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Villa Beretta, headquarters of the Fabbrica d'Armi Pietro Beretta, Gardone Val Trompia, Brescia



1. LETTER FROM THE BOARD OF DIRECTORS

A short time ago, while crossing the bridge over the River Mella at the company, our thoughts shifted spontaneously to energy and matter, to the water of the river and to the iron of this land which form the origin of our business.

The unbreakable bond with the local area and people is the foundation of every business decision we take, including in the area of sustainability and social responsibility. Like far back in 1913, when Pietro Beretta built the two hydroelectric plants, still operational today, which gave our company energy autonomy.

Care for the environment and the welfare of our valley has always been deeply rooted in our family and is reflected in the quality of life of every one of us. It is therefore natural that people come first at Beretta. Men and women who, beyond the role they perform, put themselves on the line every day by actively contributing to improving company competitiveness.

Our first thought, of course, goes to the safety, health and well-being of all collaborators, as well as all the people who belong to the community in which we live and work. The various welfare initiatives pursued by Beretta and channelled into our BWe project travel precisely in this direction, as well as the automation of processes, the green areas inside the factory site and the scholarships funded by the Beretta Foundation.

Believing in these people means offering them the best opportunities to grow professionally and also personally. This applies to each and every one of our employees, but also to all our suppliers, most of them long-standing and often our neighbours. We

are an extended family founded on trust and professionalism, consolidated by shared objectives. For everyone, work is implemented through know-how, and in Valtrompia, we are proud to be aware of this. We are one of the few places in the world in which artisan experience and the safest manual skills are combined with mechatronics and artificial intelligence, robotics and digitization.

We could describe it as a veritable Beretta ecosystem, which today has the daily duty of environmental protection and sustainability. It is precisely in this area that Beretta is making important investments towards water and energy savings and the evolution of heat and surface treatments. Without losing sight of the ultimate goal of the company: increasingly high-quality products for a rewarding and safe experience for the user.

We have talked about yesterday and today. We now just need to add a few words about tomorrow. At Beretta, we look to the future with enthusiasm. We strongly believe in our “made in Valtrompia” model, now also extended to the other companies of the Group located around the world, and we are ready to seize the opportunities on a market that requires ever greater adaptability.

We will no longer offer ourselves just as creators of individual products of excellence but as Solution Providers, suppliers of integrated solutions, aware that the terms sustainability and environment will always be at the heart of every project, process and business strategy. We are well aware that the future is already here.

The Board of Directors
Fabbrica d'Armi P. Beretta S.p.A.

2. INTRODUCTION BY THE GENERAL MANAGER



Dearest Stakeholders, I have the great pleasure of introducing the third edition of the Beretta Sustainability Report for 2022.

Once we had proudly created the first version of this document, last year we decided to avail ourselves of the professional services of the company Ernst & Young for a limited audit, in order to go one step further, organising the new report in accordance with the "GRI-Referenced" model.

This is a decision welcomed by the Company representing a new starting point with a view to a new updates to non-financial reporting which will be increasingly structured and aligned with the continually evolving regulatory environment.

The previous Sustainability Report has been complemented by new data and new information. The intention is to outline our vision of a Sustainable Company with even greater transparency for all of you - employees, suppliers, clients, institutions and everyone that belongs to the community in which we work. We therefore want to involve you in our behaviours, activities, objectives and results, in order to provide you with the tools necessary to fully evaluate the position of our company in relation to environmental and social responsibility, as well as economic prosperity. For this new edition of the Sustainability Report, we start with an in-depth analysis of the values and principles that underlie our daily actions, as a company that is looking towards sustainable development over time. 2022 was a particularly important year.

Carlo Ferlito
General Manager

In fact, we have drafted a strategic plan that will carry us to the 500-year mark in 2026. The demand for safety, prosperity, respect for nature, sports activities and outdoor living experiences will become more and more central for men and women all over the world. That is why we will be even more proactive and effective in offering firearms, clothing and accessories, services and advanced systems, far exceeding the expectations of our customers and partners. It is with this in mind that we have boosted the competitiveness of the factory in 2022 by making investments worth more than ten million euros.

In the coming years we will place even greater emphasis on respect for nature and sustainability, participating as leading players in this profound cultural change that poses a great challenge for everyone. A goal that we are approaching in the knowledge that we can count on a highly professional work team, committed to the agility demanded by the market and the continuous growth of the company and the Group. We are therefore renewing our commitment

to making our contribution towards achieving the goals published in the 2030 Agenda for Sustainable Development proposed by the United Nations, which outline the priorities for development, promoting human well-being and protecting the environment. Our bond with the territory has deep, ancient roots. A love of nature and the region is carved into the soul of the Beretta family. It is therefore only natural that the company has implemented a series of structural and operational actions focussed on protecting the environment, aiming to reduce water and energy consumption, CO₂ emissions and eliminate hazardous substances used in production, such as solvents and hexavalent chromium. It is a clear vision of how to intervene, even in the long term, which is summarized in the BePlanet project. These best practices, in addition to being implemented in the historic headquarters in Gardone Val Trompia, are being transferred, where practicable, to the Group's other production sites, in particular the Gallatin facility in Tennessee which belongs to our American subsidiary.



The deep and lasting relationship we have with our region also involves the local educational institutions, with whom we work closely to train highly skilled personnel for the weapons sector. This benefits both our company and the entire supply chain, where Val Trompia epitomizes excellence. The main example of this virtuous partnership is the IPSIA in Gardone Val Trompia. In this school, the T.I.M.A. (Tecnico dell'Industria Meccanica Armiera - Mechanical Weapons Industry Technician) course was born and perfected. Inaugurated in 2011 with 35 students enrolled, today the course has 160 students, to whom experienced professionals pass on the passion and skills of the gunsmith's trade on a daily basis.

Generations of men in our territory have forged iron and worked wood thanks to the power of the river that crosses the Val Trompia. Ours is a story of strength and substance, of commitment and hard work, with people its heart, today as they were back then. "Our" people, but also those who live in the region, those who work for our suppliers, and those who, like our customers, are spread all over the world. It is an extensive, priceless human capital, bound by passion, knowledge and sharing. We strongly believe in the evolution of businesses towards a role of social cohesion. That is businesses that not only provide a safe and properly paid job, but that offer robust support in terms of health and social security.

We have been working in this direction for several years now, driven by a social responsibility that has generated a set of initiatives dedicated to our employees in the form of the BWe project, the cornerstones of which are disease prevention, professional growth and training, health and wellbeing through proper nutrition, family support and, finally, leisure.

Safety is a central theme in our business. Not only the safety of our employees in the workplace but also that of our customers to whom, at the time of sale, we provide extremely clear and detailed instructions on the use of each individual product.

In recent years, there have been no incidents of non-compliance concerning health and safety aspects of products and services from Fabbrica d'Armi Pietro Beretta S.p.A. We also take the greatest care in the protection of privacy, for which we have implemented extremely strict procedures, from data management to customer information.

The Fabbrica d'Armi Pietro Beretta S.p.A. did not receive any complaints or claims from its customers regarding the protection of personal data during the period considered by this Sustainability Report. In the areas of Privacy, Workplace Safety, Public Safety Management and general compliance with all applicable regulations, the role of those responsible has been defined within our Governance framework. They are responsible for monitoring and updating current procedures - which must be clear, well written and accessible to all - as well as implementing regular training and frequent audits to verify that the rules are respected. We have a corporate Code of Ethics, shared by collaborators and partners, in Italy and abroad, which commits us to respect for human rights, the fight against corruption and the promotion of diversity.

Thanks to the introduction of the Code of Ethics and the Organization and Management Model adopted pursuant to Legislative Decree No. 231/2001, during the 2020-2022 reporting period, no proven corruption incidents occurred. At the same time as updating the internal procedures of the Organizational Model, the Company is evaluating the possible Certification of its Management System for the Prevention of Corruption according to ISO 37001 to confirm its commitment to combating potential corrupt practices. When we talk about innovation - of products or processes - we are also talking about people.

Our company is made up of people that live in the real world and have the same passions and interests as our customers. This affinity is reflected in the constant improvement of our products and allows every single one of our customers throughout the world



to feel like a part of Beretta. In our vision global meets local and they operate in perfect synergy, just as our centuries-old tradition coexists with the ability to work out which direction to take our capacity for innovation before the rest. Sustainability is therefore also a matter of affinity and listening to our customers. From the environment, to work and society. In today's highly complex world, our employees have shown a great sense of responsibility, which was also evident in the period of economic crisis caused by high energy prices. There was an immediate focus on energy saving in the company. Adhesion to the '10x10' project was prompt. This consists of ten good practices that allowed us to save ten percent of our energy. A remarkable achievement, achieved because it was shared by all.

With regard to Social Responsibility, we contribute to supporting the local community through the nursing home, the nursery for employees' children and the Beretta Foundation, which was established in 1985 and is funded every year. Meticulous scientific guidance manages the investments ranging from hospital equipment to scholarships, focusing mainly on cancer research. When we talk about Sustainability, people are always at the heart of the issue. Our people, employees and local suppliers, who are increasingly aware and accountable. Our customers who, although varied in their attitudes and needs, are united in their complete satisfaction. We also think of the men and women who live in the countries that we feel we protect indirectly thanks to our products. In the B2G sector in Italy, we can rely on a unique and precious heritage in terms of experience in our sector. We take our technology and knowledge overseas, becoming an active partner of the country that intends to use our products, providing all the necessary help and support, including in the industrial field. It is precisely the union of these different human worlds, destined for ever-increasing integration, which will define the true Sustainability of the future. All we have to do is look a little further, beyond the everyday horizon, to be sure.



3. OUR HISTORY, OUR BUSINESS

Beretta Museum - private collection of 1500 weapons
inside Villa Beretta, Gardone Val Trompia, Brescia

3.

OUR HISTORY, OUR BUSINESS

It was the year 1526, 185 arquebus barrels sold by Master Bartolomeo Beretta to the Republic of Venice, for 296 ducats.

This is the oldest written certification of activity by the Beretta family linked to the production of weapons in Gardone Val Trompia. In this area, the presence of metal deposits, the wealth of wood used for smelting and river water resources, the driving force for metal machining, since the times of

the Cenomanian Gauls and the Etruscans in the 4th century BC, led to the expansion of the production of metal items and in particular sidearms. Starting with Bartolomeo, the company manufacturing high-quality firearms has been handed down through 15 generations of the Beretta family.

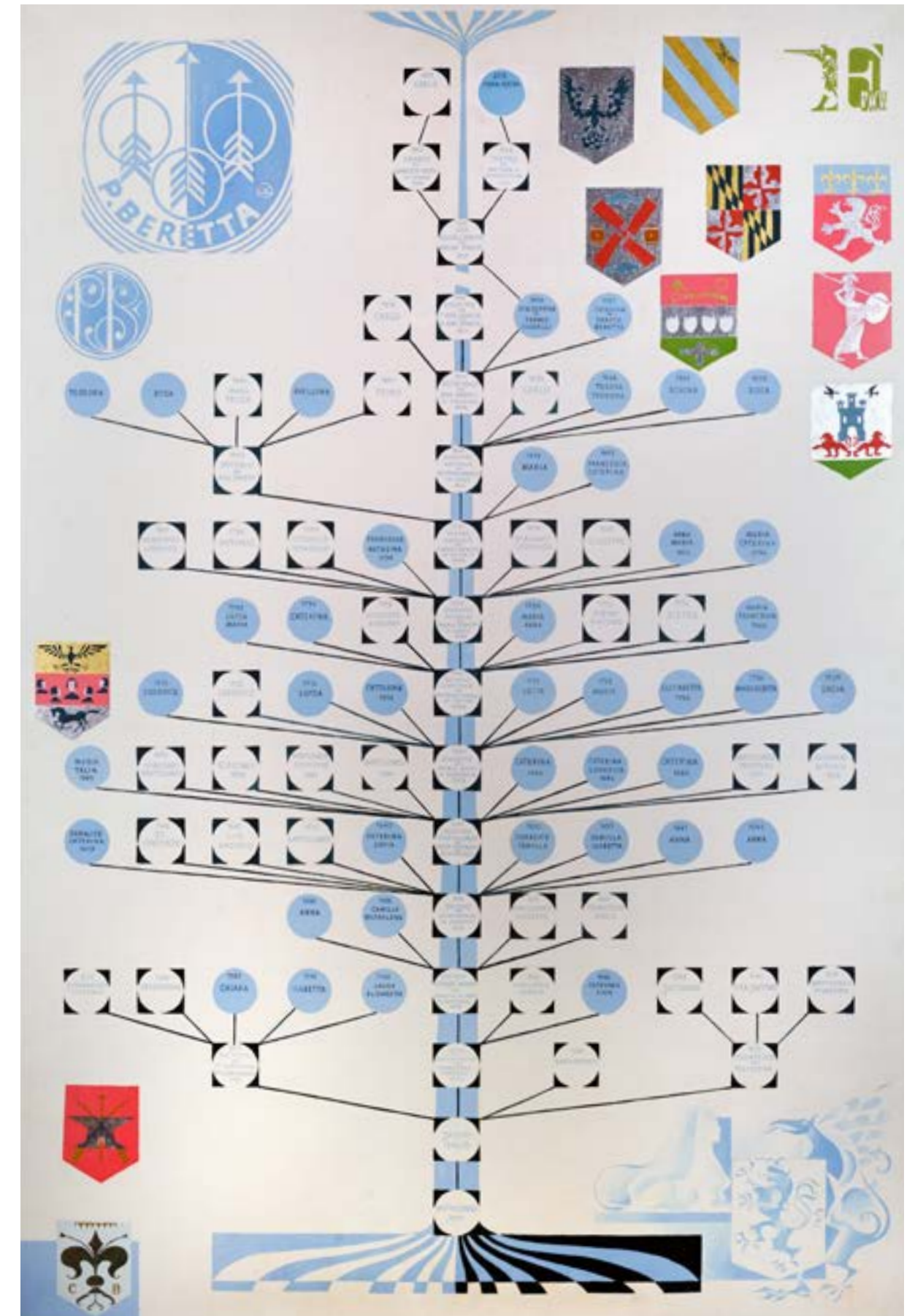
An ancient tradition. Since Etruscan times, the production of metal items and, in particular, sidearms, has spread through the Val Trompia.

3.1 EXPANSION OF THE BUSINESS

Initially, the Beretta forge specialized in the construction of exceptionally robust barrels, producing the first examples of complete weapons in the mid-19th century.

In 1791, Pietro Antonio Beretta was born. He perfected the art of making barrels for smooth-bore rifles and pistols and, in 1832, he registered the official name of the company as the Fabbrica d'Armi Pietro Beretta. It was then his son Giuseppe

Antonio who later concentrated production on fine quality weapons, acquired new technical skills and renewed the machinery. He was also responsible for the construction of the new headquarters in the mid-19th century, which is still home to the headquarters of the whole Beretta Group. Giuseppe was also an innovator on the commercial front: he strengthened distribution by creating new, stable trade relations even internationally and, in 1885, he created a sort of ante litteram showroom at the company.

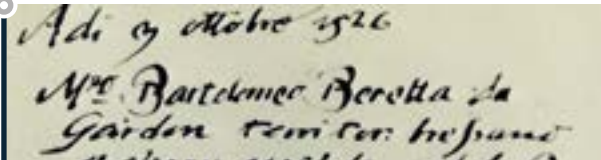


Genealogical tree of the Beretta family from 1490 to today

3.2 THE HISTORY OF BERETTA

1526

Accounting document of the sale of barrels by Bartolomeo Beretta to the Republic of Venice. The date is taken as a reference for the foundation of the company



1790

Supplies of **40,000 Beretta muskets** to the Napoleonic army

1820

Diffusion of the **trademark Beretta PB**



1830

Introduction of the machining of the **Damascus twist barrel**



1850

The Beretta forge is totally destroyed by the flooding of the River Mella. **Giuseppe Antonio Beretta** founds the current site



1880

Giuseppe Antonio Beretta builds the first ante litteram show room in the world: the **Beretta Museum** and starts full production of weapon parts, not just barrels



1915

Creation of the **Model 1915**, the company's first semiautomatic pistol used by the Italian Army, which becomes its official partner



1933

Birth of the SO1 model, forerunner of today's Beretta most prestigious luxury shotgun, SO10



1949

Beretta becomes a **Joint Stock Company**

1953

The term by Gabriele D'Annunzio with the three arrows "**Dare In Brocca**" (Hit your Target) becomes the new Beretta logo



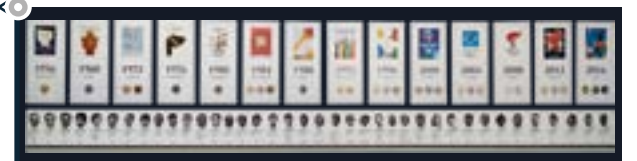
1955

Creation of the **S55 over-and-under**, the first fully industrialized internal battery shotgun



1956

Beretta supplies over-and-under shotguns for the **Melbourne Olympics**



1958

The first gas-operated semi-auto in the world is produced by Beretta: the **Model 60**





1985



Beretta wins the contract to supply **M9s** to the American army and police forces

1989



The first affordable professional sport shotgun is created: the **ASE 90**

1990



Beretta enters the world of clothing with the Foundation of the division **Beretta Sport**

1995



Opening of the **first Gallery** in NY

1996

Foundation of **Beretta Holding**

1999



Creation of the company's first polymer pistol, the **Beretta 9000S**



2006



Beretta participates in the 'Soldato Futuro' project
The ARX 160 automatic rifle is created

2011



Beretta Defense Technologies is founded

2016



10 out of 15 medals are won by Beretta athletes at the Rio Olympic Games

2017



In-house production of cases for luxury products is born

2019



Deed of partnership of the **CSSS Consortium** with Leonardo

2021



9 medals are won by Beretta athletes at the Tokyo Olympic Games

2022



Digital Evolution

3.3 A TRUE REVOLUTION

In 1903, it was the turn of Pietro Beretta, who led the company until 1957. He successfully transformed it from artisan to industrial, inheriting a company consisting of a single building of 10,000 m² with 130 employees and developing it to become a business with 1,500 people operating over an area of 35,600 m².

Intelligent, intuitive and charismatic, Pietro introduced the most modern machining systems and created innovative products, such as the first semi-automatic pistol, the 9 mm Glisenti Model 1915 adopted by the Royal Army, one of the very first machine guns, the Model 1918 dubbed the "Automatic Musket" and later the famous Model 1938 "MAB" (Beretta Automatic

Musket), adopted by the Italian Army. In the field of sporting weapons, in 1932 Beretta presented the first 22LR cal. ordinary repeating rifle, predecessor of the future and renowned Olimpia and Sport models. In 1933, the SO series design was completed, the first Italian over-and-under shotgun, for hunting and target shooting, which soon became the world benchmark for luxury shotguns entirely handmade.



496

Years of the
Beretta family

Intelligent, intuitive, charismatic. Pietro Beretta introduced the most modern processing systems.



Pietro Beretta
(1870-1957)

3.4 THE INTERNATIONAL DIMENSION

Under the guidance of Giuseppe and Carlo, Pietro's sons, the company goes international as a leading producer of an extensive line of light weapons of all kinds, civil and military, achieving brilliant successes in the military and sports sectors.

Beretta Holding was established to manage the development and strategic coordination of the oldest industrial dynasty in the world.

This is the period of creation of products such as the BM59, immediately adopted by the Italian Army as an assault rifle, together with the Model 1951 semiautomatic service pistol and the PM12 submachine gun chosen by the Italian Police Force.

In 1955, Beretta presented the Beretta S55, which for over twenty years was the reference for Italian hunters together with the A300 semiautomatic. In 1957, the first Italian pump-action shotgun was created: the Beretta RS151.

In 1975, Beretta produced the 9 mm parabellum semiautomatic pistol Model 92, one of the most successful firearms in history, today reaching almost four million units produced and supplied to numerous Armed and Police Forces, including the Italian, Brazilian, American, French, Spanish and Turkish forces.

Also in the 1970s, Beretta designed a new weapon system for the assault rifle that went on being produced in the 1990s, the Model 70/90 used by the Italian Army to replace the BM59.

In 1979, the S680 series of over-and-under shotguns was produced, for hunting and target shooting, still in the catalogue today alongside the new 690 series.



Beretta Hydroelectric Plant
in its first years of life



3.5 THE OLDEST INDUSTRIAL DYNASTY IN THE WORLD

Currently Fabbrica d'Armi Pietro Beretta is an integral part of Beretta Holding, created in 1996 to manage the development and strategic coordination of the oldest industrial dynasty in the world.

The company and the Group are now managed by the fifteenth generation of the Beretta family. 'Cavaliere del Lavoro' Ugo Gussalli Beretta has recently handed over the reins to his sons: Pietro Gussalli Beretta is President and CEO of Beretta Holding, Franco Gussalli Beretta is President and CEO of Fabbrica d'Armi Pietro Beretta, the historic brand of the Group, and of the Finnish company SAKO OY. Despite 500 years of history,

those who are at the helm of the company today are certain, and have the drive to ensure, that the most exciting pages in the history of the business have yet to be written.

This is why the sixteenth generation is currently undergoing the best preparation possible to continue the journey of great commitment and goals achieved by their predecessors.

**16**

Generations
of the Beretta family

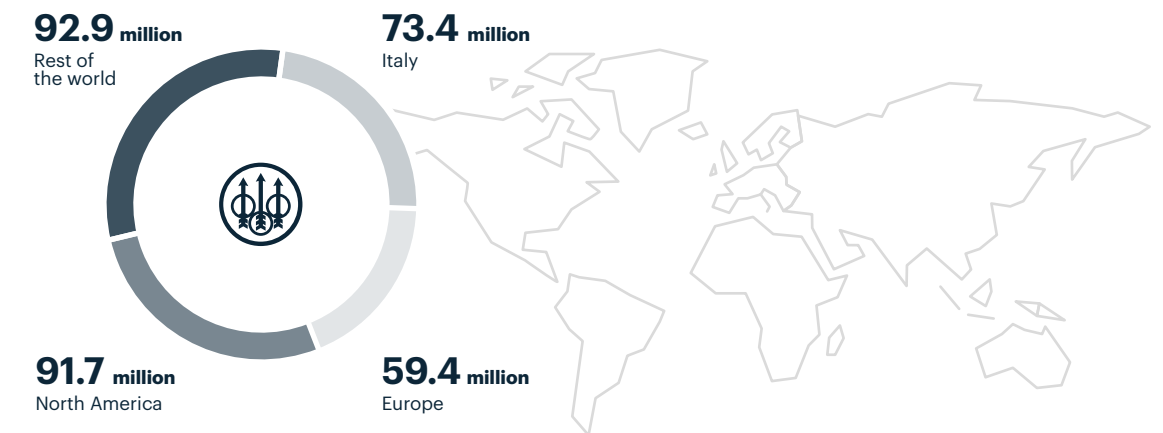
Over 50 companies for a leading Group in the field
of light firearms, ammunition and optics dedicated to
hunting, sport and self-defence.



