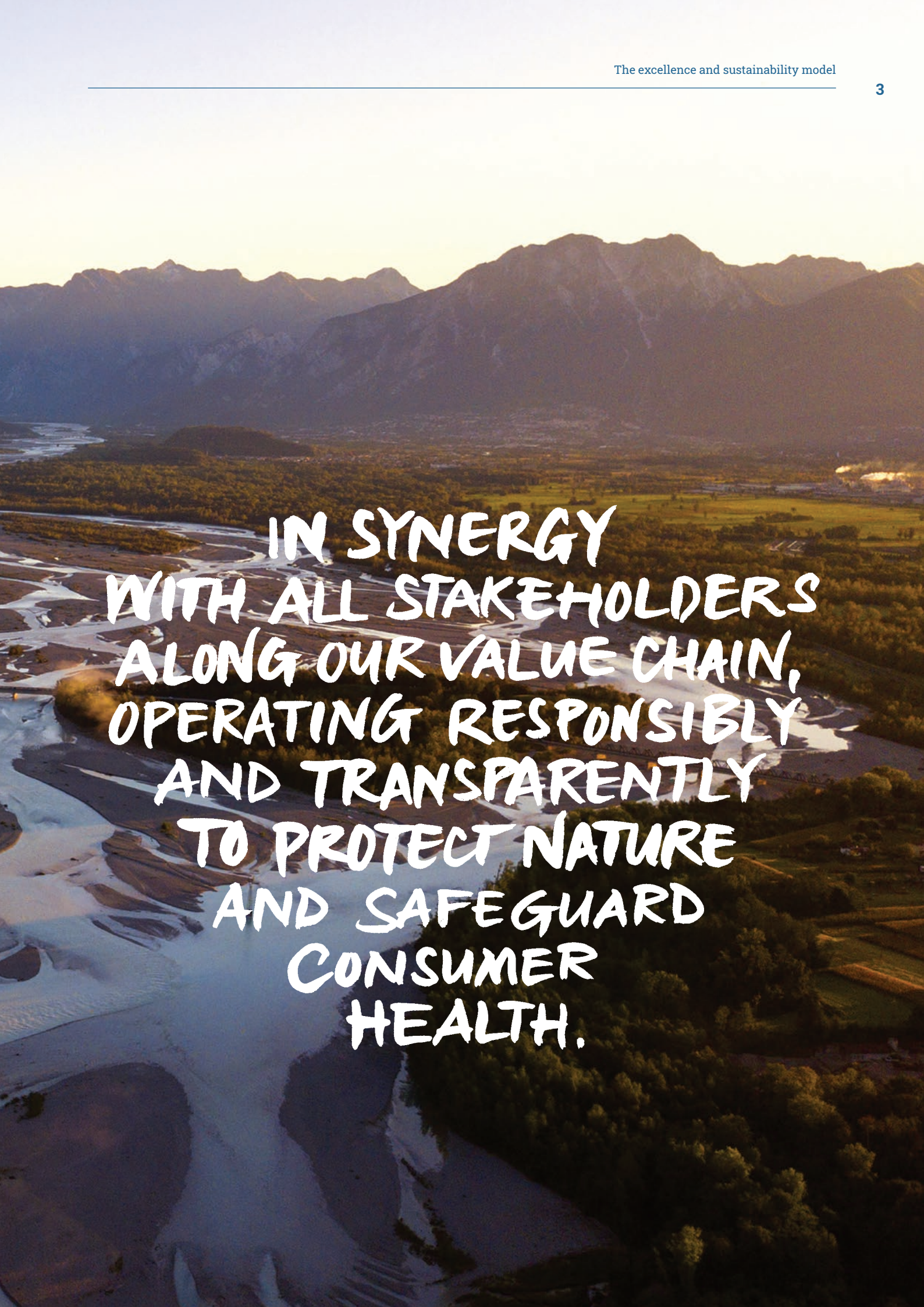
BEYOND EXCELLENCE

A SUSTAINABLE SAN DANIELE CONSORTIUM

The Excellence and Sustainability model of the Prosciutto di San Daniele Consortium

ASPIRING
TO EXCELLENCE


IN SYNERGY
WITH ALL STAKEHOLDERS
ALONG OUR VALUE CHAIN,
OPERATING RESPONSIBLY
AND TRANSPARENTLY
TO PROTECT NATURE
AND SAFEGUARD
CONSUMER
HEALTH.

