



PALAZZO DI VARIGNANA

HERITAGE OF ITALIAN LIFESTYLE

1705

SUSTAINABILITY REPORT

— 2023

Letter from the Sustainability Team

“The greatest threat to our planet is the belief that someone else will save it.”

– Robert Swan

We are aware that the most current and complex challenge of our time is taking responsibility and setting concrete paths and projects to address the climate change emergency and the ecological transition. None of us can be considered exempt from participating in this shared path today; for this reason, Palazzo di Varignana has long decided to take a path to reduce the environmental impact generated by its activities, gearing all our expertise and operating areas, from the resort to the farm, towards the use of ecological and socially responsible practices.

Our first Sustainability Report therefore marks an important step, namely the beginning of a journey towards a more sustainable future in environmental, social, and governance terms, where hospitality meets awareness. Through this tool, we want to continue and certify the path taken so far with the utmost transparency, with a clear view towards future objectives.

Each activity is complementary to the others, the projects are created and live in a circular perspective, and great attention is always paid to our land, which has always been the main source of our inspiration, emotions, colors, aromas, and beauty.

For this reason, we believe it is essential to invest in the land and its products, increasing the resort’s internal production and bringing the “farm to table” philosophy to our restaurants. We want to preserve the richness of the tradition and history of these places, and we thus embarked on a path to recover ancient crops and bring abandoned ruins back to life, transforming them into villas available to our resort guests; in doing so, we have always kept the goal of energy and water efficiency clear and have chosen local suppliers.

We are committed to driving the shift towards greener and more responsible tourism with our first Sustainability Report, which we hope will also inspire resort guests to apply sustainable choices in their everyday lives.

All this would be impossible without our employees, at the center of our constant efforts to enhance talent and professional development, as well as monitoring satisfaction and inclusion.

We will continue to innovate and adopt sustainable practices, because we firmly believe in the possibility of a better future for our planet, and we want to be part of this transformation.



The Group

Palazzo di Varignana was born from a love for beauty:
a place where nature, well-being, taste, and emotions
meet to give the word hospitality a new meaning

Founder’s Letter

Since its inception in 2013, the identity of Palazzo di Varignana has been built on the two pillars of ethics and aesthetics day after day; a project based on our love for the nature that surrounds us and the desire to celebrate its beauty and authenticity.

We believe that land is not an inheritance we receive from our elders, but a loan we must cherish for our children, constantly working and persevering to preserve its integrity and value as much as possible. The road has been mapped out, and today Palazzo di Varignana presents an action plan aimed at improving the sustainable footprint of the resort and all the related activities.

Diversification of energy sources, reduced and more efficient water consumption, supply of raw materials from a short supply chain, planting trees, and converting some crops to organic farming: these are just some of the chapters of this integrated plan towards reducing our environmental footprint, enriched every day with new objectives and strategies.

Nature helps us find answers to the complex problems of this era, seeking to mend our relationship with the cycles and times of the seasons, respecting the earth and its people.

Environmental and social responsibility, support for the community, the local area, those who need it most: these moral commitments are inscribed in our values, live in our intentions, and are manifested in our everyday choices. This is our commitment to leave a legacy for the future.

Carlo Gherardi
Founder of Palazzo di Varignana

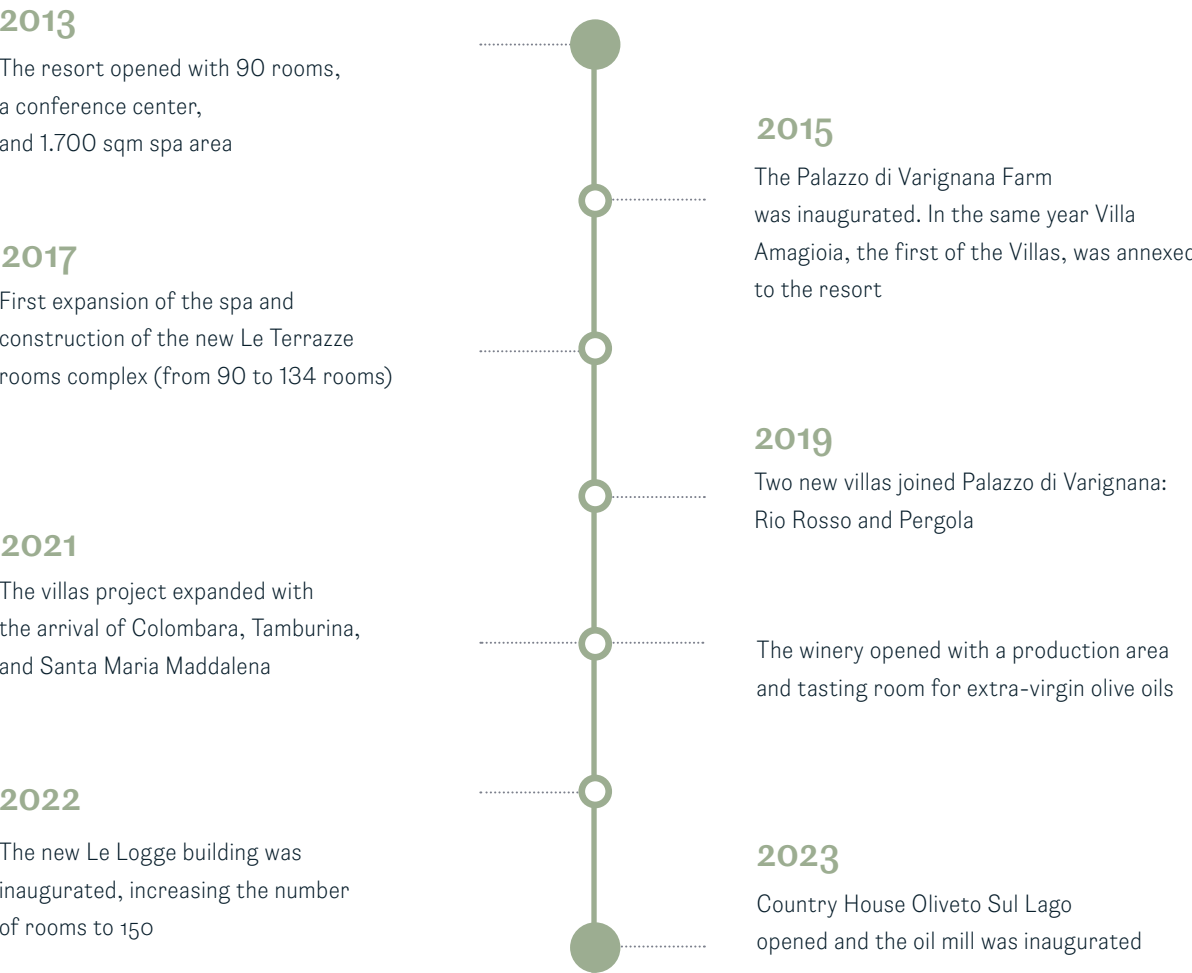


History

Varignana’s history dates back to the second century BC with the Romans’ foundation of the city Claterna. This town prospered economically in Roman times, thanks above all to the consul Marcus Emilius Lepidus who in 189 BC placed the town along the famous road bearing his name: the Via Emilia.

Unlike many cities founded in Roman times, Claterna unfortunately did not survive the collapse of the Western Empire, as the arrival of the Middle Ages radically changed its defensive needs, and it was gradually abandoned. The inhabitants moved to a village protected by hills and ample walls where, after a long period of transitions, the Castle of Varignana was founded in the 10th century BC. The village continued to expand and structurally change throughout the medieval period, with the construction of the church of San Lorenzo at the northern entrance of the village, as well as politically, with Varignana’s admission to the municipality of Castel San Pietro. The Castle always maintained its purpose as a fortified village, and the tower house, seat of the administrative authority, still bears witness to its ancient splendor.

This fascinating history has spanned the centuries, but was in danger of being lost, given the progressive abandonment of the hilly areas and agricultural activities in favor of the towns closer to the Via Emilia. The love for these lands and the desire to preserve this important historical heritage prompted our founder Carlo Gherardi to acquire Palazzo Bentivoglio in 2005 and begin impressive renovation work, which increasingly and gradually involved the village, from the fields restored to cultivation to the ruins transformed into private villas. Today the Palazzo di Varignana project represents the past that is present, carrying traditions and history as a legacy into the future.





