, Fairtrade), and compliance with European standards. The Group also fosters long-term partnerships with suppliers based on trust, transparency, and shared values around product quality and sustainability.

^{*}Information related to GRI 304-1 and 304-2 is reported at section "Focus on: Water and Biodiversity".



Actions

Bauli is committed to manage its key raw materials in a responsible and sustainable way. The following describes the actions adopted to ensure control, traceability, and reduced environmental impact across the supply chain.

FLOURS

51,489 tons

Of flours purchased
in FY 2024/2025



Bauli has progressively transitioned from North American to European flour suppliers. This shift has reduced the environmental impact associated with transportation and improved the ability to monitor the use of chemical inputs, resulting in more sustainable sourcing practices.

SUGAR

15,177 tons

Of sugar purchased
in FY 2024/25



The Group primarily uses beet sugar sourced from European suppliers, especially from northern regions with optimal climatic conditions. Suppliers are required to provide comprehensive information on the botanical and geographical origin of raw materials, ensuring traceability and compliance with EU quality standards.

BUTTER & EGGS

4,142 tons

Of butter purchased
in FY 2024/25



9,584 tons

Of eggs purchased
in FY 2024/25

Butter is sourced exclusively from major European dairy cooperatives and transported in concentrated form to preserve quality. Eggs are procured exclusively from Italian suppliers located near the production sites, ensuring freshness and limiting environmental impact from transport. Bauli requires eggs to be shelled within 36 hours of laying and used within a few hours. The Group's reliance on European suppliers also ensures adherence to strict regulations on animal welfare and antibiotic use.

VEGETABLE FATS

Palm Oil

10,906 tons

Of vegetable fats
purchased in FY 2024/25

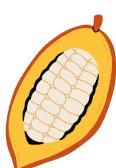


The vegetable fats used, including palm oil, are primarily sourced from Southeast Asia and refined in Italy. Bauli has long been a member of the Roundtable on Sustainable Palm Oil (RSPO) and is committed to sourcing palm oil according to RSPO Segregated standards. This ensures traceability and promotes responsible production practices that minimize climate, social, and biodiversity-related impacts.

COCOA

3,359 tons

Of cocoa purchased
in FY 2024/25



Cocoa is sourced mainly from Ghana and Ivory Coast, processed in Europe, and transformed into chocolate in Italy. Bauli uses cocoa certified by UTZ (now part of the Rainforest Alliance) and the Fairtrade Sourcing Ingredient (FSI)–Cocoa Program for its private label products. These certifications ensure compliance with responsible agriculture, safe labor practices, environmental protection, and fair pricing for farmers.

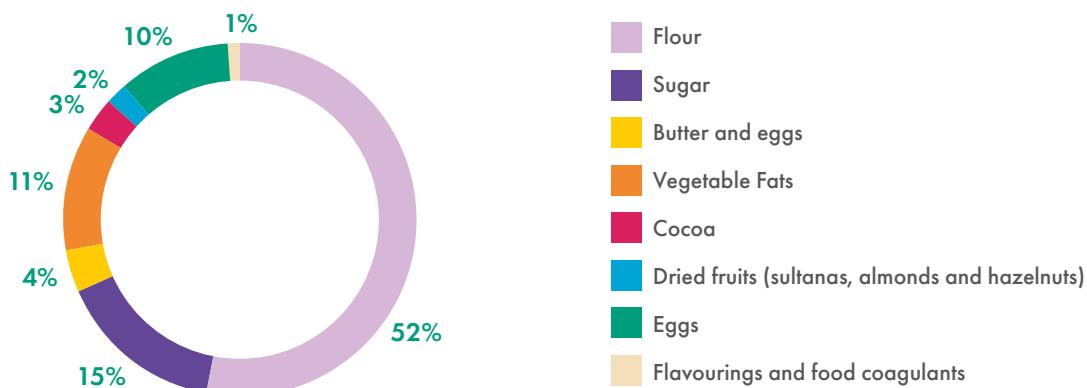
DRIED FRUITS

2,219 tons

Of dried fruits purchased in FY
2024/25

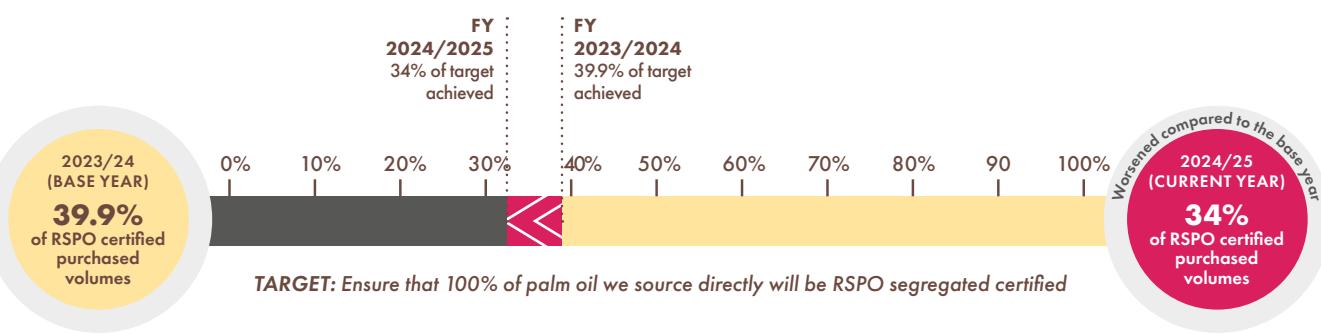


Raisins, a key ingredient for Bauli, are sourced primarily from Turkey. Most suppliers adopt traditional sun-drying methods that significantly reduce the energy footprint. These practices ensure optimal moisture levels and product quality, while minimizing environmental impact.

FOOD RAW MATERIALS USED BY THE GROUP (%)¹⁰

Metrics and Targets

Among the various raw materials used in the Group's production, **palm oil has been identified as the most critical from an environmental and social standpoint**. To address these issues, Bauli has set the target of ensuring that **100% of the palm oil directly sourced** by the Group is **RSPO Segregated certified by 2026**. This standard guarantees that the palm oil comes from verified, sustainable sources and is kept separate throughout the supply chain, thus ensuring environmental and social compliance. As of 2024/2025, the share of RSPO Segregated certified palm oil **stood at 34%**, marking a 6-percentage-point decrease compared to the baseline year. Although this setback reflects specific challenges faced during the year, the Group remains **committed to achieving its 2025/2026 target**, primarily through **recipe reformulations**.



In parallel with its responsible sourcing commitments, **Bauli has strengthened its monitoring systems to track** not only the volumes of raw materials purchased, but also **their associated carbon impact**. As part of its Scope 3 emissions accounting, the Group has calculated the **carbon footprint** of each major raw material category, enabling a more accurate understanding of the environmental pressure exerted by its supply chain.

This granular view allows the Group to **prioritize actions on the most impactful categories**, evaluate supplier performance, and set future improvement targets based on real environmental data. This approach represents a key step toward **embedding carbon intelligence** into procurement and production decisions.

¹⁰The scope of the data on total volume of materials used includes the production plants in Italy and the Indian plant. Excluded from the reporting boundary for material procurement data are Bauli France sales offices and Bauli Slovakia & Czech Republic, for which such consumption is not considered significant.

Responsible sourcing of ingredients

Key Impacts

Impact	Features	Related GRI	Target
Impacts generated by local procurement practices	+	A	GRI 414-1 New suppliers that were screened using social criteria
Negative environmental impacts related to suppliers	-	A	GRI 308-1 New suppliers that were screened using environmental criteria

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

The sourcing of raw materials plays a central role in shaping the environmental and social footprint of the Group. While local sourcing can generate positive impacts—such as supporting the local economy and reducing transport-related emissions—suppliers operating along extended and global value chains may be exposed to risks related to labor rights, occupational health and safety, and environmental practices. These risks may affect Bauli indirectly through its business relationships and the materials procured.

Policies

To manage the risks and opportunities associated with procurement, Bauli has implemented **internal guidelines (not formalized)** aimed at ensuring product safety, supplier reliability, and respect for sustainability principles. The supplier evaluation and qualification process include a rigorous approval system that verifies compliance with applicable legal requirements, product quality and safety standards. The company also promotes local sourcing when possible, recognizing the added environmental and social value of working with Italian and European suppliers.

Actions

To strengthen its approach to responsible sourcing, Bauli has implemented a structured process to verify, classify, and manage its suppliers, organized as follows:

Pre-qualification via an online platform, where suppliers are required to upload documentation on quality certifications, environmental and social standards.

- **Raw material qualification**, including checks on compliance with technical specifications and product certifications.
- **Auditing and testing**, with external audits for high-risk suppliers and targeted laboratory and industrial tests on incoming raw materials.
- **Continuous monitoring**, with bi-weekly analysis of supplier performance through quality indices. The incidence of non-conformities must remain below 0.9%; otherwise, corrective measures are triggered.
- **Annual supplier classification**, based on collected data, resulting in four categories: approved, conditionally approved, suspended, or excluded.

To further enhance transparency, Bauli has begun **mapping ESG impacts across its supply chain using the EcoVadis platform**. While participation is currently voluntary, the evaluation outcomes support a deeper understanding of supply chain risks and opportunities.

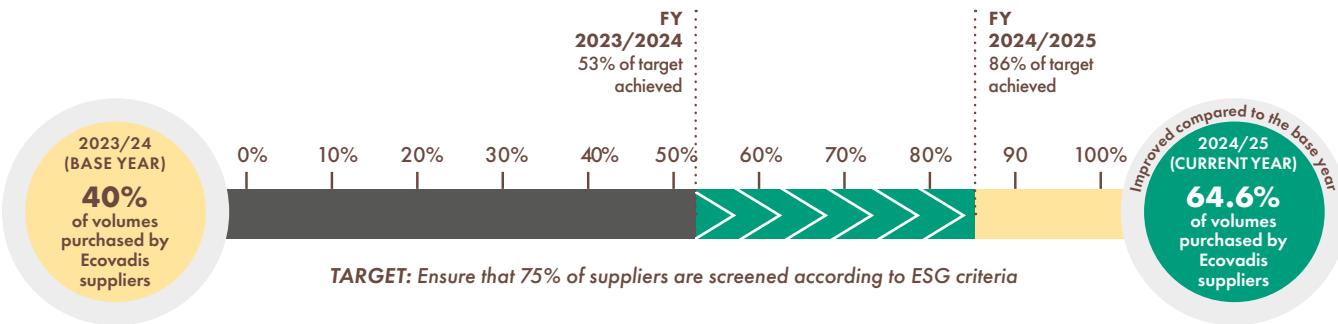


European Union Deforestation Regulation (EUDR)

Bauli initiated a structured path to align with the requirements of the European Union Deforestation Regulation (EUDR). A detailed mapping of raw materials falling under the regulation's scope was conducted, ensuring traceability of material flows and the related suppliers. Based on this analysis, Bauli will prepare to define an effective due diligence framework, including data traceability, structured risk assessment approaches, and clear governance tools to support full regulatory compliance.

Metrics and Targets

The Group has set a strategic target to **assess at least 75% of its total purchased volumes using ESG criteria**, reflecting a strong commitment to responsible sourcing and supply chain transparency. This evaluation covers key sustainability dimensions—including environmental performance, social practices, and governance structures—and is carried out through recognized assessment platforms such as EcoVadis.



In the 2023/2024 fiscal year, 40% of total purchased volumes were screened through EcoVadis. In **2024/2025**, this figure **rose significantly to 64.6%**, representing a 25-percentage-point increase compared to the previous year. This progress demonstrates Bauli's proactive engagement with suppliers on sustainability topics and its ongoing efforts to promote higher standards across the value chain. The Group will continue to invest in tools, processes, and supplier collaboration to reach the 75% target and drive continuous improvement in ESG performance.



7. **CLIMATE RESILIENCE**

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Focus on: Water & Biodiversity	78

Climate Resilience

Tackling climate change is a core priority for Bauli's long-term sustainability. The Group is committed to reducing its environmental footprint by improving energy efficiency, transitioning to renewable energy sources, and cutting greenhouse gas emissions across its operations and value chain. This chapter outlines Bauli's strategy for climate resilience through actions on energy, emissions, and water stewardship.

Material Topics	Impact	2030 Strategy				SDGs
		Target	Base Value/Year	2024-2025	Base Year Variation	
Energy Consumption, Emissions, and Climate Change	Energy consumption	Transition entirely to renewable electricity	83.2% 2021/22	81.8%	-1.7%	
	Generation of direct and indirect energy related GHG emissions (Scope 1 and 2)	Achieve a 69% reduction in Scope 1 and 2 emissions intensity (tCO ₂ e/Mln€)	83.0 tCO ₂ e/Mln€ 2021/22	66.7 tCO ₂ e/Mln€	+19.7%	 
	Generation of indirect GHG emissions (Scope 3)	Achieve a reduction in Scope 3 emissions intensity		To be defined		

Energy consumption

Key Impacts

Impact	Features	Related GRI	Target
Energy consumption	- A	GRI 302-1 Energy consumption within the organization GRI 302-3 Energy intensity	Transition entirely to renewable electricity

Legend: + Positive Impact / - Negative Impact **A** Actual Impact / **P** Potential Impact

Bauli is directly involved in the environmental impacts associated with energy consumption due to its operational activities. In particular, the use of non-renewable energy sources contributes significantly to greenhouse gas emissions and the depletion of finite natural resources.



