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Sustainability Report  
2019



**ivsgroup**



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# The Value of a Socially Responsible Company

The socially responsible company measures the impact of its activities on society in economic, social and environmental terms, adopts business practices aimed at limiting negative external impacts, and takes the interests of all stakeholders into consideration when defining its strategy, implementing policies and in daily management practices.

A company which:  
tackles environmental issues, improving its processes in terms of both products and energy/ logistics management; adopts corporate welfare policies to promote the health and satisfaction of its collaborators; maintains correct behaviour at Governance level and in relations with investors; will benefit from:  
a more positive business climate, a lower rate of turnover and absenteeism; the ability to attract and maintain better resources; an enhanced reputation, consequently increasing the trust and loyalty of customers and therefore consumers.

The challenge in the coming years will be to find solutions in line with existing approaches in other countries, avoiding ideological proposals or ones

which run contrary to international agreements covering the principle of non-discrimination among companies and promotion of the free market.

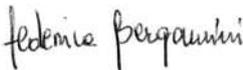
Transparency in how the company manages these issues is the basis for drafting the Sustainability Report, which represents a model for reporting the quantities and qualities of relations between the company and reference groups representing the whole collectivity. It aims to outline a homogeneous, timely, complete and transparent picture of the complex interdependence between the economic, social and environmental factors which characterise the context the company operates in.

The Sustainability Report aims to describe not only an organisation's performance, but also how it manages the most relevant aspects, in terms of principles, values, risks, policies and management systems.

Francesco Ferrari - Integrated System Manager



Federica Bergamini - Environment Specialist



Luca Cambiaghi - Group Consolidation Specialist



Laura Rodriguez - Marketing Manager



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# Letter to Stakeholders

*Dear Shareholders and Stakeholders,*  
2019 was another year of growth for our Group, despite a slowdown in the economy, in Italy more so than in the other European countries - Spain, France and Switzerland - where we operate.

The slowdown acted as a stimulus to increase our commitment, always focusing on the quality of the service we want to provide to millions of people every day. The quality of the service is in turn achieved by investing in people, their training, the effectiveness of a complex organisation, the processes and technology involved in every area of company activity. The IVS Group's corporate vision and strategy look to the long term; for this reason, growth and investment must go hand in hand in a balanced manner.

This year the group's turnover also grew, from around 430 to over 460 million. Behind this turnover lie even larger numbers, which can be summarised in over 865 million products delivered: coffee, drinks and snacks. This number gives an idea of the daily, widespread commitment from all the company's collaborators.

In fact, the total number of employees also grew, from approximately 2,800 to over 3,000. Increasing the number of employees, even with weak external conditions, means that growth translates not only into balance sheet numbers, but also into a wider contribution to the places where a company operates. This happens both directly and in its interaction with public bodies and individuals, companies and suppliers, which an entity like IVS Group is able to sustain. 2019 was also a busy year due to the new challenges the market posed us. First of all, the economic slowdown led to a further need for money by the public administration, in its various senses. Economic policies, which should encourage growth and development, thus appear oriented only towards seeking new sources of tax revenue. New taxes are created, increased contributions are required, and this particularly damages small and medium-sized enterprises which, in Italy at least, generate most of the growth. Even virtuous social changes, like

those towards a more environmentally sustainable economy - changes that IVS Group has actively shared and practised for years, on its own initiative and not to draw political consensus - therefore risk being ineffective or have recessive effects if adopted without adequate insight and industrial planning.

The case of how to apply new taxes on plastics, although having relatively little direct impact on IVS Group, is an example of wasted opportunities.

In this field, IVS has for years supported and pushed for the creation of more complete and efficient systems for recovering and recycling materials, including plastic. Thanks to its widespread logistical organisation, our group can do a lot - not just for its own business, but also for the communities it works in. Already today, for example, we collect and recycle increasing quantities of coffee grounds (up from 82 to 91 tons in 2019, about +11%), but are not allowed to recover and recycle plastic, which we could do very efficiently and effectively. This is because this activity is reserved for publicly owned and specialised companies which, however, are very often not organised to operate in a widespread manner and at sustainable costs.

Thus, instead of promoting and implementing sustainable alternatives, which do exist, the legislative initiatives are limited to providing for new taxes, which do not solve the problems.

IVS does not do politics, but wants to do business seriously, looking to the future. This means studying, finding new and better options, and investing in implementing them. IVS Group can offer maximum collaboration to all its partners, private or public; but it will never give up on analysing problems in detail and finding real and truly sustainable solutions. For us, responsibility comes before consent.

The future and the need to change don't scare us; quite the opposite. IVS has always been considered the leader in the vending machine sector precisely for its ability to innovate: in products and technologies, processes, organisational models, new ancillary services, as in recent years it has entered the field of

managing e-money and digital payment systems.

The size of our investments makes us understand, in fact, that a wide range of stakeholders benefit from IVS's development. By spending less on investments, more dividends could be paid to shareholders in the short term; but if the strategy is really long-term, the resources and cash flow the company can generate cannot only be oriented towards immediate profits. At the same time, we operate in competitive and complex markets, and the resources needed to compete, be they human resources or the capital to do business, must then be remunerated as required by market dynamics. IVS Group's economic performance is valid and resilient even in difficult market situations, and the financial situation is solid, thanks to far-sighted and effective choices to open the company up to the capital market. Our distinctive characteristics and skills will gradually emerge and make a difference in the years to come, in the vending sector and in a general context where absolute growth in consumption will be relatively limited. Last year's "Letter to Stakeholders", albeit in a more positive economic scenario, mentioned the possible difficulties weaker and marginal operators in the vending sector could have staying in the market. This is all the more true today, in a context where optimised resources, openness to aggregation, strategic and commercial partnerships will be crucial success factors.

2020 started in line with the end of the previous year. However, since the end of February, as now everybody known, some regions in Northern Italy, and then, in the rest of Europe and the world, have been seriously hit by the Covid-19 epidemic. It is hard to foresee the duration and final impact of this totally unexpected situation. IVS Group has immediately adopted all the necessary safety measures for its employees and partners, as required by the local public authorities. At the same time, the vending business, as the food distribution and other services, has been included amongst those considered necessary and therefore authorized to maintain the service continuity. IVS Group has not stopped its activities; the drop in

volumes and sales will be likely significant; but at the same time, our company has quickly put in place all the possible instruments to increase its flexibility and maintain the presence in the market.

Actions include the adjustment of the logistics structure, also providing for the activation of social safety nets (CIGS); the redefinition of some main categories of costs; the downsizing of planned investments. The financial debt of the group, being almost entirely represented by term loans and long-term bonds, represents a base of relative strength. The company has also significant liquidity and unused committed bank facilities. All this allows, despite the contingent difficulties, to look to the future still with a positive view of business growth and development. IVS Group has already demonstrated its strength and resiliency in periods characterized by a very weak economic environment, such as in 2013-2015; IVS knows how to face difficult challenges, seize new opportunities and constantly improve its position and market share.

IVS Group's strategy remains consistent with this scenario, like our daily activities: commitment to small things; ability to invest with a view to the future; preserving the company's economic values, creating increasing value for shareholders; paying attention to the communities and places where and for which the company operates.

Paolo Covre - President



Massimo Paravisi - Co-CEO



Antonio Tartaro - Co-CEO



# Note on Methodology

This document represents the consolidated non-financial statement (hereinafter also the "Sustainability Report") of the companies in the group consisting of the parent company IVS Group S.A. and its subsidiaries (hereinafter also "IVS Group" or "Group"), drawn up with the aim of fulfilling the obligations established by the Law of 23 July 2016, published in Mémorial A, with which Luxembourg implemented European Directive 2014/95/EU. The contents and indicators subject to reporting have been selected starting from the internal materiality analysis, which let us identify the issues deemed material for the Group and its stakeholders, taking into consideration the European Commission's "Guidelines on the communication of non-financial information" as suggested by the Commission de Surveillance du Secteur Financier (CSSF).

In this sense, the Sustainability Report has been prepared to the extent necessary to ensure an understanding of the Group's business, its performance, results and impact on environmental, social, personnel-related aspects, respect for human rights, the fight against active and passive corruption, which are relevant when taking into account the Group's activities and characteristics. The Sustainability Report also includes some values reported in the Group's Annual Report 2019. The perimeter of economic, corporate and environmental data and information included within the Sustainability Report, as well as the perimeter of the Group's 2019 Consolidated financial statements, is composed solely of fully consolidated subsidiaries<sup>1</sup>. Any methods of representing quantitative data that may differ from the above are indicated in the document via specific notes. In addition, in order to correctly represent the performance and guarantee the data's reliability, the use of estimates has been limited as much as possible and, where found, they are

based on the best available methodologies and suitably indicated. The Sustainability Report was prepared in accordance with the "GRI Sustainability Reporting Standards" published in 2016 by the Global Reporting Initiative (GRI), according to a "Core" application level. At the bottom of the following document is the table of GRI indicators, which provides a summary of the indicators reported and the relative reference pages to identify them. On a voluntary basis, the Sustainability Report was the subject of a limited assurance engagement by EY SpA. At the end of the assignment, they issued a special statement, attached to the Report itself, according to the criteria indicated by the "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 Revised"). The data and information contained in the Report refer to the 2019 financial year (from 1 January to 31 December) and for comparative purposes and where available, the previous year. The publication frequency of the Sustainability Report is set on an annual basis. To help understand the information in the Sustainability Report, please note that the following terms are used within the document:

- "the Group" and "IVS Group" with reference to the Parent Company IVS Group S.A. and the fully consolidated companies;
- "IVS Group" with reference to the Parent Company IVS Group S.A.

For any information relating to the Sustainability Report, write to the email address [investor.relation@ivsitalia.com](mailto:investor.relation@ivsitalia.com). This Sustainability Report is available in the section of the Group's website concerning sustainability ([www.ivsgroup.it](http://www.ivsgroup.it)).

The document was approved by the Board of Directors of IVS Group S.A. on 24/03/2020.

1. As regards the economic data, for further information please refer to the consolidated income statement of IVS Group S.A.'s Annual Report 2019. As regards personnel data, for further information please refer to Section 33 - Personnel expenses - of the Explanatory Notes of IVS Group S.A.'s Annual Report 2019. For the list of fully consolidated Group companies, please refer to Section 6 - Group Information - of the 2019 Annual Report of IVS Group SA.

Thematic aspects	Main related information reported in the Sustainability Report	Chapter or paragraph of the Sustainability Report
<b>Environmental issues</b>	<ul style="list-style-type: none"> <li>• Energy consumption</li> <li>• Greenhouse gas emissions</li> <li>• Water consumption</li> <li>• Waste management</li> <li>• Initiatives to reduce consumption and emissions</li> <li>• Certifications obtained by Group companies (UNI EN ISO 14001:2015; UNI CEI EN ISO 50001:2011)</li> </ul>	Environmental responsibility
<b>Social issues &amp; Respect for human rights</b>	<ul style="list-style-type: none"> <li>• Donations and sponsorships</li> <li>• Social initiatives and activities</li> <li>• Consumer health and safety</li> <li>• Supply chain management</li> <li>• Signing of the Group's Code of Ethics by suppliers</li> <li>• Managing relations with suppliers in accordance with the principles and values mentioned in the Group's Code of Ethics</li> <li>• Provisions of the Group's Code of Ethics on anti-discrimination regarding employees and suppliers (human rights)</li> <li>• Certifications obtained by Group companies (UNI EN ISO 9001:2015; UNI EN ISO 22000:2005; UNI 10854:1999)</li> </ul>	Focus on the Customer The commitment to the territory
<b>Issues related to personnel</b>	<ul style="list-style-type: none"> <li>• Diversity and equal opportunities</li> <li>• Employee wellbeing</li> <li>• Industrial relations</li> <li>• Training and development</li> <li>• Occupational health and safety</li> <li>• Certifications obtained by Group companies (BS OHSAS 18001:2007)</li> <li>• (SA8000:2014 Social Ethics)</li> <li>• ENWHP project</li> </ul>	Responsibility towards people
<b>Aspects related to the fight against active and passive corruption</b>	<ul style="list-style-type: none"> <li>• Assessment of the risk level in terms of corruption</li> <li>• Principles, values and Code of Ethics</li> <li>• Procedures for transactions with related parties</li> <li>• 231/2001 Model</li> <li>• Training courses on the 231/01 Model (anti-corruption)</li> <li>• Certifications obtained by Group companies (UNI EN ISO 37001:2016 Anti-corruption)</li> <li>• Gap Analysis tool</li> <li>• Compliance with laws and regulations</li> <li>• Whistleblowing procedure</li> </ul>	Governance and risk management



# The IVS Group

The IVS Group is one of the main Italian operators in the food service sector and in particular in the sales market, through automatic and semi-automatic vending machines for hot and cold drinks and snacks.

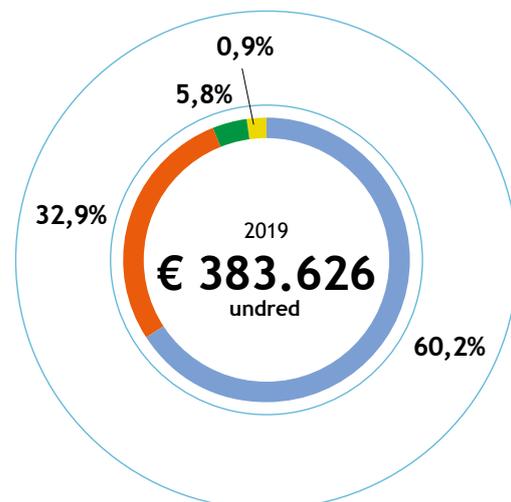
over 3,075 employees and a fleet of approximately 2,750 vehicles, with over 201,000 machines installed, of which approximately 36% are small (semi-automatic and Office Coffee Systems - OCS).

The IVS Group serves private customers, public bodies and passenger transit places, on the basis of multi-year contracts for installing, maintaining and managing:

- **Medium and large sized vending machines**, divided by product categories (hot or mixed);
- **Small semi-automatic vending machines** (OCS - Office Coffee Service). Semi-automatic vending machines, generally distributed to small and medium-sized enterprises (SMEs) and other corporate customers, comprise small machines for dispensing coffee and hot drinks (cappuccino, hot chocolate, tea, etc.) and cold drinks.

With over 40 years of history, the IVS Group is today an international leader in the Italian automatic catering market (Vending). It is also the only operator in the Vending sector in Italy to cover the entire country and the only one in Europe listed on the stock exchange.

In 2019, the IVS Group served over 865 million drinks in Italy, France, Spain and Switzerland. It is the leading Italian Group not only in terms of turnover, but also in terms of geographical coverage. In fact, Italy represents the operating heart of a Group, counting



- Suppliers
- Employees and collaborators
- Shareholders and capital providers
- Institutions



## SERVICES OFFERED AND THE BUSINESS MODEL

The IVS Group, with its registered office in Luxembourg, operates through two business segments:

- The Vending Division, with 72 branches located in Italy (51), Spain (15), France (4) and Switzerland (2), organised so as to vertically integrate the preparation and overhaul of vending machines. As at 31 December 2019, the Group manages a network consisting of over 201,000 automatic and semi-automatic vending machines, supplying a wide range of products including hot and cold drinks, snacks and confectionery products.
- The Coin Division (the Coin Service group is the Italian leader in managing, transporting and counting coins, with 10 branches located throughout the country). Specifically, this Division's core business includes a wide and complete range of activities, including: collection, delivery, counting, authentication and packing, disposal and retrieval of coins, as well as transporting its own and third-party money.

During the year, the group acquired 76% of Moneynet

SpA, which specialises in providing payment services, thus entering the interbank services sector.



## THE GROUP'S STRUCTURE

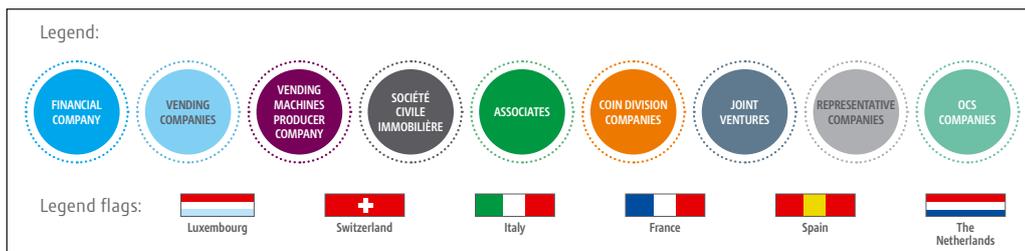
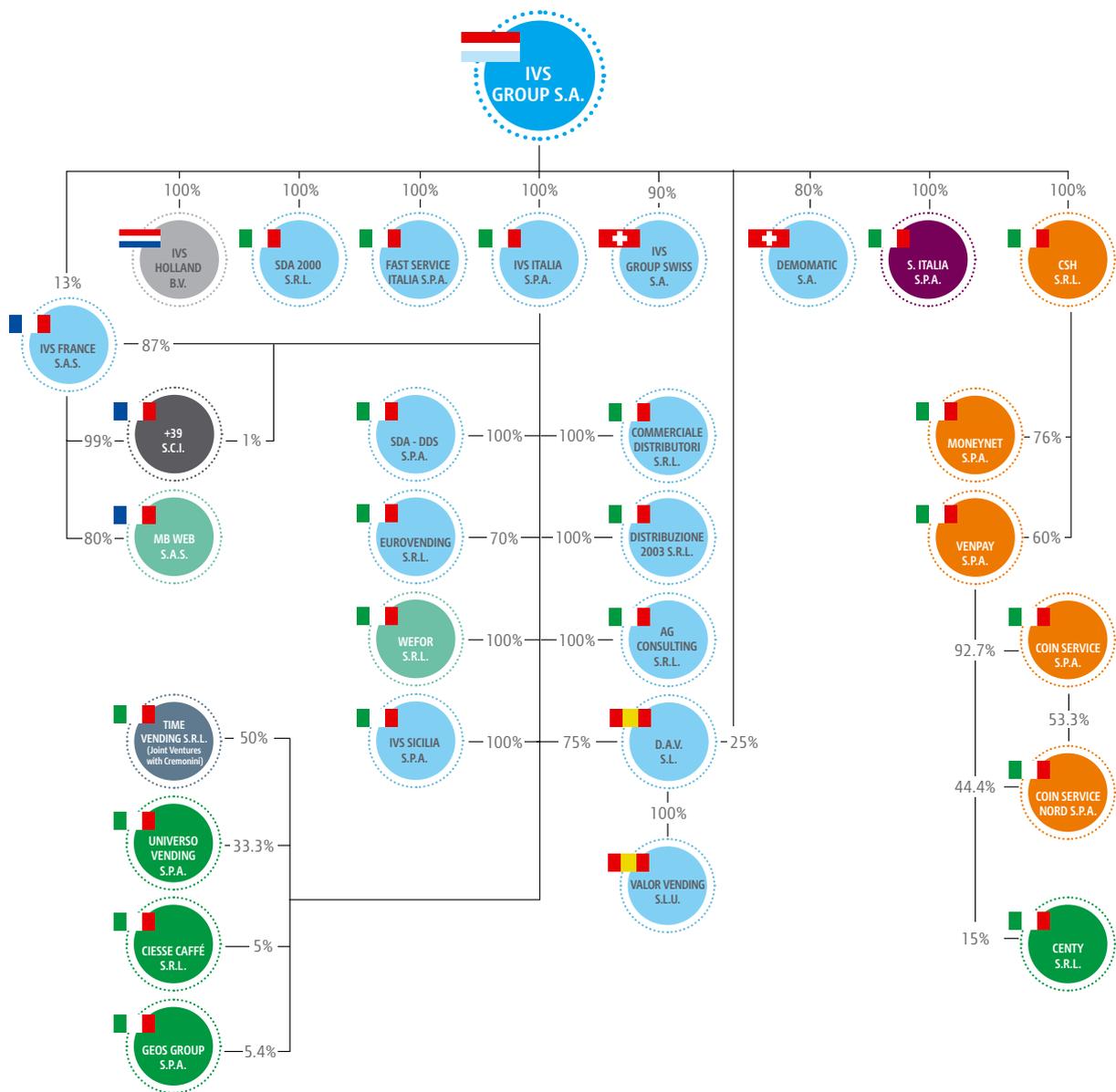
IVS Group is a company incorporated under Luxembourg law, listed on the Milan stock exchange (ISIN: LU0556041001) and with its tax domicile in Italy. The company's share capital is represented by 38,952,491 Class A shares (Market shares), issued in registered form, without par value, fully subscribed and paid up.

Each share has one vote, with the exception of the 1,895,818 treasury shares in its portfolio, for which voting rights are suspended as long as they remain in the company's portfolio.

