



rhea 

Rhea Sustainability Report

RHEA VENDORS GROUP | 2023

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Letter to stakeholders

Rhea's history is a 64-year-long family history. It is a success story, built day after day through the hard work, dedication and skill of everyone who has invested their time and resources in the company, which hands down and is inspired by important values such as respect, in all its forms, for people and human relationships, both within the company and in the world outside. Our results are the fruit of the care and dedication we put into everything we do, and above all of the fact that we believe in our goals, however challenging.

Thank you, everyone!

Today, I am proud to share our achievement of an important milestone: the publication of Rhea's first Sustainability Report. Starting with the company's Italian perimeter and this report on the year 2023, we take our first step on a path that will lead to greater transparency and proactivity in disclosing our commitments and our results in relation to the pillars of corporate sustainability: environment and social responsibility and governance. The abbreviation ESG is profoundly significant for us, summing up the concept of respect toward people and the environment that is part of our heritage,

and gains even more importance as of the year 2023, the year in which we decided to better understand our positioning on the market and formally state our three-year goals before preparing this first sustainability report.

We're aware that all this will become obligatory for many companies a few years from now, but we feel a need to get ahead of the times, as we have done over the years with our products, measuring, comparing and challenging our performance in the broadest sense of the word, which goes well beyond the goal of profitability to include our capacity to make a good impact on the planet and society. Sustainable business: it's not easy, nor can it be accomplished in only a few years, but it will increasingly become the way every one of us approaches things, dedicating time and care to all the impacts, both positive and negative, that we generate at various times in the life of our company, proactively suggesting a new care to considering how our actions and our decisions, from the conception of a new machine to its design and production, can contribute to ensuring a better future.

The time has come to acknowledge that the durability of our enterprise depends on our ability to make more conscious choices, to be aware of the relationships we establish every day with our business partners, because our entire supply chain must do its part to support more sustainable forms of consumption and more responsible chains of production and distribution, which measure and reduce GHG emissions and optimize the opportunities offered by the circular economy.

Rhea has stood out throughout its history for its innate ability to anticipate and satisfy the changing requirements of different customers and consumers through application of new technologies and unique designs. And as we face the future, I hope we will all continue to have the same ability to look further ahead, bearing in mind the Rhea of 5 or 10 years from now, so that we can be proud of having made our mark in the great challenge of corporate sustainability, which is the key to ensuring that future generations of employees and citizens enjoy the same prosperity as we do, and the resilience that has distinguished us in the most difficult times we have come through together.

This document marks the introduction of a new channel for communication and dialogue with stakeholders, and so I invite all our readers to share their comments and suggestions, so that we can further improve this tool for transparency and emphasis of the company's commitment year after year.

Andrea Pozzolini

* Highlights

64
YEARS
OF HISTORY

5
LINES
OF BUSINESS

8
R&D
MANAGERS

4
MEMBERS
OF B.O.D.

264
EMPLOYEES

61
ACTIONS
PLANNED FOR
SUSTAINABILITY

98%
OF EMPLOYEES
ON PERMANENT
CONTRACT

+32%
REVENUES FROM
ORDINARY
MANAGEMENT

300
SUPPLIERS 90% OF
WHICH LOCAL

85
CUSTOMERS
3+ SALES
CHANNELS

100%
ENERGY
FROM RENEWABLE
SOURCES

-43%
TONNES
OF WASTES
PRODUCED



THE 17 SUSTAINABLE DEVELOPEMENT GOALS (SDGs) OF U.N. AGENDA

Methodological note

All companies constantly interact in their work with a variety of stakeholders, including customers, suppliers, communities, institutions and individuals. These interactions have an impact that goes beyond merely economic aspects, affecting the society and territory in which the company operates. Directive 2014/95/EU, implemented in Italy with Legislative Decree no. 254 of 30 December 2016, introduced for the first time the obligation for large corporations of public interest to declare, starting on 1 January 2017, non-financial information regarding the environment, society, human resources, human rights and anti-corruption, while also setting forth the criteria applicable to the structure and content of the document, known as the Consolidated Non-Financial Declaration (in Italy, the Dichiarazione consolidata di carattere non finanziario, abbreviated as DNF). With the entry into force of the **Corporate Sustainability Reporting Directive** (CSRD) on 5 January 2023, the European Union significantly increased the number of companies obliged to report on their sustainability performance in the years to come, applying uniform standards all over Europe. Beginning in **2026**, Rhea will also be obliged to report under the CSRD. Though the company is under no obligation to report in the year 2023, Rhea has chosen to **proactively anticipate the collection, monitoring and disclosure of ESG information** in order to meet its stakeholders' expectations, aware that a complete vision of the company's strategies and results must include sustainability indicators.

Aware of the importance of its contribution for building a better society, Rhea has chosen to draw up a Sustainability Report as the principal vehicle for providing stakeholders with information on its activities, plans and results achieved in 2023 (from 1 January through 31 December) and its commitments for the future. This document reflects the company's economic, social and environmental commitments, and sums up the initiatives undertaken and its commitments to its principal stakeholders. This collection of information and quantitative data permits comparison with the year 2022, ensuring that it is possible to understand the evolution of the company's performance.

The scope of reporting of this initial Report includes the Italian companies Rhea Vendors Group S.p.A., Rheavendors Services S.p.A. and Rheavendors Industries S.p.A., with the exception of sections 4.1 and 4.2 "Financial performance" and "Economic value generated and distributed" where reference is made to the economic and financial results of the Group, in line with the data from 2023 consolidated financial statements.

The calculation of environmental and social impact intensity indicators refers to quantitative and economic data such as revenues, related to the Italian companies Rhea Vendors Group s.p.A., Rheavendors Services S.p.A., and Rheavendors Industries S.p.A. and is consistent with the reporting scope.

Rhea's 2023 Sustainability Report has been prepared with the support of MBS Consulting S.p.A., on the basis of **GRI** standards, using the option "**with reference to**". This document may be downloaded from "<https://www.rheavendors.com/en/the-group/>", in the "discover Rhea" section of the menu. For clarifications regarding this sustainability report, please contact sustainability@rheavendors.com.

1 About us

1.1 HISTORY OF THE COMPANY

"Fine tuning a machine that responds to everyone's different preferences might be compared to tuning a piano, with a keyboard that may be used to play a variety of different kinds of music, varying the intensity of the sound. Our machines permit this kind of freedom and precision"

Carlo Doglioni Majer

Rhea was established in **1960**, inspired by the vision of **Aldo Doglioni Majer**, a dynamic businessman from Belluno who, during a trip to Wisconsin in 1954, spotted and photographed a **beverage vending machine** in a Milwaukee factory, and realized it had potential on the Italian market.

In 1955 Aldo Majer began importing vending machines from the United States and England, and then combined his ingenious approach with the talents of **designer Angelo Mangiarotti**. In 1960 the partnership produced the **chewing-gum vending machine** that became an icon of the space age, Italian style. In the same year, Aldo founded Rheavendors in Caronno Pertusella with the ambitious goal of exploiting and promoting the vending machine industry and Italian-made excellence all over the world.

This was the first step in a success story characterized by cutting-edge technology, product customization, innovative design and constant striving for quality.

In 1962 Rheavendors became the first Italian manufacturer to offer a complete range of vending machines for cold post-mix beverages, soluble hot beverages and pre-packaged snacks. In the '80s, the company responded to the growth in popularity of coffee culture with a wider range of products. Rheavendors created the **first espresso vending machine** incorporating a coffee grinder, revolutionizing coffee breaks in the workplace.

When the founder's son **Carlo** joined the company in 2001, Rhea embraced a broader, more inclusive corporate philosophy inspired by **cultural diversity and sustainability**, with international expansion that became an important lever for the company's growth in the new millennium.

Since 2018, under the guidance of the management appointed by Carlo, Rheavendors has been committed to staying true to the Majer family's values, combining quality products with innovation and customization of machines, and blending Italian-made excellence with a focus on the environment and a constant commitment to appreciation of the local cultures of all the countries in which the company operates.





1955

Aldo starts importing vending machines from the United States and England, fine tuning the products in subsequent years



1954

Aldo Doglioni Majer sees and photographs a vending machine in Milwaukee, Wisconsin (USA) and recognizes its potential for the Italian market

1960

Working with designer Angelo Mangiarotti, Aldo invents a chewing-gum vending machine

**Aldo Majer
founds
Rheavendors**

1962

Rhea becomes the first Italian manufacturer to offer an integrated range of vending machines for post-mix cold beverages, soluble hot beverages and pre-packaged snacks



1970

The E410 machine designed by Bruno Morassuti for espresso coffee becomes the first vending machine to be displayed in New York's Museum of Modern Art

'80s

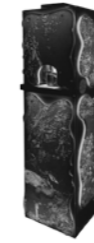
Responding to increased demand for coffee, Rhea decides to expand the territory it serves and its selection of beverages

2001

Carlo Doglioni Majer joins the company and begins a process of cultural transformation

2015

The company introduces Variplus technology, a combination of innovative solutions that further improves the quality of the final product with high-precision grinding (Varigrind), an efficient and flexible coffee-making unit (Variflex), and temperature control (Varitherm).



The *laRhea - macchine per caffè Milano* brand is established, selling Milano coffee machines, which represent a combination of the company's experience making vending machines with Italian coffee culture.

Takeover of Damian and expansion of the product range in snack vending machines

2018

Rhea draws up its Code of Ethics

2020

Rheavendors turns 60 and celebrates the occasion with production of the Monolite coffee machine, combining the pleasures of quality coffee with the art of photography and the beauty of nature with the technology of augmented reality to turn the coffee break into a portal leading to an immersive multisensory experience.

The company presents the Rhea Think Together digital sitting room, a window onto a changing world, to intercept the latest new trends and direct innovation to respond to the new demands of the market, especially in the area of sustainability

2022

Rhea presents an innovative concept: Coffee Landscape, a big sitting room with reconfigurable seating at different heights to allow people to socialize, interact and talk during coffee breaks



2023

The company formalizes its ESG commitment with a Strategic Sustainability Plan

At CIIE in Shanghai, the Group presents "Barista on Demand": the first self-driving coffee machine, transforming the "go-to-shop" experience into a "shop-to-customer" experience by applying self-driving technology to coffee vending machines

2024

Rhea launches a new line of free-standing machines combining beauty with innovation and sustainability in the solutions adopted and the materials used, along with energy conservation and digital technology

Rhea publishes its first Sustainability Report, covering the year 2023

1.2 STRUCTURE OF THE GROUP

Rhea Vendors Group S.p.A. is an Italian world leader in the production of customized coffee beverage machines, standing out for top-level design and application of cutting-edge technologies; an outstanding example of the quality of **"Made in Italy"** which assembles and sells coffee machines, assistance services and parts for the **vending machine, HORECA and OCS markets**.

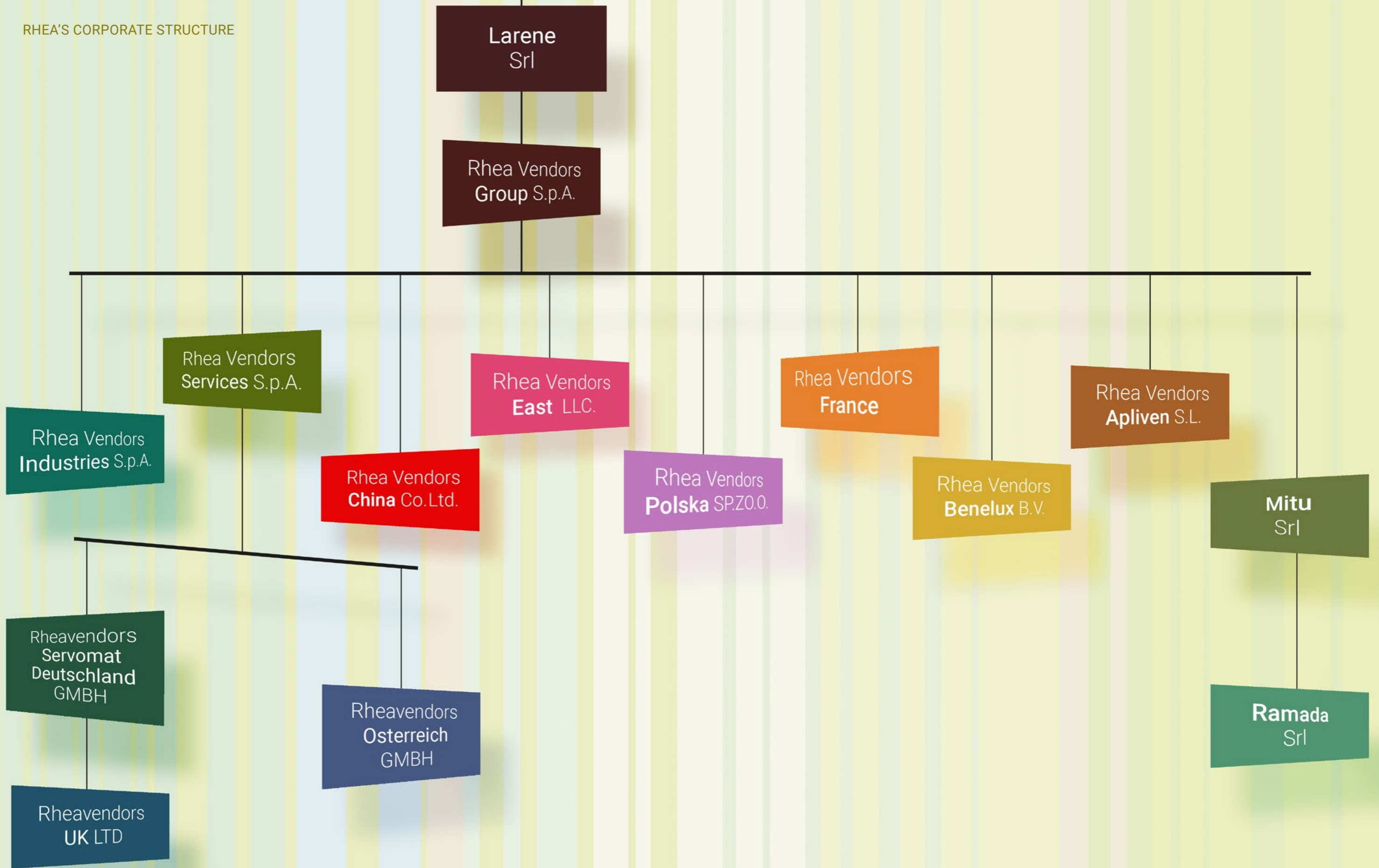
With **two production facilities in Italy, nine international branches and customers in more than 90 countries**, the company exports the excellence of Italian manufacturing and coffee culture world-wide, experimenting with new solutions capable of opening up new markets for customers and new experiences for consumers. Rhea's headquarters are in Caronno Pertusella, in the province of

Varese, where its production facilities are also located. The group, which is 90% owned by Larene S.r.l., the remaining 10% being treasury shares, includes the two Italian parent companies Rhea Vendors Industries S.p.A. and Rhea Vendors Services S.p.A., Italian real estate company MITU S.r.l., and 9 international branches.

Rhea Vendors Industries S.p.A. is concerned with the manufacture, sale and distribution of vending machines, while Rhea Vendors Services S.p.A. manages customer services and parts sales. The branches are concerned with international sale and distribution of products and services: in Europe, with locations in Germany, the UK, France, Spain, Poland, Belgium, the Netherlands and Luxembourg, and in the rest of the world, in Russia and China.



RHEA'S CORPORATE STRUCTURE



1.3 CORPORATE CULTURE

VISION

In its Vision, the Rheavendors Group is an increasingly inspired, passionate and talented community which contributes to people's everyday well-being by innovating the concept of hospitality, while minimizing its impact on the environment and on society.

For this purpose, the Group addresses today's complex challenges and transforms them into concrete opportunities, promoting the growth of a more sustainable, safer world, both through strategic partnerships and by making room within its own habitat for engineering intelligence, exercised with great creativity and responsibility, promoting sustainable progress that generates value throughout the value chain.

VALUES

"Italian craftsmanship", "Versatility", "Tailor-made", "Innovation" and "Quality" are only a few of the values for which the Rheavendors Group stands out, summed up in the slogan "Care and Dedication". In its everyday work, the Rheavendors Group takes great care with regard to people and its actions, investing time and energy, aware that every little detail makes a difference.

Its values are expressed in what the company is and what it does, in its products and in its relationships on all levels.

This approach expresses transparency and concreteness in the awareness that sharing such a value system can be a source of unity, strength and inspiration.

MISSION

With a well-defined Vision, and aware of the importance of every moment of hospitality, translating into **concrete commitment to innovation, quality, sustainability and customization of user services**, the Rheavendors Group is committed to interpreting its partners' needs and wishes, helping them affirm their identity and contributing to their success.

Research, design and creation of elegant automated and customized solutions thus becomes the key to making every coffee experience unique, and much more than that.

The issue of sustainability, deeply rooted in the Group, therefore becomes the common thread that takes form in the company's vision, permeating its values and finding concrete expression in its mission.

1.4 PORTFOLIO OF PRODUCTS AND SERVICES

"We want to do business sustainably, expressing our values in our product, so that it can help improve its users' quality of life by offering a unique experience of consumption"

Andrea Pozzolini

Rhea's core business consists of the **design, production and sale of vending machines** supplying

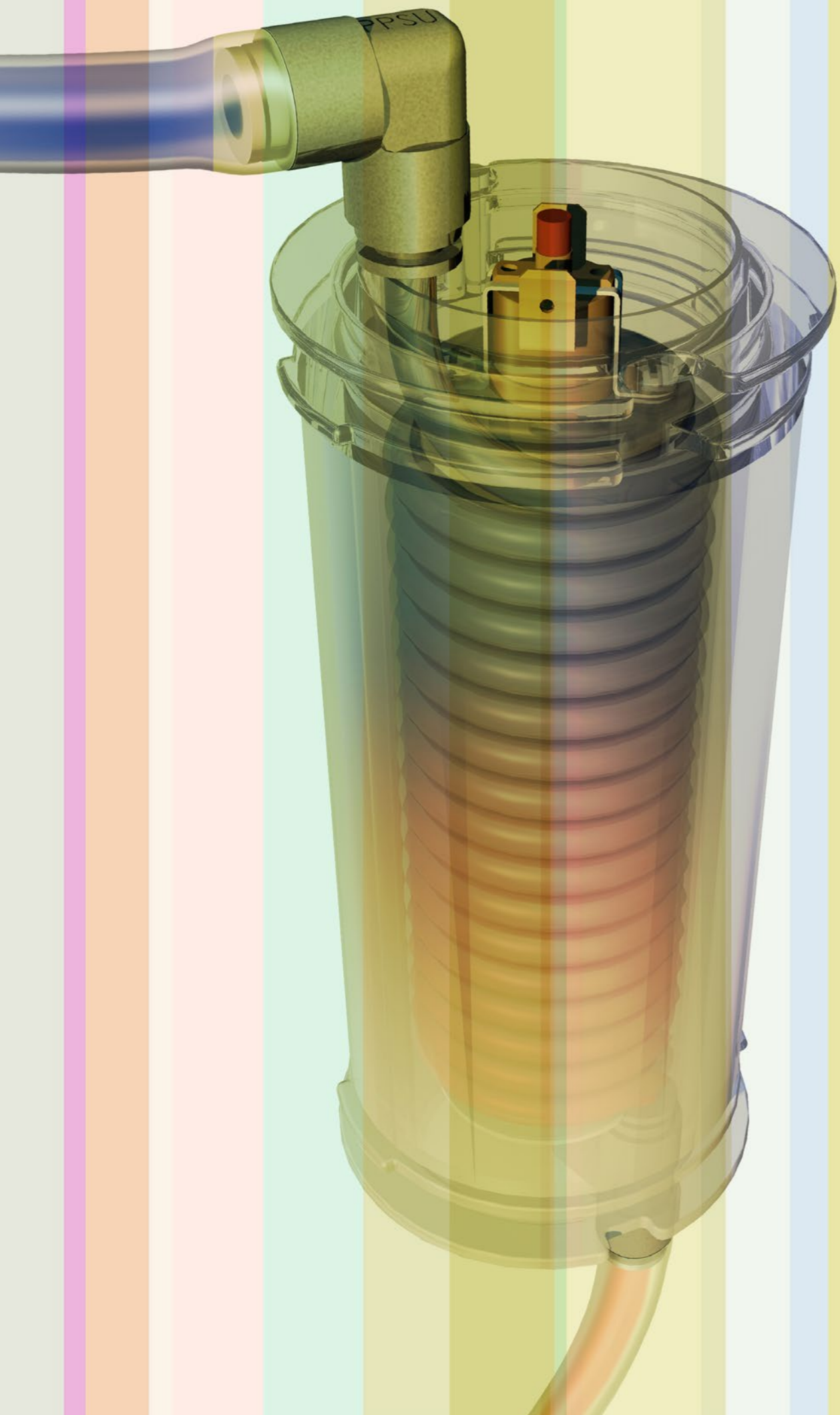
hot and cold beverages and snacks, with a special focus on coffee. Rhea's tabletop, freestanding and snack vending machines stand out for their high operating standards thanks to use of cutting-edge technologies and unique design. Product sales are accompanied by **assistance services** and a range of **original parts**.

