



**Villa Erba**

International congress  
and exhibition center

| **Villa Erba** |  
Sustainability report 2022

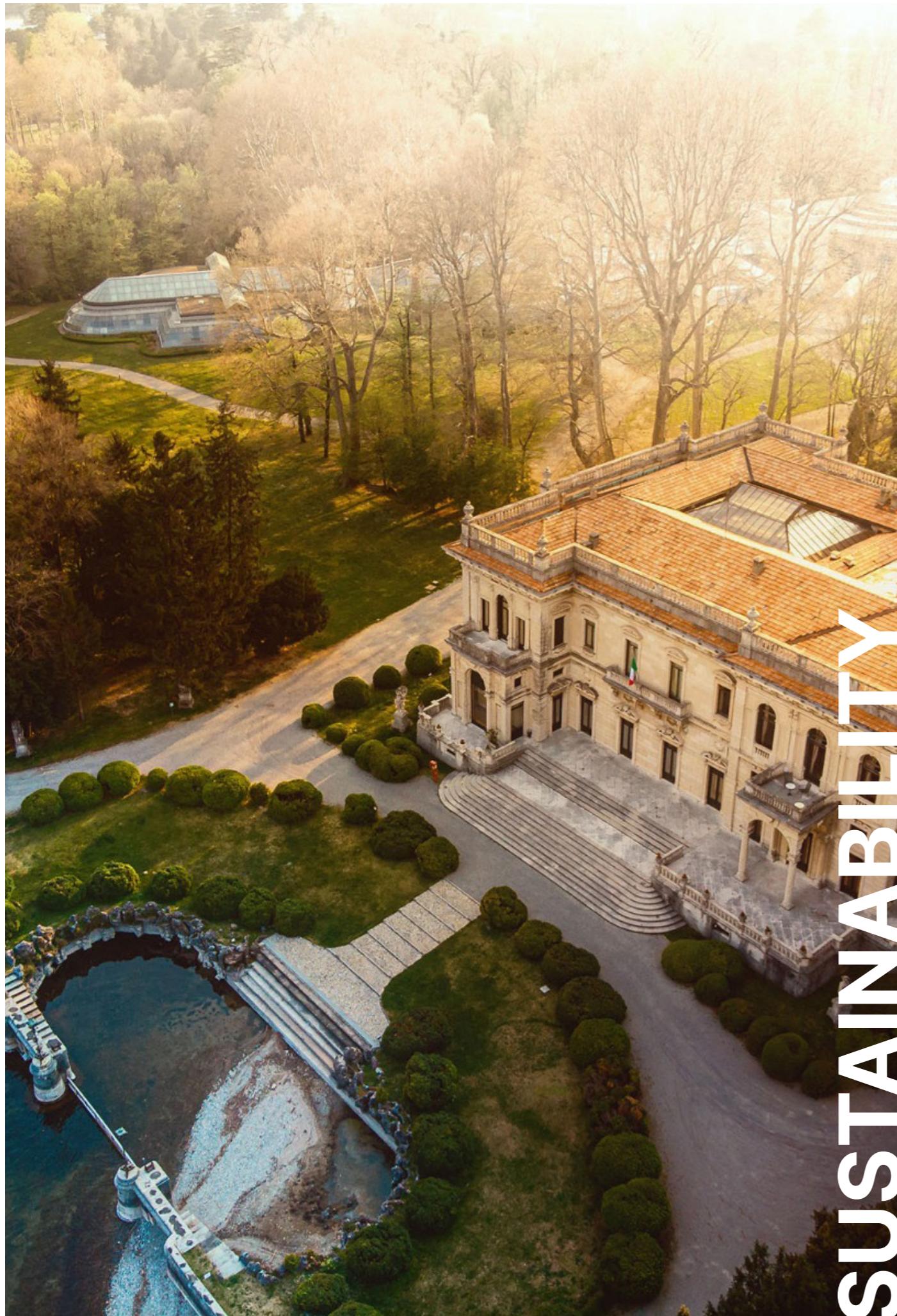


**Villa Erba**

International congress  
and exhibition center



Cernobbio 22012 (Como) | Largo Luchino Visconti, 4  
+39 031 3491 | [info@villaerba.it](mailto:info@villaerba.it) | [www.villaerba.it](http://www.villaerba.it)



# 1 Letter to stakeholders

Dear Members

*"Sustainability is the key principle that has necessarily to become a part of the strategic agenda of any company seeking to enjoy a healthy future. Such an approach is unavoidable in the face of the profound social and economic changes that are taking place, and to ignore it is to jeopardise not only competitiveness, but the very future of the company itself." (Giorgio Buzzi, President of LUCEFIN SPA)*

This is how we introduced the "Company Profile" presented at your Annual General Meeting last year, and our wholehearted embracing of this principle has led us to take a further step towards sustainability.

This second step was to draft the "Sustainability Balance Sheet 2022", a natural continuation of the path already undertaken. It was a handing over of the baton, in a spirit of continuity, with the Board of Directors entrusting the process to the hands of those who will follow, confident that the work done so far has been preparatory to the achieving of even more challenging goals.

No one told us to go down this route, we simply wanted to step out of our *comfort zone*, well aware that taking on social responsibility is a duty to which an accountable company director cannot fail to be committed, especially where the company is predominantly public.

A preliminary focus we should bring to your attention is corporate sustainability; an essential idea for the expression of **Corporate Social Responsibility (CSR)**, as introduced by the EU Commission in its 2001 Green Paper, which defines this as *"the voluntary integration of the social and ecological concerns of companies in their business operations and in their relations with their stakeholders"*

The connection between the social world and ecology is inescapable for a company closely bonded to its particular landscape, both urban and environmental, and to its own *uniqueness*.

Villa Erba is a centre for fairs and is, unlike many others, intimately connected to both of these worlds, with the venue much loved for its natural setting which is in a magnificent park on the shores of a lake the praises of which's beauty are sung all round the world, making it a favourite destination for countless visitors. It is however the quality of the services provided by our staff, our suppliers, and of course the wonderful backdrop that make each event unique and unforgettable. This environment is also however delicate and fragile, and so it is that Corporate Social Responsibility must be at the heart of our work. It must at the same time be a means for social advance with regard both to the conservation of the environment in which we operate and the goal of *"economic development and the promotion of tourism, culture and the environment in of the Province of Como"*, as is indeed set forth in our corporate by-laws.

The Sustainability Report does not limit itself to an analysis of and reporting on socially responsible company conduct, but broadens its horizon to embrace the **three dimensions** of sustainability; namely economic, social and environmental. With this report Villa Erba aims to highlight the impact it generates in all three of these areas.

The three-pronged approach to the objectives is not an obvious one, but it is one that the governance of Villa Erba has wished to take on and hopes to assiduously pursue over the coming years, while continuously developing the whole process.

The second consideration we wish to put to you is related to the previous point and concerns the next steps that have to be taken. The path, for a complex business such as ours, albeit one that is small in size, will not always be smooth and will require to be trodden with particular care. There is no a priori clearly defined end and, in its continuous evolution, there will arise new targets to be achieved, with new variables that will mean having to adapt and put in place new and adaptive strategies. The parameters for the pursuance of sustainable strategies, encapsulated in the acronym **ESG (Environmental, Social and Governance)** are by their nature at once rigid and indeterminate. It is intrinsically an oxymoron that indicates a precise but not exactly defined a path to be created and adapted according to context and needs, and is one that has become a fundamental of the new global policies. This is now so much the case that it has become a matter for substantial supranational support (suffice it to say that more than one third of the PNRR funds are dedicated to the green revolution and ecological transition).

Working for a better world may sound like no more than a slogan or even presumptuous or, but we do not think so. Every time a single drop of water from our lake is preserved, every time a molecule of oxygen produced by a centuries-old tree in our park is not supplanted by one of CO2 emitted into the atmosphere through our activities, this is of particular importance. Similarly, where even one of the many stakeholders in your community proudly makes their own contribution, and where every person taking part in events open to the public and supported by Villa Erba appreciates the social return that offsets resources that were in the past emitted into the landscape by public partners, this is another step on this path.

The document that follows this introduction, referred to as the "Sustainability Report" and considered by us, from the time of its inception, to be an important instrument for reflection, evaluation and communication, systematically sets forth the path that Villa Erba intends to follow over the coming years *"between culture and sustainability"* by identifying its objectives in this respect, that is to say:

- achievement of UNI ISO 20121 certification, classifying Villa Erba as a sustainable exhibition centre;
- continuation of restitution activity to the region through cultural activities with events open to the public, covering as many genres as possible, dedicated both to adults and families;
- obtaining gender equality certification;
- adoption of new Benefit Society by-laws;
- achievement of its goal for "Zero Impact"®

All the above will be set out more clearly later in this document.

We confidently trust that you will fully support our commitment and urge future directors never to abandon this vision,  
We thank you for the attention to will pay to our work.

March 2023  
Filippo Arcioni  
(President of Villa Erba S.p.A)

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UN Agenda 2030



This document is aligned with the 2030 Agenda of the UN Programme for Sustainable Development, which has been signed by 193 countries. There are 17 Sustainable Development Goals aimed at the preservation of the planet and the well-being of its inhabitants by leveraging a new economic approach:

- 1 Overcoming poverty**
- 2 Defeating hunger**
- 3 Health and well-being**
- 4 Quality education**
- 5 Gender Equality**
- 6 Clean water and sanitation**
- 7 Clean and affordable energy**
- 8 Dignified work and economic growth**
- 9 Business, innovation and infrastructure**
- 10 Reducing inequalities**
- 11 Sustainable Cities and Communities**
- 12 Responsible consumption and production**
- 13 Combatting climate change**
- 14 Life underwater**
- 15 Life on Earth**
- 16 Peace, justice and strong institutions**
- 17 Partnerships for the goals**

## 2 Reader's Guide

The **Sustainability Report 2022** is the first of its kind to be drawn up by Villa Erba S.p.A. and represents its commitment to acting responsibly and communicating with transparency its environmental and social performance to its stakeholders. The document illustrates the projects and results achieved according to its vision for sustainable value creation for the community and for stakeholders.

This Sustainability Report is prepared "with reference to GRI Standards" in their updated version published by the Global Sustainability Standards Board (GSSB) in 2021. It should be noted that to date the GRI Standards are those most widely recognised and used international standards for non-financial reporting.

The data and information refer to the financial year 1 January - 31 December 2022. The scope of the reporting of economic and financial data corresponds to that of the Financial Statements of Villa Erba S.p.A. for the year ended 31 December 2022.

Comparative data referring to the two previous financial years are included to show the trend of corporate performance over the time horizon of the three-year period 2020-2022. To represent performance, directly detectable and measurable qualitative and quantitative indicators are given, resorting only in limited cases to estimates.

During the reporting period, Villa Erba did not make any significant changes to its structure or ownership. This Report is not subject to third-party verification.



## 3 Villa Erba

### 3.1 The Location

**As a perfect synthesis of history, culture, elegance and innovation**, Villa Erba is the jewel in the crown of the late 19th century architecture of Cernobbio, on the picturesque shores of Lake Como, just at the foot of Mount Bisbino.

The green of the Galoppatoio and the magnificent park that embraces the Villa convey harmony, peace, and also environmental sustainability. Together they bestow a special identity on Villa Erba, making it the splendid and world-renowned location that it has become, synonymous as it is with quality and serenity. These versatile and flexible large green spaces also play a fundamental role in supporting its business activities and events.

Since 1986 it has been a congress and exhibition space in which modernity and technology go hand in hand with the beauty of the surroundings. Since that time Villa Erba has been operating as part of the national trade fair system. It is now a well-established part of the high-level congress and exhibition sectors, impeccably organising prestigious events in unrivalled grounds that are themselves set in a wonderful landscape.

**Villa Erba is a magnificent example of an Italian industrial structure** that finds in its sector of specialisation and in the history of this district the cornerstones of its international appeal.

### The Historic Villa

**In the historic villa, every window is like a painting** that presents enchanting views, and every room is a masterpiece in itself. The hub of the villa is the atrium, which is spectacular, bright and airy. It is an ideal space for aperitifs, concerts, press conferences, conventions, seminars, parties and gala evenings. Together with the picturesque lakeside garden, the terraces around the ground floor rooms are used for al fresco lunches and dinners.

Each room's atmosphere is quite distinct while their arrangements can be customised to suit the occasion. Villa Erba is a large building whose ground floor of the atrium and five other rooms are able seat 450 people. The spaces lend themselves to a range of types of events, while up to 500 people can be accommodated in the party room, while dinners for up to 80 people can be held in the reading room.

On the first floor, the sleeping quarters have been converted into representative offices and meeting rooms.

On the ground floor, the Villa is perfect for galas, banquets, concerts and exclusive events, while the halls of the first floor, accessible by way of a sweeping marble staircase, house a **permanent photographic exhibition** dedicated to Luchino Visconti, illustrating the evolution of the Villa. The rooms, completely restored and furnished with original furniture, recreate its 20th century ambience.

The Villa also has cloakrooms and working kitchens. The current offices of the company managing the International Convention Centre are in the former staff wing.

## The Centuries-old Park

A living part of Villa Erba is its centuries-old park filled with **ornamental and rare plants** that embellish the historic Villa and the Greenhouses, creating plays of colour that change with the seasons and at times reflected spectacularly in the water of the lake. The grounds are home to several species from distant lands, exemplifying its owners' historic and cultural interest in new worlds, and witness to the fascination for the exotic that was a typical feature of those living in stately homes between the 18th and 19th centuries. **Careful and constant care** of the Park is entrusted to experienced gardeners who ensure the protection of the various species present, and the preservation of the biodiversity of what is a great and historic natural heritage.

## Galoppatoio

Villa Erba's spaces also include the Galoppatoio, [the horse track], **a large enclosed green area** with access from the road and stretching out towards the lake. It can accommodate temporary structures and infrastructures for concerts and sporting events, as well as cultural and commercial events. It can be used independently of the exhibition centre and the Historic Villa or contemporaneously with other events, and also provides additional parking space. This area can be accessed by helicopter by way of two helipads.

