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# 1. LETTER FROM THE BOARD OF DIRECTORS

Fabbrica d'Armi Pietro Beretta is now on the brink of an extraordinary milestone: 500 years of activity. Five centuries that have led us to be known and appreciated worldwide and to become a reference point in the firearms industry.

Over time, we have been able to adapt both our daily actions and our goals to the demands of an ever-changing market. What has not changed, however, is the respect for the environment and for people that remains at the core of every business decision we make, 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 welfare of our valley has always been deeply rooted at Beretta and is reflected in the quality of life of every one of us. It is therefore natural that people come first for us. 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 profes-

sionally and also personally. This applies to every single one of our employees, but also to all our suppliers, most of whom are long-standing and based locally. We are an extended family founded on trust and professionalism, consolidated by shared objectives. For everyone, work is implemented through know-how, and at Val Trompia, 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 company's ultimate goal: increasingly higher quality for a rewarding and safe user experience.

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 Val Trompia" model, now also extended to the other Companies of the Group located around the world, and we are ready to seize new 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 CEO & GENERAL MANAGER



Dear Stakeholders, it is with great pleasure that I present you with the fourth edition of the Beretta Sustainability Report for 2023.

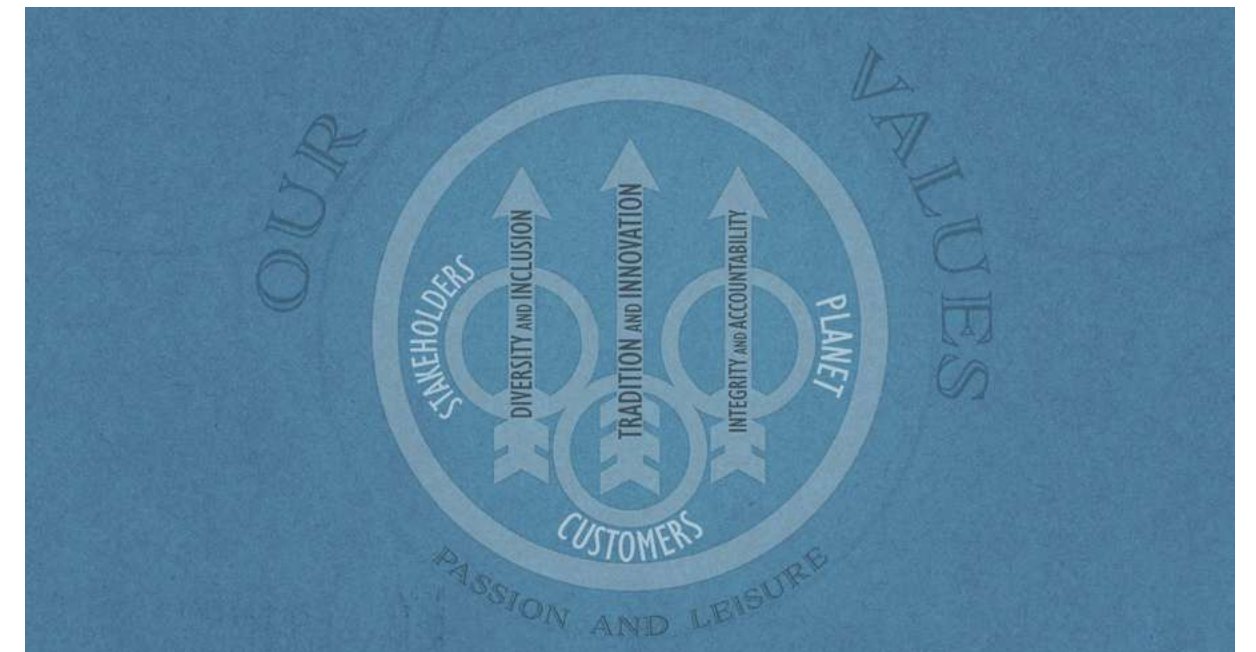
In order to continue organising this new Report according to the 'GRI - In accordance' model, once again we have relied on the professionalism of Ernst & Young. This decision is consistent with the company's needs to communicate externally in the context of financial and non-financial reporting. This Sustainability Report has been supplemented with new data and information related to the reference year. The intention is to outline our vision of a Sustainable Company with even greater transparency for all of you - employees, suppliers, customers, institutions and everyone who belongs to the community in which we operate. 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 the long term. The year 2023 was of significant importance. As a matter of fact, we have implemented the strategic plan that will carry us to our 500th anniversary in 2026. During the year, we shared with a large portion of the company population the key points of this major project, outlined by concept and objective by the Board of Direc-

**Carlo Ferlito**  
CEO & General Manager

tors. The need for this awareness to be permeated within the company is indeed very clear: only with maximum inclusion can we achieve the ambitious goals we have set for ourselves. There is increasing demand for safety, prosperity, respect for nature, sports and outdoor experiences from people all over the world. That is why we will be even more proactive and high-performance in our offering of 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 2023 with over €6 million in investments. 'Respect' is the key word in our daily actions, and respect for nature is crucial. On the issue of Sustainability, we continue to take a leading role in this challenging, yet profound and necessary, cultural change. Our love of nature and our territory is engraved in the soul of the Beretta family. It is therefore only natural that the company has implemented a series of structural and operational actions focused on protecting the environment, aiming to reduce water and energy consumption, CO<sub>2</sub> emissions and eliminate hazardous substances used in

production, such as solvents and hexavalent chromium. The BePlanet project summarises our clear vision of how to act, including in the long term. In addition to being implemented in the historic headquarters in Gardone Val Trompia, these best practices are transferred, where practicable, to the other production sites of the Group, in particular the Gallatin facility in Tennessee belonging to our US subsidiary. We address this objective in the knowledge that we can count on a highly professional work team, oriented towards the agility demanded by the market and the continuous growth of the company and the group. To make this possible, we are constantly raising the level of professionalism through new human capital, training activities, and technologies that enhance the quality of the entire company. We therefore renew our commitment to achieving the goals published in the 2030 Agenda for Sustainable Development proposed by the United Nations, which outline the priorities for global development, promoting human well-being and protecting the environment. Our bond with the territory has deep and ancient roots. To safeguard this immense heritage, we also successfully rely on the



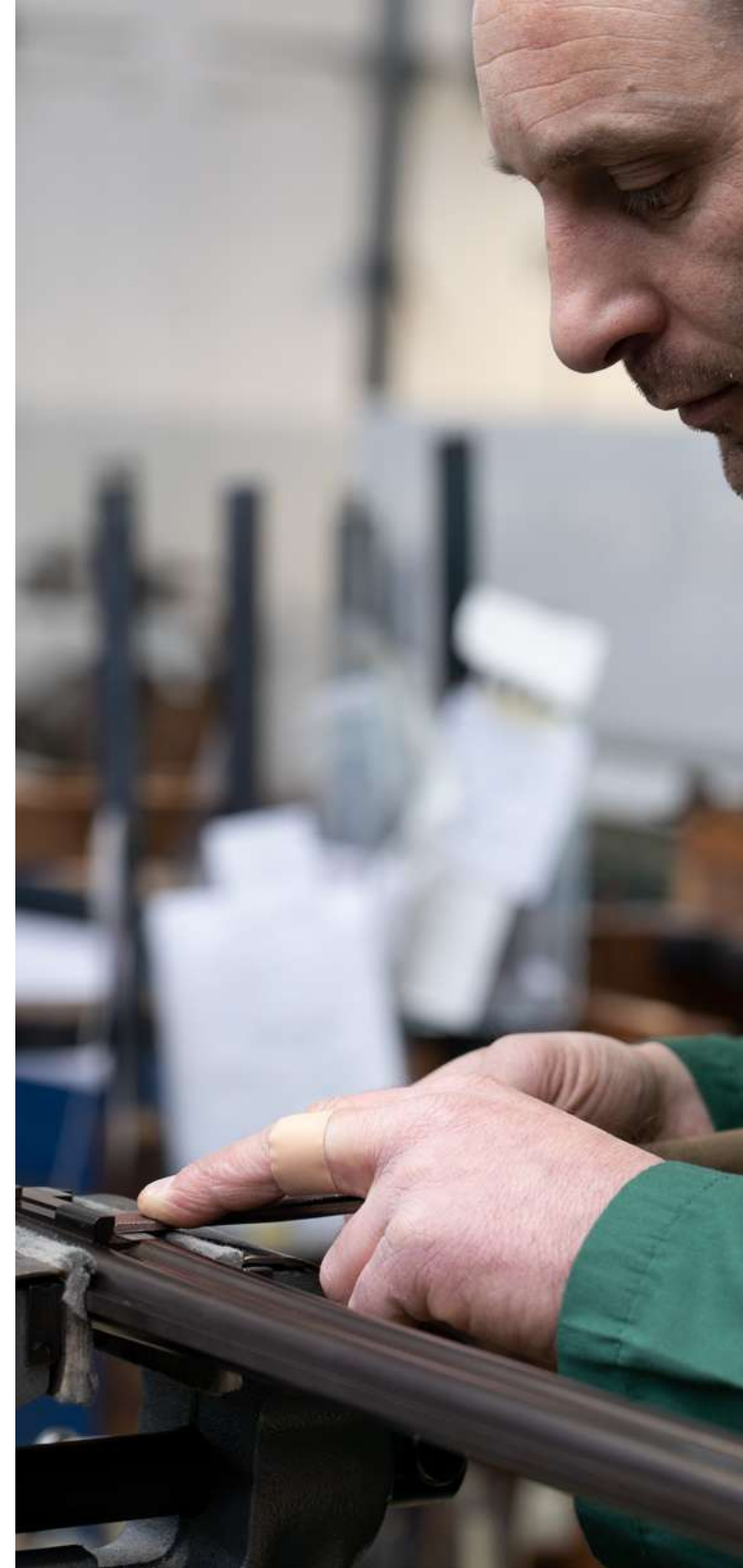


careful use and exploitation of data to implement process improvements and reduce environmental impact. Thanks to the increasingly specific use of Artificial Intelligence, we are confident that we can achieve outstanding results. The deep and lasting relationship we have with our territory also involves local schools, with which there is a close collaboration aimed at training highly specialised personnel for the firearms sector. This benefits both our company and the entire supply chain, of which Val Trompia represents excellence. The main example of this virtuous partnership is the vocational school for industry and crafts (IPSIA) in Gardone Val Trompia. This school set up and fine-tuned the course for Mechanical Weapons Industry Technicians (T.I.M.A.). 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 at 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 to say, businesses that not only provide a safe and properly paid job, but that offer robust support in terms of health and social security, too. 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 well-being 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 Fabbbrica d'Armi Pietro Beretta S.p.A. products and services. 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. Fabbbrica d'Armi Pietro Beretta S.p.A. did not receive any complaints and/or claims from its customers regarding the protection of personal data during the period covered 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, which is shared with employees and partners in Italy and abroad, which contains our commitment to respecting human rights, fighting against corruption and the promotion of diversity. It is also all about the people when we talk about innovation - of products or processes.

Ours is a company made up of men and women who live in the real world and have the same passions and interests as our customers. This affinity is reflected in the continuous improvement of our products and allows every single one of our customers, around the world, to feel part of Beretta. To further strengthen this relationship of trust, we decided to launch the NOW project, which involves a significant improvement in the relationships that the company maintains with the gun shops and the end Customer through the use of digital technology and its undisputed power of dissemination and sharing. In our vision, global meets local



and 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. Starting from the environment, all the way 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 within the company on energy saving and, in the future, we aim to obtain energy efficiency certification. This is a significant milestone to which we are already strongly committed and which we plan to achieve by 2025.

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. Our attention to science guides our investments ranging from hospital equipment to scholarships, focusing mainly on cancer research. When it comes to Sustainability, people are always at the heart of the issue. Our people, associates and local suppliers, who are increasingly well-prepared and accountable. Our customers who, although varied in their attitudes and needs, are so similar in their complete satisfaction. We also think of the men and women who live in the countries that we feel the need to 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, also 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 to be sure is look a little further, beyond the everyday horizon.





# 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, Master Bartolomeo Beretta sold 185 harquebus barrels 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, 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.

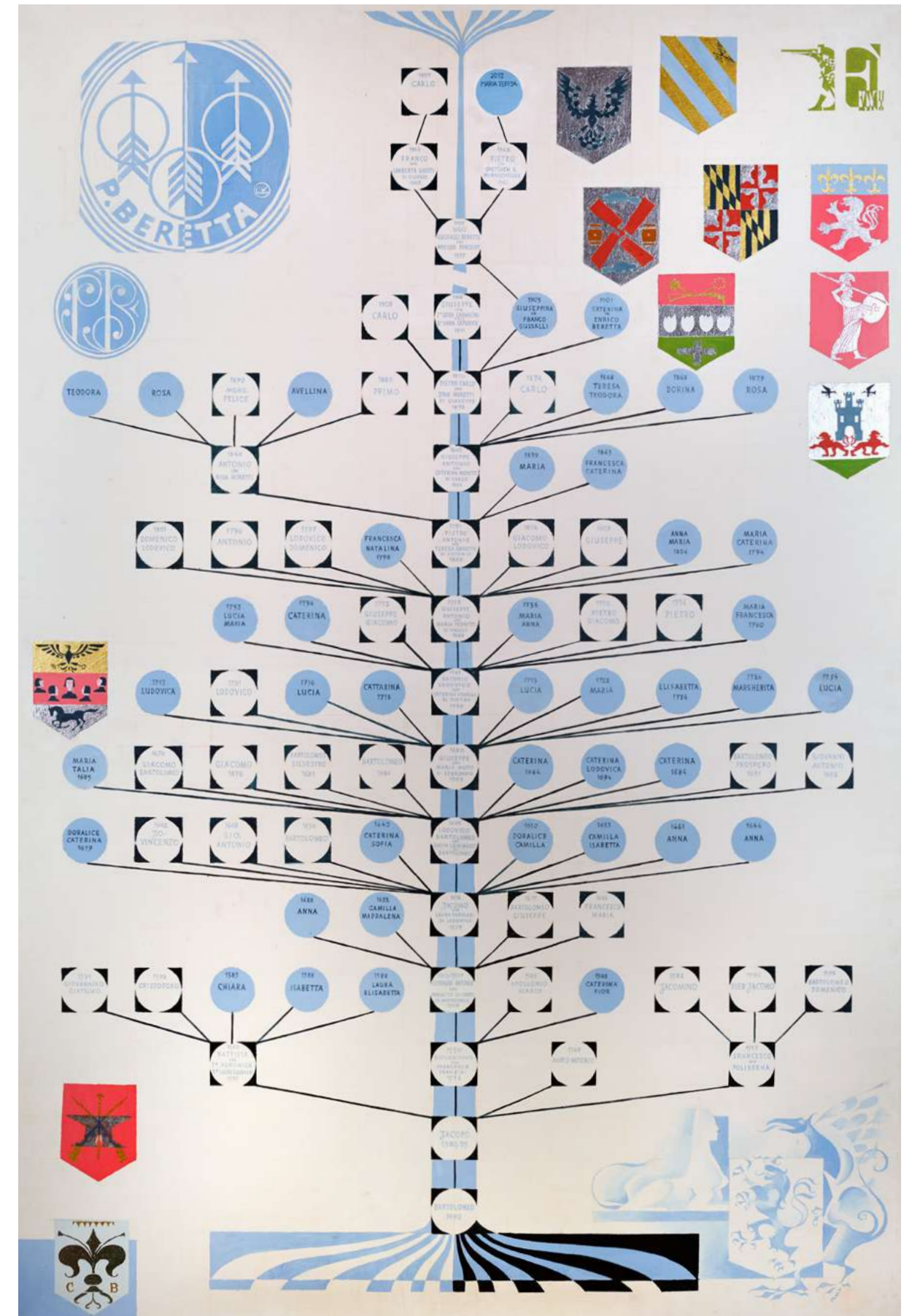
An ancient tradition. Since the times of the Etruscans, the production of metal items, particularly sidearms, has been widespread in the Val Trompia.

#### 3.1 EXPANDING 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 Fabbrica d'Armi Pietro Beretta. It was his son Giuseppe Antonio who later concentrated production on fine quality weapons: he 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.

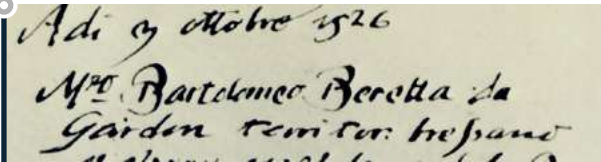


Genealogical tree of the Beretta family from 1490 to today

## 3.2 BERETTA'S HISTORY

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, i.e. the **Beretta Museum**, and starts the complete 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**, precursor of the current prestigious Beretta luxury shotgun, the 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 industrialised 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 Olympics



2023

The first Product Carbon Footprint (PCF)



### 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 m<sup>2</sup> with 130 employees and developing it to become a business with 1,500 people operating over an area of 35,600 m<sup>2</sup>.

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 carbine, predecessor of the future and renowned Olympia 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 made entirely by hand.



# 497

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 world's oldest industrial dynasty.

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 will go on to be 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 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.



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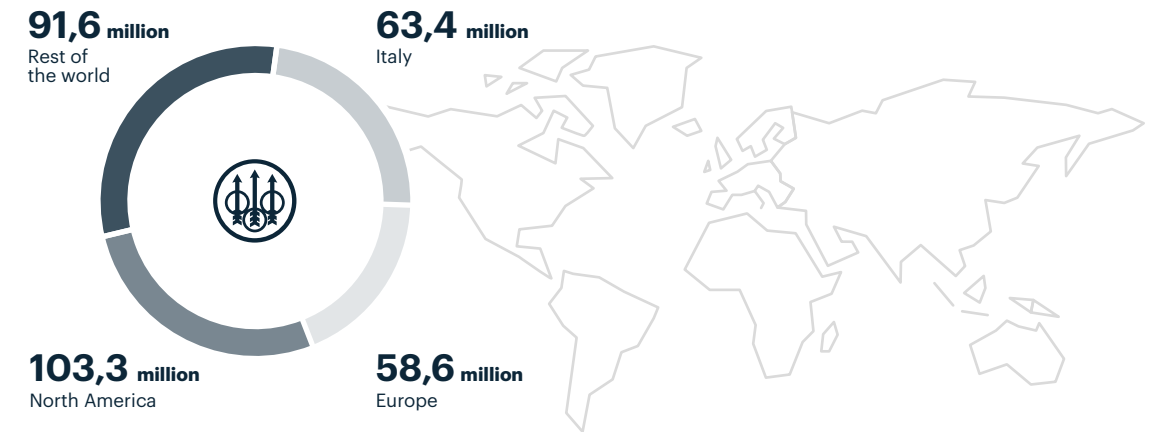
Generations of the Beretta family

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 2023 by area, Fabbrica d'Armi P. Beretta



### 3.6 LEADER IN ITALY AND IN THE WORLD

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 of the Group's Italian companies. As for firearms manufacturers, in addition to Fabbrica d'Armi, these include Benelli, which produces firearms 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 rifle stocks.

2022 will be remembered for a very important acquisition: Ruag Ammotec, one of the biggest international companies for the production and distribution of light ammunition, which includes prestigious brands such as RWS, Norma, Rottweil and Geco. With this strategic 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 shotguns for long range shooting, Beretta USA, which mainly produces short-barrelled weapons, and Stogeger, in Turkey, that 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 brand of Beretta Defense Technologies (BDT) 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 weapon-related sectors, 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, carbines, 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 to order, with a waiting list from one 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 rifled hunting carbine allowed the company to gain market share in a sector where Beretta had never previously operated. In 2023, it is

worth highlighting the publication of the 2024-2026 Strategic Plan, which, through a structured and in-depth analysis process, has led to the definition of six Strategic Development Lines that will open up new business models, with an emphasis on service, Sustainability, and digital transformation.

