

CHAPTER 4

“For us, the *good* of our people means bringing out their best, encouraging professional growth and enabling a work-life balance. So the *good* in each person can be of benefit for our company’s common project.”



Chiara Poli
Human Resources Specialist

4.1
Human Capital

pag. 62

4.2
**Skills Development
and Training**

pag. 66

4.3
**Company
Welfare**

pag. 70

4.4
**Workers’ Health
and Safety**

pag. 76

OUR PEOPLE



223
TOTAL
EMPLOYEES

40,3
YEARS

Average age

3,7
ENGAGEMENT
RATE

2023 Corporate Climate Survey
on a scale of 1 to 5

2.658
HOURS OF
TRAINING

FY 2023/2024

MATERIAL TOPICS

- Work Practices
- Workers' Health and Safety

SUSTAINABLE DEVELOPMENT GOALS

<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>5 GENDER EQUALITY</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 
--	---	---



4.1

Our people are fundamental travelling companions on Pedon's business path. **The skills, knowledge, experience and personal qualities possessed by each of our employees are all valuable assets** that express the uniqueness of the company.

Human capital policy management is the responsibility of the Human Resources Department, in accordance with the guidelines set out by Company Management and the Board of Directors. All Pedon employees in Italy are employed under the national collective bargaining agreement (CCNL) for the food industry, while the employment of management staff is governed by the national collective bargaining agreement for industry managers. **There are no employees not covered by a national collective bargaining agreement.**

Human capital IS not static, but a dynamic asset that **Pedon is committed to growing** by investing in training and health and safety, creating professional opportunities and enabling a work-life balance, in the awareness of the decisive role our people play in the company's performance.

Human Capital

Number and percentage of employees by professional category and gender*

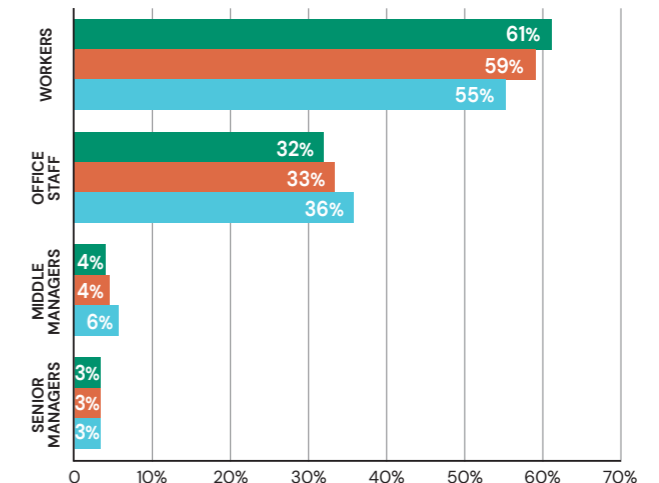
	FY 2021/2022						FY 2022/2023						FY 2023/2024					
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total			
SENIOR MANAGERS	1	2%	6	4%	7	3%	1	2%	6	4%	7	3%	1	2%	6	4%	7	3%
MIDDLE MANAGERS	3	5%	9	6%	12	6%	1	2%	8	5%	9	4%	1	2%	8	5%	9	4%
OFFICE STAFF	34	58%	40	27%	74	36%	33	56%	35	24%	68	33%	33	59%	38	23%	71	32%
WORKERS	21	36%	93	63%	114	55%	21	36%	99	67%	120	59%	21	38%	115	69%	136	61%
Total	59	100%	148	100%	207	100%	56	95%	148	100%	204	100%	56	100%	167	100%	223	100%

The table shows the company's head count grew significantly in FY 2023/2024 by 9.3%.

Employees by professional category*

Reflecting the technological and production growth pursued by the company, workers account for 61% of the total head count. At the same time, office staff have been rationalised, though their number grew by three people in FY 2023/2024.

