

ANNUAL IMPACT REPORT

2021 FINANCIAL YEAR





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WHY THIS REPORT

Over the last two years we have witnessed a strong acceleration of annual sustainability reporting (also known as ESG - Environmental, Social, Governance) regulations for all companies and not just large or listed businesses.

With this Impact Report, Almo Nature voluntarily anticipates these sustainability reporting requirements, moving in the direction indicated by the CSRD (Corporate Sustainability Reporting Directive) for European companies, while at the same time fulfilling its transparency obligations as a Benefit Company.

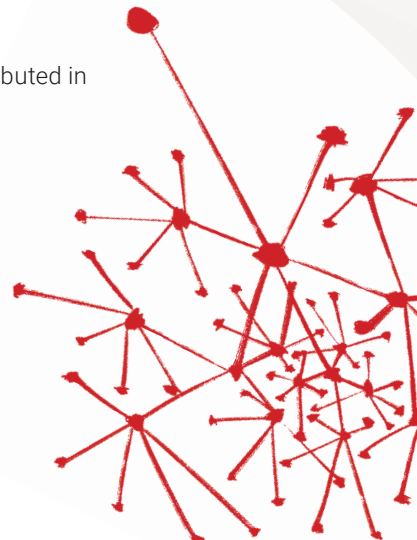


PRINTING CHOICES

No matter how small they may seem, all choices are important for protecting natural ecosystems.

This Impact Report was made available largely online and distributed in digital format with only a very limited number of printed copies.

Those copies were printed on FSC certified paper to guarantee that the raw materials originated from forests where strict environmental, social and economic standards were respected.



REINTEGRATION ECONOMY pag. 4

1 WHO WE ARE pag. 8

2021 in ten numbers pag. 9

our history pag. 11

our presence worldwide pag. 12

products and markets pag. 14

business model pag. 16

governance pag. 18

people pag. 19

FOCUS · ALMO NATURE BENEFIT pag. 20

2 HOW WE MAKE THE DIFFERENCE pag. 21

value constellation pag. 22

sustainability strategy:

a. Almo Nature, activist brand pag. 24

b. towards #zeroimpact on biodiversity pag. 28

c. scientific research pag. 30

FOCUS · FONDAZIONE CAPELLINO pag. 31

3 BENEFIT IMPACT ASSESSMENT pag. 39

4 FUTURE OUTLOOK pag. 42

NOTE ON THE METHODOLOGY pag. 44



reintegration economy

Almo Nature Benefit SpA is an activist pet food company, 100% owned by Fondazione Capellino: it has an innovative business model that gathers and activates a community to defend biodiversity.

All the revenues* from sales of Almo Nature products worldwide are allocated to biodiversity protection, thanks to the projects carried out by Fondazione Capellino.

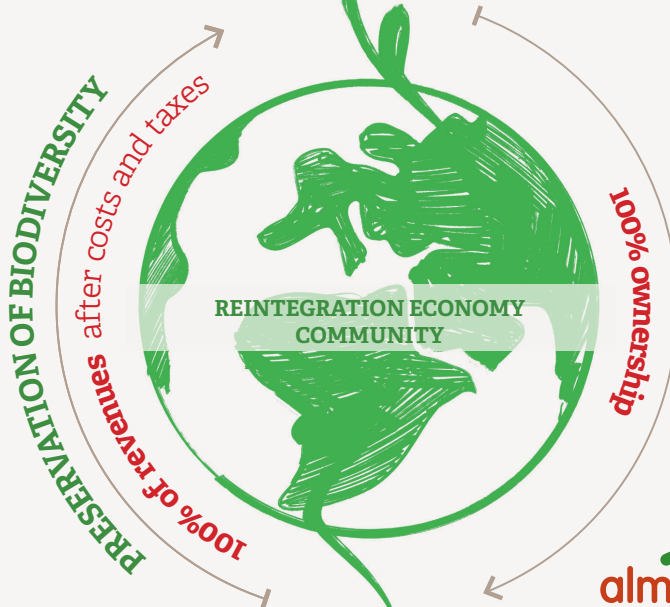
* after deduction of costs and taxes

AREAS OF INTERVENTION

1. NATURAL TERRESTRIAL AND MARINE HABITATS
2. CLIMATE CHANGE AND GLOBAL WARMING
3. REGENERATIVE AGRICULTURE
4. IMPACT OF HUMAN ACTIVITIES ON BIODIVERSITY
5. PROMOTING THE REINTEGRATION ECONOMY
6. RECOVERY OF THE LANDSCAPE AND HISTORICAL BUILDINGS



**Fondazione
Capellino**



What is it?

The Reintegration Economy promotes a **responsible and fair way of living on Earth** in harmony with all living creatures through a distinctive **economic and business approach** that envisages a new model of **sustainable development and contribution**

How was the idea born?

From the **entrepreneurial experience** of brothers Pier Giovanni and Lorenzo Capellino and from the **growing awareness** of their economic, social, environmental and cultural role. In a journey that led to the decision **to donate completely and irreversibly** their company **Almo Nature** to **Fondazione Capellino**.

from action springs theory

What are its goals?

The Reintegration Economy is a path to divert the concentration of private wealth to the benefit of nature conservation. It proposes **to reintegrate nature into the economy, society and business**. It promotes a new relationship between man, animals and creation

How does it work?

The Reintegration Economy requires that **100% of the revenues** (after costs and taxes) of a **Foundation Owned Firm** be allocated through the foundation to serve the common good.

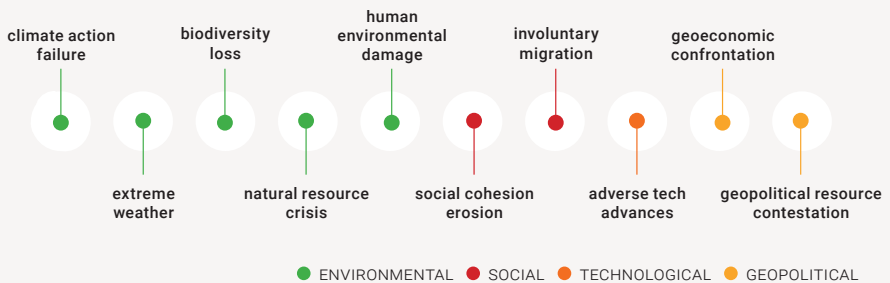
Today Almo Nature is the economic engine of the Fondazione Capellino ecosystem and guarantor of the autonomy and sustainability of its projects.

reintegration economy

- >> WE DO NOT THEORISE WITH DESK RESEARCH; WE ROLL UP OUR SLEEVES AND ACT, GIVING SHAPE TO INTUITIONS WITH PRAGMATISM, TENACITY AND RESPECT
- >> OUR PATH IS NOT FOUNDED ON PRE-ESTABLISHED CERTAINITIES EXCEPT THAT WE ARE COMPLETELY COMMITTED TO THE REALIZATION OF OUR VISION
- >> WE BELIEVE THAT OUR MODEL IS STILL OPEN TO DEVELOPMENTS THAT WE WILL UNDERSTAND ONLY AS WE MOVE FORWARD
- >> WE KNOW WE ARE NOT FOOLISH NOR ALONE IN OUR CALL FOR URGENT ACTION: THE COMMITMENT TO HALT THE LOSS OF BIODIVERSITY IS INCREASINGLY PRESENT AT THE HIGHEST LEVELS, BOTH IN EUROPE AND GLOBALLY

The EU Biodiversity Strategy 2030 (and subsequent application rules, in particular the recent Nature Restoration Law), published in May 2020 and a pillar of the European Green Deal, is a comprehensive, ambitious and long-term plan to protect nature and reverse ecosystem degradation. The strategy aims to put Europe’s biodiversity on the road to recovery by 2030 and includes specific actions and commitments. In particular, 30% of the Union’s territory will be allocated to nature reserves, of which 10% is dedicated to reserves without human access.

