



2014

SUSTAINABILITY REPORT



La Qualità e il Rispetto.

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1.

WHO WE ARE

GENERALE CONSERVE – ASDOMAR PROFILE



Generale Conserve is an Italian company specialised in preserved food products and owner of the ASDOMAR, De Rica and Manzotin labels.

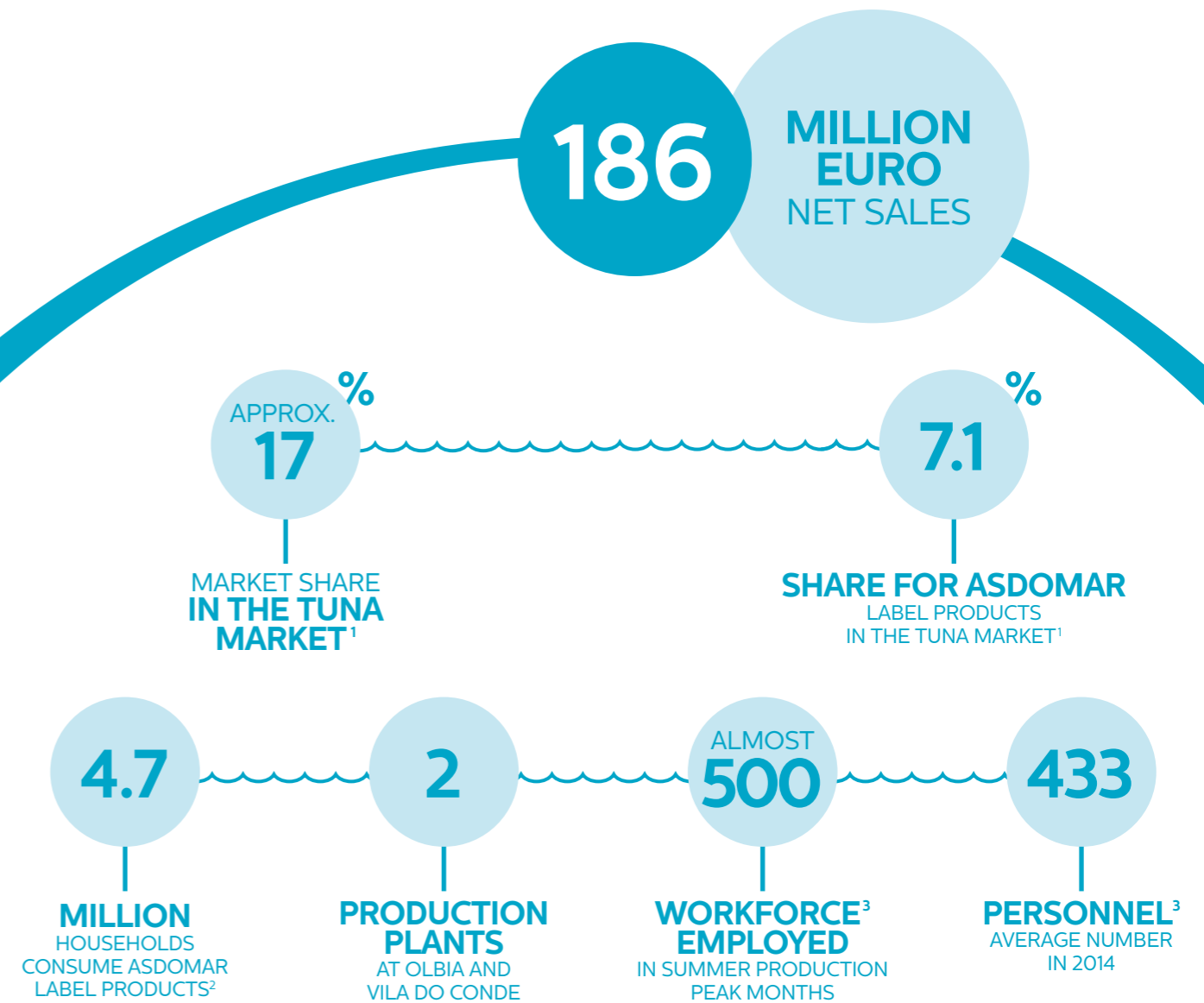
Thanks to the ASDOMAR label the company occupies second place on the Italian market among producers of preserved fish (with a share of around 17%); the market leader in the production of tuna products from whole fish, the company assumes benchmark status in terms of quality and innovation, key factors for success

and growth in the fish preserves sector in general and among premium products in particular. Incorporated at the end of the 1980s as a distributor, over a period of little more than a decade the company has grown from modest beginnings, recording turnover of €20m by 2001 and going on to become a major player that closed 2014 with sales of €186m, almost entirely generated on the Italian domestic market. The sales breakdown is 37% for the ASDOMAR label and 53% for private labels, which include a small

percentage of pet food, 0.6% of fish meal for animal feeds and more than 9% between the Manzotin and De Rica labels, which were acquired in 2013 and 2014, respectively.

Around 35% of private label products are produced by Generale Conserve at its plants in Olbia and Vila do Conde, while the remaining 63% are produced by the company's Spanish fish preserves partner, Frinsa, at its Ribeira plant, and 2% is sourced from other suppliers.