Over the past twenty years, Rhea has led the way in the use of vending machines in the **out of home** segment of the **new retail and hôtellerie** market, confirming its vocation for interpreting and anticipating a continually evolving market.

According to the company's philosophy, machines should not be impersonal, but should anticipate and satisfy the different tastes of customers all over the world, always offering quality beverages. This is why Rhea comes up with **tailor-made** solutions designed to suit the tastes of different types of consumers all over the world while maintaining an **Italian spirit** in their design and functioning, featuring cutting-edge technology and prime beverage quality.

PERCENTAGE OF SALES OF EACH PRODUCT CATEGORY





Every single Rhea machine is designed to fully express the flavour and aroma of coffee, with the aid of **Variplus technology**, which ensures perfect extraction and ideal temperature. This patented technological solution involves a set of 3 components that permit calibration of infusion pressure, grinding, water quantity and temperature, customizing them for each of the beverages supplied. The three systems making up Variplus technology are described below.

- **Variflex** is a variable dosing system with an infusion chamber that adapts to the quantity of ground coffee required to make the beverage selected by the end user, making the most of the dose. Mechanical parts and software interact to ensure the ideal pressure of the ground coffee to make the best possible cup, every time.
- **Varigrind** is an adjustable grinder that communicates electronically with the Variflex unit to grind the coffee to just the degree of fineness required for the user's selected beverage, from coarse grind to ultrafine powder.
- **Varitherm** is a patented heating system that adapts the temperature of the water to the individual recipe, even allowing different temperatures in the same drink. This technology uses more than 80% less energy than a conventional boiler system.

Over the years, **environmental sustainability** has become a strategic guideline for product innovation, with a special focus on:

- **Regenerated materials:** use of regenerated plastics to make certain machine components
- **Modularity:** use of interchangeable modules to optimize assembly, charging times and product maintenance
- **Energy efficiency:** induction technology reduces energy consumption during use

Rhea is also committed to protecting **consumers' safety** and **well-being**, introducing the anti-bacterial additive Bio-Cote, which reduces the presence of bacteria/microbes on surfaces by up to 99.5% in 2 hours, or 99.99% in 24 hours.

2 Rhea and sustainability

Ever aware of sustainability issues, Rhea further strengthened its commitment in 2023 with **three key activities** further mobilizing all its functions on a path of constant improvement.

- 1) **ESG benchmarking.** Conducted by comparing the practices and results achieved by Rhea with those of other players in the industry and with best practices for sustainability, benchmarking allows the company to acquire **greater awareness of its strong points and critical areas** in which improvement actions are required.
- 2) **Planning actions for improvement in the area of ESG.** Benchmarking and focus groups organized in collaboration with all the company departments involved have allowed Rhea to identify actions for improvement to be undertaken over the next three years, listed in the organization's **Sustainability Plan**. This tool has permitted development of a holistic approach, prioritization and definition of qualitative and quantitative targets supporting the organization's decisions for its investment and evolution. Involvement and discussion with management have promoted the spread of a sense of responsibility in relation to critical ESG issues throughout the organization.
- 3) Announcement of the results achieved and commitments taken, through the first **Sustainability Report so that all stakeholders**, both internal and external, can acknowledge the value of Rhea's commitment but also stimulate new challenges.

The inter-departmental team involved in this activity has acknowledged the importance of the activities performed, confirming the need to encourage ongoing improvement with a clear and efficient model of sustainability governance, because reinforcement of corporate responsibility takes time and dedication. This is why Rhea has appointed **Stefano Macchi** as the member of its Board of Directors **in charge of sustainability**, and set up an **ESG committee** which will, beginning in 2024, ensure constant governance of ESG commitments, initiatives and results.

2.1 STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

Rhea considers it essential to develop and maintain solid, long-lasting relationships with all its stakeholders: establishing a relationship based on dialogue and constant involvement is a concrete demonstration of responsibility toward the society in which the company works. The company involved its principal stakeholders, including employees, customers, suppliers and financial institutions, in its 2023 **materiality analysis** with the goal of identifying the ESG



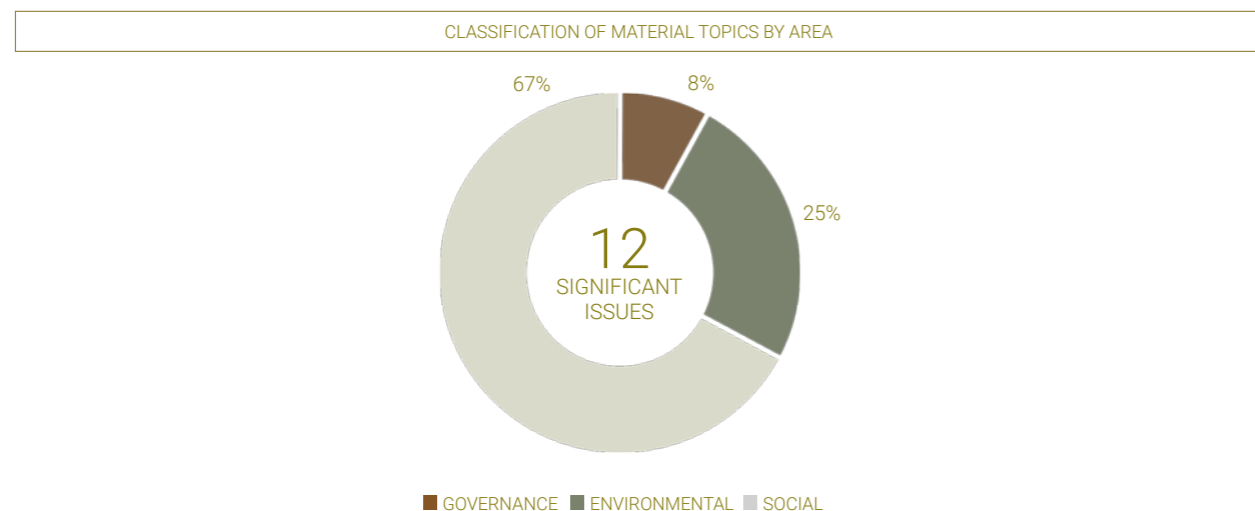
topics of greatest relevance, on which to concentrate its present and future commitment.

During the preparatory phase, the work team deepened its understanding of the organization’s context, analysing the activities performed, business relationships, competitors, the most critical ESG issues, and stakeholders’ expectations. Once critical ESG themes had been identified, a “materiality questionnaire” was prepared and shared with the company’s internal and external stakeholders to allow them to contribute to identification of so-called **material topics**. Specifically, for each topic identified, interviewees expressed the degree of materiality they perceived, taking into consideration two key aspects: the probability of an impact related to the theme actually occurring, and the magnitude of the impact. This approach made it possible to receive all stakeholders’ opinions on ESG issues, facilitating identification of strategic priorities and the principal opportunities/critical areas to be addressed in the sustainability plan and report.

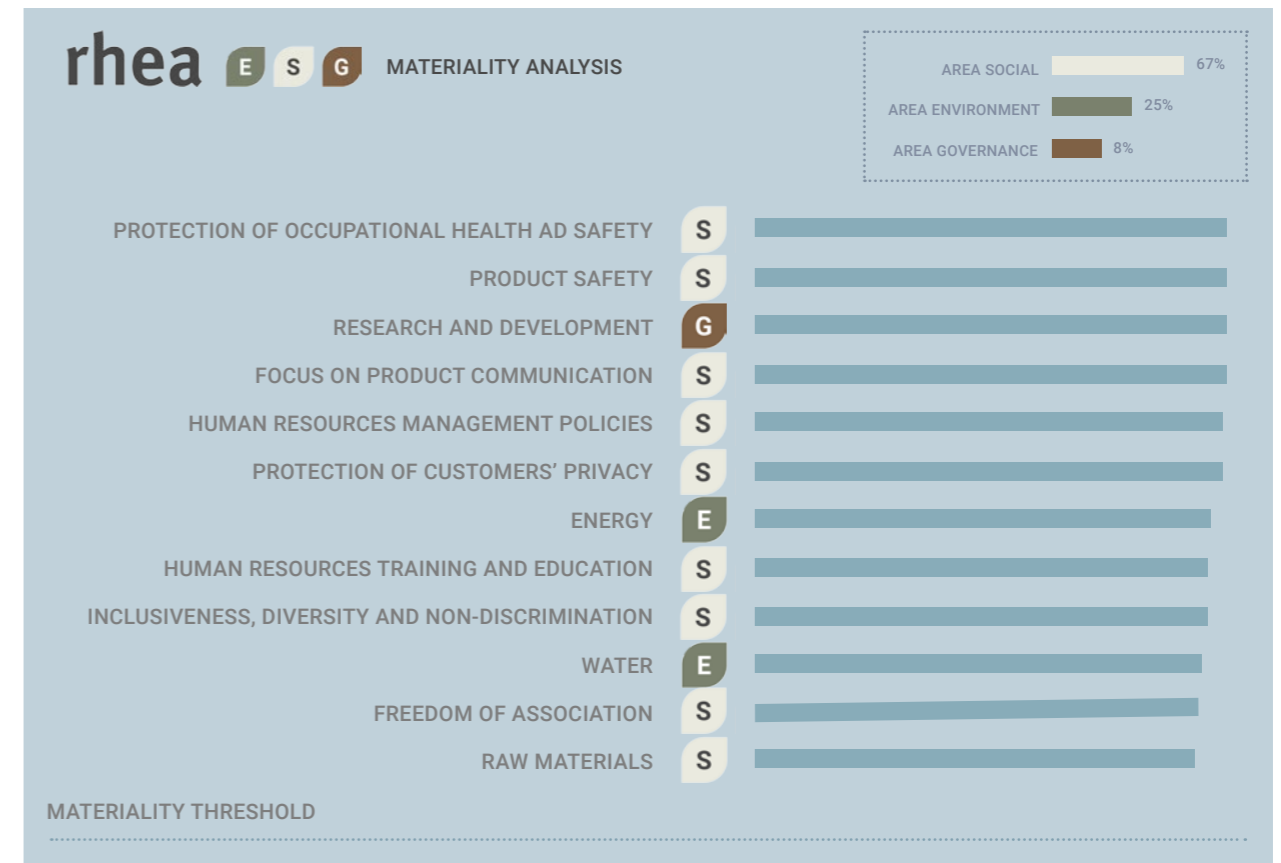
BOX of in-depth information | Materiality analysis

A topic is defined as “material” for a company when it reflects a significant economic, environmental or social impact of the organization or substantially influences, or could influence, its stakeholders’ interests. The materiality analysis conducted in the year 2023 with stakeholders’ involvement has allowed Rhea to identify the most significant sustainability issues, toward which it will orient its strategic development in the years to come and provide disclosure in this document.

The questionnaire response rate was 51% (144 responses out of a total of 264) for internal stakeholders (management and employees) and about 48% for external stakeholders (customers, suppliers, financial institutions, research institutes and local communities). The collection and interpretation of the results has led to identification of 12 material topics, one of which concerns the economic and governance sphere, while 3 regard environmental responsibility and 8 pertain to social responsibility.



Materiality ranking provides a graphic representation of the findings of the analysis, revealing which topics were considered most significant for Rhea.

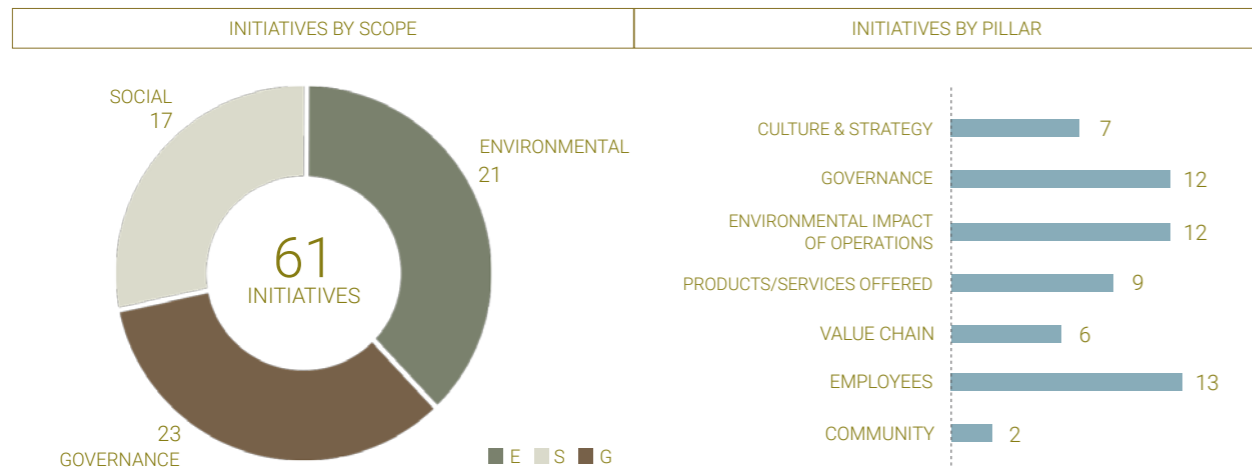


The analysis reveals that the most relevant three issues for strengthening Rhea’s sustainability are:

- Identification, implementation and maintenance of good practices in the area of occupational **health and safety**
- Further improvement of **product safety**, preventing potential incidents and taking prompt, efficient action to solve any problems
- Investment in **Research & Development in sustainability-related areas** (such as increasing the modularity of machine components, reducing consumption, promoting reconditioning and improving energy efficiency)

2.2 STRATEGIC SUSTAINABILITY PLAN

Analysis of ESG positioning and materiality are key steps in the preparation of a **Sustainability Plan**: a strategic tool including all the company’s commitments for increasingly integrating a focus on social and environmental accountability into management of business tasks. Preparation of the plan permitted collection and systematic organization of many existing projects and identification of new actions on which to focus efforts in the years to come. Management has shared specific targets, organized by priority. The 2024-26 **Sustainability Plan** is the result of collaboration of department heads, discussed and validated by the Board of Directors. While the targets identified in the **Sustainability Plan** are prevalently qualitative, Rhea is already working on **quantitative targets**



for the years to come, aligned with international frameworks, permitting **even more transparent communication** of the results already achieved and the challenges of the future.

AGENDA FOR IMPLEMENTATION OF THE INITIATIVES IDENTIFIED

PILLAR	ACTIONS				SDGs
	Tot	2024	2025	2026	
Culture & strategy G	7	4	2	1	8, 12, 13, 17
Governance G	12	8	1	3	8, 16, 17
Environmental impact of operations E	12	5	5	2	7, 12, 13
Products/services offered E	9	7	0	2	9, 12, 13
Value chain S	6	3	2	1	8, 9, 12, 13
Employees S	13	6	4	3	3, 4, 8
Community S	2	0	2	0	1, 3, 11, 16
Total	61	33	15	12	

RHEA'S STRATEGIC SUSTAINABILITY PLAN					
SCOPE	PILLAR	STRATEGIC GOALS	No. INIT.	PRINCIPAL INITIATIVES	SDGs
G	CULTURE & STRATEGY	Strengthening of corporate culture and definition of ESG strategy	7	Implementation of the Strategic Sustainability Plan Adhesion to UN Global Compact	8, 12, 13, 17
G	GOVERNANCE	Strengthening of Corporate Governance and Sustainability Governance	12	Creation of an ESG Committee Centralized monitoring of ESG performance and public relations	8, 16, 17
E	ENVIRONMENTAL IMPACTS OF OPERATIONS	Energy transition, reduction of carbon footprint and circular economy	12	Increased circularity of materials, including recycling of packaging Reduction of waste and conversion of scrap Reduction of energy consumption and carbon footprint Calculation and monitoring of the carbon footprint of the organization and processes	7, 12, 13
E	PRODUCTS/SERVICES OFFERED	Improving the efficiency of production by decreasing consumption and waste	9	Development of Second Life projects Extension of product lifespan	9, 12, 13
S	VALUE CHAIN	ESG assessment of suppliers and sharing of sustainability initiatives	6	Progressive ESG assessment of the value chain Discussion of sustainable practices with suppliers	8, 9, 12, 13
S	EMPLOYEES	Improvement of employees' well-being, health and safety	13	Analysis and improvement of employees' well-being, health and safety Initiatives promoting diversity, equality and inclusion	3, 4, 8
S	COMMUNITY	Promotion of inclusion and cultural integration in the community	2	Charity initiatives and corporate volunteering projects Social Community Management Strategy	1, 3, 11, 16



3 Governance, business integrity and ethics

3.1 GOVERNANCE IN RHEA

Rhea is committed to promoting Italian-made excellence every day with cutting-edge, top-quality machines, while demonstrating respect for people and the environment. Its business model is based on solid corporate governance, orienting the company's decisions and actions in ordinary management and in achievement of long-term targets and results.

Rhea's governance bodies include a **Board of Directors** and a **Board of Auditors**, both appointed by the **Shareholders' Meeting**. These bodies have roles of management and surveillance, respectively. The system incorporates codified principles and procedures ensuring the utmost transparency and integrity in operations, in the interests of all counterparts. The company's economic and financial statements are subject to an annual audit.

When it comes to disclosure of information on management, Rhea complies with principles and procedures guaranteeing clear, correct business management in compliance with the requirements of the Sole Text on Finance, the EGM Issuers' Regulations promoted by Borsa Italiana (the Italian Stock Exchange) and best practice in the field.