The Global Risk Report 2022, promoted by the World Economic Forum and presented in Davos in January 2022, presents the results of the Global Risks Perception Survey, a survey involving academic opinion leaders, entrepreneurs and managers, representatives of institutions and civil society from all over the world who were asked to indicate the main risks for society in the short, medium and long term.



In the long-term risks (10 years), we find that five out of ten perceived global risks are environment related, including the loss of biodiversity, which is ranked third.

Sir Partha Dasgupta Emeritus Professor of Economics at the University of Cambridge, was commissioned by the UK Treasury Department to carry out an independent study **on the economics of biodiversity in 2019, presented in London on 2 February 2021**. The starting point is crystal clear: nature's value to society, the true value of the various goods and services it provides, is not reflected in market prices today.

At the end of a year and a half of work, with the support of a committee of 18 experts, the result is a document of more than 600 pages that reaches a very clear conclusion:

We must revolutionise the way we think, act and measure economic success, for the benefit of nature and our own prosperity. And we must do it quickly, before it is too late

The Reintegration Economy is our answer to this global call to action: a moratorium on the accumulation of wealth for private purposes in order to allocate the profits generated by financial wealth and big business to the preservation of biodiversity instead of the creation of further financial wealth

1



WHO
WE ARE

100 million € TURNOVER

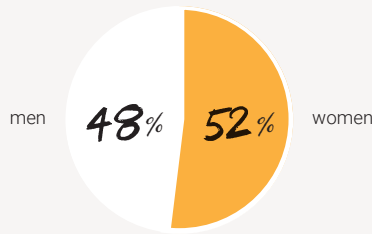
22 million € NET FINANCIAL POSITION

Zero € DEBT FOR BANK LOANS

5 million € ALLOCATED FOR THE PROTECTION OF BIODIVERSITY THROUGH FONDAZIONE CAPELLINO

48 COUNTRIES AROUND THE WORLD WHERE WE ARE PRESENT

47 EMPLOYEES



58,000 € AVERAGE GROSS ANNUAL SALARY

2 INDEPENDENT RESEARCH PROJECTS

Benchmark on the quality of dry food products

Global Impact of the Pet Food sector on biodiversity

Companion for Life Project

8,400 ADOPTIONS ACROSS EUROPE

435,000 DONATED MEALS

2021 in 10 numbers

our history

Almo Nature, an activist brand, cares for dogs and cats in an all-encompassing strategy:

- through nutrition, designed from their point of view
- through the "Companion for Life" project, which aims to give every dog and cat a home and a recognised status in our society and families
- by striving to become a biodiversity-neutral company
- by assuming to open its capital to those who have a dog or cat and want to support the Reintegration Economy in the near future

Almo Nature introduces CatLitter, the 100% natural cat litter to the market, i.e. 100% additive-free

2017

catlitter



Almo Nature is founded to realise Pier Giovanni Capellino's intuition: to produce for the first time in the world a wet pet food with 100% HFC ingredients, i.e. originally suitable for human consumption

2000

2013



Almo Nature extends the HFC standard to kibble, another world first

Almo Nature, one of the first SpAs in Italy, takes on the legal form of Benefit Corporation

2018

2019

Almo Nature is donated to Fondazione Capellino and the Reintegration Economy is born

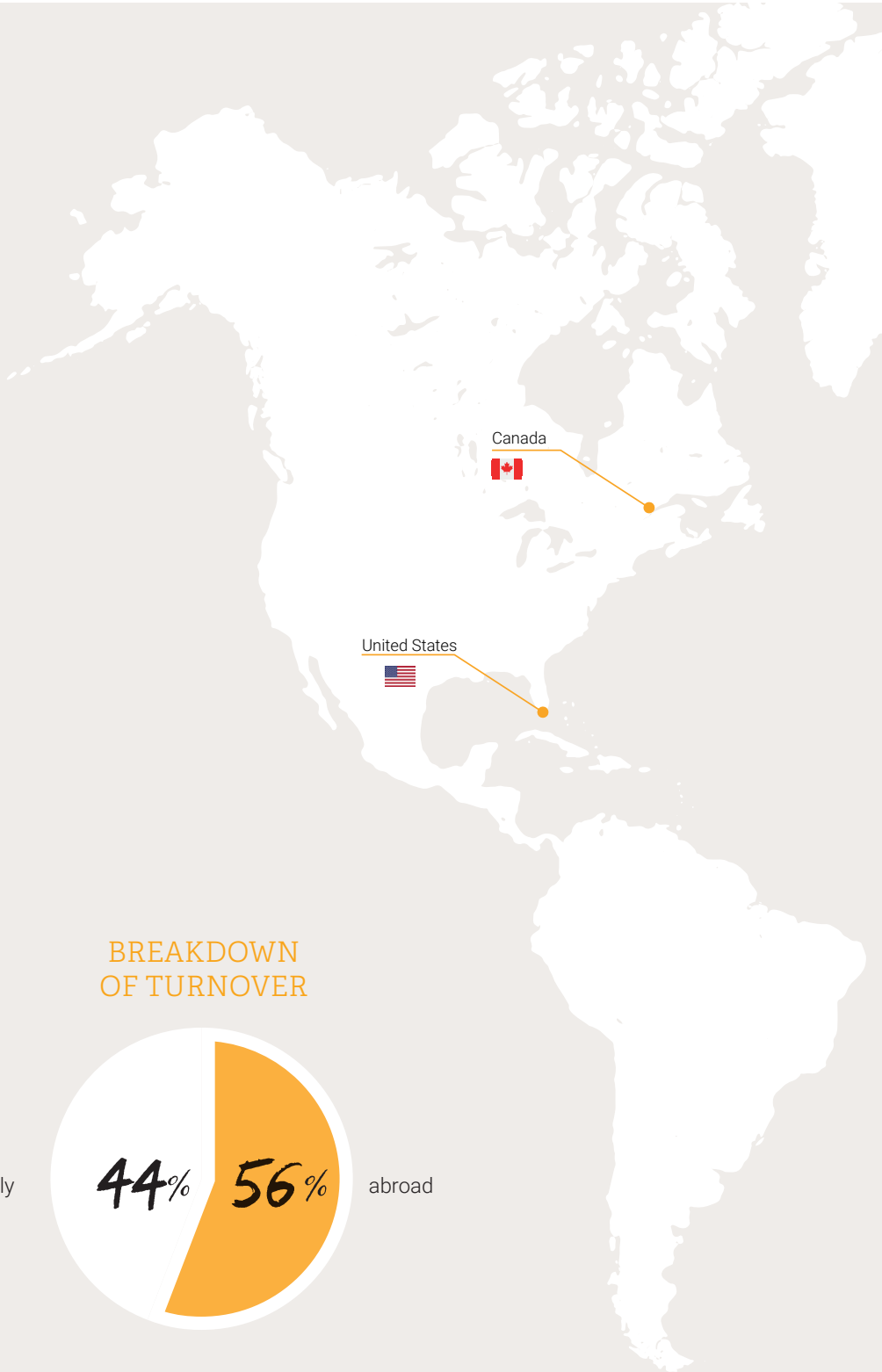


Fondazione
Capellino

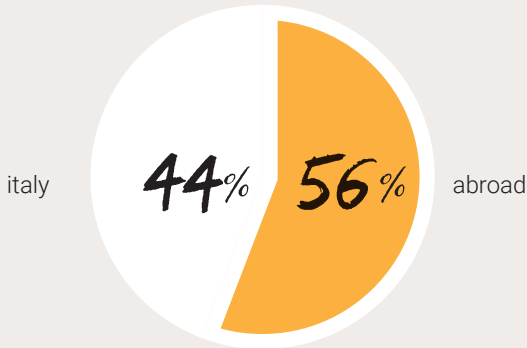
The idea is both simple and revolutionary