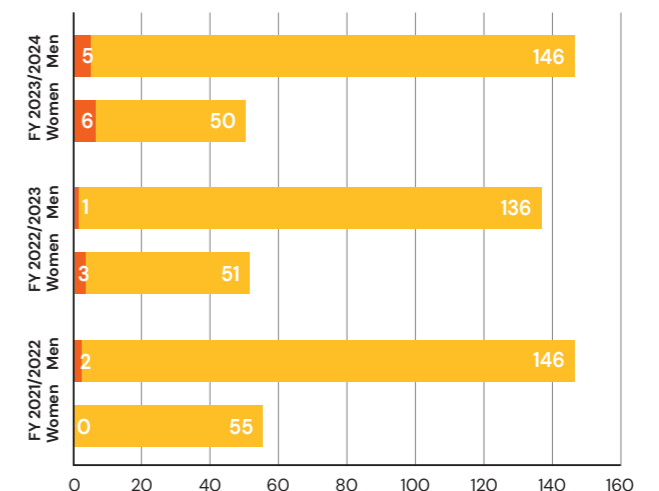
- FY 2023/2024
- FY 2022/2023
- FY 2021/2022



Number of employees by gender and employment basis

The overwhelming proportion of permanent employees reflects the company's commitment to providing job security and continuity. After dipping between 2022 and 2023, the number of permanent employees has bounced back to FY 2021/2022 levels, driven by employee turnover and new hires.

- Permanent contracts
- Temporary contracts



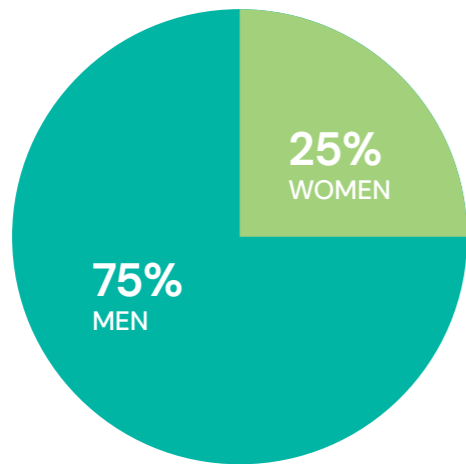
* Including permanent, temporary and staffing contracts.

4.1

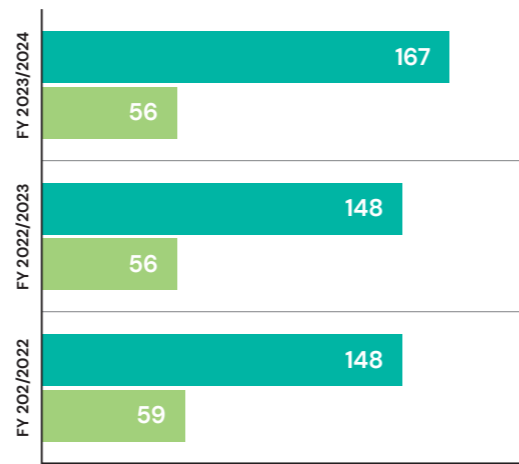
Human Capital

In terms of gender balance, women make up more than half of office staff, whereas due to the specific nature of our production operations, the majority of workers are male. In FY 2023/2024, women accounted for more than a quarter of the company’s head count.

Employees by gender FY 2023/2024



Employees by gender over the three-year reporting period*



Average age of employees by professional category and gender*

The average age of our employees has remained essentially constant over the three-year reporting period at around 40 years. The youngest age range was dominated by women (36 years of age).

	FY 2021/2022			FY 2022/2023			FY 2023/2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
SENIOR MANAGERS	45	49	46	47	50	47	47	51	48
MIDDLE MANAGERS	39	36	38	39	36	37	38	36	37
OFFICE STAFF	45	43	45	47	39	46	47	39	46
WORKERS	38	45	39	39	47	40	39	46	40
Totale	39	40	39	40	40	40	40	41	40

* Including permanent, temporary and staffing contracts.

In the financial year just ended, Pedon took on 33 new hires, a sharp rise on the previous year, with new employees mostly aged between of 30 and 50 (67%). Voluntary resignations accounted for most of the 17 terminations recorded. Information on new employee hires and employee turnover over the three-year reporting period is shown in the tables below.

New employees hires by gender and age group.

	FY 2021/2022				FY 2022/2023				FY 2023/2024			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
WOMEN	4	2	0	6	4	1	0	5	1	9	0	10
MEN	12	13	2	27	4	7	2	13	10	13	0	23
Total	16	15	2	33	8	8	2	18	11	22	0	33

Employee turnover by gender and age group.