As at 31/12/2019, the Company's main shareholders (with shares above 5%) are as follows:

- IVS Partecipazioni S.p.A. is the main shareholder, with 23,068,739 shares (company in which most shareholders are the Group's founding members and operational managers);
- Turin 1895 Investimenti S.p.A. with 6,900,000 shares;

At 31 December 2019, the IVS Group has a corporate structure as represented below:



## TRENDS IN THE VENDING SECTOR AND THE GROUP'S INTERNATIONAL VOCATION

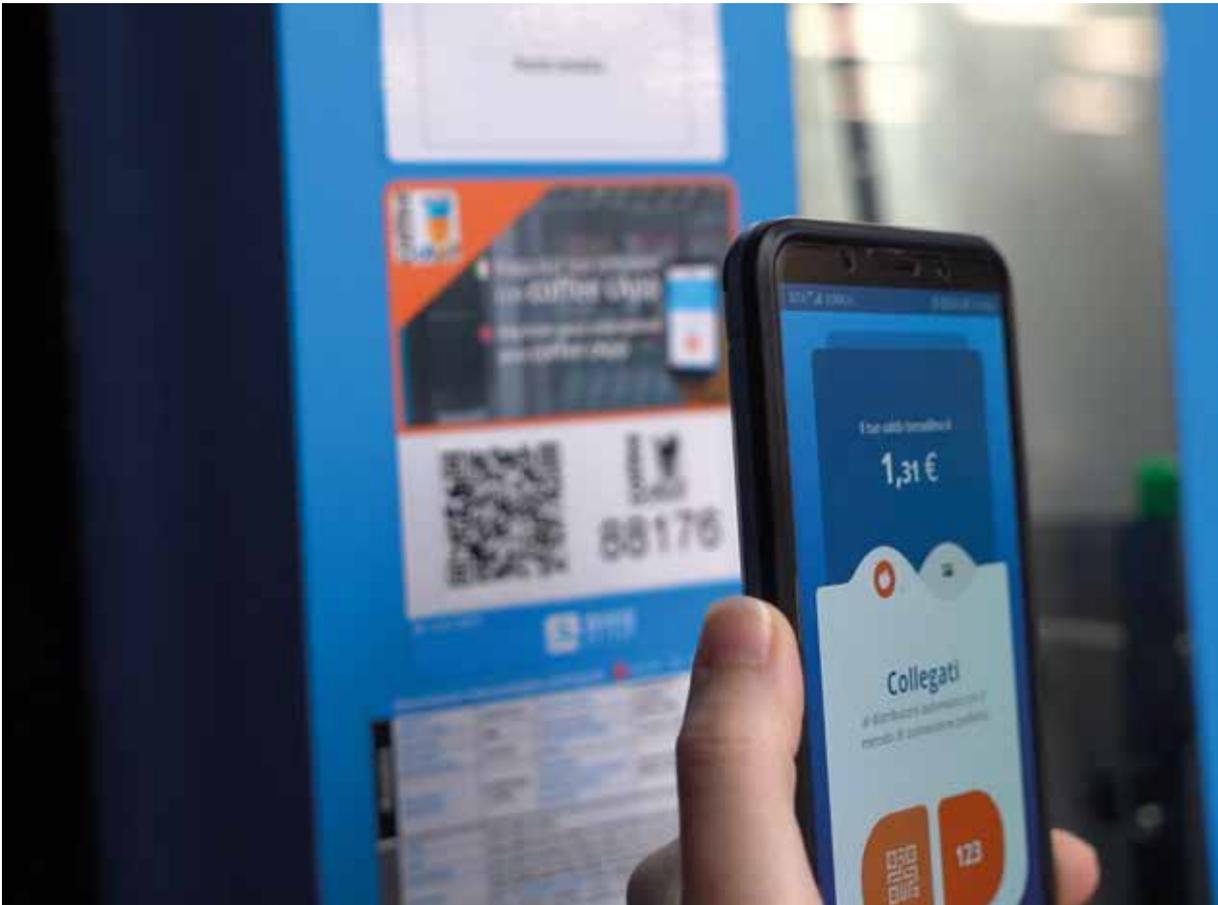
The Vending Sector is strongly and diversely regulated by the respective national laws, and is significantly influenced by climatic conditions and social trends.

The intensive national regulation of Vending can also involve restrictions on installing vending machines in certain public places or in specific areas, and the authorisation to sell only certain foods with specific nutritional parameters.

The sector also faces the final consumer's perception of the economic situation around them and their propensity to consume and spend, as well as the impact of European regulations and directives on the

various business cycles. The IVS Group constantly monitors the effects of these factors on the entire Group value chain.

On the other hand, the sector's changing regulatory framework and the market's high fragmentation offer the Group great opportunities to increase its presence and exploit its know-how, to guarantee stakeholders greater business value in terms of profitability and sustainable development.



# Governance and Risk Management

IVS Group's Corporate Governance model takes into account the complex international context the Group interacts with.

The innumerable changes in the economic, social and political scenario of the last few years require solid corporate governance, which takes into account the value for all stakeholders and allows the various corporate bodies to dialogue and interact.

Consistent with the legislation in force in Luxembourg, the Corporate Governance model is traditional and oriented towards improvement by following best practices, and therefore comprises:

The Board of Directors has the broadest powers to take all necessary or useful actions to fulfil the Group's objectives.

The **Control and Risk Committee** aims to guarantee the adequacy of company procedures in terms of efficiency and effectiveness, and the reliability and correctness of financial information.

the Supervisory Body, delegated to supervise the functioning and observance of the organisation, management and control model pursuant to Legislative Decree 231/2001, and to update it.

## Composition of the IVS Group Board of Directors as at 31/12/2019

Members	Office	Executive <sup>2</sup>	Independent	Control and Risk Committee	Appointments and Remuneration Committee
Paolo Covre	President	X			
Massimo Paravisi	Co-CEO	X			
Antonio Tartaro	Co-CEO	X			
Vito Alfonso Gamberale	Vice-President				
Adriana Cerea	Director	X			
Monica Cerea	Director	X			
Luigi De Puppi	Director		X	X	X
Carlo Salvatori	Director		X	X	X
Maurizio Traglio	Director				
Mariella Trapletti	Director				
Raffaele Agrusti	Director		X	X	X

2. Members of this category may not have powers, but perform their activity in the company.

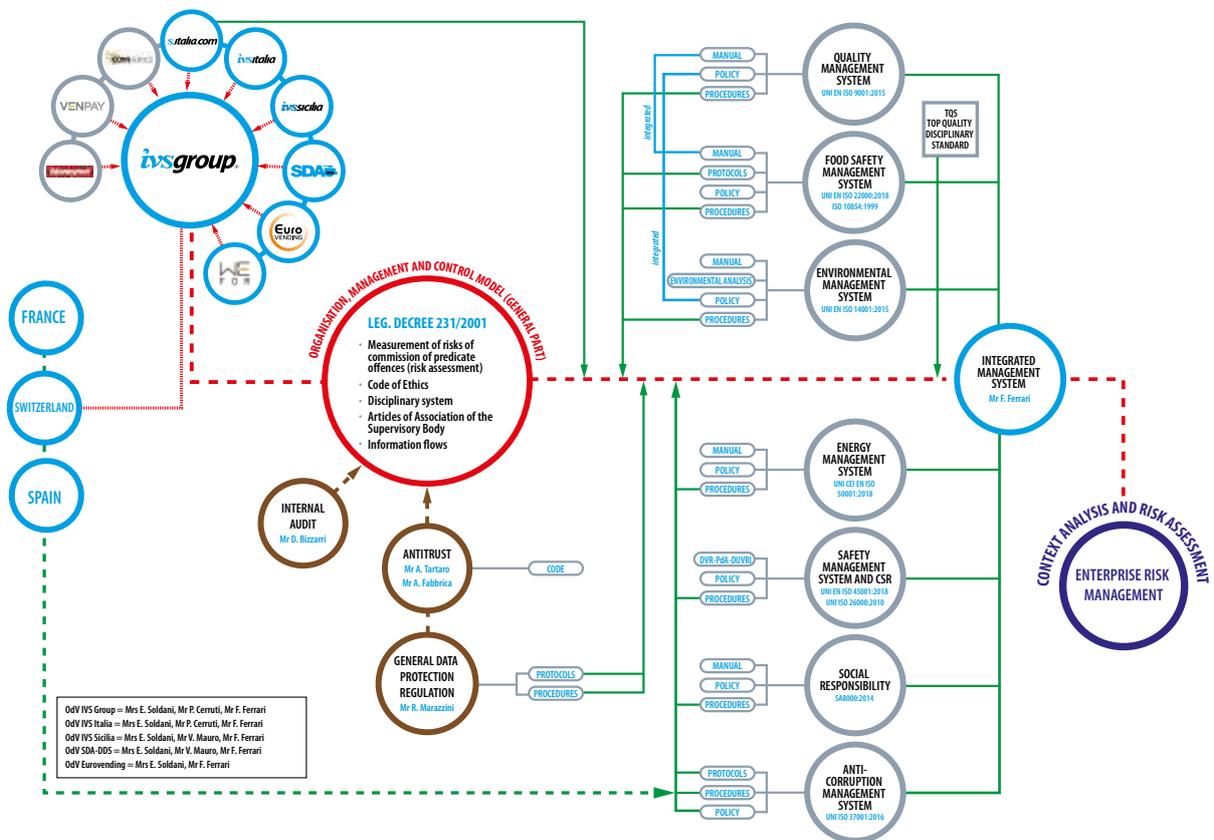
## THE INTERNAL CONTROL SYSTEM AND BUSINESS RISK MANAGEMENT

The adequacy and functioning of the internal control and risk management system is ensured by periodic checks performed by the relevant bodies: the Control and Risk Committee, the Supervisory Body, the Integrated System Manager and this year the Internal Audit.

Risk management, which includes internal, external, environmental, social, industrial, political and financial risks, is an integral part of the Group's growth strategy and is essential to develop its corporate governance system. Proper management of these aspects helps protect both the stakeholders (employees, customers, suppliers and shareholders, etc.) and the Group's activities. With a view to

mitigating the various types of risk, the Group adopts a prudential approach that consists of constantly monitoring the risks, so as to be able to assess their potential effects in advance and take the necessary actions to mitigate or compensate for them. This approach extends to all types of risks that are potentially significant for the Group.

The set of activities and the nature of the Core Business of the Group companies operating in multiple sectors has led to precise control of the Integrated System, to promote actions aimed at reducing operational risks in compliance with the applicable binding regulations.



## THE 231/01 MODEL

Legislative Decree 231/01 establishes the entity's administrative liability for crimes committed by people holding top positions.

To respond to the needs expressed by the Decree, IVS Group S.A. has adopted the "**Organisation, management and control model pursuant to Legislative Decree 231/01**" (231/01 Model) and the related "Code of Ethics" (the "Code").

The 231/01 Model was adopted in order to create a system of prescriptions and organisational tools to

ensure the organisation's activities are carried out in full compliance with the Decree, and to prevent and sanction any conduct that may fall under the offences envisaged by the Decree.

Alongside the implementation of the 231/01 Model, all the aforementioned companies have appointed a Supervisory Body entrusted with the task of monitoring the functioning, effectiveness and observance of the model.

## ETHICAL BUSINESS MANAGEMENT: THE CODE OF ETHICS

IVS Group has drawn up and adopted the Code of Ethics, valid for all Group companies, approved by the Board of Directors, conscious that the ethics of corporate activities are a duty for all actors in the economic system and organisation of the various Group companies.

The Code of Ethics aims to define the ethical and moral principles inspiring the rules of conduct the Group's members must adhere to. It must therefore be respected and applied in all respects by Directors, internal and external control bodies, employees of Group companies, including managers, and all those who work, directly or indirectly, for Group companies (collaborators of any type, consultants, suppliers, commercial partners).



## ANTI-CORRUPTION AND CONFLICT OF INTEREST

In the area of risks related to anti-corruption, the IVS Group pays special attention to relations with public administrations and public institutions.

As previously mentioned, public bodies are among the Group's customers. For this reason, maximum transparency and fairness are ensured when managing relations with these entities, as reported in the Code of Ethics and the internal operating procedures.

The transparency of the relationship must be such as to prevent partial, distorted, ambiguous or misleading interpretations by the institutional entities concerned. Similarly, Group companies do not make direct or indirect contributions to finance political parties, movements, committees or

political organisations, nor their representatives or candidates.

The Group has also drawn up the document "Procedures for transactions with related parties", aimed at defining and identifying related parties and identifying the procedures to adopt for any transfers of resources, services or obligations, with or without a fee, by IVS Group or its subsidiaries with regard to entities in this category.

## WHISTLEBLOWING PROCEDURE

IVS Group S.A. has established an email address for reporting violations of the Code of Ethics and the 231/01 Model. This address protects and guarantees the confidentiality of the reporting person's identity, since the owner of the address is external to the Group Companies. The companies invite their employees, suppliers, customers and collaborators to report any wrongdoing and irregularities by writing to [whistleblowing.gruppoivs@gmail.com](mailto:whistleblowing.gruppoivs@gmail.com)

Reports are received by the Supervisory Body ("Receiving Party"), which undertakes to provide the reporting party with a first response within 15 days.

Depending on the needs, the receiving party has the right to involve other relevant company divisions with the aim of managing the report, after making it anonymous.



## PRIVACY

Since the GDPR first came into force, IVS Group has worked to build up a "culture" of data protection and information confidentiality over time, then transmit it to all employees of the companies controlled and acquired over the years. This culture has always distinguished the data processing activities of employees, collaborators, customers and suppliers.

This constant work is based on several important elements:

- employee training;
- coordination documents produced between departments for managing paper and digital documents;
- adoption of Internal Regulations and Work Instructions updated over time;
- implementation of high-performance IT infrastructures equipped with security measures appropriate to the risks, with the aim of pursuing maximum Business Continuity;
- accountability activities understood as those of assigning responsibility and authoritative assignment proven in the Processing Register;
- audits periodically conducted following the Group's new acquisitions and growth and the types and quantity of processing.

The impact assessments for potential risks (DPIA - Data Privacy Impact Assessment) are therefore constant, sometimes daily or weekly, and the goal is to improve services and increase data security every day.

## ANTI-MONEY LAUNDERING

To combat money laundering offences, deemed significant in Italy according to the Treasury Department's recent analysis, there is frequent legislative action. The IVS Group, specifically the Coin division and the Moneynet payment institution, is responding proactively to these challenges, putting a model in place to prevent and monitor anomalies so as to report any suspected money laundering.

## MONEY AUTHENTICATION

As regards training activities, the Coin Division holds a course on recognising worn and suspected counterfeit coins to all new hires, in accordance with the provisions of the Ministerial Decree of 21 April 2015 (sector-specific legislation). In addition to the mandatory aspects, the company has also decided to implement a refresher course for all counting room workers, to encourage continuous knowledge of new types of forgery.

## LEGALITY RATING

In March 2018, the Guarantor Authority for Competition and the Market assigned Coin Service Nord S.p.A. the legality rating with a score of " +". This type of ethical rating, created in Italy in 2012, aims to promote ethical principles in corporate behaviour, rewarding the commitment of companies that improve their social and environmental impact.

## SECURITY

It is important for all types of companies to have a professional who can calculate the security risks inherent in the operational management of services (workplace safety, infrastructure security, technological security, data and network security, etc.). In the case of Private Surveillance Institutions like Coin Service Nord S.p.A., this figure is mandatory, as the core business involves managing these types of risks.

# IVS Group stakeholders mapping and materiality analysis

The Sustainability Report is a tool that allows the Group's performance in the economic, social and environmental fields throughout the corporate process to be communicated fully and transparently to the relevant stakeholders, along with the Group's commitment to sustainability. The starting point for preparing the following Report is the materiality analysis, which aims to identify and prioritise the aspects considered material, i.e. that reflect the Group's significant economic, environmental and social impacts and which can substantially influence stakeholders

assessments and decisions. To this end, the Group has created a detailed mapping of the main stakeholders it maintains a dialogue with and which orbit in the sphere of its activities, subsequently identifying their degree of influence/dependence and analysing the relevance of the sustainability issues specific to the sector and the reference context. Below is the map with the 10 clusters of stakeholders identified.

## IVS Group stakeholders map

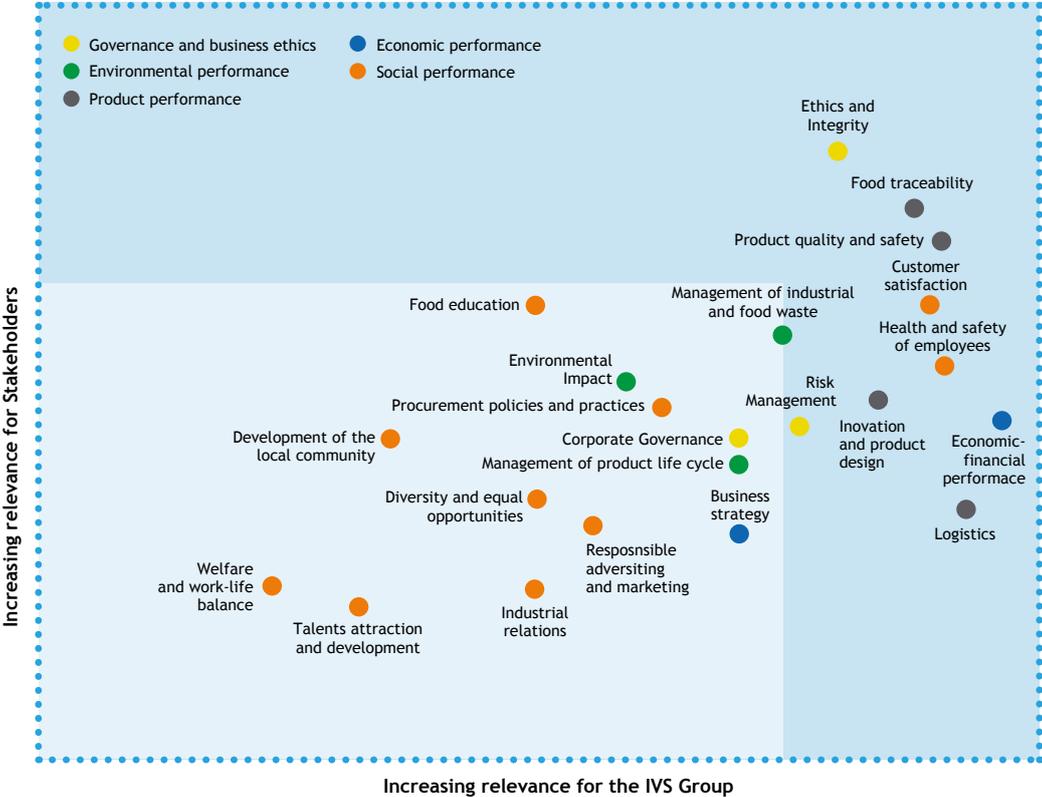


Given the specificity of the business, the distinction between "Customer" and "Consumer" is of fundamental importance. For the IVS Group, the Customer represents the contractual entity that grants the space for installing the vending machine and with which a service management contract is stipulated. The consumer, on the other hand, purchases the product from the vending machine. In some cases, especially in the OCS segment, the contractual Customer is the same person who pays the IVS Group for the product. The IVS Group is committed every day to establishing relationships of trust with its stakeholders, based on the principles of transparency, dialogue and listening. The "Investor Relations" division manages the flow of information to shareholders, financial analysts and institutional investors, in compliance with the rules established for

communicating Group information and documents. The next step involved identifying the sustainability issues relevant for the Group and its stakeholders with the involvement of internal staff.

The process led to identifying 22 issues that emerged as material, summarised within the materiality matrix, which shows the relevance the issues have for the IVS Group on the X-axis and the relevance of the issues for stakeholders on the Y-axis. The issues identified are attributable to 5 macro areas: governance and business ethics, economic performance, product performance, environmental performance and social performance.

**Materiality matrix for the IVS Group**



The materiality analysis was conducted in accordance with the criteria defined by the Global Reporting Initiative. The most relevant aspects for the IVS Group and its stakeholders are found in the upper right quadrant, and represent a strategic priority for the Group. Consistent with the sector the Group belongs to, this analysis confirms the importance of issues related to food and product safety in general, ethical business management, customer satisfaction, employee health and safety, product innovation, economic-financial performance, risk management, minimisation of waste (including food), and logistics. The human rights issue, developed by the Group in managing relations with the supply chain in compliance with the principles and values referred to in the Group's Code of Ethics, is considered within "Procurement policies and practices", one of the significant themes which emerged from the

materiality analysis. As reported in the Code of Ethics and the Social Ethics policy, the Group rejects any principle of discrimination based on the sex, religion, nationality, personal and political opinions, age, health and economic conditions of its interlocutors, including its suppliers.