## The Congress Centre

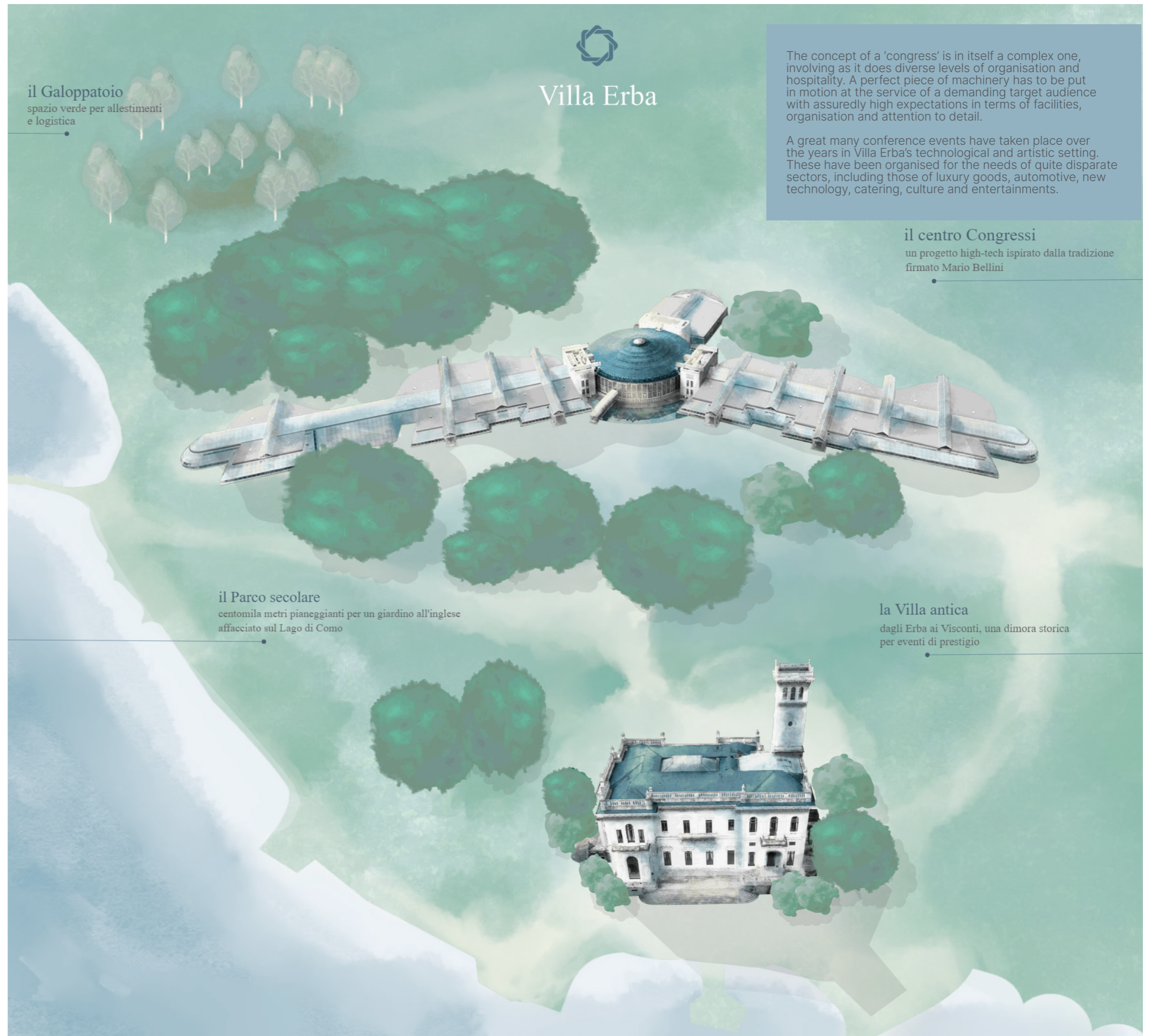
Hosting events as varied as conventions, large conferences, screenings, shows and concerts, the Congress Centre makes Villa Erba a hub for digital culture and innovation.

Designed in glass and steel **by the architect Mario Bellini**, it was inspired by the design of the traditional greenhouses to be found on Lake Como. The building is a perfect balance of history, elegance and innovation, covering an area of over 10,000 square metres and consists of a circular pavilion and three wings, called Lario, Cernobbio and Regina. More than 500 stands can be erected here and there are no less than 28 meeting rooms with seating capacities of from 50 to 1,500 people.

**The central pavilion of around 1500 square metres** is considered one of the most prestigious facilities in Italy for large events and has a 1500 people capacity. With excellent sound equipment and acoustics, it is suitable for many types of national and international congresses, conventions, large conferences, screenings, shows and concerts. Each wing can be used independently to meet the needs of each client in terms of both space and the services provided. The side windows of the central pavilion can be fully opened so that exhibitions and presentations of even very large products can be held. To allow the perfect viewing of videos, presentations or special effects, all windows can also be completely blacked out. The entire structure and its signage facilitate the routes and the exhibitions can also extend, in the spring and summer months, to the surrounding park with open-air displays adjacent to the lake. The setting plays its own fundamental role as landscape, elegance, exclusivity and art, history and tradition, technology and innovation, all come together.

Currently Villa Erba is competitive in three different markets. **Private events**, especially international weddings, account on average for almost a third of the turnover. **Corporate events**, mostly in the automotive and fashion sectors, congress events, and meetings in general, can make the most of the excellent services available at Villa Erba. Finally, **trade fairs**, including the historic Furnishing Fabrics and Curtains Fair, and other niche exhibition events make up the third market segment.

In addition, over the years, **conference** and training events have become increasingly important, giving rise to a fourth significant market.



il Galoppatoio  
spazio verde per allestimenti  
e logistica

Villa Erba

The concept of a 'congress' is in itself a complex one, involving as it does diverse levels of organisation and hospitality. A perfect piece of machinery has to be put in motion at the service of a demanding target audience with assuredly high expectations in terms of facilities, organisation and attention to detail.

A great many conference events have taken place over the years in Villa Erba's technological and artistic setting. These have been organised for the needs of quite disparate sectors, including those of luxury goods, automotive, new technology, catering, culture and entertainments.

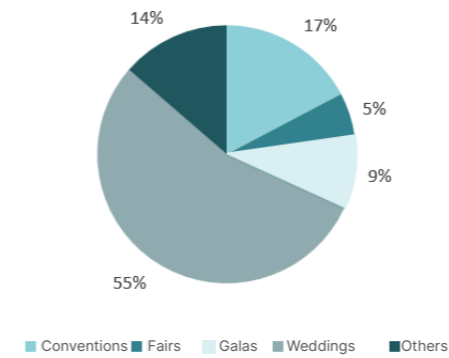
il centro Congressi  
un progetto high-tech ispirato dalla tradizione  
firmato Mario Bellini

il Parco secolare  
centomila metri pianeggianti per un giardino all'inglese  
affacciato sul Lago di Como

la Villa antica  
dagli Erba ai Visconti, una dimora storica  
per eventi di prestigio



Breakdown of clientele



After the emergency of the pandemic, by 2022 there was a return to normality that saw no less than 55% of the share going to weddings, as well as substantial recovery in the conventions sector at 17%.

## Meetings & Conventions

Meetings and Conventions organised at Villa Erba are able to engender real interaction with a brand and the company that represents it. They form a central moment for dialogue between company and market, and between organisation and community, and do so both terms of commerce and of image. This applies to any product or service, especially in today's world, with channels expressed as B2B and B2C are evolving into that of H2H, Human to Human.

With these events, the Company is open to scrutiny in terms of its image and its credibility, even vis-à-vis competitors, and must therefore have a suitable organisational partner.



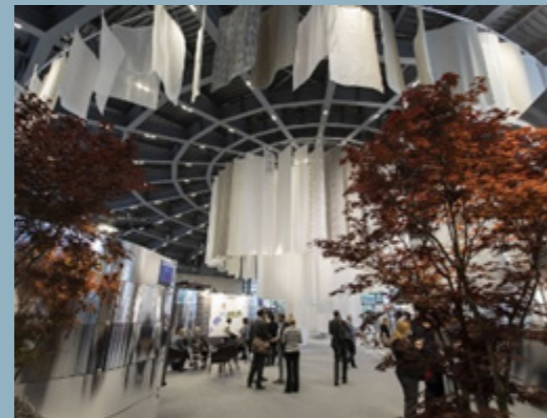
## 2017 FCE Awards

Villa Erba was the 2017 winner of the prestigious FCE AWARDS organised by Federcongressi&eventi. Since 2004 FCE has been the Federation of associations of the meetings & incentive industry in Italy.

Since 2010 this has become the leading national association representing public and private companies and professionals carrying on business in the field of congresses, conventions, seminars and aggregative events.

## Fairs

In the era of Industry 4.0, AI and the relentless digitalisation of all form and content, direct encounters with customers and suppliers remain an opportunity for meaningful encounters, above all as a chance to humanise personal and professional relationships established at a distance. These are values that have today to gather new significant, and with every dialogue real added value needs to be achieved.



## The Network

An important mission of Villa Erba today is to support its **network**. The Company has taken on a lead role in a network of highly professional companies offering services and hospitality of excellence for national and international clients (the Lake Como Events Network), which acts as a **Convention Bureau** and offers itself as a one-stop point of contact for the MICE segment in the area, as well as carrying on promotional work for this particular destination. The network provides support for Villa Erba itself as it does for the other associated locations in the managing and coordination of conferences, meetings and events through the use of hotels, multifunctional spaces, logistics and transfers, as well as collateral activities involving working with theatres and the organisation of excursions.

The aims are to create an induced revenue for the local community and to promote off-season business. Villa Erba has also joined "Como Città Creativa Unesco" and is a member of the AEFI, The Italian Fairs Association, the World Association of the Exhibition Industry, as well as being a member of the Italian Federcongressi & eventi.



## Luxury & Weddings

In a sector that has regained added vitality and creative energy, location is paramount. The project that may take on different connotations, whether it be a private event or a public spectacle, an exclusive party or an institutional ceremony. All those involved require excellence in terms of the atmosphere created, the organisation, and the level of customisation.



### Culture and Community

- #CulturaVillaErba
- LAKE COMO COMIC ART FESTIVAL
- NOTES AT THE VILLA
- Collaboration with Teatro Sociale Como / As.Li.Co.
- Toy Town - Lake Como
- Villa Erba Open-Air
- LAKE COMO FILM FESTIVAL



### Environmental and Social Responsibility

- ENERGY FORUM
- ORTICOLARIO "GRONCIOLI DI FIABA"
- TEDx LAKE COMO
- EGUALIdisEGUALI
- LAKE COMO WAVES



### Business and Innovation

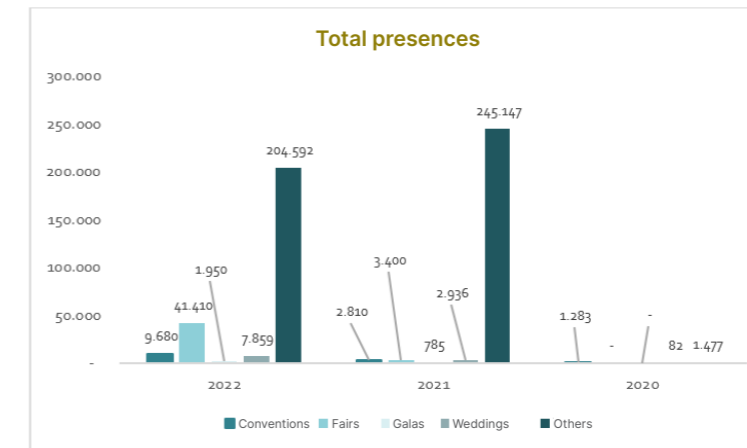
- COMOCREA in spring and autumn
- CONFINDUSTRIA COMO
- FLEET & BUSINESS QUATTORRUOTE - CASE
- XV FORUM ECONOMICO AHK with Draghi and Merkel
- World Manufacturing Forum



Villa Erba Events	2022	2021	2020
Conventions	19	8	4
Fairs	6	2	0
Galas	10	5	0
Weddings	60	28	1
Others	15	14	8
<b>Total</b>	<b>110</b>	<b>57</b>	<b>13</b>

After a marked reduction in 2020 in the number of events, due to the pandemic, in 2021 and more decisively in 2022 there has been a major upturn in the numbers of events organised, and of the numbers of visitors and participants.

The "Others" category in 2021 was principally represented by the work as Covid vaccine hub and in 2022 by the Toy Town initiative.



### 3.2 Mission and Values

"Contributing to the economic development, the promotion of tourism, the cultural life and the environment of the Province of Como" reads Article 3 paragraph b) of the company's Articles of Association, thus putting into words Villa Erba's mission, emphasising its social aims while clearly stating its objectives bringing benefit to the region.

The mission enshrines values of legality, fairness and loyalty, transparency, integrity and ethics as described in Villa Erba's Code of Ethics.

Villa Erba condemns any behaviour that does not comply with the law, with the regulations applicable in the area in which it operates and with its Code of Ethics, including where such conduct is aimed at conferring a benefit for the Company.

Villa Erba promotes and ensures fairness and correctness in its relations with all external stakeholders as well as with all those within the Company.

It operates according to canons of transparency, clarity and completeness both in its accounting records and its corporate documents in general so as to provide shareholders with correct and timely information, as well as for other stakeholders.

Villa Erba conducts business with integrity and operates according to the highest ethical standards.





### 3.3 Identity: History and Culture

The beauty and elegance of Villa Erba, which strike you as soon as you enter its rooms and spaces, are greatly added to by the fundamental ingredient of culture. **From its very origins, the Villa has oozed a real historical and cultural heritage.**

It is interesting to delve into the history of Cernobbio to understand the ancient origins not only of the Villa, but of the whole Lake Como town itself. Way back in the year 966 when, according to some authors of the 15th and 16th centuries, such as Paolo Giovio, Bishop of Nocera, it was claimed that the name Cernobbio came from 'cenobio', or monastery. It is therefore tempting to confirm the origin of the name as coming from the ancient Cluniac monastery of the Benedictine nuns of Saint Mary.

In later centuries, various other documents report on Cernobbio and what would become the future Villa Erba. In 1595 the then Bishop of Como Monsignor Niguarda left a detailed description of the church and the other holy buildings, while in 1703 the then Bishop of Como Monsignor Bonesana provided a snapshot of that time, and still today the archives of Villa Erba conserves **an inventory of the property as drawn up in 1760 by Giuseppe Baietta, a land surveyor from Como.**

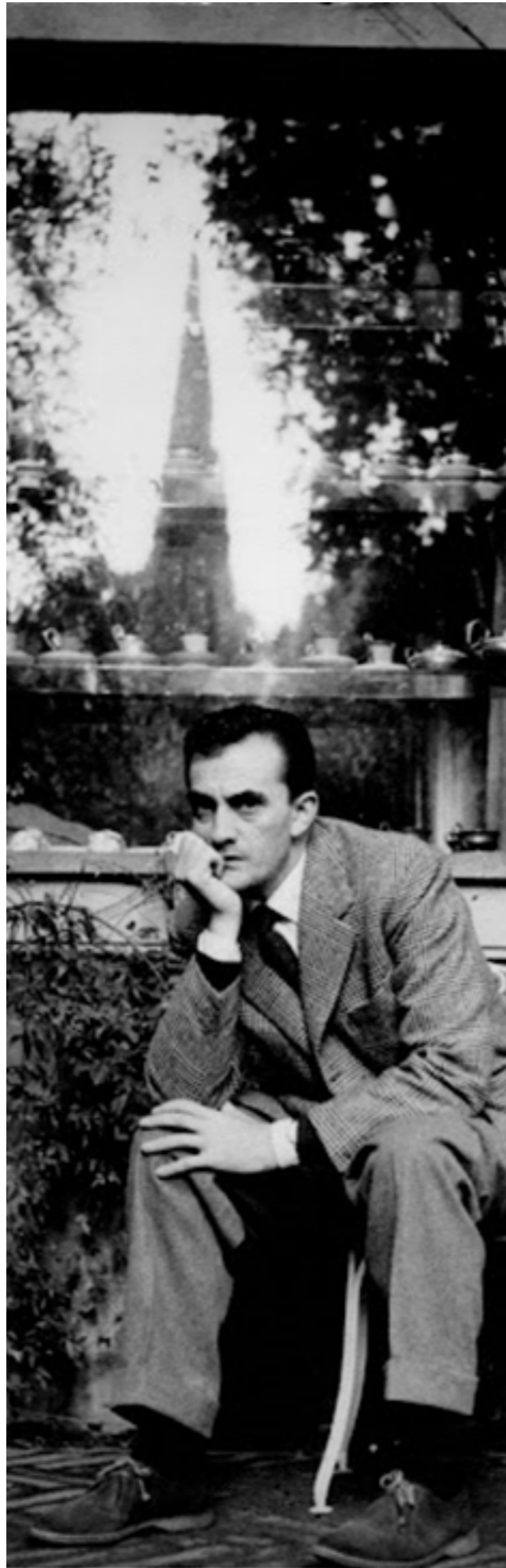
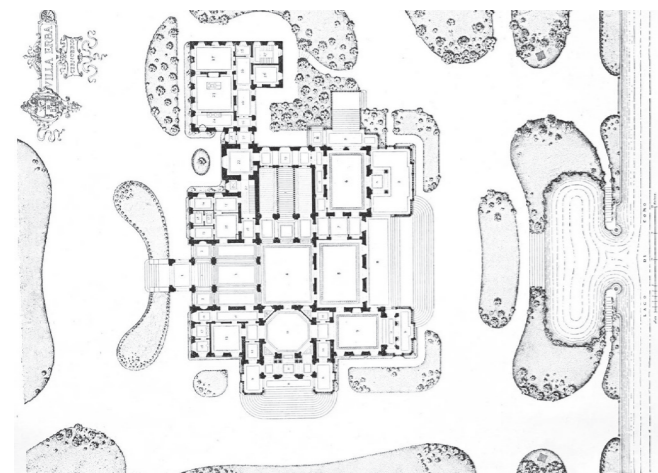
It was not until 1785, after existing for many centuries, that the monastery was suppressed by Emperor Joseph II of Austria and all the properties were acquired by the Guaita wool manufacturers, who transformed the structure and demolished the church.