	FY 2021/2022				FY 2022/2023				FY 2023/2024			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
WOMEN	5	8	0	13	1	3	1	5	3	5	0	8
MEN	7	13	4	24	3	17	0	20	2	6	1	9
Total	12	21	4	37	4	20	1	25	5	11	1	17

Turnover rates¹

Turnover rates are a useful indicator of the stability of an organisation’s work force and the effectiveness of people management policies. Overall, Pedon has been creating an increasingly attractive workplace, based on effective management policies and practices, as evidenced by falling turnover rates over the three-year reporting period.

	FY 2021/2022	FY 2022/2023	FY 2023/2024
	POSITIVE	33 15.6%	18 8.7%
NEGATIVE	37 17.5%	25 12.1%	17 8.3%
TOTAL	70 34.2%	43 21.8%	50 25.1%
COMPENSATION	89%	72%	194%

¹ Positive (new hire rate): new hires over the period / head count at the start of the period * 100; Negative (turnover rate): terminations over the period / head count at the start of the period * 100. Total: (new hires + terminations over the period) / average headcount for the period * 100; Compensation: new hires / terminations over the period * 100.

4.2 Skills Development and Training



Role Development Projects

The volatility of markets, the speed with which the company’s business environment is changing, the constant competitive pressure, are all factors stimulating an adaptive spirit in the organisation, in which everyone is called to express and develop their skills and aptitudes. It is the organization’s responsibility to recognize and enhance the professional strenghts of each and every person, in a dynamic ecosystem focused on the satisfaction of the person and the prosperity of the company.

In FY 2022/2023, Pedon embarked on a new path aimed at taking the organisational structure to the next level through **role development projects**. The aim is to forge a more dynamic organisation in which everyone is aware of their role and the contribution they can give to the development of the company. In three years, the project has engaged almost the entire office staff, with 82 people involved in the process.

FY 2021/2022			FY 2022/2023			FY 2023/2024		
Women	Men	Total	Women	Men	Total	Women	Men	Total
1	9	10	24	27	51	7	14	21

HR Cube is the tool used to facilitate the comprehensive and strategic management of human resources. It has enabled Pedon to align the skills of employees with the purposes of the organisation, promoting professional development and targeting the following objectives:

	PERFORMANCE IMPROVEMENT	To raise productivity and operational efficiency.
	ADAPTABILITY TO CHANGE	To help the organisation respond quickly to changes in the market and the external environment.
	INNOVATION	To promote creativity and innovation within the organisation.
	EMPLOYEE ENGAGEMENT AND SATISFACTION	To create a positive workplace that fosters greater employee engagement and motivation.

The approach adopted unfolds over a series of stages

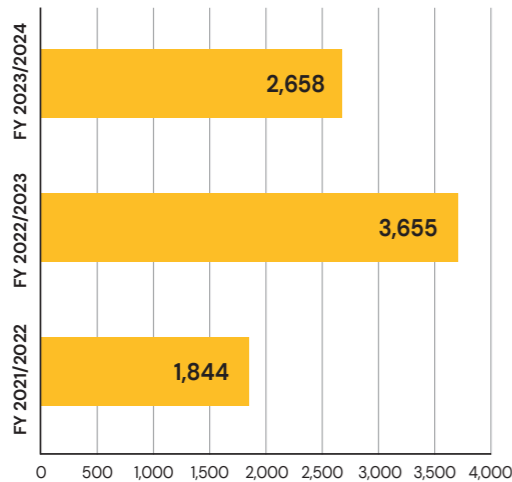
- Process mapping:** identification of key processes, focusing on the necessary skills for each.
- Role creation:** outlining of roles and the relevant processes, aptitudes and skills involved.
- Expected assessment:** sharing company expectations regarding processes, aptitudes and skills.
- Personal Development Analysis (PDA) questionnaire:** self-assessment through an aptitude test followed up by personal feedback on the outcomes.
- Job Analysis meeting:** discussion and setting of goals.

