



Our blend for the future

2023 SUSTAINABILITY REPORT





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Our blend for the future

2023 SUSTAINABILITY REPORT



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Letter to Stakeholders

Letter from the President

I am pleased to be able to share with you the new Cimbali Group Sustainability Report, details of the path taken so far, and the new challenges that ever changing and complex scenarios pose to Cimbali Group.

In the context in which we operate, it is imperative for companies to ensure full awareness of the impact of their activities on both the environment and society as a whole; the Corporate Sustainability Reporting Directive (CSRD) represents a fundamental step in this direction, requiring companies to report and communicate their ESG information in a transparent and measurable manner.

Cimbali Group has an overwhelming desire to meet these challenges head on. Today we can say that the values of sustainability are becoming an increasingly integral part of our activities and business processes.

With the ultimate aim of preventing negative impact while generating positive effects on the economy, the environment and people, we have identified, following a detailed materiality analysis, the issues which are considered as priorities and which have formed our strategy, which are embodied in the three strategic pillars:

Ethics & Governance of sustainability, Cimbali Group People & Culture, Sustainability of the Value Chain.

I am eager to emphasise the centrality and importance of the people of Cimbali Group, our most precious resource. For them we have developed a “People Policy”, the fundamental principles that guide our activities: involvement, motivation and development, diversity, equal opportunities and inclusion and quality of corporate life.

Another fundamental commitment is the assessment of the environmental impact of Cimbali Group products through Life Cycle Assessment (LCA) studies, an essential framework from which to draw indications for designing and developing products in line with the EU targets of the circular economy and responsible waste management.

Furthermore, aware of the importance of a daily commitment aimed at

EU climate change goals, this year we have undertaken an in-depth analysis of our scope 1 and 2 GHG emissions, with the aim of creating a complete and accurate inventory. Compared with the previous year, the scope has sought to include all of the Groups companies in order to have an overall vision, a prerequisite for defining precise emissions reduction targets that can guide the implementation of increasingly effective mitigation strategies.

My most sincere thanks go to everyone, collaborators, employees, partners, suppliers and customers, for their joint efforts, sense of responsibility and of course passion.

Challenging projects await us, but by committing ourselves daily and working together to achieve the goal of sustainable growth, I am sure that Cimbali Group will be able to generate value for the environment, the territory and the communities within.

Maurizio Cimbali
President of Cimbali Group

Highlights 2023



12
countries in which
the Group is present



5
production sites
in the world



€244 mln
Turnover



€25.3 mln
EBITDA



40,763 GJ
Total Group energy
consumption¹



54%
Percentage of
renewable energy



2,814 tCO₂e
Total Group Emissions
(Scope 1 + Scope 2)¹



95%
+10% vs. 2022
products subjected to
recyclability analysis²



50%
products subjected
to LCA analysis³



823
Group employees
(+17 vs 2022)⁴



29%
female employees out
of total employees
(+2% vs. 2022)



37%
women hired
(+7% vs 2022)



~ 10,500
hours of employee
training



~ 6,000
MUMAC
visitors



~ 4,535
people trained by
MUMAC Academy

1. The scope includes Cimbali SpA and all the Group's subsidiaries.
2. Analysis of the percentage of recyclability and recycled content of the products (Slayer products are excluded).
3. Slayer products are excluded.
4. Headcount as of 31 December 2023 employed directly by the Company.

Group profile

Cimbali Group is an Italian multinational company operating within the hospitality market segment (Ho.Re.Ca.) specialised in the design and production of professional espresso coffee machines and equipment dedicated to coffee shops/cafeteria.

+110
years of history

200
coffee machines
produced daily

The company has symbolised passion, tradition and a unique coffee culture since 1912, consistently striving to deliver innovative solutions and attention to detail with a particular focus on impact driven design. With excess of 110 years of history and heritage, the Group today includes the La Cimbali, Faema, Slayer, Casadio, and Keber brands and operates through four production factories in Italy with a further factory in the United States.

The core of Cimbali Group's production activity is concentrated within Italy, in the three factories of Binasco (Milan), Ghisalba (Bergamo) and Cappella Cantone (Cremona), which together produce in excess of 200 coffee machines daily, each of which embodies the design and passion of the "Made in Italy" culture. Since 2017, with the acquisition of the American brand Slayer, Cimbali Group has incorporated a fourth production plant in Renton, in the United States. While in 2019, the Group incorporated Keber, a company based in Dolo (Venice), specializing in the design and production of grinders for

brands operating within the Italian and international coffee sector.

The Group's devotion to propagating a worldwide espresso coffee culture, as well as its commitment to promoting the territory, has been fulfilled with the establishment: in 2012 of MUMAC - Museo della Macchina per Caffè, the first and largest permanent exhibition dedicated entirely to the history, heritage, and culture of the Made in Italy sector; in 2014 of MUMAC Academy, the Group's coffee machine academy, a training and research centre; and in 2016 of MUMAC Library, a historical coffee library, recognised at the level of the National Library System for the specific theme and the importance of the volumes contained within.

A Group whose people put their skills and experience at the service of the company each and every day, communicate and interact, research and experiment with solutions, create products to offer a superior quality coffee experience to professionals and coffee consumers alike.

The world of Cimbali Group: Vision and Mission

THE INNOVATION THAT LOOKS TO THE FUTURE: FROM “GRUPPO CIMBALI” TO CIMBALI GROUP

After more than a century with a history and heritage centred on passion, tradition and coffee culture in the world of baristas and coffee lovers, in 2023 the company presents itself to the market as **Cimbali Group**, a new corporate name that better expresses the identity of a company that has evolved over time with an ever-continuing commitment to innovation, in both its products and services, and to environmental and social sustainability.

An evolution that also takes the form of a new visual identity: a completely revisited logo.

The new Cimbali Group logo incorporates a design which is deemed essential, almost neutral, but rich in

both meaning and value. A simple design that encompasses the very essence of the Group: a union of knowledge and expertise, cohesion, passion, unity and valorisation of its people.

Cimbali Group considers simplicity to be the ultimate representation of refinement. In this sense, the simplicity of the new Cimbali Group logo, captures the Group's vision and targets. Not a meaningless aesthetic restyling exercise, but a new strategic approach, a new prospective that will help the Group reach new goals and objectives with the help and involvement of all stakeholders.

Two concentric circles that represent the initials of the Group, but above all,

an embrace, which unites people in full inclusiveness and collaboration, which ignites, enhances and triggers the talents and uniqueness of each person. A universal sign, the circle, which symbolizes the Group's desire to embrace and welcome new ideas, new stimuli and new collaborations.

A powerful and fundamental change of direction that represents the determination to face future challenges together, in a stimulating, welcoming and inclusive environment. A future where collaboration between different skill sets and knowledge will be increasingly fundamental, capable of leading to tangible goals in respect of people, the environment and the world we live in.



ROCK YOU PROFILE

At this time of transformation through re-branding, Cimballi Group has focused its attention on the **professional development** and **involvement of all employees**, emphasising their role as the first and foremost ambassadors of the company, brands, solutions and products. Two key initiatives characterised the year:

- the presentation of **the new logo** and **new visual identity**, symbol of the Group's vision of inspiring those who work, consume, love and live with coffee;
- participation in **HOST 2023**, a meeting platform aimed at demonstrating Cimballi Group's ability to innovate and build complete systems and connected service solutions on a daily basis to improve the complete coffee experience.

Cimballi Group has organised a workshop aimed at providing the tools, skills and know-

ledge needed to successfully represent the company on LinkedIn, the main professional social network, to further encourage employees to be ambassadors.

The workshop, entitled "**ROCK YOU PROFILE**", created in collaboration with LinkedIn trainers, offers participants the opportunity to enhance their online profiles, with a kit and useful tools to strengthen the identity of Cimballi Group.

The workshop explores the importance of an authentic online presence and communication consistent with the company experience, behaviours and leadership model. This allows employees to actively contribute to the **employee advocacy** program, improving their individual professional image and strengthening the visibility and overall success of the company.



VISION

Solutions that inspire those who work, consume, love and live coffee.

MISSION

We innovate each day to build complete systems and connected solutions for the very best coffee service and consumption experience, at home, at work, on the go, in your free time, with efficient and sustainable processes.



FROM PRODUCT TO SERVICE: AN INTEGRATED APPROACH TO BUSINESS

The new vision of **Cimbali Group** places people’s needs at the centre of its business model, also focusing on the service that a professional or coffee lover purchases when choosing one of Cimbali Group’s products.

The Group guarantees a diversified portfolio of solutions for the ‘core’ segments – **Roasters, Bars and Hotellerie** – and for the new segmen-

ts **Chains, Office Coffee Service (OCS) and Home**.

In order to meet the needs of various market segments, Cimbali Group offers a wide range of espresso machines (traditional and super-automatic), grinder-dosers, digital services and accessories, thus providing customers with specific and complete solutions for professionals and enthu-

siasts alike.

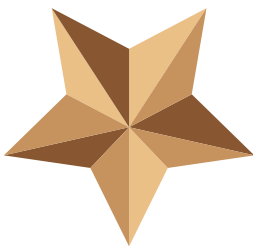
The products belonging to the Group’s brands are recognised for their highly technical performance and distinctive design together with digital services that facilitate the daily work of baristas, support professionals in the development of their business or simply help to guide domestic consumers using our coffee machines at home or the office.



CERTIFICATIONS OBTAINED BY CIMBALI GROUP

The plants of Cimbali Group SpA, Casadio HBS Srl and Ciden Srl have obtained important certifications. In 2023, **UNI ISO 9001** relating to quality assurance and **UNI ISO 45001** relating to health and safety at work were confirmed.

The Group also boasts the **UNI ISO 14001** certification for the environmental management system, confirming its attention to sustainability topics. Furthermore, the parent company has undertaken a path to obtain the **UNI/Pdr 125** certification on gender equality.



ECOVADIS RATING FOR CIMBALI GROUP

Cimbali Group recognizes the importance of evaluating its sustainability performance while providing third parties with the opportunity to recognize the company’s commitment and evolution in this regard. In March 2023, **Cimbali Group obtained the “Silver” rating from EcoVadis**, one of the most important international sustainability rating platforms. The EcoVadis rating is based on 21

criteria grouped into 4 main themes: environment, protection of workers and human rights, ethics, and sustainable procurement.

By positioning itself in the top 15%, Cimbali Group has confirmed its commitment to ESG topics, demonstrating its desire to continually improve the Group’s performance within the coming years.

ECONOMIC VALUE GENERATED AND DISTRIBUTED

2023 reported a return to normality in all commercial markets following the cessation of restrictions related to the COVID-19 pandemic period.

€ 244 mln
2023 Turnover

The Group continued a linear upward market trend of its business, previously witnessed through 2022. The domestic market recorded a turnover of € 41.4 million in 2023, up 9.31% on the previous year and the incidence of its turnover on the total is 16.93%. The foreign market recorded a turnover of € 203.4 million in 2023, up 11.98% on the previous year and the incidence of its turnover on the total is 83.07%.

The Production Value at 31 December 2023 amounted to € 251.8 million, an increase of 7.35% compared to the previous year (€ 234.6 million).

EBITDA at 31 December 2023 amounted to € 25.3 million, an increase of 1.5% compared to the previous year (€ 22 million).

Economic value distributed for Cimballi Group in 2023



0.2% _____ € 0.9 mln
Investors



1.8% _____ € 4.3 mln
Public Administration



25% _____ € 56.5 mln
People



73% _____ € 166.8 mln
Suppliers

Economic Value Generated _____
Economic Value Distributed _____
Economic Value Retained _____

€ 252.1 mln
€ 228.7 mln
€ 23.3 mln

Cimbali Group in the World

TARGET MARKETS AND BRANDS

Cimbali Group is specialised in the design and production of professional espresso coffee machines and equipment dedicated to coffee shops, both for professional use (main share of the business) and for the domestic coffee consumer.

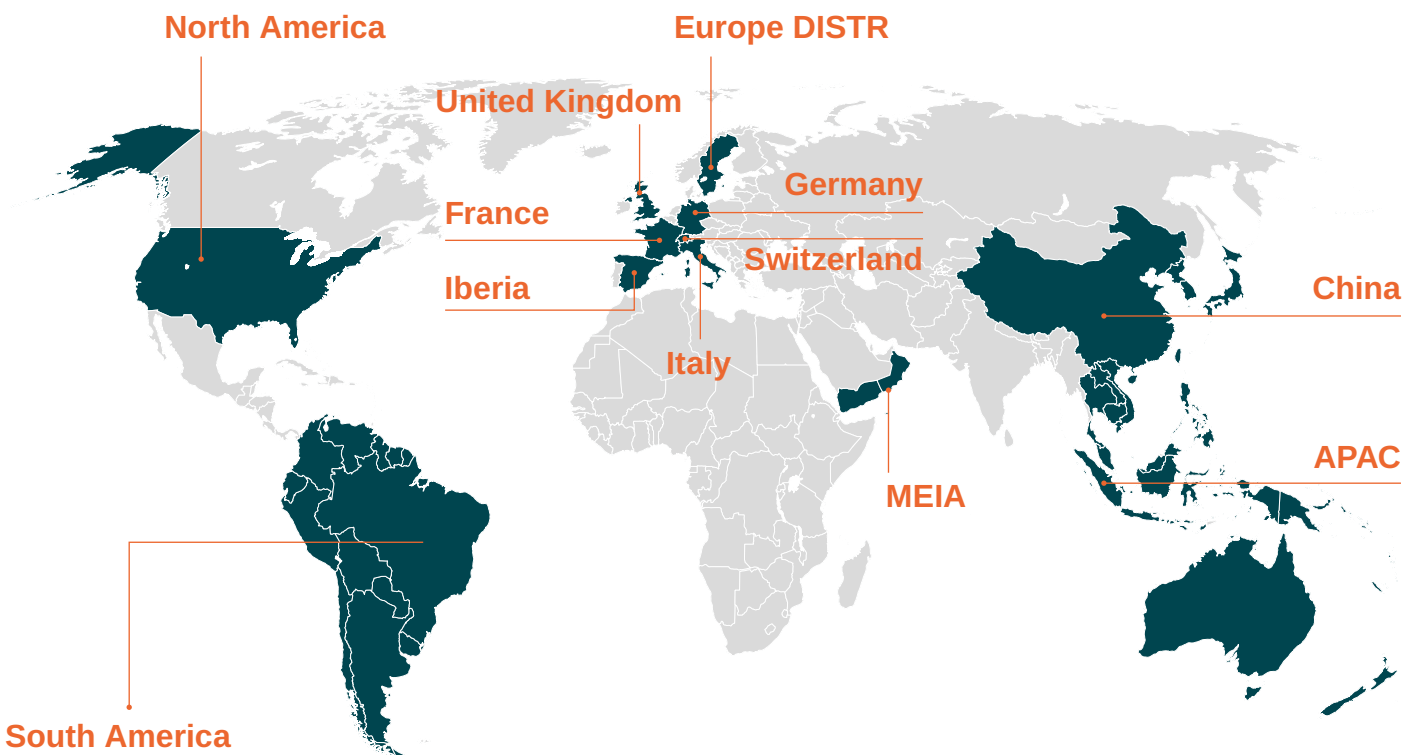
The company operates **5 production plants** and has an extensive after-sales service network that uses its **own commercial branches and third-party distributors**. The Group trades products in all main geographical territories, the Italian market represents 16.93% of consolidated turnover, while the rest of the

world accounts for 83.07% of turnover, supported by **13 branches** and **over 700 distributors**.

Among the main regions in which the Group operates, the Asia Pacific and Middle East areas stand out (for significant growth within the last year). Further in line with market trends, the

traditional machines sector represents the majority share of turnover, with the **super-automatic machine** sector recording growth however greater business opportunity for the Group is apparent. Finally, the **grinder-dosers** sector represents a marginal share with growth potential for the coming years.

The image below shows the main markets served by Cimbali Group.



GROUP BRANDS



Cimbali Group

is among the main manufacturers of professional machines for coffee and milk-based drinks and of equipment dedicated to the cafeteria.



La Cimbali

guaranteeing elegance, Italian style and perfection of quality espresso coffee. Each technology and innovative solution of the La Cimbali brand is designed to enhance and improve the performance of the product, becoming one with the professional so as to simplify every action and activity to always obtain the highest quality Italian coffee experience.



Faema

iconic brand in the espresso coffee machine sector, characterised by unique design and innovation. Faema is technology at the service of the barista: in its renewed concept, the Faema brand becomes an “Art Machine” for the pleasure of experimenting, giving professionals the opportunity to express themselves and their art of preparing coffee in a special relationship with the machine and the customer.



Slayer

has been manufacturing high-end specialty coffee machines in Seattle for over 15 years. The brand is strongly oriented towards enhancing quality in the cup and wants to create a connection with the community of baristas, roasters and coffee lovers. Thanks to the innate drive towards innovation, Slayer differentiates itself in a real world, tangible way, allowing baristas to obtain the best result in the cup.



Casadio

born in Bologna in 1950, in the heart of the Italian mechanical engineering district; it carries the city's symbol of Neptune's trident featured in the famous fifteenth-century fountain. With over 70 years of experience, it has become a brand that continues to be chosen for its reliability and authenticity. Thanks to the recent rebranding, Casadio has a modern and attractive identity. Casadio machines are designed to be customised based around the intended destination or location so as to become one with the environment in which they are housed, in perfect harmony with every scenario.



Keber

for over 30 years, Keber has been designing, developing and producing professional steel grinders for the main players within the coffee market, from producers to parts dealers, up to distributors and roasters. Driven by a passion for authentic craftsmanship and the continuous search for innovative solutions, the brand continues to be chosen thanks to the cutting-edge technological content of its products, a broad portfolio, and for its ability to tailor product development, based on the customer's specific needs and requirements.