Corporate Structure

GRI 2-2 • GRI 2-9 • GRI 2-12 • GRI 2-13 • GRI 2-14

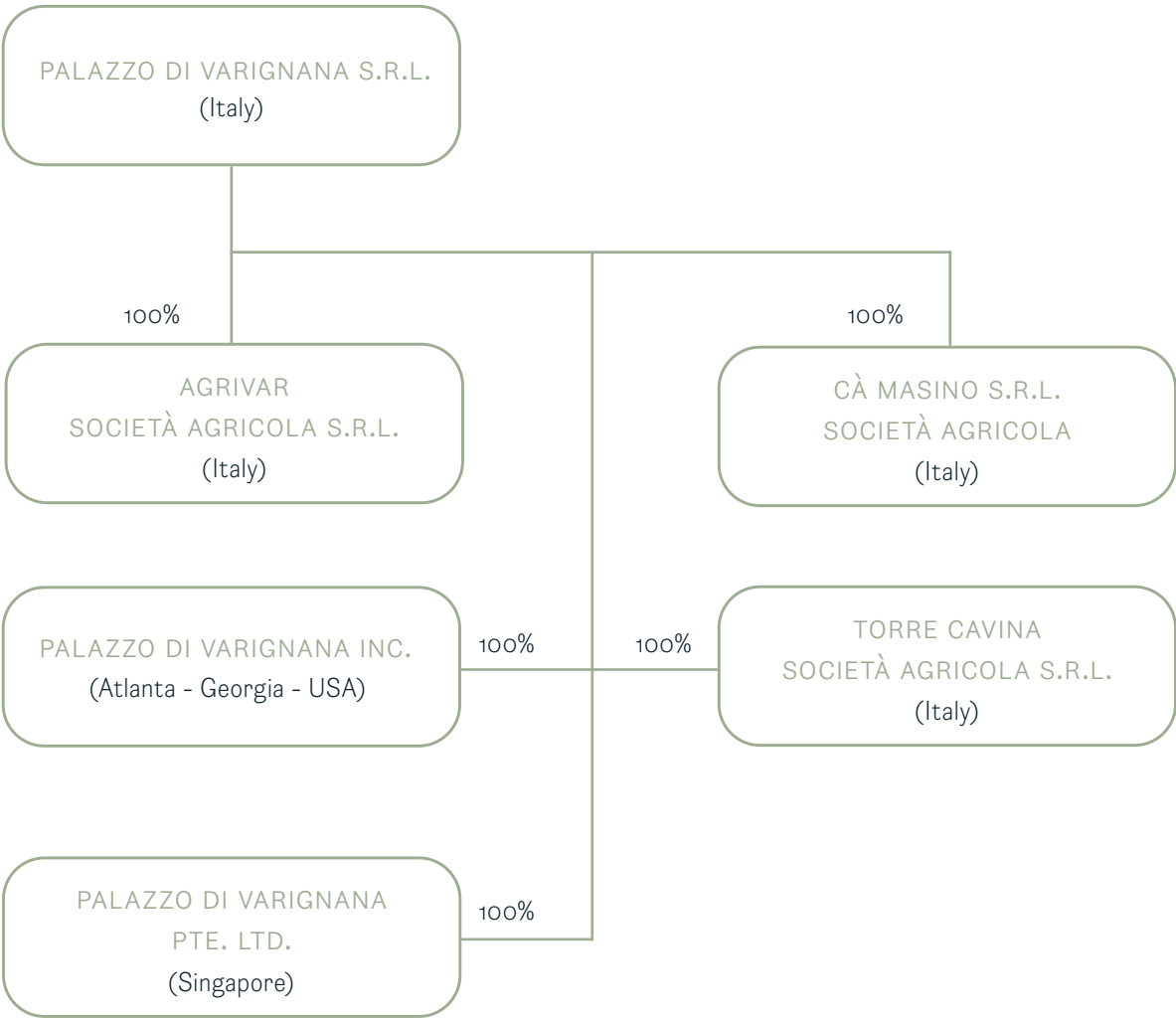
The Palazzo di Varignana Group adopts a traditional governance system, in which the Board of Directors carries out tasks related to ordinary and extraordinary business management and represents the company vis-à-vis third parties.

The Board of Directors of Palazzo di Varignana includes four members, 50% of whom are women. The average age of the governing body is over 50.

Palazzo di Varignana has appointed the Auditing Firm KPMG, currently in office. The company responsible for the statutory audit is legally required to verify the regular keeping of accounts and the correct recording of management events in the accounting records, as well as the compliance of the financial statements with the rules governing their preparation. It must also verify the correct and truthful representation of the financial position and results of the year in these documents, expressing an opinion on both the financial statements and on the consistency of the management reports with the financial statements.

A working group was also consolidated within the company in 2023, periodically meeting in order to oversee the issues and operational activities related to sustainability, addressed by the Chief Executive Officer. The working group carries out the following tasks

- Preparation and drafting of the Sustainability Report
- Design of internal and external awareness-raising initiatives
- Implementation of ESG improvement policies and actions
- Stakeholder engagement activities



Sustainable Development Goals

Palazzo di Varignana and Its Commitment to the Sustainable Development Goals (SDGs)



On September 25, 2015, the governments of 193 UN Member States signed the 2030 Agenda for Sustainable Development. The action program approved by the UN General Assembly includes 17 specific Sustainable Development Goals, framed within a broader action plan that includes 169 targets or milestones. The 17 Goals involve governments and nations, but also every single business. The ESG principles outline what businesses need to do.

The Synesgy questionnaire allowed us to map the material topics in the field of sustainability, highlighting the most relevant achievements in the reporting year considered and providing stakeholders with an immediate, but above all certified, framework of our activity, since it responds to internationally recognized parameters.

We have an action plan that specifies our commitments to achieving the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda, signed in 2015 by all UN Member States, increasingly integrating ESG factors into our business practices.

Reducing food waste



- We have started a partnership with Too Good to Go, the application that allows saving unsold or expiring food, helping us reduce food waste. 492 meals have been saved since 2021, equivalent to 1.23 tons of CO2e avoided.
- On International Food Waste Day held every February 5th, we launched the #primachesiatardi program designed to prevent all our love for the Earth, the work of man, and care for nature from being in vain. To celebrate the event, we sell some boxes of high-quality handmade products at a 50% discount.

Promoting health and well-being



- To promote our guests' well-being, we have introduced a Scientific Department which, together with the entire Resort team, carries out studies every day to find and teach new approaches to feeling good and promoting results.
- We promote a healthy diet, thanks to the presence of native, zero-km products that are healthy and natural, born from innovative cultivation techniques, but skillfully combined with craftsmanship.
- We offer a set of services aimed at promoting outdoor sports, thanks to the presence of golf courses, yoga retreats, and jogging trails surrounded by greenery.
- We not only pay attention to the well-being of guests, but also that of employees with the presence and development of dedicated well-being initiatives.

Integrating ESG factors within the supply chain



We systematically integrate the assessment of ESG factors for all new suppliers in the qualification phase. They must complete a questionnaire on the Synesgy digital platform, which allows detecting the entire supply chain's commitment to environmental, social and governance issues.

Supporting
local communities



- We collaborate with local authorities and associations through partnerships, the organization of cultural and social events in collaboration with local authorities, and beneficial projects including Dynamo Camp and the Sant’Orsola Polyclinic
- We helped the populations affected by the floods of May 2023; Palazzo di Varignana organized two charity dinners, the proceeds of which were donated to Umberto I Hospital in Lugo and the Artistation School of Arts in Faenza
- Every year we offer two scholarships for young people enrolled in high schools and universities who reside in Varignana-Palesio, supporting the community and their academic paths through a concrete contribution

Enhancing
and developing
human capital



- We have a Diversity and Inclusion Policy that formalizes our commitment to promoting equal opportunities within all HR processes
- We monitor gender-related KPIs and implement actions, where necessary, to improve gender balance
- We constantly invest in employee training, with the aim of improving skills and continuing professional development.
- We activate channels to listen to employee needs, seeking to implement or introduce new initiatives that promote well-being and, more generally, better work-life balance.
- We actively contribute to offering local employment opportunities, with 82% of employees residing in the province of Bologna.

