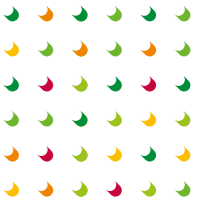




# Staying Grounded

**Sustainability Report**  
Financial Years  
2022/23 and 2023/24





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## THE REPORT

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# PREFACE

## DEAR READERS AND STAKEHOLDERS,

At VOG Products, we fully recognise the importance of sustainable development and having a clear strategy that responds to the impact of our actions on the economy, the environment and society. We have addressed these challenges with great vigour and are committed to making our processes, and products more sustainable. Our vision and strategy are based on a holistic approach that includes short, medium and long-term goals. Through all of this, we strive to stay grounded.



➤ Johannes Runggaldier (left) and Christoph Tappeiner

### Short-term goals

Over the next few years, we will be focusing on concrete measures to reduce our ecological footprint. These include reducing the amount of water and energy we use in our production processes. As we prepare to expand our product portfolio, we recognise the need to embrace innovative technologies and efficient production methods that enable us to:

- conserve resources,
- boost our in-house production of green energy, and
- reduce our scope 1 and scope 2 CO<sub>2</sub> emissions even as we offer a broader and more innovative range of products.



In addition, we are committed to increasing our levels of digitalisation and resource savings, for example with regard to plastic containers and labels. Sustainability is and remains our key concern.



*For us, our members and producers, sustainability is neither a trend nor an obligation but an integral part of our agricultural identity.*

Johannes Runggaldier

### Medium-term goals

In the medium term, we are committed to making our supply chain even more sustainable. This involves working closely with our members to ensure that sustainability and social standards are prioritised throughout the supply chain. We want to ensure that all our activities continue to comply with high ethical and social standards.



*Our vision is to shape the future of food production in a sustainable way.*

Christoph Tappeiner

### Long-term goals

In the long term, our goal is to lead the way in sustainable food production and processing. We want to use innovative technologies and methods to make our products even more resource-efficient and are

focusing on new initiatives that promote the circular economy and the use of by-products.

### Successes and challenges

We can already look back on some significant successes. With regard to water and energy, we achieved considerable savings in the reporting period through targeted investments and process optimisations. We have further expanded our ethics and compliance measures as well as our services for employees, including with regard to training. In the supply chain, we worked with our member VIP to implement a bee protection project that promotes biodiversity. Of course, there have also been challenges. We have had to learn to respond flexibly to new regulatory requirements and market conditions. We are proud of what we have achieved and view these challenges as an incentive to redouble our efforts.

We would like to thank everyone supporting us along this journey, be it through collaboration, engagement or constructive exchanges. Together we can lay the foundation for a sustainable future.

With kind regards,  
The Sustainability Steering Committee



Johannes Runggaldier  
Chairman



Christoph Tappeiner  
Director

# ABOUT VOG PRODUCTS



VOG Products is a leading processor of genuine and natural ingredients for the international F&B (Food and Beverage) industry. We specialise in processing fruit into semi-finished goods such as NFC (Not From Concentrate) juices, purées, concentrates, aromas as well as peeled and cut fruit – predominantly from apples.

In addition to our semi-finished goods, we also offer a wide range of finished goods. Premium products are sold under the FROM quality label. Our own brands include Leni's, Leni's Slection and Alpl.

Our customers are from the leading global food and beverage industry (B2B), including juice producers, bakery wholesalers, fruit preparation manufacturers for dairy products, and other companies that use our high-quality semi-finished goods as an ingredient in their products. We supply around 500 major customers in 50 countries, with an export rate of around 90%.

What sets us apart are our high-quality raw materials, especially apples, most of which are grown by our members in South Tyrol. Our producer organisation is owned by two producer organi-

sations and 17 cooperatives representing around 6,000 family-run fruit farms. This close connection extends deep into our supply chain, guaranteeing a consistent supply of products throughout the year. We process between 300,000 and 400,000 tonnes of fruit every year.

Our management structure follows cooperative principles:

- The Supervisory Committee monitors the legitimacy and efficiency of Management.
- The Administrative Board takes decisions on strategic issues.
- Management is responsible for leading the producer organisation.
- The General Assembly approves the budget and fulfils other statutory tasks.

At our headquarters in Laives (South Tyrol, Italy) we employ around 230 people (250 in the peak season) from about 25 different countries.

VOG Products was founded in 1967 and achieved a turnover of EUR 149 million in the 2023/2024 fiscal year.

# HOW WE CONTRIBUTE TO THE SDGS


The United Nations' 17 Sustainable Development Goals (SDGs) form the core of Agenda 2030. They pursue sustainable development on an economic, social, and ecological level the world over. The measures we have implemented and planned contribute to achieving the 17 SDGs. However, we have decided to prioritise seven SDGs.



Priority SDGs:



Our strategic sustainability approach is based on six core areas that are closely connected to the SDGs:

<b>Water</b>	<b>SDG 6</b> Clean water and sanitation		Our processes require a lot of water, and we use water to transport and clean apples, among other things. We are committed to using water efficiently and reducing water extraction. Find out more on page 19.
<b>Energy and Climate Protection</b>	<b>SDG 7</b> Affordable and clean energy		As an industrial enterprise, we depend on energy. We are committed to using resources efficiently and producing our own green energy. Find out more on page 15.
	<b>SDG 13</b> Climate Action		We have set ourselves clear targets to reduce our scope 1 and scope 2 CO <sub>2</sub> emissions. Find out more on page 15.
<b>Health and Safety</b>	<b>SDG 3</b> Good health and well-being		We promote our employees' health with comprehensive measures that include supplementary health insurance. Find out more on page 23.
	<b>SDG 8</b> Decent work and economic growth		We offer our employees a safe and supportive working environment and ensure good working conditions in our supply chain. Find out more on page 23.
<b>Adding Value in the Region</b>	<b>SDG 8</b> Decent work and economic growth		Our payout volume represents an important source of income for our members, who are supported by around 6,000 family-run fruit-growing businesses across the region. We aim to be an attractive employer for existing and new employees. Find out more on page 33.
<b>Healthy Products</b>	<b>SDG 12</b> Responsible consumption and production		The increasing demand for healthy products offers us plenty of growth opportunities. We work constantly on developing new, healthy products. Find out more on page 29.
<b>Innovation</b>	<b>SDG 9</b> Industry, innovation and infrastructure		Investments in talent, technology and innovation drive the development of new products. Innovation is the leitmotif running through all our business activities. We promote collaboration within networks and across the supply chain to achieve exceptional added value.

# ABOUT THE REPORT

VOG Products has been working on sustainability in a structured manner since 2021. This is embedded in our corporate strategy.

## ORGANISATIONAL RESPONSIBILITY FOR SUSTAINABILITY

To handle sustainability issues, we have

- set up a Steering Committee (chairman of the Administrative Board and Director),
- appointed a sustainability officer,
- involved responsible people from all areas of the company in the implementation and achievement of our sustainability objectives.



We are not currently required to publish any reports. However, as we care deeply about sustainability, we publish a report detailing information about our sustainability endeavours. Our sustainability report covers

the activities of the producer organisation VOG Products. The report is written in line with the GRI standards (Global Reporting Initiative, 2021 principles).

## YEARS ANALYSED

This report covers the following financial years:

- 2022/2023 (1 July 2022 to 30 June 2023) and
- 2023/2024 (1 July 2023 to 30 June 2024).

We report every two years and are currently preparing to report in compliance with CSRD.

## STAKEHOLDER ENGAGEMENT

The stakeholder groups were established in 2021 following an analysis by the Steering Committee. We have been engaged in a lively dialogue with a range of stakeholder groups for many years. Our aim is to engage stakeholders and inform them about our organisation's activities through various channels, including seeking their input in determining materiality through questionnaires and individual interviews.

## IDENTIFICATION OF KEY ISSUES

In addition to the stakeholder survey, in 2021 we carried out an impact analysis to help us understand where we, as a company, have the greatest impact – both positive and negative – with our business activities. We reviewed social, ecological and economic issues and impacts and assessed them in terms of their degree of severity and likelihood of occurrence. An important part of the impact analysis was to establish our Corporate Carbon Footprint (CCF). For the first time in the company's history, emissions were categorised as scope 1, scope 2 or scope 3.

The key issues for VOG Products are shown in the materiality matrix.

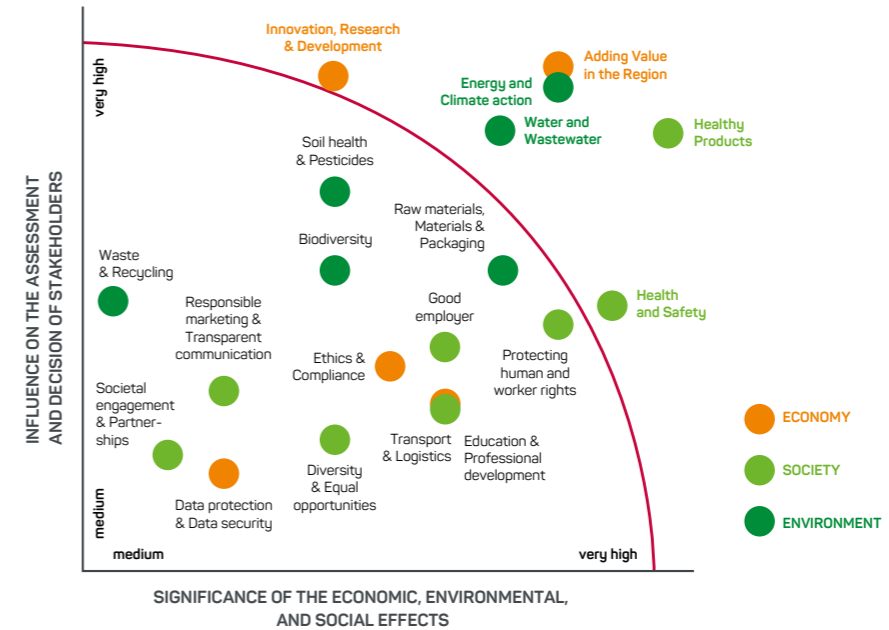
## MATERIALITY MATRIX

Above the red line are our six strategic sustainability themes.

