EVOCA GROUP

EVOCA GROUP

Sustainability Report 2023

A message from our CEO

I am pleased to share Evoca Group's second Sustainability Report, my first as the CEO.

Our business practices have always been led by a deep awareness of our relationships with people and the environment. In 2021, we consolidated this awareness and integrated our long-standing sustainability practices into our strategy.

I look forward to leading Evoca through an exciting period of transition — advancing the company's rich heritage and sector leadership to strengthen our ways of working and bring us even closer to our customers and their needs. As a team we are committed to keeping sustainability at the core of our transformation.

Our long history of focusing on innovation, efficiency and quality puts us in an excellent position to accelerate our product stewardship strategy. In 2023, we developed our first product using our Life Cycle Assessment tool in the preliminary design phase to ensure that energy and material efficiency are considered from the outset.

We have taken a significant step forward in our efforts to reduce our climate footprint by submitting and validating our near-term targets with the Science Based Targets initiative (SBTi). Product innovations such as energy-saving software and alternative materials are key to our emissions reduction, and we will continue to evolve our processes and materials to meet our targets while decarbonising our operations.

Managing this transition depends on great people — from those who work in our supply chain to deliver key components and services, to our sales teams and all support functions, to those who assemble our products in our factories. We continue to invest in supporting our people and empowering our suppliers to make positive changes too.

As a new signatory to the United Nations Global Compact (UNGC), we reaffirm our commitment to applying key principles on human rights, labour, the environment, and anti-bribery across our business. I trust you enjoy reading about our progress, and I look forward to sharing more with you as we work to provide a more sustainable way to enjoy great coffee for everyone, everywhere.

Jochen Fabritius, CEO, Evoca Group

A message from our Sustainability Committee

Who is Evoca's Sustainability Committee?

We are a group from various functions across the business with the potential to influence sustainability at Evoca. We bring a wealth of perspectives, allowing us to consider and explore opportunities from all angles. Most importantly, we all support and strongly believe in the purpose and values of sustainability, and work to advance it with passion and dedication.

Why is sustainability important to the Committee?

Implementing sustainability across the business starts with creating a work environment that our people enjoy being part of, and that enhances their wellbeing. Cultivating an inclusive and supportive workplace will enable us to attract and retain a diverse pool of talent.

Sustainability sparks conversation and synergy among the various functions across the business and empowers us to embed our personal values into the business — and transfers into our processes, products, and relationships.

Every action we take as a group is our way of contributing to a better world.

What trends are affecting how Evoca approaches sustainability?

Awareness of the strategic nature of sustainability has grown, along with demand from our customers, shareholders, management and employees to address it. Key issues, like inclusion and diversity, climate change, and resource availability are now even more relevant to how we operate.

The EU's new Corporate Sustainability Reporting Directive (CSRD) influences the way we approach sustainability reporting. We welcome this new standardised framework, which means that we — like other businesses — will go beyond compliance and demonstrate full transparency and accountability.

What are the main sustainability highlights for 2023?

By publishing our first annual sustainability report we embarked on our journey to communicate our sustainability agenda.

We finalised our Scope 3 greenhouse gas inventory and identified potential to drive emissions reductions using our Life Cycle Assessment (LCA) tool.

We have also focused on building sustainability knowledge and skills across the business. Supporting our people and providing opportunities for training and development helped us improve our performance management process and select the right tool to gather feedback.

What opportunities and challenges lie ahead for Evoca?

In 2024 and beyond, we want to focus on some of the biggest opportunities to progress our sustainability goals, including innovating our product technology and addressing challenges related to material availability.

We will prioritise involving our suppliers in our journey by encouraging their commitment to sustainability and assessing their performance to ensure they meet our high standards.

We also want to further grow and support our people with additional business-wide awareness training on sustainability issues — including ethics and governance — and with a structured management system to address equality of pay.

2023 sustainability highlights

Near-term emissions reduction targets submitted and validated by the Science Based Targets initiative.

38%

emissions reduction for our super-automatic machines with our Green Packaging Guidelines pilot.

~85 tonnes

expected CO_2 equivalent (CO_2e) savings per year with the introduction of novel bioplastics in several of our vending products.[1]

Top 3%

out of 438 industrial machinery sector companies in the global Sustainalytics ESG Risk Rating.[2] Top 4% amongst 592 machinery sector companies.

62/100

Bronze EcoVadis rating for our environmental, labour and human rights, ethics, and procurement practices, scoring in the **top 35%** in our industry.

Signed the United Nations Global Compact, confirming our commitment to key principles on human rights, labour, the environment, and corruption.

Scope 3

greenhouse gas emissions inventory completed.

60%

energy savings during the night period through the introduction of new software in our vending machines.

90%

plastic reduction for our super-automatic machines with our Green Packaging Guidelines pilot.

40%

reduction in employee rate of recordable work-related injuries.

1   Carbon footprints were calculated following the general principles of life cycle assessment (LCA). Data refer to four product families with a material quantity of 45MT/y.
2   As of 19 April 2024, Evoca is ranked 18 out of 619 in the category *manufacture of general-purpose machinery*, and 2,075 of 16,353 companies globally.

Contents

01.
About Evoca Group

Our business

Evoca Group (Evoca) is a world-leading producer of professional coffee and vending machines for out-of-home consumption, anchored in more than 90 years of coffee and vending heritage.

Together, our broad portfolio of brands offers a complete range of products to bring great coffee and vending products to our ~10,000 customers — serving consumers across hotels, restaurants, office buildings, public spaces, and more.

Direct economic value generated, distributed and retained (€ millions)

	2022	2023
Value generated (revenue)	416.0	444.0
Value distributed	379.8	390.8
Suppliers, materials and services	255.7	255.7
Employees	86.1	93.3
Tax	5.6	7.1
Financial costs	32.3	34.8
Value retained	36.3	53.2

Our focus on innovation

Through our commitment to research and development (R&D) we continuously deliver innovative solutions to our customers in more than 135 countries.

810
patents registered

€90m+
invested in R&D since 2019

1
central R&D site in Valbrembo, Italy

1
digital R&D hub in Orcenico, Italy

2
regional co-development R&D sites in Barcelona, Spain and Quebec City, Canada

2023 business highlights

~€441

million net sales

#1

for professional coffee in Italy, North America, Latin America and Spain

150,000

machines manufactured

9

operational plants, including 7 manufacturing sites

+10%

organic net sales CAGR
2020 Annual - 2024 Budget

1,500+

employees (full time equivalent)

#1

for vending in Europe

>135

countries served from 30+ strategic hubs

Product segments and brands

Main brands

Coffee machines

Manual machines for baristas and automatic, self-service coffee machines, principally serving the hotel, restaurant and café sector.

Automatic dispensers (vending) and coffee machines

Professional coffee machines and vending for coffee, snacks, and cold drinks, serving companies, universities, and public places (e.g. hospitals, stations, and airports).

Small automatic coffee machines

Machines for offices and meeting rooms, principally serving the office coffee sector.

Gaggia is the epitome of Italian espresso tradition. In 1938, barista Achille Gaggia filed a patent revolutionising the coffee making process and introducing the perfect Italian espresso, complete with crema layer. After nearly 90 years, Gaggia remains synonymous with innovation and tradition, combining its rich heritage with new technology to deliver exceptional user experience. Alongside traditional coffee machines, Gaggia offers a range of professional super-automatic machines for the hotel, restaurant, and café sector, workplaces and public places.

Necta was established over two decades ago and, today, is a leader in the vending sector in the Americas, Asia, and Europe. The Necta brand upholds high standards, embracing quality manufacturing, durability, performance and reliability alongside excellent safety and hygiene. Necta machines couple a clean and attractive design with forward-thinking technology, incorporating advanced functionality. Necta also offers a wide range of professional machines for coffee or milk preparation, catering to different preferences and tastes.

Founded over forty years ago in Italy, Saeco was the first brand to develop a completely automatic Italian espresso brewing system, pioneering bean-to-cup technology for offices. Saeco is now a global leader with a range of coffee machines for offices and small catering businesses. Its coffee machines respond to different tastes and lifestyles, offering the perfect blend of design, convenience and quality married with barista-style beverages at the touch of a button.

Evoca Group comprises three core global brands which together serve all our professional and vending product segments: hotel, restaurant, and cafeteria, offices and public spaces. Our other brands cater to specific regions and markets.

The Group brings coffee, drinks, and snacks to customers in almost any environment worldwide.

Product segments and brands

Other brands include

EVOCA GROUP

VISACREM

Traditional coffee machines for bars, restaurants and cafés.

FUTURMAT

WITTENBORG

Professional coffee machines for areas of high demand in workplaces across North America and northern Europe.

Cafection

newis

Cashless payment systems, apps for payment and touchless selection, data collection, and analysis for Evoca Group's machines.

Group profile

HEADQUARTERS
Valbrembo, Italy

SUBSIDIARIES
Europe:
Austria, Belgium,
Denmark, France,
Germany, Poland,
Russia[1], Spain, UK

MANUFACTURING SITES
Americas:
Canada (Quebec City)

MANUFACTURING SITES
Europe:
Italy (Mapello, Mozzo, Orcenico,
and Valbrembo), Romania
(Jibou), Spain (Barcelona)

SUBSIDIARIES
Asia:
China[2], Singapore

SUBSIDIARIES
Americas:
Argentina, Brazil,
Canada, USA

SUBSIDIARIES
Oceania:
Australia

Our commercial footprint:

>135
countries

>30
locations[3]

~350
sales staff[4]

>330
dealers

● Headquarters + Manufacturing sites + Commercial subsidiaries
● Our distribution network

1   Based on geopolitical tension in the Commonwealth of Independent States (CIS), the
    company is reviewing its small scale Russian onshore business.
2   Dongguan and Guangzhou manufacturing sites are governed by local joint ventures.

3   Warehouses, showrooms, offices
    (source: company information)
4   Full time equivalent

Our purpose and values

Our global workforce is guided by our common purpose — **great coffee for everyone, everywhere** — and united by our shared values. These values enable and encourage collaboration, simplicity, and customer-centricity across our businesses.

Trust

Count on us to put you at the centre of our focus, build successful relationships and lead with integrity.

Passion

We love what we do and work passionately every day to improve for us and our clients.

Evolution

We govern change, and generate sustainable innovation.

02.
Our sustainability strategy

Our approach to sustainability

Evoca has a long history of good governance, supporting our people, innovation, and product quality as well as environmental certification. For the past two years, we have focused on strengthening and extending these practices as we further advance sustainability within our business.

Our integrated approach will become increasingly relevant for businesses based in Europe, where sustainability legislation for companies is expanding — on topics including reporting, supply chain management, and products and processes. Our customers and employees are also becoming more aware of and engaged in sustainability. We embrace these trends as an opportunity for innovation to meet changing demands and develop new solutions. We also acknowledge the time, skills, and investment this involves.

In 2021, we formalised our sustainability strategy, bringing clear direction to the many social and environmental initiatives we had in place long before market demand for sustainability. Since then, we have embedded the strategy into our operations, governance, decision-making, and company culture, and increased our external sustainability commitments to showcase these efforts.

In 2023, we:

- Engaged with global sustainability ratings, EcoVadis and Sustainalytics.

- Signed the United Nations Global Compact (UNGC) — an initiative through which CEOs commit their businesses to 10 responsible business principles spanning human rights, labour, environment, and anti-corruption.

- Measured our Scope 3 emissions in accordance with the GHG Protocol. Read more on page 44.

- Published our new Human Rights Policy. Read more on page 53.

- Published our new Whistleblowing Policy. Read more on page 54.

- Published our first sustainability report based on 2021 and 2022 fiscal year data.

- Committed and validated near-term greenhouse gas emissions reduction targets with the Science Based Targets initiative (SBTi). Read more on page 45.

In the coming years, we will continue to integrate sustainability across our business and communicate these efforts.

In 2023 we joined the Sustainalytics ESG Risk Rating, which evaluates the magnitude of companies' unmanaged environmental, social, and governance (ESG) risks. Thanks to our strong ESG risk management, Evoca scored with low risk in the top 3% out of 438 companies in the industrial machinery sub-industry, and in the top 4% out of 592 companies in the global machinery industry.[1]

Sustainability Committee

Evoca's Sustainability Committee oversees our sustainability strategy and is responsible for the related ESG plans and initiatives. Members of the Executive Sustainability Committee meet every two weeks and represent the management level across our Environment, Health, and Safety (EHS), HR, Legal, Marketing, R&D, and Sustainability teams. Our Strategic Sustainability Committee comprises a smaller team at the management and supervisory board level and meets quarterly to discuss overarching sustainability progress.

The Strategic Committee reports directly to the **CEO and the Board of Directors**, communicating sustainability performance and strategic updates to the Board of Directors at least twice a year — or more regularly when there are significant developments to share. Read more about our governance structure on page 52.

1   As of 19 April 2024, Evoca is ranked 18 out of 619 in the category manufacture of general-purpose machinery, and 2,075 of 16,353 companies globally.
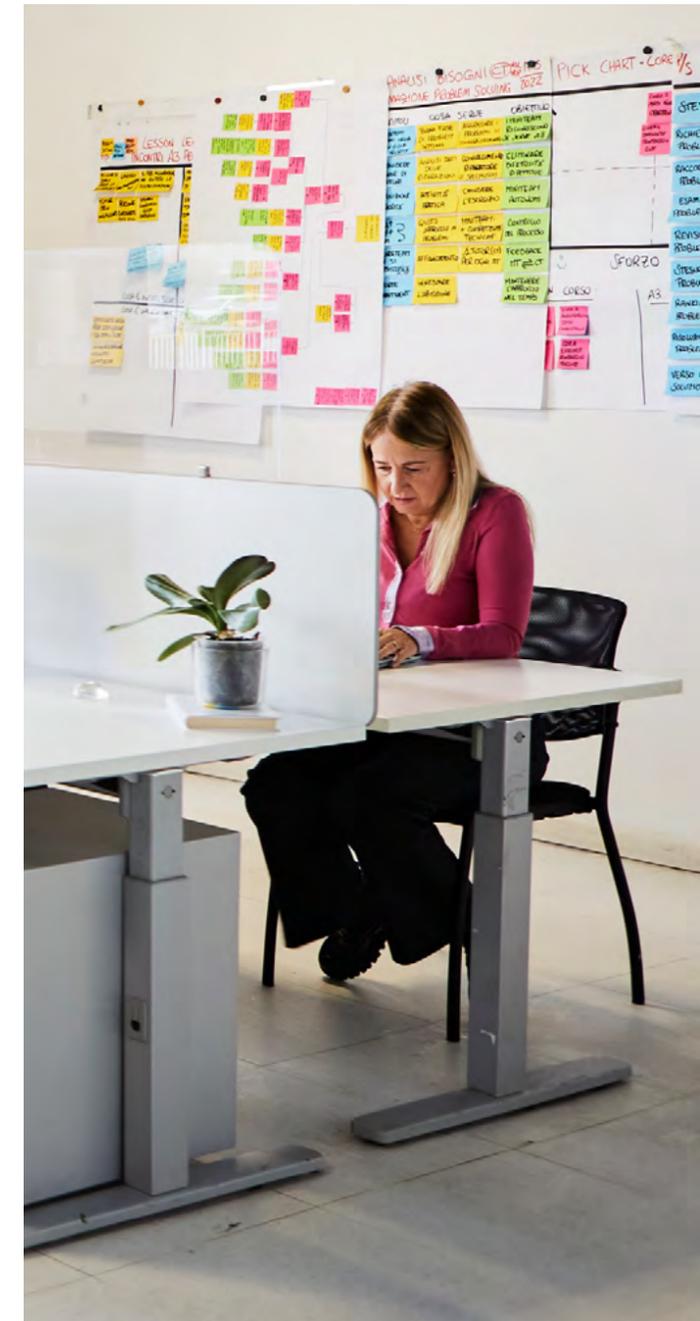
Stakeholder engagement

Our stakeholders are the essence of our business — they supply the materials we require, develop and deliver our machines, and enjoy our products. In 2022, our Sustainability Committee conducted a mapping exercise to understand our stakeholders' sustainability focus and requirements, and in 2023 this was confirmed.
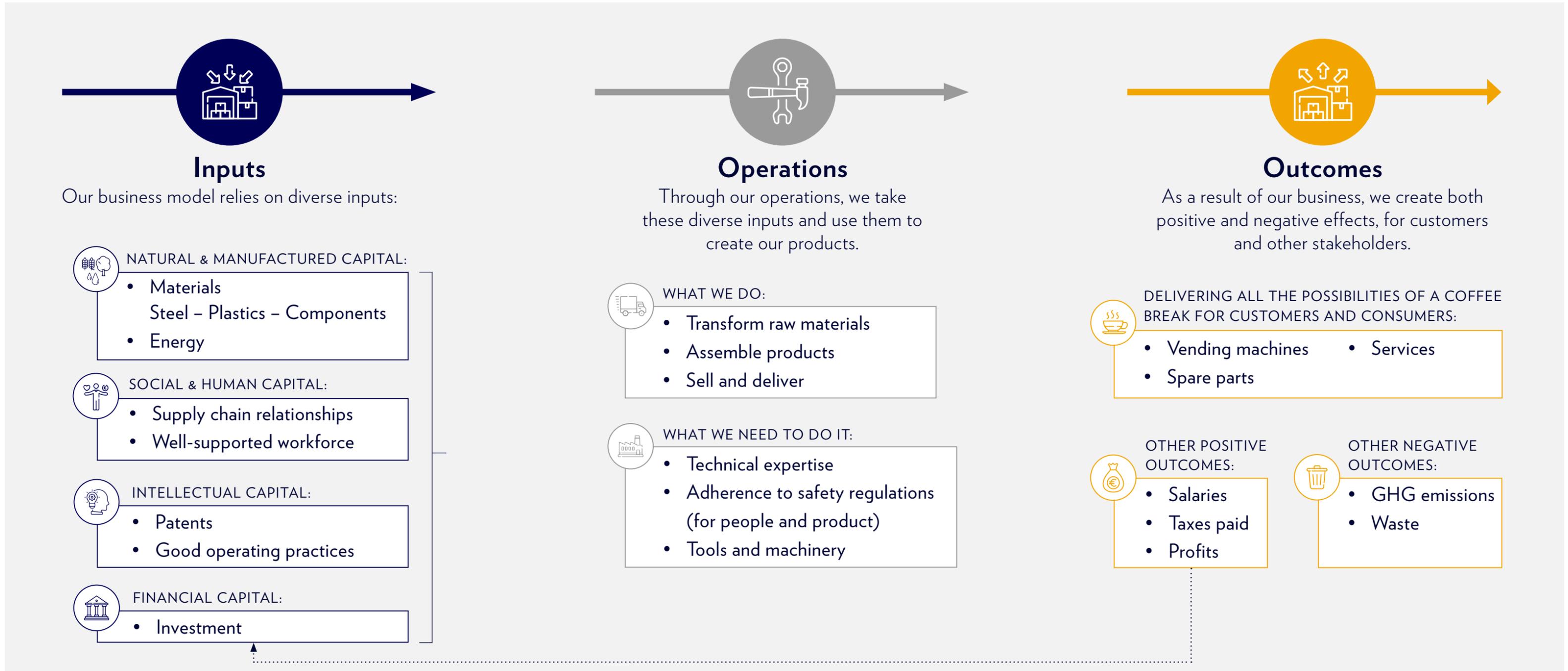
Stakeholders	Relationship/interaction channels	Topics of interest
Customers and consumers	Customer satisfaction surveys Shared projects Responses to information requests Trade shows Technicians' feedback Key account managers' feedback	Product quality and reliability Energy consumption and carbon footprint Total cost of ownership Product innovation
Employees	Dialogue with management My Evoca (internal website) Performance evaluation process Work councils Internal surveys	Health and safety Skills and careers development Diversity and inclusion Efficient communication channels
Shareholders	Board of Directors	Business ethics Health and safety Environmental impact Environmental, social and governance (ESG) strategy Product quality and reliability Economic performance and impacts
Suppliers and partners	Regular engagement with procurement and quality Auditing Supplier Code of Conduct	Business ethics Health and safety Environmental impact Employment level in the area and related economic impact
Institutions, schools and universities	Meetings, networking opportunities, building relationships	Sustainable innovation Strategic partnership Talent development
Communities, local areas and future generations	www.evocagroup.com Interactions with schools and career days at universities Initiatives in the social and sports field Networking	Carbon footprint Environmental impact Contribution to the local community Social contribution Employment level in the area and related economic impact

Stakeholders across our value chain

- Our production suppliers provide the essential raw materials and components from which we construct and manufacture our machines.
- Transportation providers support us to deliver our products to their destinations.
- Other goods and services suppliers support the day-to-day activities of our business.
- Our operations include the manufacturing sites where we create our final products, and the many people, teams and functions that keep our business running smoothly.
- Our customers and end users enjoy the coffee, drinks, and snacks provided by our machines.

