NACTAROME
The Colourful Taste Of Nature

Sustainability Report 2023

LETTER FROM THE CEO

GRI 2-22

Dear Reader,

It is with great pleasure and pride that I introduce **Nactarome's inaugural Sustainability Report**. We embarked on this journey voluntarily and with great enthusiasm, recognizing the value that transparency and accountability can bring, even though the report is not mandated by current legislation. The insights we have gained through this in-depth review are invaluable, and we are committed to making sustainability a **cornerstone of our business and strategic planning cycles**. At Nactarome, sustainability is a pathway to creating value as we continue to grow and adapt in a rapidly changing world.

Nactarome operates as an **extension of our clients' product development teams**, offering a full spectrum of natural flavor, taste, and color solutions for the food and beverage industry. With over 500 employees across 9 countries, we leverage **global expertise, local insights, and vertical integration** to craft and manufacture products that align with our clients' consumer needs. While Nactarome's current structure is new, our roots reach deep; the legacy companies that form our local presence date back to the early 20th century for colours and to the mid-1960s for flavours and ingredients. We value that heritage and expertise to support our customers' needs, deliver the bespoke solutions that make us stand out, and continue the deep community relationships begun so many years ago.

I am fully committed to **embedding sustainability into every aspect of Nactarome's operations**. For us, sustainability is not simply a management exercise or a set of policies for our facilities. True sustainable practices extend beyond environmental stewardship and health & safety—they include employee well-being, responsible procurement, and strong corporate governance. This inaugural Sustainability Report, covering the 2023 calendar year, presents an in-depth look at the topics most relevant to Nactarome and its stakeholders, identified through the Company's **first Materiality Analysis**, conducted according to Global Reporting Initiative (GRI) Standards. Through this analysis and engagement with stakeholders, we were able to pinpoint the key environmental, social, and governance priorities that now form the basis of Nactarome's 2024-2026 Sustainability Plan.

This Plan, designed with careful internal and external assessments, lays out ambitious objectives across four central pillars that resonate with both Nactarome's mission and broader societal goals: Environmental Sustainability, People, Governance, and Sustainable Procurement. Together, these pillars create **a roadmap for Nactarome's meaningful progress toward sustainable growth**.

I want to close by thanking everyone who contributed data and insights to this inaugural Nactarome Sustainability Report. We are eager to share this report broadly and invite feedback from our stakeholders as we work together to become the sustainable partners our industry and the world need.

Luigi Del Monaco
CEO - Nactarome Group S.p.A.

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HIGHLIGHTS 2023

9

countries where the Company is present

535

employees in 2023

€196 MM

consolidated revenue

11%

2023 growth in employee numbers from 2022

126%

2023 **female middle management's earnings** compared to their male counterparts

100%

of employees covered by **collective bargaining agreements** in the countries where such agreements are in place

0

fatalities and high-consequence work-related injuries in both 2022 and 2023

100%

of Nactarome's employees covered by an **occupational health and safety system**

BRCGS GRADE A*

held by **Nactarome Ltd**

FSSC 22000

certification owned by **all other legal entities** for food safety and quality

0

incidents of corruption experienced in both 2022 and 2023

77%

of employees who received training or communication on anticorruption policies in 2023

+94%

of **renewable electricity usage,** which doubled from 2022 representing **41%** of total electricity consumed

Nactis Benelux
eliminated diesel

consumption for production from 5,942 GJ in 2022 to zero in 2023

Net-zero carbon emissions

achieved by **Nactarome Ltd** in 2023 by offsetting its carbon footprint

1.   NACTAROME

GRI 2-1   GRI 2-2

1.1   ABOUT THE COMPANY

Nactarome S.p.A. is a leading European company in the creation and production of natural flavour, taste & colour solutions for the food & beverage industry. Established in 2018, Nactarome has over 500 employees across 9 countries who leverage global expertise, local presence, and vertical integration to offer high-quality, innovative solutions tailored to meet customer preferences. The Company collaborates closely with its clients across all stages of product development: from innovation and regulatory compliance to purchasing and manufacturing. Nactarome stands out for extraordinary service and quality thanks to the adoption of the latest technologies, attention to consumer trends and detailed market insights that drive successful production and win over customers.

The Nactarome story began in 2018 when private equity investor Ambienta SGR S.p.A acquired a majority stake in AromataGroup, a Company specializing in natural flavors and colors. This marked the beginning of a strategic expansion, with acquisitions of complementary businesses across Europe, including IPAM & FIAS in Italy, Nactis in France and Benelux, and Create Flavours & Taste Connections in the UK.

In 2021, TA Associates became the majority shareholder, supporting Nactarome's growth ambitions. The Company's growth continued with the acquisition of Calaf Nuances in Spain, Royal Buisman in the Netherlands and Foodtaste & Trablit in France. The companies that form Nactarome's foundation and give it its deep local presence have their roots back to the early 20th century for colours and to the mid-1960s for flavours and ingredients. Nactarome values that heritage and industry expertise to further support customers' needs and deliver the bespoke solutions that make the Company stand out.

As they look to the next phase of their journey, Nactarome continues to prioritise high quality standards, a customer-centric approach and commitment to sustainability to deliver natural flavour, taste and colour solutions that capture consumer preference, with winning market results.