- Water and Wastewater
- Energy and Climate Protection
- Health and Safety
- Healthy Products
- Adding Value in the Region
- Innovation, Research and Development

The six themes are addressed individually in this report, with the exception of Innovation, Research and Development, which is covered in each of the main themes.

No changes have been made to the materiality matrix in the reporting period just completed; however, some new materiality themes (below the red line) have been added to the report.



# OUR UNIQUE SUPPLY CHAIN

At VOG Products, we pride ourselves not only on our high-quality products but also on our holistic approach that embraces the entire supply chain – from our fruit farmers right through to industrial processing. Our USP lies in the close synergy between nature, agriculture and innovation on the one hand and industrial processing and marketing on the other.

## CLOSE CONNECTION

The close connection between our cooperative, our members and our producers ensures high-quality products from the very beginning. A key feature is that our producer organisation belongs to the farmers themselves: our members – two producer organisations and 17 cooperatives – are not only our owners but also the suppliers of the raw material we process. Behind them are around 6,000 producers who cultivate their fruit orchards with passion and years of experience, producing the best fruits in harmony with nature.



What makes our producers stand out:

- **Over 100 years of experience:** the South Tyrolean fruit-growing sector has a rich history that dates all the way back to the 16th century. The region boasts ideal growing conditions with 300 days of sunshine per year.
- **Modern production system:** our dynamic agricultural system utilises modern farming methods and innovative storage technology.
- **Collaboration in the network:** the success of the South Tyrolean apple industry is based on collaboration in a highly developed network. Producers, cooperatives, associations, research institutions, and agricultural advisory services work together flexibly and professionally in a Learning and Innovation Network for Sustainable Agriculture (LINSa). According to the UN Food and Agriculture Organization (FAO), apple production in South Tyrol is an effective example of an innovative system in agriculture.
- **Sustainability network:** discussions and ideas on sustainability are shared through the Sustainable apple network, in which VOG Products is informally involved.

➤ All the players in the South Tyrolean apple farming sector at a glance: from producers to marketers, processors, universities, advisory groups, and many more besides, shown together here in this busy picture. Our close cooperation in this highly developed network is a key success factor for the small-scale South Tyrolean apple industry.







## QUALITY AND TRACEABILITY

Agricultural fruit cooperatives are the extended arm of farmers and a successful model that strengthens regional supply chains. Our key strengths are:

- **Freshness all year round:** VOG Products receives and processes raw materials all year round, thereby guaranteeing freshness and delivery reliability.
- **Fewer food miles:** the bulk of our raw material comes from our members in South Tyrol or from annual suppliers in Trentino.
- **Sustainable quality:** VOG Products' quality assurance covers the entire production process, from our members through to the end product. This is backed up by numerous certifications that extend deep into the supply chain (e.g. SMETA 4-Pillar, GLOBALG.A.P. FSA) as well as our Code of Conduct, which every one of our members has signed.

More information on sustainability in the supply chain:

-  Bees
-  Biodiversity
-  Water
-  Bee meadow on Kortscher Sonnenberg



# ENERGY AND CLIMATE PROTECTION

## „Less carbon & energy – more power“

Processing fruit is very energy-intensive and impacts the climate. We are aware of this, which is why we monitor our energy efficiency and are committed to reducing our CO<sub>2</sub> emissions. Our focus is on energy-efficient systems.

### HOW WE CONTRIBUTE TO THE SDGS



#### → IMPACT

To limit global warming, we, as a company, must use energy efficiently and adopt clean energy sources. We use energy in each stage of fruit processing, which results in CO<sub>2</sub> emissions. In our industrial production, we use gas as the primary energy source. Fuel consumption during processing, pasteurisation, concentration, and cooling leads to significant CO<sub>2</sub> emissions.

We recognise that our processes are energy-intensive and that we therefore need to work continuously to improve our energy efficiency. We do everything we can to conserve energy and increase our use of renewable energy. In doing so, we not only look at our own internal processes but also at the entire supply chain.

In sourcing our raw materials we are heavily climate-dependent, as weather and extreme events such as prolonged dry spells, hail, frosty nights, or rising average temperatures can cause yield losses for our members and raw material suppliers. No industry feels the effects of climate change quite like agriculture, which needs to come up with solutions. These range from hail nets and drip irrigation to frost protection and soil improvement, right through to the variety policies of our members, the cooperatives, who rely on resilient apple varieties as a tool in their armoury.

Technical Management is responsible for implementing energy and climate protection measures, while the Controlling department handles reporting. We have controlling and monitoring functions for energy and climate protection, for example in the context of production meetings. Our energy consumption is monitored regularly, and we can access the data at any time. The data is also integrated into a strategy tool. We conduct an energy audit every four years, as required by the Legislative Decree (GvD 102/14).



→ CORE ACTIVITIES

From fruit picking to final packaging, our production processes require large amounts of electricity and heat. While juice and concentrate production, filtration, pasteurisation, steam generation, and cooling consume energy, they also present potential for savings and heat recovery.

→ OBJECTIVES

We have defined four objectives in relation to Energy and Climate Protection:

- Objective 1: achieve scope 1 and scope 2 CO<sub>2</sub> neutrality by 2040 (market-based).
- Objective 2: increase the share of green energy we produce in-house by 1 MWp of installed capacity by 2030 (baseline: 30 June 2024).
- Objective 3: reduce scope 1 and scope 2 emissions (total) by 5% by 2030 (baseline 30 June 2024).
- Objective 4: check all new investments for their energy consumption as part of the investment review.

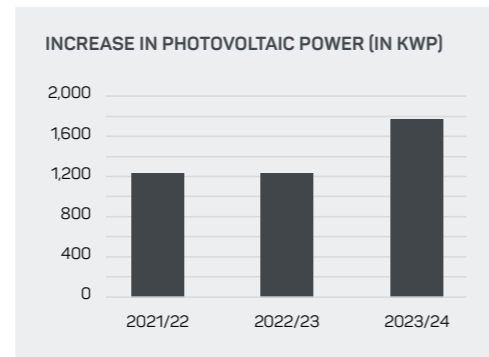
For the future, our goal is to address scope 3 emissions in collaboration with our partners in the fruit industry.

→ ENERGY MEASURES

The most important measure we implemented during the last reporting period was the **vapour compression** project (completed in the 2022/23 financial year). When processing fruit into concentrate, evaporation is the step in the process that uses the most energy. We upgraded our existing evaporator unit, which is used to separate the flavourings and produce pre-concentrates, by adding a mechanical vapour compression evaporation system. The compressed vapour with a higher energy level is reused across

multiple stages to evaporate the remaining water in the juice. This not only saves steam and energy but also reduces the load on our cooling towers and lowers CO<sub>2</sub> emissions as an added benefit.

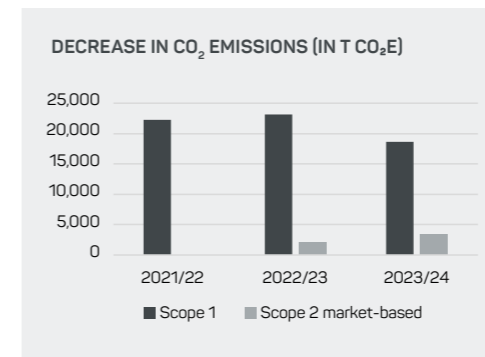
- We significantly optimised our photovoltaic system with a comprehensive **revamp** (completed in spring 2024). Highly efficient photovoltaic modules were installed, and outdated parts of the system were replaced. We used the space that was freed up to expand the system. The entire system is now automatically monitored remotely and reaches a peak output of 1,777 kWp. Most of the electricity generated is used on site to meet our own needs, with the small surplus fed into the grid.



- Over the past few years, we have switched the lighting throughout the entire company to energy-saving **LED lights**. With the recent conversion of the Fresh Cut and Frozen sections, we now have 100% LED lighting in our production areas. All new buildings are now equipped exclusively with LED lights.
- In the new reporting period, we plan to install additional **energy-efficient decanters**.

→ MEASURES/EMISSIONS

- We calculate our **Corporate Carbon Footprint (CCF)** annually. Most recently, we were able to reduce our total CO<sub>2</sub> emissions (scope 1 and scope 2/market-based).



- VOG Products employees can use the free **charging stations for EVs and e-bikes** we installed in spring 2022. People coming to work by e-bike can charge their bike conveniently and free of charge at the charging station, which offers space for up to six bikes at once. These charging stations are our contribution to promoting climate-neutral, sustainable, and healthy mobility.
- In addition, we continued the **remote working** option we rolled out during the Covid pandemic for many employees, especially those in the administration departments. This also contributes to reducing CO<sub>2</sub> emissions. Our next goal is to map the use of public transport among our employees and to promote environmentally sound measures.