Through these relationships, we generate the inputs required to deliver an enjoyable coffee experience to our customers and consumers around the world.

Our business model

Inputs

Our business model relies on diverse inputs:

NATURAL & MANUFACTURED CAPITAL:
- Materials
  Steel – Plastics – Components
- Energy

SOCIAL & HUMAN CAPITAL:
- Supply chain relationships
- Well-supported workforce

INTELLECTUAL CAPITAL:
- Patents
- Good operating practices

FINANCIAL CAPITAL:
- Investment

Operations

Through our operations, we take these diverse inputs and use them to create our products.

WHAT WE DO:
- Transform raw materials
- Assemble products
- Sell and deliver

WHAT WE NEED TO DO IT:
- Technical expertise
- Adherence to safety regulations (for people and product)
- Tools and machinery

Outcomes

As a result of our business, we create both positive and negative effects, for customers and other stakeholders.

DELIVERING ALL THE POSSIBILITIES OF A COFFEE BREAK FOR CUSTOMERS AND CONSUMERS:
- Vending machines
- Services
- Spare parts

OTHER POSITIVE OUTCOMES:
- Salaries
- Taxes paid
- Profits

OTHER NEGATIVE OUTCOMES:
- GHG emissions
- Waste

Supplier engagement

As a global, product-based company, it is vital we maintain strong and transparent relationships with our suppliers. We source our materials from around the world and our suppliers are therefore subject to varying local legislation. To ensure human rights are upheld across our supply chain, compliance with Evoca's Supplier Code of Conduct is compulsory for all our suppliers. In 2023, we identified a supplier sustainability risk management tool that we will implement in 2024, to ensure we select companies aligned with our environmental, social, and governance expectations. Read more about our approach to responsible sourcing on page 40.

Partnering with SDA Bocconi on sustainable operations and supply chains

Evoca is partnering with one of the world's top ranked business schools, SDA Bocconi, on the Sustainable Operations and Supply Chain (SOSC) Monitor — a branch of the school's Sustainability Lab. The SOSC Monitor supports the integration of sustainability into corporate operations and global supply chains by providing companies with scientific research, resources, and educational programmes. Starting in 2024, we will work with the SOSC team to develop research on a selected topic relevant both to our company and the wider industry.

Material topics

Our first materiality assessment, undertaken in 2022, identified the sustainability topics most relevant to our stakeholders, our environment, and our business over the next three to five years. The Sustainability Committee oversaw the process, which involved:

• Reference to the Sustainability Accounting Standards Board (SASB) framework.[1]

• Review of ESG risk exposure assessment models applicable to our business.

• Benchmarking with a direct competitor peer group and industry reference operators.

• Interviews with managers.

• Analysis of global megatrends, such as digital transformation, artificial intelligence, sustainability, hybrid working, globalisation, skilled labour availability, the importance of customer proximity, and demographic changes.

• Synthesis work to develop Evoca's materiality matrix, which was validated by our senior management team.

In 2023, we refreshed this assessment in a systematic process in accordance with Global Reporting Initiative (GRI) Universal Standards 2021 involving a competitor peer group benchmarking, initial mapping of key business and sustainability matters, and a workshop with top management. During the workshop, the Group identified effects — both positive and negative, actual and potential — that arise from business activities. This process involved examination of our actual and potential influence on the economy, environment, and individuals, including considerations of human rights across our operations and partnerships. Actual effects refer to those that have already occurred, while potential effects are those that could arise but have not yet.

Following the identification process, we assessed and prioritised effects to help us take action and determine material topics for disclosure in this report. The assessment involved an analysis process, using a scale of one to five, based on severity, likelihood, scale, and scope of each effect. The result was an updated view of Evoca's material topics (see 'our material topics').

We plan to update our materiality assessment in 2024 — in line with the Corporate Sustainability Reporting Directive (CSRD) requirements and double materiality principles — to consider in detail how our business influences people and planet, and the risks and opportunities that influence our business. Our sustainability strategy will evolve to address any resulting shifts in material topics.

1   SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB) following SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the International Financial Reporting Standards (IFRS®) Foundation in 2022.

Our material topics

Material topic	Relevant effects identified	Relevant pillar
Economic performance	• Direct and indirect positive economic effects generated through business activities for workers, local communities, and other stakeholders **(actual)**. • Shareholder satisfaction following the Group's positive performance **(actual)**.	Governance
Product quality and safety	• Customer satisfaction relating to product quality, including adherence to delivery or supply schedules **(actual)**. • Health of product users, dependent on traceability, controls, or product quality and safety management systems throughout the value chain **(potential)**.	Product stewardship and design
Product research and development	• Promotion of more sustainable materials and the reuse and recycling of materials **(actual)**. • Enhancement of the user experience by providing innovative solutions **(actual)**.	Product stewardship and design
Energy management and fight against climate change	• Consumption of energy from renewable and non-renewable sources, with consequences for the environment and energy stock **(actual)**. • Contribution to climate change through direct and indirect GHG energy emissions, related to the activities carried out in the Group's offices and sites **(actual).**	Climate
Occupational health and safety	• Injuries or other accidents in the workplace, with consequences for the health of employees or external collaborators **(actual)**. • Work-related illness **(potential)**.	People and talent
Human capital development and talent attraction	• Improving workers' skills through training and professional development activities, general and technical programmes — also linked to personalised growth and evaluation objectives **(actual)**. • Failure to meet staff growth and wellbeing expectations, with a consequent negative impact on staff satisfaction and retention **(potential)**.	People and talent

Material topic	Relevant effects identified	Relevant pillar
Data privacy management	• Exposure to cyber-attacks, viruses, and unauthorised access aimed at extracting or corrupting group information, with implications for customers' businesses **(potential)**.	Governance
Business ethics	• Anti-competitive behaviour, monopolistic practices, and incidents of corruption and money laundering, with effects on the economy and markets **(potential)**. • Level of compliance with applicable laws and regulations, internal and external standards, with indirect economic effects on stakeholders **(potential)**.	Governance
Sustainable supply chain management	• Support for local markets and consideration of the environment through pollution reduction **(actual)**. • Financing of suppliers who do not adopt sustainable practices and do not comply with environmental and social requirements **(potential)**.	People and talent
Diversity, equity, and non-discrimination	• Respect for diversity of thought and promotion of an inclusive corporate culture through anti-discrimination activities and corporate initiatives **(actual)**. • Employee satisfaction and motivation due to practices related to non-discrimination (related to thought, age, ethnicity, gender, etc.) and inclusivity **(potential)**.	People and talent
Waste and chemical substance management	• Reuse and re-introduction into our production processes of production waste following recovery, recycling, and reconditioning operations, also with a view to the circular economy **(actual).** • Non-compliance with waste disposal and other hazardous substances and / or environmental protection regulations **(potential)**.	Climate

Our sustainability roadmap

Based on our materiality assessment, we identified four pillars to form the core of our sustainability roadmap. The thematic pillars allow us to assign clear roles to relevant teams to ensure we continue making strong progress across these important areas. Each pillar carries a sub-strategy, goals with associated performance indicators, and links to relevant United Nations Sustainable Development Goals (SDGs).

Product stewardship & design

Design and manufacture products that are safe for people and the environment, striving for continuous improvement.

Key target:
Zero incidents of non-compliance concerning the health and safety impacts of products and services every year.

Read more on page 21.

People & talent

Protect and provide opportunities for personal and professional growth to employees and collaborators, promoting a culture of diversity and equality.

Key target:
Zero percent gender pay gap by 2030.

Read more on page 29.

Climate

Achieve our science-based emission reduction targets in line with SBTi criteria and recommendations.

Key target:
42% reduction of absolute Scope 1, 2, and 3 greenhouse gas emissions by 2030, from a 2022 base year.

Read more on page 42.

Governance

Be transparent and accountable for our stakeholders through strong and effective governance practices.

Key target:
Zero incidents of non-compliance including corruption, anti-competitive behaviour, discrimination, and customer privacy.

Read more on page 50.

UN Sustainable Development Goals most relevant to our strategy.

3 GOOD HEALTH AND WELL-BEING   5 GENDER EQUALITY   7 AFFORDABLE AND CLEAN ENERGY   8 DECENT WORK AND ECONOMIC GROWTH   12 RESPONSIBLE CONSUMPTION AND PRODUCTION   13 CLIMATE ACTION

03.
Product stewardship and design

We are committed to designing and creating products that are safe for people and the environment, striving for continuous improvement.

→   Our product stewardship strategy

→   2023 progress

Our product stewardship strategy

Evoca was formed with the desire to bring great coffee, drinks, and snacks to the world, and we continue to do so every day by evolving our product range to meet and anticipate our customers' needs.

Each year, we manufacture more than 150,000 coffee and vending machines as well as grinders for our ~10,000 customers around the world, who trust us to deliver safe, reliable, high-quality products. This presents both our biggest challenge and our biggest opportunity to reduce Evoca's environmental footprint.

Our customers are increasingly aware of the environmental credentials of our products, and product stewardship is central to our sustainability roadmap. Our product stewardship strategy aims to ensure that our machines are safe for both people and planet throughout their full lifecycle. It encourages us to continuously innovate for safety and quality, as well as for optimised environmental performance — an opportunity we embrace.

Product quality and safety

To ensure our products are of the highest quality and safety, we take an approach that goes beyond compliance. Evoca operates in line with ISO 9001 Quality System Management guidelines, and we have done so since 1994. Seven of our nine operational production plants are ISO 9001 certified, and we aim to certify the remaining two sites in 2024.

Product certification is an attestation of a machine having been verified by an accredited and independent body (separate from the seller and manufacturer) before entering the market. All our products are evaluated against the International Committee for Electrical and Electrotechnical Equipment (IECEE)'s Certification Body (CB) scheme, which covers the safety of electrical and electronic equipment and devices. The CB report generated as a part of the scheme confirms product compliance with international safety standards and indicates that the product is certified for multiple international markets.

Beyond the CB scheme, we voluntarily certify our products with leading quality and safety standards bodies relevant to specific products and markets, for example:

- CSA Group, National Sanitation Foundation (NSF), and UL Solutions in North America.

- China Quality Certification in China.

- VDE and IMQ in Europe.

Food safety management

Our products are principally electromechanical machines that serve food and must therefore comply with the EU 1935/2004 and EU 2023/2006 food safety regulations. Certain parts of our machines are in regular contact with food — we test the exposed parts and products in line with prevailing legal requirements and seek third party verifications as required.

Since 2019, we have implemented our Food Management System — a structured set of rules, procedures, and actions to ensure we control food safety. Our Food Safety team manages this system and meets quarterly to address:

- Hazards and risks.

- Regulatory updates.

- Relevant incidents reported by customers.

- Results of internal and external audits.

Towards a circular approach

The shift to a circular economy calls for less extraction of raw materials and the elimination of waste, to encourage environmental regeneration and keep valuable resources in use for longer by reusing and recycling them. As a product-focused company with 17% of our greenhouse gas emissions originating from purchased goods and services upstream of our operations, circularity is an important area of focus for Evoca — including designing for reuse and recycling, and reducing the resources needed to make our products. Read more about our emissions on page 44.

We are beginning to introduce circular economy principles in product design and development — inspiring us to rethink our processes and reimagine our products. This presents an opportunity to improve our environmental performance, bring more value to our customers, and reduce costs through efficiencies. Transitioning towards a circular business model in an economy built on the linear take-make-dispose system will take time and we remain committed to contributing to the solutions required for our industry. Read more about our actions to embed circularity in product development on page 26.
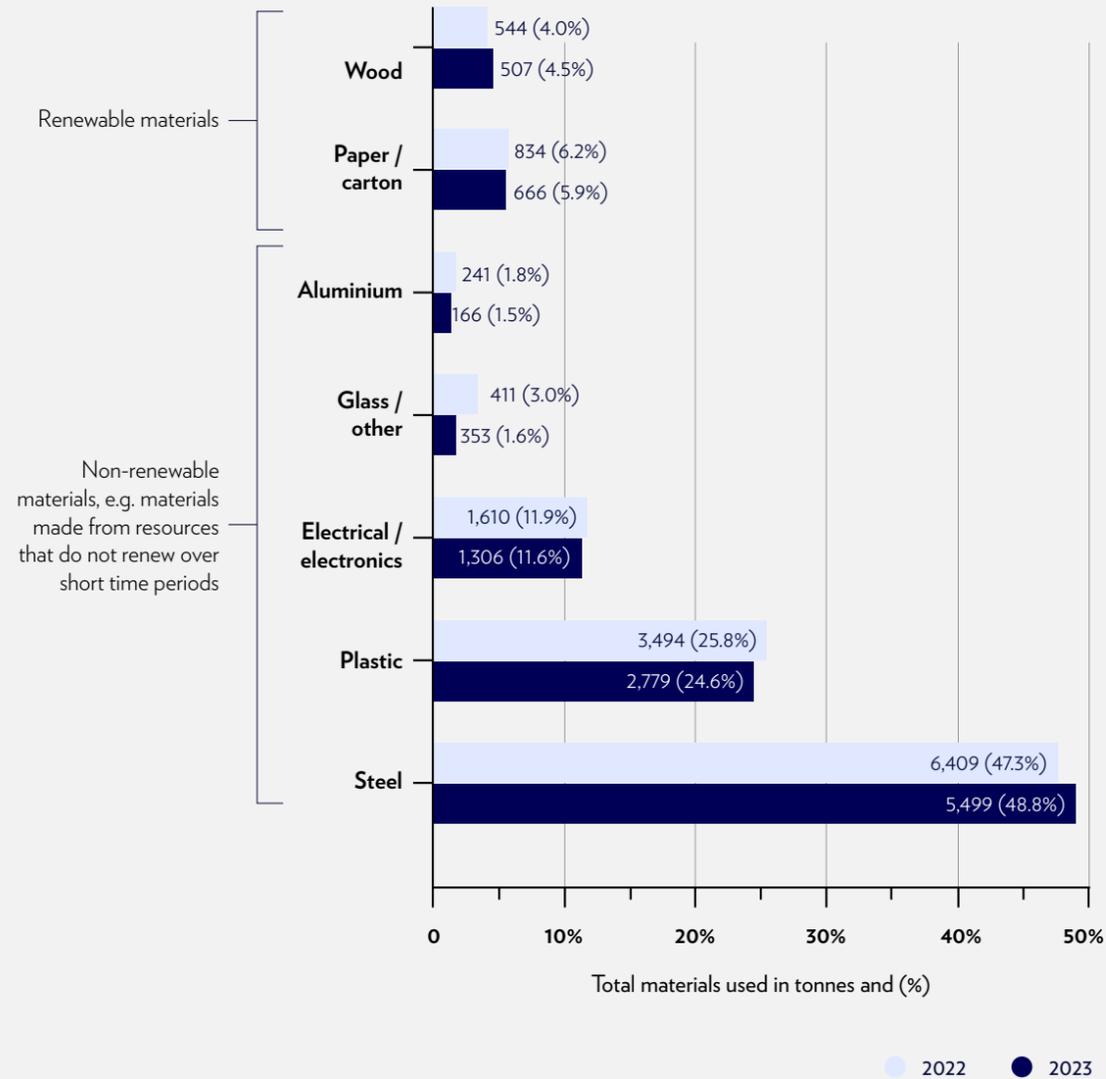
Addressing product emissions

Our 2022 analysis of greenhouse gas emissions from a cup of coffee — in partnership with one of our customers — analysed the life cycle of a cup, from harvesting the beans to the use of our machine, to consumption and disposal. Our work revealed that around one-fifth of the emissions from raw material extraction and the use phase of the cup were attributed to using our machine, and that Evoca's products can therefore play an important role in reducing the emissions associated with coffee consumption. As other players in the coffee value chain — particularly coffee roasters — work to reduce their emissions, it is vital we continue to do our part. Read more about our work to reduce product emissions on page 27.

2023 progress

Materials used in our products

Renewable materials

Wood	544 (4.0%)	507 (4.5%)
Paper / carton	834 (6.2%)	666 (5.9%)

Non-renewable materials, e.g. materials made from resources that do not renew over short time periods

Aluminium	241 (1.8%)	166 (1.5%)
Glass / other	411 (3.0%)	353 (1.6%)
Electrical / electronics	1,610 (11.9%)	1,306 (11.6%)
Plastic	3,494 (25.8%)	2,779 (24.6%)
Steel	6,409 (47.3%)	5,499 (48.8%)

Total materials used in tonnes and (%)

○ 2022   ● 2023

Evolution of Design for the Environment

Our Design for Environment programme, introduced in 2022, integrates environmental considerations into the product design process. As of 2023, the environmental footprint of all potential new products is assessed at the design stage, where we identify opportunities to optimise the environmental performance of our machines before moving to development. Our Product Marketing and Research & Development (R&D) teams oversee the Design for Environment programme, as they play a vital role in understanding customer demand for sustainable products and developing new solutions.