GRI 2-6

1.2 VISION, MISSION, AND VALUES

1.3 BUSINESS MODEL

Nactarome's vision is to be the most customer-centric and inspiring partner of choice for its clients. By leveraging its people's outstanding expertise and global reach on technologies, taste, and trends, the Company aims to provide local solutions and services that exceed expectations by delivering high-quality natural, beyond natural, and "clean label" products, with a strong focus on provenance, sustainability, and premium sourcing.

The Company's mission is centered on delivering bespoke and value-added solutions for its clients by carefully listening to their needs and providing extraordinary service and quality. Working closely together, Nactarome develops natural flavour, taste and colour solutions that capture consumer preference, with winning market results. Through its diverse heritage, internal synergies, and vertical integration, the Company builds long-lasting relationships based on trust, value, and care fostering product development and respecting its broader environmental commitments.

Nactarome's customer-centric business model is based on the principle of operating as an extension of their clients' product development teams to provide a full range of natural flavour, taste and colour solutions. Active in more than 100 countries, with 15 production sites and over 500 employees, including 81 R&D professionals, Nactarome supports **diverse applications across the sweet, savoury & beverage segments**. They address the growing consumer demand for health-conscious and sustainable solutions with expertise in sustainable and clean-label products. Fully-equipped kitchens and laboratories are staffed by experienced food technologists, creative chefs, quality & regulatory support, and a highly trained sensory team that are inspired by the latest trends and technologies to deliver high-quality innovative products.

The Company's growth strategy focuses on international expansion, significant R&D investments, and strategic mergers and acquisitions, underpinned by their strong commitment to sustainability best practices. **The Company has a strong architecture for innovation**, which enables it to combine customer- and market-focused approach with deep technical expertise. Additionally, Nactarome emphasizes sustainability and clean label solutions, catering to the evolving demand for natural products while maintaining demanding quality and certification standards.

With an ambition to focus on natural, clean label and provenance ingredients, **Nactarome's values reflect a commitment to customers and employees**:

- **Customer focus** to drive bespoke solutions when customers need them

- **Collaboration** among experienced regional teams to bring a world of expertise

- **Naturalness** as a central element of the Company's products

- **Innovation** through new technologies and developments to meet consumer needs

2. CORPORATE GOVERNANCE

GRI 2-9   GRI 2-10   GRI 2-11   GRI 2-14

Nactarome has a structured corporate governance framework that ensures effective oversight and strategic management. The Company is governed by three key bodies: the Board of Directors (BoD), the Board of Statutory Auditors, and the Board of External Auditors (BDO), who sign off on both the Financial Statements and Consolidated Accounts.

The Board of Directors is composed of six members, plus one observer, with a second observer joining in 2024. The BoD has a dual function: overseeing the strategic governance of the Company and managing the implementation of major Company programs by the local legal entites. BoD members serve a three-year tenure and bring a blend of strategic, financial, and industry-specific expertise, reflecting the interests of shareholders, who are responsible for appointing its members.

The Board of Statutory Auditors is made up of three members, two appointed by the majority shareholder and one by the minority shareholder. These auditors are chosen based on their technical knowledge and independent approach, ensuring thorough oversight. They also serve a three-year mandate.

The Chairman of Nactarome S.p.A., Mr. Hans Udo Wenzel, also chairs most of the local legal entities within the Company. Although he is not involved in daily management, where local General Managers hold P&L responsibilities, he plays a crucial role in mergers and acquisitions, particularly in identifying and negotiating with potential targets. However, he does not have the authority to finalize any commitments on behalf of the Company.

Lastly, the **Board of Directors is responsible for reviewing and approving the Company's sustainability information**, ensuring that material topics are thoroughly examined and aligned with the Company's objectives. This process includes collecting and analyzing relevant data, followed by a detailed review, discussion, and final approval by the BoD.

GRI 405-1

Nactarome's Board of Directors members	2022	2023
Total number of members	**5**	**5**
Men	5	5
	100%	**100%**
Women	0	0
	0%	**0%**
Between 30 and 50 years old	0	0
	0%	**0%**
Over 50 years old	5	5
	100%	**100%**

3. SUSTAINABILITY PRACTICES

GRI 2-29   GRI 3-1

3.1 MATERIALITY ANALYSIS AND STAKEHOLDER ENGAGEMENT

Through this Sustainability Report, Nactarome has voluntarily chosen to report on the most relevant (i.e., "material") sustainability topics for the organization and its business, in terms of the impacts generated on the environment, the economy, and people. The Global Reporting Initiative Standards (i.e., GRI Standards) serve as the methodological reference for the preparation of this Sustainability Report. GRI Standards require the execution of a Materiality Analysis: a process used to identify and assess the sustainability topics most relevant to Nactarome and its stakeholders. Thus, the Company conducted its **first Materiality Analysis in 2023**, capturing the key factors that can influence corporate sustainability and the related challenges, both present and future.

The Materiality Analysis began with the development of a list of potentially relevant sustainability topics for Nactarome's business. The list was based on the qualitative and quantitative analysis of the internal and external context in which the Company operates. Feedback from Nactarome's managers and leaders completed the elements considered in the initial step.