MUMAC

born in 2012 on the occasion of the centenary of the foundation of the company, the museum, thanks to the Cimballi and Maltoni collections, is the most important permanent exhibition dedicated to the history, heritage and culture of professional espresso coffee machines worldwide. It displays not only products of the Group's main brands, but of all those brands that have contributed to the icon that is Made in Italy. With the Library and the Historical Archive contained within, it represents a powerful and significant cultural heritage asset for the Group.



MUMAC Academy

is the Cimballi Group training centre for professionals and coffee lovers alike. A home for the promotion of coffee culture and a trend setter since its establishment in 2014.





CIMBALI GROUP'S COMMITMENT TO SUSTAINABILITY

Our blend for the Future

Sustainability has become intrinsic to our day to day working culture, an essential part of our mindset, productivity and planning. The Cimbali Group blend for the future is enriched with new ingredients and aromas that underpin this working method.

Our horizon of responsibility is broadening: taking into account the impact throughout the value chain; placing people and our commitment to ensuring an ever-sustainable culture at the centre; identifying and upholding a governance model that ensures total compliance with ESG topics at all levels.

They are the pillars of a far-stretching, aspirational strategy, with challenging objectives that must be achieved with well-defined steps, monitoring every evolution, a perfect blend, perfected each and every day.

Dialogue with stakeholders

Throughout its value chain, Cimbali Group encourages proactive stakeholder engagement: building highly communicative, robust relationships with its interlocutors is essential to ensure long-term value creation and to achieve sustainability goals.

Stakeholder engagement is essential to the Group's conduct and overall awareness, ensuring that sustainable business practices are maintained.

Building a continuous and open communication channel gives the Group the opportunity to:

- Exchange information, anticipate new trends and mitigate risk;
- Better understand the impact and expectations of our stakeholders to properly manage their expectations;
- Adopt high quality, informed sustainability strategies and plans for the company;
- Establish a trustworthy relationship

in order to open up new opportunities for cooperation's ensuring benefit to both parties.

Cimbali Group fundamentally believes in the importance of stakeholder involvement, with this awareness, attentive listening and understanding, consultation and information initiatives have been conducted.



- **Listening** to fully understand the needs, expectations and concerns of stakeholders in order to build relationships of trust and transparency. Through listening attentively, it is possible to evaluate the positive and continuous long-term impact of the Group's actions;



- **Consultation** means asking for opinions, feedback or input on a number of crucial business issues or decisions. This interaction becomes fundamental for the assessment of key impacts;



- **Information** means maintaining open and transparent communication, through sustainability reporting, press releases, websites, social media, webinars and periodic meetings we ensure that information is accessible and understandable to all stakeholders.

Below detailed are the principal activities that Cimballi Group has launched through 2023 in order to consolidate an active dialogue with its stakeholders.

Stakeholder Category	Engagement Activities	Stakeholders Engaged
Employees	Periodic compliance meetings detailing all relevant sustainability topics	Management - Global Sustainability Champion - Local Sustainability Champion
	Sustainability strategy and governance Presentation	All employees
	Involvement in both assessing and prioritising all significant impact points to be detailed within the sustainability report	Top management
	Collection of information to be reported via the sustainability report	Global Sustainability Champion - Local Sustainability Champion
	Periodic compliance meetings detailing projects of greatest relevance to the company (Management Committee)	Management
	Performance appraisals as a tool to compare and share feedback between managers and employees (Move Up)	All employees
	Employee surveys encompassing specific topics as a tool to continuously listen to our collaborators (Speak Up!)	Employees who have an impact as individual contributors or managers within company functions
	Bidirectional exchange of knowledge and skills between individual company roles (Mentorship Program)	All employees engaged in the activity
	Participation for new hires in a training and cultural path ("Welcome to Cimballi")	New hires
	Participation in socially responsible initiatives (i.e. Safety Race and Corsa Rosa)	Employees interested in participating in said activity
	Participation in prevention initiatives (i.e. flu vaccination campaign)	Employees interested in participating in said activity
	Support in collecting product feedback	All employees engaged in the activity
	Integration into the company's corporate culture via historical heritage records	All employees engaged in the activity
Involvement in initiatives and events organised at the company museum	Employees invited with pre-emption	

Stakeholder Category	Engagement Activities	Stakeholders Engaged
Clients	Listening to the requests and requirements perceived within the market	Main clients
	Support in assessing and prioritising all significant impacts to be reported within the sustainability report	
	Sharing company performance on sustainability topics via the EcoVadis platform	
	Integration into corporate culture via the company's historical heritage initiative and involvement in events organised at the company museum	Clients engaged in guided tours and in ad hoc events
Suppliers	Support in assessing and prioritising all significant impacts to be reported within the sustainability report	32 suppliers (70% of purchase value)
	Support in assessing the level of maturity of sustainability topics through the SYNESGY platform	15 suppliers (27% relevant suppliers ⁵)
	Engagement and sharing of sustainability strategy	45 suppliers (80% of purchase value)
Local Communities	Development of activities for the benefit of local communities	Schools, institutions, local associations and public administration
Industry Associations	Active participation in the drafting of national and international regulations to represent and protect the coffee machines and equipment sector	HKI – UCIMAC – ANIMA CONFINDUSTRIA e ANIMA AMBIENTE E SOSTENIBILITÀ – ASSOLOMBARDA –UNI- CEI
Cultural Associations And Coffee World	Collaboration in the sharing of coffee culture and knowledge of the company's heritage	ICOM – ADI – SCA – IIAC
Universities And Business Schools	Participation in classroom training events, lectures and project works with the possibility of implementing training courses for employees while being a partner within the faculty, having access to Career Days, round tables, seminars and testimonials	<ul style="list-style-type: none"> - IULM - Politecnico di Milano - SDA Bocconi - W.Academy - Radar Academy - 24ORE Business School - ISTUD Business School - Università di Pavia

In 2023, a **workshop** was conducted with both **Top Management and the Global Sustainability Champions**. Considering the level of interest, i.e. the involvement and importance attributed to the organization and its activities,

and the level of authority and influence exercised by the stakeholders on the organization, it identified both **Top Management and Management as key internal stakeholders**, while **externally the Major**

Customers and Suppliers were recognised. This activity was undertaken preparatory to carrying out the first materiality analysis exercise.

5. Suppliers considered strategic for the development of the Cimballi Group budget.

Materiality Analysis



Cimbali Group is aware of how important it is to identify the topics relevant to its stakeholders, and to structure the content of this document in order to best respond to their informational requirements. For this reason, a materiality analysis process has been conducted, with the aim of evaluating perceived positive and negative impacts generated within the territory

and the community from an ESG perspective, i.e. in consideration of the positive and negative externalities created within the environmental, social and governance fields.

The materiality analysis is a process that allows us to identify the sustainability aspects that are most relevant for the Group and its sta-

keholders. These topics, defined as “material”, represent the most significant impacts generated by the Group. Impact is the effect that an organisation has or could have on the economy, the environment and people, including the effects on their human rights, as a result of the organisation’s activities or business relationships.

During 2023, the Group carried out a materiality analysis to define the most relevant topics, according to the following process:



An initial stakeholder engagement activity was completed, for a more in-depth evaluation, involving larger customers as well as the most rele-

vant suppliers and management, via a questionnaire in which they were asked to prioritize the importance of previously identified topics.

The table below shows the 12 topics identified and their relative descriptions.

Theme identified	Description of the identified theme
Engagement, motivation and development of our people	<p>Active involvement as well as open and constructive discussion through sharing information, collecting feedback and creating opportunities for dialogue to strengthen participation and encourage diversity of opinions.</p> <p>Transparent and skill-based selection processes with promotion of a corporate culture based on mutual respect and inclusion through in-depth training and development.</p> <p>Appreciation of skills and organisational roles, recognition of performance and implementation of fair pay practices consistent with tasks and results achieved.</p>
Central role of our people	<p>Diversity, equal opportunity and inclusion</p> <p>Appreciation of diversity with the eradication of any form of discrimination or harassment based on gender, ethnicity, religion, sexual orientation, disability or other personal characteristics through the activation of reporting channels, a rigorous management process, and training and awareness-raising activities to prevent non-compliant behaviour.</p>
Quality of corporate life	<p>Promotion of a safe, healthy, accessible and inclusive working environment, encouraging of collaboration and exchange of views. Recognition of the importance of work-life balance through working methods that promote wellbeing and parental care, both for maternity and paternity.</p> <p>Support for the health of our people through forms of integrative healthcare, preventive medicine programs and activities to support psychological well-being.</p>
Health and safety of our people	<p>Reduction in the number of accidents and illnesses of employees thanks to the improvement of management and prevention processes, production processes (e.g. ergonomics of workstations) and the promotion of a culture of safety among employees, via engagement and training.</p>
Dissemination of coffee culture	<p>Growing the knowledge, history and evolution of professional espresso coffee machines and coffee culture through the organisation of initiatives and projects by the MUMAC museum.</p> <p>Growing the culture of quality coffee worldwide, with the appreciation of all professionals within the coffee industry and their skills, promoting knowledge of sustainability topics related to the entire coffee supply chain through the training and practical activities of MUMAC Academy.</p>

Theme identified		Description of the identified theme
Decarbonization of products, services and value chains - reducing greenhouse gas emissions and mitigating climate change		Reduction of greenhouse gas emissions, in line with international goals (Paris Agreement, European Green Deal), along the entire value chain, beyond business operations, use and end-of-life of the product through collaboration with employees, suppliers and clients, focusing to increase energy efficiency, the use of renewable energy, and recycled and renewable materials.
Circular economy – extending product life, repairability, reconditioning, use of renewable materials, and recyclability		Contribution to the conservation of resources and the minimisation of environmental impact at every stage of the life cycle of products and services, adopting design and planning processes that maximise the extension of the useful life of the product - use of durable materials, solutions that facilitate maintenance and repairability and programs for the reconditioning of products at the end of their useful life - the use of recycled materials, recyclability at the end of life and the reduction of energy, water, coffee and milk consumption during use.
Responsible waste management - prevention, reduction, reuse, recycling		Contribution to the conservation of resources and the minimization of environmental impact via the implementation of solutions which prevent and reduce the production of waste and where it is not possible to guarantee responsible management, through reuse and recycling.
Sustainable and ethical supply chain - environmental and social practices of suppliers		Management of purchases and procurement of goods and services based on criteria and performance aimed at reducing GHG emissions and environmental impact and criteria that exclude activities related to potential violations of human rights (e.g. right to freedom of association, respect for minimum wages and legal working hours, prohibition of forced or compulsory and child labour, prohibition of discrimination, right to a safe and healthy working environment, right to fair and satisfactory working conditions, protection from violence and harassment in the workplace, etc.).
Customer focus	Protection of the safety and health of customers	Quality and compliance with legal requirements of the commercial offer.
Solid governance and transparent conduct	Integrity in business management conduct, correctness and transparency of communication	Transparency in the disclosure of relevant, complete, neutral, accurate, comparable, verifiable and understandable information relating to corporate sustainability activities, accounting for the varying knowledge requirements of all interested parties.
	Board of Directors and Top Management: balanced structure of skills, independence and diversity; engagement and responsibility in sustainability management	Adoption of policies and behaviours of the Board of Directors and Top Management to ensure: diversity in composition and independence, in decisions taken and conduct, limiting the presence of potential conflicts of interest; skills, incentive practices, involvement, responsibility and leadership role related to sustainable development goals.

Through 2024, Top Management undertook a further stakeholder engagement activity, in order to best validate all identified topics. Anticipating the requests introduced by the new European Directive 2022/2464 (Corporate Sustainability Reporting Directive), a number of Directors were interviewed in order to delve deeper into the effects generated according to the perspective of **impact materiality**. To better guide the analysis, the **topics identified by Cimbali Group were attributed to those of the ESRS** (European Sustainability Reporting Standards).

Internally, Top Management members were asked to assess these impacts by completing a questionnaire. After an initial presentation

of the main regulatory innovations regarding reporting and the methodological approach, the assessment took into consideration four dimensions of analysis: entity, scope, irremediable nature of negative impacts and probability of potential impacts. The assessment of the perspective of impact materiality was undertaken taking inspiration from the European Sustainability Reporting Standards (ESRS) of EFRAG, i.e. the reporting standard that must be used by companies subject to the Corporate Sustainability Reporting Directive starting from the 2024 financial year and that must be used by Cimbali Group from the 2025 financial year.

In light of the evolution of the regulatory framework, **Cimbali Group is**

taking steps to comply with the new requirements and requests for information from its stakeholders. In line with the impact materiality analysis process, the impacts found to be material for the Group and traced back to the relevant thematic ESRS are reported below.

The topics identified above, for which no material impact was deemed to exist - Health and safety of our people, Sustainable and ethical supply chain, Protection of customer health and safety, Board of Directors and Top Management - are being assessed as risks and opportunities. Updates will be communicated further via the 2024 report.

ESRS	Impact Description	Impact Type	Value chain
E1	Contribution to climate change via the production of emissions into the atmosphere due to the consumption of fossil fuels during production activities, with consideration to the entire value chain	Negative Actual	Upstream and Downstream Value Chain - Internal
E5	Positive impact to the circular economy for the design of coffee machines and grinder-dosers, inclusive of: packaging, maximising the use of secondary and recyclable raw materials and disassembly optimisation	Positive Potential	Upstream and Downstream Value Chain
	Potential negative environmental impacts due to inadequate management of waste generated by Cimbali Group	Negative Potential	Internal
S1	Satisfaction of employees resulting from: transparent selection processes, valorisation of skills and organizational roles, recognition of performance and balanced career advancement in line with the tasks and results achieved, practices of fairness and salary transparency, never influenced by personal characteristics, such as age, ethnicity, religion or gender	Positive Actual	Internal
	Creation and dissemination of equity and inclusiveness culture, valuing diversity, increasing satisfaction of employees and reducing potential incidents of discrimination or harassment based on gender, ethnicity, religion, sexual orientation, disability or other personal characteristics	Positive Actual	Internal
	Psychological and physical well-being as well as motivation of the workforce resulting from the possibility of reconciling work duties and family responsibilities and from an adequate flexible offer (time and place of work)	Positive Actual	Internal
S3 (Entity-specific)	Dissemination of knowledge of the history and evolution of professional espresso machines and coffee culture through MUMAC and MUMAC Academy	Positive Actual	Upstream and Downstream Value Chain - Internal

ESRS	Impact Description	Impact Type	Value chain
G1	Dissemination of a conscious and robust culture of ethics and human rights held by all management, employees, the value chain and other stakeholders, utilising dedicated training activities	Positive Actual	Upstream and Downstream Value Chain - Internal
	Awareness and implementation of updated policies to ensure compliance with the code of ethics and conduct, anti-corruption regulations in order to prevent potentially illicit conduct	Positive Actual	Internal

It is noted that, following the full context analysis and in adherence to the Cimballi Group business model, it is not deemed necessary to assess the following topics:



Pollution

due to the production process, as it does not normally involve the release of airborne contaminants or pollution of the water or soil. Furthermore, the Group’s employees do not have direct contact with dangerous or extremely dangerous substances that could ultimately generate a negative impact in terms of pollution.



Water

as it is used for civil purposes, for sanitary uses in canteens, toilets and changing rooms, for heating, to supply drinks dispensers for employees and visitors and coffee machines used for training, for cooling environments, for testing activities, as softened water only.



Biodiversity

utilizing the current state of the art processes there are no direct correlations between production activities and the loss of biodiversity, the condition of ecosystems and the state of species. However, the Group’s sustainability strategy ensures ethical and responsible management of this aspect.



Sustainability Strategy

Cimbali Group’s sustainability strategy is testament to the innovative and evolutionary approach that underpins all of the groups business activities and is a fundamental element of the Group’s growth strategy.

In order to maintain a responsible commitment to environmental, social and governance (ESG) topics relevant to its business, the Group has systematically integrated sustainability methods into its business processes. The DNA of this approach has then been disseminated into Cimbali

Group’s Sustainability Strategy.

Based on the themes identified and those assessed as fundamental to the success of the group’s sustainability strategy - upon the impact analysis work undertaken by the Group - the **3 pillars of the Sustainability**

Strategy have been defined. The **3 pillars** represent the three macro areas of commitment within which to focus one’s attention and develop dedicated initiatives that allow the Group itself to improve its sustainability performance year on year.

The three pillars are:



Cimbali Group People & Culture

- Central role of our people
- Health and safety of our people
- Dissemination of coffee culture



Sustainability of the value chain

- Decarbonisation of products, services, and value chain
- Circular economy
- Responsible waste management
- Sustainable and ethical Supply Chain
- Customer focus



Ethics and Sustainability Governance

- Integrity in business management conduct, correctness and transparency in communication
- Board of Directors and Top Management: balanced structure for skills, independence and diversity; engagement and responsibility in sustainability management

The 3 pillars have been defined in order to synergistically manage issues in a manner consistent with the development of an organisational structure in the long term (reference to the paragraph “Sustainability Governance”).

The framework thus outlined, constitutes the starting point for a correct identification of actions, methods and initiatives. All decision-making and management methods and practices, are considerate of the strategy

and constitute a starting point for its correct implementation, and are essential to foster collaboration with the main stakeholders of Cimbali Group and to jointly achieve the sustainability goals set.

Contribution to the SDGs













Within the current context, the United Nations Sustainable Development Goals (SDGs) represent a fundamental guide in promoting sustainable and inclusive development at a global level.