Policies

The Group operates under an Integrated **Environmental and Safety Management System certified to ISO 14001¹¹**, aimed at preventing, monitoring, and reducing the environmental footprint of its operations. In 2023–2024, Bauli also implemented an Energy Management System compliant with **ISO 50001 at its main production site in Castel D'Azzano**, with plans to extend it to the San Martino Buon Albergo facility. These systems enable a structured approach to energy efficiency, allowing for tighter control of consumption and emissions. To ensure continuous improvement, Bauli has established an **Energy & Environment Committee** that meets monthly with plant engineers and technical teams to review performance data and define action plans for efficiency improvements.

Actions

As a major player in the food industry, Bauli is committed to contribute to the global climate agenda by focusing on three priority areas:

1. **Accurate monitoring of energy flows** and related greenhouse gas (GHG) emissions.
2. **Increase the share of renewable energy** in its energy mix.
3. **Improve the energy efficiency of processes**, facilities, and infrastructure.

The Group has implemented several key actions to reduce energy consumption across its production network:

- **Optimization of HVAC systems and energy automation:** replacement of air handling units (AHUs) with more energy-efficient models and installation of Enerbrain software in four units, to intelligently automate cooling in workplaces at the Castel D'Azzano plant. These actions directly help reduce energy use from heating, ventilation, and air conditioning systems and improve their operational efficiency.
- **Implementation of advanced energy monitoring systems:** deployment of comprehensive energy consumption meters on electrical panels across multiple production facilities, complemented by real-time energy tracking systems for production lines at key plants including Castel D'Azzano and San Martino Buon Albergo. These systems provide precise monitoring of electricity and gas use, enabling automated alerts when consumption exceeds nominal levels. In addition, selected motorized equipment has been fitted with inverters to allow for power modulation, enhancing operational efficiency and reducing overall energy consumption.
- **Upgrade and replacement of high-efficiency equipment and systems:** replacement of traditional lighting with LED technology at Castel D'Azzano, San Martino Buon Albergo, and Orsago plants; installation of new high-efficiency refrigeration systems at Castel D'Azzano and Romanengo; replacement of glycol water pumps, inverter-driven compressors, and new chillers to optimize energy use and reduce waste.
- **Structural interventions to improve energy efficiency:** roof refurbishment at the San Martino Buon Albergo plant to improve thermal insulation and optimization of heating systems, including the transition to a water-based heating system to increase energy efficiency of chocolate tanks at Castel D'Azzano.
- **Expansion of renewable energy production:** extension of photovoltaic systems at Castel D'Azzano and planning of a new installation at Romanengo, supported by a public grant linked to agri-voltaic initiatives, to increase the share of self-produced renewable energy.
- **Upgrade of heating plant burners (ongoing project):** Implementation phase of a project involving the installation of new burners equipped with modular devices in the heating plants, gradually replacing the previous dual-flame system.

In 2023-2024, Bauli also implemented an ISO 50001-compliant Energy Management System at its main production site in Castel D'Azzano, with the intention of extending it to the San Martino Buon Albergo plant.

¹¹The sites covered by the ISO 14001:2015 certification include: Castel D'Azzano (VR), San Martino Buon Albergo (VR), Romanengo (CR), and Orsago (TV).

Metrics and Targets

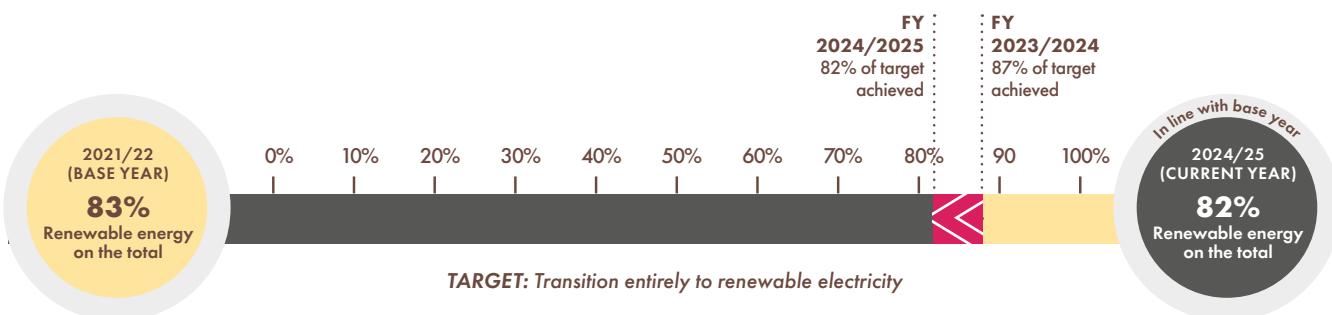
Energy use significantly affects both the environment and operational costs.

The reliance on fossil fuels increases GHG emissions and exposes the company to risks tied to energy market volatility. For this reason, energy transition is central to Bauli's sustainability strategy.

To address these impacts, the Group has set a target to transition **100% of its electricity supply to renewable sources**. This includes:

- Signing contracts for green electricity from certified providers.
- Expanding self-generation through solar energy.
- Monitoring and optimizing energy use across all sites.

As of FY 2024/2025, Bauli **sourced 82% of its electricity from renewable sources**—a figure slightly lower than the 83% recorded in FY 2021/2022. This variation is mainly due to the reactivation of the cogeneration plant at the Castel d'Azzano site, which reduced electricity withdrawals from the national grid—fully covered by **Guarantees of Origin (GO)**. At the same time, **electricity purchases from other subsidiaries** such as Altopascio and Baramati—**not covered by GO**—slightly increased, contributing to the overall reduction in certified renewable energy use.



4.4

MW¹²

**INSTALLED
PHOTOVOLTAIC
CAPACITY**

4
ITALIAN PLANTS
**PURCHASE 100%
OF THEIR ELECTRIC
ENERGY WITH
GUARANTEES OF
ORIGIN**

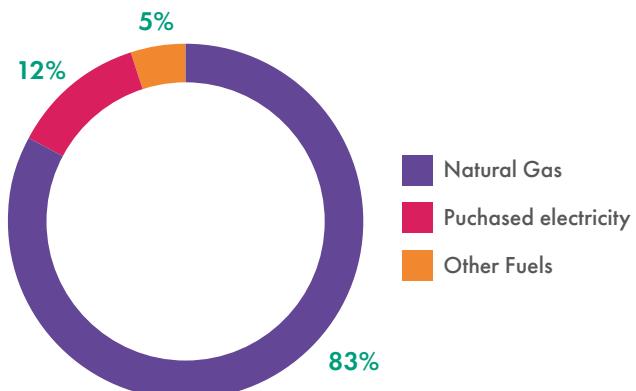
The **decrease in electricity purchases in Italy** was also driven by the **expansion of Bauli's photovoltaic capacity**, which allowed for greater self-production of renewable electricity. The Group operates **five solar plants** located in Castel D'Azzano, San Martino Buon Albergo, Orsago, Altopascio, and Baramati (India), producing a total of **12,822 GJ of clean energy** (**+58% from previous year**). Thanks to this progress, **11.3% of the Group's total energy consumption** in 2024/2025 was covered by renewable sources.

In terms of total energy use, **Bauli's consumption rose by 5%**, from 708,231 GJ to **744,360 GJ**. This increase was mainly driven by a **30% rise in natural gas consumption**, which reached **611,931 GJ** and remains the Group's **primary energy source**, used baking, cogeneration, and heating. In contrast, **electricity purchased from the grid fell by 23%**, reaching **90,250 GJ**, partly as a result of lower production volumes and the increased reliance on cogeneration and renewable self-production. Other fuels account for a marginal share of Bauli's energy mix. **Liquefied Petroleum Gas (LPG)**, used exclusively for heating at the Baramati (India) site, represents **3.6%** of for total energy consumption (26,766 GJ). **Transport fuels**, mainly **diesel and gasoline** for company vehicles and internal logistics, contribute an additional **0.7%** (5,145 GJ).

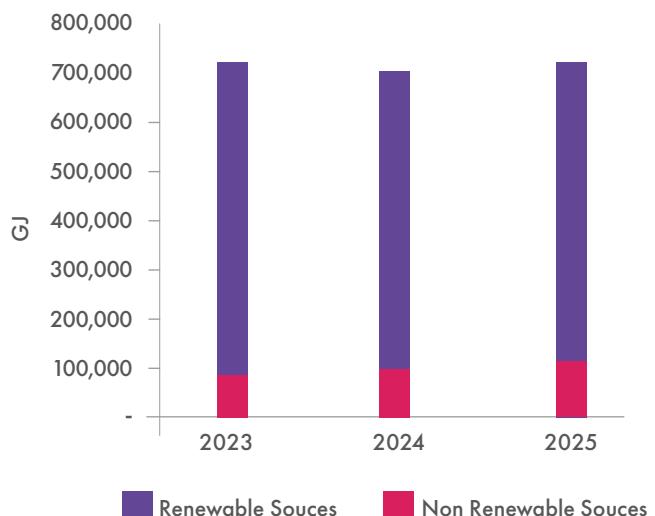
¹²The installed photovoltaic capacity shown in the figure on the right does not include the Romanengo plant, which is scheduled to become operational in December 2025.



BREAKDOWN OF ENERGY CONSUMPTION BY SOURCE (% OF TOTAL, AS OF 30 JUNE 2025)



ENERGY CONSUMPTION BY SOURCE AS OF 30 JUNE 2025 (GJ)

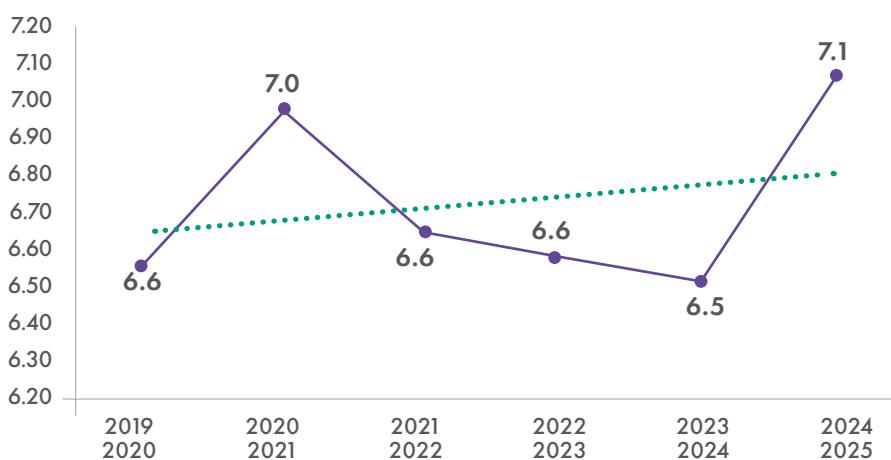


Energy intensity

Energy intensity is a crucial indicator that Bauli uses to assess the amount of energy consumed per ton of sold products. This metric provides insight into the company's energy efficiency, allowing for a meaningful **evaluation of energy use in relation to output**. By monitoring energy intensity over time, Bauli can better understand trends in consumption, identify areas for improvement, and measure the impact of energy-saving initiatives.

By monitoring energy intensity over time, Bauli can better understand trends in consumption, identify areas for improvement, and measure the impact of energy-saving initiatives.

ENERGY INTENSITY INDEX (GJ/TON)



Emissions reduction

Key Impacts

Impact	Features	Related GRI	Target
Generation of direct and indirect energy related GHG emissions (Scope 1 and 2)	- A	GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions GRI 305-4 GHG emissions intensity	Achieve a 69% reduction in Scope 1 and 2 emissions intensity
Generation of indirect GHG emissions (Scope 3)	- A	GRI 305-3 Other indirect (Scope 3) GHG emissions	Achieve a reduction in Scope 3 emissions intensity

Legend: + Positive Impact / - Negative Impact A Actual Impact / P Potential Impact

Bauli is directly involved in greenhouse gas (GHG) emissions primarily through the use of fossil fuels in its production processes, heating systems, and logistics activities. These emissions contribute to climate change, representing one of the most pressing global environmental challenges. The Group is also indirectly involved through emissions generated along the supply chain, such as those from raw material production and distribution. Reducing emissions is therefore essential to mitigate climate risks, comply with regulations, and respond to stakeholder expectations.

Policies

Bauli's climate action is framed within its ISO 14001-certified Environmental Management System¹³ and the ISO 50001 Energy Management System implemented at the Castel d'Azzano plant. These systems guide the Group in identifying, monitoring, and reducing its direct and indirect emissions. In addition, the Group measures its Scope 1, Scope 2, and Scope 3 emissions in alignment with the GHG Protocol to improve transparency and facilitate targeted reduction strategies. The Energy & Environment Committee plays a key role in defining action plans, setting priorities, and ensuring continuous improvement.