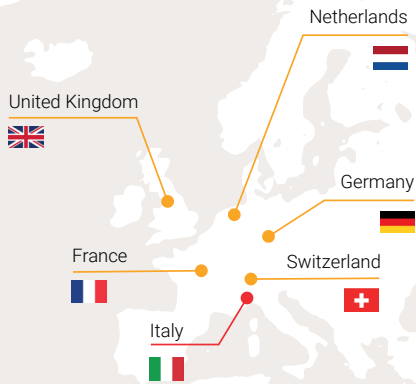
Almo Nature is the first pet food company in the world to develop completely natural products originally suitable for human consumption (**human grade**), characterised by a high biological and nutritional value, free of chemical preservatives and produced through **cruelty free** processes, i.e. they are not tested under stressful conditions for dogs and cats, but exclusively in a family environment respecting the daily habits of the companion animal

our worldwide presence



BREAKDOWN OF TURNOVER





7 OPERATING COMPANIES

48 COUNTRIES AROUND THE WORLD WHERE WE ARE PRESENT

+500 PRODUCTS

The market has proved our founder's intuition right and today Almo Nature maintains its headquarters in Italy, in Genoa, but is present through seven operating companies in the **USA, Canada, the Netherlands, the UK, France, Germany and Switzerland** with a catalogue of over 500 different products.

products and markets

4 FOOD LINES

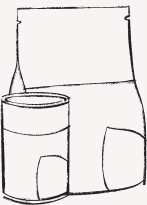
1 PLANT BASED CAT LITTER

The Almo Nature products are divided into four main lines, according to the origin and quality of the ingredients, in addition to a plant-based cat litter:



Almo Nature HFC

The HFC line is prepared with ingredients originally suitable for human consumption which, by Almo Nature's commercial choice, become food for our animal companions. A true cultural revolution for the pet food sector, this choice has been imitated by many, putting the interest for animal's health at the centre of commercial policy. The HFC line includes wet and dry dog and cat food made without the use of sub-products, flours or animal dehydrates. We also choose to use fresh meat and fish for better and increased digestibility.

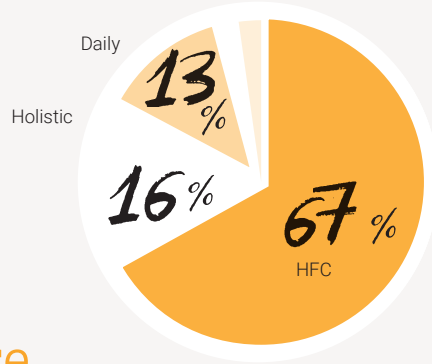


holistic

Almo Nature Holistic

The Holistic line includes both wet and dry maintenance food for dogs and cats, prepared with ingredients originally suitable for pet food. A mix of fresh meat or fish and quality animal dehydrates provides a varied and nutritionally complete diet. For cats, special formulations are available to meet specific needs and conditions (e.g. neutered cats).

PERCENTAGES
OF PRODUCT FAMILY
TURNOVER



Almo Nature
BioOrganic

The BioOrganic line is made from ingredients originally suitable for pet food that are certified organic according to European regulations. It includes nutritionally complete wet maintenance food for both dogs and cats.

*bio
organic*



Almo Nature
Daily

The Daily line is made with ingredients originally suitable for pet food and includes a wide variety of nutritionally complete wet foods for dogs and cats: it offers the Almo Nature quality guarantee at the most convenient price.

Daily



Almo Nature
Cat Litter

Cat Litter is an environmentally friendly litter made of vegetable fibers. It is biodegradable, compostable, free of additives and toxic agents which makes it toilet-disposable.

catlitter

business model

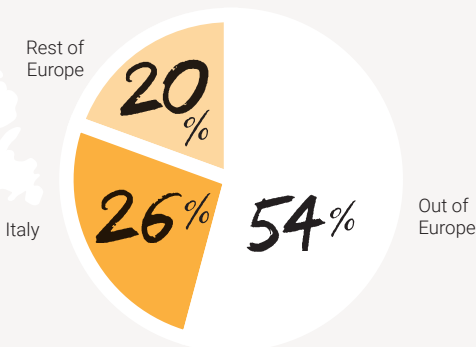
We are innovating dog and cat food “from their point of view”

Following this philosophy, which has always characterised the company’s actions, the production of food is entrusted to a **global supply chain**, which today consists of more than ten different “core” suppliers with whom the company has stable relationships built over time. Together with our suppliers, the best formulations are defined for each product line and format, and production is entrusted on the basis of the producers’ specialisation and their guaranteed quality. Our suppliers are located in Italy, Europe and overseas, mainly in Thailand.

Downstream of production, **the logistics chain**, which is also outsourced, ensures that branded and ready-to-sell products arrive at central warehouses and are subsequently distributed through national and international retail channels (online and offline).

The brand - for its part - has the mission to communicate to end consumers the qualities of its products and above all the value of what the Reintegration Economy represents for those who prefer **Almo Nature** for their companion animal.

DISTRIBUTION OF GOODS PURCHASING BY SUPPLIER GEOGRAPHICAL AREA



The corporate governance structure adopted by Almo Nature Benefit S.p.A, one of the first in Italy, is based on the **single-tier organisational model** and therefore consists of the following corporate bodies:

1. THE SHAREHOLDERS' MEETING
2. THE BOARD OF DIRECTORS
3. THE AUDIT COMMITTEE,
APPOINTED BY THE BOARD OF DIRECTORS

The Audit Committee is composed of three independent directors, auditors, who sit on the Board of Directors and are in charge of supervising the decisions taken by the Board of Directors not ex-post, but while the decisions themselves are being formed, contributing to ensuring an efficient dialectic within the Board.

Fondazione Capellino - Almo Nature's sole shareholder - in its role as a holding company exercises direction and coordination over its subsidiary Almo Nature through the appointment of the Board of Directors. Specifically, it participates in and directs Almo Nature's management with regard to production, commercial, and communication policies: Fondazione Capellino's guidance of Almo Nature's management ensures that the administration of the business complies with the principles of the Reintegration Economy.

Fondazione Capellino also acts as Benefit Officer on behalf of Almo Nature, with particular reference to the drafting of the Annual Impact Report.



The statutory audit of the accounts was delegated to the auditing firm PricewaterhouseCoopers for the year 2021, in application of the relevant regulations.