Stele of Gabriele D'Annunzio that inspired the Beretta three arrows logo, Vittoriale degli Italiani - Gardone Riviera, Brescia



Breakdown of net sales 2022 by area, Fabbrica d'Armi P. Beretta



3.6 LEADER IN ITALY AND WORLDWIDE

Beretta Holding currently controls, directly or indirectly, over 50 companies that, worldwide, make up the Group, a recognized leader in the sector of light firearms, as well as ammunition and optics dedicated to hunting, sport and self-defence.

Beretta Industrie, a subsidiary of Beretta Holding, controls all the Group's Italian companies. As for firearms manufacturers, in addition to Fabbrica d'Armi, these include Benelli, which produces under its own brand name in the civilian sector, Uberti, which produces replicas of historical weapons, and Meccanica del Sarca, which makes metal magazines and walnut stocks for long guns. With a view to sustainability, precisely because of the complicated availability of walnut wood, alternative materials to wood are being studied at Beretta for firearm stocks.

2022 will be remembered for a very important acquisition: Ruag Ammotec, one of the most important international companies for the production and distribution of light ammunition, which includes prestigious brands such as RWS, Norma, Rottweil and Geco. With this move, Beretta Holding created a Group that is complementary in every respect.

Beretta Holding also includes foreign companies such as the Finnish company Sako, which produces carbines for big game hunting and precision rifles for long range shooting, Beretta USA, which mainly produces short-barrelled weapons, and Stoeger in Turkey produces semi-automatic weapons in the entry level category.

In 2011, a strategic, productive and commercial alliance was formed between four leading companies: Beretta, Benelli, Sako and Steiner under the Beretta Defense Technologies (BDT) umbrella in order to offer a unique combination of military products, from short to long guns, accessories, aiming systems, optics, ammunition and tactical clothing, to meet the most stringent operational requirements. In 2021, the British company Holland & Holland was acquired, a historic brand of absolute excellence that produces around a hundred collector's guns a year. Over the years, the Group has also turned its interest to sectors related to weapons, such as the world of optics - binoculars, laser pointers, night sights and aiming optics - in order to complement and complete its product offering, thus becoming a global solution provider, from B2B to B2C and B2G.



3.7 MODERN TIMES

Beretta's production today - about 1,500 guns per day - covers almost the entire range of small arms: over-and-under and side-by-side for hunting and shooting in different calibres and different finishes, semi-automatic shotguns, rifles, semi-automatic pistols - from the calibre .22 short to the calibre .45 Auto - and automatic military rifles.

A special division called Premium Guns and PB Selection is dedicated to the production of fine weapons for which most of the finishing, assembly and decoration is still done by hand. In this department, we work on request, with waits up to two years, to respond to the most personal requests from hunting and shooting enthusiasts all over the world. It also includes the Beretta engraving workshop, where young students can work alongside the "master" engravers to create unique designs, which can take several hundred hours of work, and the luxury gun case production department.

In 2022, the company was able to evolve in tandem with the market despite the fact that geopolitical scenarios in Eastern Europe heavily influenced business strategies in an area with high growth potential. The launch of the new hunting rifle allowed the

company to gain market share in a sector where it had never previously operated. Also of note in the year 2022 is the drafting of the Strategic Plan 2023-2026 that, through a structured process of strategic analysis, led to the definition of 7 Strategic Development Lines that will open up new business models, with an emphasis on service, sustainability and digital transformation.

These new strategies will be implemented through multiple projects and will complement the development of the Core Business, for which 46 Core Initiatives have also been defined, necessary for the consolidation and improvement of the company's results in anticipation of the 500th anniversary.

The year just ended also saw the first convocation of the Innovation Board, an advisory body made up of members from inside and outside the company, with the task of assisting, promoting and stimulating new initiatives and collaborations in the field of product, process and service innovation. Focusing on the sustainability of its actions and adapting its business accordingly, the company continued its efforts to train its distribution and sales network in order to achieve an ever closer relationship with the end customer.

Today's Beretta production - around 1,500 guns per day - covers almost the entire range of small arms.



3.8 OUR VOCATION FOR SPORT

Beretta has enjoyed a huge number of sporting successes. In Melbourne, in 1956, Beretta won her first Olympic gold medal in clay shooting.

Since then, Beretta's triumphs in major world competitions have been a regular occurrence: numerous medals have been won at the Olympics, starting with those in Rome in 1960, in addition to the countless medals won at the World Championships from 1978 onwards.

Beretta competition shotguns have won more International Competitions than any other shotgun. Sports production covers on average 85% of the entire company production. Exports stand at around 90% and involve around a hundred countries.

At the last Olympic Games in Tokyo in 2020, Beretta confirmed its sporting vocation by winning 3 gold, 3 silver and 3 bronze medals.



Beretta athletes who won a medal at the last Olympic Games in Tokyo 2020



3.9 IN CONTINUOUS EVOLUTION

At the beginning of the 1990s, Beretta added to its traditional production of firearms by creating a complete range of highly technical accessories and clothing of typically classic and elegant style.

There are two collections: "Competition", technical clothing and accessories for target shooting; "Hunting", a blend of technology and continuous innovation to ensure comfort for all types of hunting.

From a commercial point of view, Beretta has improved its traditional distribution network by adding new channels: Beretta Gallery, Shop in Shop and Direct Business. In 1995, the first Beretta Gallery was inaugurated in New York, a flagship store conceived as a showcase of the Beretta lifestyle, where you could find not just the entire product range from the Beretta Group but also a whole series of items, from luggage to jewellery to antique and modern furnishings, commissioned from the best craftsmen and all united in their unmistakable Italian style and love of the outdoors.

More recently, we have opened other galleries in Dallas, Buenos Aires, Paris, Milan, London, Moscow, Madrid and Memphis. Shop in Shop and Corner are the distribution model that Beretta offers at the best stores all over the world. These stores specialize in the sale of weapons, clothing and accessories and reserve part of their display area for the Beretta product range.

Currently, with Shop in Shop and Corner combined, Beretta has a network of approximately 900 stores worldwide. At the beginning of the 2000s, Beretta implemented an additional business model which involves the direct sale of clothing, accessories, weapon

parts and optics by creating the E-commerce site www.berettausa.com for North America, which was recently joined by the site estore.beretta.com for Europe. The year 2022 was marked by Beretta's great commitment to digital.

The new website was launched, various services were activated and, above all, the digital community 'My Beretta' was created for customers, bringing them closer to the gun stores who sell Beretta products.

Above all, the weapon configurator: a futuristic platform to create the perfect synthesis between company, gun store and customer.



130.8 million

Total long gun turnover



95.9 million

Total short gun turnover



27.4 million

Total clothing and accessories turnover



26.7 million

Total automatic weapons turnover



36.6 million

Total turnover other products



Beretta Gallery
New York



4. GOVERNANCE, THE NUMBERS

4. GOVERNANCE, THE NUMBERS

Five hundred years of history and we are only at the beginning.

All of the principles, rules and procedures regarding the management and governance of the Company have their roots in Beretta's five-hundred-year history.

The daily actions of those involved with the Company are based on a work ethic and moral values handed down from generation to generation that have led to Beretta achieving exceptional, tangible and measurable results.

Being inextricably linked to the region and its inhabitants, Beretta adapts year after year in a world that is rapidly evolving, where the rules and regulations imposed by the market and the

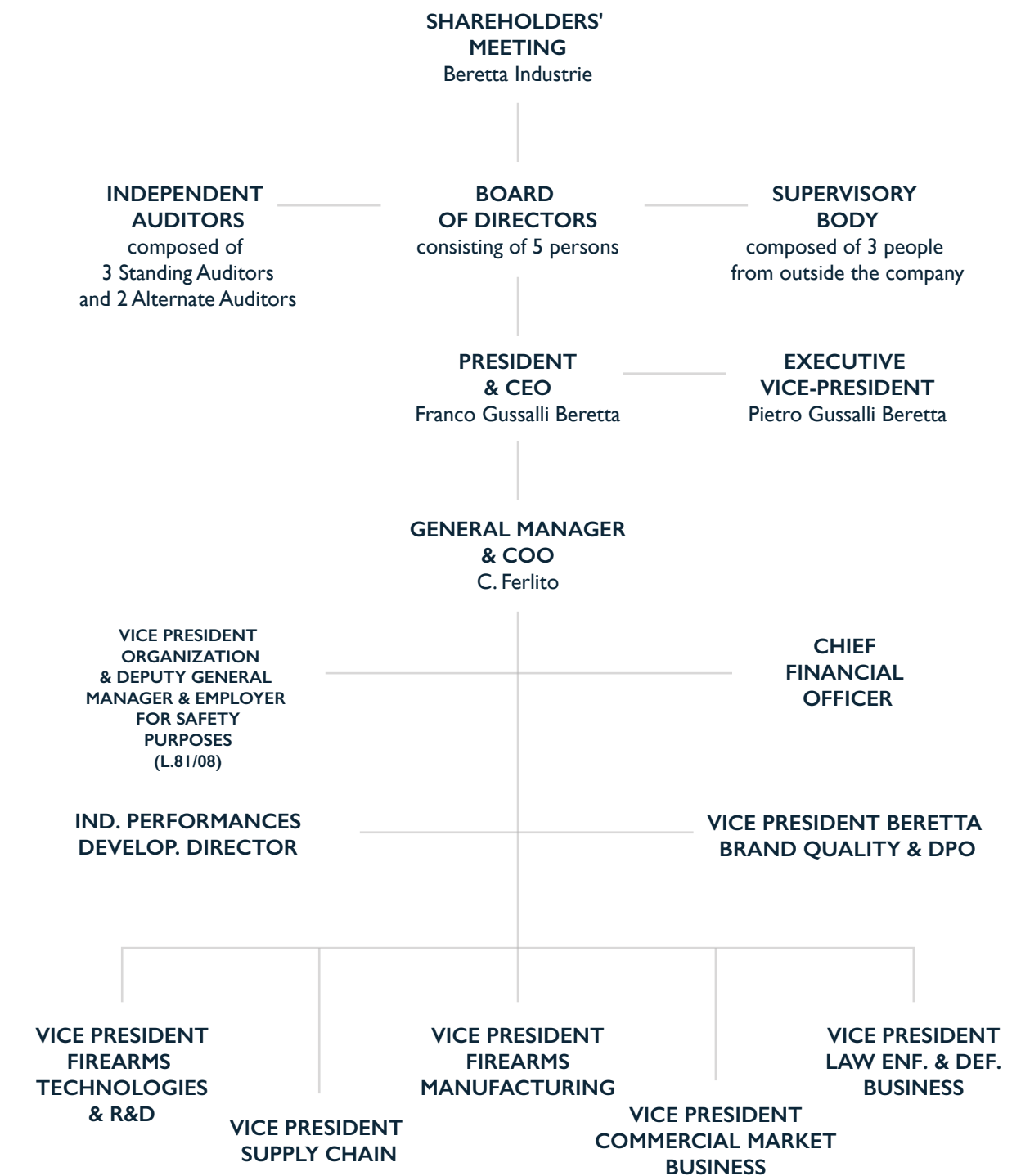
international community are becoming ever more stringent. For this reason, Beretta has organized its Governance Model so as to efficiently fulfil the expectations of its stakeholders, adapting its corporate structure according to the best international practices, updating its internal codes and improving its risk management, operational and sustainability processes.

Even the numbers are reassuring. A turnover that is constantly growing, new products and new markets, for a Group that is increasingly robust and organized, ready at all times to extend and reinforce its structure as well as welcoming new, qualified expertise.



Franco Gussalli Beretta
and Pietro Gussalli Beretta

4.1 GOVERNANCE





4.2
BERETTA
IN NUMBERS



61.0%

Total turnover B2B



0.8%

Total turnover B2C



38.2%

Total turnover B2G



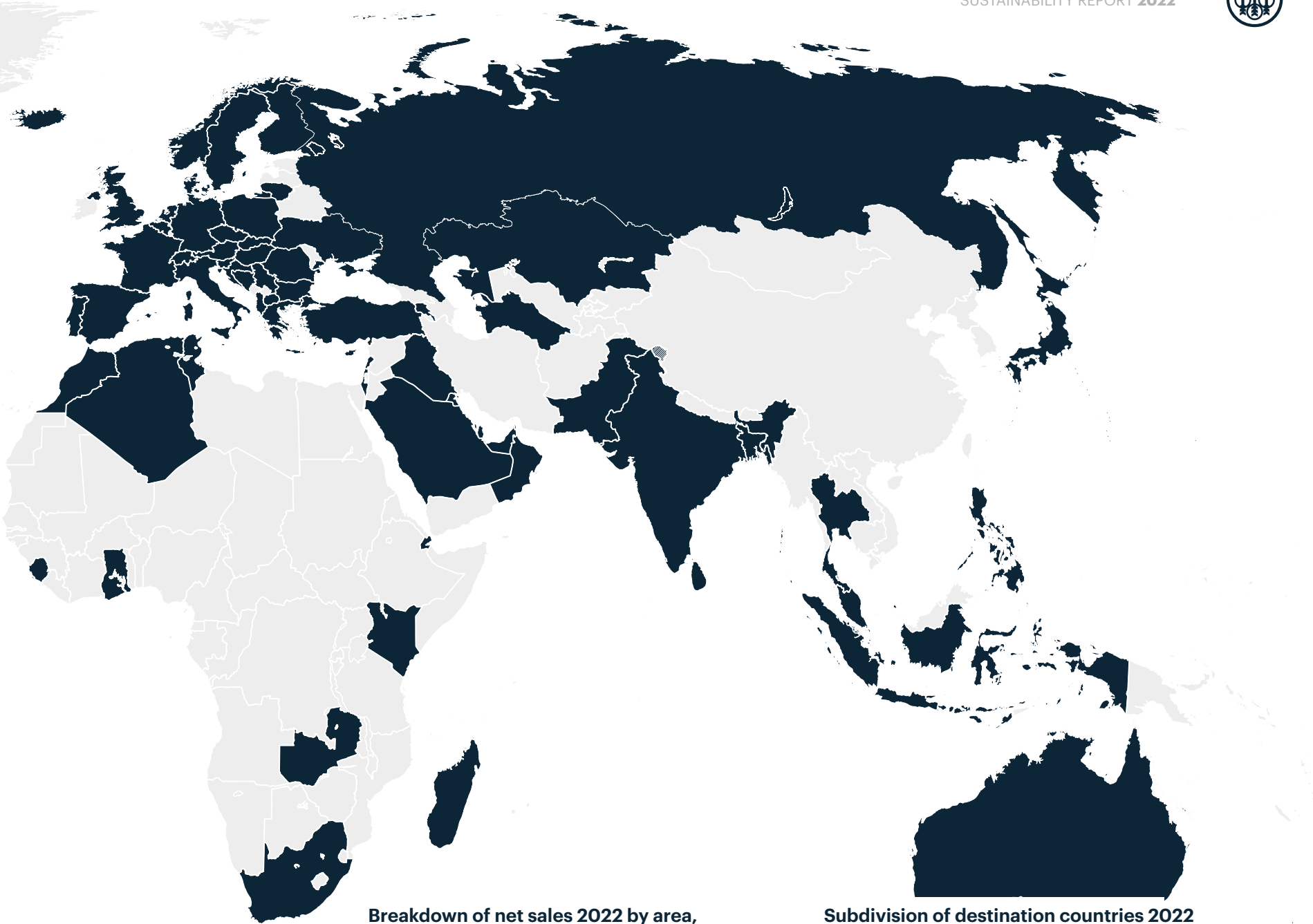
82

Destination countries

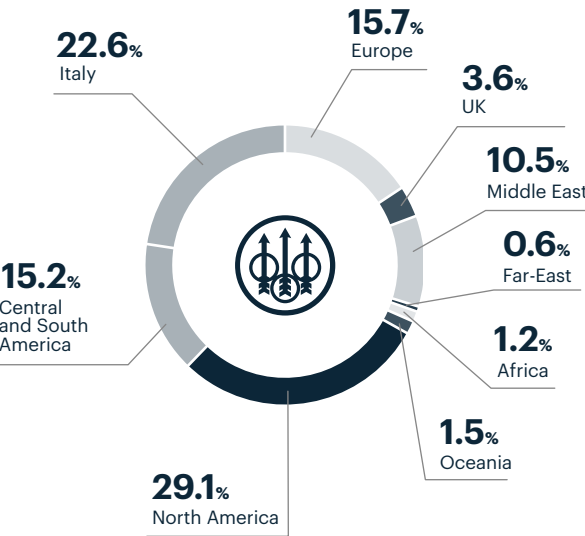


834

Employees
Fabbrica d'Armi P. Beretta



Breakdown of net sales 2022 by area,
Fabbrica d'Armi P. Beretta



Subdivision of destination countries 2022
Fabbrica d'Armi P. Beretta





Financial information			
Main items	2020	2021	2022
Turnover	212.7	250.5	317.4
of :			
Civilian and Sport	132.4	173.3	196.3
Defence and Law Enforcement	80.3	77.2	121.1
EBITDA	17.1	38.1	43.5
EBITDA - % of Turnover	8.0%	15.2%	13.7%
Net Assets	130.4	139.6	153.1
R.O.I.	5.4%	6.9%	13.3%
Debt-to-Equity Ratio	0.7	0.7	0.8

Diversity of governance bodies and employees						
Board of Directors by gender and age			2020 ¹	2021	2022	
Directors as at 31 December, by age	Women	< 30	0	0	0	
		between 30 and 50	0	0	0	
		> 50	0	0	0	
		Total women directors	0	0	0	
	Men	< 30	0	0	0	
		between 30 and 50	0	0	0	
		> 50	5	5	5	
		Total men directors	5	5	5	
	Total			5	5	5
	Strategic Operations Committee by gender and age			2020 ¹	2021	2022
Directors as at 31 December, by age	Women	< 30	0	0	0	
		between 30 and 50	0	0	0	
		> 50	0	0	0	
		Total women directors	0	0	0	
	Men	< 30	0	0	0	
		between 30 and 50	3	3	3	
		> 50	7	7	7	
		Total men directors	10	10	10	
	Total			10	10	10

1. Data on the composition of the Strategic Operating Committee by gender and age in 2020 have been changed from previous non-financial reporting due to the availability of more accurate data.



Composition of the Board of Directors					
Name and Surname	Office	Executive	Non Executive	Date of appointment	Term in office
Franco Gussalli Beretta	President and CEO	Ⓜ		29/05/2020	Until approval of the Financial Statements as at 31/12/2022
Pietro Gussalli Beretta	Executive Vice President	Ⓜ		29/05/2020	Until approval of the Financial Statements as at 31/12/2022
Ugo Gussalli Beretta	Director		Ⓜ	29/05/2020	Until approval of the Financial Statements as at 31/12/2022
Gabriele Gnutti	Director		Ⓜ	29/05/2020	Until approval of the Financial Statements as at 31/12/2022
Alberto Manenti	Director		Ⓜ	29/05/2020	Until approval of the Financial Statements as at 31/12/2022

The Company's highest governing body is the Board of Directors and plays a fundamental role in the governance system by holding the broadest powers for the ordinary and extraordinary administration of the Company. The Board of Directors consists of five members appointed by the Shareholders' Meeting, all of whom are male. In accordance with the Articles of Association, two of the five members are appointed Managing Directors and also hold the office of President and Vice President of the Board of Directors, respectively. The President of the Board of Directors is Dr. Franco Gussalli Beretta and the Vice President of the Board of Directors is Dr. Pietro Gussalli Beretta.

The legal representation of the Company is vested in the President and, in his absence, the Vice President within the limits of the powers granted to them. Both Managing Directors have executive responsibilities in other Beretta Group companies and institutional positions in other companies outside the Group. The other Directors are Cav. Ugo Gussalli Beretta, Dr Gabriele Gnutti and Dr Alberto Manenti. They are not granted individual powers of administration. In order to prevent conflicts of interest and in line with the independence requirements established for the highest governing body of the Company, the President of the Board of Directors is not also a senior manager of the organization. Of the five members of the

Board of Directors, three are related (Ugo Gussalli Beretta is the father of the two Managing Directors). The Shareholders' Meeting defines the appointment criteria and selects the members to complete the Board of Directors by assessing their competences relevant to the impact on the organization.

The President and the Vice President hold the power to appoint the directors. The appointment of senior managers in the Company is coordinated with the General Manager & COO. The Board of Directors is directly responsible for controlling the management of the organization's impacts on the economy, the environment and people, the operation of which is delegated to the General Manager & COO and his first reports.

At least once every six months, the Board of Directors acknowledges and approves the company's economic and financial situation. In addition, it requires reporting on the organization's impact on environmental and human resource management issues. If deemed useful, the Board of Directors may decide to engage stakeholders to support processes deemed strategic by the company. The role of the General Manager & COO and senior managers is to annually review and update the strategies, policies and objectives relating to the Company's sustainable development.

All this is reflected in the formulation of a three-year Strategic Plan containing the expected results for the economy, environment and people, which is submitted to the President of the Board of Directors for approval.

The company maintains a high level of control over the company's main operations, suppliers and customers, carrying out due diligence according to national and international best practices related to the relevant sector. In order to consolidate a relationship of mutual trust, transparency and cooperation, Fabbrica d'Armi P. Beretta aims to establish active and constant dialogue with all its Stakeholders. The aim is to capitalize on the specificity of each identified category by activating engagement methods and communication channels tailored to the needs of individual stakeholders. Should the Board of Directors consider it beneficial, the stakeholder engagement could also include their support within the processes to identify and manage the organization's impacts on the economy, the environment and people.

The company has implemented a governance system dedicated to managing and monitoring sustainability issues with the aim of operating in an increasingly responsible and transparent manner, integrating sustainability in all respects within its business activities. The Board of Directors has assigned responsibility for managing the organization's

ESG impacts to a working group composed of the heads of the main corporate functions involved in the sustainability reporting process. This working group meets periodically, at least every six months, in order to report to the Board of Directors on the progress of the organization's sustainability impact management.

The end result of all the management is the preparation of the Sustainability Report for the year 2022 in accordance with Legislative Decree No. 254/2016 (which transposes the European Non-Financial Reporting Directive in Italy) and in line with the GRI 2021 Standard Update, laying the foundations for the future transposition of the new Corporate Sustainability Reporting Directive (CSRD). The Non-Financial Statement will be certified and filed with the Chamber of Commerce along with the annual report. The Board of Directors approves the Sustainability Report. The Board of Directors entrusts the President & CEO with the prior verification and approval of the Letter from the Board of Directors, while it entrusts the General Manager & COO with the approval of the list of material topics. Fabbrica d'Armi P. Beretta was founded in 1526 as an individual enterprise and has been owned by the same family for its entire existence. To this day, the shares of the holding company are held by the family members who reside on the company's Board of Directors.

Annual total remuneration index				
	u.m.	2020	2021	2022
Total annual remuneration for the company's highest-paid individual	€	647,000	717,000	717,000
Median annual total remuneration for all employees in the organization excluding the highest-paid individual	€	33,893	38,084	39,568
a. Ratio		19.09	18.83	18.12
b. Ratio % ²		N/A	0.87	0.00

2. The percentage ratio reported is equal to the ratio of the percentage increase in the annual total remuneration of the highest-paid individual to the median percentage increase in the annual total remuneration of all employees (excluding the aforementioned individual).

