

This appendix provides information in addition to what is provided in the Report on Operations, of which it is an integral part.

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Introduction

Based on Legislative Decree n.254/2016, in implementation of the Directive 95/2014 or "Barnier Directive", large public interest undertakings are required to publish a Non-Financial Statement (NFS) as of FY 2017. This statement must provide information about a series of topics which help to understand the company's activities, its performance, results and impact. More in detail, Legislative Decree 254 calls for non-financial reporting on topics relating to five areas: environmental protection, social responsibility, treatment of employees, protection of human rights and anticorruption and fraud issues. A description of the main risks, the entity's policies, the relative performance indicators, as well as the business and organizational models must be provided.

In accordance with Legislative Decree 254, this document provides a description of the De'Longhi Group's performance with respect to a group of topics deemed most relevant to the Group and of greatest interest to its stakeholders. These topics were identified in accordance with the latest version of the GRI Standards developed by the Global Reporting Initiative (GRI), the most important international sustainability reporting organization. The topics were identified based, firstly, on the analysis of a study of the main expectations and concerns of the Group's stakeholders. More in detail, the greatest attention was paid to the topics which reflect the stakeholders' expectations and which have the greatest impact on business strategies. The topics identified were then evaluated by management based on priorities and strategic objectives. For more information on the Group's activities please refer to the Report on Operations.

The topics reported on this document in relation to each area contemplated under Legislative Decree 254 are shown below. For the sake of clarity and easier comparison, the GRI Standards, material topics and the areas referred to in the Decree, are all shown in the chart below, along with scope of application and any boundaries.

Legislative Decree 254	Material topics for De'Longhi	GRI	Scope of application		Boundaries on the scope of reporting	
			Internal	External	Internal	External
Anti-corruption	Ethics and compliance	GRI 205 - Anticorruption	Group	-	-	-
		GRI 206 - Anticompetitive behavior	Group	-	-	-
Human resources management and human rights	Human resources management	GRI 102- 8 Employment	Group	-	-	-
		GRI 403 - Occupational health and safety	Group	Suppliers, Contact Center	-	Reporting does not include suppliers or the Contact Centers
		GRI 404 - Training and education	Group	-	-	-
		GRI 406 - Non discrimination	Group	Suppliers	-	Reporting does not include suppliers
Social aspects	Product quality	GRI 416 - Consumer health and safety	Group	OEM suppliers	-	-
		GRI 417 - Marketing and labeling	Group	OEM suppliers	-	-
Social aspects Environmental aspects	Product innovation	GRI 302 - Energy	Group	-	-	-
Social aspects	Customer relations	GRI 418 - Customer privacy	Group	Contact Center	-	-
Social aspects Human rights	Supply chain management	GRI 412 - Human rights assessment	Group	Suppliers	-	-
		GRI 414 - Supplier social assessment	Group	Suppliers	-	-
Environmental aspects	Limiting environmental impacts	GRI 302 - Energy	Group	-	-	-
		GRI 305 - Emissions	Group	Suppliers, Contact Center	-	Reporting does not include suppliers or the Contact Centers

With reference to the issues expressly mentioned in the Legislative Decree 254/2016, in light of the materiality judgment, water consumption, dialogue with social partners and agreements with international and supranational organizations were not relevant. Therefore these issues are not reported in the current document.

Information relating to the material topics – scenario and risks, policies and future objectives, organizational and business models, indicators – for each area contemplated under the Decree is provided in the following pages.

Description of the business model

In accordance with the Article 3.1.a of Legislative Decree 254/2016, a brief description of the De'Longhi Group's business model is provided below with a view to enhancing the understanding of the information relating to the material topics identified for each of the five areas included in the Decree.

De'Longhi S.p.A. (hereinafter also referred to as the "Company" or "Group"), listed on the Italian Stock exchange (*Mercato Telematico Azionario* or MTA) managed by *Borsa Italiana*, is the holding company of a group of companies active in the manufacture and distribution of small domestic appliances including coffee makers, food preparation and cooking machines, air conditioners and heaters, as well as household cleaning devices.

More in detail, the Group operates in international markets through 4 main brands (De'Longhi, Kenwood, Braun and Ariete) and commercial regions: North East Europe, South West Europe, MEIA and APA.

The value chain

The Group's work begins with research, development and design. These activities are shared across the Group and are carried out by the technical offices based on product line, together with the Marketing and Design divisions. As a result of the recent reorganization completed by the Group in 2016, R&D now works transversely (namely by product line) and no more by brand. In the Hong Kong branch there is also a technical office responsible for research products developed in partnership with local providers.

Once the solution to be launched on the market is defined, the semi-finished goods and raw materials are purchased. The Group's manufacturing and assembly are done at four plants located in Italy, Romania and China which cover more than 60% of sales and by a group of qualified partners or "Original Equipment Manufacturers". In 2016, the Group also purchased the production facility of New Procond Elettronica (NPE), a strategic supplier and leader in the manufacture of electronic components for appliances and cars (included under Discontinued Operations as a result of the industrial partnership agreement described above).

Based on the Group's "local for global" approach, manufacture of products is plant specific. More in detail, the De'Longhi brand traditional and fully automatic coffee machines are manufactured at the plant in Mignagola, Treviso, in Italy, as well as at the plant in Cluj, Romania where also Braun brand kitchen machines and other coffee products are manufactured. The manufacture of cooking and comfort products is done in the Chinese plant found in Zhongshan, while Kenwood brand food preparation appliances, De'Longhi brand cooking machines, Braun brand household products, traditional and built-in coffee machines are manufactured in the Dongguan plant.

Once production is completed, the machines manufactured are tested. The main purpose of this activity, managed at each plant by a dedicated team, is to verify product safety. Specific audits are conducted by the Quality Division in order to verify the quality of the OEM products.

Subsequently, the new products manufactured in-house and purchased from third parties are delivered to the sourcing centers and logistics hubs, namely to the warehouses (five of which proprietary), from which goods are distributed by providers of logistics services throughout the Group's commercial network.

Lastly, the Group provides information and technical assistance to all end consumers before, during and after sales.

Ethics and compliance

Anti-corruption and fraud

Scenario and risks

The globalized market, characterized by a proliferation of national, as well as supranational, laws and regulations and a generalized increase in controls, investigations and sanctions have created a complex regulatory environment for the Group.

More in detail there are risks linked to: i) the reliability and accuracy of the financial information, of particular importance for a listed company; ii) the administrative responsibility for legal entities for which the Italian legal system has established criminal liability for certain types of crimes, in accordance with EC regulations; iii) the necessary transparency and substantive, as well as procedural, fairness of commercial transactions with related parties entered into by the Group.

The small appliances market is also regulated by laws relating to safety and energy consumption described in the chapter Product Quality found in this report.

Business and organizational model

Compliance is overseen by Legal and Internal Audit and the Group Financial Reporting Officer, as well as the Quality Division with respect to product and the qualifications/assessment of suppliers (\$Product quality).