→ STAKEHOLDER COOPERATION

- We provide our **customers** with a detailed product carbon footprint (EPD) for our juice and puree categories and discuss its implications with

them. This includes the impact of all activities across the different phases, from planting an orchard to distributing the products to the consumer.

- Electricity is purchased in cooperation with our **members**, namely the South Tyrolean fruit cooperatives.
- As part of the South Tyrolean fruit industry's Sustainapple initiative ([www.sustainapple.it](http://www.sustainapple.it)), through which we are connected to our **members**, a carbon footprint for the South Tyrolean apple is being calculated jointly by the Apple Consortium, the South Tyrolean Farmers' Association, the CasaClima Agency and other stakeholders. A CO<sub>2</sub> calculator is being developed to help the growers to accurately quantify their emissions and adopt appropriate measures to reduce them. The South Tyrolean fruit industry aims to achieve climate-positive fruit cultivation by 2030.
- We have raised awareness among our **employees** about saving energy at their desks. Offices are full of energy guzzlers. Computers and laptops, printers and photocopiers run all day or consume power in standby mode. At the workplace, you can save a lot of energy with a few simple tricks. Our employees have received tips on economical lighting, heating, ventilation, and lift usage and how to use electronic devices efficiently.

# WATER

## Every drop counts

Water is one of the most important resources in our production process. Our focus is twofold: using this resource sparingly and recycling water.

### HOW WE CONTRIBUTE TO THE SDGS



### → IMPACT

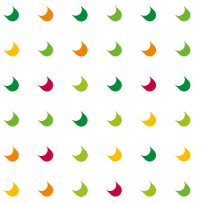
Water plays a central role in our **production processes**. It is used as a means of transport, for process and product cooling, in cleaning processes, and in the form of steam for sterilisation. As processors of apples and other fruits, we are aware of the water-intensive nature of our processes. We extract the water from our own deep wells and keep daily records of the amount we extract. Our laboratory regularly checks the quality of the water to ensure that it is free from impurities and microbiological contami-

nants. Wastewater from our production processes is mechanically filtered before being sent to the public sewage treatment plant.

Water is also a key factor in producing the fruit that makes up our **raw material**. According to the Water Risk Atlas, our raw material does not come from water-stressed areas; nonetheless, responsible use of water is of the essence in the supply chain. Drought and water scarcity present major challenges for our producers, since water is essential for apples to grow. Our domestic producers therefore rely on resource-efficient methods such as needs-based irrigation. This method ensures that only as much water as is actually needed is used by employing innovative technical, digital, and organisational solutions.

Our obligations regarding water are regularly reviewed, including discharges into process water and the annual extraction of water for industrial, cooling and heating purposes by the Autonomous Province of Bolzano, for which we comply strictly with the legal requirements. As far as the quality of the water sent to the sewage treatment plant is concerned, we adhere strictly to the plant's guidelines.

Our technical department is responsible for water management, while Controlling handles reporting. We have comprehensive controlling and monitoring functions for water consumption in our various production areas and regularly review our water obligations to ensure sustainable management of this valuable resource.



→ CORE ACTIVITIES

Water is used throughout the entire production chain, from raw material transport to cleaning processes and cooling systems, right through to steam production. Not only the apples but also the production equipment and halls are cleaned with water. At VOG Products, wastewater is treated through mechanical filtration. Solids are separated before the wastewater is sent on to the sewage treatment plant.

→ OBJECTIVES

We aim to use water as sparingly as possible and to use recycled water instead of fresh water wherever possible. We have two objectives:

- Objective 1: save 100,000 m<sup>3</sup> of water, or 5% of our water usage, by 2030 (baseline: 30 June 2024).
- Objective 2: reduce the amount of industrial wastewater we generate by 10% by 2030 (baseline 30 June 2024).

→ MEASURES

- The principal measure in the reporting period is **cooling water optimisation**, which was implemented at the end of July 2022. This measure alone resulted in a 28% reduction in water usage in its first year of implementation compared to the previous year. This allowed us to achieve an important sustainability objective much earlier than planned. Cooling water optimisation means that we store the cooling water for use in another process. Adjusted for raw material usage, the savings compared with the reference year (2020/21 financial year) are 31%.
- Another measure aimed at reducing water consumption is **vapour recompression**, which is described in detail in the Energy chapter. This process reduces the amount of steam generated from water.

- Planned measures include a review of the **multiple use** of cooling water in other areas of the facility and cooling water recovery in the aseptic filling department.

→ STAKEHOLDER COOPERATION

- On the subject of water, we liaise closely with the **Ecocenter sewage treatment plant** in Bronzolo, which cleans our wastewater and extracts biogas from it. This biogas is used in combined heat and power plants to generate electricity and heat.
- A prime example of needs-based irrigation among **members and producers** is drip irrigation, which has replaced overhead irrigation in recent years. This technique delivers small, precisely measured amounts of water near the trunk, ensuring the roots receive sufficient moisture while the lanes between the trees remain dry. However, our producers' efforts to use water efficiently go far beyond drip irrigation:

- **Soil moisture sensors** transmit real-time measurement data using wireless technology. The producers receive the information via app and can adjust the water output according to actual needs.
- **Tensiometers** in the Smart Land project combine soil moisture control and valve control, leading to savings of 30-40% water whilst maintaining fruit quality.
- The **FylloClip** from the Laimburg Research Centre attaches to a plant leaf like a paper clip. It condenses water vapour into small droplets during active transpiration and measures the intensity of sunlight. FylloClip allows early detection of reduced transpiration and sends an alert to the farmer's mobile phone or computer.
- **Online tools** from the Advisory Group for Fruit Growing and Viticulture help calculate the climatic water balance based on weather

data from various weather stations. This allows for targeted irrigation to compensate for any potential water deficits.

Our producers must log both rainfall and irrigation amounts in their farm records. In response to the changing climate and greater frequency of drought periods, storage reservoirs are being built to provide water reserves for particularly dry times. As part of the South Tyrolean fruit industry's Sustainapple initiative, a strong emphasis is placed on water conservation.

➤ The distribution pumps transport the recycled water from the buffer tank to the liquid production area.



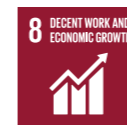


# HEALTH AND SAFETY

## „Safe and happy“

Healthy, motivated employees are the cornerstones of our success. Their skills, dedication and commitment make VOG Products what it is today. In an industrial enterprise like ours, safety at work and a robust safety culture are crucial. Focusing on our employees' health not only helps prevent absenteeism but also strengthens the entire company and supports sustainable business processes.

### HOW WE CONTRIBUTE TO THE SDGS



### → IMPACT

A strong commitment to our employees' health and safety has a positive impact: healthy employees are more productive and contribute to economic stability, while safe and health-conscious working practices promote sustainable business processes. By setting high standards in occupational safety, we protect not only the people who work for us but also the human rights and well-being of the communities in which we operate.

To ensure and protect the health of our employees, we follow a comprehensive system: our safety responsibilities are clearly defined in our operational safety organisational chart, which ensures that every employee knows their role and responsibility when it comes to safety. We adhere strictly to legal requirements such as Legislative Decree 81/2008. In addition, rules of conduct and guidelines on safety at work are firmly anchored in our organisational model (in accordance with Legislative Decree 231 of 8 June 2001) and in our Code of Ethics.

We carry out monthly audits in collaboration with an external safety officer as well as internal experts and the line managers in every area. These audits include assessments of potential stress factors. The checklists created for this purpose are constantly updated to reflect the latest status.

Our health and safety standards are also monitored during social audits. The compulsory DAS (Office for Health and Safety at Work) meeting takes place once a year. Participants in this meeting include the director, the company doctor, the safety officer, the internal safety coordinator, the safety spokesperson (elected by the staff or nominated by the joint union representative) and the head of HR. The supervisory committee assesses health and safety measures and ensures that all requirements are adhered to.

Responsibility for this subject lies with Management and, with regard to the objective, with the Integrated Management System (IMS) department, which is also responsible for reporting.

### → CORE ACTIVITIES

In our plant, activities are carried out that require particular care: welding, working on industrial machinery such as hot steamers or pipes, loading heavy boxes, working on slippery surfaces, working on live equipment or with chemicals, and so on. Even noise can present a hazard to our health.

Our employees are given personal protective equipment (PPE) for their work and also take part in regular safety training sessions to enable them to recognise hazards and move safely around the workplace. New employees receive guidance on safety issues. Potential work-related hazards and risks as well as work-related incidents are discussed and eliminated using checklists or at the daily shop floor meetings. Working in this way enables us to constantly improve our management system.

The company doctors carry out regular occupational health check-ups on all employees and review the ergonomics at the workplace. It goes without saying that this also applies to temporary workers. These check-ups help to minimise risks and eliminate hazards. The confidentiality of staff health data is guaranteed at all times.

No work-related illnesses were established in the reporting period. The accident statistics show both minor and serious injuries. Serious injuries occurred in only one of the two reporting years.

### → OBJECTIVES

Materiality topic: Health and Safety:

- Objective 1: We aim to be certified to the health and safety management standard ISO 45001 by 31 December 2026.

### → MEASURES

- During the reporting period, we ran an **awareness campaign** on the subject of "Traffic Safety in the Factory", focusing primarily on pedestrians and forklift drivers.