Actions

Bauli's strategy to reduce GHG emissions encompasses three key areas: internal efficiency, cleaner energy sourcing, and responsible supply chain management.

1. Scope 1 & 2: Operations and Energy Use

- **Cogeneration and trigeneration systems** installed at key plants to optimize energy efficiency and reduce fossil fuel dependency.
- **Fleet renewal and logistics optimization:** upgrading to Euro 6/LNG trucks and reducing empty mileage (– 39,200 km).
- **Switch to certified renewable electricity** and expansion of solar power capacity across five sites.

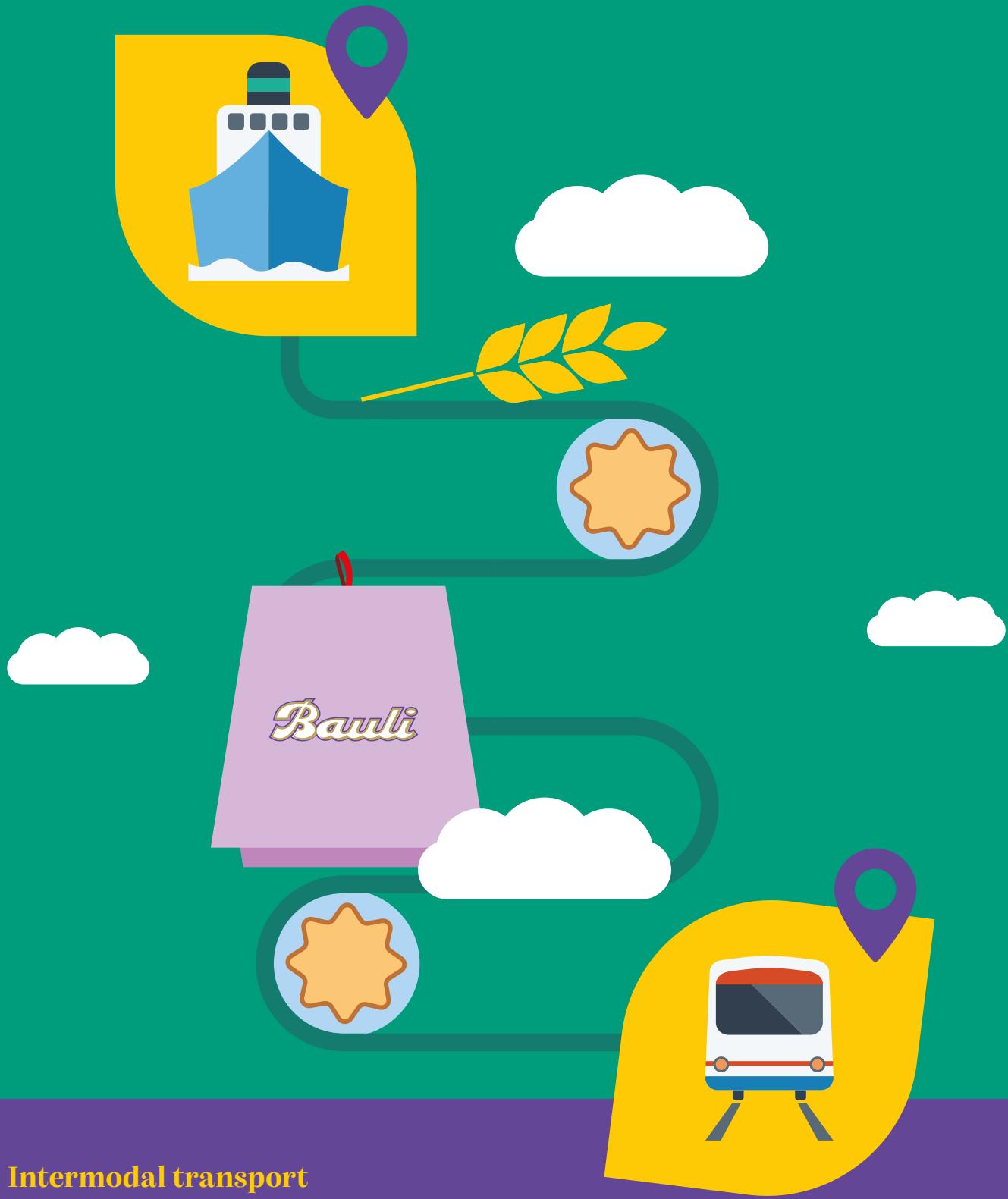
2. Scope 3: Supply Chain Emissions

- **First full Scope 3 inventory completed** in 2024, covering 9 out of 15 GHG Protocol categories.
- **Focus on key hotspots:** raw materials (ingredients and packaging) and upstream transport account for over 92% of total Scope 3 emissions.
- **Supplier engagement** via EcoVadis questionnaire.

3. Data, Digitalization & Monitoring

- **Green Router** software to track logistics emissions.
- Integration of **intensity indicators** in emission dashboards.
- Prioritization of decarbonization levers in product innovation and procurement strategies.

¹³The certification applies to the Italian sites in Castel D'Azzano, San Martino Buon Albergo, Orsago, and Romanengo.



Intermodal transport

Bauli S.p.A. directly manages its logistics operations for both raw materials and finished products, relying on a network of warehouses and transportation providers to ensure the efficient movement of goods from production sites to customers.

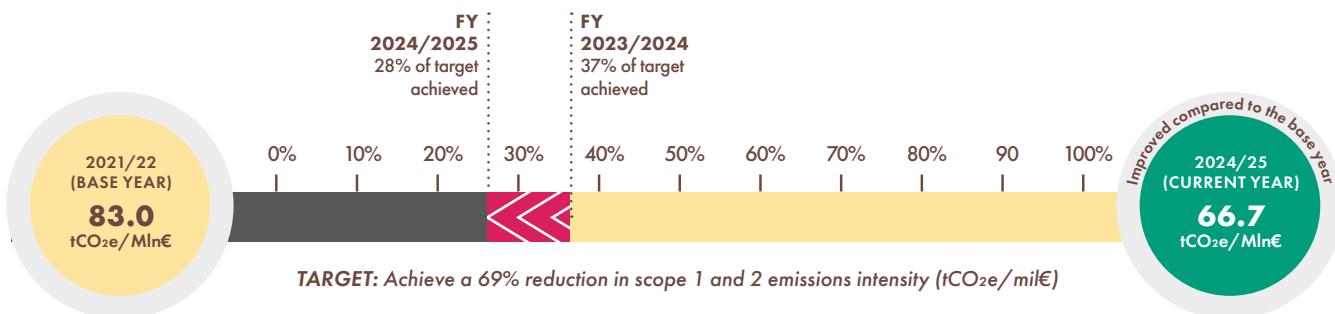
To monitor and optimize the environmental impact of its logistics, Bauli uses the Green Router software, which tracks the performance of its transportation fleet.

In FY 2024/2025, the company coordinated approximately 78,000 outbound shipments,

covering a total distance of 20 million kilometers and generating 16,380 tonnes of CO₂ emissions. Thanks to ongoing fleet upgrades and a greater reliance on intermodal transport, Bauli achieved a 12.6% reduction in emissions per kilometer compared to the previous year. It is worth noting, however, that rail and sea freight accounted for over 5% of the total distance traveled yet contributed only 1% of total transport-related emissions, highlighting their potential for further decarbonization of the logistics chain.

Metrics and target

Between the baseline year 2020/2021 and FY 2024/2025, the Group reduced its Scope 1 and 2 emissions intensity¹⁴ from **83.0 to 66.7 tCO₂e/Mln€**, achieving a **19.6% reduction**. This represents meaningful progress, although it remains below the **27.6% reduction expected** at this stage, based on a 1.5°C-aligned decarbonisation trajectory and in line with the requirements and methodologies of the **Science Based Targets initiative (SBTi)**.



33,060
tCO₂ e
SCOPE 1

42,125
tCO₂ e
SCOPE 1 + SCOPE 2
LOCATION BASED
EMISSIONS

35,882
tCO₂ e
SCOPE 1 + SCOPE
2 MARKET BASED
EMISSIONS

This deviation is primarily due to **shifts in the Group's energy mix** previously mentioned. The **reactivation of the cogeneration plant** at Castel d'Azzano led to a substantial increase in **natural gas consumption**, Bauli's primary source of direct (Scope 1) emissions. As a result, Scope 1 emissions rose to **33,060 tCO₂e**, up **10% from the previous year**.

At the same time, **electricity consumption from the grid**—classified as indirect (Scope 2) emissions—decreased due to both the cogeneration restart and the expansion of **on-site photovoltaic systems**. These efforts supported a reduction in Scope 2 emissions under the **Location-Based method**, which **fell by approximately 20% to 9,064 tCO₂e**.

However, under the **Market-Based method**, which accounts for the presence of **Guarantees of Origin (GO)**, Scope 2 emissions **increased slightly (+3%)**, from **2,743 to 2,822 tCO₂e**. This was mainly due to **higher electricity purchases** at the **Altopascio and Baramati plant**, where GO coverage is not yet fully in place.

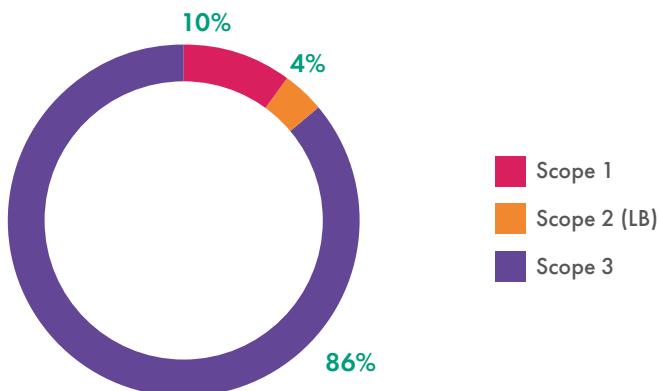
Despite these factors, Bauli remains firmly **committed to its emissions reduction targets** through continued investment in energy efficiency, the expansion of self-produced renewable energy, and the implementation of low-carbon technologies across its operations.

In FY 2024-2025, Bauli conducted its **first full Scope 3 emissions inventory**, establishing a robust baseline for monitoring and managing climate impacts across its value chain. The analysis, conducted in accordance with the **GHG Protocol – Corporate Value Chain Standard**, identified **9 applicable categories** and quantified total Scope 3 emissions at **246,141 tCO₂e**, equivalent to **86% of the Group's total carbon footprint**.

¹⁴All intensity-related data, including the baseline year, have been revised following the reclassification of the consolidated financial statements carried out in accordance with the OIC 34 accounting standard.



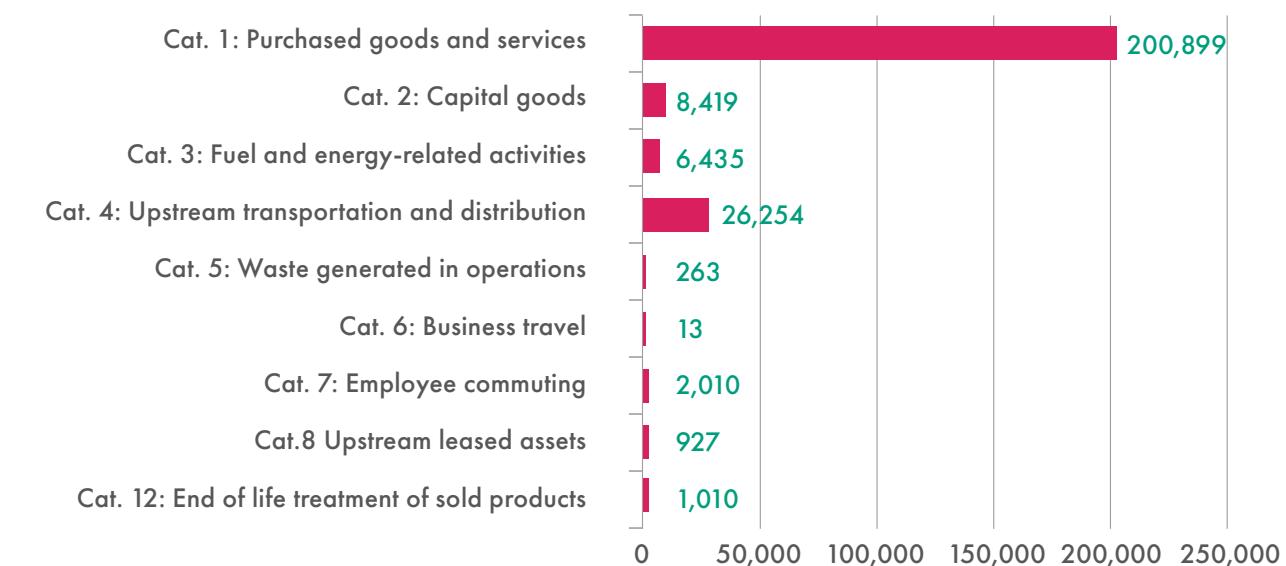
EMISSIONS INCIDENCE OF SCOPE 1, 2 (LB) & 3



Bauli remains firmly committed to its emissions reduction targets through continued investment in energy efficiency, the expansion of self-produced renewable energy, and the implementation of low-carbon technologies across its operations.