In addition to the references contained in the Code of Ethics, to demonstrate commitment to the issue of human rights, this year the Group began the process to obtain SA8000:2014 certification, an international standard for corporate social responsibility, reaching the target for the companies IVS Group and IVS Italia.



# HIGHLIGHTS 2019



## ENERGY CONSUMPTION

264,311  
GJ



## EMISSIONS

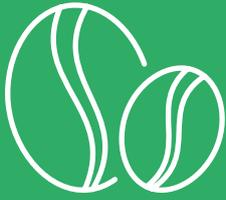
15,700 t CO<sub>2</sub> eq  
SCOPE 1 EMISSIONS

3,685 t CO<sub>2</sub> eq  
SCOPE 2 EMISSIONS

## WASTE RECOVERY

88.95%  
RECYCLED

11.05%  
DISPOSED OF



## COFFEE GROUNDS

**60,760 KWhe**  
Clean Energy

**44,418 kg**  
CO<sub>2</sub> not emitted

**11,362**  
TOE saved



## REFORESTATION

*Reforestation project 2000 trees*

**For each tree**  
**150 kg** CO<sub>2</sub> absorbed

**3** Animal shelters created

**4** months of oxygen produced

**1** hour of work produced

## EMPLOYEES



**3,075**  
EMPLOYEES



**64.5%**  
EMPLOYEES  
AGED  
BETWEEN 30 AND 50



**94.4%**  
EMPLOYEES  
ON PERMANENT  
CONTRACTS

# Voluntary Certifications

With the IVS Group, customers and suppliers acquired safety, protection and certainty of a large Group which is organised to take care of every detail. This is demonstrated by the major certifications it has received, guaranteeing the commitment of research to the quality of the service provided. Transparency in supplier relations is ensured through the adoption of rules and mechanisms that

allow the Group to analyse their professional and technical reliability, economic and asset situation and commitment to corporate social and environmental responsibility.

The following tables show the certifications obtained by Group companies and their projected extensions to 2021.

Cells in gray for certifications already held in 2018

✓ (obtained 2019); ✓ (extension 2019); ✓ (from 2020); ✓ (from 2021).

	UNI EN ISO 9001 :2015	UNI EN ISO 14001 :2015	UNI EN ISO 22000 :2018	UNI 10854 :1999	BS OHSAS 18001 :2007	UNI CEI EN ISO 50001 :2011	UNI ISO 37001 :2016	UNI ISO 39001 :2016	UNI ISO 26000 :2010	SA 8000 :2014	FGAS	TQS / AQS <sup>3</sup> / ACV <sup>4</sup>
	Quality	Environment	Food safety	Food safety	Work safety	Energy efficiency	Anti-corruption	Road safety	Social responsibility	Ethics and social	Refrigeration units	Disciplinary
IVS Group SA	✓	✓	✓	✓	✓	✓	✓		✓	✓		
IVS Italia SpA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
S. Italia SpA	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓
IVS Sicilia SpA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
SDA-DDS SpA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Eurovending Srl	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
IVS France SAS	✓	✓	✓	✓	✓	✓	✓					
DAV S.A.	✓	✓	✓	✓	✓	✓	✓					✓
Auto-Bar Srl	✓		✓	✓	✓		✓	✓				✓
Wefor srl	✓	✓	✓	✓	✓	✓	✓					✓
AG Consulting							✓					
Demomatic	✓	✓	✓									

	UNI EN ISO 9001 :2015	UNI EN ISO 14001 :2015	UNI 10891 :2000	UNI EN ISO 22000 :2018	UNI 10854 :1999	BS OHSAS 18001 :2007	UNI CEI EN ISO 50001 :2011	UNI ISO 37001 :2016	UNI ISO 39001 :2016	SA 8000 :2014
COIN SERVICE	✓	✓	✓							
VENPAY	✓	✓								
MONEYNET	✓	✓								

- Spanish quality certification for the Vending sector.
- Quality certification of the Catalan association.



# Sustainability for the IVS Group



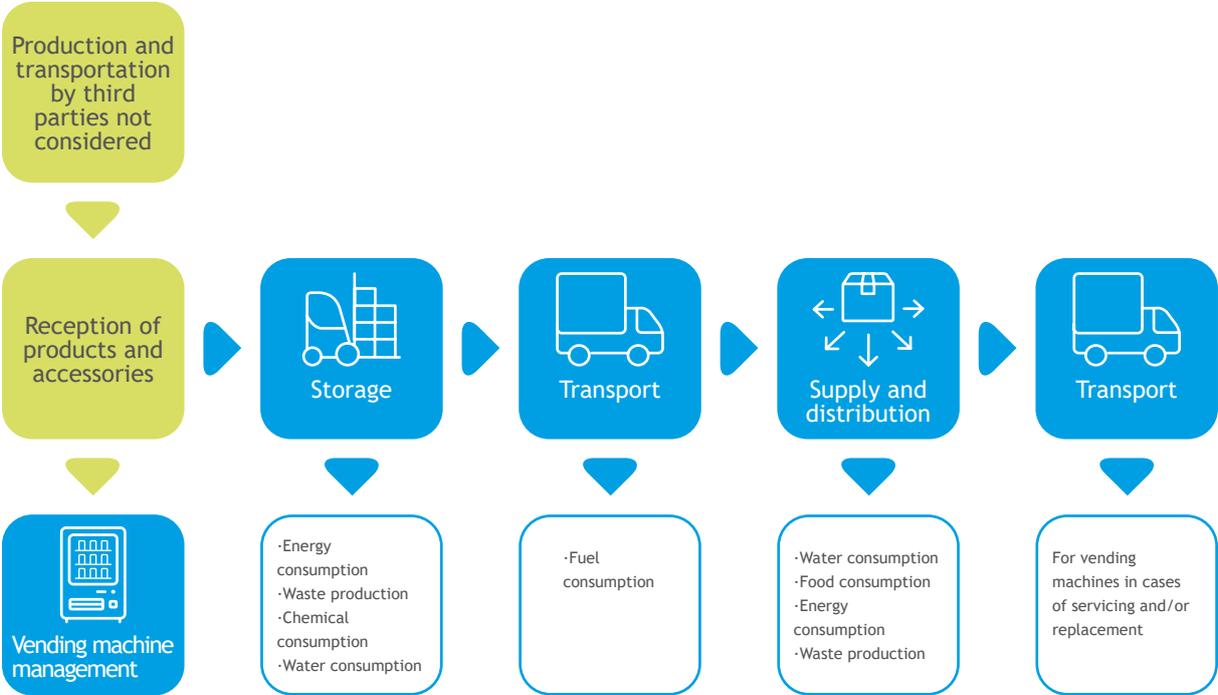
## THE IVS GROUP APPROACH TO SUSTAINABILITY

The IVS Group has always followed the path of ethical and social responsibility, pursuing its objectives in **full respect of the rights of people and the environment**.

The IVS Group doesn't want to do Vending, **it wants to do Responsible Vending**. Through this principle it recognises the Sustainability Goals set out by the United Nations, concentrating its efforts in different areas, seeking to make a contribution to ensure the well-being of humanity and the planet by promoting:

- Food safety by creating partnerships with international suppliers;
- A healthy and natural diet;
- The health and well-being of its employees;
- Quality, fair and inclusive education;
- Gender equality and supporting women's empowerment;
- Water management by eliminating waste;
- Decent, inclusive and sustainable work for all;
- Sustainable production and consumption models;
- Actions designed to combat climate change;
- Constant improvement of the working environment;
- promoting fair trade.

**Description of the service delivery process starting from reception of the products at the Local Units**



# The Group's efficiency improvement efforts



“ *The Group's objective is marked by constant commitment and a long-term environmental policy.* ”

**10**  
Some of the solutions adopted to protect consumption.

Respecting the environment also means saving energy by reducing unnecessary consumption. Thanks to its long-term environmental policy, the IVS Group pursues this goal by planning, implementing and monitoring numerous projects aimed at saving polluting energy, reducing any emissions and, more generally, managing the resources it uses responsibly.

Some of the solutions adopted to protect consumption are:

- **Choosing vending machines with very refined technical features and special "energy-saving" functions.** These include devices which, thanks to the inclusion of a special timer, can activate the vending machine only when it is actually being used;
- **Monitoring and evaluation to reduce the consumption of electricity, water and machinery.**
- **Automatic shutdown at set times** for a series of company devices (printers, personal computers, monitors, etc.);
- **Awareness-raising for all staff on energy sustainability behaviours** (switching off laptops and PCs, monitors, lights in the various offices and rooms in the event of prolonged absence);
- **Purchasing equipment with built-in Energy-Saving programs;**
- **Satellite tracking of vehicles** to optimise travel;
- **Replacement and purchase of new generation vehicles with low environmental impact;**
- **Greater use of recycled material;**
- **Push towards dematerialisation** within some internal procedures;
- **Green Water project, water vending machine, to reduce PET.**





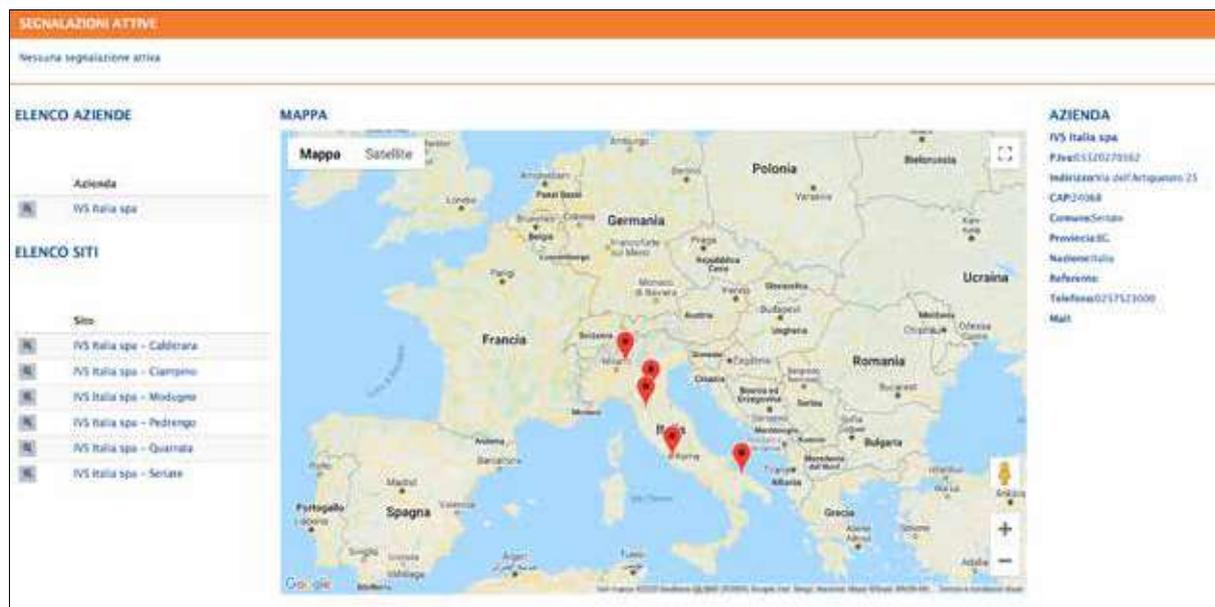
## Efficiency improvements to the lighting system



“ We have switched from a neon lighting system to LED lighting, for greater environmental savings. ”

**+50%**  
Average consumption reduction in converted subsidiaries

Active management and monitoring of energy and water consumption in real time with dedicated software installed by our partner Dolomiti Energia.



### Comparison of lighting system values pre- and post-efficiency improvement<sup>5</sup>

Subsidiary	Annual consumption before (MW)	Annual consumption after (MW)	Reduction (%)	TOE saved per year
Seriata	66.0	31.0	53.0	6,545
Pedrengo	243.3	98.8	59.4	27,022
Calderara di Reno	100.1	37.6	62.5	11,688
Quarrata	64.3	27.7	56.9	6,844
Modugno	54.3	19.6	63.9	6,489
Pomezia	111.19	47.9	56.9	8,971

As regards Coin Service Nord S.p.A., LED lamps have been installed in the newly opened subsidiary in Padua, in all the offices of the subsidiary in Castel Maggiore (BO) and inside the vaults and counting room in Rovello Porro (CO).

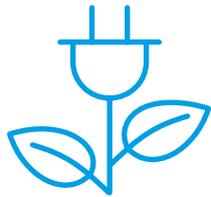
5. The table shows the estimated values after the work completed by the supplier. For the Seriate and Pedrengo offices, the work ended in 2019. For the remaining locations, the work will take place in 2020.

## Solar energy: installation of photovoltaic panels on our properties<sup>6</sup>



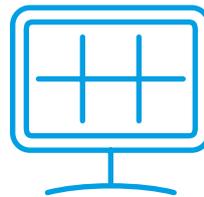
“ Independence of electricity needs, hot water and reduction of CO<sub>2</sub> emissions.

” **1.4**  
Millions of kWh produced with solar energy



### CONSUMPTION

**2,909,047 kWh**  
Total consumption



### VALUES

**1,418,115** Production (kWh)

**1,133,723** Self-consumption (kWh)

**284,392** Transfer (kWh)



### SAVINGS OBTAINED

**582.85** CO<sub>2</sub> savings (ton\_CO<sub>2</sub>)

**265.19** Actual TOE savings (toe-AEEG)

6. The table shows the estimated values after the work completed by the supplier.

## Employees health and safety<sup>8</sup>



“ Greater anti-seismic resistance in the buildings, better safety. ”

18

Branches with seismic adjustment



7. The budgeted investment for the years 2019/2020 is approximately €1,300,000.

# Environmental Responsibility



“ *Respect for the environment: a constant commitment in every phase of our activities.* ”

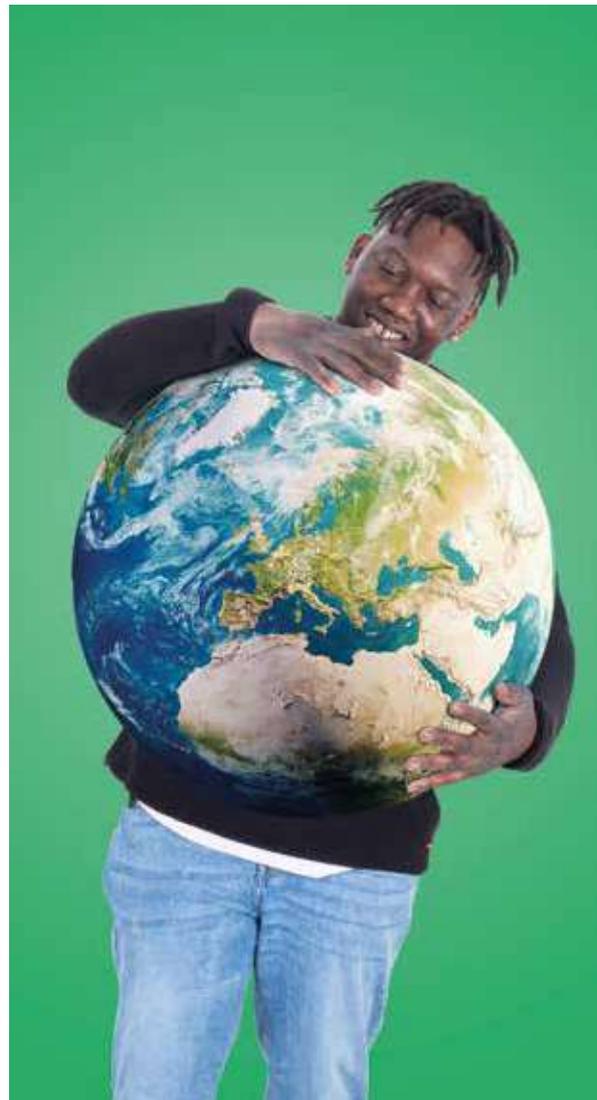
**5**  
The general principles for environmental protection

Environmental protection represents a primary responsibility which all companies must respond to. The IVS Group does not consider respect for the environment as a simple obligation, but one that proactively falls under its responsibility, and commits itself to aligning its strategic choices with environmental sustainability values at each stage of its business.

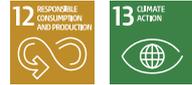


The general principles and purpose of the Group Companies' Integrated Management System are dictated by the Quality and Environmental Policy, which constitutes the basis for defining their qualitative, organisational and product development commitments to protect the national environment, which can be summarised as:

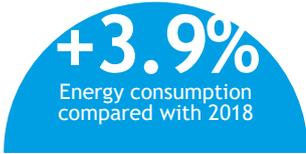
1. Predicting and promoting analysis of the context it operates in, guaranteeing all stakeholders analysis and assessment of the risks with respect to providing the service;
2. Using the best available system technologies, in line with the financial means available, to minimise the environmental impact and obtain a quality product;
3. Taking appropriate measures to avoid wasting energy and natural and energy resources;
4. Pursuing the minimisation and suitable disposal of waste produced during production activities;
5. Pursuing the minimisation of atmospheric emissions, understood as tons of CO<sub>2</sub> equivalent.



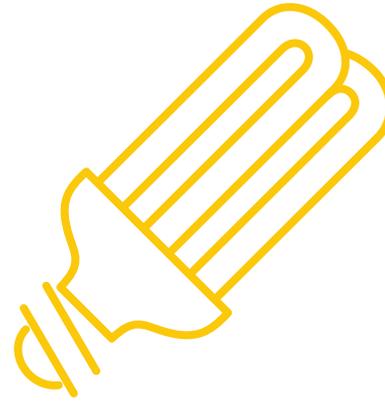
# Electricity consumption



“ *The reduction of energy consumption is carried out on a large geographical scale.* ”

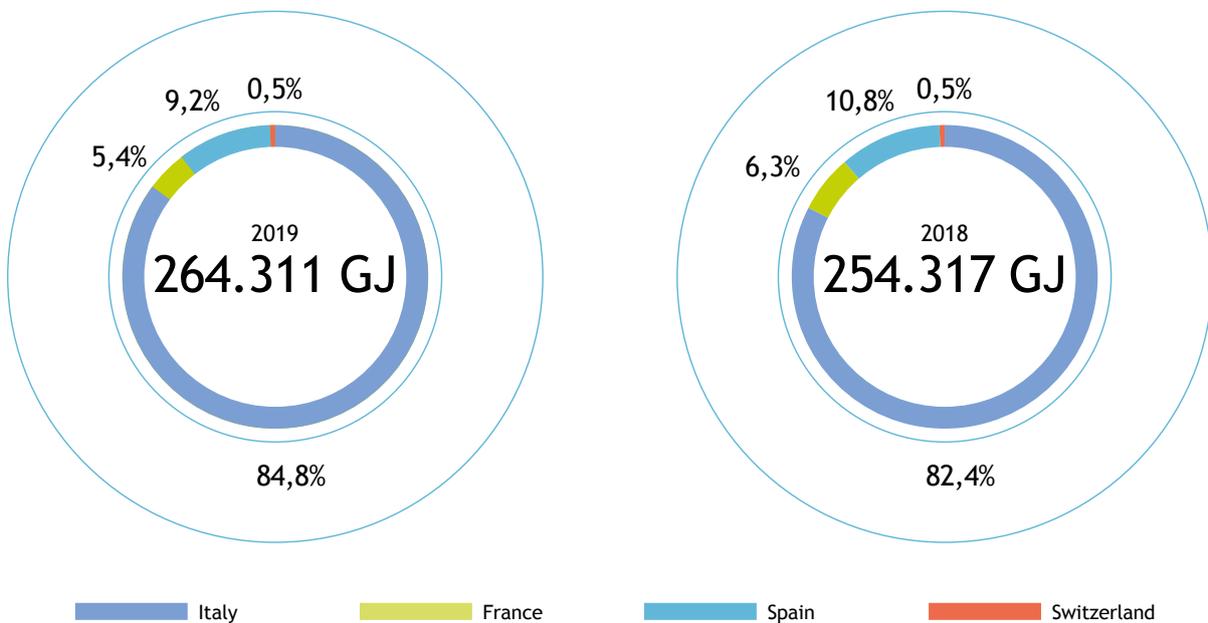


The IVS Group's activities mainly include installing, maintaining and managing services for automatic and semi-automatic vending machines over a large geographical area. Energy consumption is therefore mainly attributable to logistics and the functioning of the Group's facilities.



The Group's energy consumption in 2019 recorded a total of 264,311 GJ, an increase of 3.9% compared with the previous year. Consistent with the distribution of the Group's activities, 84.8% of consumption is attributable to the Italian offices, followed by Spain (9.2%), France (5.4%) and finally Switzerland (0.5 %).