More in detail, every year Internal Audit and the Financial Reporting Officer check and assess the control system, and **audit the accounting processes and procedures**, as well as compliance with Law 262 financial reporting processes with a view to ensuring they are reliable, complete, accurate and timely in accordance with Group accounting and administrative procedures. In 2017 an audit plan was defined, calling for varying timeframes and execution methods for audits of Group companies, with particular focus on strategically important companies. Law 262, in fact, calls for an annual audit of the strategically important companies, while Group companies with sales of more than €50 million are subject to either an annual audit or a remote check point which can be carried out through a platform developed for checking accounting entries made in the period and between companies. All the other companies are subject to a check point or big data analysis every 3 years.

Overall, **risk assessment and management** is done in accordance with a corporate ERM project, developed in prior years which is monitored and updated continuously by Internal Audit. In 2017 Internal Audit assessed the progress made on the work begun as a result of the 2013 risk assessment. At the end of 2017, Internal Audit, together with the CFO/ Financial Reporting Officer also used this risk analysis to analyze the strategic foreign branches and update the relative risk mapping. More in detail, some functions were separated to ensure that the duties assigned to Group personnel were adequately distributed in order to minimize the risk of any errors and/or fraud. In order to increase control of compliance with internal regulations and laws of the different Countries in which it operates, in 2015 the Group conducted other controls to verify any episodes of abuse of office and corruption to the extent that the Group does not have commercial relationships with the Public Administration.

The Group also ensures that, in addition to regulatory compliance, **models of conduct** have been defined and implemented with a view to minimizing the risk of acts which are subject to sanctions under the law. In 2017, therefore, De'Longhi implemented a project dedicated to analyzing the company's operations in relation to: administrative responsibilities, compliance with privacy and antitrust measures, consumer protection in e-commerce, internal policies governing compliance with anti-money laundering and anti-corruption laws. As a result of this project in 2017 an assessment was made of seven Group companies, based on criteria including economic importance, regulatory similarities and the overall ability to complete the project with the resources available.

The Italian Group's companies also adopted an "**Organizational, Management and Control Model**" pursuant to and in accordance with Legislative Decree 231/2001, which calls for the appointment of a Supervisory Board to oversee the correct functioning and compliance with the Model.

In order to monitor Group transactions with related parties and the relative risk the Parent Company, in accordance with CONSOB Regulation n. 17221 of 12 March 2010, has also defined a procedure for related party transactions subject to specific rules and approval based on the degree of materiality.

Polices and objectives

The Code of Ethics indicates the standards employees and all third parties, such as suppliers, clients and public administrations must adhere to which aspire to transparency, fairness, honesty, integrity and loyalty. A specific anti-fraud policy will be adopted in 2018 as part of the anti-fraud program developed over the three-year period 2014–2016 and defined based on the guidelines of the Association of Certified Fraud Examiners (ACFE).

In 2018 the Group will also continue with the compliance audit of seven companies which will result in the implementation of shared organizational solutions, as well as preventive control and reporting activities relating to: administrative responsibilities, compliance with privacy and antitrust measures, consumer protection in e-commerce, internal policies governing compliance with anti-money laundering and anti-corruption laws.

The "Organizational, Management and Control Model" adopted pursuant to and in accordance with Legislative Decree 231/2001 by the Italian companies was updated based on the results of the risk assessment conducted year-end 2017.

Key figures

No violations of the anti-corruption laws were recorded in the last two years.

Information relating to persons apprised of the company policies and procedures, as well as the employees who received anti-corruption training in the two-year period 2016–2017, is shown in the following table.

Item	Unit of measurement	Europe		APA		De'Longhi Group	
		2016	2017	2016	2017	2016	2017
Persons apprised of the company anti-corruption procedures and policies							
Senior managers	n	46	52	33	33	79	85
White collar workers	n	121	159	169	164	290	323
Blue collar workers	n	1	4	68	59	69	63
Total employees	n	168	215	270	256	438	471
Commercial partners	n	3	1	2	4	5	5
Employees who received anti-corruption training							
Senior managers	n	46	43	5	7	51	50
White collar workers	n	110	119	30	57	140	176
Blue collar workers	n	-	2	2,576	3,439	2,576	3,441
Total employee	n	156	164	2,611	3,503	2,767	3,667

Note: Statistics relating to anti-corruption training are not available for offices in: Romania, Greece, Shanghai, Shenzhen, Hong Kong, USA, Canada. Statistics for Ukraine offices are available only for 2017.

No legal complaints relating to anti-competitive, anti-trust and monopolistic practices were filed in 2017. In 2016 the proceeding begun in 2015 by the Austrian anti-trust authorities relative to monopolistic behavior was settled and resulted in the payment of a fine of €650 thousand.

Human resources management

Human resources management
Human rights

Scenario and risks

In a highly diverse international context, the Group uses different methods to increase the sense of belonging and **personal satisfaction**, as well as protect **occupational health and safety**.

Key to retaining and attracting resources and talent, as well as business continuity and its sustainability in the longterm, is the Group's ability to promote the professional growth of its people and a safe, healthy workplace, founded on values like ambition, courage, passion, competence, heritage, teamwork and respect, which encourage employees to engage in fair, correct, trustworthy behavior, leveraging the value of diversity and avoiding any kind of discrimination.

The main challenges are, in fact, tied to the Group's ability to attract, motivate and retain people capable of changing with the Group's needs in terms of both numbers and key professional expertise, values, attitudes in line with the Group's values and philosophy. As a result of the current organization of production, based on which a large part of the human resources are in plants in China, Italy and Romania, the high employee turnover presents another issue in China and also in Romania, albeit in more moderate terms.

Business and organizational model

At a Group level, management of human resources and related fields, is assigned to a corporate human resources division, coordinated by the Chief Corporate Services Officer and supervised locally by a regional HR Manager, as well as directors of administration and operations at a few companies. Over the last few years the Group has also identified two new regional resources which assist the companies with the training and developing initiatives planning, in accordance with Group guidelines.

In order to better understand people's expectations and increase loyalty, in October 2015 the corporate human resources division promoted the **Employee Engagement Survey – "Your Voice: to Make the Difference"**. More than 2,600 employees were involved in the initiative with 94% responding which made it possible to identify two areas in need of improvement relating to organizational clarity following the company reorganization completed year-end 2016 and strengthening the Group's identity which were addressed in a timely manner. After analyzing the results, the Group defined a new vision, a new mission and new company values, and implemented a global development project in order to increase the awareness and expertise of managers with respect to the development and management of teams. The production personnel was involved in the second edition of the survey, implemented during 2017, through the use of a questionnaire focused on specific production related issues. The achieved results are being shared and deepened during the first months of 2018.

As of 2017 a **new international management system**, *SAP Success Factors*, is also active which gathers information about employees at all the Group's offices, the European production plants and one plant in China. In 2017 the corporate human resources division also launched a pilot program in the UK relating to the implementation of a travel management system integrated with *Success Factors*.

The human resources division also guides the **performance assessment** process used to promote personal and professional growth, encouraging the use of a dedicated system (up to the middle management level) by all Group companies. The results of the performance assessment, based on dialogue between supervisors and staff members, makes it possible to assign an average score for each key competency and define training priorities, which are then managed locally.