Villa Erba was later bought by the Peluso family, who already owned the neighbouring Villa d'Este.

**The property then passed to Luigi Erba**, brother and heir of Carlo Erba, one of the leading pharmaceutical industrialists of the time, who entrusted Savoldi and Borsani, the two most architects most in vogue at the time, to build a villa that would do justice to the status and prestige of the family.

**The Erba family was very actively engaged in those days in the cultural and social life of the time.** Inherited by their daughter Carla, who married Duke Giuseppe Visconti di Modrone in Cernobbio, the Villa became the summer residence of their son, the film director Luchino Visconti. His rooms are themselves today a slice of the history of Italian cinema in the heart of Villa Erba. Visitors can now relive there the profound bond that existed between the director and the Villa.

**The permanent Luchino Visconti museum** can be visited on making a reservation and offers guests a unique experience. The director's deepest thoughts filter through his films, while echoes, visual fragments, and hints of Villa Erba emerge in numerous of Visconti's finest works. There is the ballroom in "The Leopard", the dockyard in "The Damned", while furniture, spaces and decorative elements are also referred to in "Death in Venice". In 1972, Luchino Visconti decided to retire to the Villa where he completed the editing of "Ludwig" one of his most important masterpieces.



## 1815

### The New Ownership

Countess Vittoria Calderara sold Villa D'Este and later, with her husband General Count Domenico Pino bought Villa Erba. During his long stay at the villa, remaining there until the year of his death in 1826, General Pino, a man of great military prowess, but at the same time a lover of pomp, brought about numerous improvements and had a hall frescoed with his coat of arms, which is still visible today.

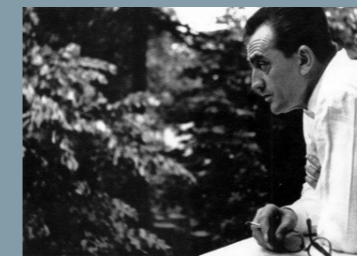
## 1893

On 18<sup>th</sup> November 1893, with deed number 5,100 of notary Dr Mencozzi of Milan, the property passed to Anna Brivio who married Luigi Erba and then, by succession on 31<sup>st</sup> December 1922, to Carla Erba daughter of Luigi. Donna Carla Erba married Giuseppe Visconti di Modrone who was himself a nobleman and a generous soul. For many years the Donna provided nuns with an apartment in the villa where they tutored young girls in the arts of embroidery and sewing.

## 1906

### The birth of Luchino Visconti

Luchino Visconti was the son of Duke Giuseppe Visconti di Modrone and Carla Erba. In 1936 he entered the world of cinema and from 1942 began the production of his films, starting with Ossessione, which would become a milestone of Neorealism. This led to the celebrated The Leopard [Il Gattopardo] (1962), which met with the great approval of the public and critics alike. It took some of its inspiration from the rooms of Villa Erba itself and the evocative atmosphere of the place can be recognised in the sets.



## 1882

### The Cima Family

In 1882 the property passed from Countess Vittoria Pino Calderara to General Giuseppe Cima, as shown in the land registry documents, with the property recorded in the name of Giuseppe Cima and his aristocratic daughter Vittoria Cima.



## 1903

### The new Villa Erba

In the centuries-old park that was home to the historic villa, Luigi Erba had the "new villa" built in 1903 to a design by architects Savoldi and Borsani of Milan. The façade was created in the neoclassical style, with a vestibule with sumptuous decorations by Lorenzoli and large windows overlooking the lake. This was followed by a spacious atrium with open gallery and extensive rooms that would play host to illustrious artists such as Verdi, Boito, Giacosa and Lassalle.

## 1986

### The sale of the property

Edoardo Visconti di Modrone Erba and the other heirs sold the 19<sup>th</sup>-century villa and part of the land to an investment company that bought it with the intention of building the exhibition and conference complex we know today.



It is in this precious setting so rich in culture and history that the project La Cultura di Villa Erba came into being, merging three distinctive elements into a continuum:

## Landscape

The landscape surrounding Lake Como, a unique heritage to be protected and the one that bestows on the place its special identity

## Inclusion

The desire to address a broad and diverse audience by fostering exchange, sharing and growth.

## Innovation

A modern and technological approach to culture, able to provide quality in all that it offers.

The project *The Culture of Villa Erba* aims to have the international congress and exhibition centre of Como recognised as a major seat for the promotion and production of culture, seeking to attract both new audiences that normally do not typically frequent conference spaces, and the public familiar with Villa Erba as an international trade fair and congress centre, but who will now discover it as a **place devoted to Beauty, Culture and Sustainability**.

The development of local culture and the community has always been well-rooted in Villa Erba since its beginnings. The founder members wished, through the Villa, to bear transparent witness to commitment and to provide a real contribution to the community. This was apparent in already in the drafting of the Articles of Association of the company, which stated that "(..) a share [of the net operating profits] of not less than 25% shall be reinvested' in activities and initiatives of economic and social relevance, as well as in tourism and environmental initiatives in order to contribute to economic development and tourism and the promotion of the environment of the Province of Como".



## 4 The path to sustainability

### 4.1 The context

The COP 21 (Conference of the Parties to the UNFCCC), held in 2015, established the historic 'Paris Agreement', which sets forth the aim of limiting the increase in the average global temperature to within 2 °C (revised to 1.5 °C at the recent COP 27) as compared with pre-industrial levels.

To this end, the UN General Assembly approved the 2030 Agenda for Sustainable Development, including 17 Sustainable Development Goals (SDGs) divided into 169 targets and more than 240 indicators to be achieved by 2030. The Agenda confirms the unsustainability of the current development model in environmental, social and economic terms and hence the need to adopt an integrated vision of the diverse aspects of human development.

Agenda 2030 guides the strategic choices and operational decisions of companies, acting as an instrument of development, social cohesion and economic competition, thus strengthening the European social model.

In December 2019, the European Commission presented its European Green Deal with the aim of ensuring the ecological transition of the EU into a fair society, with a modern, resource-efficient economy, and with the aim of ensuring that in 2050 there would be no net greenhouse gas (GHG) emissions.

In 2021, Italy approved the National Recovery and Resilience Plan (PNRR), which stipulates that 30 per cent of total planned investments will be allocated to the "Green Revolution and Ecological Transition". On 10th November 2022, the European Commission published its Corporate Sustainability Reporting Directive (CSRD), which will come into force in 2023, modifying the reporting requirements set forth in the previous Non-Financial Reporting Directive.

### 4.2 Adherence to the SDGs

The Villa Erba Exhibition and Congress Center has embraced the European Union's 2030 Agenda with great conviction and responsibility by implementing environmental and social sustainability projects and initiatives to integrate sustainability into its own business model.

This Report highlights the SDGs that Villa Erba considers as priorities and these are illustrated in the image here below.



## 5 The Villa Erba's Governance



### 5.1 Governance structure

The current Governance of Villa Erba considers the correct *modus agendi* to follow for the long-term value creation for shareholders and the community is that of sustainable and integrated growth that looks not only to the well-being of the economy but also to that of society and the environment.



Breakdown of Villa Erba's Board of Directors by age and gender (GRI 405-1)

	2022		2021		2020	
	women	men	women	men	women	men
< 30	0	0	0	0	0	0
30-50	1	0	1	0	1	0
> 50	1	3	1	3	1	3
<b>Total</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>

The Board of Directors is the top governing body of Villa Erba. It is made up of five members: two women and three men. Its members hold office for a three-year term and may be re-elected. The directors must possess the requisites of honourableness, professionalism and autonomy as established by the rules and regulations in force and are each one is independent. The Chairman of the Board of Directors is the only Executive member. All the members of the Board of Directors of Directors have many years of expertise in the sector.

The Board of Directors is vested with all powers for ordinary and extraordinary management of the Company. According to the Articles of Association, unless otherwise unanimously resolved by the whole of the company capital, the directors may not be shareholders and their appointment is made on the basis of lists presented by the shareholders, in which candidates are listed by number. Each shareholder may present only one list.

The candidates on each list presented are assigned a quotient equal to the number of votes obtained by the list divided by one for the first candidate and by ten for the following candidates. Subsequently, the candidates

of all lists are arranged in a single descending ranking according to the quotient obtained by each. Depending on whether the Board of Directors is made up of three or of five directors, the persons elected will be the first two or three candidates who have obtained the highest quotients in the lists presented by the public body shareholders and the first one or two candidates who will have obtained the highest quotients in the lists presented by the private entity shareholders, in the event that the overall share held by the public entity shareholders is at least 50%.

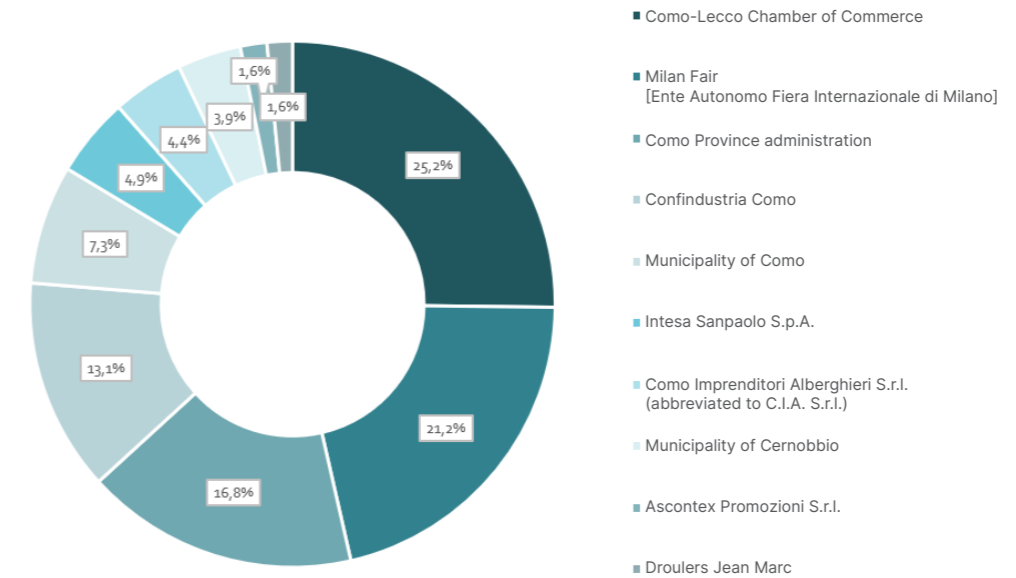
On the other hand, the first two or three candidates will be elected who have obtained the highest quotients in the lists submitted by presented by the private shareholders and the first one or two candidates who have obtained the highest quotients in the lists presented by public entities if the share of capital owned in total by public entity shareholders is less than 50%.

The Supervisory body is the Board of Statutory Auditors



## 5.2 The Team

The graph and the table below give a breakdown of the ownership of the company, with reference only to property rights.



Details of the make-up of the company	Number of shares	Value of shares	% owned
Como-Lecco Chamber of Commerce	503.696	5.983.908	25,2%
Milan Fair [Ente Autonomo Fiera Internazionale di Milano]	424.843	5.047.135	21,2%
Como Province administration	335.733	3.988.508	16,8%
Confindustria Como	261.406	3.105.503	13,1%
Municipality of Como	146.228	1.737.189	7,3%
Intesa Sanpaolo S.p.A.	97.560	1.159.013	4,9%
Como Imprenditori Alberghieri S.r.l. (abbreviated to C.I.A. S.r.l.)	88.186	1.047.650	4,4%
Municipality of Cernobbio	78.237	929.456	3,9%
Ascontex Promozioni S.r.l.	32.730	388.832	1,6%
Droulers Jean Marc	31.184	370.466	1,6%
<b>Total</b>	<b>1.999.803</b>	<b>23.757.660</b>	<b>100,0%</b>

<sup>1</sup> Company Registration Report of 03.10.2023

As of now Villa Erba is mainly under public ownership and this is reflected in its system of management and governance, as well as in some of its operational aspects.

The Company does not exclude the possibility that in the near future it will evolve to open itself to the input of private capital that could result in changes in its structure and its strategies, including with regard to sustainability.

## 5.3 Ethics and Integrity

### Organisational, Management and Control Model

Villa Erba has drawn up and adopted an organisation, management and control model 'MOG' [Management Control Model] pursuant to Legislative Decree no. 231 of 8 June 2001 ("Legislative Decree 231/01") in order to ensure correctness, transparency and legality in its relations with customers, suppliers, employees, shareholders and all its stakeholders.

This model is aimed at improving and strengthening the internal control system as well as structuring it in such a way as to prevent the commission of 'predicate offences', as set forth specifically in the Decree.

To achieve the expected result, a SWOT Analysis has been carried out for an assessment of the internal and external factors to the organisation in relation to the sector of business. Following this analysis, Villa Erba identified 'event management' as the most important process for the purposes of the MOG. The ambitious objective of Villa Erba is first and foremost to obtain full customer satisfaction for all the events, fairs and shows it organises. To achieve this, services must however comply with all legal requirements and be provided by competent, professional, qualified and experienced internal and external personnel.

**A necessary condition for the MOG to be implemented effectively is that all those involved in the activities of the company are fully accountable.**

Villa Erba has entrusted a Supervisory Board (SB) with independent powers of initiative to control the tasks of supervising the working, compliance and continuous updating of the MOG. In the event of detection of any non-compliance being detected, i.e. any deviations from the requirements set forth in the Company's MOG, Villa Erba applies corrective measures to eliminate any causes of such non-compliance.

In accordance with Legislative Decree no. 231/01, the Organisational and Management Model of Villa Erba has a disciplinary system based on Rules of Conduct and is able to sanction any non-compliance with these. Those subject to the application of the rules are the Employer or its delegate, employees, consultants, outside staff and third parties in general who have contractual relations with the Company.

The function of the Supervisory Board is to ascertain any infringements of the model and promptly report any such cases to the Employer, who is responsible for handing down the disciplinary sanctions provided for. Top management and the Supervisory Board supply information on the model and any infringements through a channel in place for the purpose as all employees must be aware of it. Villa Erba has provided for reporting mechanisms that make it possible to report any behaviour deviating from the corporate rules and corporate principles by means of whistleblowing.

In investigating infringements, a distinction is made between persons linked to the Company by an employment contract, and persons belonging to other categories.

Employees who infringe the MOG are subject to the sanctions provided for in the disciplinary rules of the CCNL [Collective bargaining agreement], according to the principle of gradualness of the sanction and its proportionality to the seriousness of the breach. In this case, the procedure is governed by the 'Workers' Rights Statute Workers' Rights Statute' (Law no. 300/1970) and the CCNL in force.

Consultants, outside workers, trainees and third parties who have relations with the Company and who infringe the Model, may be subject to immediate termination of the employment relationship, as provided for by specific contractual clauses included in individual letters of assignment, agreements and contracts. In this case the disciplinary procedure shall be managed by the Employer in any case informing the Supervisory Body and consulting it on the matter.

If the breaches cause actual material damage or damage to the Company's image, the company reserves the right to claim compensation.

Villa Erba is aware that it must promptly provide the Supervisory Board with any documentation relating to any updates to the MOG such as risk assessments, emergency plan, documentation concerning health monitoring, technical documentation on equipment, training documentation, scheduling, and results of internal audits.