These goals offer a clear and shared framework in order to address the most pressing social, economic and environmental challenges of our time. Cimbali Group recognises the importance of the SDGs and is committed to contributing to their achievement through definable and real-world actions. Cimbali

Group understands fully the clearly identifiable relationship between the priorities defined within the materiality analysis and their impact on the different goals of the **2030 Agenda**. In this way, the Group is fully committed to contributing to the implementation of the United Nations Sustainable Development

Goals, thanks to its role in the economic context and its social and environmental commitment. Below, we present the main sustainability topics that guide the activities of Cimbali Group, the SDGs and the initiatives undertaken to demonstrate the tangible commitment to the goals identified as relevant.



Strategic pillar	Topics identified	SDGs	SDG targets	Cimbali Group Contribution
 <p>Cimbali Group People & Culture</p>	<p>Involvement, motivation and development of our people</p>		<p>Target 8.8: Protect the right to work and promote a safe and healthy working environment for all employees, including immigrants, in particular women and those in precarious employment</p>	<p>Selection, hiring and remuneration policies and practices that contribute to secure employment, adequate wages, collective bargaining coverage, social protection & equal pay</p>
			<p>Target 8.5: Ensure full and productive employment and adequate work for all women and men, including young people and persons with disabilities, and equal remuneration for work of equal value by 2030</p>	<p>Training: Employability skills, decent jobs and entrepreneurship</p>
			<p>Target 4.4: Substantially increase the number of young people and adults with relevant skills - including technical and vocational skills - for employment, decent jobs and entrepreneurship by 2030.</p>	<p>MUMAC and MUMAC Academy, offers of quality content and a wide range of educational and training activities</p>
			<p>Target 5.1: End all forms of discrimination against women and girls everywhere</p>	<p>Policies and practices for gender equality</p>
	<p>Diversity, equal opportunities and inclusion</p>		<p>Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>Anti-discrimination policies and practices</p>
			<p>Target 10.2: Enhance and promote the social, economic and political inclusion of all, regardless of age, sex, disability, race, ethnicity, origin, religion, economic or other status by 2030</p>	<p>Anti-discrimination policies and practices</p>
	<p>Quality of corporate life</p>		<p>Target 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	<p>Additional health coverage, vaccination campaigns and preventive tests</p>
			<p>Target 8.8: Protect the right to work and promote a safe and healthy working environment for all workers, including immigrants, particularly women and those in precarious employment</p>	<p>MUMAC promotes the opportunity to improve well-being, in a cultural welfare perspective, for employees and visitors</p>
	<p>Health and safety of our people</p>		<p>Target 8.8: Protect the right to work and promote a safe and healthy working environment for all workers, including immigrants, particularly women and those in precarious employment</p>	<p>Quality of life and well-being of workers thanks to improved work-life balance</p>
			<p>Target 11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage</p>	<p>Management and prevention processes and involvement and training activities</p>
<p>Dissemination of coffee culture</p>		<p>Target 11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage</p>	<p>Safeguarding cultural heritage</p>	

Strategic pillar	Topics identified	SDGs	SDG targets	Cimbali Group Contribution
 <p data-bbox="102 1099 225 1205">Sustainability of the value chain</p>	<p data-bbox="256 674 671 752">Decarbonisation of products, services and value chain - reduction of greenhouse gas emissions and climate change mitigation</p>		<p data-bbox="831 371 1182 450">Target 7.2: By 2030, substantially increase the share of renewable energy in total energy consumption</p> <p data-bbox="831 472 1182 555">Target 7.3: Double the global rate of improvement in energy efficiency by 2030</p>	<p data-bbox="1214 371 1461 450">Use of renewable energy and energy efficiency initiatives</p>
			<p data-bbox="831 580 1190 685">Target 13.1: Strengthen the capacity of all countries to resilience and adapt to climate-related risks and natural disasters</p>	<p data-bbox="1214 580 1493 636">Measures to combat climate change</p>
			<p data-bbox="831 714 1158 1059">Target 9.4: Improve infrastructure and sustainably, reconfigure industries, increasing resource efficiency by adopting cleaner and more environmentally sound technologies and industrial processes, with all States taking action within their respective capabilities by 2030</p>	<p data-bbox="1214 819 1422 898">Investments to make infrastructure more sustainable</p>
	<p data-bbox="256 1406 687 1485">Circular economy – extending the life of products repairability, reconditioning, use of renewable materials, and recyclability</p>		<p data-bbox="831 1072 1182 1234">Target 15.2: Promote sustainable management of all types of forests, halt deforestation, restore degraded forests while significantly increasing reforestation efforts and afforestation, by 2030</p>	<p data-bbox="1214 1072 1437 1128">Recycled and certified packaging</p>
			<p data-bbox="831 1263 1158 1341">Target 12.2: Achieve sustainable management and efficient use of natural resources by 2030</p> <p data-bbox="831 1368 1182 1473">Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse by 2030</p>	<p data-bbox="1214 1263 1453 1341">Design in line with the principles of the circular economy</p>
			<p data-bbox="831 1498 1190 1603">Target 13.1 Strengthen the capacity of all countries to resilience and adapt to climate-related hazards and natural disasters</p>	<p data-bbox="1214 1498 1493 1603">Contribution to the reduction of GHG emissions through the design of products with a lower environmental impact</p>
			<p data-bbox="831 1632 1158 1711">Target 13.2: Integrate climate change measures into national policies, strategies and planning</p>	
	<p data-bbox="256 1809 703 1865">Responsible waste management - prevention, reduction, reuse, recycling</p>		<p data-bbox="831 1722 1158 1800">Target 12.2: Achieve sustainable management and efficient use of natural resources by 2030</p>	<p data-bbox="1214 1722 1406 1778">Responsible waste management</p>
			<p data-bbox="831 1834 1182 1939">Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse by 2030</p>	

Strategic pillar	Topics identified	SDGs	SDG targets	Cimbali Group Contribution
 <p>Sustainability of the value chain</p>	<p>Sustainable and ethical supply chain - environmental and social practices of suppliers</p>		<p>Target 13.1 Strengthen the capacity of all countries to resilience and adapt to climate-related hazards and natural disasters</p>	<p>Supplier assessment according to environmental criteria</p>
			<p>Target 13.2: Integrate climate change measures into national policies, strategies and planning</p>	
			<p>Target 8.7: Take immediate and effective action to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>Target 8.8: Protect the right to work and promote a safe and healthy working environment for all workers, including migrants, particularly women and those in precarious employment</p>	
<p>Customer focus</p>	<p>Protecting the safety and health of customers</p>	<p>-</p>	<p>-</p>	<p>-</p>
 <p>Ethics and Sustainability Governance</p>	<p>Solid governance and transparent conduct</p>		<p>Target 16.3: Promote the rule of law at the national and international levels and ensure equal access to justice for all.</p>	<p>Policies and practices to ensure integrity in business management conduct</p>
			<p>Target 16.5: Significantly reduce corruption and abuse of power in any form and shape</p> <p>Target 12.6: Encourage companies, in particular large multinational corporations, to adopt sustainable practices and integrate sustainability information into their annual reports</p>	
<p>Board of Directors and Top Management: balanced structure for skills, independence and diversity; engagement and responsibility in sustainability management</p>	<p>Board of Directors and Top Management: balanced structure for skills, independence and diversity; engagement and responsibility in sustainability management</p>	<p>-</p>	<p>-</p>	<p>-</p>

Sustainability plan

The Sustainability Manager, together with the Global Sustainability Champions, has made a start on the Cimballi Group sustainability plan.

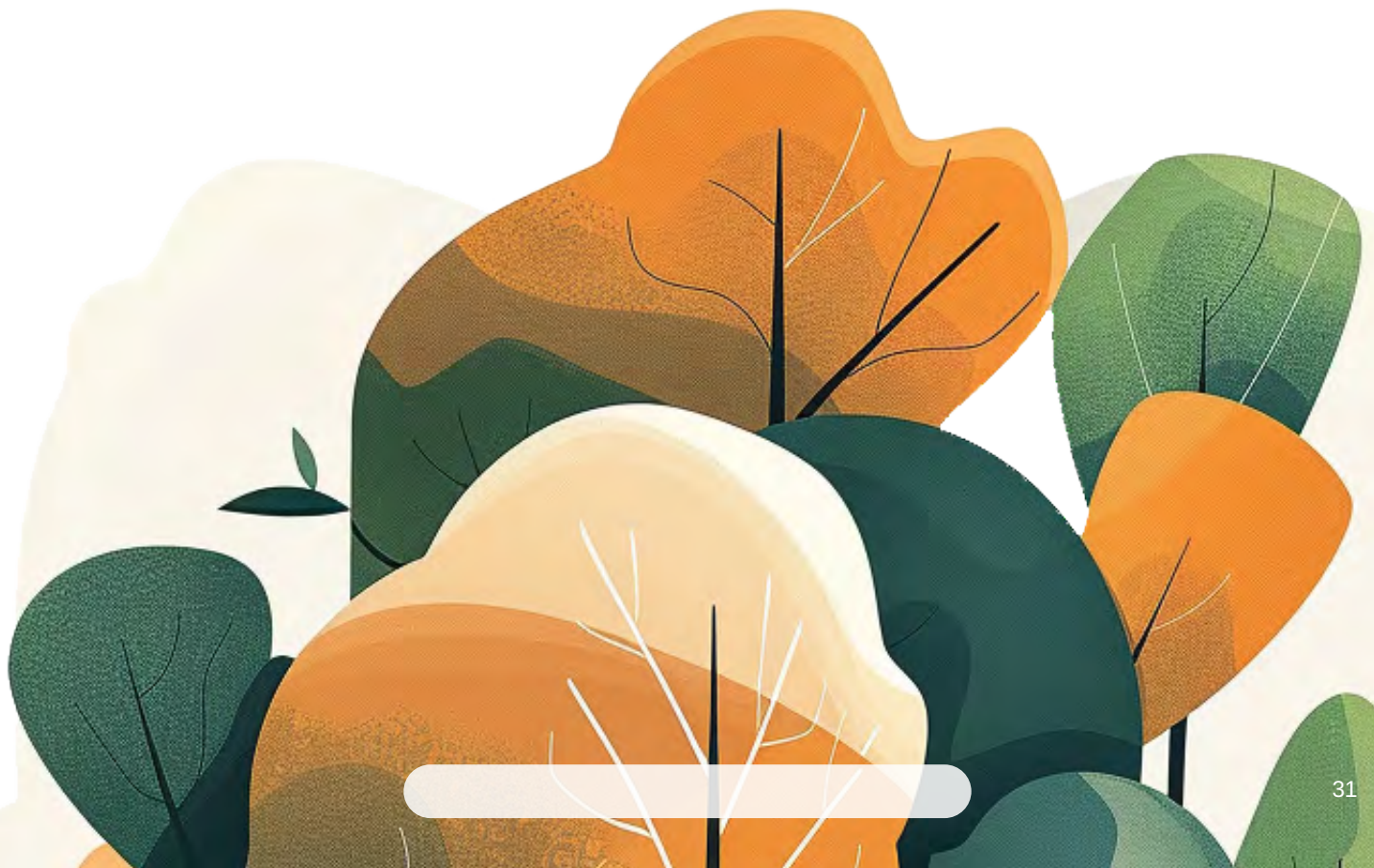
With the aim of making the path towards sustainable progress transparent and verifiable, Cimballi Group has assigned responsibilities for each material topic, identifying the responsible Global Sustainability Champion and creating a working group composed of internal experts on the topic.

Specifically, with each function we started to:

- Assess the current situation, in terms of existing practices, company policies and processes;
- Define possible five-year goals and the activities needed to quantify them;
- Develop action plans to move towards alleviating impacts;
- Establish the process for monitoring progress and results achieved. This activity was started at the end of 2023 and will

continue in 2024.

Cimballi Group's commitment to sustainability is intended to be the expression of a structured and participatory plan, which defines short, medium and long-term targets and involves all company functions, ensuring a path of continuous and measurable improvement, aimed at achieving concrete results in ESG matters.





ETHICS AND SUSTAINABILITY GOVERNANCE

Our blend in *Everything*

Our blend for the future details a governance model that ensures the quality of our sustainability strategy while maintaining the temperature of our commitment.

A highly strategic governance, whose composition represents the values of diversity and independence of decisions taken.

A well-balanced structure in terms of skills, capable of supporting conscious and responsible conduct in the social, environmental and economic fields, giving value to transparency in the disclosure of information on corporate sustainability activities.

The ethics of this culture, that start from the top, has an aroma that is identifiable through each aspect of the Group's activities.

Our blend IN EVERYTHING.



33%
female
representation
on the Board of
Directors



0
reports received
through
Whistleblowing
channels



95
employees trained
on anti-corruption
practices



Governance model

Among ESG themes, Governance represents an essential aspect for every organisation. This can be defined as the internal system of the Group, made up of tools, functions, rules and processes that contribute to the correct and efficient management of the entire organisation.

For this reason, it includes many key aspects, including **business management, risk management and, finally, the company’s ability to adapt to changes.**

Cimbali Group has adopted a system of internal rules that configure a corporate governance model based on the distribution of responsibilities and a balanced relationship between management and control. Governance is based on shared rules that inspire and direct strategies and activities. This approach ensures coherence between behaviours and strategies, adequately considering risks and opportunities in decision-making processes. The corporate culture is widespread at all levels, and skills are highly valued, helping to raise awareness among internal resources and collaborators of the significant role of the Group in creating value for the community.

The Board of Directors (BoD) of Cimbali Group is composed of the Chairman, two Managing Directors and three Directors. Their main role is to manage the company and supervise the strategic lines, including aspects related to sustainability.

In particular, the Board of Directors determines the strategic lines of management and senior management of the company and the Group, verifying the performance of ordinary management and dictating the pace of the most significant changes. Furthermore, it defines the corporate governance system and examines the fundamental internal control procedures, with particular reference to the identification of the risks to which the Group is exposed.

In order to ensure maximum transparency and correctness, **all six members of the Board of Directors have been informed and trained on anti-corruption policies and procedures.**

The roles of Chairman and CEO are separate to safeguard the interests of all stakeholders, ensuring optimal management of the Company thanks to the impartiality of the Chairman of the Board of Directors.

Given the centrality of this role, the position of Chairman of the Board of Directors in Cimbali Group is entrusted to Maurizio Cimbali, Cavaliere del Lavoro and guardian of the balance of the corporate structure.



Composition of the Board of Directors as of 31 December 2023

Names	Age	Gender	Role	Executive/ Non-executive	Independent	Mandate of members in the governing body
Maurizio Cimbali	> 50	M	Chairman	E		3 years
Federico Cimbali	< 50	M	Chief Executive Officer	E		3 years
Fabrizia Cimbali	< 50	F	Chief Executive Officer	E		3 years
Guido De Vivo	> 50	M	Director	NE	X ⁷	3 years
Valentina Orena	> 50	F	Director	NE		3 years
Fabio Fenzi	> 50	M	Director	NE		3 years

⁷ Independence is assessed in relation to the fact that there are no significant economic actions or interests that could influence the judgment.

The Board of Auditors has the task of supervising the administration of the company, ensuring compliance with the laws and the sta-

tute. Examines financial statements, verifies the correct keeping of the accounts and can carry out audits. Furthermore, it checks the adequacy of

the internal control system and the organisational structure of the company. The composition of the Group's Board of Statutory Auditors is shown below.

Composition of the Board of Statutory Auditors as of 31 December 2023

Names	Age	Gender	Role	Mandate of members in the governing body
Angelo Gervaso Colombo	> 50	M	Chairman	3 years
Ambrogio Brambilla	> 50	M	Statutory Auditor	3 years
Michele Ghiringhelli	> 50	M	Statutory Auditor	3 years



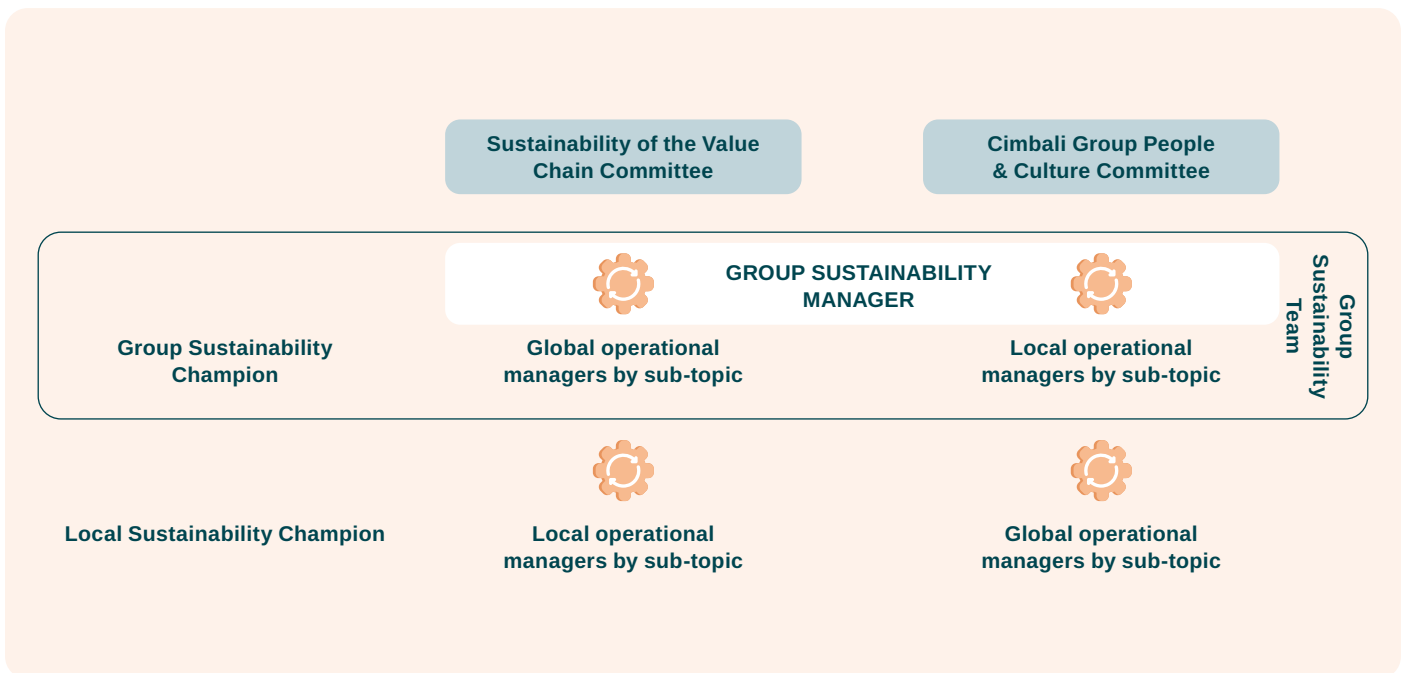
Sustainability Governance

A sustainability governance model is essential to ensure that sustainability topics are integrated into every aspect of business management.