Consequently, there is no conflict, not even potential, between the Executive Directors and the Ownership, given their identity.

No director from outside the family had executive power during the reporting period. In any case, the company undertakes to communicate to its stakeholders any changes in the organizational structure that may generate a risk of conflict of interest.

The organization has established monthly reporting of economic, financial and operational content, which is submitted by the General Manager & COO and the involved heads of department to the Managing Directors on a monthly basis, informing them of any critical issues encountered during the reporting period. It should be noted that during the reporting period, the Board of Directors did not receive any communications concerning critical issues or significant complaints. The Board of Directors, the

General Manager & COO and the top-level managers responsible for approving the Sustainability Report as a whole, as well as for verifying and approving the materiality results, respectively, are responsible for sustainability reporting. In 2022, no further measures were implemented to expand the collective knowledge of the highest governing body on sustainable development. The company plans to set up training programmes to improve knowledge in the field of sustainable development, with particular reference to the main trends that may impact on the growth strategy in the short, medium and long term.

The Board of Directors periodically evaluates the organization's economic, environmental and social performance, relevant risks and opportunities, and assesses the quality of managers' handling of the company's impacts on the economy, environment and people. Fabbrica d'Armi Pietro Beretta intends to increase its commitment to overseeing the management of ESG impacts.



In order to begin reflecting on its own performance in this regard, the Board of Directors is considering having an independent advisor assess it, so as to identify possible areas for improvement.

The Shareholders' Meeting determines the remuneration policy of the Board of Directors each time the Board is renewed, and entrusts the Board of Directors with determining the remuneration of other directors holding special offices. Each year, the Managing Directors define the remuneration policy for the General Manager & COO and key management personnel.

The primary objective of this policy is to guarantee a tangible contribution to the company's strategy and sustainability, taking into account medium- to long-term strategies, in order to ensure the attraction and retention of all key roles with characteristics and skills required to guarantee the creation of value for all stakeholders, including shareholders, employees, customers and suppliers. Pursuant to Article 2389 of the Italian Civil Code, the remuneration of the members of the Board of Directors is determined by the Shareholders' Meeting, which delegates the Board of Directors itself to determine the remuneration of directors with special offices. The organization has remuneration policies that, depending on the hierarchical level, age or career growth potential, vary in their financial approach and in the benefits made available to the employee.

As far as management is concerned, in addition to the application of the existing National Collective Bargaining Agreement for Managers, the company customs are as follows:

- The positioning and consequent remuneration policy is based on the analysis and definition of the bands according to a position weighting methodology (reference economic parameters - direct or indirect responsibility) crossed with an analysis of the reference labour market scenario, which

for this level is on the national and international dimension. This approach makes it possible to define a +/- 25% range within which the manager's compensation should fall, taking into account other parameters (performance trends, residual potential, corporate responsibilities, etc.).

- Variable remuneration is value-based, based on a percentage range of 20/30% of the set remuneration, and can be short-term or medium-term.
- There are no significant entry bonuses, the only exception being possible relocation contributions.
- For pension supplementation, the category funds (PREVINDAI - COMETA) are used in accordance with current legal and contractual regulations.

With regard to the rest of the workforce, in addition to the application of the National Collective Bargaining Agreement for Metalworkers in force, the company supplementary contract and any other decisions implemented by the organization to improve company competitiveness are agreed with the trade unions (mapped in the company Stakeholders).

The organization set up its Risk Management based on the contents of the ISO 31000 standard, which it applied within its Quality, Environment and Safety Management Systems by documenting the Context Analysis. The Context Factors were identified through a PESTEL analysis and each Context Factor was assigned a relevance derived from the product of its impact and speed of change. Risk Assessments were then drawn up as the product of the severity value and the probability value assigned to each item of analysis.

As part of the continuous improvement programme, the relevant risks were all taken into account by the company using structured actions and plans assigned to the respective Process Owners.

Risk Analysis is part of the current management analysis processes and is applied to various business processes within the operational sphere: from analyses in the area of Safety, to the analysis of significant Environmental Aspects and Impacts, to Product Development processes through to the most careful ergonomic analyses of individual workstations in the company's various production departments.

Every year, through the Management Review of the Quality System, the risks are re-examined according to the effectiveness of the actions and projects undertaken, fuelling processes of continuous reduction of residual risks.

In the last Context Analysis document drawn up at the end of 2022, and shared during the Management Review, risks were highlighted relating to technological factors (difficulties in sourcing raw materials,

etc.), political/social factors (international geopolitical and economic tensions, etc.), regulatory factors (GDPR, etc.), economic factors (inflationary risks and rising rates, etc.) and environmental factors (termination of authorisation to use hexavalent chromium, etc.). No direct political contributions were made during the three-year reporting period. As shown in the table on page 48 Beretta is associated with industry organizations. These bodies are entitled to provide support to political candidates. It appears that over the past three years, the contributions made have been marginal compared to the operating budgets of these organizations.

During the period under review, no non-compliance with any type of law and/or regulation was detected in relation to the activities carried out by Fabbrica d'Armi Pietro Beretta. Consequently, no penalty was paid for non-compliance with any type of law and/or regulation during the period under review.





5. PEOPLE, PROSPERITY, PLANET



5. PEOPLE, PROSPERITY, PLANET

Sustainability means thinking about the well-being of the planet and of future generations.

Sustainability means thinking about the well-being of the planet and of future generations. As Beretta sees it, it means directing our efforts towards improving the quality of life of those who work at the company

and those who live in the local area. Sustainability also means promoting gender equality and opportunities, as well as creating the conditions for a motivating, positive and rewarding working environment.

The three pillars “People, Prosperity, Planet” summarize in one vision an overall strategy composed of multiple actions for the environment, people and, in general, prosperity.



5.1 A GLOBAL VISION

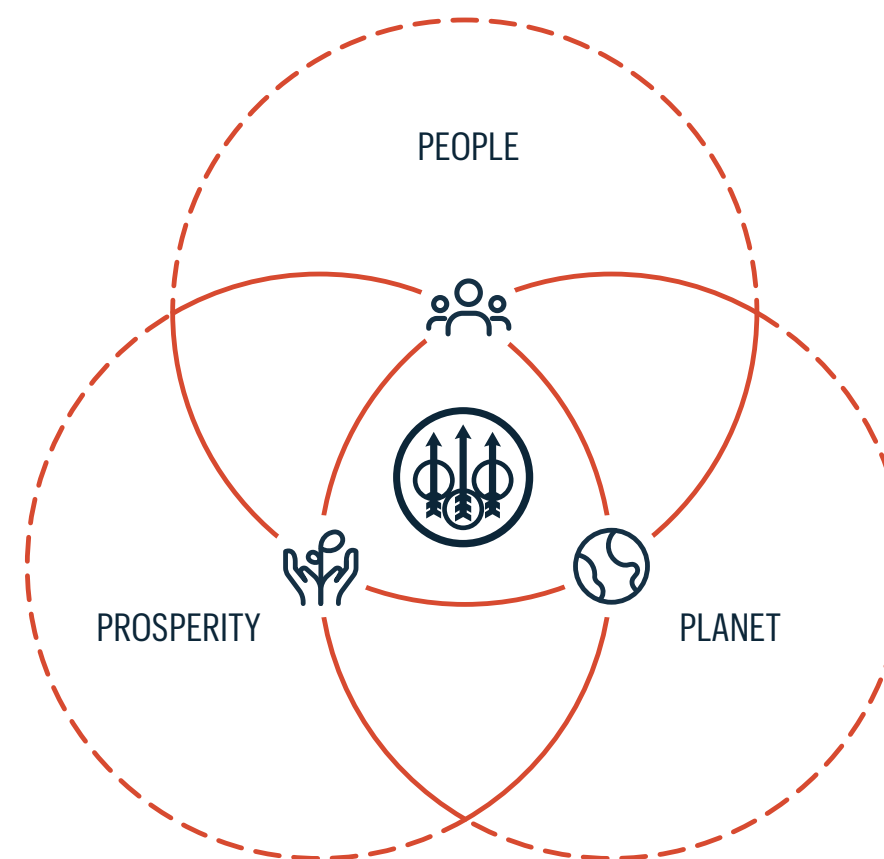
“People, Prosperity, Planet” or the 3Ps: the well-being of people who move in and around the Beretta world, from the individual employee to the end customer, translates into prosperity for all our stakeholders and for the company itself, within which every action is

Being ‘green’ is something real, tangible and concrete.

performed in full respect of the ecological balance of the planet. “People, Prosperity, Planet” express the founding identity of the company. Referring to the literature and directives that regulate these

issues worldwide, in 2020 Beretta decided to bring together all the actions undertaken within this “broadened” vision of sustainability under this identity based on the 3Ps. “People, Prosperity, Planet” therefore express, in a broader, holistic vision, the actions taken over the years to make the company sustainable, formalizing a journey, still in progress, of continuous stratification and structuring.

Therefore, ‘being green’ at Beretta is something very real, concrete and, from a certain standpoint, “very old”. With the 3Ps, we are talking about a journey that started long ago, of concepts and values rooted in the DNA of our company and of the Beretta family and that are now a material part of our planning.



5.2 THE PROSPERITY OF THE COMPANY AND THE TERRITORY

BWe stands for our people, BePlanet stands for our planet. These areas are now well structured and organized, heavily featured and described in this Sustainability Report. Focusing on Prosperity, Beretta's Board of Directors acts as a catalyst and activator - for all stakeholders - of multiple initiatives aimed at the prosperity of the company and the local area. A vision that is strongly shared by the entire company management, which focuses on keeping up to date with legislative aspects, which are ever more stringent and in constant evolution, such as training in the

It is a prosperity achieved through virtuous processes that improve knowledge and awareness for all the players in the supply chain.

weapons sector that affects all companies in the supply chain. For Beretta, prosperity is achieved through virtuous processes that improve knowledge and awareness for all the players in the supply chain, by means of specific activities - such as courses, meetings, support and training - which go beyond the logic of profit or business, but which activate the cultural changes essential to face the future in the best way possible.

At Beretta, valuing people is of central importance: every employee has the opportunity to experience their own "prosperity" also in terms of motivation and cultural growth, feeling part of the company and its vision. The philosophy and ethics underlying the 3Ps are reflected in our business from the supply chain to the person in the store who actually sells Beretta products, with the same logic and the same approach that the company adopts in relations

with its employees. Since 2008, the Company has adopted the General Organizational Model provided for in Legislative Decree 231/2001, the purpose of which is to set up procedures to prevent the commission of certain predicate offences.

This Model is made up of several tools, including a Code of Ethics, adopted by the Board of Directors, which summarizes the ethical and moral principles that guide the Company's actions and include the protection of people's rights and their right to non-discrimination on grounds of sex, religion, language, race, political and sexual orientation. To safeguard these principles, the Supervisory Body was established, which has autonomous powers of intervention and reports directly to the Board of Directors. Over the years, the Model has been kept constantly updated and policies have been adopted to protect the privacy of employees and third parties, as well as policies on whistleblowing.

Consistent with the General Organizational Model adopted under Legislative Decree 231/2001, the Company has a network of operating procedures that describe the operational flow for each area of the Company, highlighting the functions that authorize and/or verify. The Company has a



Code of Ethics
Supervisory
Body

Supervisory Body that has the task of monitoring the timely application of procedures and the constant updating of employees on these procedures. The General Organizational Model expressly provides for selection procedures for suppliers and partners that take into account, among other requirements, their commitment to comply with the policies adopted by the company. All policies adopted by the company are approved by the Board of Directors and/or the Managing Director.

5.3 WE HAVE ALL THE TIME WE NEED

Beretta is strongly oriented towards planning and innovation. Thanks to the solidity of 500 years of history, which it has always remained in the safe hands of the founding family - Beretta does not suffer from the urgency of time, it does not chase immediate gains but instead focuses on widespread and long-lasting prosperity. Distant from any short-term opportunistic vision, the company is committed to planning based on

the achievement of specific concrete objectives serving its products and a world in evolution, taking all the time it needs.

It is therefore a far-sighted approach, which has the imperturbable strength of total peace of mind and which has positive repercussions on the reputation of the company and on all the stakeholders involved.

Beretta does not suffer from the urgency of time, it does not chase immediate gains but instead focuses on widespread and long-lasting prosperity.





6. SUSTAINABILITY STRATEGY

6. SUSTAINABILITY STRATEGY

Each strategy is based on the values and principles that support our daily actions, as a company that focuses on sustainable development over time.

6.1 RELATIONS WITH STAKEHOLDERS

For us, corporate social responsibility is inherent to our normal business activities and reflected daily in management decisions, by assessing their environmental and social impacts in relation to the expectations of all our stakeholders. We maintain continuous and constructive dialogue with our stakeholders, based on trust and consent in the decisions we take, which provides us with useful information and direct feedback on our work, with a view to continuous improvement of the impact that our business activities have on the environment and on society.

The company supports and encourages the right of any stakeholder to seek clarification of the company's responsible business conduct. This is why, internally, the Supervisory Body has an independent mailbox to which it has exclusive access and to which requests can be sent. All this while respecting the whistleblower's privacy in line with the provisions of the Whistleblowing Policy currently being developed, which will provide employees with the opportunity to raise concerns about the company's conduct without fear of repercussions. With respect to external Stakeholders, the Company has set up a Customer Relationship Management (CRM) system through which reports or complaints collected by our distributors in the main destination countries concerning defects encountered by end users of our products can be received in real time. The data are then processed by internal management systems to generate statistics that can be used for corrective actions and continuous improvement of products and processes. CRM is also the

tool with which the progress of product repairs is communicated to the end customer. Time monitoring metrics have also been defined for the repair process to allow better identification of possible bottlenecks and/or opportunities for continuous improvement. To analyze the root causes of the problems encountered by users, our organization makes use of the enormous amount of data recorded continuously during the production processes, which allows us to reduce risk margins also thanks to the internal traceability systems of components / semi-finished products / raw materials.

Measurement and laboratory analysis techniques also make it possible to reliably trace any tampering and/or the use of unauthorized spare parts. In this regard, it should be noted that during the first half of 2022, we managed and completely resolved the only report received in the three-year period under consideration, dating back to December 2021, which involved an upgrade to the configuration of the first BRX-1 carbine models placed on the market. The reason for the upgrade is not strictly related to the loss of efficiency or performance of our product in its normal operating cycle, but caused by misuse by the end user. In addition, as part of the safety and environmental management system, procedures are in place for collecting reports from external stakeholders.

Records are then kept that feed into actions to improve corporate sustainability. External stakeholders can ask for clarification on the implementation of the organization's policies

and responsible business conduct practices, as well as raise concerns on the organization's business conduct through traditional channels (email, telephone, certified electronic mail, etc.) or via social media: these are managed by a specific corporate department, which collects reports, responds to requests for clarification and disseminates the most significant issues within the company. In the coming years, Beretta plans to implement a formal procedure for the collection and handling of reports on the subject.

The company regularly consults with major institutions and promotes a constructive dialogue with the main players in the sector in which it operates in order to strengthen its brand in the market and increase its competitiveness by keeping abreast of emerging best practices. The company is a member of various associations and participates in working tables, both nationally and internationally, and is committed to working together as a system to enable the entire sector to accelerate innovation and make progress in the general interest.

6.2 STAKEHOLDER MAP





List of Associations/Organizations

Associations/Organizations	Associate	Member of the Steering Committee	Sponsors
AIAD - Federation of Italian Aerospace, Defence and Security Companies			
ANPAM - National Association of Manufacturers of Sporting and Civil Weapons and Ammunition			
CNCN - National Hunting and Nature Committee			
U.N.A. Foundation - Man, Nature and the Environment			
LES HENOKIENS - Association internationale d'Entreprises Familiales et Bicentennaires			
CONFINDUSTRIA BRESCIA			
FEDERMECCANICA			
CONFINDUSTRIA			
NATIONAL PROOFHOUSE			
T.I.M.A. course			
Benedetto Castelli Technical Institute Foundation			
FITAV - Italian Shooting Federation			
ISSF - International Shooting Sport Federation			
FITASC			
FITDS - Italian Federation of Dynamic Sport Shooting			
C.I.P. - Permanent International Commission for the Testing of Small Arms and Ammunition			
NATO - SG1 Interoperability of small arms ammunition			





Map of Stakeholder Communication Channels

List of Stakeholders	Institutional (Financial and Non-financial Reporting)	Press Release	Events	Internal Communication (Intranet and Employee Newsletter)	E-learning platform	Web Site	Social Networks	CRM and personalized communication
Employees								
Customers (B2C)								
Local communities								
Local authorities								
Research centres and academics								
Future generations								
Trade Unions								
Media								
Environment								
Employees of Trade Associations								
Governments and institutions								
Financial community								
Suppliers								
Business Partners								
Distribution network								
Sports Federations								
Ambassadors								

6.3 MATERIALITY ANALYSIS

The Materiality Analysis conducted revealed several issues relevant to Beretta in economic, environmental and social matters, which have been presented within the Non-Financial Statement following the GRI Standard 2021.

The main new feature introduced with the new form of reporting is the so-called ‘impact materiality’, which involves identifying the material issues to be reported on from the impacts that the organization produces or could produce on the environment, people and the economy, at each stage of the value chain.

The impacts considered may be actual or potential, positive or negative, reversible or irreversible. The varying degrees of significance of individual impacts are assessed on the basis of the criteria specified by the GRI Standard, i.e. severity/magnitude and likelihood.

When identifying impacts, the entire value chain was considered, including not only the activities performed directly by Beretta but also the impacts generated in the upstream stages, e.g. by its suppliers, and in the downstream stages, e.g. by its customers. The materiality analysis update was conducted according to the following steps:

- Understanding the context in which the Company operates: a thorough analysis was carried out with the aim of obtaining a complete picture of the sector and competitive landscape in which Beretta operates;
- Identification of impacts: the effects Beretta and the actors in its value chain have on the environment, people and society were considered.
- Evaluation of the significance of impacts: at this stage, the significance of impacts was evaluated, in line with the criteria set out in the GRI Standard.
- Prioritisation of impacts: in this last stage the most significant impacts for the company were identified, taking into account the severity and likelihood of impacts occurring.

The impacts considered to be significant formed the basis for the identification of the material issues reported in this section. The table below lists Beretta’s material topics, their descriptions and associated GRI Disclosures. In addition, for each material topic, related significant impacts and their characteristics are reported. As for the scope of reporting, please refer to what is specifically mentioned in the “Methodology Note” section.





Material topic	Impacts		Characteristics	GRI topic specific disclosure
Energy efficiency and emission reduction	Contribution to climate change	The consumption of energy from non-renewable sources and inefficiencies in the management of energy consumption cause emissions of climate-changing gases that contribute to climate change.	Actual Negative	GRI 302 GRI 305
Rational use of water resources	Depletion of water resources due to operations	The company could cause the depletion of water resources by withdrawing and consuming water in water-stressed areas during its operations.	Potential Negative	GRI 303
The efficient use of natural resources and the contribution to the circular economy	Improper waste disposal related to company operations	The company's activities generate waste, both hazardous and non-hazardous, which if not disposed of/recovered correctly can have a negative impact on the environment and local communities.	Potential Negative	GRI 306
	Contribution to the depletion of natural resources	Companies in the industry manufacture products using critical materials with few or no substitutes available, many of which come from deposits concentrated in a few countries and characterized by significant environmental impacts, both during extraction and processing. The impact can be mitigated through the use of recycled materials from both post-consumer recycling and industrial sources. The use of recycled materials can also be a criterion for supplier selection.	Actual Negative	GRI 301
Process and product innovation	Research and development of more sustainable products and processes	To meet market demands, companies can implement research projects to develop customer solutions with reduced environmental impact, anticipating regulatory requirements. Sustainability research and development projects can cover every stage of the production process, from design to production, from prototype testing to product industrialisation.	Actual/ Potential Positive	NOT A GRI TOPIC
Quality of the working environment	Human rights violations within the workforce	The company's activities may be marked by inadequate working conditions and lead to incidents of human rights violations. The company should adopt dedicated policies and monitoring methods regarding the respect of human rights within the organization.	Potential Negative	GRI 407 GRI 408 GRI 409
Digital security and data protection	Lack of privacy and data protection	Defence companies may develop sensitive military products, so companies in this sector may be at high risk of cyber attacks. A data security breach can be dangerous for a company and its customers when computer systems are compromised. The company may not manage or monitor its suppliers with regard to cybersecurity, leading to cybersecurity breaches in the end-to-end process, from the arrival of materials to the delivery of products to customers.	Potential Negative	GRI 414 GRI 418
Individual health and safety	Accidents in the workplace	Poor levels of occupational safety in potentially hazardous conditions, together with a lack of training in this area, can lead to serious occupational accidents related to electrocution, excessive noise exposure, optical damage, burns, etc.	Actual Negative	GRI 403
Inclusiveness	Incidents of discrimination	In the event that the company does not have adequate equal opportunities policies and practices, it may encounter discrimination (of gender, ethnicity and ableism, for example) and denial of equal opportunities in recruitment and remuneration practices. This phenomenon is more likely to occur in companies whose workforce is homogeneous in terms of ethnicity, culture and gender.	Potential Negative	GRI 401 GRI 405 GRI 406
Product safety	Damage to the health and safety of customers	Non-compliance of products with safety standards can cause damage to the health and physical safety of customers who use them. Counterfeit components have also been found in the defence supply chain, increasing the risk of safety incidents due to product non-compliance.	Potential Negative	GRI 416



The fight against corruption	Incidents of corruption through contributions to political parties	Companies can also contribute considerably to political parties. Direct or indirect contributions to political causes can pose corruption risks, as they can be used to influence the political process. Many countries have legislation limiting the amount an organization can pay to political parties and candidates.	Potential Negative	GRI 415
	Incidents of corruption	If the company does not put in place appropriate checks and policies, incidents of corruption, as well as money laundering practices resulting from illegal activities, could occur, causing possible damage to the economic system and to local and national institutions.	Potential Negative	GRI 205
Relations with local communities	Negative impacts on local communities	The company's activities may lead to possible damage to health or disturb the communities in the areas where it operates, due to the emission of dust and particulate matter containing mineral and metal oxides, or due to noise emissions. Some impacts are also long-lasting. For example, metals can be deposited on vegetation and in surrounding bodies of water. The impact can be mitigated by reducing emissions and through adequate awareness-raising in the community. In the case of Beretta Fabbrica d'Armi, the impacts do not relate to health damage but to noise emissions, for which the company has already implemented mitigation measures (identification of emission points, noise suppressors, shooting ranges away from built-up areas).	Potential Negative	GRI 413
	Supporting local communities	Companies can contribute to the economic and social development of local communities, e.g. through education and training programmes, or by financing sustainable development projects.	Actual Positive	NOT A GRI TOPIC
Respect for human rights in the use of products	Violation of human rights in the use of the product	The company may sell its products to entities and/or individuals responsible for acts of human rights violations. The impact can be mitigated by upstream monitoring of the customer's activities.	Actual Negative	NOT A GRI TOPIC
Sustainable and responsible supply chain	Environmental impacts of sourcing raw materials and semi-finished products	The company's sourcing of raw materials and semi-finished products can lead to various environmental impacts: Contribution to climate change through suppliers' emissions of climate-changing gases (extraction and processing of raw materials, production activities, logistics); Pollutant emissions from suppliers' activities, such as the dust associated with mining; Depletion of water resources from suppliers' activities; Improper disposal and management of waste and effluents by suppliers; Damage to biodiversity by suppliers. As part of its impact prevention measures, the company can carry out audits and checks and apply criteria for selecting its suppliers on the basis of environmental requirements.	Potential Negative	GRI 308
	Human and labour rights violations in the supply chain	Suppliers' working practices may be affected by unsuitable conditions and thus lead to incidents of human rights violations. In addition, poor occupational safety standards, together with a lack of occupational safety training, can lead to serious accidents. Finally, suppliers' activities can also lead to possible damage to the health of communities in the areas where they operate, e.g. due to environmental impacts.	Potential Negative	GRI 414
	Contribution to the local economy	By supporting local suppliers, an organization can catalyze investments for the economy in which it operates. Local sourcing can be a strategy to secure supply, support a stable local economy and maintain community relations.	Actual Positive	GRI 204
Developing employees' skills	Individual growth and development	The company has policies and plans to invest in employee training, enabling proper human capital development and increasing the skill level of its resources.	Actual Positive	GRI 404



6.4 AGENDA 2030: SUSTAINABLE DEVELOPMENT GOALS AND PRIORITIES

On 25 September 2015, the governments of the 193 UN member countries signed the 2030 Agenda for Sustainable Development, a programme that includes 17 objectives defined as “Sustainable Development Goals” (SDGs) which requires the contribution of all member countries to guide the world towards a pathway of sustainability that benefits people, the planet and prosperity.