The Board of Directors

Is the collegiate body that has the task of deciding on strategic guidelines, monitoring their implementation, and on operations of strategic importance. Until the approval of the 2021 financial statements, it consists of:

- **Pier Giovanni Capellino** CEO
- **Lorenzo Capellino** Board Member
- **Reddy Bhimoreddy** Board Member
- **Andrea De Asmundis** Board Member
- **Luisella Bergero** Board Member
- **Maurizio Astuni** Board Member
- **Marco Sorrentino** Board Member

The Audit Committee

Is appointed by the Board of Directors and is composed of:

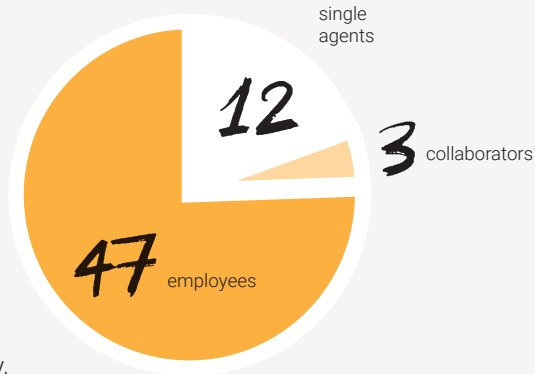
- **Luisella Bergero** Chartered Accountant and Auditor
- **Maurizio Astuni** Chartered Accountant and Auditor
- **Marco Sorrentino** Chartered Accountant and Auditor

people

Almo Nature is a company that favours stable employment relationships, **with more than 90% of its team employed on a permanent basis as of 31/12/2021**, and has always been advanced to gender balance: we like to remember **that the first manager appointed in Almo Nature was a woman!**

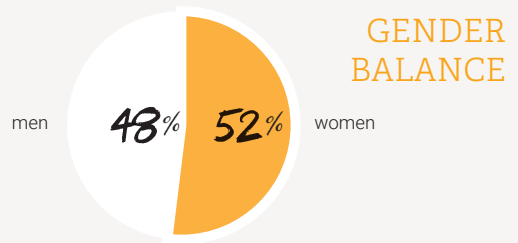
62 PEOPLE WORKING IN ALMO NATURE AS OF 31/12/2021

40 AVERAGE EMPLOYEE AGE



The workforce is growing steadily, with a good balance of gender and generations, **with an average employee age of 40.**

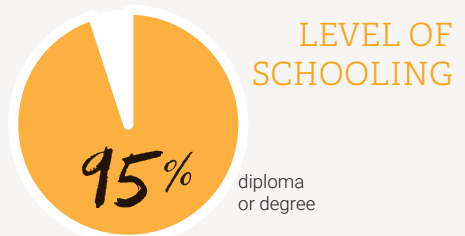
Managerial roles account for 30% of the total number of positions, with a male predominance.



Workplace safety is a priority resulting in zero accidents in 2021: this is closely related to our unique business model, which does not include production sites.

Zero ACCIDENTS DURING 2021

Maternity leave options go beyond our legal obligations with the possibility to request leave by the hour and flexible working hours. Additionally, with the pandemic some remote working formulas have been introduced into the company.



The level of education is high, with over 95% of people having a diploma or degree.

58.000 € AVERAGE GROSS ANNUAL SALARY

Almo Nature Benefit

Benefit companies, also known across the world as Benefit Corporations, were introduced in Italy, the first country in Europe to adopt the model, in 2015 with the Stability Law (Law no. 208 of 28/12/2015, paragraphs 376-384). They are companies (today more than 1,200 in Italy alone) that in addition to their traditional profit-making purpose, integrate into their statute a mission to generate a positive impact on society and the environment, for the common benefit.

Thanks to this model, companies can choose to partake in a paradigm shift concerning the ultimate purpose of doing business, moving from mere economic return for the few (the owners) to a commitment for the benefit of many.

Almo Nature is among the first SpAs to have decided, in 2018, to transform itself into a Benefit Company, changing its corporate purpose

Extract from the Statute

Today, the Articles of Association of Almo Nature Benefit SpA in Article 4 define the aims of common benefit that it intends to pursue in the exercise of its economic activity as follows:

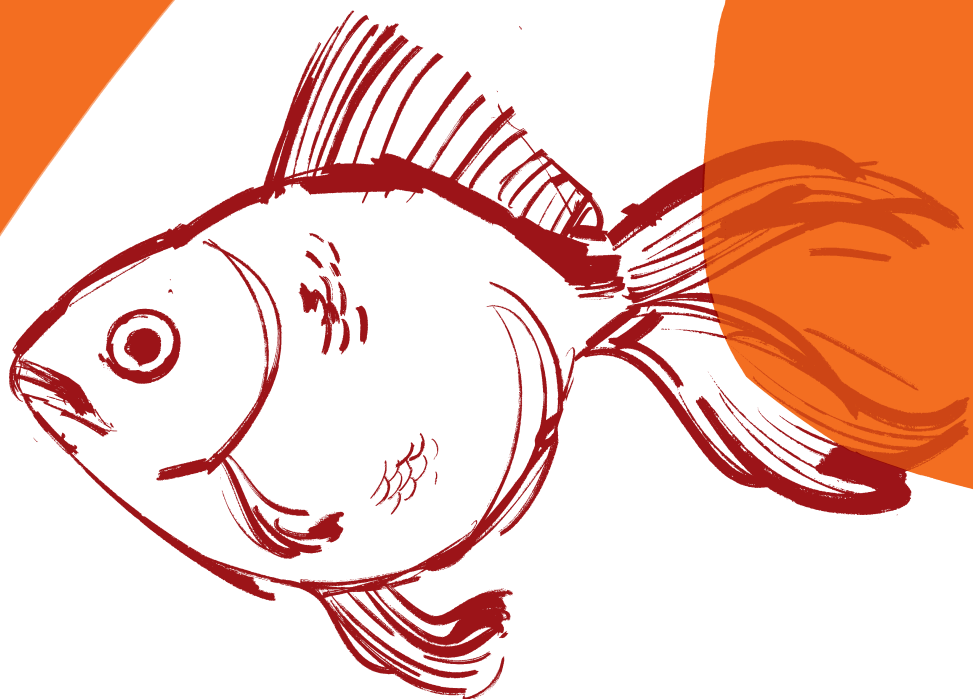
4.2 The company also pursues aims of common benefit in favour of all living species, acting functionally to achieve the aims of social solidarity and public benefit of Fondazione Capellino in the following areas:

- ▶ **4.2.a** the protection of biodiversity and all forms of animal life;
- ▶ **4.2.b** the development of cultures and natural, bio-sustainable methods inspired by the protection of all forms of life;

The Reintegration Economy actually goes beyond the Benefit Corporation model, not limiting itself to merely a change in the corporate mission introduced by adapting the articles of association (a reversible decision, moreover), but through **an irreversible donation of Almo Nature to Fondazione Capellino**, which entails the allocation of all revenues (after deducting costs and taxes) to the protection of biodiversity. Generating a common benefit, the safeguarding of biodiversity, has become for Almo Nature, and with no possibility of changing course, the ultimate sense of doing business, with an impact potential far greater than that of the traditional **for-benefit** business model.