Ever since its foundation in 1961, the Prosciutto di San Daniele Consortium has instinctively and naturally focused on excellence and sustainability, placing these aspects at the heart of its mission. Sustainability has, in fact, played a key role throughout the history of the Consortium, founded by a group of citizens from San Daniele as a means of protecting and regulating the local production of prosciutto, at that time already considered to be the community's heritage.

For us, **sustainability** means improving steadily to achieve a more efficient and responsible management of the PDO value chain, the production of San Daniele prosciutto, and its presence on the market.

The notion of "community" therefore deeply characterises our approach to sustainability, even today: respect for Nature and its cycles; care for the environment; a work ethic in economic relationships and partnerships that goes beyond the limits of its "region of origin". Concepts such as the "supply chain" and "value chain" become elements of strength and sharing within the production system and, therefore, are also an asset for the community as a whole, always grounded in its historical traditions but with a keen eye on the future.

Combined with other factors, these are all key values that make our prosciutto ever more sustainable: a rigorous approach and reliability underpinned by the continuous implementation of advanced process management and control systems; strict rules and transparency, with the recent changes to the PDO Production Specifications; innovation and traceability, supported by IT control systems for the serial number on the back of every pre-sliced pack of San Daniele prosciutto; reduced environmental impacts in our production area, with over 3,600 tons of recycled salt and efficient waste management; and continuous research into what constitutes a healthy and balanced diet.

Our Excellence and Sustainability Model is a deliberate and mindful acknowledgement of the status that the San Daniele Consortium has been able to achieve by combining natural and environmental elements with human experience and expertise in managing our activities. For us, sustainability means improving steadily to achieve a more efficient and responsible management of the PDO value chain, the production of San Daniele prosciutto, and its presence on the market. **This Sustainability Document is clearly not intended to act as a starting point, but rather as a snapshot of over sixty years of activity and projects that have always been carried out in a sustainable manner.** The Consortium is now focused on its own future, positioning itself as an agent of change and a facilitator of innovative projects, in order to strengthen the entire value chain. Sharing our commitments and our sustainability model is the first step in actively engaging all stakeholders and in developing and promoting new projects.

President
Giuseppe Villani

Director General
Mario Emilio Cichetti

The Consortium members

A&B Prosciutti

Agricola Tre Valli

Alberti
"La Casa del prosciutto"

Arbea

Dok Dall'Ava

Eli Prosciutti

Filiera Uno Prosciutti

Framon

Grandi Salumifici Italiani

Io Prosciutto

King's

La Glacere

Leoncini Prosciutti

Levoni

Martelli il 27

Morgante

Nuova Mondial

Principe
di San Daniele

Prosciutti
Coradazzi

Prosciuttifici
Picaron

Prosciuttificio
Bagatto

Prosciuttificio Friulano
San Daniele

Prosciuttificio
Il Camarin

Prosciuttificio
Prolongo

Prosciuttificio
Zanini

Sanbon

Selva Alimentari

Testa & Molinaro

VALUE CHAIN
of Prosciutto di San Daniele PDO*

PORK PRODUCTION CHAIN

	1 LIVESTOCK FARMING	2 ABATTOIRS	
WHAT	Welfare of the animal, from birth to growth	Selection of fresh legs according to the PDO Production Specifications	Selection of meat for other PDOs/ products
WHO	3,851 farms	54 abattoirs	
WHERE	10 regions of Italy as defined in the PDO Production Specifications: Friuli Venezia Giulia, Veneto, Lombardy, Piedmont, Emilia Romagna, Tuscany, Lazio, Abruzzo, Marche, Umbria		