The topics in the list were divided into four sustainability pillars, representing the main areas in which the Company generates impact:

- **Governance,** including:
  - ▸ Ethical business conduct
  - ▸ Data privacy and cybersecurity

- **People,** including:
  - ▸ Health and safety at work
  - ▸ Diversity, equity and inclusion
  - ▸ Employee wellbeing and development
  - ▸ Local communities

- **Product and procurement**, including:
  - ▸ Product quality and safety
  - ▸ Responsible procurement and traceability
  - ▸ R&D, innovation and digitalization

- **Environment**, including:
  - ▸ Emission reduction and climate change mitigation
  - ▸ Energy and energy efficiency
  - ▸ Water management
  - ▸ Waste management and circularity

Once potentially material topics were defined, the Company engaged with around 65 external and internal stakeholders. External engagement with customers and suppliers involved either participating in a dedicated interview or completing online questionnaires that investigated the actual and potential impacts that Nactarome generates, or may generate, on the environment, economy, and people (i.e., Impact Materiality).

Internal engagement also came through interviews and online questionnaires, which focused on Impact Materiality, with the addition of a **Top Management workshop** that addressed not only Impact Materiality, but also the financial risks and opportunities coming from each potentially material topic (i.e., Financial Materiality). The workshop was also an opportunity to discuss the outcome of the Materiality Analysis and finalize its results, giving a boost to topics that scored medium, but were deemed particularly significant considering the Company's business and the stakeholder feedback.

3.2 MATERIAL TOPICS

The Impact Materiality score is based on the weighted average of the evaluations provided. In detail, evaluations by the Top Management were assigned a 60% weight and external stakeholders feedback accounted for the remaining 40%. In addition, boosts of 0.25 and 0.35 were applied to the scores for "Energy and energy efficiency" and "Emission reduction and climate change mitigation" respectively, as the stakeholder engagement highlighted these as particularly relevant.

The Financial Materiality score is based on the average of the evaluations provided by the Top Management during their workshop. The analysis of these two types of materiality assessments resulted in the following matrix, which presents the values of Financial Materiality on the horizontal axis and those of Impact Materiality on the vertical axis. Each of these material sustainability topics is discussed in detail in the subsequent sections of this document.

Legend
- ● Environment
- ● People
- ● Governance
- ● Sustainable Procurement

Legend
Matrix Scale: **1-5**
Representation Scale: **2-5**
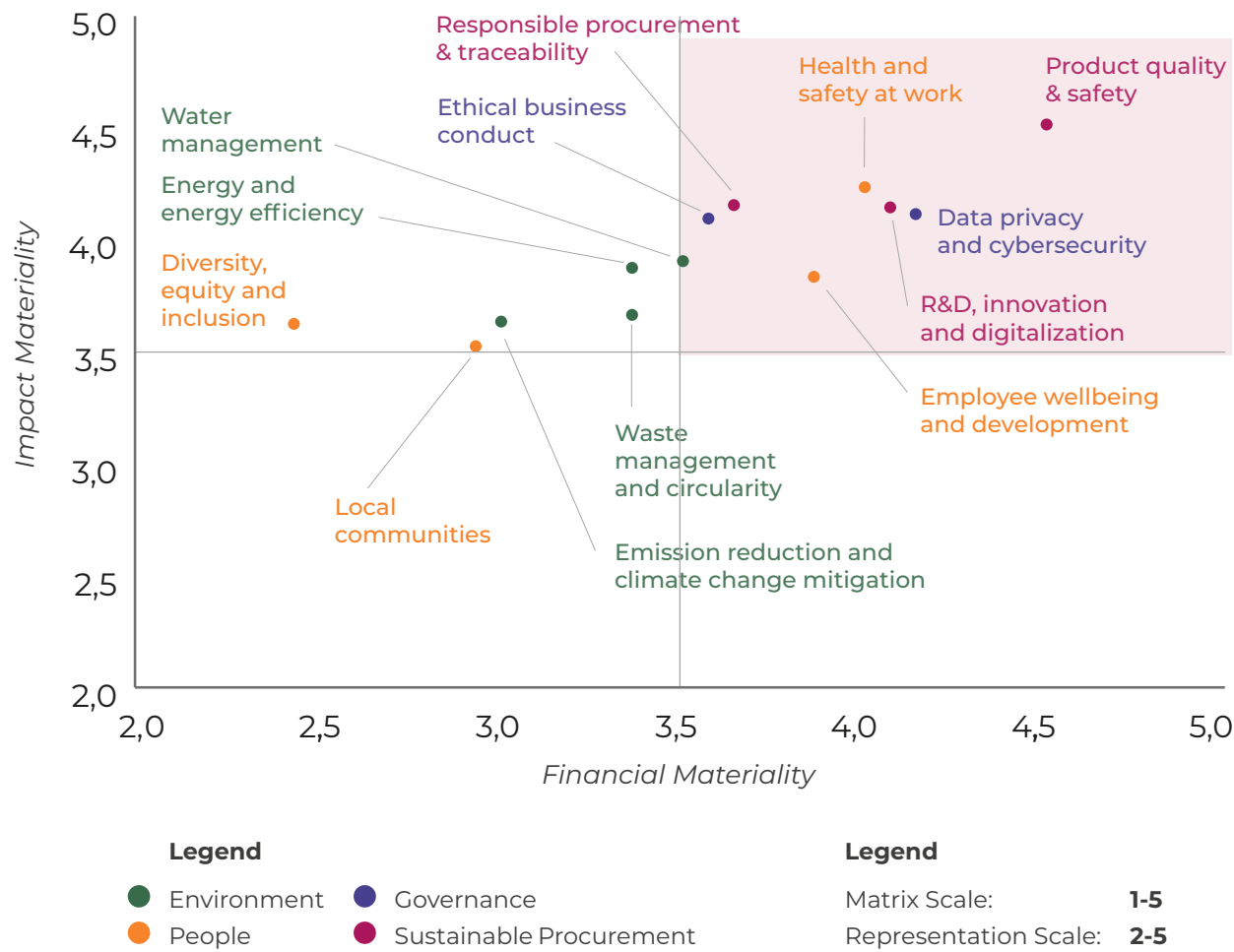
3.3 NACTAROME'S SUSTAINABILITY PLAN