Following the completion of its first full Scope 3 assessment, Bauli has identified the **key drivers** of indirect emissions across the value chain. Among the 9 categories assessed, **two alone account for over 92%** of total Scope 3 emissions, underscoring their strategic importance for decarbonization efforts.

SHARE OF SCOPE 3 EMISSION CATEGORIES (%)

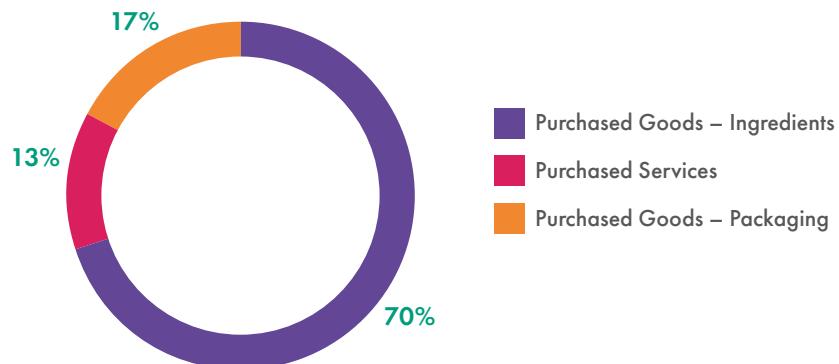




Category 1 - Purchased Goods and Services¹⁵

This category represents the largest share of Scope 3 emissions, totaling **200,899 tCO₂e**, or **81.6%** of the total. It includes emissions associated with the purchase of **ingredients**, packaging, and services. The most significant impact comes from ingredients, which alone account for **70.3% of Category 1 emissions**, followed by **primary packaging components**. This distribution highlights the central role of raw materials in Bauli's carbon footprint and reinforces the relevance of upstream engagement and eco-design.

EMISSIONS FROM CATEGORY 1 SUB-CATEGORIES



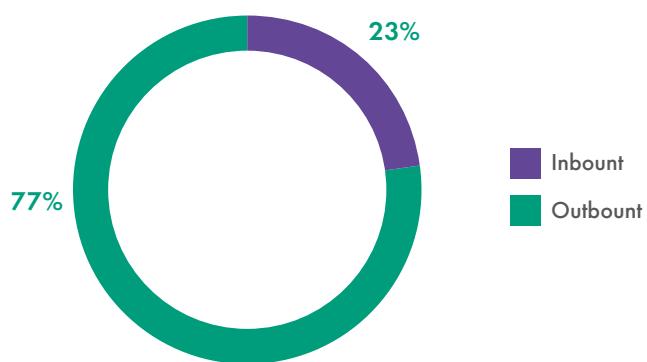
For further details, see the dedicated chapters: "Our Ingredients and Raw Materials" and "Sustainable Packaging Solutions".

Raw materials play a central role in Bauli's carbon footprint, reinforcing the importance of upstream engagement and eco-design.

Category 4 - Upstream Transportation and Distribution

This category contributes **26,254 tCO₂e**, equivalent to **10.7%** of Scope 3 emissions. The estimate was developed using the **distance-based method**, combining data on the mass of goods transported, the transport modes used, and travel distances, with emission factors from Ecoinvent 3.10.1. The analysis includes inbound and outbound logistics, supported by additional estimates from Green Router for Bauli S.p.A.'s national outbound transport.

EMISSIONS IMPACT OF INBOUND/OUTBOUND TRANSPORT



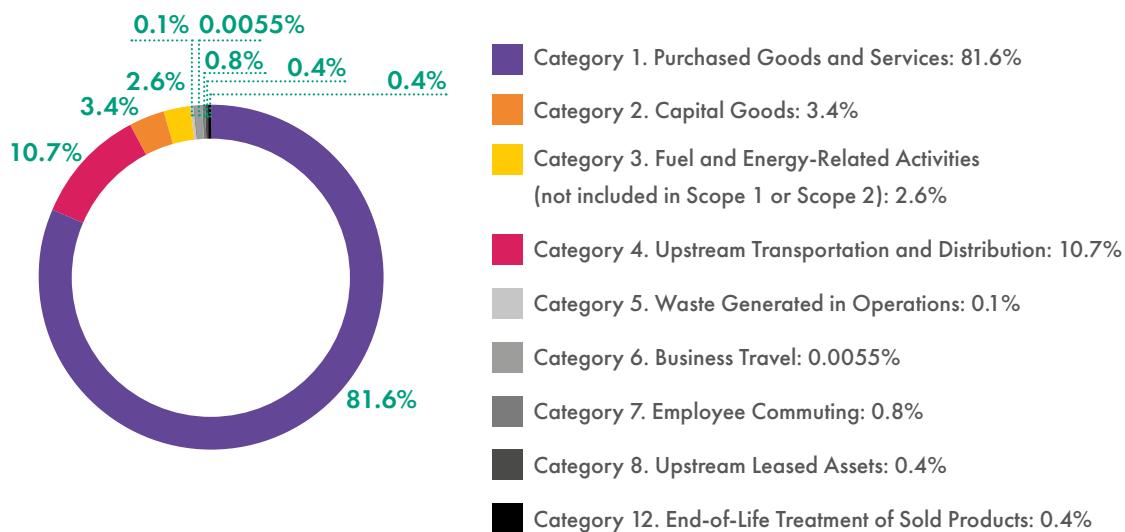
¹⁵In terms of calculation methodology:

- For ingredients and packaging, the average data method was applied. Emissions from ingredients were calculated based on the quantities purchased and corresponding emission factors sourced from Ecoinvent 3.10.1, Agri-footprint 5.0, and Agri-BALYSE 3.1.
- For packaging, the purchased quantities were converted into weight (kg) to apply the emission factors from Ecoinvent 3.10.1.
- For services, the spend-based method was used: the expenditure for each service category was mapped to the corresponding CEDA category and associated emission factor.



To further strengthen its climate strategy, Bauli is currently evaluating the introduction of a **Scope 3 emissions intensity KPI**, such as **tCO₂e per € million of revenue** or **tCO₂e per ton of product**. This metric would complement the existing Scope 1 and 2 intensity indicators, allowing the Group to monitor and manage its full carbon footprint in a more integrated and science-aligned way.

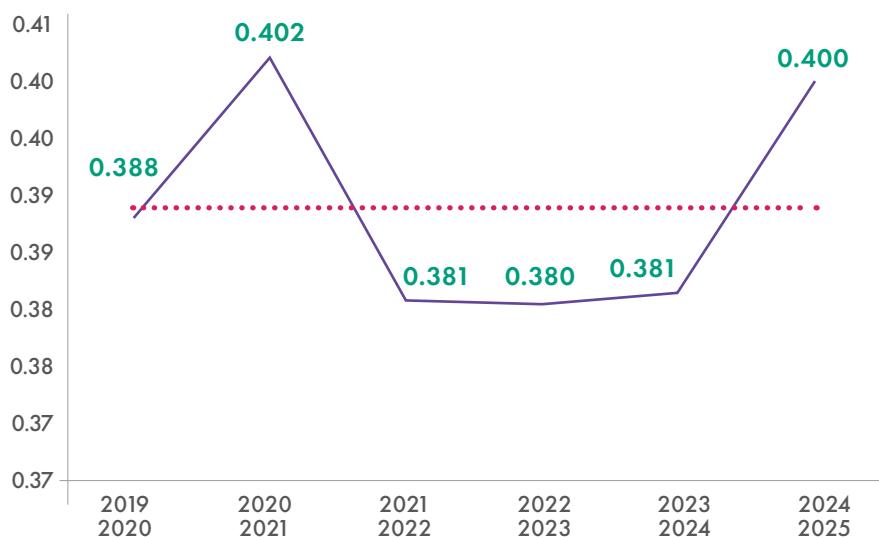
SCOPE 3 CATEGORIES - FY 23/24 (%)



EMISSION INTESITY

Emission intensity is a key indicator that Bauli uses to evaluate the amount of greenhouse gas emissions generated per ton of sold products. This metric offers a clear perspective on the company's environmental performance, linking emissions directly to production output. By tracking emission intensity over time, Bauli can monitor its environmental impact, assess the effectiveness of reduction measures, and support the definition of future sustainability strategies.

EMISSION INTENSITY INDEX (TCO₂/TON)



Focus on: Water & Biodiversity

Bauli is committed to promote responsible water use, a vital resource in its production processes. Water is used primarily for production, cleaning, irrigation, and steam generation to maintain ideal humidity levels in food environments. While most of the water is sourced from wells, some sites also draw from public aqueducts. All groundwater levels are continuously monitored to ensure long-term availability and to detect any anomalies.

327.9
megalitres

WATER
WITHDRAWN IN
FY 2024/25

197.8
megalitres

DISCHARGED
WATER IN FY
2024/25

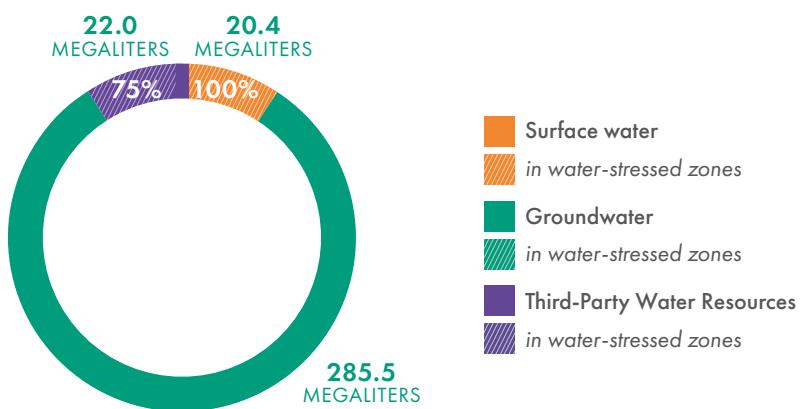
3.11
megalitres

-3% FROM
PREVIOUS FY

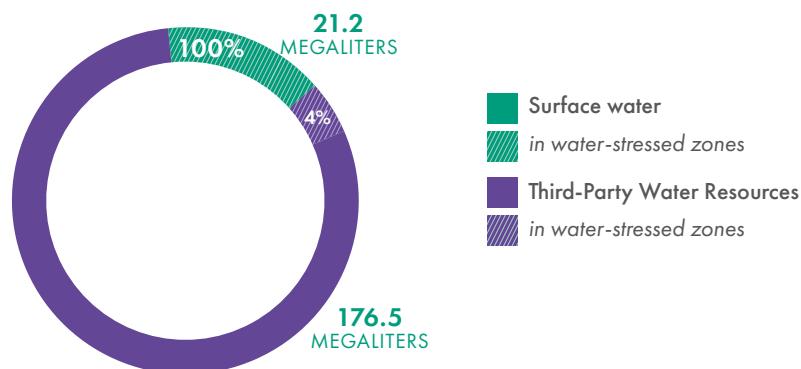
In 2024/2025, total water withdrawals amounted to **327.9 megalitres**, marking a **6% reduction** compared to the previous year. This variation is mainly attributable to the Indian plant, where previous overestimations were caused by water meter malfunctions. Of total withdrawals, **11% originated from water-stressed areas**, primarily due to the Indian site. To mitigate risks in these regions, Bauli is enhancing well monitoring and evaluating the potential integration with local aqueducts to secure water availability.

The Group also maintains rigorous oversight of wastewater discharge to ensure full compliance with environmental regulations. In 2024/2025, Bauli discharged a total of **197.8 megalitres**, with **11% released into surface water bodies**. All wastewater is treated at on-site purification systems before being released, with continuous upgrades underway to improve the **chemical oxygen demand (COD)** and overall water quality. Notably, the **Castel d'Azzano** site has introduced a **real-time digital monitoring system** for its water treatment plant, strengthening proactive water management.

WATER WITHDRAWALS BY SOURCE, 2024/2025 (MEGALITERS)



WATER DISCHARGE BY DESTINATION, 2024/2025 (MEGALITERS)



Assessment of Biodiversity Risks

In 2024/2025, Bauli conducted a **biodiversity proximity analysis** to assess the potential impact of its operations on nearby protected or ecologically sensitive areas. The analysis was based on geospatial data from Natura 2000, national and regional protected area registries, and the Protected Planet database (for the Indian site). Each production facility was evaluated based on its proximity to biodiversity-rich zones.

Key findings include:

- **Castel d'Azzano (VR)**: Located 5.2–6.9 km from several protected areas, including Povegliano Springs and the Adige River corridor.
- **San Martino Buon Albergo (VR)**: Situated 3.0 km from the Adige River site, with additional protected zones within a 10 km radius.
- **Orsago (TV)**: Just 1.3 km from the Meschio River area and up to 10.8 km from zones such as the Cansiglio Forest.
- **Guarene (CN)**: Located 3.1 km from the Tanaro River area and close to ecological sites like the S. Vittoria bat colonies.