THE GROUP IN FIGURES



¹Source: Nielsen end of 2014, market for < 300g tuna in oil in supermarket + hypermarket channel, market shares by value.

²Nielsen Consumer Panel 2014.

³ This figure includes workers with a temporary contract hired during peak production times.

1.2 THE DISTINGUISHING FACTORS OF ASDOMAR PRODUCTS' SUSTAINABILITY



PRODUCTS FROM SUSTAINABLE FISHERIES

We process exclusively adult yellowfin tuna of certified minimum length of one metre and minimum weight of 20 kg to ensure reproduction and preservation of the species, and skipjack tuna only when certified as pole-and-line caught.

We use exclusively Friend of the Sea certified fish caught in compliance with stringent sustainable fisheries criteria monitored by independent on-board observers.
www.friendofthesea.org



"MADE IN ITALY" PRODUCTS

We keep the entire yellowfin tuna production cycle inside Italy **to produce genuine Italian quality** rather than simply packaging semi-processed products. Our hallmark quality is based on the art and experience of selecting, cutting, cooking and cleaning tuna.



SOCIALLY ACCOUNTABLE PRODUCTS THROUGHOUT THE ENTIRE VALUE CHAIN

We apply tangible values of respect for labour and human rights; that's why, for more than five years, we have certified our social accountability management system in Italy in compliance with **international standard SA8000**, which allows us to monitor our socio-ethical performance and that of our suppliers and business partners throughout the entire value chain.



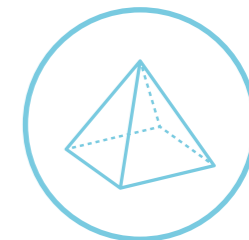
PRODUCTS THAT SUPPORT JOBS AND THE LOCAL ECONOMY

Retaining all yellowfin tuna production stages in Italy and mackerel production in Portugal, without succumbing to the temptation to outsource the most artisanal steps in the process to other countries, helps support local jobs, kick-starting a virtuous circle of more work, more purchasing power, higher consumption and hence still more jobs.



PRODUCED WITH RESPECT FOR THE ENVIRONMENT

It is company policy to reduce environmental impacts progressively. Special attention is devoted to reducing atmospheric emissions, managing waste, water usage, and minimising odour emissions towards the surrounding environment. **ASDOMAR has achieved the important goal of a "zero processing scrap"** production process by installing a modern plant at Olbia for the production of fish meal for use in livestock feeds and pet foods. Also in Portugal, scrap is recycled by a specialist external contractor for the same uses.