HOW
WE MAKE
THE DIFFERENCE

2



value constellation

The Value Constellation is a strategic tool developed by **Richard Normann and Rafael Ramirez:**

every company generates value through the quality of the relationships it establishes with its stakeholders and its ability to engage them around a specific objective

Almo Nature’s value constellation (fig. 1) was constructed, with the contribution of the Università Cattolica, as a mapping of the stakeholders (primary and secondary) necessary for the dissemination and enhancement of the Reintegration Economy model: we have called this space of more or less continuous and intense dialectics between the company and its stakeholders the *Transactional Context*. Then there is an *Environmental Context*, in which corporate life develops, and it is represented by those trends on which the Reintegration Economy cannot directly influence, but by which it is certainly influenced and can aspire (in the medium term) to make its own transformative contribution

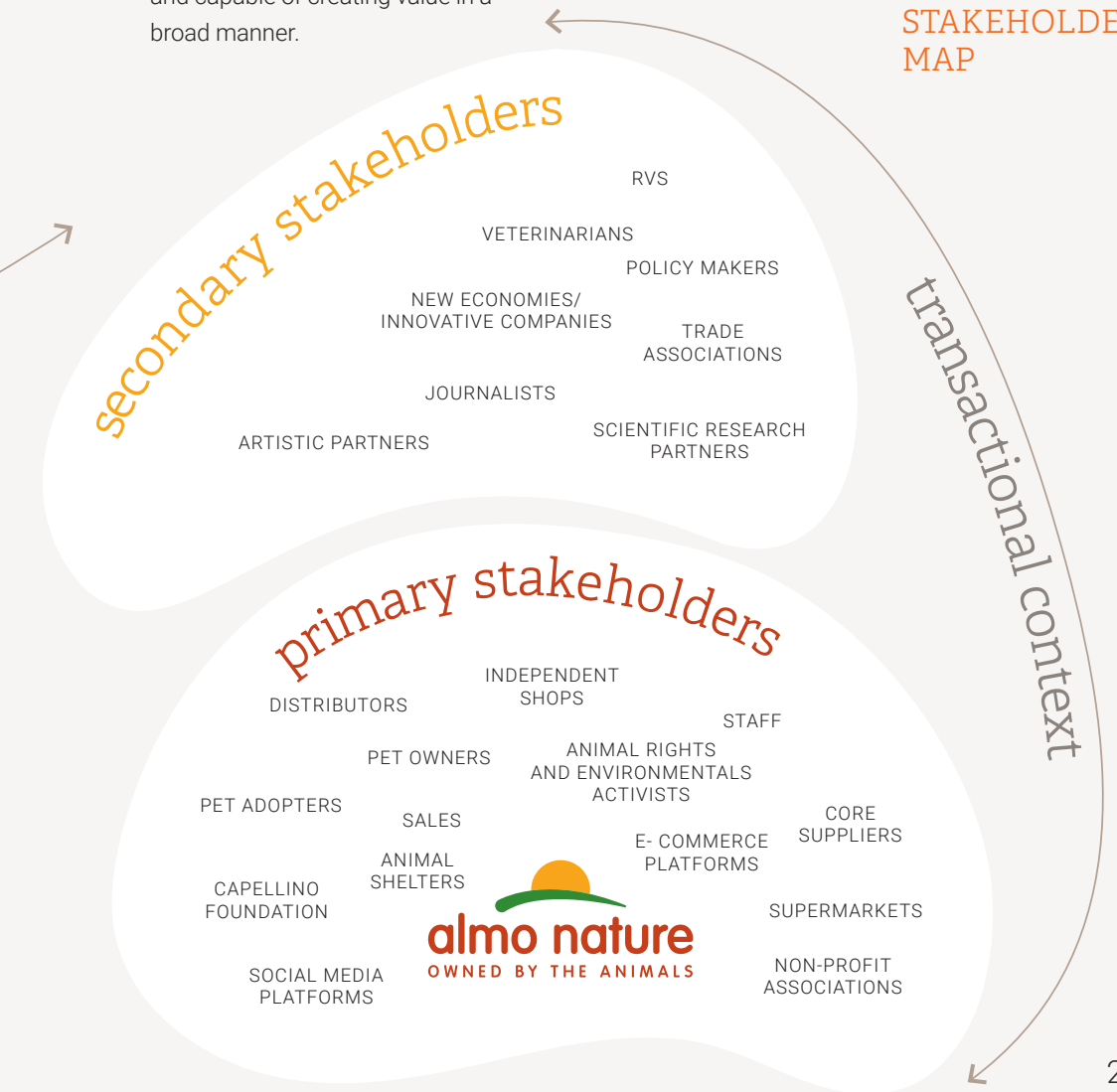
The year 2022 saw the start of structured engagement paths with the main stakeholders, whom we want to think of as essential elements of our community, in order to fully understand the different points of view in relation to the Reintegration Economy model and its priorities,



and to bring the stakeholders' voice into the company's strategic development paths. The development path of the 'value-based community' will also be pursued thanks to the scientific contribution of a research doctorate at the Università Cattolica dedicated to the Reintegration Economy, which has decided to focus on this aspect.

In 2023, the comparative analysis of the corporate point of view (which traditionally identifies the areas of greater economic-financial relevance) and the stakeholder point of view (naturally more focused on the ESG dimensions, i.e. those with greater social and environmental impact) will allow us to define development trajectories and set priorities for actions that are even more inclusive and capable of creating value in a broad manner.

STAKEHOLDER MAP



Today there are three pillars on which our vision and action rest for a greater impact on the creation of value for the benefit of the community:

- a. ALMO NATURE, ACTIVIST BRAND
- b. TOWARDS #ZEROIMPACT ON BIODIVERSITY
- c. SCIENTIFIC RESEARCH

a. Almo Nature, activist brand

COMPANION FOR LIFE

Companion for Life is a European project that aims to contribute to a new relationship between humans and dogs and cats based on respect for their nature as different from mankind and their protection as domesticated and no longer self-sufficient subjects. The aim of Companion for Life is in fact to achieve at every latitude, according to local rules and culture, the recognition of dogs and cats as part of families: every dog and cat is entitled to a family. In order to achieve its mission Companion for Life aims to promote responsible adoption in shelters, support for needy families with a dog or cat in their home and intervention in emergencies such as natural disasters and wars with emergency action, so that we can imagine a future where kennels remain only a brief passage or, better still, that they are no longer needed.

Operationally the project, for each adoption registered on its portal, offers the adopter a free welcome kit with a month's worth of Almo Nature food. At the same time, each adoption generates a month's worth of meals that feeds our Love Food Bank. These meals are then redistributed among national associations that assist families in financial difficulty with a dog or cat, and shelters actively adopting out animals waiting to find their human companion.

In 2021, the Companion For Life project supported as many as 8,468 adoptions across Europe, resulting in over 435,000 meals donated to dogs and cats, through this mechanism that rewards the choice to adopt while at the same time also incentivises the shelters to be active in generating adoptions.

8,468 ADOPTIONS
ACROSS EUROPE

435,000 MEALS DONATED
TO DOGS AND CATS **4,300,000**
DURING 2021 TOTALLY

Since the project kicked off in 2018 Companion for Life has donated a month's worth of Almo Nature food to an impressive 143,404 dogs and cats, totalling more than 4.3 million meals donated.

**ACTIVIST
COMMUNICATION
CAMPAIGNS**

In October 2021, Almo Nature engaged in a major multi-channel activist communication campaign in Italy to raise awareness of the real risks of the environmental crisis caused by ongoing climate change.