This approach ensures that decisions taken at all levels are aligned with sustainability goals and promote responsible and sustainable growth. **Cimbali Group has defined a su-**

stainability governance model, detailing specific tasks and responsibilities. We have undertaken a path aimed at ensuring that sustainability principles are integrated

into decision-making processes, to effectively address environmental, social and economic challenges and contribute positively to the well-being of society and the environment.



In 2023, the Group embarked on an organisational development path that led, within the Group Communications organisation, to the definition of a specific **Sustainability** role, which is responsible for coordinating the teams responsible for defining, imple-

menting and measuring the Group's initiatives in the fields of ethics and governance, value chain and people & culture.

The path undertaken to ensure that sustainability becomes an increas-

ingly integral part of the business model, led in 2023 to define, alongside the Sustainability role, two **Committees** that pursue the aim of ensuring effective management of the activities relating to the 'Value Chain' and 'People & Culture' areas.



The Committees are responsible for defining strategies and initiatives at Group level. They are then responsible for monitoring the plans, with respect to the targets and strategies identified, and deciding where necessary on corrective actions to achieve these targets. The Committees are convened by the Sustainability Manager every four months and, in agreement with the function directors, also in case of specific needs. The same ensures that the topics defined as priorities are correctly pursued.

The “**People & Culture**” Committee is composed of the General Management and the People & Organisation, Communication & Sustainability, Health, Safety and Environment,

MUMAC and MUMAC Academy functions.

The “**Value Chain**” Committee is composed of the General Management and the Research & Development, Marketing, Operations, Business, Services, Quality and Administration-Finance-&-Controlling functions.

The Committees involve not only the Company Management and the Sustainability Manager, but also include the **Global Sustainability Champions**. They are those who, in the various functions, have expertise, as well as responsibility, on a specific topic, and ensure that the proposals and the necessary operations on

the activities are carried out in each thematic area; they also deal with the collection and monitoring of data and information for reporting, materiality analysis, coordination and implementation of stakeholder engagement activities, the sustainability strategy and action plans.

The Sustainability role involved all the Group’s Companies and People. In fact, even the local units, both in Italy and abroad, were involved right from the start, through the identification and activation of **Local Sustainability Champions** who are responsible for both collecting data for reporting and implementing actions at a local level.

Integrity in business management conduct, correctness and transparency in communication

THE CODE OF ETHICS

The Cimbali Group Code of Ethics has the function of tracing the behavioural guidelines for the achievement of the company's strategic targets.

Inspired by international standards - including the Charter of Fundamental Rights of the United Nations and the European Union and the Conventions of the International Labour Organization (ILO), the United Nations Global Compact - **the Code is divided into three main sections: mission and general principles, rules of conduct, implementation and compliance with the Code.**

The Code details the behavioural expectations towards different categories of stakeholders, including, for example, members, collaborators, customers, suppliers and Public Administration.

The Supervisory Body is responsible for monitoring compliance with the Code, managing reports of non-compliance and promoting training and ethical awareness. Violations of the Code entail sanctions in accordance with employment contracts and applicable regulations. **The Code of Ethics therefore represents a fundamental pillar of the corporate culture, placing ethics and social responsibility at the centre of the business strategy.**

Traditionally, the Code does not explicitly require due diligence, but implies a verification and control approach within its operations, especially in the selection of suppliers and in the management of human resources, where it is required to avoid discrimination and to promote the safety and physical and moral integrity of collaborators. The precautionary principle, although not directly mentioned, is implicit in the policies relating to environmental protection and product safety, where Cimbali Group is committed to respecting and safeguarding the environment and to guaranteeing the safety of its products.

Through this Code, Cimbali Group is committed to respecting human rights, following recognized international principles. Particular attention is paid to employees, suppliers, clients and the local community, with the aim of guaranteeing a working environment free from harassment and discrimination, safe and respectful of privacy and personal data.

To ensure that these principles are understood and followed, the com-

pany communicates its guidelines to all employees and partners through training sessions, the company website and contractual agreements that require adherence to these principles. Transparency is key: the guidelines are publicly available on the company website, thus also allowing access to partners and clients.

The adoption of these guidelines has been formally approved by the Board of Directors, ensuring that they cover all the activities of the organisation and its commercial relationships. This guarantees a uniform application of ethical principles in all sectors and geographical areas in which Cimbali Group operates.

To maintain their relevance and effectiveness, **corporate policies are periodically reviewed.** This ongoing commitment ensures that the organisation operates in an ethical and responsible manner, placing a strong emphasis on human rights, social responsibility, environmental protection and compliance with the highest international standards.

MODEL 231 AND REPORTING PROCEDURE (WHISTLEBLOWING)

In Cimballi Group, responsibility for implementing commitments to responsible business conduct is distributed across different levels within the organisation: the Board of Directors and Internal Managers (such as special attorneys and area managers).

The Board of Directors decides on corporate policies and approves strategies to ensure responsible conduct. Instead, Internal Managers are appointed for each sensitive action or set of operations and the responsibilities for management, coordination and control within the Company are

formalised.

The integration of commitments into organisational strategies, policies and operating procedures occurs through various methods. Among these, there are company procedures, which must ensure correctness, transparency and good faith. The assignments to consultants and suppliers must include standard clauses that guarantee compliance with the Organisational and Management Model pursuant to Legislative Decree 231/2001 (MOG 231/01) and the Code of Ethics.

Furthermore, the Group has imple-

mented a system of delegations and signature powers, consistent with the assigned responsibilities, to ensure that the decision-making process is appropriate to the positions of responsibility.

The implementation of commitments with and through Commercial Relationships are managed through operating procedures and reliability assessments. The selection is made also considering the reputational level and through anti-money laundering controls, in particular using a dedicated platform for the management of supplier profiles.



THE WHISTLEBLOWING PROCEDURE

According to the Whistleblowing procedure of Cimbali Group SpA., Ciden Srl. and Casadio HBS Srl, any and all critical issues that are reported or recorded, must be identified and communicated to the highest governance body, i.e. the Board of Directors, through a well-defined, transparent process:



Receipt and management of reports

Reports can be submitted via our online platform (<https://www.cimbali-group.com/whistleblowing>) or via two dedicated addresses for internal (legale@cimbali-group.com) and external (odv@cimbali-group.com) reporting. All reports are received by the management committee, composed of members of the Legal, HSE and People & Organisation functions; the platform sends the reporter an acknowledgement of receipt within seven days.



Preliminary assessment and verification

The committee undertakes a preliminary assessment to determine the admissibility of the reports. If admissible, a detailed verification phase is exercised, which can include the involvement of various corporate functions and specialist consultancy.



Report to the Board of Directors

Upon completion of said checks, the management committee will prepare a summary report inclusive of a breakdown of the undertaken and completed checks, as well as the evidence gathered. This report is sent to the Board of Directors, which is responsible for determining all final decisions and any corrective actions required. If necessary, the committee proposes an action plan that may include reporting to the judicial authorities as well as commencing disciplinary proceedings.



Monitoring of corrective actions

The management committee monitors the implementation of the suggested corrective actions, requesting/receiving periodic updates from the responsible functions. A summary of all managed reports, including the results of the investigations and the conclusions reached, is provided to the Board of Directors every six months.

Throughout 2023, no reports were received through the whistleblowing channel or through other means; therefore, no critical issues were communicated to the Board of Directors.

The effectiveness of the complaint mechanisms is monitored through various periodic checks via the Supervisory Body set up.

INFORMATION AND TRAINING PLANS

The organisation provides **regular scheduled updates on the themes of Legislative Decree 231/1, Code of Ethics and Whistleblowing, through training programs**, which are defined in agreement with Group Director People & Organisation, with the following objectives:

- Understand the principles and purpose of Legislative Decree 231/2001.
- Become proficient in Whistleblowing Procedures and Protections.
- Understand the importance and content of the corporate code of ethics.
- Promote a corporate culture based on integrity and transparency.

The training activity was conducted through lectures, group discussions, practical cases and simulations to ensure active and engaging learning. Upon completion of the training activity as well as a knowledge and understanding based test, a certificate of participation was issued.

Respect and adherence to these principles are also promoted through transparent communication of the procedure via the company intranet and website as well as continuous and consistent consultation with stakeholders to understand their expectations and improve the accessibility and effectiveness of the com-

plaint's mechanisms.

During 2023, Cimbali Group has undertaken a training program for its employees on anti-corruption practices (95 employees in Italy). **The Group is committed to training all employees of the Italian offices on anti-corruption issues and policies by the end of 2024.**

CONFLICT OF INTEREST

Cimbali Group's MOG 231/01 (Organisational, Management and Control model pursuant to Legislative Decree no. 231 of 2001) provides specific measures to prevent and manage conflicts of interest. In fact, the MOG provides for transparent communication of conflicts of interest to all interested parties, including situations of:

Cross-membership

Board members' roles in other organisations that have the potential to influence decisions made.

Cross-shareholdings with suppliers and other stakeholders

relationships that could potentially bias business decisions.

Existence of controlling shareholders

situations where shareholders possess a significant impact on corporate decisions.

Related parties

the model requires full disclosure of relationships and transactions with related parties, including transactions with residual balance.





CIMBALI GROUP PEOPLE & CULTURE

Our blend to *Everyone*

Our blend for the future has the aroma of a culture that looks to increasingly ensure that people, all people, are at its centre.

Beginning with our teams, we work to help improve their quality of life within the company, promoting inclusion, diversity, equal opportunities, motivation, personal growth, as well as our health and safety working methods. A commitment that also extends to the territory through the dissemination of a healthy coffee culture.

Because our blend of sustainability is a recipe to share.

Our blend TO EVERYONE.



823
Group employees
(+17 vs 2022)



37%
women hired
(+7% vs 2022)



10.565
hours of employee
training
(+13% vs 2022)



Cimbali Group is committed to promoting an inclusive and motivating working environment, ensuring that all persons within the Group feel involved and valued and where individual health and safety is guaranteed. In addition, we look to promote the dissemination of a coffee culture via MUMAC and the MUMAC Academy. This commitment is reflected in both our activities and in our governance system.

Central role of our people

Cimbali Group places people at the centre of its operations, we are fully engaged in promoting a workplace centred around teamwork and integration, through a leadership and behavioural model focused on respect, valuing the individual.

The objectives of the strategy include:



Involvement, motivation and development of our people

from the selection process, recruitment and compensation policies and practices that foster a secure employment premise, adequate salaries, collective bargaining coverage, and social welfare as well as the ongoing education of employees;



Diversity, equal opportunities and inclusion

through the definition of policies and practices for gender equality and the fight against discrimination;



Quality of corporate life

through the implementation of working methods that actively encourage a work-life balance, promoting parental care tools and establishing varying methods of supplementary healthcare.

Through 2023, the “People & Culture” committee defined the Group’s first policy for “People”, namely the **People Policy**. In accordance with the corporate vision, the People Policy was established with the aim of recognising and rewarding individual and team contributions. It defines a working culture geared towards team work, capable of en-

suring the continuous involvement of employees. It represents the tool for all Group companies to consolidate a shared corporate culture.

Cimbali Group is committed to conducting its activities ethically and transparently, safeguarding both physical and cultural integrity, valuing employees and their profes-

sional development, guaranteeing the highest prevention and safety standards. **The “People & Culture” committee has defined six basic principles that guide the activities, projects and processes of the People & Organisation management and constitute the foundations of the People Policy:**

01

Recruiting & culture

transparent selection processes based on skills and the promotion of a corporate culture built on mutual respect and inclusion;

02

Development & involvement

inclusion and sharing of information, feedback through surveys and feedback sessions, dialogue, evaluation and development processes, training opportunities;

03

Recognition and Reward

based valuation of expertise and organisational roles, recognition of performance and reward systems through transparent processes;

04

Parenting, care & work-life balance

attention to parenting needs in group companies;

05

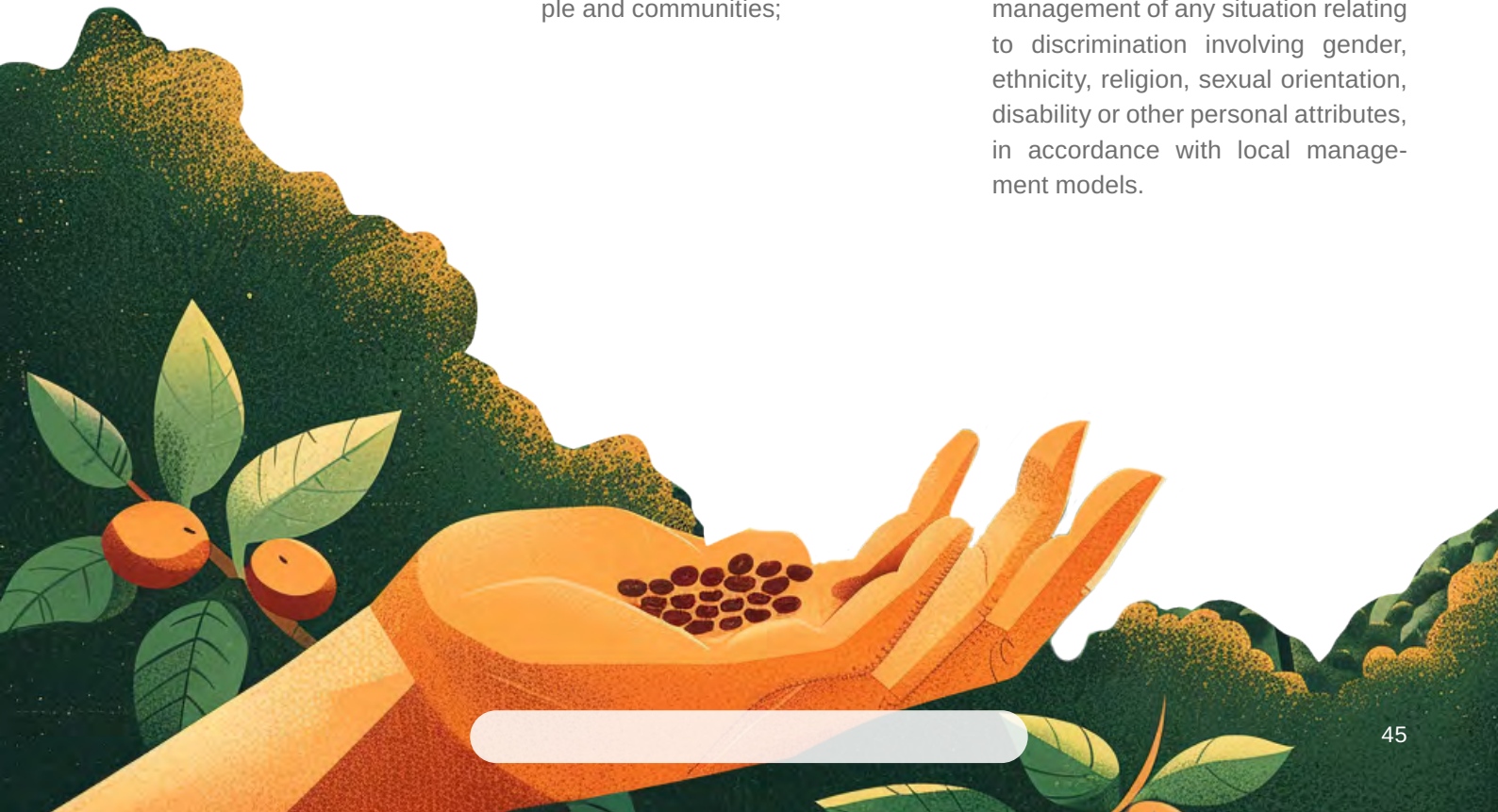
The work environment & well-being

improvement of workplaces and initiatives supporting the needs of people and communities;

06

The prohibition of discrimination & harassment

whistleblowing channels, including anonymous ones, and the rigorous management of any situation relating to discrimination involving gender, ethnicity, religion, sexual orientation, disability or other personal attributes, in accordance with local management models.



PERSONNEL BREAKDOWN

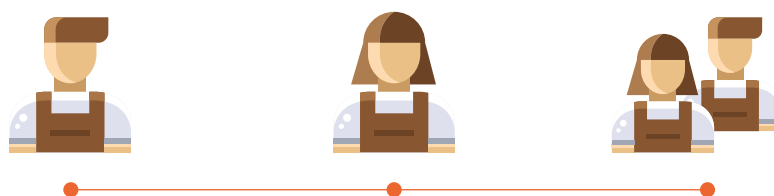
By creating a **positive and inclusive work** environment, the company strives to retain its employees and attracts new talent, essential elements for its future growth and innovation. As confirmation of its improving relations with local communities, note the global distribution of Group employees, in spite of the main sites being located in

Italy. The rest of Europe is the second largest area in terms of the number of employees, followed by America, Asia and Australia, respectively.

Cimbali Group continues to strengthen its international focus. Currently 40% of employees are employed in Group companies outside of Italy, equal to 325 out of a total of 823 employees⁶.