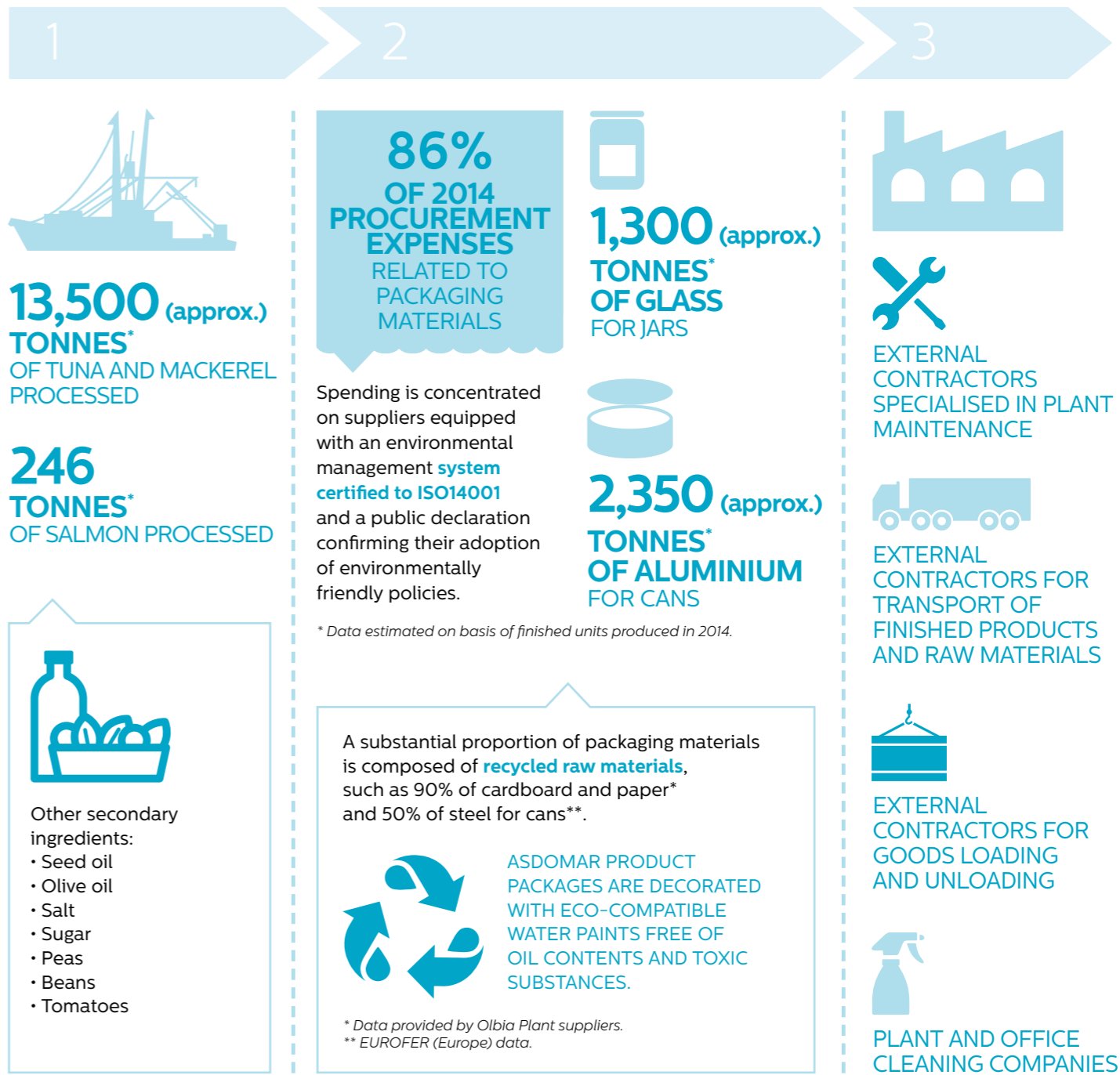


PRODUCTS THAT GUARANTEE TRANSPARENCY FOR CONSUMERS

ASDOMAR ensures the maximum traceability of the tuna, mackerel and salmon used in its products, **ensuring consumers are constantly informed and able to make conscious choices at the time of purchase.** Tuna packaging (external clusters for canned products, information tags for glass jars) already shows the species (common and scientific name), place of catch (ocean and FAO area) and fishing technique. **www.asdomar.it/eng/** contains a "Contacts" section in which complete product traceability is available by means of the production lot number shown on the pack.



1.3 ASDOMAR'S SUPPLY CHAIN



1.4

OUR PEOPLE AND THE SA8000 SYSTEM

In Italy, ASDOMAR has implemented a management system in compliance with international standard SA8000. The company performs audits and checks on its most important suppliers in terms of size, number, frequency of supplies and sales. In the 5 years that have elapsed since the start of auditing activities, a significant proportion of suppliers in the main product sectors have been evaluated in accordance with the SA8000 management system through documentary analysis and audits carried out in offices and plants. All new suppliers in Italy are required to fill in a questionnaire and checklist (more than 150 companies have complied to date) to provide

information on their organisation, the working conditions and adequacy of salaries, absence of child labour, respect for principles of non-discrimination, use of holidays and their safety management system.

The information in the questionnaire concerning the requirements of SA8000 certification constitutes a tool for the preparation of an annual field audits plan at suppliers' production plants. During these meetings a series of questions were asked in relation to the topics of SA8000 without uncovering any particular criticalities; minor irregularities were referred to and managed by the competent company functions.



For ASDOMAR, “Quality and Respect” are pursued also through the protection of the people who contribute to the elevation of quality and success of the brand, day by day.



One of ASDOMAR’s key priorities is the attention devoted by the company to the health and safety of workers in the workplace.

The Olbia and Vila do Conde plants are equipped with a system of rules and procedures aimed at minimising industrial accidents as far as possible and ensuring strict compliance with national and European community legislation, regulations and directives.

The health and safety management system incorporates:

- analysis and constant updating of all possible health and safety risks and hazards connected to each role performed by ASDOMAR personnel;
- correct management, updating and disclosure of the policies and procedures for correct execution of work activities in terms of accident prevention;
- specific classroom and on-the-job training activities for the prevention of occupational risks with special attention focused on newly hired personnel.

The professional training delivered by the Group is mainly focused on safety in the workplace and hygiene, safety and protection of food products.



2.

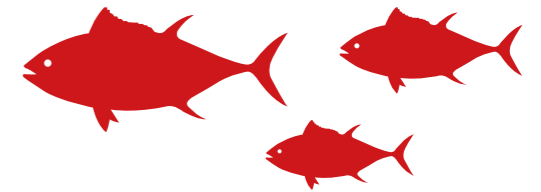
100% QUALITY “MADE IN”