These new key directions will be implemented through multiple projects and will complement the development of the Core Business. 46 Fundamental Actions have therefore been defined, necessary for the consolidation and improvement of the company's results in anticipation of the 500th anniversary of the Company's existence.

The past year also saw the activity 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, the Company won its first Olympic gold medal in clay pigeon 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.

At the 32nd Olympic Games in Tokyo (2020), Beretta confirmed its sporting vocation by winning 3 gold medals, 3 silver medals and 3 bronze medals. 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 enhanced its traditional production of firearms with a complete range of highly technical accessories and clothing of typically classic and elegant style. There are two collections: "Competition", i.e. technical clothing and accessories for target shooting; "Hunting", where a blend of technology and continuous innovation ensures 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 for the Beretta lifestyle, where visitors find not only the entire product range of the Beretta Group but also a whole series of items, from luggage to jewelry, antique and modern furnishing accessories, commissioned from the best craft designers and with the shared features of unmistakable Italian style and love for 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 accessories and optics by creating the e-commerce site [www.berettausa.com](http://www.berettausa.com) for North America to which we added the site [estore.beretta.com](http://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 capable of creating the perfect synthesis between company, gun store and Customer.

The year 2023 was marked by the launch of PB Selection. An extremely important project through which Beretta renews its promise regarding the production of fine firearms: pistols and rifles that are perfect, beautiful, and customised at the request of the Customer. Timeless, perfect works of art.



**139,7 million**

Total long gun turnover



**68,0 million**

Total short gun turnover



**24,7 million**

Total clothing and accessories turnover



**41,3 million**

Total automatic weapons turnover



**43,2 million**

Total turnover other products



Beretta Gallery  
New York





# 4. GOVERNANCE, THE NUMBERS

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# 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.

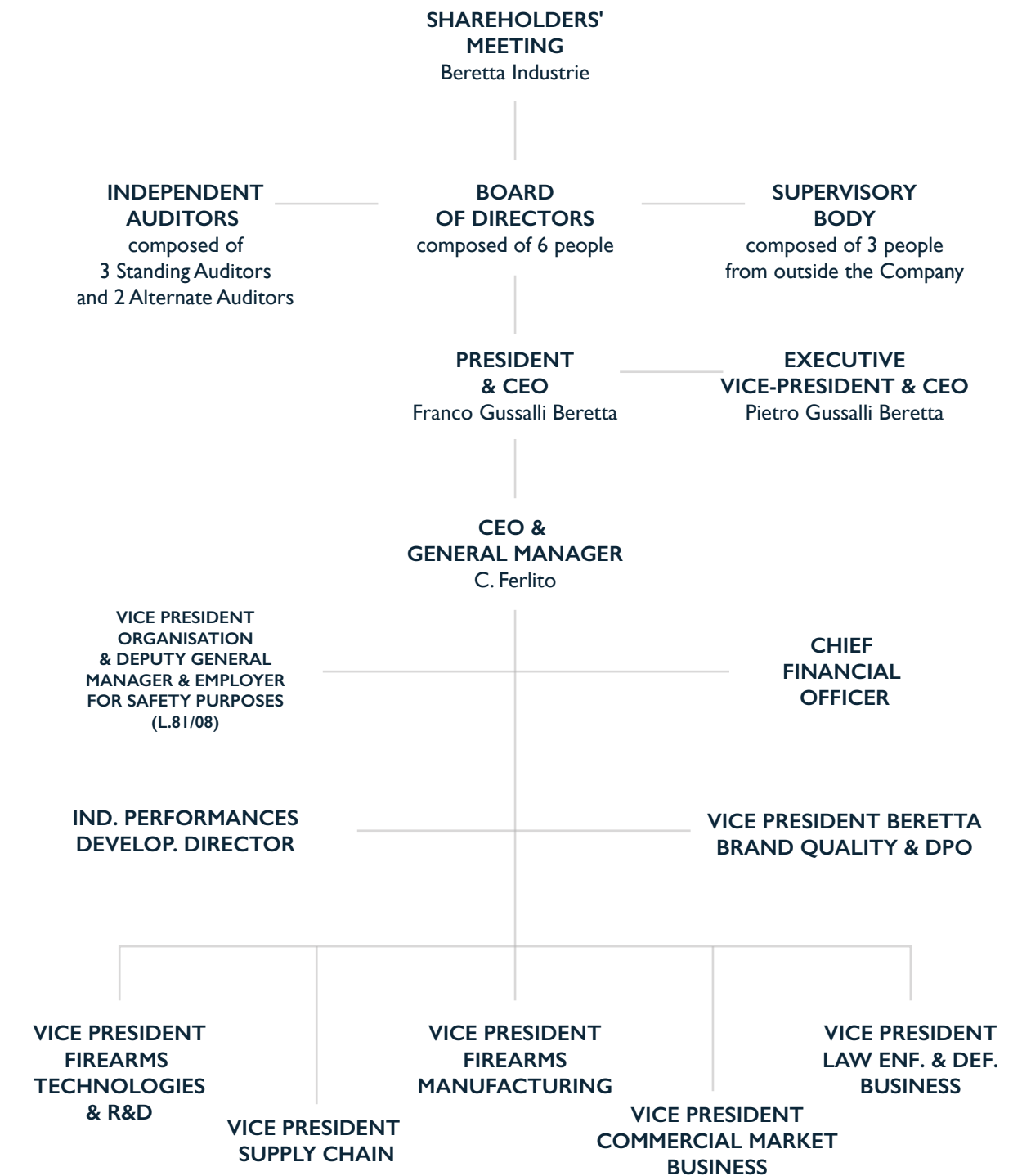
For this reason, Beretta has organised its Governance Model so as to efficiently fulfil the expectations of its stakeholders, adapting its corporate structure according to the best international practices, updating its internal codes and improving its risk management as well as its operational and Sustainability 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.



From left to right: Pietro Gussalli Beretta, Ugo Gussalli Beretta, Franco Gussalli Beretta

## 4.1 GOVERNANCE



# 4.2 BERETTA IN NUMBERS



**66,3%**

Total turnover B2B



**0,9%**

Total turnover B2C



**32,8%**

Total turnover B2G



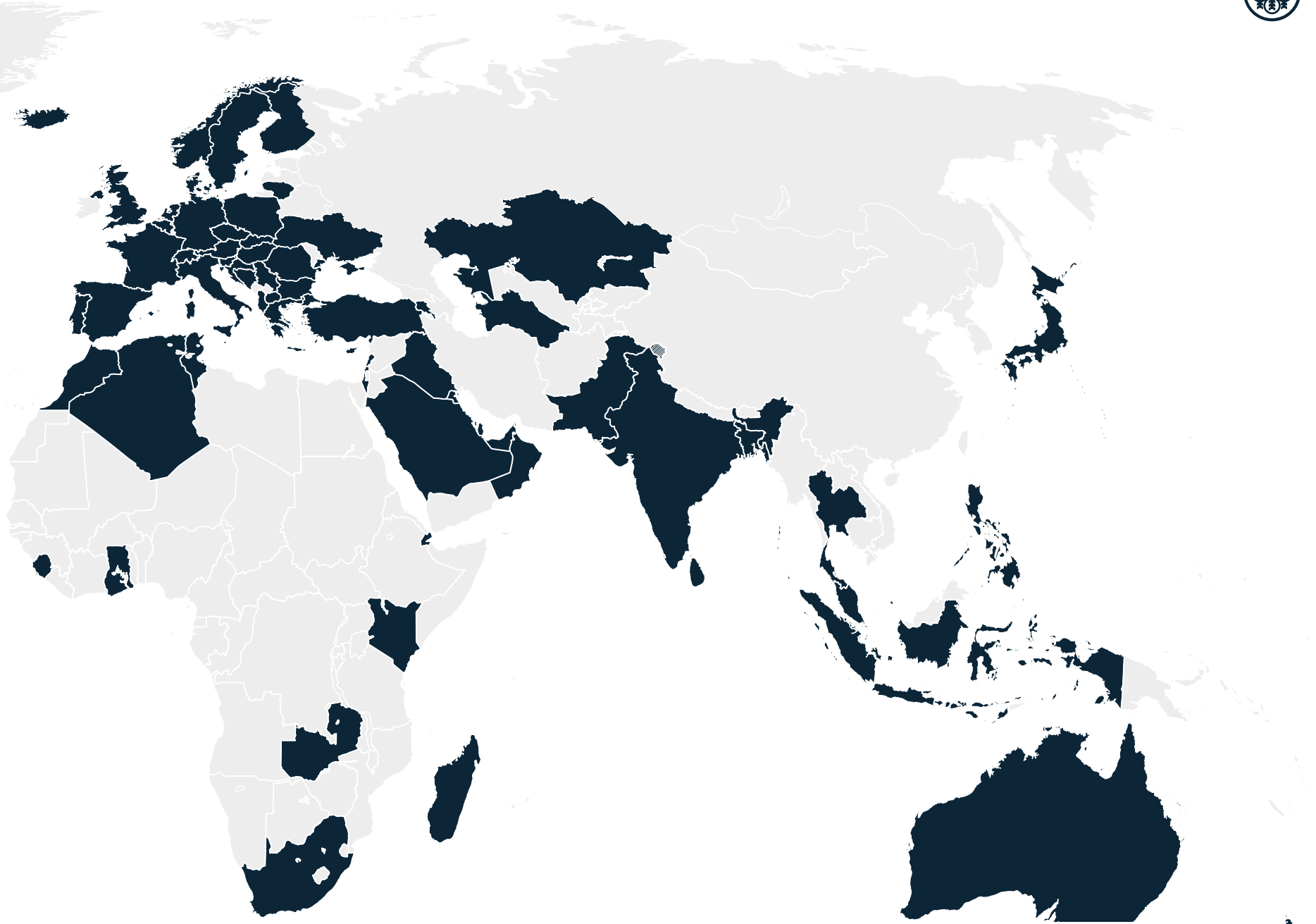
**92**

Destination countries

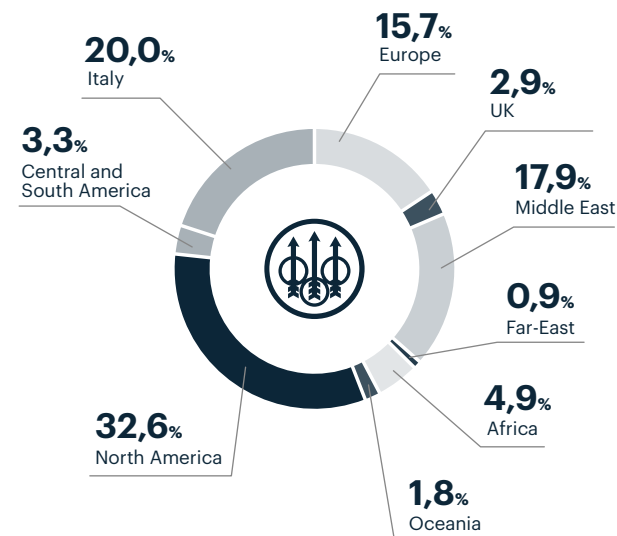


**895**

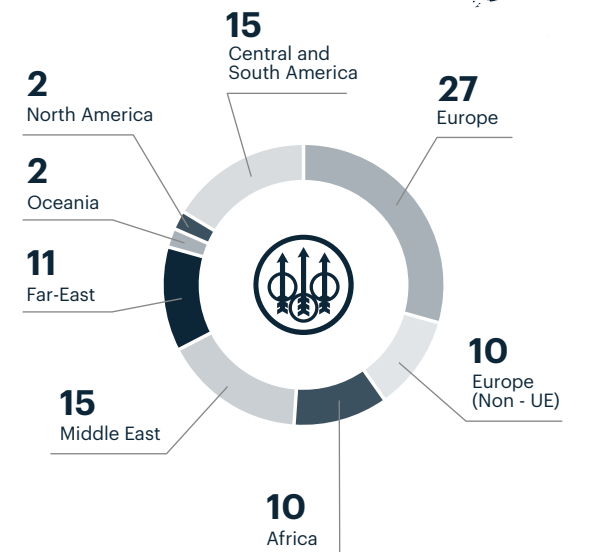
Employees Fabbrica d'Armi P. Beretta



Breakdown of net sales 2023 by area, Fabbrica d'Armi P. Beretta



Breakdown of destination countries 2023 Fabbrica d'Armi P. Beretta





Financial information			
Main items	2021	2022	2023
<b>Turnover</b>	<b>250,5</b>	<b>317,4</b>	<b>316,9</b>
of which:			
Civilian and Sport	173,3	196,3	212,9
Defence and Public Order	77,2	121,1	104,0
EBITDA	38,1	43,5	50,6
EBITDA - % of Turnover	15,2%	13,7%	16,0%
Net Assets	139,6	153,1	171,7
R.O.I.	6,9%	13,3%	15,6%
Debt-to-Equity Ratio	0,7	0,8	0,6

Diversity of governance bodies and employees				
Board of Directors by gender and age		2021	2022	2023
Directors as at 31 December, by age	Women	< 30 years	0	0
		Between 30 and 50 years	0	0
		> 50 years	0	0
	<b>Total women directors</b>		<b>0</b>	<b>0</b>
Men	< 30 years	0	0	0
	Between 30 and 50 years	0	0	0
	> 50 years	5	5	6
<b>Total men directors</b>		<b>5</b>	<b>5</b>	<b>6</b>
<b>Total</b>		<b>5</b>	<b>5</b>	<b>6</b>
Strategic Operations Committee by gender and age group		2021	2022	2023
Members of the governing body as at 31 December, by age	Women	< 30 years	0	0
		Between 30 and 50 years	0	0
		> 50 years	0	0
	<b>Total women directors</b>		<b>0</b>	<b>0</b>
Men	< 30 years	0	0	0
	Between 30 and 50 years	3	3	3
	> 50 years	7	7	7
<b>Total men directors</b>		<b>10</b>	<b>10</b>	<b>10</b>
<b>Total</b>		<b>10</b>	<b>10</b>	<b>10</b>

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	⊕		02/05/2023	Until approval of the Financial Statements as at 31/12/2025
Pietro Gussalli Beretta	Executive Vice-President & CEO	⊕		02/05/2023	Until approval of the Financial Statements as at 31/12/2025
Carlo Ferlito	CEO & General Manager	⊕		02/05/2023	Until approval of the Financial Statements as at 31/12/2025
Ugo Gussalli Beretta	Director		⊕	02/05/2023	Until approval of the Financial Statements as at 31/12/2025
Gabriele Gnutti	Director		⊕	02/05/2023	Until approval of the Financial Statements as at 31/12/2025
Alberto Manenti	Director		⊕	02/05/2023	Until approval of the Financial Statements as at 31/12/2025

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 six members appointed by the Shareholders Meeting, all of whom are male.

In accordance with the Articles of Association, three of the six members are appointed Managing Directors and also hold the office of President and Vice President of the Board of Directors and the CEO, respectively. The President of the Board of Directors is Dr. Franco Gussalli Beretta, the Vice President of the Board of Directors is Dr. Pietro Gussalli Beretta and the CEO is Carlo Ferlito. 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.

The 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 require-

ments established for the highest governing body of the Company, the President of Board of Directors is not also a senior manager of the organisation. Of the six members of the Board of Directors, three are related (Cav. 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 organisation. 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 CEO & the General Manager.

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 CEO & General Manager 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 CEO & General Manager and senior executives entails annually reviewing and updating the strategies, policies and objectives related to the sustainable development of the Company.

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 capitalise 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 organisation's impacts on the economy, the environment and people. The company has implemented a governance system dedicated to mana-

ging and monitoring Sustainability issues with the aim of operating in an increasingly responsible and transparent manner, by integrating Sustainability in all respects into 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 2023 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 and delegates the President & CEO with the prior verification and approval of the Letter from the Board of Directors, while it entrusts the CEO & the General Manager with the approval of the list of material topics.

**Annual total remuneration index**

	u.m.	2021	2022	2023
Total annual remuneration for the company's highest-paid individual	€	717.000	717.000	717.000
Median annual total remuneration for all employees in the organization excluding the highest-paid individual	€	38.084	39.568	40.711
a. Ratio		18,83	18,12	17,61
b. Ratio % <sup>1</sup>		0%	0,00	0,00

1. 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).

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. Consequently, there is no conflict, not even potential, between the Executive Directors and the Ownership, given their identity. The only director from outside the family who had executive power during the reporting period was the CEO & General Manager, Carlo Ferlito.

In any case, the company undertakes to communicate to its stakeholders any changes in the organisational structure that may generate a risk of conflict of interest. The organisation has established monthly reporting of economic, financial and operational content, which is submitted by the CEO & General Manager and the involved heads of department to the Managing Directors on a monthly basis, informing them of any critical is-

ssues 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 and significant complaints. The Board of Directors, the CEO & General Manager 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 2023, 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 performan-





ce, 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 CEO & General Manager 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 compensation policy are determined through analysis and definition of salary 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 organisation to improve company competitiveness are agreed with the trade unions (mapped in the company Stakeholders). The Company has implemented a Quality Management System compliant with the ISO 9001 Standard, certified for over twenty years by internationally recognized Certification Bodies. The Quality Management System has incorporated specific NATO requirements for military business, obtaining the AQAP 2110 Certification from the Italian Ministry of Defence in 2005, systematically renewed every three years. In 2011, Senior Management tasked the Quality Director with setting up the Company Management Systems for Health and Safety (OHSAS 18001, later replaced by ISO 45001) and for the Environment (ISO 14001), with integrated Quality, Environment and Safety logics, aiming to have a common High-Level Structure for all its Systems. The project led to the achievement of OHSAS 18001 certification in 2012 and ISO 14001

certification in 2013. 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 analysis item. 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 various production departments of the company. Annually, through the Management Review of the Quality System, Risks are reassessed based on the effectiveness

of actions and projects undertaken, fuelling processes of continuous reduction of residual Risks. In the latest Context Analysis document, prepared at the end of 2023 and shared during the Management Review, risks related to technological factors (difficulty in sourcing raw materials, etc.), political/social factors (international geopolitical and economic tensions, etc.), regulatory factors (GDPR, etc.), economic factors (inflation risks and rising interest rates, etc.) and environmental factors (expiry of authorisation for hexavalent chromium use, etc.) were highlighted.

No direct political contributions were made during the three-year reporting period. As shown in the table on pag. 48, Beretta is associated with industry organisations. 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.

2. "Non-compliance" refers to any incident, including incidents of corruption and discrimination.







# 5. PEOPLE, PROSPERITY, PLANET

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# 5. PEOPLE, PROSPERITY, PLANET

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

From Beretta's perspective, Sustainability means directing efforts towards improving the quality of life for those who work in the company and those who live in the area. It also means promoting

gender equality and equal opportunities, as well as creating conditions for a motivating, positive and rewarding work environment.