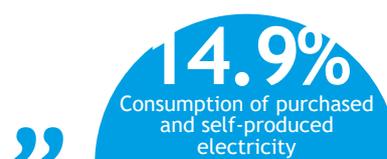
## Group energy consumption by country



## Electricity consumption



“ *Electricity and heating are constantly monitored.* ”



### Group electricity and heating consumption

[GJ]	1 January to 31 December 2019	1 January to 31 December 2018
<b>Electricity</b>		
Purchased	39,198	39,049
Self-produced	159	158
of which sold/supplied to the grid	14	19
<b>Heating</b>		
Purchased	-	-

## COMMENTS ON THE TREND

*The consumption of electricity, partly purchased and partly self-produced, used for heating, producing domestic hot water, lighting offices and warehouses, supplying electric vehicles and supplying vending machines with dedicated switchboards owned by the Group, is equal to 14.9% of total energy consumption. Based on the project to install photovoltaic panels on part of the Italian offices, as mentioned in the previous chapter, in 2020 the Group expects a reduction in electricity purchased on the grid.*

## Energy consumption by fuel



“ Greater use and importance of eco-sustainable vehicles. ”



### Group energy consumption by type of fuel

[GJ]	1 January to 31 December 2019	1 January to 31 December 2018
Diesel	206,587	198,674
Natural gas <sup>8</sup>	13,694	12,868
LPG	1,352	1,448
Petrol	3,335	2,139

### Composition of the Group's vehicle fleet by type of fuel

	2019	2018
<b>TOTAL [No. cars]</b>	<b>2,750</b>	<b>2,454</b>
Diesel	93.6%	94.0%
Methane	2.6%	2.3%
LPG	1.4%	1.5%
Petrol	1.7%	1.4%
Electric	0.9%	0.8%

At 31 December 2019, the IVS Group's fleet consisted of 2,750 new generation vehicles in almost all cases, recording a 12.1% increase compared with 2018.

The Group has chosen to make greater use of diesel vehicles, which represent (93.6%) of vehicles,

followed by natural gas cars (2.6%), LPG cars (1.4%) and petrol vehicles (1.7%). The figure has slightly increased for the purchase of electric vehicles (0.9%).

8. Natural gas is used both to produce heat (heating and domestic hot water), and to refuel natural gas vehicles.



## COMMENTS ON THE TREND

*In 2019, as for 2018, energy consumption is more attributable to the use of diesel fuel for vehicles, with an incidence of 78.1% of the total.*

*The Group's residual energy consumption, net of electricity consumption, is attributable to natural gas (5.2%), LPG (0.5%) and petrol (1.3%).*

*The group does not invests in electric vehicles due to the objective difficulties it encounters in keeping them charged for long journeys over very large areas.*

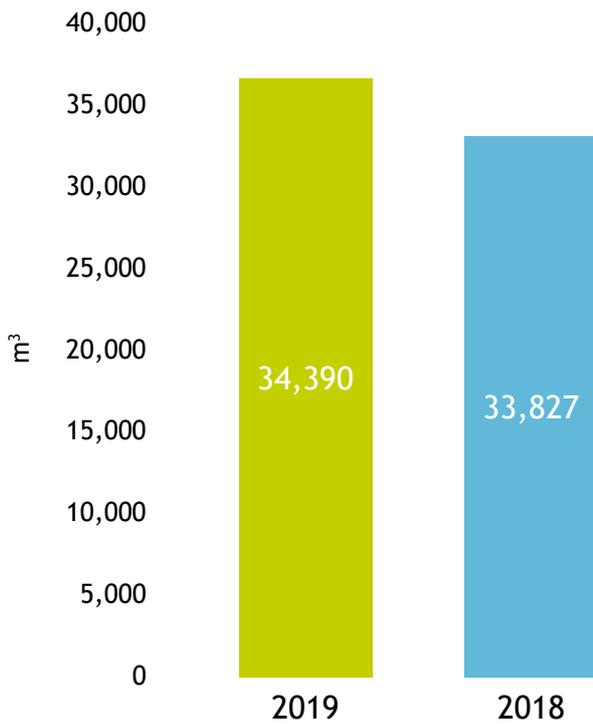
# Water consumption and sustainable water management



“ We reduce water waste for greater environmental sustainability. ”

**37**  
Thousand m<sup>3</sup> of water consumed by the Group in 2019

## Group water consumption<sup>9</sup>



## COMMENTS ON THE TREND

In 2019, water consumption amounted to 34,390 m<sup>3</sup>, of which 4,968 m<sup>3</sup> was consumption produced in a part of Italy considered to have water stress.

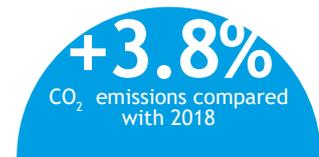
The process of monitoring consumption data, which is currently manual for most branches, based on the efficiency project, will allow us to check consumption and any water system losses in real time. This will ensure timely interventions to eliminate problems.

9. The main source of supply for the Group's water consumption is the aqueduct, which provides 30,902 m<sup>3</sup> of water. The remaining part is taken from the subsoil, for an amount equal to 3,488 m<sup>3</sup>.

# Greenhouse gas emissions



“ CO<sub>2</sub> emissions consistent with the energy consumption trend. ”



The emissions considered by the IVS Group are divided into two categories:

- **Direct emissions - Scope 1** - Direct greenhouse gas emissions from combustion in boilers, vehicles, etc.; owned by the group;
- **Indirect emissions - Scope 2 (location based)** - Scope 2 takes into account the greenhouse gas

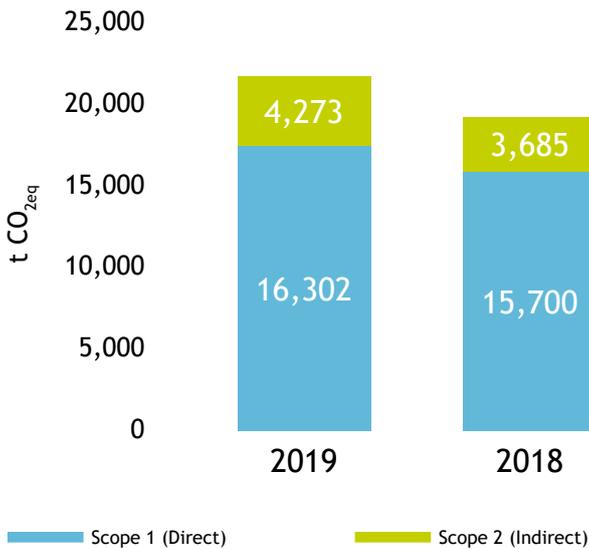
emissions from the generation of electricity purchased by the company. Purchased electricity is defined as electricity bought or otherwise brought within the company's organisational boundaries. Scope 2 emissions occur physically where electricity is generated.

## Greenhouse gas emissions by type (Scope 1 and Scope 2) and country<sup>10</sup>

	1 January to 31 December 2019		1 January to 31 December 2018	
	Scope 1 [t CO <sub>2</sub> eq]	Scope 2 [t CO <sub>2</sub> ]	Scope 1 [t CO <sub>2</sub> eq]	Scope 2 [t CO <sub>2</sub> ]
Italy	13,596	4,101	12,698	3,470
France	949	19	1,079	22
Spain	1,668	152	1,839	191
Switzerland	88	1	84	2
<b>IVS GROUP</b>	<b>16,302</b>	<b>4,273</b>	<b>15,700</b>	<b>3,685</b>



10. Scope 2 emissions are expressed in tons of CO<sub>2</sub>. However, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub> equivalent), as can be deduced from the relevant technical literature. emission factor for national electricity mix - Terna source.



## COMMENTS ON THE TREND

The Group's total equivalent CO<sub>2</sub> emissions were 16,302 tons of Scope 1, an increase of 3.8% compared with 2018, and 3,750 tons of Scope 2, an increase of 1.8%, in line with energy consumption trends.

## The production and recovery of waste<sup>11</sup>



“ A constant commitment to waste disposal and recycling. ”



### Group waste by category and disposal method

[t]	1 January to 31 December 2019	1 January to 31 December 2018
<b>Hazardous</b>	<b>345</b>	<b>435</b>
Recycling	280	377
Disposal	65	58
<b>Non-hazardous</b>	<b>2,824</b>	<b>2,607</b>
Recycling	2,306	2,219
Recovery	21	113
Landfill	26	-
Incineration	223	-
Storage	173	-
Other*	75	275
<b>TOTAL</b>	<b>3,169</b>	<b>3,042</b>



11. As for all Group companies, the data does not include waste disposed of directly by the relevant municipal companies.

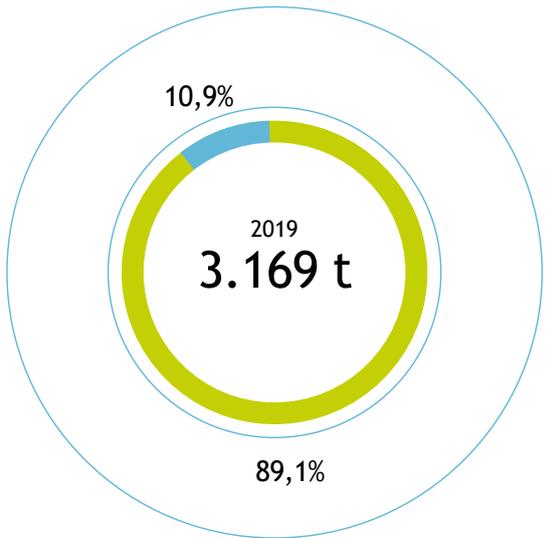
# The production and recovery of waste



## Tons of waste produced in 2019

[t]	Landfill / incineration / storage / other	Recycled / recovered
<b>Non-hazardous</b>		
Italy	172	1,946
France	254	64
Spain	0	318
Switzerland	70	0

[t]	Disposed of	Recycled
<b>Hazardous</b>		
Italy	65	276
France	0	0
Spain	0	4
Switzerland	0	0



■ Non pericolosi      ■ Pericolosi

The Group produces waste mainly in relation to warehouse and office management activities, for a total of **3,169 tons of waste**, with an increase of **4.2% compared with 2018**.

**10.9% of the waste produced is classified as hazardous, while the remainder is non-hazardous waste (89.1%).**

## The production and recovery of waste



### Materials obtained from the treatment of end-of-life equipment (CER 16/02/11\*) from IVS Group and IVS Italia S.p.A.

Output	% 2019	% 2018
Ferrous metals	72.50	74.6
Non-ferrous metals	3.10	0.2
Plastics	7.50	12.3
Electrical and electronic components	8.50	1.2
Oil	0.20	-
Waste fraction	8.15	11.7
Refrigerant Gas	<0.1	<0.1

### Materials obtained from the treatment of end-of-life equipment (CER 16/02/14) from IVS Group

Output	% 2019	% 2018
Ferrous metals	72.50	65.0
Non-ferrous metals	3.65	-
Plastics	9.10	22.8
Electrical and electronic components	9.60	2.6
Waste fraction	5.15	9.6

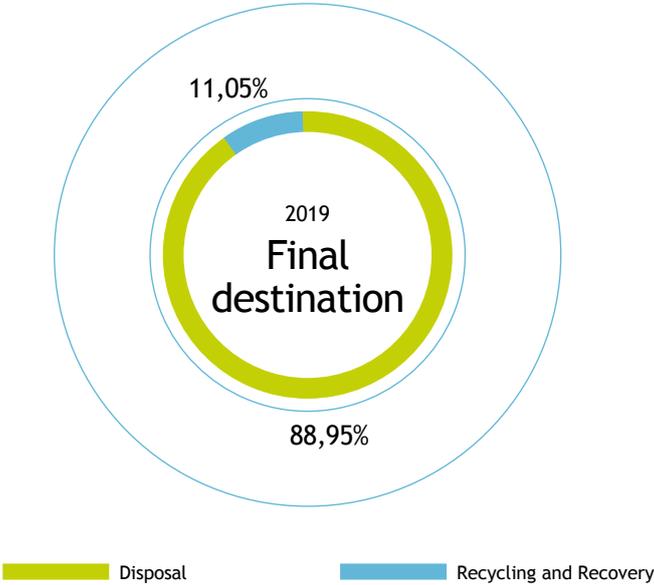
# The production and recovery of waste



## Recovery percentages of end-of-life equipment from IVS Group and IVS Italia S.p.A. with EWC codes 16.02.11\* e 16.02.14

### FINAL DESTINATION

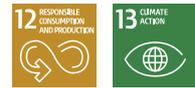
% Recycling and Recovery	88.95
% Disposal	11.05



## COMMENTS ON THE TREND

*Less material wasted, the longer useful life of machinery and a decreased quantity of materials to dispose of are clear consequences of the Group's reuse and recycling policy.*

## Coffee grounds: alternative energy



“ We recover the coffee grounds to turn them into clean energy. ”



Among the reusable raw materials, particular mention should be made of coffee grounds. This matrix has shown a remarkable applicability, in line with the latest studies which continue to confirm their great feasibility and application in this field.

the average annual consumption of 23 families (families of 4)<sup>12</sup>.

This year, there are 6 branches involved and the collection for IVS Italia S.p.A. was approximately 98 tons of coffee grounds (approximately +20%). What is collected is delivered at a symbolic value to a specialised company, to be included in the supply cycle for biogas plants.



Unloading area at the plant

The amount of energy produced is equivalent to

### Objectives achieved

	Measurement	2019	2018	2017
Coffee grounds used	t	98	82	74
Electricity generated	kWhe	60,760	50,840	45,880
Thermal energy generated	kWht	78,400	65,600	59,200
CO2 not emitted	kg	44,418	37,166	33,540
TOE saved	TOE	11,362	9,507	8,580



Biogas plant

12. Source: Istat data. The survey shows the average expenditure of Italian households in 2013 on electricity for: home heating, water heating, cooling, equipment, consumption and expenses for biomass, lighting and appliances. An electricity cost of €0.18/kWh was assumed.

## Reforestation support<sup>13</sup>



“ We plant trees to combat desertification.

” **2,000**  
Trees planted thanks to the ReforestAction project

Reforest Action, a social enterprise founded in 2010 by Stéphane Hallaire in France, with the aim of fighting deforestation in the world, certifies our commitment to the reforestation project. 2,000

trees were planted in the tropical Peruvian Andes, in the Piura region, to help combat desertification and support local communities.



### For each tree

**150 kg** CO<sub>2</sub> absorbed

**3** Animal shelters created

**4** months of oxygen produced

**1** hour of work produced

13. Data entered refer too each tree and were provided by the REFORESTATION ASSOCIATION.

# Hardware and accessories



“ A two-component water-based paint, for greater worker health and safety. ”

**+30 thousand**  
Appliances overhauled in 2019

## Equipment overhauled by type and servicing centres in 2019

No.	Seriate	Pomezia	Modugno
Vending Machine	7,298	5,742	1,108
Refrigeration Unit	4,474	585	478
Payment system	5,644	4,933	0

In all Service Centres, to regenerate the machines' bodywork, we have switched to new two-component water-based paints. These have less impact on the

environment and workers' health and safety compared with the traditional type, which contain chemical compounds.



## Responsible marketing<sup>14</sup>



“ Commitment to spreading a food culture based on the principles of sustainability. ”

**+98.4%**  
Biodegradable and compostable accessories compared with 2018

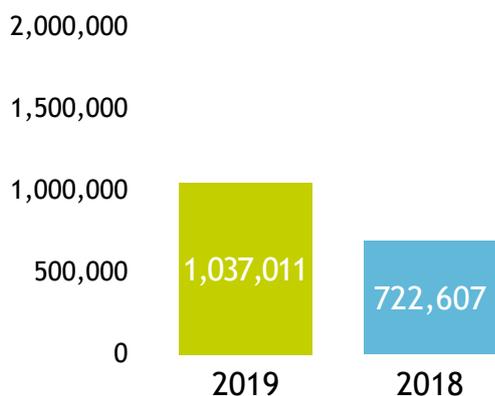
- Increase of organic brand products, 1,037,011 items

**+43.5%**  
compared with 2018.

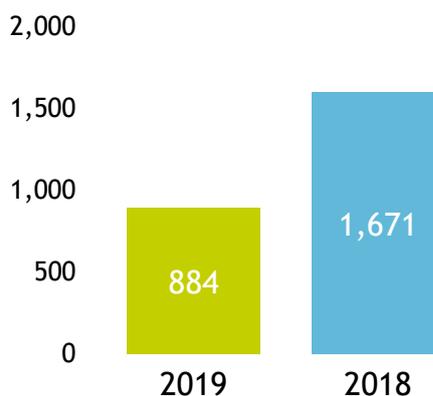
- Decrease of organic coffee, 884 kg, (-47% compared with 2018);

**-47%**  
compared with 2018.

Organic products sold per year



Organic coffee purchased per year (kg)



14. It should be noted that the quantitative data referring to IVS Group products reported in this paragraph refers to the following companies: IVS Italia S.p.A., SDA-DDS S.p.A., Eurovending S.r.l., IVS Sicilia S.p.A., AUTO-BAR S.r.l., Wefor.



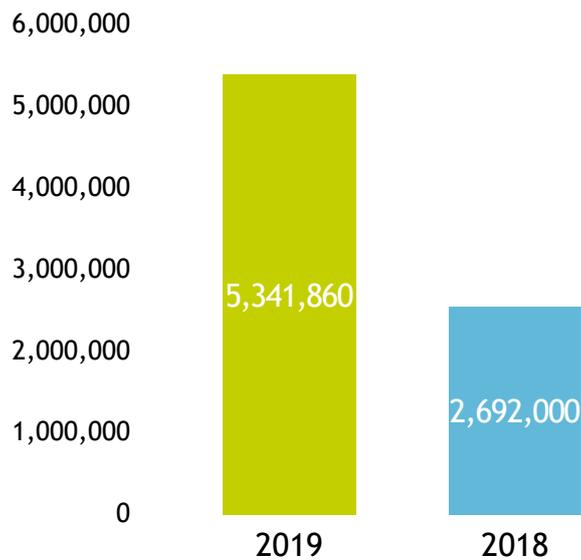
The CONFIDA (National Association for the sector) sector study confirms the trend.<sup>15</sup>

<div data-bbox="309 546 619 582" data-label="Section-Header"> <h2>GLUTEN FREE SNACKS</h2> </div> <div data-bbox="692 546 759 582" data-label="Text"> <p>+15%</p> </div>	<div data-bbox="1002 546 1262 582" data-label="Section-Header"> <h2>ORGANIC SNACKS</h2> </div> <div data-bbox="1331 546 1398 582" data-label="Text"> <p>+25%</p> </div>
<div data-bbox="220 622 379 792" data-label="Image"> </div> <div data-bbox="405 658 681 750" data-label="Text"> <p>Gluten free snacks are worth 1.7% of total snack consumption</p> </div>	<div data-bbox="833 622 992 792" data-label="Image"> </div> <div data-bbox="1031 658 1307 750" data-label="Text"> <p>Organic snacks are worth 0.5% of total snack consumption</p> </div>
<div data-bbox="252 846 357 963" data-label="Image"> </div> <div data-bbox="405 857 655 949" data-label="Text"> <p>Gluten free biscuits are growing by +24% year on year</p> </div>	<div data-bbox="874 869 951 945" data-label="Image"> </div> <div data-bbox="1031 857 1313 949" data-label="Text"> <p>Organic savory snacks are growing by +24% year on year</p> </div>

- Increase of biodegradable and compostable accessories, 2,649,860

**+98.4%**  
compared with 2018.

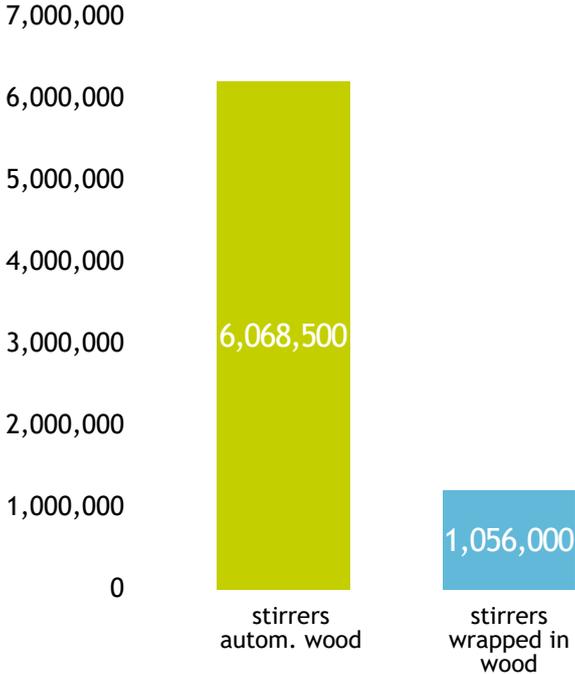
PLA glasses per year



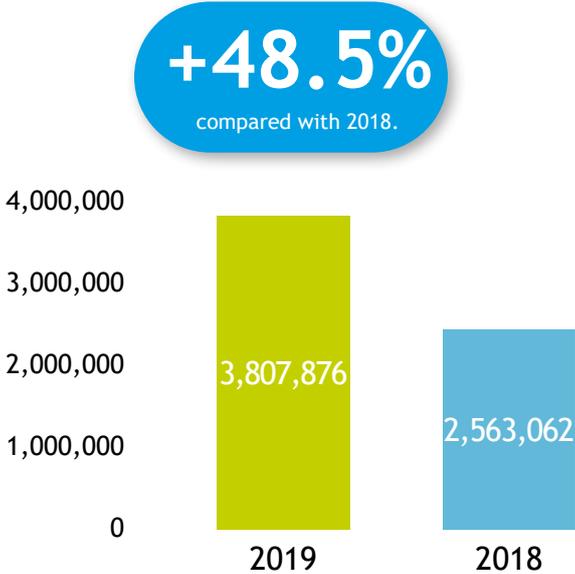
15. The sector study analyses the data for 2018.