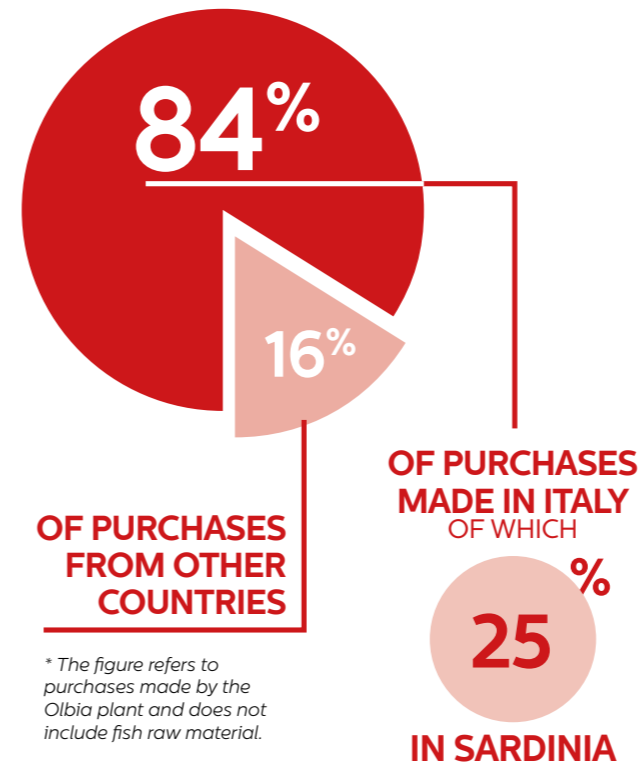
OUR DECISION TO “STAY LOCAL” AND OUR CONTRIBUTION TO THE LOCAL ECONOMY

In 2008 Generale Conserve decided to handle production of yellowfin tuna at Olbia in Sardinia, purchasing the machinery and equipment of a tuna processing plant that had ceased production, gradually re-hiring, throughout the first year and thereafter, almost the entire workforce that had originally been laid off.
 In 2010 the Company made an investment of more than €25m to build a brand new ultra-modern plant just a few hundred metres from the original site in the industrial district of Olbia.

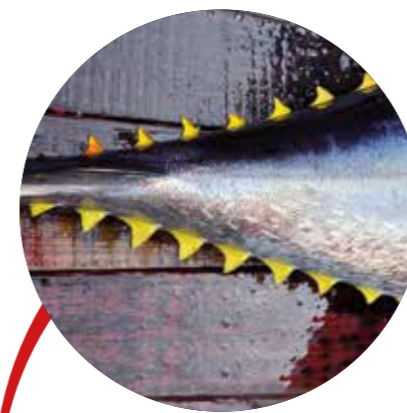
All stages of yellowfin tuna production are performed by processing raw material from whole fish in the same facility.



PURCHASES IN 2014*



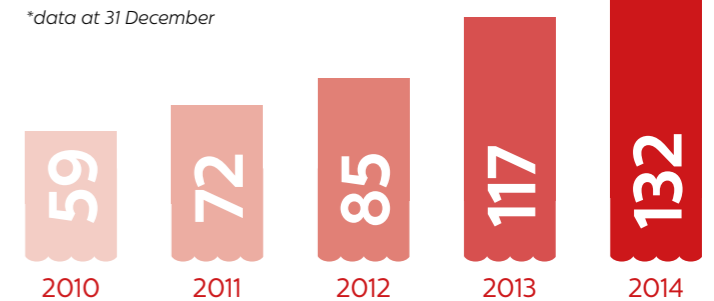
84% of purchases are made from Italian and local suppliers for a value of **MORE THAN €17M**, net of fish raw material (which cannot be procured in Italy for industrial production), the origin of which is shown on page 25.



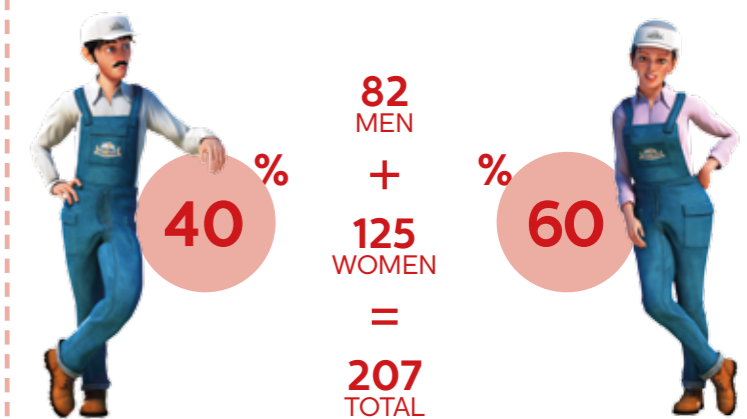
ASDOMAR YELLOWFIN TUNA PROCESSED ENTIRELY IN ITALY

The choice to avoid semi-processed products and instead proceed from the whole fish is a result of our insistence on managing the entire production cycle in Italy; all ASDOMAR tuna processing stages are performed in Sardinia at the Olbia plant. The yellowfin tuna reaches the plant whole, rather than semi-processed, making it possible to retain the precious skills of the local Sardinian workers whose experience in the sector has been passed down through the generations.