4.2 Training

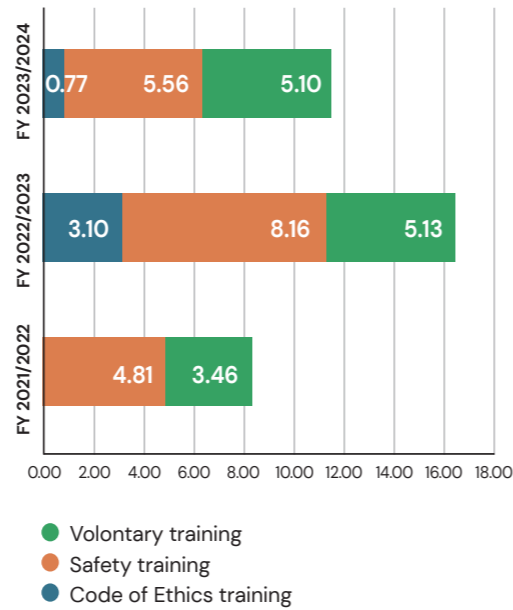
Skills Development and Training

Training is the primary activity fuelling the organisational model and its effectiveness over time. It not only improves the skills and knowledge of employees, but also contributes to the overall growth of the organisation, making it more adaptable and competitive. Accordingly, Pedon is committed to investing in human capital, recognising training as one of the keys to its long-term success.

Total training hours delivered



Average hours of training per employee by type

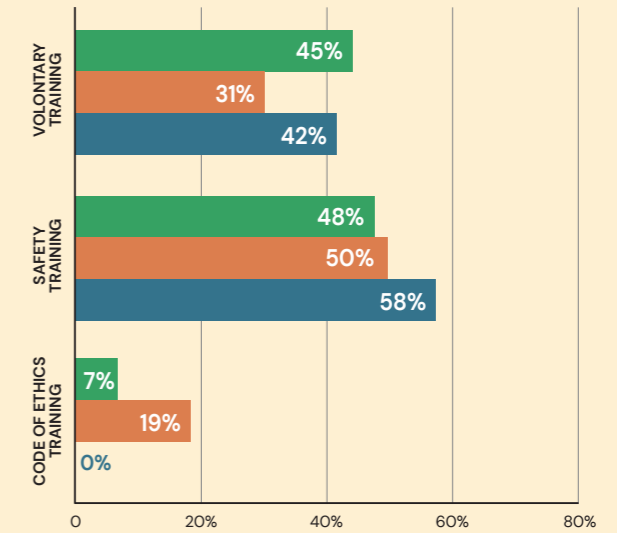


Over the reporting period, the total number of training hours delivered jumped from 1,844 hours to 3,655 hours in FY 2022/2023, to then settle at 2,658 hours in FY 2023/2024. The fluctuation was driven mainly by the expansion of safety training in FY 2022/2023, in part to make up for the suspension of training activity during the lock-downs imposed for the Covid pandemic.

Training hours delivered by type of training

In FY 2022/2023, the company introduced a new Code of Ethics, for which a one-time training course was delivered to all our people. Average hours delivered through voluntary training programmes have posted growth in terms of both total hours and as a percentage of the total, reflecting the efforts being made by the company to grow the skills.

- FY 2023/2024
- FY 2022/2023
- FY 2021/2022



Voluntary training programmes are either courses or specialist courses targeted at specific roles. Two examples were:



GENERAL COURSE ON CYBER SECURITY

Designed to inform and raise awareness in employees of practices, technologies and measures to ensure the confidentiality, integrity and availability of information.



ENGLISH AND SPANISH LANGUAGE COURSES

Involving the innovative use of an **e-learning platform** to deliver training in a streamlined, flexible and personalised way.

In addition to all this, **internal mentoring** and **job rotation** programmes are in place in our production departments to help employees acquire a wider range of experiences and skills.

4.3

COMPANY WELFARE

Listening to people and giving them voice is essential for an organisation to create an inclusive and positive workplace.