- We implemented a large number of safety measures in the plant, including the following key **improvements**:

- We introduced **ergonomic barrel closing** in our barrel filling area. Whereas workers previously had to lean over a guard rail to close the barrels, safety is now monitored by sensors: workers can now access the barrels directly to close the lids. This innovative solution allows them to work in a more comfortable position.
- A **manipulator for lifting and moving barrels** was installed in the barrel filling area. The manipulator is a pneumatic lifting machine that enables the height of the lifted load to be changed. All horizontal and vertical load movements within the manipulator's operating range are freely controlled by the operator directly manipulating the gripper or the load. In the past, this work was done with a forklift truck and then by hand. After the manipulator was installed, the entire department was trained in handling the machine. Now all staff can effortlessly lift and move barrels weighing more than 200 kg.
- The **pouch bag line in the Solid Unit** has also improved safety at work. The new pouch bag line delivers the blower-dried pouches to the

workers on a conveyor at a pleasant working height, ready for packing in boxes. The system then seals the boxes and forwards them to the palletiser. This means that the heavy boxes never have to be lifted, thus minimising the strain caused by lifting.

- Another new measure is the installation of a **semi-automatic packaging system** in our bag-in-box line, which makes the workflow much easier.
- We have significantly improved the accessibility of angled system parts and components by installing **maintenance platforms**. The previous ladders have been replaced with easily accessible maintenance platforms, making maintenance much easier.
- A new **optical sorting system** in the Solid Unit handles all the work stages, eliminating the need for manual sorting and the physically demanding task of working on the sorting line.

- As part of the "Great Place to Work" initiative, a **health group** was set up that worked on health-related issues and implemented concrete measures (a healthy menu in the canteen, collaboration with gyms, a football tournament, etc.)

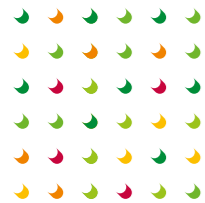
- Defibrillators and first aid kits:** we have installed automated external defibrillators (AEDs) at three strategic locations in the plant, along with numerous first aid kits, and have informed staff of their locations.

- We regularly analyse **noise pollution** in the plant as well as employees' **stress levels**.

- For several years now, we have been offering our employees **private supplementary health insurance** (through Mutual Help), through which they can obtain discounts on health expenses and



→ Ergonomics in the barrel filling area have recently been significantly improved.



➤ All our employees benefit from private supplementary health insurance.



see affiliated doctors. They do this by contacting Mutual Help directly. Mutual Help is a complementary health fund to the public health system. Employees benefit from additional services such as settling medical bills via Mutual Help or receiving reimbursements. The services include:

- specialist private and publicly funded consultations
- surgical interventions in private and public hospitals
- medical transport
- assistance during hospital admissions (companion)
- home nursing care
- dental treatments with contracted dentists, the public health service and post-accident.

The confidentiality of personal health data is guaranteed.

- For general health promotion, employees can choose **healthy dishes** in the canteen, and we also provide fresh apples and water from the water dispenser (cold/hot/carbonated).

### ➔ STAKEHOLDER COOPERATION

Employees can address their **safety concerns** in various ways.

- Concerns about safety at work and reports of near accidents are addressed to the safety officer, who will set out to improve the situation together with the external safety office.
- Reports can also be submitted during the monthly audits across the different areas or, should they wish to do so anonymously, employees can make use of our whistleblowing system.

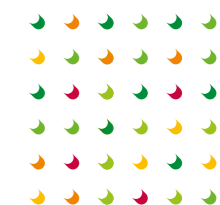
- Safety in the workplace is one of the subjects discussed at daily meetings as part of the implementation of shop floor management.
- Employees were asked about working conditions and safety at work in the employee survey we ran as part of the "Great Place to Work" initiative. There too was an option to enter anonymous comments and suggestions for improvement.
- There are also opportunities to discuss subjects such as safety at work directly with the director as part of the "Director's News" and "Coffee with the Director" initiatives.

Our employees must attend general and specialised **training courses** on health and safety, including a compulsory health and safety course, courses for forklift drivers and lifting platform and crane operators, first aid courses, fire safety courses, etc.). Employees in all departments have had training and refresher courses in the correct use of the defibrillator (AED). First aid courses are not just compulsory training; they are an essential part of our health and safety culture. We also offer follow-up courses on specific work-related hazards or hazardous activities. All training takes place during working hours.

In addition, we care deeply about the **working conditions in our supply chain**. We assess compliance with social standards, human rights, and safety issues in the supply chain, e.g. by sending out supplier questionnaires or by asking suppliers to sign the Code of Conduct (see also Other Subjects).

Assessments of occupational safety standards, human rights, and social criteria in our supply chain were also carried out as part of our GLOBALG.A.P.-FSA certification (for which we were awarded Gold) and our SMETA 4-pillar certification (see Supply Chain).

In the future, we plan to include sustainability practices as well as social and environmental criteria in our supplier audits.



## HEALTHY PRODUCTS

Top quality the way nature intended

We produce healthy, tasty, and natural foods in line with our customers' and consumers' needs. Food safety is part of our mission statement. But for us, health starts right where it all begins: in the apple orchards.

### → IMPACT

We supply our products to over 500 B2B customers across 50 countries worldwide, with our semi-finished goods reaching millions of consumers. Paying the utmost attention when producing food and having a strict food safety is therefore an ethical as well as a legal requirement. As far as the legal requirements are concerned, we adhere to food legislation (e.g. the Hygiene Act and traceability guidelines). We adhere strictly to the requirements in each country to which we export our products.

What sets us apart as a company is the quality of the raw material. The climatic conditions in our region are perfect for growing fruit of the highest quality. The farmers in our region, from where we source the majority of our apples, adhere to strict integrated or organic production criteria (see Other Topics), with the proportion of organic raw materials we are supplied increasing in recent years.

Sustainability in the supply chain is one of our top priorities, and we are proud holders of certifications such as GLOBALG.A.P. and GRASP.

Apples contain important carbohydrates, minerals, vitamins, and trace elements as well as secondary plant substances such as polyphenols, which have countless positive effects on our health. When processing our fruit, we greatly value natural, genuine, and simple products and therefore use as few ingredients as possible. Our products contain natural fructose; we only add sugar if asked to do so by the customer.

An ever larger share of the purees we produce is sold as baby food, to which the highest standards apply.

We make these purees from residue-free, organic raw materials supplied by our members. All our raw materials are tested and comply with the relevant legislation. The proportion of organic raw materials in our baby food has increased in recent years.

In recent years, we have raised the bar in terms of hygiene standards, especially for ready-to-eat products such as pre-packed sliced apples.

Responsibility for this topic and its objectives lies with Product Management, R&D and Sales Management; reporting is handled by Product Management and Sales Management.

### → CORE ACTIVITIES

The prerequisite for the industrial production of healthy products is to source healthy fruits and raw



materials. Our unique strength lies in the fact that our members produce our raw materials themselves: they pay close attention to using very low levels of chemicals and give priority to natural measures such as using beneficial insects, promoting the expansion of bee populations, and introducing measures to promote biodiversity. All of these measures are recorded in log-books. Our members' raw materials are certified to very high standards (see Standards in Regional Fruit Cultivation By Our Members). In addition, our employees – especially those involved in raw material procurement – are in daily contact with the fruit cooperatives. Traceability is particularly important in the food industry. By combining delivery batches and labelled goods from the cooperatives' sorting and packaging processes, we are able to trace them back to producers or producer groups.

When it comes to our industrial production, we follow rigorous criteria and processes which are also certified (see VOG Products Standards). During the reporting period, we continued to expand our certifications, especially those in the organic sector. VOG Products offers high-quality products certified by the Bioland and Demeter organic farming associations and also has Bio Suisse certification. Most recently, we expanded our organic product range to include products certified to Naturland standards. Bioland, for example, exceeds the minimum criteria of the EU Organic Regulation, focusing not only on healthy organic products but also on additional aspects such as the circular economy, soil health and biodiversity.

We keep a record of violations related to products and services that can have an **effect** on health, and safety. There were no violations or instances of non-compliance during the reporting period.

→ **OBJECTIVES**

- Objective 1: VOG Products is not involved in any violations.
- Objective 2: from 2025, we will develop one product with added health value per year, with a market launch the following year.

→ **MEASURES**

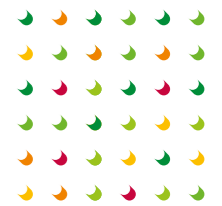
- During the reporting period, we introduced the Integrated Management System (IMS), a new organisational structure aimed at establishing a comprehensive quality management system in the company. The main objective of this new structure is to standardise our environmental and quality management systems by introducing a standard approach. This will help us to make processes more efficient and to continuously improve the quality of our products and services while ensuring the highest standards.
- An increasing number of our products are certified organic.
- We have improved the **swift handling** of deliveries and further optimised our processing lines. We obtain fruit from our cooperatives' sorting operations for further processing. The shorter the raw materials' residence time, the better the quality of the final product.
- We have expanded our quality audits by introducing digitalisation measures, both for raw materials and products.
- Healthy food must be safe – which is why we have initiated a package of measures around our **Food Safety Culture** in recent years. The aim is for employees to report even the most insignificant detail that could affect food safety. Our employees have received special training on this. We have also installed more magnetic filters in the millimetre range to filter out even the smallest foreign bodies.
- We offer training on various food safety topics such as metal detectors that can detect even the smallest metal fragments at an early stage, or food defence **training** to enable employees to detect and prevent intentional contamination. More training and awareness-raising on this central subject will be carried out in the future.