With regard to overall improvement of work-life balance, as well as protection of worker safety and wellbeing, the human resources division is assisted by people charged with monitoring compliance with health and safety regulations like, for example, the Prevention and Protection Department in Italy and the plant managers in China and Romania. These individuals are responsible for assessing risks related to the activities and implement any improvements needed including with a view to improving the ergonomics of the work stations in the plants and offices. In Italy the responsibilities and procedures relating to health and safety are defined based on an organizational model which is in line with the OHSAS 18001 "*Occupational Health and Safety Assessment Series*" standards.

Any complaints received are managed locally by human resources and legal departments which may, in specific instances, involve the Supervisory Board.

Policies and objectives

De'Longhi's Code of Ethics refers to the importance of protecting and enhancing human resources in order to promote the professional growth of employees while working to eliminate any discrimination based on age, gender, race, nationality, personal and social conditions, religion or political beliefs and promoting equal opportunities. The Code of Ethics also gives voice to the Group's commitment to and focus on work conditions which respect individual dignity, as well as on safe and healthy work environments that are compliant with the law and workers' rights.

With regard specifically to the health and safety of workers, the Code of Ethics also requires that each employee pay the utmost attention to carrying out his/her duties, adhering strictly to all of the safety and preventive measures in place, while also complying with all the instructions and directives relating to how to fulfill obligations relating to a safe and healthy workplace. A health and safety policy was formalized for the Mignagola plant in Treviso, Italy after having adopted a OHSAS 18001 certified operating system. Over the next few years the Group intends to begin using this operating system at the Romanian plant, as well.

De'Longhi Group defined a formalized policy relating to human resources topics, with reference to the compensation of the Group's Board and of Directors having strategic responsibilities. This policy is communicated every year to all the Companies of the Group.

In 2018 the Group will define a new plan based on the results of the second engagement survey "*Your Voice: to Make the Difference*", conducted in 2017. The survey made it possible to better understand the perception and expectations of employees relative to eight strategic Group factors like leadership ability, sense of belonging to the company, relationship with supervisors, professional growth, wellbeing, equal pay, social initiatives, team relationships.

The project to standardize human resources management practices will also continue in 2018 with the implementation of new modules of the operating system adopted in 2017 with a view to mapping the information gathered relating to training, professional development and remuneration.

With regard to safety and health measures, the plan to redesign some production lines in Italy and initiatives to gradually improve the workplace at plants in China and Romania will continue in coming years with new investments. Along with physical changes, work will also continue on training and raising awareness relative to the protection of personal health and safety through traditional courses and innovative experiential initiatives like physical training and personalized consulting. The model used to manage health and safety at the Mignagola plant in Treviso, Italy will be audited in order to obtain UNI-INAIL certification.

Key figures

The key figures for De'Longhi Group personnel are shown below.

Employees by contract type	Unit of measurement	Italy		Europe		APA		MEIA		De'Longhi Group	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Employees by contract type											
<i>Permanent positions</i>	<i>n</i>	1,471	1,469	2,255	3,203	2,663	2,692	74	67	6,463	7,431
<i>of which women</i>	<i>n</i>	554	554	1,181	1,781	1,237	1,225	38	27	3,010	3,587
<i>of which men</i>	<i>n</i>	917	915	1,074	1,422	1,426	1,467	36	40	3,453	3,844
<i>Temporary positions</i>	<i>n</i>	29	140	47	52	493	574	-	-	569	766
<i>of which women</i>	<i>n</i>	12	78	28	30	211	247	-	-	251	355
<i>of which men</i>	<i>n</i>	17	62	19	22	282	327	-	-	318	411
Total	n	1,500	1,609	2,302	3,255	3,156	3,266	74	67	7,032	8,197

Configuration of De'Longhi Group S.p.A.'s Board		Unit of measure	Italy	
			2016	2017
Men	< 30 years	n	-	-
	> 30 < 50 years	n	1	1
	> 50 years	n	6	6
Men total		n	7	7
Women	< 30 years	n	-	-
	> 30 < 50 years	n	3	3
	> 50 years	n	1	1
Women total		n	4	4
TOTAL		n	11	11

Training	Unit of measurement	De'Longhi Group	
		2016	2017
Average training hour by employee	h	16.6	16.3

Note: Statistics relating to training carried out in Czech Republic, USA, Scandinavia and Canada are not available.

Types of Injuries and injuries rates		Italy				Europe			
		2016		2017		2016		2017	
		Men	Women	Men	Women	Men	Women	Men	Women
Total number of injuries	n.	24	10	20	10	14	14	10	12
- of which commuting injuries	n.	9	7	4	6	1	-	-	-
Work-related fatalities	n.	-	-	-	-	-	-	-	-
Injury rate	-	9.0	3.3	9.4	4.2	6.3	6.2	4.0	4.0
Occupational disease rate	-	1.2	2.2	0.6	2.1	-	-	-	0.3
Lost day rate	-	247.7	148.6	348.6	319.6	23.7	2.1	41.2	0.9
Absentee rate	-	27.0	39.2	31.7	37.1	40.2	52.9	28.3	49.3

Types of injury and rates of injury		APA				MEIA			
		2016		2017		2016		2017	
		Men	Women	Men	Women	Men	Women	Men	Women
Total number of injuries	n.	32	7	37	8	-	-	-	-
- of which commuting injuries	n.	2	-	-	-	-	-	-	-
Work-related fatalities	n.	1.0	-	-	-	-	-	-	-
Injury rate	-	6.8	1.8	6.4	1.7	-	-	-	-
Occupational disease rate	-	-	-	-	-	-	-	-	-
Lost day rate	-	88.4	33.0	170.8	24.9	-	-	-	-
Absentee rate	-	9.4	8.3	4.6	3.8	2.6	7.9	8.6	26.8

Note: Statistics relating to injuries and diseases in 2016 and 2017 are not available for offices in Czech Republic, Scandinavia, USA and Canada. Statistics for offices in South Africa and Brasil are available only for 2017. Statistics on workable hours are not available for Romanian offices.

In 2017 a complaint was received in at the UK branch alleging discrimination based on the sexual orientation of an employee, while in 2016 a complaint was received alleging discrimination tied to a handicap. These complaints were managed based on internal rules which call for an investigation to be carried out by heads of other divisions and for a report on the outcomes to be issued. If the employee is not satisfied with the outcome, another investigation will be made.

Product quality

Social aspects

Scenario and risks

Top quality product is key to consumer confidence and the brands' reputation, as well as to ensuring business continuity and long-term profitability. Product quality focuses on two specific arenas; safety and accurate, as well as adequate, disclosure.

The complexity of the regulatory environment requires that particular attention be paid to compliance with the product quality standards applied in the different jurisdictions referred to above as, based on the local for global approach adopted by the Group, the products are to be developed in accordance with the most stringent standards applicable in the more than one hundred countries where they are distributed.