At the heart of sustainable development is the interplay of people-oriented actions, making a decisive contribution to combating poverty in all its forms, to the planet, through conscious consumption and production, and to prosperity, ensuring that all human beings can benefit from economic, social and technological progress.

In order to implement the Global Agenda, UN member states have set themselves 17 common Sustainable Development Goals (SDGs) to be achieved by the year 2030.

Businesses have also been asked to play an active role, using their own resources and skills to offer

a contribution. make a fundamental contribution to the achievement of these objectives. Beretta also looks to the European Green Deal.

The European Union aims to be the first climate-neutral continent, with a modern, competitive and resource-efficient economy, through the following objectives: no net emissions of greenhouse gases by 2050, economic growth decoupled from resource use and that no person and no place is left behind.

The European Green Deal is therefore a pathway towards these goals that includes a series of actions to promote the efficient use of resources, moving towards a clean and circular economy, restoring biodiversity and reducing pollution.

We have thus identified our priorities within the materiality matrix and their impact on the different objectives of the Global Agenda.

From a long-term perspective, Beretta is aware of the contribution it can make to achieving the following Green Goals:

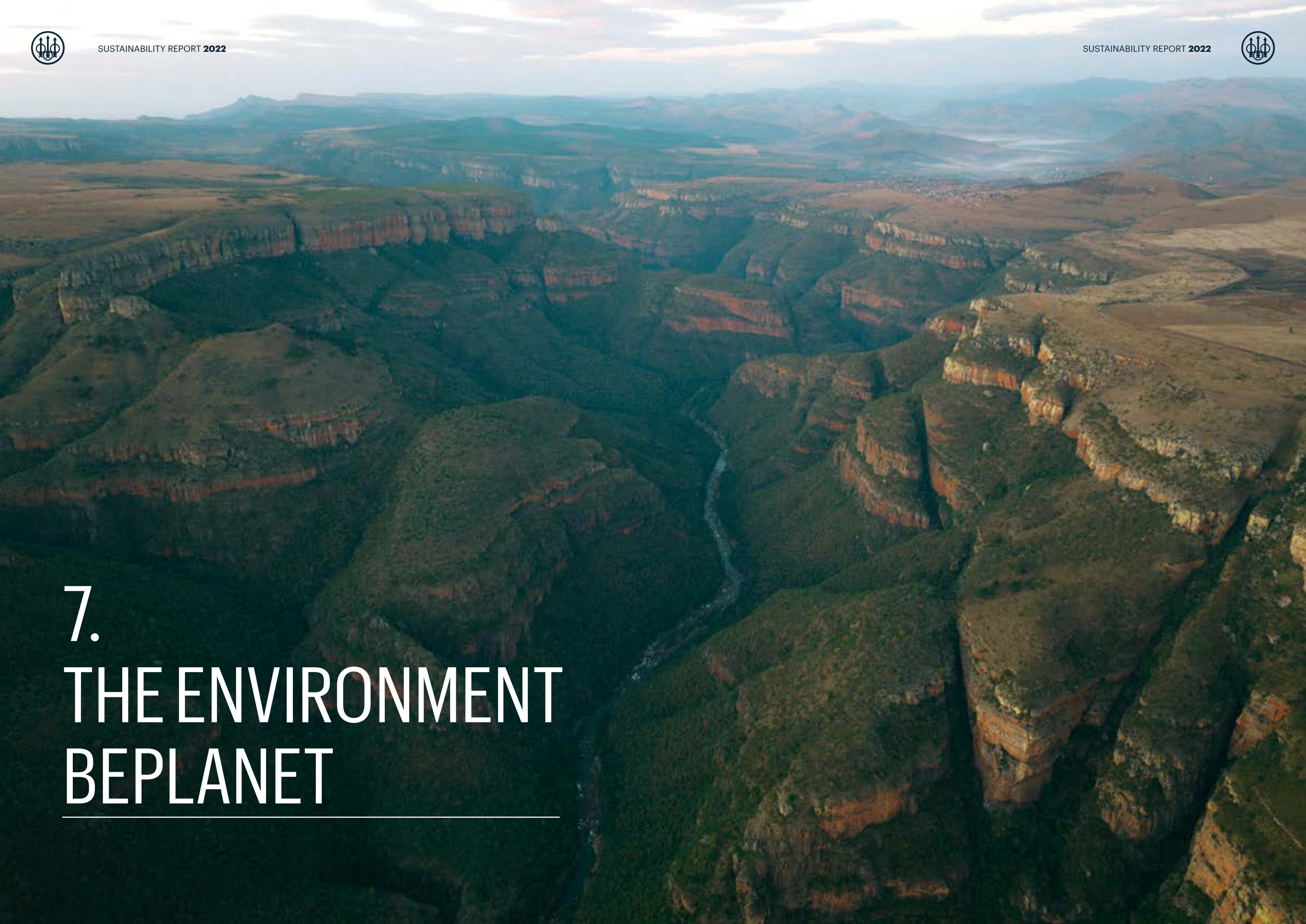


Green Goals



Goals table - Sustainable development

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Environmental impact			●			●	●					●	●	●	●		
Rational use of water resources						●									●	●	
Reducing emissions							●		●						●	●	
Energy efficiency							●		●	●		●	●		●		
Circular economy	●											●			●	●	
Health and safety			●			●		●									●
Individual growth and development				●	●			●		●							●
Quality of the working environment			●	●				●									●
Inclusiveness					●					●							●
Process and product innovation						●			●			●	●	●	●		
Product safety			●						●			●					
Relations with customers									●			●					●
Cyber security and data protection									●			●					●
Sustainable and responsible supply chain	●		●	●				●	●			●	●				●
Relations with local communities		●	●	●				●	●	●	●						●
The pursuit of style									●								
Beretta brand reputation									●								●



7. THE ENVIRONMENT BEPLANET

7.

THE ENVIRONMENT - BEPLANET

BE Planet
Our commitment to a sustainable future.

Environmental sustainability has always been a priority for Beretta.

7.1 A JOURNEY THAT BEGAN MANY YEARS AGO

At Beretta, there is a very close link between quality, safety and the environment. Over the last ten years, this synergy has led to the definition of an integrated system in which operating procedures and methods coexist in perfect balance. In this worthy context, it was a natural progression to give form to the values of the company.

The employee values charter was followed in 2012 by a corporate welfare project - called BWe - which gathers in five pillars a series of initiatives to benefit

employees and which has become a cornerstone of corporate life. BePlanet was established immediately afterwards, which in turn gathers and coordinates the various environmental sustainability projects implemented at the Fabbrica d'Armi.

This represents the tangible outcome of a journey that began many years ago and which is an integral part of Beretta's DNA. BePlanet defines strategic targets for reducing the impact on four areas of the environment: water, soil, air and energy.

Goals & Targets

	WATER	>	Reduce water consumption
	SOIL	>	Reduce the consumption of raw materials Use more sustainable raw materials Reduce waste production Produce less harmful waste
	AIR	>	Reduce greenhouse gas emissions
	ENERGY	>	Smart energy management

7.2 ALWAYS THE BEST AVAILABLE TECHNIQUES

For its regulatory regime, Beretta has the mandatory Integrated Environmental Authorisation (IEA) in order to comply with the principles of Integrated Pollution Prevention and Control (IPPC) set out by the European Union since 1996. The IEA is required to operate certain types of production facilities that, if not managed using the best available technology, could have an impact on the surrounding environment. It is defined as integrated in the sense that the technical assessment considers jointly all the different forms

emissions. ISO 14001 certified, the company stays abreast of environmental legislation. In order to verify and maintain legislative and regulatory compliance, the organization, assisted by industry consultants, maintains and updates the legislative register and the environmental regulatory schedule at least once a year, or more frequently depending on any relevant new developments. In addition, the company is committed each year to drawing up an environmental analysis document that takes into

Our love of nature and our territory is engraved in the soul of the Beretta family.

of environmental damage caused by the activity to be authorized, as well as all the operating conditions of the facility (not only when fully operational, but also in transitional periods and during disposal), thus pursuing optimal environmental performance.

This goal is typically achieved through the identification and adoption of the best available technology (BAT). It is therefore natural that Beretta adopts BATs for all the various systems controlling water, atmospheric and waste management

account the relative and absolute environmental impacts on air, water, soil - resource consumption and waste production - and energy. At Beretta, a set of indicators is used to monitor: consumption of energy, raw materials, any anomalies or near misses, and emissions. The systems dedicated to reducing pollutants and dust, in water and air, used in the production process have an internal performance target that is significantly higher than that set by the reference standards, with a warning limit of 50% of the emission limit set by law.



Automated machining plant

7.3 REDUCING WATER CONSUMPTION

In order to monitor the volumes of water used, several water meters are installed at wells, connections to the waterworks, water-using facilities and the final discharge.

Consumption is measured annually to ascertain any deviations. When making new changes, the impact of water consumption is also taken into account and the feasibility of improvements to reduce it is assessed. Where technologically feasible, treatment plants for water reuse are installed (demineralizers, concentrators and evaporators) or plant modifications are undertaken to minimize waste (installation of automatic backwashing devices). For example, by constructing special water treatment plants, it is now possible to reuse water from processes with annual savings of over 55 million litres of water. BePlanet's first key target is to reduce water consumption.

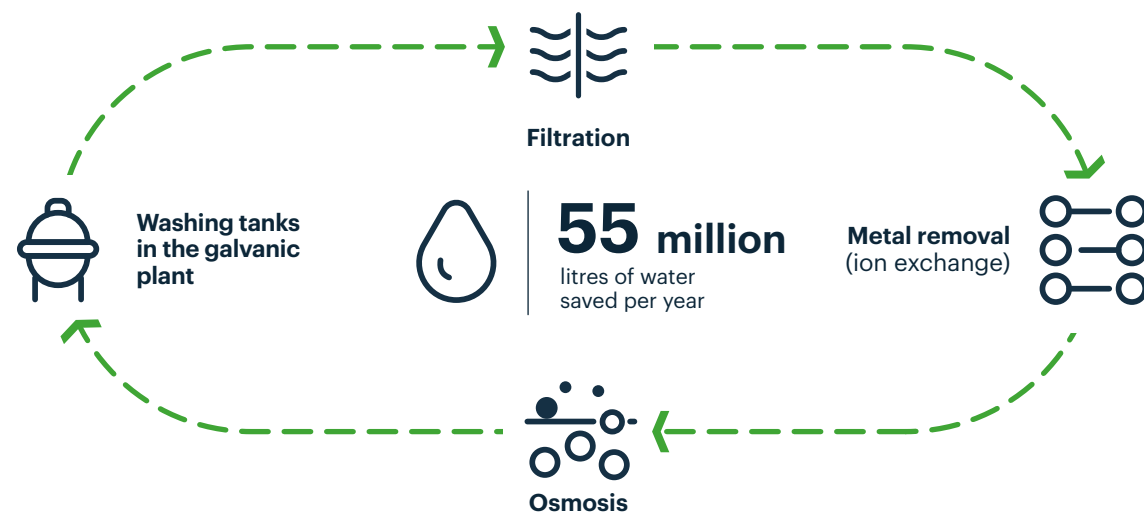
The water supply for the production process and fire-fighting is provided by three wells (two at Beretta Headquarter and one at Beretta 2), while other utilities, such as sanitary facilities, water for human consumption and irrigation are supplied by the waterworks.

All industrial effluents flow into the company's in-house purification plant, which then delivers the purified water to the Surface Water Body (CIS).

In compliance with Legislative Decree 152/06 et seq., the discharge must comply with the maximum concentrations set out in Table 3, Annex 5, Part III, however, in favour of safety, Beretta establishes as an internal rule an alarm threshold of 10% of the limit for metals and 50% of the limit for other parameters. Wastewater is analyzed daily by in-house personnel, and every 3 months by an accredited third-party laboratory.

Residential wastewater is discharged into the public sewerage system. As far as use for energy production is concerned, Beretta is subject to measurement of the flow rate that allows for the minimum vital flow. These measurements are transmitted in real time to the competent bodies. To date, Beretta does not directly monitor suppliers' water-related impacts. These will be specifically audited when participating in supply chain tenders planned for 2023.

Reducing water consumption

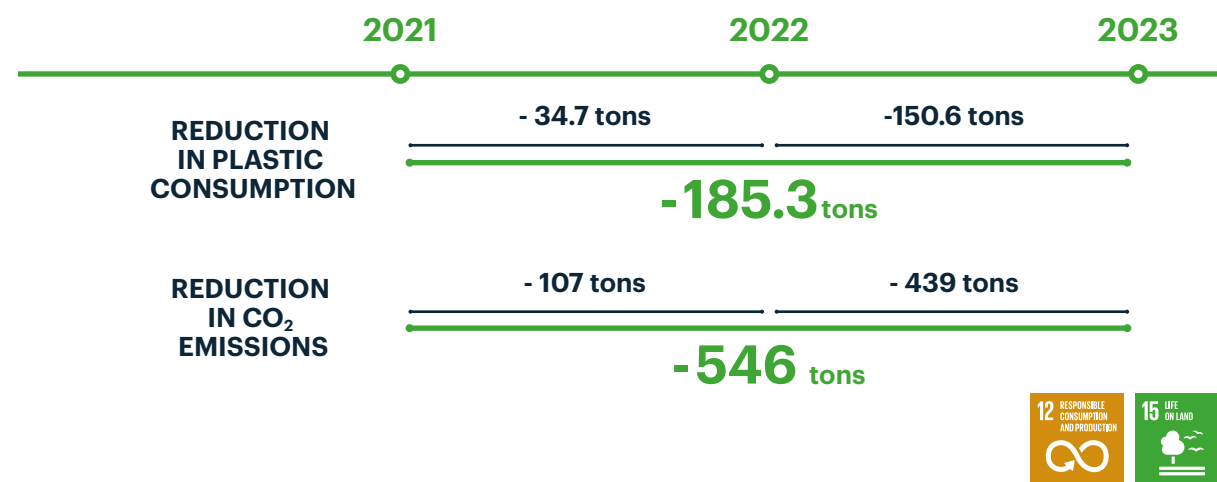


7.4 REDUCING THE CONSUMPTION OF RAW MATERIALS AND THE PRODUCTION OF WASTE

The target regarding soil is linked to reducing the consumption of raw materials and the production of waste, in addition to producing waste that is less hazardous. Technological solutions are put in place in order to achieve the objectives set. For example, replacing obsolete systems and implementing management solutions such as staff training. Beretta is committed to reducing the production of hazardous industrial waste through various approaches:

- the treatment and subsequent reuse of water in closed-loop plants
- the re-use of pickling baths as reagents in the purification plant
- recovery of all metal scrap in specific plants
- gradual reduction in the use of hazardous substances to make the waste they generate less hazardous.

Reducing the use of plastic packaging for semi-automatic products



Waste collection is handled by third-party suppliers. Before the conclusion of each contract, the various authorisations related to transport and processing are requested and viewed. In addition, for the civil market, the user manual is being digitized, replacing the hard copy previously supplied with the product.

Depending on its type, the waste is analyzed at different intervals or whenever there is a significant change in the process that produces it. Data on the quantities disposed of and the expiry dates for supplier authorisations are monitored using a special software.

In 2022, Beretta produced approximately 1187 tonnes of hazardous waste and 2301 tonnes of non-hazardous waste, with a marked improvement in the ratio of waste per weapon produced.

A variety of processes are carried out in the company that produce different types of waste

and are managed according to the law, which in Italy is particularly demanding and restrictive. Measures to reduce waste downstream of the chain mainly concern packaging, as a specific take-back and inerting procedure is provided for in the Consolidated Law on Weapons Safety (TULPS) for the disposal of weapons. Cardboard packaging is made of recyclable material.

Most plastic packaging consists of technopolymer, recyclable cases, which are not discarded at the time of purchase but used by the end customer for transport. In 2023, distribution of the APX and 80X series pistols in cases made of 100% recycled material will begin. The process to gradually replace plastic cases for semi-automatic rifles with cardboard packaging, which started in 2020, continues. This has led to a gradual increase in the consumption of cardboard, while the consumption of plastic has decreased despite the increased production of weapons in the last two years.

7.5 THE LIFE20 CROMOZERO PROJECT

The restrictions imposed by the European Union on the use of hexavalent chromium, a substance that is extremely hazardous to humans, have led Beretta to focus its research on innovative and sustainable solutions.

On this basis, the Life20 Cromozero project was born with smoothbore barrels in mind. It was developed with Duralar Italia, our partner with extensive experience in the field of innovative surface treatments, thanks to which Beretta is ready to revolutionize the world of gun manufacturing, replacing chrome plating with a completely green, safe and equally effective process. This will be achieved by replacing the chromium layer inside the barrels with DLC (Diamond Like Carbon)

achieved with an innovative deposition technology called PECVD (Plasma Enhanced Chemical Vapor Deposition). The Life20 Cromozero project is



running over three years, from 1 September 2021 to 31 August 2024, and involves a first phase of design, construction and technical validation of

a prototype plant, followed by a second phase of commissioning an industrial plant capable of meeting performance, time and cost requirements. PECVD technology represents the most ecological solution currently available for the substitution of

**Sustainable, innovative,
safe, efficient, circular and
responsible.**

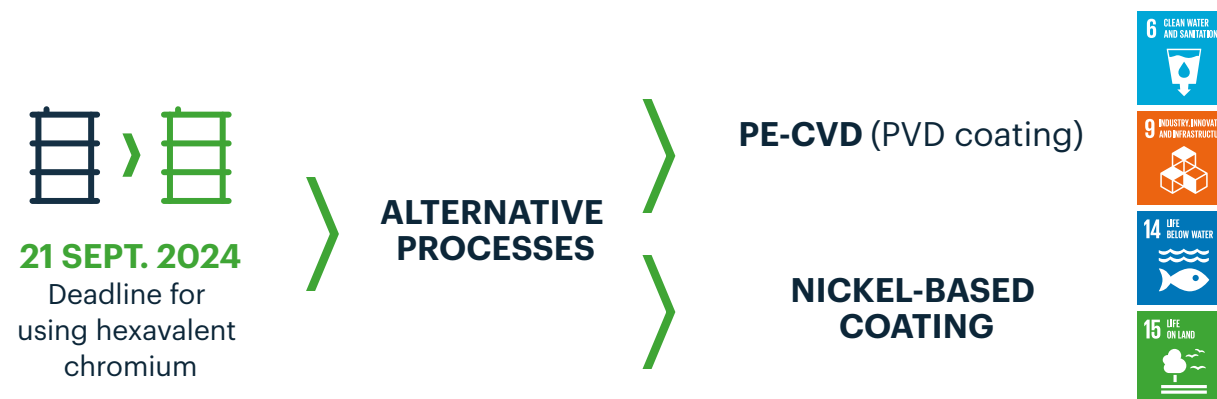
hexavalent chromium. It is a process that eliminates harmful heavy metals such as chromium in both vapours and wastewater. Eliminating the galvanic process for treating smoothbore barrels will result in a 75 tonnes-year reduction in the consumption of irritating, corrosive and toxic chemicals - such as chromic acid, sodium bisulphite, sulphuric acid and hydrated lime. Furthermore, the production of hazardous waste (40 tonnes/year) and non-hazardous waste (14 tonnes/year) will also decrease. In addition, water consumption will

be reduced by about 18,000 m³/year. The Life20 Cromozero project will also have a positive impact on employee health and safety conditions. With the implementation of the Life20 Cromozero project, each year Beretta will save 60,000 kWh in consumption and 354 tonnes of CO₂ equivalent emitted, reaffirming its commitment to long-term sustainable development.

Finally, a study of an alternative nickel-based process, expected to be validated by the end of 2023, is also underway on both smoothbore and rifle bore barrels.



Replacing hexavalent chromium in internal barrel coatings



7.6 REDUCING EMISSIONS

The third target taken into consideration relates to the reduction of climate-altering emissions. In 2022, data collection was completed in preparation for the release of the first carbon footprint report.

The report investigated direct consumption (the use of fossil fuels), indirect consumption (the purchase of energy from the grid) and emissions from the production chain upstream and downstream of the plant, showing that the category with the highest impact in terms of emissions (65.2 % of the total) is the procurement of goods and services, in particular machine processing carried out by subcontractors.