% recycled input material used

Steel
34%

Paper/carton
28%
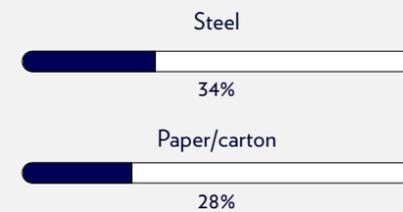
Product health and safety

- Health and safety effects are assessed for improvement for 100% of our significant product categories.

- In 2023, we had zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety effects of our products and services, well achieving our target for this year.

See our GRI index on page 63.

Evoca's Life Cycle Assessment tool

Our custom Life Cycle Assessment (LCA) tool offers us a complete view of the emissions associated with each of our products. The tool has two main objectives:

- Appreciate the environmental performance of our **current products** and identify opportunities for improvement.

- Enable our R&D teams to optimise the environmental performance of **new products** by measuring the environmental consequences of their choices (e.g. materials, software) in the design phase.

Based on the product emissions data collected using our LCA tool, we have identified several focus areas for product design:

1. **Plastic materials** — substitute or eliminate the non-recycled plastics currently used in our machines (for example, the flap door of a coffee machine). In 2023, we began substituting standard plastics with bio-circular plastics in several products. Read more on page 28.

2. **Materials efficiency** — particularly for electronics and their components. In 2023, we developed a new electronic board for an upcoming machine launch using fewer components. Read more on page 27.

3. **Energy** — improve our products' energy-saving systems. In 2023, we scaled the use of energy efficient software in our existing and new products. We anticipate that our investments in energy-saving technology will reduce the emissions associated with our machines by around 20% within the next five years.

4. **Packaging** — substitute existing materials with more environmentally responsible packaging materials. In 2023, we developed our Green Packaging Guidelines. Read more on page 28.

In 2023, 80 R&D employees were trained to use and understand our LCA tool.

Developing our first product born with an LCA

In 2023, we developed our first product born using our LCA tool. We established product carbon footprint goals well before the design phase and our R&D teams used the LCA tool to optimise for energy specifications. To minimise energy consumption without affecting the quality of the product, we focused on the machine's idle mode. Key features include:

- Improved boiler insulation for reduced heat dispersion — achieved using more efficient insulation materials with optimal thickness.

- A temperature management system to reduce the boiler temperature while the machine is on stand-by.

- Innovative electronic boards with fewer, higher performing components and a reduced carbon footprint.
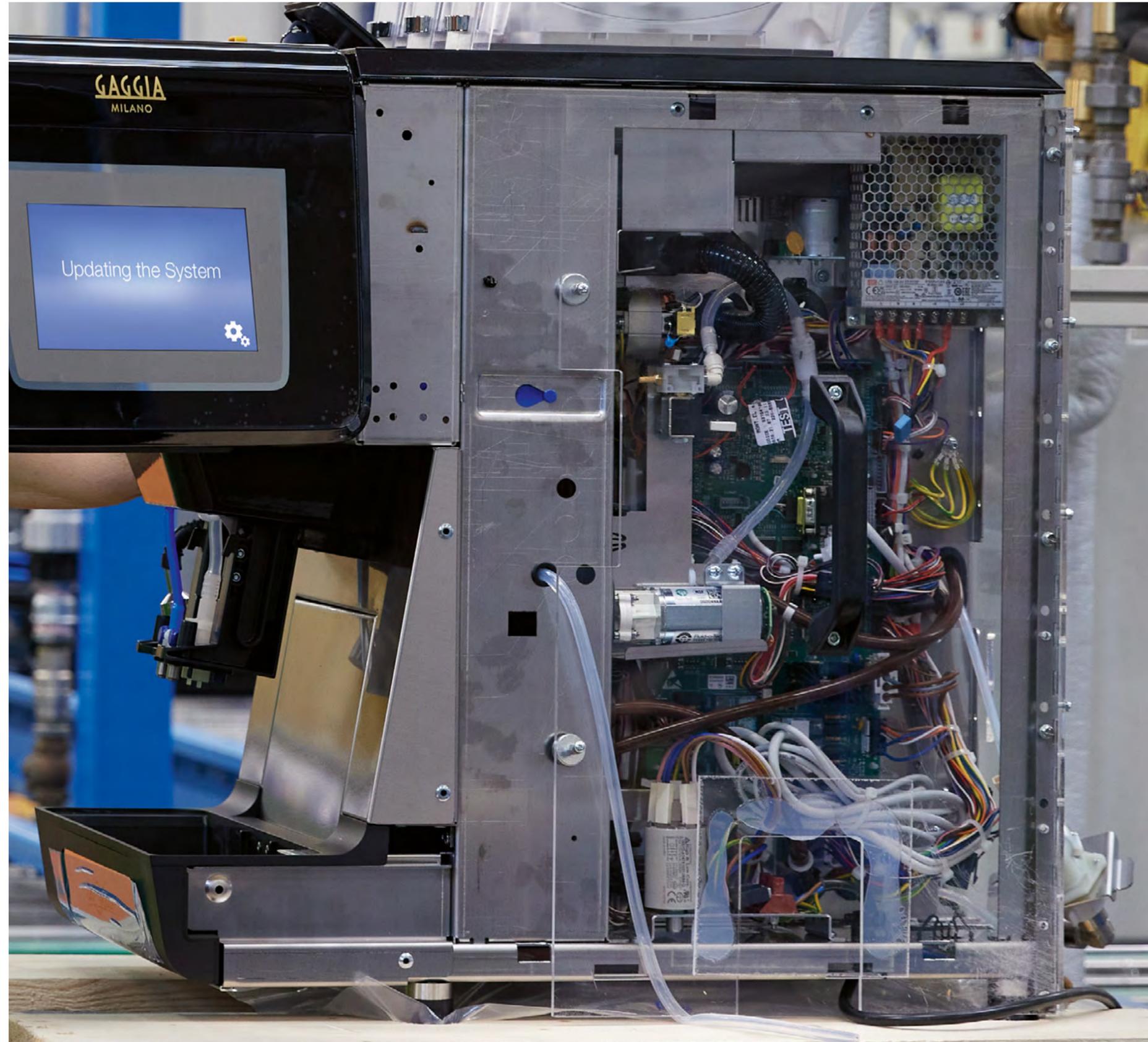
Thanks to these innovations, the new product — soon to be introduced into the market — consumes 35% less energy in idle mode and 17% less energy overall, compared to our previous model. The larger of the two models achieves an A++ EU energy label.

Application of our Green Packaging Guidelines supports further reductions in product carbon footprint. Highlights include[1]:

- No mixed materials to ensure easy, complete recyclability.

- Raw materials certified and recycled to the highest possible percentage.

- 6x less plastic than previous packaging.

- 4.5 tonnes of plastic avoided each year.

Read more about our Green Packaging Guidelines on page 28.

1   Figures based on Evoca budget forecast.

Bio-circular components

In 2023, we identified bio-circular plastic materials — plastics produced from urban biowaste such as used cooking oil and papermill industrial waste — for use in our Brio, Concerto, Maestro and Opera autocoffee vending machines, and in the doors of our Impulse dispensers for snacks, food and cold beverages.

These bio-circular plastics reduce greenhouse gas emissions more than the use of recycled plastic and meet the quality standards of regular plastic, including mechanical, thermal, and moulding shrinkage standards. We estimate Evoca will avoid around 85 tonnes CO_2e per year[1] by substituting standard plastics with novel bio-circular plastics in several of our vending products. We will begin manufacturing machines with these materials in 2024.

Engaging our research and development teams

Awareness of and focus on sustainability within our company increased substantially during 2023. Aligning on the importance of sustainability with our R&D teams was particularly important, as we rely on innovation to enhance the environmental performance of our products.

In 2023, we held three meetings and four workshops together with our R&D teams to communicate the long-term purpose and benefits of sustainable innovation, and to discuss how we can optimise our products for quality, safety, and the environment.

Packaging guidelines

We began developing our Green Packaging Guidelines, to support changes in the volume and kinds of materials we use to protect and deliver our products. As a first step, we established the requirements for the guidelines, including regulatory, internal, and environmental criteria. To understand our baseline, we collected volume data on packaging materials such as plastic and cardboard and drafted the guidelines based on these insights. A pilot with our super-automatic machines enabled us to evaluate the effectiveness of our draft guidelines. Highlights included:

- 100% recyclable packaging used.

- 90% reduction in plastic packaging.

- 83% reduction in the incoming volume of packaging components — it is now possible to pack 10 machines instead of two with the same incoming packaging volume.

- 38% decrease in emissions from packaging materials (determined using our LCA tool).

In early 2024, we worked with a third party to validate our packaging emissions calculation methodology by comparing our results with those calculated using their comprehensive LCA tool. The comparison test confirmed our methodology, leaving us confident that our custom LCA tool will provide accurate packaging emissions calculations to support the implementation of our Green Packaging Guidelines.

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1   Carbon footprints were calculated following the general principles of life cycle assessment (LCA). Data refer to four product families with a material quantity of 45MT/y.

04.
People and talent

We protect and offer opportunities for personal and professional growth to employees and collaborators, promoting a culture of diversity, equality, and inclusivity.

→ Our people strategy

→ 2023 progress

→ Workers in our supply chain

Our people strategy

Our workforce is made up of more than 1,500 individuals — including factory workers, designers and innovators, engineers, and people across the many supporting functions that keep our business running every day.

We have a deep commitment to promote a culture of wellbeing for all our employees by providing them with a healthy, safe, and inclusive environment. It is important that colleagues at Evoca feel like they can grow as people, alongside contributing to the growth and success of the company.

It is also vital we attract and retain talented, motivated individuals by fostering a thriving environment where people enjoy working. Internationally, the importance of attracting qualified candidates with relevant technical skills,

coupled with the challenges of identifying suitable competencies for emerging roles, makes this a priority.

The range of measures we offer our employees to support and enhance their experience of working with Evoca include initiatives related to welfare, work-life balance, communication and engagement, health and wellbeing, recreational activities, and training.

Our aim is to continue being a positive force for our people. We are building on existing initiatives shared in our 2022 report — advancing and extending these programmes to support the evolving needs and expectations of our talented workforce. Read more on page 35.

Our people strategy focus areas

Work-life balance, diversity, and inclusion

Remote working

Part-time

Corporate welfare

Listening, internal communication, and engagement

Culture Survey

Professional development

Training

Job posting

Performance

Evaluation System

Evoca for local areas and communities

Education Project

Aiuto Donna - Helping Women

Supporting local girls' volleyball team
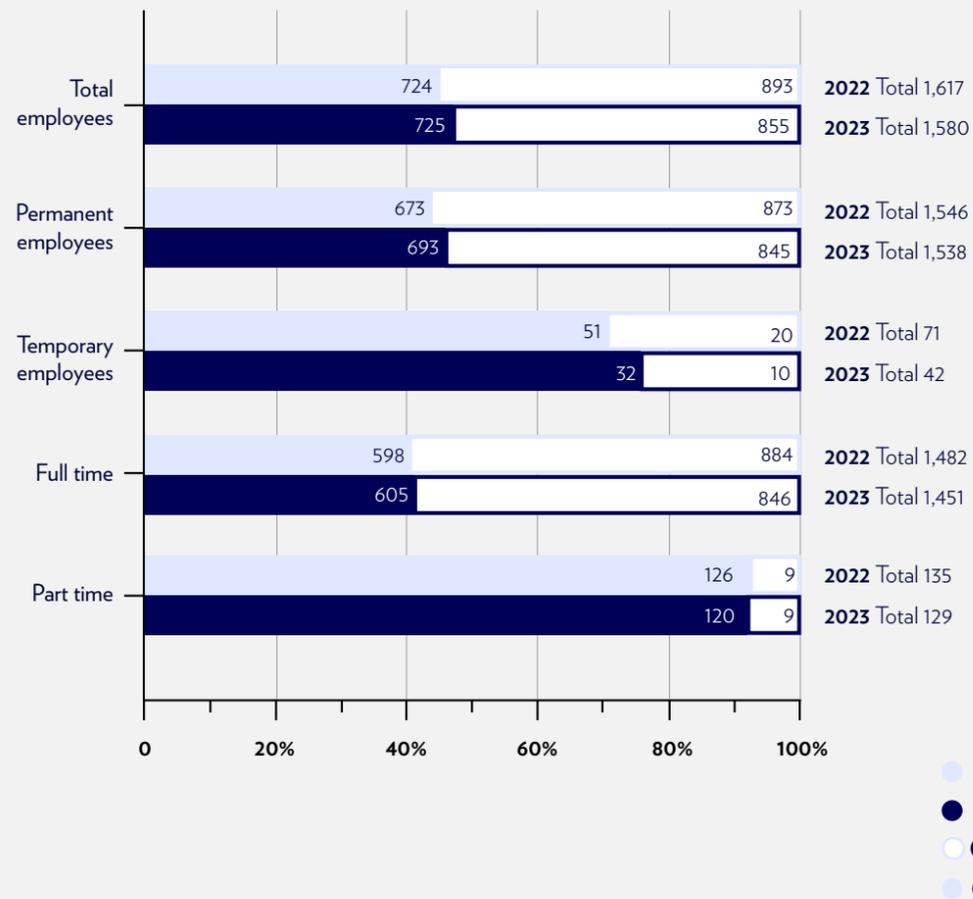
Health and safety at work

ISO 45001

Ergonomics

Our people in 2023

Combining local and global approaches

The majority (63%) of our employees are based in Italy and our goal is to implement consistent people-focused approaches and initiatives for the entire Group. In 2023, Group level actions related to people and talent included sharing guidelines on performance reviews and launching global ESG initiatives. We continue to roll out projects started in one or more of our locations to other regions, with the aim to share good practices and learnings across our business while considering the local context.
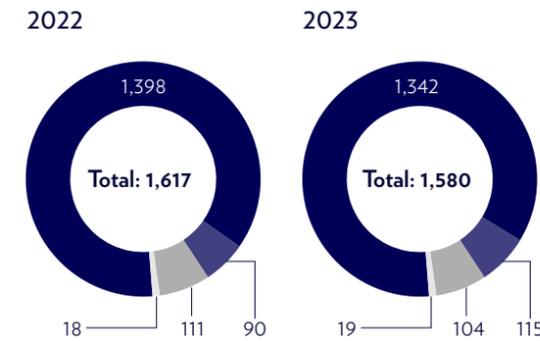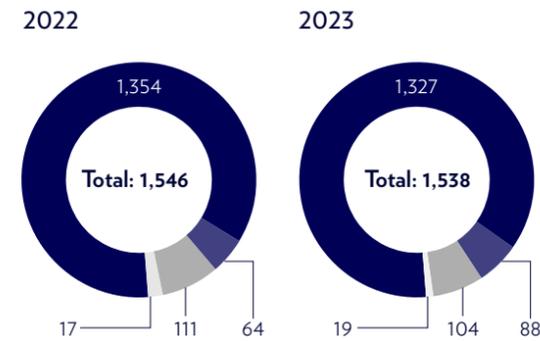
Employees by gender[1]

Total employees	724 / 893	**2022** Total 1,617
	725 / 855	**2023** Total 1,580
Permanent employees	673 / 873	**2022** Total 1,546
	693 / 845	**2023** Total 1,538
Temporary employees	51 / 20	**2022** Total 71
	32 / 10	**2023** Total 42
Full time	598 / 884	**2022** Total 1,482
	605 / 846	**2023** Total 1,451
Part time	126 / 9	**2022** Total 135
	120 / 9	**2023** Total 129

- 2022
- 2023
- ○ Males
- ● Females

Employees by region

Total employees

2022 — 1,398 — Total: 1,617 — 18 / 111 / 90
2023 — 1,342 — Total: 1,580 — 19 / 104 / 115

Permanent employees

2022 — 1,354 — Total: 1,546 — 17 / 111 / 64
2023 — 1,327 — Total: 1,538 — 19 / 104 / 88

Temporary employees

2022 — 44 — Total: 71 — 1 / 26
2023 — 15 — Total: 42 — 27

Full time

2022 — 1,268 — Total: 1,482 — 18 / 106 / 90
2023 — 1,219 — Total: 1,451 — 19 / 98 / 115

Part time

2022 — 130 — Total: 135 — 5
2023 — 123 — Total: 129 — 6
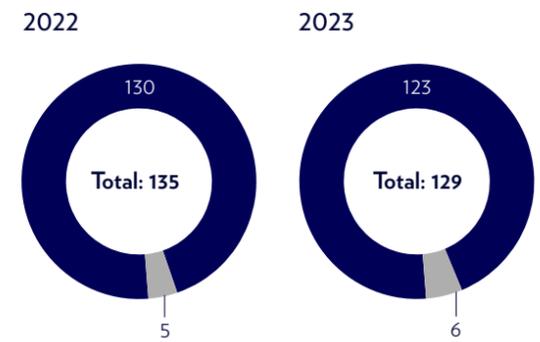
% employees in collective bargaining agreements
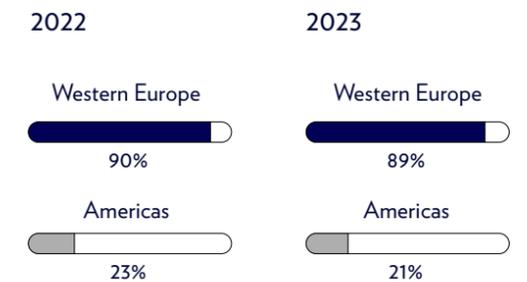
2022
Western Europe — 90%
Americas — 23%

2023
Western Europe — 89%
Americas — 21%

- ● Western Europe
- ● Central & Eastern Europe
- ● Americas
- ○ Rest of the world

[1] Employees self-disclosing gender are invited to choose "prefer not to say". None chose to do so in 2022 and 2023.