Lastly, typical of manufacturers, the Group assumes the responsibilities for damages caused by defective products. In these instances the laws and regulations can be particularly severe in some jurisdictions, like the United States. Consequently any significant litigation relating to the manufacturer's responsibilities could cause economic and reputational burdens.

The manufacturer is also responsible for providing correct product information which may vary from country to country. In the United States, for example, the Group is subject to "Proposition 65" based on which the presence of any hazardous substances must be indicated on the packaging and warning labels used.

Business and organizational model

The Quality Division, comprised of more than 500 people Group-wide, together with the Regulatory Affairs team, supervises all the legal aspects of the current laws and regulations relating to product safety, including food, defining guidelines and criteria for control at all companies. Compliance with the corporate provisions is assured thanks to 2 groups of teams: teams at plants dedicated to quality control of products made by the Group and suppliers of finished goods, as well as other teams responsible for quality control during the product development phase and when any feedback is received from the market. Paying careful attention to product quality beginning with the initial planning phases helps to keep any breakage or product malfunctions to a minimum.

Product quality is also monitored as part of the **ISO 9001** certified organizational model in place at the European plants and also implemented at the Group's Chinese production facilities. In order to manage food safety, the Group adopted an organizational model based on the **Good Hygienic Practices** (GHP) and the ISO 22000 and ISO 1672-2 food safety standards which specify how to ensure hygienic and sanitary safety for food and the products which it is in contact with. The 22000 standard is based on the HACCP principles and the *Codex Alimentarius* which makes it possible to identify and manage the possible risks, prevent incidents along the entire production chain and assess the compliance of products with laws and regulations. The organizational model was also developed in accordance with the **ISO 22005** product traceability standards and requirements in order to provide, for each component and finished product, information relating to the supplier and the client recipient of the product.

Lastly, with a view to guaranteeing electrical and food safety during the pre-production phase all Group products are certified by third parties with respect to compliance with electrical safety and food contact standards. Subsequently, once production has begun, the electrical safety of all products is tested while a sample group of products is tested periodically for food safety compliance.

In order to ensure the quality of the finished products, the Quality Division also supervises the production quality of its suppliers through specific audits (§ Supply chain management).

Lastly, with regard to product information, the Regulatory Affairs team of the Quality Division assists Research and Development and Marketing with the creation of labels and booklets which comply with the regulations specific to each country. In order to comply with laws relating to product information and labeling, the country of origin and the presence of any refrigerants is reported for each appliance distributed by the Group. Instructions relating to how to safely use and dispose of the product at the end of its life cycle are also provided in the product manuals.

Policies and objectives

One of the values underlying the Company's ethics is the importance of making excellent products, conceived and continually innovated through research in order to guarantee, in addition to other things, the safety and wellbeing of the consumer.

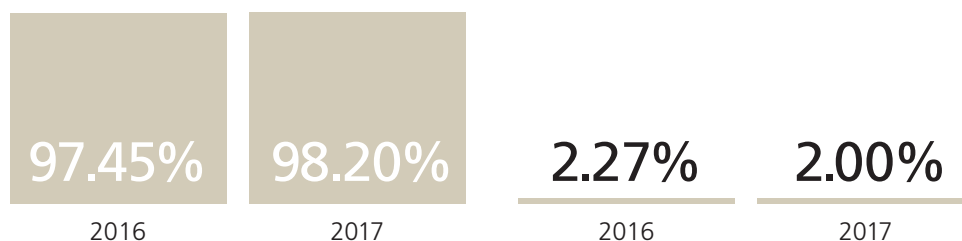
The Group adopted a group-wide **Quality Policy** which supports the commitment to the development and distribution of safe products which comply with all laws and regulations and meet the needs of end consumers.

Key figures

The qualitative efficiency of this process is assessed based on the First Time Quality Indicator (FTQ) which looks at the type of defects, functional or esthetic, linked to the single products. More in detail, the indicator expresses the number of perfect products as a percentage of total production. In the two-year period 2016–2017, the overall FTQ rose slightly and came in at more than 98% in 2017. The Service Call Rate measures the machines repaired in the first year under warranty as a percentage of total yearly sales. In 2017 the total number of products in need of repair or which malfunctioned during the first year under warranty was 2% of the total product sold, down slightly against the prior year.

First Time Quality Indicator

Service Call Rate



In 2017 no instances of noncompliance relating to health and product safety, nor the information or product labeling, were reported. In 2016 there was one instance of noncompliance with the European Directive 2014/35/EU, the “Low Tension Directive”, as well as two incidents linked to an incorrect specification of the product power frequency (“60Hz” rather than “50/60Hz”) and the failure to include instructions in the language of the country where four products were distributed.

Product innovation

Social aspects
Environmental aspects

Scenario and risks

In the last few years the electronics and electronic devices sector has been subject to a group of regulations which has driven innovation focused on improving energy efficiency and reducing the overall environmental impact of products.

For example, the European Eco-design Directive for Energy-using Products (EuP) which calls for the use of specific design criteria which help to reduce environmental impact and improve energy efficiency. From the time the Directive took effect, a series of implementing regulations have been issued which define specific regulations for each product category relating to, for example, eco-friendly vacuum cleaners (Regulation 666/2013/EU), energy labeling (Regulation 1369/2017 EU), energy consumption in stand-by mode and when turned off (Regulation 1275/2008/EC).

The issue of further laws applicable to the Group and its products or changes to the laws currently in effect in the sectors in which the Group operates, including on an international level, could impact the freedom to move or make strategic choices relating to various areas of activity, even more so in the presence of a business model like "local for global" which calls for the development of one design capable of complying with the more stringent requirements found in the various laws and regulations.

Above and beyond changing regulations, successfully creating value through innovation depends on the Group companies' ability to develop products which are technologically innovative and reflect market trends that are increasingly more focused on wellbeing and healthy lifestyles. Value innovation also means getting the product to market when it will be well received by the market. Whenever there are delays in the launch of models deemed strategic to the Group's business, the Group's market share could drop which could negatively impact the consolidated income statement and/or the financial position.

Business and organizational model

The Operations and Technology division is committed to innovation and product planning which focuses on maximum multi-functionality, design, ergonomics, as well as silent, long lasting, reliable goods and developing technologies capable of facilitating and supporting healthy and innovative lifestyles connected, for example, to the use of digital technology (Internet of Things) and remote connectivity.

The planning of new products is shared across the entire Group and is guided by specific NPD (New Project Development) procedures used by the technical departments, as well as Marketing and Design. The technical departments are comprised of more than 350 people located in offices in Treviso and Gorgo al Monticano in Italy, Frankfurt, Germany and Havant, UK. These offices, together with the Regulatory team of the Quality Division, develop solutions and find materials which comply with applicable laws. The Group's local for global approach calls for the development of products which comply with the most stringent standards applicable in the more than one hundred countries where the Group's solutions are distributed.

The development of innovative products is also promoted and supported by the collaboration of Operations and Technology with a few commercial partners for which the Group designs and manufactures a group of coffee products.