BREAKDOWN OF FIGURES FOR FULL-TIME EMPLOYEES AT THE OLBIA PLANT*



AVERAGE NUMBER OF WORKERS EMPLOYED IN OLBIA PLANT IN 2014





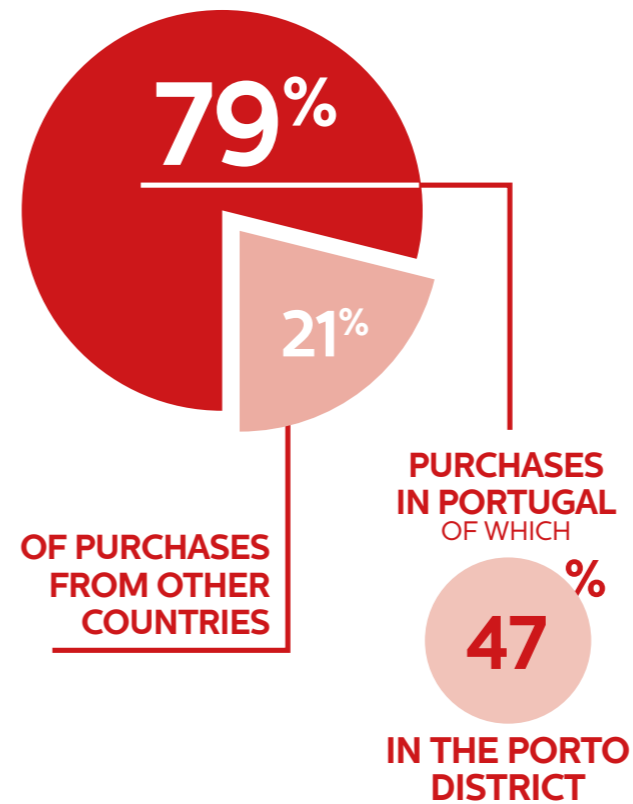
In 2006 Generale Conserve assumes management of the Vila do Conde plant in Portugal exclusively, taking over from a local supplier that was already engaged in production for Generale Conserve and that was about to wind up the business. In 2011 the plant was purchased in full and is now used by Generale Conserve for the production of mackerel and salmon. Also in this case the operation made it possible to retain the experience of around 150 expert workers with skills in traditional mackerel processing techniques that may have been lost if the factory had been effectively shut down.

All stages of mackerel production are performed by processing raw material from whole fish in the same facility.

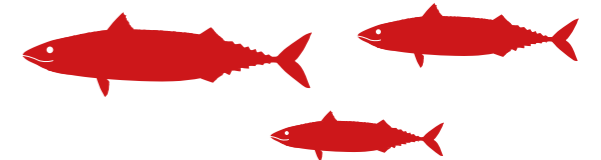


90% OF THE MACKEREL IS PURCHASED FROM LOCAL FISHERMEN IN PORTUGAL

PURCHASES IN 2014*



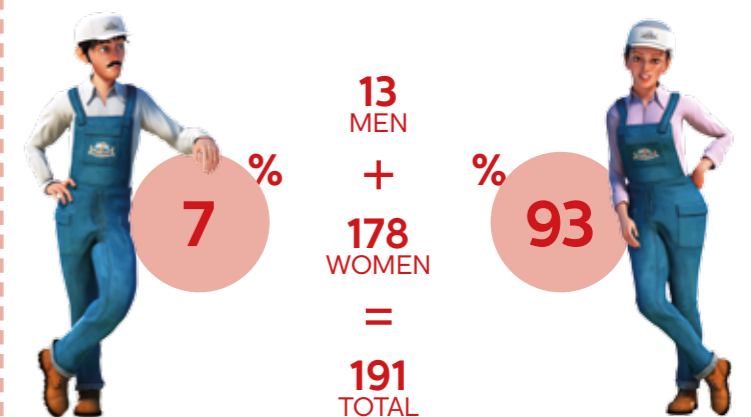
* The figure refers to purchases made by the Vila Do Conde plant and does not include fish raw material.



PORTUGUESE QUALITY ASDOMAR MACKEREL

All ASDOMAR mackerel production stages are performed in Portugal at the Vila do Conde plant; the fish is caught mainly in the waters off the Atlantic coast on which the plant is located. The majority of processing is performed manually by skilled female workers who are experts in cleaning and preparing mackerel.

AVERAGE NUMBER OF WORKERS EMPLOYED IN 2014





3.

ENVIRONMENTALLY - FRIENDLY AND SUSTAINABLE FISHERIES

3.1 OUR CRITERIA FOR SUSTAINABLE FISHERIES

PURCHASING, CHECKING AND THIRD-PARTY AUDIT PROCEDURE

We monitor each purchase to ensure it complies with the internal procedures and requirements of our specifications and we check traceability of the fish raw material.

ON-LABEL TRACEABILITY

We offer consumers full traceability of our products with respect to their origin and the sustainability characteristics of the fish, both on the label and via a dedicated channel on our website, which will become entirely on-demand in the early months of 2016.



ONLY MATURE SPECIMENS TO ASSURE COMPLETION OF THE REPRODUCTIVE CYCLE AND CONSERVATION OF THE SPECIES.



ONLY IF FRIEND OF THE SEA CERTIFIED

All ASDOMAR label products are certified in compliance with the requirements of sustainable fisheries and social accountability, monitored by certification bodies and observers on board the fishing vessels, appointed by Friend of the Sea.



OCEANS AND SEAS WITH STOCKS THAT ARE NOT OVERFISHED

We purchase only tuna and mackerel species originating from stocks in which the biomass is not over-exploited on the basis of the most recent data of Regional Fisheries Management Organizations (RFMOs) supported by the FAO.



SELECTIVE CAPTURE METHODS

We use exclusively fish captured by means of the most selective and lowest impact techniques (pole&line and purse seine on free school). We do not use tuna caught with longliners or large gill nets.