10

* PDO = Protected designation of origin

PROSCIUTTO DI SAN DANIELE PDO PRODUCTION CHAIN

3 PROSCIUTTO PRODUCTION PLANTS

Preparation, curing and branding with PDO certification

31 producers

9 slicing and packaging facilities

San Daniele del Friuli

exclusive area for production and slicing of prosciutto di San Daniele PDO

4 SALES & DISTRIBUTION

Your San Daniele prosciutto is ready to be savoured

Restaurants

Stores and delis

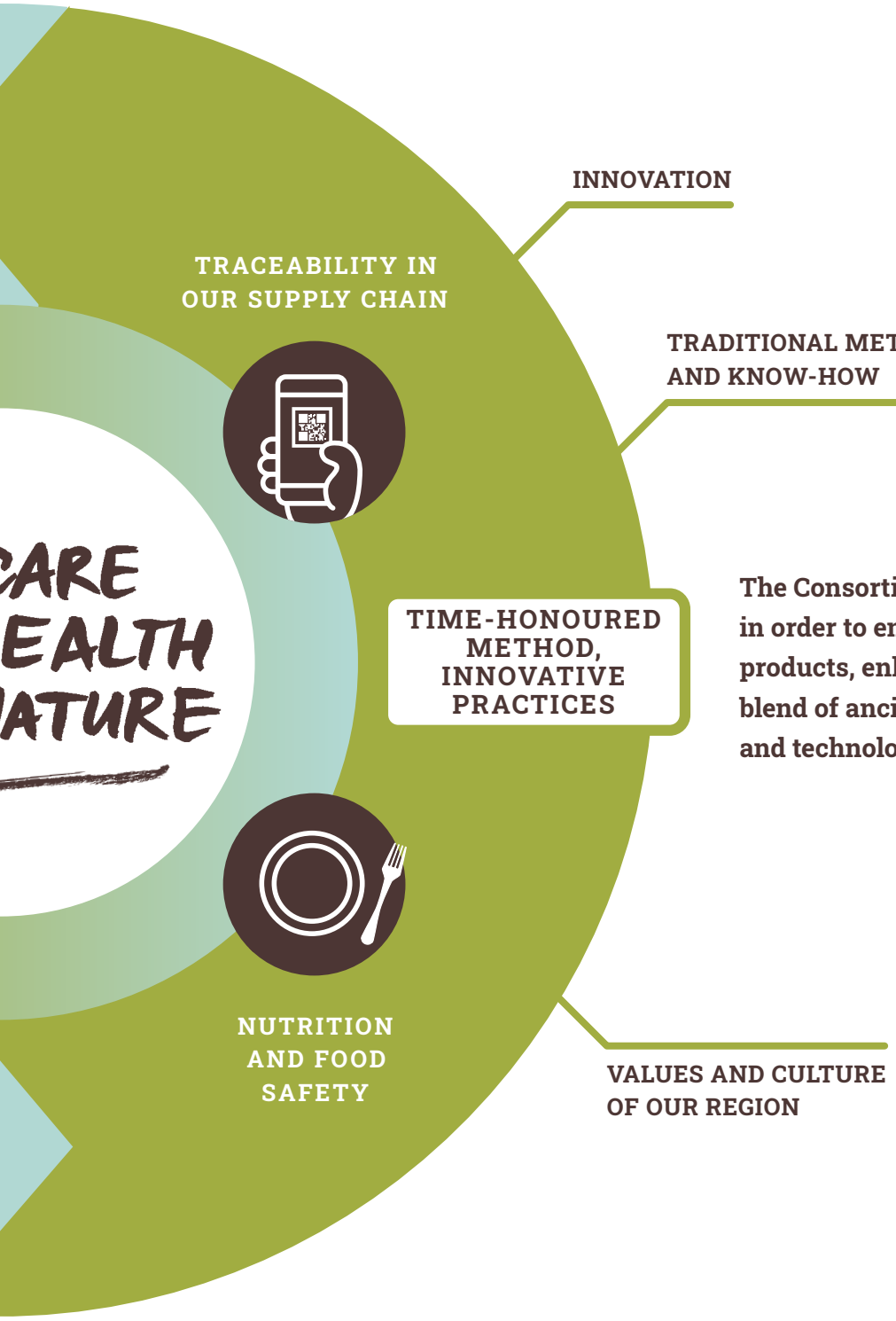
Supermarket chains

Wholesale distribution

Across Italy and around the world

The excellence and sustainability model of the Prosciutto di San Daniele Consortium

At the Prosciutto di San Daniele Consortium, our care for **health** and **Nature** is summarised in our excellence and sustainability model, which shows our ability to generate value across the entire production value chain. The model is built upon **two cross-cutting pillars** that reflect the Consortium's approach to business conduct and values and **four sustainability focus areas**, which define the responsibilities and activities we carry out to achieve an excellent product.



The Consortium pursues innovation in order to ensure high-quality products, enhanced by a powerful blend of ancient traditions and technological innovations.

The Consortium guarantees traceability along the value chain

> "78% of Italians say they feel reassured by the 100% Made in Italy certification.*"

As more people demand to know **where the food they eat comes from**, the food industry has to take on the responsibility of providing clear and comprehensive information about the different processes and actors involved along the production chain.