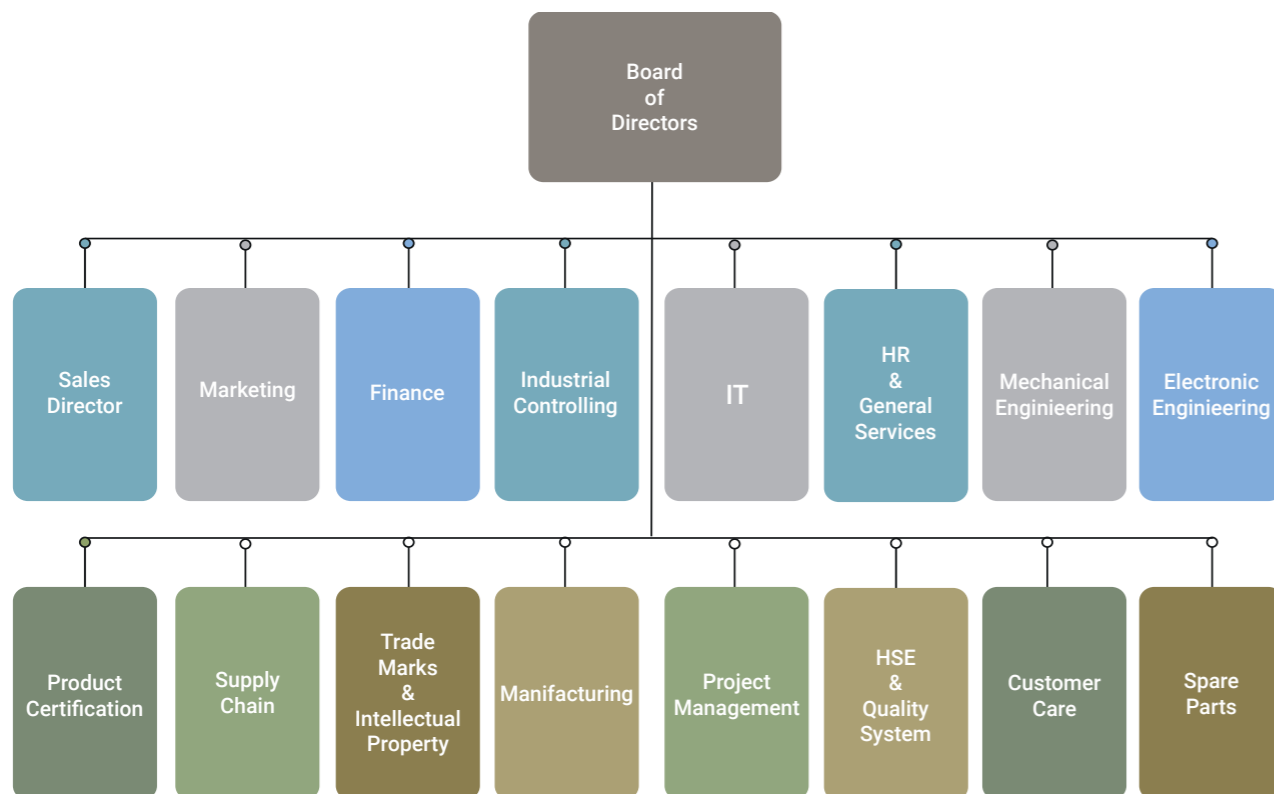
The **Company's Statute** is the key document defining the essential features of Rhea, which, through its commitment to transparency and integrity, aims to guarantee the long-term success of its business and contribute to the well-being of the community in which it works.

3.1.1 THE BOARD OF DIRECTORS

The Board of Directors, renewed in 2023 and in office for 6 years, is composed of **four members**: **Andrea Pozzolini**, who holds the position of **CEO and President**, **Stefano Macchi**, in charge of corporate sustainability, **Cristina Stabilini**, head of Sales & Operations, and **Giorgio Vignati**, in charge of Finance. The Board remains in office for **three years** and may be re-elected. As of 31.12.2023, the Board of Directors has the following members:

Name and Surname	Gender	Age	Date of appointment	Position
Andrea Pozzolini	M	64	29.06.2023	CEO and President
Stefano Macchi	M	58	29.06.2023	Director
Cristina Stabilini	F	45	29.06.2023	Director
Giorgio Vignati	M	63	29.06.2023	Director

The Board of Directors, bearing the broadest powers of ordinary and extraordinary company management, meets **regularly** and does everything necessary to perform the company's activities, excluding those obligatorily reserved for the Shareholders' Meeting. It is appointed directly by the owner of the company, **Larene S.r.l.**, which owns 90% of its shares. Andrea Pozzolini acts as legal representative with powers of signature before third parties and before the law.



3.1.2 BOARD OF AUDITORS

The **Board of Auditors** is the company body ensuring correct administration and adequacy of the company's organizational, administrative and accounting structure adopted by its directors. The Board consists of 5 auditors, including 2 substitute auditors, meeting the requirements of integrity and professionalism established by law. The auditors, who act autonomously and independently, must maintain the utmost confidentiality in relation to all documents and information acquired in the performance of their duties, and must comply with the procedure adopted for the disclosure of documents and information on the company. The Board of Auditors must meet at least once every ninety days, and must file the report identified in art. 2429 of the Civil Code.

Name and Surname	Gender	Age	Date of appointment	Position
Mauro Parrinello	M	61	21.06.2012	Chairman of the Board of Auditors
Luigi Trezzi	M	37	30.05.2015	Acting Auditor
Andrea Pasini	M	46	28.05.2018	Acting Auditor
Silvia Baserga	F	39	30.05.2015	Substitute Auditor
Alberto Pirone	M	48	31.05.2018	Substitute Auditor

3.1.3 STATUTORY AUDITING OF THE ACCOUNTS

Statutory auditing of the accounts of Rhea Vendors Group Companies is performed by **statutory auditors** appearing in the registry set up under Legislative Decree 39/10. These professionals are appointed by the Shareholders' Meeting in accordance with the applicable legislation and audit the company's financial statements, periodically inspecting its accounts.

3.1.4 RISK MANAGEMENT AND CONTROL SYSTEM

Rhea has developed a **Risk Management** system for identification of risks, estimation of the probability of their occurrence and prediction of their impact on the organization. This plan, **updated at least once a year**, helps determine the best actions to be taken to reduce the probability of incidents occurring and mitigate their possible negative effects. The procedure is included in the company's Quality Management System.

Through its Risk Management System, Rhea:

- Facilitates achievement of its targets
- Maintains proactive risk management
- Identifies and prevents actual and potential risks, identifying opportunities and threats
- Complies with obligatory requirements, applicable national and international regulations and voluntary standards
- Improves reporting
- Improves corporate governance and stakeholders' trust
- Builds a solid base for the decision-making process and for planning, improving controls
- Effectively assigns and uses resources for dealing with risk
- Improves the quality and performance of its products and services, preventing waste and economic loss
- Increases the resilience of the organization

The **Board of Directors** is responsible for coordinating the activities included in the system, collaborating with the people in the company in charge of various processes and with any external resources that may be involved. Risk assessment is based on the principles of standards UNI EN ISO 9001 and UNI EN ISO 14001.

The operative phases in Rhea's Risk Management involve a **PCDA approach** divided into the following steps:

1. Establish context
2. Identify risks
3. Analyse and measure risks
4. Assess and weigh risks
5. Deal with and manage risks
6. Monitor, plan and control risks
7. Disclose the results

8. Monitor the system (Audit, Management Review, Improvement)

In the first step, the company determines which internal and external factors could have an impact on its effective ability to carry on constantly supplying products and services compliant with customers' requirements and those of laws and regulations, in compliance with the principles and results expected of the company's Quality and Environment Management System.

The internal and external risks the company takes into consideration include environmental, social security, cultural and organizational context. More specifically, Rhea assesses and analyses the company's strategic guidelines, medium- and long-term macroeconomic, financial and associative scenarios, product and process innovation, new technologies, global and environmental issues of importance to stakeholders, trends on the markets served and penetration thereof, and current and future benchmarks and regulations. Specific systems are applied to risk analysis and assessment in environmental issues and the supply chain.

Beginning with analysis of context, the company identifies risks and classifies them as:

- Strategic
- Reputational
- Operative

Operative risks are in turn classified as:

- Process risks
- Risks pertaining to information systems
- Environmental and socio-political risks
- Legal risks
- Risk of fraud
- Risks pertaining to customers and distribution channels
- Human resources risks
- Risk of destruction of corporate assets
- Financial risks
- Procurement risks
- Pure risks

Risks may be quantitative, semi-quantitative or qualitative, and for each of these, Rhea estimates the probability of the event and its possible impacts.

Once the risk analysis process has been completed, the company compares the estimated risks with the pre-established risk criteria. These include the associated costs and benefits, legal requirements, socio-economic and environmental factors and issues pertaining to stakeholders. Risk assessment aims to define the materiality of risks for the organization, determining whether or not each specific risk can be accepted.

For every potential risk considered material, Rhea assesses the possibility of:

- Eliminating the causes of the potential risk, or taking advantage of the opportunities it offers
- Reducing the probability of an incident occurring, limiting its negative effects, or increasing the possibility of an opportunity arising
- Transferring risk to a third party such as an insurer or other stakeholder

For every threat identified, the company assesses the ability to continue conducting its business in the case of an adverse event that could take place, resulting in:

- Impacts on the business and stakeholders
- Actions
- Timing of return to or restoration of original conditions
- The person responsible for the action

Once a risk has been identified, Rhea selects and implements measures to control and mitigate it.

Actions include initiatives aimed at:

- Preventing the risk
- Accepting the risk in order to take advantage of an opportunity
- Eliminating the source of the risk
- Altering the probability or effects of the risk
- Sharing the risk
- Making an informed decision to accept the risk

Risk is therefore defined as acceptable or unacceptable, depending whether it meets certain specific parameters. If the risk is considered acceptable, the company will assess the need to identify actions. If this is not the case, Rhea will necessarily take action to mitigate the risk, or employ systems for taking advantage of the opportunity.

At least once a year, Rhea monitors, reviews and improves its Risk Management system through:

- Internal audits
- Plans for improvement
- Management review
- Other documents, such as the risk matrix

Periodic monitoring of activities is ensured through the "Context and Risk Management Matrix", a document which is updated and reissued:

- Whenever there is a change with an impact on risk assessment
- If actions are implemented, to reduce the probability of the risk occurring, or limit its negative effects
- If actions are implemented, to increase the possibility of opportunities occurring or being implemented
- During the management review

When the results are available, management informs stakeholders of the assessments made.

3.1.5 AUDIT CERTIFICATIONS AND PROTOCOLS

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Rhea has certified management systems and protocols for audits, demonstrating the company's ability to guarantee high standards of work, environmental management, business integrity and health and safety. These certifications guarantee compliance with the requirements for **quality, safety and legal and environmental compliance** regulating the sector. The company produces and sells its machines on the basis of the requirements of some of the most authoritative universally acknowledged certification schemes, decreeing the complete conformity of all company processes. By obtaining and maintaining these certifications, Rhea is recognized as a dependable, authoritative partner in the field.

In 2023, the company has the following certifications:

ISO 9001:2015 - Quality management system

In 2001 Rhea obtained this acknowledgement for the quality of its design and production of hot and cold beverage vending machines, renewing the certification in 2023

ISO 14001: 2015 - Environmental management system

The company obtained this certification in 2016, acknowledging its environmental management system for the design and production of hot and cold beverage vending machines, renewed in 2022.

SMETA 4 Pillars - Audit in 4 areas: ethical, social, safety, environment

In 2021 Rhea obtained this acknowledgement for its standards of work, occupational health and safety, environmental policies and business ethics. The audit was repeated in 2023.

The certifications and acknowledgements obtained confirm Rhea's efforts ensuring that customers receive the desired level of quality, employees enjoy a safe, comfortable working environment, and machines are produced with respect for the environment and natural resources. Constant renewal of management systems demonstrates the organization's commitment to monitoring risks, promoting preventive measures and pursuing the goal of ongoing improvement.

3.2 BUSINESS INTEGRITY AND ETHICS

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The Code of Ethics sets forth the **basic principles of corporate conduct and stakeholder relations**. It is essential for maintaining the company's reputation and integrity, and **compliance** with it is **obligatory for all employees, associates and business partners**. The Code is an integral part of their contractual obligations, and a reference for decision-making and ethical behaviour. The document applies to all members of the Board of Directors, executives, employees, consultants and associates of Rheavendors. They are all required to comply with the ethical principles outlined

therein, to safeguard the company's identity, reputation and heritage as well as its functioning, and to contribute to the well-being of the community and the protection of the environment.

Written in **2018** and updated in May **2022**, the Code of Ethics clearly and transparently states the set of **general principles, criteria for conduct**, and **methods of disclosure and education** regarding the code, as well as the **sanctions** applicable in the event of a breach. The Code therefore protects the organization against the risk of commission of offences and the damage that could result from conduct contrary to the company's declared principles and rules of conduct, implemented by its Board of Directors, employees and/or business partners. The "Company Regulations" updated on 31 October 2022 collect and integrate internal rules of conduct and related and accessory provisions, consistently with the principles set forth in the Code of Ethics. Compliance with the rules contained in the Code of Ethics is one of the contractual obligations of all Rhea workers. The company asks employees, and everyone who collaborates with the organization, to agree to comply with and ensure compliance, in the scope of their own functions and responsibilities, with the Code of Ethics and the Rules of Conduct. Complete awareness of the rules regulating conduct in the company is essential to ensure the proper functioning of the company through compliance by all. All conduct contrary to the Code of Ethics is sanctioned in compliance with the provisions of the Code, the provisions of legislation and the applicable collective agreement. All workers' behaviour must be inspired by the **utmost correctness and integrity** in terms of management, also with regard to the **completeness and transparency** of information, and the **clarity and truthfulness of accounting records** in accordance with current legislation and internal procedures. All employees must guarantee the **utmost commitment and professional integrity**, dedicating the required attention to their assigned tasks and responsibilities and protecting the company's image and reputation. Relations among employees must be based on criteria and conduct characterized by **integrity, collaboration, loyalty and mutual respect**.

Guaranteeing compliance with the Code of Ethics is the task of the **Chairman of the Board of Directors**.

In striving to achieve its goals, Rhea draws inspiration from the following values:

- **Respect and Dignity:** Rheavendors promotes the physical and moral integrity of its workers, ensuring dignified working conditions and respect for every individual's rights. The company rejects all forms of discrimination and harassment, and is committed to creating an inclusive, harmonious working environment.
- **Impartiality and Equal Opportunities:** the company is committed to ensuring equal opportunities for all employees, without any discrimination on the basis of gender, race, age, religion, sexual orientation or disability. Rheavendors promotes a culture of respect and appreciation of merit, making the most of every individual's skills and abilities.
- **Environmental Protection:** Rheavendors is strongly committed to protection of the environment, adhering to strict environmental regulations and promoting sustainable practices. The company constantly works to reduce the environmental impact of its



activities, investing in ecological technologies and processes of ongoing improvement.

- **Transparency and Integrity:** transparency and integrity are key pillars of everything Rheavendors does. The company guarantees clarity and propriety in all its internal and external communications, and is committed to complying with all applicable laws and regulations.

These principles apply to the performance of all the company's activities, without exception.

*The company has specific criteria for **corporate conduct** in its relations with stakeholders:*

- **Relations with Customers and Suppliers:** Rheavendors is committed to maintaining a relationship of trust and mutual respect with its customers and suppliers. Business relations are based on principles of fairness, transparency and propriety. The company ensures that the products and services it offers comply with the required standards of quality and safety.
- **Relations with Associates:** the company acknowledges the importance of human resources as the key to its success. It promotes employees' professional and personal growth, guaranteeing a workplace that encourages dialogue, teamwork and mutual respect.
- **Relations with Public Authorities:** Rheavendors maintains fair, transparent relationships with public authorities and political institutions. The company is committed to complying with laws and regulations and to promoting practices of ethical behaviour in all its interactions with public authorities.
- **Conflicts of Interest:** the company adopts measures for preventing and responding to situations of conflict of interest, ensuring that all its decisions are made in the best interests of the organization and are not influenced by personal interests.

Rheavendors promotes clear, transparent internal communications, ensuring that all its associates are informed of its activities and involved in them. Familiarity with the company's Code of Ethics is promoted by ongoing educational initiatives, ensuring comprehension of and compliance with ethical principles. The company also ensures that all its external communications are accurate, transparent, and compliant with current regulations to protect the company's integrity and reputation. Rhea takes action to **protect sensitive corporate information**, ensuring its confidentiality and compliance with personal data protection regulations. All information at the organization's disposal is treated with respect for the confidentiality and privacy of the persons concerned, in accordance with the provisions of Legislative Decree 196/2003 and EU Regulation 2016/679 (GDPR).

The Board of Directors is committed to complying with and ensuring compliance with the Code of Ethics, ascertaining the validity of reports and verifying the information submitted with the due care in order to apply disciplinary sanctions or activate the mechanisms for termination of the contract where necessary. It also ensures that no-one in the workplace can suffer retaliation, unlawful conditioning, distress or discrimination for reporting a breach of the Code of Ethics, the code of conduct or internal procedures.

Once ascertained, breaches will immediately be remedied, with due care, through the adoption, compatibly with the provisions of the current legislation, of **appropriate and proportionate disciplinary measures**, independently of the criminal significance of such behaviour and of any criminal proceedings in the event that the behaviour should constitute a crime. Rhea adopts disciplinary measures for breaches of the document in line with current laws and the corresponding national contracts of employment.

No episodes of discrimination, corruption or anti-competitive behaviour occurred in 2023.

Rheavendors' Code of Ethics represents a clear, concrete commitment to responsible company management. Through adoption of this Code, the company underlines its dedication to the promotion of a respectful, secure workplace, protection of the environment and maintenance of transparent, proper relations with all stakeholders. The values and principles set forth in the Code are essential to build a solid corporate culture and achieve the company's long-term goals in line with the best ethical and legal practices.

4 Economic responsibility

Rhea's economic and financial administration is characterized by complete transparency, with the goal of supplying clear information compliant with the regulations in effect. The company's financial responsibility is demonstrated in its reclassified financial results, revealing value generated and distributed to its stakeholders. The figures deriving from the economic information contained in the financial statements are subjected to external auditing. The comparability of the figures from 2023 with those from 2022 is ensured by standardization and correction of percentages, ensuring effective analysis of the company's performance over the years.

4.1 FINANCIAL PERFORMANCE

Revenues from sales of the Rheavendors¹ Group in the year 2023 totalled €132,124,178 up 21% over the 2022 figure of €109,043,599. On the other hand, net profit decreased since the previous year, from €12,486,198 to €2,545,672, a 79% reduction. The variation between the two years is attributable to the reintroduction of the traditional depreciation rates, which had been reduced by 50% during the years 2020-2022, in accordance with the extraordinary measures related to COVID-19. EBITDA, obtained from the sum of the net value of production and the total value of depreciation, is up this year: the figure has grown 98% over the previous year, from €7,826,143 to €15,497,599.

Rhea's financial performance is calculated net of changes in the proportion of goods and services purchases compared to annual sales. The key indicator, calculated as the percentage of raw materials costs over sales, remained nearly unchanged between 2022 and 2023, dropping from 78,35% to 76,59%.

Personnel costs maintain a stable incidence related to the revenue, equivalent to 19% in the year 2023, despite the increase of €2,498,940 in absolute terms (+11%), which was more than offset by the growth in sales, services and revenues.

