



Social Report 2023

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1. LETTER TO STAKEHOLDERS

Dear Readers,

with the first edition of our Social Report, we would like to transparently present who we are and tell you where we are in the journey we have been on for years to improve the sustainability of our work.

Our company makes social sustainability and sustainable development its main pillars: our commitment is reflected in our products and in the innovative technologies in which we invest.

Our strength lies in the spirit of collaboration and teamwork that characterizes us, in the continuous synergies we encourage to share progress and innovation.

For us at Busti, the challenge is to grow, in the name of social sustainability, innovation, quality and cohesion. This is our commitment and this is what we believe in.



Stefano Busti

2. INTRODUCTION

In 2023, Caseificio Busti is drafting its first Social Report with the intention of clearly and transparently sharing its social values with all those within and outside the organization who have an interest of any kind in the organization (stakeholders).

By drafting the Social Report, BUSTI aims to achieve the following objectives:

- provide all stakeholders with an overall picture of the company's performance, opening up an interactive process of social communication;
- provide useful information on the quality of company activities to broaden and improve stakeholders' knowledge and possibilities of evaluation and choice, also from an ethical-social point of view.

In particular, this means:

- giving an account of the identity and system of reference values assumed by the company and their declination in strategic choices, management behavior and their results and effects;
- providing the idea of balancing stakeholder expectations and indicating the commitments made to them;
- give an account of the degree to which commitments to stakeholders have been fulfilled;
- set out the improvement objectives that the company is committed to pursuing;
- provide information on the interactions between the company and the environment in which it operates.





3. THE COMPANY

3.1 A family history

The 'bet' of Alessandro and Remo Busti began in 1955 in Acciaiole of Fauglia, with the birth of the Caseificio Busti, a very small company that at the beginning processed a few quintals of milk collected in the Pisan province in a small van with a canvas top, driven by young Remo. 'I liked the shepherd's life,' Remo recalls today, 'but the time had come to build something of my own that could be handed down to future generations. After the first years in business with his father, Remo took the reins of the company and became its sole owner. At that time, cheese production continued to grow, even though the production, still artisanal, did not exceed eight or ten quintals of milk. Remo invested everything in the dairy and his passion became an example for his son Stefano, who after a few years decided to follow his father in the cheese-making business. It was with this generational passage that the Caseificio grew in numbers and size, arriving at the opening of the retail shop next to the factory in 1990.

Since then, the company has expanded reaching 40 countries around the world.

Today, the Busti story continues thanks to Stefano's children Marco and Benedetta, who together with their grandfather and father are the four pillars of the Caseificio. "Our brand," says Stefano, "is first and foremost the hallmark of a family. Inside the company there is always father Remo, who despite being over 80 years old continues to be the supporting figure and symbol of this bet that began almost 70 years ago.

Then there are me and my children, tangible proof that great-grandfather Alessandro's efforts have not been in vain'. An unstoppable path that continues

to bring great satisfaction, thanks also to the growth of the range of cheeses produced and the quality of the raw materials that has remained the same since the beginning.

'I Formaggi della Famiglia Busti' is the distinctive mark of the Caseificio Busti products that guarantees their authenticity and origin.



3.2 The products

Busti produces ricotta, fresh, semi-mature, mature and flavored cheeses of the highest quality.

Its products are distinguished by the quality of the ingredients, tradition and care in processing, but also by innovation and originality. Milk selection and processing methods have remained unchanged for decades, but at the same time there is no lack of innovation in ingredients and formats.

Today, the company has 120 employees and a factory of 7000 m²; it processes more than 12 million liters of milk a year with which it produces 52 different types of products: Pecorino Toscano PDO, organic products, Lactose Free products. The company supports the management with a working group that, in addition to quality control, carries out innovation projects for the study of new products, research and implementation of original technical solutions to solve critical process problems, for innovative and sustainable packaging.



3.3 Tradition and Innovation

With four generations in charge and thanks to the union of ideas and experience that relate almost 70 years of history, production processes are also evolving and modernizing.

"In order to continue to grow," says Stefano Busti, "we wanted to differentiate ourselves by investing in new technologies, but without distorting the traditional production used in the processing of certain types of cheese such as Pecorino Toscano PDO. We have kept alive, over time, the processes of the past,

such as dry salting with Volterra salt or the hand molding of our cheeses. These are important requirements to maintain the craftsmanship and flavor of our products'.