Reducing
environmental impacts



- Our customers are actively involved in the process of reducing environmental impacts, raising awareness through a web app regarding the conscious and responsible use of water and energy resources
- We have planned the installation of photovoltaic systems and charging columns for internal transport vehicles, and have implemented a plan to replace all lights with low-power LEDs.
- To limit water consumption, we have built water basins that collect surface water and release it in a controlled manner based on needs.
- We created the “Adopt an Olive Tree” project to help redevelop the agronomic landscape, planting over 160,000 olive trees on 242 hectares. The project gives stakeholders a chance to adopt an olive tree, sharing an ethical choice. Upon adoption, they are given a Varignana Passport that certifies the adoption and lets them follow the progress of the olive tree and offers certain benefits when the new liters of extra-virgin olive oil are produced.
- We have also implemented a plastic reduction plan: all our guests are offered water in cartons that are entirely recyclable, help reduce the use of plastic, and make disposal even easier. The showers in the changing rooms of Varsana SPA have fixed dispensers with shower gel and shampoo for our customers.
- We have obtained organic certification for our extra-virgin olive oils Claterna and Blend Verde, a step forward to make the products of our lands healthier and reduce the pollution caused by chemicals.

The Resort

GRI 3-3

An amazing journey with ancient roots, flavors, aromas, sensations, and an authentically Italian heart



Our Concept of Hospitality

GRI 2-23 • GRI 2-24 • GRI 2-28

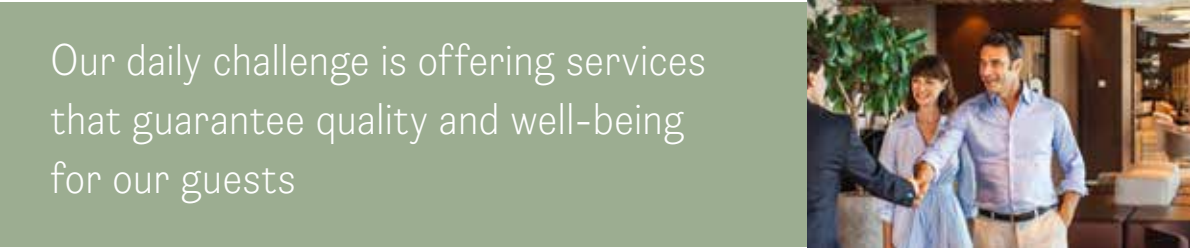
Palazzo di Varignana’s passion in running its company also guides the application of its values in the relationships it builds with its guests and employees every day. In fact, the human relationship and that of man with the surrounding environment take on a fundamental value.

Our investments specifically for implementing an efficient management system imbued with the three pillars of sustainability, which enhances environmental capital, human capital, and social commitment, are proof that “doing business” by pursuing broader objectives beyond purely economic ones is a feasible way to combine community good with corporate good.

Palazzo di Varignana’s main guidelines in the ESG sphere are summarized in its Code of Ethics, which summarizes the ethical and sustainable principles and values guiding the company in its relations with stakeholders and in operational activities, and which encompasses the cornerstones of the Sustainability Report. The Code of Ethics is published on the Palazzo di Varignana website, at the link: <https://www.palazzodivarignana.com/sviluppo-sostenibile/>.

The Palazzo di Varignana Resort is an original and sustainable model of widespread hospitality. It includes 150 rooms and suites, six independent villas, restaurants, a 4000 square meter SPA with seven outdoor swimming pools, a gym, sports fields with a driving range, a modern conference center, and event spaces.

The heart of the resort is Palazzo Bentivoglio, a country castle with four traditional towers dating back to 1705. The main historic building is surrounded by a contemporary village built in stone; its architecture is consistent and harmonious with the surrounding landscape. The complex is surrounded by 30 hectares of land that includes vast green spaces, parks, water sources, and breathtaking views. These are added to the farmland, whose 650 hectares produce the zero-km products featured in the restaurants’ dishes.



Our daily challenge is offering services that guarantee quality and well-being for our guests

Palazzo di Varignana offers its guests a break from the stress of city life, while still being connected to the main provinces of Emilia-Romagna, offering cross-cutting solutions focused on personal care and well-being, gastronomic experiences, various sleeping arrangements, and entertainment. Palazzo di Varignana offers guests opportunities for cultural enrichment, proposing Italian history and cultural, artistic, artisanal, food and wine, and entrepreneurial traditions.

Our ultimate wish is for our guests’ experience to be a moment of enrichment and knowledge, allowing them to discover the beauty and culture of Emilia-Romagna.

Palazzo di Varignana therefore offers personalized services and experiences that include the opportunity to discover the secrets of environments rich in culture, beauty, and traditions.

Promoting a territory also means promoting its local production. This is where Palazzo di Varignana’s farm Agrivar comes into play, allowing guests to expand their experience to the flavors and tastes of local raw ingredients, collaborating with the company’s kitchens.

Palazzo di Varignana’s guests can also take advantage of an entirely natural body care line specially made with local raw materials, enjoying local productions from a sustainable perspective.

Awards and Recognitions





Guest satisfaction

GRI 2-26 • GRI 2-29 • GRI 419

Palazzo di Varignana's main focus is to meet our guests' expectations.

To do so, we use tools to monitor the quality of the services offered: any issues are managed directly during guests' stay through a quick review tool that lets guests report any needs in real time.

In addition, at the end of their stay, guests are sent a detailed customer satisfaction questionnaire via email.

Lastly, an online review aggregator allows us to accurately monitor the comments published on major travel portals such as Tripadvisor and Booking.com.

All the information received through these tools is analyzed by Management and handled through internal discussions among the different departments in order to identify the causes of any issues and intervene with targeted actions.

BOOKING

4,5 / 5

1355 reviews

GOOGLE

4,7 / 5

3660 reviews

TRIP ADVISOR

4,5 / 5

1355 reviews

Health & Wellness: Acquaviva Method

GRI 2-6

At Palazzo di Varignana, guests' vacations become an opportunity for those who want to get back in shape and have greater mental balance to learn about new lifestyles, balancing stress and energy for total harmony between body, mind, and psyche.

Under the guidance of the Resort's Scientific Director Dr. Annamaria Acquaviva, several retreats are proposed that focus on the guest, listening to their needs in order to find effective strategies to help them live healthily, in harmony, and for longer. Health & Wellness Retreats are a real transformational journey to reach the maximum of one's psycho-physical well-being potential and shine with an unprecedented form of beauty.

The holistic vision of the Acquaviva Method is based on the five pillars of health:

- personalized nutrition
- harmony and inner balance
- physical activity
- sleep and rest
- dietary and cosmetic supplementation

Whatever mind-body health goal guests want to achieve, more performing and lasting results can only be reached by enhancing all these aspects together.

The balance between these five factors is the successful strategy towards well-being and longevity.



The Scientific Director, together with the entire Resort team, ensures a constant commitment and actions focused on guests' care and well-being

Health & Wellness: Varsana SPA

GRI 2-6

One of the services offered is Varsana SPA, an oasis of well-being that finds its highest form of inspiration in nature, offering guests an authentic immersive experience in the local area.

The traditional itinerary includes an exclusive wellness path where guests regenerate and leave the hustle and bustle of everyday life. It includes access to the Grotta dei Calanchi and Cava d’Oro Bianco, swimming pools with hydromassage, Finnish sauna, Mediterranean sauna, Turkish bath, emotional showers, sound pool, and a relaxation area with an herbal tea corner.

In the winter months, thanks to a retractable cover, the traditional itinerary also includes access to the Crystal Pool, a saltwater pool with whirlpools and a swimming lane. In the summer months the Crystal Pool joins the other outdoor pools with the removal of the cover.

The 2,500 square meters of outdoor space are interspersed with seven outdoor swimming pools overlooking the wonderful hilly landscapes surrounding the resort.

Next to a large solarium, the area includes a semi-Olympic pool, two terraced pools and the Crystal Pools, saltwater pools with hydromassage and a swimming lane.

Palazzo di Varignana also offers Private SPAs, with personalized itineraries of Japanese and Moroccan inspiration for taking care of emotions, between spirit and matter, abandoning the senses, with a calling for discovery.



We have two rituals that take guests to the very core of the relationship between body and mind:

The Hammam reflects the Arab culture’s stance on body care, purifying the life of waste: a search for harmony graced with Middle Eastern touches in the fragrances, the materials, the sounds, in the savonage with the application of olive oil-based products to rediscover the presence of the body and the perception of the senses.