Nactarome's 2024-2026 Sustainability Plan was developed based on a comprehensive analysis of both internal and external factors. The Plan has its roots in the Double Materiality analysis performed, focusing on how sustainability impacts the Company and its broader influence on society and the environment. Grounded in the results achieved, Nactarome carried out a sectoral analysis though studying reliable sources and conducting benchmarking activities in order to start defining the pillars and the related initiatives to be included in the document. By the end, the outcome was shaped through internal engagement with management, one-on-one interviews, and external stakeholder consultations.

The Sustainability Plan presents four strategic pillars of intervention, each consisting of key elements including commitments, objectives, and actions across various areas, such as:

- **Environmental sustainability**, aiming to identify a common environmental group strategy and policy through the monitoring of specific KPIs;
- **People**, for achieving a common baseline and containing employees' injuries;
- **Governance**, to formalize the Company's sustainability governance structure and to harmonize policies and procedures across the legal entities;
- **Sustainable procurement,** for drafting a dedicated policy.

All pillars contribute to addressing the relevant topics emerged from the Materiality Analysis and to creating innovative sustainable products.
The Plan's structure includes measurable goals and deadlines, and it addresses the room for improvement emerged from the engagement activities, with particular attention to environmental issues which are deemed the most sensitive for Nactarome's business model. It also establishes due diligence processes to ensure continuous improvement and compliance.

- Environment
- People
- Governance
- Sustainable Procurement

Innovative sustainable products

4. GOVERNANCE RESPONSIBILITY

HIGHLIGHTS

77%

of employees who received training or communication on anticorruption policies in 2023

100%

of employees in AromataGroup, Calaf Nuances, IPAM, and Royal Buisman received communication on anti-corruption procedures

No legal entities

experienced corruption incidents in 2022 and 2023, reflecting the Company's robust anti-corruption policies

Prestigious certifications like

SMETA Four Pillars and Fairtrade and Sedex audits

are part of the commitment to ethical business conduct in several local entities

| GRI 3-3 | GRI 2-27 | GRI 205-3 |

4.1 ETHICAL BUSINESS CONDUCT

| GRI 205-2 |

Nactarome is deeply committed to upholding ethical business practices across its entire organization. Each legal entity has established policies and practices to ensure the highest standards of integrity, transparency, and accountability in all business operations. Nactarome's collective aim is to foster a culture of responsibility, ensuring fair labor practices, respect for human rights, and the active promotion of anti-corruption measures. In 2022 and 2023, there were zero incidents of corruption within the group. Only in AromataGroup in 2023 was there one instance of non-compliance with local regulations, which resulted in the payment of a modest fine.

Employees receiving anti-corruption policy communications more than doubled. In 2022, 165 employees, representing 34% of the workforce, received communication on anti-corruption policies and procedures, while in 2023, this number rose sharply to 413 employees, accounting for 77% of the total workforce.

Communication about anticorruption policies and procedures	2022	2023
Total number of employees that the organization's anti-corruption policies and procedures have been communicated to	**165**	**413**
Executives	21	51
Middle managers	69	100
Professional areas	75	262

This notable improvement can be attributed to several factors. First, **AromataGroup** and **IPAM** adopted the Organizational, Management and Control Model, as per the Italian legislative decree 231/01, which required communication of anti-corruption policies to all. Additionally, the acquisition of **Calaf Nuances** and **Royal Buisman** in 2023 contributed to the broad coverage, as 100% of the employees in these newly-integrated companies had received anti-corruption policy communication.

Moving forward, Nactarome will continue to ensure that the remaining local employees and all new employees receive the appropriate training. The Company reinforces a unified commitment to ethical business conduct while respecting the unique operational contexts of each entity.