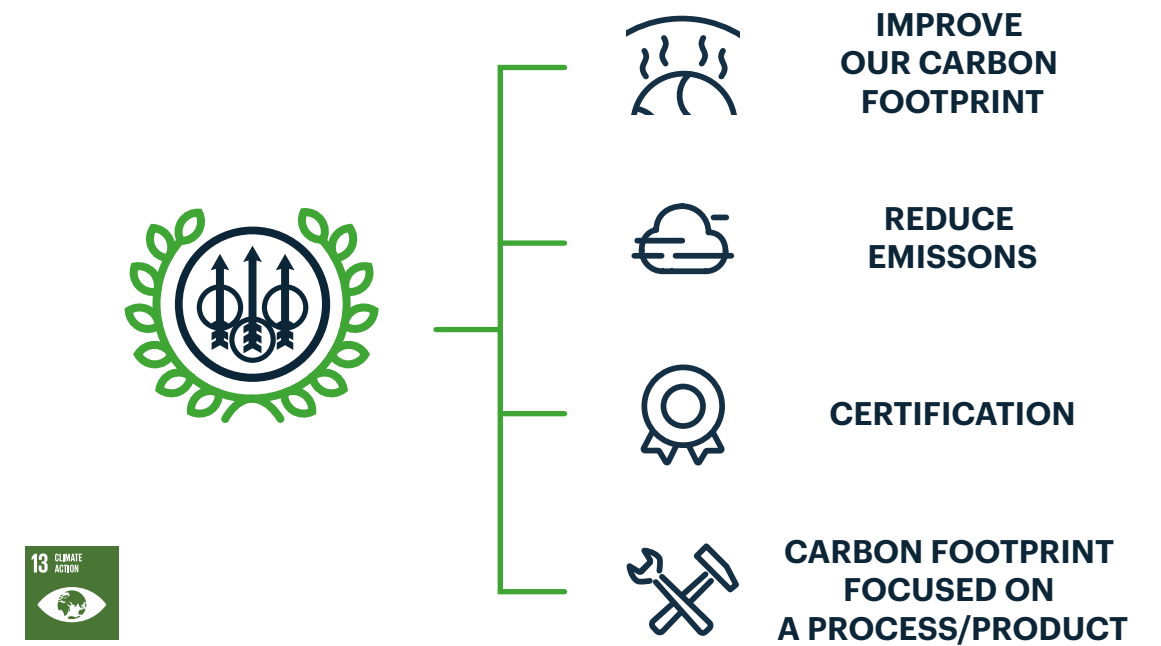
To accurately map the impact due to suppliers, so that the best policies for reducing emissions can be implemented with them, Beretta promotes ini-

tiatives for the sustainability of the sporting firearms industry such as, for example, participation in industry tenders. Parallel to the projects concerning industrial facilities, there are activities with a lesser impact, but equally useful, such as the project to renew the company car fleet with the addition of charging infrastructure and the purchase of hybrid vehicles.

During 2023, Beretta will also voluntarily adopt the PSCL (Home-Work Travel Plan), which will make it possible to assess the travel habits of employees and then establish ad hoc projects aimed at reducing emissions.

Positive results are also expected from the use of Smart Working, with over 180 employees potentially operating remotely.

Carbon Footprint Assessment



7.7 SMART ENERGY MANAGEMENT

The fourth and final target is Smart Energy Management. To meet its energy needs, Beretta built its first hydroelectric plant in 1913, which was followed by a second plant in 1949 and, in 1998, the first gas CHP plant.

In 2009, Beretta installed its first photovoltaic system, followed the next year by a second system with an output of 157 kW.

A new 402 kW plant will be installed in 2023. In 2022, Fabbrica d'Armi was powered by renewable energy for 14% of its needs (power and heat). In 2022 there was a decrease in this percentage compared to previous years due to low rainfall,

which did not allow full utilisation of the hydroelectric plants. With a view to the improving the company's overall energy efficiency, industrial equipment with better efficiency performance has been installed in recent years, including compressors, boilers and motors fitted with new generation inverters.

Alongside these measures, most external doors and windows have been replaced, leading to significant savings in terms of energy consumption, as well as being of benefit in terms of heat and noise.

All lighting fixtures have also been replaced, transitioning from neon to LED technology.



14%

Energy from renewable sources



157kW

Photovoltaic system power



7.8 ATTENTION TO DETAIL. ALSO THINKING ABOUT THE ENVIRONMENT.

Beretta also pays attention to the environmental aspects of its Luxury products and Clothing & Accessories lines. A focus on the environment also means an attention to detail. For this reason, Beretta only uses genuine, vegetable tanned, Italian leather for its hand-crafted cases. This type of leather is tanned in harmony with nature, using only natural tannins sourced from sustainable sources. The process is certified with a product mark from the Italian Vegetable Tanned Leather Consortium, a body that was set up to safeguard the production of this type of leather in Tuscany.

Traditional and natural raw materials for a manufacturing process that is respectful of the duties of sustainability and circularity: Beretta's custom atelier also looks out for the environment. In Clothing and Accessories, there has been a move towards adopting sustainable solutions, both in terms of materials with recycled content or reduced environmental impact and in terms of packaging using FSC-certified paper or rPET plastic.

Partnerships with major textile and membrane suppliers, such as Goretex and Polartec, which have initiated specific sustainability programmes, are also significant. In particular, Goretex is working on the total conversion of production platforms for the production of PFC-free ePE membranes. As far as stock wood is concerned, Meccanica del Sarca S.p.A. is the Beretta subsidiary that imports wood within the EU. In implementation of Regulation (EU) No. 995/2010, which aims to combat the trade in illegally harvested timber, it has implemented a management system that imposes a 'Due Diligence System' (DDS) based on obtaining information on the timber materials it intends to place on the market, assessing the risk of their illegal origin and, if necessary, resorting to a series of measures to mitigate it. Meccanica del Sarca S.p.A. is a member of ConLegno and is enrolled in the Registro Imprese Legno (Wood Enterprise Register - EUTR) established by the Ministry of Agricultural, Food and Forestry Policies pursuant to the Ministerial Decree of 9 February 2021.

7.9 NO SLOGAN, INSTEAD HARD DATA

All the BePlanet projects share the knowledge that they have both the resources and the right attitude to offer our contribution to a more liveable and sustainable world, while maintaining the highest levels of quality and excellence of our products. No slogans, just hard data.

The three-year strategic plan that focuses on quality, safety and the environment envisages multiple KPIs. These are specific figures measuring the improvements achieved by our company, which are necessary to build our future and the future of the planet we inhabit.

Water withdrawal (ML)				
Sources	Unit of measurement	2020	2021	2022
Withdrawal of groundwater (e.g. wells) ³	ML	115.5	162.6	154.8
Withdrawal from third-parties (e.g. waterworks) ⁴	ML	34.0	15.7	28.3
Total water withdrawal ⁵	ML	149.5	178.2	183.1

3. All of which freshwater (≤1,000 mg/L Total Dissolved Solids).

4. All of which freshwater (≤1,000 mg/L Total Dissolved Solids).

5. All water withdrawal from sites without water stress (source: Aqueduct Water Risk Atlas | Green Growth Knowledge Platform, site accessed on 7/03/2022; WWF Water Risk Filter, site accessed on 7/03/2022).



Materials used by weight or volume

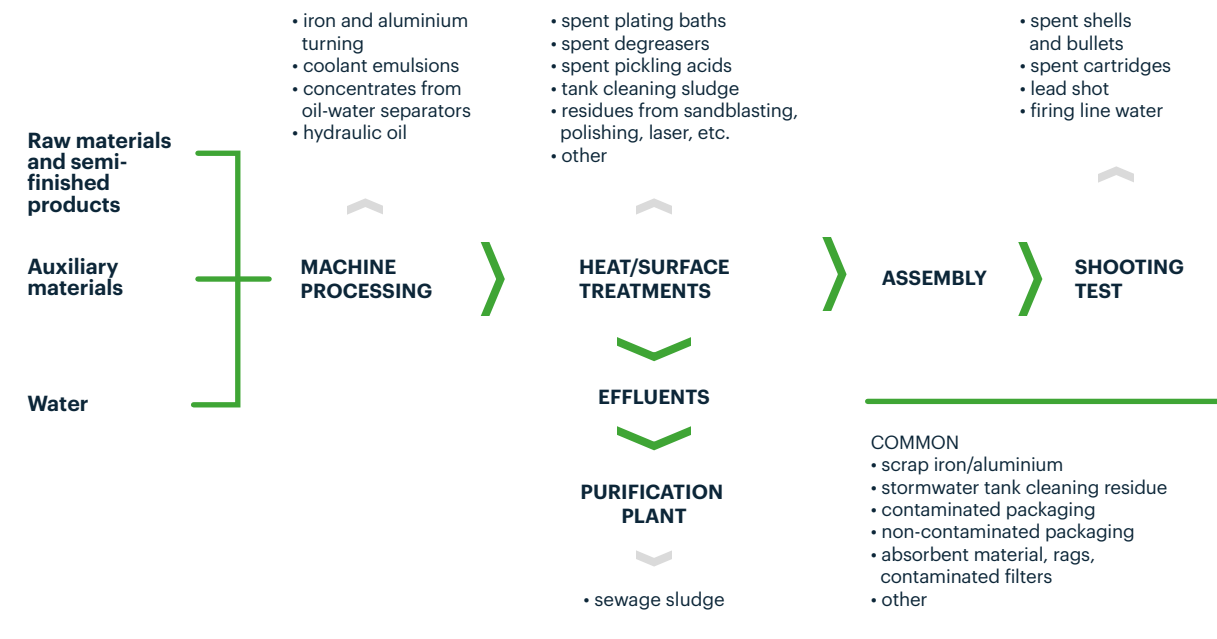
Materials in Kg	Renewable (yes / no)	2020	2021	2022
Raw materials (Natural resources used to produce goods or services, such as ore or wood)				
Semi-finished products or components, including all types of materials and components other than raw materials that are part of the final product	-	1,423,354	2,128,726	2,634,572
Steel	No	1,245,175	1,818,886	2,127,460
Aluminium	No	142,955	269,572	299,640
Wood	Yes	35,224	40,268	47,472
Plastic	No	-	-	160,000
Process materials (materials needed in the production process but not part of the final product, such as lubricants for machinery)	-	267,172	348,446	364,910
Chrome plating products	No	16,450	15,450	16,600
Gilding products	No	124	-	-
Degreasing products	No	19,700	23,905	34,365
Demetallisation products	No	7,300	6,800	7,550
Nickel-plating products	No	30,895	45,155	43,275
Burnishing products	No	6,975	4,225	4,575
Phosphating products	No	4,100	7,525	7,525
Colouring-fixing products	No	500	705	878
Caustic soda	No	15,303	26,969	18,617
Sulphuric acid	No	2,300	6,051	3,950
Nitric acid	No	6,125	4,850	10,025
Hydrochloric acid	No	4,912	14,412	8,120
Liquid ammonia	No	26	30	42
Brazing products (alloys, pastes)	No	475	638	783
Fluxes	No	340	454	496
Hardening salts	No	200	-	25
Hardening oil	No	540	1,800	2,340
Mineral spirits/degreasing/paint stripping thinners	No	2,420	2,225	2,178
Paints	No	1,528	2,736	2,644



Methyl alcohol	No	4,000	4,800	6,720
Ammonia gas	No	4,799	5,600	5,601
Dielectric oils	No	1,600	2,800	3,400
Emulsifiable oils	No	37,809	56,265	70,223
Hydraulic oils - guide oils	No	36,742	44,152	42,476
Protective oils	No	3,822	4,170	4,749
Cutting oils	No	13,623	17,502	16,702
Magnetoscope oils	No	151	727	200
Adhesives	No	217	329	352
Abrasive products (cloths, belts, etc.)	No	2,480	2,810	2,010
Abrasive products (sand, grit, etc.)	No	39,969	43,525	46,254
Rotovibrating additives	No	555	645	1,040
Antifreeze	No	10	8	9
Distilled water	No	82	83	86
Absorbent materials	No	1,100	1,100	1,100
Products for water purification and treatment plants	No	273,808	280,618	268,070
Packaging materials, including paper, cardboard and plastic		309,960	408,831	489,019
Cardboard	Yes	32,409	55,351	81,326
Plastic	No	277,551	353,480	407,693
Materials in m³	Renewable (yes / no)	2020	2021	2022
Technical gases	-	466,791	532,440	518,046
Nitrogen	Yes	466,729	531,222	518,020
Hydrogen	Yes	0	128	0
Arcal	No	62	1,090	26
		2020	2021	2022
Tot. Renewable material 6	kg	67,633	95,619	128,798
	m3	466,729	531,350	518,020
Tot. Non-renewable material 6	kg	2,206,661	3,071,002	3,627,773
	m3	62	1090	26

6. The total amount of renewable and non-renewable material was expressed in kg for materials in solid and liquid form and in m3 for materials in gaseous form.

Example table of waste production flow generated by the production process



With reference to waste generation and significant waste-related impacts, the graph above refers only to waste generated by the production process.

Waste generated					
Origin	Waste composition	2020	2021	2022	Hazardous / non-hazardous waste
		Total Kg waste produced Value	Total Kg waste produced Value	Total Kg waste produced Value	
Machine processing of steel and aluminium parts assisted by coolant emulsion.	Iron and ferrous material shavings	907,380	1,321,700	1,541,590	non-hazardous waste
	Iron and steel ⁷	161,550	164,550	138,830	non-hazardous waste
	Aluminium ⁷	105,540	201,950	223,480	non-hazardous waste
	Coolant emulsions	68,920	22,190	76,000	hazardous waste
	Concentrates from oil-water separators	139,590	129,450	129,900	hazardous waste
	Hydraulic oil/ circuit oil/engine oil/ TT etc.	12,560	17,340	20,500	hazardous waste

Metal surface treatments.	Spent plating baths	221,920	239,039	237,370	hazardous waste
	Spent degreasers	157,170	311,940	400,150	hazardous waste
	Spent pickling acids	30,050	38,350	24,040	hazardous waste
Firing activities.	Spent shells and bullets	9,890	9,890	12,090	non-hazardous waste
	Spent rifle cartridges	6,230	5,180	5,330	hazardous waste
	Lead (shotgun pellets)	16,740	20,280	27,200	non-hazardous waste
	Water from firing lines	247,190	190,720	78,410	non-hazardous waste
Purification of process effluents.	Sludge, of which:	292,714	315,510	259,125	N/A
	Solid sewage sludge	118,820	119,230	122,250	hazardous waste
	Liquid sewage sludge	78,240	80,540	59,960	non-hazardous waste
	Septic tank sludge	82,650	100,900	61,400	non-hazardous waste
Other waste.	Treatment sludge	13,004	14,840	15,755	hazardous waste
	Cleaning residues stormwatertanks	34,710	67,800	24,780	non-hazardous waste
	Waste from sandblasting, cleaning, laser, polishing etc	43,870	44,750	42,160	non-hazardous waste
	Non-contaminated packaging	17,670	23,340	25,030	non-hazardous waste
	Contaminated packaging	18,430	20,490	17,310	hazardous waste
Other	Rags, absorbent materials, contaminated filters	61,480	66,740	73,920	hazardous waste
		140,343.0	137,208.0	130,275	N/A
Total		2,693,947	3,348,417	3,487,730	N/A

7. Under 'iron and steel' and 'aluminium' both non-recoverable waste and other waste of those materials (e.g. pieces of sheet metal, etc.) are counted.

Breakdown of waste 2022



The item 'Other' was not considered in the breakdown of the graph due to the marginality of the value.

**Specific waste generation (hazardous and non-hazardous)**

Main items	2020 ⁸	2021 ⁸	2022
kg hazardous waste / kg weapons produced	1.819	1.422	1.371
year-on-year delta	-	-22%	-4%
kg non-hazardous waste / kg weapons produced	3.673	3.219	2.656
year-on-year delta	-	-12%	-17%

Energy consumption within the organization (GJ)

Consumption of non-renewables

Source	2020 ⁸	2021 ⁸	2022
Diesel	970.4	1319.4	1,226.0
Petrol	440.1	671.8	607.8
Natural gas	79,375.4	101,089.3	90,654.1
Electricity purchased from the grid	10,489.5	14,601.6	31,952.7

Consumption of renewables

Electricity generated by photovoltaic system	471.7	477.0	495.3
Electricity purchased from hydroelectric plants	32,640.2	33,473.4	20,010.6
Total energy consumed	124,387.3	151,632.6	144,946.5

Greenhouse gas emissions (tCO₂e)

Source	2020 ⁸	2021 ⁸	2022
Diesel	71.4	97.5	91
Petrol	32.3	49.1	44
Natural gas	4,463.6	5,681.8	5,108
R-410A	9	-	-
R-407C	43	-	154
R-404A	-	16	-
Scope 1 Total	4,619.3	5,844.1	5,397.1
Electricity - Market based	1,357	1,860	4,052
Electricity - Location based	918	1,278	2,796
Scope 1 and Scope 2 Total – Location-based	5,537.1	7,121.8	8,193.0

8. The data for the reporting years 2020 and 2021 have been changed from the previous Sustainability Report due to the current availability of more accurate data. The changes made had no significant consequences on sustainability reporting.





8. PEOPLE - BWE

8. PEOPLE - BWE

The world of Beretta in one hand: this is the BWe project. Health, growth, safety, environment and leisure are the five areas symbolized by the fingers of one hand.



We meaning Us. We for Welfare. We for Wellbeing. The BWe project is the cornerstone of the Beretta vision. It aims to offer active and real well-being tools to all the people working in the company, through a coordinated and synergistic effort to harmonize and develop initiatives in all areas of the company and the relationship with the local area.

The project's focus areas are many and varied - from sport and wellness to prevention, from safety to the environment, from education and training to culture

and recreation and travel - divided into five areas symbolized graphically by the fingers of a hand. The workplace is a place of life.

As such, it should be guarded and considered a place for the promotion of health and well-being. It is for this reason that, since 2016, Beretta has also been a member of the WHP Network - Workplace Health Promotion - of the Lombardy Region, whose priority aim is to promote virtuous organizational changes in the workplace.



589
Manual workers



230
Employees and Managers



8.1 INDIVIDUAL HEALTH COMES FIRST

The first topic for discussion is the health of the individual, where a culture of prevention plays the primary role. With regard to Health Surveillance, the Company Physician works with the Employer and the Health and Safety Department to implement measures for the protection of the health and physical well-being of workers, in accordance with the provisions of Article 41 of Legislative Decree 81/2008.

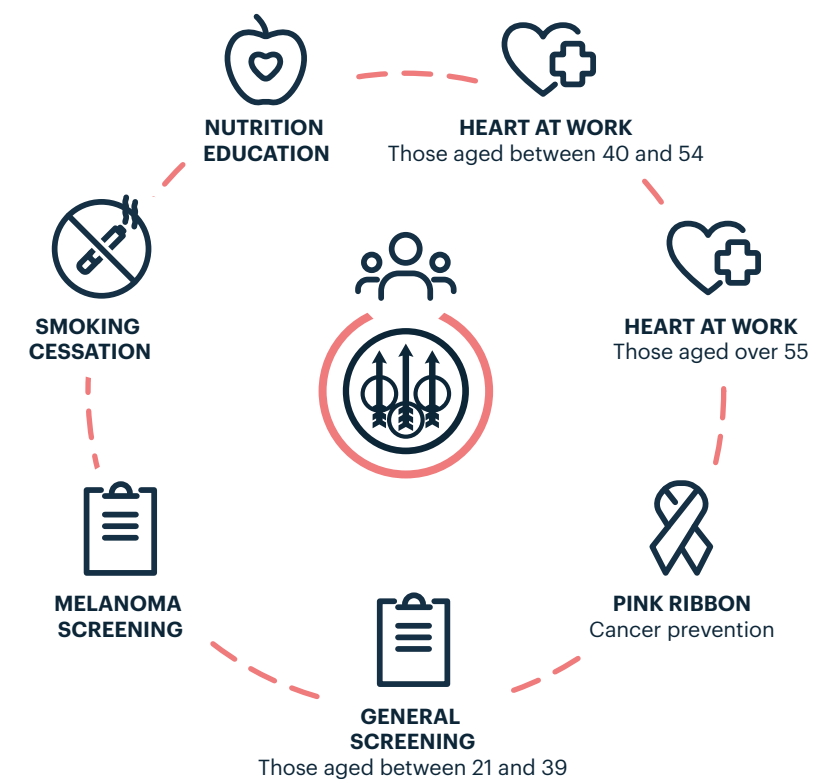
Each year, on the basis of legislative updates and risk assessment, the Company Physician updates the 'Health Protocol', using external professionals to carry out specialist examinations such as: psychiatric, ophthalmic, ENT, audiometric and psychodiagnostic examinations.

Workers' health data are managed in accordance with current privacy legislation and may only be consulted by the Company Physician and authorized health personnel.

For more than ten years now, the project on the preliminary assessment of work-related stress has been under way, which, on at least an annual basis, provides for an examination by an occupational psychologist of certain individuals who are considered to be particularly at risk due to their job.

In full compliance with the legislation on personal data, the psychologist reports to the Company Physician his/her evaluations so that any appropriate measures can be taken.

Personal health initiatives



At Beretta, much attention is paid to the ergonomics of the work environment. For several years, the project for the prevention of musculoskeletal disorders has been underway.

The person in charge of shooting tests is considered to be a sportsman. Working with the athlete is

**Health is at the heart
of what we do,
where a culture of prevention
plays the primary role.**

a key element in achieving excellence and counteracting possible biomechanical overload. The prevention project supports the employee working on the specific task in training, warming up and cooling down, with fully equipped mini-gyms and the support of a specialist.

Health surveillance for Beretta employees



A healthy and active lifestyle can prevent many chronic diseases such as cardiovascular diseases, cancer, respiratory diseases and diabetes.

The first initiative concerns cardiovascular and metabolic disease screening, reserved for employees over 55 and carried out at the Spedali Civili hospital in Gardone. Young people between the ages of 21 and 39, our main investment capital, undergo cyclical screening at the Poliambulanza Hospital in Brescia including diagnostic examinations, echocardiogram and other specific tests.

Also in 2022, the focus was on female staff, who were given the opportunity to perform free ultrasound and mammography scans in local medical facilities and outpatient clinics with the support of Italian cancer charity LILT.

Conscious of the central role of prevention in the fight against cancer, Beretta also offers its employees screening for skin cancer, which is still little-known but widespread in the Upper Valley. Smoking is the leading cause of easily preventable cancer.



With the goal of becoming a 'No Smoking Company' in the near future, the 'Put Cigarettes Out, Light Up Life' campaign continued in the company.

Remaining on the topic of health, Beretta has raised awareness among the entire workforce of the importance of a healthy and balanced diet.

Education on nutrition was delivered in the company canteen through information boards, signs and infographics. Special attention is paid to employees with food allergies or intolerances, to whom special diets and meetings with the nutritionist are dedicated.

Another good practice for the promotion of a healthy diet, even during breaktimes, is the decision to include healthy, low-fat and low-sugar products in the food vending machines in the various company break areas. Since 2020, has spent a great deal of energy in managing the COVID-19 pandemic.

For the company, employees have always been centre stage. They always had the opportunity to carry out a free and immediate test, both in the event of a suspected infection and in case of contact with an infected person.

Also in order to promote health in the company, Beretta set up an in-house Covid-19 vaccination hub for its employees, which is also open to suppliers.

The initiative made it possible for vaccination to be carried out at the end of the work shift, without the need to resort to facilities in the area at set times.

8.2 CAREER GROWTH AND DEVELOPMENT

The second focus area of the BWe project concerns the growth of the people working at Beretta, covering the entire company population and all age groups. In line with a tradition started ten years ago, the company supported employees' participation in master's and doctoral programmes and fully financed them.