The Group protects the design of new products through specific patents managed centrally by headquarters. There is an office in the Hong Kong branch which is in charge of research projects developed in partnership with local suppliers.

Policies and objectives

Currently the Group does not have a formalized policy, though the Code of Ethics does refer to the commitment to excellent products, the design and production of which must take into account the economy, product durability and the highest level of environmental friendliness possible.

Key figures

A few new energy saving products are described below.

Between 2013 and 2014 research and development introduced a new range of vacuum cleaners (which is currently being marketed). 97% of the total products have a Class A rating for both energy efficiency and floor cleaning performance. The improvements made it possible to develop and market a product which is highly effective in terms of cleaning and, at the same time, the smaller motor (reduced by around 0.35 kW) allows for total energy savings of 2,275,000 kWh/year¹.

With an A++ energy efficiency rating, the Pinguino PAC EX100 SILENT is the most efficient air conditioner on the European market. Thanks to the continuous DC technology used for the fan motors, utilized for the first time with this type of product, and the dedicated remote software which allows for a greater and more precise range of controls, the product allows for a significant reduction in energy consumption.

¹ The figure was calculated based on an estimated annual production of 130,000 units and average annual consumption per device of 50 h.

Consumer relations

Social aspects

Scenario and risks

In addition to the essential product quality, the loyalty of end consumers and the strengthening of the brand reputation is fueled by different factors including: clear and honest communication before the purchase, protection of data and service capable of understanding and quickly responding to the end consumers' needs as effectively as possible.

The aspects connected to the ability to respond to the needs of end consumers also include compliance with laws governing consumer rights relating to, for example, management of defective products, minimum warranty periods, recyclable elements and environmental friendliness.

Data protection is largely a function of obsolescence in telecommunications technologies and the way in which data is treated.

Business and organizational model

The communication of the Group and its brands is managed by the corporate Marketing and Communication Division and the marketing offices of each brand. After Sales is responsible for managing the requests of end consumers through contact centers and service centers, as well as defining the standards to be used by the whole Group.

The contact center network – managed in outsourcing and in place at almost all of the Group's branches – manages the requests for assistance received from the end consumers, provides product information and continuous support with a view to constantly improving the customer journey through a dedicated Customer Relation Management system.

The support service network is made of around 1,800 service centers owned by the Group, around 300 of which are in Italy, mainly outsourced, as well as 12,000 centers serviced by distribution partners. In order to ensure a high level of control of these activities, over the years the Group has internalized a series of repair activities, previously managed by third party suppliers in Germany, UK, Switzerland, Belgium, the Netherlands, Japan and South Africa.

In addition to sharing joint guidelines and standards, After Sales constantly monitors the quality of the support service teams and contact centers through inspections, as well as the use of specific indicators, and periodically provides training. The training of employees and specialized external support service providers takes place during the year in classrooms, through web training and the e-learning platform, with a final exam at the end. When new products are launched specialized training courses are also organized. In 2017 training was provided to around 500 people through 51 courses for a total of 5,000 hours of training and an international event for employees and distributors. In addition, together with Marketing, each year After Sales offers a dedicated training course to contact center operators.

The information provided by consumers on the institutional websites is stored on Google Cloud Platform web servers. The security of which is guaranteed by Google's modern service technologies, as well as Google's commitment to compliance with data protection laws and the main international standards for information security (ISO 27001) and cloud services (ISO 27017 and ISO 27018).

Policies and objectives

The Group operates in accordance with the consumer codes developed in the different countries in which the products are distributed and is committed to improving access to support services in order to increase product life and improve the consumer experience overall. These aspects are not currently formalized in a specific policy, but the Group has given itself a series of targets which aim to increase the analysis and understanding of the consumer's most frequent requests with regard to product information, as well as after sales assistance, including through big data analysis systems.

As for internal and external communications, based on the Code of Ethics the disclosures made both inside and outside the Group must be clear, complete, truthful, and not misleading so that the recipients are able to make informed decisions. Lastly, consistent with the principle of confidentiality found in its Code of Ethics, the Group is committed to protecting the confidentiality of the client and consumer information, and data, in its possession. No specific policies have yet to be formalized for either of these areas.

Key figures

In the two-year period under examination, no violations of laws governing privacy were reported.

With regard to the service provided to end consumers, in 2017 the average service period was 5 days for around 95% of the products. The quality of the repairs made by support services is monitored based on the First Time Fix (FTF) which measures the number of repaired products that did not need further repairs in the six months following completion of the initial repair as a percentage of total product repairs. In 2017 the FTF was above 95% which indicates that almost all products received adequate, quality repairs.

At the end of 2017 two complaints had been received relating to misleading promotional statements which caused the message to be changed or removed. No complaints of this sort were recorded in 2016.

Supply chain management

Social aspects
Human rights

Scenario and risks

Preventing and managing the risks associated with the supply chain is essential to ensuring the continuity of the Group's business. The suppliers are, in fact, key to the De'Longhi Group's activities and, therefore, the focus of supply chain management is on promoting the best practices for product quality, working conditions, human rights, health, safety and environmental responsibility.

The Group's manufacturing and assembly are done at four plants located in Italy, Romania and China which cover 60% of sales, and by a group of qualified partners or "Original Equipment Manufacturers" which develop, manufacture and distribute products, above all coffee machines. Failure by the Group to maintain or renew the agreements with these partners could impact the economic results and the consolidated financial position.

The cost of raw materials, like steel, plastic and copper can affect the Group's production costs.

Business and organizational model

Supply chain management is done by Supply Chain and Quality, as well as Purchasing, with a view to, firstly, ensuring business continuity and compliance with the company's quality standards and the purchasing parameters, as well as certain environmental requirements and correct labor practices.

Assessment of the finished product suppliers is done by three different offices based on product category and proximity to production: in Italy, coffee and irons; in the United Kingdom, motor driven products; Hong Kong, comfort. This structure makes it possible to respond to the specific needs of the different markets effectively and quickly.

Management of the materials for components (quantity and logistics) needed for production in Europe is entrusted to two teams of the Supply Chain Division, one in Italy and one in Romania. Management of materials in the Chinese plants is supervised directly by the plant directors with the support of three purchasing offices broken down by product category.

The Quality Division periodically audits and investigates the quality of the finished products and also conducts audits in order to ensure compliance with human rights protection and the values and principles included in the Code of Ethics relating to labor practices. The social audits are done of the suppliers of the Chinese plants in accordance with the international standard SA 8000 (Social Accountability). More in detail, the audits make it possible to investigate a multitude of different aspects including, for example, freedom of association and collective bargaining, work hours, work conditions, health and safety, child labor, forced labor, discrimination and training of personnel.

Product quality is assessed based on a group of specific indicators:

1. **Technical Factory Audit (TFA)**: measures the effectiveness of the processes and evaluates the results of tests relating to product life.
2. **Quality Evaluation (QE)**: measures product quality based on statistical sampling of each single lot.
3. **On Time Delivery (OTD)**: measures the delivery time of the supplier and, more specifically, the difference between the delivery date agreed upon and the actual one.
4. **Order Fill Rate (OFR)**: measures the ability of the supplier to refill the entire quantity requested by the Group.