**The three pillars "People, Prosperity, Planet" summarise a comprehensive strategy consisting of multiple actions aimed at making the company increasingly sustainable.**



## 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

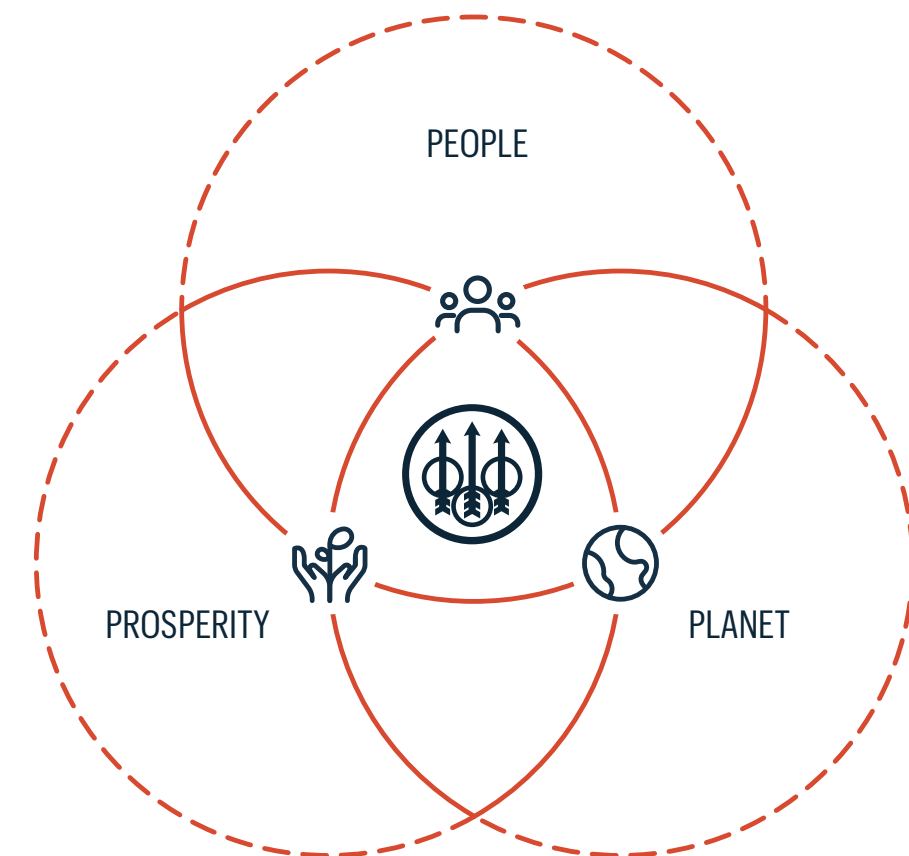
**Being "green" is something real, tangible and concrete.**

every action is performed in full respect of the ecological balance of the planet. The words "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 that is part of 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 for people, BePlanet for the planet. These are now structured and well-organized areas that have an adequate dedicated space 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. This is a vision firmly shared by the entire management, and concerns updating the stringent and continuously evolving legislation, such as firearms training, which involves all companies in the supply chain. For Beretta, prosperity is achieved through

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

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. We strongly believe in teamwork. That's why, for several years now, we have organised recreational sports events open to all employees. These include soccer and volleyball tournaments that, in addition to embodying the positive values of sports, play a crucial role in fostering and strengthening human relationships. 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 collaborators. Since 2008, the Company has adopted the General Organisational Model provided for in Legislative Decree No 231/2001, the purpose of which is to set up procedures to prevent certain predicate offences. This Model is made up of several tools, including a Code of Ethics, adopted by the Board of Directors, which summarises 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, ethnicity, 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 Organisational Model adopted under Legislative Decree No 231/2001, the Company has a network of procedures that describe the operational flow for each area of the Company, highlighting the functions that operate and those that authorise



Code of Ethics  
Supervisory  
Body

and/or verify. The Company also has a Supervisory Body tasked with monitoring the timely application of procedures and the continuous updating of employees regarding these procedures. The General Organisational Model expressly provides for selection procedures for suppliers and partners that take into account, among other requirements, their commitment to comply with all policies adopted by the Company, previously approved by the Board of Directors and/or the CEO.

## 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, during 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. Far 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

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# 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 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 all stakeholders to seek clarification of the company's responsible business conduct. This is why, internally, the Supervisory Body has an independent e-mail address to which it has exclusive access, as well as a mailbox, both electronic and physical, to which requests can be sent. All this while respecting the whistleblower's privacy, in line with the provisions of the Whistleblowing Policy, published in June 2023, which provides 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 which receives in real time reports or complaints collected by our distributors in the main destination countries concerning defects encountered by end users of our products. The data is then processed by internal management systems that allow the generation of statistics which are useful for corrective actions and continuo-

us product and process improvement. CRM is also the tool through which the end Customer receives updates about the progress of the product repair. 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 analyse 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 BRX1 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, there are procedures in place for collecting reports from external stakeholders, for whom registers are provided to fuel actions aimed at improving corporate Sustainabili-

ty. External stakeholders can ask for clarification on the implementation of the organization's policies and practices for responsible business conduct, as well as raise concerns on the organisation'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 reserves the right to implement a formal procedure for the collection

and management 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.

Beretta 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 MAP OF STAKEHOLDERS





### 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 TEST BENCH			
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 Releases	Events	Internal Communication (Intranet and Employee Newsletter)	E-learning platform	Website	Social Networks	CRM and personalised 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	☉	☉	☉			☉	☉	☉
Owners	☉			☉				
Group companies	☉			☉		☉	☉	☉
Competitors	☉	☉	☉		☉	☉	☉	

### 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 what is known as '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 com-

pany 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 and/or could 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, based on a pre-defined threshold.

The impacts considered to be significant formed the basis for the identification of the material issues reported in this section.

The following table 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 that specifically indicated in the "Methodology Note" section.





Material topic	Impacts	Characteristics	GRI topic specific disclosure
Energy efficiency and emission reduction	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	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	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
	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 characterised 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	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
Process and product innovation	Through the application of AI, the company can contribute to improving operational efficiency, customer experience and business competitiveness. For example, some of the business processes that may be involved are: Forecasting and planning, Research and development or Customer service.	Actual Positive	NOT A GRI TOPIC
Quality of the working environment	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
Cybersecurity 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	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	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	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	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
	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	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
Respect for human rights in the use of products	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
	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	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
	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
Developing employees' skills	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
	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 THE 2030 AGENDA: 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 fundamental contribution to achieving these goals. 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 path towards these objectives which 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																		
Cybersecurity and data protection																		
Sustainable and responsible supply chain	●		●	●														
Relations with local communities		●	●	●														
The pursuit of style																		
Beretta brand reputation																		





# 7. THE ENVIRONMENT BEPLANET

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# 7. THE ENVIRONMENT - BEPLANET



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 a series of initiatives to benefit employees under five pillars and which has be-

come a cornerstone of company 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 for operating 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

impact of its activities on the environment. As an additional safety measure, systems dedicated to the reduction of pollutants in water and the atmosphere aim to achieve an internal performance significantly higher than that set by the reference regulations, with a warning limit equal to 10 or 50% of the emission limit set by the Law, depending on the parameter investigated. ISO 14001-certified, the company keeps abreast of environmental regulations. In order to verify and maintain legislative and regulatory

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

the different forms of environmental damage potentially caused by the activity to be authorised, 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 Technologies (BAT). It is natural, therefore, for Beretta to apply all the best technologies for the construction, management, and improvement of its facilities, in order to minimise the

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 account the environmental impacts, both relative and absolute, on air, water, soil and energy.



Automated machining plant



### 7.3 REDUCING WATER CONSUMPTION

BePlanet's first key target is to reduce 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 final discharge points. Consumption is measured annually to ascertain any deviations.

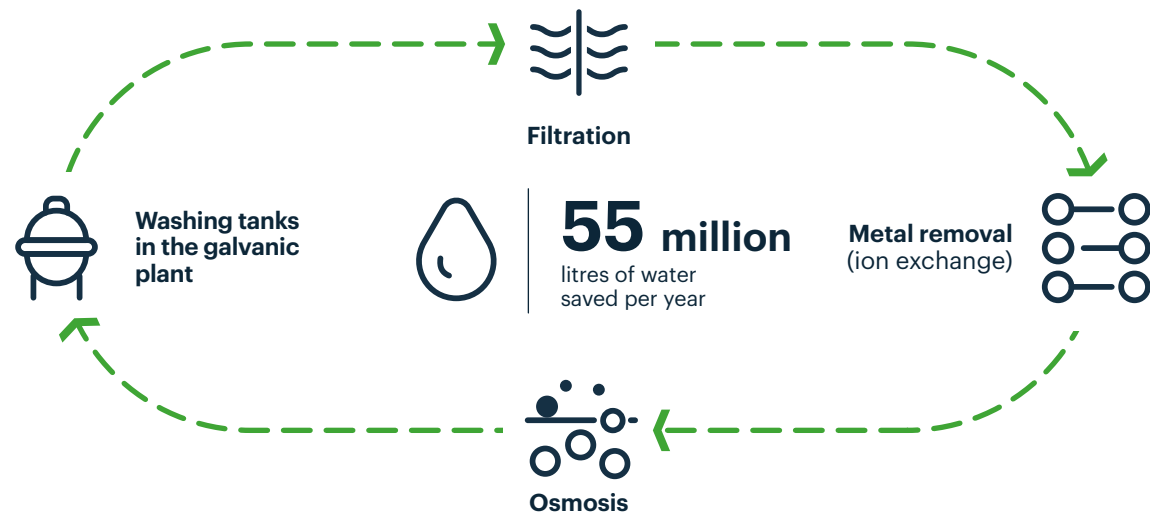
When making new changes to the facilities, the impact of water consumption is also taken into account and the feasibility of improvements to reduce is assessed. Where technologically feasible, treatment plants for water reuse are installed (demine-ralisers, concentrators and evaporators) or plant modifications are undertaken to minimise waste (in-stallation of automatic backwashing devices).

Through the construction of special water treatment plants, we can now reuse water from processes with annual savings of over 55 million litres of water. The water supply for the production process and fire prevention is provided through three wells (two at Beretta Sede and one at Beretta 2), while other utilities, such as toilets, 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 analysed daily by in-house personnel, and every three 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. An initial mapping effort was carried out on five strategic suppliers during the calculation of the Product Carbon Footprint and will continue in 2024, when two more product families will be considered.

#### Reducing water consumption



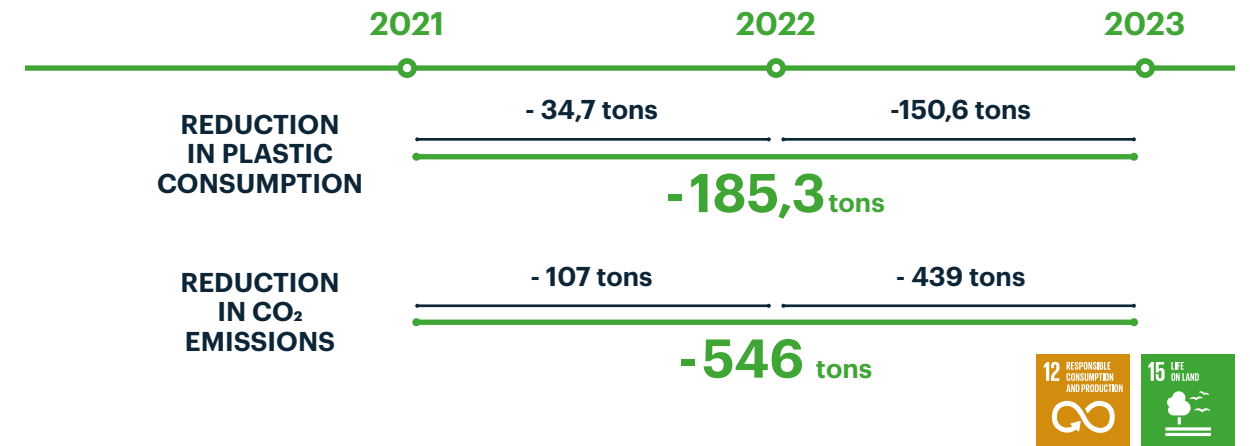
### 7.4 REDUCING RAW MATERIAL CONSUMPTION AND WASTE PRODUCTION

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.

The company uses various processes that produce different types of waste and are managed in accordance with the law, which in Italy is particularly stringent.

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

#### Reducing the use of plastic packaging for semi-automatic products





viewed. The targets related to waste management not only involve reducing their quantity but also their hazardousness. Various solutions are adopted to achieve the targets set, such as:

- The reuse of water in closed-loop plants
- The recovery of pickling baths as reagents in the purification plant
- The gradual reduction in the use of hazardous substances to make the waste they generate less hazardous.

Where possible, waste recovery is also preferred. 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. The primary packaging of the weapon consists, depending on the model, of either plastic or cardboard.

Most plastic packaging consists of recyclable technopolymer cases, which are not discarded at the time of purchase but used by the end Customer for transport. In 2023, cases made from 100% recycled plastic began to be sold, provided with 42% of the pistols produced. Cardboard packaging, both primary and secondary, is made of recyclable material.

## 7.5 THE LIFE20 CROMOZERO PROJECT

The restrictions imposed by the European Union on the use of hexavalent chromium, a substance known for its hazardous effects on human health, have prompted Beretta to focus its research on innovative and sustainable solutions. In collaboration with Duralar Italia, a company specialized in surface treatments, Beretta has launched the Life20 Cromozero project, focused on replacing chromium as a protective material for the internal surface of gun barrels.

The solution identified is DLC (Diamond-Like Carbon), deposited through Plasma Enhanced Chemical Vapor Deposition (PECVD) technology, an innovative surface treatment that provides coated components with high resistance to wear and corrosion. This solution not only eliminates the risk associated with the use of hexavalent chromium but also ensures a completely environmentally friendly, safe, and effective process.

The adoption of PECVD technology represents the greenest solution available to date. This process completely eliminates the use of harmful heavy metals such as chromium, both in vapours and in wa-

stewater, thus significantly reducing environmental impact. Furthermore, abandoning the galvanic process for treating smooth barrels will result in a si-



gnificant reduction in consumable chemicals, such as chromic acid, sodium bisulphite, sulphuric acid, and hydrated lime. This will translate into an annual reduction of 75 tonnes of irritating, corrosive, and toxic chemicals, as well as a decrease in the production of hazardous waste.

In addition to the environmental benefits, the Life20 Cromozero project will also have a positive impact on employee health and safety conditions. Indeed, Beretta expects an annual saving of 60,000 kWh of

energy consumption and a reduction of 354 tonnes of CO<sub>2</sub> equivalent emissions, thus confirming its commitment to long-term sustainable development. The Life20 Cromozero project spans three years, from 1 September 2021, to 31 August 2024, and

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

includes an initial phase dedicated to the design, construction and technical validation of a prototype plant. This is followed by a subsequent phase aimed at implementing an industrial plant that meets high performance, time, cost and productivity standards.

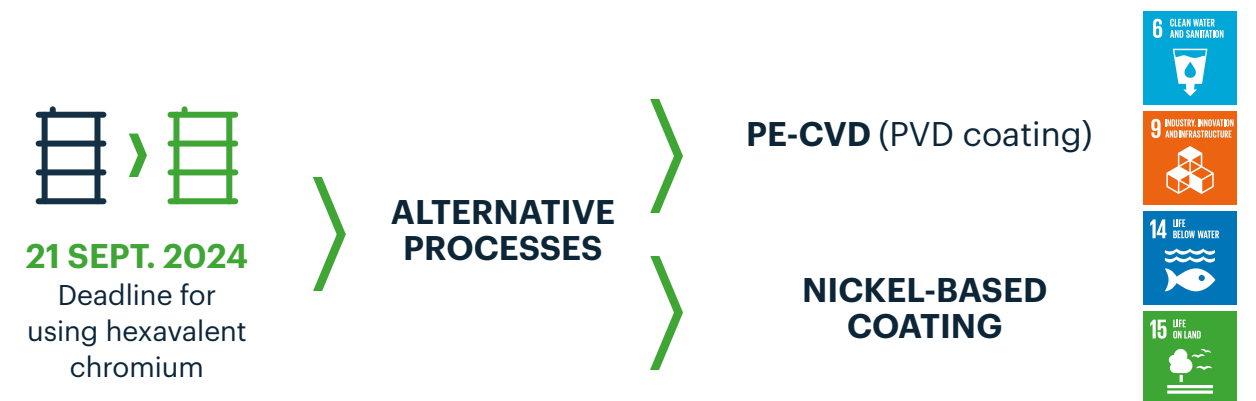
2023 saw the construction of a plant capable of coating up to five barrels with DLC simultaneously, guaranteeing uniform thickness and the mechanical characteristics of the coating on each of them. This plant will be used for experimentation, which, following technical validation, will lead to the construction of the

industrial plant that meets the production volumes currently required for chrome plating.

In parallel with the Cromozero project, Beretta is studying alternative solutions to chrome plating not only for smooth barrels but also for rifled barrels. This line of research focuses on coating solutions that use complex nickel alloys to protect the bore of the barrels from the high stresses they are subject to in operation. The data collected so far are not sufficient to express a definitive opinion on the solution, but experimentation activities will be further developed during 2024.



## Replacing hexavalent chromium in internal barrel coatings





## 7.6 REDUCING EMISSIONS

Measurement of climate-altering emissions is the first step in identifying mitigation and compensation strategies. For this reason, during 2023, Beretta began assessing the Carbon Footprint of its products (PCF), which involves calculating greenhouse gas emissions (expressed in kilograms of carbon dioxide equivalent - CO<sub>2</sub>e) released during the life of the weapon, from raw material production to end-of-life disposal.

The project involves calculating the carbon footprint of two families of weapons per year and mapping the entire organisation in the first half

of 2026. This estimation will enable the planning of activities towards the Net Zero target. In order to carry out the PCF, the ISO 14067:2018 standard was used as a reference for the calculation methodology, an international standard that defines the requirements and guidelines for quantifying the carbon footprint of products, in accordance with international standards for Life Cycle Assessment (LCA).

The life cycle stages of the weapon are represented in the figure below:

### Stages in the life cycle of the weapon



The first product analysed was the A400 Xtreme hunting shotgun (Camo version), which emits 125 kg of carbon dioxide per unit.

In 2024, two more product families will be analysed. Meanwhile, projects to reduce greenhouse gas emissions through efficient energy management continue. In 2023, the percentage of renewable energy out of the total energy (electric and thermal) consumed was 23%, a significant improvement over 2022, as higher rainfall allowed for increased use of hydroelectric energy compared to the previous year.

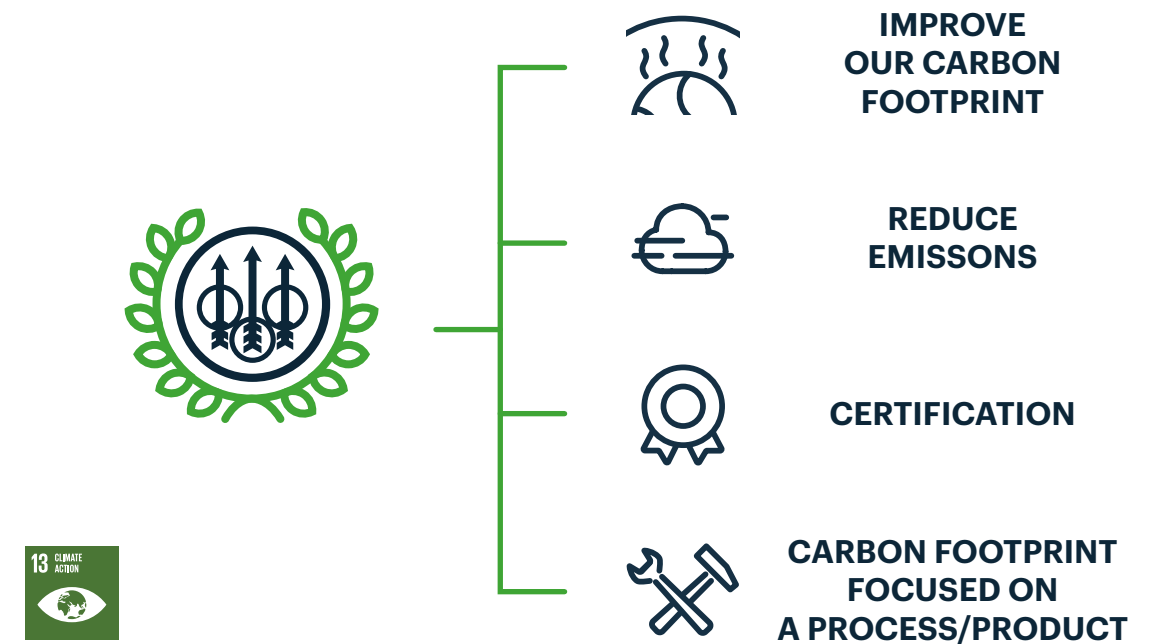
As an improvement measure, in August 2023, Beretta expanded its photovoltaic park with an additional 1900 m<sup>2</sup> of surface area, for an additional 400 kW. The plant is expected to be put into operation

in 2024 pending the completion of bureaucratic procedures for connection to the grid. To reduce the impact on emissions from greenhouse gases related to employee commuting, Beretta has provided a carpooling app.