## Code of Ethics

The Code of Ethics of Villa Erba is the Charter of ethical and social values that characterise the Company and, therefore it emphasises the principles of legality, correctness in relations, transparency and integrity. The latter are true pillars of the organisation, so much so that they were a source of inspiration for the Board of Directors when drawing up the objectives of the company.

**The Code of Ethics also outlines the rules of conduct that must characterise the behaviour of those who, permanently or temporarily, operate or interface with Villa Erba.** It also sets forth the rights, duties and responsibilities that the organisation has towards all its stakeholders, whether they be employees, top management, outside staff, customers, suppliers, partners or other stakeholders in general. It naturally presupposes compliance with the provisions of laws, regulations and, in particular, the MOG adopted by Villa Erba pursuant to Legislative Decree no. 231/2001. It should be noted, in this regard, that the Code of Ethics is the essential foundation of the MOG and, in fact, together with the Model, it forms an integrated body of internal rules for the spreading of a culture that sees ethics and corporate transparency as its foundation stones. The Code of Ethics can be amended or added to, including through the initiative of a shareholders' meeting and/or a meeting of the Supervisory Board, in order to reflect any changes in the situation of the company.

The recipients of the Code of Ethics are Villa Erba, its staff, which is to say, its directors and managers, the members of the corporate bodies of the Company, employees and outside staff, and all those who work on behalf of or in the interest of the company as they are bound by contractual relations. By the latter we are referring to partners, agents, suppliers, consultants and, in general, to third parties, natural and/or legal persons used by the Company and to customers or external social infrastructures with which Villa Erba has dealings. All these persons have the obligation not only to respect this Code of Ethics but also to notify the Supervisory Board of any violation of which they become aware.

**The Company conducts strict supervisory activities** by means of appropriate information, prevention and control, and intervenes, where appropriate, with corrective action. Specifically, the administration, management and control bodies play a crucial role in terms of the information profile. By promoting a culture of lawfulness and control, they communicate the Code of Code of Ethics to all the recipients, so that they become familiar with its principles and comply with them.

In the three-year period 2020-2022 there were no cases at Villa Erba of corruption and no fines, or administrative or judicial sanctions, were imposed, except for voluntary reprimands.

## Confidentiality Management

In compliance with legislation on the processing of personal data of natural persons, **Villa Erba processes all information in its possession with the utmost respect for the confidentiality and privacy** of the persons concerned. In particular, its staff acquire and process only the data necessary and directly related to its functions, preventing their disclosure to unauthorised third parties in full compliance with the Company's procedures, and with the support of the high reliability of the IT and computerised systems it uses.

In the case of the use of computer systems, the external suppliers, consultants and partners of Villa Erba are also required to comply with all relevant laws and respective regulations on data processing.

Villa Erba has a 'Privacy Document'. According to this, if access to and processing of data is obtained and carried out by third parties working on behalf of the Company, then the company checks that these comply with the provisions of Regulation (EU) GDPR 2016/679 of the European Parliament and of the Council of 27 April 2016, and the Legislative Decrees 196/2003 and 101/2018, taking account also of Provisions set forth by Italian Privacy Guarantor.

In addition, an annual audit is carried out in collaboration with an external consulting company to identify and close any gaps in the procedures for the management of sensitive data and information.



## 5.4 Quality of services and transparency

At Villa Erba, customer focus extends beyond the physical space of the location. An effective territorial network allows it to respond to the most diverse demands in terms of hospitality, mobility, culture and entertainment, realising customised projects based on specific needs, including turnkey projects.

Customer relations are always characterised by fairness, professionalism, transparency and clarity, and directed towards quality and full customer satisfaction. The company cooperates fully with its customers, engaging in dialogue them and actively listening to their needs.

As customer opinions are taken very seriously, at the end of each corporate event or trade fair, a briefing is held with the client to run through any issues and their perceptions. The briefings show that 99% of customers are satisfied with the welcome, organisation and high degree of professionalism they have encountered. Frequently they contact the staff directly to express their appreciation personally or by e-mail. Villa Erba assures inclusiveness in the services it provides, including by ensuring there are no architectural barriers to access. There is a lift and a special platform so

that people with disabilities or reduced mobility can easily enter the Villa. In the case of participants with sensory disabilities, such as blindness or deafness, Villa Erba has solutions available on request at its congresses for example.

The Company also wishes to meet its customers' dietary needs while respecting ethical choices, food intolerances and allergies. In particular, the catering companies inform themselves about client requirements to fully understanding their needs in advance. Some menus are pork-free out of respect for the ethical or religious choices of some customer groups, while there are also vegan and vegetarian menus to meet these preferences and any health requirements.

In the three-year period 2020-2022, Villa Erba has assured the absence of any cases of non-compliance with regulations and self-regulatory codes on marketing communications, and has received no substantiated complaints of infringements of customer confidentiality or loss of customer data.



## 5.5 Responsible supply chain management

Efficiency, cost-effectiveness and maximum benefit for the company are the criteria followed by Villa Erba in the selection of its suppliers, consultants and partners, taking care to find the proper balance between favourable economic conditions and the quality and professionalism of goods and services.

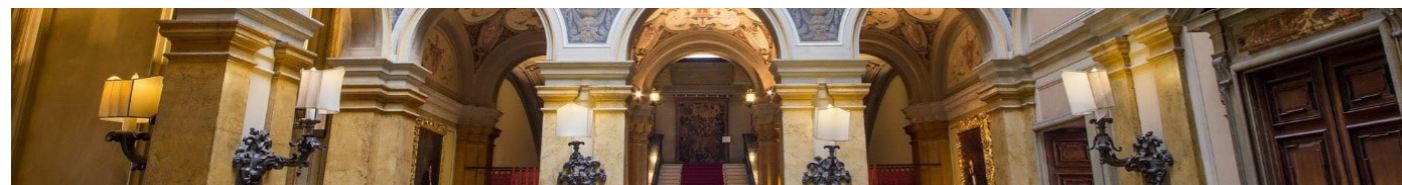
With a view to the broader objective of supporting local communities, almost all current suppliers reside in the Lombardy region and are linked to Villa Erba by way of a stable and ongoing relationship of mutual collaboration.

### Activity, value chain and other business dealings (GRI 2-6)

	2022	2021	2020
Local suppliers (Italy)	286	236	205
Total suppliers	308	251	208
% local suppliers (Italy)	93%	94%	99%

### Proportion of expenditure to local suppliers (GRI 204-1)

	2022	2021	2020
Purchases from local suppliers (Italy)	10.015.168 €	4.605.563 €	1.435.376 €
Total purchases	10.160.387 €	4.881.915 €	1.437.175 €
% Purchases from local suppliers (Italy)	99%	94%	100%



The Company requires its suppliers to behave honestly, transparently and to maintain high professional standards, while following objective criteria based on impartiality, fairness and quality in its relations with them.

The Code of Ethics regulates Villa Erba's relations with its suppliers, consultants and partners, who, at the time of their signing of their contract, accept it and undertake to commit to its principles and to comply with its rules, which become an integral part of the contractual obligations undertaken. We emphasise that it is not possible to accept, pay or promise to pay gifts or other benefits that are not consistent with the Code of Ethics.

Villa Erba scrupulously monitors compliance with the regulations in force and the with the Code of Ethics, and ensures that the requirements of the selected suppliers and consultants are maintained over time.

Villa Erba has moreover established a **specific regulation**, which is fully a contractual term, for every company operating on its behalf, that primarily focuses mainly on the management of the set-up and the dismantling work for the various events held in the areas under its competence.

The regulation responds to the need to implement a specific health and safety management system in the workplace and to carefully manage interference risks for personnel involved in activities carried out by other companies on the premises of the Villa. All suppliers are required to sign the DUVRI (Single Document for the Evaluation of Interfering Risks).

Finally, suppliers are required to submit the DURC (Single Document of Contributions Regularity) to certify their contributory regularity and, with a view to preventing and combating the occurrence of any undeclared work, Villa Erba's staff carry out spot checks on the timecards of personnel contracted by suppliers working during events.

Irrespective of the type of event, Villa Erba undertakes to furnish further guidelines for the selection of its partners to ensure that there is the least possible environmental impact and that the materials used are innovative, of high quality, with high performance and are environmentally friendly. Indicative of this Villa Erba has already introduced the **EU Single Use Plastic products (SUPs) directive**.

Villa Erba also seeks to collaborate with catering companies that favour menus, and food and drink, from organic farming, at zero-km and using seasonal products and traditional local specialities.

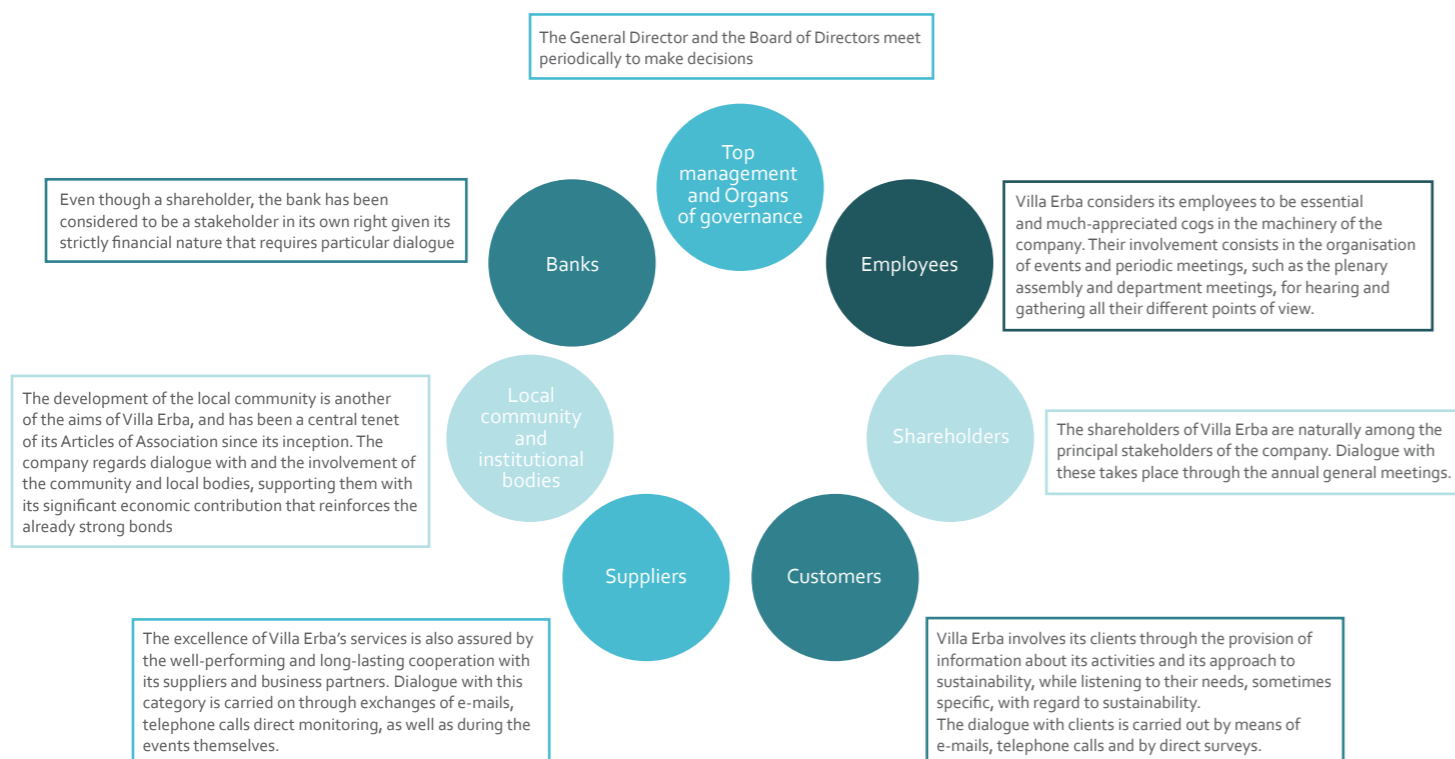
In addition, a mapping of suppliers will be carried out of set-up materials to better understand the environmental criteria already applied for the realisation of facilities such as, for example, the use of low environmental impact, certified, and/or recycled and recyclable materials and to adopt these when expanding Villa Erba's partner portfolio.

## 6 Stakeholder engagement and material analysis

### 6.1 Villa Erba's stakeholders

Villa Erba is transparent in its dialogue with stakeholders, seeing them as key to the company's business.

A benchmark analysis of peers and best-in-class companies has identified the most significant stakeholders of Villa Erba. These are illustrated here below, together with the main means employed by the company to hear them and to involve them.



### 6.2 Material themes of Villa Erba

The first materiality analysis was carried out for Villa Erba, in line with GRI 3. The materiality analysis has been a milestone in the Company's sustainability journey. It underlines its commitment to economic, environmental, and social performance and in the management areas it considers as its priorities.

The materiality analysis was divided into four stages.

- 1 Understanding the organisation's background**

The kind of business carried out was evaluated, along with its business relations, the services provided, sustainability issues and the activities of its stakeholders. The mapping of such information is essential for proper identification of actual and potential impact. A benchmark analysis of peers was thus carried out as well as a best-in-class analysis of best practice in the MICE sector in order to identify potentially material subjects.
- 2 Identification of actual and potential impact**

Positive and negative impacts were identified as associated with the potential materials emerging from the benchmark. In particular, positive and negative, actual and potential impacts on the economy, the environment and on persons were found in relation to the work and business dealings of the organisation itself. The actual impacts were those that had already been seen while the potential impacts were those that could appear but had not yet done so.
- 3 Valuation of the extent of the impact**

To establish priorities in this stage an evaluation was carried out of the importance of the impact on the environment, on society and on individuals from an 'inside-out' perspective. The evaluation was carried out by asking all categories of stakeholders, as indicated above, to fill in an online questionnaire. The stakeholders involved numbered 69 of which 43 were outside the organisation. The significance of the impact on each material theme comprised two elements: the seriousness/magnitude of the impact associated with the theme and probability of the impact itself occurring.
- 4 Prioritisation of most important impacts for the purposes of reporting**

In this stage, in order to determine the material themes for the reporting, the results were analysed and priority was given to the impacts according to their importance. Out of this came the prioritised themes list of Villa Erba. All of the themes that emerged from the benchmark analysis were confirmed to be actually material in fact. The list of prioritised material themes was finally put to the Top Management and the Chairman of the Board of Directors for approval.



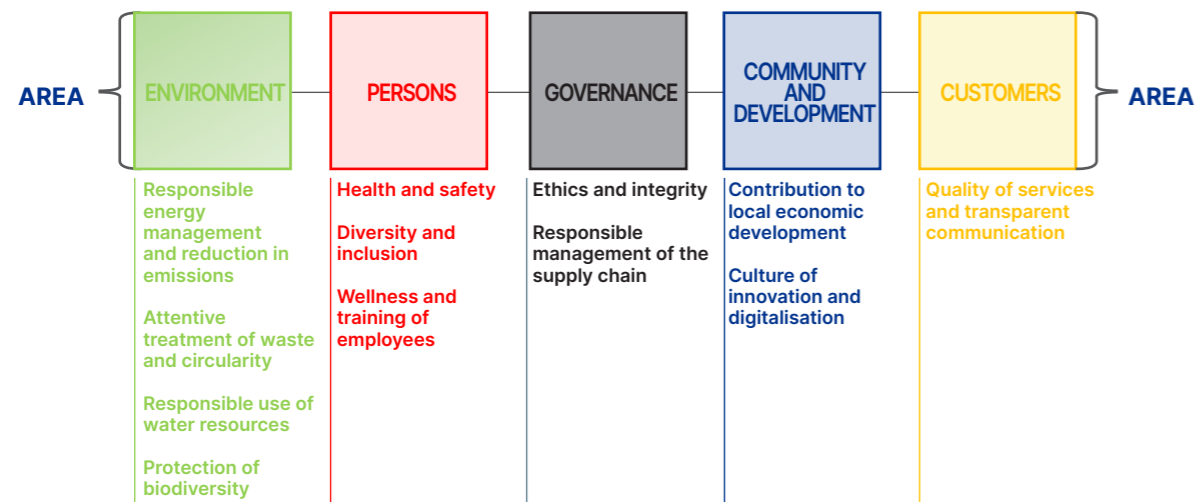
Specifically, positive and negative impacts associated with potentially material themes are shown here below.