The Ofuro, which instead leads to the discovery of the Japanese approach to well-being. Where mind and spirit are protagonists of a different way of understanding self-care. It is the spiritual path to the traditional bath of the rising sun, where absence is presence, emptiness is full, time expands and the roots of one’s self are found in the ancient gestures of the tea ceremony served on tatami.

The opportunity to enjoy beauty treatments and the cosmetic line, the flagship of Varsana SPA, crown a relaxing experience and an unforgettable stay.

The four collections of the cosmetics line: Extra-virgin olive oil, Pomegranate, Saffron, and Sangiovese, are the product of the raw materials given to us by the Earth. Healthy, high-quality raw materials full of antioxidant and soothing properties today become the soul of the new Palazzo di Varignana cosmetic line, with four precious collections: extra-virgin olive oil, pomegranate, saffron, Sangiovese.



Four collections from the cosmetics line:
**extra-virgin olive oil, pomegranate,
saffron, and Sangiovese wine**





Farm-to-Table Cuisine

GRI 2-6

Hospitality is the mission of Palazzo di Varignana, but welcoming means stimulating and relaxing all the senses, including those of taste and smell, as we consider the table an integral part of a comprehensive path of well-being. The deep bond with the land and its raw ingredients, fragrances, and colors are the most authentic soul of our cuisine, which is expressed in different languages in the resort’s restaurants. Thanks to the renowned food and wine quality and the beauty of the locations, Palazzo di Varignana’s restaurants are also enjoyed by those not staying at the resort.

The cuisine of Palazzo di Varignana is based on a love for enhancing the local area, which has always been at the heart of the resort’s philosophy. The farm’s zero-km products, including the award-winning extra-virgin olive oil, are the protagonists of the menu, from restaurants to banquets.

Catering is an important part of Palazzo di Varignana’s offer, and all the chefs within the company staff have the main goal of bringing Italian excellence to the table, starting with the raw ingredients. The focus therefore begins at the time of purchase, choosing the best and freshest seasonal ingredients, favoring zero-kilometer ones and avoiding unnecessary purchases and the consequent waste. Palazzo di Varignana uses the produce from the Agrivar farm, thus achieving an efficient, waste-free circular economy that optimizes the immediate enhancement of raw ingredients and the local area.

The dishes are also prepared to offer excellence to guests while improving the quality of the food, which includes attention to storage and the ability to reuse as key factors in reducing waste and scrap.

Sports

GRI 2-6

Palazzo di Varignana allows guests to regenerate also thanks to sports and outdoor activities, becoming fully immersed in the surprising beauty of the natural setting surrounding the resort, regaining physical well-being and the right inner balance. Among more than 100 hectares of olive groves and vineyards, Palazzo di Varignana has designed different trails and paths for joggers and bikers, both experts and beginners. Guests can download a mobile app that accompanies them on the different routes inside and outside the resort. Palazzo di Varignana also has a gym open 24 hours, tennis courts, squash courts, basketball courts, and paddle courts. It also offers a golf area with putting greens, chipping greens, and a driving range. In addition to the driving range within the resort, golf lovers can take advantage of the resort’s strategic proximity of some of the best golf clubs in the region: Golf Club Le Fonti, Casalunga Golf Resort, Golf Club Siepelunga, and Golf Club Bologna



Agricultural Estate

Hospitality and agriculture meet at Palazzo di Varignana
to transform the beauty of the natural landscape into
a productive resource at the base of a true circular model



Our Approach to Agriculture

GRI 2-26 • GRI 2-28 • GRI 304-2 • GRI 307

In 2015, Palazzo di Varignana embarked on an ambitious agronomic project to redevelop the landscape, restoring large portions of uncultivated land. Important drainage, reclamation, pit cleaning and rainwater regimentation works have reduced hydrogeological instability, boosting the area. The feather in the cap of this story is our calling to restore the ancient varieties of olive trees, which today cover 265 hectares (over 160,000 plants) and make it possible to produce an extra-virgin olive oil of the highest quality, which has won awards and recognitions all over the world. In addition to cultivating olive trees, we have added vineyards, orchards, and saffron cultivation, with the aim of transmitting the experience and values linked to the territory through local, zero-km products of the highest quality. Agrivar strives to manage its lands sustainably, aware that the attractiveness of the territory and the goodness of raw materials are essential characteristics and unparalleled added values for Palazzo di Varignana. It has therefore chosen practices to mitigate the effects of climate change on production; for example, it protects the crops from extreme weather by using hail and insect nets, which are also used to limit the effects of heat and oil fly treatments, and uses innovative systems to ensure productivity (precision agriculture, drip irrigation, sensors). The olive groves are cultivated according to the principles of organic farming, following the rhythms of nature and without the use of synthetic products, replacing them with natural practices. The fertilizers used are of organic origin, with more than 50% being natural rather than artificial. Agrivar’s commitment to preserving biodiversity and protecting agricultural ecosystems perseveres thanks to the continuous enhancement and restoration of native olive varieties, such as Ghiacciola.



+50%
Natural fertilizers used
by the company

Production: Extra-Virgin Olive Oil

“A wealthy man who owns land in the municipality of Varignana has begun to think about extracting oil from olives in recent years, which come from some old, carious, poorly-kept trees. This oil, which I have tasted, is clear, of excellent taste, and far superior to those commonly sold. God willed that the neglected cultivation of olive trees, which with so much advantage clothed and embellished our Hills in other times, should be restored.”

Gioan Ignazio Molina wrote this in 1821 in his “Memories of Natural History,” hoping for the noble cultivation of olives to return to Varignana. In fact, studies and historical research have revealed that olive trees were cultivated in this Emilian land from the time of the Romans until the 1700s. This history was interrupted due to what was called the “small glaciation.” 400 years later, Palazzo di Varignana has brought the oldest varieties of olive trees back to populate the hills, sewing up time and space to return to producing an extra-virgin olive oil of the highest quality. Every year new portions of the olive grove go into production, defining a quality path that has led Palazzo di Varignana to be the first producer in Emilia-Romagna as well as a case study in the creation of agronomic quality supply chains, restoration of native crops, and protection of the landscape. The three monocultures have allowed the resort’s farm to bring ancient native cultivars full in aromas and character back to Emilia: Correggiolo for the Stiffonte, Ghiacciola for the organic Claterna and Nostrana di Brisighella for the Vargnano. The two blends – Blue and Organic Green – are instead made with unprecedented blends studied by our oleologists in search of new hints.

Awards and Recognitions

GAMBERO ROSSO 2023 Oli d'Italia	BIBENDA 2023	FLOS OLEI 2023	JAPAN OLIVE OIL PRIZE 2023	ORO GOLD Forme dell'Olio	OOC 2022 Gold Award	OLIVE OIL INSTITUTE 2023 Olicious Silver	GAMBERO ROSSO 2021 Oli d'Italia
BIBENDA 2022	OLIVE OIL INSTITUTE 2022 Olicious	NYIOOC 2022 Gold Award	DUBAI OOC 2022	FLOS OLEI 2022 Forme dell'Olio	FORME DELL'OLIO 2021	GOLD AWARD 2022	NYIOOC 2021 Gold Award

Production: Wine

The enological project of Palazzo di Varignana took its first steps in 2017, currently under the guidance of the enologist Umberto Marchiori, and began with the planting of some historic vines of the local area such as Sangiovese. Other international grape varieties were added as well, such as Pinot Noir, to be able to produce a classic method sparkling wine. To date, the production boasts four types of wines, with both whites and reds: Villa Amagioia Blanc de Noirs and Blanc de Blancs, Chardonnay Colli di Imola, Sangiovese Superiore Doc and Pinot Noir. The mosaic of soils characterizing the hills of Varignana, combined with the particular microclimate, give the wines unique characteristics. There are currently 52 hectares of vineyards, located in a natural amphitheater characterized by a very original microclimate thanks to the relationship between the moderate altitude and the orography of the territory: narrow between the gullies and the lush hills of olive groves. The local Varignana territory has native grape varieties, which are quite solid and have a historical depth dating back to the ancient Romans and beyond. The estate and the cellar offer up characteristic aromas, flavors and nuances. The soil of the Varignana hills is thin, formed by not very hospitable clayey rocks and fine limestone sands to support fertility, yet these territorial characteristics allow obtaining a high biodiversity of wines, thus a unique value compared to other types. An ideal cradle for viticulture.