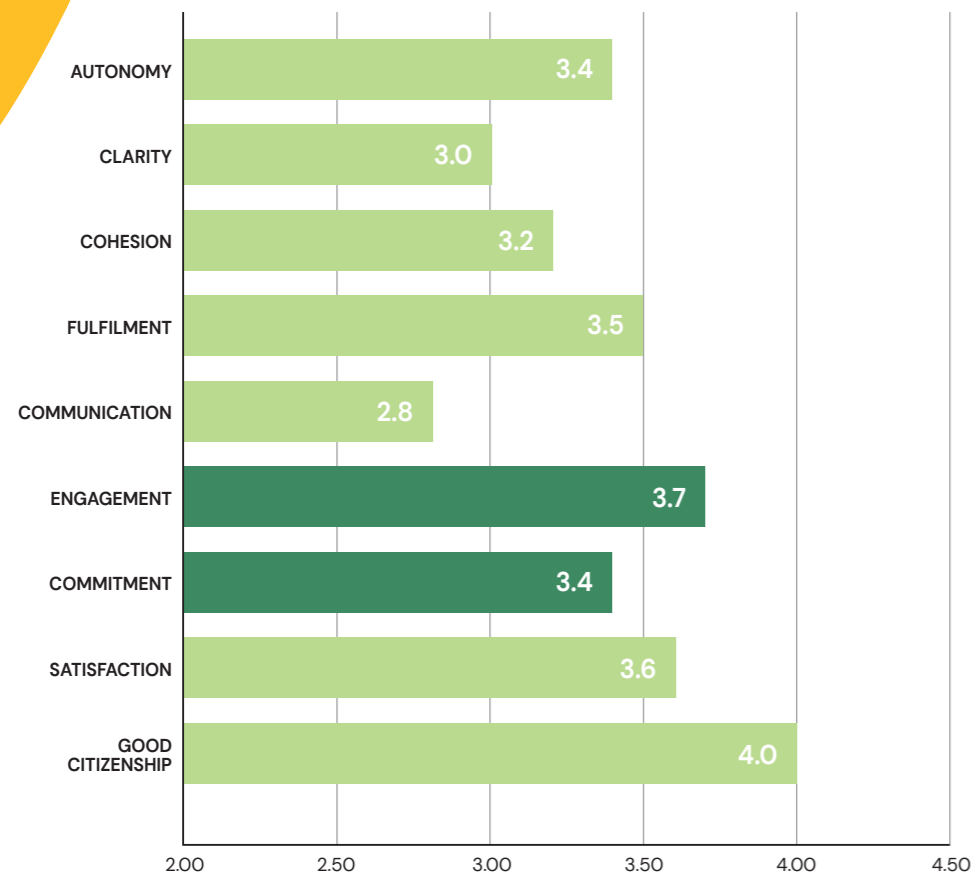


4.3

Company Welfare

Following up on initiatives launched in 2018, in March 2023 Pedon carried out a business climate survey, a key tool for observing the relationship between efforts made, engagement and organisational and personal conditions.

Degree of agreement/satisfaction
(scale of 1 to 5, where a score greater than 3 can be considered positive)
Average score, total employees



With a participation rate of 67%, the survey highlighted areas of strength, finding good levels of **sense of belonging and engagement in work life**.

Critical areas instead concerned clarity and communication between the different hierarchical levels.

In an effort to give continuity to the engagement and enhancement programmes already in place, and drawing input from the improvement areas identified by the survey, Pedon has rolled out a series of initiatives to engage people more in company life by promoting knowledge and pride, facilitate activities and communication flows and enable a greater work-life balance.

Company Welfare Plan

In FY 2023/2024, Pedon invested €188,912 in welfare services for the benefit, delivered in partnership with Intesa San Paolo through the “Welfare Hub”. The platform provides a wide range of services for the home and family, health and well-being, leisure and free time, travel and mobility. Under the welfare plan, each of the employees is assigned a welfare credit worth €800. Parents with tax-dependent children are granted additional credit worth €500 to reimburse expenses incurred for their kids. Finally, employees studying to earn a diploma or degree are given a contribution of €500 towards their education expenses. Additional benefits are provided under the trade union agreement negotiated by Pedon with FAI Cisl Vicenza, enhancing the welfare system in place.

They include:

1. **Additional leave time**, including special leave for workers who have elderly parents.
2. **Expansion of the annual leave solidarity mechanism** to help fellow workers in particularly serious personal situations, with a contribution of paid leave hours by the company.
3. **Higher night shift rates** – compared to the provisions of the applicable national collective bargaining agreement.
4. **Incentives to join a supplementary pension scheme**, whereby the company will pay in a higher contribution than the minimum envisaged by the national collective bargaining agreement.