During the year 2023, Rhea worked in a context that was still greatly impacted by the global tension generated by the events of 2022, such as the conflict between Russia and Ukraine, further complicated by the consequences of the new conflict in the Middle East, the blockage of seagoing traffic in the Red Sea, unstable financial markets and anti-inflationary measures. The latter in particular continue to have an impact on European economies, and especially on companies, which must bear the resulting financial costs. All this did nothing to help normalise the price of raw

¹ Revenues related to the consolidated financial statements of the Group, revenues related to the Italian companies Rheavendors Group S.p.A., Rheavendors Services S.p.A. and Rheavendors Industries S.p.A. equivalent to Euro 110.564.974



materials and above all flows of production, which fail to guarantee continuity of supply, forcing manufacturing companies to take on financial commitments to guarantee sufficient stocks to support production with continuity and be able to compete on an increasingly competitive market. Despite this, in the year 2023, thanks in part to its good work in the previous year, Rhea managed to respond to the growing demand with a significant increase in sales, taking another important and highly significant step toward sustainable recovery, growth and development following the dramatic pandemic years. At the same time, the company further strengthened its structure and processes for control, quality, production and logistics, improving their efficiency and dependability. In these circumstances, despite the many macroeconomic problems, Rhea continues to be committed to investing its resources for a more sustainable future.

Rhea expects to see a time of readjustment of the European market in 2024, with a possibility of growth on non-EU markets that are less affected by the current international conflicts. The process of optimization and rationalization of the supply chain continues, with the aim of making it increasingly efficient and compliant with the company's sustainability targets.

4.2 ECONOMIC VALUE GENERATED AND DISTRIBUTED

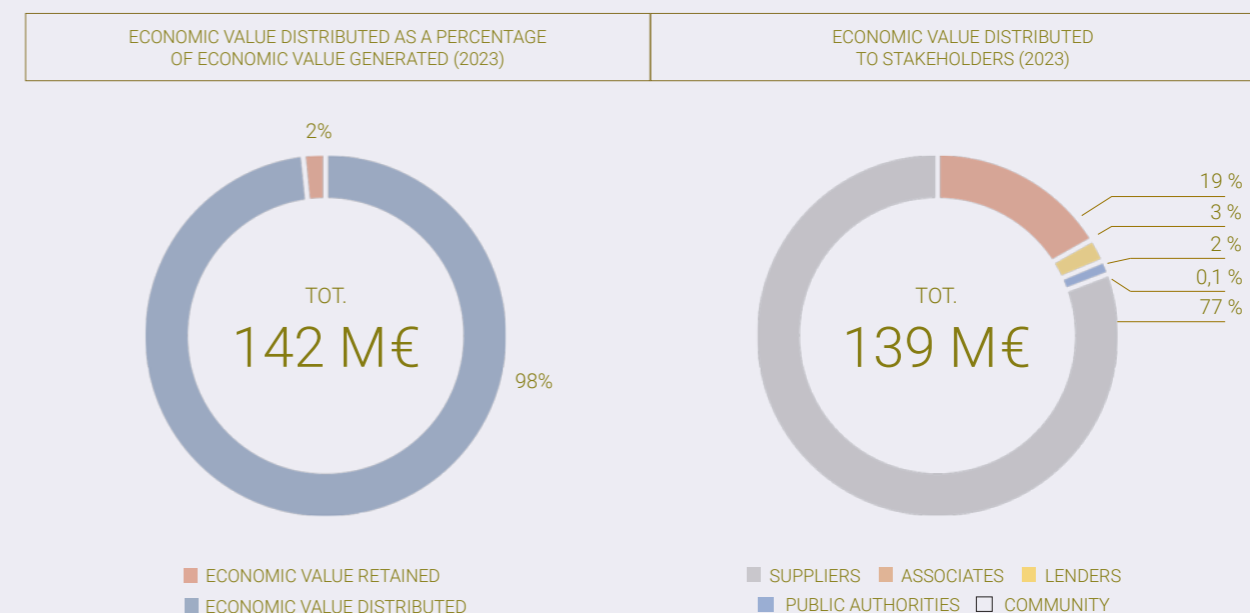
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Calculation of economic value generated and distributed permits determination of the value produced by the company and how it is distributed. This perspective permits reclassification of the financial statements taking stakeholders' interests into account and differs from the strictly bookkeeping definition.

	udm	31-12-2023	31-12-2022
ECONOMIC VALUE GENERATED	€	141.602.535	138.050.756
Revenues from sales and services	€	132.124.178	109.043.599
Variations in final inventories of finished products and semi-products	€	1.975.999	5.836.908
Increases of non-current assets from in-house production		2.644.818	4.096.373
Other net revenues and income	€	2.777.964	6.425.838
Financial income	€	2.079.576	1.420.538
Adjustments to the value of financial assets	€	-	-
ECONOMIC VALUE DISTRIBUTED	€	139.178.863	125.669.558
Suppliers	€	106.855.271	98.255.333
Associates	€	26.120.815	23.621.875
Lenders	€	3.643.301	2.604.489
Public Authorities	€	2.437.476	1.082.861
Community	€	122.000	105.000
ECONOMIC VALUE RETAINED	€	2.545.672	12.486.198

As of 31.12.2023, economic value generated equalled €141,602,535, up 3% over the previous year, in which it was €138,050,756. Economic value distributed amounted to €139,178,863, remaining constant as a percentage of economic value generated, but up in absolute terms by €13,492,305, a 11% increase over 2022. This figure is also up, primarily due to the increased cost of raw materials.

Economic value retained, represented by the difference between economic value generated and economic value distributed, is equal to €2,545,672, decreasing if compared to the previous year's figure of €12,486,198.



Economic value distributed represents 98% of economic value generated, while economic value retained accounts for the remaining 2%.

Purchases from suppliers represented Rhea's greatest expense in 2023, accounting for about 77% of economic value distributed, that is, €106,855,271 out of a total of €139,178,863. Employees' salaries accounted for about 19%, totalling €26,120,815. Payments to public authorities, primarily in the form of corporate income tax, amounted to €2,437,476, representing about 1.8% of economic value distributed. Payments to lenders represented 2.7% of the total, amounting to €3,643,301.

In 2023, Rhea supported community initiatives by investing €122,000, 16% more than in the previous year (€105,000). Donations and liberal disbursements in 2023 represented about 0.11% of economic value distributed.

4.3 INNOVATION AND DEVELOPMENT

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For more than 60 years, Rhea has constantly sought out new solutions to satisfy its customers and the demands of an increasingly varied and dynamic market. This is why innovation represents a critical factor in the company's growth: customization of solutions and use of advanced technologies underlie its experimentation and development work, always aimed at developing products and services that anticipate and satisfy the growing demand for ecologically and socially responsible solutions. Rhea has demonstrated its continuing efforts in this area over the years with a vast range of patents and registered trademarks such as **Variplus**.

New solutions are designed to promote recycling, reduce energy consumption and encourage repair. A special team has been set up to focus skill and the capacity to innovate in various different areas, developing projects such as Rheathinktogether, Suite, MIND, MADE and Planet Smart City.



In recent years, Rhea has directed its innovation in **8 main directions**:

- **Modularity:** Machines are designed to consist of autonomous modules which can be assembled and combined in different configurations, adapting them in response to specific requirements and facilitating maintenance. This permits greater flexibility and customization in use and management of the machines while at the same time lengthening their lifespan.
- **Standardization:** For a number of years, the company has been progressively rationalizing component types and developing standardized platforms with the aim of optimizing procurement processes without sacrificing customization.
- **Circularity of raw materials:** in 2021, Rhea developed an innovative project for increasing use of recycled plastics and sustainable materials, resulting in replacement of 32% of the plastics on some of the machines in its catalogue. In the years to come it will work on further increasing this percentage and expanding its range of regenerated materials.
- **Reduction of consumption:** the company has implemented advanced technologies for reducing the energy consumption of its machines during use for more than 5 years; in 2023, it began a stream of research aimed at reducing water consumption throughout the machines' entire life cycle, from development and testing until actual use.
- **Telemetry:** in 2009, Rhea introduced telemetry for optimization of monitoring and maintenance. The company's German branch currently embodies best practice in the Rhea Group, remotely managing about 70% of all technical assistance. The company aims to extend telemetry to all its markets within the next few years.
- **Second Life:** in 2023 the company introduced "Second Life", a pilot project for the pick-up, refurbishment and sale of used machines. Currently under development, the project aims to prolong the useful lifespan of the company's machines and promote circularity through a new sustainable business model.
- **Life Cycle Assessment:** Rhea has been conducting LCA in partnership with its customers for certain types of machines for several years now, with the aim of assessing the environmental impact of the machines' entire life cycle, from extraction of raw materials to disposal. With the goal of producing new generations of sustainable machines that meet its high standards of quality, the company is developing an LCA tool for assessment of machines' environmental impact right from the design phase.
- **Ergonomics and accessibility:** Rhea has always integrated the principles of ergonomics and accessibility into the design of its machines to ensure that they are easy to use and maintain. The modularity of Rhea's machines makes it possible to satisfy the customer's specific needs, such as accessibility by disabled users. A tangible example of this commitment is "Seed of Inspiration", a project implemented in China in 2022 in partnership with the Bear Paw Café, supplying the blind with machines designed especially for their use without assistance.



5 Social responsibility

5.1 OUR PEOPLE

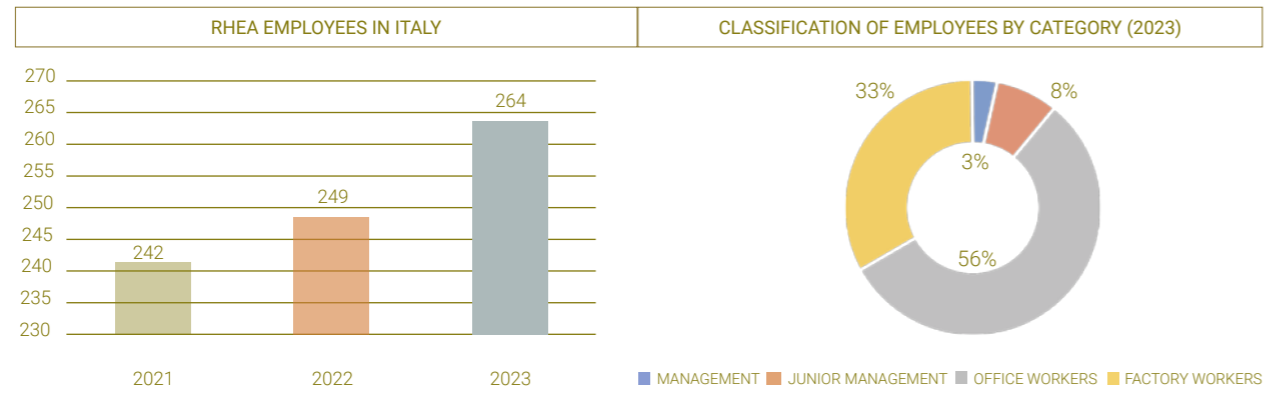
Rhea has always been committed to **appreciating and supporting its employees**, who are the key to the company's ability to innovate, grow and generated shared value. This is why the company promotes a **safe, inclusive, stimulating workplace**, where every individual can **fully express his or her potential and enjoy a high quality of professional life**.

2023 confirmed the importance of being a **cohesive team** capable of achieving **top-level performance** in an increasingly complex and changeable global scenario, in which constant commitment and a vision oriented toward the future are the keys to responding to the numerous challenges of the market and contributing to the Group's success.

Rhea's workers are in fact committed every day to ensuring complete **customer satisfaction**, high standards of **quality** and **product customization**, constant improvement of **operative efficiency** and **innovation in services and technologies**, establishing the ideal conditions for the Group's long-term success.

As of 31 December 2023, Rhea had **264** employees in Italy, **up 6% over the previous year** to support the Group's growth, beginning with its central organization.

At the close of the year reported on here, Rhea employed 8 managers, 20 junior managers, 149 office workers and 87 factory workers. As in 2022, in 2023 **100% of the company's employees are covered by collective bargaining contracts**. Rhea is also committed to **supporting the right to free association** and **collective bargaining** among suppliers' employees, selecting only suppliers who comply with these conditions.





Classification of employees by category and gender Standard GRI 405-1	2022	2023
TOTAL	249	264
Women	72	76
Men	177	188
MANAGEMENT	8	8
Women	1	1
Men	7	7
JUNIOR MANAGEMENT	21	20
Women	6	6
Men	15	14
IMPIEGATI	138	149
Women	51	55
Men	87	94
FACTORY WORKERS	82	87
Women	14	14
Men	68	73

5.2 DIVERSITY, EQUALITY AND INCLUSIVENESS IN RHEA

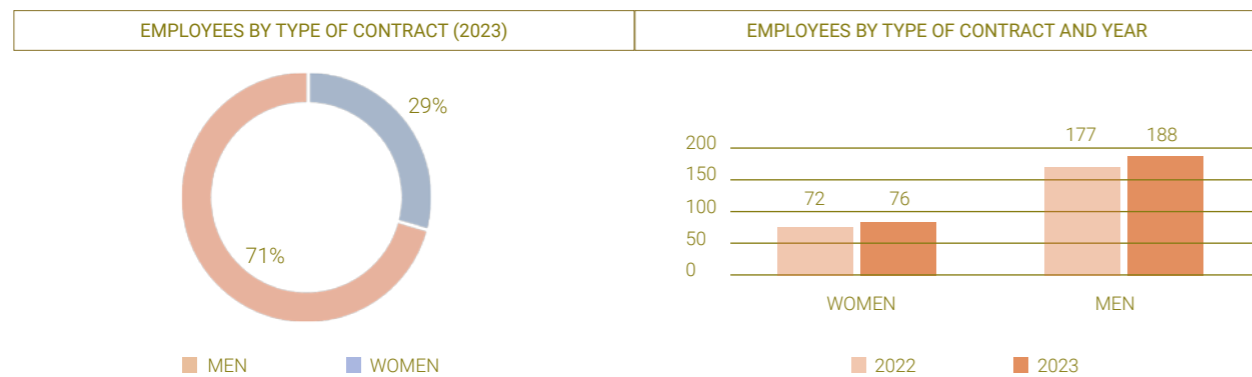
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Rhea is firmly committed to promoting a more **inclusive and fair** society and workplace, ensuring that all members of the organization are aware of the importance of accepting and respecting all forms of diversity, developing practices for management of personnel and relationships that guarantee fairness and inclusiveness, promoting principles of **social justice** in all its daily activities.

29% of its 264 employees are **women**, 6% more than in the previous year. Women are most strongly represented among office staff (37%), while men are the majority among factory workers (84%).

In 2023 the number of women in management, junior management and factory worker positions remained unchanged over the previous year, while **there was an increase in the number of female office staff (+8%)**. 15 employees belong to protected categories.

All employees of Rheavendors Services S.p.A. and Rheavendors Industries S.p.A work at the company's headquarters in Caronno Pertusella, in the region of **Lombardy**². 98% of them are hired on **permanent contract**, and 96% work full-time. The number of employees working on permanent contract increased over the year 2022, benefiting the stability of employment.



² Figures on the number of employees by qualification and type of contract are shown on a head count basis

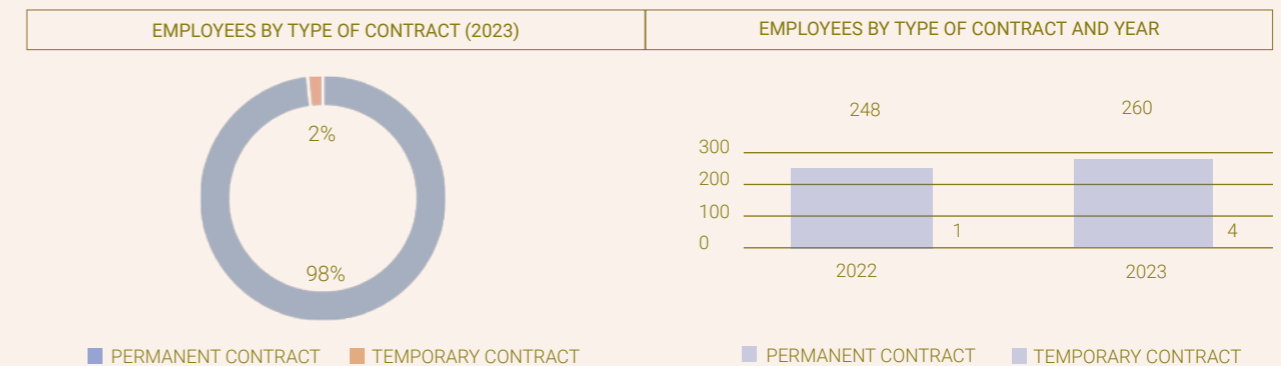
Classification of employees by type of contract and gender Standard GRI 405-1	2022	2023
TOTAL	15	15
Women	5	5
Men	10	10

In the year 2023, the company benefited from the services of 84 staff leasing workers and 2 interns.

16% of Rhea's employees are university graduates (42 people), while 56% are secondary school graduates (148 people) and the remaining 28% have lower educational qualifications (74 people).

37% of the company's 264 employees are over the age of 50 (99 people), while 55% are aged 30 to 50 (144 people) and 8% are under 30 (21 people). The percentage of employees under 30 has increased since 2022, underlining Rhea's growing commitment to attracting talented young people and contributing to their career growth. Employees' overall average age is therefore lower: down from 47 in 2022 to 46 in 2023.

Following the retirement of a number of historic employees, the average number of years of service is down from 15 to 8.



CLASSIFICATION OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER STANDARD GRI 2-7									
	Udm	2022				2023			
		Men	Women	Others*	Total	Men	Women	Others*	Total
TOTAL EMPLOYEES BY TYPE OF CONTRACT	Num	177	72	0	249	188	76	0	264
Permanent contract	Num	176	72	0	248	185	75	0	260
Temporary contract	Num	1	0	0	1	3	1	0	4
Without guaranteed number of hours (e.g. on call, occasional)	Num	0	0	0	0	0	0	0	0
TOTAL FULL-TIME + PART-TIME EMPLOYEES	Num	177	72	0	249	188	76	0	264
Full-time	Num	177	62	0	239	188	66	0	254
Part-time	Num	0	10	0	10	0	10	0	10
TOTAL EMPLOYEES IN THE PREVIOUS YEAR (AS OF 31/12/2021)	Num	176	66	0	242	177	72	0	249



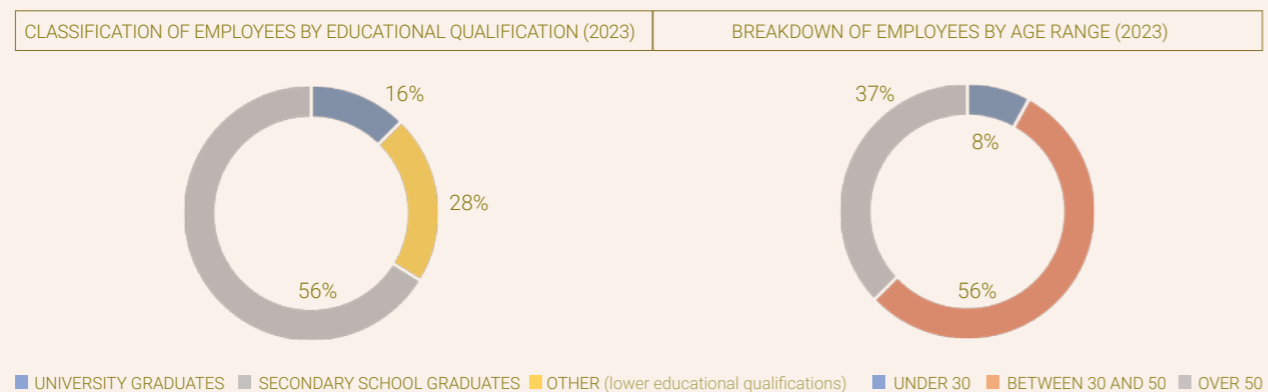
In the year 2023, the company hired 39 new employees, registering a 34% increase over the previous year. 31% of the new hires were under 30, while 56% were aged 30 to 50 and the remaining 13% were over 50.