In 2022, six employees received a Master's degree and two received a PhD, bringing the total number of participants to 43. In addition to numerous assessment and development coaching measures, staff training remains a priority, with more than 9,000 hours in 2022. People's growth takes place through the two fundamental steps of

on-the-job training and mentoring and skills transfer. In this second case, the company policies and projects created to manage the coexistence of several generations at work, with the sharing of experience between younger and older workers and the consequent transfer of know-how, play a key role. In the area of digital skills development, the Digital Champions project continued, an activity that paves the way for the

Beretta Digital Olympics - created in 2017 to raise awareness among the corporate population on the importance of the digital world - scheduled for spring 2023. For all employees, especially the younger ones, BDigital is very important.



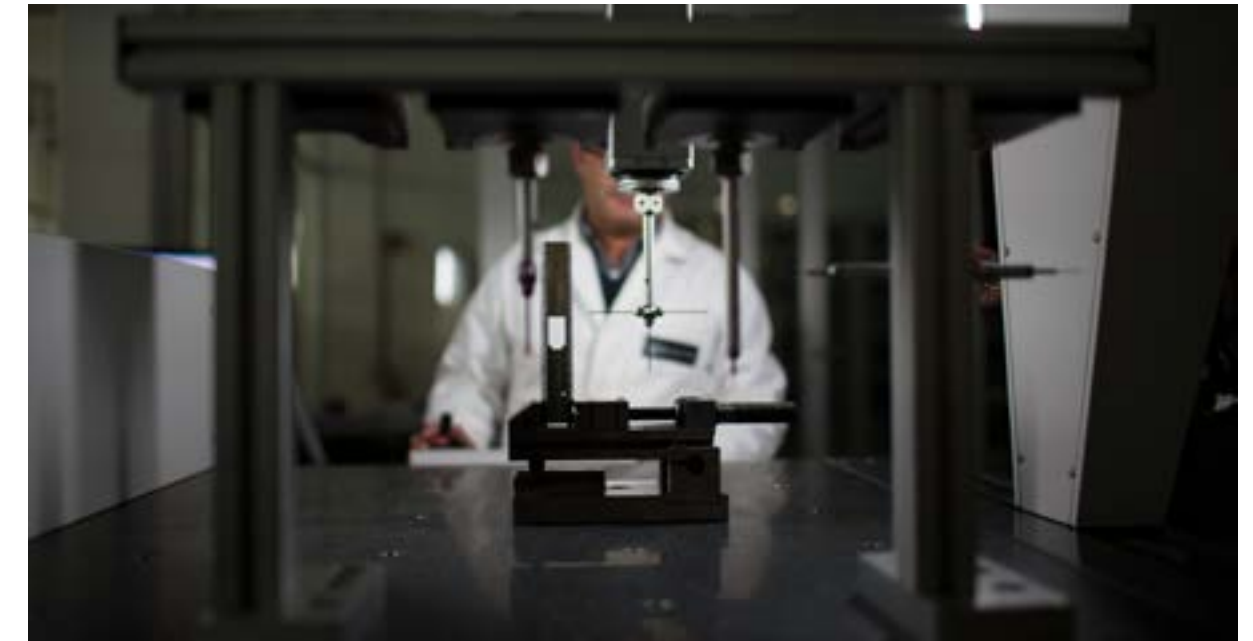
17%

Female staff



43 years

Average age of employees



Percentage of employees with a degree

2010

23%

2021

42%

2022

52%

Personal growth paths that reveal Beretta's constant drive towards the future.

This is the portal through which it is possible to find out what is happening in the company and what Beretta posts on social media (FB, Instagram, Twitter): job vacancies, value analysis, digital transformation, and the company's welfare initiatives. Our deep connection with the local area is also exemplified by the extracurricular courses orga-

nized by Beretta for students at local vocational schools and for young people seeking employment who want to gain an insight into the world of weapons.

Remaining on the subject of personal growth and development, Beretta has always been very attentive to managing diversity, not only in terms of gender but also of culture, race and religion, as well as protecting the vulnerable, with an approach to managing potential that is much more open to the world of women and to useful and positive gender diversity.

No incidents of discrimination on grounds of sex, religion, language, race, political and sexual orientation were recorded during the three-year period under review.

8.3 SAFETY FIRST

The third focus area of the BWe project looks at a safe and positive working environment at all times, offering its employees tools that help them to work safely.

At the company, hazards are identified for each work activity by means of a checklist, following near misses, accidents, and reports from the relevant health and safety figures (company physician, workers' safety representatives and supervisors).

For each hazard, the risk to the operator is then assessed in accordance with the law. After that, preventive, maintenance, corrective, and/or improvement actions are identified through various methodologies, including 8D.

If these actions cut across several business processes or are significant in terms of risk level, they become part of strategic projects, be they managerial or technological.

In order to increase workers' safety awareness and thus reduce the possibility of accidents or occupational illnesses occurring, the company keeps employees constantly updated through specific training courses, in compliance with legal requirements and as new training needs arise.

All courses are provided free of charge and during paid working hours. Work safety is ensured through consultation with the workers' health and safety representative at various times, including: the company physician's health inspection, periodic meetings (Art. 35 and 50 of Legislative Decree 81/08), sharing of the Risk Assessment Document and improvement measures, and analysis of accidents and/or near misses.

Any worker may report events deemed abnormal to the Health and Safety Department.

Communications relating to health and safety are carried out through physical and online notice boards and mailing lists.

Communication also concerns external bodies and their employees who are informed about the risks related to their activities in the company, through specific documentation such as the Combined Interference Risk Assessment Report (DUVRI by its Italian acronym) or the Operational Safety Plan (OSP).

ISO 45001-certified, the company keeps abreast of occupational health and safety regulations. The management system implemented covers all those working on-site at all Beretta sites. The relevant regulations are the Legislative Decree 81/2008 and Legislative Decree 105/2015.

The main indicators monitored concern accidents and near misses. In order to verify and maintain legislative and regulatory compliance, the organization, assisted by industry consultants, maintains and updates the legislative register and the environmental regulatory schedule at least once a year, or more frequently depending on any relevant new developments.

It continuously improves safety and promotes the health of both its own employees and external personnel.

Another key aspect for Beretta is travel security. Travelling employees may encounter many situations that may endanger their safety, especially when travelling to high-risk countries.

Aware of the likely risks, Beretta employs the services of a travel security agency for the provision of international health care, medical care and security services to ensure the well-being of employees who travel frequently.



8.4 THE WORKING ENVIRONMENT

The fourth focus area of the BWe project concerns the promotion of a healthy living environment. This includes initiatives related to individual behaviour geared towards protecting the environment in general and the workplace in particular.

Over the years, for example, charging stations for electric cars have been implemented as well as waste separation in offices.

These initiatives include the creation and maintenance of green areas within the company since 2011.

Natural spaces designed to highlight how the 'factory' can also be a healthy workplace, overcoming the widespread idea of a 'dirty, noisy workshop' and becoming an 'ideal place to work'.

During 2022, the project to adapt the offices and meeting rooms to higher standards was also started, replacing the existing furniture and chairs with new, totally ergonomic ones, as well as continuing to install air-cooling systems in the various company areas in order to improve the ambient conditions in the facility during the hottest months.

Green areas within the company to create an ideal workplace.



Company green spaces

8.5 PROMOTING THE WORK-LIFE BALANCE AND PHILANTHROPY

The fifth and final focus area of the BWe project concerns initiatives aimed at work-life balance, employee retention and loyalty. At Beretta, we take great care of the employees of today, of those of yesterday and of those of tomorrow, and more generally the new generations.

That is why we provide real support for parents and families in general with new arrivals, with an affiliated nursery school and providing welfare allowances for new grandparents. In addition, a parenting support project was launched in 2022 to

ements with paediatric medical centres, summer or winter centres, after-school care and language schools for children.

For Beretta, retired employees are considered an incomparable source of knowledge made available to anyone wishing to visit the company.

Philanthropic initiatives are also extremely important, such as the company's donations to the Beretta Foundation and research for cancer treatments.

A great focus on the employees of today, yesterday and tomorrow.

support young parents in the difficult mother/worker - father/worker balance and career development, thanks to practical help tools such as agree-

Also worth mentioning is the holiday resort in Cesenatico with 15 flats, designed for employees' and retired employees' summer holidays.



Pietro Beretta Nursing Home, Gardone Val Trompia, Brescia



Aware that an active sports life also improves work performance, the company has concluded beneficial agreements with several sports centres in the Val Trompia and has set up a walking group for its employees, which trains mainly during lunch breaks. Beretta has always encouraged and supported asso-

ciations created by employees for recreational purposes. In this regard, an efficient company CRAL (Workers' Support and Recreation Club) is in place which promotes multiple initiatives in favour of employees and their families, such as agreements with local public establishments, cultural events and leisure travel.

Services/leisure for Beretta employees



PIETRO BERETTA
NURSING HOME



NURSERY



HOLIDAY
RESORT



FONDAZIONE BERETTA
per lo studio e la cura dei tumori



Sports initiatives for Beretta employees
BAM Marathon group



Breakdown of employees by job category and gender							
Job category		2020 ⁹		2021 ⁹		2022	
		Women	Men	Women	Men	Women	Men
Employees with employment contracts as at 31 December	Executives	1	15	1	15	1	15
	Managers	12	36	11	38	9	40
	Office workers	55	120	59	121	59	123
	Manual workers	69	489	70	496	73	520
Total		137	660	141	670	142	698

Breakdown of employees by job category and age										
Job category		2020 ⁹			2021 ⁹			2022		
		< 30	Between 30 and 50	> 50	< 30	Between 30 and 50	> 50	< 30	Between 30 and 50	> 50
Employees with employment contracts as at 31 December	Executives	0	8	8	0	6	10	0	5	11
	Managers	0	27	21	0	27	22	0	27	22
	Office workers	36	83	56	39	85	56	30	87	65
	Manual workers	95	262	201	121	257	188	146	258	189
Total		131	380	286	160	375	276	176	377	287

9. The data for the reporting years 2020 and 2021 have been changed from the previous Sustainability Report due to the current availability of more accurate data. The changes made had no significant consequences on sustainability reporting.





Employees				
Employees by type of contract	Unit of measurement	2020 ¹¹	2021 ¹¹	2022
Permanent	n.	794	805	836
- of which women	n.	136	137	140
	%	17	17	17
- of which men	n.	658	668	696
	%	83	83	83
Fixed term	n.	3	6	4
- of which women	n.	1	4	2
	%	33	67	50
- of which men	n.	2	2	2
	%	67	33	50
Total	n.	797	811	840
Employees by type of employment				
Full-time contracts	n.	747	759	793
- of which women	n.	98	100	105
	%	13	13	13
- of which men	n.	649	659	688
	%	87	87	87
Part-time contracts	n.	50	52	47
- of which women	n.	39	41	37
	%	78	79	79
- of which men	n.	11	11	10
	%	22	21	21
Total	n.	797	811	840

Non-employee workers				
Non-employees	Type	2020 ¹¹	2021 ¹¹	2022
	Trainees	1	3	4
Non-employees by type of contract to 31 December 2022	Temporary workers ¹⁰	22	93	117
	External staff ¹⁰	104	119	145
Total		127	215	266

10. Temporary workers are employed in the production departments, while external staff are employed in general services (canteen, cleaning, infirmary and security), maintenance services and Shop in Shop activities.

11. The figures for non-employees were changed from the previous non-financial reporting due to the availability of more accurate data. The changes made had no significant consequences on sustainability reporting.





New hires and turnover					
New hires			2020 ¹²	2021 ¹²	2022
Indicator	Gender	Age			
New hires from 1 January to 31 December	Female	< 30	9	5	6
		Between 30 and 50	0	4	4
		> 50	1	1	1
		Total	10	10	11
	Male	< 30	22	27	40
		Between 30 and 50	7	9	15
		> 50	1	3	6
		Total	30	39	61
	Total number of hires		40	49	72
	Rate of incoming turnover Women		7%	7%	8%
Rate of incoming turnover Women		< 30	7%	4%	4%
		Between 30 and 50	0%	3%	3%
		> 50	1%	1%	1%
Rate of incoming turnover Men			5%	6%	9%
Rate of incoming turnover Men		< 30	3%	4%	6%
		Between 30 and 50	1%	1%	2%
		> 50	0%	0%	1%
Rate of incoming turnover Total			5%	6%	9%
Contract terminations			2020 ¹²	2021 ¹²	2022
Indicator	Gender	Age			
Contract terminations from 1 January to 31 December	Female	< 30	4	1	3
		Between 30 and 50	1	2	2
		> 50	7	3	5
		Total	12	6	10
	Male	< 30	2	2	4
		Between 30 and 50	2	2	5
		> 50	34	25	24
		Total	38	29	33
	Total number of terminations		50	35	43

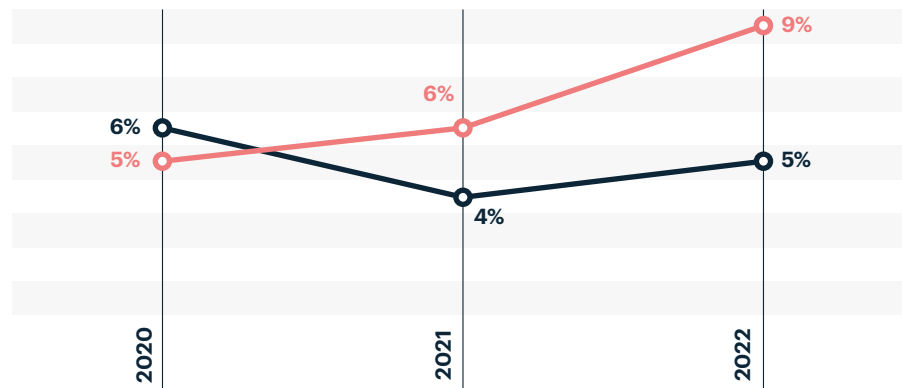


Rate of outgoing turnover Women		9%	4%	7%
Rate of outgoing turnover Women	< 30	3%	1%	2%
	Between 30 and 50	1%	1%	1%
	> 50	5%	2%	4%
Rate of outgoing turnover Men		6%	4%	5%
Rate of outgoing turnover Men	< 30	0%	0%	1%
	Between 30 and 50	0%	0%	1%
	> 50	5%	4%	3%
Rate of outgoing turnover Total		6%	4%	5%

12.The data for the reporting years 2020 and 2021 have been changed from the previous Sustainability Report due to the current availability of more accurate data. The changes made had no significant consequences on sustainability reporting.

Rate of incoming and outgoing turnover 2020 - 2022

 Rate of incoming turnover
 Rate of outgoing turnover



Average annual training hours per employee

Training hours by employment category	Unit of measurement	2020	2021	2022
Average hours of training provided to executives	h	10	6	4
Average hours of training provided to managers	h	17	29	8
Average hours of training provided to clerical staff and middle management	h	11	24	9
Average hours of training provided to manual workers	h	3	4	12
Average hours of training by gender of employee	Unit of measurement	2020	2021	2022
Average hours of training provided to women	h	7	17	11
Average hours of training provided to men	h	6	9	11

Collective Bargaining Agreements

	Unit of measurement	2020	2021	2022
Number of employees covered by collective bargaining agreements	n.	797	811	840
Total number of employees	n.	797	811	840
Employees covered by collective bargaining agreements	%	100%	100%	100%

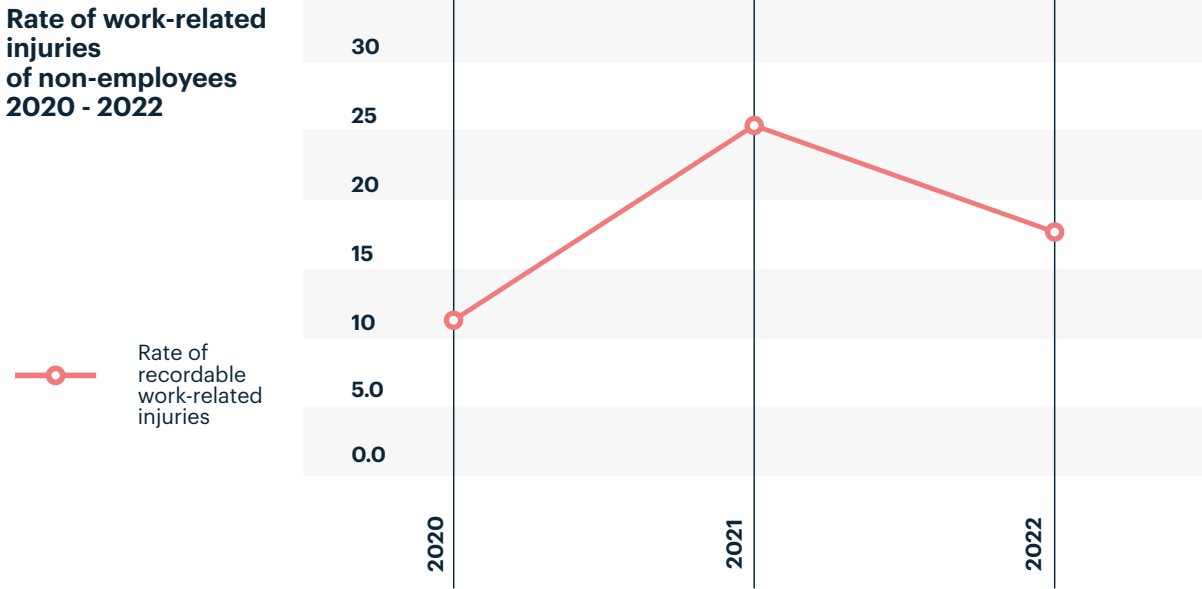
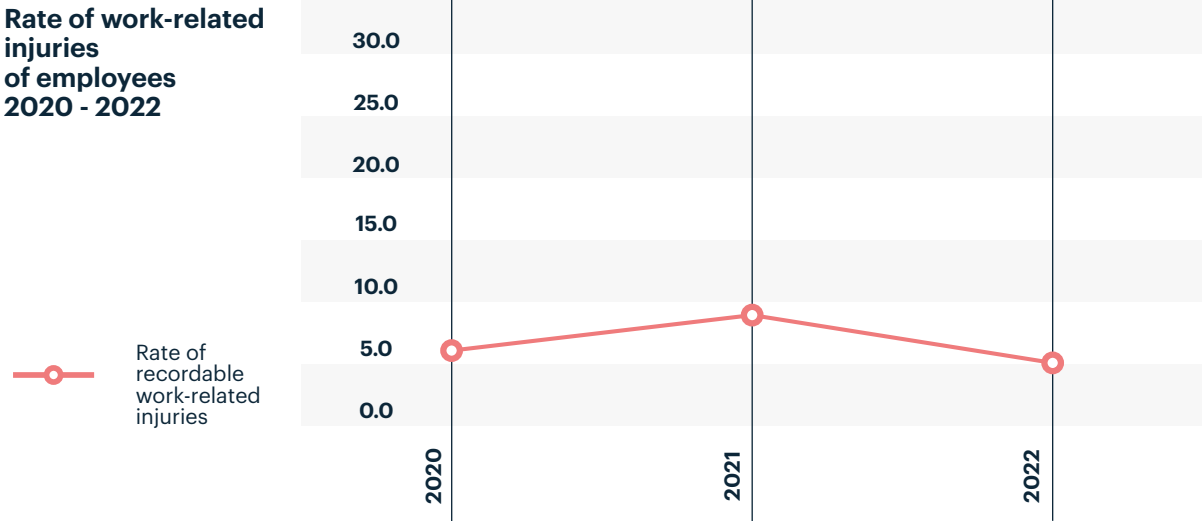
Employee accidents at work

	2020 ¹³	2021 ¹³	2022
Hours worked (employees)	1,191,114	1,325,632	1,376,889
Total number of work-related injuries (recorded, including deaths)	7	12	7
of which injuries as a result of commuting incidents (only if transport was organized by the company)	0	0	0
Total number of work-related injuries with serious consequences (>6 months of absence), excluding deaths	0	0	0
of which number of deaths	0	0	0
Rate of recordable work-related injuries	5.88	9.05	5.08
Rate of work-related injuries with serious consequences	0	0	0
Rate of deaths	0	0	0

The hours worked by executives were calculated using a standard value of 1,760 hours per year.

Work-related injuries of non-employee workers, but whose work and/or place of work is under the control of the company			
	2020 ¹³	2021 ¹³	2022
Hours worked (employees)	168,433	309,223	428,213
Total number of work-related injuries (recorded, including deaths)	2	8	8
of which injuries as a result of commuting incidents (only if transport was organised by the company)	0	0	0
Total number of work-related injuries with serious consequences (>6 months of absence), excluding deaths	0	0	0
of which number of deaths	0	0	0
Rate of recordable work-related injuries	11.87	25.87	18.68
Rate of work-related injuries with serious consequences	0.00	0.00	0.00
Rate of deaths	0.00	0.00	0.00

13. The data for the reporting years 2020 and 2021 have been changed from the previous Sustainability Report due to the current availability of more accurate data. The changes made had no significant consequences on sustainability reporting.



A worker in a blue apron with a logo is using a spray bottle to treat a large piece of wood. Another person's hand is visible holding a smaller piece of wood. The background shows a workshop with various wooden beams and a blue wall.

9. SUPPLIERS AND PARTNERS: A RELATIONSHIP BASED ON TRUST

9.

SUPPLIERS AND PARTNERS: A RELATIONSHIP BASED ON TRUST

Being at the head of a supply chain means having the social responsibility to make this supply chain grow.

9.1 THE NEW MILLENNIUM: FROM 2000 TO TODAY

Beretta counts on a historical supply chain located mainly in the vicinity of the Gardone Val Trompia site. Excluding suppliers of raw materials - such as aluminium, steel and wood - over 90% of the companies that today transform and process our production components are located in this geographical area, where there is such a widespread culture of manufacturing of weapons that the English-speaking world has dubbed it “Weapon Valley”.

and well-being of our suppliers are reflected in Fabbrica d’Armi itself, becoming a guarantee of quality and competitiveness.

The fundamental starting point for these partnerships, which in some cases have lasted for over 50 years, is sharing and compliance with our corporate Code of Ethics. Gunmaking is a sector of precision mechanics that must comply with very strict laws. Beretta supports

Very close ties with the territory: Beretta relies on a historical supply chain located mainly in Val Trompia.

We are talking about companies with a craft business structure - around 30/40 employees - that have grown in this district thanks to the support of Beretta; small businesses that in the last 20 years have improved their quality and logistics management day by day and adapted to the continuously evolving legal requirements. Thanks to long-established relationships, Beretta has always worked collaboratively with these companies, aware of the fact that the growth

its suppliers so that they are all aligned with the laws of Public Safety in force, helping them to obtain licenses and correctly manage the necessary documentation.

For at least 20 years, Beretta has focused its efforts on guiding the growth of its suppliers to improve their performance, using their expertise in the development of new products so that the final result is ever closer to the expectations of

an increasingly demanding market. As part of the improvement of logistics management, Beretta provides full access to information on its needs by installing a digital portal on which it shares orders and future forecasts, enabling warehouse management in real time.

This approach of total transparency on corporate production needs effectively strengthens the relationship between Beretta and its supply chain, which feels itself to be an integral and responsible part of the continuous improvement process.