Compared with 2022, an increase of 17 employees, due to the positive balance between the outgoing and incoming turnover rate. This figure confirms the Group's commitment to promoting long-term collaboration relations, as also demonstrated by the small number of fixed-term contracts.

Employees by contract type, gender and geographical area 2023 (no.)



Number of Employees

	584	239	823
Italy	344	154	498
Europe (excluding Italy)	179	62	241
Asia	20	8	28
Americas	40	14	54
Australia	1	1	2

Of which

Permanent contract	582	238	820
Fixed-term contract ⁷	2	1	3

In addition, it can be noted that **compared with 2022 the percentage of women employees went from 27% to 29%** (a 2% increase compared with the previous year). **The new entries in 2023, compared with the previous year, recorded a 7% increase**

in women, as a result of the attention to equality pursued in the selection processes.

Another significant figure involves the generational breakdown of personnel. With the goal of achieving an optimum

balance between innovation and experience, in 2023 8% of the workforce was represented by employees under the age of 30, 42% were in the age range 31 to 50, while the remaining 50% were classified as over 50.

6. Definition "no. of Employees": headcount at 31 December 2023 employed directly by the company. The consolidated financial statements report takes into consideration the full-time equivalent criterion at 31 December 2023.

7. 3 Foreign law contracts that involve the definition of a term are not considered "fixed-term" where the undertaking is a long-term collaboration.

The corporate population also includes both employees and non-employed workers. As the graph below demonstrates, In December 2023, Cimballi Group had a total of 48 non-employed workers broken down into 9 internships and 39 contract workers (staff-leasing, fixed-contract, apprentices).



Non-employed workers (no.)



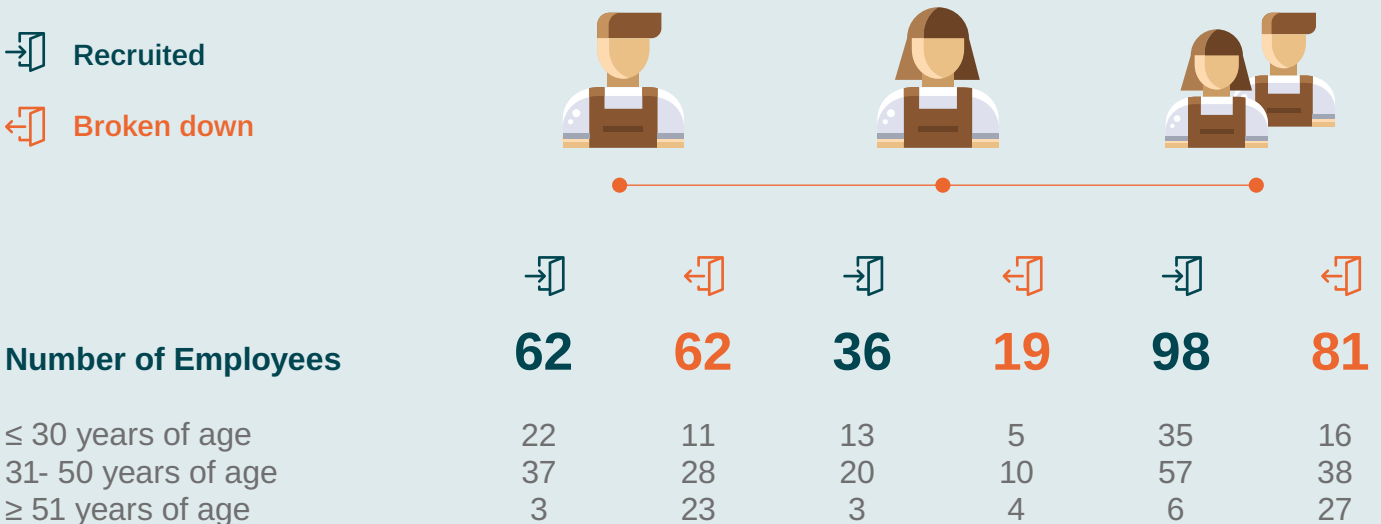
TURNOVER

Cimballi Group is committed to a transparent, fair and inclusive selection process, based exclusively on the candidate’s expertise, qualifications and experience. The evaluation is conducted without any discrimination involving gender, ethnicity, religion,

sexual orientation, disability or other personal traits. It actively promotes a corporate culture based on inclusion, mutual respect and the enhancement of diversity. This principle is also reflected in the selection process, which aims to create a welco-

ming working environment open to all talents. **Cimballi Group is committed to ensuring that the shortlist of candidates for every position reflects diversity, inclusive of gender.**

Employees recruited/broken down by age group



The Group fosters the work placement of people who encounter difficulties in integrating into the job market. In addition, it follows Italian regulations and best practices, promoting direct recruitment and collaboration with specialist bodies, guaranteeing the recognition of any disabilities that have arisen.

In 2023, Cimbali Group introduced the “**Employee Referral Program**” which directly involves employees in the personnel selection process. This program allows every employee to refer qualified candidates for new vacant positions within the Group. This initiative aims to promote the active participation of employees in

recruiting, valuing the contribution of those who want to be an ambassador for the company, through forms of incentivisation and strengthening the sense of community and belonging. Cimbali Group also continues to regularly publish vacant positions, making career opportunities transparent for both new external candidates and in-house personnel.

The new Employee Referral Program has therefore enriched talent sourcing channels, increasing the involvement of employees and supporting the growth of the company with a new more qualified and motivated group. Thanks to the synergy with the “**Rock Your Profile**” project, during the re-

branding Cimbali Group equipped all collaborators involved the tools required to become ambassadors and promoters of employee advocacy, for a better representation of the Group’s values and mission.

Each Cimbali Group ambassador supports the initiatives and promotes the communication and recruiting projects, bolstering the reputation of the entire Group. Every Cimbali Group employee is called upon to raise the awareness of their male and female colleagues on the importance of playing an active part in corporate promotion strategies.



INVOLVEMENT, MOTIVATION AND DEVELOPMENT OF OUR PEOPLE

10.565
hours of training

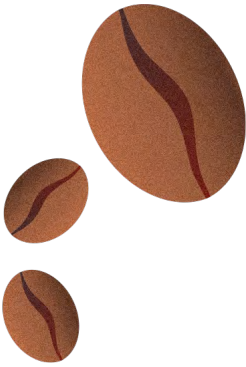
12
hours of training for each
employee on average

Cimbali Group believes that the workplace should be an environment for personal and collective growth. For this reason, **the company offers training and development courses for employees throughout their career path.**

In 2023, Cimbali Group provided **10.565 hours of training and on-the-job-training at Group level** and, on average, each employee received approximately 12 hours of training.

In addition, Cimbali Group boosted the **Digital Campus**, which saw 344 accesses to the platforms over the course of the year. The issues that evoked the greatest interest were sustainability, diversity and inclusion, time management, project management, innovation, programming languages and work-life balance and well-being. - This platform was supported by the partnership with **Speex** for languages. Providing digital training means making it international and smart, encouraging a greater culture of integration.

Toward the end of 2023, the **LinkedIn Learning** platform was also trialed. The initiative was established by the partnership with LinkedIn and involved all executives, managers and employees at the headquarters. The platform made it possible to trial courses and directly involve employees, who obtained a certificate at the end of each course and thereby achieved further training targets.



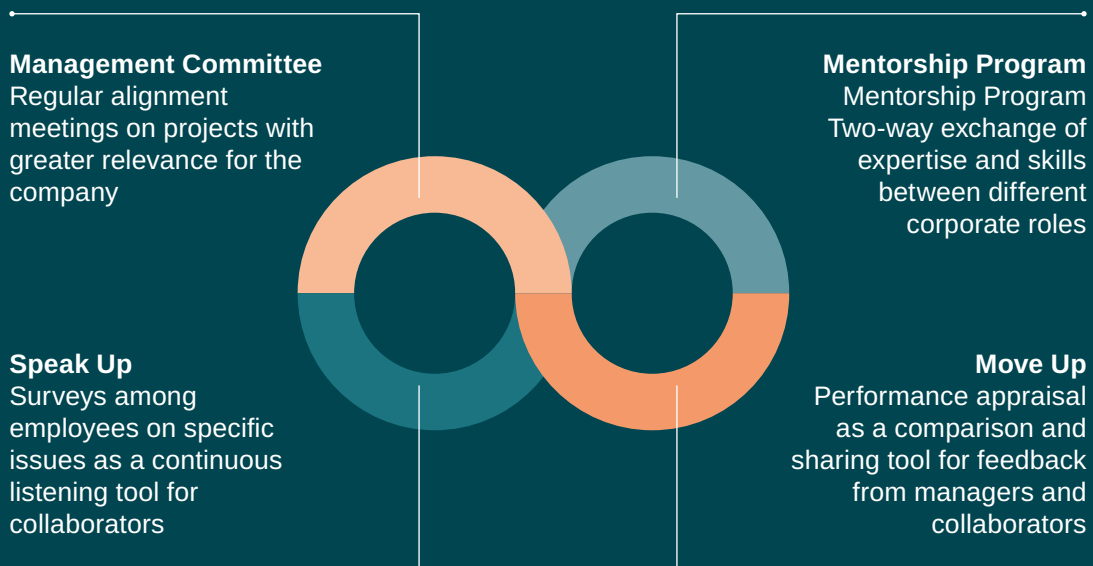
LEAD UP

Cimbali Group has defined its own leadership model, through a collaborative approach with employees. This process has led to the identification of ten key principles and the development of techniques and instruments that facilitate behaviours consistent with them to be activated:

1. Generating a culture of sharing and innovation (active listening)
2. Being result orientated (time management)
3. Guiding people (assertiveness)
4. Striving for excellence (problem solving)
5. Coaching (consensus building)
6. Assuming and conveying responsibility (delegation and feedback)
7. Raising and nurturing expectations (restructuring)
8. Motivating and engaging (turning critical areas into challenges)
9. Being cross-functional while team builders (negotiation)
10. Branding (image building: Rock Your Profile)

These principles represent foundations for a more effective leadership style, inspirational and inclusive, capable of guiding Cimbali Group towards achieving its strategic objectives.

Lead Up has also created four important projects aimed at implementing the new Cimbali Group model:



Cimbali Group has been committed to strengthening its visual identity and the presence of its employees as ambassadors, consolidating its crucial role in promoting its mission and values, both online and offline throughout 2023. The company is pursuing the ultimate goal of involving and motivating its employees.

This takes place through the active sharing of information, the organisation of meetings and events, the periodic conducting of surveys and encouraging open, constructive comparisons between team members. In this way, Cimbali Group reinforces its participation and encourages diverse opinions.

Cimbali Group guarantees equal opportunities in career paths and transparency in evaluation processes. Dialogue with managers and colleagues is vital for ensuring the inclusion of diversity, including gender, in professional development and career progression. With this in mind, dedicated mentorship and training programmes are facilitated.

Cimbali Group’s Mentorship Program concluded a successful years’ activities, achieving its professional development goals and promoting inter-generational collaboration and cooperation between different corporate roles throughout 2023.

The two-way exchange of expertise and skills was made possible thanks to the **involvement of 52 people** and the identification of the roles of mentor and mentee. The mentors offered support and direction, while the mentees actively took part in the learning process, taking responsibility for their individual growth. The programme enriched the skills of all the generations, promoting open communication that broke down hierarchical barriers.

This initiative improved corporate culture, promoting an inclusive and supportive environment while leading to innovative solutions with more effective corporate results.

The continuous evaluation and mutual feedback between mentors and mentees guaranteed that the targets set were reached and the programme optimised. The success of the programme created a dynamic, supportive corporate community, where individual growth made a significant contribution to the collective success of the company.

Performance appraisals are a vital process for the development of people: an opportunity for dialogue between managers and co-workers that allows a comparison with the expectations of roles, results achieved and development opportunities. **277 people (33%) took part in the regular performance evaluation and professional development process in 2023.**

In addition, Cimbali Group recognises the value of its human capital and is committed to adequately reward all employees through the consolidation of annual reward schemes, that

transparently confirm the company’s results, at the same time recognising the contribution of each employee. In effect, in Italy the participation and contribution of employees is recognised through corporate agreements relating to “**performance bonuses**”, to which, both in Italy and abroad, a consolidated **annual incentive system** is added (management by objectives) which involved 243 employees (29%), half of whom were colleagues of external companies.

The goal of pursuing transparent information with regard to employees giving visibility to development opportunities also involved “People & Organisation Management”, along with **Internal Job Posting**, through which vacant positions were regularly published, giving employees the possibility of occupying a new role within the company. Thanks to this activity, the Group provides the entire corporate population with growth and development opportunities.

DIVERSITY, EQUAL OPPORTUNITY AND INCLUSION

Keeping the Code of Ethics as a central reference in all corporate activities and with regard to local regulations, the Group implements inclusive selection processes that guarantee equal opportunities to all candidates, regardless of gender, ethnicity, religion, sexual orientation, disability or other personal traits.

Diversity, impartiality and gender equality are fundamental values for the company which is committed to creating conditions in order for each person to best express their individual talent and potential.

Cimbali Group SpA is required to produce a equality report between men and women that analyses the treatment of employees in terms of remuneration, career and other working aspects, in order to ensure that there is no gender salary discrimination within the company and that women have equal professional development

opportunities compared with men.

In 2023, Cimbali Group obtained UNI/PdR 125:2022 certification at the parent company, better known as “**Gender Equality**”. It offered a training course on diversity and inclusion to the “People & Culture” committee. The activity allowed the “People and Organisation Management” function to prepare the activities for certification. These included the drafting of policies and procedures under the scope of Diversity & Inclusion.

Cimbali Group also prohibits and

condemns any form of discrimination or harassment based on gender, ethnicity, religion, sexual orientation, disability or other personal traits. For this purpose, the Group provides confidential **reporting channels** and has a rigorous management process for dealing with any cases of discrimination, harassment, bullying or mobbing. The aim is to guarantee that all reporting is taken seriously and managed promptly and effectively.

In the light of the national **GENEria-mo Cultura** campaign aimed at raising awareness to prevent workplace harassment and gender violence promoted by the National Committee for Equal Opportunities, in November 2023 training days were organised on the Control and Management Organisational Model and whistleblowing. The initiative continued into 2024 with the aim of increasing awareness of the risks of different forms of violence and the need to promote a cultural change that allows a reduction in gender-related inequality.

It is in this context that the Group evaluates scientific-technological skills and encourages young women to study and make a career in STEM subjects (Science, Technology, Engineering and Mathematics). With the support of the **ValoreD** association (an association that promotes gender equality and an inclusive culture for the growth of companies and the



country) a series of initiatives were created aimed at ensuring equal opportunities to the new generations venturing into the world of work, developing STEM professions, in 2023.

In September 2023, Cimbali Group took part in the **Virtual Job Meeting STEM Girls**, an opportunity for companies and recent graduates in STEM subjects to meet. Thanks to digital technologies, Cimbali Group announced and shared corporate culture and opportunities and met candidates interested in pursuing STEM professional development paths.

In addition, Cimbali Group continues to support the **ValoreD “Wanter - discover the Future of Professions”** project. The project, offers young men and women the possibility of discovering the professions of the

future, through a web platform, navigating through their specialisation to overcome any gender bias, ultimately facilitating inclusivity. “Wanter” offers interactive professional guidance, allowing them to explore the careers most in demand, the necessary study courses and to discover which opportunities best adapt to their passions and aspirations.

In addition, in the latter part of 2023, Cimbali Group took part, for the fifth year consecutively in the **ELLE ACTIVE!** event. In conjunction with the Università Cattolica del Sacro Cuore di Milano, in which participants were offered a fascinating immersion into the world of technical professions within the coffee industry. The theme of Elle Active! 2023 was female leadership, with a focus on the post-pandemic situation and centred on values

such as trust, freedom, care and well-being. The masterclass “Technology and empathy for creating value” held by Cimbali Group experts provided female recent graduates with a unique opportunity for comparisons with corporate management. In addition, it was possible to discover the secrets of preparing the perfect espresso, from the origins of the coffee to the technology of professional machines. The subjects presented and discussed provided a solid base for personal and professional growth, helping participants to develop key skills while creating value both for themselves and for the organisations in which they operate.

A valuable experience for facilitating entry into the world of work or for improving one’s employment status in an ongoing learning path.

The commitment of Cimbali Group to these initiatives stresses the importance that the company devotes to education, valuing young talents and promoting diversity within their team. Cimbali Group strongly believes that an inclusive and merit-based work environment is a key factor for success and innovation.

QUALITY OF CORPORATE LIFE

Cimbali Group recognises and respects compliance with existing legislation and the right of workers to trade union representation. In Italy and in France, 100% of employees are covered by collective bargaining agreements.

Cimbali Group also considers the well-being of its employees as a top priority, **encouraging a healthy work-life balance**. In addition to the paid leave envisaged in the collective agreement, the company offers different practical measures to facilitate

reconciling a work-life balance while caring for a family.

These include concessions aimed at facilitating time management, through catering services, as well as incentives for reconciling working life

with personal life, with the application of flexible hours or smart working, where the individual tasks allow, and offering parental care services if required.

An in-house survey was conducted in

2023 in conjunction with POLIDESIGN called **ROCK YOUR WORKSPACE**, in the belief that well-being in the workplace can be achieved by understanding the needs of employees.

The survey refers to work habits, work spaces and the tools to improve collaboration and all Group personnel were involved. In addition, in 2023 the **parent company renewed the plan for sustainable mobility and home-work travel**, in order to define which initiatives could help reduce emissions.

Cimbali Group, mindful of the increasing cost of living, continued to provide “**mobility bonuses**” to help employees with travelling expenses. In addition, significant **corporate welfare initiatives** were conducted in the main Group production companies. In effect, the parent company implemented flexible benefit programmes and bursaries for young people and employee’s children. It implemented adequate insurance coverage in all Cimbali Group Italian and foreign offices to **cover healthcare** requirements and tools that allow a healthy work-life

balance for employees.