	Material themes	Negative impacts	Positive impacts
THE ENVIRONMENT	Responsible energy management and reduction of emissions	GHG emissions production	Reduction of energy consumption and of emissions (energy efficiency and the use of renewable energy, e.g. from solar panels)
	Responsible treatment of waste and circularity	Over exploitation of natural resources	Recycling and recovery of natural resources (e.g. separated waste collection and FOOD4GOOD initiative)
	Responsible use of water resources	Wasting water resources	Reduced water consumption and its possible re-use
	Protection of biodiversity	Loss of biodiversity	Protection of biodiversity in the centuries-old park
PERSONS	Health and safety	Possible accidents at work and industrial diseases	Safeguarding the health of employees
	Diversity and inclusion	Cases of discrimination	An inclusive work environment
	Wellness and training of employees	Fall off in motivation and productivity of employees. Disaffection in relation to the company. Obsolescence of employees' awareness	Increased productivity and improved feelings of staff towards the company. Greater flexibility in life-work balance (WFH). Upskilling.
GOVERNANCE	Ethics and integrity	Erosion in trust in the company (e.g. as a result of cases of corruption)	Adoption of ethical business models and conduct based on integrity.
	Responsible management of the supply chain	Shortfalls in procurement of supplies and/or reduction in the quality of supply	Assured quality and compliance with procurement times and ESG awareness on the part of suppliers
COMMUNITY AND DEVELOPMENT	Contribution to local economic development	Damage to local communities	Creation of economic and social value for local communities
	Culture of innovation and digitalisation	Failure to contribute to own sector in terms of innovation and technology	Better quality of service and of know-how in the sector, increase in contribution with sustainability in mind
CUSTOMERS	Quality of services and transparent communication	Reputational damage and loss of market credibility	Strengthened trust and prestige among stakeholders

In addition, the result of the materiality analysis is reported, i.e. the list of the 12 prioritised material themes of Villa Erba broken down into the areas of the Environment, People, Governance, Community and Development and Customers.



The actions and commitments of Villa Erba have been explained in the respective sections of each material topic as well as in the "Looking to the Future" section.



## The Environment

<p><b>Responsible energy management and reduction in emissions</b></p>	<p><b>Responsible waste management and circularity</b></p>	<p><b>Responsible use of water resources</b></p>	<p><b>Protection of biodiversity</b></p>
<p>Undertaking to reduce energy consumption and the production of GHG emissions through energy efficiency initiatives, sustainable mobility and use renewable energy.</p>	<p>Sustaining good practice in the management of waste, promoting the recovery of surplus food from catering post events.</p>	<p>Ensuring the protection of water resources through the adoption of good practice in water use and seeking to ensure its re-use.</p>	<p>Safeguarding the centuries-old part and the landscape heritage of Villa Erba</p>

## Persons

<p><b>Health and safety</b></p>	<p><b>Diversity and inclusion</b></p>	<p><b>Wellbeing and training of employees</b></p>
<p>Promoting a safety culture by adopting practices and systems that ensure a safe working environment and offering health and safety training courses, as well as firefighting and first aid</p>	<p>Ensuring an inclusive environment for employees and for guests, encouraging respect and value in relation to each individual's diversity, rejecting any form of discriminatory conduct.</p>	<p>Improving the quality of life of employees, with the development of welfare initiatives to ensure their wellbeing. Promoting training courses with a view to upskilling.</p>

## Governance

<p><b>Ethics and integrity</b></p>	<p><b>Responsible management of the supply chain</b></p>
<p>Adopting a system of governance and compliance for the carrying on of business founded on principles of legality, ethics and integrity in order to combat and prevent any form of corruption</p>	<p>Pursuing responsible procurement practices, ensuring that suppliers act in full compliance with the ESG principles.</p>

## Community and Development

<p><b>Contribution to local economic development</b></p>	<p><b>Culture of innovation and digitalisation</b></p>
<p>Developing initiatives and partnership with the local community in order to encourage the social and economic growth of the area in which Villa Erba operates its business</p>	<p>Promoting technological and digital development so as to implement existing customer services and create new ones while encouraging events that have themes of innovation and sustainability</p>

## Customers

<p><b>Quality of services and transparent communication</b></p>
<p>Offering a safe, secure and reliable service on time while monitoring customer satisfaction. Maintaining a relationship of trust with the stakeholders, ensuring they receive correct information on all the activities and services.</p>

## 7 Human Capital



Villa Erba devotes great attention and considerable effort to the care of its human capital. The people who actually carry out its works are fundamental to its prestige and standing.

It is important to emphasise that human capital refers not only to the employees of Villa Erba, but also to those who work with the company, non-employee workers, suppliers and to all those who provide their services to the company together to ensure that the highest levels of elegance and efficiency are achieved.

Due to the special nature of the business carried on by the Company, the latter groups are in fact the most numerous. Human resources, whether directly or indirectly connected to Villa Erba, are both a strategic element and a real asset for the Company. One of the main aims of Villa Erba is to bring out the talents and diversity of all the people involved in its activities, respecting their opinions and drawing out their values, such that they are increasingly aligned with those of Villa Erba itself.

### 7.1 Health and safety

Villa Erba's Health and Safety Policy in the workplace adopts the simplified health and safety organisation and management required by Legislative Decree 231/2001 and the ISO 45001:2018 standard. For the company it is vitally important to take all initiatives necessary for the implementation of a safety management system capable of ensuring the excellence of the services offered and the efficiency of the processes that contribute to their performance.

There are the Workers' Safety Representative (RLS), internal to the company, and the Prevention and Protection Service Manager (PPSM), external to the company, although this not mandatory for the number of employees. Workers may report any work-related hazards and potential hazardous situations by specific means, with the Risk Assessment Document (RAD) including a form that can be signed or posted anonymously in a 'special box' located in the coffee room, the key to which is available only to the Supervisory Board.

The Supervisory Board is responsible for checking that the health and safety management system is implemented correctly. At Villa Erba there is a system of communication to all personnel regarding regulations, including those on health and safety.

On the matter of health and safety, first aid and fire-fighting training courses, all obligations and deadlines for compulsory training are met. Villa Erba facilitates employees' access to medical and health care services by offering employees health coverage in the form of a welfare benefit arrangement. To ensure health and safety at work during the pandemic, an appropriate 'Covid-19' pandemic safety protocol for demonstrations and events' was put into effect.

In the three-year period 2020-2022 no accidents occurred involving the employees of Villa Erba, who mostly perform office work.

#### Injuries to employees (GRI-403-g)

	2022		2021		2020	
	women	men	women	men	women	men
<b>Number of work-related injuries recorded</b>	0	0	0	0	0	0

As can be seen from the table below, there was one accident, not serious, among non-employees in 2021.

#### Injuries to non-employee personnel (GRI 403-g)

	2022		2021		2020	
	women	men	women	men	women	men
<b>Number of work-related injuries recorded for non-employees</b>	0	0	0	1	0	0

There were no near misses from 2020 to 2022 among employees or non-employees.

In addition, Villa Erba has a Medical Officer in possession of one of the qualifications and training and professional requirements referred to in Article 38, who works in cooperation, in accordance with in Article 29, paragraph 1, with the employer on risk assessment and is appointed by the employer to carry out health monitoring and for all the other tasks referred to in decree 81 of 2008.

No occupational illnesses were recorded either among employees nor among non-employees.

Finally, the Company has drawn up a set of procedures and regulations for managing the main activities that characterise its business, such as, for example, the 'Regulations for external suppliers during setting up and dismantling in the areas of Villa Erba S.p.A. (historic villa and pertaining area)', which are made known to all suppliers, who are required to sign these.



## 7.2 Employee wellness and training

The Company makes all means available to ensure that its employees, as well also as external workers and partners with whom it comes into contact, have the best possible experience of working with Villa Erba, with their well-being, training and involvement very much at the company's heart.

A training project for workers on corporate wellbeing was launched at the end of 2019 with a number of sessions with a psychologist. The aim was to draw attention to the matter of 'organisational wellbeing' to personnel and management, understood as continuous attention by the Company to the physical, psychological and social health needs of individuals considered as a whole. The initiative had the further objective of encouraging people to reflect on the work group as a psycho-social system, as well as to share awareness of the centrality in the organisation as a 'team', and hence

in terms of collaboration and integration within the working group. The initiative fostered awareness of the importance of information, communication and relationships within the working group, involving the attendees in working on analysis, diagnosis, and proposing ways of arriving at improved solutions to shared problems and critical issues.

The result of the initiative also made it possible to circumscribe a number of issues that could be placed within the scope of training sessions aimed at improving various situations that emerged in the process.

Villa Erba offers a remuneration package that includes benefits, including life insurance, health care and pension contributions.

### Benefits provided for full-time employees, but not to those working part-time or with fixed-term contracts (GRI 402-1)

Benefits	2022				2021				2020			
	Open term		Fixed term		Open term		Fixed term		Open term		Fixed term	
	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time
Life insurance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health insurance	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	No	No
Insurance cover for disability and invalidity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Parental leave	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pensions contributions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shares	No	No	No	No	No	No	No	No	No	No	No	No
Misc. (e.g. Company car, loans, meal vouchers, expenses vouchers etc.)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The most significant benefits in terms of investment regard pension contributions, health care and spending on meal vouchers. In 2022, these involved all Villa Erba staff in the areas of life insurance, health insurance, disability and invalidity insurance, expenses vouchers, meal vouchers, and accident insurance, while pension contributions were made for 5 people.

### Benefits provided for full-time employees but not for those working part-time or for a fixed term (GRI 402-1)

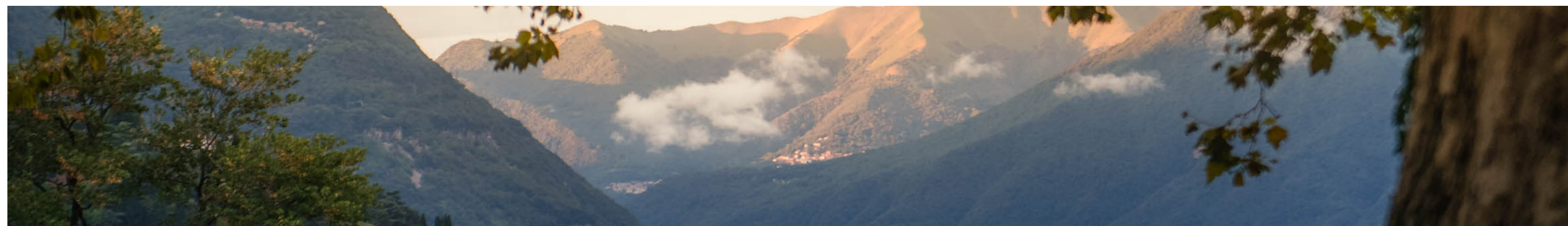
Welfare initiatives in €	2022	2021	2020
Pensions contributions	29.488	29.969	23.760
Life insurance	1.742	1.746	1.561
Health insurance	16.470	14.850	18.299
Insurance cover for disability and invalidity	455	529	489
Misc. expenses vouchers	4.456	0	2.002
Meal vouchers	15.906	14.440	10.674
Parental leave	0	0	0
Misc. – injury policies	1.937	2.032	1.959
<b>Total</b>	<b>70.454</b>	<b>63.566</b>	<b>58.745</b>

As can be seen from the reported data, 2020 was greatly influenced by the effects of the pandemic. The data for 2021 and especially for 2022 show an upturn in the figures in line with those of the pre-pandemic years.

### Benefits provided for full-time employees but not for those working part-time or for a fixed term (GRI 402-1)

Welfare initiatives – persons involved	2022	2021	2020
Pensions contributions	5	5	1
Life insurance	13	11	12
Health insurance	13	11	12
Insurance cover for disability and invalidity	13	11	12
Misc. expenses vouchers	13	0	11
Meal vouchers	13	12	12
Parental leave	0	0	0
Misc. – injury policies	13	11	12

Already in 2020 and 2021, some work-from-home days were granted to Villa Erba staff in response to the pandemic emergency. In 2022 WFH was recognised as a functional tool to ensure greater well-being and life-work flexibility. Villa Erba therefore signed, at the end of August 2022, the 'Individual Agreement for the performance of work in flexible working mode pursuant to Articles 18 et seq. of Law 81/2017' with its employees. Since then, employees have been able to take advantage of up to two WFH days per week, subject to agreement with their manager.



Developing the skills of Villa Erba's staff is a key aspect of the care and attention that typifies the company's relationship with its employees. Although 2020 saw a drastic drop in the total number of hours given over to training due to the pandemic, an increase can be seen in 2021 and an even greater upturn in 2022. The trend is illustrative of Villa Erba's commitment to its human capital.

The main courses provided cover areas closely related to the Villa's operational activity, that is to say in the fields of health and safety, fire-fighting, first aid and courses geared towards the professional development of specific skills such as selling techniques.

#### Break down of training hours by subject (GRI 404-1)

	2022	2021	2020
Health and safety and firefighting	88	36	24
Privacy	8	0	0
First aid	30	36	12
Selling techniques	0	16	0
<b>Total</b>	<b>126</b>	<b>88</b>	<b>36</b>

#### Break down of training by staff position (GRI 404-1)

	2022		2021		2020	
	women	men	women	men	women	men
Managers	0	0	0	0	0	4
Staff	80	46	56	32	16	16
<b>Total</b>	<b>80</b>	<b>46</b>	<b>56</b>	<b>32</b>	<b>16</b>	<b>20</b>

#### Hours training by staff position (GRI 404-1)

	2022		2021		2020	
	women	men	women	men	women	men
Managers	0	0	0	0	0	4,0
Staff	10,0	11,5	8,0	8,0	2,7	3,2
<b>Total</b>	<b>10,0</b>	<b>9,2</b>	<b>8,0</b>	<b>8,0</b>	<b>2,7</b>	<b>3,3</b>



## 7.3 Diversity and inclusion

The employees of Villa Erba are a rather limited number of highly trustworthy people who have been working at the Villa for several years and the number of employees has remained more or less constant during the three-year period 2020-2022.

The termination of employment of one man, which occurred in 2020, was compensated by the hiring of a woman in 2021. In 2022 there has been further recruitment of women, bringing the total number of female employees to 8. As of 31.12.22 Villa Erba had a total of 13 employees, the majority of whom, 62%, were women.



#### Employees by staff position (GRI 405-1)

	2022					2021		2020	
	women	% women	men	% men	total	women	men	women	men
Managers	0	-	1	100%	1	0	1	0	1
Staff	8	67%	4	33%	12	7	4	6	5
<b>Total</b>	<b>8</b>	<b>62%</b>	<b>5</b>	<b>38%</b>	<b>13</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>6</b>

The greater part of the employees, i.e. 7 out of 13, are in the age-group 30 to 50.

#### Employees by age-group (GRI 405-1)

	2022			2021		2020	
	women	men	total	women	men	women	men
< 30	2	0	2	2	0	1	1
30-50	4	3	7	4	4	4	3
> 50	2	2	4	1	1	1	2
<b>Total</b>	<b>8</b>	<b>5</b>	<b>13</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>6</b>

In 2022, almost all employment contracts (92%) were for an open term. Only one fixed-term employee was reported during the year, an indication of the fact that, due to the particular nature of its business, Villa Erba sometimes hires on fixed-term contracts to deal with extraordinary management situations.

#### Staff by employment contract type (GRI 2-7)

	2022			2021		2020	
	women	men	total	women	men	women	men
Open term	7	5	12	7	5	6	6
Fixed term	1	0	1	0	0	0	0
Employees without guaranteed hours (on call)	0	0	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>5</b>	<b>13</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>6</b>

In 2022, approximately 77% of employees worked full-time, while the remaining 23% were employed part-time.