SKIPJACK TUNA (*Katsuwonus pelamis*)



**≥ 1.8 kg
(approx. 45 cm)**

YELLOWFIN TUNA (*Thunnus albacares*)



**≥ 20 kg
(approx. 1 m)**



DOLPHIN-SAFE

We insist all our raw materials suppliers provide fish exclusively caught by vessels certified Dolphin-Safe by the Earth Island Institute.



WE DO NOT PURCHASE FISH RAW MATERIAL ORIGINATING FROM MARINE RESERVES, nor from areas set aside to become reserves.



ONLY REGISTERED FISHING VESSELS

We purchase fish raw material exclusively from fleets and vessels that do not appear on the IUU list (illegal fishing vessels), only from vessels identified by an individual European Health register, and not subject to transshipment at sea, other than with independent observers on board.



NO CAPTURE OF THREATENED SPECIES

We do not purchase: Atlantic bluefin tuna (*Thunnus thynnus*), or specimens of the Bigeye species (*Thunnus obesus*).



ONLY FRIEND OF THE SEA CERTIFIED SALMON

For ASDOMAR label products we use exclusively salmon sourced from sustainable fish farms certified by Friend of The Sea.

SUSTAINABILITY OF ASDOMAR PRODUCTS



1

Fishing vessel fleets request FoS certification of the sustainability of their fisheries and the social accountability of the on-board activities.

Primary international certification organisations appointed by FoS send out their expert auditors to conduct assessments and checks in order to issue the certificate, which is renewed by means of additional audits at 18 month intervals and confirmed with a certification audit performed once every 3 years.

2

The observers check that the fleet requesting certification does not fish in over-exploited areas and does not use unsustainable fishing methods (e.g. methods having a negative impact on the sea bed). Checks also cover the limits of accidental catches (<8% the limit set by FoS) and the absence of fishing in protected waters, and documentation is requested concerning training certificates for on-board personnel. Release techniques are monitored for non-target species, and also other environmental and social aspects including correct management of wastes, atmospheric emissions, absence of child labour and the application of equal pay and working conditions.

ASDOMAR is the only producer in Italy that insists on supplies exclusively of **ADULT YELLOWFIN TUNA of a minimum weight of 20 kg and 1 m in length**, fished in free schools with purse seiners, which effectively exclude the use of FADs that attract also smaller and immature fish of other species (juveniles). Moreover, ASDOMAR uses skipjack tuna only if certified as pole-and-line caught.

3

The fleets that receive certification agree to host an FoS accredited observer on each vessel. The observers are researchers and marine biologists who, with regard to the fleets from which ASDOMAR procures its fish, come primarily from the research institute for monitoring of east Atlantic fisheries, AZTI, and PNA (Parties to the Nauru Agreement), the organisation for monitoring of fisheries in the Atlantic Ocean and in the western and central Pacific Ocean.

The certification agencies appointed by FoS perform audits on traceability also at the Olbia and Vila do Conde plants, tracking from the lot of finished product back to the raw material catch.

4

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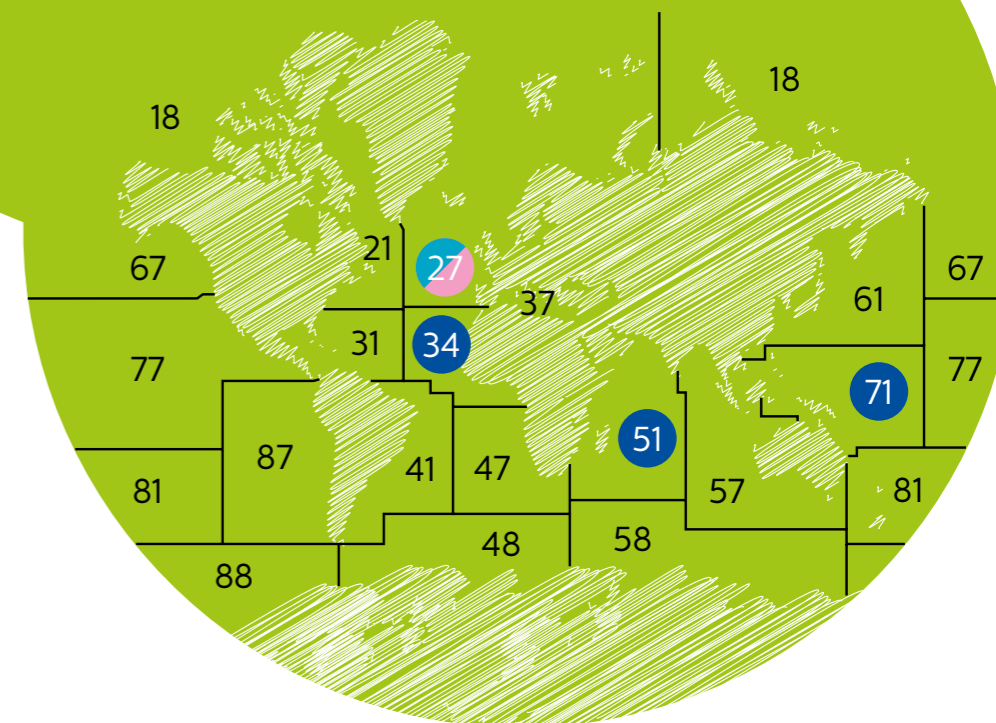
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AREAS AND FISHING METHODS



27 North-east Atlantic
FAO AREA 27
100% Mackerel
30% Skipjack tuna

34 Central-eastern Atlantic
FAO AREA 34
9.4% Yellowfin tuna

51 Indian Ocean
FAO AREA 51
22% Yellowfin tuna

71 Central-western Pacific Ocean
FAO AREA 71
39% Yellowfin tuna

FAO defines the guidelines for fish products on the basis of indications received from Regional Fisheries Management Organizations (RFMOs), which monitor stocks and catch levels in the framework of long-term sustainability of the various species.