- **Altopascio (LU)**: Positioned 1.8 km from Lake Sibolla and near other sensitive wetlands such as Lake Bientina and the Cerbaie reserve.

- **Romanengo (CR)**: In proximity (1.0 km) to the Naviglio of Melotta.

- **Baramati (India)**: No protected areas identified within significant proximity¹⁶.

Although none of the Group's plants are located within protected areas, Bauli remains vigilant in assessing potential indirect impacts. No negative effects have been identified to date. Through continuous monitoring of its operations and supply chain, the Group reinforces its commitment to biodiversity protection and environmental stewardship.

¹⁶Results are available at: <https://www.protectedplanet.net/country/IND>.

About this report

This document is the fourth edition of the Bauli Group Sustainability Report (referred to as "Group" or "Bauli") and aims to transparently communicate the Group's approach and performance in environmental, social, and economic sustainability during the 2024/2025 fiscal year (July 1, 2024 – June 30, 2025).

In order to enable the comparability of data over time and the assessment of the Group's business performance, a comparison with data for fiscal years 2023/2024 (July 1, 2023 to June 30, 2024) and 2022/2023 (July 1, 2022 to June 30, 2023) is also shown. To ensure the reliability of the data, the use of estimates has been limited as much as possible, and where they exist, they are appropriately reported in the document.

The Bauli Group Sustainability Report is prepared in accordance with the requirements of the 2021 update of the "GRI Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI). As required by the GRI Standards, the Bauli Group has identified sustainability topics deemed relevant through a Materiality Analysis, carried out in 2025 and described in the "Sustainability Approach" section of this document.

The reporting boundary of economic and social data and information is the same as that of the Bauli Group Consolidated Financial Statements as of 30 June 2025. With reference to environmental data and information, the reporting boundary includes the production sites of Castel d'Azzano (VR), San Martino Buon Albergo (VR), Orsago (TV), Guarone (CN) and Altopascio - ex Alpian S.r.l. (LU) for Bauli S.p.A., the production site of Romanengo (CR) for F.B.F. S.p.A, the Baramati (India) production site for Bauli Asia (Bauli India Bakes & Sweets Pvt Ltd.). Excluded

from the scope of environmental data and information are the Singapore site for Bauli Singapore Pvt. Ltd., the Marseille (France) office for Bauli France (Fête Latine S.a.S.), the Bratislava (Slovakia) office for Bauli Slovakia, the Czech Republic site (Max Sport S.r.o.), the London (UK) office for Bauli International Ltd, the New York (USA) office for Bauli USA Inc., the Calcutta (India) office for Bauli Bakes & Sweets Consulting Pvt Ltd and the company Immobiliare Gravon S.r.l., as they are considered not significant with respect to the environmental impacts considered. 1882 S.r.l. is excluded from the Bauli Group's reporting scope of social and environmental data due to its irrelevance in terms of impacts produced for the 2024/2025 financial year. Any other boundary limitation with respect to specific topics or indicators is made explicit in the report. During the 2024/2025 fiscal year (July 1, 2024 – June 30, 2025), the Group underwent a structural change with the merger of Alpian S.r.l., already under Group control, into Bauli S.p.A. on June 16, 2025 (effective July 1, 2025), and the acquisition of a majority stake in the company 1882 S.r.l. (Arzignano - VI) on May 13, 2025. During the financial year, the acquisition of a minority stake in Bauli Retails Srl for its 'Minuto di Bauli' business was also approved.

This document is prepared annually and was submitted for approval by the Board of Directors of Bauli S.p.A. on September 25th, 2025. The document is not subject to external assurance. For further information and suggestions regarding this Sustainability Report, you can write to comunicazione@bauli.it. The document is also available on Bauli's website: www.bauligroup.com.

Performance indicators

Economic responsibility

DISCLOSURE 201-1 Direct economic value generated and distributed¹⁷

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (€)

	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Directly generated economic value	543,412,671	528,286,637	550,848,607
Economic value retained	34,004,923	40,889,159	37,712,550
Distributed economic value: of which:	509,918,519	487,397,478	513,136,056
Operating costs reclassified	422,526,299	387,668,100	416,797,452
Staff Remuneration	79,286,237	83,037,510	87,170,763
Remuneration of financiers	3,445,027	4,828,048	5,302,567
Remuneration of Shareholders	1,965,100 ¹⁸	3,504,500	688,000
Public Administration Remuneration	1,881,207	6,918,687	1,637,533
Community remuneration	814,649	1,440,633	1,539,741

¹⁷The data for FY 2022/23 and FY 2023/24 are subject to revision following the reclassification of the consolidated financial statements carried out in application of the accounting standard OIC 34. The figure has been restated due to a transcription error identified in the previous report.

¹⁸The figure has been restated due to a transcription error identified in the previous report.



Social responsibility

DISCLOSURE 2-7 Employees

EMPLOYEES BY GENDER AND REGION (HEADCOUNT)

Region	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	504	568	1,072	511	585	1,096	500	598	1,098
India	145	8	153	160	8	168	157	8	165
France	1	7	8	2	6	8	2	6	8
Slovakia	13	15	28	14	19	33	19	19	38
USA	1	-	1	3	-	3	2	-	2
Singapore	1	-	1	1	-	1	-	-	-
Total Group's employee	665	598	1,263	691	618	1,309	680	631	1,311

EMPLOYEES BY CONTRACT TYPE (PERMANENT, TEMPORARY AND SEASONAL), GENDER AND REGION (HEADCOUNT)

Region	Type of contract	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	Permanent	483	543	1,026	500	557	1,057	491	575	1,066
	Temporary	15	21	36	10	27	37	7	18	25
	Seasonal	6	4	10	1	1	2	2	5	7
	Total	504	568	1,072	511	585	1,096	500	598	1,098
India	Permanent	145	8	153	160	8	168	157	8	165
	Temporary	-	-	-	-	-	-	-	-	-
	Seasonal	-	-	-	-	-	-	-	-	-
	Total	145	8	153	160	8	168¹⁹	157	8	165
France	Permanent	1	6	7	2	5	7	2	6	8
	Temporary	-	1	1	-	1	1	-	-	-
	Seasonal	-	-	-	-	-	-	-	-	-
	Total	1	7	8	2	6	8	2	6	8
Slovakia	Permanent	13	15	28	9	15	24	16	17	33
	Temporary	-	-	-	5	4	9	3	2	5
	Seasonal	-	-	-	-	-	-	-	-	-
	Total	13	15	28	14	19	33	19	19	38
USA	Permanent	1	-	1	3	-	3	2	-	2
	Temporary	-	-	-	-	-	-	-	-	-
	Seasonal	-	-	-	-	-	-	-	-	-
	Total	1	-	1	3	-	3	2	-	2
Singapore	Permanent	1	-	1	1	-	1	-	-	-
	Temporary	-	-	-	-	-	-	-	-	-
	Seasonal	-	-	-	-	-	-	-	-	-
	Total	1	-	1	1	-	1	-	-	-
Total Group's employee	Permanent	644	572	1,216	675	585	1,260	668	606	1,274
	Temporary	15	22	37	15	32	47	10	20	30
	Seasonal	6	4	10	1	1	2	2	5	7
	Total	665	598	1,263	691	618	1,309	680	631	1,311

EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME), GENDER AND GEOGRAPHIC AREA (HEADCOUNT)

Region	Type of contract	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	Full-time	497	491	988	507	507	1,014	497	521	1,018
	Part-time	7	77	84	4	78	82	3	77	80
	Part-time (%)	1.4%	13.6%	7.8%	0.8%	13.3%	7.5%	0.6%	12.9%	7.3%
	Total	504	568	1,072	511	585	1,096	500	598	1,098

¹⁹The figure has been restated due to a transcription error identified in the previous report.



EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME), GENDER AND GEOGRAPHIC AREA (HEADCOUNT)

Region	Type of contract	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
India	Full-time	145	8	153	160	8	168	157	8	165
	Part-time	-	-	-	-	-	-	-	-	-
	Part-time (%)	-	-	-	-	-	-	-	-	-
	Total	145	8	153	160	8	168	157	8	165
France	Full-time	1	5	6	2	6	8	2	5	7
	Part-time	-	2	2	-	-	-	-	1	1
	Part-time (%)	-	28.6%	25.0%	-	-	-	-	16.7%	12.5%
	Total	1	7	8	2	6	8	2	6	8
Slovakia	Full-time	13	15	28	14	18	32	19	18	37
	Part-time	-	-	-	-	1	1	-	1	1
	Part-time (%)	-	-	-	-	5.3%	3.0%	-	5.3%	2.6%
	Total	13	15	28	14	19	33	19	19	38
USA	Full-time	1	-	1	3	-	3	2	-	2
	Part-time	-	-	-	-	-	-	-	-	-
	Part-time (%)	-	-	-	-	-	-	-	-	-
	Total	1	-	1	3	-	3	2	-	2
Singapore	Full-time	1	-	1	1	-	1	-	-	-
	Part-time	-	-	-	-	-	-	-	-	-
	Part-time (%)	-	-	-	-	-	-	-	-	-
	Total	1	-	1	1	-	1	-	-	-
Total Group's employee	Full-time	658	519	1,177	687	539	1,226	677	552	1,229
	Part-time	7	79	86	4	79	83	3	79	82
	Part-time (%)	1.1%	13.2%	6.8%	0.6%	12.8%	6.3%	0.4%	12.5%	6.3%
	Total	665	598	1,263	691	618	1,309	680	631	1,311

DISCLOSURE 2-8 Workers who are not employees

WORKERS WHO ARE NOT EMPLOYEES BY GENDER AND PROFESSIONAL CATEGORY (HEADCOUNT)

Types	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Agency Workers	132	91	223	133	109	242	200	148	348
Interns/Trainees	2	3	5	9	13	22	4	9	13
Agents ²⁰	302	70	372	196	26	222	134	66	200
Total	436	164	600	338	148	486	338	223	561

²⁰The agent category includes sales agents, represented in particular by recurrence agents and continuous product agents. Self-employed workers have been included in this section as well.

**DISCLOSURE 405-1 Diversity of governance bodies and employees****EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER (%)**

Professional category	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	92.3%	7.7%	2.1%	78.8%	21.2%	2.5%	71.0%	29.0%	2.4%
Middle Managers	80.6%	19.4%	5.7%	80.0%	20.0%	6.5%	79.1%	20.9%	6.6%
White Collars	53.1%	46.9%	26.7%	51.6%	48.4%	28.6%	51.3%	48.7%	29.4%
Workers and Intermediates	48.8%	51.2%	65.6%	49.4%	50.6%	62.4%	48.5%	51.5%	61.6%
Total	52.7%	47.3%	100%	52.8%	47.2%	100%	51.9%	48.1%	100%

EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP (%)

Professional category	As of June 30 th , 2023				As of June 30 th , 2024				As of June 30 th , 2025			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	-	50.0%	50.0%	2.1%	-	42.4%	57.6%	2.5%	-	38.7%	61.3%	2.4%
Middle Managers	-	63.9%	36.1%	5.7%	-	65.9%	34.1%	6.5%	-	67.4%	32.6%	6.6%
White Collars	8.0%	62.7%	29.3%	26.8%	15.0%	57.0%	28.1%	28.6%	18.4%	56.2%	25.4%	29.4%
Workers and Intermediates	9.7%	48.2%	42.1%	65.5%	10.3%	46.0%	43.7%	62.4%	7.8%	46.5%	45.7%	61.6%
Total	8.5%	53.0%	38.5%	100%	10.7%	50.3%	39.0%	100%	10.2%	50.6%	39.2%	100%

EMPLOYEES BELONGING TO PROTECTED CATEGORIES BY PROFESSIONAL CATEGORY AND GENDER

Professional category	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	-	-	-	-	-	-	-	-	-
Middle Managers	-	-	-	-	-	-	-	-	-
White Collars	2	1	3	2	1	3	4	-	4
Workers and Intermediates	16	25	41	18	28	46	21	33	54
Total	18	26	44	20	29	49	25	33	58

COMPOSITION OF THE BOARD OF DIRECTORS BY GENDER AND AGE GROUP (%)

Gender	As of June 30 th , 2023				As of June 30 th , 2024				As of June 30 th , 2025			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	-	14.3%	71.4%	85.7%	-	12.5%	75.0%	87.5%	-	12.5%	75.0%	87.5%
Women	-	14.3%	-	14.3%	-	12.5%	-	12.5%	-	12.5%	-	12.5%
Total	-	28.6%	71.4%	100%	-	25.0%	75.0%	100%	-	25.0%	75.0%	100%



DISCLOSURE 401-1 New employee hires and employee turnover

NEW EMPLOYEE HIRES (HEADCOUNT)

Gender	As of June 30 th , 2023					As of June 30 th , 2024					As of June 30 th , 2025					
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	
Men	29	77	64	170	40	83	74	195	43	73	56	172				
Women	33	219	433	685	34	184	422	640	27	180	439	646				
Total	62	296	497	855	74	267	496	837	70	253	495	818				