Consistent attention to the well-being of employees is a fundamental value for the company. For this reason, Cimbali Group adopts adequate safety measures and promotes flexible working, such as smart working, and therefore a hybrid work experience, where tasks allow. The goal is to ensure a better work-life balance and to reduce the environmental impact of corporate activities.

Vaccination campaign and the Fondo Assistenza Sanitaria

Cimbali Group confirmed its commitment to and focus on the health of its employees, launching a new health promotion campaign.

In 2023 an agreement was signed to provide and administer the flu vaccine at the Binasco (MI) sites. Within the same year, the Ghisalba (BG) plant became a partner of the Public Day for the prevention of breast cancer at Martinengo (BG) where a vo-

luntary campaign to fight the illness was launched, aimed at women aged between 35 and 45.

In addition to health promoting campaigns carried out periodically, employees can join the Company Sup-

plementary Healthcare Fund as well as a healthcare fund (Cassa Sanitaria). All Cimbali Group employees are guaranteed insurance plans and, in some cases, pension plans.

Safety Race

Cimbali Group took part in the Safety Race in 2023, the first track event in Italy dedicated to workplace safety. The proceeds went entirely to supporting workplace victims, the

disabled and their families through the National association for workers maimed and disabled at work (AMNIL).

Health and safety of our people

For Cimbali Group, safety has always been a corporate value. For this reason, even if no material impact was deemed to exist, we included said theme within this Sustainability Report, recognising its importance and to meet stakeholders' expectations.

Cimbali Group is committed to protecting workers and to promoting a culture of safety through rigorous policies, continuous training programmes and initiatives aimed at physical and mental well-being.

Operationally, this commitment translates into an integrated approach to processes, which sees the issue of employee's Health and Safety as an integral part of production choices and in defining corporate investment. The Group considers its employees to be absolute priority and believes

the subject of occupational health and safety a fundamental right and key element of its sustainability. Cimbali Group has an ISO 45001 certified Health and Safety Management system for Binasco (MI), Cappella Cantone (CR) and Ghisalba (BG). The recently acquired sites of Keber and Slayer are excluded from the scope of application.

The implementation of **ISO 45001** promotes conformity with legal requirements, improves cost control and

allows the faster improvement of processes.

Cimbali Group is committed to protecting Safety, which is a distinctive element of its way of being. This commitment translates into a zero accidents target. In 2023 there were a total of 20 accidents in the Group, including 4 during commuting. The figure was also collected for the first time from overseas premises, allowing Cimbali Group to monitor the trend of accidents throughout its entire perimeter.

Recordable accident rate, deaths of employees and non-employed workers in 2023 (no.)

	Employees	Non-employees
Accident frequency rate without serious consequences	10.38	0
Accident frequency rate with serious consequences	0.74	0
Fatality rate	0	0

HEALTH AND SAFETY TRAINING

Cimbali Group is committed to health and safety training as a priority for the prevention of accidents.

In 2023 **1,989 hours of training** was provided on the following subjects:

- **specific topics for regulatory updates for live-working**, as well as training dedicated to specific risks related to certain tasks. Cimbali

Group organises specific courses in this area for welders and testers, looking at the chemical and electrical risks in detail;

- **first aid and fire-prevention courses**, which also include practical sessions for the application of

procedures, such as the use of fire extinguishers and first aid manoeuvres for managing emergencies;

- **training for using equipment such as trolleys**, working at height and the use of personal protection equipment (PPE).

This context includes the mandatory training required by the State - Regional Agreement, which defines the main areas that must be adhered to in order to train employees effectively.

The production area has a strong focus on the subject of workstation ergonomics. **The organisation of working methods was reviewed**

to further improve workstation ergonomics and to make materials increasingly more accessible during assembly stages. In order to do this the employees working on the production line were directly engaged with, with a view to understanding their requirements, ensuring that they felt involved within the analysis and decision-making process. During the pandemic, when pro-

duction activities were resumed, the company invested in an innovative “Active Individual Protection Device” to help the user maintain a suitable interpersonal distance. The desire now is to assess reconverting this equipment into a trolley-pedestrian detection system to reduce the risk of man-machine interference in specific warehouse areas, with an applicability test designed and launched.



Dissemination of coffee culture

Cimbali Group, conscious of its leading role within the professional espresso coffee machine sector and as a paragon of Made in Italy excellence, has made the decision to help with a practical initiative to preserve, value and spread the history of this important symbol of Italian tradition.

For its centenary, the company wanted to share its cultural and industrial heritage, promoting coffee culture and strengthening the bond with this area and the industry. This is how **MUMAC** was established in 2012, the most important professional espresso Coffee

Machine Museum in the world and a focal point for aficionados, professionals and the general public.

In order to best nurture and grow the coffee culture, the museum is supported by the **MUMAC Academy** which

plays a vital role, educating new generations of professionals, enthusing them with passion while bestowing upon them the necessary skills, promoting the excellence of Italian espresso around the world.

MUMAC

The museum explains the development of espresso coffee and Made in Italy, and houses a collection of over 300 historical machines, 100 of which are on display, coming from the Cimbali family and the collector Enrico Maltoni, a well-known personality within the industry.

As well as the collection, MUMAC has a library with around 1,300 volumes and 30,000 historical documents, partly digitised and that can be consulted

online, making it an important resource for researchers and enthusiasts. The MUMAC Library is part of the National Library Service as an historical library, preserving the history and heritage of the sector.

In 2022, the museum was renovated to improve accessibility and interactivity, with a design for all, pursuing the principles of inclusivity. In 2023, an App was introduced with an audio guide in

different languages, based on artificial intelligence, to make the visitor experience more immersive.

Policy and Governance

MUMAC is run by the Board of Directors, which defines the museum's strategic guidelines. Following these guidelines, the director proposes annual projects, defines programmes and coordinates the museum activities.



300
historical machines, 100 of which are on display

1,300
coffee and coffee machines books made accessible

30,000
historical documents

MUMAC and its partners

MUMAC is not just a museum, it is a global ambassador of coffee culture, operating at a local, national and international level. It supports regional events, works with organisations and schools on sustainability projects and is a partner of important cultural and museum associations.

The main initiatives of 2023 are listed below. Collaborations with museums, schools and universities, support of FIA - Fondo Ambiente Italiano - and loans for exhibitions in Italy and abroad are among those that stand out.

LOANS OF HISTORICAL ITEMS

Exhibitions on display at the Ministry for Business and Made in Italy, the Italian Institute of Culture in Copenhagen, the Achille Castiglioni Foundation and the Triennale di Milano.

SUPPORTING TELEVISION PRODUCTIONS

The provision of historical items for the set design of the RAI TV series "L'Amica Geniale".

RENOVATION OF THE EXTERNAL MURAL

Restoration of the mural that tells the story of the coffee supply chain in conjunction with local street artists.

CORPORATE GOLDEN DONOR OF THE FAI

Participation in the FAI Days of Autumn with special openings that attracted more than 700 visitors.

COLLABORATION WITH MUSEUMS, SCHOOLS AND THE AREA

Initiatives related to sustainability, such as the "Zero Waste" laboratory dedicated to small children and themed guided tours for schools of all levels.

COLLABORATIONS WITH UNIVERSITIES

Teaching at university Master's courses (off site) and on-site collaborations for corporate and museum presentations and dedicated visits.

CIRCULAR ECONOMY PROJECT

Collaboration with NSBVN for the recovery of museum materials that can no longer be used, transforming them into Christmas presents for employees.

PRIMA DIFFUSA

Hosting the screening of *Prima* of the Teatro alla Scala with 150 places available free of charge: this helped to put the public in touch with the museum, creating the possibility of visiting it for a unique cultural occasion.

CULTURAL PARTNERSHIPS

Collaborations with Museimpresa (with a seat on the board), Teatro alla Scala, ICOM Italia (with a presence in the working party dedicated to Corporate Museums), FAI (as a Corporate Golden Donor), MuseoCity (with a seat on the board) and other museums to promote awareness and the presence of MUMAC more widely as a place for the dissemination of coffee culture.

Awards and recognition

In 2023, MUMAC received many awards and was recognition for its commitment to sustainability, digital innovation, the promotion of culture as a distinctive element of Corporate Cultural Responsibility, namely raising awareness of the value of corporate culture.

MERCURY AWARD

Special recognition for inter-cultural commitment in Italy and Germany, thanks to the account of the culture of Italian espresso (Cologne).

CORPORATE HERITAGE AWARD

Nomination in the category “Narration through events” for the “Decennale Diffuso” project (Rome).

GIANLUCA SPINA AWARD

A special mention for digital innovation in cultural heritage with the “Ten Years of MUMAC” project: innovation in the cultural offering to the public” (Polytechnic of Milan).

ADI INDEX

Inclusion of the “Restyling for Ten Years of MUMAC” in the ADI 2023 Index Selection for participation in the ADI 2024 Golden Compass (Milan).

CULTURE+BUSINESS AWARD

A special mention for the “What’s a museum” project, dedicated to primary schools and developed together with the Kartell Museum.

ARCHIVIST CONFERENCE

Selection of the MUMAC project for participation in the “2023 Archivist Conference” (Edinburgh).

EASY GO OUT

Recognition as a suitable place for accessible and sustainable tourism, under the scope of the “Accessibility for All” project supported by AISM.



Measuring success: Assessing the impact of our initiatives

MUMAC measures and evaluates the results of collaborations, projects, initiatives and events through a continuous evolving process, the result of which is approximately 6,000 visitors per year, with the share of overseas visitors growing, but independent of a monitoring system that measures the impact of activities, in order to continually

improve the work of the museum.

This includes: the number of visitors to off-site events and external sites where items are on loan (exhibitions, museums, archives, etc.), newspaper articles (over 370 in 2023) and their equivalent economic value, social media trends (e.g. IG followers

+150% compared with 2022), website visits (the new mumac.it website was launched in October 2023).

The data and analyses of activities were made available at the year end to all stakeholders, guaranteeing transparency while sharing the results achieved.

MUMAC ACADEMY

MUMAC Academy, Cimbali Group Academy of Coffee Machines, is the focal point for coffee lovers and professionals for promoting coffee culture and the ideal place for discovering the latest coffee trends.

The Academy offers a wide range of training courses also aimed at Cimbali Group employees and young talents, the future professionals of the industry.

Since its establishment in 2014, the Academy has educated more than 21,000 people in 1,700 days of courses in the classroom and online. In

2023 the Academy provided 60 training modules and supported the training of 4,535 people through 2,338 hours of courses.

PURPOSE

- Development and growth of global coffee culture.
- Celebrating and promoting all professionals connected to the world of coffee.

VISION

- Expertise in all stages of the coffee supply chain, from green coffee to sensory analysis.
- A global point of reference for all stakeholders related to the transformation of coffee.

MISSION

- Creating innovative, specialised and structured experiences, delivered by the greatest coffee and technology experts, promoting both our products and our solutions.
- Steering market professionals to make informed choices with regard to raw materials for coffee, the tools for transforming it and correct management.
- Making a contribution to innovation in the development of products, detecting needs and trends at a user experience level.

The Training Centre

The Training Centre is the beating heart of the Academy, a place where the passion for coffee comes to life through excellent practical and theoretical training. With eight stations

equipped with the very best LaCimbali and Faema machines, together with the latest fully-automatic coffee machines on the market, this space is the ideal destination for those who

look to immerse themselves in the latest coffee trends, experimenting with a hands-on approach.

The Sensory Room

The Sensory Room offers a unique sensory experience, designed for those who want to go beyond the art of coffee and embrace a scientific approach to tasting.

This incredible space is divided into three areas:

The Blind Test Station

where the coffee is tasted blind for a total immersion of the senses;

The Roasting Station

to observe the transformation of the coffee bean from green to the perfect roast, close up;

The Tasting Station

with professional cupping tables and a certified lighting system that creates the ideal atmosphere for bringing out every nuance of the coffee.

Guided by expert trainers, the participants have the opportunity to enjoy a complete journey into the world of coffee, combining passion, technique and science in a truly unforgettable experience.

The educational offering

The MUMAC Academy's educational offering breaks down into two main categories:



COFFEE EDUCATION

Immersive courses in order to gain an in-depth knowledge of coffee, with prestigious programmes promoted by the Speciality Coffee Association (SCA), including LAGS courses (Latte Art Grading System), the Sustainability Coffee Program, the Arabica Q-Grader course and events for hotel associations, with the possibility of obtaining a Coffee Diploma.



COURSES ON PRODUCTS AND TECHNOLOGIES

Training sessions designed to teach customers how to use some of our top of the range LaCimbali and Faema coffee machines to ensure optimum coffee quality.

MUMAC Academy also offers customised training sessions and in-house courses for Cimbali Group employees involving 230 colleagues in 32 training days through 2023 alone.

Training on sustainability in the world of coffee

MUMAC Academy is the leading SCA Premier Training Campus in Italy offering the Coffee Sustainability Program, a course taking an in-depth look at the sustainability of the coffee industry from a holistic perspective, taking into consideration economic, social

and environmental aspects. The programme is aimed at all coffee professionals, from baristas to producers, and covers subjects such as climate change, agricultural science, price fluctuations and working conditions in plantations. The goal is to equip cour-

se attendees with the tools necessary to meet the demands of sustainability within the field of coffee, demonstrating that, although complex, it can be achieved.

Training in schools and Junior Espresso Masters

MUMAC Academy has developed training programmes for Hotel Associations and Professional Training Centres, offering practical and customised courses on coffee, espresso,

latte art and sensory analysis to prepare young people for the requirements of the industry. In collaboration with illycaffè, it promotes the Junior Espresso Master competition, invol-

ving more than 1,000 students every year. The prizes include internships, scholarships, LaCimbali machines and supplies of coffee to support the training of young professionals.

Cross-functional projects and initiatives

MUMAC Academy also offers experiential and training initiatives for coffee lovers, with activities that range from coffee brewing to tasting and

roasting, to raising awareness of quality and the importance of the role of the barista. In 2023, the Academy extended its offering including training

courses on tea, focusing on its preparation, consumption and sale.



Certifications

The certifications obtained are testament to the achievement of important milestones within the history of MUMAC Academy:

ISO 9001

Recognition by TUV Italy for the quality of courses and organisation of the academy, based on international quality improvement standards.

Premier Training Campus

Recognition by the Speciality Coffee Association (SCA) as one of the most prestigious coffee tasting and expertise centres, with spaces and equipment of the highest order for programmes such as Q-Grader and the SCA courses.

LAGS Certification Point

Recognition as a training centre for Latte Art Grading System certification, which evaluates the technical and creative skills of baristas in latte art through 5 levels of difficulty.

IIAC Academy

Recognition of the International Institute of Coffee Tasters for the quality of the structure and lecturers, and for its role in research and innovation in the field of coffee.

MUMAC Academy lecturers are qualified as Authorised SCA Trainers (AST) and certified as Q-Graders, guaranteeing excellent training and dissemination of coffee culture.





SUSTAINABILITY OF THE VALUE CHAIN

Our blend *Everywhere*

Our blend for the future is a sustainable vision that encompasses the entire value chain.

It starts with a sustainable and ethical supply chain. It continues with the design and planning processes that follow the principles of the circular economy. It passes through measures aimed at reducing the emissions generated, increasing energy efficiency and the use of renewable energy, and it reaches the customer through the quality and compliance of our products.

An ever-wider vision, which maps every possible impact.

Our blend EVERYWHERE.



54%
Percentage of
renewable energy



50%
products subjected
to LCA analysis



30
suppliers involved in the
ESG workshop

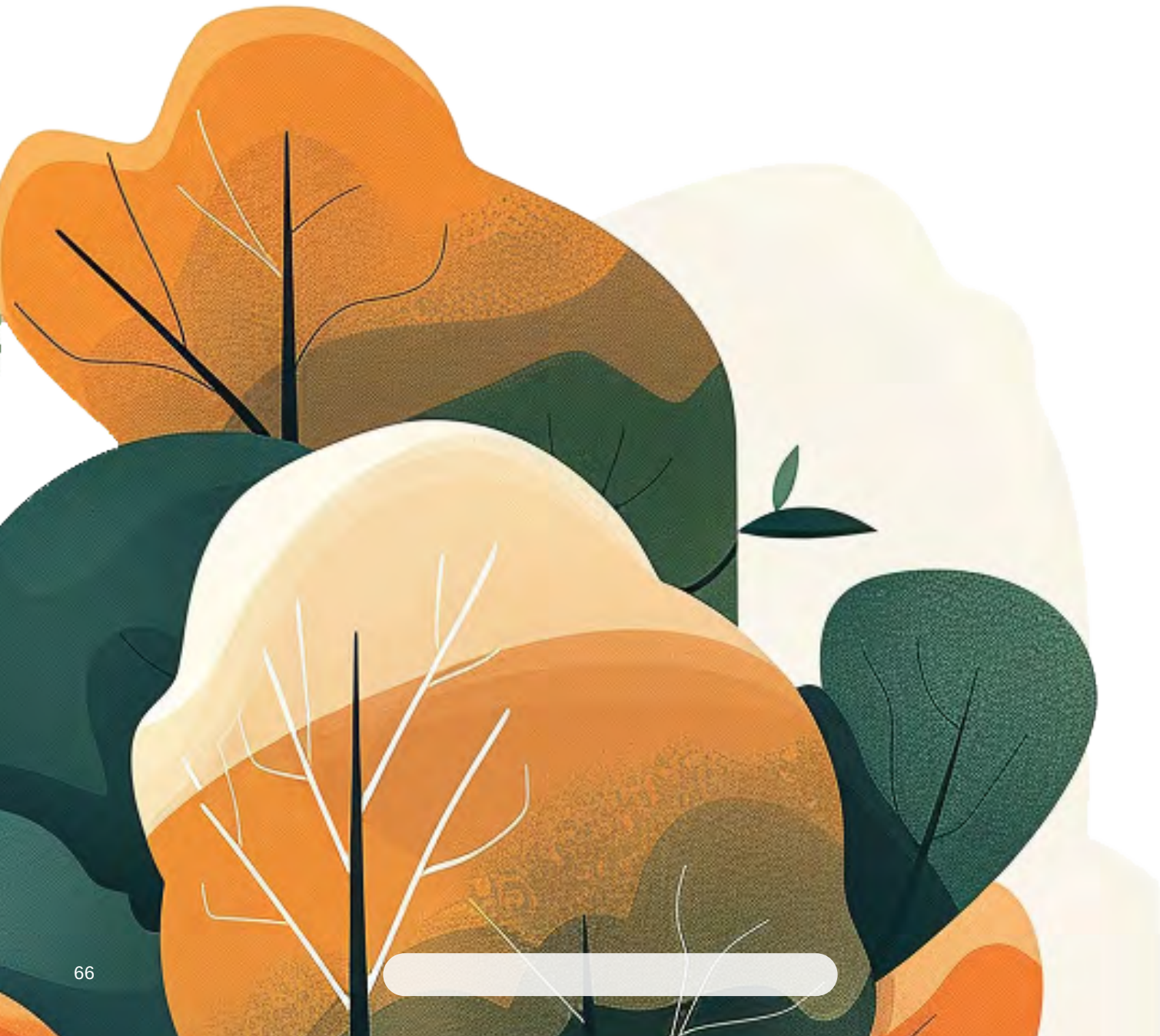


Protecting and preserving natural resources, while ensuring improvements in product efficiency and manufacturing processes, is vital in contributing towards the sustainability of our planet.