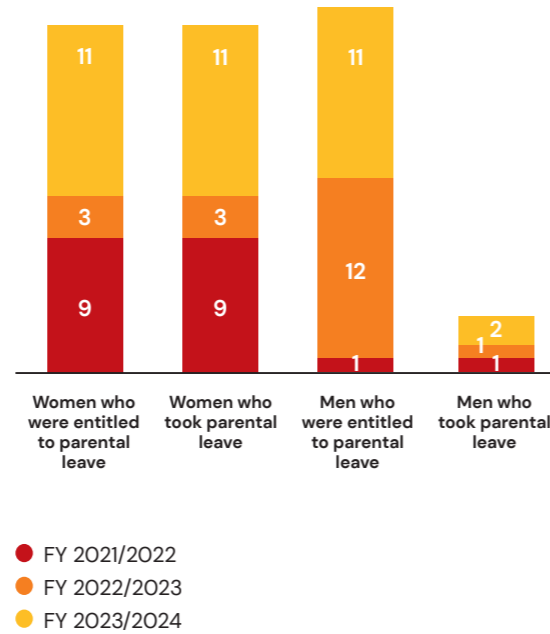
4.3

Parental Leave

Parental leave is of key support for employees at a key moment of their lives. Parental leave policies are shaped by a regulatory and social framework increasingly seeking to promote a balance between work and family life.

The main legislation governing parental leave in Italy is Legislative Decree 151 of 26 March 2001, consolidating legal provisions for the protection and support of maternity and paternity.

Of the people who took parental leave, 100% returned to work during the year in which they requested it, and only one person resigned in the 12 months after their return to work.

**Restaurant Spazio Pedon/off**

Spazio Pedon/off was opened in January 2021 to provide quality, healthy meals to employees, improve their well-being and promote a positive climate in the workplace. The restaurant is open to all our workers and seeks to further – in keeping with the spirit and positioning of the Company – the values and concepts of a balanced diet, in an environment designed to help people get to know each other and connect outside their roles and preconceptions.

Sports Tournament

Team spirit and the sense of belonging are both key values and goals for Pedon. With other companies in the area, Pedon employees take part in a summer sports tournament, an opportunity to build relationships and have fun together.

Company Counseling Service

With the aim of providing new tools to help employees manage work stress, improve interpersonal relationships and consequently increase their productivity, the Company has arranged a regular counselling service and facilitates for individual paths.

Corporate Volunteer Programme

In an effort to bring generosity to life in a tangible and effective way, the Company organises corporate volunteering days, in partnership with Banco Alimentare.

The days are an opportunity for volunteers to take part in the food bank's activities, lending a hand in warehouse operations and learning more about the charity's outstanding work.



4.4 Workers' Health and Safety

The health and safety of workers and the guarantee of a healthy and safe workplace, are fundamental aspects in the management of company operations and production activities. Compliance with regulations in this area is more than just a legal obligation, as it contributes to improving the welfare and productivity of workers.

Risk	Prevention and protection measures
Fire risk Risk of exposure to hazardous chemicals used in production processes	Development and implementation of an emergency plan to manage fire incidents, chemical spills and other emergencies Training, information, health surveillance of workers and provision of PPE based on risk
Risk of work-related stress , resulting from high workloads, pressing deadlines or poor ergonomics in the workplace Risk in the manual handling of loads	Optimisation of work processes Reduction of excessive loads and improved ergonomics of workstations
Risk related to working at heights Risk of exposure to high noise and vibration levels during the use of machinery	Regular training for workers addressing specific risks and safety measures to be adopted and provision of PPE Supply of adequate PPE (ear protectors)
Risk of exposure to Legionella bacteria in water and air conditioning systems	Monitoring and maintenance of systems to prevent the risk of contagion

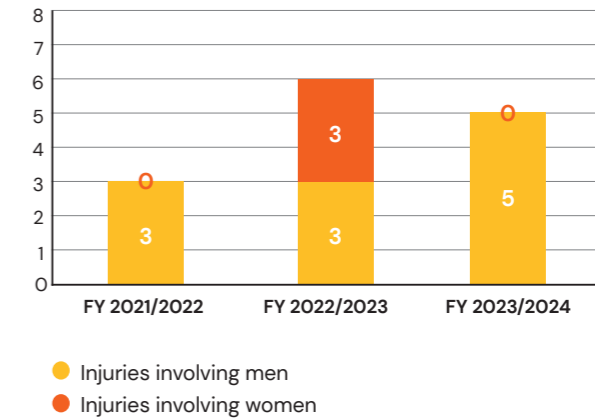
From an organisational point of view, occupational health and safety management is the responsibility of the designated Health and Safety Officer and the Safety and Prevention Manager. An emergency team has also been set up for the management of emergencies, with a specific training plan in place for them.