For over 20 years, the Prosciutto di San Daniele Consortium has been pursuing greater transparency and working to make information regarding the prosciutto production process readily available to all consumers, so that they can **be sure that they are buying an authentic, certified and transparent product.**

Information about the San Daniele PDO production chain is increasingly accessible, thanks to digitalised traceability systems that provide information to **guarantee the origin of raw materials at every processing stage,** in real time.

WHAT WE DO

The Prosciutto di San Daniele Consortium has established a **rigorous and certified system of product identification along its value chain**, which extends right up to the application of the certified PDO branding. Our role is to promote the proper application of the PDO Product Specifications and to ensure that there is no unlawful use of the trademark or name throughout the world. Activities along the production process and the application of our Product Specifications are certified by a third party, the **independent control body IFCQ Certificazioni Srl**, which is supervised by the Ministry of Agriculture, Food and Forestry Policies and accredited by Accredia, the National Accreditation Authority designated by the Italian government.

EXCELLENCE IN THE WAY WE WORK

- Monitoring activities, which are entrusted to **independent bodies** in compliance with the Consortium's Code of Ethics, guarantee and certify the application of the Product Specifications at every processing stage
- **Internal management tools** ensure the responsible management of the Consortium's activities and guarantee the reliability of its internal processes.

- Our **traceability system** is underpinned by a series of procedures that the Consortium has had in place for over 20 years, and has been made accessible to all today thanks to modern digital technologies in an immediate and customised form
- A **digital database** collects all documentation related to the value chain and ensures this is always accessible, so as to verify the authenticity of the raw materials used in production plants.

* Nielsen Panel Consumer 2019

OUR PROJECTS

HOW DO WE KNOW WHERE every pack of San Daniele prosciutto comes from?

Since June 2019, every pack of pre-sliced prosciutto is part of a **digital tracking system**. The Consortium implemented this measure in order to ensure the transparency of the prosciutto production chain. Each pre-sliced pack has a unique **QR code**, which allows the consumer to access a range of certified information.
The consumer can scan the code using a smartphone and access a range of information about the origin of their product: producer, location and duration of curing, date and location of slicing. Packaging thus plays an active role in guaranteeing the origin, value and typical characteristics of the product, **while maintaining consumer trust**.

23 MILLIONS
CERTIFIED, PRE-SLICED PACKS

1,842
INSPECTIONS ALONG THE VALUE CHAIN IN 2019

WHO CERTIFIES THE SAN DANIELE prosciutto PDO value chain?

The protection of the quality and origin of our product is guaranteed by strict controls, carried out by **third parties who operate independently from the Prosciutto di San Daniele Consortium.** In fact, the entire PDO production chain is monitored and certified by the **control institute IFCQ Certificazioni Srl**, a body supervised by the Ministry of Agriculture, Food and Forestry Policies. IFCQ is responsible **for verifying the correct application of our Production Specifications** by all parties along the production chain and for the **PDO certification of the prosciutto**. The Consortium's attention to rigorous processes and independent monitoring systems ensure a highly reliable production process, supporting the authenticity of our product.

The Consortium cares for Nature

> "A circular economy applied to the way we produce and manage food resources could reduce emissions by 49% or 5.6 billion tonnes CO_2e – almost halving emissions from this sector in 2050.*"

Our interest in sustainable food translates into a greater **focus on the impacts of our production chain**. Businesses in the sector must be responsible for monitoring the energy consumption of production processes and increasing their efficiency through the use of new technology and co-operation with local companies.

The Consortium has been a **pioneer in setting up groups of companies to collectively manage environmental services**, raising producers' awareness of assessing their impact on the environment, as well as making their production sites more sustainable. Involving the whole community in this process plays an important role because it recognizes the value of a sustainable production chain and encourages more responsible dietary habits, ultimately opting to favour quality over quantity.

WHAT WE DO

The Consortium has decided to take the lead for its members in terms of the **sustainable management of environmental impacts related to prosciutto production processes**. The Consortium works to gather together the needs of its members and promote synergistic solutions to improve processes and create value for producers, the product, and the environment. **The Consortium assists producers with three specific environmental services**: wastewater disposal, waste management (including salt and brine recovery), and the collective management of electricity and gas services.