3.4 Awards

The excellence of Busti's products has been recognized by numerous international awards over time.



3.5 Certifications

Over time, Busti has achieved multiple certifications and quality recognitions thanks to the adoption of a Quality and Food Safety Management System through which it is committed to:

- guaranteeing authentic products that are faithful to any kind of communication on the label and in the presentation
- assessing for each raw material and supplier the aspects of authenticity and faithfulness with respect to what is declared, with a view to guaranteeing the authenticity of the company's product; selecting and qualifying suppliers by seeking a fair and collaborative relationship with them, sharing the choice not to use genetically modified organisms
- comply with mandatory food safety regulations with commitment and seriousness, which, among other things, translates into not having any complaints either from official control bodies or from customers on food safety issues
- always being up-to-date on food safety issues that impact on one's own product;
- making available information on the food safety of its own product, in the context of the food chain in which the company is inserted.



3.6 The Working Team

The Busti team is composed of People united by a common passion, projected towards the same goals, attached to the territory as the banner of their identity, who love good things and done well.



Below is the company organization chart.

4. VALUE

Busti represents excellence in the sector, which has always recognized as fundamental values respect for tradition and the territory and an ongoing commitment to guaranteeing quality and sustainable production. The assessment of the context in which the company is placed is periodically updated and facilitates the Management in the evaluation of risks and opportunities by involving the economic, social and cultural parts of the company towards continuous improvement. Everything that is produced at Caseificio Busti keeps the promise of quality and integrity and bears witness to the constant commitment of all the people who work for the company and the ability to innovate incessantly to achieve better results. In order to better support and develop the food safety system, the company management periodically identifies improvement objectives, which allow the company to increasingly refine the analysis and control of the dangers linked to its processes and the supply chain in which it is located. Caseificio Busti strongly believes in the commitment and continuous growth of internal skills, as an indispensable stimulus to the improvement of work activities and therefore of the product to be offered.

4.1 Labor Policy

Busti considers of fundamental importance to provide its interlocutors and those with whom it deals in the performance of its activities, high quality services. The employees and collaborators of the Company must work with diligence, accuracy and professionalism in order to provide high standards of quality of its activities.

Busti considers necessary to provide users of its services and third parties with information as accurate and complete as possible, in order to express as clearly as possible the intentions and reasons for its activities.

Busti considers impartiality of treatment a fundamental value in the performance of any relationship both internal and external to the Company. To this end, it rejects, opposes, and sanctions any attitude, even if only apparently discriminatory, concerning nationality, state of health, age, sex, religion, religious, moral, or philosophical orientations, sexual preferences or attitudes and political opinions.

Busti considers the individual, his values, and rights as intangible values to be protected. The Company's employees and collaborators have the widest freedom to express their ideas and convictions, in compliance with internal regulations, the rights and dignity of others and orderly coexistence in the workplace.

The criteria of fairness, collaboration, loyalty and mutual respect must also characterize relations with third parties outside the Company.

Busti recognizes the importance and promotes, in all its manifestations, collaboration between all personnel and members of the Company's bodies and any external parties that have relations of collaboration, in any form or nature, with the company.

The Company, in the interest of stakeholders, aspires to maintain and develop an optimal relationship of trust with these social categories whose contribution is required to achieve Busti's mission.

Busti recognizes the value of the competence and skills of its individual members, as an indispensable element for its development, and therefore promotes the enhancement of human resources through training and refresher courses.

Employees and individuals who make any purchase of goods and/or services, including external consultancy, on behalf of the Company, must act in compliance with the principles of fairness, cost-effectiveness, quality and lawfulness and operate with the diligence of a good father.

Relations with suppliers are constantly monitored by Busti. The stipulation of a contract with a supplier must always be based on relations of extreme clarity, avoiding where possible forms of dependence.

The evaluation of personnel to be hired is carried out based on the correspondence of the candidates' profiles and their specific skills, with respect to the organizational needs and to what is expected by the function that made the request, always respecting equal opportunities for all those concerned. The information requested is strictly related to the verification of the aspects envisaged by the professional and psycho-aptitude profile, while respecting the candidate's privacy and opinions;

Staff are hired with a regular employment contract; no form of irregular work or 'illegal work' is tolerated. There is also an absolute ban on the employment of foreign workers without a residence permit or with a revoked or expired permit, for which no application for renewal has been submitted, documented by the relevant postal receipt.