This service allows users to identify colleagues who travel the same route to work in order to form carpools and share journeys. The project, started in June 2023, has saved a total distance of 26,800 km, with a reduction of 3.5 tonnes of CO<sub>2</sub>.

Finally, to further optimise consumption and reduce waste, by the end of 2024, Beretta will certify its Energy Management System according to ISO 50.001, which will integrate into the existing Quality, Health, Safety and Environment Management System.

### Carbon Footprint Assessment





### 7.7 ATTENTION TO DETAIL. ALSO THINKING ABOUT THE ENVIRONMENT

Beretta also pays attention to the environmental aspects of its luxury products and Clothing & Accessories lines. Focus on the environment also means 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. The par-

tnerships with leading suppliers of textile materials or membranes, such as Goretex and Polartec, which have launched 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.

### 7.8 NO SLOGANS, JUST HARD DATA

All the BePlanet projects share Beretta's awareness that they have both the resources and the right attitude to offer 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 strate-

gic plan that focuses on quality, safety and the environment envisages multiple KPIs. These are specific figures to measure the improvements achieved by the company, which are necessary to build a better future for us and the planet we inhabit.

Water withdrawal (ML)				
Sources	Unit of measurement	2021	2022	2023
Withdrawal of groundwater (e.g. wells) <sup>3</sup>	ML	162,587	154,785	143,541
Withdrawal from third-parties (e.g. waterworks) <sup>4</sup>	ML	15,653	28,331	42,373
<b>Total water withdrawal <sup>5</sup></b>	<b>ML</b>	<b>178,24</b>	<b>183,116</b>	<b>185,914</b>

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

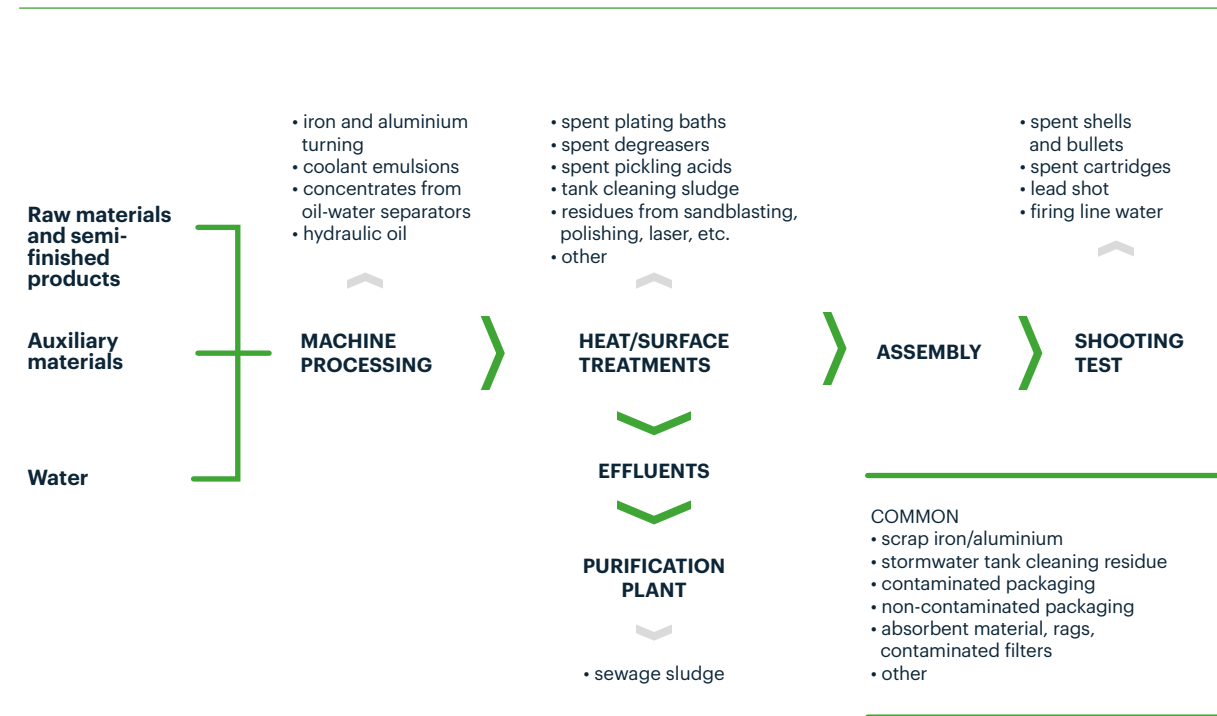
Materials in Kg	Renewable (yes / no)	2021	2022	2023
<b>Raw materials and semi-finished products or components</b>	<b>Yes</b>	<b>40.268</b>	<b>47.472</b>	<b>48.836</b>
<b>Raw materials and semi-finished products or components</b>	<b>No</b>	<b>2.088.458</b>	<b>2.587.100</b>	<b>2.468.524</b>
Steel	No	1.818.886	2.127.460	1.970.337
Aluminium	No	269.572	299.640	332.121
Wood	Yes	40.268	47.472	48.836
Plastic	No	-	160.000	166.067
<b>Packaging materials, including paper, cardboard and plastic</b>	<b>-</b>	<b>408.831</b>	<b>400.079</b>	<b>388.433</b>
Cardboard	Yes	55.351	105.320	107.151
Plastic	No	353.480	294.759	281.282

		2021	2022	2023
<b>Tot. Renewable material</b>	kg	95.619	152.792	155.987
<b>Tot. Non-renewable material</b>	kg	2.441.938	2.881.859	2.749.806





**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.

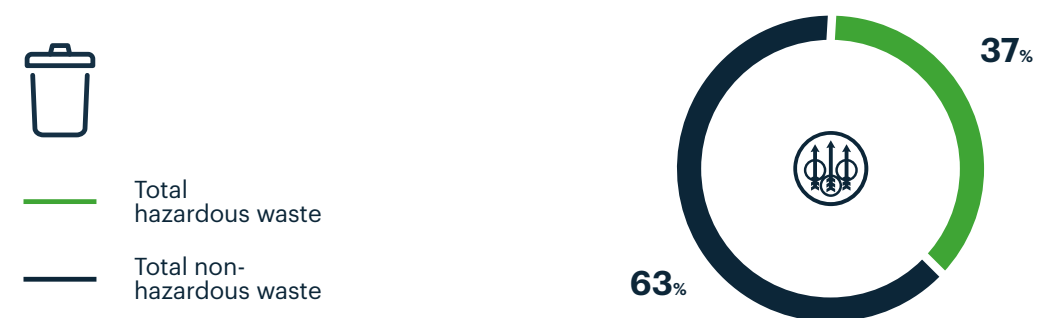
Waste generated					
Origin	Waste composition	2021	2022	2023	Hazardous / non-hazardous waste
		Total Kg waste produced Value	Total Kg waste produced Value	Total Kg waste produced Value	
Machine processing	<b>Hazardous waste</b>	<b>1.026.157</b>	1.187.220	1.305.109	Hazardous waste
	Oils	17.740	20.500	29.660	Hazardous waste
	Oily emulsions	22.190	76.000	91.070	Hazardous waste
	Concentrates from oil-water separators	129.450	129.900	136.700	Hazardous waste
Metal surface treatments	Plating baths	239.039	237.370	271.770	Hazardous waste
	Degreasing agents	311.940	400.150	452.490	Hazardous waste
	Pickling acids	38.350	24.040	30.830	Hazardous waste
	Sludge from treatments	17.990	16.455	11.740	Hazardous waste

Test firing activities	Spent cartridges	5.180	5.330	5.980	Hazardous waste
Purification of process effluents	Hazardous waste from sewage treatment plants	145.880	170.000	162.480	Hazardous waste
Other waste	Contaminated packaging	20.490	17.310	22.810	Hazardous waste
	Rags, absorbent material, contaminated filters	66.740	73.140	72.880	Hazardous waste
Machine processing	Other	11.168	17.025	16.699	Hazardous waste
	<b>Non-hazardous waste</b>	<b>2.322.260</b>	<b>2.300.510</b>	<b>2.228.670</b>	
	Iron and ferrous material shavings	1.321.700	1.541.590	1.445.360	Non-hazardous waste
	Other iron and steel	164.550	138.830	148.580	Non-hazardous waste
	Aluminium shavings	200.190	221.320	252.730	Non-hazardous waste
Metal surface treatments	Other aluminium	1.760	2.160	2.830	Non-hazardous waste
	Non-hazardous waste from surface treatments	44.750	42.160	59.080	Non-hazardous waste
Test firing activities	Brass casings	9.890	12.090	8.830	Non-hazardous waste
	Lead shot	20.280	27.200	17.460	Non-hazardous waste
Purification of process effluents	Firing line water	190.720	78.410	112.430	Non-hazardous waste
	Non-hazardous waste from sewage treatment plants	239.080	147.950	71.280	Non-hazardous waste
Other	Non-contaminated packaging	23.340	25.030	25.270	Non-hazardous waste
	Other	106.000	63.770	84.820	Non-hazardous waste
<b>Total</b>		<b>3.348.417</b>	<b>3.487.730</b>	<b>3.533.779</b>	

6. 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.

7. The increase in raw material consumption is mainly attributable to the increase in production.

**Breakdown of waste 2023**



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)**

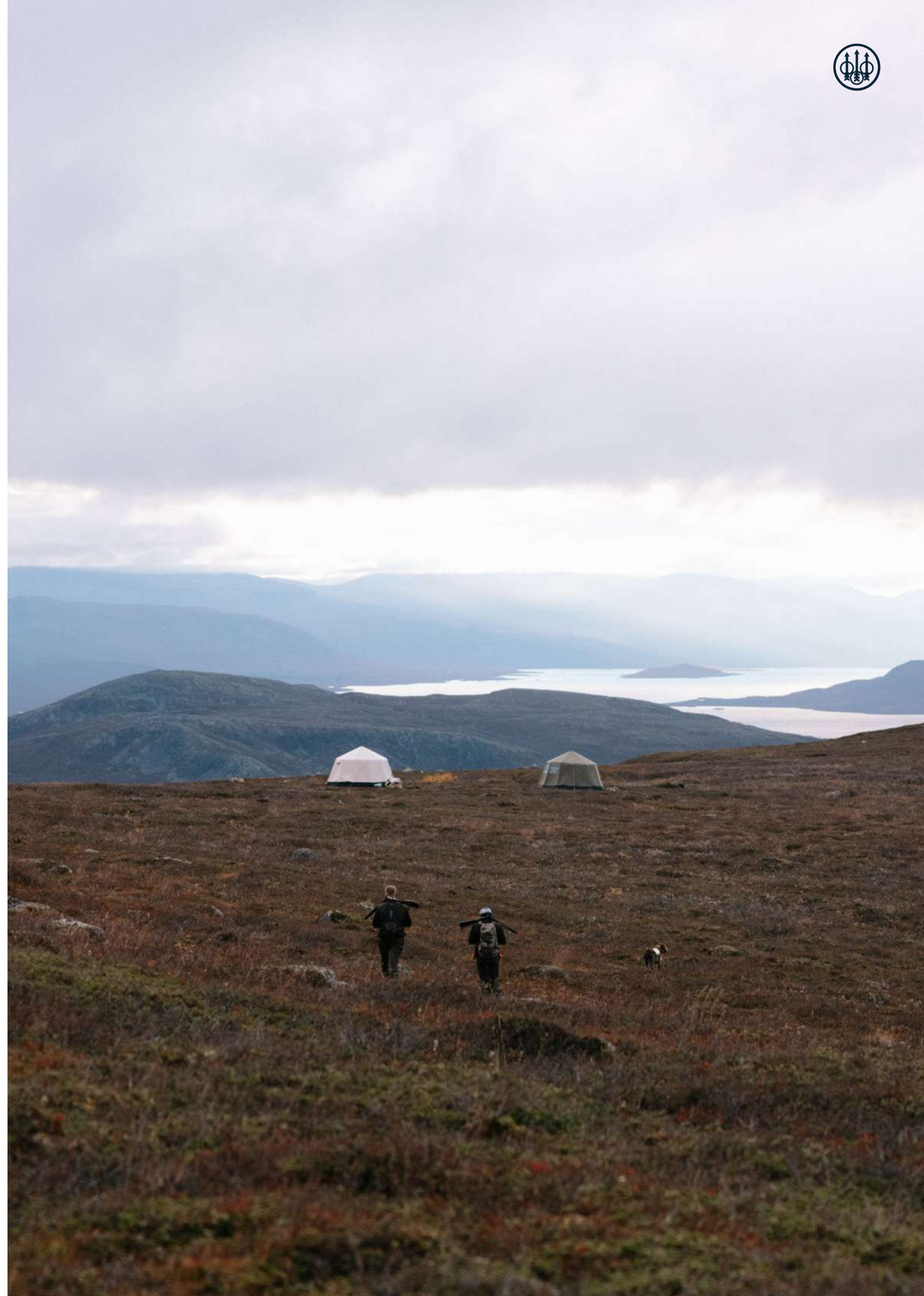
Main items	2021	2022	2023
Kg hazardous waste / Kg weapons produced	1,41	1,37	1,60
Kg non-hazardous waste / Kg weapons produced	3,20	2,66	2,73

**Energy consumption within the organization (GJ)**

Consumption of non-renewables			
Source	2021	2022	2023
Diesel	1.554,1	1.226,0	1.245,3
Petrol	671,8	607,8	673,4
Natural gas	101.089,3	90.654,1	79.080,0
Electricity purchased from the grid	14.601,6	31.952,7	22.307,2
Consumption of renewables			
Electricity generated by photovoltaic system	477,0	495,3	466,9
Electricity purchased from hydroelectric plants	33.473,4	20.010,6	30.771,5
<b>Total energy consumed</b>	<b>151.867,2</b>	<b>144.946,5</b>	<b>134.544,24</b>

**Greenhouse gas emissions (tCO<sub>2</sub>e)**

Source	2021	2022	2023
Diesel	115	91	92
Petrol	49	44	49
Natural gas	5.682	5.108	4.470
R-410A	-	-	-
R-407C	-	154	-
R-404A	16	-	-
<b>Total Scope 1</b>	<b>5.861,5</b>	<b>5.397,1</b>	<b>4.610,8</b>
Electricity - Market based	1.860	4.052	2.833
Electricity - Location based	1.278	2.796	1.562
<b>Scope 1 and Scope 2 Total – Location-based</b>	<b>7.139,1</b>	<b>8.193,0</b>	<b>6.172,3</b>







# 8. PEOPLE - BWE



# 8. PEOPLE - BWE

**We meaning Us. We meaning Welfare.  
We meaning Wellbeing.**



Wellbeing and work-life balance are the strengths of Beretta, fully aware that attraction and loyalty increasingly depend on these factors. Beretta's vision places the individual at the centre. Workers are indeed the company's most valuable resource, aiming to offer all employees a positive experience to support their wellbeing, by promoting a corporate culture in which everyone feels appreciated and motivated. Therefore, increasing attention is paid to each worker's experience of the company. The initiatives are manifold, partly overlapping with traditional welfare: from physical to mental health, from promoting healthy

behaviours to disease prevention, but also to financial wellbeing and training related to other topics impacting personal and professional balance. The workplace is a place of life: the quality of the relationships that are established depends on the organisational climate and wellbeing, which at Beretta are also overseen by the Lombardy Region. Since 2016, the region has recognised and rewarded the company as "virtuous", with its participation in the WHP - Workplace Health Promotion programme. The BWe project is the concrete expression of Beretta's vision and is divided into five thematic areas: health, growth, safety, environment and leisure.



**657**  
Manual workers



**245**  
Employees and Managers



## 8.1 INDIVIDUAL HEALTH COMES FIRST

The promotion of health concerns not only the healthcare system but also the world of business and the entire community. Therefore the culture of prevention plays a primary role at Beretta. The first thematic area of BWe is therefore focused on the health of the individual.

Health promotion programmes in the workplace increase workers' wellbeing and productivity and create a general culture that recognises the value of health and risk prevention.

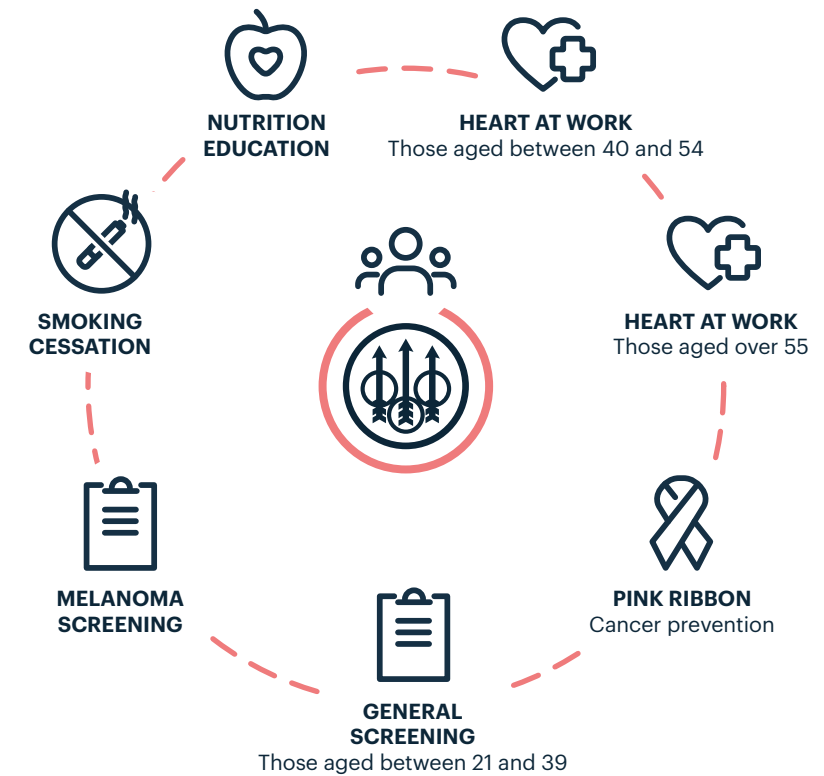
To promote a healthy and active lifestyle, Beretta starts with nutritional education, both in the cafeteria and in relaxation areas, and continues with sports activities and walking groups during lunch

breaks. Wellbeing, therefore, encompasses both the dining table and exercise. The aim is to promote the role of collective catering as a tool for fostering a culture of healthy eating by offering healthy meals and educating against addictive behaviours through healthy and simple daily habits.

In 2023, the company gave priority to younger age groups, with the execution of general prevention screenings and gynaecological and andrological check-ups to raise awareness among this population about fertility preservation.