24 employees concluded their contracts with Rhea in 2023, a 9% increase over the previous year. Only 13% of them are women, and 17% are under 30.

The incoming turnover rate is 15%, while the outgoing rate is 9%. The overall turnover rate is 24%, up 4% over the previous year primarily due to the significant increase in hires between 2022 and 2023³.

In 2023 Rhea presents an **overall gender pay gap of 2%**, well under the Italian average of 11% and the European average of 13%.

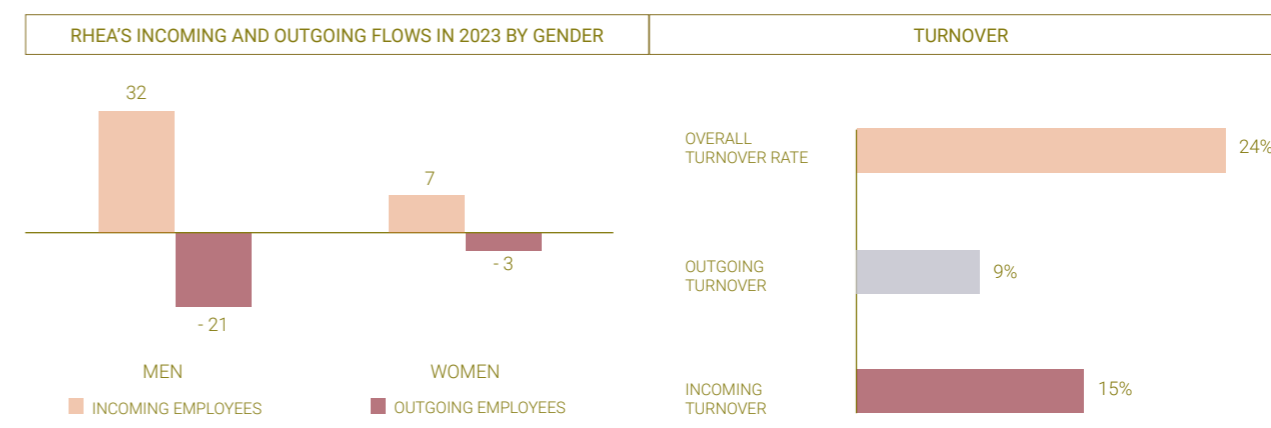
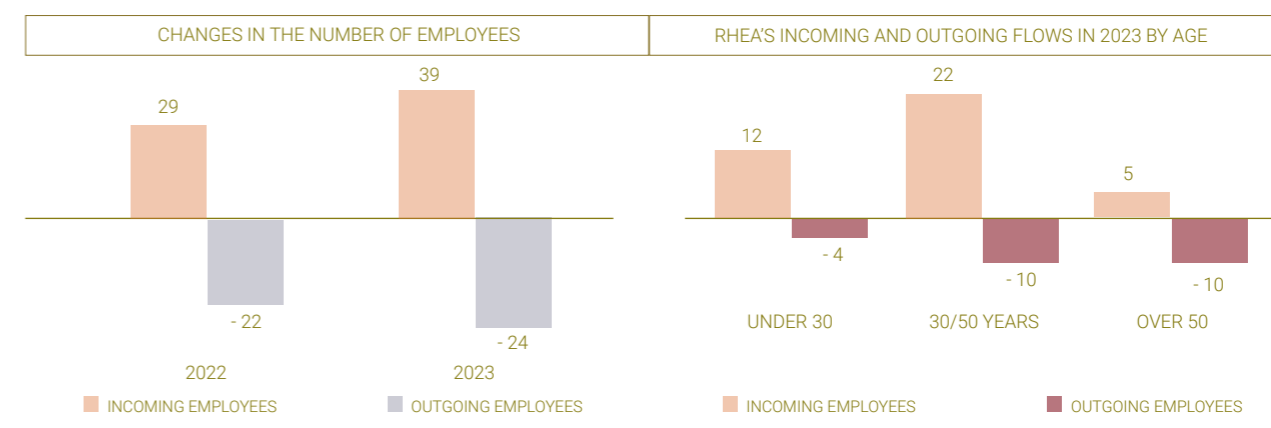
On the whole, analysis of the figures reveals the Group's ability to maintain **a good level of attractiveness and a high retention rate**.



CLASSIFICATION OF EMPLOYEES BY AGE RANGE AND GENDER STANDARD GRI 401-1	2022	2023
TOTAL	249	264
Women	72	76
Men	177	188
UNDER 30	17	21
Women	8	6
Men	9	15
COMPRESO/UGUALE 30-50	141	144
Women	43	45
Men	98	99
OVER 50	91	99
Women	21	25
Men	70	74

CLASSIFICATION OF EMPLOYEES BY EDUCATIONAL QUALIFICATION IN 2023	2023
TOTAL	264
University graduates	42
Secondary school graduates	148
Other (lower qualification than secondary school graduation)	74

AVERAGE AGE AND YEARS OF SERVICE OF EMPLOYEES STANDARD GRI 401-1	2022	2023
Average age of employees	47	46
Average number of years of service	15	8



HIRES AND TERMINATIONS BY AGE AND GENDER STANDARD GRI 401-1	2022	2023
TOTAL NEW HIRES	29	39
Total Women	11	7
Total Men	18	32
UNDER 30	6	12
Women	2	2
Men	4	10
BETWEEN 30 AND 50	15	22
Women	5	4
Men	10	18
OVER 50	8	5
Women	4	1
Men	4	4

³ The overall turnover rate is calculated as: (Number of new hires in the year + Number of exits in the year/employees on permanent and temporary contracts as of 31/12) *100.
 - The incoming turnover rate is calculated as: (Number of new hires in the year/employees on permanent and temporary contracts as of 31/12) *100.
 - The outgoing turnover rate is calculated as: (Number of exits in the year/employees on permanent and temporary contracts as of 31/12) *100.



HIRES AND TERMINATIONS BY AGE AND GENDER STANDARD GRI 401-1	2022	2023
TOTAL TERMINATIONS	22	24
Total women	3	3
Total men	19	21
UNDER 30	3	4
Women	0	1
Men	3	3
BETWEEN 30 AND 50	13	10
Women	3	0
Men	10	10
OVER 50	6	10
Women	0	2
Men	6	8

5.3 EMPLOYEE WELL-BEING



Aware that its employees are of **strategic importance for its growth**, over the years Rhea has increasingly focused its attention on practices capable of ensuring true well-being for its workers. This is why the company **promotes reconciliation of professional and private life** as a key to **solid, sustainable economic-financial, social and environmental value creation**. Compatibly with the company's needs and organizational limitations, Rhea offers a variety of solutions facilitating work/life balance and optimal time management for its employees, **without distinguishing on the basis of the type of contract**, such as:

- **Part-time work:** offered on the basis of the professional position held, with a special focus on employees experiencing family or personal problems.
- **Smart working:** Smart working: a practice facilitating reconciliation of work and private life, promoting better organization and helping to increase the company's productivity while reducing its environmental impact.
- **Flexible working hours:** available for the majority of employees working ordinary hours, while also permitting limitation of forms of overtime work, which are in any case worked in compliance with the provisions of the employees' contracts and labour laws.
- **Paid leave for specialized medical examinations and treatments:** the company grants up to 10 hours of paid leave per year for treatments prescribed by a public health unit or hospital.
- **Welfare platform:** Rhea offers its employees a supplement in addition to the provisions of the metalworkers' contract, offering numerous benefits via a welfare platform, including acquisition of coupons for shopping, reimbursement for educational expenses such as textbooks, kindergarten fees and canteen services, and public transportation passes. The benefits also include international study trips, campuses outside of school hours, babysitting services, training programmes, domestic assistance, supplementary medical care and leisure services such as travel, cinema and gym packages.

- **Production bonuses** based on achievement of targets

The company **regularly assesses the efficacy of its work/life reconciliation and welfare policies through analysis of specific statistics** such as use of the platform and organizes periodic meetings with department managers to collect suggestions.

In November 2022 the **Rhea Women Spark** programme was established to promote female empowerment and development of soft skills and to reinforce career development tools available to help women employees stand out in the company. The programme was further expanded in 2023, and now also includes a series of initiatives economically supported by Rhea **to promote the well-being of its employees and sustainability**, such as:

- **RheallySustainable:** a programme for reducing waste and promoting reuse of resources. In this context, reusable water bottles were distributed to discourage use of single-use plastics, and a flea market, bulletin board and library for solidarity were promoted to encourage sharing and solidarity with the community. The "Sustainability for recycling" programme was also launched, shredding paper and plastic cups and wooden stir sticks in order to reduce the volume of waste and therefore CO2 emissions. A special section of the company's Intranet illustrates these initiatives and provides updates on them.
- **ComunicaRhea:** promotes the visibility of the company's social and environmental initiatives with the aim of involving a broader public and promoting awareness of the importance of sustainability.
- **WeRhea:** an in-house publication created to involve and employees and provide them with information on the activities and progress of the rhWS project, encouraging greater participation and awareness.
- **BenessereRhea:** an initiative including yoga lessons, meetings with nutritionists, group walks, postural exercises and agreements with local gyms, with the aim of improving employees' physical and psychological well-being and promoting healthy, active lifestyles.
- **ViviRhea:** to help new hires better understand the company, integrate more easily and feel like members of the corporate community. Starting in 2023, every new hire is supplied with a welcome (back) kit.
- **Social Sparks:** internal and external promotion of the Rhea Women Spark project, using dashboards and e-mail within the company, and magazines and social media posts to involve a wider-ranging audience.
- **Workshops and meetings for women:** promoting female leadership, awareness of one's talents and development of storytelling skills.

Rhea has begun **surveying appreciation** of the initiatives proposed so far in order to decide which to continue and which new ones might be added. These initiatives reflect Rhea's commitment to



WeRhea

RheallySustainable

ViviRhea

Social Spark

ComunicaRhea

BenessereRhea

Workshops
and meetings
for women

holistic management of human resources taking into account the **opinions, well-being and quality of life of its employees**. With this goal in mind, the company will begin its first survey of workplace climate in 2024, collecting information and suggestions of all kinds.

5.4 TRAINING AND INSTRUCTION

SDG | 3 4 5 8 9 10

Rhea is committed to **making the most of its employees' potential through significant investment in training and continuing education**. Instruction for employees plays a key role in achievement of the company's targets, not only by improving productivity, but by promoting employees' well-being and satisfaction. This approach permits creation of an environment oriented toward innovation, in line with the principal driver of growth of the business. The Group acknowledges that investment in ongoing education represents a **primary asset** for the company's long-term growth and success, and through this strategy, it is committed to promoting a corporate culture focusing on individual and collective development.

Rhea's HR office analyses individual training requirements annually, in collaboration with department managers. This process culminates in the **creation of a Training Plan** based on analysis of the requirements for education identified through the following steps:

- **Analysis of the company's short- to medium-term targets and strategies**
- **Assessment of the human, technological and organizational resources** required to achieve the company's targets
- **Analysis of the roles of the employees and skills required** for the success of their respective tasks
- **Examination of information on employees**, including factors such as age, education, number of years in the company and in their current position, as well as previous career history and education.
- **Conducting regular interviews with department heads** to examine these aspects
- **Identification and implementation of corrective and preventive actions** addressing critical areas and topics

This process aims to continue **improving employees' individual skills** so that the organization will be in the best possible condition to pursue and achieve its **strategic targets**.

Various types of educational programmes include both development of administrative and managerial skills and advancement of functional and technical know-how, also to make the most of the evolution of technology. Educational methods take into account both requirements and current and emerging knowledge, teaching methods, the number and type of participants, the instructors' experience, as well as the necessary costs and times and logistical aspects. This approach allows Rhea to optimize the value of its investment in education, contributing to employees' career development and to the success of the enterprise itself.

In the year 2023, Rhea provided a total of **3,596 hours of instruction, a 76% increase** over the

previous year. The category of employee that benefited the most from educational initiatives was office workers, accounting for 76% of the hours of instruction provided, with an **average of 18 hours per worker**. Management and junior management saw the greatest increase in the number of hours of instruction between 2022 and 2023.

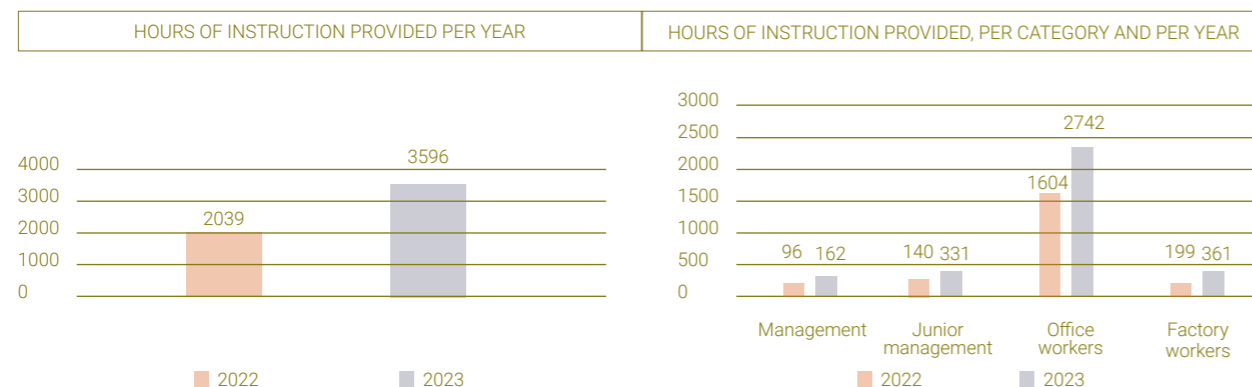
Rhea significantly expanded its offering of education for employees in 2023, responding proactively to demand emerging on the market and to internal requests for professional development. The courses offered included **technical instruction**, development of **soft skills, foreign languages and safety**, representing the essential pillars of the company's educational programme. However, the year 2023 saw a significant **expansion of the offering, with introduction of courses focusing on IT and computer skills and on regulations**, confirming Rhea's commitment to ensuring complete, wide-ranging professional development for its employees.

Instruction in the area of safety is the most consistent, representing 29% of the total. This is followed by hours of technical instruction, representing 28%, and IT and cybersecurity (18%). Compared to 2022, Rhea has increased the total number of hours of instruction offered in almost all subject areas, adding new courses to the previous catalogue.

In the year 2023, Rhea launched a specific leadership training programme intended for first and

TOTAL AND AVERAGE NUMBER OF HOURS OF INSTRUCTION PROVIDED TO EMPLOYEES, BY CATEGORY AND BY GENDER | STANDARD GRI 404 -1

	MEN		WOMEN		MEN		WOMEN	
	Hours	Average	Hours	Average	Hours	Average	Hours	Average
	2022	2023	2022	2023	2022	2023	2022	2023
Management	96	13,71	0	-	138	19,71	24	24,00
Junior management	100	6,67	40	6,67	237	16,93	94	15,67
Office workers	1115	12,82	489	9,59	1895	20,16	847	15,40
Factory workers	168	2,47	31	2,21	309	4,23	52	3,71
Total	1479	8,36	560	7,78	2579	13,72	1017	13,38



second level management. The chief goal of the programme was to **promote and publicize a consistent style of leadership aligned with the company's values.**

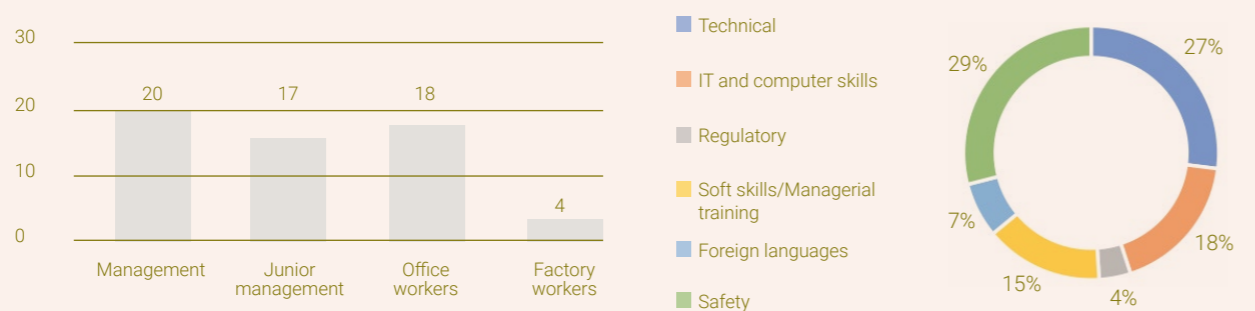
The **Rhea Women Spark** programme included a training focus for a group of women colleagues consisting of **workshops and meetings about female leadership, consciousness and storytelling.**

Lastly, **specific training courses were provided for new hires, people performing new tasks, area heads, employees providing technical assistance services** to customers and for **quality managers.**

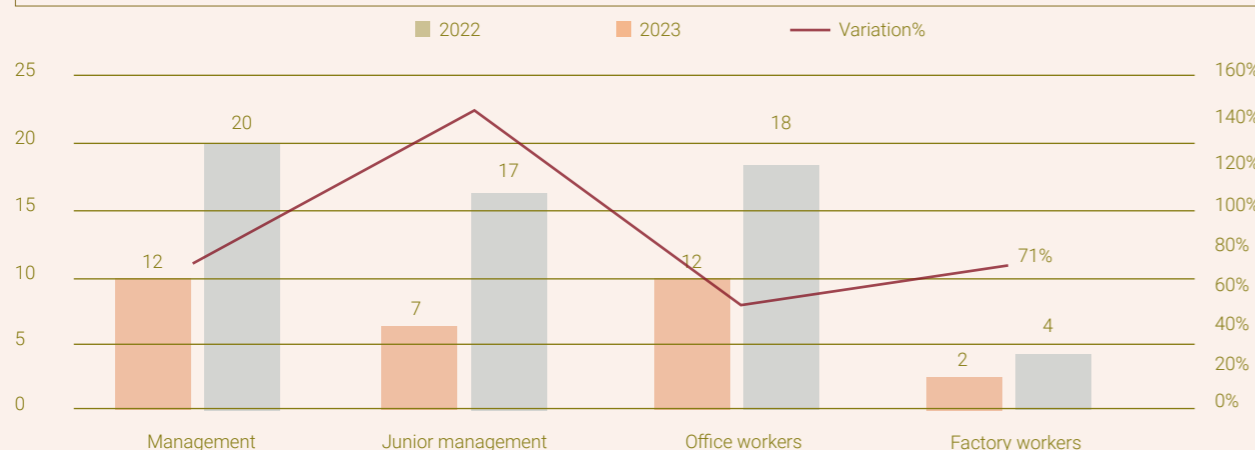
Depending on the training activity, **various different tools are used to assess its efficacy:** questionnaires and assessment forms. These tools are of crucial importance for **constantly monitoring progress and the efficacy of the education provided.**