YELLOWFIN TUNA AND MACKEREL

Fishing with purse seiners
Fishing method practised with large fishing vessels that remain at sea for several weeks at a time, using classic nets for the capture of fish in schools, with a closed bottom to form a bag type structure known as a seiner.

SKIPJACK TUNA

Pole&Line
Fishing method with low risk of accidental capture of other marine species, practised close to the shore. The schools of tuna swim around the boat thanks to bait previously thrown into the sea, the tuna is then caught individually on a hook using a fishing pole of between 2 and 3 metres in length.

Data concerning the percentage of origin from the various FAO areas are referred to production from 1 May 2014 to 30 April 2015 of ASDOMAR label tuna.

3.4

ENVIRONMENT AND TERRITORY: THE OLBIA PLANT

The Olbia plant, which is a new build from 2010, uses technologies that guarantee extremely high levels of energy efficiency and environmental performance.



The Olbia plant used **100% RENEWABLE ENERGY** supplied by the Romagna Energia consortium.



APPROXIMATELY 600 "WHITE" ENERGY EFFICIENCY CERTIFICATES obtained due to the reduction in the volume of CO₂ emissions in 2014, FOR A VALUE OF APPROXIMATELY €50,000



100% of Plastic, Steel, Wood, Paper and Cardboard **SHIPPED TO RECYCLING PLANTS**



The Olbia plant has reused **APPROXIMATELY 30% OF THE WATER DRAWN FROM THE WATER MAIN**



MORE THAN 220,000€ of spending and investments to minimise environmental impacts.



Also in 2014 **NO FORMAL COMPLAINTS RECEIVED OR LEGAL DISPUTES** connected with environmental impacts of the plant and no fines or penalties levied for noncompliance with environmental laws and regulations.

THE INTERVIEW ZERO WASTE TUNA

"Tuna processing produces more than 50% of scrap that is normally transferred to landfill. ASDOMAR re-uses its processing scrap for the production of livestock feeds. This makes it possible to reduce waste levels and reuse all resources".

Paolo Bray
Friend of the Sea Director

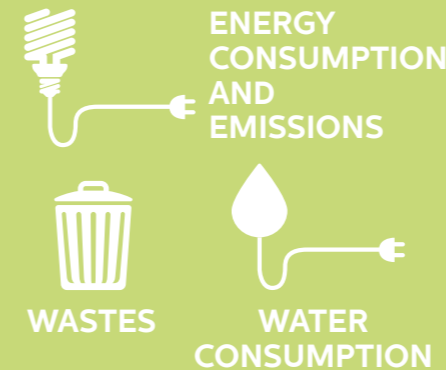


3.5

THE VILA DO CONDE PLANT

Over the past three years the Vila do Conde plant has recorded a steady improvement in environmental performance thanks to a three-year project (2012-2014) involving a total outlay of more than €2m, co-financed by the European Union and the Portuguese government in the amount of 30%, for modernisation, improvement of industrial processes and reduction of environmental impacts connected with energy consumption, atmospheric emissions and water consumption.

The main environmental impacts connected with the tuna and mackerel processing cycle at the group's two plants are:



APPROX. €40,000 of spending and investments to mitigate environmental impacts in 2014.



The plant has implemented a **SYSTEM FOR REUSE OF CONDENSED STEAM** produced by the boilers, which provides domestic hot water for the offices and the factory.



2014 saw the completion of the plant water system modernisation project, which will make it possible to reduce water and steam leaks.



Since 2012 **APPROX. 30%** reduction of CO₂ emissions and zero fine particulate emissions thanks to conversion from fuel oil to liquefied natural gas in the raw material cooking process.



100% Plastic, Steel, Wood, Paper and Cardboard **SHIPPED TO RECYCLING PLANTS**



NO FORMAL COMPLAINTS OR LEGAL DISPUTES related to environmental impacts of the plant. Also in 2014 no fines or penalties were levied for failure to comply with environmental regulations and laws.



ASDOMAR MACKEREL AND SALMON PRODUCE

ZERO

PROCESSING SCRAP thanks to the transfer of scrap to the plants of external contractors for the production of fish meal for livestock feeds and pet food.



4.

ASDOMAR AND ITS CUSTOMERS

4.1

ON-LABEL TRANSPARENCY

Loyalty towards consumers and the trust they place in our brand every day with their purchases are at the core of an enduring relationship that has been fostered also by transparency and completeness of information shown on the packs and by means of targeted communications campaigns.