Product quality assessment leads to a **vendor rating** which is used to classify partners as preferred, approved, probation or exit plan and subsequently evaluate the conditions and intensity of future partnerships.

Lastly, with regard to logistics optimization, in 2017 a hub in the Netherlands was created which completed the project to centralize logistics begun in 2016 when the first hub was created in Italy. Currently, the Dutch hub services Benelux, France and Scandinavia.

Policies and objectives

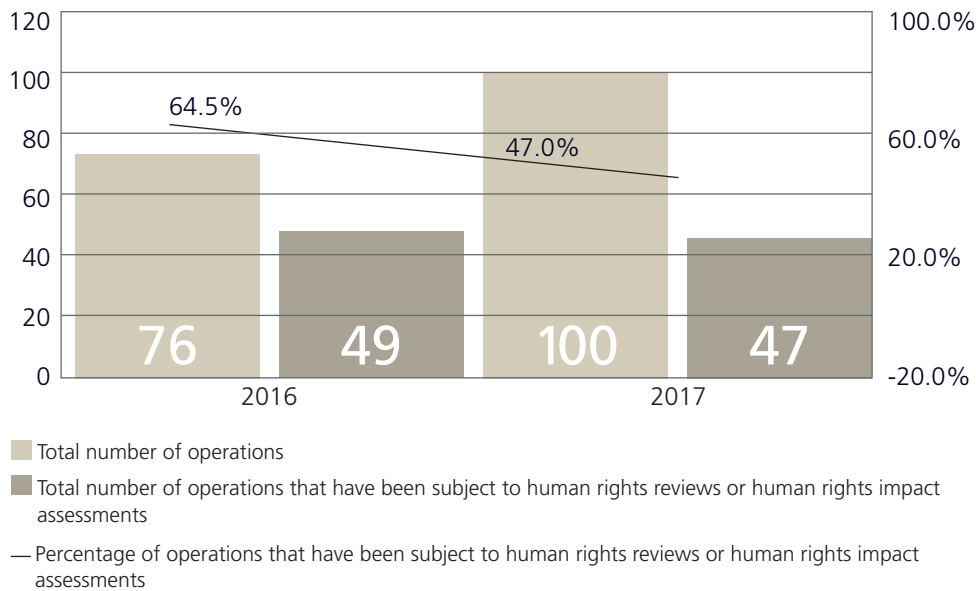
While there is no formal Group policy, the Code of Ethics governs the relationships with suppliers which should be conducted in accordance with the law and applicable regulations, as well as the general principles defined in the same Code. The selection process, furthermore, should be done based on an objective comparison of quality, price, execution and assistance while avoiding any and all forms of favoritism or discrimination.

Supply Chain and Quality are committed to developing enduring relationships with suppliers in order to ensure quick responses to production needs. As for logistics, the Group intends to build a direct and simplified network favoring direct deliveries.

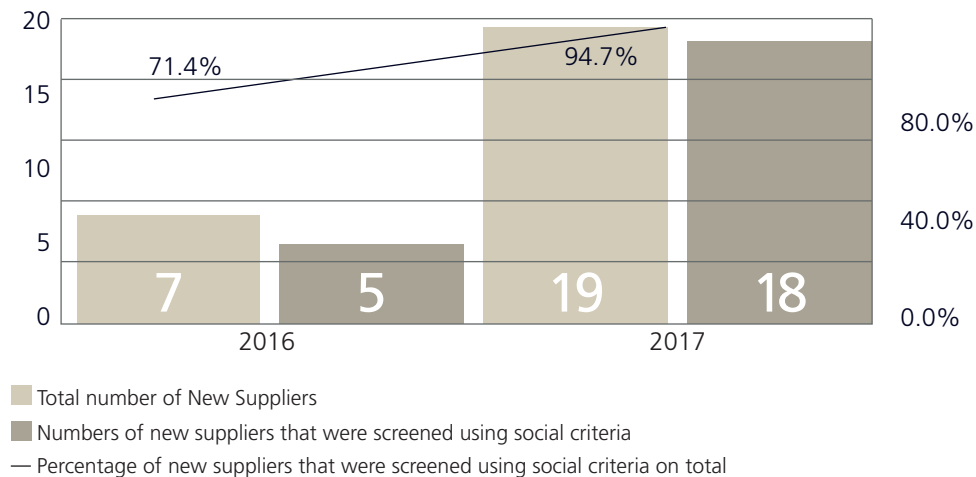
Key figures

In 2017 almost all the new suppliers were subject to assessments based on social criteria, consistent with standard SA 8000 [GRI 414-1]. In 2017 a total of 47 audits were carried out in order to verify the working conditions at 45 suppliers and 2 Group sites. While there was not a significant difference in the number of audits conducted, the overall percentage of sites audited was down in 2017 as a result of the greater number of suppliers [GRI 412-1].

Number and percentage of operations subject to human rights assessments



New suppliers assessed based on social criteria



Reducing environmental impact

Environmental aspects

Scenario and risks

Climate change and its consequences require that businesses manage the emission of greenhouse gases carefully and responsibly. The Group's main emissions are generated by manufacturing activities.

Any environmental accidents or damages could expose the Group to potential liabilities, including criminal, with respect to the damaged parties and relative authorities and production could be suspended with possible negative repercussions for the Group's economic and financial situation.

Business and organizational model

At a Group level, the environmental aspects are managed by the Operations & Technology Division and Quality. More in detail, an ISO14001 certified environmental management system is in place at the production facilities in Mignagola and Cluj. The Group carried out an environmental analysis which made it possible to define the steps needed to reduce the environmental impact of the entire production chain.

Policies and objectives

The environmental policy, applied at the production facilities in Mignagola and Cluj and the Kenwood headquarters supports compliance with all current legislation and the commitment to steady improvement of environmental performances, optimization of the consumption of resources and energy, the reduction and, if possible, elimination of any form of pollution, as well as the deployment of technologies and processes which minimize environmental risks. A similar policy has yet to be formalized for the entire Group, although one of the founding principles of the Code of Ethics is the protection of the environment in accordance with specific legislation.

Key figures

The main energy consumed by the organization and the relative emissions.