When the employment relationship is established, each employee and/or collaborator receives accurate information on: characteristics of the function and duties to be performed; regulatory and remuneration elements, as regulated by the national collective labor contract applied by the Company; rules and procedures to be adopted in order to avoid possible health risks associated with the work activity.

Each manager is obliged to make the most of the collaborators' working time by requesting performances consistent with the duties performed by each one and with the work organization plans.

For all the employees of Caseificio, and for those who work on behalf of the Company, there is an obligation of confidentiality of the data and information which, by reason of their position, they are in possession of.

The privacy of the employee and/or collaborator is safeguarded by adopting advanced standards of protection. Any investigation into ideas, preferences, personal tastes and, in general, the private life of employees is precluded. It is expressly forbidden, except in the specific cases provided for by law, to communicate and/or disseminate personal data without the prior consent of the person concerned.

Busti condemns any behaviour by anyone carried out on behalf of the Company, consisting in promising or offering directly or indirectly money or

other benefits to Public Officials and/or Persons in Charge of a Public Service, whether Italian or foreign, from which an interest or advantage for the Company itself may result.

4.2 Health and Safety

Within the context of current legislation, Busti is committed to adopt all necessary measures to protect the physical and moral integrity of its workers.

In particular, the Company undertakes to ensure that:

- ✓ compliance with current legislation on workers' health and safety is considered a priority;
- ✓ risks for workers are, as far as possible and guaranteed by the evolution of the best technology, also avoided by choosing the most suitable and least dangerous materials and equipment that mitigate risks at source
- ✓ non-avoidable risks are correctly assessed and appropriately mitigated through appropriate collective and individual safety measures;
- ✓ information and training of workers is widespread, up-to-date and specific with reference to the task carried out;
- ✓ consultation of workers on health and safety in the workplace is guaranteed;
- ✓ any safety needs or non-conformities that emerge in the course of work activities or during audits and inspections are dealt as quickly and effectively as possible;
- ✓ the organization of work and the operational aspects of it are carried out in such a way as to safeguard the safety and health of workers, third parties and the places in which the Company operates.

In pursuit of the purposes set out above, Busti allocates sufficient organizational, instrumental and economic resources to ensure full compliance with current accident prevention regulations and the continuous improvement of the health and safety of workers in the workplace and related prevention measures. Employees, each to the extent of his or her competence, are required to ensure full compliance with the law and any other internal provisions laid down to ensure the protection of health and safety in the workplace.

4.3 Environment

Busti considers the environment a primary asset and promotes its protection and respect by all employees or collaborators in any capacity, suppliers, and partners.

The Company's choices are always oriented to ensure the greatest possible compatibility between economic initiative and environmental needs, not limiting itself to mere compliance with current legislation, but with a view to

sustainable synergy with the territory, the natural elements and the health of workers.

Busti monitors the environmental impacts of its activities and systematically seeks their improvement in a coherent, effective and sustainable manner.

The Company is committed to conducting all its activities in compliance with principles oriented towards environmental sustainability, acting through concrete choices, characterized by the following guiding principles: direct commitment to a constant reduction of environmental impact; preference for suppliers who demonstrate the best performance in terms of sustainability.

Busti also protects animal welfare.



4.4 Community support

Caseificio Busti firmly believes in the strength of community and the value of promoting fundamental values such as team spirit, respect for others, loyalty, and healthy competition.

The company firmly believes that sport is not just a game but a way to unite peoples and races, to help overcome fears, overcome fatigue, and overcome difficulties. Sponsoring athletes, teams and sporting events means supporting these values.



This is why Busti is a sponsor of the Pisa Sporting Club.

Busti also believes in the power of the diffusion of knowledge and know-how, in the transparency of communication and in the importance of attracting young and old to the special working reality of the Caseificio, as a flywheel for the growth of productivity and well-being. With the desire to make its

artisanal reality known, therefore, the Caseificio is always open to the public and the Quality Office is available to welcome guided tours, educational courses dedicated to children and young people of all ages, or for simple visits followed by a rich final tasting.