Far in excess of the minimum legal requirements (nutritional information, ingredients, etc.), the packaging of all ASDOMAR products shows the fish species (common and scientific name), place of catch (ocean and FAO area), fishing method and FoS certification.

Tuna fillets in glass jars are sold with an information tag explaining the criteria employed by ASDOMAR to guarantee sustainable fisheries.

In addition, using the production lot number printed on the pack consumers can send a message by filling in the form at www.asdomar.it/index.php/contattaci.php to request complete traceability of the purchased product. From the early months of 2016 the system will be fully automatic and will allow consumers to receive information on the purchased product and chain of production in real time.



COMPLIANCE WITH LAWS AND REGULATIONS

As in the past, also in 2014 there were no cases of noncompliance with regulations and voluntary codes concerning the impact on health and safety of the products during their entire life cycle, nor cases of noncompliance with regulations and voluntary codes concerning information provided and product labelling. No complaints were received by the company relating to violation of data protection rules or the loss of consumers' data. In addition, the company was not subject to fines or penalties relating to noncompliance with laws or regulations governing the supply and use of products.

4.2

QUALITY AND SAFETY: ASDOMAR'S POLICY



Constant attention focused on the needs of consumers forms the underpinning of our company policy, which is based on the maximum transparency and on excellence in terms of the quality, safety and sustainability of our products.

The quality of the finished product is also guaranteed by the care with which the organoleptic and food safety checks are carried out. A further quality guarantee of ASDOMAR products is provided by the fact that all tuna processing operations, from the whole fish, and all mackerel processing stages are performed in the same facility.

FOOD SAFETY CERTIFICATIONS

The food safety management system implemented by ASDOMAR at its Olbia and Vila do Conde plants has been certified for several years in compliance with internationally recognised standards:



• The *International Food Standard (IFS)*, created by the French and German agri-food mass retail chains.



• The *British Retail Consortium (BRC)*, a voluntary standard developed by the UK consortium of mass retailers to guarantee food quality and safety.

UNI 10854 Certification

In 2014 the Olbia plant also secured certification of its hazard analysis and critical control points (HACCP) in compliance with Italian standard UNI 10854.



4.3 A LABORATORY OF EXCELLENCE



THE OLBIA PLANT IS EQUIPPED WITH ITS OWN ACCREDITED LABORATORY.

The Olbia plant is equipped with its own laboratory, accredited by Accredia as a third party for food safety analysis of tuna and oil.

http://www.accredia.it/accredia_labsearch.jsp?ID_LINK=293&area=7&dipartimento=L,S&desc=Laboratori&numeroaccr=1326

Since the Olbia in-house laboratory is accredited, the analyses it conducts are recognised internationally and allow the products to be sold on foreign markets without having to pass any additional checks.

This means that compared to its competitors ASDOMAR can perform more frequent sampling and analyses of the incoming raw material, during production and on the finished product.

As in the past, no cases were recorded in 2014 of noncompliance of products sold in relation to food safety laws and regulations.

TESTS ON TUNA

AROUND **200** TESTS TO ENSURE FOOD SAFETY OF THE TUNA

are carried out every day at the Olbia plant in relation to histamine, mercury and total volatile basic nitrogen (TVB-N).



+

These daily tests are augmented each year by AROUND **1,200** QUALITY AND SAFETY ANALYSES PERFORMED ON THE OIL with the aid of sophisticated equipment such as an ultra HPLC chromatograph




MACKEREL AND SALMON


Sample checks are carried out on mackerel and salmon in Portugal, too, to check for levels of histamine, mercury, and total volatile basic nitrogen (TVB-N).

The levels of heavy metals are checked once a year by an external laboratory on samples of fish of different origins taken from incoming lots at different times of the year, frozen and preserved for annual analysis.

The levels of heavy metals found in mackerel and salmon were found to be negligible in consideration of the size of the specimens and different position they occupy in the food chain.

IN ADDITION, VARIOUS QUALITY TESTS ARE PERFORMED, INCLUDING:


 Organoleptic evaluation of the raw material by means of an initial **“COOKING TEST”** and a test on the finished product

 **TESTS** of any free water and thermostatic stability tests

 **PRODUCT PRESENTATION**

 **CHLORIDE LEVELS** (salt)

 **NET WEIGHT** and **DRAINED WEIGHT**

 **CENTESIMAL ANALYSIS** (moisture, ash, total lipids and proteins)

TYPES OF FOOD SAFETY CHECKS PERFORMED ON TUNA		NUMBER OF CHECKS PERFORMED IN 2014	
Number of sample checks carried out on each incoming lot of tuna (histamine, mercury, TVB-N)		APPROX. 5,000	
Number of checks performed on finished tuna product (histamine, mercury, TVB-N)		APPROX. 40,000	
Number of quality and safety analyses carried out on oil samples		APPROX. 1,200	
AVERAGE VALUES MEASURED	HISTAMINE	MERCURY	TOTAL VOLATILE BASIC NITROGEN (TVB-N)
	Less than 20 mg per kg of tuna	0.15 mg per kg of tuna	20 mg per 100 mg of tuna
LEGAL LIMITS	100 mg per kg of tuna	1 mg per kg of tuna	no legal limit for tuna



La Qualità e il Rispetto.

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