EXCELLENCE IN THE WAY WE WORK

- The Consortium streamlines the supply of **environmental services for consortium members**, facilitating the contractual and administrative aspects of these services
- The comprehensive management of environmental services results in **cost savings** for production sites and **reduces their environmental impact.**

- Thanks to **innovative technologies implemented at production sites without affecting the product itself**, consortium members are able to increase productivity levels and efficiency, without changing traditional prosciutto production methods
- The wastewater pretreatment system introduced by the Consortium at the production sites of a large group of producers **improves the characteristics of water fed into the public sewers.** The plant's technologies make it possible to monitor and control the qualitative characteristics of the water, improving its quality.

* Completing the Picture: How the Circular Economy Tackles Climate Change, Ellen MacArthur Foundation, 2019

OUR PROJECTS

3,673
TONS
OF SOLID SALT
DISPOSED OF

CAN THE SALT USED for the production of prosciutto be reused?

We have been recovering solid salt since 2009 to **reduce and make use of waste from production processes**, with the ultimate goal of increasing cost efficiency in accordance with the principles of the circular economy. The recovery of solid salt is carried out by a specialised company on behalf of the Consortium. The used salt is collected from all processing plants, analysed, and then **used in other industrial processes**.
In 2019, **consortium members disposed of 3,673 tonnes of used solid salt**, which was then implemented in other processes, such as de-icing of roads or in the tanning industry. With the amount of brine recovered from production processes, **some 67,000 km of roads could be protected from icing over in the winter**.

TREATING WATER FROM PRODUCTION SITES to the benefit of local communities

The Consortium manages the wastewater disposal process for its members through a **consortium wastewater treatment plant**, which collects water from the production sites that participate in the programme.
Built in 2015, the **water pretreatment system** has resulted in significant improvements in the composition of the wastewater entering the public sewage system. Thanks to the technological systems implemented, the Consortium can monitor the quality of water withdrawals and discharges, and therefore monitor any impacts on the environment.

288,402
CUBIC METRES
OF WASTEWATER
MANAGED
IN 2019

The Consortium actively promotes healthy eating habits

> "More than **2** out of **3** Italians are worried about artificial ingredients in food.*"

The food industry is responsible for listening to the needs of consumers, who are careful about eating genuine and healthy products. The Consortium is committed to promoting a product that **respects traditional production methods and know-how**, while also **responding to the needs of a society that is increasingly focused on food quality and healthy lifestyles.**

The high quality that characterises San Daniele prosciutto is the result of the Consortium's desire to protect consumer health and well-being: The Production Specifications require numerous checks to be carried out on raw materials. As a result, **the Consortium offers the consumer a simple, healthy, and preservative-free product**.

WHAT WE DO

San Daniele prosciutto is a food with high standards of health and well-being, and the Consortium actively promotes these values. The Consortium has launched **training and assistance initiatives for its members**, aimed at the constant improvement and perfection of the production process. We organise courses and meetings with experts to promote efficiency and safety at production sites. We also initiate collaborations with associations and research institutions to focus on and improve the quality of the product, always trying to anticipate changes in lifestyles and in the food sector.

Direct dialogue with the consumer is fundamental in raising awareness and spreading the message about the health and nutrition value of San Daniele prosciutto. **Through training programmes and promotional events across Italy**, the Consortium actively spreads information about the product, its nutritional value within a balanced diet, while also increasing public appreciation of traditional methods and the work that goes into it.

EXCELLENCE IN THE WAY WE WORK

- **Value chain control systems** guarantee product quality
- The Consortium has revised and updated its **food safety guidelines**, with the aim of simplifying processes for its members and ensuring high sanitary standards
- **Exporting** the product involves specific regulations and technical requirements that consortium members comply with at every stage of processing, thanks to the technical and legal support provided by the Consortium.

- San Daniele prosciutto is a product that respects traditions and that **is able to evolve in line with society's dietary needs**, with an increasing focus on product quality and disease prevention
- The partnerships that the Consortium has initiated with research centres, associations, and universities are designed to educate consumers regarding healthy product choices, by increasing awareness **regarding the nutritional properties** of food products.

* Nielsen Global Survey Heath and Ingredient Sentiment, Q1 2016

OUR PROJECTS

SCIENTIFIC RESEARCH enhances San Daniele prosciutto

The Consortium conducts research and training activities in collaboration with different organisations and institutions on important issues such as food science and nutrition.
In this way, the **Consortium supports progress in the fields of science and culture**, spreading awareness of the importance of a balanced diet for overall physical well-being.
Consumers increasingly see food and its consumption as a tool for preventing chronic diseases, for staying healthy and for living longer.
The Consortium anticipated this evolution in lifestyles and has **reduced the salt content of our prosciutto by 30% over the last 10 years**, without compromising its organoleptic properties.