Sub-contractors 2022

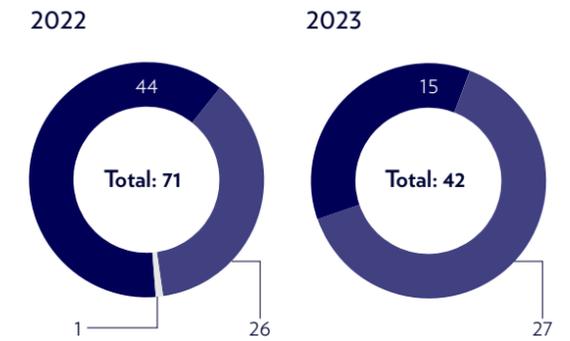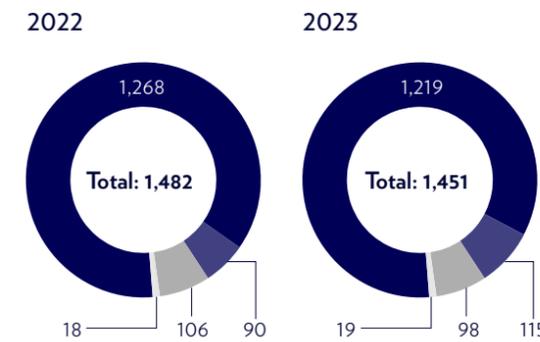Total: 60

- Resources from temporary firm (50)
- Apprenticeship (1)
- Contractor (9)
- Intern/trainee (0)

Sub-contractors 2023

Total: 23

- Resources from temporary firm (14)
- Apprenticeship (0)
- Contractor (8)
- Intern/trainee (1)
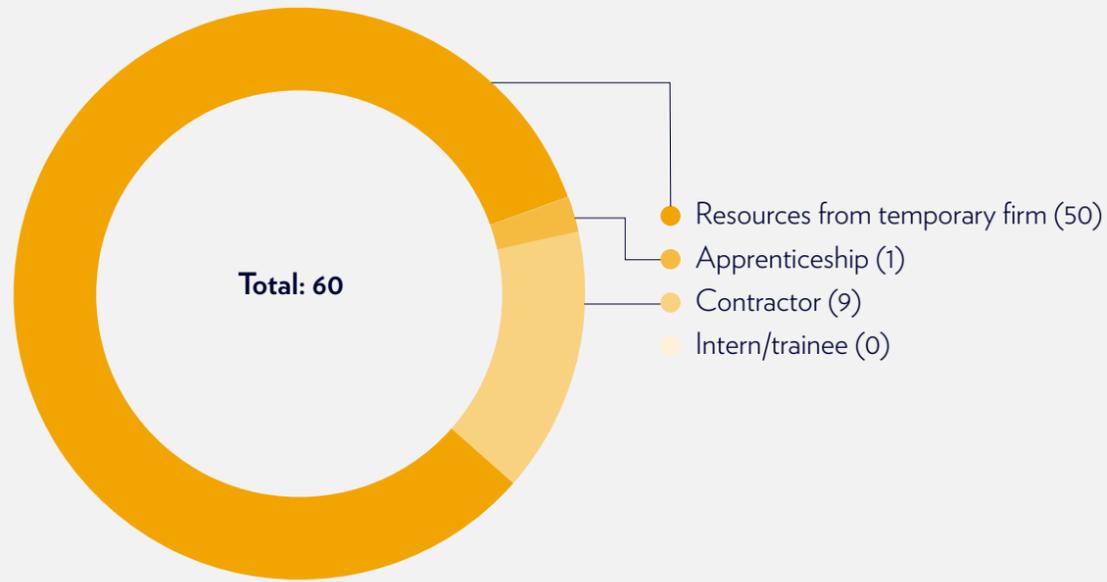
New employee hire and employee turnover

2022

	By age			By gender		By region			
	<30	30-50	>50	Female	Male	Western Europe	Central & Eastern Europe	Americas	Rest of the world
New employee hired	46	70	11	78	49	69	33	19	6
New employee rate		7.8%		10.7%	5.5%	4.9%	36.7%	17.1%	33.3%
Turnover	33	55	33	39	82	71	26	18	6
Turnover rate		7.5%		5.3%	9.1%	5.1%	28.9%	16.2%	33.3%
Headcount		1,617		724	893	1,398	90	111	18

2023

	By age			By gender		By region			
	<30	30-50	>50	Female	Male	Western Europe	Central & Eastern Europe	Americas	Rest of the world
New employee hired	35	50	16	46	55	57	27	12	5
New employee rate		6.4%		6.3%	6.4%	4.2%	23.5%	11.5%	26.3%
Turnover	12	64	62	45	93	113	2	19	4
Turnover rate		8.7%		6.2%	10.9%	8.4%	1.7%	18.3%	21.1%
Headcount		1580		725	855	1342	115	104	19

See our GRI index on page 62.

2023 progress

Diversity, inclusion, and work-life balance

We are dedicated to fostering an inclusive work culture that values equal participation, thought and opportunity for all individuals and offers a healthy balance between professional and personal priorities.

This commitment commences with recruitment, with the aim to ensure opportunities and growth paths for everyone — regardless of thought, sexual orientation, gender, religious beliefs, or any other aspect of visible or non-visible difference.

As a manufacturing company, we are particularly aware of the need to support career paths for women. Although our top management has a good balance of male and female, we aim to have more women in managerial positions and achieve gender pay equality by 2030. No confirmed incidents of discrimination were reported this year.[1] We have started on the path to achieve equality of pay certification for Evoca S.p.A. in 2024.

## Diversity of governance bodies and employees[2]

		Total	By age			By gender	
			<30	30-50	>50	Female	Male
Board of Directors	2022	6	0 (0.0%)	1 (16.7%)	5 (83.3%)	1 (16.7%)	5 (83.3%)
	2023	10	0 (0.0%)	5 (50.0%)	5 (50.0%)	2 (20.0%)	8 (80.0%)
Management	2022	172	1 (0.6%)	102 (59.3%)	69 (40.1%)	27 (15.7%)	145 (84.3%)
	2023	174	2 (1.2%)	96 (55.2%)	76 (43.6%)	26 (15.0%)	148 (85.0%)
Production / non-production employees	2022	1,445	63 (4.4%)	853 (59.0%)	529 (36.6%)	697 (48.2%)	748 (51.8%)
	2023	1,406	91 (6.5%)	847 (60.2%)	468 (33.3%)	699 (49.7%)	707 (50.3%)

1   In 2023, one report of discrimination was submitted and subsequently closed as it was determined not to be a case of discrimination.

2   Employees self-disclosing gender are invited to choose "prefer not to say". None chose to do so in 2022 and 2023.
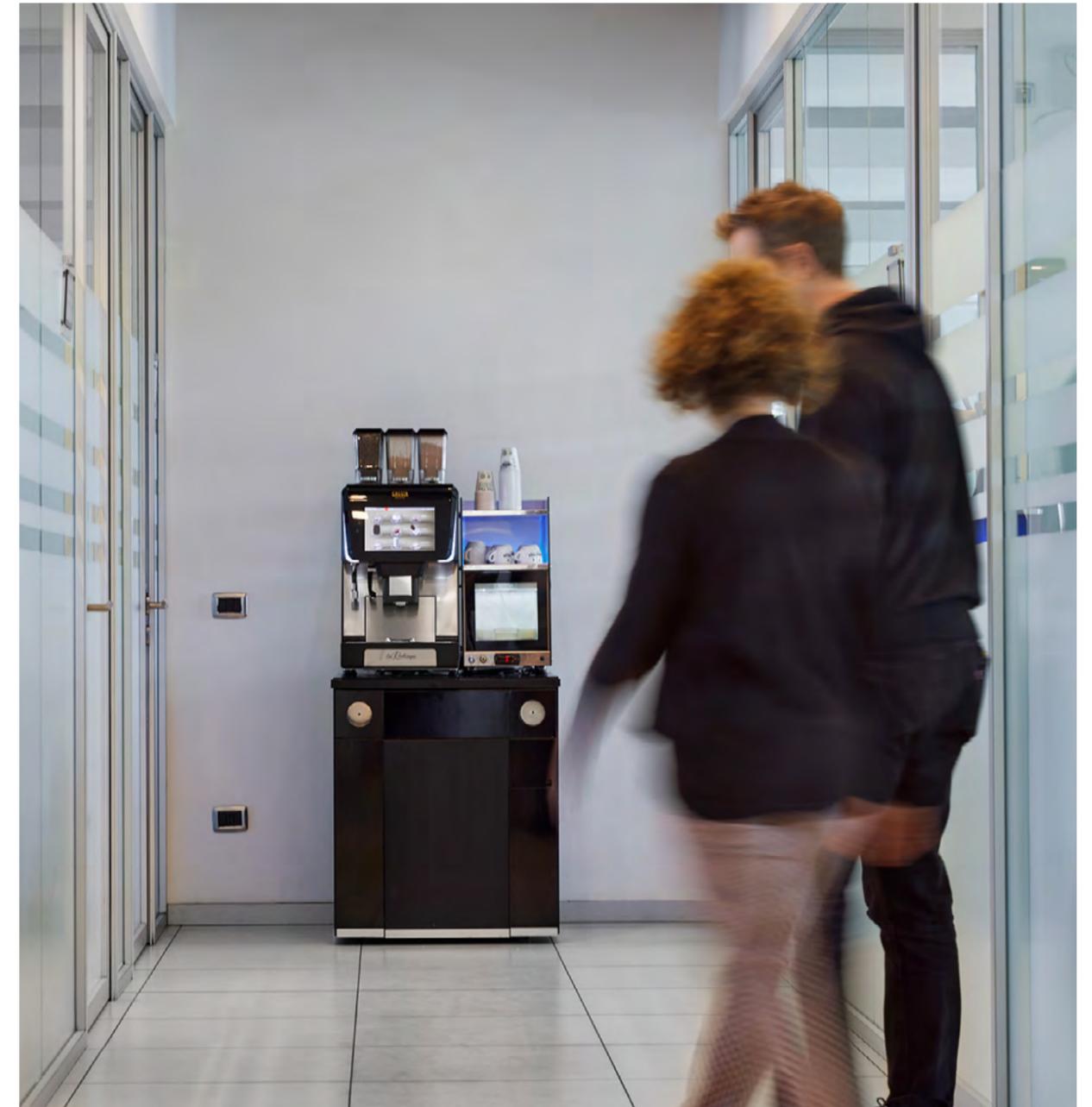
Parental leave
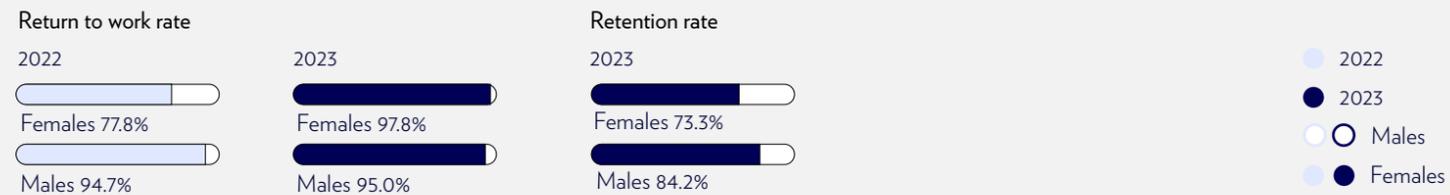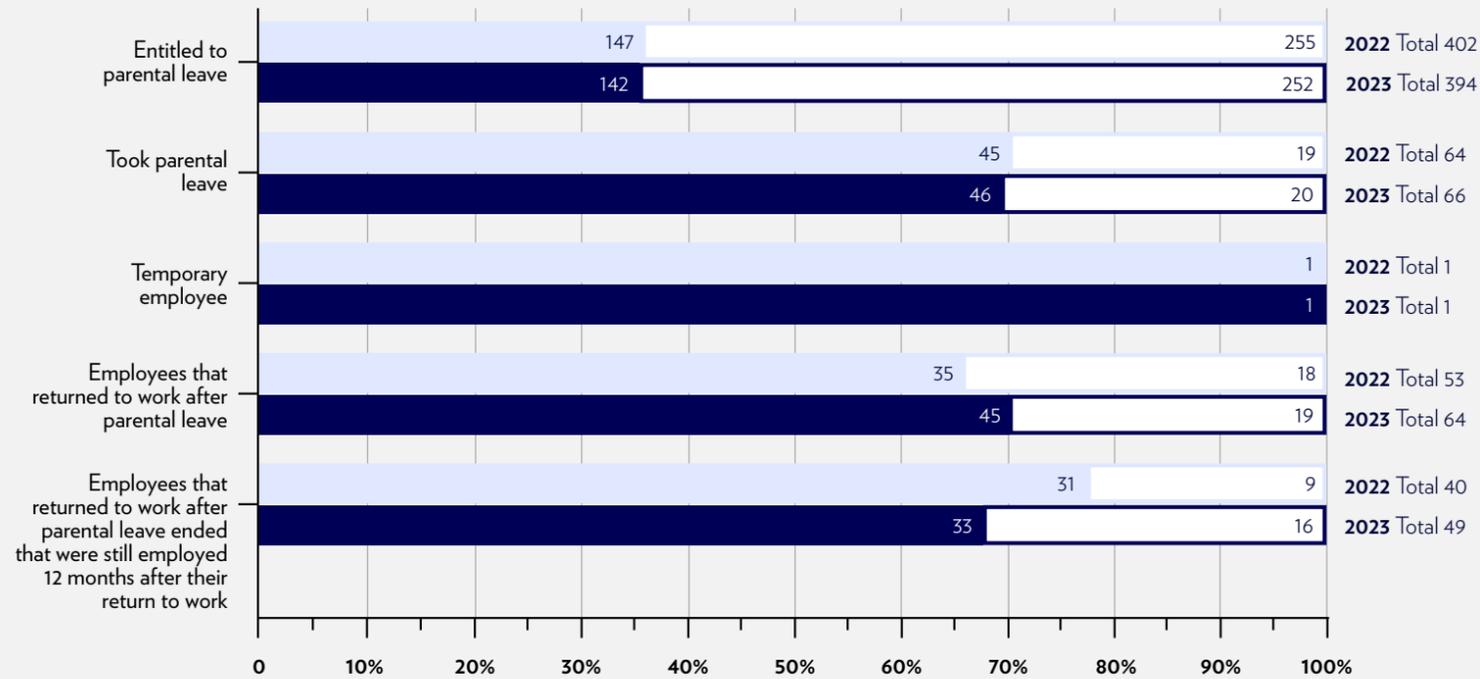
Within the workplace, we offer support for specific needs and life stages. This includes provision for parenting and parental leave, alongside measures like part-time work, flexible hours, remote work options, and additional permissions beyond legal requirements. These initiatives reflect our belief in the value of people, and our desire to cultivate a workplace where each person feels heard
and supported.

- **Remote working:** Introduced in 2020 in response to lockdowns, remote working remains an option for eligible positions. Shared guidelines establish remote working as an important tool for the company and for our people.

- **Part-time working:** We consider part-time working an important tool to promote work-life balance, especially when considering factors such as childcare, family responsibilities, and health issues.

- **Corporate welfare:** We have welfare initiatives and measures in place in various countries to enhance employees' work and personal lives. In Italy, a welfare portal facilitates access to a range of goods and services including reimbursement for education and care expenses for family members, pension plans contributions, and leisure time vouchers. We also explored new agreements with local stores, fitness centres, and other services to help save employee time.

- **Workplace Health Promotion (WHP):** Evoca S.p.A. has been a member of the Lombardy WHP Network programme since 2017, implementing a coordinated set of health and wellbeing initiatives for employees and being recognised as a workplace that promotes health. New good practices in 2023 included a survey to gauge employees' satisfaction and knowledge of the programme, and the recruitment of new volunteer members for our WHP team. We also carried on initiatives locally to encourage:

- Healthy diet — including free fruits and clearly visible healthy products in vending machines on site.

- Healthy lifestyle — including meetings with experts to increase awareness on the harms of smoking and addictive behaviours, and training offered to support employees to stop smoking.

- Sports practices — including padel, volleyball, soccer tournaments, and local running events and competitions.

- **Listening, internal communication, and engagement:** Since 2020, our internal communication portal has offered our employees a central place for key information about the company, a quarterly digital newsletter, multi-media content related to projects and initiatives, and documents accessible to all employees. In 2023, we added new sections, group policies and procedures, sustainability-focused materials such as posters, infographics, videos, and more.

- **Employee engagement and team building:** Activities are offered locally to employees and their families to enhance teamwork and foster a sense of community. These include country trips, celebrations for each decade of work within our company, and communal Friday breakfasts. In Italy, we also offer scholarships to the children of employees who have graduated with merit and organise an awards ceremony for them, their parents, and management, which will soon be extended to other countries.

Supporting our employees through changing times

The past few years have seen significant global change. We have worked to remain engaged with and supportive of our employees throughout — an approach we have continued as Evoca masters a period of transition. At the end of 2023, we organised town hall meetings with white-collar employees to introduce our new CEO and to inform them about future projects. In addition, visits to our subsidiaries enable our CEO to meet people in person, and he appreciated their feedback.

We continue to facilitate a continuous dialogue between top management and our employees via virtual town hall meetings and written communications. We are planning a global employee survey to give our people the opportunity to provide anonymous feedback and thus actively shape changes within the company.


Professional development

We offer opportunities for people to grow both professionally and personally, so they can set and reach their goals and fulfil their potential. We continuously work to improve our talent, recruitment, development, and retention processes to ensure both personal growth and organisational success. We have started implementing continuous feedback procedures and regular performance reviews for all permanent employees aligned with career development and reporting on human capital development metrics.

In 2023, Evoca S.p.A. introduced training breaks on the factory floor to engage employees in specific topics. These breaks occur between product cycles and enable employees and their managers to discuss health and safety, new programmes, and other important subjects.

Average hours of training per year per employee[1]

		Female	Male
Managers	2022	5	13
	2023	21	15
Production / non-production employees	2022	8	11
	2023	9	8

Percentage of employees receiving regular performance and career development reviews

2022

61%

26%

2023

80%

40%

● Managers
● Production / non-production employees
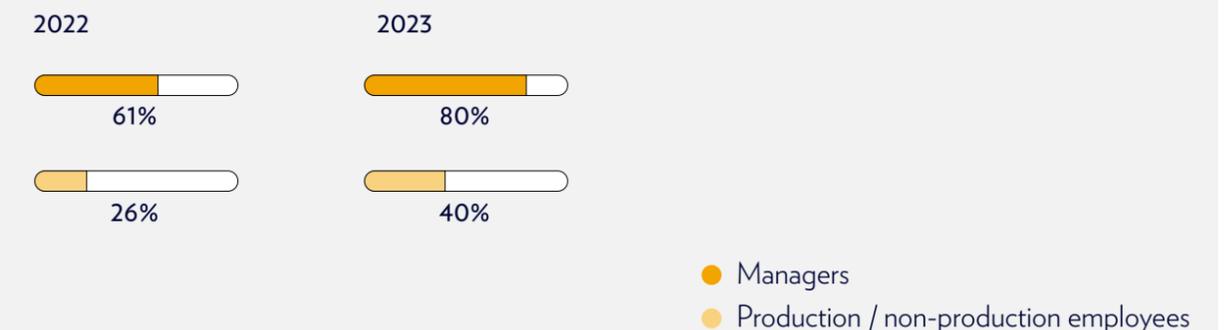
See our GRI index on page 57.