4.5 Promoting the territory

The Caseificio Busti is firmly rooted in the Tuscan and Italian territory and enhances its virtues through its products, which are ambassadors of the Tuscan and Italian spirit in the world.



The excellences of the Tuscan and Italian land contribute to making Busti's products unique and unrepeatable, ensuring that the company's image and style are recognized and appreciated all over the world. In this way Busti contributes to spreading the culture of products and workmanship that are national and regional pride throughout the world.

4.6 Quality and Transparency

Passion, Quality and Transparency are the cornerstones on which Caseificio Busti's activities are based. For each product, detailed information is available on ingredients, processing, and traceability throughout the supply chain.



5. SOCIAL PERFORMANCE IN 2023

Below are the key figures that qualify the social responsibility of the dairy's behavior towards all its stakeholders.

5.1 Economic Data

DATI ECONOMICI 2023	
Italy Turnover 2023 on total (%)	87,92%
Europe Turnover 2023 on total (%)	7,94%
Turnover outside Europe 2023 on total (%)	4,14%
Wheels sold	1701533
Wheels exported	142706
Production square metres	7000 circa
Litres of milk used	11525413

5.2 Workforce

Busti protects and promotes the value and development of its human resources, also as an important success factor for the company, to favor their full professional fulfilment.

Loyalty, ability, professionalism, seriousness, preparation, and dedication of personnel represent values and conditions that are decisive for achieving the Company's objectives.

STAFF DATA 2023	Numbers
Administrator	01
Employees	108
Women in business	46
Women in management roles	01
Average worker ager	43,60
Average contract lenght	Average lenght of stay 5.5 years
Contractual advances 2023	06
Foreign workers	19
Disadvantaged workers/protected classes	06
Men's/women's wage differences equal level	nobody
CLASSIFICATION 2023	Numbers
Employees	21
Workers	80
External workers	/
Apprentices/trainees	07
CONTRACT TYPES 2023	Numbers
Permanent	98
Fixed-term	10

Full-time	90
Part-time	08
ABSTENTION FROM WORK 2023	HOURS N.
Illness	10582,92
Maternity	1872,00
Leave of Absence	00
Parental leave (including paternity)	300,00
Law 104	247,77
TERMINATION OF EMPLOYMENT 2023	Numbers
Dismissals	01
Termination of contracts	07
Resignation	12
WORKING HOURS 2023	Numbers
Total hours worked	180111,19
Total overtime hours	8710,60
Total sick hours	10582,92
Total hours vacation + leave	22829,00
PAYROLL MANAGEMENT 2023	
Salary advance	00
Severance pay advance	05 (34048,00)
Supplementary Pension Fund	00
Loan to employees	00
FREEDOM OF ASSOCIATION 2023	Numbers
Trade union membership	08
Strike hours	00
Hours of union leave	00
DISCIPLINARY FILES 2023	Numbers
Written reprimands	12
Disciplinary measures	12
DISCRIMINATORY EVENTS 2023	Numbers
Discriminatory event reports	00

Busti provides resources necessary for smoother management of business processes and to achieve its corporate objectives, committing to educate, inform and train its staff so that they can contribute to the development of the Organization and full customer satisfaction. To this end, during the year it provided 12 hours of training on Workplace Safety in accordance with the provisions of Decree L.gs 81/2008. In addition, the 4-hour refresher course on D.g.r 559/2008 was provided.

The activities carried out at the time of drafting this Social Report lead well-founded to believe that at the dairy's production reality there are no critical issues regarding child labor or situations of forced labor or contractual or contribution irregularities. It is also clear that there are no critical issues about gender equality, nor any form of contribution or treatment discrimination.

During 2023, there were no complaints of occupational disease or cases of inability to work. No critical issues were noted about freedom to strike and union

participation, no complaints were made by staff with regard to pay treatment or events of social injustice.

5.3 Customers

Customers are Busti's reference point, their needs are the driving force behind activities, which is why the company primarily aims for their satisfaction through the implementation of actions aimed at achieving:

- improvement of the activities of each process:
- optimization of products
- customer loyalty

Busti is committed to verifying:

- That the Customer's needs and expectations are identified, and to ensure that they are met;
- That applicable mandatory requirements are met;
- That risks and opportunities that may affect product compliance are monitored and controlled;
- That the ability to increase customer satisfaction is also pursued by evaluating the results of customer satisfaction analyses;
- That development opportunities are appropriately evaluated and seized.