Fuel consumption by type	Unit of measurement	Production facilities		Offices		De'Longhi Group	
		2016	2017	2016	2017	2016	2017
Direct Energy consumption from non-renewable sources							
Gas	GJ	2,550.4	2,384.6	14,521.4	14,391.8	17,071.8	16,776.5
Diesel	GJ	6,506.0	6,121.0	26,509.4	23,597.8	33,015.4	29,718.8
Natural gas	GJ	29,000.8	39,845.5	5,171.5	4,280.5	34,172.3	44,126.1
LPG	GJ	394.2	585.2	66.5	112.5	460.6	697.7
Fuel oil	GJ	-	-	204.3	205.2	204.3	205.2
Total	GJ	38,451.4	48,936.4	46,473.1	42,587.8	84,924.5	91,524.2
Direct Energy consumption from renewable sources							
Energy produced from renewable sources and consumed	GJ	3,482.2	3,811.0	38.4	45.4	3,520.6	3,856.4
Total direct Energy consumption	GJ	41,933.6	52,747.4	46,511.5	42,633.2	88,445.1	95,380.6
Indirect energy consumption							
Electricity	GJ	192,729.2	218,114.3	28,349.8	29,087.2	221,079.0	247,201.6
District heating	GJ	-	-	3,427.5	3,698.0	3,427.5	3,698.0
Cooling	GJ	-	-	540.2	553.7	540.2	553.7
Total indirect energy consumption	GJ	192,729.2	218,114.3	32,317.5	33,338.9	225,046.7	251,453.2
Total energy consumption	GJ	234,662.8	270,861.7	78,829.0	75,972.1	313,491.8	346,833.8

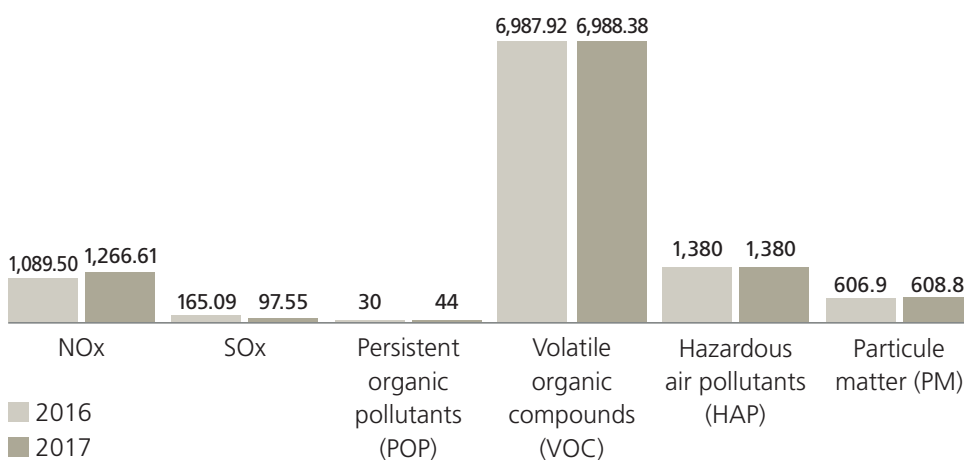
Note: Figures for the offices in the Czech Republic, Scandinavia, Dubai, Canada and Shenzhen are not available. Figures relating to energy consumption for freehold stores and the Japanese branch are available only for 2017. Figures for electricity consumption for E-Services are available only for 2016.

In 2016 and 2017, 11.6 and 12.3 GJ of Energy from renewable sources were produced at Group's plants, then sold to the national grid.

Emissions	Unit of measurement	Production facilities		Offices		De'Longhi Group	
		2016	2017	2016	2017	2016	2017
Direct	ton CO ₂	2,310.9	2,890.9	3,324.2	3,054.1	5,635.1	5,944.9
Indirect	ton CO ₂	26,900.0	29,651.8	3,492.0	3,394.0	30,392.0	33,045.8
Total	ton CO₂	29,210.9	32,542.7	6,816.1	6,448.1	36,027.0	38,990.8

Note: figures for direct and indirect CO₂ emission are not available for offices in Dubai, the Czech Republic, Scandinavia, Canada, Shenzhen.

The emissions of the Group's plants are shown below (in Kilos)



Note on methodology

Process used to identify material topics

The material topics were identified by the Group based on the analysis made to understand the main concerns of the Group's stakeholders and business priorities in relation to the five areas referred to in Legislative Decree 254/2016.

The Group's material topics were identified as a result of the following assessments:

- Analysis of the sustainability trends for the sector: mapping of the main non-financial aspects reported on by the Group's main peers;
- Analysis of sector concerns: mapping of the non-financial aspects deemed material for the retail sector based on the publications of a few international organizations like, for example GRI, RobecoSam, SASB, Dow Jones Sustainability Indexes;
- Analysis of business priorities: based on interviews of management, analysis of the main corporate documents like, for example the Code of Ethics, Code of Conduct, Decree 231 Model.

The results of these assessments helped to define the non-financial aspects that are the most relevant and necessary to fostering understanding of the company's business, performance, results, and impact and, therefore, reported on in the Group's Non-Financial Statement. For additional details and their connection to the Legislative Decree 254/2016 please refer to the introduction of the present document.

Reporting scope and standards used

In accordance with the Decree, the reporting scope corresponds with the scope of consolidation used in the consolidated financial statements, namely all the companies consolidated using the line-by-line method in the financial reports. The information and figures used in this section refer to 2017.

The Group used the GRI Sustainability Reporting Standards, published in 2016 by GRI – Global Reporting Initiative, to prepare its NFS. More in detail, as called for in paragraph 3, Standard GRI 101: Foundation, the following reporting standards were used in this statement:

GRI STANDARDS	GRI Disclosures	Description
GRI 102 – General Disclosure	GRI 102-8	Information on employees and other workers
	GRI 102-47	List of material topics
	GRI 102-55	GRI content index
	GRI 102-56	External assurance
GRI 103 – Management approach	GRI 103-1	Explanation of the material topic and its Boundary
	GRI 103-2	The management approach and its components
	GRI 103-3	Evaluation of the management approach
GRI 205 – Anti-corruption	GRI 205-2	Communication and training about anti-corruption policies and procedures
	GRI 205-3	Confirmed incidents of corruption and actions taken
GRI 206 – Anti-competitive behavior	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

GRI STANDARDS	GRI Disclosures	Description
GRI 302 – Energy	GRI 302-1	Energy consumption within the organization
	GRI 302-5	Reductions in energy requirements of products and services
GRI 305 – Emissions	GRI 305-1	GHG emissions (scope 1)
	GRI 305-2	Energy indirect (Scope 2) GHG emissions
	GRI 305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions
GRI 403 – Occupational Health and Safety	GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender
GRI 404 – Training and Education	GRI 404-1	Average hours of training per year per employee
GRI 405 – Diversity and Equal Opportunity	GRI 405-1	Diversity of governance bodies and employees
GRI 406 – Non-discrimination	GRI 406-1	Incidents of discrimination and corrective actions taken
GRI 412 – Human Rights Assessment	GRI 412-1	Operations that have been subject to human rights reviews or impact assessments
GRI 414 – Supplier Social Assessment	GRI 414-1	New suppliers that were screened using social criteria
GRI 416 – Customer Health and Safety	GRI 416-1	Assessment of the health and safety impacts of product and service categories
	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 417 – Marketing and Labeling	GRI 417-1	Requirements for product and service information and labeling
	GRI 417-2	Incidents of non-compliance concerning product and service information and labeling
	GRI 417-3	Incidents of non-compliance concerning marketing communications
GRI 418 – Customer Privacy	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data

The reporting process and the methods of calculation used

The content used in the NFS 2017 was prepared by all the relevant company divisions and those responsible for the aspects referred to in the report.