An investment of more than four million euros promoted the message through standard (more

than 6,100) and maxi (13) billboards, 15" TV broadcasts (La7, RAI, Mediaset), social media campaigns and influencers



6,100 STANDARD
BILLBOARDS

13 MAXI
BILLBOARDS


almo nature
OWNED BY THE ANIMALS

Riporta la Natura nel Pianeta

Il **pet food** che destina il 100% dei ricavi
(dopo costi e tasse) al ripristino della biodiversità.
La chiamiamo Reintegration Economy.

almo nature è 100% proprietà di

 **fondazione**
CAPELLINO



b. Towards #zeroimpact on biodiversity

Almo Nature takes an approach to business that integrates dimensional growth and financial strength with concrete commitments to safeguard natural habitats and biodiversity, with the goal of achieving #zero impact on biodiversity by 2030. To achieve this challenging goal, it invests in transforming itself (products and processes) with a view to reducing its impact on biodiversity and has identified a number of strategic priorities for the three-year period 2021-2023:

PRODUCT INNOVATION

searching for new raw materials with a lower environmental impact

- A number of palatability tests are under way to integrate new protein sources, in particular insect meal, into our recipes alongside traditional proteins
- A new cat litter is being launched that is completely natural and biodegradable, as it is made from corn processing waste

RECYCLABLE PACKAGING

experimenting with new recyclable plastic packaging and

designing new forms of packaging that favour reduced material consumption

- Most Almo Nature products have always been packaged in fully recyclable containers, particularly for the wet range.
- For the dry range, we have successfully concluded the test phase dedicated to the introduction of recyclable plastic LDPE (low density polyethylene code 04) packaging for HFC Dry 300 and 400 gram products which will be progressively and totally replaced. We are now also in the testing phase (filling and transport) for the larger formats (Kg 1.2 in particular) which we expect to finish by the end of 2022.
- This new packaging guarantees the same food preservation quality standards and shelf-life as the multilayer packs used to date. In addition, the plastic recycling process is already widespread and has great potential for improvement thanks to new technologies, while the process of biodegradable bags (another option that has been screened and discarded) is actually still too nebulous and risks being closer to green washing than to the truth.

MONITORING OF THE SUPPLY CHAIN'S ENVIRONMENTAL IMPACTS

initiating dialogue and measurement of biodiversity impact with all core suppliers.

- A structured dialogue was initiated with all core suppliers by the end of 2021, in order to arrive at an initial measurement of the impact of Almo Nature products on biodiversity “from raw material to packaging” by the end of 2022.
- Eleven suppliers have been asked to specifically measure and report on the consumption of soil, water, raw materials, energy and the production of waste from manufacturing processes related to production for Almo Nature.
- A collaboration is also underway with DSV (Almo Nature’s historical logistics partner) to measure the carbon footprint of the transport phase to customers.



Our priorities, in addition to representing Almo Nature’s strategic vision of concrete commitments to the real transformation (and not maquillage) of its business processes, respond to several of the global challenges of the UN 2030 Agenda for sustainable development (Sustainable Development Goals or SDGs), in particular:



GOAL 12: Ensure sustainable production and consumption patterns.

Achieving this goal requires a cooperative approach among all actors in the supply chains, from producer to consumer, along the entire value chain



GOAL 13 Take urgent action to combat climate change and its impacts.



GOAL 14 Conserve and sustainably use the oceans, seas and marine resources



GOAL 15 Protect, restore and promote sustainable use of the earth’s ecosystem, with a focus on biodiversity

Our priorities are therefore fully part of a no-longer postponed global paradigm shift that sees companies playing a leading role, alongside institutions and civil society, for sustainable development.



c. Scientific Research

Almo Nature is committed to building and consolidating partnerships with Universities and Research Centres. In particular, during 2021 Almo financed:



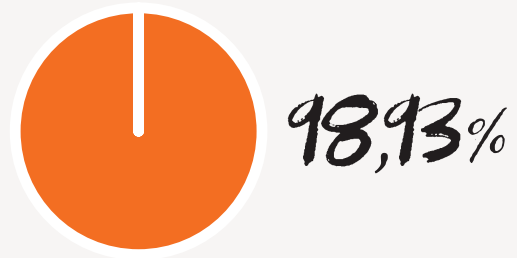
- **a study on the global impact of the pet food industry**

on biodiversity carried out by the French Research Centre CDC Biodiversité. In January 2021 we joined the Business for Biodiversity Club (B4B + Club), an international network promoted by CDC Biodiversité that brings together around 30 leading companies in various sectors, directly involved in the protection of biodiversity and its habitats.

- **an independent study commissioned to the University of Teramo to assess some characteristics, in particular digestibility, of dry products for both dogs and cats currently on the market and which saw Almo Nature's HFC Line emerge as the best, with digestibility levels of up to 98,93%.**

DIGESTIBILITY LEVEL
OF INGREDIENTS
USED IN OUR HFC DRY
PRODUCTS

Source:



Almo Nature is committed to building and consolidating partnerships with Universities and Research Centres

The Fondazione Capellino

Commitment to safeguarding biodiversity does not stop with direct activities, but has a much broader horizon that includes the initiatives promoted and financed by Fondazione Capellino.

All revenues (after deducting costs and taxes) are used each year to safeguard biodiversity through the projects developed by Fondazione Capellino.



1

NATURAL TERRESTRIAL AND MARINE HABITATS

Fondazione Capellino supports, in cooperation with specialised partners, projects aimed at **halting the destruction of habitats** and restoring an equitable territorial distribution that respects wildlife, ecosystems and biodiversity.

6

AREAS OF INTERVENTION OF FONDAZIONE CAPELLINO

2

CLIMATE CHANGE AND GLOBAL WARMING

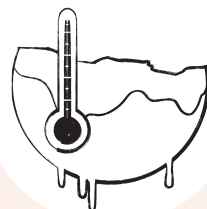
there is no better technology than Nature to **absorb carbon emissions and contain the rise in global temperature:** with this in mind, Fondazione Capellino supports **urban reforestation** projects in particular

REGENERATIVE AGRICULTURE

Agriculture, as it has developed over the last 100 years, has progressively degraded and depleted natural resources.

3

To get out of the trap, we need an ecological approach to agriculture that, with a rigorously scientific method, is based on soil regeneration and proper plant nutrition, promoting and managing biodiversity as an ethical value and as a means to produce. Fondazione Capellino is experimenting with this regenerative approach on 22 hectares in the municipality of San Salvatore Monferrato (IT)

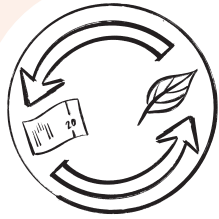


4

IMPACT OF HUMAN ACTIVITIES ON BIODIVERSITY



Fondazione Capellino collaborates with international partners and Research Centers that contribute to the dissemination of new systems for measuring human impacts on biodiversity (*biodiversity footprint*), with the aim of influencing the transformation of current business models and individual behaviour.



5

PROMOTING THE REINTEGRATION ECONOMY

Our new cultural and operational paradigm needs to be increasingly disseminated and understood. We want to create a communicative ecosystem that allows those who wish to pursue the paradigm, whatever their experience or affiliation, **to share their knowledge, skills and work with others, in an open form and oriented towards the shared production of value.**



6

RECOVERY OF LANDSCAPES AND HISTORICAL BUILDINGS

Our intervention area - about 10,000 square metres - is located on the edge of the village of San Salvatore Monferrato, in an agricultural area. It includes **a nineteenth-century villa - Villa Fortuna - which, once the work is completed, will house the headquarters of the Fondazione Capellino;** it also includes a number of agricultural buildings that will be recovered to support farming activities.