Staff by type of employment (GRI 2-7)

	2022			2021		2020	
	women	men	total	women	men	women	men
Full-time	6	4	10	5	5	4	6
Part-time	2	1	3	2	0	2	0
Total	8	5	13	7	5	6	6

In the three-year period 2020-2022, all of Villa Erba's employees, including part-time employees, had contracts covered by collective bargaining agreements.

Contracts covered by collective bargaining agreements (GRI 2-30)

	2022	2021	2020
Total employees	13	12	12
Employees with collective bargaining contracts	13	12	12
% employees with collective bargaining contracts	100%	100%	100%

The 'Staff Selection Rules' that Villa Erba has put in place permit good management of all stages of its relationship with the staff. It governs recruitment and selection procedures by the Company and rules of publication designed to assure the principles of transparency, publicity, comparison and impartiality. In addition, all documents relating to the employment relationship with Villa Erba are processed and filed by the Human Resources Department in full compliance with the law on the recruitment and selection of employees. The HR office works in full compliance with the Privacy Law, as set out in Villa Erba's document 'Processing of personal data of workers for the purposes of managing the employment relationship'.

By way of confirmation of its commitment to the development of individuals and of the local community, the Company has resumed its university internships and school/work alternation programmes, suspended in 2020 because of the pandemic. In fact, in 2021 it put three of these into effect and in 2022.

Finally, in the three-year period 2020-2022, no incidents of discrimination occurred at Villa Erba.



## 8 Care for Community Development



### 8.1 Contribution to social economic development

Over time, Villa Erba has become a valuable reference point for the **culture of the area** to which it belongs, and it supports the local community through its social action plan. As set forth in its Articles of Association upon its foundation, the Company decided to allocate 25% of its profits to economic, social, tourism and environmental initiatives to contribute to economic development and the promotion of tourism and the environment in the Province of Como.

Villa Erba is always been keen to contribute to the region through **sponsorships, donations and/or charities**. In 2021, €30,000 was earmarked to the Fondazione Provinciale della Comunità Comasca onlus for the purchase of, respectively, a programme for the performance of VABBs (*Vacuum Assisted Breast Biopsy*) and *Mammotone* revolve equipment for improved histological testing.

These procedures are part of the breast cancer prevention programme that enable state-of-the-art computerised biopsy samples to be taken without resorting to traditional and more invasive biopsies. In 2022, Villa Erba invested €12,500 in the local community, of which €10,000 for the Christmas illumination of Cernobbio as part of *Città dei Balocchi* (Toy Town) Lake Como initiative and €2,500 for the charity initiative 'Quadri d'autore' (paintings) - the 'Confindustria Como fund: One Hundred Years of Social Responsibility'.

Since 2018, Villa Erba has also offered **cultural events with free** or subsidised admission for the involvement of the local community. In 2022, as part of the #CulturaVillaErba, numerous cultural events open to the public were organised for the community.

The #CulturaVillaErba breaks down into three main parts:

#### Culture

A true and brilliant process for activation of the community through cooperation with associations and professionals in the world of culture, with the patronage of local authorities and the support of banks

#### The local territory

Making Villa Erba Park a place for open meeting and sharing for the public at large

#### Social history

Offering opportunities for the recreation and celebration of local and unique traditions of the Lake Como area



## Activities and events with a great impact on the local area

### FOOD4GOOD

In 2019 Villa Erba actively worked with local non-profit organisations in the circular economy initiative FOOD4GOOD aimed at recovering and redistributing surplus food in favour of the needy at the end of some events held at the Villa.

### Vaccination hub

Villa Erba played a key role in the vaccination campaign in the area by putting itself at the service of the community and taking positive action in the face of the particular need. The Azienda Socio-Sanitaria Territoriale Lariana used the Congress Centre as a vaccination hub from 12th April to 15th August 2021. The centre was operational every day from 8 a.m. to 8 p.m. and the vaccination campaign was used by 216,863 local people.

From a practical point of view, to ensure maximum safety during the vaccination campaign, the central pavilion, usually used for trade fairs and congresses, was adapted to the task. The ample parking spaces offered made it easy for people to get to the hub itself. The small contribution required for the car park made it possible to collect a total of €30,000 that was passed on by Villa Erba to the Sant'Anna Fund in Como to pay for equipment, doctors, and support projects needed for the work of the Sant'Anna hospital.

Local people have made their voices heard by expressing their appreciation for this initiative, including publicly in the press and in social media. Despite the tragic circumstances of Covid-19, the project highlighted the commitment, understanding and the raising of awareness for everyone, including doctors, carers, volunteers and staff at Villa Erba.

### Sport

The project was managed by the Municipality of Cernobbio and allowed local people to do outdoor sports at weekends, free of charge, and with specialised staff at the Galoppatoio di Villa Erba during the summer months of 2022.

### Concerts

In July 2022, Villa Erba hosted a Conservatoire concert at the Historic Villa, and in September of the same year, three evenings of concerts were put on for young audiences in the Galoppatoio area of the villa.

### Collaboration with As.Li.Co.

Two performances were organised by As.Li.Co. (Associazione Lirica e Concertistica - Teatro Sociale di Como) in July and December at the Historic Villa and in the Exhibition Centre.



### Città dei Balocchi

Also noteworthy was the 29th Città dei Balocchi (Toy Town) Lake Como, the Christmas initiative hosted at the centuries-old Villa Erba Park from 7th December 2022 to 8th January 2023. In line with previous occasions, the philosophy was to grasp the opportunity to provide excitement, with the living out of dreams, entertainment, culture, food and wine, education and art. The aim was to create an 'original' Toy Town Christmas Market within the grounds of Villa Erba Park. The by-word for the event was solidarity. There were in fact two Solidarity Houses at the Christmas Fair, hosting voluntary and tertiary sector associations free of charge to pitch their activities and initiatives for sharing.

## SUPPORT FOR THE LOCAL COMMUNITY – THE FIGURES

The following are the data for the three-year period 2020-2022 relating to the economic value directly produced by Villa Erba, to that distributed to the community and to that kept within the company.

### Economic value directly generated and distributed (GRI 201-1) - figures in €

2022							
Economic value directly generated	Distributed economic value						Economic value withheld
Revenues	Operating costs	Employees' salaries and benefits	Payments at capital suppliers	Payments to the public administration	Investments in the community	Other distributed economic value	
13.499.313	10.160.095	814.116	60.066	336.089	12.500	0	2.116.447
2021							
Economic value directly generated	Distributed economic value						Economic value withheld
Revenues	Operating costs	Employees' salaries and benefits	Payments at capital suppliers	Payments to the public administration	Investments in the community	Other distributed economic value	
8.734.264	4.871.969	718.681	18.774	139.891	30.000	0	2.954.949
2020							
Economic value directly generated	Distributed economic value						Economic value withheld
Revenues	Operating costs	Employees' salaries and benefits	Payments at capital suppliers	Payments to the public administration	Investments in the community	Other distributed economic value	
1.547.165	1.444.758	504.171	18.843	135.904	3.000	0	-559.511



## 8.2 A culture of innovation and digitalisation

### The Digitalisation project

Villa Erba greatly values a culture of innovation and in recent years has invested a great deal in its digitalisation programme, that was completed in 2022, designed to better meet the increasing demand for technological services by customers and guests. The complete digitalisation of the exhibition spaces has been achieved through the creation of a **Digital hardware and software Platform**.

The Digital Platform enables automation and digitalisation of innovative and effective management and communication services for the visitor or guest, as well as for the Exhibitor and Event and Exhibition Organisers. In addition, the platform makes possible the organisation of **'hybrid' events**, in which some of the participants are present in person and others are virtually present, with obvious advantages in terms of how many can take advantage of the event.

**Visitors**, even before the start of the event, can access certain digital services from their own devices (i.e. PCs, smartphones, tablets, bracelets, smartwatches and other wearable devices), to complete their access account and facilitate matching with others visitors and exhibitors during the event. It is also possible to consult the event agenda, work out a personal tour of exhibitors and workshops and schedule appointments with other visitors.

Visitors can also make the most of their stay by purchasing additional services in the Villa Erba ecosystem, such as parking, video conferencing, meeting rooms, as well as obtaining access to local sites and amenities such as museums, ferries, restaurants, and travel, through the platform's links with existing networks and marketplaces, such as Airbnb, TheFork, and Musement.

At the end of the event, the visitor can check-out using a single account for all internal and external services that have been used. This account is settled in real time using common mobile payment means. Being part of the Community, the Visitor leaves a digital trace of all encounters, the appointments in their diary, the additional services they have chosen and the local experiences they have paid for. In this way, the visitor profile is developed with more information, becoming strategic for the re-marketing activities of Partners, Event Organisers and Exhibitors. The **Exhibitor**, too, in the run-up to the start of the event, can access the digital services dedicated to him and involving Logistics, Content and Hospitality, in ways that improve the quality of the stay during the Villa Erba event, both for staff and guests. At the time of the event, exhibitors can access digital services designed for the effective management of their presence by supporting both its staff and its guests with smart tools. The Exhibitor can monitor real-time data on visitor attendance, matching, meetings and contacts and, once the event is over, have at their disposal a summary dashboard to check the effectiveness of their activities.

Finally, the **Organiser** can also benefit from these systems at all stages for its own event management. The Organiser can in real time access digital services designed for the effective management of Exhibitor and Visitor attendance and, through the use of Data Analysis, precisely monitor the event's progress with granularity down to the individual visitor. Moreover, through use of the CRM platform, the Organiser can organise targeted campaigns in relation to its exhibitors, customers, guests and contacts. On the conclusion of the event, the Organiser has a dashboard providing access to all event data (including attendance, matching, meetings, and contacts).

With its Digitalisation Project, Villa Erba has thus created a Platform that makes use both of innovative technologies such as Internet of Things, Data Analysis,

AI, and Machine Learning as well as more established technologies such as CRM, Group Collaboration, and Digital Signage. The result is the delivery of more advanced Digital Marketing services, the redesign of the area's ecosystem by creating new relationships and digitalising existing systems, a rethink of the area's positioning by extending its boundaries and profile, and introducing internationalisation instruments.



## 9 Care for the environment



When it comes to environmental issues, Villa Erba does not limit itself to regulatory compliance but goes much further, looking to future generations. To this end, it embraces state-of-the-art technology to minimise the impact of the business on the environment and works to a sustainable development plan for activities that conserve the environment.

The Company aims to prevent any damage to the environment rather seeking to repair any damage after the fact. So it is that Villa Erba adopts measures to limit or where possible eliminate the negative impact of its economic activity on the environment both in the event of an actual risk of damaging or dangerous events and in the eventuality of exposure to probable risks.



### 9.1 Responsible energy management and reducing emissions

The energy consumption of Villa Erba in the three-year period 2020-2022 are shown here in the table below.

Total energy consumption (GRI 302-1)	2022	2021	2020
<b>Total direct energy consumption (Gj)</b>	2.612	4.025	987
<i>Non-renewable sources (Gj)</i>	2.533	3.950	926
<i>Natural gas (fuel burnt for heating) cubic metres</i>	63.693	99.476	23.372
<i>By company vehicles (Gj)</i>	79	75	61
<i>Petrol (l)</i>	43	35	40
<i>Diesel (l)</i>	2.042	1.926	1.559
<b>Total indirect energy consumption (Gj)</b>	3.087	2.869	1.491
<i>Electricity purchased (kWh)</i>	857.511	796.794	414.059
<i>Non-renewable sources (kWh)</i>	857.511	796.794	414.059
<b>Total (Gj)</b>	<b>5.699</b>	<b>6.894</b>	<b>2.478</b>

Here below are the energy intensity figures:

Energy intensity within the organisation (GRI 302-3)	2022	2021	2020
<b>Energy intensity</b>	0,011	0,006	0,072

2 Energy intensity (Gj/m3) is given by the ratio between energy consumption and the estimated use of Villa Erba spaces during events."

Measuring its Carbon footprint is a fundamental step on Villa Erba's sustainability journey.

In particular, based on the GHG Protocol, the calculation for Scope 1 has been carried out to investigate direct emissions from owned sources or those controlled by the Company, and for Scope 2 so that indirect greenhouse gas emissions are taken into account. Electricity purchased by Villa Erba, for example, is considered an indirect emission. Specifically, Scope 2 has been calculated according both to the Location based method and to the Market based method.



Here below are the carbon footprint measurements.

Energy consumption as tonnes of CO <sub>2</sub> e <sup>3</sup>	2022	2021	2020
Scope 1 (GRI 305-1)	134	206	51
Scope 2 - Location based (GRI 305-2)	224	223	123
Scope 2 - Market based (GRI 305-2)	392	366	193

<sup>3</sup> The calculation of CO<sub>2</sub> emissions, differentiated into Scope 1 and 2, was done in accordance with GHG Protocol guidelines; emission factors were derived from official sources and are in line with our best practices.

2020 *Scope 1* and *Scope 2* Location based and Market based data were much affected by the pandemic and show the effect of the lock-downs and resulting impossibility of holding events at Villa Erba.

Although Villa Erba does not carry out activities with a particular impact on the environment, it has always managed this aspect very carefully through targeted control. As far back as the two-year period 2011-2012, the Company started **efficiency enhancement activities according to specific energy diagnoses**.

To date, the most important energy efficiency initiative at Villa Erba is its **modern renewable-energy air conditioning system** in the Congress Centre. The plant draws water directly from the lake at a temperature of 6-7°C to cool the exhibition centre spaces and, by doing so, Villa Erba does not need to have recourse to intermediate motors with thermodynamic cycles. The result of this system is a 95% reduction in CO<sub>2</sub> and heat emissions into the atmosphere and a significant reduction in electricity consumption. The absence of any artificially air-cooled refrigerators also permits the reduction of noise pollution to zero, the elimination of refrigerant gases and the reduction of maintenance costs.

Another project aiming at energy efficiency is **re-lamping with LED lights** as carried out in December of 2021. The result of this is that the lighting system of the exhibition centre now only uses low-energy LED lamps. In addition, **conservative restoration of the window frames** was performed and completed in the spring of 2022. The project involved part of the windows and doors on the first floor of Villa Erba and was intended to restore them to their original condition and, by replacing the glass, to improve the building's insulation. As well as these already completed projects, there have been two major investment projects in Villa Erba in 2022 which, barring unforeseeable events, will be finalised by the end of 2023.

These are the **replacement of the boiler compartment** of the Exhibition Centre, and the installation of canopies with photovoltaic panels on the ground-level car park of Villa Erba which will make possible the introduction of charging stations for electric vehicles.

With the **redevelopment of the heating system for the Exhibition Centre**, Villa Erba aims to carry out the complete replacement of the boiler compartment currently installed in the Congress Centre.

The Centre consists of a central pavilion with connected three wings. All sectors are served mainly by wall-mounted fan heater units and by air treatment units for air circulation, while the parts of the building known as 'Towers' have some cast-iron radiators as emission terminals. The existing system is centralised and consists of three methane gas boilers, dated 1987, of the CARBOFUEL brand, with a total power total output of 2,095 kW at the burner and 1,843 kW useful overall energy.

The design study and the arrangement of the planned construction work have been developed with the aim of achieving the best possible result in terms of energy efficiency, as well as to be almost totally devoid of masonry and building works. Heating units have therefore been chosen equipped with modular multi-burner technology. This makes them extremely compact, which will facilitate their installation. The boilers will therefore be replaced with two new cascade condensing thermal units, managed by advanced boiler electronics. The generators are able to modulate their power from 20.7 kW to 947 kW, thus adapting to the needs of the system, even in the case of only partial use, just in some areas of the building. The generators will be of condensation type and compliant with current regulations. A heat exchanger will also be installed that will separate the primary circuit of the boilers from the existing secondary circuit.