The ultimate goal of Rhea's training programmes is therefore to keep its **employees up to date and encouraged to be proactive,** while at the same time nourishing **fertile ground for the development of innovative ideas capable of anticipating customers' tastes and therefore maintaining the company's distinctive style.**

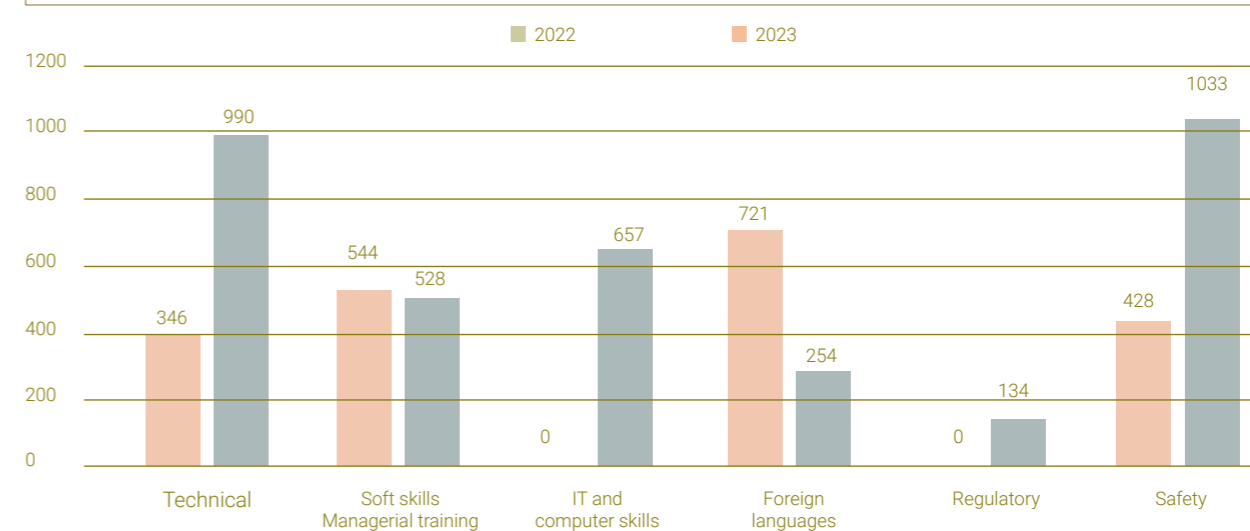
AVERAGE HOURS OF INSTRUCTION PROVIDED PER CATEGORY | **PRINCIPAL TRAINING COURSES PROVIDED IN 2023**



AVERAGE NUMBER OF HOURS AND CHANGES IN NUMBER OF HOURS, OF INSTRUCTION PROVIDED PER CATEGORY



HOURS OF INSTRUCTION BY SUBJECT AND YEAR



BREAKDOWN OF HOURS OF INSTRUCTION PROVIDED BY SUBJECT AND YEAR | Standard GRI 404 -2

Subject	2022	2023
Technical	346	990
Soft skills/managerial training	544	528
IT and computer skills	0	657
Foreign languages	721	254
Regulatory	0	134
Safety	428	1033
Total	2039	3596

5.5 OCCUPATIONAL HEALTH AND SAFETY

SDG | **3** **4** **8**

Rhea is committed to providing its employees with a **safe, comfortable working environment,** in line with the provisions of Legislative Decree no. 81 of 2008, the other pertinent legislation and the company's Code of Ethics. In this context, workers are constantly informed of the company's procedures and standards of conduct for promoting occupational safety. The company has specifically adopted appropriate procedures and practices for:

- **accurate assessment of risks present** with the goal of reducing them directly at the source
- **balancing the efficiency of production against workers' well-being,** selecting tools and production methods promoting this balance
- **reducing the hazardousness of the company's assets and procedures** in order to provide a safer, better protected workplace for all employees
- **training personnel** in the area of health and safety

To ensure the efficacy of its occupational health and safety policies, Rhea adopts a series of well-established, systematic policies such as:

- **Regular maintenance of equipment** for fire-fighting, plants and machinery, both preventive and corrective, scrupulously complying with the regulations in effect to ensure that they are always efficient and safe to use
- **Periodic internal audits** to check for areas where improvement is possibly and

promptly intervene

- **Periodic customer audits** to ensure that the company's standards meet customers' highest expectations
- **SMETA 4 Pillar audit every three years:** to assess performance in terms of work ethic, health, safety, environment and corporate integrity
- **Preparation of Risk Assessment Documents (DVR) every three years for each location:** identifying and assessing potential risks to employees' health and safety and adopting the necessary measures to mitigate them
- **Emergency plan:** designed to respond to any crisis situations or accidents in the workplace, ensuring that all workers are adequately informed and prepared to respond to such situations safely
- **Evacuation drills:** to ensure that all employees are aware of the procedures to be followed in the event of an emergency and capable of evacuating the workplace in a safe, orderly fashion
- **Annual meeting of safety officers:** to update safety measures and discuss best practices and possible new challenges
- **Spot review:** in the event of substantial changes to the production process or accidents

Processes for reporting risks and potential hazardous situations in the workplace and methods for protecting the reporting person against retaliation and removal from situations involving a potential risk of injury or illness comply with the provisions of Legislative Decree no. 81 of 2008 and Rhea's Code of Ethics.

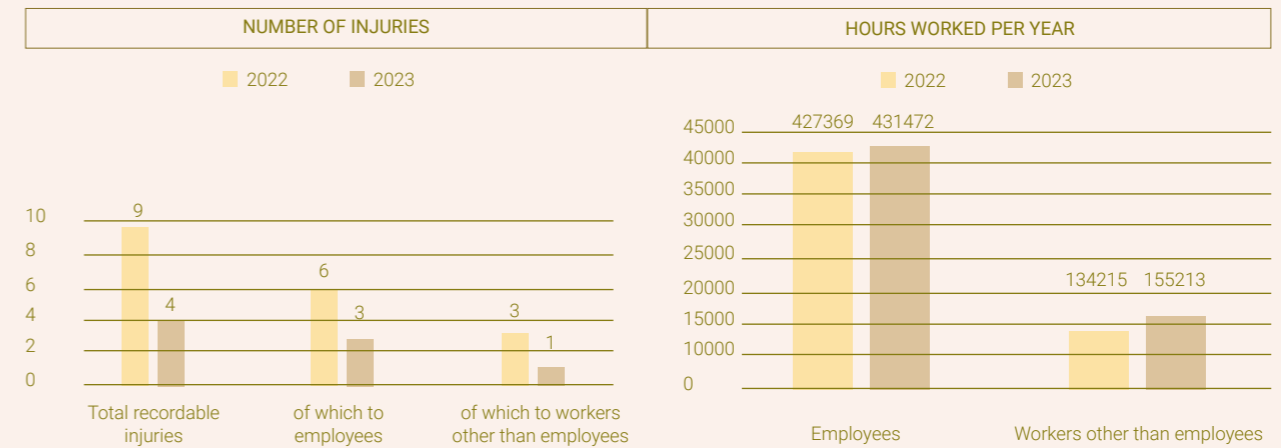
Rhea requires, **in the event of an accident, the immediate initiation of an investigation to clarify what happened and mitigate future risks**, convening the persons responsible for safety as soon as possible.

Prevention takes the form of periodic medical examinations, as well as special ones if requested by the worker. Through the Head of the Prevention and Protection Service, training and Risk Assessment Documents, **workers are involved in the process of identifying and improving risk mitigation strategies**.

Testifying to the company's constant commitment to guaranteeing a safe, healthy workplace appropriate for all employees, Rhea is currently working on the management systems and procedures required to obtain UNI ISO 45001 certification by the end of 2025.

The figures for 2023 reflect the company's efforts in this area, with a **56% decrease in the number of injuries** compared to the previous year, and **no serious injuries** in the year.

INJURY RATE STANDARD GRI 403-9	2022	2023
Rate - injury	16,6	6,8
Rhea employees	11	5
Workers other than employees	22	6
Rate - serious injury	0	0
Rhea employees	0	0
Workers other than employees	0	0



HOURS WORKED BY CATEGORY STANDARD GRI 403 - 9	2022	2023
Employees	427369	431472
Workers other than employees	134215	155213
Total number of hours worked	561.584	586.685

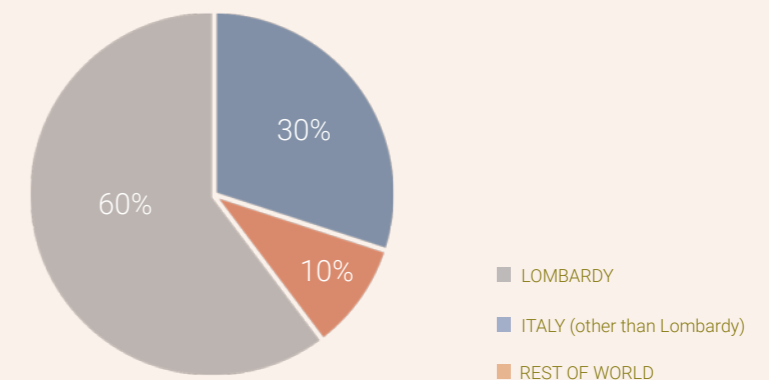
5.6 SUPPLY CHAIN

SDG | 8 16 17

The choice of suppliers and raw materials is the first step in guaranteeing **product quality** and **customer satisfaction**. Suppliers, primarily manufacturers of plastic, iron and electronics, are the basic pillars of Rhea's entire value chain, directly influencing the efficiency of the company's operations, its reputation, and, in the final analysis, its success.

The company has adopted a procurement strategy that prizes **geographical proximity** and therefore working with local suppliers, embracing the concept of "nearshoring"⁴. This approach ensures high standards of quality and sustainability, as acknowledged by the "Made in Italy" trademark, while helping to maintain close ties with the local community. The company currently relies on a network of about **300 suppliers**, 90% of whom are located in Italy, with the remaining 60% situated in the same geographical area as the company itself. This geographical vicinity facilitates control of the

RAW MATERIALS PURCHASES BY GEOGRAPHICAL AREA IN 2023



⁴ A practice in which procurement and production are kept close to the area where the product is consumed

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supply chain and promotes a **sustainable** and **ethically responsible supply chain**.

Management of procurement of goods in different categories is the task of category buyers, assisted by an inter-departmental team. Core activities include product analysis and positioning, with the primary goal of reducing costs through centralized management of price components and rationalization of the pool of suppliers.

The supplier risk management model is currently based on a vendor rating model which takes into account suppliers' performance in terms of both price and quality. To assess a supplier's compliance with environmental, occupational health and safety and legal requirements, procedures such as **audits** and **document surveys** are conducted in accordance with ISO 9001 and ISO 14001. Suppliers are asked to sign for agreement with the Code of Ethics and comply with clauses requiring respect for workers' rights and human rights.

In 2022, under the **MADE project**, environmental impact in terms of water resources, energy and waste was calculated for 3 suppliers representing about 18% of the cost of purchases in the year. Though ESG criteria are not currently adopted in supplier assessment during supplier qualification and the establishment of a business relationship, **a new vendor management model is currently being prepared which will include sustainability issues**, due to be implemented by September 2024. The new criteria with which suppliers must comply include qualitative assessment of the use of energy from renewable sources, the principal purchases of raw materials and semi-products from Italian and European suppliers, and a fair ratio between the prices applied and labour costs.

In 2023, the monetary value of payments to suppliers was about €92.5 M.

5.7 OUR COMMITMENT TO OUR CUSTOMERS

SDG | **3** **8** **9** **17**

Rhea's customers are **coffee roasters, producers of powdered beverages, managers, operators** and **resellers**, and its final markets are **vending machines, Ho.Re.Ca.** and **OCS**⁵, who commission the production of machines.

Rhea works hard every day to supply **reliable, efficient** products capable of satisfying the **specific needs** of its customers' businesses. Machines are designed to supply products or services quickly and accurately, while at the same time ensuring efficient inventory management and accurate recording of transactions. The company guarantees that its vending machines are easy to maintain, and that a technical assistance service is available to solve any problems or failures promptly.

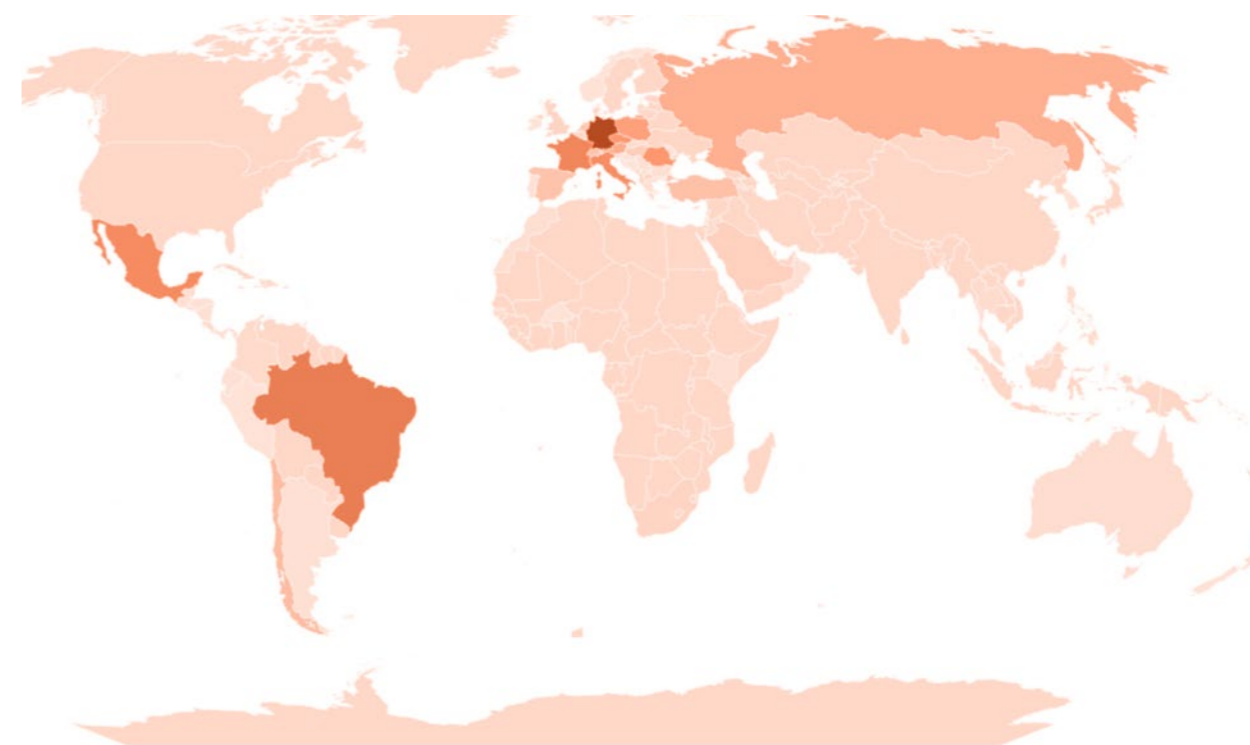
The evolution of digital technologies and the growing importance of data in the business require vending machines capable of integrating connectivity and data collection solutions, allowing customers to monitor performance, optimize inventory and improve the customer experience. Every

product is designed to meet the customer's expectations, reflecting the qualities for which the company stands out: **A family-run company since 1960, Creativity and innovation, Relationship of trust with customers, Flexibility, Versatility, Integrated solutions, Tailor-made, Design, Made in Italy, patented technology** and commitment to **sustainability**.

As of 2023 Rhea has about **85 management customers**, managed directly by the company itself through key accounts, as well as a customer portfolio managed directly by its international branches. Revenues from sales of machines are generated 95% abroad and 5% within Italy.

The table below shows the percentage of global sales represented by each product category sold

GLOBAL SALES REPRESENTED BY EACH PRODUCT CATEGORY SOLD



The company stands out for **customer fidelity**, as the majority of its customers have been collaborating with the company for more than 40 years; its top three customers represent about 50% of the company's total turnover.

In 2023, on the suggestion of its main customer, the company implemented a **KPI-based ticketing system** for assessing and monitoring customer satisfaction throughout the phases of design, production, distribution and assistance. The results underlined the company's commitment, with an average ticket resolution time of less than 100 days, opening and closing 80% of all tickets within the same year. This permitted **improvement of the level of service and of customer satisfaction**, demonstrating the efficacy of the new processes implemented. Moreover, to help customers decide which vending machine model to purchase and reduce supply lead time, a configurator was

⁵ Vending machines sell consumer goods such as beverages, snacks, fresh foods, home and personal care products through automatic machines

prepared for the entire new RH FS&TT product range. This permitted elimination of order management time which had an impact on overall supply time.

The services the company currently offers its customers are:

- Technical assistance
- Assistance via a direct telephone line
- Technical assistance via portal
- Partners providing technical assistance
- Courses and training programmes
- Customized consulting services

In 2024 Rhea has set itself the following goals:

- Finalize reorganization of the Customer Care team, composed of 16 members in Italy, with the addition of further resources
- Support the launch of a new range of vending machines with training sessions and dedicated visits
- Increase the number of visits to customers by 50%
- Complete the package of tutorials
- Implement the new CS portal on the new CRM and extend its use to all branches
- Begin development of the configurator 2.0
- Integrate 3D, AR and AI animations into machines
- Launch the Rhea Suite project
- Add to the team's training in telemetry
- Maintain and possibly further improve the level of service over the standards acquired
- Improve KPIs with continuous improvement actions shared with customers
- Intensify the number of workshops with technicians from the branches, involving other company departments to simplify communication, receive suggestions and strengthen relationships

In the area of customer health and safety, **products sold comply with European regulations** regarding electrical safety, emission of electromagnetic fields, suitability of materials for use in contact with foods, hygiene and aspects concerning the protection of human health and the environment against the risks resulting from use of chemicals.

Compliance of all products is verified by third parties, by the company itself, or by its suppliers.

Rhea is committed to protecting consumers' safety, not only through compliance with European and international requirements in the context of Food Contact Materials (FCM) legislation, but paying special attention to the chemical and microbiological safety of the beverages supplied.

Screening for Volatile Organic Substances (VOC) and Semi Volatile Organic Substances (SVOC) is used to monitor NIAS - Not Intended Added Substances. In addition to the above-mentioned

tests and analyses of conformity, Rhea analyses microplastics in the products to determine the quantity, size and nature of the particles present in the liquids dispensed by its machines. The technical team is well trained in various issues pertaining to the safety of apparatuses and foods, to maintain an excellent standard of knowledge. Tests are performed strictly in accredited laboratories in Italy.

In the year 2023 there were only two cases of nonconformities out of more than 57 thousand machines sold. These episodes, currently under investigation, have not resulted in court cases or in pecuniary or administrative sanctions. Rhea is committed to identifying their causes and preventing recurrence of such incidents.

All products are sold to customers with the required certifications. When necessary, declarations of compliance with the regulations are issued. The company checks compliance with standards and regulations through ongoing monitoring and audits, both internally and with the aid of external bodies.

Rhea's machines do not process customers' sensitive data. Even vending machines equipped with telemetry do not process any sensitive data, but simply anonymous sales statistics. Any payment systems customers may install are subject to the applicable regulations.