IN-DEPTH STUDY

1

Terrestrial and marine natural habitats



Fondazione Capellino's operational commitment in 2021 in the area of "Terrestrial and Marine Natural Habitats" focused on:

- The launch of the **TRIPPOINT BROWN-BEAR PROJECT (TBB)** in cooperation with **EuroNatur Foundation** for the conservation of the **Dinaric-Pindos Brown Bear**, an endangered species on the IUCN red-list, and the reconnection of fragmented habitats in the cross-border area between Albania, North Macedonia and Greece.



LENGTH OF THE PARTNERSHIP

18 months

ECONOMIC COMMITMENT

over 115,000 €

- The launch of **LIFE NATUR'ADAPT** which aims to integrate climate change issues into the management of protected natural areas and is coordinated by **Reserves Naturelles de France**.



ECONOMIC COMMITMENT

~ 190.000 €

- Active support for the **ACTIVIST CAMPAIGN** to safeguard 950 hectares of land located in the municipality of Grosseto, in the Open Marshes area, within the **Diaccia Botrona Nature Reserve**. The financial commitment of Fondazione Capellino is intended for the dissemination of a petition and the elaboration of alternative proposals to the sale in order to guarantee the conservation and improvement of this important treasure trove of biodiversity.

ECONOMIC COMMITMENT

~ 10,000 €

FOCUS

- The launch of a two-year collaboration with **BLUE MARINE FOUNDATION** for the protection of **three Sardinian marine protected areas**: Capo Carbonara (Villasimius), Capo Caccia (Isola Piana) and Asinara Island. The aim of the collaboration is to improve the effectiveness of the management of the individual MPAs by promoting the conservation of crucial habitats.



ECONOMIC COMMITMENT

over 70,000 €

- The continuation of **LIFE WOLFALPS EU**, a European project for the protection of the wolf and its habitats led by the **Parco delle Alpi Marittime**, involves twenty organisations in Italy, France, Austria and Slovenia. and sees Fondazione Capellino as the first funder after the European Union. In addition, a supplementary agreement between the Life WolfAlps EU project and Almo Nature provides for the free supply of kibble for anti-poison detection dogs operating in the Alps.



ECONOMIC COMMITMENT

~600,000 €

- The financing of **portable X-ray equipment for the CRAS (Centro Recupero Animali Selvatici) of ENPA in Genoa**. This technology is essential to enable timely diagnosis even outdoors, avoiding the need to transport injured animals to a veterinary clinic or study. Intervention is thus made more rapid and effective, saving injured wild animals from further suffering and stress.



ECONOMIC COMMITMENT

~15,000 €

- Support is given to **Dr. Massimo Vacchetta's 'Centro Recupero Ricci La Ninna'**, which offers care and temporary shelter in winter to lost, sick or injured hedgehogs (an endangered species) - before returning them to the wild in the spring - or permanent shelter to those that are too weak or disabled. The commitment to the project is represented by the two-yearly free supply of kibble to feed **the more than 400 hedgehogs present on average at 'La Ninna'**



HEDGEHOGS KIBBLE SUPPLY YEAR 2021

~3,000 Kg

- Support for the **GUARD DOG PROJECT**, promoted by the National Park Authority of Foreste Casentinesi, Monte Falterona and Campigna, aimed at mitigating the conflict between farmers operating in the protected area of the Casentino Forests and the wolf. The Fondazione Capellino supports the National Park Authority of Foreste Casentinesi through the free supply of Almo Nature kibbles, ensuring a daily ration to each of the guard dogs involved in the project.



FOOD SUPPLY SINCE 2017

over 15,000 kg

- The production of **HABITAT: THE GEOGRAPHY OF OTHERS**, a scientific research documentary made by **Lorenzo Colantoni e Marco Barretta** that re-reads Europe through its natural habitats, without the boundaries of political geography and beyond physical geography in 6 stages from South to North - from Calabria to Lapland - to highlight the emergency situation of the degradation of habitat in Europe, and the urgency to intervene.

ECONOMIC COMMITMENT

~ 55,000 €

- Support for the production of naturalist photographer **Paolo Rossi's short film SOPRAVVISSUTI ALL'HOMO SAPIENS (SURVIVORS OF HOMO SAPIENS)**, which tells the story of the lives of wild animals that have resisted the savage anthropisation of the territory in the mountains of the Ligurian and Piedmontese Apennines.

ECONOMIC COMMITMENT

~ 5,000 €

- Support for **CIRCUITO CINEMA AND CIRCUITO CINEMA SCUOLE**, amounting to approximately 30,000 euros over four years, to help disseminate the importance of our daily choices in relation to biodiversity, particularly to the younger generations.

LENGTH OF THE PARTNERSHIP

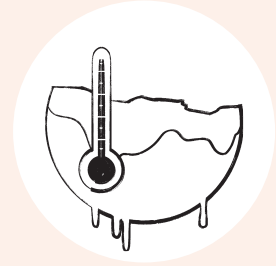
4 years

ECONOMIC COMMITMENT

~ 30,000 €

IN-DEPTH STUDY

Climate change and global warming



Fondazione Capellino’s operational commitment in 2021 in the area of “Climate Change and Global Warming” focused on:

- Active search for partnerships with local public administrations interested in **URBAN FORESTATION** and biodiversity in cities in **Italy, Spain, France, Germany, Belgium and the Netherlands** in order to contain the temperature increase below the threshold of two degrees Celsius, as established by the Paris Agreement and more recently also by the 2021 United Nations Conference on Climate Change (COP26).
- The first concrete project **TREES IN ROME**, formally launched at the beginning of 2022 was created in cooperation with the **“Daje de Alberi” Environmental Protection Association**, the **Environmental Protection Department of Roma Capitale** and the scientific coordination of **Professor Francesco Ferrini**, professor of Arboriculture at the University of Florence.



ROMA CAPITALE



ECONOMIC COMMITMENT

~ 50,000 €

San Salvatore Monferrato

3

IN-DEPTH STUDY

Regenerative agriculture

The Regenerative Agriculture area is realised through the experimental project 'Regenerating Villa Fortuna' whose concrete implementation is entrusted to an ad hoc company, RVF Società Agricola Sperimentale srl, 100% owned by Fondazione Capellino. The project covers 22 hectares in the municipality of San Salvatore Monferrato (IT), in the province of Alessandria.

LENGTH OF THE PARTNERSHIP

10 years

AREA

22 hectares

ECONOMIC COMMITMENT

3,000,000 €



1. Agricultural production using regenerative farming techniques and organic certification
2. Experimentation and studies of innovative and replicable models
3. Environmental regeneration, landscape improvement and protection of biodiversity


During 2021, the Regenerating Villa Fortuna project developed:

- Successional agroforest of 3.5 ha (of which 1 productive), with a focus on fruit production (apple, pear, cherry, pomegranate, plum and hazelnut): 380 fruit trees in association with 750 forest trees. Planning and monitoring were carried out in collaboration with the State University of Milan.
- A 1.6 hectare vineyard with linear tree systems and experimental associations, divided into two red grape varieties, slarina and freisa. The project was developed in collaboration with agronomist Maurizio Gily and involves experimenting with both the planting and management phase of an 'ecologically intelligent' vineyard defence.
- Ecological corridor buffer strips with the planting of 1,500 forest trees and shrubs, in cooperation with the Po River Park.
- Renaturalisation of abandoned woods, approximately 8 hectares, in cooperation with the Po River Park and with the aim of bringing environmental, landscape and ecological value improvement.