As far as quality is concerned, in the context of risk mitigation, the rules of engagement are defined in a fundamental document referred to in every contract or purchase order: the Supply Quality Specifications, which regulate all the stages at which the supplier interacts with the company. The organizational aspect is also fundamental: we established the role of Suppliers Quality Engineer, which guarantees education and training for supplier employees in charge of quality. The improvement actions undertaken are monitored through specific performance indicators, with

the results shared with all the main suppliers. This continuous dialogue with suppliers allows a successful transition from component quality control to process control: an organization-wide optimization considered essential by Beretta. By making appropriate technological investments and revising the company lay-out, Beretta makes available large spaces at the company to some strategic suppliers.

This means they can enter operationally within the company boundaries, cutting the logistical and administrative costs of transferring the product from outlying plants to our headquarters, with a consequent positive environmental impact due to reduced road transport. Before the Covid-19 pandemic, the ‘Beretta meeting’ was always held annually. A full day with the participation of all major suppliers at which to share results and future expectations. A social occasion where we seek out customer’s comments with a view to overall improvement. In 2022 this meeting took place in-person once again. Our suppliers are proud to be Beretta suppliers just as Beretta is proud of its suppliers.



Location of Beretta suppliers



During the recent pandemic, this partnership proved strong enough to achieve an economic result that was higher than expected. Managing the COVID-19 pandemic is a good example of supporting suppliers

in the pursuit of common welfare. With them, we shared our health and safety procedures, providing bureaucratic and administrative support to obtain the necessary authorizations to reopen for business.

9.2 THE FUTURE IS ALREADY HERE

Looking to the future, Beretta intends to continue on this path, within the scenario of the local area and guided by the deep human and professional relationships established with the community in which the company has always operated and lived. It is natural to continue working towards the development of local companies, without looking at the Far East or other countries.

A short supply chain, or zero-mile, certainly less competitive from an economic point of view, but which offers social and environmental advantages. Within the scope of application of the ISO 14001 and ISO 45001 standards, Fabbrica

d'Armi Pietro Beretta has adopted a procedure for the evaluation of suppliers deemed relevant to health, safety and the environment according to the activities they carry out within the facility. The environmental and social criteria for the company are applied in compliance with current environmental and occupational health and safety regulations. The relevance of the supplier is defined qualitatively according to the potential for serious incidents such as accidents or environmental emergencies. Suppliers deemed to fall into this category are evaluated according to an internal procedure that considers all legislative obligations, such



as Legislative Decree 81/08 on the protection of health and safety in the workplace, Legislative Decree 152/06 on environmental regulations and Ministerial Decree 10/03/1998 on general criteria for fire safety and emergency management in workplaces.

Another relevant factor in the choice of suppliers is the proximity to the production plant, which makes it possible to reduce transport emissions as well as to allow the area surrounding the company to thrive. In particular, as far as suppliers of materials and finished components used to make the products are concerned, in addition to using selection criteria based on risk management and ISO 9001, Fabbrica d'Armi Pietro Beretta promotes training and the development of initiatives in the areas of cybersecurity and sustainability.

At Beretta, digital technologies are a fundamental tool for growth for the supply chain. Hence the implementation, at the end of May 2021, of the

Beretta Digital Value Chain, a project whose main objectives are to strengthen the partnership between Beretta and its suppliers, develop increasingly rapid, fluid and secure Supply Chain processes and create the conditions for the enhancement and development of the digital assets of the entire supply chain. The project involved 38 people from 18 strategic partners in the production chain, companies that alone represent 74% of Beretta's purchase volume.

In 2022, Beretta kicked off a further initiative to strengthen its partnership with its suppliers by selecting 17 Lombardy-based suppliers representing different stages of the Value-Chain, with whom a partnership agreement was signed.

All this makes it possible to seize the opportunity offered by an initiative promoted by the Lombardy Region, which involves the publication of calls for tenders for the development of Lombardy's supply chains.



New suppliers assessed using environmental and social criteria				
Type	Unit of measurement	2020	2021	2022
Total number of new suppliers	n.	5	3	2
Number of new suppliers assessed using environmental and social criteria	n.	5	3	2
Percentage of new suppliers assessed using environmental and social criteria	%	100%	100%	100%

Proportion of spending on local suppliers (€)			
Procurement budget	2020	2021	2022
Italian suppliers	109,310,162	133,615,131	194,764,773
Foreign Suppliers	31,018,196	32,907,134	26,294,199
Total purchases	140,328,358	166,522,265	221,058,972
Purchase ratio (Italy)	78%	80%	88%

Together with its main partners in Lombardy, Beretta sees its ‘Sporting Arms Supply Chain’ recognized by the Lombardy Region.

A recognition that will enable participation in upcoming calls for tenders relating to the development of initiatives concerning: cybersecurity, process digitization, sustainability, personnel development and logistics integration. At the very end of 2022, the ‘Sporting Arms Supply Chain’ received approval for its first project under the ‘Lombardy 2022 Call for Innovation in Processes and Organization of Production and Service Chains and Industrial and Economic Ecosystems’.

A project to promote Cloud computing, process digitization and investments in the area of cybersecurity. Further initiatives will be launched in 2023 upon publication of the next regional calls for tenders for supply chains.

Always looking to the future, with Beretta’s strategic objective being the elimination of hexavalent chromium (a chemical element outlawed by the EU from September 2024) from the production process, the solid partnership achieved with the main supplier of treatments led to successful joint participation in the call for the European LIFE20 programme.





10. DESIGN AND INNOVATION

10. DESIGN AND INNOVATION



Tomography to probe the components of Beretta products

10.1 TECHNICAL INNOVATION AS A COMPETITIVE FACTOR

At Beretta, the main objective of innovation is to satisfy customers by offering products that, in compliance with time to market, create value by guaranteeing the expected benefits for the customer.

This is achieved by ensuring the growth of all employees, in a safe and rewarding work environment, promoting energy and environmental sustainability.

In this virtuous context, the high competitiveness of the Beretta product is the most visible final result of a broader and more complex innovation process. With over 220 active patents and extensions, out of a total of around 1400 filed

in the course of its history, Beretta's R&D plays a central role in the various innovation processes, relying on particularly advanced design and computer simulation systems.

All our research and development activities are internal - from design to construction, prototype testing (including using additive manufacturing) and product industrialization - as are the main production technologies.

In addition to guaranteeing ever higher product performance, technical innovation also enables the company to optimize processes, reducing inefficiencies and guaranteeing the best value for money.

10.2 GOVERNING DISTRIBUTED INNOVATION

The ability to combine innovation and tradition to cope with change is at the heart of Beretta's centuries-old longevity.

In the company, innovation is a value that rests on historical and cultural foundations, progressively reflected in a customer-focused organizational model, geared towards the constant improvement of products and services, operational excellence and environmental and energy sustainability. Distributing the challenge

This process must be properly managed to ensure that each initiative is aligned with strategic goals and corporate values, promoting continuous synergy and efficiency.

All this is possible thanks to the active and commanding role of the owners and top management, constant promoters of an innovative approach and a process of continuous evolution.

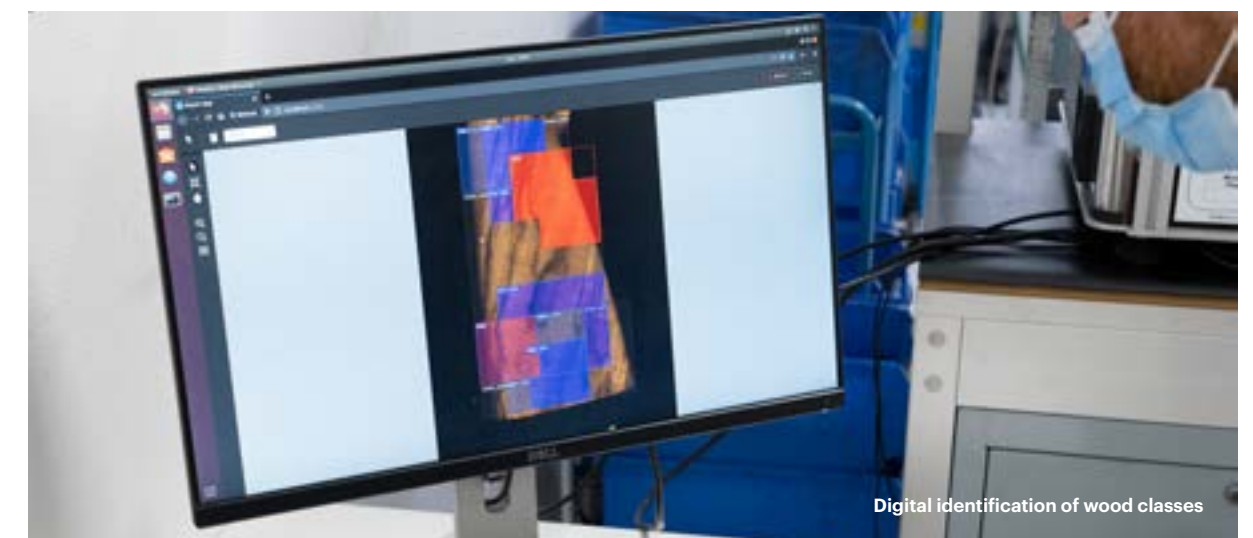
To support strategic governance and portfolio management of innovation initiatives, the Innovation Board was established in 2022 as an advisory and proactive body to guide the company's strategic choices and to promote new collaborations in this area.

The board, chaired by Fabbrica d'Armi Chairman Pietro Beretta, meets every six months and is made up of both internal company members and external advisors from academia, business and industry.

The post of an Innovation Manager was also introduced, again with the role of facilitating and promoting the innovation process and coordinating the various initiatives.

In 2022, the Innovation Board was established

of renewal over the entire organization, instead of creating a specific role, is a conscious and explicit choice, the aim of which is to make innovation a widespread, effective, autonomous and stable distributed process, strongly inspired by and aimed at creating value for the customer, as well as supported by process expertise as well as technological expertise.



Digital identification of wood classes

10.3 SUSTAINABILITY AND INNOVATION

Today, sustainability is achieved by starting directly with research and technical innovation, a constant in Beretta's 500-year history.

In both hunting and target shooting, this vision involves global guidelines that must be considered and possibly anticipated. One of the main challenges of the next few years is to eliminate hexavalent

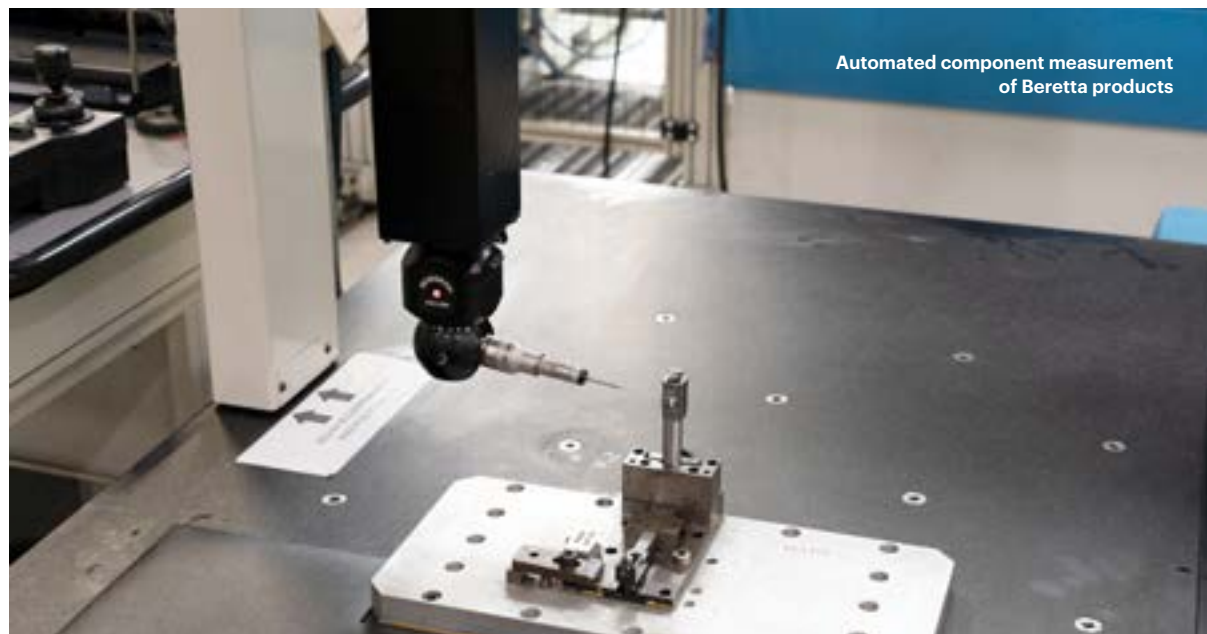
gradually be replaced by other materials, such as harder and less polluting metals. There are many stakeholders involved: the legislator, who imposes certain rules, the communities, the ammunition supplier and the end customer. In this context, Beretta's task is to ensure that the end customer is able to continue practising his or her sport to the best of his or her ability by providing a suitable

**We live in a changing world in continuous evolution.
Today, sustainability starts directly with research
and technical innovation.**

chromium from our production processes whilst ensuring the end customers the same performance in terms of product safety, reliability, durability and precision. Beretta is actively involved in this research through the Life20 Cromozero project, partly funded by the European Commission. Another significant example concerns the use of shot pellets, currently made from lead, which will

tool, knowing that different ammunition creates a different feeling with the weapon for its user.

This is why we focus on research and development in order to find the best solution to offer to our customers, working directly with ammunition manufacturers to adapt and optimize our weapons to the new conditions of use.



Automated component measurement
of Beretta products

10.4 SUSTAINABILITY AND SIMULATING OPERATING CONDITIONS



Mechanical shoulder for automated recoil
measurement of the weapon

The research phase is followed by the canonical process of product development, which can have very different execution times depending on the type of project.

Changes and restyling can be completed within 6 months; new product or platform projects can take up to several years.

By the time the weapon development reaches the physical prototype stage, in order to verify compliance with the requirements that shaped its development - such as safety, functionality and accuracy - it is necessary to carry out repeated fire tests, with high numbers of shots, on different products.

All this has economic, social and environmental costs. Among the main effects of this activity,

there is the continuous contact with lead, which requires the operators to undertake regular checks of the levels of lead in the blood, as well as the high number of shots fired - up to 30,000 shots per gun - which can lead to harmful biomechanical disorders in the upper limbs.

For Beretta, the health of its operators has always been a priority. Therefore, numerical and physical simulation solutions have been identified and developed that can drastically reduce (if not



220
Active patents
and extensions

eliminate) the effects of this activity by working on the causes.

A first example is digitization, which, through the software for mathematical calculation, allows us to construct virtual prototypes of the product, simulating the operating conditions of the

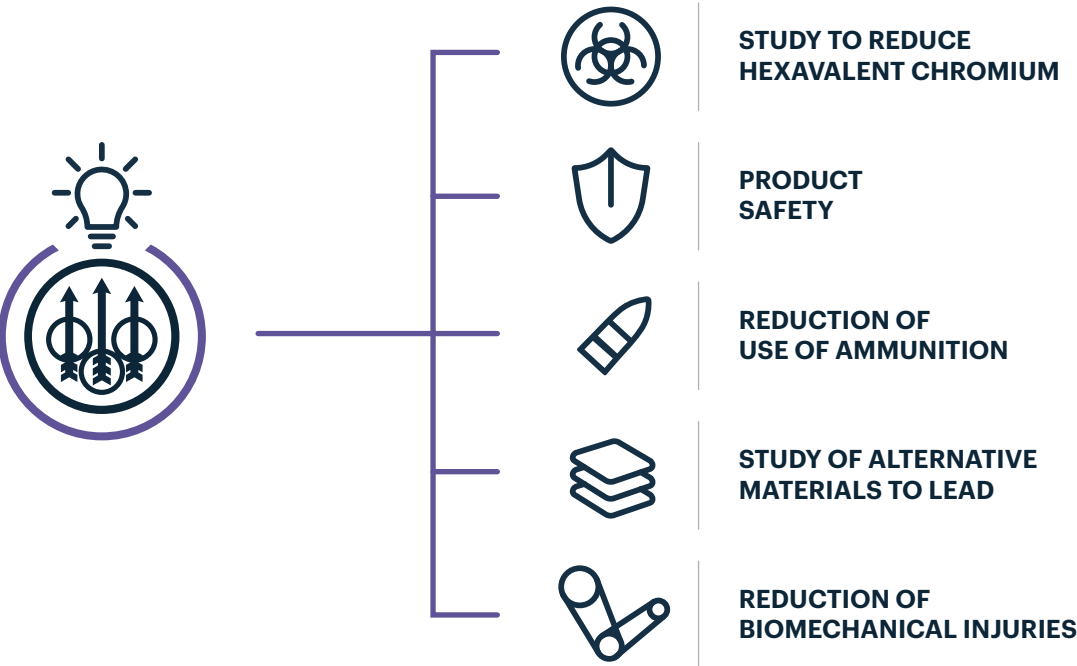
With a view to increasing sustainability on a human scale, digitization has meant we no longer need to build prototypes.

weapon with the computer, thus enabling us to predict the expected life of the components and to evaluate the performance in certain regimes of use, without producing physical products and without firing a single shot.

A second area of innovation, aimed at reducing the impact of firing tests on the health of shooters, was the development of appropriate equipment to reduce the biomechanical load to which the shooter's limbs are subjected.

Bearing in mind that the weapon and its shooter represent a real system that is strongly influenced by the physical structure of the shooter himself, Beretta has developed modular structures that replace limbs of the human body and allow firearms tests to be carried out while respecting the shooter's conditions of rigidity and constraint.

Innovations in the production and testing process for Beretta products



A further development was the creation of artificial limbs for shooting handguns in complete safety, fitted with sensors to record information and parameters of use.

Over the years, Beretta has developed test benches for testing certain functions of the

product without having to test fire the weapon. These are back-operated benches equipped with sensors that enable the complete simulation of specific operating conditions applied to individual components and allow the rapid evaluation of their behaviour as a function of the number of load cycles applied.

Benefits of firing simulation



Benches to test the load cycles resulting from repeated use of the product

10.5 OPEN INNOVATION AND COLLABORATION WITH UNIVERSITIES AND RESEARCH CENTRES

Technological challenges, the increasing complexity of the competitive environment, a global market where competition is becoming increasingly fierce, both in terms of supply and price, and where the variety and depth of skills required for the design, industrialisation, production and marketing of products is growing year by year, necessitate an increasingly innovation-oriented approach.



Several years ago, the company opened a dedicated office at the CSMT (Multisectoral Technology Services Centre) in Brescia - called B.R.a.In. (Beretta Research and INnovation) with the task of fostering Open Innovation and catalyzing initiatives in the field of innovation that are more disruptive than that performed in house.

Collaboration with research centres, start-ups, young researchers and universities has led to various initiatives partly funded by national and regional institutions.

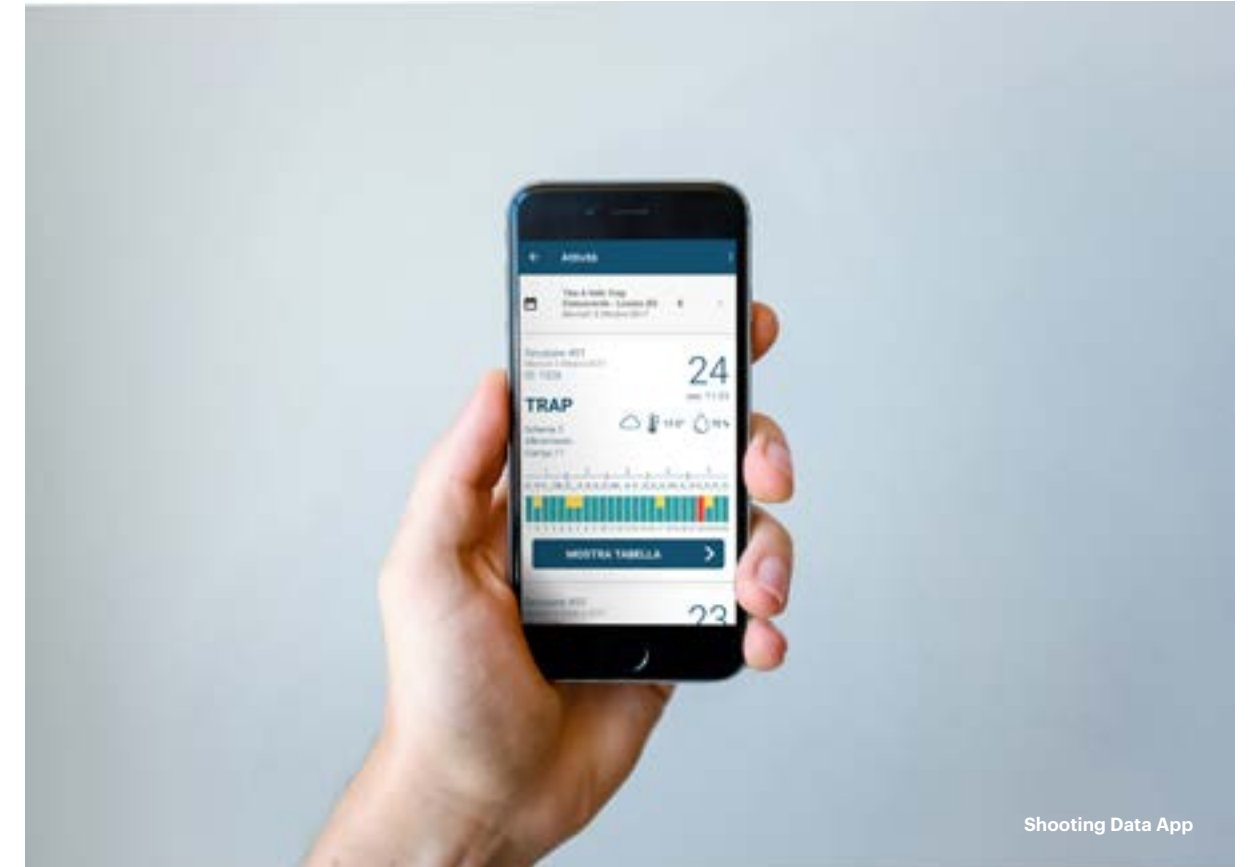
In the field of environmental sustainability, Beretta gives ample space to collaborations with universities and research centres. For example, with the University of Brescia and the Politecnico di Milano.

Work was carried out to evaluate the effects of using steel shot as a substitute for lead on the shooter's feeling when firing and on the effects on breaking the targets, as well as on their reusability in a circular economy perspective.

The University of Brescia also supports the necessary chemical and physical analysis of surface treatments and materials currently used in the weapon product.

With the University of Florence, on the other hand, Beretta has collaborated in the development of a method to reduce perceived noise outside shooting ranges using highly innovative solutions.

One of the first research topics at B.R.a.IN. is weapon sensors, with the aim of providing automatic telemetry and alarm services based on data to improve and make policing on the ground more efficient.



Beretta has a very close relationship with the University of Brescia, which over the years has further strengthened our relationship with the territory.