In 2023, as in 2022, there were no proven reports of breaches of customers' privacy. Neither were there any cases of failure to comply with regulations, data leaks or court cases with customers.

Rhea has undertaken a **process of improvement of its ESG performance** with the **aid of its customers**, who are increasingly aware of sustainability issues.

For the years to come, Rhea has set itself the goal of maintaining its strong points such as advanced technology and contemporary, customized Italian design while focusing increasingly on sustainability, developing machines that reduce environmental impact through use of recyclable materials, optimization of energy consumption and promotion of solutions for recycling products and materials. The company is, moreover, working on systems for increasing the connectivity of its machines to permit real-time monitoring of performance, of customers' preferences and of operating statistics to optimize maintenance and logistics. Coffee machines and vending machines will increasingly be integrated with advanced technologies such as artificial intelligence to improve the user experience, ensure more efficient management of stocks and facilitate maintenance for operators. Product customization and the customer experience will be improved with better ergonomics and accessibility.



rhea
ESG

5.8 FOCUS ON COMMUNITIES AND THE LOCAL AREA | SDG | 1 2 3 4 5 8 10
11 13 17

Rhea is convinced there can be no concrete, long-lasting growth without promoting the **well-being** and **development of the communities** in which it works. This is why the company is committed to building a **synergic relationship of collaboration with communities** and constantly bears in mind the **potential and actual impact of its operations for stakeholders**. Over the years Rhea has developed a **strong relationship with the areas** in which the Group operates, aided by a non-stop **focus on the community** and its representatives, with the aim of assessing people's needs and expectations.

Every year this commitment takes the form of **numerous initiatives and activities** responding to the needs of local communities. Rhea's actions in Italy focus primarily on **humanitarian, cultural**, and **social needs, research into genetic diseases, inclusion of women in the workforce** and **support for sporting activities**. The Group also makes **donations to charitable organizations, collects funds for humanitarian purposes** and promotes **inclusive workplaces for people with disabilities**.

In 2021 and 2022, in the context of initiatives supporting local communities, Rhea:

- **Donated** a sum to voluntary and charity work supported by the Alpinists of Caronno Pertusella and Bariola
- **Funded** the "Pulmino Amico" project aiding vulnerable people with transportation
- **Donated** to Telethon research into rare genetic diseases with the aim of improving the lives of the children and families who deal with these challenges every day
- **Organized** the "Scatole di Natale" or "Christmas boxes" initiative allowing people to donate essential goods, personal care products, sweets and toys to needy families
- **Sponsored** AB Softball Caronno, a girls' team with members primarily from the local community that has come to stand for the ideals of inclusiveness, fair play and athletic and personal growth, proudly supported since 1989.

Rhea's commitment extends to the international level. At the same time, in fact, the company:

- **Supported** Médecins sans Frontières, both economically and through special projects, making donations, involving employees and making videos and products to support the organization
- **Distributed**, in collaboration with employees and with a customer, essential personal care products and free vending machines to refugee centres for Ukrainian refugees in Poland during the Russia-Ukraine conflict
- **Collaborated** with Bear Paw Café in Hinichijou, China on "Seed of Inspiration", a social enterprise allowing blind persons to become first professional bartenders and then café owners, eliminating the barriers associated with this disability and becoming masters of their own destiny. The company developed a special coffee machine for this occasion, with an interface that allows blind and visually impaired persons to prepare their own





“The project has extraordinary social power, and we hope that the experience of the Bear Paw Café and the “Seed of Inspiration” may open up the way to new work opportunities for people with visual disabilities from all over the world. Inclusiveness, innovation and sustainability constitute the framework of values underlying this project, in which vending machines serve a social purpose, and we are very proud of this.”

Andrea Pozzolini

beverages, selecting them through the sense of touch. The initiative was a great success, and the wall of the bar, which originally symbolized the division between workers and customers, was knocked down as a symbol of the confidence the young people had acquired.

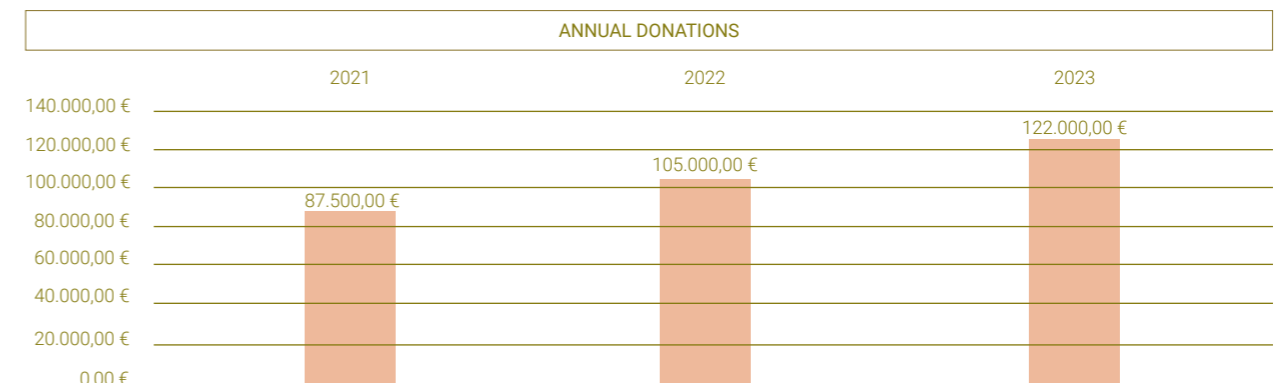
In **2023**, the company continued to sponsor **AB Softball Caronno** and support **local Alpinists** and the **Telethon Foundation**, and further reinforced its support for **Médicins Sans Frontières**, renewing its annual donation and beginning the **Monolite per Medici Senza Frontiere** or “Monolith for Médicins sans Frontières” project to be presented in 2024 at Sigep, the landmark for innovation in the Confectionary Foodservice sector.

Monolite per Medici Senza Frontiere (“Monolith for Médicins sans Frontières”) is a new version of the machine interpreting the concept of **social sustainability** which the company launched in 2021 using the power of images to represent MSF’s work bringing medical care and assistance to places where these rights cannot be taken for granted. The machine therefore becomes a powerful **tool for communicating and conveying a message of solidarity**.

In line with this philosophy, in 2023 Rhea began supporting the non-profit association “**Solidarietà Familiare**”, or “Family Solidarity”, an association based in Castellanza whose volunteers assist families and institutions in the **inclusion in family life, society and work** of the **differently able**. Workers made customized coffee cups for customers to mark the occasion.

The recent initiatives offer a tangible demonstration of Rhea’s commitment to developing a **strategy for supporting local communities** consistently with its business model, to **promote awareness** of various social issues among its stakeholders, **strengthen bonds with the local areas** in which it operates and generate **shared value**.

In 2023, Rhea increased its annual donations by 16% over the previous year, 39% over 2021, confirming its commitment to generating value in the communities in which it works, contributing to their social, cultural and economic progress.



6 Environmental responsibility

A focus on **environmental responsibility** is a key pillar of corporate responsibility for Rhea, permeating its product development, industrial and commercial decisions. Aware of the impact of its activities, the company is constantly committed to optimization of processes, procurement of renewable energy, reduction of consumption of virgin raw materials and promotion of recycling of materials. Innovation and quality, qualities for which Rhea has always stood out, are increasingly combined with the principles of the circular economy, influencing every aspect of the way it does business. Determined to integrate sustainability as another distinguishing feature of the organization, Rhea has identified four key areas of action: **energy transition**, responsible management of **raw materials**, efficient **waste management** and protection of **water resources**. In these contexts, Rhea's commitment takes concrete form in the pursuit of strategies and goals aimed at generating value for stakeholders with respect for the planet and its precious resources.

6.1 ENERGY TRANSITION

SDG | 7 9 12 13

Rhea believes that **optimization of energy consumption** and procurement of electricity from renewable sources are two of the key drivers for reduction of its environmental impact. Through data analysis, the company prepares plans of action for constantly improving its practices aimed at increasing energy efficiency and accelerating the energy transition, which are subject to **annual** review and reporting. In compliance with standards **ISO 9001** and **ISO 14001**, the company **calculates consumption** for each of its locations and **analyses evolutionary trends** in order to continue identifying possible areas for improvement. Audits are conducted every year, verifying the data and producing an environmental assessment document. Energy diagnosis is performed every two years.

The principal energy sources employed include **electricity** for offices, plants and vending machine production lines, and **methane gas**, used exclusively for heating.

100% of the electricity purchased by Rhea **comes from renewable sources**, certified with a Guarantee of Origin. The company also monitors energy management in order to optimize consumption, reduce waste and adopt the most efficient technologies, helping improve its environmental impact.

In 2022, the company began construction of two **photovoltaic installations** at its plants in Cantalupo and 5 Giornate. It also set up **charging columns** in Via Trieste.

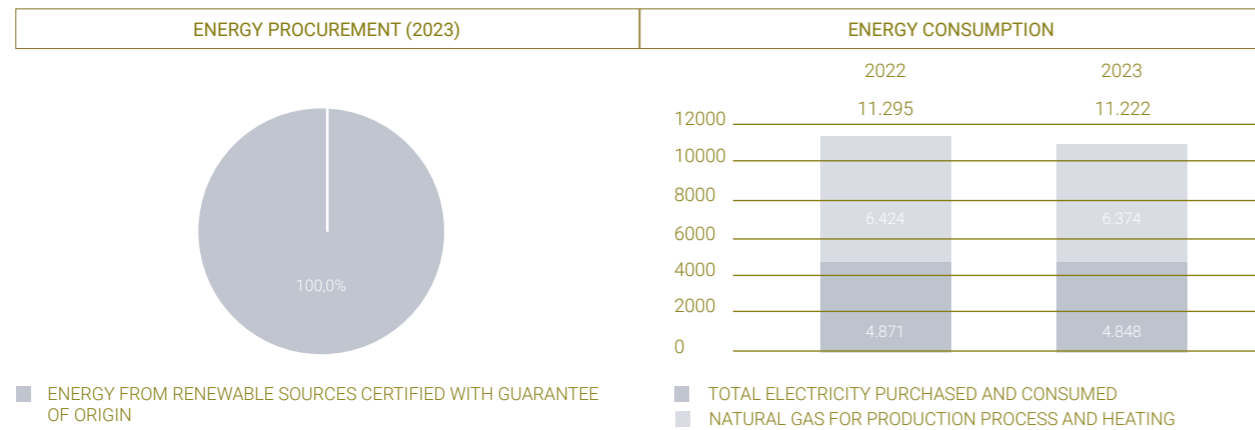
In addition to energy consumption, Rhea carefully monitors its greenhouse gas emissions



(Scope 1 and Scope 2), which are primarily linked with its heating systems.

TOTAL ENERGY CONSUMPTION AND VARIATIONS STANDARD GRI 302-1							
		u.m	2022	2023	% of total 22	% of total 23	VAR % (2023-22)
ELECTRICITY	Total electricity purchased and consumed	GJ	4.871	4.848	43,1%	43,2%	-0,5%
	of which energy from renewable sources according to supplier's energy mix	GJ	4.871	4.848			-0,5%
METHANE GAS	Natural gas for production process and heating	GJ	6.424	6.374	56,9 %	56,8 %	-0,8%
Total		GJ	11.295	11.222	100 %	100 %	-0,6%

In 2023, Rhea's energy consumption was in line with that of the previous year. Consumption of methane gas for heating decreased slightly (about 1%).



In 2023 energy intensity calculated in relation to sales was about 24% lower than in the year 2022.

INTENSITY KPI	u.m	2022	2023	VAR % (2022-2023)
Net Sales	M€	84	111	+32 %
Energy intensity in relation to sales	GJ/ M€	134	101	- 24,4 %

Emissions are measured on the basis of GRI guidelines, calculating Scope 1 and Scope 2 emissions:

- **Scope 1 emissions include "direct" emissions** from the company's own activities and other activities under its control, including all the greenhouse gas emissions generated directly by the organization, deriving from combustion of fossil fuels used to operate its plants and to run vehicles in the company's vehicle pool
- **Scope 2 emissions include indirect emissions** attributable to the production of electricity, steam or heat produced by third parties in places other than the location where they are used, of which the company is the final user. They may be calculated on the basis of a **market-based approach**, in which emissions are estimated on the basis of the emissions factors associated with electricity from the organization's

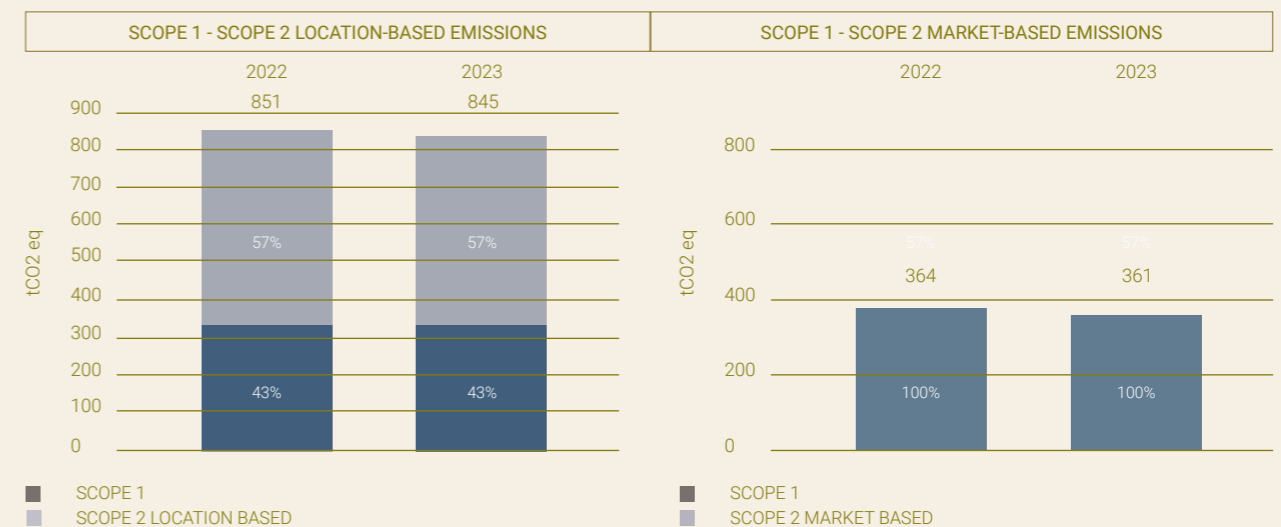
selected suppliers, or through the **location-based approach** in which emissions are estimated through resort to the emissions factors pertaining to the national energy mix.

Scope 1 and Scope 2 emissions were both slightly lower in 2023 than in 2022.

Rhea's Scope 1 CO2 emissions represent about 43% of its total direct and indirect emissions (Scope 1 + Scope 2) assessed using the location-based approach, and 100% of the total assessed using the market-based approach, as the company procures all its energy from renewable sources.

EMISSIONS STANDARD GRI 305			
	ton CO2eq		
	2022	2023	VAR %
Methane gas	364	361	- 1%
TOTAL SCOPE 1	364	361	- 1 %
Electricity (Location-based)	487	485	0 %
Electricity (Market-based)	0	0	0%
Total Scope 1+2 (Location-based)	851	845	- 1 %
Total Scope 1+2 (Market-based)	364	361	- 1 %

CONTRIBUTIONS %	2022	2023
Scope 1 / TOT Location	43%	43%
Scope 1 / TOT Market	100%	100%
Scope 2 / TOT Location	57 %	57%
Scope 2 / TOT Market	0%	0%



Scope 1,2 emissions intensity KPI Market-based	u.m	2022	2023	VAR% (2022-2023)
Sales	M€	84	111	+ 32%
Carbon footprint Scope 1,2 Market based	ton CO2	364	361	- 0,82 %
Emissions intensity in relation to sales	ton CO2/ M€	4,32	3,26	- 25 %



6.2 RAW MATERIALS



Rhea considers **responsible selection** and **management of materials** crucial for ensuring its customers enjoy the company's distinctive product **quality** while promoting **conscientious use of primary resources** such as minerals, energy, paper and wood. This approach also aims to attribute the right value to the raw materials used and acknowledge the importance of **dignified work**, discouraging all forms of exploitation, especially of minors. Knowledge and monitoring of sources of supply allows the company to establish a fair price for its purchases, helping acknowledge the true value of the products and services offered.

To identify and assess the impact of the raw materials associated with its activities, Rhea, in collaboration with its customers, suppliers and certifying bodies, catalogues all the components, semi-products and materials necessary to construct its machines. In this monitoring, the company identifies the sources and geographical areas of origin of the raw materials, carefully considering the risks associated with procurement from uncertified sources. While supplier selection is primarily based on qualitative and economic parameters, Rhea is working to **define and implement binding ESG criteria for awarding preference** in the selection of suppliers, who will be assigned a score on the basis of the results and certifications obtained in this area. Factors that will be taken into consideration include environmental impact, respect for workers and use of renewable energy.

To provide its customers with a guarantee that products comply with environmental standards, human rights and quality standards, Rhea is committed to procuring its supplies in the future only from **certified suppliers** who work **ethically**, preferring **local suppliers**.

Rhea uses the following materials in the production of its machines:

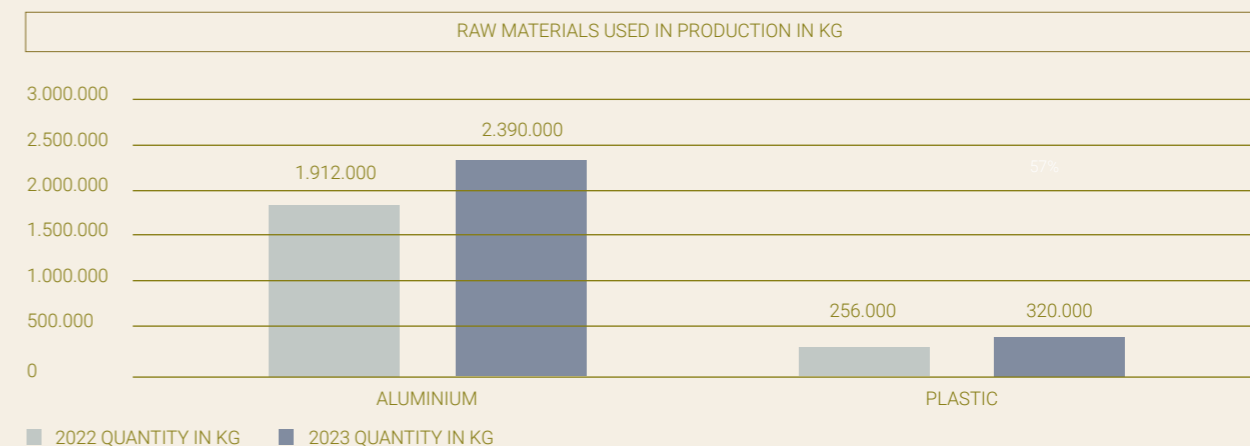
RAW MATERIALS USED STANDARD GRI 301 - 1			
TYPE OF MATERIAL	2022 QUANTITY IN KG	2023 QUANTITY IN KG	SOURCE OF QUANTITATIVE DATA
Plastic	256.000	320.000	Estimated
Aluminium	1.912.000	2.390.000	Estimated
Total	2.168.000	2.710.000	

Aluminium and plastic consumption grew 25% over the 2022 figure as a result of the increase in production.