- Our R&D unit is working on developing foods that have health-promoting benefits on the human organism.
- During the reporting period, we installed an additional optical sorting system in the Solid Unit, which uses detectors to identify and remove defective apple pieces.
- Improvements have also recently been made in the area of **traceability**. To distinguish organic from conventional goods, all boxes are encoded with a scanner system.
- We recently expanded our **quality control** by increasing our raw material assessments. This is now done partly with visual inspections and partly with technological measures such as **four optical sorting systems**, which we have integrated into the production cycle in the puree line, the Solid Unit, and the dry receiving line. We use laser technology to identify and remove defective apples or apple pieces.

→ **STAKEHOLDER COOPERATION**

- We cooperate intensively with our **members**, i.e. the cooperatives that supply us with valuable raw materials. In the South Tyrolean fruit-growing industry, we work in harmony with nature. For example, we voluntarily reduce our use of pesticides by 50% compared with the statutory European thresholds. Where pesticides are used, then only as a last resort in safeguarding the harvest. Before it comes to that, our fruit growers rely on natural defences, such as favouring resistant varieties or using animals to ward off parasites and pests. Our producers are actively involved in the entire quality process, including participation in harvest meetings.
- We cooperate with **universities and research institutes** on matters related to healthy products.

- Our **customers** not only gain insights into our production but also our supply chain. We liaise closely with them on subjects such as biodiversity, plant health, pollinator protection, social aspects in the supply chain, and, of course, our own production processes.







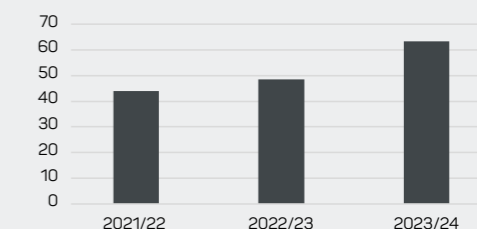
# ADDING VALUE IN THE REGION

## Partner in the system

Our producer organisation is a secondary agricultural cooperative. We are firmly rooted in South Tyrol and are profoundly regional, sourcing our valuable raw material from our members – two producer organisations and 17 cooperatives. Around 6,000 family-run fruit-growing companies form the backbone of these organisations, producing apples with great dedication. For them, sustainability is part of their agricultural identity. Our aim is to offer our members attractive payout prices and to sustainably support their valuable work.

members – and indirectly the producers, who are our members' members. We achieve this by offering attractive payout volumes (see table) and working closely with our members, all of whom are in South Tyrol.

PAYOUT VOLUME TO MEMBERS RISING (IN EUR MILLION)



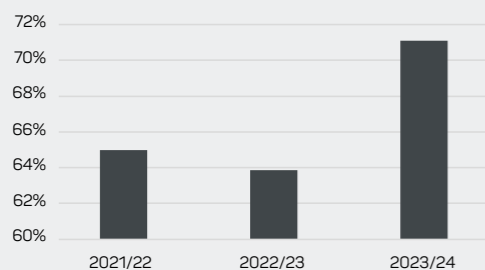
↗ Payout volumes change from year to year due to fluctuating delivery volumes and market prices.

### → IMPACT

Cooperatives and producer organisations like ours do not strive to maximise profits. Our objective is to achieve sustainable added value that benefits our

Our raw materials come predominantly from our members and therefore from the region. This local focus strengthens the regional economy; we create economic added value through our activities.

REGIONAL SOURCING OF RAW MATERIALS (IN %)



Suppliers from Trentino-Alto Adige/South Tyrol in terms of total volume

hiring regional suppliers and service providers. Our close and often long-standing working relationships with regional suppliers and hauliers that transport the raw materials from our member cooperatives to our plant are an example of our regional focus. Responsibility for this sustainability topic lies with Management; reporting is handled by Controlling.

→ CORE ACTIVITIES

Our task is to process and enhance the fruit supplied by our members. All our members come from South Tyrol. According to our articles of incorporation, we are required to source over half of our raw material from them (the prevalence principle).

Our employees come mainly from the Laives area, where we are headquartered. Our objective is to be known as an attractive employer for existing and future employees. That is why we are also boosting our presence and reputation in the region, for example through targeted employer branding, active PR work, informative guided tours, and a wide range of partnerships.

As an attractive employer in the regional market, we offer our employees an environment that promotes development and growth. We are committed to enhancing our visibility in the region – not only as an employer but also as a locally grounded, export-oriented company.

For us, regional added value manifests itself in, for example, attractive payout prices, fair salaries, and

The cooperatives provide an income for thousands of South Tyrolean farming families. VOG Products contributes to this with its payout volume.



→ OBJECTIVES

Materiality topic: Adding Value in the Region

Objective 1: by 2030, achieve 1 euro cent more for lower-grade qualities for our members than they would get on the fresh market.

→ MEASURES

Our corporate strategy focuses on creating added value. This is reflected in our diverse **product range**, which is constantly being expanded with new, innovative products. As a result, we offer our members additional processing options for apples of various categories and ensure attractive payout prices over the long term.

This goes hand in hand with our drive to **optimise processes** and costs. Recently, we turned our focus towards energy and efficiency in production (see the chapters on Energy and Climate Protection and Water).

To further raise our profile, we offer numerous **guided tours and company visits**. These are primarily aimed at producers and visitors from the world of agriculture, but also at school students and students from agricultural colleges who often get their first job at VOG Products after graduating.

In the summer of 2023, we participated in the **employer branding initiative** "The Hottest Summer Job" to encourage young people to take summer jobs at VOG Products.

We work closely with **local banks**, in particular local Raiffeisenkasse branches, Raiffeisen Landesbank, and Sparkasse. These institutions provide us with around 70% of our financing volume, underlining our regional ties and strengthening the local economy.

→ STAKEHOLDER COOPERATION

The liveliest exchange with interest groups on the subject of regional value creation is with our **members**, who are represented in the General Assembly and on the Administrative Board. They are the primary beneficiaries of added value; the corporate strategy is agreed by the Administrative Board.

The **collaborations** we pursue in the regional area include research partnerships (particularly with the University of Bolzano and the Laimburg Research Centre, but also with the NOI Techpark).

We maintain particularly close contact with agricultural **schools**, regularly participating in Open House days and offering lessons by subject experts during visits. We also sponsor school-leaving leaving proms and other events.

**Sponsorship** is another activity that helps to raise our profile: in particular, we support local clubs and associations in the surrounding area, many of which are sports-related. In the next reporting period, Management plans to support a local community project and wants to actively encourage employees to seek volunteering opportunities.





# ADDITIONAL SUSTAINABILITY TOPICS

## ANTI-CORRUPTION

As part of our commitment to integrity and transparency, we apply strict anti-corruption measures. Our management system for the prevention of corruption and other illegal activities is based on the **organisational model in accordance with Legislative Decree 231/2001**. This model consists of a comprehensive set of rules and establishes internal procedures and controls to prevent employees or company representatives from committing certain offences. These rules and internal controls are designed to identify and minimise potential corruption risks. Our Code of Ethics and Code of Conduct complement this organisational model and define clear behavioural rules for all employees. These documents require our employees to behave

ethically and ensure that all business practices meet the highest standards. VOG Products is not involved in any corruption cases in Italy or in any other countries.

## ATTRACTIVE EMPLOYER

We want to be an attractive employer for our current and future employees. To achieve this, we focus on the following topics:

### FAMILY FRIENDLINESS

Employees can take advantage of flexible working hours to better balance family and work. Part-time and remote working arrangements also contribute to a family-friendly environment.



Employees at VOG Products can take advantage of a wide range of professional development opportunities.

- 🌱 **Flexible working hours:** the introduction of flexi-time, individual core hours, and core team hours enables employees to start work later and leave later or vice versa without changing their weekly working hours (40 hours full time).
- 🌱 **Part-time:** part-time contracts are mainly used by female employees who want to reduce their working hours following maternity leave. VOG Products offers horizontal, vertical, and mixed part-time models.
- 🌱 **Remote working:** after the Covid pandemic, we retained the option to work remotely. Employees can work from home for part of the week with their line manager's approval.

courses are not included in the training budget. The key points are:

- 🌱 All employees have the opportunity to deepen existing knowledge or acquire new skills through targeted training and development programmes.
- 🌱 By the end of June, the divisional heads will develop concrete proposals for training, courses, and development programmes in consultation with the department heads and employees. These proposals will be based on discussions to identify skills areas and support needs.
- 🌱 The training budget is set by Management and approved by the Administrative Board.

Several employees have taken the opportunity to complete the training programme for fruit juice technology specialists in Germany, which was funded by VOG Products.

**WAGES AND SALARIES**

All our employees work in accordance with the national collective agreement. Temporary workers taken on during the peak season also work in accordance with a collective wage agreement. Our wages and salaries meet or exceed the legal minimum standards. Overtime is remunerated separately with the statutory surcharges. Other statutory wage components such as paid leave and paid public holidays or bonuses are guaranteed. We ensure that our wages and salaries cover the basic needs of all employees and their families (living wage). Employee pay is determined by reviewing wage and working hour records. Interviews with employees are also conducted as part of social audits. New hires are not charged fees.

**WELFARE**

VOG Products offers its employees a package of company welfare services designed to improve employees' well-being and facilitate a work-life balance. Through this programme, bonuses are paid out on a

**PARENTAL LEAVE**

Parental leave can be taken at any time before the child reaches the age of 12. Both the mother and the father are entitled to three months of paid parental leave. Both parents are also entitled to an additional three months of paid parental leave, which can be split between them. Sixteen employees have made use of the parental leave option.