Specifically by legal entity:

AromataGroup has implemented a comprehensive framework to ensure ethical business conduct, offering multiple channels for individuals to seek advice or raise concerns. Employees can seek guidance on policies and responsible business practices through the HR Office, the Suggestions Box, or via email communication with the HR department. To address concerns about business conduct, AromataGroup has established multiple mechanisms, including the 231 compliance channel, a reporting system established under Italy's Legislative Decree 231/01. This allows employees and stakeholders to report any violations of the Company's Organizational, Management and Control Model ensuring compliance with legal and ethical standards, fostering accountability and transparency within the organization, and implementing a whistleblowing procedure and a Suggestions Box. The Company's commitment to ethical standards is also reinforced by its Code of Conduct and by AromataGroup's certifications in SMETA Four Pillars and Fairtrade. Ongoing projects include structured training sessions and regular meetings with the Supervisory Body (ODV) to ensure compliance and continuous improvement.

Calaf Nuances has adopted a comprehensive business ethics policy in line with the UN Global Compact's 10 Principles, addressing human rights, labor standards, environmental responsibility, and anti-corruption measures. They actively evaluate suppliers through detailed questionnaires and offer employees an anonymous suggestion box system for reporting concerns, ensuring transparency and accountability within the organization. Compliance with regional, national, and EU legislation is strictly monitored.

IPAM prioritizes ethical business conduct with similar structures for guidance and raising concerns. Employees can seek advice on implementing responsible business practices through the HR Office, while concerns about business conduct can be raised via the 231 compliance channel, the whistleblowing channel, or directly with the HR Office.

IPAM also adheres to a Code of Conduct. The Company supports these efforts through structured and regular training initiatives, and periodic meetings with the Supervisory Body (ODV) to maintain high standards of ethical behavior.

Nactarome Ltd adheres to the Ethical Trade Initiative (ETI) Base Code, which is an internationally recognized code of labour practice founded on the conventions of the International Labour Organisation (ILO), ensuring that employment practices are ethical and sustainable. Key principles include the prohibition of forced labor, non-discrimination, fair wages, and safe working conditions. The Company also has several supportive policies, such as the Equal Opportunities, Dignity at Work, and Modern Anti-Slavery Policies, all overseen by the HR Manager.

Nactis Benelux follows a Code of Conduct based on the ETI Base Code and has been a long-time member of SEDEX (Supplier Ethical Data Exchange), a global non-profit organization with the goal of making supply chains more socially and environmentally sustainable. The Company undergoes audits under SEDEX's SMETA 4-pillar framework that covers environment, labor, business ethics, and sustainable sourcing. Staff in conflict-prone roles are trained to handle ethical dilemmas effectively.

Nactis Flavors promotes integrity in its business practices through labor standards and ethical charters communicated across the organization. Suppliers are required to sign a charter confirming their commitment to integrity and ethical behavior, particularly regarding anti-bribery in commercial relationships.

Royal Buisman has implemented a Code of Conduct that upholds ethical standards and also undergoes audits under SEDEX's SMETA 4-pillar framework, enhancing its ethical standards following the results of these audits, which began in 2023.

GRI 3-3   GRI 418-1

4.2 DATA PRIVACY AND CYBERSECURITY

Specifically by legal entity:

Nactarome prioritizes the protection of data privacy and the implementation of strong cybersecurity measures across its various entities. The Company ensures compliance with key regulations, such as the EU's General Data Protection Regulation (GDPR), to safeguard personal and sensitive information. Employees are granted access to data strictly based on their role, ensuring that sensitive information is only handled by authorized personnel. Nactarome's cybersecurity protocols are designed to prevent cyber threats, and the Company regularly audits its practices, which are fully integrated into the operational framework, to maintain the highest standards of data integrity and protection. **There were zero complaints concerning breaches of customer privacy in 2022 and 2023**, neither from outside parties nor from regulatory bodies.

The whole network of the Company's legal entities is monitored with a self-learning artificial intelligence (AI) system to detect and respond to cyber threats. It employs machine learning algorithms to understand the normal behavior of an organization's network and then identifies anomalies or deviations from that baseline. The system includes automatic intervention in case of critical potential threats, an external scanning tool to keep a constant monitoring of the ongoing footprint, and a 24/7 SOC support. Five people in the organization are trained to a basic level of analysis to manage common issues and respond in a timely manner.

All the business-critical software is hosted on a private cloud environment (with the exception of Calaf Nuances, where a plan is in definition for 2025). The cloud provider assures same-day disaster recovery and runs copies of the infrastructure in three different data centers, all ISO 27001 certified.

All the employees are trained in anti-phishing and the Company monitors fake phishing emails, to make sure of the effectiveness of the training. The whole managed service is monitored monthly and key KPIs (percentage of offenders, repeat offenders, etc.) are checked to make sure the risk is kept under control.

Finally, the Company has in place a comprehensive and cost-effective insurance policy against phishing, ransomware, and other cybersecurity threats, thanks to these comprehensive measures. The insurance policy covers all legal entities and future new acquisitions that do not exceed 15% of the total Company turnover value.

AromataGroup has appointed an internal IT Manager to oversee digital data security. Employees receive training to identify potential cybersecurity risks, such as phishing attempts, fostering a proactive approach to preventing cyber threats. The role of GDPR compliance and sensitive data management falls within the purview of a designated Human Resources specialist.