In Italy, we defined a new performance management system for blue-collar workers that will be introduced in 2024. We reviewed the system for white-collar workers and will make relevant updates in 2024 and beyond, including introducing a merit matrix. Both systems will be used for more objective remuneration policies.

In Italy, our Job Posting tool allows us to fill vacant positions with motivated internal individuals possessing the required skills and knowledge, while providing employees with opportunities for individual growth and development as well as greater satisfaction and engagement. This tool is successfully used in other countries of the group.

1   Employees self-disclosing gender are invited to choose "prefer not to say". None chose to do so in 2022 and 2023.

Listening to and engaging with our people

We regularly survey employees on a range of topics, contributing to our culture of open engagement. This enables us to involve our people in the company's decision-making processes and seek detailed feedback on specific topics.
We take an active listening approach to seeking and acting on feedback. Our first culture survey in Italy in 2022 encouraged employees to share their experience of their professional and personal journeys at Evoca. The 89% response rate indicated how engaged our workforce is.

We committed to act on the results of the survey and subsequent focus groups, prioritising the themes of organisation and management, community development, and communication and engagement.
We identified specific areas for improvement, leading to the implementation of the following projects in 2023:

• Training on performance management, feedback, and communication for all general managers and country managers from around the world.

• A results-orientated compensation system for eligible white-collar employees based on an updated management by objectives (MBO) process.

• Comprehensive descriptions of the technical and behavioural skills necessary for all professional families, aimed at streamlining guidance for individual and collective development.

• Updated performance management systems (see page 36).

Understanding employees' engagement with sustainability

We focused our 2023 employee survey and other engagement activities on sustainability. The survey focused on understanding which Evoca ESG projects our employees knew about. We also launched the annual contest asking our people "What do you do for sustainability?", which resulted in an internal sustainable practices guideline. The winners were awarded with a one-year certificate of participation — together with Evoca — with the 'Adopt a hive' project from a farm in the Bergamo area, along with jars of honey and the invitation to visit the farm.

To enable employees to become more familiar with the meaning of ESG and highlight related activities and projects, we shared three short videos where members of the Sustainability Committee elaborate on specific topics. More videos will be shot by colleagues in future to illustrate additional projects.

Health and safety at work

Our company and our workforce continue to evolve, presenting specific considerations for our approach to health and safety. Any organisational changes such as amendments to the production process require our managers to maintain strong awareness and communication around health and safety. An ageing production workforce increases the importance of addressing specific health risks, particularly those related to the musculoskeletal system. Our goal is to prevent an increase in occupational diseases and work-related biomechanical pathologies in the coming years.

We provide regular employee training on occupational health and safety through a risks and skills programme, which includes managerial responsibility, risk assessment and performance monitoring. In 2023, we trained 1,300 employees at our manufacturing plants, representing 5,113 hours of training.

We address incidents through problem-solving initiatives led by cross-functional working groups. These groups work to identify and eliminate root causes, thereby preventing reoccurrence. In 2023, we maintained our decrease in the number of injuries and the rate of recordable work-related injuries. The figure across all production sites combined was 50% lower than in 2022, though still higher than in 2020 and 2021 — showing that our efforts are having a positive effect, with more work to do.

Our health and safety risk assessments support identification of priority topics. We continually update these to ensure compliance with legal deadlines and, more importantly, to support our employees to adapt promptly to organisational changes, process modifications, and alterations in equipment or substances used.

EHS management systems

At the end of 2023, six out of our nine operational sites were ISO 45001 certified, and seven out of nine sites were ISO 14001 certified. These certifications cover 67% of operating plants (50% in 2022) and 82% of workers (77% in 2022). The remaining certifications are due to be obtained by the first half of 2025.

Worker training on occupational health and safety

	2022	2023
# hours	5,044	5,113
# people in manufacturing plants	1,341	1,300
Average	3.8	3.9

Occupational health and safety management system

	2022	2023
Number of operating plants under ISO 45001	5/10	6/9
% of operating plants under ISO 45001	50%	67%
% of workers covered by ISO 45001 in operating plants	77%	82%
% of workers covered by ISO 45001 in operating plants	1,341	1,300

Work-related injuries

	2022	2023
Employees	**#**	**#**
Fatalities as a result of work-related injury	0	0
High consequence injuries with >6 months of permanent consequences	0	0
Other injuries	25.0	15.0
Rate of recordable work-related injuries (per million hours worked)	13.0	7.4
Number of hours worked	1,926,081	2,019,670
Contractors	**#**	**#**
Fatalities as a result of work-related injury	0	0
High consequences injuries > 6 months or permanent consequences	0	0
Other injuries	0	0
Rate of recordable work-related injuries (per million hours worked)	0	0

Work-related ill health

	2022	2023
Employees	**#**	**#**
Fatalities as a result of work-related ill health	0	0
Acknowledged work-related ill health	2	6
Main types of work-related ill health: Biomechanical overload of upper limbs - Cumulative trauma disorders	2	6
# workers in operative plants	1,341	1,300

See our GRI index on page 62.

Evoca for local communities

We are part of our communities, often providing employment and contributing to the support of local people. Engagement with our local areas and communities is an important ongoing activity. 2023 updates on our current community engagement projects include:

- **Global aid:** In Italy, employees participated in a fundraising project for people in Syria and Turkey (promoted by an Italian non-profit organisation) and we invited colleagues at Group level to participate in similar initiatives.

- **Helping women:** Since 2018, Evoca S.p.A. together with its people, has been supporting Aiuto Donna, a local organisation committed to preventing and tackling violence against women by providing psychological and practical support for victims.

- **Red benches:** We placed two red benches in one of our breakout and rest areas at our Valbrembo site as a symbol against any form of violence on women and to call for its elimination. They were decorated with two plates reading "Next to all women" and "Against all forms of violence" indicating Evoca's stance on the issue.

- **Supporting a local girls' volleyball team:** We continued our support of the girls' volleyball team, Valpala Volley, in addition to promoting sports activities among our employees.

- **Education project:** We strive to build relationships with local high schools and universities. In Italy, we regularly host students as part of their school training programme and share expertise in classrooms. In 2023, some of our employees met approximately 100 local high school students and took part in local initiatives to meet a group of final-year students and give orientation advice. Evoca was also used as a case study by university students in their exams and a group of environment, health, and safety colleagues spoke about health, safety, and ergonomic topics at a Bergamo University conference. Evoca marketing team members took part in a strategy and marketing challenge at Politecnico di Milano, Italy, where students presented a business case study on innovation and improvement for Evoca's Necta brand and range.

Workers in our supply chain

Our suppliers and their workers are vital partners in our delivery of quality products to our customers and are a central part of our value chain (see page 16). We aim to partner with suppliers that share our values and our focus on people and the environment.

As a global company, we have policies and procedures in place that outline the expected behaviour within the whole supply chain — ensuring legal compliance, building trust among stakeholders, and supporting progress towards our sustainability goals. Current relevant policies include:

- **Code of Ethics:** identifies our corporate values and points out the rights, duties, and responsibilities of employees, suppliers, and other Evoca stakeholders internationally.

- **Human Rights:** details our position on respecting human rights along our value chain and provides guidance for practical implementation in daily operations.

- **Procedure Against Forced and Child Labour:** provides guidelines on handling suspected cases of forced and child labour, in compliance with our Human Rights Policy.

- **Procedure on Working Conditions:** shares our guidelines relating to working conditions at Evoca Group.

Other policies such as our Anti-Bribery and Anti-Corruption, and Anti-Money Laundering and Anti-Tax Evasion policies are relevant to our supply chain — read more on page 53.

We take a risk-based approach to determining the types and locations of suppliers requiring more detailed investigation of social and environmental aspects. Once identified, we validate relevant suppliers' compliance with our requirements using a targeted audit scheme. In parallel, we are fine-tuning a questionnaire aimed at validating risk assessment outcomes from a wider group of suppliers — covering human rights and development, environment, business integrity, and manufacturing process in relation to the carbon footprint of our operation and products (see below).

Proportion of direct material spending on local suppliers (80%)[1,2]

		Suppliers								
		Italy	Spain	Central and Eastern Europe	Romania	Western Europe	Canada	Americas	Rest of the world	Total
Manufacturing plants	Italy	68.8%	0.0%	1.7%	0.2%	3.3%	0.0%	0.1%	1.2%	75.2%
	Romania	4.4%	0.0%	0.2%	0.8%	0.2%	0.0%	0.0%	0.1%	5.6%
	Spain	1.1%	6.6%	0.0%	0.0%	0.3%	0.0%	0.0%	0.1%	8.1%
	Canada	4.6%	0.0%	0.0%	0.0%	1.1%	3.9%	1.0%	0.4%	11.1%
	Total	**78.9%**	**6.6%**	**1.9%**	**0.9%**	**4.9%**	**3.9%**	**1.1%**	**1.8%**	**100%**

See our GRI index on page 60.

1   Figures may not add up due to rounding.
2   Local is defined as supplier base located in the same country of manufacturing plant.
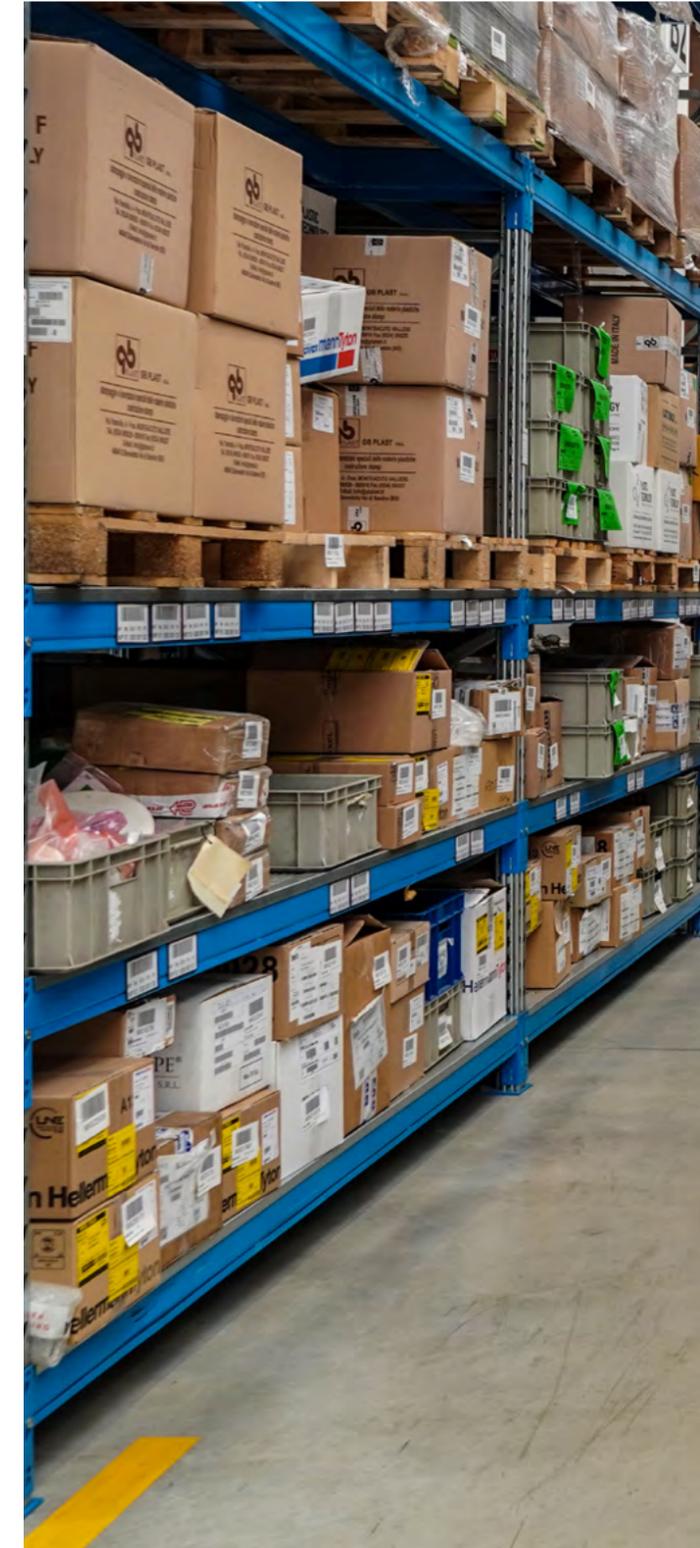
Enhancing supplier screening

We started using a supplier screening platform to map out and provide a robust risk classification of our entire supply chain. The tool will help us to meet compliance requirements and enable us to select the suppliers which meet our environmental, social, and governance expectations. With the support of this tool, we will begin partnering with key suppliers in 2024, to increase the percentage of Evoca's 'sustainably' sourced materials and components — focusing on material selection, energy efficiency, and emissions reduction.

Supplier risk assessment is based on geography and country capabilities, national and local human rights and labour laws, and the environmental and health and safety aspects related to each manufacturing process or operational activity. We have developed training for buyers on our sustainable procurement policies and programmes — including environmental and social supplier standards and data-driven risk assessment — to support prioritisation of actions across our wide supply base.

Our supply chain plans for 2024:

- **Supply chain transparency:** Foster open communication and collaboration with our suppliers to enhance supply chain sustainability and resilience, and ensure ethical practices throughout our operations.

- **Direct engagement:** Actively engage suppliers to ensure adherence to fair labour standards and promote ethical working conditions.

- **Sustainable sourcing:** Partner with key suppliers to increase 'sustainably' sourced materials and energy efficiency and reduce our carbon footprint.

- **Supply chain risk management:** Develop an integrated, interconnected framework that will help us to implement a systematic approach for monitoring and improving sustainability practices — starting with foundational ESG compliance standards and progressively setting higher benchmarks.

05.
Climate

We are committed to achieving our science-based emissions reduction targets in line with the Science Based Targets initiative (SBTi) criteria and recommendations.

→ Our climate strategy

→ 2023 progress

→ Operational waste

→ Water

→ Biodiversity

Our climate strategy

In 2023, the Earth witnessed the hottest three-month period on record, with more frequent and intense weather events disrupting lives and costing millions in damage repair. With greenhouse gas (GHG) emissions being a driver of climate change, every person and organisation has their part to play in global emissions reduction.

Most of Evoca's emissions are generated up- and downstream of our operations, where we have less direct control over climate-conscious decisions. Having said that, our customers are increasingly seeking products with improved environmental performance and our investors and employees are more aware of this topic too. Evoca is committed to understanding the risks and opportunities associated with our business, and to aligning with global best practice to reduce emissions within our sphere of influence.

Assessing and addressing our climate risks

We have started to assess where and how climate change will affect our business.

Our principal shareholder conducted a preliminary qualitative climate risk analysis for Evoca in 2023. We used the analysis — aligned to the Task Force on Climate-related Disclosures (TCFD)[1] framework — to prompt further conversations around climate risks and opportunities for our company.

The main risks identified included those relating to changing markets — including accelerated climate-related demand from customers, and the cost and availability of raw materials — and the evolving policy and legal landscape. Identified opportunities included growth driven by offering more sustainable products and increased customer demand for such products, alongside increased efficiency and business resilience.

An early 2024 update to the analysis provided further insight into the physical risks to our business — such as extreme heat, wind, thunderstorms, flooding and wildfire — which could affect our operational sites now and in future years.

1   In 2023, the TCFD fulfilled its remit and disbanded. The Financial Stability Board has asked the IFRS Foundation to take over the monitoring of the progress of companies' climate-related disclosures.

Emissions focus

Our climate strategy centres on emissions reduction, and we have made strong progress in measuring our GHG emissions over the last two years. Our GHG calculation methodology is aligned with SBTi and therefore the GHG Protocol — the gold standard for measuring and reducing company emissions.

In 2023, we finalised our Scope 3 inventory, giving us a complete view of our Scope 1, 2, and 3 emissions for 2022. Our downstream Scope 3 emissions, which represent the vast majority of our GHG inventory — 80% of our emissions — are generated during the use of sold products. Fitting our machines with energy-saving solutions therefore represents our greatest opportunity to reduce our emissions. Read more about our progress in sustainable product innovation on page 24.

Our GHG emissions footprint (data from 2023)
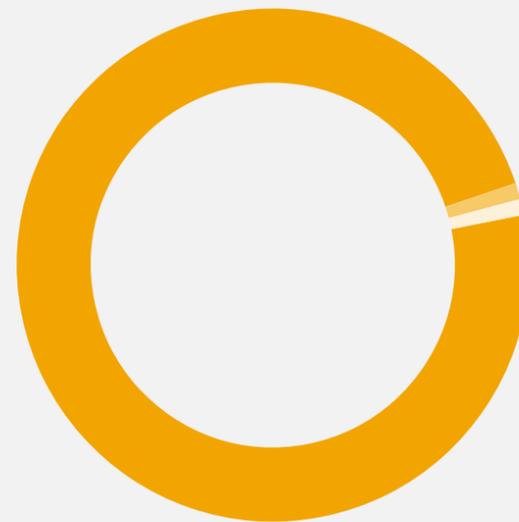
- **Scope 1 emissions:** Direct emissions from the resources we own and control, e.g. emissions from Evoca-owned production facilities or Evoca-owned vehicles. **(0.5%)**

- **Scope 2[2] emissions:** Indirect emissions from the energy we purchase, e.g. emissions from heating or cooling we purchase for our offices. **(0.1%)**

- **Scope 3 emissions:** Emissions generated upstream and downstream of our value chain, e.g. emissions from the extraction of raw materials such as steel, used in our machines, and emissions generated during the use of our products. **(99.4%)**

2   Scope 2 emissions refers to market-based only.

The GHG Protocol includes 15 categories for Scope 3 emissions. We include data for categories 3.1 (purchased goods and services) and 3.11 (use of sold products) since these are the categories within scope for our near-term Scope 3 GHG emissions target and are the categories most material to our business (accounting for approximately 97% of our Scope 3 emissions).

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science-based targets

In early 2024, our near-term GHG emissions reduction targets were validated by the SBTi. The SBTi is a partnership between the world's leading environmental organisations — including CDP, the United Nations Global Compact, World Resources Institute, and the World Wide Fund for Nature (WWF) — enabling companies to set emissions reduction targets in line with what climate experts deem necessary to limit global warming below 1.5°C. To date, more than 8,200 companies have committed to science-based targets, including 170+ Italian companies.

Our near-term GHG emissions targets

- Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030, from a 2022 base year.