The main methods of calculation used are listed below:

1. **Turnover rate** is the number of separations (new hires and exits) expressed as a percentage of the number of people present in the Group at 31 December 2017;
2. **Injury rate** is the total number of injuries expressed as a percentage of the total number of labor hours multiplied by 1,000,000, excluding commuting accidents;
3. **Severity rate** is the total number of work days lost due to injuries expressed as a percentage of the total number of labor hours multiplied by 1,000;
4. **Lost day rate** is the number of working days lost due to injury as of the day following the injury;
5. **Absentee rate** is the number of work days lost to absenteeism in the reporting period as a percentage of the total number of working days in the same period;
6. the **first time quality (FTQ) indicator** is the number of perfect products as a percentage of total production for the year;
7. the **service call rate (SCR)** is the number of machines repaired in the first year under warranty as a percentage of total yearly sales. This indicator is calculated quarterly on a rolling 12-month basis. The figure for 2017 was updated as at the month of September as the figure for December was not available.
8. the **first time fix (FTF) indicator** is the number of repaired products that did not need further repairs in the six months following completion of the initial repair as a percentage of total product repairs;
9. **greenhouse gas emissions** are calculated based on the international standard ISO 14064-1. The only greenhouse gas considered was carbon monoxide (CO₂). The self-produced energy from renewable sources excluded from the calculation of greenhouse gas emissions.

Emission factors used to calculate CO₂ emissions were determined as follows:

Direct emissions (Scope 1): the emissions linked to the consumption of natural gas, diesel heating fuel, gas, diesel fuel and LPG for the company cars was determined based on the emission factors reported in the table of national standards published by the Italian Ministry of the Environment, for the years 2015, 2016 and 2017.

Indirect emissions (Scope 2): indirect emissions are linked to the consumption of electricity; the emissions were calculated by taking into account, for each country, the factors referred to in the most recent version (relative to 2015) of Table 49 – Primary socio-economic and energy indicators published by Terna (Italian grid operator) in the International Comparison section.

GRI Content Index

GRI Standard	Disclosure	Page	Omission
GRI 102: GENERAL DISCLOSURES 2017			
102-8	Information on employees and other workers	50-51	The distinction between full-time employees and part-time employees is not disclosed into current document.
102-15	Key impacts, risks and opportunities	47, 49, 52, 54, 56, 58, 60	
102-18	Governance structure	Report on corporate governance and the ownership structure – 1.Issuer's profile	
102-46	Defining report content and topic Boundaries	45-46	
102-47	List of material topics	45	
102-55	GRI content index	64	

GRI Standard	Disclosure	Page	Omission
MATERIAL TOPICS			
ANTI-CORRUPTION			
GRI 103: Management Approach 2017			
103-1	Explanation of the material topic and its Boundary	47-48, 45	
103-2	The management approach and its components	47-48	
GRI 205: Anti-corruption 2017			
205-2	Communication and training about anti-corruption policies and procedures	48	Communication and training to Company officers is not disclosed into current document.
205-3	Confirmed incidents of corruption and actions taken	48	
ANTI-COMPETITIVE BEHAVIOR			
GRI 103: Management Approach 2017			
103-1	Explanation of the material topic and its Boundary	47-48, 45	
103-2	The management approach and its components	47-48	
GRI 206: Anti-competitive Behavior 2017			
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	48	
ENVIRONMENTAL INDICATORS			
ENERGY			
GRI 103: Management Approach 2017			
103-1	Explanation of the material topic and its Boundary	60-61, 45	

GRI Standard	Disclosure	Page	Omission
103-2	<i>The management approach and its components</i>	60-61	
GRI 302: Energy 2017			
302-1	<i>Energy consumption within the organization</i>	60-61	
302-5	<i>Reductions in energy requirements of products and services</i>	60-61	
EMISSIONS			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	60-61, 45	
103-2	<i>The management approach and its components</i>	60-61	
GRI 305: Emissions 2017			
305-1	<i>Direct (Scope 1) GHG emissions</i>	61	
305-2	<i>Energy indirect (Scope 2) GHG emissions</i>	61	
305-7	<i>Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions</i>	61	
SOCIAL ASPECTS INDICATORS			
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	49-50,45	
103-2	<i>The management approach and its components</i>	49-50	
GRI 403: Occupational Health and Safety 2017			
403-2	<i>Types of injury and rates of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities</i>	51	
TRAINING AND EDUCATION			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	49-50,45	
103-2	<i>The management approach and its components</i>	49-50	
GRI 404: Training and Education 2017			
404-1	<i>Average hours of training per year per employee</i>	51	This disclosure is limited to the average of the total of De'Longhi Group's employees
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	49-50,45	
103-2	<i>The management approach and its components</i>	49-50	

GRI Standard	Disclosure	Page	Omission
GRI 405: Diversity and Equal Opportunity 2017			
405-1	<i>Diversity of governance bodies and employees</i>	50-51	This disclosure only relates to De'Longhi S.p.A.'s Board
NON-DISCRIMINATION			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	49-50,45	
103-2	<i>The management approach and its components</i>	49-50	
GRI 406: Non discrimination 2017			
406-1	<i>Incidents of discrimination and corrective actions taken</i>	51	
HUMAN RIGHTS ASSESSMENT			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	58-59, 45	
103-2	<i>The management approach and its components</i>	58-59	
GRI 412: Human Rights Assessment 2017			
412-1	<i>Operations that have been subject to human rights reviews or impact assessments</i>	59	
SUPPLIER SOCIAL ASSESSMENT			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	58-59, 45	
103-2	<i>The management approach and its components</i>	58-59	
GRI 414: Supplier Social Assessment 2017			
414 -1	<i>New suppliers that were screened using social criteria</i>	59	
CUSTOMER HEALTH AND SAFETY			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	52-53,45	
103-2	<i>The management approach and its components</i>	52-53	
GRI 416: Customer Health and Safety 2017			
416-1	<i>Assessment of the health and safety impacts of product and service categories</i>	52-53	

GRI Standard	Disclosure	Page	Omission
MARKETING AND LABELING			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	52-53,45	
103-2	<i>The management approach and its components</i>	52-53	
GRI 417: Marketing and labeling 2017			
417-1	<i>Requirements for product and service information and labeling</i>	53	
417-2	<i>Incidents of non-compliance concerning product and service information and labeling</i>	53	
417-3	<i>Incidents of non-compliance concerning marketing communications</i>	53	
CUSTOMER PRIVACY			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	56-57, 45	
103-2	<i>The management approach and its components</i>	56-57	
GRI 418: Customer Privacy 2017			
418-1	<i>Substantiated complaints concerning breaches of customer privacy and losses of customer data</i>	57	
NOT GRI DISCLOSURE			
AFTER SALES SERVICES			
GRI 103: Management Approach 2017			
103-1	<i>Explanation of the material topic and its Boundary</i>	56-57, 45	
103-2	<i>The management approach and its components</i>	56-57	
	<i>First time fix (FTF) indicator</i>	57	
	<i>Average time of technical service</i>	57	