Calaf Nuances complies with Spanish Law 3/2018 and EU Regulation 2016/679 (GDPR), ensuring that all employees and subcontractors sign confidentiality agreements. The Company enforces strict access controls through personalized computer profiles and the use of a secure program, SAGE X3, which limits access to only the necessary information for each worker's role. Additionally, Calaf Nuances employs databases accessible only to authorized staff, further enhancing data protection.

IPAM has appointed an external IT Manager to oversee the security of digital data. To enhance cybersecurity awareness and preparedness, employees undergo comprehensive training to recognize potential threats like phishing scams. Additionally, a dedicated Human Resources professional is responsible for ensuring strict adherence to GDPR regulations and the secure management of sensitive employee data.

Nactarome Ltd complies with group-wide IT, cybersecurity, and data privacy policies, which ensure consistent data protection practices, backed by regular compliance checks.

Nactis Benelux has appointed an internal IT Manager responsible for securing digital data. Employees are trained to recognize potential cybersecurity threats, such as phishing attacks, ensuring a proactive stance in preventing cyber incidents.

Nactis Flavors has implemented a GDPR Charter, supported by procedures and a data integrity register. Following a GDPR compliance audit, an action plan was defined, with ongoing initiatives such as revising the IT Charter and ensuring the correct handling of human resources documentation.

Royal Buisman has developed its own policy aimed at reducing the risk of cybercrime, in addition to aligning with Nactarome's group-wide operational strategy.

5. SOCIAL RESPONSIBILITY
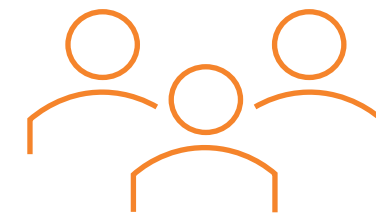
HIGHLIGHTS

Collective bargaining agreements cover

100%

of employees working in the countries where such agreements are in place

Parental support was consistent across the organization, with 15 employees taking parental leave in 2023 and with a return-to-work rate of

93%

Occupational health & safety systems cover

100%

of employees

The number of Nactarome employees grew

11%

in 2023, increasing from 481 in 2022 to 535 employees in 2023, reflecting both internal turnover and acquisitions

Gender pay equality was strong in 2023,

with women in Middle management earning 126% of their male counterparts

Zero fatalities and zero high-consequence

work-related injuries were recorded across all entities in both 2022 and 2023

GRI 3-3

5.1 DIVERSITY, EQUITY AND INCLUSION

GRI 2-7   GRI 2-8

Total number of employees	2022	2023
Total number of employees by gender	**481**	**535**
Men	312	353
	65%	**66%**
Women	169	182
	35%	**34%**
Permanent employees, by gender	460	511
Men	300	338
	65%	**66%**
Women	160	173
	35%	**34%**
Temporary employees, by gender	21	24
Men	12	9
	57%	**38%**
Women	9	15
	43%	**63%**
Non-guaranteed hours employees, by gender	0	0
Men	0	0
	0%	**0%**
Women	0	0
	0%	**0%**
Full-time employees, by gender	431	476
Men	300	337
	70%	**71%**
Women	131	139
	30%	**29%**
Part-time employees, by gender	50	59
Men	12	15
	24%	**25%**
Women	38	44
	76%	**75%**

Nactarome recognizes that diversity, equity, and inclusion (DEI) are essential pillars for fostering a positive and innovative work environment. By ensuring equal opportunities and fair treatment for all employees, the Company promotes a culture of inclusivity, where individuals are valued regardless of their background, identity, or personal circumstances. Nactarome opposes all forms of discrimination, harassment, and inequality, striving to create a workplace where employees can thrive.

The number of Nactarome employees grew 11% in 2023, increasing from 481 in 2022 to 535 employees in 2023, reflecting both internal turnover (see § 7.2 Employee wellbeing and development) and the acquisitions of Calaf Nuances and Royal Buisman in 2023.

The number of external contractors grew from 9 people in 2022 to 12 in 2023 and usually performed consultancy or contractor services.

Collective bargaining agreements cover 100% of employees working in the countries where such agreements are in place. Nactarome Ltd does not have a collective bargaining agreement or union representation because of the small size of the local legal entities (Create Flavors and Taste Connections) before they merged and became part of Nactarome. Royal Buisman also has its own agreement.

GRI 2-30

Collective bargaining agreements	2022	2023
Total number of employees covered by collective bargaining agreements	399	429
	83%	**80%**

The governance structure is stable, with a gradual increase in gender diversity. The total number of governance members increased slightly from 36 in 2022 to 38 in 2023, and while the majority of the governance members were men, the representation of women increased marginally from 14% to 16%.

Also, the number of members between the ages of 30 and 50 years old remained constant.

Women with STEM backgrounds represent 60% of the R&D and QA departments, as reflected in the data on Middle management and Office jobs.

The Company is working to deepen scientific culture & capabilities with local university and association collaborations to ensure this gender progression continues to grow, particularly as men continue to represent two-thirds of the total number of employees, skewed by production roles being filled exclusively by men .