Injuries

The number of employee injuries over the three-year reporting period increased overall, with 3 injuries recorded in FY 2021/2022 (1 during commuting), 6 in FY 2022/2023 (1 during commuting) and 5 in FY 2023/2024 (1 during commuting). The increase mainly involved male employees.

The number of **near miss**² also increased over the period, with 0 recorded in FY 2021/2022, 7 in FY 2022/2023 and 14 in FY 2023/2024.

Work-related injuries



Occupational Health & Safety Indicators

Work-related injury rates are helpful in gauging risk levels and for understanding which company areas, categories of workers, operations or working conditions are most at risk and require corrective measures on a priority basis. Work-related injury rates for Pedon employees are reported below.

	FY 2021/2022	FY 2022/2023	FY 2023/2024
Rate of recordable work-related injuries (No. of recordable work-related injuries / No. of hours worked) * 1,000,000	8.05	18.75	10.82
Severity rate of injuries (total work days missed due to injury / total number of hours worked) * 1,000	0.10	0.28	0.11

The figures show that, overall, the work-related injury rate at Pedon is relatively lower than the average for the industry (16.48), as published by Italy's workers' compensation authority (INAIL). The severity rates are also lower than the industry average (0.95)³.

² In relation to safety, "near miss" means an accident that did not cause harm to people or the environment, but had the potential to do so.
³ The food industry falls under Ateco section C – Manufacturing activities, taken as a reference for the 2018-2020 INAIL analysis.

4.4

Training and Improvement Activities

Pedon is committed to **raising staff awareness** to ensure that safety and health are considered a priority in the performance of tasks.

To this end, the Company provides all employees and contractors, and in particular OHS officers, trade union representatives, workers' safety representatives and managers, with **up-to-date general and specific training** and generic training delivered by the designated Prevention & Protection Officer and Quality Assurance managers. In addition, depending on their tasks, workers are provided specific training on the use of forklifts, lifting platforms, PES-PAV-PEI operations⁴, X-ray equipment, hoists, boilers, freezer cells and F-Gas. To ensure the safety of the organisation as a whole, fire, first aid and BLS-D⁵ officers are also designated and duly trained.

Regular meetings are organised with OHS officers (three times a year) and with workers' safety representatives (once a month) to enable workers' participation and consultation in the development, implementation and assessment of the company's OHS management system and to provide feedback on activities, with a view to furthering the continuous improvement of the system. Finally, to facilitate the process for workers, Pedon arranges for mandatory medical examinations to be carried out on its premises.

Recently, the company ran an **information and awareness-raising campaign to help employees quit smoking**, involving two dedicated sessions in FY 2022/2023 and another two sessions in FY 2023/2024 with a medical professional.



⁴ Electrical workers: expert persons (PES); informed persons (PAV), persons fit for live work (PEI).

⁵ BLS-D: Basic Life Support and Defibrillation.

THE COMPANY IS CURRENTLY WORKING TO IMPROVE ITS OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM ON SEVERAL FRONTS:



Renewal of Fire Prevention Certificates (CPI) for all facility areas



Upgrading of fire-fighting equipment



Training of new emergency management personnel (first aid, fire management, defibrillator use)



Verification of conformity with Machinery Directive 2006/42/EC:

at present, 70% of the facility has been upgraded and work is underway to achieve full compliance



Updating of the Risk Assessment Document and PPE lists for each job profile and department

Adding to the above is the process of implementing **SMETA**⁶ recommendations and corrective actions, identified by the customary audit assessing different aspects of compliance with the Ethical Trading Initiative (ETI) Base Code and applicable local laws. Promptly implemented by the company, the recommendations concerned the updating of safety documentation and emergency plans in accordance with current regulations.

In general, the audit gave a **positive assessment** of compliance with the standards, including in the field of workers' health and safety. The audit found that the workers interviewed were generally **satisfied with working conditions**, showing appreciation for the company's stability and the internal trade union agreement, which envisages second-level additions to the provisions of the national collective bargaining agreement.

⁶ The Sedex Members Ethical Trade Audit (SMETA) is a corporate evaluation system for assessing the work, health and safety, environmental and ethical standards of an organisation.