In particular, a project financed by the Ministry of Economic Development made it possible to develop the concept of I-Protect, an integrated system that uses data from different devices held by the operator (weapon, phone, body cam) to enable the police operations centre to manage the various situations generated in control contexts.

Beretta, on the strength of its studies on product sensors, joined the 'Brescia Smart Living'

project, conceived in 2012 and promoted by MIUR (The Ministry of Education, University and Research), which involved a group of leading national companies.

It concerns an innovative concept related to security services designed for the most vulnerable, service and law enforcement personnel, based on the development and integration of new sensing devices and widespread communication technologies, with positive effects on both citizen safety and health.



More recently, as part of the B.R.a.IN. initiatives, Beretta has launched an innovation project called Be.TX (Beretta Training Experience), which aims to develop and test new technologies capable of improving the current systems used in firearms training, particularly in the ‘Force on Force’ context, in order to reduce operating costs, safety issues and pollution.

Be.Tx seeks to be an immersive training platform where the trainee engages, in a mixed real and virtual space, with real and virtual targets, and operates with physical and virtual teammates. The system will be able to replicate the

sensations associated with firing, such as noise, shockwave and recoil of the weapon, so that the trainee can experience the same sensations as in a real situation and can train effectively, without physically firing and therefore without consumption of ammunition and any risk to the safety of people and property.



3
Partner
Universities



77
Collaborators
engaged in R&D





11. LOOKING AHEAD



11. LOOKING AHEAD

Beretta has always been far-sighted. Looking ahead to the world of the future. A world in which sustainability, together with digitization, will be the primary objective of the local and global economy.

The future depends on issues such as energy and the consumption of raw materials; at Beretta, we are convinced of the importance of collaboration between business, science and institutions as the cornerstone for fully capitalizing on research. It is a fact that companies that have invested in sustainability policies record 15% greater productivity than those that have not.

We are convinced that we have before us a great opportunity to transform our future profoundly, by

exploiting in a coordinated manner the resources that will be made available through the Recovery Fund, especially with regard to digitization, innovation, green revolution and ecological transition. Thinking about tomorrow, the issues that are closest to Beretta's heart are: increasingly sustainable sport shooting and hunting through the innovation of product and production processes, the improvement of people's lifestyles, whether they be employees or customers and the strength of digital as a fuel for the development of the markets in which we operate.



11.1 HUNTING IN HARMONY WITH THE ENVIRONMENT

Selling its products all over the world, Beretta observes on a daily basis the very different levels of understanding in different countries on the issue of respecting nature when it comes to hunting.

In both Nordic countries and the United States, hunting is closely linked to the issue of environmental sustainability. There are numerous Conservation Groups in America, with many members and important resources at their disposal. In Italy, the issue has yet to be developed. The aim of Beretta is precisely to help promote and communicate the figure of the "modern hunter".

The modern hunter respects the environment and its equilibrium, understanding hunting as a practice to be experienced in full harmony with nature.

This hunter is capable of becoming a true ambassador of sustainable hunting, taking care of cleaning woodland and paths as well as the conservation and monitoring of game and its areas of repopulation. A modern hunter enjoys the benefits derived from physical activity and close contact with nature, escaping the stress of the daily routine and developing an intense experience using all the products that our company offers.

Sustainable hunting also seeks a spontaneous, never predatory, balance between animal and hunter, and is a guarantee of an organic diet and the consumption of genuine and natural food. "I cook what I hunt, I know what I eat": we are therefore at the opposite end of the scale from meat from intensive farming, one of the main causes of environmental imbalance.

The Future Vision of our company





11.2 SUSTAINABILITY IN SHOOTING RANGES AND SPORTS

A significant proportion of the company's stakeholders are involved in the sport of clay shooting, and one of Beretta's priorities is our effort to make shooting ranges more sustainable.

Ongoing research in partnership with universities to reduce noise, funded projects to improve lead recovery and promoting the use of steel shots are basic activities towards the sustainable future of this Olympic sport, a source of great satisfaction for the Italian Federation, of which Beretta has been a sponsor for years, and for the whole of Italy. Again in the area of sport shooting, Beretta is

committed to the removal of architectural barriers on shooting ranges and promotes target shooting for athletes with disabilities through the Beretta Paratrap Team whose members are guaranteed the same contractual conditions as able-bodied shooters. Beretta firmly believes in the use of digital tools even in the sport of clay shooting. Every self-respecting runner, cyclist, sports enthusiast can find an App to measure and improve their performance. With the "Shooting Data" App, Beretta seeks to improve the game experience for all shooters, ensuring they have their performance details right there on their smartphones.



11.3 A SAFE AND MODERN OPERATOR

Innovation is the watchword of Beretta's continuing activity with the Armed Forces and Police Forces in Italy and worldwide.

Defense and Public Order are an inexhaustible source of projects for development, research and experimentation, especially in the digital field and in advanced and sustainable materials.

Everyone at Beretta involved in these projects - be they designers, technologists, assemblers or inspectors - feels strongly the responsibility to

provide security operators - men and women who risk their lives to protect what we hold most dear - with reliable, safe products always ready to support them adequately in their work.

This commitment will never end, and nor will the efforts of all the workers involved in the sector to satisfy all the needs, today and tomorrow, that a modern national Public Security service may require. At Beretta, we will continue in our commitments with diligence, respect and an open ear, taking on board with care our customer feedback on daily operations.

11.4 SOCIAL RESPONSIBILITY

The impact of the COVID-19 pandemic confirmed the success of the Beretta approach to the social management of its employees: safety in the workplace and health prevention are now consolidated pillars of corporate life. Further

developments will target the better promotion of diversity and equal opportunities, careful management of Smart Working as a tool to facilitate the balance between family life and professional life and professional growth.



11.5 AN INCREASINGLY DIGITAL WORLD

The process of digitization at Beretta began long ago: we set up a Data Processing Centre in the early 1970s. Shortly after, we introduced CNC machining centres, while in 1986 we installed the CAD that is today used by designers born in the same year.

The registration of the Beretta web domain dates back 25 years, to 25 March 1996 to be exact. Today and for the future, Beretta strongly believes in the use of digital as a competitive factor on the market. Even a long-established company in engineering and manufacturing, has to develop a

of Beretta, digitization and modern stores will play a crucial role in the customer experience essential to strengthening the bond with the end customer. By acting concretely in this direction, the vendor becomes a veritable partner of the company, helping the end user enjoy the “Beretta experience” to the fullest, whether this is initiated on digital properties or through direct contact with the company. This is why Beretta works daily with the aim of providing all B2B customers with support and preparation that goes even further towards fulfilling this “new” duty in the best way possible.

**We are well aware that the future is already here.
Aware that the words sustainability and environment
will increasingly be at the heart of every project,
process and strategy.**

new backbone based on digitization, technological progress and data. Today, data has become the real critical success factor for companies that not only produce more and more of them, but also use them to develop new opportunities for improvement, ranging from the optimization of production processes to the creation of innovative processes of customer service and communication.

Data is the most important asset for companies today and will be even more important in the future. At Beretta, this phenomenon affects all company sectors in its various forms: R&D, production, quality control, logistics, sales, after-sales, human resources management and, of course, marketing. Digitization helps you to get to know your customer better, to develop products that are increasingly customized and enable targeted and direct communication. The company considers all its stakeholders to be fundamental: in the future of the multichannel world

Digitization will increasingly bind Beretta to its stakeholders in a virtuous circuit, based on trust, product quality, understanding of customer needs and the professionalism of all the players involved. Therefore, it is natural to continue investing significant resources - economic, productive and human - in Industry 4.0 and digital services.

Security, prosperity, nature conservation, sports and outdoor experiences are increasingly essential needs, worldwide, for every human being.

Starting from this understanding, the Strategic Plan was drawn up, which will accompany the Company until 2026, the year of Beretta's 500th anniversary, and which will direct the development of its products and services dedicated to the market segments in which it operates: hunting, sport shooting, tactical shooting and luxury.





METHODOLOGY NOTE

This document voluntarily implements the requirements of Legislative Decree 254 of 2016 on the reporting of non-financial information, drafted with the aim of informing stakeholders in an increasingly transparent manner about the company’s commitment to sustainable development and to a business model that is conscious and cares for the social, environmental and economic reality in which it operates.

The Report relates to the financial year ending 31 December 2022 and includes data from 2020 and 2021 in order to compare the company’s performance over time. The reporting period of the Sustainability Report coincides with the reporting period of the Financial Report. The document, prepared annually in line with the GRI Sustainability Reporting Standards (hereafter GRI Standards), published by the GRI - Global Reporting Initiative in 2016 and its updates, according to the GRI Standards 2021 option, was published on 5 June 2023. The qualitative and quantitative data and information contained in this Sustainability Report, drawn up on a voluntary basis, refer to the company Fabbrica d’Armi Pietro Beretta S.p.A. and, specifically, to the activities carried out in the Gardone Val Trompia (BS) facility.

The reporting scope of the Sustainability Report coincides with that of the Financial Report, and both will be publicly filed by the company. Any changes to information included in previous documents are appropriately identified in the text by means of explanatory notes.

This Sustainability Report 2022 has been subject to external assurance. For changes in material topics since the previous reporting period, please refer to section 6.3 on materiality analysis within the chapter ‘Sustainability Strategy’.

REPORT CONTENT

This Report presents, in accordance with the principles of the GRI Standards, the relevant issues arising from the internal analysis conducted by Fabbrica d’Armi, reflecting the current and potential significant impacts generated or likely to be generated by it on the economy, the environment and people, including impacts on human rights, through all of the organization’s activities and business relationships.

The process that led to the development of the Sustainability Report 2022 involved the company management and the main functions they coordinate. In order to ensure the quality of the information reported, the GRI framework principles of sustainability, completeness, accuracy, balance, clarity, comparability, timeliness and verifiability were followed in preparing the Report.

THE SCOPE AND THE STANDARD OF REPORTING

To make it easier for the reader to trace the information in the document, a list of GRI Disclosures referred to within the document has been given below.



GRI Content Index	
Statement of use	Fabbrica d’Armi Pietro Beretta has submitted a report in accordance with the GRI Standards for the period 01.01.2022-31.12.2022.
Title of GRI 1 used	GRI1 – Foundation 2021
GRI Sector Standard(s) that apply to the organization’s sector(s)	N/A

GRI Standards	Disclosure	Location
General disclosures		
GRI 2 – General disclosures 2021	2-1 Organizational details	3.4 The international dimension (19); 3.6 Leader in Italy and in the world (21); 4.2 Beretta in numbers (30-37)
	2-2 Entities included in the organization’s sustainability reporting	Methodology note (122-127)
	2-3 Reporting period, frequency and contact point	Methodology note (122-127)
	2-4 Restatements of information	Methodology note (122-127)
	2-5 External assurance	Methodology note (122-127)
	2-6 Activities, value chain and other business relationships	3.7 Modern times (22)
	2-7 Employees	8.5 Promoting the work-life balance and philanthropy (85-93)
	2-8 Workers who are not employees	8.5 Promoting the work-life balance and philanthropy (85-93)
	2-9 Governance structure and composition	4.2 Beretta in numbers (30-37)
	2-10 Nomination and selection of the highest governance body	4.2 Beretta in numbers (30-37)
	2-11 Chair of the highest governance body	4.2 Beretta in numbers (30-37)
	2-12 Role of the highest governance body in overseeing the management of impacts	4.2 Beretta in numbers (30-37)
	2-13 Delegation of responsibility for managing impacts	4.2 Beretta in numbers (30-37)
	2-14 Role of the highest governance body in sustainability reporting	4.2 Beretta in numbers (30-37)
	2-15 Conflicts of interest	4.2 Beretta in numbers (30-37)
	2-16 Communication of critical concerns	4.2 Beretta in numbers (30-37)
	2-17 Collective knowledge of the highest governance body	4.2 Beretta in numbers (30-37)
	2-18 Evaluation of the performance of the highest governance body	4.2 Beretta in numbers (30-37)
	2-19 Remuneration policies	4.2 Beretta in numbers (30-37)
	2-20 Process to determine remuneration	4.2 Beretta in numbers (30-37)
	2-21 Annual total compensation ratio	4.2 Beretta in numbers (30-37)
	2-22 Statement on sustainable development strategy	1. Letter from the Board of Directors (5)
	2-23 Policy commitments	2. Introduction by the General Manager (6-9); 5.2 The prosperity of the company and the territory (42)
	2-24 Embedding policy commitments	2. Introduction by the General Manager (6-9); 5.2 The prosperity of the company and the territor (42); 7.2 Always the best available techniques (59); 8.3 Safety first (82); 9.2 The future is already here (98-100)
	2-25 Processes to remediate negative impacts	6.1 Relations with stakeholders (46-47)
	2-26 Mechanisms for seeking advice and raising concerns	6.1 Relations with stakeholders (46-47)
	2-27 Compliance with laws and regulations	4.2 Beretta in numbers (30-37)
	2-28 Membership associations	6.2 Stakeholder Map (47)
	2-29 Approach to Stakeholder engagement	6.2 Stakeholder Map (47)
	2-30 Collective bargaining agreements	8.5 Promoting the work-life balance and philanthropy (85-93)
Material topics		
GRI 3: Material topics 2021	3 -1 Process to determine material topics	6.3 Materiality analysis (51-53)
	3-2 List of material topics	6.3 Materiality analysis (51-53)



Procurement practices		
GRI 3: Material topics 2021	3 -1 Process to determine material topics	6.3 Materiality analysis (51-53)
GRI 204: Procurement practices 2016	204-1: Proportion of spending on local suppliers	9.2 The future is already here (98-100)
Anticorruption		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the General Manager (6-9)
GRI 205: Anticorruption 2016	205-3: Confirmed incidents of corruption and actions taken	2. Introduction by the General Manager (6-9)
Materials		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.4 Reducing the consumption of raw materials and the production of waste (62-63)
GRI 301: Materials 2016	301-1: Materials used by weight or volume	7.9 No slogans, just hard data (67-72)
Energy		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.6 Reducing emissions (65); 7.7 Smart energy management (66)
GRI 302: Energy 2016	GRI 302-1: Energy consumption within the organization	7.9 No slogans, just hard data (67-72)
Water and waste water		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.3 Reducing water consumption (60)
GRI 302: Energy 2016	GRI 303-1: Interactions with water as a shared resource	7.3 Reducing water consumption (60)
	GRI 303-2: Management of water discharge-related impacts	7.3 Reducing water consumption (60)
	GRI 303-3: Water withdrawal	7.9 No slogans, just hard data (67-72)
Emissions		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.6 Reducing emissions (65); 7.7 Smart energy management (66)
GRI 305: Emissions 2016	GRI 305-1: Direct (Scope 1) GHG emissions	7.9 No slogans, just hard data (67-72)
	GRI 305-2: Energy indirect (Scope 2) GHG emissions	7.9 No slogans, just hard data (67-72)
Waste		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.4 Reducing the consumption of raw materials and the production of waste (62-63)
GRI 306: Waste 2020	GRI 306-1: Waste generation and significant waste-related impacts	7.4 Reducing the consumption of raw materials and the production of waste (62-63)
	GRI 306-2: Management of significant waste-related impacts	7.4 Reducing the consumption of raw materials and the production of waste (62-63)
	GRI 306-3: Waste generated	7.9 No slogans, just hard data (67-72)
Supplier environmental assessment		
GRI 3: Material topics 2021	3-1: Process to determine material topics	7.8 Attention to detail. Also thinking about the environment (67); 9. Suppliers and partners: a relationship based on trust (96-100)
GRI 308: Supplier environmental assessment 2016	GRI 308-1: New suppliers that were screened using environmental criteria	9.2 The future is already here (98-100)
Employment		
GRI 3: Material topics 2021	3-1: Process to determine material topics	8.4 The working environment (84); 8.5 Promoting the work-life balance and philanthropy (85-93)
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	8.5 Promoting the work-life balance and philanthropy (85-93)
Occupational health and safety		
GRI 3: Material topics 2021	3-1: Process to determine material topics	8.1 Individual health comes first (77-79); 8.3 Safety first (82)

GRI 403: Occupational health and safety 2018	GRI 403-1: Occupational health and safety management system	8.3 Safety first (82)
	GRI 403-2: Hazard identification, risk assessment and incident investigation	8.3 Safety first (82)
	GRI 403-3: Occupational health services	8.3 Safety first (82)
	GRI 403-4: Worker participation, consultation and communication on occupational health and safety	8.3 Safety first (82)
	GRI 403-5: Occupational health and safety training for workers	8.3 Safety first (82)
	GRI 403-6: Promotion of worker health	8.1 Individual health comes first (77-79); 8.3 Safety first (82)
	GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	8.1 Individual health comes first (77-79); 8.3 Safety first (82)
	GRI 403-8: Workers covered by an occupational health and safety management system	8.3 Safety first (82)
	GRI 403-9: Work-related injuries	8.5 Promoting the work-life balance and philanthropy (85-93)
Training and education		
GRI 3: Material topics 2021	3-1: Process to determine material topics	8.2 Career growth and development (80-81)
GRI 404: Training and education 2016	GRI 404-1: Average hours of training per year per employee	8.5 Promoting the work-life balance and philanthropy (85-93)
Diversity and equal opportunities		
GRI 3: Material topics 2021	3-1: Process to determine material topics	4.2 Beretta in numbers (30-36); 8.5 Promoting the work-life balance and philanthropy (85-93)
GRI 405: Diversity and equal opportunity 2016	GRI 405-1: Diversity of governance bodies and employees	4.2 Beretta in numbers (30-36); 8.5 Promoting the work-life balance and philanthropy (85-93)
Non-discrimination		
GRI 3: Material topics 2021	3-1: Process to determine material topics	5.2 The prosperity of the company and the territory(42) 8.2 Career growth and development (80-81)
GRI 406: Non-discrimination 2016	GRI 406-1: Incidents of discrimination and corrective actions taken	8.2 Career growth and development (80-81)
Freedom of association and collective bargaining ¹⁴		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (96-100)
GRI 407: Freedom of association and collective bargaining 2016	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI Content index
Child labour ¹⁴		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (96-100)
GRI 408: Child labour 2016	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour	GRI Content index
Forced or compulsory labour ¹⁴		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (96-100)
GRI 409: Forced or compulsory labour	GRI 409-1: Operations and suppliers at significant risk of incidents of forced or compulsory labour	GRI Content index
Local communities		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	6.3 Materiality analysis (51-53)
GRI 413: Local communities 416	GRI 413-2: Operations with significant actual and potential negative impacts on local communities	6.3 Materiality analysis (51-53)
Supplier social assessment		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (96-100)





GRI 414: Supplier social assessment	GRI 414-1: New suppliers that were screened using social criteria	9.2 The future is already here (98-100)
Public policy		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	4.2 Beretta in numbers (30-37)
GRI 415: Public policy 2016	GRI 415-1: Political contributions	4.2 Beretta in numbers (30-37)
Health and safety		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the General Manager (6-9)
GRI 416: Customer health and safety 2016	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	2. Introduction by the General Manager (6-9)
Customer privacy		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the General Manager (6-9)
GRI 418: Customer privacy	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	2. Introduction by the General Manager (6-9)

14. With regard to the production of light weapons, the risk of incidents of forced or compulsory labour for operations and suppliers connected with this branch of the company's business is considered to be nil or extremely low, considering the regulations in force in the countries of origin: as explained in this document, in fact, 88% of Beretta's suppliers are located in Italy, while the remaining portion is located in Europe or the United States. On the other hand, it is considered possible that there is a risk of incidents of forced or compulsory labour with regard to suppliers related to the garment sector, which in any case constitutes a marginal share of the company's business, as these are mainly located in the Far East. Beretta has, however, carried out audits with its own personnel at these suppliers, so the risk is considered to have a low probability of occurrence, and is committed to implementing a formalized procedure for assessing this risk in the coming years.

MAIN CALCULATION CRITERIA

The methodological guidelines relating to the calculation methods for certain indicators included in this Sustainability Report are given below.

Energy consumption

Fabbrica d'Armi's energy consumption (petrol, diesel, natural gas, electricity) has been calculated in Gigajoules (GJ). To standardize the various energy sources, we used the conversion factors published in the table of national standard parameters "Coefficients used for the inventory of CO2 emissions in the national inventory UNFCCC" for the years 2020, 2021 and 2022 and the parameters published in the DEFRA database (Department for Environment, Food and Rural Affairs) by the British government and updated annually.

Direct (Scope 1) emissions and energy indirect (Scope 2) emissions

The greenhouse gas emissions were calculated in terms of CO2 equivalent.
For the calculation of direct (Scope 1) emissions, the following sources for emission factors were used:

- For emissions relating to combustion (petrol, diesel and natural gas), we used the emissions factors published in the "Tables of national standard parameters" by MATTM (Ministry for Environment, Land and Sea Protection).
- For the calculation of indirect emissions (Scope 2), electricity consumption was converted according to the Location-based approach and the Market-based approach using the following sources for emission factors.
- For the Location-based approach, calculated on the basis of the percentage composition of the national mix, we used the factor reported in the International Comparison by Terna using data from Enerdata; the total emissions are expressed in CO2eq, whereas the Scope 2 emissions calculated with the Location-based method are expressed in CO2, because the share attributable to the gases CH4 and N2O is not statistically significant;



- For the Market-based approach, we used the Residual Mixes reported in the document 'European Residual Mixes', which is published by AIB (Association of Issuing Bodies) and updated annually.

Source	Activity	Emission factor
Diesel, Petrol and Natural Gas	Fuel consumption	MATTM - Table of national standard parameters
Purchased electricity - Location-based	Electricity consumption	Terna, International comparisons
Purchased electricity - Market-based	Electricity consumption	AIB - European Residual Mixes

Materials used by weight or volume

The quantities of materials used were calculated using different methodologies according to the available data. In particular:

- the weight of steel, aluminium and wood was estimated by summing the quantity of these materials in the finished product and the quantity of these materials leaving as waste. In order to estimate the quantity in the product, the various weapons were divided into representative families. They were disassembled and the various components weighed according to product classification (steel, aluminium, wood, plastic).
- the weight of the plastic used in products in the year 2022 was reported by the supplier of the semi-finished products. It was unable to provide the quantities involved in previous years due to difficulties in retrieving the data.
- the weight of abrasive materials, where these are measured in metres in the management system, was estimated using the weight of the materials once used and disposed of as waste
- for the estimation of the amount of plastic used in packaging, the hard plastic constituting the case was taken into account.
- the estimate of the quantities of paper and cardboard used as packaging was made by weighing the individual case/cardboard box dedicated to each type of weapon and multiplying it by the number of weapons sold in that year. Handmade cases for luxury rifles were excluded from the count, as they are considered a handmade product and not mere packaging.
- the estimate of the weight of abrasive material used (belts and cloth) was based on the amount of waste output in the same year
- the quantity of Nitrogen, Hydrogen and Arcal technical gases is expressed in m3

Health and safety

The accident frequency index is calculated as the ratio of the total number of recordable accidents to the number of hours worked by all employees and non-employees whose work and/or place of work is under the control of the Fabbrica d'Armi organization during the same period, multiplied by 1,000,000.

Executive hours were calculated at an average of 1,760 hours per executive

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