61%

of the land is used in certified organic farming

Production: Vegetable Garden

The Garden of the Rio Rosso farm arose from the passion and attention of Palazzo di Varignana for the environment and local tradition, with the aim of producing eco-sustainable vegetables that enrich the kitchens of the resort's restaurants. The garden of the resort's farm is an inexhaustible source of inspiration; over time, its vegetable has become increasingly central when creating menus.

In addition to the production of seasonal vegetables, the vegetable garden is also used to grow 42 different types of aromatic herbs, goji berries, hazelnuts and minor and forgotten fruits such as Giuggioli or Biricoccoli and a very original and rare production of Italian saffron. It all takes place without the use of synthetic pesticides and fertilizers, preferring an agronomic approach with minimal environmental impact, implementing activities such as crop rotation, composting, and grass and legume-based green manuring.

The olive trees are cultivated according to **organic farming principles**



Integrated Supply Chain

Agrivar embraces the concept of the integrated supply chain, where every step of production is carefully orchestrated to ensure the highest quality and sustainability.

At the center of this process is the land itself, treated with respect and care through traditional and modern agricultural practices. The vineyards and olive groves stretch as far as the eye can see, silent witnesses of a lasting commitment to nature and tradition.

When the time comes for harvesting grapes and olives, the expert hands of our resources dedicated to agriculture are combined with the modern techniques of special equipment, with the result of a selective as well as sustainable harvest.

These precious fruits are then transported to the mill and company cellar, where the transformation cycle begins.

The proximity of the mill to the olive groves allows us to immediately mill the olives, as well as having an integrated supply chain in a single place that is managed and organized by our staff, who lovingly care for the territory of Varignana every day.

Milling is a fundamental production step that is carried out in a continuous two-phase cycle, with a modern plant equipped with systems with reduced oxidative impact at a low processing temperature in order to process each olive variety at a specific temperature, thereby enhancing its fruitiness, or to control and modify the amount of polyphenols and therefore the intensity of the bitterness and/or spiciness.

In the cellar, on the other hand, the grape bunches are carefully pressed and fermented to give life to wines full of character and complexity. French oak barrels hold the secrets of time, allowing the wines to develop their unique aromas and distinctive personality.

But the integrated supply chain goes beyond mere production. The company is also committed to environmental sustainability, using eco-friendly agricultural practices and investing in renewable energy to reduce the environmental impact of its activities.

Last but not least, the bond with the local community is fundamental. The company is not only a place of production, but also a meeting point for lovers of good food and good wine. Food and wine events, tastings, and guided tours offer visitors the opportunity to immerse themselves in the culture and tradition of this generous land. Ultimately, the integrated wine and extra-virgin olive oil production chain of this farm represents an example of how passion for the land, tradition, and sustainability merge to create superior quality products, which bring with them the taste and authenticity of a unique territory.

Our Commitment to the Environment

The strong bond with our land pushes us to do our best
to preserve its beauty and biodiversity every day



Protecting Natural Heritage

GRI 303-5 • GRI 307

Protecting the environment and enhancing the local area are both important parts of Palazzo di Varignana’s commitment to sustainability.

In this regard, we set our first Environmental Policy in 2023. It seeks to define defining the commitments, actions, and intervention areas for reducing and limiting our environmental impact.

In this perspective, we have adopted sustainability practices related to the hospitality sector which are on the one hand focused on limiting the environmental impacts potentially deriving from the stays of our customers, and on the other hand seek to actively involve guests by providing informative content, with the aim of raising awareness of the importance of environmental issues.

- We have reduced the use of paper for communication and promotional materials within the resort by 90%, relying on digital media. In this regard, the customer journey is accompanied by a dedicated Web App that includes all the important information to ensure guests have a welcoming stay.
- Employees have been given a metal water bottle and customers are given water in cardboard boxes that are entirely recyclable and easy to dispose of, while Varsana SPA’s changing rooms have permanent dispensers in the showers.
- During their stay, we provide guests with our toiletries line designed with raw materials from local suppliers to minimize emissions from transport and contribute to developing local economies.
- To mitigate energy and water consumption, we change towels daily only at the customer’s request.
- We use local products grown in the Palazzo di Varignana farm. They are used to propose a zero-km food and wine offer and to produce the SPA’s cosmetic line according to circular economy principles.

Managing Water Consumption

Considering the importance of water in agricultural and hospitality operations, its proper management is a fundamental issue for Palazzo di Varignana and Agrivar.

For this reason, we have implemented a number of targeted actions to reduce our water use over the years. Water basins of about 3,500 square meters each were built in 2023, whose purpose is to collect surface water, including rainwater, which will be released in a controlled manner according to needs. The water collected is useful for irrigating the fields of the farm, thereby limiting the consumption of water from the subsoil.

In addition, a network of pipelines covering the entire area of the company’s land is being completed. It will allow transferring water from the storage basins to all the company’s systems, making water, energy and fuel consumption more efficient.

In 2023, Palazzo di Varignana consumed 8,292 m³ of water, registering a 36.25% decrease in water consumption. Most of the consumption is due to irrigation activities.

The water consumption related to the Agrivar farm is 33,000 m³, mostly used to irrigate the fields, vineyards, and olive groves.



Energy Savings

GRI 302-1 • GRI 302-4

In the context of the resort, it is crucial to optimize energy consumption to ensure sustainable resource management. Through the implementation of targeted strategies, such as the use of renewable energy sources, the energy efficiency of facilities, and the awareness of staff and guests, the resort is committed to reducing the environmental impact of energy use.

Significant interventions include the construction of a photovoltaic system in 2023 to service the Oliveto Country House on the Lake with an installed rated power of 64.64 KWp (expected annual production 65,000 KWh) and a photovoltaic system for the mill with an installed rated power of 21.32 KWp (expected annual production 23,000 KWh), which will be operational in early 2024, both aimed at offsetting significant shares of the consumption of the two facilities. The consumption of Palazzo di Varignana was 41,979 Gj in 2023, while the consumption of Agrivar was 33,040 Gj.

Electric charging columns have been installed for internal vehicle charging, as well as those of guests. In addition, a plan is in place to replace all the lights with low-consumption LEDs in order to further optimize energy consumption.

In addition, Palazzo di Varignana began calculating its Carbon Footprint according to the ISO 14064 standard in 2023, with the aim of estimating and identifying the main categories that generate an environmental impact and identifying actions to reduce GHG emissions into the atmosphere.



The company plans to have installed the photovoltaic plans for 307,000 kWh of capacity by 2026



Reducing CO2 Emissions: the “Adopt an Olive Tree” Project

GRI 2-29 • GRI 304-2

The farm of Palazzo di Varignana has started an agronomic landscape redevelopment project, planting over 160,000 olive trees on 242 hectares of land. This multi-year project aims to bring ancient olive varieties back to dwelling where history had already seen them flourish.

An emblematic case for the ability to restore an integrated supply chain that offers three monocultural and two special blends of the highest quality extra-virgin olive oil every year.



160.000
olive trees

Planting a tree is always an act of love for the future, shifting our gaze from the present to a distant horizon. With the “Adopt an Olive Tree” project, Palazzo di Varignana intends to create the conditions not only to extend the olive groves, but above all to offer the opportunity to share the responsibility of an ethical choice, to continue to combine nature, beauty, sustainability, production, and harvest.

Adopting an olive tree allows anyone to share a passion for caring for the land and give the gift of one of the most precious foods on the table. Those adopting a tree are given a Varignana Passport that certifies the adoption and lets them follow the progress of the olive tree, as well as offering certain benefits when new liters of extra-virgin olive oil are produced. Each adopted olive tree can also be named.