- Reduce absolute Scope 3 GHG emissions from purchased goods and services and use of sold products by 42% by 2030, from a 2022 base year.
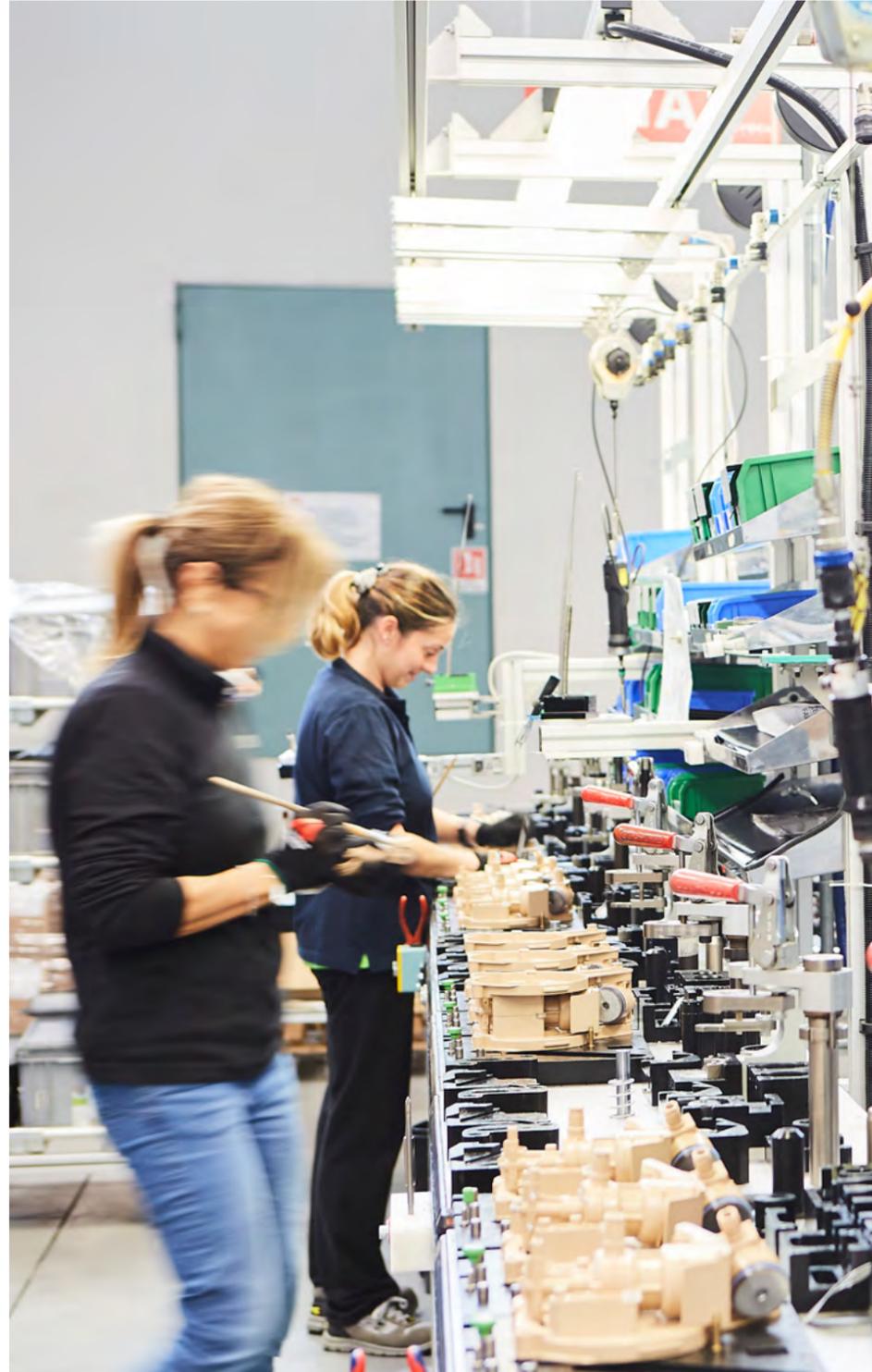
Reducing our energy use and emissions

	2022 tonnes CO_2e	2023 tonnes CO_2e	% change from baseline year (2022)	2022 emissions intensity (kgCO_2e/M€)	2023 emissions intensity (kgCO_2e/M€)	% change from baseline year (2022)
Scope 1	2,038	1,962	-4%	4.9	4.5	-9%
Scope 2[1] (market-based)	431	400	-7%	1.0	0.9	-12%
Scope 2[1] (location-based)	1,576	1,382	-12%			
Scope 3[2] (purchased goods and services)	75,360	61,666	-18%	181.3	139.9	-23%
Scope 3[2] (use of sold products)	355,273	318,754	-10%	854.9	723.3	-15%
				net sales €415,575	net sales €440,705	

[1]   Includes carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

[2]   The GHG Protocol includes 15 categories for Scope 3 emissions. We include data for categories 3.1 (purchased goods and services) and 3.11 (use of sold products) since these are the categories within scope for our near-term Scope 3 GHG emissions target and are the categories most material to our business (accounting for approximately 97% of our Scope 3 emissions).

2023 progress

Our Scope 1 and 2 emissions did not change significantly in 2023, while Scope 3 — the vast majority of our emissions — saw a 17% decrease in emissions intensity from a 2022 baseline year. Part of this decrease is related to the machines we produce. In 2023, we streamlined our portfolio of products to focus on machines with greater energy efficiency and reduction of raw material use, phasing out older products that have less energy efficiency than newer models.

In 2023, we reduced energy intensity in our operations by 18%. A major contributor to this reduction was through the heating and cooling of our buildings. By adjusting the thermostat range to a comfortable, but less energy intensive, temperature throughout the year, we were able to make significant energy savings.
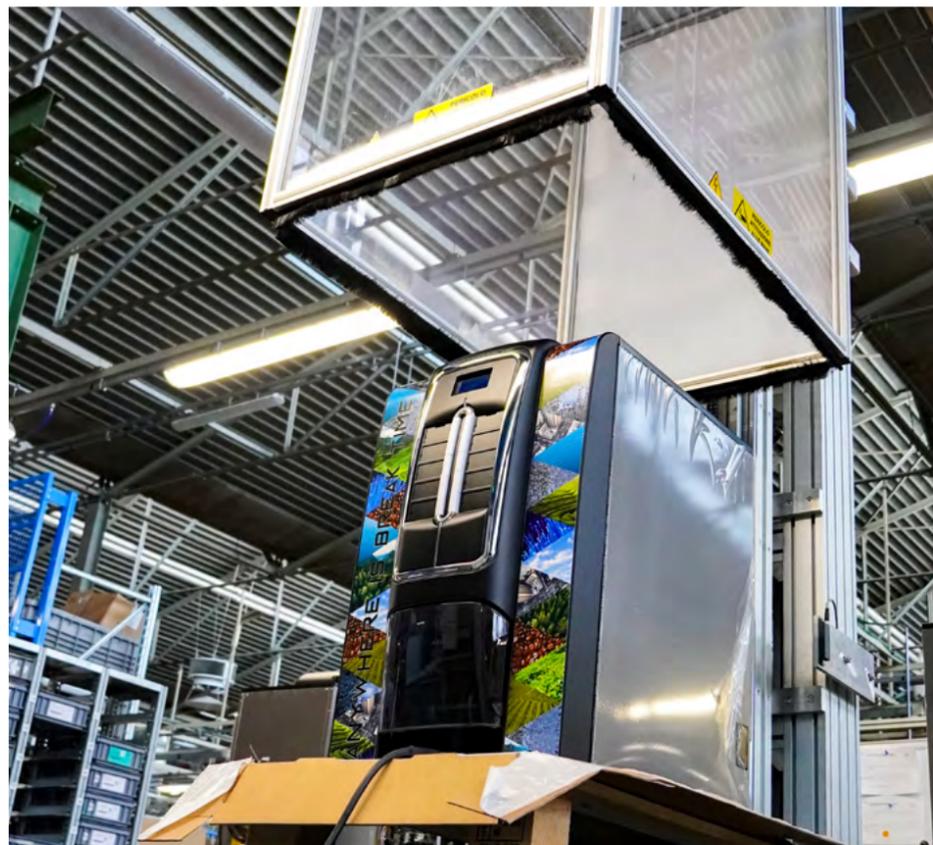
Energy consumption within our organisation

Energy types[1]	2022			2023		
	kWh	GJ	Energy intensity (kWh/M€)	kWh	GJ	Energy intensity (kWh/M€)
Heating from natural gas (non-renewable)	5,656,348	20,363	13.6	4,791,717	17,250	10.9
Heating from gasoline (non-renewable)	221,634	798	0.5	208,262	750	0.5
Heating from LPG (non-renewable)	163,643	589	0.4	156,820	565	0.4
Heating from propane (non-renewable)	350,238	1,261	0.8	376,176	1,354	0.9
Electricity (non-renewable)	1,501,399	5,405	3.6	1,383,328	4,980	3.1
Electricity (renewable)	5,135,315	18,487	12.4	4,420,730	15,915	10.0
Total energy consumption	**13,028,577**	**46,903**	**31.3 (net sales €415,575)**	**11,337,034**	**40,813**	**25.7 (net sales €440,705)**

See our GRI index on page 61.

1   Conversion factors: (source)

Software to reduce consumer emissions

Our commitment to develop products with lower GHG emissions encourages us to lean into innovation — one of our core strengths. In 2023, we enhanced the energy-saving software for our Wittenborg and Necta machines enabling customers to seamlessly manage their energy use. This is an important focus, as most of Evoca's Scope 3 emissions (about 80%) are generated during the use of sold products.

With this software, machines automatically enter an energy-saving 'deep mode' when they are not being used for an extended period (e.g. overnight). This triggers the machine to switch to idle status with reduced backlight brightness and lower boiler temperature. Users can also select the option to completely turn off the boiler in deep mode to further increase energy saving.

Our machines achieve more than 60% energy savings during a hypothetical night-time period (12 hours) with this software.

Renewable energy

We are taking steps to decarbonise our energy mix and shift to renewables where possible. Since 2021, Evoca's five operating sites in and around Bergamo, Italy have been operating on 100% energy from certified renewable sources. Our Mapello (Italy) and Barcelona (Spain) plants host solar panel systems, which generate around 60 MWh/year[1] and 100MWh/year, respectively.

Company car policy

Our company car policy varies by region. Over the last two years, we updated our policies in the UK and Italy to encourage the use of hybrid and electric vehicles and avoid high emissions vehicles. In Italy, we use a third-party company vehicles management platform which allows us to track the emissions of all our Italian company cars.

Employee engagement and education

In 2023, we dedicated more resources to increasing awareness of climate change and the importance of sustainability among our employees. For example, we conducted climate workshops with our R&D teams (read more on page 28) and hosted two training sessions with around 20 participants with direct responsibility for activities that impact our GHG emissions. Read more about our employee engagement on page 37.

Supplier engagement

We work with our upstream stakeholders (our suppliers) to meet the demand for climate action from our downstream stakeholders (our customers and consumers). In 2023, our Chief Sustainability Officer engaged some of our larger suppliers to understand their knowledge and habits with regards to sustainability. Early-stage conversations revealed we have more work to do to raise awareness of and motivation to address sustainability matters among our suppliers.

We have also identified a supplier sustainability risk management tool which will allow us to select suppliers which meet our environmental, social, and governance expectations. Read more about our approach to responsible sourcing on page 40.

1   Evoca Group Sustainability Report 2022

Operational waste

We continue to improve our operational waste management procedures to reduce our waste and its associated environmental effects. Our approach is aligned with the ISO 14001 Environmental Management standard — seven of our nine operational production sites are ISO 14001 certified and we aim to have all sites certified by 2025.

The waste management hierarchy (see right) further informs our approach to waste reduction, focusing on waste prevention by designing better, using less, and using the full value of products before disposal. More than 80% of the total waste generated during our production process (including 98% of the non-hazardous waste) is recycled.

Waste management hierarchy

Prevention
Prevention in waste generation

Reuse
Extension of product lifetime

Recycle
Recovery of different materials (metals, paper, plastics, glass)

Energy recovery
Production of biogas or waste-to-energy

Disposal
Transfer to a controlled landfill

Waste generated in 2023

Total: 2,971.3 tonnes[1,2]

- Metals: 1,372 tonnes (46.2%)
- Paper and carton: 432 tonnes (14.5%)
- Out-of-use equipment: 178 tonnes (6.0%)
- Mixed packaging: 161 tonnes (5.4%)
- Wood packaging: 154 tonnes (5.2%)
- Various other: 67 tonnes (2.3%)
- Municipal waste: 59 tonnes (2.0%)
- Liquid waste: 549 tonnes (18.5%)
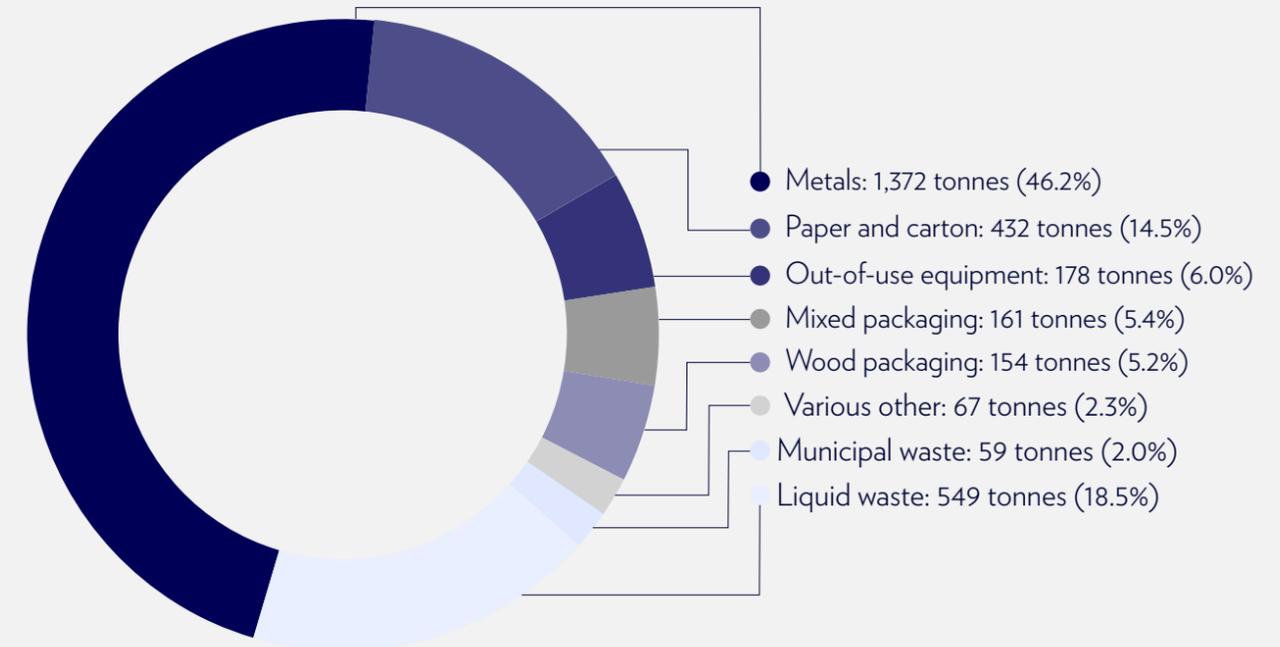
1   According to national laws with reference to European Waste Catalogue (EWC)
2   Percentages add up to 100.1 due to rounding.

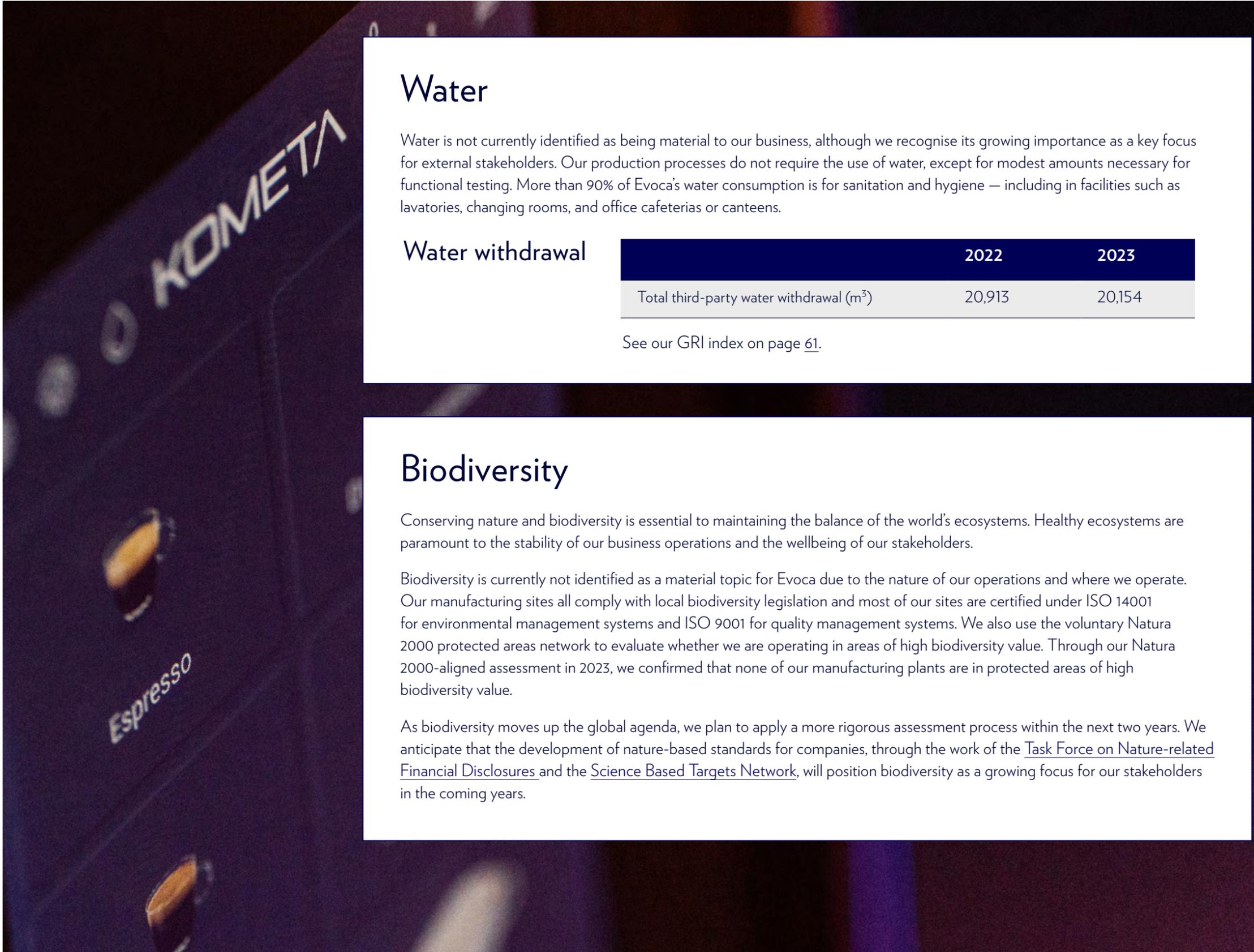## Waste diverted from disposal in 2023 (tonnes)

	Energy recovery	Material recovery
Non-hazardous	48.4	2,324.7
Hazardous	1.1	9.0
Total[1]	49.5 (2.0%)	2,333.7 (98.0%)

Waste directed to disposal in 2023 (tonnes)

Non-hazardous	579.9
Hazardous	8.2
Total[1]	588.1

See our GRI index on page 62.