- **Wooden stirrers for the traditional sector and for Office Coffee a total of 7,124,500 items (2019)**



- **Increase in the number of drinks with reduced/zero sugar content, 1,244,814 items**





The CONFIDA (National Association for the sector) sector study confirms the trend.<sup>16</sup>

**ORGANIC DRINKS** +6%  
vs 2017

Organic cold drinks are worth 1.5% by volume of the total cold drinks (excluding water).

Juices and Cold Tea are the categories in the organic segment with the highest growth (+75% and +22% respectively).

**ZERO SUGAR DRINKS** +53%  
vs 2017

Zero sugar cold drinks are worth 4.4% of the total cold drinks value (excluding water).

The growth of zero sugar drinks is driven by the "fruit drinks" category which registers + 72% of the volumes loaded compared to the previous year.

Also zero sugar soft drinks - which represent 5% of the total soft drinks - increased by 37% vs 2017 driven by cola-flavoured drinks.

**NEW FORMAT** +62%  
vs 2017

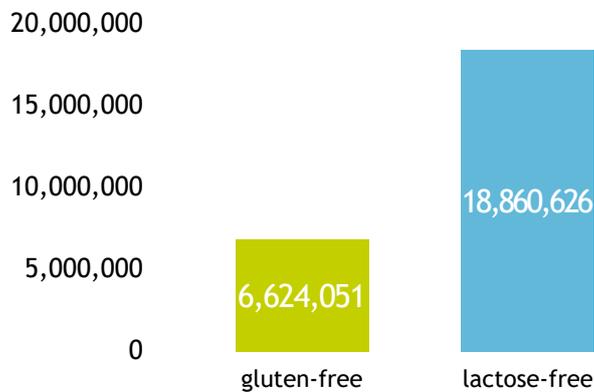
The new "slim" 400 ml PET format for juices and soft drinks is growing, representing 1% of the total cold drinks (excluding water).

**VEGAN DRINKS** NEW

In the juice category, vegan drinks make up 1% by volume

The significant increase in volumes vs 2017 is due to the introduction of new products in the channel

- Number of gluten-free and lactose-free products sold



16. The sector study analyses the data for 2018.

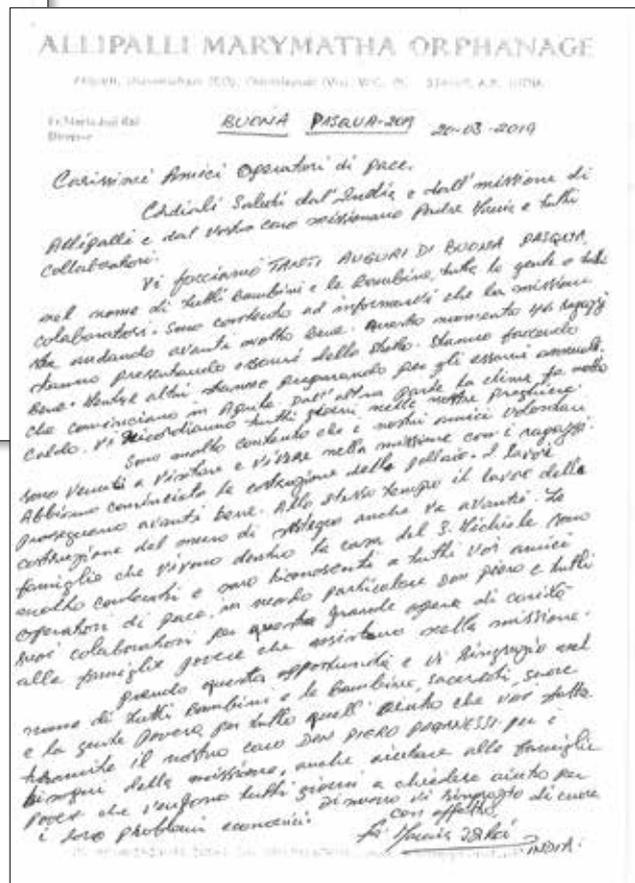
“ Close to those in need, with a social commitment. ”

4 The initiatives adopted by the Group to help those in need

## Remote adoption

To create a sustainable change over time to break the cycle of poverty for future generations, sharing these principles with the Allipalli Association of Seriate

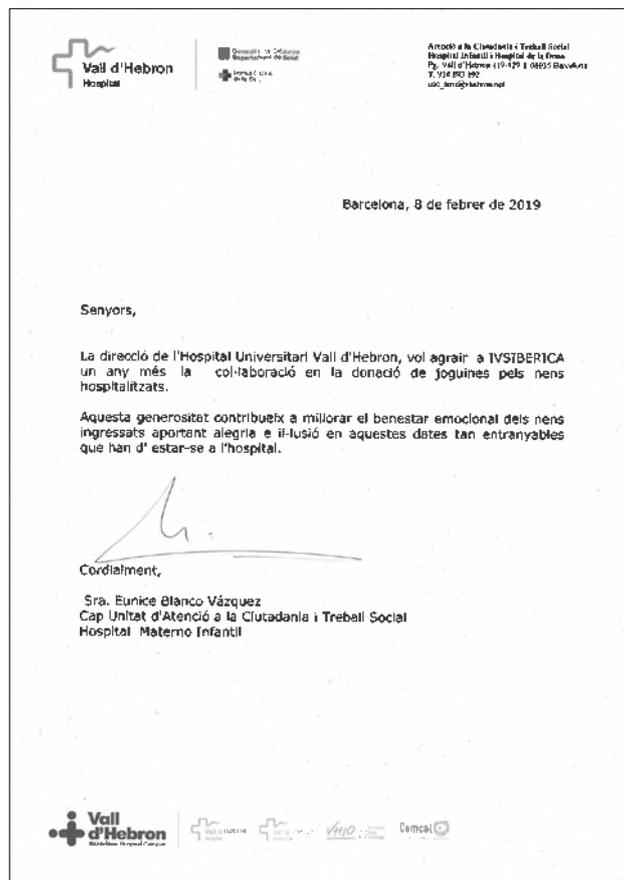
(BG), the Peaceworkers Association that has been operating in India since 1992 in the state of Andhra Pradesh.





## Close to the most deprived

In Spain, we donate toys to the Hospital Vall d'Hebron (oncological diseases) for less fortunate children at Christmas.

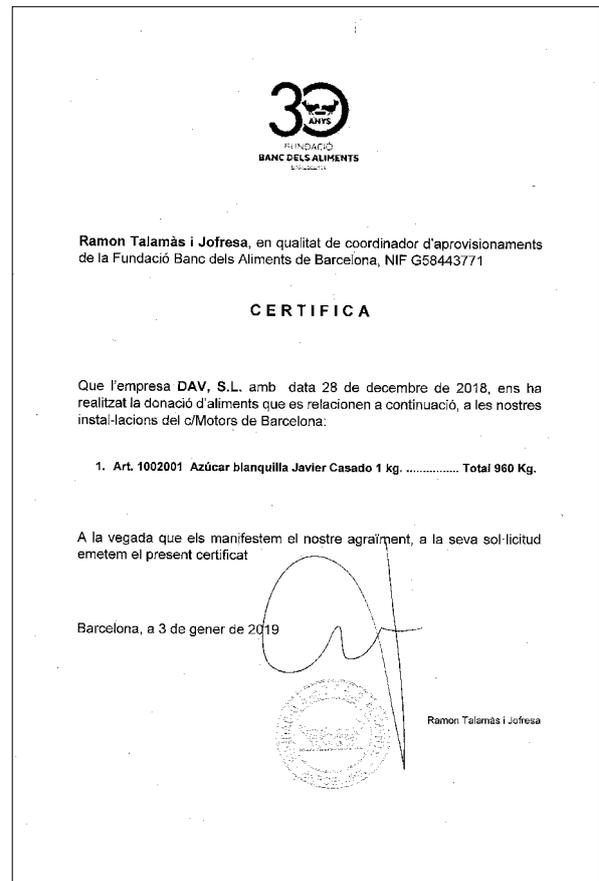




## Food Bank

In Spain we are partners of the "Banc dels Aliments", donating food products annually which the foundation

then distributes to associations throughout the year. In 2019 we delivered 960 kg of goods.



# Responsible solidarity



## Valuing the country's social needs

To do this, we give work to the Social Commitment Cooperative of Almè (BG), which produces company gadgets for us.



# Responsibility towards People



“ *Continued attention to managing and developing a dialogue with trade unions.* ”



## Industrial relations

The IVS Group is firmly convinced of the importance of social dialogue within its organisation's working practices. Developing a constructive dialogue with the trade unions, based on values like fairness and transparency in managing relations with the various trade union associations, helps create a peaceful and collaborative business climate, while also allowing the Group to understand national and international employment needs.

The HR department is continuously responsible, within the IVS Group, for managing and developing industrial relations with trade union organisations that have signed the national collective agreements applied by the Group companies, and the trade union representatives (TURs) they have installed within the Group itself.

These industrial relations are maintained at different levels: national, regional, provincial and territorial.

Specifically, the IVS Group provides for:

- the management of all extrajudicial activities with national, regional, provincial and territorial trade unions, including directly with the dispute offices;
- the application of second-level bargaining (the so-called "Productivity bonus");
- the achievement of national framework agreements, subsequently implemented at a territorial level for video surveillance systems and geolocation devices (GPS);
- participation in specific projects.

Among the various projects the Group takes part in, the "Laboratorio Cisl Impresa 4.0" stands out. It is designed to encourage reflection on the effects new production models have on working conditions, production and employment. Its participation has enabled the Group to provide the Trade Federations with the necessary support to construct valid



proposals and initiatives within the aforementioned areas.

In addition, the TURs were involved in signing agreements with unions, in particular as regards agreements on installing video surveillance systems and those for funded training. At the TURs' request, meetings are also held between workers and company management in order to discuss any problems that arise in organising work, in particular regarding ethical and social issues.

To spread the culture of service and quality in all branches, and to incentivise key figures in the group's business, like staff assigned to restocking vending machines, the IVS Group has set up a "Productivity Award" in partnership with union organisations at national level (second-level bargaining).

With this award, linked to work performance, the IVS Group plans to increase productivity, quality, profitability and efficiency in work organisation, with the constant aim of improving customer satisfaction and loyalty.

## The IVS Group and responsibility towards people



“ Human resources: a fundamental and indispensable factor for the Group's development. ”



The importance of its people to the Group is explicitly shown by the Group's Code of Ethics and in the Ethical-Social policy with respect to the voluntary SA8000 certification it has obtained.

These documents state that human resources are

contract but also to employees' merit. This is substantiated not only by achieving performance objectives, but also through the ability to display organisational behaviour based on the Group's ethical principles.



In particular, the organisation shares the cardinal principles of social responsibility:

1. not using or supporting the use of child labour;
2. not favouring or supporting "forced labour";
3. guaranteeing a safe and healthy workplace;
4. respecting the right of workers to join trade unions;
5. not engaging in any kind of discrimination;
6. not using or supporting disciplinary practices like corporal punishment, physical or mental coercion, verbal abuse;
7. adapting working hours to national and local laws and agreements;
8. paying employees in compliance with the national collective labour agreement.

recognised as a fundamental and indispensable factor for the Group's development.

The central role of its employees, from whom the Group expressly requires professionalism, dedication, loyalty, honesty and a spirit of collaboration, is also achieved by ensuring professional development to increase the wealth of skills.

Salary increases, other incentives and access to higher roles and assignments are linked to rules established by law and the collective employment

## Employee health and safety



“ **Continued attention to managing and developing a dialogue with trade unions.** ”

**2**  
The only cases of occupational disease in 2019

The IVS Group considers the protection of health and safety at work an indispensable duty, a continuous commitment and a constant component of its mission.

technologies to ensure the safety of our employees. At Group level, we plan safety standards and monitoring processes.

We are committed to providing a healthy and safe environment for all our employees, customers, suppliers and visitors. We understand that the health and safety culture can only succeed by observing safe working practices and procedures. These are the result of effective risk assessments, good training and continuous improvement.

Among the company's risks, given the specific nature of the business, the most frequent and severe are those associated with driving vehicles (road accidents, accidents while travelling) and manually handling loads. The aim is to reduce the number of accidents in the workplace to zero.

Work practices and health and safety procedures are currently managed at national level. Where necessary, we implement new procedures and



## Number of accidents by gender and country

	2019		2018	
	Men	Women	Men	Women
<b>IVS GROUP</b>				
Total occupational diseases	2	-	-	-
Total accidents	129	8	131	7
of which accidents while travelling	6	2	5	2
of which accidents at work	123	6	126	5
of which fatal	-	-	-	-
<b>ITALY</b>				
Total occupational diseases	-	-	-	-
Total accidents	90	5	67	3
of which accidents while travelling	4	1	1	1
of which accidents at work	86	4	66	2
of which fatal	-	-	-	-
<b>FRANCE</b>				
Total occupational diseases	-	-	-	-
Total accidents	18	2	30	3
of which accidents while travelling	1	1	1	1
of which accidents at work	17	1	29	2
of which fatal	-	-	-	-
<b>SPAIN</b>				
Total occupational diseases	-	-	-	-
Total accidents	20	1	33	1
of which accidents while travelling	-	-	2	-
of which accidents at work	20	1	31	1
of which fatal	-	-	-	-
<b>SWITZERLAND</b>				
Total occupational diseases	2	-	-	-
Total accidents	1	-	1	-
of which accidents while travelling	1	-	1	-
of which accidents at work	-	-	-	-
of which fatal	-	-	-	-

## Accident indices by gender and by country<sup>17</sup>

	2019			2018		
	Men	Women	Total	Men	Women	Total
<b>ACCIDENT RATE</b>						
IVS GROUP	28.5	9.9	25.9	32.1	14.5	25.6
Italy	25.1	18.0	29.5	20.6	7.9	24.6
France	56.7	32.7	52.8	100.1	53.7	92.8
Spain	34.2	2.1	19.9	68.0	22.0	64.1
Switzerland	23.6	0.0	19.7	21.4	0.0	20.1
<b>PROFESSIONAL DISEASE RATE</b>						
IVS GROUP	0.4	0.0	0.0	0.0	0.0	0.4
Italy	0.0	0.0	0.0	0.0	0.0	0.0
France	0.0	0.0	0.0	0.0	0.0	0.0
Spain	0.0	0.0	0.0	0.0	0.0	0.0
Switzerland	47.3	0.0	39.4	0.0	0.0	0.0
<b>SEVERITY INDEX</b>						
IVS GROUP	0.7	0.1	0.6	0.6	0.0	0.5
Italy	0.6	0.3	0.6	0.4	0.0	0.3
France	2.0	0.2	1.7	2.9	0.1	2.5
Spain	0.9	0.0	0.5	0.8	0.0	0.7
Switzerland	0.0	0.0	0.0	0.0	0.0	0.0
<b>ABSENTEEISM RATE (%)</b>						
IVS GROUP	3.9	4.1	3.9	2.2	1.8	2.2
Italy	3.5	4.0	3.6	2.1	1.9	2.1
France	4.7	2.3	4.3	6.8	2.3	6.1
Spain	6.4	8.3	6.5	0.4	0.2	0.4
Switzerland	0.6	0.0	0.5	0.1	0.0	0.0

17. Accident rate: ratio between the total number of accidents (including accidents while travelling) and the total hours worked in the same period, multiplied by 1,000,000. Occupational disease rate: ratio between the total number of occupational diseases and the total hours worked in the same period, multiplied by 1,000,000. Severity index: ratio between the number of days lost due to accidents or professional illness and the total number of workable hours, multiplied by 1,000. Absenteeism rate: percentage ratio between the total number of days of absence and the total number of workable days. For the calculation, the following items have been excluded: holidays, study permits, maternity or paternity leave.



## COMMENTS ON THE TREND

*During 2019, a total of 137 accidents were recorded (none of them fatal), of which 129 were in the workplace and 8 while travelling. The number of accidents is constant compared with 2018 thanks to the policies adopted by Group companies, which have invested more in training personnel on safety in the workplace. In addition, only 2 cases of occupational disease were detected. The accident overview (including accidents while travelling) is summarised in the previous tables. The absenteeism rate shows slight growth, rising from 2.2% to 3.9%.*

## Our people



“ A constant increase in hiring over the years.

” **+3.2%**  
Group employees compared with 2018

At 31 December 2019, the overall staff of the IVS Group consisted of 3,075 employees, registering 10% growth compared with 2018.

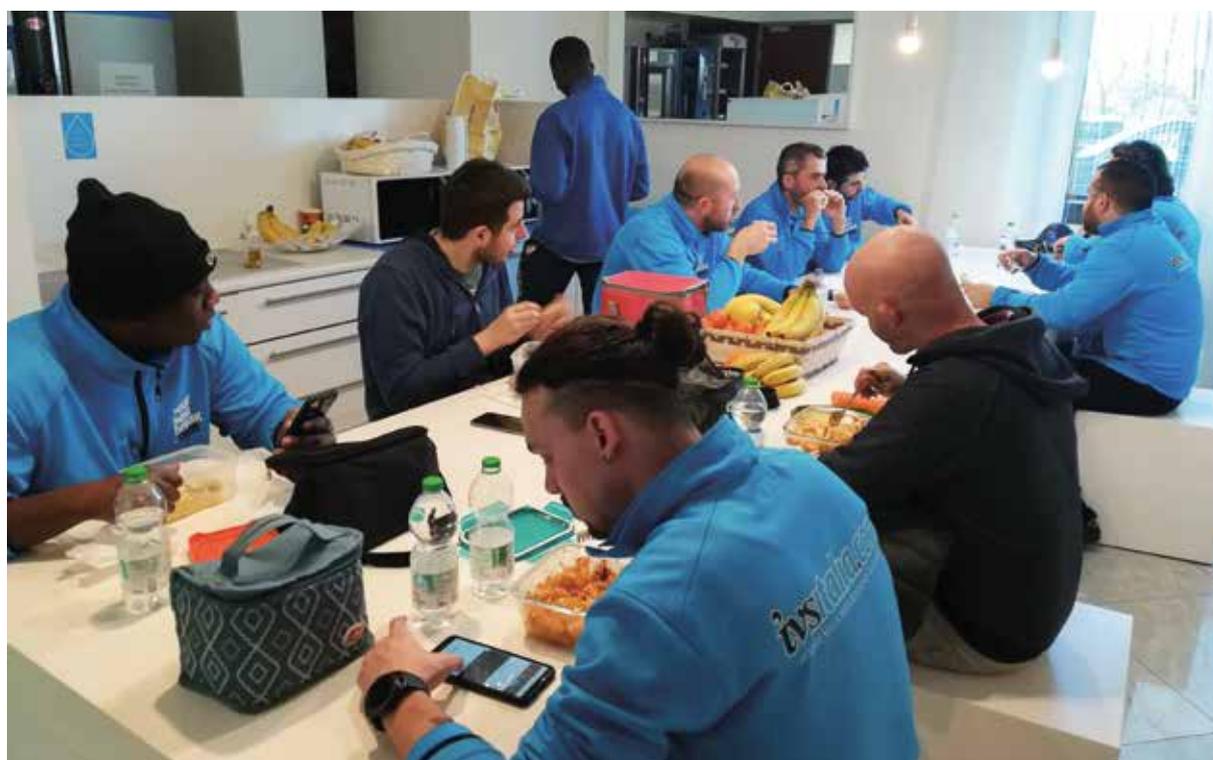
This increase, in line with the Group's growth in size, is mainly due to the acquisitions that took place during 2018.

79.9% of IVS Group staff are employed in Italy, the operating heart.

Thereafter, 12.1% of the total workforce is in Spain, 7.3% in France and the remaining 0.7% in Switzerland.