GRI 405-1

Diversity among the members of legal entities' governance structure	2022	2023
Total members of the governance body	**36**	**38**
Men	31	32
	86%	**84%**
Women	5	6
	14%	**16%**
Under 30 years old	0	0
Men	0	0
	0%	**0%**
Women	0	0
	0%	**0%**
Between 30 and 50 years old	7	7
Men	6	6
	86%	**86%**
Women	1	1
	14%	**14%**
Over 50 years old	29	31
Men	25	26
	86%	**84%**
Women	4	5
	14%	**16%**

The data do not include Royal Buisman.

Diversity of employees by category and gender	2022	2023
Total number of employees by gender	**481**	**512**
Men	312	335
	65%	**65%**
Women	169	177
	35%	**35%**
Executives	38	45
Men	31	36
	82%	**80%**
Women	7	9
	18%	**20%**
Middle managers	79	80
Men	43	45
	54%	**56%**
Women	36	35
	46%	**44%**
Office workers	189	201
Men	73	80
	39%	**40%**
Women	116	121
	61%	**60%**
Production workers	175	186
Men	164	173
	94%	**93%**
Women	11	13
	6%	**7%**

The data do not include Royal Buisman.

In 2023, the proportion of employees under 30 rose slightly from 13% to 14%, while the share of those aged 30 to 50 experienced a minor decrease from 50% to 48%.

The percentage of employees over 50 grew from 37% to 38%, indicating a slight aging in the workforce.

GRI 405-1

Diversity of employees by category and age	2022	2023
Total number of employees by age	**481**	**512**
Under 30 years old	62	70
	13%	**14%**
Between 30 and 50 years old	239	245
	50%	**48%**
Over 50 years old	180	197
	37%	**38%**
Executives	34	45
Under 30 years old	0	0
	0%	**0%**
Between 30 and 50 years old	14	17
	41%	**38%**
Over 50 years old	20	28
	59%	**62%**
Middle managers	73	80
Under 30 years old	8	8
	11%	**10%**
Between 30 and 50 years old	74	92
	44%	**46%**
Over 50 years old	67	74
	40%	**37%**
Office workers	167	201
Under 30 years old	26	35
	16%	**17%**
Between 30 and 50 years old	74	92
	44%	**46%**
Over 50 years old	67	74
	40%	**37%**
Production workers	171	186
Under 30 years old	24	27
	14%	**15%**
Between 30 and 50 years old	77	84
	45%	**45%**
Over 50 years old	70	75
	41%	**40%**

The data do not include Royal Buisman.

Middle managers grew from 73 to 80, with those under 30 maintaining around 10-11% representation. It is particularly significant that Middle managers aged 30 to 50 slightly increased from 44% to 46%, while those over 50 declined from 40% to 37%, suggesting a gradual generational shift.

In 2023, the number of employees belonging to Protected Categories increased slightly from 16 to 18, maintaining a consistent 4% representation of the total workforce.

In terms of age distribution, there was one employee under 30 belonging to protected categories, a new addition since there were none in this age group in 2022.

The number of employees between 30 and 50 rose from 12 to 14, with a slight increase in men (from 5 to 8) and a decrease in women (from 7 to 6). For employees over 50, there was a minor decrease from 4 to 3.

Vulnerable categories	2022	2023
Employees belonging to Protected Categories	**16**	**18**
	4%	**4%**
Under 30 years old	**0**	**1**
Men	0	0
Women	0	1
Between 30 and 50 years old	**12**	**14**
Men	5	8
Women	7	6
Over 50 years old	**4**	**3**
Men	1	3
Women	3	1

The data do not include Nactarome Ltd and Royal Buisman.

Nactarome made significant progress in achieving gender parity across levels, bringing up women's salaries of office and production workers to almost reach those of men. A drop in executive-level pay will be addressed in plans moving forward.

Ratio of the basic salary of women to men	2022	2023
Executives	**83%**	**77%**
Middle managers	111%	126%
Office workers	81%	91%
Production workers	64%	90%

The data do not include Royal Buisman.

Ratio of the remuneration of women to men	2022	2023
Executives	**78%**	**76%**
Middle managers	114%	124%
Office workers	78%	90%
Production workers	65%	91%

The data do not include Royal Buisman.

GRI 3-3

Specifically by legal entity:

AromataGroup has established clear policies to promote diversity, equity, and inclusion, as outlined in its Employee Handbook, Code of Conduct, and MOG linked to the Italian Legislative Decree 231/2001. The Company is committed to ensuring that all employees are treated fairly, regardless of nationality, age, gender, marital status, gender identity, race, disability, sexual orientation, or religion. Specific measures include equal opportunities in recruitment, training, career development, promotion, redundancy, and dismissal. AromataGroup strictly opposes child labor, unequal pay, harassment, and mobbing, taking active steps to maintain an inclusive and respectful work environment.

At **Calaf Nuances**, the staff is composed of employees from three different nationalities, reflecting a diverse cultural background. Gender equality is a key focus, with 56% of the workforce being women and 44% being men. The Company has had a woman on the management team for over 23 years, who also led the quality and occupational risk departments. This highlights Calaf Nuances' commitment to gender representation and leadership opportunities for women.