The company also resumed collaboration with Valtrompiacuore for the Cuore al Lavoro (Heart at Work) Project, believing that education and preven-

### Personal health initiatives





tion represent the main actions in the fight against cardiovascular diseases. Screening for melanoma continued in collaboration with the Brescia Civil Hospitals to teach early and correct recognition of

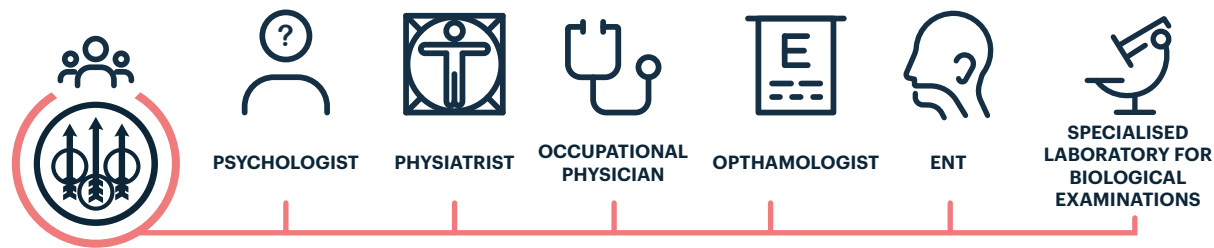
preparation of management and communication measures, employee training, and examination by a occupational psychologist of some employees performing particularly at-risk tasks. Health Sur-

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

this skin cancer, still little known but widespread in Val Trompia. The company has always been aware that work-related stress constitutes a risk to health and safety, and for over a decade it has run a project related to the preliminary assessment of work-related stress. The project is conducted through the

veillance remains essential. In accordance with the legislation on workplace safety, the Company Physician collaborates with the Employer and the Prevention and Protection Service to implement all necessary measures for the protection of workers' health and psychophysical integrity.

### Health surveillance for Beretta employees



### 8.2 PERSONAL GROWTH AND DEVELOPMENT

Workers receive ongoing training aimed at professional growth, which contributes to increasing motivation and creating a positive atmosphere. For this reason, the second area of BWe focuses on the personal growth of individuals working at Beretta and involves the entire company population.

In addition to numerous assessment and development coaching actions, over 55 employees have participated in high-level training courses, masters, and doctorates fully funded by Beretta in the last decade, meanwhile, in 2023 alone, training hours, both theoretical and on-the-job, totalled approximately 15,000.

Mandatory training sessions were provided to both Beretta employees and contracted workers. Also in 2023, the company paid particular attention to the training of young students, aiming to develop skills and provide career orientation support. Beretta has always offered internship opportunities, both curri-

cular and extracurricular, in collaboration with local schools and Universities, allowing students to learn about business processes and gain initial exposure to the world of work. Over the past year, 6 internships were offered in various company areas.

About 15 years ago, in order to allow the development and maintenance of the skills that characterise the sector, Fabbrica d'Armi, together with other companies in the sector, signed a memorandum of understanding with the IPSIA Zanardelli Institute in Gardone Val Trompia, to establish a training course called T.I.M.A - Tecnico delle Industrie Meccaniche Armiere (Technician in Weapons-related Mechanical Industries).

It is an extracurricular course, held in the afternoon, open to both students of the institute and external individuals, such as young people seeking employment. The course is taught by experienced professionals who work for partner companies,



who pass on their passion and skills of the gunsmith trade to participants. At the end of the course, students have the opportunity to complete an internship at one of the partner companies in order to consolidate the skills they have acquired.

In 2023, the Mechanical Academy Beretta project was also launched, consisting of 160 hours of training aimed at the induction of personnel involved in assembling gun components, ensuring compliance with safety procedures and standards. Ten young women participated in the project.

They all obtained a final attendance certificate, and most of them started working with Beretta or

other companies in the sector. In the midst of digital transformation, the role of our Digital Champions is crucial. They are young employees who are tasked with promoting a digital culture in the organisation, supporting the digitisation of processes by enabling new ways of working that make the most of the investments made by the company in digital platforms and, finally, disseminating good practices and skills.

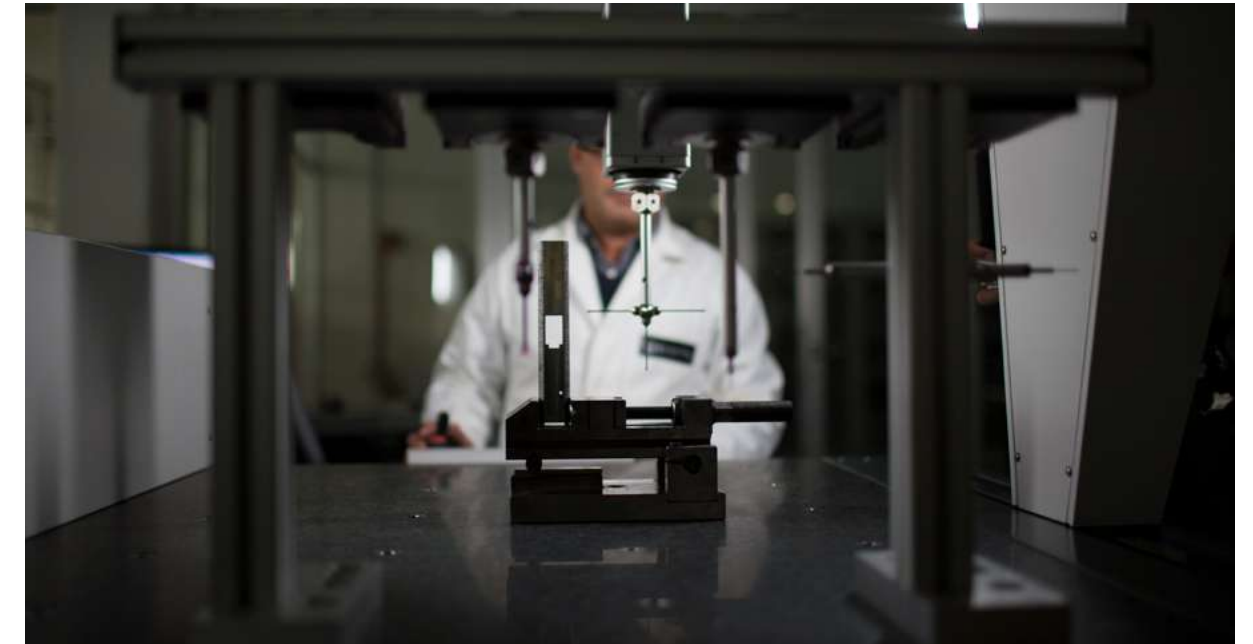
The activity of the Digital Champions was particularly important for the new edition of the Digital Olympics held in spring 2023, with almost all invitees participating, resulting in an overall redemption rate of 98%.



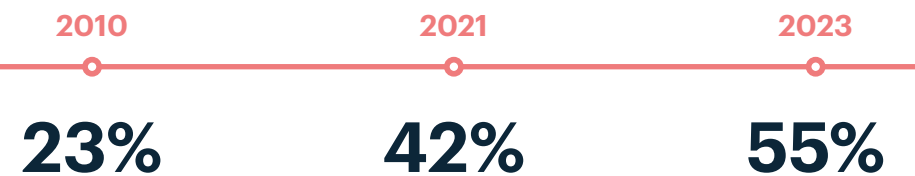
**18%**  
Female staff



**41 years**  
Average age of employees



Percentage of employees with a degree



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

Not only did younger age groups achieve significantly higher results, but also 50% of employees over the age of 47 scored in the medium-high range.

The overall score demonstrated medium-high digital skills throughout the company, reflecting a general focus on the digital phenomenon and commendable results regarding Beretta's digital culture across all company functions. Occupational wellbeing concerns all categories of workers. In

2023, the continuous monitoring project of the occupational wellbeing of protected categories was launched, covering both task-related and relational aspects. Through the synergistic action of the Company Physician and HR alongside the disabled person, from the pre-employment phase throughout the employment relationship, the aim is to ensure optimal work integration and identify any structural improvement actions for a work life more in line with individual abilities and expectations.



### 8.3 SAFETY AT WORK

The third thematic area of BWe focuses on creating a happy and safe work environment: certified ISO 45001, Beretta stays abreast of occupational health and safety matters.

Employee participation is ensured through the involvement of Worker Safety Representatives during various occasions, such as regular meetings, sharing of the DVR (Risk Assessment Document), and health inspections. Also crucial is the role of hazard identification, both preliminary and following near misses.

In 2023, the number of training hours dedicated to health topics was significantly increased, in addition to the compulsory hours, to raise awareness among employees about safety in a broader context: from safety in the workplace to safety at home, from safety in sport and leisure to road safety.

The focus on individual wellbeing, always in safe conditions, is further showcased by continuous improvement activities, including the use of ergonomic workstations in offices and departments, aiming to minimise biomechanical overload as much as possible.

Travel safety is also fundamental at Beretta. Transferring employees receive training and information hours to ensure everyone is aware of the risks they may face while working outside company premises, especially in high-risk countries. Additionally, travelling employees have access to an app connected to a travel safety agency for the provision of security, physical, and medical assistance services worldwide.



### 8.4 THE WORKING ENVIRONMENT

The fourth thematic area of BWe concerns the work environment. Working in an organised and quality environment promotes a sense of security and personal and professional development among employees.

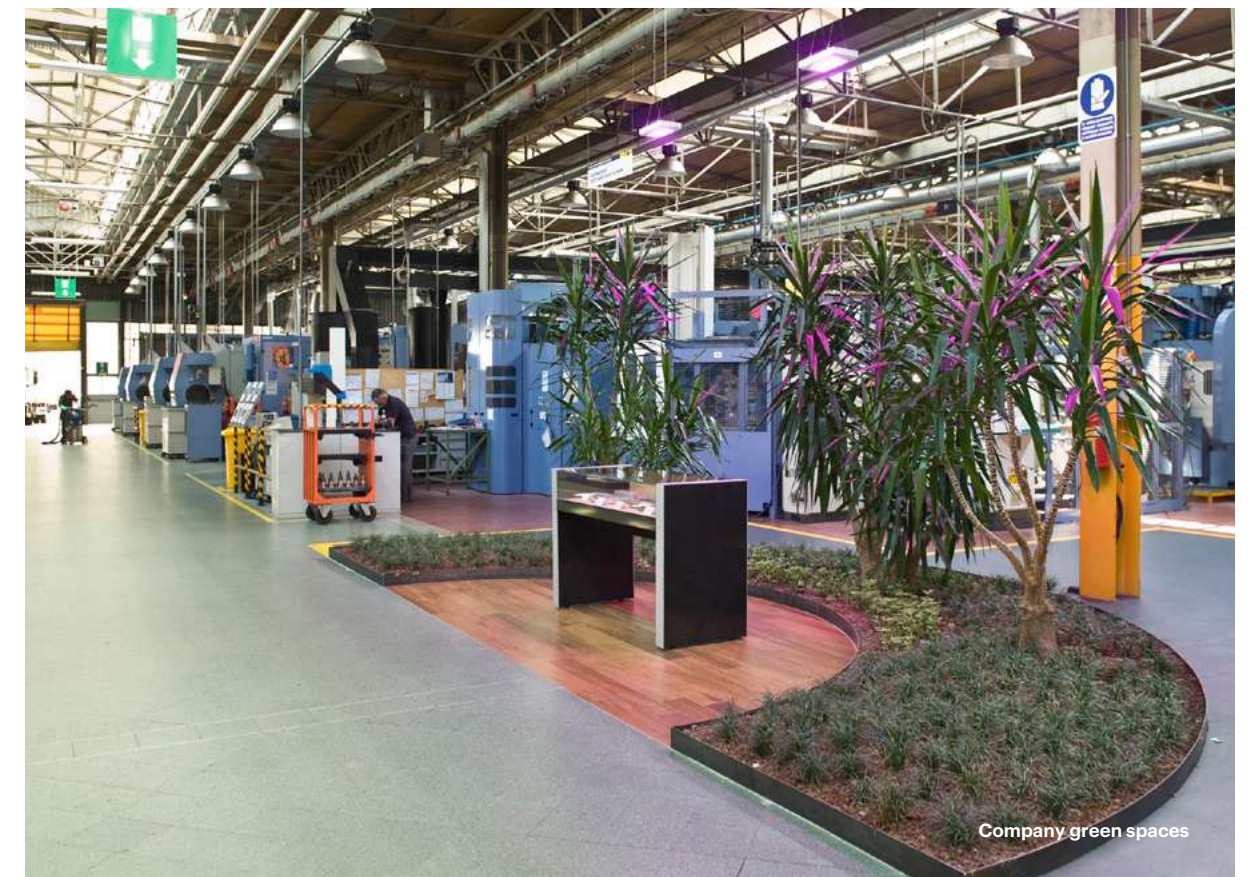
Ensuring wellbeing and comfort for employees means, first and foremost, adapting work environments. In all company offices, each workstation is equipped with ergonomic chairs, the spaces are spacious and well-lit, and the dining rooms and break areas encourage socialization and interactions among colleagues.

Beretta's strength lies in the culture of the workplace as an environment for enhancing individuals, promoting diversity and inclusion through the for-

mation of teams composed of diverse talent, as well as developing a sense of belonging and identity. Employee engagement is the key to success for any organisation. Beretta measures this index not only through traditional tools but also with a digital platform available to workers and HR.

The application allows interaction between these two worlds, fully respecting privacy regulations. Through an algorithm, the company is able to in-

**Green areas within the company to create an ideal workplace.**





interpret the emotional state of employees, translating it into important information for HR, which can then assess the type of interventions to be implemented to maintain a healthy and positive work environment. There have also been numerous meetings for drafting a Strategic Plan, with shared company-wide initiatives, not just on company premises, attended by representatives of all functions. This is another action to place people at the centre, believing that profit and productivity can be achieved by prioritising the needs of

workers, and their paths within the company. It is clear, therefore, that Beretta operates in the context of a workplace that promotes the formation of constructive relationships and allows freedom of discussion and exchange of opinions.

In this sense, it helps to consider the dual aspect of the workplace, both in physical and metaphorical terms: welcoming and bright offices, like those at Beretta, contribute to creating environments where employees can express themselves to the fullest.



## 8.5 PROMOTION OF A WORK-LIFE BALANCE AND PHILANTHROPY

The fifth and final thematic area of BWe aims to promote work-life balance activities. There are many of these activities because "a happy employee in their personal life is a happy employee at work." It starts with the many traditional initiatives of the Beretta Recreation Club (CRAL) - aimed at the young, the not-so-young, and their families - increasingly meeting the needs of the entire company population and including agreements with commercial establishments, shared trips, and common experiences.

participates in local cultural initiatives, hosting literary events to promote and spread a new vision of corporate culture through reading. For the growth of young professionals, the Parenthood Support Project, inaugurated in 2023, is strategic.

An "open" Protocol aimed at building a network of services for parents, from the company nursery to after-school programmes and summer camps, from agreements with specialist medical clinics

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

The agreement with the sports centre in Gardone Val Trompia continues for access to the slopes and changing rooms during lunch breaks or in the afternoon hours. Also in 2023, the company supported employees' participation in the traditional BAM - Brescia Art Marathon -; all participants were also offered the opportunity to attend webinars dedicated to the event to optimise their training. With a great response from all employees, Beretta

to contacts with dedicated psychological support services. This project includes roundtable discussions held at the company with experts specialized in addressing family conflicts, in order to provide concrete tools and techniques for the positive and effective management of the working parent role. To meet the needs of an ever-growing number of employees, an agreement was signed with the Municipality of Gardone Val Trompia in 2023 for the



Pietro Beretta Nursing Home, Gardone Val Trompia, Brescia



concession of 100 parking spaces near the company at a reduced cost. This perk, as well as being useful, was highly appreciated by the employees, not only for the cost savings but also and above all for time and energy savings. Besides work, there are holidays and leisure time: there is the holiday home Sior Piero in Cesenatico, which has 15 apartments and is re-

served for employees and retirees. Finally, there is the Pietro Beretta Social Assistance Residence, inaugurated in 1972 and becoming a private non-profit foundation in 2004, capable of accommodating 106 people in a hospital setting and welcoming guests over the age of 65 who are not self-sufficient and require comprehensive health and social care.

**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	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
Executives	1	15	1	15	1	15
Managers	11	38	9	40	9	41
Office workers	59	121	59	123	62	133
Manual workers	70	496	73	520	92	565
<b>Total</b>	<b>141</b>	<b>670</b>	<b>142</b>	<b>698</b>	<b>164</b>	<b>754</b>

**Breakdown of employees by job category and age**

Job category	2021			2022			2023		
	< 30 years	Between 30 and 50 years	> 50 years	< 30 years	Between 30 and 50 years	> 50 years	< 30 years	Between 30 and 50 years	> 50 years
Executives	0	6	10	0	5	11	0	5	11
Managers	0	27	22	0	27	22	0	24	26
Office workers	39	85	56	30	87	65	37	97	61
Manual workers	121	257	188	146	258	189	195	280	182
<b>Total</b>	<b>160</b>	<b>375</b>	<b>276</b>	<b>176</b>	<b>377</b>	<b>287</b>	<b>232</b>	<b>406</b>	<b>280</b>





Employees				
Employees by type of contract	Unit of measurement	2021	2022	2023
<b>Permanent</b>	n.	805	836	915
- of which women	n.	137	140	162
	%	17	17	18
- of which men	n.	668	696	753
	%	83	83	82
<b>Fixed term</b>	n.	6	4	3
- of which women	n.	4	2	2
	%	67	50	67
- of which men	n.	2	2	1
	%	33	50	33
<b>Total</b>	<b>n.</b>	<b>811</b>	<b>840</b>	<b>918</b>
Employees by type of employment				
<b>Full-time contracts</b>	n.	759	793	868
- of which women	n.	100	105	124
	%	13	13	14
- of which men	n.	659	688	744
	%	87	87	86
<b>Part-time contracts</b>	n.	52	47	50
- of which women	n.	41	37	40
	%	79	79	80
- of which men	n.	11	10	10
	%	21	20	20
<b>Total</b>	<b>n.</b>	<b>811</b>	<b>840</b>	<b>918</b>

Non-employee workers				
Non-employees	Type	2021	2022	2023
Non-employees by type of contract as at 31 December 2022	Trainees	3	4	6
	Temporary workers <sup>8</sup>	93	117	50
	External Staff <sup>8</sup>	119	145	132
<b>Total</b>		<b>215</b>	<b>266</b>	<b>188</b>

8. 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.