TURNOVER (HEADCOUNT)

Gender	As of June 30 th , 2023					As of June 30 th , 2024					As of June 30 th , 2025					
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	
Men	38	66	78	182	27	67	78	172	35	71	77	183				
Women	36	227	436	699	18	166	432	616	15	172	453	640				
Total	74	293	514	881	45	233	510	788	50	243	530	823				

DISCLOSURE 404-1 Average hours of training per year per employee

TOTAL MANDATORY TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER

Professional category	As of June 30 th , 2025									
	Training Hours Men	N° of man	Hours per capita	Training Hours Women	N° of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita	
Executives	17	22	0.77	1	9	0.11	18	31	0.58	
Middle Managers	39	68	0.57	4	18	0.22	43	86	0.50	
White Collars	1,444	198	7.29	216	188	1.15	1,660	386	4.30	
Workers and Intermediates	4,914	392	12.54	1,385	416	3.33	6,299	808	7.80	
Total	6,414	680	9.43	1,606	631	2.54	8,019	1,311	6.12	
Professional category	As of June 30 th , 2024									
	Training Hours Men	N° of man	Hours per capita	Training Hours Women	N° of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita	
Executives	16	26	0.62	3	7	0.43	19	33	0.58	
Middle Managers	20	68	0.29	4	17	0.24	24	85	0.28	
White Collars	411	193	2.13	196	181	1.08	607	374	1.62	
Workers and Intermediates	2,019	404	5.00	1,491	413	3.61	3,509	817	4.29	
Total	2,466	691	3.57	1,694	618	2.74	4,159	1,309	3.18	
Professional category	As of June 30 th , 2023									
	Training Hours Men	N° of man	Hours per capita	Training Hours Women	N° of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita	
Executives	24	24	1.00	12	2	6.00	36	26	1.38	
Middle Managers	176	58	3.03	70	14	5.00	246	72	3.42	
White Collars	614	179	3.43	452	158	2.86	1,066	337	3.16	
Workers and Intermediates	3,033	404	7.51	2,149	424	5.07	5,181	828	6.26	
Total	3,846	665	5.78	2,683	598	4.49	6,529	1,263	5.17	



TOTAL HOURS OF NON-MANDATORY TRAINING BY PROFESSIONAL CATEGORY AND GENDER

As of June 30 th , 2025									
Professional category	Training Hours Men	Nº of man	Hours per capita	Training Hours Women	Nº of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita
Executives	1,241	22	56.41	309	9	34.33	1,550	31	50.00
Middle Managers	1,292	68	19.00	494	18	27.44	1,786	86	20.77
White Collars	3,949	198	19.94	5,123	188	27.25	9,072	386	23.50
Workers and Intermediates	3,873	392	9.88	1,336	416	3.21	5,208	808	6.45
Total	10,355	680	15.23	7,262	631	11.51	17,616	1,311	13.44
As of June 30 th , 2024									
Professional category	Training Hours Men	Nº of man	Hours per capita	Training Hours Women	Nº of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita
Executives	287	26	11.04	56	7	8.00	343	33	10.39
Middle Managers	692	68	10.18	240	17	14.09	932	85	10.96
White Collars	2,797	193	14.49	2,685	181	14.83	5,482	374	14.66
Workers and Intermediates	2,048	404	5.07	138	413	0.33	2,186	817	2.68
Total	5,824	691	8.43	3,119	618	5.05	8,942	1,309	6.83
As of June 30 th , 2023									
Professional category	Training Hours Men	Nº of man	Hours per capita	Training Hours Women	Nº of Women	Hours per capita	Total training Hours	Total employees	Total hours per capita
Executives	389	24	16.21	33	2	16.50	422	26	16.23
Middle Managers	1,123	58	19.36	234	14	16.71	1,357	72	18.85
White Collars	1,776	179	9.92	1,842	158	11.66	3,618	337	10.74
Workers and Intermediates	2,606	404	6.45	961	424	2.27	3,567	828	4.31
Total	5,894	665	8.86	3,070	598	5.13	8,964	1,263	7.10

DISCLOSURE 2-21 Annual total compensation ratio

ANNUAL TOTAL COMPENSATION RATIO²¹

Ratio	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Percentage change in total annual remuneration of the highest-paid person	188.5%	33.8%	0.0%
Percentage change in median value of annual total remuneration of all employees (excluding the highest paid person)	8.16%	0.32%	4.05%
Remuneration ratio	31.61	42.17	40.53
Ratio of annual percentage change	23.10	107.06	0.00

²¹The annual total remuneration includes the basic salary in the form of the annualized RAL as of 30 June, expected bonuses and the expected cash LTI. Overtime and other components related to non-structural pay factors are excluded.

DISCLOSURE 2-30 Collective Bargaining Agreements

PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

Total number of employees covered	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total number of employees	1,263	1,309	1,311
Number of employees with a collective labour agreement ²²	1,153	1,177	1,178
Total percentage	91%	90%	90%

DISCLOSURE 202-1 Ratios of standard entry level wage by gender compared to local minimum wage

RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE

	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Ratio	1.2	1.2	1.2

DISCLOSURE 403-9 Work-related injuries

WORK-RELATED INJURIES

Number of injuries	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total number of fatalities as a result of work-related injury	-	-	-
Total number of high-consequence work-related injuries (excluding fatalities) ²³	1	1	-
Total number of recordable work-related injuries	30	43	35
Hours worked	2,452,946	2,440,016	2,379,334

WORK-RELATED INJURIES RATES

Rates	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Rate of fatalities as a result of work-related injury	-	-	-
Rate of high-consequence work-related injuries (excluding fatalities) ²⁴	0.4	0.4	-
Rate of recordable work-related injuries	12.2	17.6	14.7

MAIN TYPES OF WORK-RELATED INJURIES

Types	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Contusion, injury, crushing	23	23	25
Fracture, anatomical loss, burn	2	7	3
Sprain, distraction stress injury	5	13	7

²²For Italian companies, employees are covered by: The National Collective Labor Agreement (CCNL) for Food Industry, CCNL for Executives of companies producing goods and services, CCNL for Bakery and Pastry Manufacturers, and the company collective agreements of various factories. For Bauli India a Long-Term Agreement is pursued to address workers' demands for improved working conditions and wages that help them cope with inflation, meet basic needs, and provide a decent living for their families. For employees not covered by a CBA, their working conditions are typically determined by the organization through policy and compensation benchmarking. For Bauli France all employees are covered by The Commerce De Gros. For Bauli Slovakia and Czech Republic, the employees are not subject to CBA. Nevertheless, the company diligently abides by labor laws, ensuring that employees' rights, including minimum wage, allotted leave days, and meal compensation during working hours, are fully upheld.

²³Work-related injuries that have resulted in an injury from which the worker cannot recover, does not recover, or it is unrealistic to expect him or her to recover fully by returning to the pre-accident state of health within 6 months.

²⁴Work-related injuries that have resulted in an injury from which the worker cannot recover, does not recover, or is not realistically expected to recover fully by returning to the pre-accident state of health within 6 months.



WORK-RELATED INJURIES – EXTERNAL WORKERS

Number of injuries	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total number of fatalities as a result of work-related injury	-	-	-
Total number of high-consequence work-related injuries (excluding fatalities)	-	-	-
Total number of recordable work-related injuries	4	9	9
Hours worked	147,253	209,089	352,349

WORK-RELATED INJURIES RATES – EXTERNAL WORKERS

Rates	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Rate of fatalities as a result of work-related injury	-	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-	-
Rate of recordable work-related injuries	27.2	43.0	25.5

MAIN TYPES OF WORK-RELATED INJURIES – EXTERNAL WORKERS

Types	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Contusion, injury, crushing	4	7	5
Fracture, anatomical loss, burn	-	1	1
Sprain, distraction stress injury	-	1	3

DISCLOSURE 403-10 Work-related ill health

WORK-RELATED ILL HEALTH

	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Number of cases	2	1	1
Of which number of deaths resulting from work-related ill health	-	-	-

DISCLOSURE 308-1 & 414-1 New suppliers that were screened using environmental and social criteria

NEW SUPPLIERS SCREENED

	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total active suppliers subject to preventive evaluation activities	203	204	232
New suppliers evaluated according to social criteria	41	38	48
New suppliers evaluated according to environmental criteria	39	37	48
% of new suppliers evaluated using social criteria	20%	19%	21%
% of new suppliers evaluated using environmental criteria	19%	18%	21%

Environmental responsibility²⁵

DISCLOSURE 301-1 Materials used by weight or volume

FOOD RAW MATERIALS (INGREDIENTS)

Type of consumption	U.o.m.	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Renewable materials²⁶				
Flour	ton	55,223	52,867	51,489
Sugar	ton	16,577	15,628	15,177
Butter	ton	4,043	3,923	4,142
Vegetable Fats	ton	12,198	12,092	10,906
Cocoa	ton	3,361	3,376	3,359
Dried fruits (sultanas, almonds and hazelnuts)	ton	2,534	2,108	2,219
Eggs	ton	10,079	9,342	9,584
Flavourings and food coagulants	ton	800	792	926
Other types of food raw materials	ton	705	526	323
Total food raw materials (Ingredients)	ton	105.519	100.653	98.125

PACKAGING AND OTHER MATERIALS

Type of consumption	U.o.m.	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Renewable materials²⁷				
Paper	ton	28,685	26,286	27,980
Non-renewable materials²⁸				
Plastic ²⁹	ton	4,381	4,171	3,993
Metal	ton	53	28	66
Others of non-renewable materials	ton	123	122	128
Total packaging and other Materials	ton	33.242	30.607	32.168
Total renewable materials	ton	134.205	126.939	126.105
Total non-renewable materials	ton	4,557	4,320	4,188

DISCLOSURE 301-2 Recycled input materials used

Type of consumption	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Paper	N/A	88%	84%
Plastic	N/A	0%	0%
Metals	N/A	42%	58%
Others of non-renewable materials	N/A	0%	0%
Total recycled materials	N/A	76%	73%

²⁵The reporting boundary for environmental metrics includes production sites only, excluding commercial offices whose impact is considered marginal and therefore not material.

²⁶Renewable materials refer to materials sourced from plentiful resources that naturally regenerate through ecological cycles or agricultural methods. This ensures that these resources and their associated benefits remain intact without any compromise, safeguarding their availability for future generations. The food raw material (ingredients) categories have been revised from last year to improve clarity. The underlying data are unchanged, only regrouped for greater transparency.

²⁷Renewable materials are material derived from abundant resources that are rapidly replenished through ecological cycles or agricultural processes so that the services provided by these and other related resources are not compromised and remain available for future generations.

²⁸Non-renewable materials refer to resources that do not regenerate in short periods of time. Examples of nonrenewable resources include minerals, metals, oil, gas, or coal.

²⁹Compared to last year's report, the plastic categories have now been consolidated into a single category.

**DISCLOSURE 302-1 Energy consumption within the organization****ENERGY CONSUMPTION³⁰**

Type of consumption	U.o.m.	As of June 30 th , 2023		As of June 30 th , 2024		As of June 30 th , 2025	
		Total	Total GJ	Total	Total GJ	Total	Total GJ
NON-RENEWABLE FUELS				634,941		585,426	
Natural Gas	Smc	15,253,006	611,558	13,737,415	552,785	15,055,966	611,931
of which from cogeneration plant	Smc	7,017,714	281,370	5,835,549	234,819	7,502,881	304,945
of which for other uses	Smc	8,235,292	330,188	7,901,866	317,966	7,553,085	306,986
Heating diesel	litres	2,902	111	5,331	206	2,021	78
LPG for heating	Smc	197,335	17,835	237,256	26,920 ³¹	235,891	26,766
Petrol for vehicles	litres	209	7	348	12	6,184	210
Diesel for vehicles	litres	143,603	5,431	143,277	5,422	128,233	4,851
HVO (alternative fuel for vehicles)	litres	-	-	2,245	80	2,358	84
ELECTRICITY		28,317,132	101,942	34,112,465	122,805	27,900,129	100,440
Purchased electricity	kWh	27,958,779	100,652	32,389,280	116,601	25,069,577	90,250
of which from non-renewable sources	kWh	4,445,146	16,003	4,252,534	15,309	4,560,760	16,419
of which from renewable sources	kWh	23,513,633	84,649	28,136,746	101,292	20,508,817	73,832
Self-produced electricity from photovoltaic plants	kWh	465,529	1,676	2,257,476	8,127	3,561,714	12,822
Self-produced electricity sold to the grid	kWh	107,176	386	534,292	1,923	731,162	2,632
Of which from renewable sources - produced by photovoltaic plants	kWh	94,260	339	509,864	1,836	703,214	2,532
from nonrenewable sources - produced by natural gas cogeneration and trigeneration plants	kWh	12,916	46	24,428	88	27,948	101
TOTAL CONSUMPTION							
Total energy consumption	GJ	736,883		708,231		744,360	
Renewable energy	GJ	85,986		107,584		84,122	
Non-Renewable energy	GJ	650,897		600,647		660,238	
Renewable energy out of total (%)	%	11.67%		15.19%		11.30%	

DISCLOSURE 302-3 Energy intensity³²**ENERGY INTENSITY**

	U.o.m.	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total energy consumption	GJ	736,803	708,177	744,360
Total volumes produced	ton	111,789	108,532	105,398
Energy intensity ratio	GJ/ton	6.591	6.525	7.062

³⁰To convert energy consumption into gigajoules (GJ), Bauli applied annually updated conversion factors and fuel density values in line with internationally recognized sources. For electricity and thermal energy, a constant factor of 0.0036 GJ per kWh was used. For fuels (including natural gas, diesel, LPG, gasoline, HVO, and CNG), conversion factors and densities were sourced from DEFRA 2023, 2024, and 2025 guidelines. Additionally, the density of LPG in kg/m³ was taken from the FIRE (Italian Federation for Rational use of Energy) Energy Manager Guidelines. The annual update of these parameters ensures consistent, transparent, and internationally aligned energy consumption calculations.