As part of the Cimbali Group's sustainability, the **"Sustainability of the value chain"** pillar is not just restricted to environmental aspects, but also includes important social issues.

The adoption of sustainable practices in all phases of the value chain aimed at reducing carbon emissions, stimulating the circular economy, adopting responsible waste manage-

ment, guaranteeing the central role of the client and developing a sustainable and ethical supply chain.



Decarbonisation of products, services and the value chain

Climate change is a global emergency which, in recent years, has been the centre of attention for organisations, governments and companies called upon to combat the causes and effects.

In line with the targets of the European Union, the Group is committed to using an increasingly larger percentage of renewable energy for direct operations within a broader transition process.

ENERGY CONSUMPTION

The Group's energy procurement consists of a mix of different sources. Specifically, production sites and commercial offices to the most part utilize electricity for lighting, cooling and the use of electrical equipment, while heating is mainly provided by purchasing natural gas (methane).

In 2023, the Group's total energy consumption stood at 40,763GJ.

54% of the energy used by the Group was obtained from re-

newable sources.

The electricity consumed, produced from renewable sources, is equal to 946GJ thanks to the photovoltaic plants of Cimbali Group SpA and Casadio HBS Srl. **The energy generated by Group plants is, to a large extent, destined for self-consumption, 7% of the total energy mix.** The remaining percentage is then sold to the grid. In this respect, projects are underway to implement new renewable energy plants in or-

der to increase energy self-sufficiency within the coming years.

Added to this is the purchase of Guarantee of Origin (GO) certificates for the Cimbali Group SpA, Casadio HBS Srl and Ciden Srl plants, which certify the provenance of energy from renewable sources and cover approximately 50% of electricity purchased by Group plants over the year.

Energy Mix Used (%)



Annual energy consumption broken down by source (GJ) - 2023

Direct consumption	
Methane	12,769
Biogas	230
Diesel	11,346
LPG	16
Petrol	2,025
Self-produced electricity - consumed	946
Self-produced electricity - sold	65
Indirect consumption	
Electricity	13,355
From non-renewable source	6,641
From renewable sources	6,714
District heating	11
Total Consumption (Direct + Indirect)	
	40,763

EMISSIONS

Scope 1 Emissions

In 2023, Cimbali Group calculated corporate emissions, considering the corporate perimeter of the consolidated Group, in accordance with the standard of the GHG Protocol, with the goal of defining a full decarbonisation plan. In 2023, total Scope 1 and Scope 2 emissions for the group stood at 2,814 tCO₂e.

The greater impact came from Scope 1 (2,032 tCO₂e), specifically caused by the use of methane for heating buildings and diesel for the company fleet.

Emissions caused by fuels used within company buildings are equal to 721 tCO₂e approximately 35% of

Scope 1 emissions. Emissions with a high impact on company buildings come from the purchase of natural gas (methane), specifically for Cimbali Group SpA, Slayer and Casadio HBS Srl production sites.

The Group's fleet of vehicles is composed of 241 vehicles that include

company cars and service vans, which to the most part, run on diesel and petrol. 22% of the fleet of company vehicles are hybrid vehicles and/or run exclusively on electricity. The company fleet produces total emissions of 1,311 tCO₂e, approximately 65% of Scope 1 emissions, including 53% produced by the service vans.

Scope 2 Emissions

Scope 2 emissions (direct consumption electricity) total 1,240 tCO₂e according to the location-based method. Calculated using the market-based method, this figure stands at 781 tCO₂e.

The two reporting methods differ as the second (market-based) method takes into consideration the Group's certified renewable supplies with a Guarantee of Origin (GO). Scope 2 emissions are to the most part generated by the most recently acquired company plants: Slayer and Keber.

Cimbali Group has begun investing to reduce emissions in these plants too and, specifically for Keber, a new photovoltaic plant will come into operation as early as 2024.

In addition, Cimbali Group continues to collaborate with an external com-

pany for support in monitoring and energy efficiency.

The topic of emissions is of crucial importance, and Cimbali Group is fully aware of this.

The Group is working to be able to also measure and report Scope 3 emissions, demonstrating transparency and a desire to reduce the environmental impact along the entire value chain.

Distribution of Scope 1 and Scope 2 GHG emissions (tCO₂e)

Scope 1	
Emissions from production processes and heating	721
Emissions for the use of company vehicles and other fuels	1,311
Scope 2	
Indirect emissions for electric and district heating consumption	1
Market-based	781
Location-based	1,240
Scope 1 + Scope 2 Total (Market-based)	2,814



Circular economy

Businesses are often called upon to respond fully to the challenges of climate change. Through solutions which, beginning with the design stage, take into consideration market requirements as well as the principles of the circular economy, Cimbali Group is working to develop products that aim to minimise the environmental impact throughout the entire life cycle.

This goal is pursued through the reduction, reuse, recycling and recovery of materials, as well as by extending the useful life of products.

In line with this approach, an in-house protocol was developed for evaluating the environmental impact of every product, through **Life Cycle Assessment (LCA)** studies, energy consumption analyses and product-related recyclability analyses. These analyses were carried out based on consolidated internal procedures, that conform with industry standards, utilizing specialist software. Having become common practice in the design and development phases, these analyses are also implemented on products on the market and those recently introduced. **At the end of 2023 an LCA analysis was**

conducted on approximately 50% of products within the range and a recyclability analysis was carried out on 95% of products, with the exclusion of Slayer products. The scope of the analyses will be extended to the entire Group in 2025.

These activities, in conjunction with the energy consumption tests during the validation phase, make it possible to analyse the environmental impacts associated with the product and to work efficiently in creating products that have lesser impact than previously offered. With this in mind, the product sustainability team held an **in-house seminar “Materials & Sustainability”** in order to provide in-house training and information on issues relating to product sustainability.

Thanks to the LCA analysis the categories of material used during Group production activities were identified: the main ones being: **plastic, wood, paper, metal, glass and rubber.**

From the Life Cycle Assessment analysis, it emerges that, on average, around 80% of environmental impacts are attributable to energy consumed during the use of products (excluding the use of coffee and milk resources). **Cimbali Group is working to develop new technologies that use energy more efficiently and responsibly.**

95%
products subjected to
recyclability analysis



THE DESIGN OF LA CIMBALI M40

La Cimballi M40 has been designed with a strong specific focus on energy consumption. The technologies implemented enabled significant results to be achieved. From a comparison with the previous model, internal tests have shown:

-55%

a first heating energy consumption saving

-55%

a ready to use mode energy consumption

An exercise was carried out aimed at enhancing development and attention to efficient management of the machine's heating system. This exercise led to significant energy savings in the ready to use switching on phases compared with the previous model. The research was conducted with a total transparency approach.



The Group has developed other technologies for the efficient management of consumption:

- **Independent boilers:** a technology that makes it possible to set different temperatures for each group and to switch off groups at times of low usage;
- **Energy saving:** a technology that allows a reduction in the performance of the machine, consuming less energy. The machine is ready, however, to quickly revert to maximum operating levels;
- **Automatic switching on/off:** a technology that enables you to set the switching off times and a possible closing day, only keeping the machine on when it is actually used;
- **Insulated boiler:** a technology that allows a reduction in heat loss.

To provide the final consumer with a valuable experience, Cimbali Group is committed to informing its customers of the way in which beneficial energy savings can best be achieved. This advice includes switching off the machine when it is not being used. **A study states that switching off the machine for 8 hours a day facilitates a saving of 20%.** Utilizing energy saving modes while having

the possibility of switching individual boilers off, for machines with multi-boiler technology, helps further to reduce the energy impact of products.

In addition, when tackling the issue of the circular economy, Cimbali Group is in the process of developing a **re-marketing programme**, with the aim of reconditioning its stock of high-end machines. The project breaks

down into 5 steps, the collection of machines from the market, an initial screening that makes it possible to understand whether the machines comply with the criteria for becoming part of the project, revision with all the standards introduced and pre-defined checks, storage and, lastly, resale.



Used machines collection (top range)

Assessment

Refurbishment

Storage

Re-installation

The number of components replaced stands at approximately 15% of total parts present in a traditional coffee machine for the three groups; **85% of existing components are reused, enabling a significant reduction of**

environmental impact.

At the conclusion of the pilot stage, which allowed us to fine tune the logistical and production flows, throughout 2023 said project was implemented, with 70 reconditioned

machines.

The improvement in internal automated systems and the production area made it possible to reach 2024 with the project having become an integral part of corporate operations.

Responsible waste management

Responsible waste management is an integral part of the Cimballi Group environmental sustainability plan. The goal is to adopt processes increasingly more responsible for the management of its waste, first and foremost through prevention and, where this is not possible, through reuse and recycling activities.

In production plants, attention was directed to the separation and treatment of hazardous and non-hazardous waste.

With this in mind, the Group manages the disposal of electronic waste through a differentiated process.

Another important aspect involving the plants is that of packaging management and, specifically, the reduction of volumes, the use of recycled materials and recycling of the actual packaging.

wood and plastic) and metal chips and scrap resulting from the production of Keber machines. A lesser percentage is represented by the waste from the production process such as copper, steel and aluminium scrap and electronic components.

The waste produced in 2023 by offices and overseas branch offices stood at 4.4% of total waste and involved solid urban waste. The quantities were estimated, calculating daily or weekly waste production and multiplying this figure by the number of working days or weeks.

Almost all waste produced is sent for recovery activities, such as reuse, recovery, recycling and composting. A residual percentage of waste is disposed of through incineration or is sent to specialist waste disposal sites. Note that 100% of waste produced by the Group in 2023 was collected and disposed of by specialist, authorised bodies.

In 2023 the Group's production plants generated 660 tonnes of waste⁸, of which 94% was non-hazardous and the remaining 6% was hazardous.

Non-hazardous waste, produced by the company, can mainly be recycled (93%), since the production of coffee machines mainly consists of the assembly of components; the waste produced essentially results from the packaging of components (paper,



94%
non-hazardous waste



6%
hazardous waste

8. The calculation does not take into consideration the waste produced by Slayer.

Customer focus

Cimbali Group has always placed great attention on anticipating and satisfying the needs of its customers and final consumers, while remaining focused on operating in conformity with existing regulations.



The innovation that the Group strives for in the development of its products translates into characteristics such as multi-functionality and ease of use, the sophistication of materials, attention to design and ergonomics and, lastly, the adoption of state-of-the-art technologies.

The Group's commitment to guaranteeing the highest quality standards is explicitly stated in the **Quality policy**: *“Anticipating the needs of customers with innovative, high-quality products, to achieve excellent service. Valuing and developing human capital in a context aimed at teamwork, integration and synergy. Making a significant difference in improving the health of people and our planet.”*

The imperative for every Cimbali Group product is to guarantee the health and safety of people. With this in mind, the product development process includes two main strands of enquiry to guarantee compliance with quality and safety requirements: **MOCA** (Materials and Objects in Contact with Foodstuffs) and **electrical and mechanical safety**.









The entire production is subject to rigorous functionality testing as well as electrical safety tests. In addition, a sample of products are further tested through additional functionality tests and release tests, in conformity with existing regulations relating to contact with foodstuffs.

In line with the main European directives and Italian regulations, attention is paid from the initial design stage to those materials which will come into contact with foodstuffs. Tests are carried out on these components at specialist laboratories.

The Group is committed to sourcing components from certified suppliers only, capable of producing the necessary documentation, such as declarations of conformity, test reports and certificates for materials. For components in contact with food, compliance with both applicable Italian and international legislation is also verified. The renewal of the declaration of conformity is also regularly requested to ensure that we safeguard customers.



To ensure full compliance, the entire certification process for products is concluded before the product is released onto the market. On the issue of electrical safety, **Cimbali Group voluntarily certifies all machines**. Cimbali Group products are certified as follows:

- | | | | |
|---|---------------------|---|---------------------|
|  | Korea Certification |  | Safety USA |
|  | Safety Europa |  | Safety Canada |
|  | Safety Europa |  | Safety USA + Canada |
|  | CE marking |  | Sanitation USA |

During the production process, compliance with **Good Manufacturing Practices** are guaranteed in conformity with EU Regulation 2023/2006 in order to ensure cleanliness and prevent contamination during the assembly stage. These regulations are also complied with thanks to conformity with **ISO 9001 certification**. In addition, note that the Group conforms to **Reach and RoHS standards**.

Each year, the Group is subject to audits by third parties to check that homologated components have been correctly assembled.

Specific protocols have been defined to prevent the contamination of the MOCA materials, A fundamental step is represented by the inspections that are conducted using water at high temperature and high pressure, in or-

der to prevent the presence of foreign bodies.

In 2023 no single case of non-conformity with the regulations or voluntary codes was detected involving Group products, a guarantee of the attention paid to customer health and safety.

Sustainable and ethical supply chain

Cimbali Group’s commitment in constructing a supply chain mindful of ESG issues also takes shape in the active and careful management of its suppliers, which are monitored, not only with regard to their business performance, but also with respect to their environmental, social and governance sustainability parameters. Cimbali Group has also, over the years, created a network of mainly local and domestic suppliers, generating value for the country’s communities while helping to reduce the environmental impact.

Cimbali Group suppliers are to the most part, manufacturing companies that are part of the light industry for component production. The business, regulated by medium and long-term agreements, is worth a total of around €90 million⁹.

The strategy adopted by the Cimbali Group Supply Chain function to raise awareness among its partners is founded on **the creation of value through two-way communication, the purpose of which is to create a shared culture**. In this context suggestions for improvement are being sought and importance is being given to contents that can prioritise business sustainability elements, beginning with the optimisation of production processes and packaging,

through to the reduction and responsible management of waste.

The Group will not stop at these environmental aspects and is committed to ensuring value with regards to social issues such as education, the approach to schools, research and nurturing talent, the development of careers with the companies and the promotion of diversity and inclusion.

The group of supplier partners is both receptive and highly motivated, and include many organisations, each with its own pace and its own wealth of expertise and know-how: it is precisely thanks to the role of head of the supply chain that the Group sets the goal of leading the virtuous sustainable growth journeys.

In 2023, Cimbali Group consolidated the collaboration channel with CRIBIS, a company that is part of the CRIF Group, with which it is already working in the area of analysing the management of risks associated with the world of the value chain.

The partnership refers to the **Synergy platform**, which monitors the ESG performance of different industrial supply chains, nationally and internationally. The goal of Cimbali Group is to work with its important suppliers to reach an evaluation of ESG issues (environmental, social and governance) that covers at least 80% of the value of purchases. In 2023, 15 suppliers completed this questionnaire.

9. The company adopts payment practices with an average time of 90 days. Specifically, average payment terms are 120-90 days for production suppliers and 30-60 days for service suppliers. All payments, with the exception of end of month transfers which require a technical preparation/management time of ten working days, are made promptly, without extensions or delays, as confirmed by the absence of legal proceedings currently pending for payment delays by the Group. The company has used the DPO tool (Days Payable Outstanding) to calculate the average payment days. The calculation is made taking the data point of payables to suppliers at the period end, spreading it in terms of capacity over the value of the purchase of each specific supplier, thereby calculating the average payment days.

Once the final results of the analysis are received, suitable improvement plans for poor performing suppliers will be presented in order to reach the level required by Cimballi Group.

Throughout 2023 and for the second time, a workshop was organised that invited thirty suppliers to the Group's headquarters to discuss and share a series of important issues.

The subjects discussed ranged from

performance analysis and the quality of suppliers to specific moments of reflection on sustainability and possible areas of improvement.

The event was very well received and will become a regular event in the annual calendar of Supply Chain management activities.

In addition to the above, in the short and medium-term, Cimballi Group has various targets, the most signifi-

cant of which are sharing a new code of conduct for suppliers, the adoption of a specific document for the management of materials coming from conflict zones (conflict minerals), the creation of an online portal for the pre-registration of suppliers, the creating of a vendor rating system and the implementation of a risk monitoring system.



Appendix

Performance tables

Employees by geographical area and gender 2023 (no.)