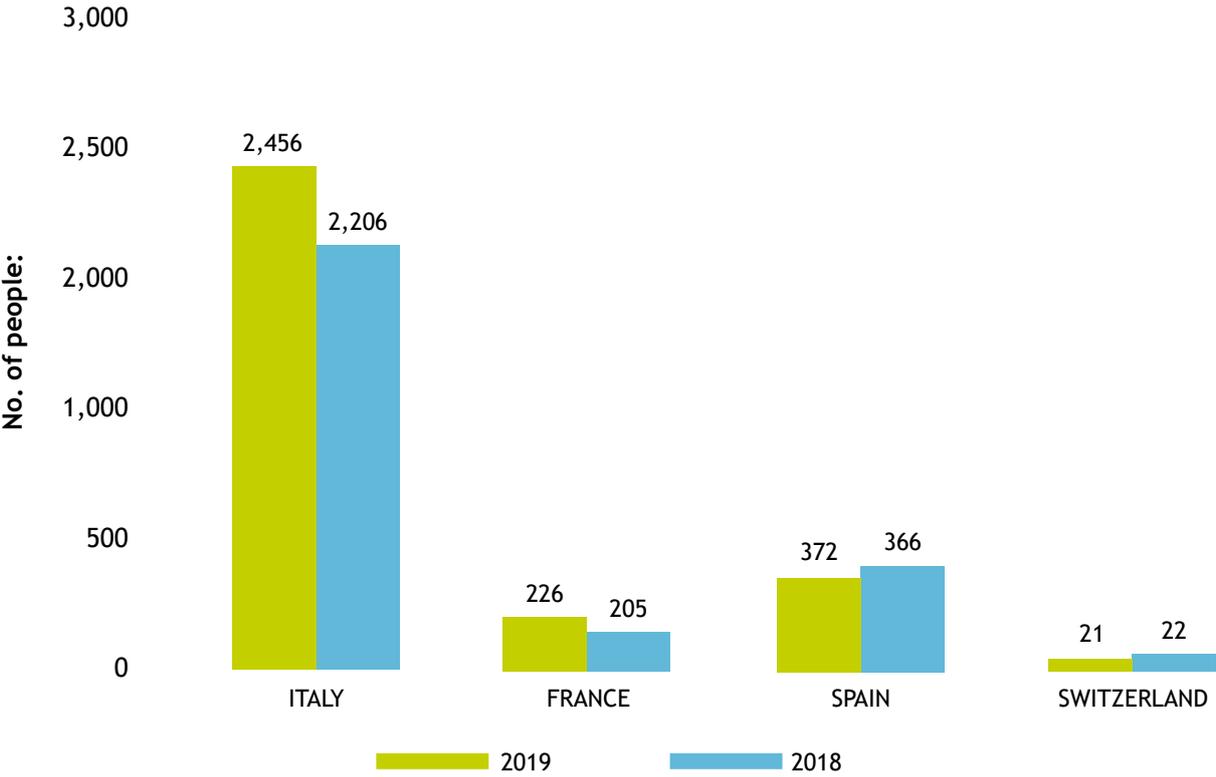
### Distribution of Group employees by contract type and country

	At 31 December 2019			At 31 December 2018		
	Fixed-term contract	Permanent contract	Total	Fixed-term contract	Permanent contract	Total
Italy	144	2,312	2,456	187	2019	2,206
France	9	217	226	5	200	205
Spain	19	353	372	17	349	366
Switzerland	-	21	21	-	22	22
<b>IVS GROUP</b>	<b>172</b>	<b>2,903</b>	<b>3,075</b>	<b>209</b>	<b>2,590</b>	<b>2,799</b>





Distribution of Group employees by country as at 31 December



Distribution of Group personnel by gender and country

	At 31 December 2019		At 31 December 2018	
	% Men	% Women	% Men	% Women
Italy	87,5	12,5	87.7	12.3
France	82,7	17,3	84.9	15.1
Spain	90,9	9,1	90.2	9.8
Switzerland	81,0	19,0	86.4	13.6
<b>IVS GROUP</b>	<b>87,5</b>	<b>12,5</b>	<b>87.8</b>	<b>12.2</b>

## Distribution of Group employees by contract type and country

	At 31 December 2019			At 31 December 2018		
	Men	Women	Total	Men	Women	Total
Permanent contract (94.4%) in 2019	2,542	361	2,903	2,276	314	2,590
Fixed-term contract (5.6%) in 2019	149	23	172	181	28	209
<b>TOTAL</b>	<b>2,691</b>	<b>384</b>	<b>3,075</b>	<b>2,457</b>	<b>342</b>	<b>2,799</b>

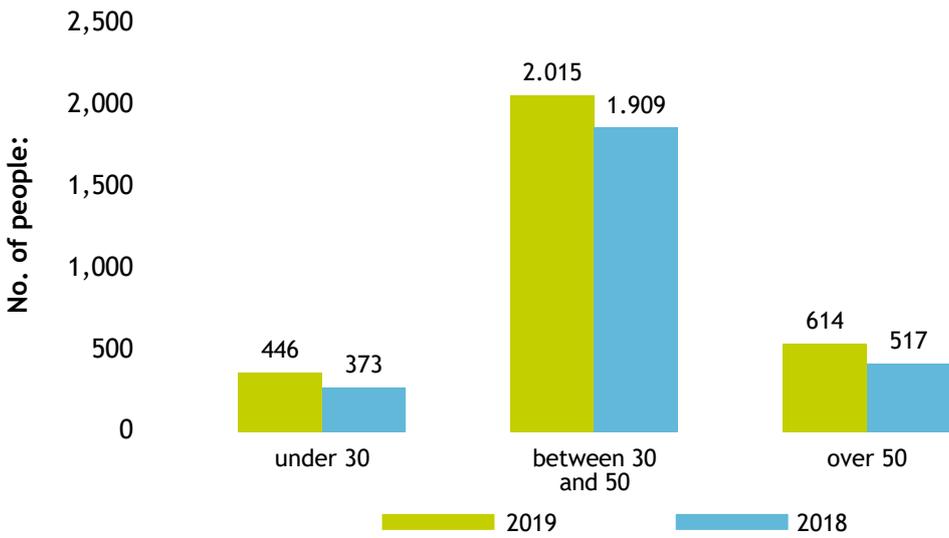
## Distribution of Group employees by professional category and gender

	At 31 December 2019			At 31 December 2018		
	Total	Men	Women	Total	Men	Women
Senior Executives	4	100.0	0.0	3	100.0	0.0
Middle Managers	48	87.5	12.5	43	90.7	9.3
White-collar workers	789	58.4	41.6	673	55.9	44.1
Blue-collar workers	2,234	97.8	2.2	2,080	98.0	2.0
Of which protected cat.	147	81.6	18.4	139	77.7	22.3
<b>TOTAL</b>	<b>3,075</b>	<b>87.5</b>	<b>12.5</b>	<b>2,799</b>	<b>87.8</b>	<b>12.2</b>

## Distribution of Group personnel by professional category and age group

	At 31 December 2019				At 31 December 2018			
	No.	% under 30	% 30-50	% over 50	No.	% under 30	% 30-50	% over 50
Senior Executives	4	0.0	50.0	50.0	3	-	66.7	33.3
Middle Managers	48	0	58.3	41.7	43	-	60.5	39.5
White-collar workers	789	7.1	69.2	23.7	673	5.9	70.5	23.6
Blue-collar workers	2,234	17.5	64.4	18.1	2,080	16.0	67.9	16.1
<b>TOTAL</b>	<b>3,075</b>	<b>14.5</b>	<b>65.5</b>	<b>20.0</b>	<b>2,799</b>	<b>13.3</b>	<b>68.4</b>	<b>18.3</b>

Distribution of Group personnel by age group



### Distribution of Group employees by contract type and country

	At 31 December 2019			At 31 December 2018		
	Men	Women	Total	Men	Women	Total
Full-time	2,658	251	2,909	2,427	232	2,659
Part-time	33	183	166	30	110	140
<b>TOTAL</b>	<b>2,691</b>	<b>384</b>	<b>3,075</b>	<b>2,457</b>	<b>342</b>	<b>2,799</b>

### Percentage of collaborators belonging to protected groups by professional category

	At 31 December 2019		At 31 December 2018	
	No.	% protected category	No.	% protected category
Senior Executives	4	-	3	-
Middle Managers	48	2.1	43	2.3
White-collar workers	789	5.3	673	5.6
Blue-collar workers	2,234	4.7	2,080	4.7
<b>TOTAL</b>	<b>3,075</b>	<b>4.8</b>	<b>2,799</b>	<b>4,9</b>

## COMMENTS ON THE TREND

As regards the breakdown of the Group's workforce by professional category, senior executives represent 0.1% of the total, middle managers 1.6%, white-collar workers 25.7%, blue-collar workers 72.7%. Of the total number of collaborators, 147 are employees belonging to protected categories (4.8%).

**+ 12.5% of the Group's employees are women.**

## Number and rate of incoming and outgoing turnover by gender, age group and country for the Group

2019	New hires				Departures			
	Men	Women	Total	Rate (%)	Men	Women	Total	Rate (%)
<b>IVS GROUP</b>								
under 30	144	9	153	43.8%	122	8	130	37.2%
30-50	257	37	294	15.5%	206	15	221	11.7%
over 50	53	17	70	15.2%	43	13	56	12.1%
<b>TOTAL</b>	<b>454</b>	<b>63</b>	<b>517</b>	<b>19.1%</b>	<b>371</b>	<b>36</b>	<b>407</b>	<b>15.0%</b>
<b>Rate (%)</b>	<b>21.5%</b>	<b>21.4%</b>	<b>21.5%</b>		<b>17.6%</b>	<b>12.2%</b>	<b>16.9%</b>	
<b>ITALY</b>								
under 30	89	2	91	32.6%	81	7	88	31.5%
30-50	185	30	215	14.4%	137	13	150	10.1%
over 50	40	16	56	16.9%	32	8	40	12.1%
<b>TOTAL</b>	<b>314</b>	<b>48</b>	<b>362</b>	<b>17.2%</b>	<b>250</b>	<b>28</b>	<b>278</b>	<b>13.2%</b>
<b>Rate (%)</b>	<b>17.7%</b>	<b>19.5%</b>	<b>17.9%</b>		<b>14.1%</b>	<b>11.4%</b>	<b>13.8%</b>	
<b>FRANCE</b>								
under 30	36	4	40	129.0%	28	-	28	90.3%
30-50	33	5	38	32.2%	28	1	29	24.6%
over 50	6	1	7	14.6%	6	1	7	14.6%
<b>TOTAL</b>	<b>75</b>	<b>10</b>	<b>85</b>	<b>43.1%</b>	<b>62</b>	<b>2</b>	<b>64</b>	<b>32.5%</b>
<b>Rate (%)</b>	<b>43.1%</b>	<b>31.3%</b>	<b>41.3%</b>		<b>35.6%</b>	<b>6.3%</b>	<b>31.1%</b>	
<b>SPAIN</b>								
under 30	18	2	20	57.1%	13	1	14	40.0%
30-50	39	2	41	15.0%	38	1	39	14.2%
over 50	7	-	7	9.5%	5	4	9	12.2%
<b>TOTAL</b>	<b>64</b>	<b>4</b>	<b>68</b>	<b>17.8%</b>	<b>56</b>	<b>6</b>	<b>62</b>	<b>16.2%</b>
<b>Rate (%)</b>	<b>38.3%</b>	<b>25.0%</b>	<b>37.2%</b>		<b>33.5%</b>	<b>37.5%</b>	<b>33.9%</b>	
<b>SWITZERLAND</b>								
under 30	1	1	2	50.0%	-	-	-	0.0%
30-50	-	-	-	0.0%	3	-	3	23.1%
over 50	-	-	-	0.0%	-	-	-	0.0%
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>8.0%</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>12.0%</b>
<b>Rate (%)</b>	<b>0.6%</b>	<b>6.3%</b>	<b>1.1%</b>		<b>1.8%</b>	<b>0.0%</b>	<b>1.6%</b>	

## COMMENTS ON THE TREND

In 2019 the Group had a total of 517 new hires, while there were 407 terminations. The IVS Group's incoming turnover rate<sup>18</sup> was 16.8%, a decrease of 1.5% compared with 2018. The most conspicuous share of hires concerns employees under the age of 30 and amounts to 34.3% of the total specifically, most of these assumptions concern male individuals. France had the highest incoming turnover rate (37.6%), followed by Spain (18.3%), Italy (14.7%) and finally Switzerland (9.5%).

The IVS Group's outbound turnover rate<sup>18</sup> was 16.9%, up 1.9% from 2018, but still lower than the incoming one. Specifically, the turnover rate in Italy was 11.3%, in France 28.3%, in Spain 33.9% and in Switzerland 1.6%.



18. To calculate the accident indices for 2018 and 2017 for Spain, only the company DAV S.L. was considered.

19. The incoming turnover rate is calculated by dividing the number of hires recorded during 2019 by the total number of workers by gender and age as at 31/12/2019

## Diversity and equal opportunities



“ We ensure equal opportunities for all employees, as mentioned in the Code of Ethics. ”



In managing its resources, the IVS Group recognises diversity's important role as an essential element to guarantee a balanced, competitive and socially cohesive environment.

The Group has therefore embarked on a virtuous path with the aim of providing a work environment that eliminates any form of discrimination based on

the sex, religion, nationality, personal and political opinions, age, health and economic conditions of its interlocutors, ensuring equal opportunities for all its employees, and enhancing individual potential and skills, as described in the Code of Ethics.

**your  
best  
welfare**

**Your 2019 award transformed in welfare!**

**WELFARE!**

If you want to benefit from it as well:  
[welion.welfare.it/ivsgroup](http://welion.welfare.it/ivsgroup) or Payroll office

## The quality of corporate life and the Workplace Health Promotion project



“ Not only prevention of accidents and illnesses, but also a commitment to offer workers opportunities to improve their health. ”

6  
Types of health promotion initiatives

The concept of **Workplace Health Promotion** (or WHP) in employment contexts presupposes that a company not only implements all measures to prevent accidents and occupational diseases, but also offers its workers opportunities to improve their health, reducing general risk factors and particularly those most closely linked to causing chronic diseases.

Workplaces that promote health, for example, encourage and promote physical activity, offer opportunities to quit smoking, promote healthy eating, and implement measures to improve well-being at work and beyond work.



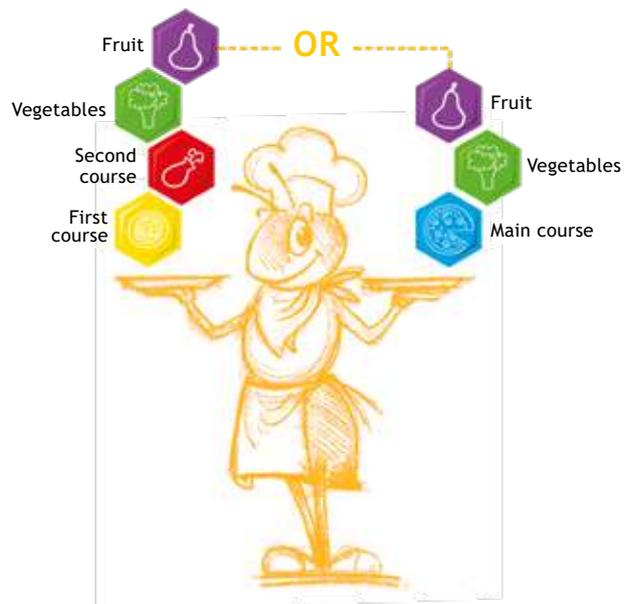
# The quality of corporate life and the Workplace Health Promotion project



## Promoting a Healthy Diet

A healthy and proper diet to gain and maintain good health.

To convey the principles of healthy eating in all its aspects, with programmes and objectives that involve not only the individual, but also the entire company they work in.



## Fight against Tobacco Smoke

Active interventions (training with competent doctors) and passive interventions (using company monitors to display posters) to maintain high attention to the topic and put employees in a position to give up smoking.



# The quality of corporate life and the Workplace Health Promotion project



## Promoting Physical Activity

Physical activity to increase feelings of well-being, self-esteem, personal autonomy and socialisation.

### Intercompany Tournament - Volleyball



### Intercompany Tournament - Football



### Your Best Jogging



### Company Trekking 2019



# The quality of corporate life and the Workplace Health Promotion project



## Promoting Road Safety and Sustainable Mobility



Promoting sustainable mobility, a sign of attention to the environment and to the future. Creating a corporate culture to adopt daily good

habits to reduce the environmental impact of transport and the dangers when travelling.

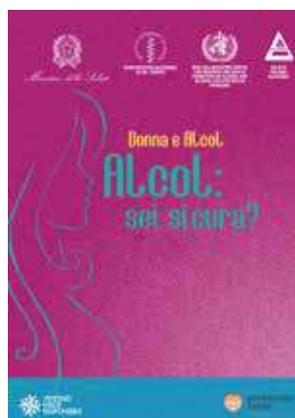


## Fight against Alcohol and Addictions



Combating the abuse of alcohol and other substances is of fundamental importance to make work environments healthier, safer and more

peaceful places. The company's commitment to increasing employee awareness and creating awareness about the issue of abuse and addictions.



# The quality of corporate life and the Workplace Health Promotion project



Promoting personal and social well-being and work-life conditions



A good work culture promotes employees' personal and social well-being, with positive effects on the internal climate and productivity. The right balance between working life and

personal life promotes personal fulfilment from all points of view, reducing work stress and improving overall well-being.

## Carrara Academy of Bergamo



## "Quota 15,000" - Free entrance to the art gallery



Gabriele Laterza and Stefano Bertoli, creators of artistic projects, performed two shows for company employees and their family members, at the sites

in Bergamo, Vignate and Rome: "Men or Not" and "Jazz Notes and Literary Texts"



# The quality of corporate life and the Workplace Health Promotion project



Promoting personal and social well-being and work-life conditions



Constant renewal to continuously improve corporate welfare.



## "Your best opinion" and the SA8000 Social Ethics



	ANONIMA PER POSTA ORDINARIA: indirizzando la vostra comunicazione all'Ufficio Risorse Umane di IVS Italia S.p.A. via dell'Artigianato n.25 Seriate (Bg) - Cap 24168, inserendo come oggetto "SA8000 del Gruppo IVS"
	PER ISCRITTO: avete a Vostra disposizione, presso il banco della reception della vostra filiale dei moduli per i reclami che vanno indirizzati al Responsabile del Sistema di Responsabilità Sociale e al Responsabile HR che hanno il dovere di mantenere l'anonimato, se richiesto, del lavoratore da cui riceve la comunicazione
	E-MAIL: le comunicazioni e-mail devono essere inviate utilizzando l'indirizzo <a href="mailto:wistleblowing.gruppoivs@gmail.com">wistleblowing.gruppoivs@gmail.com</a> all'attenzione del Responsabile del Sistema di Responsabilità Sociale e al Responsabile HR. Nell'oggetto della mail inserire "SA8000 del Gruppo IVS"
	COMUNICAZIONI VERBALI: nel caso di segnalazioni verbali (anche telefoniche), il Responsabile del Sistema della Responsabilità Sociale e il Rappresentante dei Lavoratori per la SA8000 hanno il dovere di mantenere l'anonimato, se richiesto, del lavoratore da cui riceve la comunicazione.
	SEGNALAZIONE DIRETTA ALL'ENTE DI CERTIFICAZIONE: la segnalazione può essere fatta direttamente all'ente che certifica IVS Group e le Società Controllate, per posta ordinaria, telefonicamente o per mail: SS 18 Tirrena Inferiore, 119/121, 84047 Capaccio (SA) Telefono: +39 0828 189 7857 Email: <a href="mailto:segnalazioni@sicert.net">segnalazioni@sicert.net</a>
	SEGNALAZIONE DIRETTA ALL'ENTE INTERNAZIONALE SAAS (Social Accountability International Service): per posta ordinaria, telefonicamente o per mail: 9 East 37th Street, 10th Floor - New York, NY 10016 - Stati Uniti d'America Telefono: +1- (212) -391-2106 Email: <a href="mailto:saas@saasaccreditation.org">saas@saasaccreditation.org</a>

## SCHOLARSHIP

In memory of the IVS Group's founder, Cesare Cerea, a 5-year programme was set up aimed at providing scholarships (€25,000 per year) to support higher education for children (aged 18-24) of IVS Group company employees.

The event was held on Friday 25 October 2018 and rewarded promising young people, the children of parents used to standing out in their work.



## "I VISPI SORRISI", COMPANY NURSERY

*"A company that thinks about its future can only think about the future of its employees, and what better way than to help families raise their children?"*

2018/2019, 18 registered children, including 6 children of IVS Italia S.p.A. employees

The company helps employees who enrol their children in the I Vispi Sorrisi nursery by paying about half the fees.