³¹The GJ figure for LPG consumption has been restated because of an update of the conversion factor to ensure greater accuracy and consistency.

³²The indicator is related only to the manufacturing Companies of Bauli Group; in particular, it includes Bauli S.p.A and Bauli India.

DISCLOSURE 305-1 Direct GHG emissions (Scope 1)³³
DISCLOSURE 305-2 Energy-indirect GHG emissions (Scope 2)
SCOPE 1 AND SCOPE 2 EMISSIONS (tCO₂E)³⁴

Emission sources	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
SCOPE 1	32,391	30,078	33,060
Natural gas	31,092	28,099	31,116
Gasoil for heating purposes	8	15	6
LPG for production	926	1,604	1,595
Gasoline for automotive use	-	1	15
Diesel for automotive use	365	360	329
HVO alternative fuel for automotive use	-	0.08	0.08
SCOPE 2			
Electricity - Location based	10,141	11,323	9,064
Electricity - Market based	2,852	2,743	2,822
TOTAL EMISSIONS (SCOPE 1 + SCOPE 2 - Location based)	42,532	41,401	42,125
TOTAL EMISSIONS (SCOPE 1 + SCOPE 2 - Market based)	35,243	32,821	35,882

DISCLOSURE 305-3 Other indirect (Scope 3) GHG emissions³⁵

Scope 3 categories	Emissions ³⁶ (tCO ₂ eq)	Methodology applied	Emission factors
As of June 30th, 2024			
Upstream			
1: Purchased goods and services	200,899	87% Average data method, 13% spend-based	Ecoinvent 3.10.1, Agrifootprint 5.0, AGRIBALYSE 3.1, CEDA 2024
2: Capital goods	8,419	100% Spend-based	CEDA 2024
3: Fuel and energy related activities	6,345	100% Average-data method	EALifeCycleUpstreamEmissionFactors2023-PilotEdition
4: Upstream transportation and distribution	26,254	100% Distance-based method	Ecoinvent 3.10.1
5: Waste generated in operations	263	100% Waste-type specific method	Ecoinvent 3.10.1
6: Business travel	13	100% Spend-based	CEDA 2024
7: Employee commuting	2,010	80% Distance-based method (survey), 20% Average-data method	Ecoinvent 3.10.1
8: Upstream leased assets	927	100% Average data method	AIB 2023; Terna 2019

³³For **Scope 1 emissions**, Bauli used fuel-specific emission factors published in the DEFRA (UK Department for Environment, Food & Rural Affairs) guidelines for the years 2023, 2024, and 2025. This includes natural gas, LPG, gasoline, diesel (gasoil), heating oil, and HVO (hydrotreated vegetable oil). All density and energy conversion values were applied in accordance with DEFRA and national technical standards (e.g., FIRE – Energy Manager Guidelines for LPG density).

³⁴The GRI Sustainability Reporting Standards provide two methodologies for calculating **Scope 2 emissions**: the “Location-based method” and the “Market-based method”. In accordance with these standards, Bauli applies both approaches.

The **Market-based method** reflects CO₂ emissions from electricity suppliers with which the organisation has contractual agreements, and is calculated considering supplier-specific emission factors, Guarantees of Origin (GO), and residual mix emission factors. For European countries, the reference source is the **AIB – European Residual Mixes 2024**. For India, which is not included in the AIB database, emission factors from the **CO₂ Baseline Database for the Indian Power Sector 2024** (Ministry of Power, Government of India) are used.

The **Location-based method** is based on average grid emission factors for defined geographical boundaries. The emission factor for Italy was sourced from **TERNA 2019 – International Comparisons**, while for other countries (India, Slovakia, France) the respective national datasets were used.

All Scope 2 emissions are expressed in tonnes of CO₂, as the contribution of methane (CH₄) and nitrous oxide (N₂O) is negligible in terms of total GHG emissions (tCO₂e), as evidenced by scientific literature.

³⁵The Scope 3 emissions inventory covers the entire Group.

³⁶The organization's business activities do not generate biogenic CO₂ emissions from the combustion or biodegradation of biomass. Only CO₂ emissions have been considered; other greenhouse gases such as CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃ are not included. Moreover, certain Scope 3 categories are reported as ‘Not applicable’ (N/A) because they are not relevant to the Group’s activities and business model.

**Downstream**

9: Downstream transportation and distribution	N/A		
10: Processing of sold products	N/A		
11: Use of sold products	N/A		
12: End of life treatment of sold products	1,010	100% Waste-type specific method	Ecoinvent 3.10.1
13: Downstream leased assets	N/A		
14: Franchises	N/A		
15: Investments	N/A		
Total Scope 3 Emissions	246,141		

DISCLOSURE 305-4 GHG emissions intensity³⁷

	Unit of measurement	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Total emissions (Scope 1 + Scope 2 - Location based)	tCO ₂ e	42,528	41,398	42,125
Total volumes produced	ton	111,789	108,532	105,398
GHG emissions intensity ratio (Scope 1 + Scope 2 - Location based)	tCO₂e/ton	0.380	0.381	0.400

DISCLOSURE 303-3 Water withdrawal³⁸

Water withdrawal ³⁹							
U.o.m.	As of June 30 th , 2023		As of June 30 th , 2024		As of June 30 th , 2025		
	All areas	Of which water-stressed areas	All areas	Of which water-stressed areas	All areas	Of which water-stressed areas	
Surface water	Megaliters	14.8	14.7	32.4	32.4	20.4	20.4
Groundwater	Megaliters	274.9	1.7	299.8	0.0	285.5	0.0
Third-party water	Megaliters	17.7	13.7	17.3	15.5	22.0	16.6
Total water withdrawal	Megaliters	307.3	30.2	349.5	47.9	327.9	37.0

DISCLOSURE 303-4 Water discharge⁴⁰

Water discharge							
U.o.m.	As of June 30 th , 2023		As of June 30 th , 2024		As of June 30 th , 2025		
	All areas	Of which water-stressed areas	All areas	Of which water-stressed areas	All areas	Of which water-stressed areas	
Surface water	Megaliters	17.9	17.9	19.7	19.7	21.2	21.2
Third-party water resources ⁴¹	Megaliters	155.7	5.1	179.8	6.1	176.5	6.9
Total water discharges	Megaliters	173.7	23.1	199.4	25.8	197.8	28.1

³⁷The indicator shows data related to the manufacturing Companies of Bauli Group; in particular, it includes Bauli S.p.A and Bauli India.^{38,40}All water withdrawals and discharges reported by the Group fall under the category of freshwater ($\leq 1,000 \text{ mg/L Total Dissolved Solids}$). No withdrawals or discharges of other water ($> 1,000 \text{ mg/L Total Dissolved Solids}$) occurred during the reporting period.³⁹Aqueduct, the World Resources Institute (WRI) online tool (<https://www.wri.org/our-work/project/aqueduct>), was used to identify areas subject to water stress. The analysis considered the "Baseline Water Stress" indicator, including all classes at or above the "Medium-High Risk" level.⁴¹The discharge data for the Altopascio plant were estimated based on the plant's withdrawal as it does not have any discharge reporting systems.



DISCLOSURE 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas⁴²

Operational sites in or adjacent to protected areas							
Geographic location	Address of the site	Type of operation	Size of the site (km2)	Protected area	Distance (km)	Biodiversity value	
Castel d'Azzano, VR	Via Verdi 31	Production	0.066	Povegliano Springs (SiteCode: IT3210008)	5.2		
				Adige River between Verona East and Badia Polesine (SiteCode: IT3210042)	6.9		
				Sguazzo di Rivalunga (SiteCode: IT3210019)	11.1		
				Palude del Feniletto - Sguazzo del Vallese (SiteCode: IT3210014)	11.9	Terrestrial, fresh water	
				Val Galina and Progno Borago (SiteCode: IT3210012)	10.9		
				Palude di Pellegrina (SiteCode: IT3210015)	15.8		
				Adige River between Belluno Veronese and West Verona (SiteCode: IT3210043)	9.3		
San Martino Buon Albergo, VR	Via Cà Nove, 3	Production	0.027	Adige River between Verona East and Badia Polesine (SiteCode: IT3210042)	3		
				Sguazzo di Rivalunga (SiteCode: IT3210019)	6.5		
				Palude del Feniletto - Sguazzo del Vallese (SiteCode: IT3210014)	9.5	Fresh water	
				Adige River between Belluno Veronese and West Verona (SiteCode: IT3210043)	12.8		
				Val Galina and Progno Borago (SiteCode: IT3210012)	9.8		
				Livenza river basin and lower course of the Monticano (SiteCode: IT3240029)	5.5		
				Meschio River (SiteCode: IT3240032)	1.3		
Orsago, TV	Via Pontebbana, 32	Production	0.027	Cansiglio Forest (SiteCode: IT3310006)	9.5	Terrestrial, fresh water	
				Cansiglio Forest (SiteCode: IT3230077)	10.8		
				Perdonanze and corso del Monticano (SiteCode: IT3240005)	9.5		
				Naviglio di Melotta (SiteCode: IT20A0002)	1		
				Cave Danesi (SiteCode: IT20A0018)	4.4		
				Palata Menasciutto (SiteCode: IT20A0003)	6.8		
				Lanche di Azzanello (SiteCode: IT20A0006)	12.0		
Romanengo, CR	Via degli Artigiani	Production	0.022	Isola Uccellanda (SiteCode: IT20A0008)	9.5	Terrestrial, fresh water	
				Scolmatore di Genivolta (SiteCode: IT20A0017)	9.0		
				Bosco della Marisca (SiteCode: IT20A0007)	7.0		
				Bosco di Barco (SiteCode: IT20A0009)	7.0		
				Barco (SiteCode: IT20A0019)	7.0		

⁴²All the Biodiversity value considered are characterized by listing of protected status from Natura 2000, the main instrument of the European Union's policy for the conservation of biodiversity. It is an ecological network spread across the entire territory of the Union, established in accordance with Directive 92/43/EEC "Habitat" to ensure the long-term maintenance of natural habitats and threatened or rare species of flora and fauna at the community level. The Natura 2000 network consists of Sites of Community Importance (SCI), identified by the Member States in accordance with the provisions of the Habitat Directive, which are subsequently designated as Special Areas of Conservation (SAC), and includes Special Protection Areas (SPA) established in accordance with Directive 2009/147/EC "Birds" concerning the conservation of wild birds. For the Indian facility the analysis was conducted using the WDPA (world database on protected areas) tool.