The total planned expenditure for this work is 250,000 euros and breaks down as follows:

- **installation of a new boiler** modular floor-standing condensing boiler and its hydraulic heat exchanger for primary and secondary circuit disconnection, fuelled by methane gas and positioned in the central heating system;
- **refurbishment of the cold water inlet unit** and water loading of the heating circuit, with dosing system as required by DPR 59/09 and subsequent updates;
- **modification of the methane gas line** inside the room, connection to the new heating unit and safety accessories integration;
- **new management**, regulation and supervision system for the temperature with climatic compensation for all heating circuits in the various rooms;
- **ancillary intervention** to ensure proper operation of the heating units, including installation regulation system, adaptation of flue gas expulsion, installation of a sludge remover, and system flushing.

With the above work, it is estimated that **gas consumption will be improved by 20%**, with a proportional reduction in costs, and with flexible heating modularity so that only the rooms actually in use for conferences and trade fairs will be using energy.

With the **construction of a photovoltaic system**, Villa Erba is investing in the self-production of renewable energy. The project plan is to install a first phase photovoltaic system in the car park with a carport system of low impact colour consistent with the site's image, followed by a second stage with another on the roof of the Exhibition Centre. The Company is currently just waiting for the Superintendency to carry out the appropriate checks and to obtain the necessary authorisation for photovoltaic cells from the competent authorities.

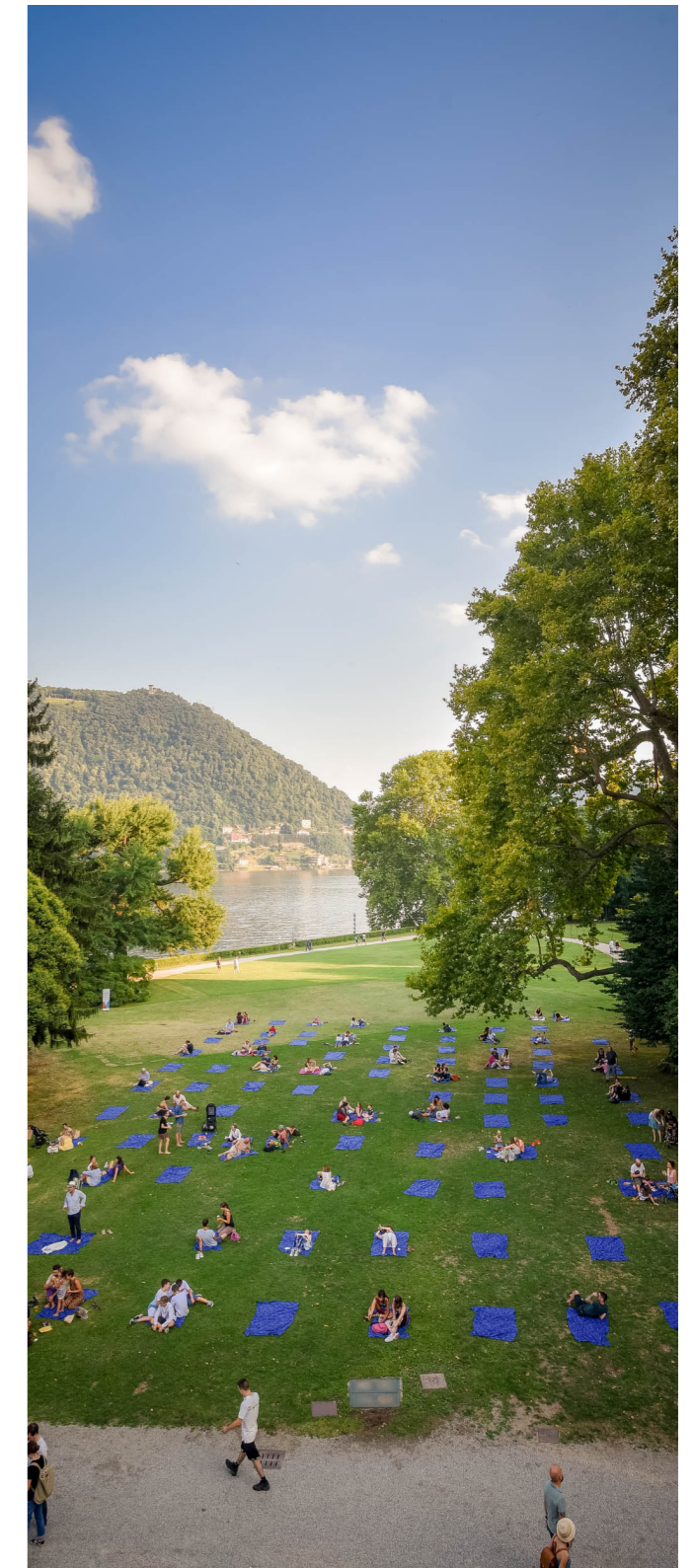
Once these have in fact been obtained, work will proceed on the installation of the canopies equipped with photovoltaic panels (solar parking) at the ground level of the car park of Villa Erba. This will lead to an improvement in energy performance and, as the car park at the moment lacks roofing, the installation will also provide sun canopies for the parked cars, especially important during the spring and summer months, with resulting aesthetic and functional improvements to the area. To optimise the distribution of the panels and the power produced by the system, the actual distribution of parking spaces will be re-appraised with a view to its modification. It is assumed that 68 parking spaces will be achieved, with coverage from 4 modular structures housing 76 panels each, giving a total of 304 photovoltaic modules.

From the energy standpoint, by installing SunPower Performance 6 modules of 500 Wp (peak power) 152 KWp of power will be achieved, which converted according the geographical location, will lead to a total power output of approximately 175,000 KWh/year.

The planned expenditure for the photovoltaic and installation of charging stations for electric vehicles amounts to 550,000€. To this must be added the cost of ancillary construction works of 60,000€ and technical costs of 4,160€.

By introducing photovoltaic panels, with the estimated production of 175,000 KWh/year, and assuming self-consumption of 60% and an energy cost of 60 c€/KWh, a saving of 63,000€ will be achieved. If the remaining 40% is sold at an average of 40 c€/KWh (the result of selling at PUN/2 and the 10.8 c€/KWh incentive), this will result in 24,000€/year to achieve a total saving of 87,000€.

For both of the installations planned for 2023 as illustrated above, to optimise the financial management of the works, Villa Erba S.p.A. will act as general contractor, directly managing all the suppliers involved including those in charge of the design and ancillary works.



## 9.2 Responsible waste management and circularity

**Villa Erba does not produce hazardous waste.** Minimal quantities of waste are generated by ordinary business and to a large extent is directly related to the events it puts on.

In carrying out its activities, Villa Erba applies, to the extent of its competence, the environmental legislation also with regard to proper and lawful management of waste as carefully as is possible with separated collection in marked bins to encourage best recycling.

Waste disposal related to ordinary activities, such as office paper, plastic, and wet waste, follows the separate collection rules and a municipal contracting company picks up and disposes on a weekly basis what are in fact modest quantities.

As far as post-event waste is concerned, a distinction must be made between recyclable waste such as organic

waste, plastic, paper and glass and other bulky waste and various materials that are not easily recyclable such as carpets and some packaging. The former groups are disposed of by a municipal contracting company while the latter are collected by a third-party supplier, specialised in non-hazardous waste disposal. This is paid for on the basis of the total weight of the skips from which the waste is collected. The Transport Document (DDT) issued by the third party traces the quantity in kg of non-hazardous material collected. It is the third party supplier who is responsible for the disposal of this waste.

Below are the quantity figures for the non-hazardous waste non-hazardous waste produced by the Company. Naturally the increase in non-hazardous waste over the three-year period is due to the full resumption of business and the figures for 2020 are a consequence of the lockdown.

Waste production (in kg) GRI 306 – 3)	2022	2021	2020
<b>Total non-hazardous waste</b>	147.540	137.130	40.640
<b>Total hazardous waste</b>	0	0	0
<b>Total waste</b>	<b>147.540</b>	<b>137.130</b>	<b>40.640</b>

Villa Erba is also very much committed to **effectively managing food leftovers to combat waste**, as an example of circularity, with the waste becoming a resource. The FOOD4GOOD is a project that comes from Federcongressi&eventi, and one that Villa Erba joined in 2019 in collaboration with local non-profit organisations Banco Alimentare, Equoevento and other charities. The catering companies take care to recover excess food at the end of the event and, through Banco Alimentare and Equoevento, they contact the local non-profit organisations where events are held so that the food is delivered to charitable organisations such as foster homes, soup kitchens and refugee centres. The project has not been resubmitted due to certain complexities related to the need to guarantee maintenance of the cold chain in the storage of leftover food and the need to have a third-party present late at night at the end of the events.



### The Deloitte Event

In the case of major events held at Villa Erba, that of Deloitte in 2022 is a good example of how the waste produced was correctly disposed of and recycled through the use of large skips for separate collection of different materials. Paper and cardboard were taken to pulp and subsequently reused to create recycled paper.

Plastic-based waste was reused to make recycled plastic. Wood and timber were converted into chipboard and the glass has been reused to make new glass. The mixed waste was also controlled and disposed of according to separate waste collection rules.

## 9.3 Responsible use of water resources

The most water-intensive activities at Villa Erba are the irrigation of the grounds and the cleaning of offices and spaces, especially floors and kitchens at the end of events.

**For irrigation purposes and for the exhibition centre's cooling system, water is taken from the lake and returned to it after use.** A contracted company is put in charge of the annual monitoring of the water temperature both in and outside the air-conditioning system to prevent any excessively high difference between the two measurements as this could cause damage to the ecosystem. For civil uses, such as sanitary and heating water, the uptake is from the aqueduct and consumption is carefully monitored to avoid any waste, and to ensure that the Company can intervene promptly in the event of any leakage.

The table below shows the fresh water intake by Villa Erba in the three-year period 2020-2022.

### Total water uptake (in mega litres) (GRI 303 – 3 )

	2022	2021	2020
<b>Surface water – fresh water</b>	29,2	50,5	17,5

Here below are the waste water figures.

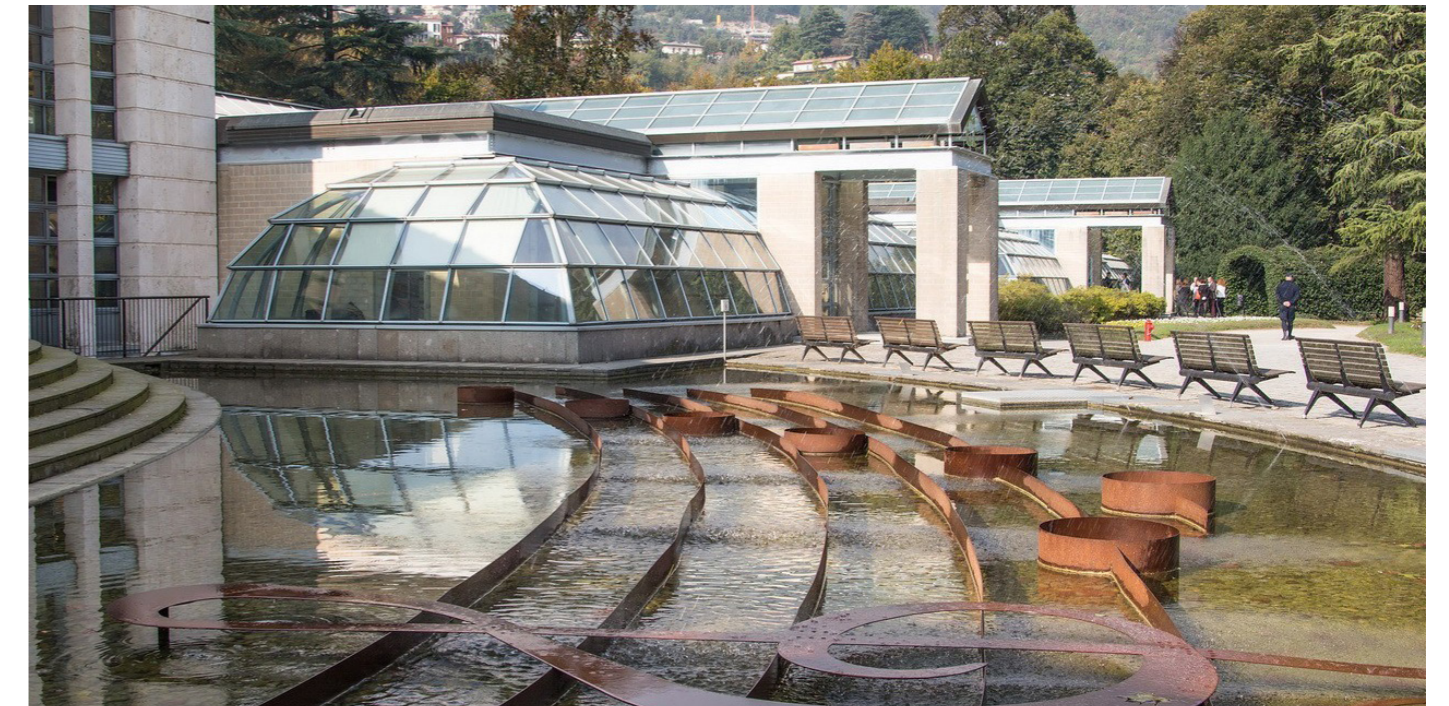
### Total waste water (in mega litres) (GRI 303 – 4)

	2022	2021	2020
<b>Surface water – fresh water</b>	13,7	32,9	10,7

The data below show the actual consumption of water from 2020 to 2022, i.e. the quantity of water not reused during the period.

### Total water consumption for all areas (in mega litres) (GRI 303 – 5)

	2022	2021	2020
<b>Surface water – fresh water</b>	15,5	17,6	6,8



## 9.4 Protection of biodiversity

The centuries-old park is natural capital for Villa Erba and contributes greatly to its charm.

This wonderful heritage requires special care as the biodiversity of the ornamental, rare, exotic, and centuries-old plants in the park has to be protected. In addition to the daily care of the park that is entrusted to expert gardeners, a specialist agronomist has the task of assessing and preserving the health of the plants over time, especially in the cases of any endangered or particularly vulnerable species.



**Ginkgo  
Biloba**

To emphasise the variety and the importance of the rare specimens, there are illustrative signs in the park to enable everyone to understand and appreciate their characteristics and uniqueness.

Special attention is paid to the Ginkgo biloba. It is the only surviving species of the Ginkgoaceae family, whose origins date back 250 million years and it is thus truly a living fossil. According to the International Union for the Conservation of Nature (IUCN), the Ginkgo biloba at Villa Erba is classified on its 'Red List' as a specimen of an endangered species.



**Indian  
Horsechestnut**

Visitors to the grounds can also enjoy the sight of such exotic specimens such as the American Maple, introduced to Europe in 1688, the Indian Horse Chestnut, the Himalayan Cedar, native to the western slope of the great Asian mountain chain, the Lawson's Cypress native to North America as well as fine European examples such as the Common Beech or Western Beech. Also according to the IUCN Red List, the Indian Horse Chestnut is considered a vulnerable species, while Lawson's Cypress is considered a near-threatened species.

Of lesser concern, following the 'Red List' classification are the specimens of privet, a shrub mentioned by Virgil and the Roman naturalist Gaius Pliny the Second, the fragrant Osmanthus from China and Japan, the magnificent and majestic magnolias grandiflora that offer abundant colourful blooms, and the Crepe Myrtle, a small tree native to south-eastern China and found, in the wild, also in South-East Asia. Strolling through the park in the summer, there is the intoxicating scent of the Lime tree, a native of the northern hemisphere, whose name in Italian (Tiglio) derives from the Greek ptilon (feather) due to the shape of its leaf, which facilitates the spread of its seed in the wind. In the summer season coolness and relief is provided under the Weeping Willow or under the grandiose and sturdy Spanish marsh oak. There is also bog Cypress or Taxodium, a water conifer native to the United States, which has integrated perfectly into the lakeside environment of Villa Erba.