**SUPPLEMENTARY PENSION INSURANCE**

We offer all our employees the opportunity to save for retirement through the Laborfonds supplementary pension insurance, towards which both the employee and the employer contribute. Employees can choose between different investment portfolios depending on their risk appetite and investment horizon.

**TRAINING AND DEVELOPMENT**

Improving knowledge and skills on an ongoing basis is in the interests of both our employees and the company as a whole. We support professional development through internal training programmes and by providing financial assistance for external training and development. In total, our employees completed 5,381 hours of training in the past financial year. During the reporting period, we developed a comprehensive training plan and budget that promotes professional development at all levels. Compulsory



🌱 The bee pasture is a successful example of a community project dedicated to fostering biodiversity.

“gross for net” basis, in other words without the tax deductions that would normally apply if paid through the payslip. Employees can access a wide range of benefits through a personalised digital platform, including shopping vouchers, pension payments, and fuel vouchers. Other benefits include payment of training and professional development costs, provision of social support, and discounts from online partners.

**BIODIVERSITY**

Numerous projects and measures promote flora and fauna in South Tyrolean apple orchards. Promoting **biodiversity** is an important concern for the farmers themselves. They implement measures such as flowering cover crops, compensation areas, and structural elements such as dry-stone walls, natural ponds,

and insect hotels to create habitats for birds, insects and plants. On 28 May 2024, VOG Products officially opened the **bee meadow on Kortscher Sonnenberg**. This project actively promotes a close partnership between beekeepers and fruit growers that is crucial for pollination and crop production. Bee-friendly plants were planted on half a hectare to provide bees with sufficient pollen and nectar during the months when food is scarce.

This joint project, which was led by VIP (member) and VOG Products, was supported by numerous organisations including the Kortsch farmers' association, Eigenverwaltung B.N.R. Kortsch, the Kortsch Sports Club, the Schlanders forestry inspectorate and the Schlanders branch of the South Tyrolean beekeeping association. The bee meadow demonstrates how successful collaboration can promote bee conservation, biodiversity, and quality of life in the region.



➤ Besides integrated cultivation, organic fruit growing is also practised in South Tyrol.

## CIRCULAR ECONOMY

When we process fruit, we create a by-product called pomace. We sell our pomace to customers in northern Italy who then use it to feed their livestock or produce biogas, which is in turn used in their closed-circuit plants and machines.

- fully comply with all applicable laws,
- comply with internationally recognised environmental, social, and corporate governance standards, and
- communicate our Code of Conduct to their employees, subcontractors, and representatives and ensure that they comply with it.

One hundred percent of our members, 85% of our annual suppliers, and 85% of our suppliers with an annual order volume of more than EUR 50,000 have signed our Code of Conduct.

More information:



## CLIMATE NEUTRALITY IN THE FRUIT INDUSTRY

The South Tyrolean Apple Consortium has set itself the goal of achieving climate neutrality by 2030. Studies show that the carbon footprint of apples in the

Trentino-South Tyrol region is between 40 and 60 grams of CO<sub>2</sub> per kilogram of apples. This figure covers the cultivation phase up to the point when the produce is handed over to the cooperatives. The annual amounts of CO<sub>2</sub> absorbed through photosynthesis and released through the respiration of organisms in the apple orchards offset the majority of the industry's CO<sub>2</sub> emissions. As a result, local apple cultivation is climate-neutral during the growing phase. \*\*

\*\*07/2022 Obst- und Weinbau, Der CO<sub>2</sub>-Fußabdruck des Apfels, D. Zanotelli, G. Galli, B. Hauser, M. Tagliavini, Faculty of Science and Technology, Free University of Bolzano

After the growing phase, the processing and storage of apples in the cooperatives generates between 100 and 150 grams of CO<sub>2</sub> per kilogram. To reduce this, the South Tyrolean fruit industry is embracing innovative approaches and technologies such as installing photovoltaic systems on the rooftops of the cooperatives where apples are stored, packed,

and prepared for shipment. By using renewable energy, these operations can further minimise their CO<sub>2</sub> emissions.

## CLIMATE CHANGE

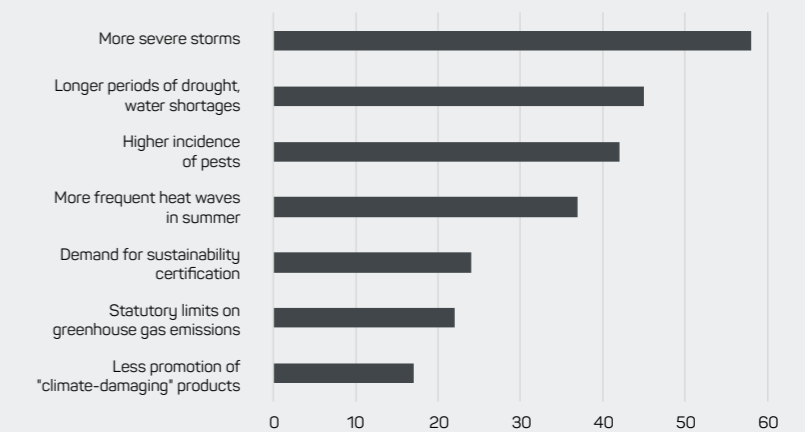
The table below highlights which aspects of climate change our regional producers perceive as particularly high-risk.

## CULTIVATION METHODS

### INTEGRATED CULTIVATION

As early as 1988, the South Tyrolean apple industry developed its own sustainable form of cultivation with the AGRIOS working group for integrated fruit growing. Integrated cultivation represents the middle ground between organic apple growing and purely

TO WHAT EXTENT DO YOU VIEW THE FOLLOWING POTENTIAL ASPECTS OF CLIMATE CHANGE AS A RISK OR COST FACTOR FOR YOUR COMPANY?



➤ Proportion of companies identifying a "high risk", in percent

Source: WIFO (2024). Klimawandel und Klimaplan 2040: Welche Risiken sehen die Südtiroler Landwirte? WIFO Short Report 6.24, published in June 2024

conventional methods, which are no longer practiced in South Tyrol. Ninety-five percent of South Tyrolean apple farmers are AGRIOS-certified. The rules of integrated cultivation follow the apple's journey from the planting of the orchards and cultivation, harvest, and storage right through to marketing. In terms of crop protection, the AGRIOS guidelines aim to promote trees' natural resistance and minimise the use of pesticides.

**ORGANIC CULTIVATION**

Fourteen percent of the fruit-growing area in South Tyrol is organically farmed. Organic fruit farmers rely exclusively on natural and organic fertilisers and pesticides instead of chemical and synthetic products.

**DATA PROTECTION AND DATA SECURITY**

During the reporting period, VOG Products provided comprehensive cybersecurity training for all employees with access to a computer. This training raises awareness of potential threats and communicates important measures for ensuring the security of IT systems and data. Another central objective is to constantly improve data protection. To help achieve this, we have developed and implemented a cybersecurity contingency plan. This plan is designed to enable the company to respond quickly and effectively to potential cyberattacks, thereby protecting sensitive data and ensuring the continuity of our business processes.

**ETHICS AND COMPLIANCE**

Our Code of Ethics sets out our commitment to principles and procedures related to responsible business conduct. The obligations encompass all the legal requirements such as hygiene regulations, environmental protection, occupational health and safety, etc. The Code of Ethics is an integral part of the organisational model approved under Legislative Decree 231/2001. It is an adjunct to the relevant statutory provisions and statutory standards as well as special

internal directives and rules issued in some key areas. New employees sign the Code of Ethics when they join the company.

Another document governing ethical and correct behaviour of employees and business partners is Organisational Model 231/2001.

More information:



**HUMAN RIGHTS**

We refer to respect for human rights both in our Code of Ethics and in our Code of Conduct, which was first published in 2023. We have implemented specific measures on individual human rights topics (see below). Our supplier questionnaires contain detailed questions on human rights and ethics issues. Further measures, such as the inclusion of additional human rights topics in supplier audits, are being worked on.

More information: Code of Conduct and Code of Ethics.

**CHILD LABOUR**

We emphatically rule out child labour. All the employees in the company are of legal age. Internships can only be taken by people over a particular age, and always in compliance with the legal regulations. Child labour includes any form of exploitation such as slavery, forced or compulsory labour or the exposure of young people to hazardous working conditions (as per ILO Convention 138). According to this definition, there is no risk of child labour at our plants or at our primary suppliers' facilities.

We are strictly committed to the exclusion of child labour through our Code of Conduct, Code of Ethics and Organisational Model 231/2001, and we monitor this issue in our supplier questionnaire. These standards ensure that all the business activities of VOG Products and our suppliers are carried out in accordance with international guidelines for the prevention of child labour.

**DIVERSITY AND EQUAL OPPORTUNITIES**

VOG Products was "born" in 1967 and is therefore 57 years old – but the average age of our employees is much lower. On average, we are 36.7 years old, with women averaging 33.88 and men 37.39. This gives us a healthy mix between older and younger age groups: mixed-age teams perform significantly better than teams made up of employees of around the same age. This also enables the company to benefit from experience and continuity, but also from creativity, fresh momentum, and innovations. The largest age groups are those under 30, followed by those aged

30 to 40. We also ensure diversity in terms of the mix of female and male employees and the large number of nationalities we employ (we have people from around 25 nations).