## Staff training

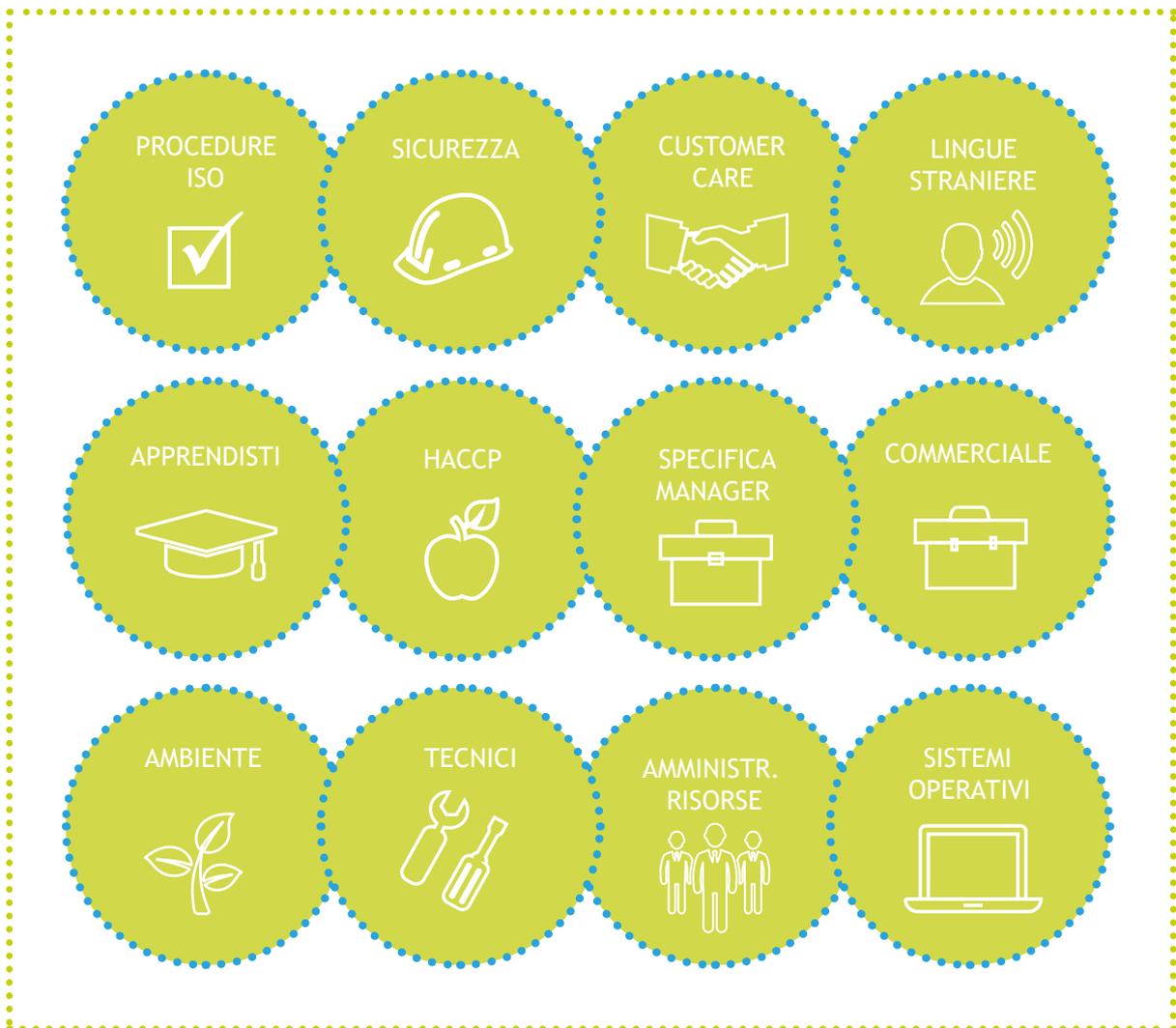


“ Every year we develop an Annual Training Plan for continuous development of all the Group's professional skills. ”



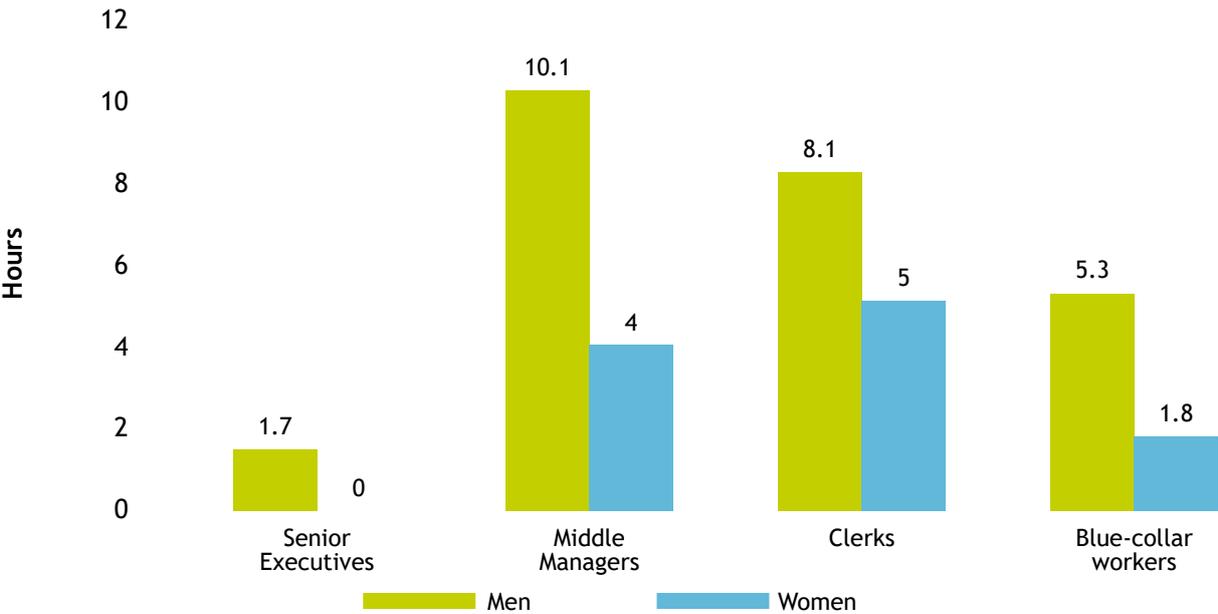
The IVS Group makes major investments in training its human resources, with continuous preparation that involves all the Group's professional skills. As evidence of this commitment, an Annual

Training Plan is prepared every year at the central HR office.





Average group training hours by professional category and gender in 2019



	2019			2018		
	Men	Women	Total	Men	Women	Total
Senior Executives	1.7	0	1.7	1.7	0	1.7
Middle Managers	10.1	4.0	9.3	4.9	2	4.6
White-collar workers	8.1	5.0	6.8	9.7	8.9	9.3
Blue-collar workers	5.3	1.8	5.2	6.7	3.8	6.6
<b>TOTAL</b>	<b>5.8</b>	<b>4.6</b>	<b>5.7</b>	<b>7.1</b>	<b>8.2</b>	<b>7.2</b>





Number of courses held by type<sup>20</sup>

	2019	2018
Environmental system and Energy	1	1
ISO integrated system company procedures	2	50
Hazardous goods/waste	0	2
Foreign languages	3	0
Sales and Marketing	6	7
Privacy	13	1
Safety for Customers	35	0
Safety in the workplace	327	369
Food safety	60	51
Technical updating	124	42
S.Italia team building	16	0
SA8000-37001	14	0
Managers and supervisors	14	0
Courses related to work	261	106
Security guards	1	0
Coin authentication - CNAC	1	0

COMMENTS ON THE TREND

Average of about 5.8 hours per capita for the male workforce and 4.6 hours per capita for the female workforce, for an overall average of about 5.7 hours per capita.

**17,468 hours of training and 878 training courses**

20. The category "Courses related to work" also includes courses on Anti-trust and the 231/01 Model.



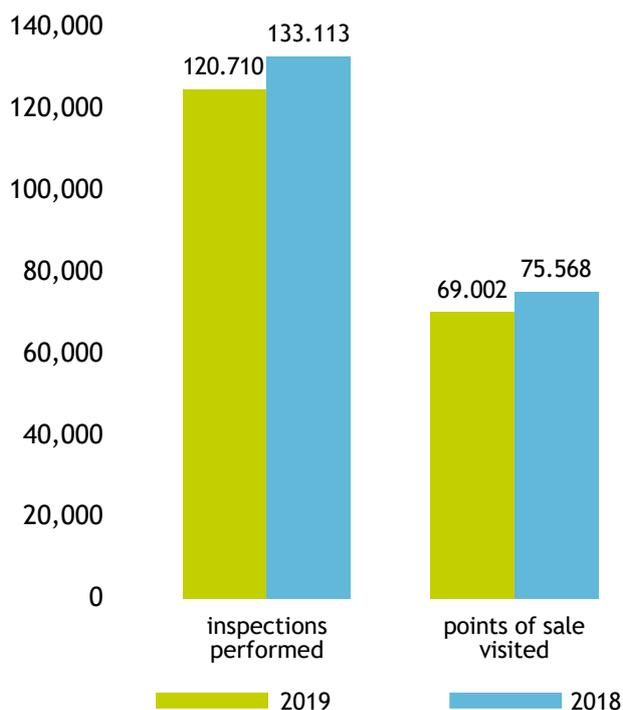
# Focus on the Customer



“ Our Customer Care, a constant commitment to customers. ”



## Customer Care and Customer Satisfaction



## COMMENTS ON THE TREND

### 2019<sup>21</sup>

+ 10.28% inspections on the territory, + 9.52% points of sale visited, + 6.8% customers visited

The Customer Satisfaction results consolidate the 2018 figure with a slight average decrease. Lazio and Sicily were the regions with the greatest number of interviews. The lowest average score on a scale between 2 (very low) and 10 (very high) was recorded in Campania (6.7) and Piedmont (6.5), so in any case higher than sufficient, and with a slight (+0.01 in the first case) and a worsening (-0.2 in the second) compared with 2018.

21. The data refers to the following companies: IVS Italia S.p.A., SDA-DDS S.p.A., Eurovending S.r.l. and IVS Sicilia S.p.A.

## The Call Centre



“ We handle incoming calls through specialised operators or automatic responders. ”



### Data on the Call Centre service by year<sup>21</sup>

Type	2019	2018	2017
Received (No.)	1,008,000	917,191	873,104
Completed (No.)	958,429	858,414	822,527
Served (No.)	759,492	674,362	691,169



## COMMENTS ON THE TREND

Against a higher number of calls received, the percentage of completed calls increased by 11.6% (2018-2019).

22. Received: every time customers called the freephone number. Completed: all calls that had access to a service (voicemail, recall, queued routing and operator response). Served: all calls handled by phone, or that were answered by the operator (before or after having queued).

## Service and product customisation

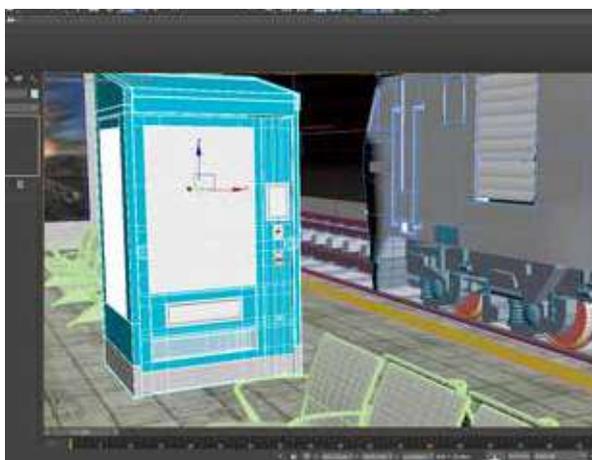


“ We create 3D renderings and models of the facilities, tailored to the customer's needs. ”

**500**  
Average 3D projects produced in 2019

### Dedicated areas, customised vending machines and new TOUCH technologies

The Group has enriched its offer by studying and creating 3D models to help visualise, in advance and in a short time, the impact its equipment has on areas in terms of architecture and colour.



# Technical assistance and supply of vending machines



“ Supply and technical assistance in optimal times. ”

**3.31**  
Average troubleshooting hours in 2019



## Control Room



“ *Control Rooms designed to give the customer the best possible service.* ”



The **TEC (Vending Machine Technical Assistance) Control Rooms** are dedicated to managing, controlling and monitoring the main assistance and maintenance activities for vending machines.



The **ARD (Vending Machine Restocker) Control Rooms** monitor the sales performance of each individual vending machine installed, the history and supply situation, the planned reloading steps and the priority of any unscheduled restocking requests, to reduce travel.



# Commitment to the territory



“ We are constantly committed to the socio-economic development of the communities we operate in, thanks to local initiatives. ”

**8**  
Group activities aimed at promoting quality of life

## Initiatives for the territory

The IVS Group is committed to actively contributing to promoting quality of life, the socio-economic development of the communities it operates in and developing human capital and local skills, while conducting its business in compliance with proper commercial practice.



• **"The Bridge for Hope"** association with the mission of supporting the families of those who face suffering caused by incurable diseases. Support was also provided through #CorriAmoLaVita, the beneficial marathon.

• **"Luce" Association** to encourage young and old at the theatre, seeking to convey emotions through historical moments that have left an indelible mark on many people's memories.

**your best hope race**  
Milano Marathon 2019  
7 Aprile 2019

Da tutta Italia i Runners IVS sostengono l'onlus **The Bridge for Hope** nel progetto **#CorriAmoLaVita**

Vuoi partecipare correndo anche tu?  
All'iscrizione e ai materiali per partecipare alla gara pensiamo noi...  
**tu aiutaci con una donazione!**

Vuoi partecipare con un semplice donazione?  
Accedi alla pagina  
<https://www.retedelidono.it/it/progetti/the-bridge-for-hope/corriamo-la-vita-the-bridge-for-hope>  
**per dare il tuo contributo!**

non spaventarti parteciperai in silenzio

Per info: **Daniela Bondera (Seriate)**

Progetto #CorriAmoLaVita  
<https://www.retedelidono.it/it/progetti/the-bridge-for-hope/corriamo-la-vita-the-bridge-for-hope>

Logos: ivsitalia.com, VENDING POINT RESPONSIBLE, FOR HOPE, WHP

**your best break .com**  
**LUCE**  
STORIA DI SOGNI E LANTERNE

IVS Italia è lieta di portare avanti il proprio impegno in ambito culturale sponsorizzando **LUCE**, uno spettacolo che vede Freud intrecciare un dialogo intorno al senso della vita e della morte in una Vienna da poco annessa al Reich tedesco.

**Teatro del pettegolezzo**  
Componenti: Giovanni Ferrari, Andrea Garini, Filippo Baldi, Benedetta Biffi.

**Domenica 13 Ottobre - ore 21:00**  
**Cineteatro Gavazzeni - Seriate (BG)**  
**Entrata: 10€**  
Confermare la presenza a Francesco Ferrari per riservare dei posti IVS

Logos: ivsitalia.com, WHP

## Initiatives for the territory



“

· "Bergamo Festival - Making Peace". Distribution of exclusive screen prints on the theme of this year's festival, "reconciliation".



”



### IL PROGETTO

Bergamo Festival FARE LA PACE offre al pubblico elementi di comprensione delle molte intricate dinamiche della quotidiana convivenza. Il compito umano di fare la pace, di negoziare cioè un accettabile ordine civile, ha davanti a sé tornanti sempre nuovi e decisivi. Si tratta di questioni che nascono a volte lontane da noi, ma i cui effetti ritroviamo in modo molto concreto nei luoghi in cui viviamo.

Attraverso le parole di autorevoli testimoni e protagonisti di livello internazionale, cerchiamo di offrire utili criteri di comprensione della realtà. Per lenire le inquietudini e aumentare il senso critico.

Ogni anno Bergamo Festival pubblica alcune delle lezioni magistrali tenute da ospiti speciali che costituiscono la Gollana delle pubblicazioni di Bergamo Festival.

Novità 2019, i "semi della pace", delle confezioni con piccole quantità di semi di non ti scordar di me: un invito simbolico a diffondere i valori del Festival e a diventare coltivatori di pace e giustizia.

Il distributore di cultura è personalizzato con un'opera realizzata da Enrico Sironi, in arte "Hemo".

IVS Italia S.p.A., che condivide le tematiche della manifestazione, partecipa all'iniziativa posizionando in centro città un distributore che anziché distribuire bevande e snack possa "distribuire cultura", attraverso le pubblicazioni di Bergamo Festival.

Il ricavato della vendita dei libri e dei semi di Bergamo Festival sarà devoluto a sostegno di attività culturali.



· IVS Italia Sp.A. and the G. Carrara Academy of Fine Arts in Bergamo, working together to disseminate culture with vending machines which distribute works created by students from the Academy's drawing and photography courses.



## Initiatives for the territory



- IVS ITALIA S.p.A., premium sponsor of the festival of literature for children and adolescents "La Vallata dei Libri Bambini", a great cultural project for promoting and educating the territory, organised by the association of the same name.

- "Majorana Scholastic Institute of Seriate"; with scholarships set up to regain and promote excellence. These aim to give all students more opportunities to continue their academic career, in the belief that the "young" future is a project to be pursued always.

- IVS Italia and the "Pesciolino Rosso" Association to support young people by disseminating and supporting development and growth activities.



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# LASCIAMI VOLARE

3 febbraio 2019  
ore 18:00

Oratorio di Pradalunga  
Cineteatro Don Bosco  
Via Valle 21

**Pradalunga (BG)**  
Evento gratuito aperto a tutti

www.pesciolinorosso.org  
info@pesciolinorosso.org

f t g+ s

Papà Gianpietro racconterà la propria storia e quella di suo figlio Emanuele.

Una testimonianza di vita, per cercare di condividere l'idea che non solo possiamo sopravvivere al dolore, ma che le sofferenze e le difficoltà della vita ci possono rendere migliori, perché quello che oggi sembra farci cadere può essere quello che domani ci aiuterà a stare in piedi.

oltre 1.000 incontri in tutta Italia con oltre 300.000 genitori e studenti

ivs

group

## Initiatives for the territory

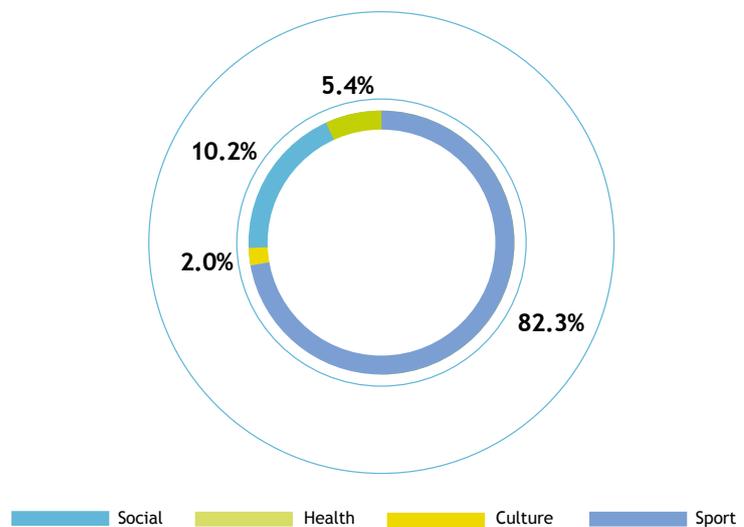


**GROUP COMPANIES** abroad have contributed to generating sustainability in the area through various initiatives. The most significant include:

- **Producing honey at the Cormeilles site**, as part of the "Intergenerational project for sustainable development of the territory. Creating a social bond in the Val d'Oise".