The company uses the following materials to package its products:

PACKAGING MATERIALS USED STANDARD GRI 301 - 1			
TIPOLOGIA DI MATERIALI	2022 QUANTITY IN KG	2023 QUANTITY IN KG	SOURCE OF QUANTITATIVE DATA
Cardboard	204.022	203.266	Direct measurement
Plastic	26.263	31.444	Direct measurement
Wood	144.990	129.722	Direct measurement
Total	345.275	364.433	

Quantities of raw materials used in product packaging are up slightly in 2023 (6%), in line with the increase in production.



In the years to come, the company is committed to increasing **modularity** in order to extend products' lifespan, **standardization** of components to improve the efficiency of procurement processes, and **optimization of energy consumption**, while continuing to purchase energy from sources certified with a **guarantee of origin**. Moreover, in 2021, Rhea developed an innovative project for increasing use of recycled plastics and sustainable materials, resulting in replacement of 32% of the plastics on about 40% of the machines sold. The company's goals also include expansion of the range of **regenerated materials** and reduction of the use of plastic wherever possible, or replacement with **recycled plastic**. Also with a view to the circular economy, in 2023 Rhea launched "Second Life", a project aimed at extending the useful lifespan of its machines and promoting **circularity** with a new sustainable business model. This service will decrease Rhea's consumption of materials, benefiting customers and the environment.

6.3 WASTE MANAGEMENT



Rhea has continued to improve and optimize the processes involved in assembly of its coffee machines and snack vending machines over the years, mitigating their environmental impact, with a strong focus on **reducing production of waste and maximizing recovery of scrap materials**. With this end in view, the company has increased the **repairability, durability** and **modularity** of its machines, helping to promote the circular economy.

The wastes the company produces in its production and service work are primarily:

- Paper
- Glass
- Wood
- Electronic waste (WEEE)
- Metals

- Liquid coffee and coffee grounds
- Undifferentiated materials

WASTE CLASSIFICATION ACCORDING TO THE EUROPEAN WASTE CATALOGUE (EWC)

	U.M.	2022			2023		
		ON SITE	AT EXTERNAL SITES	TOTAL	ON SITE	AT EXTERNAL SITES	TOTAL
Paper	t	199,26	0	199	224	0	224
Glass	t	0,00	0	0	1	0	1
Wood	t	40,30	0	40	73	0	73
Toner	t	0,69	0	1	0	0	0
WEEE (electronic waste)	t	8,92	0	9	2	0	2
Metals	t	26,49	0	26	44	0	44
Liquid coffee and coffee grounds	t	503,80	0	504	205	0	205
Undifferentiated	t	634,26	0	634	262	0	262
Total	t	1.414	0	1.414	811	0	811

Among the wastes Rhea produces, paper, glass, wood, toner and metals are all completely recycled. A total of **81% of the wastes produced is entirely recyclable**, and projects are under way for determining ways of recovering coffee grounds.

43% less wastes were produced in 2023 compared to 2022. This is due to the fact that important life tests and stress tests were conducted in the laboratory in 2022 to test the machines' dependability and functioning, resulting in production of large quantities of liquid coffee. Once the testing of the machines had been completed, production of liquid coffee and coffee grounds was reduced. Moreover, in 2022 the Cantalupo plant had only a single bin for collection of undifferentiated waste, in line with the requirements of the municipality. The following year this undifferentiated waste was divided up into glass, metal and wood, decreasing production of undifferentiated waste while increasing production of other types of waste.

WASTE SENT FOR DISPOSAL / RECOVERY | STANDARD GRI 306

	Trieste	Garavaglia	Cantalupo	Total
Wastes produced (t)	109.325	291.000	411.020	811.345
Wastes recovered (t)	88.085	193.660	375.000	656.745
Wastes sent for disposal (t)	21.240	97.340	36.020	154.600
Recycled (%)	81%	67%	91%	81%



Rhea does not generate **any kind of hazardous waste**

WASTE PRODUCED BY TYPE STANDARD GRI 306-3							
	U.M.	2022			2023		
		ON SITE	AT EXTERNAL SITES	TOTAL	ON SITE	AT EXTERNAL SITES	TOTAL
Hazardous waste	t	0,00	0,00	0	0	0	0
Non-hazardous waste	t	1.414,00	0,00	1.414	811	0	811
Total	t	1.414	0	1.414	811	0	811

Rhea is working to further increase **separate collection** and increase its use of **recycled** and **recyclable raw materials**.

6.4 WATER WITHDRAWAL AND CONSUMPTION



In view of the importance, scarcity and unique nature of water resources, Rhea actively supports optimized, responsible use of water in all areas, from production of machines to employees' individual water consumption. The company uses water resources in testing of machines, upon completion of the production process, and in toilets, dressing rooms and its fire-fighting system.

Water is subjected to strict systematic quality control, from withdrawal from the supply grid to use in the plants and beyond. The company's commitment takes the form of programmatic management of use of this resource to optimize consumption and reduce waste.

Water is supplied via **withdrawal from the public water supply** at specific points in each plant. Monitoring of consumption is the task of the local operator of water services.

At least once a year, in compliance with environmental regulations, Rhea maps out its direct and indirect environmental impact on water resources and the environment, in view of certain criteria such as:

- Existence of legislative limits
- Vulnerability of the environmental receptor
- Sensitivity of the public
- Magnitude, or "size" of impact
- Frequency
- Cumulability

Each one of these aspects produces an impact, to which the company assigns a score, the result of summing up the individual scores awarded for each criterion. Significance, defined as "calculated", is then determined on the basis of the criteria appearing in the tables defined internally. If the degree of impact is low to medium, the company determines whether its effective control over

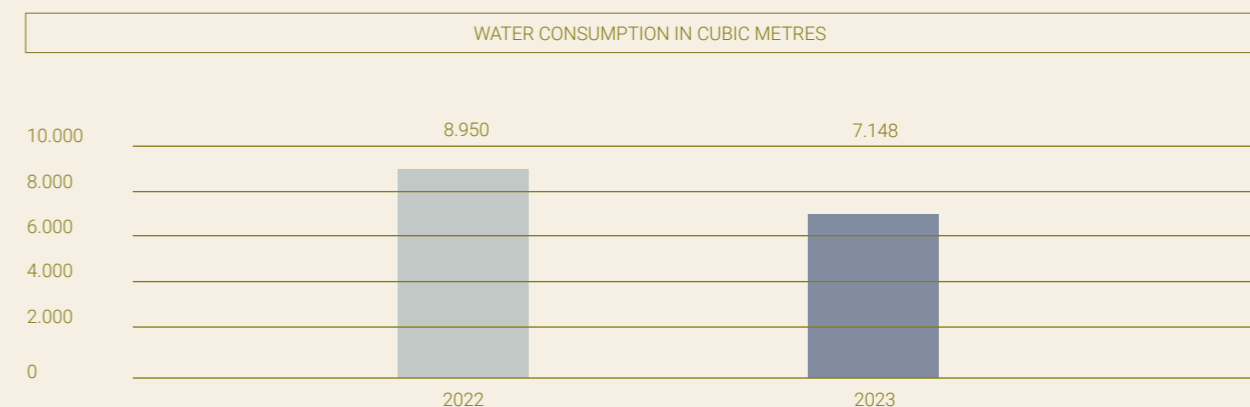
the resource could objectively be increased. If an increase in impact is possible, the indirect aspect judged significant may be reduced with time, applying appropriate control systems. The company then supplies the information to concerned stakeholders, updating its Environmental Assessment Document.

Once a year it analyses context, identifying risks, opportunities and goals.

The company is located in an area that is not subject to hydrogeological limitations.

Rhea reduced its water withdrawal and consumption by 20% in 2023.

WATER WITHDRAWAL, CONSUMPTION AND EFFLUENT STANDARD GRI 303			
	U.M.	2022	2023
Water withdrawn from third parties (water company)	m3	8.950	7.148
of which freshwater (≤ 1000 mg/l total dissolved solids)	m3	8.950	7.148



DECLARATION OF USE	Rhea has reported the information mentioned in this index of GRI content for the period 01.01.2023- 31.12.2023 with reference to GRI Standards
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GRI content Index				
GRI ID	Description of indicator	Paragraph	Page	Comments and omissions
GRI 1: BASIC PRINCIPLES (2021)				
GRI 2: GENERAL DISCLOSURES (2021)				
THE ORGANIZATION AND ITS REPORTING PRACTICES				
2-1 Disclosure	Details of the organization	1.2 Structure of the group	pp.15	In its first Sustainability Report, Rhea reports data on RVG, RVI and RVS
2-2 Disclosure	Entities included in the organization's sustainability reporting	1.2 Structure of the group	pp.15	
2-3 Disclosure	Reporting period, frequency and contact point	Methodological note	pp.8	
2-4 Disclosure	Restatements of information			This is the first Sustainability Report
2-5 Disclosure	External assurance			Company not subject to external assurance
ACTIVITIES AND WORKERS				
2-6 Disclosure	Activities, value chain and other business relationships	1.4 Portfolio of products and services	pp.19	
2-7 Disclosure	Employees	5.2 Diversity, equality and inclusiveness in Rhea	pp.51	
2-8 Disclosure	Workers other than employees	5.2 Diversity, equality and inclusiveness in Rhea	pp.51	In the year 2023, the company benefited from the services of 84 staff leasing workers and 2 interns
GOVERNANCE				
2-9 Disclosure	Governance structure and composition	3.1.1 The Board of Directors	pp.30	As of March 2024, Giorgio Vignati left the Board of Directors, which has 3 members as of the date of publication
2-10 Disclosure	Nomination and selection of the highest governance body	3.1 Governance in Rhea	pp.30	
2-11 Disclosure	Chair of the highest governance body	3.1.1 The Board of Directors	pp.30	Andrea Pozzolini is Chair and CEO of Rhea
2-14 Disclosure	Role of the highest governance body in sustainability reporting	Methodological note	pp.8	The Board of Directors approves the Sustainability Report
2-15 Disclosure	Conflicts of interest	3.2 Business integrity and ethics	pp.35	
STRATEGY, POLICIES AND PRACTICES				
2-22 Disclosure	Statement on sustainable development strategy	Letter to stakeholders	pp.3-4	
2-26 Disclosure	Mechanisms for seeking advice and raising concerns	3.2 Business integrity and ethics	pp.35	
2-27 Disclosure	Compliance with laws and regulations			There are no cases of failure to comply with laws and regulations

GRI ID	Description of indicator	Paragraph	Page.	Comments and omissions
2-28 Disclosure	Membership in associations			No associations other than trade associations
STAKEHOLDER ENGAGEMENT				
2-29 Disclosure	Approach to stakeholder engagement	2.1 Stakeholder engagement e analisi di materialità	pp.23	
2-30 Disclosure	Collective contracts	5.1 Our people	pp.47	100% of the company's employees are covered by collective contracts
GRI 3: MATERIAL TOPICS (2021)				
3-1 Disclosure	Process to determine material topics	2.1 Stakeholder engagement and materiality analysis	pp.23	
3-2 Disclosure	List of material topics	2.1 Stakeholder engagement and materiality analysis	pp.23	This is the first Sustainability Report
3-3 Disclosure	Management of material topics	2.1 Stakeholder engagement and materiality analysis	pp.23	
3-3 Disclosure	Material topic: Occupational health and safety	5.5 Occupational health and safety	pp.66	
3-3 Disclosure	Material topic: Product safety	5.7 Our commitment to our customers	pp.71	
3-3 Disclosure	Material topic: Research and development	4.3 Innovation and development	pp.44	
3-3 Disclosure	Material topic: Focus on product communication	5.7 Our commitment to our customers	pp.71	
3-3 Disclosure	Material topic: Human resources policies	5.3 Employee well-being	pp.56	
3-3 Disclosure	Material topic: Protection of customers' privacy	5.7 Our commitment to our customers	pp.71	
3-3 Disclosure	Material topic: Energy	6.1 Energy transition	pp.81	
3-3 Disclosure	Material topic: Personnel training and education	5.4 Training and education	pp.62-66	
3-3 Disclosure	Material topic: Inclusiveness, diversity and non-discrimination	5.2 Diversity, equality and inclusiveness in Rhea	pp.51	
3-3 Disclosure	Material topic: Water	6.4 Water withdrawal and consumption	pp.91	
3-3 Disclosure	Material topic: Freedom of association	5.1 Our people	pp.47	
3-3 Disclosure	Material topic: Raw materials	6.2 Raw materials	pp.87	
GRI 201: ECONOMIC PERFORMANCE (2016)				
201-1 Disclosure	Economic value generated and distributed	4.2 Economic value generated and distributed	pp.43	
201-3 Disclosure	Defined benefit plan obligations and other retirement plans			Not applicable
201-4 Disclosure	Financial assistance received from government			Not applicable

GRI ID	Description of indicator	Paragraph	Page	Comments and omissions
GRI 202: PRESENCE ON THE MARKET (2016)				
202-2 Disclosure	Proportion of senior management hired from the local community	3.1.1 The Board of Directors	p.30	100% of managers come from the local community
GRI 203: INDIRECT ECONOMIC INDICATORS (2016)				
203-1 Disclosure	Investment in infrastructure and services supported	5.8 Focus on communities and the local area	p.77	
203-2 Disclosure	Significant indirect economic indicators	5.8 Focus on communities and the local area	p.77	
GRI 204: PROCUREMENT PRACTICES (2016)				
204-1 Disclosure	Proportion of expenditure for purchases from local suppliers	5.6 Supply chain	p.68	90% of suppliers are Italian. Total expenditure from suppliers €92,576,948
GRI 205: ANTI-CORRUPTION (2016)				
205-2 Disclosure	Communication and instruction in anti-corruption regulations and procedures	5.4 Training and instruction	p.62	
205-3 Disclosure	Confirmed incidents of corruption and measures adopted	3.2 Business integrity and ethics	p.35	No episodes of corruption occurred in 2023.
GRI 206: ANTI-COMPETITIVE BEHAVIOUR (2016)				
206-1 Disclosure	Lawsuits pertaining to anti-competitive behaviour, anti-trust and monopolistic practices	3.2 Business integrity and ethics	p.35	There were no lawsuits pertaining to anti-competitive behaviour, anti-trust and monopolistic practices in 2023
GRI 301: MATERIALS (2016)				
301-1 Disclosure	Materials used by weight or volume	6. 2 Raw materials	p.87	
301-2 Disclosure	Recycled input materials used	6. 2 Raw materials	p.87	
301-3 Disclosure	Reclaimed products and their packaging materials	6. 2 Raw materials	p.87	
GRI 302: ENERGY (2016)				
302-1 Disclosure	Energy consumption within the organization	6.1 Energy transition	p.81	
302-3 Disclosure	Energy intensity	6.1 Energy transition	p.81	
302-4 Disclosure	Reduction of energy consumption	6.1 Energy transition	p.81	
GRI 303: WATER AND EFFLUENTS (2018)				
303-1 Disclosure	Interactions with water as a shared resource	6.4 Water withdrawal and consumption	p.91	
303-2 Disclosure	Management of water discharge-related impacts	6.4 Prelievo e consumo idrico	p.91	
303-3 Disclosure	Water withdrawal	6.4 Prelievo e consumo idrico	p.91	

GRI ID	Description of indicator	Paragraph	Page	Comments and omissions
303-4 Disclosure	Water discharge	6.4 Water withdrawal and consumption	pp.91	
303-5 Disclosure	Water consumption	6.4 Water withdrawal and consumption	pp.91	
GRI 305: EMISSIONS (2016)				
305-1 Disclosure	Direct (Scope 1) greenhouse gas (GHG) emissions	6.1 Energy transition	pp.81	
305-2 Disclosure	Energy indirect (Scope 2) greenhouse gas (GHG) emissions	6.1 Energy transition	pp.81	
305-4 Disclosure	Greenhouse gas (GHG) emissions intensity	6.1 Energy transition	pp.81	
305-5 Disclosure	Reduction of greenhouse gas (GHG) emissions	6.1 Energy transition	pp.81	
GRI 306: WASTE (2020)				
306-1 Disclosure	Waste generation and significant waste-related impacts	6.3 Waste management	pp.88	
306-3 Disclosure	Wastes generated	6.3 Waste management	pp.88	
306-4 Disclosure	Wastes diverted from disposal	6.3 Waste management	pp.88	
306-5 Disclosure	Waste directed to disposal	6.3 Waste management	pp.88	
GRI 401: EMPLOYMENT (2016)				
401-1 Disclosure	New employee hires and employee turnover	5.2 Diversity, equality and inclusiveness in Rhea	pp.51	
401-2 Disclosure	Benefits for full-time employees that are not available to temporary or part-time employees			Benefits are made available to all categories, compatibly with the company's requirements
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)				
403-1 Disclosure	Occupational health and safety management system	5.5 Occupational health and safety	pp.66	
403-2 Disclosure	Hazard identification, risk assessment, and incident investigation	5.5 Occupational health and safety	pp.66	
403-3 Disclosure	Occupational health services	5.5 Occupational health and safety	pp.66	
403-5 Disclosure	Working training on occupational health and safety	5.5 Occupational health and safety	pp.66	
403-6 Disclosure	Promotion of worker health	5.5 Occupational health and safety	pp.66	
403-8 Disclosure	Workers covered by an occupational health and safety management system	5.5 Occupational health and safety	pp.66	
403-9 Disclosure	Work-related injuries	5.5 Occupational health and safety	pp.66	

GRI ID	Description of indicator	Paragraph	Page	Comments and omissions
GRI 404: TRAINING AND EDUCATION (2016)				
404-1 Disclosure	Average hours of training per year per employee	5.4 Training and education	p.62	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES (2016)				
405-1 a Disclosure	Diversity of governance bodies	3.1.1 The Board of Directors	p.30	
405-1 b Disclosure	Diversity of employees	5.2 Diversity, equality and inclusiveness in Rhea	p.51	
405-2 Disclosure	Ratio of basic salary and remuneration of women to men	5.2 Diversity, equality and inclusiveness in Rhea	p.51	In 2023, Rhea has an overall gender pay gap of 2%
GRI 406: NON-DISCRIMINATION (2016)				
406-1 Disclosure	Incidents of discrimination and corrective actions taken	3.2 Business integrity and ethics	p.35	No episodes of discrimination occurred in 2023.
GRI 413: LOCAL COMMUNITIES (2016)				
413-1 Disclosure	Operations with local community engagement, impact assessments, and development programmes	5.8 Focus on communities and the local area	p.77	
GRI 416: CUSTOMER HEALTH AND SAFETY (2016)				
416-2 Disclosure	Incidents of non-compliance concerning health and safety of products and services	5.7 Our commitment to our customers	p.71	In the year 2023 there were two cases of nonconformities out of more than 57 thousand machines sold. The causes are currently being investigated
GRI 417: MARKETING AND LABELLING (2016)				
417-1 Disclosure	Requirements for product and service information and labelling	5.7 Our commitment to our customers	p.71	
417-2 Disclosure	Incidents of non-compliance concerning product and service information and labelling	5.7 Our commitment to our customers	p.71	There were no incidents of nonconformity with regulations or labelling requirements
GRI 418: PRIVACY DEI CLIENTI (2016)				
418-1 Disclosure	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.7 Our commitment to our customers	p.71	In 2023 there were no proven reports of breaches of customers' privacy



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A Cerved Company

This document was prepared with the assistance of MBS Consulting S.p.A.