In the reporting period, we signed the *Carta per le pari opportunità* (Diversity Charter). This employer initiative is a voluntary commitment to promoting equal opportunities and diversity. The aim of the initiative is to promote recognition, appreciation, and inclusion of diversity in the world of work, enabling organisations to create a working environment that is free from prejudices.

➤ VOG Products has a young workforce, with the under-30s forming the biggest age group.



**FORCED OR COMPULSORY LABOUR**

We are strictly committed to the exclusion of forced or compulsory labour. See our Code of Conduct, Code of Ethics and Organisational Model 231/2001.

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Employees have the right to associate freely. During the reporting period, a trade union representative body was set up (*RSU – Rappresentanza Sindacale Unitaria*), which started work in the autumn of 2024.

**NON-DISCRIMINATION**

As part of our commitment to comply with International Labour Organization (ILO) standards, during the reporting period, we carefully monitored incidents of discrimination based on ethnic origin, colour, gender, religion, political opinion, and national or social origin. No such incidents of discrimination were recorded during the reporting period.

We have established the new position of confidential advisor, a person who is available to all employees for assistance with problems such as inappropriate gestures, words, or stressful situations based on factors such as age, gender, education, ethnic origin, religion, beliefs, sexual orientation, or disability in the workplace.

We explicitly refer to the principle of non-discrimination in our Code of Ethics and the organisational model and also specifically ask about this in our supplier questionnaires.

**MANAGEMENT SYSTEM**

During the reporting period, we rolled out a new organisational and management system. Metis is a comprehensive system that establishes uniform rules of play for all areas of the company. It integrates the aspects of process, project, quality, and environmental management as well as food safety. At its foundation is the process map, which shows the most important processes in the company and serves as an orientation aid within the new platform.

As part of Metis, a system of internal auditors was introduced during the reporting period. The team of auditors was also expanded during the reorganisation of the Integrated Management System (IMS). The aim is to ensure ongoing improvements through internal audits and thorough preparation for customer and certification audits.

**MATERIALS AND PACKAGING**

As in other areas, we aim to conserve resources in relation to materials and packaging and promote sustainable practices in these areas. Documents such as orders, maintenance reports, HR documents, and quality assurance verification documents are increasingly being digitalised in order to reduce our use of paper. In Procurement, for example, we have already succeeded in reducing printouts by 71%. Another area of focus is reducing our use of plastic containers and labels. We are constantly on the lookout for alternatives and are working on implementing environmentally friendly packaging solutions that simultaneously ensure the quality and safety of our products along the entire value chain.

**MEMBERSHIP OF ASSOCIATIONS AND INTEREST GROUPS**

VOG Products is a member of various organisations:

- **Assomela** is the association of Italian apple producers, whose members make up around 80% of Italian and 20% of European apple production.
- **Carta per le pari opportunità:** this employer initiative is a voluntary commitment to promoting equal opportunities and diversity (see also Diversity and Equal Opportunities).
- **SAI Platform/GLOBALG.A.P.:** the SAI Platform is one of the most important global initiatives in the food and beverage value chain promoting sustainable agriculture. GLOBALG.A.P. has worked

with the SAI Platform to develop the Farm Sustainability Assessment. VOG Products has obtained FSA Gold certification.

- **SGF:** The organisation Safe – Global – Fair (SGF) was founded in Germany in 1974 as an instrument of industrial self-regulation to restore free and fair market conditions in the juice industry. The purpose of the association is, among other things, to promote free and fair competition; to control the safety and quality of products; to contribute to consumer protection; and to monitor juices, nectars and other fruit and vegetable-based products.

**REDUCING FOOD LOSSES**

During the reporting period, a study on food losses was carried out in conjunction with Dr Christian Fischer, Professor of Agricultural and Food Economics at the University of Bolzano. Food losses and waste represent a significant sustainability problem. VOG Products is actively committed to reducing these losses by annually processing around 300,000 to 400,000 tonnes of fruit that would be difficult to sell on the fresh produce market.

The study highlights VOG Products as an outstanding example of food loss prevention. The producer organisation processes around 70-80% of the Italian industrial apple harvest, which corresponds to about 20% of the total harvest from South Tyrol and Trentino. According to Professor Fischer, VOG Products reduces Italian harvest and post-harvest losses in the apple supply chain from the standard international level of over 20% of the crop to just 6-10%. This value creation strategy not only strengthens the high quality image of local fresh produce but also shows that food losses can be significantly reduced through effective organisation and technological investments along the supply chain, benefiting producers, consumers and the environment alike.

**RISK ASSESSMENT**

The supervisory committee regularly carries out risk assessments in the areas of management, administration and production. In addition, Management assesses corporate risks based on a risk temperature graph. The risks assessed include market-related, personal and economic risks; technical and legal risks; security and administrative risks; social and nature-related risks; and IT risks.

**STANDARDS**

**VOG PRODUCTS STANDARDS**

Our company is audited in line with various management systems and certifications.

- ISO 9001, ISO 14001, BRC, SGF, Kosher, BIO, Halal, Bio Suisse Organic, FSSC 22000, FSMA, Demeter, GlobalGAP FSA, Bioland, Naturland

**STANDARDS IN REGIONAL FRUIT CULTIVATION BY OUR MEMBERSER**

Numerous management systems, certifications and recognitions cover the entire value chain, ranging from cultivation to harvesting, storage, sorting, packaging and loading:

- GlobalG.A.P. – Good Agricultural Practice – GRASP – Risk Assessment on Social Practice – DIN EN ISO 9001 – Quality Management System – ISO 45001 – Health and Safety Management System – Agrios – integrated production – Südtirol g.g.A. – protected geographical indication – IFS Food – food quality and safety assessment standard – BRCGS – global food safety standard – Sedex (SMETA 4-pillar) – sustainable and ethical practices – EU Bio label – BioSuisse Organic – Demeter – KRAV – Swedish organic food label – Bioland certificate – Garanzia AIAB – Organico Brasil

## WASTE

Effective waste management is a top priority for us. Our waste is carefully separated and disposed of in accordance with the law. We log waste by category and keep precise records of the quantities. Hazardous waste is disposed of separately and always in compliance with the statutory provisions. We do not view press residues (pomace) as waste but as a by-product (see Circular Economy).

## WHISTLEBLOWING

By "whistleblowing" we mean a confidential reporting system that is available to our employees and business partners. Violations must be able to be reported safely and confidentially without whistleblowers having to fear recriminations.

The reports are sent to the Supervisory Committee, which has a duty to investigate them closely and protect the whistleblower. The Supervisory Committee must identify risks and implement appropriate protection mechanisms to ensure that whistleblowers can report violations without fear of negative consequences.

This makes it possible to report illegal acts that fall within the scope of EU and national regulations, such as environmental and road safety, product safety, health, and data protection violations.



# OUR KEY FIGURES

## KEY CORPORATE FIGURES FINANCIAL YEAR 2023/2024



EXPORT  
TO AROUND  
**50** COUNTRIES  
WORLDWIDE

**204**  
EMPLOYEES



**approx. 6,000**  
PRODUCERS

**MEMBERS**  
**2** producer  
organisations  
**17** cooperatives

TURNOVER EUR  
**149 million**

## KEY SUSTAINABILITY FIGURES

REDUCTION IN  
CO<sub>2</sub> EMISSIONS\*  
**- 3,264 tCO<sub>2</sub>e**



## VIOLATIONS\*\*

**0**

**FEMALE  
EMPLOYEES  
19.6%**



PAYOUT VOLUME  
EUR TO MEMBERS  
**63.5 million**

RATIO OF  
EMPLOYEES  
< 30 YEARS  
**33%**

AVERAGE  
TRAINING  
HOURS PER  
EMPLOYEE  
**26.38**

\*Based on scope 1 and scope 2 (market-based). Emissions data vary due to factors such as the quantity of raw materials processed and the implementation of energy-efficient measures.  
\*\*Violations related to the impacts of products and services on health and safety.



# DATA OVERVIEW

## ENERGY & CLIMATE

	Unit	2021/2022	2022/2023	2023/2024
<b>Direct (scope 1) GHG emissions</b>				
Total (scope 1) GHG emissions	t CO <sub>2</sub> e	22,289.83	22,962.61	18,670.08
<b>Indirect (scope 2) GHG emissions</b>				
Indirect GHG emissions (location-based)	t CO <sub>2</sub> e	2,446.50	2,863.38	3,776.98
Gross volume of market-based indirect GHG emissions	t CO <sub>2</sub> e	-	2,162.25	3,430.26
<b>Total scope 1 and scope 2 (location-based)</b>	t CO <sub>2</sub> e	24,736.33	25,825.99	22,447.06
<b>Total scope 1 and scope 2 (market-based)</b>	t CO <sub>2</sub> e	22,289.83	25,124.86	22,100.35