New hires and turnover					
New hires		2021	2022	2023	
Indicator	Gender	Age			
New hires from 1 January to 31 December	Female	< 30 years	5	6	12
		Between 30 and 50 years	4	4	8
		> 50 years	1	1	3
		<b>Total</b>	<b>10</b>	<b>11</b>	<b>23</b>
		Male	< 30 years	27	40
	Tra 30 e 50 anni		9	15	28
	> 50 years		3	6	1
	<b>Total</b>		<b>39</b>	<b>61</b>	<b>102</b>
	<b>Total number of hires</b>		<b>49</b>	<b>72</b>	<b>125</b>
	<b>Rate of incoming turnover Women<sup>9</sup></b>		<b>7%</b>	<b>8%</b>	<b>14%</b>
Rate of incoming turnover Women <sup>9</sup>	< 30 years	4%	4%	7%	
	Between 30 and 50 years	3%	3%	5%	
	> 50 years	1%	1%	2%	
<b>Rate of incoming turnover Men<sup>9</sup></b>		<b>6%</b>	<b>9%</b>	<b>14%</b>	
Rate of incoming turnover Men <sup>9</sup>	< 30 years	4%	6%	10%	
	Between 30 and 50 years	1%	2%	4%	
	> 50 years	0%	1%	0%	
<b>Rate of incoming turnover Total<sup>9</sup></b>		<b>6%</b>	<b>9%</b>	<b>14%</b>	
Contract terminations		2021	2022	2023	
Indicator	Gender	Age			
Contract terminations from 1 January to 31 December	Female	< 30 years	1	3	0
		Between 30 and 50 years	2	2	0
		> 50 years	3	5	1
		<b>Total</b>	<b>6</b>	<b>10</b>	<b>1</b>
		Male	< 30 years	2	4
	Between 30 and 50 years		2	5	5
	> 50 years		25	24	38
	<b>Total</b>		<b>29</b>	<b>33</b>	<b>46</b>
	<b>Total number of terminations</b>		<b>35</b>	<b>43</b>	<b>47</b>

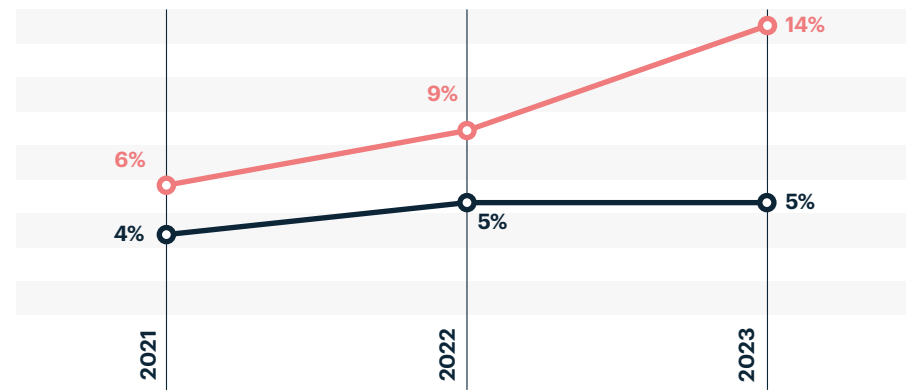


<b>Rate of outgoing turnover Women <sup>9</sup></b>	<b>4%</b>	<b>7%</b>	<b>1%</b>
	< 30 years	1%	2%
Rate of outgoing turnover Women <sup>9</sup>	Between 30 and 50 years	1%	0%
	> 50 years	2%	4%
<b>Rate of outgoing turnover Men <sup>9</sup></b>	<b>4%</b>	<b>5%</b>	<b>6%</b>
	< 30 years	0%	1%
Rate of outgoing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

9. The turnover rate (both incoming and outgoing) was calculated by dividing the number of leavers and new hires during the year by gender and age groups by the total number of employees during the year by gender.

**Rate of incoming and outgoing turnover 2021 - 2023**

○ Rate of incoming turnover  
● Rate of outgoing turnover



Average hours of training per year per employee				
Training hours by employment category	Unit of measurement	2021	2022	2023
Average hours of training provided to executives	h	6	4	19
Average hours of training provided to managers	h	29	8	7
Average hours of training provided to clerical staff and middle management	h	24	9	17
Average hours of training provided to manual workers	h	4	12	16
Average hours of training by gender of employee	Unit of measurement	2021	2022	2023
Average hours of training provided to women	h	17	11	12
Average hours of training provided to men	h	9	11	16

Collective Bargaining Agreements				
	Unit of measurement	2021	2022	2023
Number of employees covered by collective bargaining agreements	n.	811	840	918
Total number of employees	n.	811	840	918
<b>Employees covered by collective bargaining agreements</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Employee accidents at work			
	2021 <sup>10</sup>	2022 <sup>10</sup>	2023 <sup>10</sup>
Hours worked (employees)	1.325.632	1.376.889	1.482.311
Total number of work-related injuries (recorded, including deaths)	12	8 <sup>11</sup>	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	1
of which number of deaths	0	0	0
<b>Rate of recordable work-related injuries</b>	<b>9,05</b>	<b>5,81</b>	<b>5,40</b>
Rate of work-related injuries with serious consequences	0	0	0,67
<b>Rate of deaths</b>	<b>0</b>	<b>0</b>	<b>0</b>

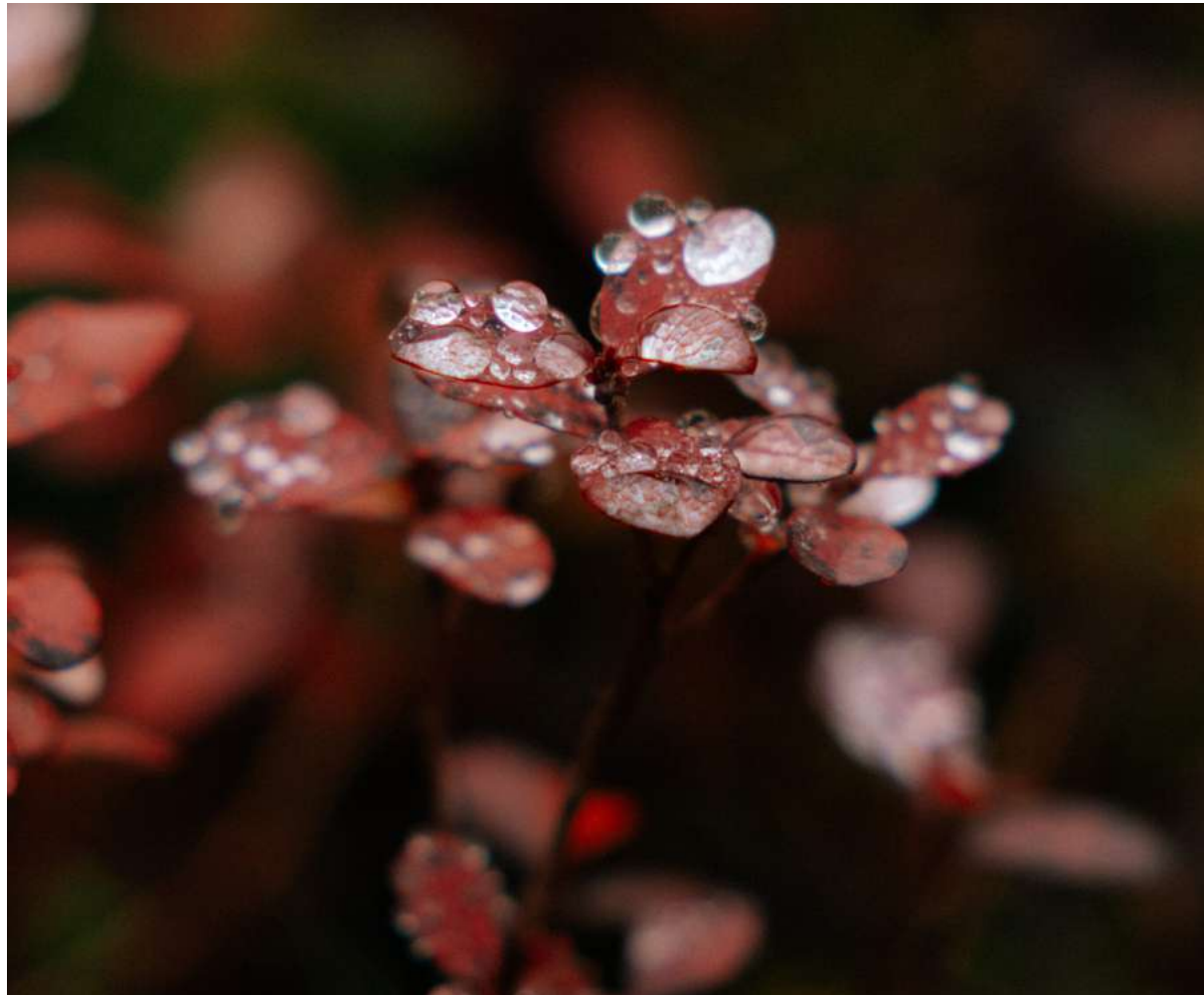
10. The hours worked by executives were calculated using a standard value of 1,760 hours per year.

11. The data for the reporting year 2022 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.

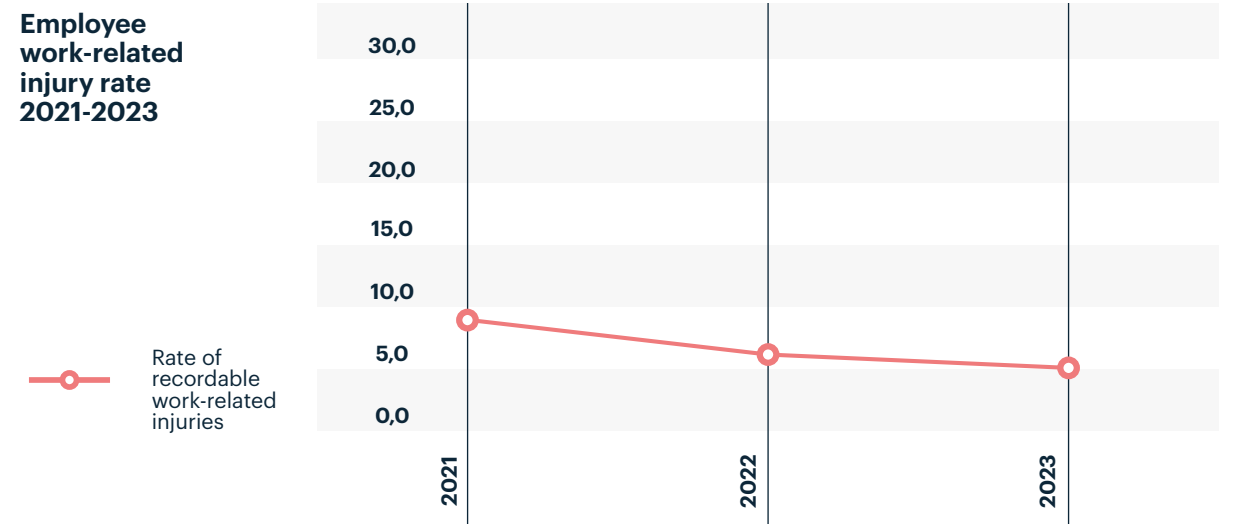


**Work-related injuries of non-employee workers, but whose work and/or place of work is under the control of the company**

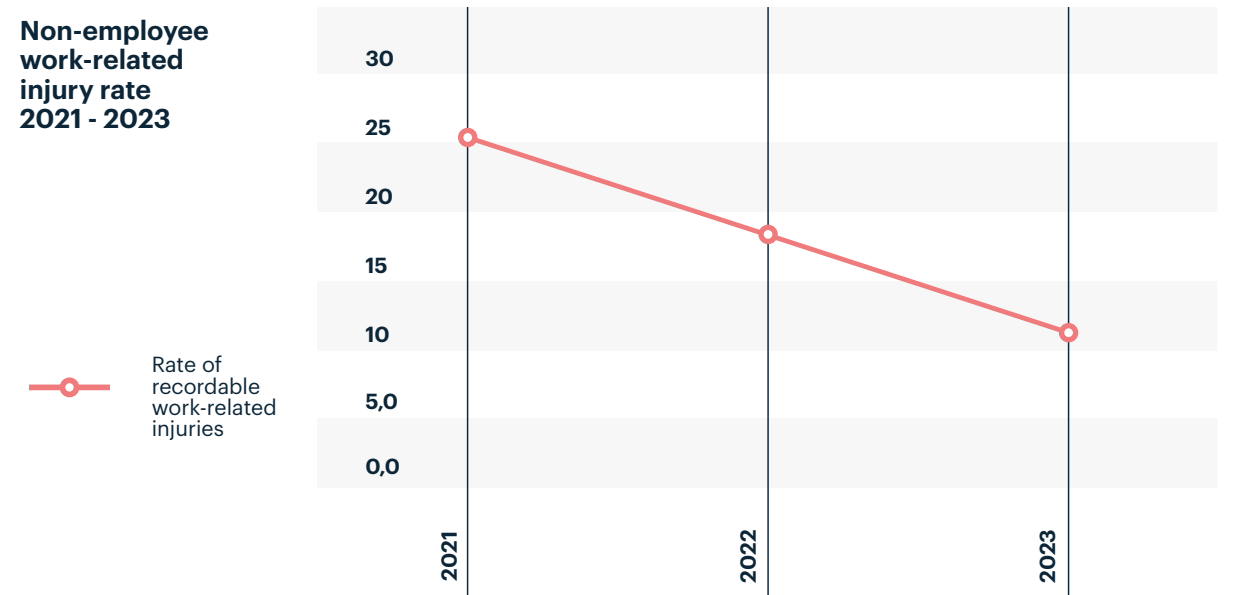
	2021	2022	2023
Hours worked (employees)	309.223	428.213	344.336
Total number of work-related injuries (recorded, including deaths)	8	8	4
of which injuries as a result of commuting incidents (only if transport was organised by the company)	0	0	0
Total number of work-related injuries with serious consequences (>6 months of absence), excluding deaths	0	0	0
of which number of deaths	0	0	0
<b>Rate of recordable work-related injuries</b>	<b>25,87</b>	<b>18,68</b>	<b>11,62</b>
Rate of work-related injuries with serious consequences	0,00	0,00	0,00
<b>Rate of deaths</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>



**Employee work-related injury rate 2021-2023**



**Non-employee work-related injury rate 2021 - 2023**







9.  
SUPPLIERS AND  
PARTNERS:  
A RELATIONSHIP  
BASED ON TRUST

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# 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".

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. In this context, too, Beretta supports its suppliers to ensure that they all com-

**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-standing and well-established relationships, Beretta has always worked collaboratively with these companies, aware of the fact that the growth and well-

ply with current Public Security laws, helping them to obtain licenses and correctly manage the necessary documentation.

Over the last 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 has given suppliers full access to information on its needs thanks to a digital portal on which orders and future forecasts are shared, 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 a responsible and integral part of the continuous improvement process.

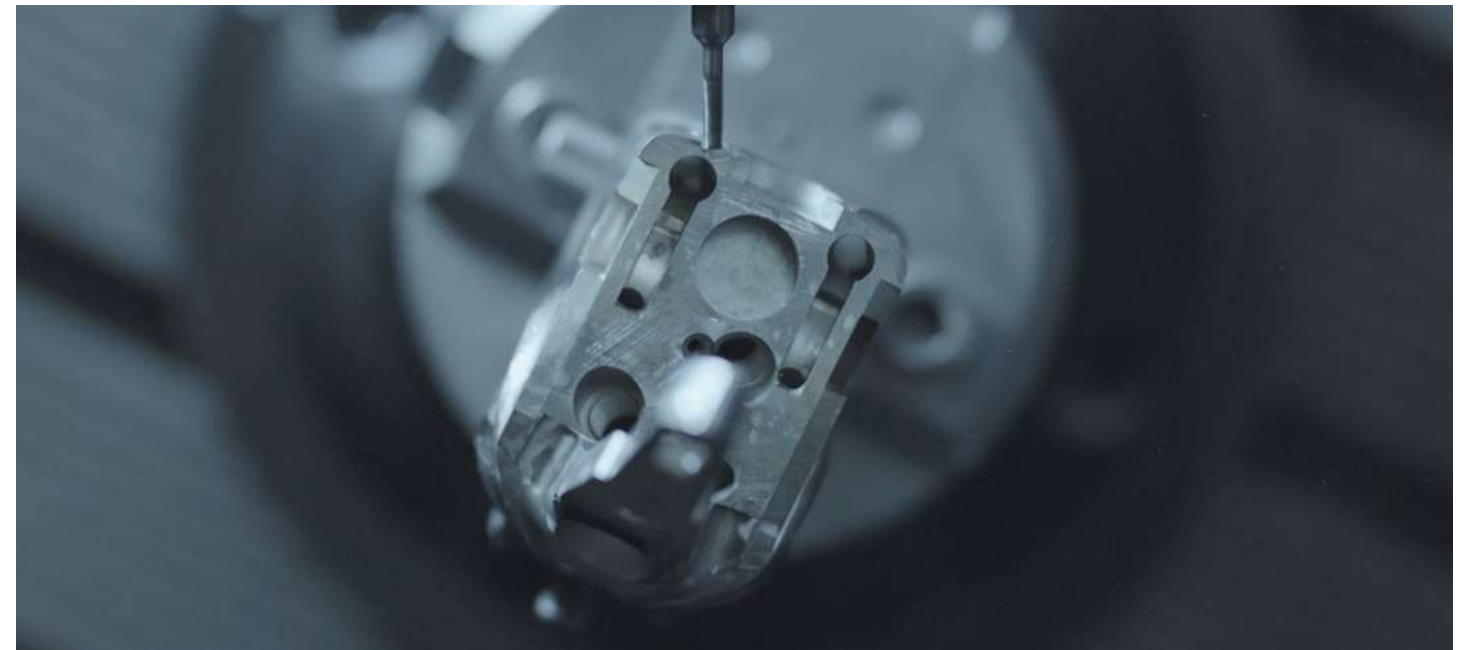
As far as quality is concerned, in the context of risk mitigation, the rules of engagement are defined in a fundamental document referred to in every contract or purchase order: the Supply Quality Specifications, which regulate all the stages at which the supplier interacts with the company.

The organisational aspect is also important. This is why Beretta has equipped itself with professionals dedicated to the growth and development of suppliers: Supplier Quality Engineers and Supplier Development Engineers. They represent the technical and qualitative interface between the company and

suppliers. Alongside suppliers, these professional figures are involved in all activities concerning the development of new production processes, their control, quality planning and continuous improvement.

The work that Supplier Quality Engineers and Supplier Development Engineers carry out together with the supplier's personnel supports their growth and constant development, with a view to respecting the stringent quality requirements demanded of Beretta products. The improvement actions undertaken are monitored through specific performance indicators, with the results shared with all the main partners. This continuous dialogue with suppliers has allowed a successful transition from component quality control to process control: an organisation-wide optimization considered essential by Beretta.

By making appropriate technological investments and revising the company layout, Beretta makes available large spaces at the company to some strategic suppliers. This means they can enter operationally within the company boundaries, cutting





### Location of Beretta suppliers



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.

Another element considered of great importance in the relationship between Beretta and its suppliers

is Supplier Day, an annual meeting that entails a full day dedicated to dialogue between the company and its key partners.

Supplier Day is a privileged moment of communication and discussion, during which experiences, results, and future expectations are shared.

### 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 it 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, while remaining attentive to any potential opportunities. 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 ISO 9001, ISO 14001, and ISO 45001 standards, Fabbrica d'Armi Pietro Beretta has established a procedure for the evaluation of suppliers deemed relevant in terms of health, safety and environment based on the activities they carry out within the plant.

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 se-



rious 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, including Legislative Decree No 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 promoted a further initiative to strengthen its collaboration with its partners by selecting 17 Lombardy suppliers representing different stages of the Value-Chain, with whom a partnership agreement was signed. All this has made it possible to seize the opportunity offered by an initiative promoted by the Lombardy Region, whi-



New suppliers assessed using environmental and social criteria				
Type	Unit of measurement	2021	2022	2023
Total number of new suppliers	n.	3	2	7
Number of new suppliers assessed using environmental and social criteria	n.	3	2	7
<b>Percentage of new suppliers assessed using environmental and social criteria</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Proportion of spending on local suppliers (€)			
Procurement budget	2021	2022	2023
Italian suppliers	133.615.131	194.764.773	175.876.004
Foreign suppliers	32.907.134	26.294.199	35.943.076
<b>Total purchases</b>	<b>166.522.265</b>	<b>221.058.972</b>	<b>211.819.080</b>
<b>Purchase ratio (Italy)</b>	<b>80%</b>	<b>88%</b>	<b>83%</b>

ch involves the publication of calls for tenders for the development of Lombardy's supply chains. Together with its main local partners, Beretta has been recognised by the Lombardy Region as part of the "Sporting Arms Supply Chain".