	Men	Women	Totals
Italy	344	154	498
Europe (excluding Italy)	179	62	241
Asia	20	8	28
Americas	40	14	54
Australia	1	1	2
Total	584	239	823

Employees by contract type and gender 2023 (no.)

	Men	Women	Totals
Permanent contract	582	238	820
Fixed-term contract	2	1	3
Total	584	239	823

Employees by contract type, gender and geographical area 2023 (no.)

	Men	Women	Totals
Italy			
Permanent contract	342	154	496
Fixed-term contract	2	-	2
Total (Italy)	344	154	498
Europe (without Italy)			
Permanent contract	179	61	240
Fixed-term contract	-	1	1
Asia			
Permanent contract	20	8	28
Fixed-term contract	-	-	-
Americas			
Permanent contract	40	14	54
Fixed-term contract	-	-	-
Australia			
Permanent contract	1	1	2
Fixed-term contract	-	-	-
Total (Rest of the World)	240	85	325
Total (Italy and Rest of the World)	584	239	823

Employees by type of employment, geographical area and gender 2023 (no.)

	Men	Women	Totals
Italy			
Full-time	341	133	474
Part-time	3	21	24
Europe (excluding Italy)			
Full-time	179	61	240
Part-time	-	1	1
Asia			
Full-time	20	8	28
Part-time	-	-	-
Americas			
Full-time	40	14	54
Part-time	-	-	-
Australia			
Full-time	1	1	2
Part-time	-	-	-
Total (Italy and Rest of the World)	584	239	823

Employees by category and gender 2023 (no.)

	Men	Women	Totals
Executive¹⁰			
<30 years of age	-	-	-
31-50 years of age	15	3	18
>50 years of age	12	3	15
Manager¹¹			
<30 years of age	1	3	4
31-50 years of age	91	35	126
>50 years of age	54	20	74
Other employees			
<30 years of age	42	18	60
31-50 years of age	244	108	352
>50 years of age	133	41	174
Total			
<30 years of age	43	21	64
31-50 years of age	350	136	496
>50 years of age	199	64	263

Non-employee workers 2023 (no.)

	Totals
Internships	9
Workers from a job agency	39
Total	48

10. The category of “Executives” in Italy refers to those who have the contractual qualification of director. Throughout the rest of the world, the category of “Executives” refers to country managers and those who have executive roles on local boards of directors.

11. The category of “Managers” in Italy refers to the CCNL (National Collective Bargaining Agreement) for the Metalworking Industry. They are entrusted with managerial and executive roles, have responsibility and autonomy over units and/or projects, guide the development of skills and monitor the motivation of their collaborators. Throughout the rest of the world, the category of “Managers” refers to those directly under the figure of “Executives” or, in general, to people who manage resources.

Hiring by geographical area, age and gender 2023 (no.)

	Men	Women	Totals
Italy			
<30 years of age	12	12	24
31-50 years of age	18	12	30
>50 years of age	1	2	3
Europe (excluding Italy)			
<30 years of age	6	-	6
31-50 years of age	11	5	16
>50 years of age	2	-	2
Asia			
<30 years of age	-	-	-
31-50 years of age	5	2	7
>50 years of age	-	-	-
Americas			
<30 years of age	4	1	5
31-50 years of age	3	1	4
>50 years of age	-	1	1
Australia			
<30 years of age	-	-	-
31-50 years of age	-	-	-
>50 years of age	-	-	-
Total (Italy and Rest of the World)	61	36	98

Cessations by geographical area, age and gender 2023 (no.)

	Men	Women	Totals
Italy			
<30 years of age	5	4	9
31-50 years of age	9	2	11
>50 years of age	17	3	20
Europe (excluding Italy)			
<30 years of age	4	1	5
31-50 years of age	12	6	18
>50 years of age	4	0	4
Asia			
<30 years of age	-	-	-
31-50 years of age	2	-	2
>50 years of age	1	-	1
Americas			
<30 years of age	2	-	2
31-50 years of age	4	2	6
>50 years of age	1	1	2
Australia			
<30 years of age	-	-	-
31-50 years of age	1	-	-
>50 years of age	-	-	-
Total (Italy and Rest of the World)	62	19	81

Training hours by geographical area, gender and framework 2023 (number of hours)

	Men	Women	Totals
Italy			
Executives	393	14	407
Managers	2,314	832	2,146
Other employees	3,967	2,060	6,027
Total	6,674	2,906	9,580
Europe (excluding Italy)			
Executives	9	3	12
Managers	16	3	19
Other employees	865	16	881
Total	890	22	912
Asia			
Executives	-	6	6
Managers	13	7.5	20.5
Other employees	2.5	2.5	5
Total	15.5	16	31.5
Americas			
Executives	4	-	4
Managers	16	-	16
Other employees	-	20	20
Total	20	20	40
Australia			
Executives	2.5	-	2.5
Managers	2.5	-	2.5
Other employees	-	2.5	2.5
Total	5	2.5	7.5
Total (Italy and Rest of the World)	7,601	2,964	10,565

Number of employees who received a periodic performance appraisal 2023

Italy	247
Rest of the World (Europe, Asia, Americas, Australia)	30
Total	277

Turnover rates by gender 2023 (%)

	Men	Women	Totals
Incoming Turnover Rate	7%	4%	12%
Outgoing Turnover Rate	7%	2%	10%

Turnover rate by age 2023 (%)

	≤30	31-49	≥50
Incoming Turnover Rate	4%	7%	1%
Outgoing Turnover Rate	2%	5%	3%

Turnover per geographical area 2023 (%)

	Italy	Europe (without Italy)	Asia	Americas	Australia
Incoming Turnover Rate	7%	3%	1%	1%	0%
Outgoing Turnover Rate	5%	3%	0%	1%	0%

Number of recordable accidents, employee and non-employee deaths 2023 (no.)

	Employees	Non-Employees
Accidents at work without serious consequence	14	0
Accidents at work with serious consequence	1	0
Deaths	0	0
Total accidents	15	0
Accidents while commuting	2	2
Number of hours worked	1,348,514	99,150

Recordable accidents rate, employee and non-employee deaths rate 2023

	Employees	Non-Employees
Frequency rate of accidents without serious consequence	10.38	0
Frequency rate of accidents with serious consequence	0.74	0
Death frequency rate	0	0

CALCULATION METHODS:

- Frequency rate of accidents without serious consequence: (number of accidents at work without serious consequence/ number of hours worked) x 1,000,000.
- Frequency rate of accidents with serious consequence (number of accidents at work with serious consequence/ number of hours worked) x 1,000,000.
- Frequency rate of deaths: (number of deaths resulting from accidents at work/number of hours worked) x 1,000,000.

Methodological note

This document represents the third edition of the Cimbali Group Sustainability Report. It details the main initiatives and projects undertaken to address environmental, social, human rights and governance matters, with the aim of offering stakeholders a transparent, complete and accurate view of the company's strategies, activities, performance and results in terms of both economic growth and business development.

The Report was prepared in accordance with the Sustainability Reporting Standards published by the Global Reporting Initiative (GRI) 2021, "with reference to" option. The Group confirms its commitment to comply with the new European CSRD regulation and the new European ESRS standards derived from it, by carrying out an initial materiality analysis exercise, assessing all impacts identified.

To date, the GRI Standard is the most widespread and internationally recognised for reporting non-financial information. To facilitate the search for information within the document, the GRI Content Index is reported on pages 88, 89, 90.

In line with the financial statement, the reporting perimeters include Cim-

bali SpA and all the Group's subsidiaries, consolidated utilizing the full method. Any limitations within the disclosure perimeter of material topics and impacts are indicated within the document, through dedicated notes.

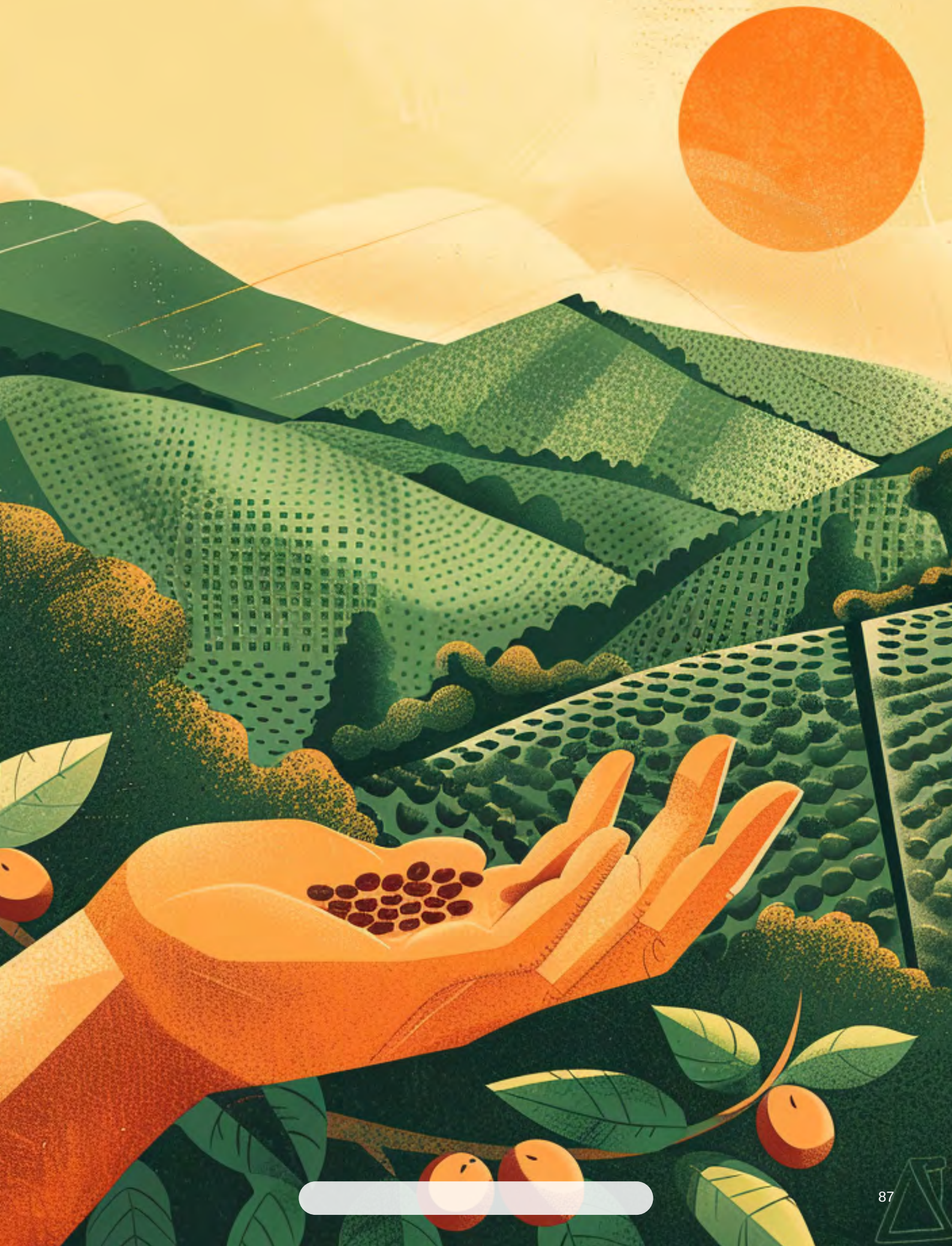
The topics covered within the Sustainability Report reflect the results of the materiality analysis, approved by Top Management. The materiality process is described on pages 21-25, in the "Materiality Analysis" paragraph.

In order to provide stakeholders with an accurate, comprehensive and transparent view of the Group's strategies and activities, within the philanthropic field specifically, the document contains a chapter dedicated to MUMAC and MUMAC Academy.

This Sustainability Report, published annually, covers the 2023 financial year, from 1 January to 31 December. The Financial Statement details this same period.

Finally, the document includes initiatives and projects of particular relevance for the 2024 financial year, perceived at the closing date of the document itself. Any restatements compared to the data of the previous financial year are clearly indicated within the document and reported in the GRI content index.

The complete implementation of the reporting system for all legal entities has allowed us to refine and optimise data collection.



GRI Content Index

GRI ID	Explanation note	Page number or explanation note	Omissions
GRI 2: GENERAL DISCLOSURES 2021			
THE ORGANISATION AND ITS REPORTING PRACTICES			
2-1	Organisation details	6-10	
2-2	Entities included within the Sustainability Report	6, 13-15	
2-3	Reporting period, frequency and points of contact	86	
2-4	Information review	86	
ACTIVITIES AND WORKERS			
2-6	Activities, value chain and other business relationships	6, 13, 76-77	
2-7	Employees	6, 44-48	
2-8	Workers who are not employees	47	
GOVERNANCE			
MATERIAL TOPIC: INTEGRITY IN CORPORATE MANAGEMENT CONDUCT, CORRECTNESS AND TRANSPARENCY IN COMMUNICATION			
VOLUNTARY DISCLOSURE: BOARD OF DIRECTORS AND TOP MANAGEMENT			
3-3	How to manage the material topic	34-35, 38-41	
2-9	Structure and composition of the governing bodies	34-35	
2-15	Conflict of interest	41	
2-16	Communication of critical matters	38-40	
2-22	Declaration on the Sustainable Development Strategy	5	
2-23	Policy commitment	38-41	
2-25	Process to compensate negative impacts	38-41	
2-27	Compliance with law and regulations		There were no incidents of discrimination, harassment or serious human rights incidents during 2023
2-28	Membership in associations	19-20	
2-29	Approach to stakeholder engagement	18-20	
2-30	Adherence to collective bargaining	53	

GRI ID	Explanation note	Page number or explanation note	Omissions
GRI 3: MATERIAL TOPICS 2021			
3-1	Process of determining material topics	21-25	
3-2	List of material topics	22-23	
ECONOMIC PERFORMANCE CATEGORY			
201-1	Direct economic value generated and distributed	6, 12	
205-2	Communication and training on anti-corruption policies and procedures	40-41	
205-3	Corruption incidents confirmed and actions taken		There have been no confirmed incidents of corruption. Furthermore, there are no public legal proceedings against the company in the matter of active or passive corruption
VOLUNTARY DISCLOSURE: SUSTAINABLE AND ETHICAL SUPPLY CHAIN			
308-2	Negative environmental impacts within the supply chain and measures taken based on the number of suppliers assessed for environmental impacts	76-77	The number of suppliers assessed for environmental impacts
414-2	Negative social impacts within the supply chain and actions taken	76-77	The number of suppliers assessed for social impacts
ENVIRONMENTAL PERFORMANCE CATEGORY			
MATERIAL TOPIC: CIRCULAR ECONOMY			
3-3	How to manage the material topic	70-73	
416-1	Health and safety impact assessment of product and service categories	6, 70-73	
MATERIAL TOPIC: DECARBONISATION OF PRODUCTS, SERVICES AND THE VALUE CHAIN			
3-3	How to manage the material topic	66-69	
302-1	Energy consumed within the organisation	66-68	
305-1	Direct GHG emissions (Scope 1)	68	
305-2	Indirect GHG emissions from energy consumption (Scope 2)	69	
MATERIAL TOPIC: RESPONSIBLE WASTE MANAGEMENT			
3-3	How to manage the material topic	25, 73	
306-1	Waste generation and significant impacts related to waste	73	
306-2	Management of significant impacts related to waste	25, 73	
306-3	Waste produced	73	

GRI ID	Explanation note	Page number or explanation note	Omissions
SOCIAL PERFORMANCE CATEGORY			
MATERIAL TOPIC: ENGAGEMENT, MOTIVATION AND DEVELOPMENT OF OUR PEOPLE			
MATERIAL TOPIC: QUALITY OF CORPORATE LIFE			
3-3	How to manage the material topic	6, 46-48, 49-53, 56	
401-1	New hires and turnover	46-48	
401-2	Benefits provided to full-time employees, but not to part-time or fixed-term employees	6	
404-1	Average hours of training per employee per year	6, 56	
404-3	Percentage of employees receiving periodic performance and career development reviews	49-53	
VOLUNTARY DISCLOSURE: HEALTH AND SAFETY OF OUR PEOPLE			
403-1	Occupational health and safety management system	55-56	
403-2	Hazard identification, risk assessment and accident investigation	55-56	
403-3	Occupational health services	55-56	
403-4	Worker participation and consultation, communication on health and safety at work	55	
403-5	Worker training on health and safety at work	56	
403-6	Promotion of workers' health	55-56	
403-7	Prevention and mitigation of health and safety impacts at work within commercial relationships	55-56	
403-9	Accidents at work	55, 56	
403-10	Occupational illnesses	In 2023, there were no cases of occupational illnesses	
MATERIAL TOPIC: DIVERSITY, EQUAL OPPORTUNITIES AND INCLUSION			
3-3	How to manage the material topic	6, 34, 35, 46, 47	
405-1	Diversity in governance bodies and amongst employees	6, 34, 35, 46, 47	
MATERIAL TOPIC: DISSEMINATION OF COFFEE CULTURE			
3-3	How to manage the material topic	57-63	
413-1	Activities involving local communities, impact assessments and development programmes	57-63	

GRI ID	Explanation note	Page number or explanation note	Omissions
MATERIAL TOPIC: SAFETY PROTECTION, CUSTOMER HEALTH			
3-3	How to manage the material theme	74-75	
416-1	Health and safety impact assessment for product and service categories	74-75	
416-2	Incidents of non-compliance regarding impacts on health and safety of products and services	75	

CONTACTS

Cimbali Group S.p.A.

Registered office
Via Manzoni, 17 - 20082
Binasco (MI) Italia
Tel. +39 02 900491

For information on the 2022 Sustainability Report or the information contained therein:
cimbali@cimbaligroup.com

Art Direction and Graphic Design

common.



www.cimbaligroup.com