FOOD SAFETY TRAINING IN 2019, FOR

308 PEOPLE FROM CONSORTIUM COMPANIES

210 PEOPLE FROM OTHER FOOD COMPANIES AND BODIES

EDUCATION on food safety and SPREADING AWARENESS about healthy nutrition

San Daniele production sites meet food safety standards, in line with national regulations and those of the countries that they export to. The Consortium promotes and implements initiatives to improve and perfect production quality, organising training and refresher sessions for Consortium members on the latest **health and safety regulations** and ensuring sanitary conditions at production sites. This training is supplemented by meetings and events with experts in the sector, with a view to exchanging expertise, ideas and suggestions for improving production.
The Consortium's leadership role also includes activities that provide concrete support to the improvement of the **communication** of the product's nutritional properties and the best way to eat prosciutto to savour its properties to the fullest. To this end, we organise **information projects and product promotion events which are open to local communities**, to help them understand the product's unique aspects and nutritional properties.

PEOPLE RECEIVING TRAINING ABOUT PRODUCT AND PREPARATION

684 IN ITALY

270 ABROAD

PEOPLE ATTENDING EDUCATIONAL EVENTS

39,000 IN ITALY

69,220 ABROAD

The Consortium is moving forward on animal welfare

> "11% of international food companies consider animal welfare to be an integral part of their business strategies.*"

The food industry can play a key role in providing concrete support to **consumers who care about animal welfare issues**. Those who operate in this sector are aware of this and support the ethics of animal welfare **all along the production chain**, involving farmers in awareness and training activities.

The Consortium promotes animal welfare measures and works with farmers, research institutions and associations to encourage responsible application of its indications, monitoring results and categorising farms. The measures that the Consortium promotes relate to **the improvement of farming practices in terms of animal welfare, use of medicines and biosecurity**.

WHAT WE DO

The Consortium has been involved in the development of a project to improve farming practices, collaborating directly with farmers, who are key players in the value chain. The project led to the implementation of a control and classification system for farms in the value chain, **based on best animal welfare practices.** The aim is to move towards more **sustainable farming methods**. The collaborative relationship initiated by the Consortium enhances the production chain, where animal welfare is an essential value in ensuring safe and high quality products.

EXCELLENCE IN THE WAY WE WORK

- Strict checks on farms mean we can **make farmers more aware** of practices that respect animal health
- The **most virtuous farmers** can be identified by requiring high standards so that constructive and collaborative relationships can be created with them.

- Animal biosecurity and welfare standard checks on farms include filling out **online check-lists** to make data collection and analysis more reliable and traceable
- With the introduction of electronic veterinary prescriptions and the digitisation of the treatment records, the **analysis process at farms is at the forefront** of transparency and ease of sharing.

* The Business Benchmark on Farm Animal Welfare Report 2018, Nicky Amos and Dr Rory Sullivan, BBFAW

OUR PROJECTS

THE VALUE OF ANIMAL WELFARE in the San Daniele value chain

The Consortium in 2015 initiated a project involving farms in its supply chain, Coldiretti and ANAS (the National Association of Pig Breeders), with scientific support from the Experimental Zooprophylactic Institute of Lombardy and Emilia Romagna (IZSLER) and IFCQ Certificazioni, aiming to support **ethical and sustainable pig rearing**, with respect for animal welfare.
Formally launched in 2016, the project introduced a voluntary monitoring system that enabled data collection, evaluations based on scientifically validated indices and categorisation of farms using the **digitally integrated *ClassyFarm** system**.
This monitoring fosters constructive dialogue with farmers, who are supported throughout a process to improve pig rearing practices and promotes a virtuous cycle.

* ClassyFarm is the result of a project funded by the Ministry of Health and implemented by IZSLER. Its purpose is to collect data, assess and categorise how farms perform in different assessment areas, including animal welfare, biosecurity, animal nutrition and responsible use of medicines.

END OF 2015
Definition of the technical project specifications (focus areas for environmental and animal sustainability and the regulations to which farmers must adhere)

Presentation of the specifications to the Ministry of Health

SUMMER 2016
Presentation to farmers and feedback collected

AUTUMN 2016
Pilot project on a sample of 18 farms

END OF 2017
1st audit of 81 fat-stock farms

2018-19
2nd audit of 79 farms

First meeting with feedback from the results of the two-year analysis

DANIELS
DD
ABSOLUTO

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