Water

Water is not currently identified as being material to our business, although we recognise its growing importance as a key focus for external stakeholders. Our production processes do not require the use of water, except for modest amounts necessary for functional testing. More than 90% of Evoca's water consumption is for sanitation and hygiene — including in facilities such as lavatories, changing rooms, and office cafeterias or canteens.

Water withdrawal

	2022	2023
Total third-party water withdrawal (m³)	20,913	20,154

See our GRI index on page 61.

Biodiversity

Conserving nature and biodiversity is essential to maintaining the balance of the world's ecosystems. Healthy ecosystems are paramount to the stability of our business operations and the wellbeing of our stakeholders.

Biodiversity is currently not identified as a material topic for Evoca due to the nature of our operations and where we operate. Our manufacturing sites all comply with local biodiversity legislation and most of our sites are certified under ISO 14001 for environmental management systems and ISO 9001 for quality management systems. We also use the voluntary Natura 2000 protected areas network to evaluate whether we are operating in areas of high biodiversity value. Through our Natura 2000-aligned assessment in 2023, we confirmed that none of our manufacturing plants are in protected areas of high biodiversity value.

As biodiversity moves up the global agenda, we plan to apply a more rigorous assessment process within the next two years. We anticipate that the development of nature-based standards for companies, through the work of the Task Force on Nature-related Financial Disclosures and the Science Based Targets Network, will position biodiversity as a growing focus for our stakeholders in the coming years.

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1   According to national laws with reference to European Waste Catalogue (EWC).

06.
Governance

We are transparent and accountable towards stakeholders through solid and effective governance practices.

→ Our governance structure

→ Ethics and anti-corruption

→ Human rights

→ Data privacy and cybersecurity

Our governance structure

Evoca is a privately held company. We are committed to ethical business practices, responsible decision-making, and adherence to laws and regulations safeguarding the rights of individuals and communities. This approach facilitates effective strategic planning, which is instrumental to managing our business and sustainability approach across extended timeframes. Upholding ethical principles, integrity, and values is the right thing to do.
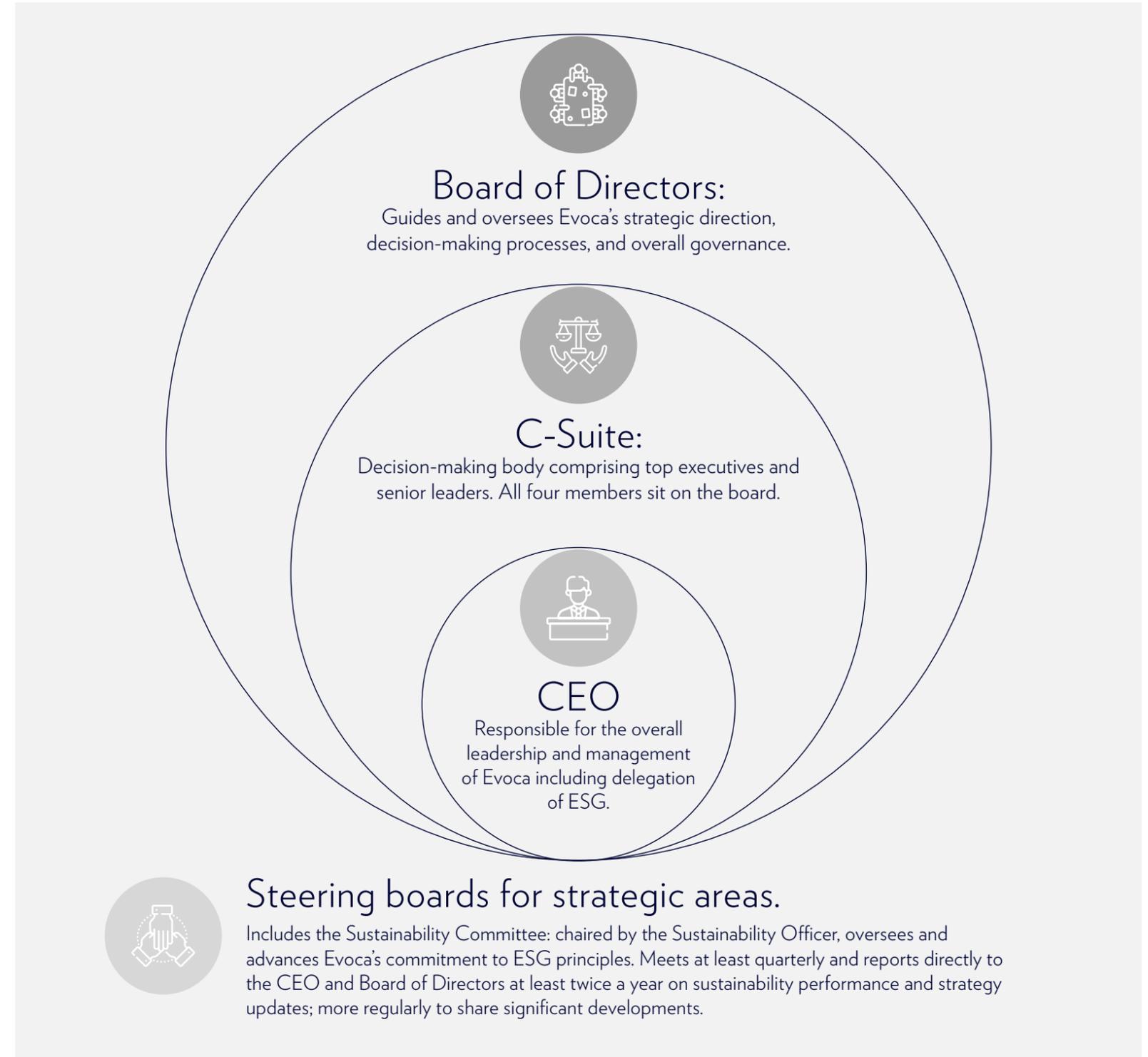
Composition of our Board of Directors

	Male	Female
Executive	2	2
Non-executive	5	0
Independent	1	0

In 2023, we implemented some key changes as part of the ongoing evolution of our company:

• Jochen Fabritius replaced Andrea Zocchi as Managing Director and CEO.

• Norman Rafael joined the Group as Director and Chief Operating Officer (COO) responsible for Manufacturing, Supply Chain, EHS (Environment, Health and Safety), Logistics, Procurement, Quality, R&D, Communications and Marketing functions, and Sustainability matters.

• Oxana Dotsenko joined the Group as Director and Chief Transformation Officer (CTO) with the task to support the Board of Directors and the CEO in developing and executing Evoca's transformation plan.

• We set up a C-suite including the CEO, COO, CTO and CFO, to coordinate Group-level decisions.

Our Board of Directors now consists of 10 members (six in 2022).

Board of Directors:
Guides and oversees Evoca's strategic direction, decision-making processes, and overall governance.

C-Suite:
Decision-making body comprising top executives and senior leaders. All four members sit on the board.

CEO
Responsible for the overall leadership and management of Evoca including delegation of ESG.

Steering boards for strategic areas.
Includes the Sustainability Committee: chaired by the Sustainability Officer, oversees and advances Evoca's commitment to ESG principles. Meets at least quarterly and reports directly to the CEO and Board of Directors at least twice a year on sustainability performance and strategy updates; more regularly to share significant developments.

Ethics and anti-corruption

To ensure a high level of ethics and transparency across our value chain, we have the following group policies in place:

- **Code of Ethics (since 2007):** Outlines our values and a framework of rights, duties, and responsibilities for stakeholders. It encourages high professional standards and counteracts any deviations from applicable rules and corporate values.

- **Model 231 (since 2007):** A system of protocols that regulates our company structure and guides the management of sensitive processes. The primary aim is to mitigate the risk of employee involvement in criminal offences, thereby reducing the company's administrative liability. An independent Supervisory Body is responsible for overseeing compliance with and the proper functioning of Model 231, and for making updates to both the Model and the Code of Ethics.

- **Anti-Bribery and Anti-Corruption Policy (since 2021):** Lays down a set of internal rules aimed at prohibiting and reducing incidents of bribery and corruption by our employees, suppliers or partners.

- **Supplier Code of Conduct (since 2021):** Describes our expectations of our suppliers. The Code communicates our values and supports the adoption of corresponding behaviours on crucial matters such as human rights, workers' rights, health and safety, environmental protection, and anti-corruption efforts.

- **Conflict Minerals Policy (since 2019):** Aims to guarantee a responsible global supply chain for certain minerals from conflict-affected and high-risk areas.

- **Export Control Policy (since 2019):** Ensures product exports are made according to export control and sanctions laws.

- **Anti-Money Laundering and Anti-Tax Evasion (since 2021):** Aims to avoid any conflicts of interest and to comply with the obligations set out in laws and regulations prohibiting money laundering, terrorist financing and tax evasion all over the world.

In 2023, our largest operational site (Evoca S.p.A.), representing 56.6% of the Group, was assessed for risks related to corruption. No significant risks were identified through the assessment. In 2023, there were:

- Zero incidents of corruption reported.

- Zero legal actions for anti-competitive behaviour, anti-trust, or monopoly practices pending or completed.

- Zero significant instances of non-compliance with laws and regulations (resulting in fines or monetary sanctions).

In November 2023, we delivered a training course on the main terms of Model 231 (applicable to Evoca S.p.A.), our Code of Ethics and our Anti-Bribery and Anti-Corruption Policy. Approximately 400 employees participated, equal to more than 50% of all white-collar employees. The course included:

- The main principles of Legislative Decree no. 231 of 2001 and the administrative liability of legal entities, as well as the structure and functioning of Model 231 and the role of the Surveillance Body.

- The diverse principles laid out in our Code of Ethics.

- The principles and internal rules adopted by the Group in its Anti-Bribery and Anti-Corruption Policy to prevent and fight corruption (e.g. explicit prohibition of bribes, facilitation payments, gifts, payments to political parties, etc.).

- The possibility and terms for employees and third parties to report illicit conduct through the dedicated whistleblowing channel, according to the Whistleblowing Policy of the Group.

Communication and training on anti-corruption policies and procedures

	Number of members	% of members
Communication with governance body members[1]	28	67%
Training with governance body members[1]	17	40%
Communication with employees	387	74%
Training with employees	323	61%

In the wake of the conflict following Russia's invasion of Ukraine, marked by the 12th package of sanctions against Russia in December 2023, we strengthened our export and anti-money laundering controls by implementing our Export Control Policy and Anti-Money Laundering and Anti-Tax Evasion measures. This involved the acquisition of specialist software to screen customers, identifying those potentially sanctioned or otherwise involved in criminal activities.

Human rights

We are committed to respect and promote the human rights of all those involved in our business, in every country where we operate. In October 2023, we formalised our commitment to human rights — a vital aspect of the company's sustainability strategy — in our Human Rights Policy.

We audit and carefully select suppliers from countries and areas that are 'at risk' from a human rights perspective to ensure they follow our ethical business practices outlined by our Supplier Code of Conduct.

[1]   Governance body members include members of each subsidiary of the group.

# Data privacy and cybersecurity

Data privacy

The personal data we hold is principally limited to our employees. Our data privacy practices support the rights of anyone whose personal data we hold and are compliant with data protection law — including the General Data Protection Regulation (GDPR).

Our comprehensive approach to data privacy and data protection law compliance is based on the principles of transparency and consent, privacy by design, and minimisation — collection of the minimum data necessary for the intended purpose. We take a systematic approach to collecting, storing and using personal data including clearly defining the legal basis for processing data. Should a breach occur, we notify the relevant authorities and affected individuals promptly. Our Data Protection Officer oversees data protection in our Italian operations and, where requested, provides data protection advice to all our EU operations. Our German subsidiary employs a Data Protection Officer who oversees data protection in Germany.

Contracts with suppliers include GDPR-compliant data processing terms, and we deliver periodic training to employees on data protection principles and GDPR compliance, to foster a culture of privacy awareness within the Group. We update our policies and procedures in line with changes in data protection laws and regulations. In 2023, we received zero substantiated complaints concerning breaches of customer privacy, including any leaks or losses of customer data.

In response to the EU Whistleblowing Directive, we have implemented a Whistleblowing Policy and established internal reporting channels to align with the high standards set by EU legislation regarding confidentiality and personal data protection. This directive has positively influenced our governance approach, enhancing risk identification and management, and promoting accountability among directors and managers. In 2023, we received zero whistleblowing reports via our internal channels.
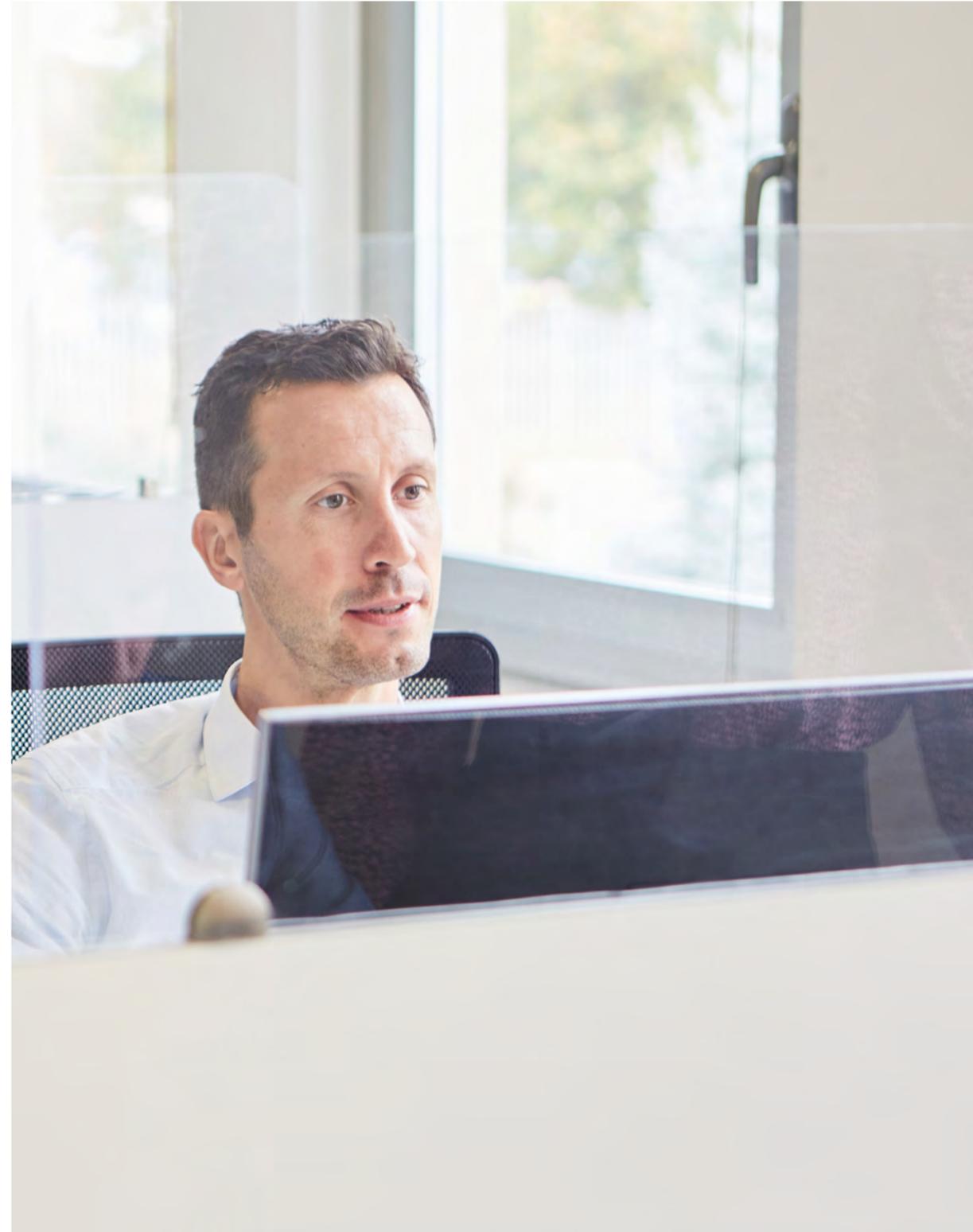
Cybersecurity

We take a proactive stance on cybersecurity in the context of ever-evolving threats and challenges. Our approach is built on thorough risk assessments, stringent access controls, and the deployment of modern security tools — all within the framework of a deeply security-conscious ethos.

Behaviour is key to maintaining strong security, so we carry out regular employee cybersecurity training, complemented by the implementation of user, device, and network security measures. We have established and implemented a comprehensive incident response plan, refined through regular testing and strict adherence to relevant regulatory frameworks.

Our commitment to vigilance extends to the continuous monitoring of network activities, enabling us to adapt quickly to emerging threats and enhance our security protocols accordingly. We maintain robust data backup and recovery mechanisms to support business continuity.

07.
About this report

About this report

This document is Evoca's second Sustainability Report. It has been written with reference to the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) defined by the Global Reporting Initiative (GRI). Our GRI index references relevant GRI indicators for the sustainability topics included in this report. We have used the most recent version (2021) of GRI Universal Standards 1 (Foundation) and GRI 2 (General Disclosure). Our reported topics were selected based on the results of a materiality analysis carried out in 2023. The analysis helped us identify our actual and potential influence on the economy, environment, and individuals, including considerations of human rights across our operations and partnerships.

This report includes data from our parent company (Evoca S.p.A.) and its subsidiaries, consolidated on a line-by-line basis in the financial statement. We have not included in this report companies consolidated using the equity method or sustainability data that we have identified as not significant or material to our business. Exceptions to this are clarified within the document using footnotes.

We are working towards reporting in alignment with the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD), which will be applicable to Evoca starting from fiscal year 2025. In 2023, we are again reporting with reference to GRI Standards, and include an index of GRI content mapped to relevant ESRS standards, as we prepare for full ESRS compliance.[1]

This document was subject to limited assurance engagement by Deloitte Touche S.p.A. in accordance with the ISAE 3000 Revised standard. It was performed according to the procedures specified in the independent auditor's report included in this document. All published data refers to the initiatives and activities of Evoca Group in 2023 and performance trends are described in relation to preceding years.