The following is an overview of Busti's major customers and their territorial distribution.

Totali	100,00%	Totali	90,87%
GDO - DO	57,50%	LOMBARDIA	35,74%
ESTERO	9,70%	TOSCANA	17,23%
CONCESSIONARI BUSTI	9,28%	EMILIA ROMAGNA	10,65%
NORMAL TRADE	7,76%	VENETO	5,89%
DISTRIBUTORI HORECA	5,41 7,76%	LAZIO	5,68%
RETAIL	4,03%	CAMPANIA	5,35%
CASH & CARRY	3,26%	LIGURIA	2,77%
Altri	3,06%	Altri	7,57%

In 2023, there were no problems/critical issues with specific customers in violation of the Code of Ethics (e.g. child labor exploitation, lawsuits for

social/environmental non-compliance, discriminatory situations, ...), nor critical issues regarding illegal behavior.

5.4 Suppliers

Suppliers are a fundamental link in Busti's production, without them the Dairy's product would not exist and without the quality of the products purchased, it would not be possible to achieve the excellence of the products offered. For this reason, suppliers are chosen by following very stringent selective criteria and their compliance with the requirements, including ethical requirements and respect for the animal world, are continuously evaluated.

To date, the main suppliers can be listed as follows:

- milk (65%),
- semi-products (1,8%).

To them must then be added service providers of various kinds:

- energy (3,7%)
- transportation (3,4%)
- equipment (6,8%)
- fuel (1,0%) packaging (1,3%)
- leasing (1,4%)
- materials (1,8%)

During 2023, there were no issues/criticisms with specific suppliers (e.g. complaints about illegal activities, child labor exploitation, contractual non-compliance, discrimination situations, lawsuits for social/environmental non-compliance, ...).

5.5 Ethical/social promotion actions

The food sector, unfortunately, is one in which there is a great deal of waste, which inevitably undermines the sustainability of the supply chain. For this reason during 2023, Busti supported the Social Campaign against food waste by posting on major sites tips to reduce food waste.



6. AWARDS IN 2023

At the World Cheese Awards 2023, the Oscars of cheese, Caseificio Busti was awarded five medals among 4,502 cheeses from 43 countries:

- Super Gold for Busti's Gran Riserva (Gold for naturally lactose-free Pecorino Toscano PDO aged)
- Silver for Pecorino Toscano PDO
- Silver for Pecorino Lo Scudo di Fauglia naturally lactose-free
- Bronze for Tre Latti Lari vegetable rennet naturally lactose-free



7. FUTURE OBJECTIVES

Development that respects man and the environment in which he lives and operates has always been a determining reference for every Busti business strategy. The commitments made over time and the results achieved are the simplest and most effective testimony to this, however there is still ample room for improvement on which to work.

For these reasons, the dairy intends to commit itself in the future by proposing important improvement actions:

- continuously improve the working conditions of internal staff;
- improve compliance with health and safety, environmental and social responsibility requirements;
- continue to ensure the non-use and discouragement of child labor, forced, discriminated against, unsafe or otherwise outside the protections provided by law;
- implement a plan to communicate and dialogue with all stakeholders on health and safety, social and environmental issues as a prerequisite for transparency and effective collaboration;
- increase the commitment to motivate, involve and develop personal and professional skills and abilities of the entire company workforce through continuous training, information and awareness-raising interventions;
- increase the supervision and monitoring of its suppliers and customers so that they too, by applying and spreading the principles of social responsibility, to the commitment to health and safety and proper environmental management, become an active part of the supply chain;
- prevent, control and, where possible, diminish the company's environmental impact and health and safety risks, through a constant search for optimal solutions aimed at pollution prevention and risk elimination/mitigation;
- maintain the lack of internal complaints or reports of incidents of forced labor and element of criticality detected in this area during the climate surveys carried out periodically;
- implement initiatives to inform, involve and participate internal staff against discrimination;
- increase concrete initiatives to support social and cultural projects/actions

Administrator's Signature

8. CONTACTS



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