Our Commitment to People

We invest in people, aware that nothing would be possible without their support



Staff Care and Professional Development

GRI 2-7 • GRI 2-29 • GRI 2-30 • GRI 401-1 • GRI 401-2 • GRI 403-1 • GRI 403-9
GRI 405-1 • GRI 412-1

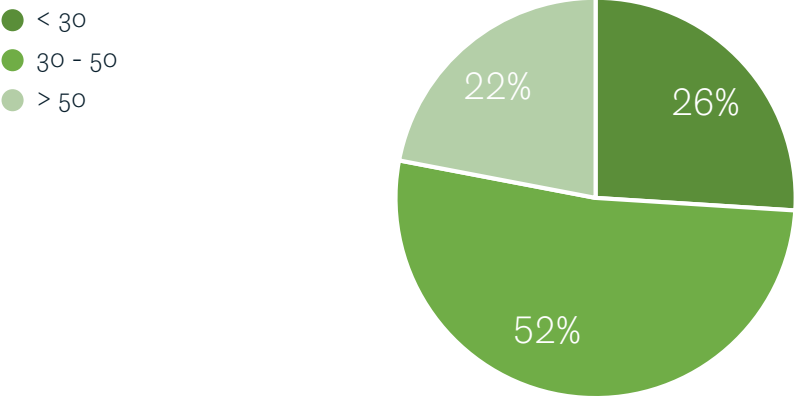
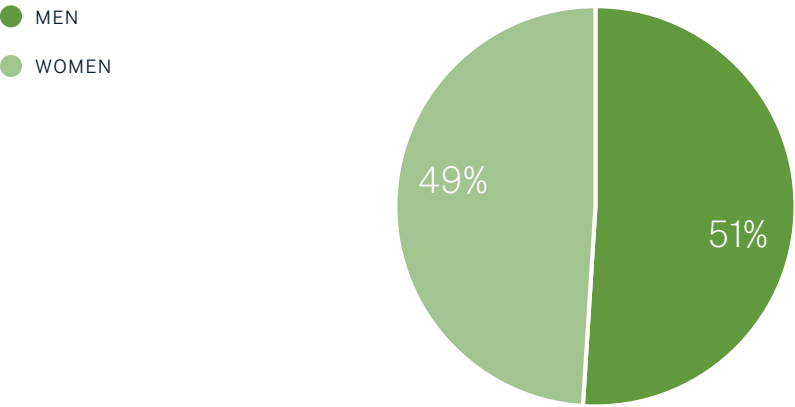
An ambitious project is based on good governance, investments in staff, and sharing values in order to enable people's constant development. Palazzo di Varignana recognizes the importance of investing in the enhancement of talent and the well-being of people, crucial elements to ensure the provision of high-quality services and products.

Human resources management is based on the promotion of equal opportunities, the enhancement of young people, monitoring employee satisfaction levels, and engagement in the work environment.

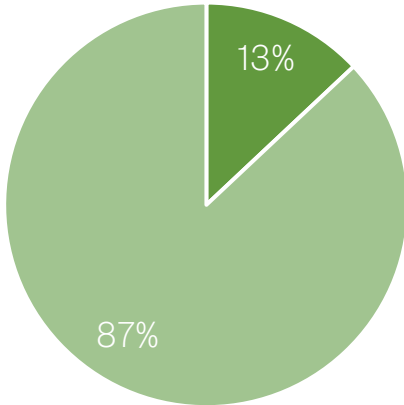
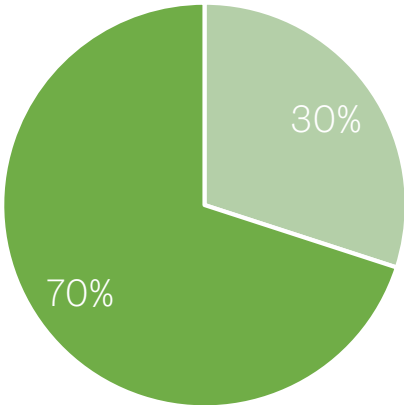
At the end of 2023, Palazzo di Varignana S.r.l. had a total of 152 employees, equally distributed in terms of gender. Palazzo di Varignana promotes youth employment, with 26% of employees in its workforce under 30. In addition, there were a total of 14 internships in 2023, established thanks to active collaborations with local Technical Institutes, with the aim of introducing the new generations into the world of work. The company actively contributes to employment in the local area, with 82% of the employees residing in the province of Bologna.



Composition of the company population:



FIXED CONTRACT
PERMANENT CONTRACT
PART TIME
FULL TIME



70% of employees at Palazzo di Varignana have a permanent contract. Considering the company’s business, the composition of staff is characterized by seasonal variability, mainly due to periods of increased tourist activity in the summer.

Diversity and Equal Opportunity

GRI 405-1

An inclusive culture fosters effective decision-making through a wealth of skills, opinions, and perspectives that drive innovation, enabling rapid and targeted responses to market changes, driving sustainable improvements in business performance, and fostering effective and virtuous behaviors.

Palazzo di Varignana believes that diversity and plurality are values that contribute to creating an open and stimulating work environment.

This is why the company formalized its approach to issues related to the protection of Human Rights and Diversity, within two new policies in 2023, “D&I Policy – Diversity and Inclusion” and “Policy on the Protection of Human Rights”, made public to all stakeholders on the Corporate website.

The policies are aligned with the 10 principles of the UN Global Compact and are inspired by two Sustainable Development Goals of Agenda 2030, namely no. 4 “Providing quality, equitable and inclusive education, and learning opportunities for all” and no. 5, “Achieving gender equality.”

The D&I Principles of Palazzo di Varignana:

— Zero Tolerance and Non-discrimination

— Equal Opportunity

— Work-life balance

The objective is to promote a corporate culture based on equity, which recognizes and appreciates individual diversity, guaranteeing equal opportunities for both personal and professional growth. Regardless of differences in gender, culture, ethnicity, generation, or skills, this approach contributes to creating an environment that supports people in fully expressing their potential, respecting their uniqueness, life experiences, personal knowledge, and skills.

Also thanks to the sustainability reporting process, Palazzo di Varignana is also committed to monitoring gender-related KPIs within all its HR processes, developing initiatives or improvement objectives where necessary.

Training

GRI 403-5 • GRI 404-1 • GRI 404-2

In 2023, Palazzo di Varignana increased its investment in employee training with the aim of improving skills and furthering professional development. 2,187 hours of training courses were carried out over the last year, with a significant increase compared to 2022, with 272 training hours.

More specifically, our focus was on three important themes:

- Workers’ health and safety
- Knowledge of the English language
- Cybersecurity



Health and Safety

Palazzo di Varignana considers measures for the protection of workers’ health and safety fundamental, but also of guests, adopted in line with Italian Legislative Decree 81/2008 and detailed in specific documents (DVR) involving the Health and Safety Manager and the Company Doctor. In this regard, the company has adopted a specific Health and Safety Policy aimed at providing guidelines to ensure an adequate level of protection of the health and safety of employees and collaborators of Palazzo di Varignana (hereinafter PdV) through continuous monitoring and adaptation to the Italian legal framework. The people who contribute their work to the company’s culture and business results are PdV’s most important asset. Therefore, Management undertakes to provide and maintain a safe workplace, where the health risks to employees are minimized, and to promote good practices in health and safety management.

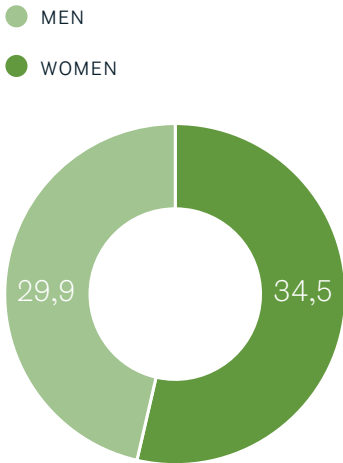
Lastly, to promote the application of the provisions contained in the DVRs and the skills necessary for reducing risks in the various company activities, all employees and in particular the reception staff who supervise the Resort 24 hours a day, are called upon to participate in specific training sessions for the different tasks and responsibilities.



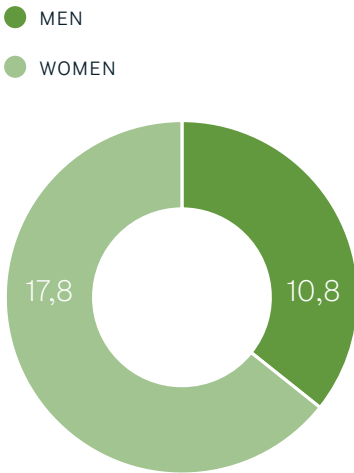
English Language

The English course was organized by the HR office starting from a first division between operational and clerical staff in order to create a tailor-made course for staff who are constantly in contact with customers, addressing ad hoc topics such as customer reception and management during the training hours. The course for clerical staff was instead mainly focused on language enhancement. A second difference was how the course was followed: for the operating staff, the course was held exclusively in person with the teacher to simulate real situations as much as possible and to create group dynamics between colleagues in the various departments who are in constant contact with each other during guests’ stay. The course for clerical staff was instead provided in mixed mode (online and in person) to give everyone the opportunity to learn at their own pace while maintaining the value of in-person interactions. The course was enthusiastically appreciated, seen as an opportunity for growth to enrich everyone’s background.