This recognition will enable participation in upcoming calls for tenders related to the development of initiatives concerning: Cybersecurity, process digitisation, Sustainability, personnel development and logistics integration. In this context, at the end of 2022, the "Sporting Arms Supply Chain" received approval for its first project under the 'Lombardy 2022 Call for Innovation in Processes and Organisation of Production and Service Chains and Industrial and Economic Ecosystems'.

The project was developed and completed in the course of 2023, and it unfolded along the following main lines: a Cybersecurity path designed and implemented specifically for the "Sporting Arms Supply Chain"; investments in the digitalisation of company processes, Cloud Computing, hardware and software infrastructure (each partner in the supply chain conducted these investments based on their own development project).

The Cybersecurity path was designed and conducted in collaboration with a partner specialised in this discipline, with the following objectives: to conduct an assessment of the level of "cyber resilience" of the partner companies in the supply chain, and to work on awareness and prepared-

ness of individuals regarding Cybersecurity issues. The activities were then divided into three distinct types of intervention: an on-site assessment of the IT system of the supply chain partners, a Vulnerability Assessment, and an online training project. The assessment was conducted following a CIS standard derived from NIST recommendations and was adapted to the individual realities based on their size and structure.

The Vulnerability Assessment and the Phishing Test aimed to identify any serious vulnerabilities within the companies' IT systems and to verify the actual awareness and preparedness of individuals regarding Cybersecurity issues. Lastly, based on the results gathered from the assessment, specially created and scheduled online training sessions were held to complete individuals' training and make the work performed useful to the overall process to improve the security level of the companies' IT systems. Further initiatives will be launched concurrently with the publication of the next regional

calls for tenders for supply chains. In the field of Sustainability, in 2023 Beretta engaged some of its suppliers in a strategic initiative for the entire supply chain: the calculation of the product's carbon footprint. To do this, a data collection method related to environmental impact was structured, allowing the Company to calculate their contribution to the product's carbon footprint.

Alongside its suppliers of components and materials destined for the product's bill of materials, in 2024 Beretta will continue to delve into topics such as Cybersecurity and Sustainability.

An effort that will be mainly focused on increasing suppliers' awareness and sensitivity to these two central themes for the continuity and competitiveness of the entire supply chain. Cybersecurity and sustainability will then be integrated into a Beretta procedure for qualifying and rating suppliers, as two fundamental guidelines in maintaining and developing a lasting partnership.



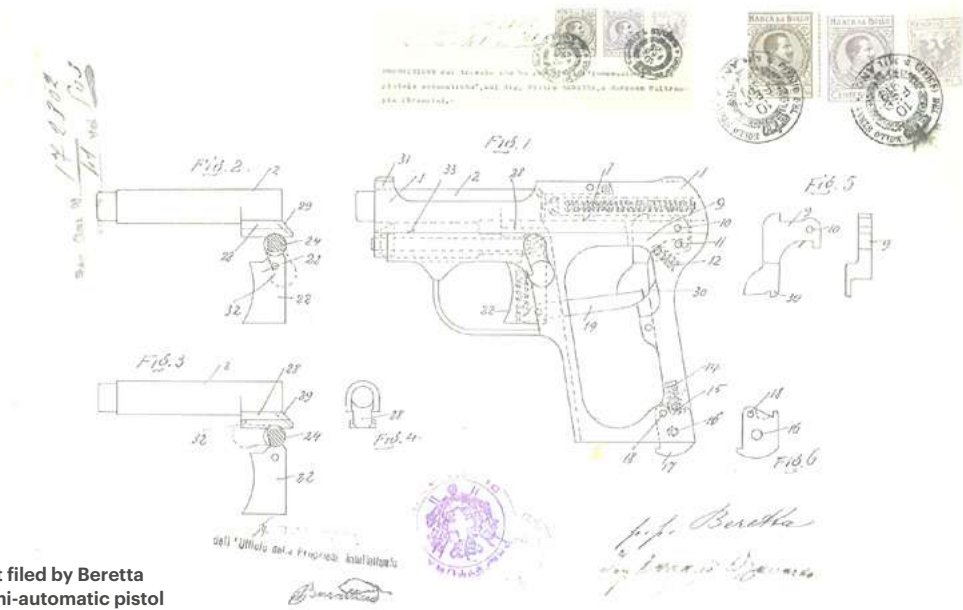




# 10. DESIGN AND INNOVATION



# 10. DESIGN AND INNOVATION



The first patent filed by Beretta concerns a semi-automatic pistol

## 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 goal is achieved by ensuring the growth of all collaborators 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 220 active patents and extensions, out of a total of over 1,400 filed throughout its history, Beretta's R&D plays a central role in its various innovation processes, relying on highly advanced computerized design and simulation systems. All our research and development activities are inter-

nal - 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.

The development of new product platforms and generational change has required the integration of new resources in R&D to ensure advances in know-how, new skills, and attention to the digital evolution of work. Training and induction programmes, along with a work environment that encourages sharing, are fundamental elements in ensuring the development of human resources, a strategic factor for the company's prosperity.

## 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 organisational model, geared towards the constant improvement of products and services, operational excellence and environmental and energy Sustainability.

### In 2022, the Innovation Board was established.

This organisational model is based on a concept of pervasive innovation where the challenge of renewal is spread throughout the entire organization. Instead of creating a specific role tasked with defining and developing innovation, the Company has made an explicit and conscious choice, the aim of which is to make innovation a widespread, effecti-

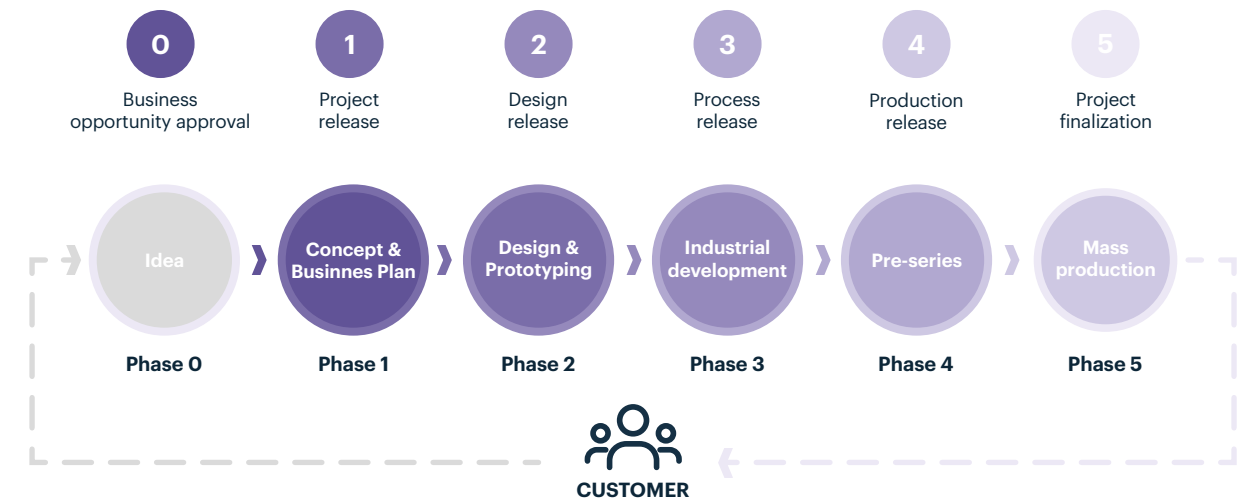
ve, autonomous and stable distributed process, strongly inspired by and aimed at creating value for the Customer, as well as supported by process expertise as well as technological expertise.

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 role of an Innovation Manager has also been

## Process of advancement, approval and release of a product







introduced, with the task of facilitating and promoting the innovation process and coordinating various initiatives.

During 2023, the Innovation Board met twice to provide input and suggestions on how Artificial Intelligence in its various forms can be applied to different areas of the company.

In particular, it was deemed necessary to set up a team to ensure the integration of the working groups involved in the application of Artificial In-

telligence at various levels within the company. The team's tasks include monitoring the market for available solutions and supporting data management. The group ensures that solutions effectively integrate with the company's digital system, fosters and disseminates a culture of Artificial Intelligence within the company, scouts start-ups and explores technological accelerators.

To ensure the pervasiveness of innovation initiatives, the team does not implement projects nor decide which proposals to carry out.

### 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 in the coming years is to eliminate the use of

hexavalent 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. The project took shape in

2021 with an exploratory phase aimed at evaluating the technical solution of depositing a DLC (Diamond-Like Carbon) coating to replace hexavalent chromium, through application tests and subsequent experimental tests in 2022.

In 2023, a pilot plant capable of producing five barrels simultaneously was built in order to assess the possibility of industrializing the process. Another significant example concerns the use of ammuni-

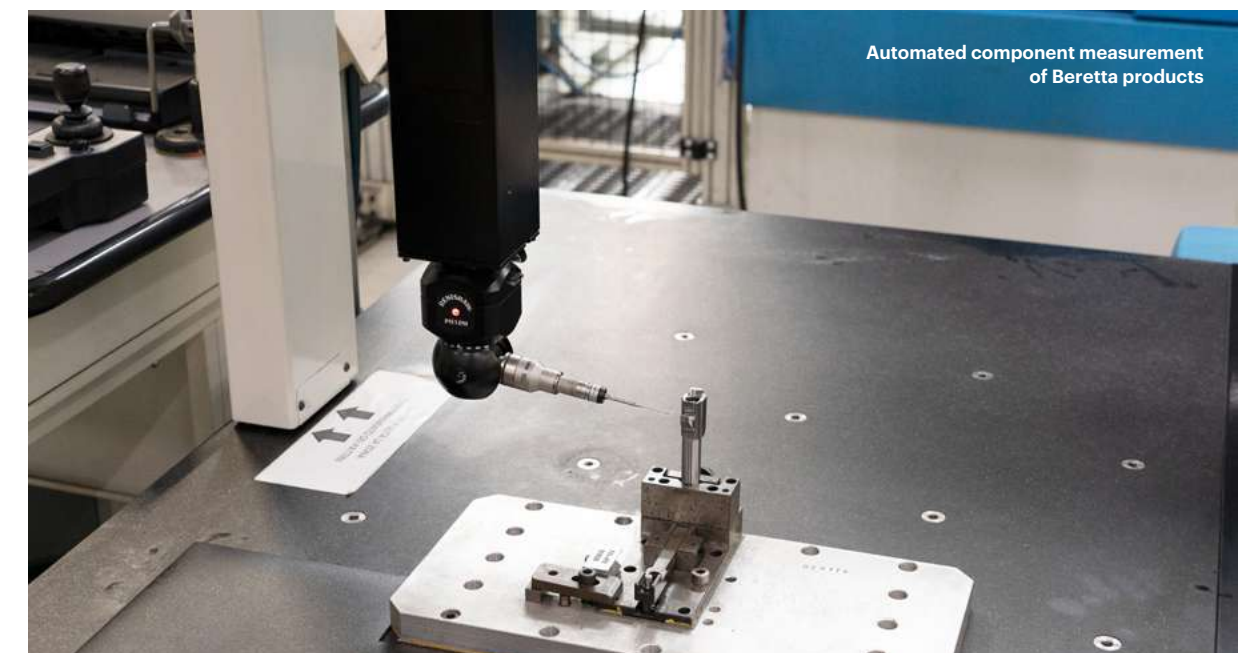
and the end Customer. In this context, Beretta has the task of ensuring that the end Customer can continue to practice their sport to the best of their ability, providing an adequate tool, aware that different ammunition creates a different feeling with the weapon for its user.

This is why we focus on research and development in order to find the best solution to offer to our customers, working directly with ammu-

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

tion containing lead shot, which will be progressively replaced with 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

munition manufacturers to adapt and optimise our weapons to the new conditions of use, also considering the new expertise of the Beretta Holding group with the acquisition of the ammunition division from Ruag Ammotec.





#### 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.

Over the past few years, there has been a growing emphasis on meeting the promised launch date of new products, as their lifespan has decreased and competition has intensified. Therefore, managing the timing of the product portfolio has become as much of a priority as the development of new features and controlling variable costs. To meet these needs, the R&D department has equipped itself with integrated planning tools to manage the complexities created by a large number of concurrent projects and the need to coordinate the various

organisational units involved in the development activities of a new product.

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



# 220

Active patents and extensions

activity, there is the continuous contact with lead, which requires the operators to undertake regular checks of the levels of this element 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.

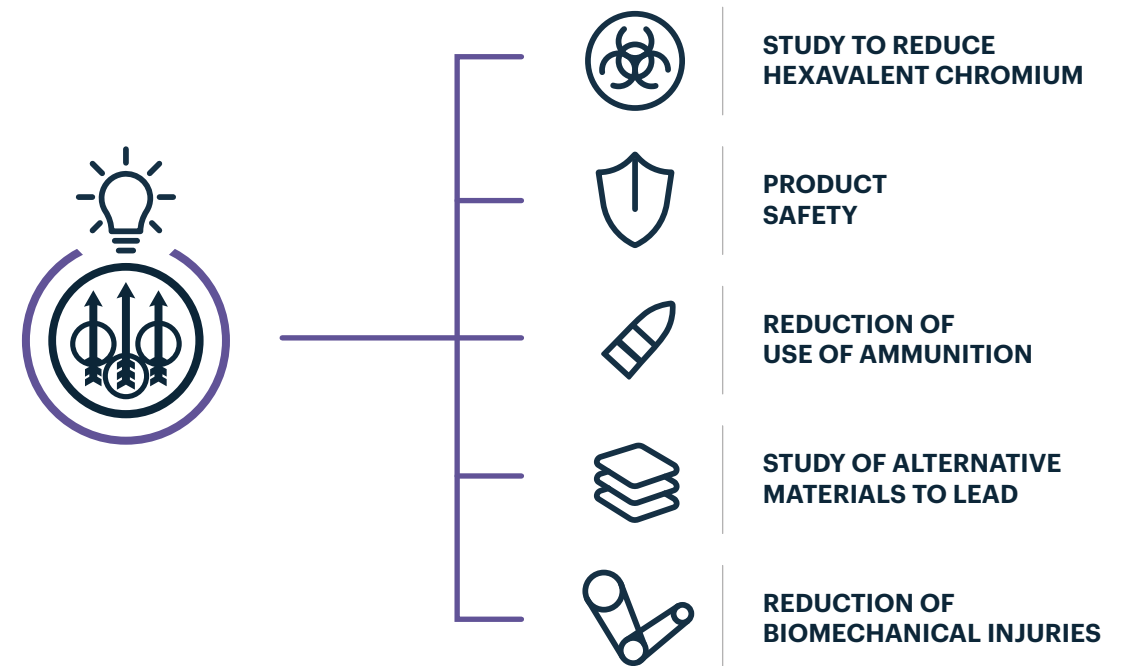
With a view to increasing sustainability on a human scale, digitization has meant we no longer need to build prototypes.

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

A first example is digital modelling, which, through the software for numerical calculation, allows us to construct virtual prototypes of the product, simulating the operating conditions of the 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.

Since the early 1990s, Beretta has invested in the development of numerical simulation to improve product performance and reduce trial-and-error

#### Innovations in the production and testing process for Beretta products



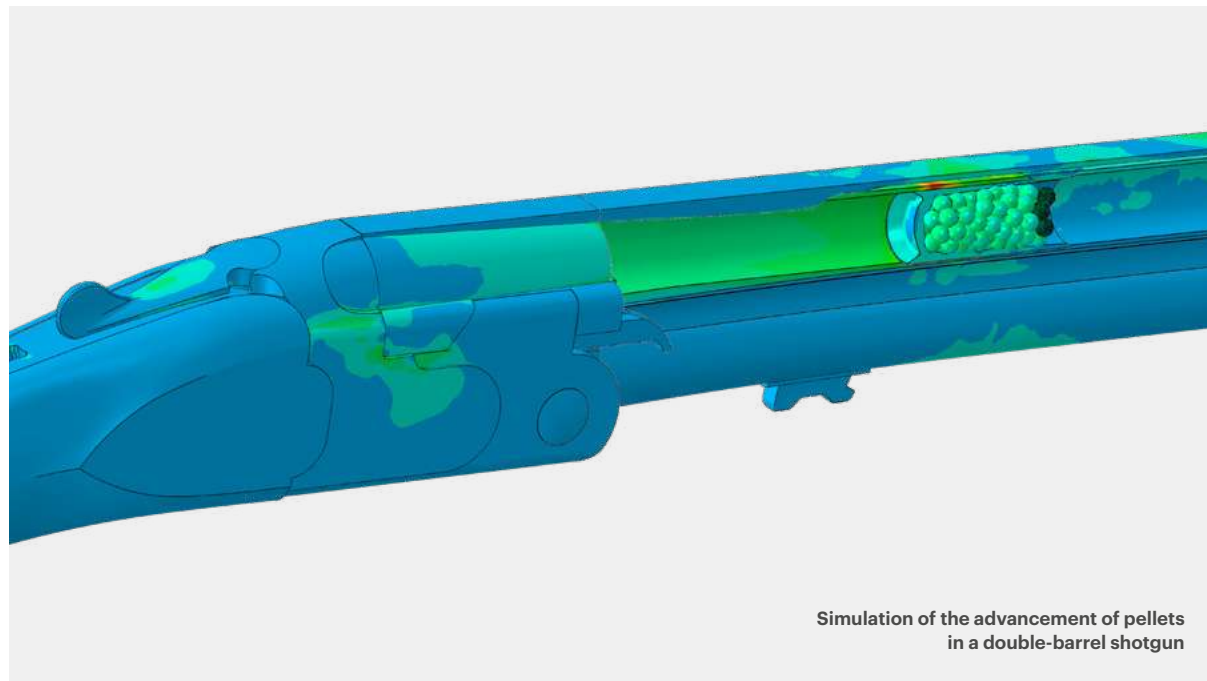


iterations during the development phase. Numerical simulation began with static stress analysis and, combined with increased computing power, has evolved over the years to simulate dynamic phenomena in firearm mechanisms.

Recently, numerical simulation of propellant combustion and fluid dynamics has been added with the help of the University of Brescia and thanks to

software developments implemented by our partner Siemens (StarCCM+). The latest developments in simulation have focused on the evolution of co-simulation skills (fluid dynamics and structural dynamics), a new frontier in product behaviour analysis. In order to perform increasingly accurate simulations of complex phenomena, in 2023 Beretta acquired a new server with the aim of making the calculation time of numerical simulations 5

### Benefits of firing simulation



Simulation of the advancement of pellets in a double-barrel shotgun

times quicker and the post-processing time (performed manually by the engineering analysts) 6 times quicker. A second area of innovation, aimed at alleviating 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.

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 wea-

pon. 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.

The latest bench recently acquired makes it possible to achieve momentum and power similar to what is generated during the firing of high-gauge 12 calibre ammunition. As already mentioned, another field of research related to workers' health concerns the reduction of biomechanical load.

This is one of the fundamental strategic initiatives of the 2023-2026 strategic plan and aims to identify projects and development actions to improve the ergonomics of various workstations, by reducing the biomechanical loads to which workers are subjected, thus drastically reducing the risk of diseases caused by the repetitiveness of certain manual operations.



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 what is carried out in-house. Collaboration with research centres, start-ups, young researchers and Universities has led to various initiatives partly funded by national and regional institutions.