Among the many species present are the yew, which is ornamentally and geometrically pruned according to the canons of the art of topiary, the Palmate Maple, next to the historic Villa and originally from the Far East. Its leaves come in numerous shades of colour from purple to green and, among the more exotic species there are beautiful examples of a large tree native to North America called Celtis occidentalis, also known as hackberry, nettle tree, sugarberry, and beaverwood. Among the fruit trees, there is the St Andrew's tree, with its round berries. There is holly, also called Aquifolium, the spiny laurel and greater butcher's broom, which is very decorative with its shiny dark green leaves variegated with flashes of white, cream and yellow, and strongly contrasting coloured fruits. In perfect harmony with the landscape, thanks to careful pruning, there is the aromatic laurel, a medicinal plant that is also a celebrated metaphor of honour and nobility. To conclude, there are two species that are closely linked to this area, the red spruce, of the Pinaceae family, which is widespread in the Alps and throughout Europe and able reach a height of forty metres, and the aspen, a robust tree whose trunk can be three to four metres in girth, and growing to up to 25 metres tall. The following is a classification of the species of trees in Villa Erba, according to the 'Red List' of the of the International Union for Conservation of Nature (IUCN) for the three-year period 2020-2022.

IUCN 'Red List' species also in the national lists which have found their habitat in the operational area of the organisation (GRI 304 - 4)

	2022	2021	2020
<b>Critically endangered</b>	0	0	0
<b>Endangered</b>	1 <i>Ginkgo biloba</i> L. (Ginkgo biloba)	1 <i>Ginkgo biloba</i> L. (Ginkgo biloba)	1 <i>Ginkgo biloba</i> L. (Ginkgo biloba)
<b>Vulnerable</b>	1 <i>Aesculus hippocastanum</i> (Indian horsechestnut)	1 <i>Aesculus hippocastanum</i> (Indian horsechestnut)	1 <i>Aesculus hippocastanum</i> (Indian horsechestnut)
<b>Near threatened</b>	1 <i>Chamaecyparis lawsoniana</i> (Lawson's cypress)	1 <i>Chamaecyparis lawsoniana</i> (Lawson's cypress)	1 <i>Chamaecyparis lawsoniana</i> (Lawson's cypress)
<b>Less of concern</b>	18 <i>Acer negundo</i> (American acer)	18 <i>Acer negundo</i> (American acer)	18 <i>Acer negundo</i> (American acer)





IUCN 'Red List' species also in the national lists which have found their habitat in the operational area of the organisation (GRI 304 – 4)

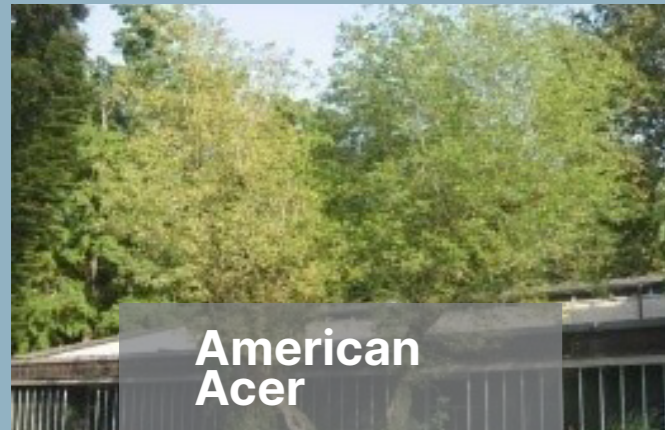
	2022	2021	2020
Less of concern	<i>Cedrus deodara</i> (Himalayan cedar)	<i>Cedrus deodara</i> (Himalayan cedar)	<i>Cedrus deodara</i> (Himalayan cedar)
	<i>Fagus sylvatica</i> (Common or western beech)	<i>Fagus sylvatica</i> (Common or western beech)	<i>Fagus sylvatica</i> (Common or western beech)
	<i>Ligustrum ovalifolium</i> (privet)	<i>Ligustrum ovalifolium</i> (privet)	<i>Ligustrum ovalifolium</i> (privet)
	<i>Osmanthus fragrans</i> (Sweet osmanthus)	<i>Osmanthus fragrans</i> (Sweet osmanthus)	<i>Osmanthus fragrans</i> (Sweet osmanthus)
	<i>Magnolia grandiflora</i> (Great magnolia)	<i>Magnolia grandiflora</i> (Great magnolia)	<i>Magnolia grandiflora</i> (Great magnolia)
	<i>Quercus palustris</i> (Bog oak)	<i>Quercus palustris</i> (Bog oak)	<i>Quercus palustris</i> (Bog oak)
	<i>Taxodium distichum</i> (Marsh cypress or bald cypress)	<i>Taxodium distichum</i> (Marsh cypress or bald cypress)	<i>Taxodium distichum</i> (Marsh cypress or bald cypress)
	<i>Taxus baccata</i> (Yew)	<i>Taxus baccata</i> (Yew)	<i>Taxus baccata</i> (Yew)
	<i>Acer palmatum</i> (Japanese maple)	<i>Acer palmatum</i> (Japanese maple)	<i>Acer palmatum</i> (Japanese maple)
	<i>Celtis occidentalis</i> (Common hackberry, Nettleberry, Sugarberry, Beaverwood)	<i>Celtis occidentalis</i> (Common hackberry, Nettleberry, Sugarberry, Beaverwood)	<i>Celtis occidentalis</i> (Common hackberry, Nettleberry, Sugarberry, Beaverwood)
	<i>Diospyros lotus</i> (St Andrew's tree)	<i>Diospyros lotus</i> (St Andrew's tree)	<i>Diospyros lotus</i> (St Andrew's tree)
	<i>Ilex aquifolium</i> (Holly)	<i>Ilex aquifolium</i> (Holly)	<i>Ilex aquifolium</i> (Holly)
	<i>Lagerstroemia indica</i> (Myrtle)	<i>Lagerstroemia indica</i> (Myrtle)	<i>Lagerstroemia indica</i> (Myrtle)
	<i>Laurus nobilis</i> (Laurel)	<i>Laurus nobilis</i> (Laurel)	<i>Laurus nobilis</i> (Laurel)
<i>Populus tremula</i> (Aspen)	<i>Populus tremula</i> (Aspen)	<i>Populus tremula</i> (Aspen)	

IUCN 'Red List' species also in the national lists which have found their habitat in the operational area of the organisation (GRI 304 – 4)

	2022	2021	2020
Less of concern	<i>Picea abies o excels</i> (Norway spruce)	<i>Picea abies o excels</i> (Norway spruce)	<i>Picea abies o excels</i> (Norway spruce)
	<i>Tilia</i> (Lime tree)	<i>Tilia</i> (Lime tree)	<i>Tilia</i> (Lime tree)
Lack of data on the IUCN "Red List" for a classification	1 <i>Salix babylonica</i> (Weeping willow)	1 <i>Salix babylonica</i> (Weeping willow)	1 <i>Salix babylonica</i> (Weeping willow)
<b>Total</b>	22	22	22



As can be seen from the table, the total number of specimens in the Park has been kept constant over the three-year period considered. Whenever it has become necessary to cut down a diseased or dangerous tree, a corresponding replacement has been planted immediately so that the ratio of 1:1 is always maintained. Villa Erba's approach is therefore based on compensation at all times.



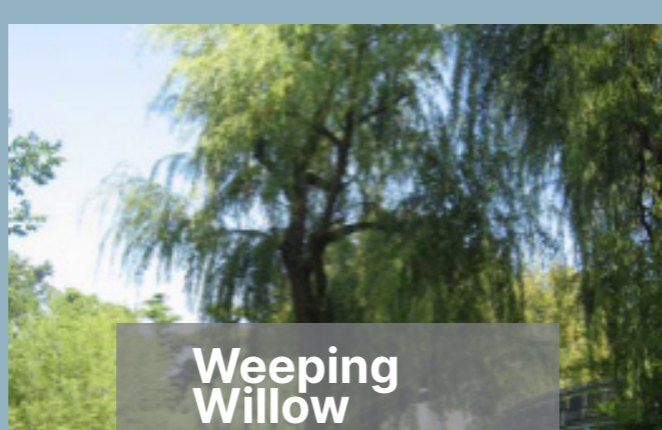
American  
Acer



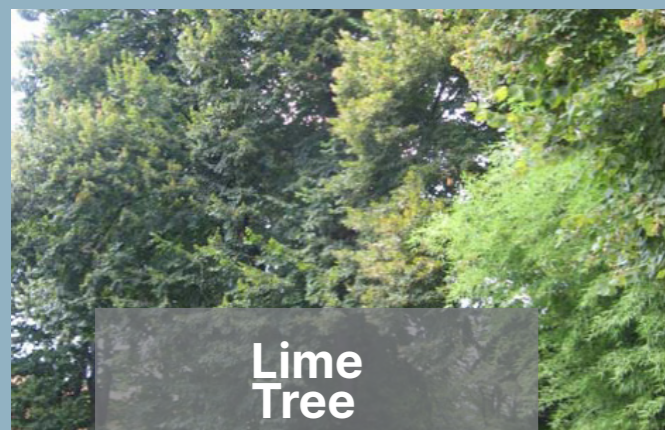
Himalayan  
Cedar



Common  
Western  
Beech



Weeping  
Willow



Lime  
Tree

## 10 Looking to the future

This first Sustainability Report 2022, presented to the Shareholders' Meeting in spring of 2023 together with together with the accompanying Economic and Financial Report, represents a crucial step in the sustainability path embarked upon by Villa Erba. Already in the ESG Company Profile of 2021, Villa Erba had started to submit its disclosures on environmental, social and good governance, but with this document that the Company has made a real commitment to report on these in accordance with widespread sustainability reporting principles, namely 'with reference to GRI Standards'.

The steps taken in recent years by Villa Erba in the area of sustainability are significant but the Company does not seek to rest on its laurels with the results achieved to date and, looking at the data and the UN 2030 Agenda, it has set itself ambitious goals for the future by redoubling, on several fronts, its efforts to promote sustainable development through its environmental and social projects.

Villa Erba has decided to formalise its commitment, especially its environmental commitment, in a Sustainability Manifesto. Specifically, the Company intends to invest in the installation of photovoltaic panels, the replacement of boilers in the Congress Centre and aims to manage events sustainably in order to qualify as a 'sustainable' exhibition and exhibition centre, achieving UNI ISO certification 20121. With this in view, Villa Erba has been measuring its Carbon Footprint and aims to identify appropriate all mitigation strategies for the steady and continued reduction in emissions until it obtains the 'Zero impact®' label, including through the use of offsetting.

Villa Erba is becoming more and more aware of its environmental impact, especially in terms of its carbon footprint, and is therefore studying ways of offsetting Scope 1 and 2 emissions through the purchase of certified and internationally recognised carbon credits. It is committed in parallel to reducing emissions through a series of efficiency measures and the self-generation of renewable energy from photovoltaic installations.

To even further strengthen its commitment to people and the local area, Villa Erba aims to become a **benefit company by obtaining 'BCorp' certification**. It is seeking to integrate the socio-environmental purpose enshrined in its Articles of Association by pursuing the common benefit, in addition to its own bottom line, i.e. producing positive benefits for the people, communities, environment and all stakeholders in general to deliver a structure for future generations that is not only unique in terms of architecture and landscape, but also in terms of sustainability.

Villa Erba's serious commitment to the social responsibility is also demonstrable. The Company believes in gender equality, and now has more than 60% female employees, while also aspiring to obtain the relevant UNI/PdR 125:2022 certification.

# 11 GRI content index

GRI CONTENT INDEX			
Declaration of use	Villa Erba reports 'with reference' to the GRI standards for the period 01/01/2022 – 31/12/2022.		
GRI 1 used	GRI 1 Fundamental principles – 2021 edition		
GRI ID	Indicator	Page number or disclosure	Omissions
GENERAL REPORT			
		'Reader's guide' page 6	
2-1	Organisational details	HQ of Villa Erba is at Largo Luchino Visconti 4, 22012 Cernobbio (CO)	
2-2	Bodies included in the organisation's sustainability report	'Reader's guide' page 6	
2-3	Reporting period frequency and point of contact	'Reader's guide' page 6	
2-5	External insurance	'Reader's guide' page 6	
2-6	Activities, value chain and other business reports	'Responsible supply chain management' – page 22	
2-7	Employees	'Diversity and inclusion' page 33	
2-8	Non-employee workers	'Diversity and inclusion' page 33	
2-9	Governance structure and make-up	'Governance structure' page 18	No available data on other positions/other offices of the board of directors
2-10	Appointment and selection of head governing body	'Governance structure' page 18	
2-22	Declaration on sustainable development strategy	'Letter to stakeholders' page 3 'Mission and values' page 13 'Adherence to SDGs' page 17; 'Looking to the future' page 49	

2-27	Compliance with law and regulations	'Ethics and integrity' page 20	
2-29	Approach to stakeholder involvement	'Villa Erba's stakeholders' page 24	
2-30	Collective bargaining contracts	'Diversity and inclusion' page 33	
MATERIAL SUBJECTS			
3-1	Process for determining material subjects	'Material subjects of Villa Erba' page 25	
3-2	Material subjects list	'Material subjects of Villa Erba' page 27	
3-3	Material subjects management	'Material subjects of Villa Erba' page 28	
ECONOMIC PERFORMANCE			
201-1	Value directly generated and distributed	'Contribution to local economic development' page 35	
PROCUREMENT PRACTICE			
204-1	Proportion of expenditure to local suppliers	'Responsible supply chain management' page 22	
COMBATTING CORRUPTION			
205-3	Proven cases of corruption and measures taken	'Ethics and integrity' page 20	
ENERGY			
302-1	Energy consumption within the organisation	'Responsible energy management and reduction of emissions' page 29	
302-3	Energy intensity	'Responsible energy management and reduction of emissions' page 39	

## WATER AND EFFLUENTS

303-3	Water intake	'Responsible use of water resources' page 43
303-4	Water discharge	'Responsible use of water resources' page 43
303-5	Water consumption	'Responsible use of water resources' page 43

## BIODIVERSITY

304-4	IUCN 'Red list' species and those in the national lists found in their habitat in the operational areas of the organisation	'Protection of biodiversity' page 45
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## EMISSIONS

		'Responsible energy management and reduction of emissions' page 40
305-1	GHG direct emissions (Scope 1)	Source of emission factors 'Greenhouse gas reporting: conversion factors 2020, 2021, 2022, Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy, UK government (for Scope 1)
305-2	GHG indirect emissions from energy consumption (Scope 2)	'Responsible energy management and reduction of emissions' page 40 Source of emission factors: 'Guide lines on the bank application of GRI standards in environmental matters ABI 2020'

403-3	Work medical services	'Health and safety' page 29
403-4	Participation and consultation of workers and communication on matters of health and safety at work	'Health and safety' page 29
403-5	Training of workers on health and safety at work	'Health and safety' page 29; 'Wellness and training of employees' page 18
403-6	Promotion of workers' health	'Health and safety' page 29
403-7	Prevention and mitigation of impact on health and safety at work in the area of commercial relations	'Health and safety' page 29
403-9	Accidents at the workplace	'Health and safety' page 29
403-10	Industrial diseases	'Health and safety' page 29

## TRAINING AND EDUCATION

404-1	Mean annual training hours per employee	'Wellness and training of employees' page 18
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## DIVERSITY AND EQUAL OPPORTUNITIES

405-1	Diversity in governance bodies and among employees	'The structure of governance' page 18; 'Diversity and inclusion' page 33
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## NON-DISCRIMINATION

406-1	Cases of discrimination and correct measures taken	'Diversity and inclusion' page 33
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## MARKETING AND BRANDING

417-3	Cases of non-compliance regarding marketing communications	'Quality of services and transparent communication' page 22
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CUSTOMER PRIVACY

418-1	Proven reports of infringements of customer privacy or loss of customer data	'Quality of services and transparent communication' page 22
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