TRAINING HOURS PER CAPITA



AVERAGE ANNUAL TRAINING HOURS



Cybersecurity

GRI 418

Another topic that is very important for the company is cybersecurity, i.e., the protection of data, networks, and systems from cyber attacks. The course was held both online and in person, addressing very important topics for the company such as phishing, email and password security, and malware. Their importance comes from the intrinsic nature of our company, which leads us to always be connected and manage a large amount of sensitive data of third parties, including the Resort’s guests. The number of training hours provided during 2023 testifies to the effectiveness of the initiatives undertaken by the company in order to increase training and skills development opportunities. There were 2,187 hours of training provided in 2023, resulting in 32.6 training hours per capita. The number of average annual training hours is 14.4.

Corporate Welfare

GRI 2-29

Well-being, engagement and satisfaction with the context in which people work is one of Palazzo di Varignana’s priorities. From this perspective, carefully listening to the needs of the corporate population is an essential step in developing and introducing new initiatives focused on promoting the engagement and well-being of people. In 2023, Palazzo di Varignana launched a “People Satisfaction” climate survey through the online survey “Glickon”, registering a good engagement rate of 71%. The survey results were an inspiration for implementing what is already present in the field of welfare and developing new initiatives. Key wellness initiatives include:

- Fitprime, the platform for physical and mental well-being, thanks to which employees and their families can access affiliated fitness facilities at a special discount;
- Consolidation of a network of agreements with businesses present in the local area, in order to reconcile the time employees spend at work and at home
- Flexible hours

To improve engagement, an employer branding project was launched in 2023 that involved all company departments. It seeks to improve relations between employees and the work environment.

We are also working to guarantee our employees a therapy desk by the end of 2024, in order to promote their psychological well-being.

Our Commitment to the Community and Social Commitment

Being part of a community is much more than mere presence:
it is establishing transparent relationships,
collaborating with local authorities and organizations,
supporting initiatives in favor of the local area

Promoting the Local Area through Print and Digital PR

Palazzo di Varignana actively contributes to promotional tourism of the area both in Italy and abroad through constant collaboration with Italian and foreign communication agencies. Press visits were organized for 38 national and 12 international journalists (USA and UK) in 2023, and more than 120 articles related to the resort and the destination (Bologna, Dozza, Motor Valley) were published, thereby promoting local culture and tourism.



Relations with the Local Community

GRI 2-29 • GRI 413-1

With the company’s business, Palazzo di Varignana has always concretely promoted the area where it operates. Not only that, but it also contributes to enhancing Italian cultural heritage, developing virtuous relationships with local communities.

Commitment and support for the local community in which it operates is an integral part of the social responsibility of Palazzo di Varignana, which has been collaborating with local bodies and associations for years through partnerships, the organization of cultural and social events, and support for beneficial projects.

The main initiatives of 2023 include:

- For Emilia-Romagna: to help the populations and make a concrete contribution to the reconstruction and recovery of the towns and cities affected by the flooding that occurred in May 2023, Palazzo di Varignana organized two charity dinners whose proceeds were donated to the areas most affected by the flood
- “Il verde che cura” is a project that involved the creation of plant oases studied by landscape architect Sandro Ricci on the balconies of the Oncology Department of Sant’Orsola Hospital in Bologna, offering patients and their families a more welcoming and serene environment
- Scholarships for youth enrolled in high schools and universities who reside in Varignana-Palesio, supporting the community and their academic paths through a concrete contribution
- “Dynamo Golf Cup,” a project in collaboration with the Ugolino Golf Club to support the non-profit organization that helps children with serious and chronic diseases, offering Recreational Therapy programs with the aim of giving them an opportunity to have fun and find confidence in themselves and their abilities. The day full of golf ended with a very popular lottery, with numerous prizes up for grabs from prestigious sponsors whose proceeds were entirely donated to the Dynamo Recreational Therapy projects
- Gifts of food products for various charities.

Donations and Sponsorships

GRI 413-1

The donations/investments made in favor of the community last year amounted to €14,500.





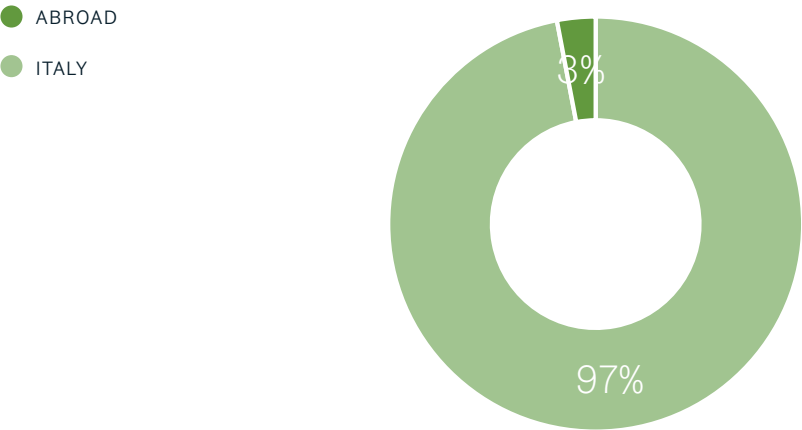
Supplier Selection

GRI 2-25 • GRI 2-29 • GRI 204 • GRI 204-1 • GRI 307 • GRI 308-1 • GRI 412-1 • GRI 414-1

The Group adopts a supplier assessment system and has a policy/procedure for establishing regular consultations.

Supplier assessment system	Percentage of total suppliers
Suppliers assessed for the possession of environmental certifications	62%
Suppliers assessed for the possession of social certifications (health and safety)	62%
Suppliers assessed by geographical proximity (located in Italy, of which 50% in Emilia-Romagna, where Palazzo di Varignana is located).	97%

Suppliers by Geographical Area



In addition, the group systematically integrates the assessment of ESG factors for all new suppliers in the qualification phase. They must complete a questionnaire on the Synesgy digital platform, which allows detecting the entire supply chain’s commitment to environmental, social and governance issues. In particular, the following pillars are evaluated:

- Corporate Integrity: compliance with regulatory requirements, integrity, honesty, and the fight against corruption
- Protecting the environment by controlling and managing environmental impacts
- Respect for human rights through a zero tolerance approach to any form of discrimination, child or forced labor, ensuring adequate working conditions for employees.



Performance Indicators

Improvement Objectives - Agenda

People and Communities

Objectives	Actions	Deadline
Employee benefits	Maintain and increase discounts on resort services and the number of agreements with external bodies and businesses	underway
Professional training	Continue with staff training programs	underway
Promote work-life balance	Maintain the smart working plan	by 2024
Maintain an appropriate level of gender representation in the corporate population	Constant monitoring and application of target-specific HR policies	underway
Sustainable supply chain	Increasingly accurate selection of suppliers	underway
Support local bodies or foundations	Activate three new collaborations with local charities	by 2024
Promote the psychological well-being of employees	Therapy desk	by 2024
Promote the local area in national and international media	Publication of print and digital articles, both in Italy and abroad	underway

Environment

Objectives	Actions	Deadline
Further reduce plastic consumption	In-room dispensers, slippers, and bags in natural material	June 2025
Reduced production of undifferentiated waste	Construction of an ecological island	completed
	Introduction of separate waste collection bins in all common areas and the 150 guest rooms	July 2025
	Raise awareness among employees and guests on the issue of recycling	underway
	Switching to a purifier to reduce glass use	by the end of 2025
Increase resort energy self-sufficiency	Installation of additional photovoltaic plants to reach 307,000 KWH produced per year	by 2026
	Complete replacement and implementation of charging stations	by June 2024
	100% replacement of lights with low-energy LEDs	by 2024
Promote the local area and awareness of the importance of preserving natural and botanical heritage	Propose walking or cycling excursions to Resort guests through the Web App, to discover the routes studied inside or outside the resort	completed
	Organize guided tours of the Ornamental Garden, part of the Grandi Giardini Italiani network	completed

Appendix

GRI 2-1 Organizational Details - Responsibility towards People

GRI 2-7 Employees

Employees (by gender)	2022			2023		
	Men	Women	Total	Men	Women	Total
Number of Employees	81	86	167	75	77	152
% Employees	49%	51%	100%	49%	51%	100%