## Donations and sponsorships by type

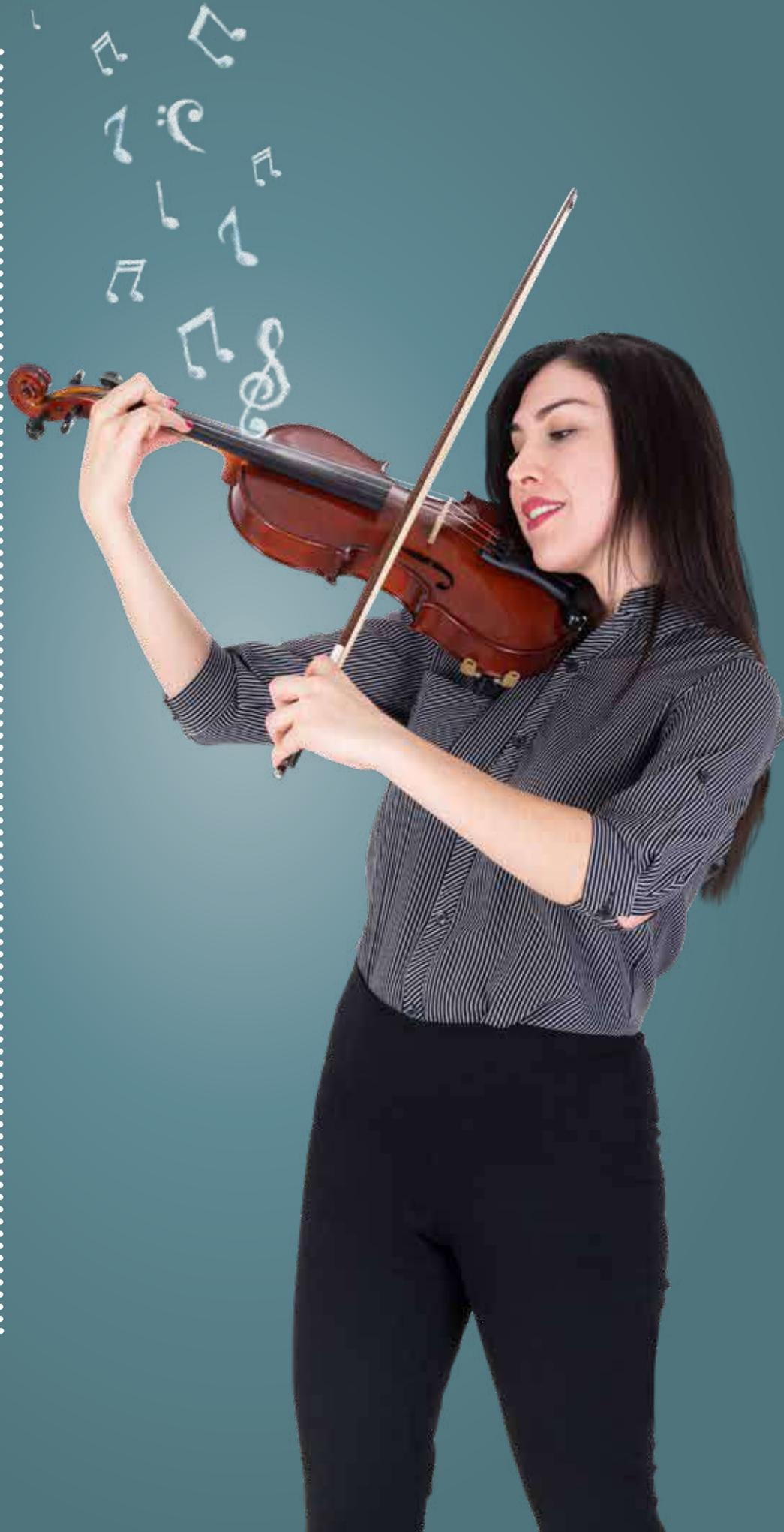


## COMMENTS ON THE TREND

*Most sponsorships and donations, especially in the sports sector, reflect the principles that Management has wanted to tell up to here and represent a push towards welfare and amateur associations that lead the new generations to reflect to build a better world.*

# Analysis of the perimeter and table of GRI indicators

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# Perimeter analysis and GRI Content Index

## PERIMETER ANALYSIS OF THE IVS GROUP'S MATERIAL TOPICS

MACRO AREAS	TOPICS	RELEVANCE	
		Where impact occurs	Involvement of IVS Group
Governance and business ethics	Corporate Governance	IVS Group	Direct
	Risk Management	IVS Group	Direct
	Ethics and integrity	IVS Group Suppliers and partners Producer communities	Direct Business partnerships
Economic performance	Business strategy	IVS Group	Direct
	Economic/financial performance	IVS Group	Direct
Environmental performance	Environmental impact	IVS Group Suppliers and partners	Direct Business partnerships
	Management of product life cycle	IVS Group	Direct
	Management of industrial and food waste	IVS Group Suppliers and partners	Direct Business partnerships
Social performance	Procurement policies and practices	IVS Group	Direct
	Development of the local community	IVS Group	Direct Contributes
	Food education	IVS Group Producer communities	Contributes Business partnerships
	Talents attraction and development	IVS Group	Direct
	Welfare and work-life balance	IVS Group	Direct
	Diversity and equal opportunities	IVS Group	Direct
	Industrial relations	IVS Group Producer communities	Direct Business partnerships
	Health and safety of employees	IVS Group <sup>23</sup>	Direct
	Customer satisfaction	IVS Group	Direct
	Responsible advertising and marketing	IVS Group	Direct
Product performance	Innovation and product design	IVS Group	Direct
	Product quality and safety	IVS Group	Direct
	Logistics	IVS Group	Direct
	Food traceability	IVS Group	Direct

23. The Group will conduct further analysis on the significance of other non-employee workers in order to evaluate the possibility of collecting data from the employers of external collaborators and suppliers who work on the Group's sites and/or under the Group's control, evaluating the quality and accuracy of the data over which they exercise direct control.

## GENERAL STANDARD DISCLOSURE

GRI	DESCRIPTION	PAGES/NOTES
<b>Organisational profile</b>		
102-1	Name of the organization	Note on methodology (8); The IVS Group - The Group's structure (12-13); Governance and Risk Management - The 231/01 Model and Whistleblowing procedure (19-20)
102-2	Activities, brands, products and services	The IVS Group - Services offered and the business model (11-12); Focus on the Customer (83-87)
102-3	Location of headquarters	The IVS Group S.A.'s operating headquarters are located in Seriate, Italy, in the province of Bergamo.
102-4	Location of operations	The IVS Group - Services offered and the business model (11-12)
102-5	Ownership and legal form	The IVS Group - The Group's structure (12-13)
102-6	Markets served	The IVS Group - Services offered and the business model (11-12); Trends in the vending sector and the group's international vocation (14)
102-7	Scale of the organization	Highlights (24-25); The IVS Group - Services offered and the business model (11-12); Our people (68)
102-8	Information on employees and other workers	Note on methodology (8); Our people (64-68)
102-9	Supply chain	Voluntary certification (26)
102-10	Significant changes to the organization and its supply chain	Note on methodology (8)
102-11	Precautionary Principle or approach	Note on methodology (8); Governance and Risk Management (15-20)
102-12	External initiatives	IVS France S.A.S. cooperates with REFOREST ACTION association, to sustain the reforestation project in the tropical Peruvian Andes
102-13	Membership of associations	Reforestation Support (48); IVS Group companies operating in the vending sector participate in the following foundations, trade or not trade and national or international associations: CONFIDA (Associazione Italiana Distribuzione Automatica), ANIVP (Associazione Nazionale Istituti di Vigilanza Privata e dei Servizi Fiduciari di Sicurezza), NAVSA (French association in the vending sector), ANEDA (Asociación Nacional Española de Distribuidores Automáticos), ACV (Associació Catalana de Vending)

24. All the General Disclosures, the Management Approach and the Topic-Specific Standards reported in the table of indicators are those published by the GRI in 2016.

GRI	DESCRIPTION	PAGES/NOTES
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Letter to Stakeholders (6-7)
102-15	Key impacts, risks and opportunities	Note on methodology (8); The IVS Group - The Group's structure (12-13); Governance and Risk Management (15); Environmental responsibility (35); Responsible solidarity (58); Employee health and safety (60-63); Staff training (81-83)
<b>Ethics and integrity</b>		
102-16	Values, principles, standards and norms of behavior	Governance and Risk Management - Ethical business management: the Code of Ethics (19); Sustainability for the IVS Group (28)
102-17	Mechanisms for advice and concerns about ethics	Governance and Risk Management (18-20)
<b>Governance</b>		
102-18	Governance structure	The IVS Group - The Group's structure (12-13); Governance and Risk Management (15)
102-25	Conflicts of interest	Governance and Risk Management - Anti-corruption and conflict of interest (18)
<b>Stakeholders engagement</b>		
102-40	List of stakeholder groups	IVS Group stakeholder mapping and materiality analysis (21)
102-41	Collective bargaining agreements	ITALY: 100% of employees are covered by the CCNL Terziario Distribuzione e Servizi, apart from: IVS Italia S.p.A., in which more than 99% of employees are covered by the CCNL Terziario Distribuzione e Servizi and the remaining employees by the CCNL Pubblici Esercizi; Coin Service Nord S.p.A., whose 100% of employees are covered by the CCNL Istituti di Vigilanza Privata. SPAIN: 100% of employees are covered by CCNL "mayorista de alimentación". FRANCE: 100% of employees are covered by CCNL 3044- Commerce de gros - IDCC 0573. SWITZERLAND: no collective bargaining agreements applied.
102-42	Identifying and selecting stakeholders	IVS Group stakeholder mapping and materiality analysis (21-23)
102-43	Approach to stakeholder engagement	IVS Group stakeholder mapping and materiality analysis (21-23)
102-44	Key topics and concerns raised	IVS Group stakeholder mapping and materiality analysis (21-23)

GRI	DESCRIPTION	PAGES/NOTES
<b>Reporting practice</b>		
102-45	Entities included in the consolidated financial statements	Note on methodology (8)
102-46	Defining report content and topic Boundaries	Note on methodology (8-9); IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95) The reporting principles applied for the content of this Report refer to GRI's guidelines: materiality, stakeholder inclusiveness, sustainability context, completeness, accuracy, balance, clarity, comparability, reliability and timeliness.
102-47	List of material topics	IVS Group stakeholder mapping and materiality analysis- Materiality Matrix for the IVS Group (22)
102-48	Restatements of information	No information inserted in past report was restated.
102-49	Changes in reporting	Note on methodology (8)
102-50	Reporting period	Note on methodology (8)
102-51	Date of most recent report	March 2019
102-52	Reporting cycle	Note on methodology (8)
102-53	Contact point for questions regarding the report	Note on methodology (8)
102-54	Claims of reporting in accordance with the GRI Standards	Note on methodology (8)
102-55	GRI content index	GRI Content Index (94-100)
102-56	External assurance	External assurance (106-108)

## SPECIFIC STANDARD DISCLOSURE

GRI	DESCRIPTION	PAGES/NOTES
<b>GRI 200: ECONOMIC TOPICS</b>		
<b>Economic performance</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management - The internal control system and business risk management (16)
103-3	Evaluation of the management approach	Governance and Risk Management - The internal control system and business risk management (16)
201-1	Direct economic value generated and distributed	The IVS Group (11)

GRI	DESCRIPTION	PAGES/NOTES
<b>Anti-corruption</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management (17-20)
103-3	Evaluation of the management approach	Governance and Risk Management (17-20)
205-3	Confirmed incidents of corruption and actions taken	No confirmed corruption incidents were registered in 2019.
<b>Anti-competitive behaviour</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management - Anti-corruption and conflict of interest (18); Code of Ethics
103-3	Evaluation of the management approach	Governance and Risk Management - Anti-corruption and conflict of interest (18); Code of Ethics
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No significant legal action was taken in response to anti-competitive behaviour, anti-trust behaviour and monopoly practices in 2019. Payment of the fine commined by IAA (Italian Antitrust Authority) on IVS Italia S.p.A. in 2016 was concluded in March 2019. Anyhow, in September 2019 the Council of State partially confirmed IVS Italia, forcing the authority to recalculate the sanction. IVS Italia has filed a refund request. More information is available in the 'Significant Events' section of the IVS Group S.A.'s 2019 Annual Report.
<b>GRI 300: ENVIRONMENTAL TOPICS</b>		
<b>Energy</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Environmental Responsibility - Electricity consumption (35-39)
103-3	Evaluation of the management approach	Environmental Responsibility - Electricity consumption (35-39)
302-1	Energy consumption within the organization	Environmental Responsibility - Electricity consumption (36-39)

GRI	DESCRIPTION	PAGES/NOTES
<b>Water</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Sustainability for the IVS Group (28-29)
103-3	Evaluation of the management approach	Sustainability for the IVS Group (28-29)
303-1	Water withdrawal by source	Water consumption and sustainable water management (40)
<b>Emissions</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	The Group's efficiency improvement efforts (32); Environmental responsibility (35)
103-3	Evaluation of the management approach	The Group's efficiency improvement efforts (32); Environmental responsibility (35)
305-1	Direct (Scope 1) GHG Emissions	Greenhouse gas emissions (41-42); Gases included in the calculations of Scope 1 emissions: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O; Sources of the emission factors: - ISPRA, Italian Greenhouse Gas Inventory 1990 - 2019 - National Inventory Report (2018) for consumption of natural gas, fuel, diesel and LPG; - Department for Environment, Food and Rural Affairs, Annual Report and Accounts 2018-19 - 2019 - IPCC Fifth Assessment Report: Climate Change 2013 for factors of GWP (100 years), CH <sub>4</sub> and N <sub>2</sub> O.
305-2	Energy indirect (Scope 2) GHG Emissions	Greenhouse gas emissions (41-42); The values reported in the Report for Scope 2 emissions were obtained applying the location-based calculation method. Under the market-based calculation, the Scope 2 emissions in 2018 are 4,995 tonnes of CO <sub>2</sub> e and in 2019 are 4,273 tonnes of CO <sub>2</sub> e. Gases included in calculations of Scope 2 emissions: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O. Sources of the factors of emission: TERNA, Statistical data concerning electrical energy in Italy, year 2018 (2017) for electricity consumption - Location Based method; Association of Issuing Bodies (AIB), 2018 European Residual Mixes, V.1.1 (2018), for electricity consumption - Market Based method

GRI	DESCRIPTION	PAGES/NOTES
<b>Effluents and Waste</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Sustainability for the IVS Group (28-29); Environmental responsibility (35)
103-3	Evaluation of the management approach	Sustainability for the IVS Group (30-31); Environmental responsibility (35)
306-2	Waste by type and disposal method	The production and recovery of waste (42-46)
<b>Environmental Compliance</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Environmental responsibility (35)
103-3	Evaluation of the management approach	Environmental responsibility (35)
307-1	Non compliance with environmental laws and regulations	No significant fines or sanctions were registered as a result of violations of environmental laws and regulations in 2019.
<b>GRI 400: SOCIAL SERIES</b>		
<b>Employment</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Responsibility towards People (58); Our people (64); The quality of corporate life and the Workplace Health Promotion project (74-80)
103-3	Evaluation of the management approach	Responsibility towards People (60); Our people (66); The quality of corporate life and the Workplace Health Promotion project (72-78)
401-1	New employee hires and employee turnover	Turnover (69)
<b>Occupational health and safety</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Employee health and safety (60)
103-3	Evaluation of the management approach	Employee health and safety (60)
403-1	Workers representation in formal joint management-worker health and safety committees	Employee health and safety (61-63)
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Employee health and safety (62); 2019 lost day rate data were calculated as ratio between the number of days lost through injury or occupational disease and the total number of hours worked, multiplied by 1,000 (Source: Norma UNI 7249)
403-3	Workers with high incidence or high risk of diseases related to their occupation	Employee health and safety (62)

GRI	DESCRIPTION	PAGES/NOTES
<b>Training and education</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Staff training (81)
103-3	Evaluation of the management approach	Staff training (81)
404-1	Average hours of training per year per employee	Staff training (81-83)
<b>Diversity and equal opportunity</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Diversity and equal opportunities (71)
103-3	Evaluation of the management approach	Diversity and equal opportunities (71)
405-1	Diversity of governance bodies and employees	Governance and Risk Management (15); Diversity and equal opportunities (71)
<b>No-discrimination</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management - Ethical business management: the Code of Ethics (17); Diversity and equal opportunities (71)
103-3	Evaluation of the management approach	Governance and Risk Management - Ethical business management: the Code of Ethics (17); Diversity and equal opportunities (71)
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination were registered in 2019.
<b>Freedom of association and collective bargaining</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Responsibility towards People (58)
103-3	Evaluation of the management approach	Responsibility towards People (58)
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Responsibility towards People (58)
<b>Local Communities</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Commitment to the territory (88-91)
103-3	Evaluation of the management approach	Commitment to the territory (88-91)
413-1	Operations with local community engagement, impact assessments, and development programs	Commitment to the territory (88-91)

GRI	DESCRIPTION	PAGES/NOTES
<b>Supplier Social Assessment</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Voluntary certifications (26)
103-3	Evaluation of the management approach	Voluntary certifications (26)
414-1	New suppliers that were screened using social criteria	According to the IVS Group procurement practices, the screening of the suppliers is also based on their acceptance of the Code of Ethics. In particular, it requires to each supplier to sign a declaration of acknowledgment of the Code of Ethics and to give a written undertaking to respect its content. In particular, about 10% of suppliers signed the document "letter to suppliers" where it was requested to join to the Group's ethical and social principles
<b>Marketing and labeling</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Responsible Marketing (50-53)
103-3	Evaluation of the management approach	Responsible Marketing (50-53)
417-2	Incidents of non-compliance concerning product and service information and labeling	No significant monetary and non-monetary sanctions were registered as a result of non-compliance with regulations and/or voluntary codes in marketing and labeling in 2019.
<b>Socio-economic compliance</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management (17-20)
103-3	Evaluation of the management approach	Governance and Risk Management (17-20)
419-1	Non-compliance with laws and regulations in the social and economic area	No significant monetary and non-monetary sanctions were registered in 2019.

GRI	DESCRIPTION	PAGES/NOTES
<b>Risk Management</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Governance and Risk Management (15-20)
103-3	Evaluation of the management approach	Governance and Risk Management (15-20)
<b>Customer satisfaction</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Customer Care and Customer satisfaction (83)
103-3	Evaluation of the management approach	Customer Care and Customer satisfaction (83)
<b>Welfare and Work-life balance</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	The quality of corporate life and the Workplace Health Promotion Project (72-78)
103-3	Evaluation of the management approach	The quality of corporate life and the Workplace Health Promotion Project (72-78)
<b>Innovation and product design</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Trends in the vending sector and the Group's international vocation (14); Customisation of the service and the product (85)
103-3	Evaluation of the management approach	Trends in the vending sector and the Group's international vocation (14); Customisation of the service and the product (85)
<b>Logistics</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Electricity Consumption (36-39); Focus in the Customer (86-87)
103-3	Evaluation of the management approach	Electricity Consumption (36-39); Focus in the Customer (86-87)

GRI	DESCRIPTION	PAGES/NOTES
<b>Food Traceability</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	The IVS Group has produced a Company Hygiene Self-Regulation manual, which plans maintenance work, the cleaning and the sanitisation of the machines. The IVS Group ensures European regulations on traceability (ER 178/2002) are properly applied in order to guarantee complete transparency across all batches. The IVS Group also has a Food Safety Management System that complies with UNI EN ISO 22000:2005 and UNI 10854:1999 standards, as reported in the document (26).
103-3	Evaluation of the management approach	
<b>Product quality and safety</b>		
103-1	Explanation of the material topic and its Boundary	IVS Group stakeholder mapping and materiality analysis (21-23); Perimeter analysis and GRI Content Index (95)
103-2	The management approach and its components	Voluntary certifications (26); Responsibility towards People (58)
103-3	Evaluation of the management approach	Voluntary certifications (26); Responsibility towards People (58)

# Report of the external auditors

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## Independent auditors' report on the Sustainability Report

To the board of Directors of  
IVS Group S.A.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of IVS Group S.A. and its subsidiaries (hereinafter "the Group") for the year ended on 31 December 2019.

### Responsibilities of Directors for the Sustainability Report

The Directors of IVS Group S.A. are responsible for the preparation of the Sustainability Report in accordance with the "*Global Reporting Initiative Sustainability Reporting Standards*" issued by GRI - *Global Reporting Initiative* ("GRI Standards"), as described in the paragraph "Note on Methodology" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the Group's commitments regarding the sustainability performance as well as for the identification of the stakeholders and of the significant matters to report.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants 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 Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the criteria reported in the principle "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), 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 obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

- Analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholders categories and to the internal validation of the process outcomes;
- comparison of economic and financial data and information included in the paragraph "The IVS Group" of the Sustainability Report with those included in the Group's consolidated Annual Report as of 31 December 2019;
- Understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report. In particular, we have conducted interviews and discussions with the management and the personnel of IVS Group S.A. and IVS Italia S.p.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of data and information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Group's activities and characteristics:

- at Group level
  - a) with reference to the qualitative information included in the Sustainability Report we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- For IVS Italia S.p.A. sites located in Seriate (Bergamo) and in Pedrengo (Bergamo), which we have selected based on their activities, relevance to the consolidated performance indicators and location, we have carried out sites visits during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.
- Obtaining the representation letter signed by the legal representative of IVS Group S.A., on the compliance of the Sustainability Report with the standards identified in the paragraph

“Responsibilities of Directors for the Sustainability Report” of this report, as well as the reliability and completeness of the data and information disclosed.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of IVS Group for the year ended on 31 December 2019 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph “Note on Methodology” of the Sustainability Report.

## Other information

The Sustainability Report for the year ended on 31 December 2018, whose data are presented for comparative purposes, has been subject to limited assurance procedures by another auditor, who expressed an unqualified conclusion on that report on 19 March 2019.

Bergamo, 24 March 2020

EY S.p.A.



Marco Malaguti  
(Statutory Auditor)

**IVS GROUP S.A.**

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Concept, Graphic design e realizzazione:



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