## OCCUPATIONAL SAFETY & HEALTH

	Unit	2021/2022	2022/2023	2023/2024
<b>Total number of employees by gender</b>				
Number of employees (female)	HC	52	50	40
Number of employees (male)	HC	157	166	164
Total number of employees	HC	209	216	204
Percentage of female employees	%	24.9	23.1	19.6
<b>Total number of employees by age group</b>				
Number of employees (< 30)	HC	67	66	67
Number of employees (30–50)	HC	105	111	107
Number of employees (> 50)	HC	37	39	30
<b>Total number of employees by work contract</b>				
Number of employees with permanent contract (female)	HC	25	27	27
Number of employees with permanent contract (male)	HC	127	128	132
Number of employees with permanent contract	HC	152	155	159
Number of employees with temporary contract (female)	HC	21	23	8
Number of employees with temporary contract (male)	HC	19	34	23
Number of employees with temporary contract	HC	40	57	31
Number of employees with atypical contract (female)	HC	6	0	5
Number of employees with atypical contract (male)	HC	11	4	9
Number of employees with atypical contract	HC	17	4	14
<b>Total number of employees by employment status</b>				
Number of full-time employees (female)	HC	47	45	34
Number of full-time employees (male)	HC	155	164	162
Number of full-time employees	HC	202	209	196
Number of part-time employees (female)	HC	5	5	6
Number of part-time employees (male)	HC	2	2	2
Number of part-time employees	HC	7	7	8

	Unit	2021/2022	2022/2023	2023/2024
<b>Number of work-related injuries with serious consequences* (excluding fatalities)</b>				
Number of work-related injuries with serious consequences (excluding fatalities) – employees	Cases	0	0	0
Number of work-related injuries with serious consequences (excluding fatalities) – workers	Cases	0	0	2
Number of work-related injuries with serious consequences (excluding fatalities) – temporary and contract workers	Cases	0	0	0
<b>Total</b>	Cases	0	0	2
Rate of work-related injuries with serious consequences (excluding fatalities) – employees	Rate	0	0	0
Rate of work-related injuries with serious consequences (excluding fatalities) – workers	Rate	0	0	1.63
Rate of work-related injuries with serious consequences (excluding fatalities) – temporary and contract workers	Rate	0	0	0
<b>Total</b>	Rate	0	0	1.00
<b>Number of documentable work-related injuries (including serious accidents and fatalities)</b>				
Number of documentable work-related injuries – employees	Cases	0	0	0
Number of documentable work-related injuries – workers	Cases	8	11	15
Number of documentable work-related injuries – temporary and contract workers	Cases	0	0	1
<b>Total</b>	Cases	8	11	16
Rate of documentable work-related injuries – employees	Rate	0	0	0
Rate of documentable work-related injuries – workers	Rate	7.01	9.31	12.19
Rate of documentable work-related injuries – temporary and contract workers	Rate	0	0	8.07
<b>Total</b>	Rate	4.55	5.69	8.03

\* Healing period > 60 days; measures taken or initiated to eliminate and minimise these hazards: as part of an ongoing improvement process, a to-do list on work safety is continuously checked off and completed by the internal safety coordinator; this list is an integral part of the DAS occupational safety meeting. Periodic checks and inspections are carried out by internal bodies (e.g. belts, gates, racks, safety devices) and external bodies (e.g. fire alarm system, pressure equipment, cranes, machinery, fire extinguishers). Work-related hazards that entail a risk of injuries with serious consequences are chemical hazards and physical hazards (truck and forklift traffic, cuts/crushes, slips, burns).

## HEALTHY PRODUCTS

	Unit	2021/2022	2022/2023	2023/2024
<b>Total number of violations of regulations and/or voluntary codes of conduct related to the health and safety impacts of products and services during the reporting period, broken down by</b>				
i. Violations of regulations that resulted in a fine or sanction	Number	-	-	-
ii. Violations of regulations that resulted in a warning	Number	-	-	-
iii. Violations of voluntary rules of conduct	Number	-	-	-
<b>Total number</b>	Number	-	-	-

## ADDED VALUE FOR THE REGION

	Unit	2021/2022	2022/2023	2023/2024
<b>Proportion of spending on local suppliers (local = all procurement from direct suppliers from South Tyrol and Trentino)</b>				
Percentage of the contracting budget of key operating sites* spent on local** suppliers *VOG Products plant in Laives; **South Tyrol and Trentino	%	65	64	71
<b>Payout volume</b>				
to members and annual suppliers in EUR millions	EUR m	44	49	64

## OTHER TOPICS

	Unit	2021/2022	2022/2023	2023/2024
Total number of training hours	Number	3,727	6,989	5,381
Average number of training hours/employee	%	17.83	32.36	26.38
Percentage of employees by country of origin outside Italy	%	-	-	24.02
Number of child or forced labour incidents reported	Cases	0	0	0
Percentage of employees covered by collective bargaining agreements	%	100	100	100
Total number of incidents of discrimination	Cases	0	0	0
Number of confirmed corruption cases	Cases	0	0	0
Number of confirmed information security incidents	Cases	0	0	0
Percentage of members who have signed the Code of Conduct	%	-	-	100
Percentage of annual suppliers who have signed the Code of Conduct	%	-	-	85
Percentage of suppliers (order volume > EUR 50,000) who have signed the Code of Conduct	%	-	-	85

## GRI CONTENT INDEX

<b>DECLARATION OF APPLICATION</b>	VOG Products has reported the information cited in this GRI Content Index for the period 01/07/2022 to 30/06/2024 with reference to the GRI Standards.
<b>GRI USED</b>	GRI 1: Foundation 2021

GRI 2	GENERAL DISCLOSURES 2021	REMARKS AND OMISSIONS	PAGE / SOURCE
	<b>The organisation and its reporting practices</b>		
2-1	Organisational details		7
2-2	Entities included in the organisation's sustainability reporting		10
2-3	Reporting period, frequency, and contact point		2, 10
2-4	Restatement of information	No changes requiring restatement have been made.	
2-5	External assurance	The report was approved by the Management without an external assurance.	
	<b>Activities and workers</b>		
2-6	Activities, value chain, and other business relationships		7, 13
2-7	Employees		43
2-8	Workers who are not employees		43
	<b>Governance</b>		
2-9	Governance structure and composition		VOG Products Management
2-16	Communication of critical concerns		46
	<b>Strategy, policies, and practices</b>		
2-22	Statement on sustainable development strategy		4
2-23	Policy commitments		VOG Products Code of Ethics VOG Products Code of Conduct
2-24	Embedding policy commitments		38, 42, 44
2-26	Mechanisms for seeking advice and raising concerns		46
2-27	Compliance with laws and regulations	The organisation did not commit any violations of laws and regulations during the reporting period.	48
2-28	Membership associations		44

	<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement		10
2-30	Collective bargaining agreements		48
	<b>Key topics</b>		
3-1	Process to determine material topics		10
3-2	List of material topics		11

GRI 3	MATERIAL TOPICS 2021	REMARKS AND OMISSIONS	PAGE / SOURCE
	<b>WATER</b>		
	<b>GRI 303: Water and Effluents 2018</b>		
3-3	Management of material topics		19
303-1	Interactions with water as a shared resource		19
	<b>ENERGY</b>		
	<b>GRI 302: Energy 2016</b>		
3-3	Management of material topics		17-19
	<b>GRI 305: Emissions 2016</b>		
3-3	Management of material topics		17-19
305-1	Direct (scope 1) GHG emissions	Our CO <sub>2</sub> equivalence factor includes: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> . We use the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The source of the CO <sub>2</sub> emission factors is Ecolnvent 3.71, DEFRA, IEA and UBA. The operational control approach was chosen for the calculations. There were no biogenic CO <sub>2</sub> emissions in the reporting period.	48
305-2	Indirect (scope 2) GHG emissions	Our CO <sub>2</sub> equivalence factor includes: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> . We use the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The source of the CO <sub>2</sub> emission factors is Ecolnvent 3.71, DEFRA, IEA and UBA. The operational control approach was chosen for the calculations. There were no biogenic CO <sub>2</sub> emissions in the reporting period.	48
305-5	Reduction of GHG emissions		17
	<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
	<b>GRI 403: Occupational Health and Safety 2018</b>		
3-3	Management of material topics		23-27
403-1	Occupational health and safety management system		23-27
403-2	Hazard identification, risk assessment, and incident investigation		23-27
403-3	Occupational health services		23-27
403-4	Worker participation, consultation, and communication on occupational health and safety		23-27
403-5	Worker training on occupational health and safety		23-27
403-6	Promotion of worker health		23-27

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		23-27
403-9	Work-related injuries		48
403-10	Work-related ill health		24
	<b>HEALTHY PRODUCTS</b>		
	<b>GRI 416: Customer Health and Safety 2016</b>		
3-3	Management of material topics		29-31
416-2	Incidents of non-compliance concerning the health and safety of products and services		48
	<b>REGIONAL VALUE CREATION</b>		
	<b>GRI 204: Procurement practices 2016</b>		
3-3	Management of material topics		33-35
204-1	Proportion of spending on local suppliers		34, 48

	TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NOT MATERIAL	REMARKS AND OMISSIONS	PAGE / SOURCE
	<b>GRI 101: Biodiversity 2024</b>		
101-2	Management of biodiversity impacts		40
	<b>GRI 205: Anti-corruption 2016</b>		
205-1	Operations assessed for risks related to corruption		38
	<b>GRI 306: Waste 2020</b>		
306-2	Management of significant waste-related impacts		37
	<b>GRI 404: Training and Education 2016</b>		
404-1	Average hours of training per year per employee		48
	<b>GRI 406: Non-discrimination 2016</b>		
406-1	Incidents of discrimination and corrective actions taken		44
	<b>GRI 408: Child labour 2016</b>		
408-1	Operations and suppliers at significant risk for incidents of child labour		48
	<b>GRI 409: Forced or Compulsory Labour 2016</b>		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		48



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*Sustainability is about consistency,  
not perfection.*



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