Employees (by age)	2022				2023			
	<30	30-50	>50	Totale	<30	30-50	>50	Total
Number of Employees	48	91	28	167	39	80	53	152
% Employees	29%	541%	17%	100%	26%	53%	22%	100%

Employees (broken down by contract)	2022			2023		
	Men	Women	Total	Men	Women	Total
Permanent contract	47	53	100	51	56	107
Fixed-term contract	34	33	67	24	21	45
Total	81	86	167	75	77	152

Employees (broken down by type)	2022			2023		
	Men	Women	Total	Men	Women	Total
Full-time	78	70	148	68	65	133
Part-time	3	16	19	7	12	19
Total	81	86	167	75	77	152

GRI 2-8 Non-employee workers

Non-employee workers	2023		
	Men	Women	Total
Consultant	2	3	5
Intern	9	5	14

401-1 New hires and turnover

Employees recruited by gender	2023		
	Men	Women	Total
Employees hired	44	31	75
	59%	41%	100%

Employees (by age)	2023			
	<30	30-50	>50	Total
Employees hired	34	28	13	75
	45%	37%	17%	100%

GRI 401-1 Average annual training hours per employee

Training hours provided by professional category and gender	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	6	0	6
Middle Managers	0	0	0	0	12	12
White collars	90	72	162	517	838	1355
Blue collars	60	50	110	284	530	814
Total	150	122	272	807	1380	2187

Trained employees (number) by profes- sional category and gender	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	1	0	1
Middle Managers	0	0	0	0	1	1
White collars	6	10	16	1	6	7
Blue collars	7	4	11	25	33	58
Total	13	14	27	27	40	67

Training hours per capita	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	6	0	6
Middle Managers	0	0	0	0	12	12
White collars	15	7,2	10,1	517	139,7	193,6
Blue collars	8,6	12,5	10	11,4	42	14
Total	11,5	8,7	10,1	29,9	34,5	32,6

Average annual training hours	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	6	0	6
Middle Managers	0	0	0	0	2,4	2,4
White collars	15	2,1	4	86,2	22,1	30,8
Blue collars	0,8	1,1	0,9	4,2	15,6	8
Total	1,9	1,4	1,6	10,8	17,9	14,4

GRI 405-1 Diversity of governance bodies and employees

Employees by qualification broken down by gender	2023				
	Men	% Men	Women	% Women	Total
Executives	1	100%	0	100%	6
Middle Managers	0	0%	5	100%	2,4
White collars	6	14%	38	86%	30,8
Blue collars	68	67%	34	33%	8
Total	75	49%	77	51%	14,3

Employees by qualification broken down by age groups	2023						Total
	<30	% <30	30-50	% 30-50	>50	% >50	
Executives	0	0	0	0	1	100%	1
Middle Managers	0	0	0	60%	2	40%	5
White collars	15	34%	23	52%	6	14%	44
Blue collars	24	24%	54	53%	24	24%	102
Total	39	26%	80	53%	33	22%	152

302-1 Energy consumption within the organization

Direct energy consumption (offices)	2021	2022	2023
a. Consumed from non-renewable sources			
Natural gas (methane)	808.402	738.440	731.645
Gasoline	-	-	-
Diesel	3.265,30	2.365	
LPG			11.137,00
b. Consumed from renewable sources			
Self-generated electricity from photovoltaic Kw	8.831	8.718	
Indirect energy consumption (offices)			
Purchased electricity	2.603.276	3.039.181	3.498.685
Electricity purchased from NON-renewable sources	2.603.276	3.039.181	3.498.685
Electricity purchased from certified renewable sources	-	-	-
Total energy production consumed	41.563	40.390	41.979

303-5 consumo di acqua

Consumption	2022		2023	
of total water	All areas	Water stress areas	All areas	Water stress areas
Italian companies	75.872		91.485	
Total water withdrawals	75.872		91.485	
of which fresh water (≤1,000 mg/L total dissolved solids)				
of which other types of water (>1,000 mg/l total dissolved solids)	62.865		83.193	
Total water discharge	62.865		83.193	
of which fresh water (≤1,000 mg/L total dissolved solids)				
of which other types of water (>1,000 mg/l total dissolved solids)	13.007		8.292	
Total water consumption	13.007		8.292	
of which fresh water (≤1,000 mg/L total dissolved solids)				
of which other types of water (>1,000 mg/l total dissolved solids)				

GRI Content Index

Declaration of use

The Palazzo di Varignana Group has submitted a report in accordance with GRI standards for the period from January 1 to December 31, 2023

GRI Standard		GRI Title	Chapter/paragraph	Page
GRI 1: Fundamental Principles versione 2021	2-1	Organizational details	Palazzo di Varignana Srl Via Ca' Masino 611 A 40024 Castel San Pietro Terme (BO)	
	2-2	Entities included in the organization's sustainability reporting	Corporate structure Methodological Note	10-11 67
	2-3	Reporting period, frequency and contact point	Methodology	67
	2-4	Restatements of information	Methodology	67
	2-6	Activities, value chain and other business relationships	The Resort Group The Farm	9 17 29
	2-7	Employees	Our Commitment to People Appendix	41 58
	2-8	Non-employee workers	Appendix	59
	2-9	Nomination and selection of the highest governance body	Corporate Structure	10
	2-10	Chair of the highest governance body	Corporate Structure	10
	2-11	Presidente del massimo organo di governo	Corporate Structure	10
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Structure	10
	2-13	Delegation of responsibility for managing impacts	Corporate Structure	10
	2-14	Role of the highest governance body in sustainability reporting	Corporate Structure	10

	2- 22	Statement on sustainable development strategy	Letter from the Sustainability Team Founder's Letter	2 8
	2- 24	Embedding policy commitments	Resort Improvement Objectives	18 56-57
	2-25	Processes to remediate negative impacts	Selecting suppliers Improvement objectives	52 56-57
	2- 26	Mechanisms for seeking advice and raising concerns	Guest satisfaction	20
	2-28	Membership associations	Awards and Recognitions	19 31
	2-29	Approach to stakeholder engagement	The Resort Our Commitment to the Environment Our Commitment to People Our Commitment to the Community and Social Commitment	18 39 42 49
	2-30	Collective agreements	Our Commitment to People	42
GRI 3: Material Topics	3-1	Process to determine material topics	Sustainable Development Goals	12
	3-2	List of material topics	Sustainable Development Goals	13
	3-3	Management of material topics	The Resort Our Commitment to the Environment Our Commitment to People Our Commitment to the Community and Social Commitment	18 39 42 49
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supplier Selection	52
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Conservation Appendix	38 62
	302-4	Energy Conservation Appendix	Energy savings Reducing CO2 Emissions: the "Adopt an olive tree" Project	38 39
GRI 303: : Water and Effluents 2018	303-2	Water consumption	Managing Water Consumption Appendix	37 63

GRI 304: Biodiversity 2016	304-2	Significant impacts of activities, products and services on biodiversity	Our Approach to Agriculture	30
	308-2	Negative environmental impacts in the supply chain and actions taken	Supplier Selection	52
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Our Commitment to People Appendix	42 58
GRI 404: : Training and Education 2016	404-1	Average hours of training per year	Our Commitment to People Appendix	42 58
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Health and Safety	45
	403-5	Worker training in occupational health and safety	Health and Safety	45
	403-6	Promotion of worker health	Health and Safety	45
	403-9	Work-related injuries	Health and Safety	45
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Corporate Structure Our Commitment to People Appendix	10 42 58
GRI 414: Supplier Social Assessment 2016	414-1	Negative social impacts in the supply chain and actions taken	Supplier Selectioni	52

METHODOLOGY

This document is the first edition of the Sustainability Report of the companies belonging to the Palazzo di Varignana Group in relation to the 2023 financial year. The reference reporting period is January 1, 2023 – December 31, 2023. Palazzo di Varignana will review the information annually. Palazzo di Varignana currently voluntarily prepares the Sustainability Report, therefore its non-financial reporting is not integrated with its financial reporting. The table on the previous page shows the details of the indicators used (GRI Content Index). The “Appendix” section provides the tables and quantitative information required by the reported GRIs, with reference to the company Palazzo di Varignana S.r.l.

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PALAZZO DI VARIGNANA

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