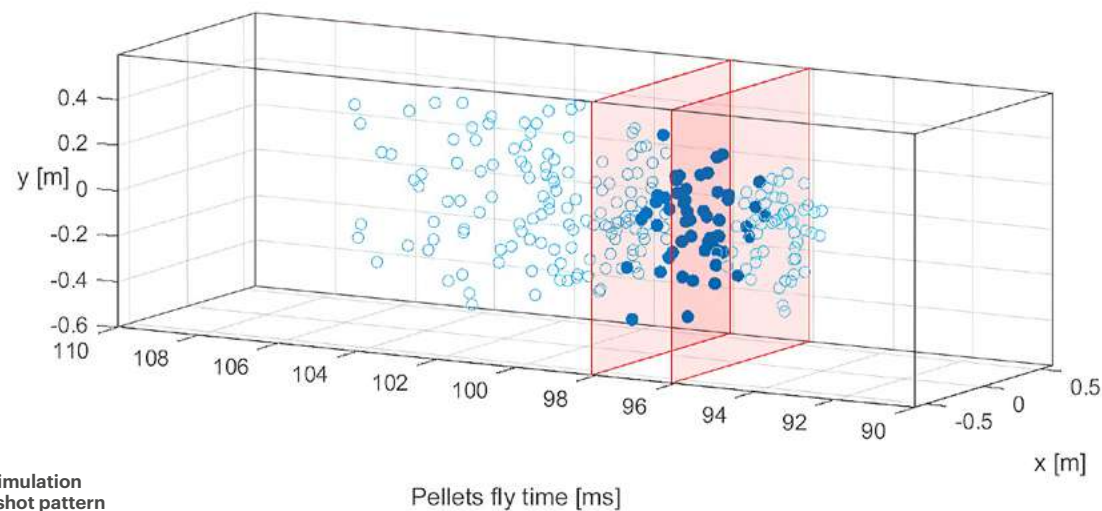
In the field of environmental Sustainability, Beretta gives ample space to collaborations with universities and research centres. For example, work was carried out in collaboration with the University of Brescia and Politecnico di Milano to evaluate the effects of using steel shot as a substitute for lead on

the shooter's feeling when firing and on the effects in terms of breaking targets, as well as on their reusability in a circular economy perspective.

To better characterise the terminal ballistics of pellets, especially with respect to moving targets, Beretta has developed an innovative method to detect the 3D position of each individual pellet at the time of impact, allowing a transition from a planar analysis of the shot pattern, typical of plate tests, to a 3D evaluation.

This method is based on modern computer vision technologies and the latest high-speed recording technologies. The methodology developed also makes it possible to estimate the average velocity of each individual pellet and to determine its energy contribution to the target.

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.



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

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.

In particular, one project funded by the Ministry of Economic Development developed the concept underlying the I-Protect project, an integrated system that uses data from different devices supplied to the operator (weapon, phone, body cam) to enable the police operations centre to manage the various situations that arise in policing contexts.

Within the framework of optimising the management of firearms provided to professional clients, Beretta is developing electronic automatic shot counting systems, based on machine learning algorithms, as well as software for efficient armoury asset management.

Machine learning techniques are also under development for automatically monitoring the behaviour of dynamic product testing benches, in order to automatically detect the appearance of anomalies during testing activities and halt the tests at the



first sign of issues, relieving the operator from the need to continuously oversee the test. 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 aims to be an immersive training platform where the trainee, using modern pass-through technology visors, engages with both real and virtual targets in a mixed real and virtual space, and colla-

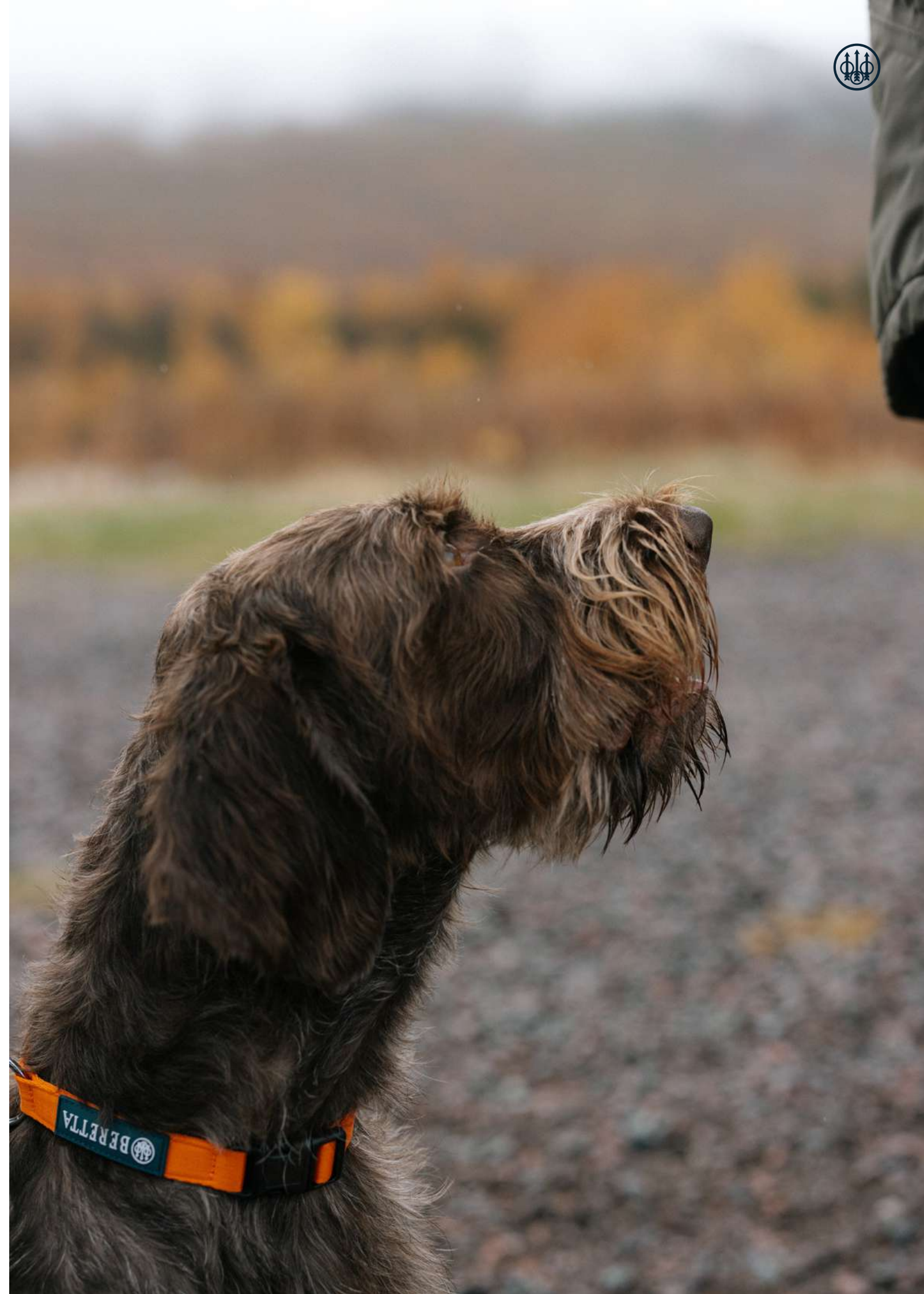
borates with physical and digital team mates. The system will be able to replicate the sensations associated with firing, such as noise, shockwave and recoil of the weapon, so that the trainee can experience the same feelings as in a real situation and can train effectively, without physically firing and therefore without consuming ammunition and posing any risk to the safety of people and property.

**3**

Partner Universities

**83**

Collaborators engaged in R&amp;D







# 11. LOOKING AHEAD

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# 11. LOOKING AHEAD

**Beretta has always been far-sighted. Looking ahead to the world of the future. A world in which Sustainability, together with digitisation, 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 proven 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 coordinating the resources that will be made avail-

able through the Recovery Fund, especially regarding digitisation, 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

By 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. The modern hunter is capable of becoming a true ambassador of sustainable hunting, taking care of

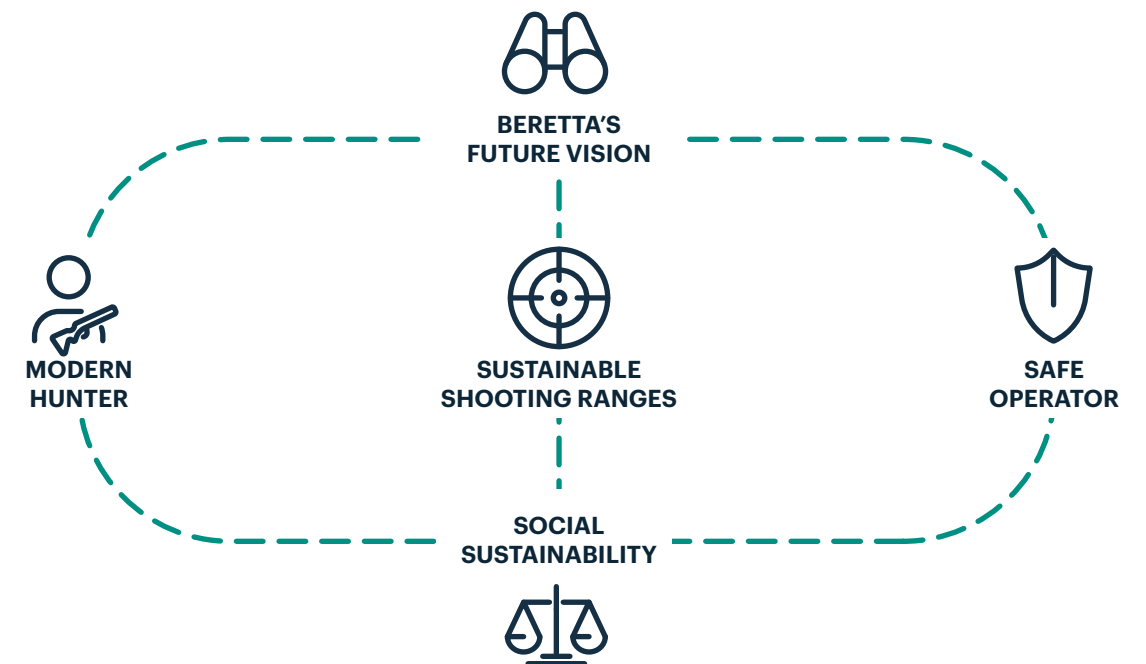
cleaning woodland and paths as well as the conservation and monitoring of game and its areas of repopulation.

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 the Company





## 11.2 SUSTAINABILITY IN SHOOTING RANGES AND SPORT SHOOTING

A significant proportion of the company's stakeholders are involved in the sport of clay shooting, and one of Beretta's priorities is 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 shot 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. Still in the area of sport shooting, the company is committed to removing architectural barriers on

shooting ranges and encourages this practice aimed at athletes with disabilities through the Beretta Paratrap Team, whose members are ensured 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 our "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 SAFE AND MODERN OPERATORS

Innovation is the watchword of Beretta's continuing activity with the Armed Forces and Police Forces in Italy and worldwide. Defence and Public Order are sectors that provide 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 products that are reliable, safe and 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 demands, current and future, of a modern national Public Security service. 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 AN INCREASINGLY DIGITAL WORLD

The process of digitisation 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 technology as a competitive factor on the market. Even a historic metalworking



and manufacturing company has to develop a new backbone based on digital technology, technological advances 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.

why Beretta works every day to provide all B2B customers with continuous support and preparation that goes even further towards fulfilling this “new” duty in the best way possible.

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 outdo-

## We are well aware that the future is already here. We are aware that the words Sustainability and environment will increasingly be central to every project, process and strategy

At Beretta, this phenomenon affects all company sectors in its various forms: R&D, production, quality control, logistics, sales, after-sales, human resources and, of course, marketing. Digitisation helps you to get to know your customer better, to develop products that are increasingly customised and enable targeted and direct communication.

The company considers all its stakeholders to be fundamental: in the future multichannel world of Beretta, digitisation 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

or 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.

In terms of services, 2023 saw the launch of the I.B.R.A. project, which stands for: Innovative Beretta Retail Approach. It is an innovative way to represent the customer experience in stores. Starting from the omnichannel strategy of the NOW model, we have developed a new range of Customer-tailored services, through an attentive training policy and a new concept of product display.







# METHODOLOGY NOTE

The present document voluntarily transposes the requirements of Legislative Decree No 254 of 2016 regarding 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 2023 and includes data from 2021 and 2022 in order to compare the company's performance over time. The reporting period of the Sustainability Report is the same as 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 8 June 2024.

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 is the same as 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 2023 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 2023 involved the company management and the main functions they coordinate. In order to ensure the quality of the information provided, the report followed the GRI framework principles of Sustainability, completeness, accuracy, balance, clarity, comparability, timeliness and verifiability.

## 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 01.01.2023 - 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
<b>General disclosures</b>		
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 Promotion of a work-life balance and philanthropy (83-91)
	2-8 Workers who are not employees	8.5 Promotion of a work-life balance and philanthropy (83-91)
	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 CEO & General Manager (6-9); 5.2 The prosperity of the company and the territory (42)	
2-24 Embedding policy commitments	2. Introduction by the CEO & General Manager (6-9); 5.2 The prosperity of the company and the territory (42); 7.2 Always the best available techniques (59); 8.3 Safety at work (80); 9.2 The future is already here (96-99)	
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 Promotion of a work-life balance and philanthropy (83-91)	
<b>Material topics</b>		
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 (96-99)

**Anti-corruption**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the CEO & General Manager (6- 9)
GRI 205: Anti-corruption 2016	205-3: Confirmed incidents of corruption and actions taken	2. Introduction by the CEO & General Manager (6- 9)

**Materials**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.4 Reducing raw material consumption and waste production (61-62)
GRI 301: Materials 2016	301-1: Materials used by weight or volume	7.8 No slogans, just hard data (66-70)

**Energy**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.6 Reducing emissions (64); 7.7 Attention to detail also thinking about the environment (66)
GRI 302: Energy 2016	GRI 302-1: Energy consumption within the organization	7.8 No slogans, just hard data (66-70)

**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	7.8 No slogans, just hard data (66-70)

**Emissions**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.6 Reducing emissions (64); 7.7 Attention to detail also thinking about the environment (66)
GRI 305: Emissions 2016	GRI 305-1: Direct (Scope 1) GHG emissions	7.8 No slogans, just hard data (66-70)
	GRI 305-2: Energy indirect (Scope 2) GHG emissions	7.8 No slogans, just hard data (66-70)

**Waste**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	7.4 Reducing raw material consumption and waste production (61-62)
GRI 306: Waste 2020	GRI 306-1: Waste generation and significant waste-related impacts	7.4 Reducing raw material consumption and waste production (61-62)
	GRI 306-2: Management of significant waste-related impacts	7.4 Reducing raw material consumption and waste production (61-62)
	GRI 306-3: Waste generated	7.8 No slogans, just hard data (66-70)

**Supplier environmental assessment**

GRI 3: Material topics 2021	3-1: Process to determine material topics	7.8 No slogans, just hard data (66-70); 9. Suppliers and partners: a relationship based on trust (94-99)
GRI 308: Supplier environmental assessment 2016	GRI 308-1: New suppliers that were screened using environmental criteria	9.2 The future is already here (96-99)

**Employment**

GRI 3: Material topics 2021	3-1: Process to determine material topics	8.4 The working environment (81); 8.5 Promotion of a work-life balance and philanthropy (83- 91)
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	8.5 Promotion of a work-life balance and philanthropy (83- 91)

**Occupational health and safety**

GRI 3: Material topics 2021	3-1: Process to determine material topics	8.1 Individual health comes first (75-76); 8.3 Safety at Work (80)
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GRI 403: Occupational health and safety 2018	GRI 403-1: Occupational health and safety management system	8.3 Safety at Work (80)
	GRI 403-2: Hazard identification, risk assessment and incident investigation	8.3 Safety at Work (80)
	GRI 403-3: Occupational health services	8.3 Safety at Work (80)
	GRI 403-4: Worker participation, consultation and communication on occupational health and safety	8.3 Safety at Work (80)
	GRI 403-5: Occupational health and safety training for workers	8.3 Safety at Work (80)
	GRI 403-6: Promotion of worker health	8.1 Individual health comes first (75-76); 8.3 Safety at Work (80)
	GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	8.3 Safety at Work (80); 9.2 The future is already here (96-99)
	GRI 403-8: Workers covered by an occupational health and safety management system	8.3 Safety at Work (80)
	GRI 403-9: Work-related injuries	8.5 Promotion of a work-life balance and philanthropy (83- 91)

**Training and education**

GRI 3: Material topics 2021	3-1: Process to determine material topics	8.2 Career growth and personal development (77-79)
GRI 404: Training and education 2016	GRI 404-1: Average hours of training per year per employee	8.5 Promotion of a work-life balance and philanthropy (83- 91)

**Diversity and equal opportunities**

GRI 3: Material topics 2021	3-1: Process to determine material topics	4.2 Beretta in numbers (30-37); 8.5 Promotion of a work-life balance and philanthropy (83- 91)
GRI 405: Diversity and equal opportunity 2016	GRI 405-1: Diversity of governance bodies and employees	4.2 Beretta in numbers (30-37); 8.5 Promotion of a work-life balance and philanthropy (83- 91)

**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 personal development (77-79)
GRI 406: Non-discrimination 2016	GRI 406-1: Incidents of discrimination and corrective actions taken	8.2 Career growth and personal development (77-79)

**Freedom of association and collective bargaining <sup>12</sup>**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (94-99)
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 <sup>12</sup>**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (94-99)
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 <sup>12</sup>**

GRI 3: Material topics 2021	GRI 3-3: Management of material topics	9. Suppliers and partners: a relationship based on trust (94-99)
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 (94-99)
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GRI 414: Supplier social assessment	GRI 414-1: New suppliers that were screened using social criteria	9.2 The future is already here (96-99)
<b>Public policy</b>		
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)
<b>Health and safety</b>		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the CEO & 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 CEO & General Manager (6- 9)
<b>Customer privacy</b>		
GRI 3: Material topics 2021	GRI 3-3: Management of material topics	2. Introduction by the CEO & 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 CEO & General Manager (6- 9)

12. 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 standardise the various energy sources, we used the conversion factors published in the table of national standard parameters "Coefficients used for the inventory of CO<sub>2</sub> emissions in the national inventory UNFCCC" for the years 2021, 2022 and 2023 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 CO<sub>2</sub> 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 energy indirect (Scope 2) emissions, the electricity consumption was converted according to the Location-based and Market-based approach using the following sources for the emission factors.
- For the Location-based approach, calculated based on the percentage composition of the national mix, we used the factor reported in the document 'Confronti internazionali Terna su dati Enerdata' (Terna International Comparisons using Enerdata data) for 2021 and 2022. For 2023, we used the emission factor reported by the European Environment Agency (EEA) for Italy. The total emissions are expressed in CO<sub>2</sub>eq despite the fact that the Scope 2 emissions calculated using the Location-based method derived from electricity consumption are expressed in CO<sub>2</sub>, as the portion attributable to CH<sub>4</sub> and N<sub>2</sub>O gases is not 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 2019 for 2021 and 2022; European Environment Agency (EEA) for 2023
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 plastic used in the products in the year 2023 was calculated by multiplying the weight of the material in the bill of materials by the quantities produced.
- 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 m<sup>3</sup>.

#### 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 organisation during the same period, multiplied by 1,000,000.

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

**For any information relating to the Fabbrica d'Armi Sustainability Report 2023, please contact us at:**

- andrea.molinari@beretta.com
- alessandro.acerbis@beretta.com

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