4

IN-DEPTH STUDY

Impact of human activities on biodiversity



With regard to measuring the impacts of human activities on biodiversity, 2021 saw Fondazione Capellino join the international **Business4Biodiversity (B4B+)** network promoted by the French research centre **CDC Biodiversité**.



The aim of the network is to develop and disseminate increasingly sophisticated metrics for **MEASURING THE IMPACTS OF BUSINESSES ON BIODIVERSITY**, starting with the **GBS model - Global Biodiversity Score**, developed by CDC in 2015 and constantly being refined



In particular, Fondazione Capellino participates in the Working Group dedicated to **MEASURING SUPPLY CHAIN IMPACTS**, supporting Almo Nature's project to measure the impacts of *core suppliers*.

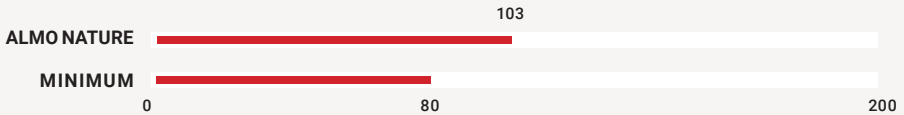
benefit
IMPACT
ASSESSMENT



overall score

To comply with legal obligations and report on the impact generated, Almo Nature Benefit SpA chose to use the third-party **standard B Impact Assessment which complies with the provisions of Article 1, paragraph 378 Annex 5 of Decree Law 1882 of 17 April 2015 on Società Benefit**, obtaining an overall score of 103.1 well above the 80 points required to be considered an excellent company that creates and does not destroy value for society. The B Impact Assessment is divided into five stakeholder-focused “Impact Areas” and Almo Nature’s overall score is 103,1, out of a minimum of 80.

BENEFIT IMPACT ASSESSMENT SCORE **103.1**



GOVERNANCE

27

QUESTIONS

16.7

SCORE

The Governance Impact area analyses the company’s general mission, its ethical approach, responsibility, transparency both internally and externally, and the integration of social and environmental aspects into the decision-making process. The innovativeness of the **governance** model is an essential and characterising aspect of Almo Nature Benefit SpA: the donation of the company to Fondazione Capellino and its transformation into a Benefit Company represent two fundamental pillars in the company’s transformation path. At Almo Nature we work every day not for the interest of a few but for a general purpose, the Reintegration Economy: this is our identifying trait, distinctive from our competitors. The company is committed to these aspects thanks to a strong and clear commitment, which starts at the top and is shared through the management with the entire structure.

**WORKERS****43**

QUESTIONS

21.8

SCORE

Measures the company's commitment to ensuring the financial, physical, professional and social well-being of its workers. On this aspect too, Almo Nature Benefit SpA's commitment is crystal clear: over 90% of its workers are employed on permanent contracts and the use of collaborations is limited to professional areas.

**COMMUNITY****55**

QUESTIONS

46.5

SCORE

Measures the company's positive commitment to the economic and social well-being of the community in which it operates. The company is owned by Fondazione Capellino and, as already mentioned, represents a unique relationship between company, shareholder and community: the high score in this assessment area recognises its uniqueness and value.

**ENVIRONMENT****53**

QUESTIONS

14.5

SCORE

Measures the company's overall commitment to environmental protection. The company's direct impact is nowadays quite limited when analysed in terms of the legal perimeter of a commercial company, but takes on far more relevant characteristics when applied to the whole supply chain. It is in this direction that the company's commitment is oriented for the next five years, launched in 2021 through an initial survey phase in collaboration with core product suppliers to measure the impacts on biodiversity of the supply chain.

**CUSTOMERS****8**

QUESTIONS

3.6

SCORE

Analyses the style of the company's relationship with its customers, in particular with regard to social-environmental commitment issues: absolute attention to product quality also through systematic controls on the work of its supply chain, transparency in the relationship and attentive listening to customers' requests and remarks are distinctive traits of Almo Nature since its foundation.



4

FUTURE
OUTLOOK

In addition to the already active paths, we have defined some trajectories of further commitment **for the next five years:**

- step up targeted **RESEARCH AND DEVELOPMENT ON THE INGREDIENTS** used to make our products in order to radically innovate products by 2025 with the aim of reducing their impact on biodiversity.

AIM **2025**

- build a path of analysis, *disclosure* and reporting to scientifically measure the company's impact on biodiversity along the entire value chain (**SCOPE 1,2 AND 3**) by 2023, using the metrics and indicators proposed by the CDC Biodiversity Standard **GBS (GLOBAL BIODIVERSITY SCORE)**.



AIM **2023**

These are broad objectives, which are constantly evolving, just like our model the Reintegration Economy, that lives in the present, trying with tenacity and determination to take a step forward every day; with the awareness that there are no absolute certainties definable a priori, while there is the drive to make a difference in the direction taken.

It is an experimental journey in search of solutions, which will bring successes and failures proportional to the ecosystem's capacity to express its potential to the fullest

note on methodology

This report primarily responds to the requirements of Art. 1 c.382 L. 208/2015 instituting Società Benefit regarding the annual reporting obligation of the common benefit.

Over the last two years we have witnessed, both at the European and international level, an incredible acceleration of the regulatory and standardisation paths of non-financial and sustainability (ESG) reporting obligations for companies. We are aware of the fact that Almo Nature Benefit SpA will find itself, probably starting from the financial year 2023, having to compulsorily report on the risks and opportunities deriving from sustainability issues (ESG - Environmental, Social and Governance) in terms of strategies, objectives, action plans, results and impacts.

Given this scenario, and deciding to act voluntarily and in anticipation of the regulators' choices, in the course of 2021, we set out, with the aim of producing for a Sustainability Report compliant with the ESRS (European Sustainability Reporting Standards) that would substantiate the CSRD (Corporate Sustainability Reporting Directive - at the date of publication of this Impact Report still in draft) in two years (financial year 2023). This report represents a first step in that direction. It is a complex path that does not frighten us, but rather allows us to express - in a clear, concise, structured and comparable manner - an identity that already belongs to us and that sees in the Reintegration Economy model its natural conceptual container.

REPORTING PERIMETER

The reporting perimeter includes the activities of the parent company Almo Nature Benefit SpA and the subsidiaries.

REFERENCE YEAR

The data and information in this document refer to the financial year 2021 (the 1st of January to the 31st of December). It was also deemed necessary to include some particularly significant events that occurred after the end of the financial year and up to the publication of this document.

NATURE OF THE DATA

For the purpose of a fair representation of performance and to ensure the reliability of the data, the use of estimates has been limited as much as possible. The main sources of data and information are:

- *Company management and accounting systems*
- *Information and data provided by individual company managers (data owners)*

graphic concept

We have chosen to use incisive and engaging graphics intended to be a metaphor for our way of acting on the market and in the world: we start with intentional practice informed by an important conceptual component.

The cat within the tiger, the dog that protects the wolf, they are not just drawings or messages, but represent our way of doing. They are sketches because even our path is not completely defined: we aren't following safe or comfortable tracks that others have already passed. Our way can inspire, it can mark the trail for those who want to join the journey.

ART DIRECTION



ILLUSTRATION



PRINT



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