Operational sites in or adjacent to protected areas							
Geographic location	Address of the site	Type of operation	Size of the site (km2)	Protected area	Distance (km)	Biodiversity value	
Altopascio, LU	Via S. Pertini, 11	Production	0.008	Sibolla Lake (SiteCode: IT5120018)	1.8		
				Ex alveo del Lago di Bientina (SiteCode: IT5120101)	3.8		
				Cerbaie (SiteCode: IT5170003)	2.6		
				Padule di Fucecchio (SiteCode: IT5130007)	5.6		
				Bonifica della Gherardesca (SiteCode: IT5120105)	6.5		Fresh water
				Montefalcone (SiteCode: IT5170004)	6.5		
				Monte Pisano (SiteCode: IT5120019)	9.3		
Guarene, CN	Corso Asti n. 2	Production	0.004	Padule di Verciano, Prati alle Fontane e Padule delle Monache (SiteCode: IT5120020)	10.2		
				Tanaro River and Neive Ponds (SiteCode: IT1160054)	3.1		
				Colonie di chiotteri di S. Vittoria e Monticello d'Alba (SiteCode: IT1160029)	7.6		Fresh water
Baramati, Pune, India	G-146/1, Katphal Road, Maharashtra	Production	0.018	Boschi e Rocche del Roero (SiteCode: IT1160012)	11.5		
				The production site is not located close to protected areas	-	-	-

DISCLOSURE 306-3 Waste generated

WASTE GENERATED

Type of Waste	U.o.m.	As of June 30 th , 2023	As of June 30 th , 2024	As of June 30 th , 2025
Non-hazardous waste				
Paper and cardboard packaging	ton	2,386	2,544	2,697
Plastic packaging	ton	232	218	191
Mixed material packaging	ton	718	651	603
Sludge from on-site effluent treatment	ton	911	959	1,366
Food processing waste	ton	321	492	314
Other non-hazardous waste	ton	414	403	3,961
Total non-hazardous waste	ton	4,984	5,266	9,131
Hazardous waste				
Total hazardous waste	ton	9	15	8
Percentage hazardous of total	%	0.19%	0.29%	0.09%
TOTAL waste generated	ton	4,993	5,281	9,139

DISCLOSURE 306-4 & 306-5 Waste directed or diverted from disposal⁴³
WASTE DIRECTED OR DIVERTED FROM DISPOSAL

Type of Waste	U.o.m.	As of June 30 th , 2023		As of June 30 th , 2024		As of June 30 th , 2025	
		Waste diverted from disposal	Waste directed to disposal	Waste diverted from disposal	Waste directed to disposal	Waste diverted from disposal	Waste directed to disposal
Paper and cardboard packaging	ton	2,164	223	2,252	292	2,613	84
Plastic packaging	ton	166	66	147	71	174	18
Mixed material packaging	ton	656	62	609	41	579	24
Sludge from on-site effluent treatment	ton	911	-	959	-	1,366	-
Food processing waste	ton	103	218	220	272	83	231
Other non-hazardous waste	ton	358	56	267	136	577	3,384
Total non-hazardous waste	ton	4,358	626	4,455	812	5,391	3,740
Hazardous waste	ton	8	1	7	8	2	6
Total waste	ton	4,366	627	4,462	820	5,393	3,747

TOTAL WEIGHT OF WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATIONS⁴⁴

Recovery operations	Units of Measure-ments	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
		Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous Waste										
Preparation for reuse	ton	-	8	8	-	7	7	-	-	-
Recycle	ton	-	-	-	-	-	-	-	-	-
Other recovery operations	ton	-	-	-	-	-	-	-	-	2
Non-hazardous Waste										
Preparation for reuse	ton	-	1,613	1,613	-	2,254	2,254	-	928	928
Recycle	ton	-	2,745	2,745	-	2,201	2,201	-	1,825	1,825
Other recovery operations	ton	-	-	-	-	-	-	-	2,639	2,639
Total	ton	-	4,366	4,366	-	4,462	4,462	-	5,393	5,393

TOTAL WEIGHT OF WASTE DIRECTED TO DISPOSAL BY TYPE OF OPERATIONS⁴⁵

Recovery operations	U.o.m.	As of June 30 th , 2023			As of June 30 th , 2024			As of June 30 th , 2025		
		Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous Waste										
Preparation for disposal	ton	-	0.7	0.7	-	-	-	-	-	-
Landfill	ton	-	0.3	0.3	-	8	8	-	-	-
Other disposal operations	ton	-	-	-	-	-	-	-	6	6
Non-hazardous waste										
Preparation for disposal	ton	-	619	619	-	-	-	-	-	-
Landfill ⁴⁶	ton	-	7	7	-	812	812	-	3,740	3,740
Other disposal operations	ton	-	-	-	-	-	-	-	-	-
Total	ton	-	627	627	0	820	820	-	3,746	3,746

⁴³Total waste diverted or directed to disposal is classified according to the Legislative Decree 152/06, also for the non-italian sites.

⁴⁴Preparation for recovery refers to the storage of waste for subsequent treatment through one of the operations defined as Recovery Operation by the D.Lgs. 152/06, allegato C. It should be noted that energy recovery, although not prioritized over material recovery, has been indicated as necessary by European and national legislation for the implementation of a sustainable waste management system, as it saves fossil fuels and reduces the amount of waste to landfill and therefore is considered by law as a Recovery Operation.

⁴⁵Total waste directed to disposal is classified according to the Legislative Decree 152/06. Preparation for disposal refers to a preliminary grouping and reconditioning of waste for subsequent disposal through one of the operations defined as Disposal Operation by the D.Lgs. 152/06, annex B.

⁴⁶Following an analysis on disposal type, non-hazardous waste directed to disposal was placed in the Landfill category.



GRI CONTENT INDEX

Statement of use	The Bauli Group has prepared this Sustainability Report in accordance with GRI Standards for the period from 1 July 2024 to 30 June 2025
GRI 1	GRI 1: Foundation (2021)
GRI Sector Standard	N/A

GRI Standard	Disclosure	Page	Reason for omissions
GENERAL DISCLOSURES			
	2-1 Organizational details	8-10	
	2-2 Entities included in the organization's sustainability reporting	80	
	2-3 Reporting period, frequency and contact point	80	
	2-4 Restatements of information	80	
	2-5 External assurance	80	
	2-6 Activities, value chain and other business relationships	8-12	
	2-7 Employees	46-47, 81	
	2-8 Workers who are not employees	46-47, 81	
	2-9 Governance structure and composition	14-16	
	2-10 Nomination and selection of the highest governance body	15-16	
	2-11 Chair of the highest governance body	15	
	2-12 Role of the highest governance body in overseeing the management of impacts	16, 21	
	2-13 Delegation of responsibility for managing impacts	16	
	2-14 Role of the highest governance body in sustainability reporting	16	
	2-15 Conflicts of interest	16	
	2-16 Communication of critical concerns	17-18	
	2-17 Collective knowledge of the highest governance body	16, 20-23	
	2-18 Evaluation of the performance of the highest governance body	20-23	
	2-19 Remuneration policies	16	
	2-20 Process to determine remuneration	16	
	2-21 Annual total compensation ratio	85	
	2-22 Statement on sustainable development strategy	4-5	
	2-23 Policy commitments	16-18	
	2-24 Embedding policy commitments	16-18	
	2-25 Processes to remediate negative impacts	18, 20-24	
	2-26 Mechanisms for seeking advice and raising concerns	17-18	
	2-27 Compliance with laws and regulations	During the 2024/2025 financial year, no significant fines or penalties were recorded for non-compliance with laws and regulations.	
	2-28 Membership associations	The parent company Bauli S.p.A. is a member of Confindustria.	
	2-29 Approach to stakeholder engagement	22	
	2-30 Collective bargaining agreements	86	

GRI Standard	Disclosure	Page	Reason for omissions
MATERIAL TOPICS			
GRI 3: Material topics (2021)	3-1 Process to determine material topics 3-2 List of material topics	20-23 21	
Tematica materiale: ETHICS, BUSINESS INTEGRITY AND ANTI-CORRUPTION			
GRI 3: Material topics (2021)	3-3 Management of material topics	16-17	
	205-1 Operations assessed for risks related to corruption	18	
GRI 205: Anti-corruption (2016)	205-2 Communication and training about anti-corruption policies and procedures	17	
	205-3 Confirmed incidents of corruption and actions taken		During the financial year 2024/2025, there were no cases of corruption and/or reports of such.
GRI 206: Anti-competitive Behavior (2016)	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		During the financial year 2024/2025, there were no legal actions pending or completed regarding anti-competitive behavior and violations of anti-trust and monopoly.
GRI 407: Freedom of Association and Collective Bargaining (2016)	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		As of 2024/2025 no operations or suppliers were precisely identified to pose a risk to the freedom of association and collective bargaining.
GRI 408: Child Labor (2016)	408-1 Operations and suppliers at significant risk for incidents of child labor		As of 2024/2025 no operations or suppliers were precisely identified to be at risk of child labor.
GRI 409: Forced or Compulsory Labor (2016)	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		As of 2024/2025 no operations or suppliers were precisely identified to be at risk of forced labor.
GRI 418: Customer Privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		During the financial year 2024/2025, there were no cases of data breach incidents.
Material topic: ECONOMIC PERFORMANCE			
GRI 3: Material topics (2021)	3-3 Management of material topics	18-19	
GRI 201: Economic performance (2016)	201-1 Direct economic value generated and distributed	18-19, 80	
Material topic: CONSUMER PROTECTION AND FOOD SAFETY			
GRI 3: Material topics (2021)	3-3 Management of material topics	27-34	
	416-1 Assessment of the health and safety impacts of product and service categories		During the financial year 2024/2025, 100% of significant product and service categories were carefully assessed to ensure adequate hygiene and food safety guarantees to its customers.
GRI 416: Customer Health and Safety (2016)	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		During the financial year 2024/2025, there was one case of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services. However, it didn't result in any sanction.

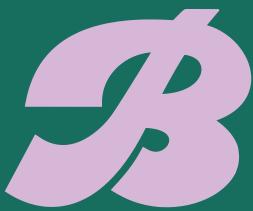


GRI Standard	Disclosure	Page	Reason for omissions
Material topic: ENERGY CONSUMPTION, EMISSIONS AND CLIMATE CHANGE			
GRI 3: Material topics (2021)	3-3 Management of material topics	68-78	
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	68-71, 89	
	302-3 Energy intensity	71, 89	
	305-1 Direct (Scope 1) GHG emissions	72-74, 90	
GRI 305: Emissions (2016)	305-2 Energy indirect (Scope 2) GHG emissions	72-74, 90	
	305-3 Other indirect (Scope 3) GHG emissions	75-77, 90-91	
	305-4 GHG emissions intensity	77, 91	
Material topic: WASTE MANAGEMENT AND CIRCULAR ECONOMY			
GRI 3: Material topics (2021)	3-3 Management of material topics	38-41	
	306-1 Waste generation and significant waste-related impacts	38-42	
GRI 306: Waste (2020)	306-2 Management of significant waste-related impacts	38-42	
	306-3 Waste generated	40, 93	
	306-4 Waste diverted from disposal	41, 94	
	306-5 Waste directed to disposal	41, 94	
Material topic: SUSTAINABLE PACKAGING			
GRI 3: Material topics (2021)	3-3 Management of material topics	42-43	
GRI 301: Materials (2016)	301-1 - Materials used by weight or volume	42-43, 62-63, 88	
	301-2 Recycled input materials used	42-43, 88	
Material topic: HEALTH AND SAFETY OF WORKERS			
GRI 3: Material topics (2021)	3-3 Management of material topics	50	
	403-1 Occupational health and safety management system	50-51	
	403-2 Hazard identification, risk assessment, and incident investigation	50-51	
	403-3 Occupational health services	50-51	
GRI 403: Occupational Health and Safety (2018)	403-4 Worker participation, consultation, and communication on occupational health and safety	50-51	
	403-5 Worker training on occupational health and safety	50-51, 53	
	403-6 Promotion of worker health	50-51	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50-51	
	403-9 Work-related injuries	41, 86-87	
	403-10 Work-related ill health	87	

GRI Standard	Disclosure	Page	Reason for omissions
Material topic: DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES			
GRI 3: Material topics (2021)	3-3 Management of material topics	46-49	
GRI 405: Diversity and Equal Opportunities (2016)	405-1 Diversity of governance bodies and employees	47-49, 83	
GRI 406: Non-discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken		During the financial year 2024/2025, there were no incidents of discrimination within the company.
Material topic: TRAINING, DEVELOPMENT AND WELFARE OF WORKERS			
GRI 3: Material topics (2021)	3-3 Management of material topics	52, 57	
GRI 202: Market Presence (2016)	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	47-49, 86	
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	54-56, 84 54-56	
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	52-53, 84-85	
Material topic: RESPONSIBLE SUPPLY CHAIN MANAGEMENT			
GRI 3: Material topics (2021)	3-3 Management of material topics	60-61, 64	
GRI 308: Supplier Environmental Assessment (2016)	308-1 New suppliers that were screened using environmental criteria	64-65	
GRI 414: Supplier Social Assessment (2016)	414-1 New suppliers that were screened using social criteria	64-65	



GRI Standard	Disclosure	Page	Reason for omissions
Material topic: QUALITY AND REPLACEMENT OF RAW MATERIALS			
GRI 3: Material topics (2021)	3-3 Management of material topics	61-62	
GRI 301: Materials (2016)	301-1 - Materials used by weight or volume	61-63	
GRI 304: Biodiversity (2016)	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	79, 92-93	
	304-2 - Significant impacts of activities, products, and services on biodiversity	79, 92-93	The indicator is only covered for point a.
Material topic: RESPONSIBLE MARKETING AND COMMUNICATION			
GRI 3: Material topics (2021)	3-3 Management of material topics	33	
GRI 417: Marketing and Labeling (2016)	417-2 Incidents of non-compliance concerning product and service information and labeling	In FY 2024/2025 one issue has emerged related to product labelling. However, it was swiftly solved without resulting in sanctions.	
	417-3 Incidents of non-compliance concerning marketing communications	For the period 2024/2025 no incidents of non-compliance concerning marketing communications have emerged.	
Material topic: PROPER NUTRITION AND CONSUMER WELL-BEING			
GRI 3: Material topics (2021)	3-3 Management of material topics	12, 29	
Material topic: PROCESS AND PRODUCT INNOVATION, R&D			
GRI 3: Material topics (2021)	3-3 Management of material topics	30-32	
Non-Material topic: WATER			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	78, 91	
	303-4 Water discharge	79, 91	



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