The sustainability report is published annually. The next report, referring to the year 2024, will be published in 2025.

The main recipients of the report are the stakeholders of the company.

Point of contact: Giusi Bonini, Chief Sustainability Officer, giusi.bonini@evocagroup.com.

Publication date: 8 May 2024

Evoca Group companies included in consolidated financial statement[2]

EVOCA S.p.A., registered office in Valbrembo, 24030 (BG), Via Roma, 24 – Italy	EVOCA Australia Pty Ltd – registered office in North Sydney, Australia
EVOCA Holding Denmark ApS – registered office in Odense, Denmark	EVOCA Singapore PTE Ltd. – registered office in Singapore
EVOCA NORDIC ApS – registered office in Odense, Denmark	EVOCA RUS LLC – registered office in Moscow, Russia
EVOCA UK Ltd– registered office in Kingswinford, Great Britain, which includes Wittenborg UK Ltd – registered office in Kingswinford, Great Britain	EVOCA MANUFACTURING ROMANIA SRL – registered office in Municipiul Cluj-Napoca, Romania
EVOCA Austria GmbH – registered office in Wien, Austria	SaGa Coffee S.p.A. - registered office in Valbrembo (BG), Italy
EVOCA Germany GmbH – registered office in Rastatt, Germany	SaGaPRO Portugal LDA. - registered office in Trofa, Portugal[3]
EVOCA France Sas - registered office in Le Mesnil Amelot, France	EVOCA North America Holdings INC. - registered office in Montreal, Canada
Fridge France Sas – registered office in Le Mesnil Amelot, France[3]	EVOCA North America Ventures Inc. - registered office in Montreal, Canada
EVOCA Iberia SL – registered office in Coslada, Madrid - Spain	Cafection Corp. - registered office in Wilmington, USA[3]
EVOCA Sudamerica SA – registered office in Buenos Aires, Argentina	QUALITY ESPRESSO SA – registered office in Barcelona, Spain
EVOCA Poland Sp. Z o.o. – registered office in Warsaw, Poland	QUALITY ESPRESSO USA INC. - registered office in Coral Gables, Florida USA[3]
EVOCA Brazil Comercio de Equipamentos LTDA – registered office in Sao Paulo, Brazil	EVOCA TRADING (SHANGHAI) CO., LTD. - registered office in Shanghai, China
EVOCA Innovative Solutions S.r.l.– registered office in Zoppola (PN), Italy	EVOCA Belgium SA – registered office in Drogenbos, Belgium

1   Reference to ESRS is based on European Financial Reporting Advisory Group (EFRAG) guidance as of 2023. The inclusion of ESRS reference in the GRI index is for information only, and is not included in the limited assurance process.

2   Companies not included in this list are either closed in 2023 (Ducale Macchine da Caffè Srl – registered office in Parma, Italy (wholly owned until February 2024, at which point the office was closed)), PROVENERO Gmbh – registered office in Steislingen, Germany (wholly owned – joined Evoca in Q4 2023 and will be included in future reporting), or joint ventures representing less than 0.2% of turnover (EVOGE LIMITED – registered office in Hong Kong (owned 79%); EVOGE (DONGGUAN) MANUFACTURING CO, LTD – registered office in Dongguan City (P.R.C.) (owned 79%); EVOACAS LIMITED – registered office in Hong Kong (owned 55%); GUANGZHOU EVOACAS INTELLIGENT EQUIPMENT CO, LTD, registered office in Guangzhou (P.R.C) (owned 55%))

3   These companies are non-productive holdings and are therefore excluded because ESG data is not significant.

GRI index

Statement of use	Evoca has reported the information cited in this GRI content index for the period 1 Jan 2023 - 31 Dec 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: GENERAL DISCLOSURES

Disclosure	Response	Relevant ESRS disclosures[1]
2-1 Organisational details	About Evoca Group: Our business, page 7	
2-2 Entities included in the organisation's sustainability reporting	About this report, page 56	**ESRS 1, 5.1:** Reporting undertaking and value chain **ESRS 2, BP-1:** General basis for preparation of sustainability statements
2-3 Reporting period, frequency and contact point	About this report, page 56	
2-4 Restatements of information	No restatement needed	**ESRS 2, BP-2:** Disclosures in relation to specific circumstances
2-5 External assurance	Appendix: Independent auditor's report, page 64	
2-6 Activities, value chain and other business relationships	About Evoca Group: Our business, page 7 Our sustainability strategy: Stakeholder engagement, page 15	**ESRS 2, SBM-1:** Strategy, business model and value chain
2-7 Employees	People and talent: Our people in 2023, page 32	**ESRS 2, SBM-1:** Strategy, business model and value chain **ESRS S1-6:** Characteristics of the undertaking's employees
2-8 Workers who are not employees	People and talent: Our people in 2023, page 33	**ESRS S1-7:** Characteristics of non-employee workers in the undertaking's own workforce
2-9 Governance structure and composition	Our sustainability strategy: Our approach to sustainability, page 14 Governance: Our governance structure, page 52	**ESRS 2, GOV-1:** The role of the administrative, management and supervisory bodies
2-22 Statement on sustainable development strategy	Our sustainability strategy: Our approach to sustainability, page 14 A message from our CEO, page 2	**ESRS 2, SBM-1:** Market position, strategy, business model(s) and value chain

1   Reference to ESRS is based on European Financial Reporting Advisory Group (EFRAG) guidance as of 2023. The inclusion of ESRS reference
       in the GRI index is for information only, and is not included in the limited assurance process.

GRI 2: GENERAL DISCLOSURES

Disclosure	Response	Relevant ESRS disclosures
2-23 Policy commitments	People and talent: Workers in our supply chain, page 40 Governance: Ethics and anti-corruption, page 53	**ESRS 2, GOV-4:** Statement on due diligence **ESRS S1-1:** Policies related to own workforce **ESRS S1-2:** Processes for engaging with value chain workers about impacts **ESRS S3-1:** Policies related to affected communities **ESRS S4-1:** Policies related to consumers and end-users **ESRS G1-1:** Corporate culture and business conduct policies
2-24 Embedding policy commitments	Our sustainability strategy: Our approach to sustainability, page 14 Our sustainability strategy: Stakeholder engagement, page 15 People and talent: Workers in our supply chain, page 40 Governance: Ethics and anti-corruption, page 53	**ESRS 2, GOV-2:** Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies **ESRS S1-4:** Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions **ESRS S2-4:** Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions **ESRS S3-4:** Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions **ESRS S4-4:** Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions **ESRS G1-1:** Corporate culture and business conduct policies
2-25 Processes to remediate negative impacts	Our sustainability strategy: Our approach to sustainability, page 15 Our sustainability strategy: Stakeholder engagement, page 15 Our sustainability strategy: Material topics, page 18 People and talent: Workers in our supply chain, page 40 Governance: Ethics and anti-corruption, page 53	**ESRS S1-1:** Policies related to own workforce **ESRS S1-3:** Processes to remediate negative impacts and channels for own workers to raise concerns **ESRS S2-1:** Policies related to value chain workers **ESRS S2-3:** Processes to remediate negative impacts and channels for value chain workers to raise concerns **ESRS S2-4:** Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action **ESRS S3-1:** Policies related to affected communities **ESRS S3-3:** Processes to remediate negative impacts and channels for affected communities to raise concerns **ESRS S3-4:** Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions **ESRS S4-1:** Policies related to consumers and end-users **ESRS S4-3:** Processes to remediate negative impacts and channels for consumers and end-users to raise concerns **ESRS S4-4:** Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

GRI 2: GENERAL DISCLOSURES

Disclosure	Response	Relevant ESRS disclosures
2-26 Mechanisms for seeking advice and raising concerns	Our sustainability strategy: Stakeholder engagement, page 15 People and talent: 2023 progress, page 34 Governance: Data privacy, page 54	**ESRS S1-3:** Processes to remediate negative impacts and channels for own workers to raise concerns **ESRS S2-3:** Processes to remediate negative impacts and channels for value chain workers to raise concerns **ESRS S3-3:** Processes to remediate negative impacts and channels for affected communities to raise concerns **ESRS S4-3:** Processes to remediate negative impacts and channels for consumers and end-users to raise concerns **ESRS G1-1:** Corporate culture and business conduct policies **ESRS G1-3:** Prevention and detection of corruption and bribery
2-27 Compliance with laws and regulations	Governance: Ethics and anti-corruption, page 53	**ESRS G1-4:** Confirmed incidents of corruption or bribery
2-29 Approach to stakeholder engagement	Our sustainability strategy: Stakeholder engagement, page 15	**ESRS S1-1:** Policies related to own workforce **ESRS S1-2:** Processes for engaging with value chain workers about impacts **ESRS S2-1:** Policies related to value chain workers **ESRS S2-2:** Processes for engaging with value chain workers about impacts **ESRS S3-1:** Policies related to affected communities **ESRS S3-2:** Processes for engaging with affected communities about impacts **ESRS S4-1:** Policies related to consumers and end-users **ESRS S4-2:** Processes for engaging with consumers and end-users about impacts
2-30 Collective bargaining agreements	People and talent: Our people strategy, page 32	**ESRS S1-8:** Collective bargaining coverage and social dialogue

GRI 3: MATERIAL TOPICS

Disclosure	Response	Relevant ESRS disclosures
GRI 3: Material topics		
3-1 Process to determine material topics	Our sustainability strategy: Material topics, page 18	**ESRS 2, BP-1:** General basis for preparation of sustainability statements **ESRS 2, IRO-1:** Description of the processes to identify and assess material impacts, risks and opportunities
3-2 List of material topics	Our sustainability strategy: Material topics, page 18, 19	**ESRS 2, SBM-3:** Material impacts, risks and opportunities and their interaction with strategy and business model
GRI 201: Economic performance		
201-1 Direct economic value generated and distributed	About Evoca Group: Our business, page 7	
GRI 204: Procurement practices		
204-1 Proportion of spending on local suppliers	People and talent: Workers in our supply chain, page 40	
GRI 205: Anti-corruption		
205-1 Operations assessed for risks related to corruption	Governance: Ethics and anti-corruption, page 53	**ESRS G1-3:** Prevention and detection of corruption and bribery
205-2 Communication and training about anti-corruption policies and procedures	Governance: Ethics and anti-corruption, page 53	**ESRS G1-3:** Prevention and detection of corruption and bribery
205-3 Confirmed incidents of corruption and actions taken	Governance: Ethics and anti-corruption, page 53	**ESRS G1-4:** Confirmed incidents of corruption or bribery
GRI 206: Anti-competitive behavior		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance: Ethics and anti-corruption, page 53	

GRI 301: Materials

301-1	Materials used by weight or volume	Product stewardship: 2023 progress, page 25	**ESRS E5-4:** Resource inflows
301-2	Recycled input materials used	Product stewardship: 2023 progress, page 25	**ESRS E5-4:** Resource inflows

GRI 302: Energy

302-1	Energy consumption within the organisation	Climate: 2023 progress, page 46	**ESRS E1-5:** Energy consumption and mix
302-3	Energy intensity	Climate: 2023 progress, page 46	**ESRS E1-5:** Energy consumption and mix

GRI 303: Water and effluents[1]

303-3	Water withdrawal	Climate: Water, page 49	

GRI 305: Emissions

305-1	Direct (Scope 1) GHG emissions	Climate: 2023 progress, page 45	**ESRS E1-4:** Targets related to climate change mitigation and adaptation **ESRS E1-6:** Gross Scopes 1, 2, 3 and Total GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions	Climate: 2023 progress, page 45	**ESRS E1-4:** Targets related to climate change mitigation and adaptation **ESRS E1-6:** Gross Scopes 1, 2, 3 and Total GHG emissions
305-3	Other indirect (Scope 3) GHG emissions	Climate: 2023 progress, page 45	**ESRS E1-4:** Targets related to climate change mitigation and adaptation **ESRS E1-6:** Gross Scopes 1, 2, 3 and Total GHG emissions
305-4	GHG emissions intensity	Climate: 2023 progress, page 45	**ESRS E1-6:** Gross Scopes 1, 2, 3 and Total GHG emissions
305-5	Reduction of GHG emissions	Climate: 2023 progress, page 46	**ESRS E1-3:** Actions and resources in relation to climate change policies **ESRS E1-4:** Targets related to climate change mitigation and adaptation **ESRS E1-7:** GHG removals and GHG mitigation projects financed through carbon credits

1   Not a material topic

GRI 306: Waste

306-3 Waste generated	Waste, page 48	**ESRS E5-5:** Resource outflows
306-4 Waste diverted from disposal	Waste, page 49	**ESRS E5-5:** Resource outflows
306-5 Waste directed to disposal	Waste, page 49	**ESRS E5-5:** Resource outflows

GRI 401: Employment

401-1 New employee hires and employee turnover	People and talent: Our people in 2023, page 33	**ESRS S1-6:** Characteristics of the undertaking's employees
401-3 Parental leave	People and talent: 2023 progress, page 35	**ESRS S1-15:** Work-life balance metrics

GRI 403: Occupational health and safety

403-1 Occupational health and safety management system	People and talent: 2023 progress, page 38	**ESRS S1-1:** Policies related to own workforce
403-5 Worker training on occupational health and safety	People and talent: 2023 progress, page 38	
403-8 Workers covered by an occupational health and safety management system	People and talent: 2023 progress, page 38	**ESRS S1-14:** Health and safety metrics
403-9 Work-related injuries	People and talent: 2023 progress, page 39	**ESRS S1-4:** Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions **ESRS S1-14:** Health and safety metrics
403-10 Work-related ill health	People and talent: 2023 progress, page 39	**ESRS S1-4:** Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions **ESRS S1-14:** Health and safety metrics

GRI 404: Training and education

404-1	Average hours of training per year per employee	People and talent: 2023 progress, page 36	**ESRS S1-13:** Training and skills development metrics
404-3	Percentage of employees receiving regular performance and career development reviews	People and talent: 2023 progress, page 36	**ESRS S1-13:** Training and skills development metrics

GRI 405: Diversity and equal opportunity

405-1	Diversity of governance bodies and employees	People and talent: 2023 progress, page 34	**ESRS 2, GOV-1:** The role of the administrative, management and supervisory bodies **ESRS S1-6:** Characteristics of the undertaking's employees **ESRS S1-9:** Diversity metrics **ESRS S1-12:** Persons with disabilities

GRI 406: Non-discrimination

406-1	Incidents of discrimination and corrective actions taken	People and talent: 2023 progress, page 34	**ESRS S1-17:** Incidents, complaints and severe human rights impacts

GRI 416: Customer health and safety

416-1	Assessment of the health and safety impacts of product and service categories	Product stewardship: 2023 progress, page 25	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product stewardship: 2023 progress, page 25	**ESRS S4-4:** Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

GRI 418: Customer privacy

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance: Data privacy & cybersecurity, page 54	**ESRS S4-3:** Processes to remediate negative impacts and channels for consumers and end-users to raise concerns **ESRS S4-4:** Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

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**INDEPENDENT AUDITOR'S REPORT ON THE
CONSOLIDATED SUSTAINABILITY REPORT**

**To the Board of Directors of
Evoca S.p.A.**

We have been asked to perform a limited assurance engagement of the Group's Sustainability Report of the Group Evoca (hereinafter also "the Group") as of December 31, 2023.

Responsibility of the Directors for the Sustainability Report

The Directors of Evoca S.p.A. are responsible for the preparation of the Sustainability Report with reference to the "*Global Reporting Initiative Sustainability Reporting Standards*" defined by the GRI - *Global Reporting Initiative* ("GRI Standards"), as described in the methodological note ("About This Report" section) of the Sustainability Report.

The Directors are also responsible for that part of the Internal control they consider necessary in order to allow the drawing up of a Sustainability Report that does not contain significant errors due to fraud or unintended behavior or events.

The Directors are also responsible for defining the objectives of the Gruppo Evoca in relation to sustainability performance, as well as for identifying *stakeholders* and significant aspects to be reported.

Auditor's Independence and quality control

We are independent in accordance with the principles of ethics and independence of *the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by *the International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies *the International Standard on Quality Quality Management 1* and therefore maintains a quality control system that includes directives and documented procedures on compliance with ethical principles, professional principles and applicable laws and regulations.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work was carried out according to the criteria set out in the "*International Standard on Assurance engagements ISAE 3000 (revised) - Assurance engagements other than audits or Reviews of Historical Financial Information*" (hereinafter also "ISAE 3000 *Revised*").

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Issued by *the International Auditing and Assurance Standards Board* (IAASB) for *limited assurance* engagements. This principle requires the planning and execution of procedures in order to acquire a limited level of security that the Sustainability Report does not contain significant errors.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 *revised* ("*reasonable assurance engagement*") and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures carried out on the Sustainability Report are based on our professional judgment and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

- Analysis of the process of defining the relevant themes reported in the Sustainability Report, with reference to the identification methods in terms of their priorities for the different categories of stakeholders and to the internal validation of the results of the process;
- Comparison between the data and information of an economic and financial nature reported in paragraph "*About Evoca Group – Our Business*" of the Sustainability Report and the data and information included in the Company's *Group Consolidated* financial statements*;*
- Understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the management of the *group and with the staff of Evoca S.p.A.* and *Quality Espresso S.A.* and have carried out limited documentary checks, in order to collect information about the processes and procedures that support the collection, aggregation, The processing and transmission of non-financial data and information to the responsible function for preparing the Sustainability Report

In addition, for material information, taking into consideration the Group's activities and characteristics:

- At parent company's and subsidiaries level

  - With reference to the qualitative information contained in the Sustainability Report, we have conducted interviews and acquired supporting documentation to check its consistency with the available evidence;
  - regarding quantitative information, we have carried out both analytical procedures and limited checks to ascertain on a sample basis the correct aggregation of the data.

- for Evoca S.p.A., Valbrembo plant, which we have selected based on its activity, its contribution to consolidated performance indicators and its location, we carried out on-site visits, where we met with the managers and obtained documentary evidence on a sample basis on the correct application of the calculation procedures and methods used for the indicators.

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Conclusions

Based on the work performed, nothing has come to our attention that causes us to believe that Evoca Group's Sustainability Report as of December 31, 2023 is not prepared, in all material aspects, in accordance with the requirements of the GRI Standards as described in the methodological note ("About this Report" section) of the Sustainability Report.

Other aspects

The comparative data presented in the Sustainability Report for the year ended December 31, 2022 were not audited.

DELOITTE & TOUCHE S.p.A.

Matteo Ogliari
Partner

Milan, May 3, 2024