Nactarome Ltd is guided by its Equality, Diversity & Dignity at Work Policy, which is part of the Employee Handbook. The Company opposes all forms of discrimination based on protected characteristics such as age, sex, race, disability, sexual orientation, and more. Policies and practices are aligned with the principles of equal opportunities in recruitment, selection, training, and promotion. The Company's commitment extends to adhering to the Equality Act and other related regulations, such as anti-bribery, anti-slavery, and child labor policies. Nactarome Ltd is also part of the Ethical Trade Initiative (ETI) Base Code, ensuring that its operations are fair and ethical.

Nactis Flavors has implemented structured recruitment and performance review processes, ensuring that all candidates, both internal and external, are evaluated based on the same criteria. The Company publishes its gender equality index annually on the Ministry of Labour website, with a score of 82/100 for 2023, based on metrics such as the gender pay gap, individual pay increases, and maternity leave increases. This reflects a proactive approach to ensuring gender equality in the workplace. In addition, the general manager holds biannual meetings to communicate the Company's objectives to all employees, ensuring transparency and promoting engagement.

5.2 EMPLOYEE WELLBEING AND DEVELOPMENT

Nactarome places high importance on the well-being and continuous development of its employees, recognizing that a motivated, healthy, and engaged workforce is key to long-term success. Across the group, various programs and policies are in place to support physical and mental health, provide career development opportunities, and foster a work-life balance. The group aims to create a work environment that not only ensures safety and health but also promotes professional growth and personal fulfillment.

In 2023, the total number of new hires slightly decreased compared to the previous year 2022, dropping from 49 to 45. This reflects a decrease in the percentage of new hires relative to the total workforce, from 12% to 10%. New hire figures by gender were fairly stable, while new hires over 50 years old went up in 2023, show a slight increase in the male share (from 11% to 12%), while the number of women remains stable at 8%. In terms of age groups, there was an increase in hires among those under 30, from 28% to 33% of the total workforce, while hires among workers between 30 and 50 years of age decreased (from 12% to 9%), and there was stability in the over 50 category.

GRI 401-1

New employee hires	2022	2023
Total number of new employee hires by gender	**49**	**45**
	12%	**10%**
Men	31	33
	11%	**12%**
Women	18	12
	12%	**8%**
Total number of new employee hires by age	**49**	**45**
	12%	**10%**
Under 30 years old	15	18
	28%	**33%**
Between 30 and 50 years old	25	19
	12%	**9%**
Over 50 years old	9	8
	6%	**5%**

The data do not include Nactarome Ltd and Royal Buisman.

Employee turnover increased significantly, from 42 in 2022 to 59 in 2023, as well as the turnover rate, which rose from 10% to 14%. The increase in turnover rate affected both men (from 24 to 34 departures) and women (from 18 to 25 departures). Looking at the age distribution, there was a notable increase in departures among those between 30 and 50 (from 9% to 16%) and slight rise among employees under 30 who left the Company (from 28% to 33%). On the other hand, departures of workers over 50 remained quite stable.

Employee benefits are consistent amongst both full- and part-time employees. Benefits provided include Pension, Health Care, an Employee Benefits & Discounts Scheme, Employee Assistance Programme, and Death in Service Benefit.

Parental leave is taken by both men and women and both the return-to-work and retention rate of employees taking parental leave were at 93% in 2023, figures of which Nactarome is particularly proud. The retention rate of employees that took parental leave slightly improved (from 88% in 2022 to 93% in 2023), suggesting strong support for employees who just became parents. There was an increase in the number of employees entitled to parental leave, thanks to the acquisition of Calaf Nuances and Royal Buisman, although the actual number of employees who actually took parental leave decreased slightly from 17 in 2022 to 15 in 2023.

Parental leave	2022	2023
Total number of employees that were entitled to parental leave, by gender	**274**	**307**
Men	182	198
Women	92	109
Total number of employees that took parental leave, by gender	**17**	**15**
Men	10	8
Women	7	7
Return to work rate of employees that took parental leave	94%	93%
Retention rate of employees that took parental leave	88%	93%

The data do not include Royal Buisman.

Nactarome has an ongoing commitment to employee development, with employees averaging just over 12 hours of training per year. Nactarome's targeted initiatives to promote gender equality in training have successfully narrowed the gap between men and women. While men initially received more training hours, women surpassed them in 2023, demonstrating the Company's commitment to providing equal opportunities for professional development. This achievement underscores Nactarome's belief that all employees, regardless of gender, deserve the same resources and support to reach their full potential.

Similarly, employee categories saw varied changes. Training for Executives decreased from 19.9 hours in 2022 to 8.6 hours in 2023, while Middle managers experienced a notable increase from 25.7 hours in 2022 to 29.1 hours in 2023. This data suggests a more focused investment in Middle management to enhance leadership and specialized skills. Office and Production workers also saw slight increases in training hours, pointing to a broad effort to improve skills across all employee categories.

Employees who left the organization	2022	2023
Total number of employees who left the organization by gender	**42**	**59**
	10%	**14%**
Men	24	34
	9%	**12%**
Women	18	25
	12%	**17%**
Total number of employees who left the organization by age	**42**	**59**
	10%	**14%**
Under 30 years old	9	9
	17%	**16%**
Between 30 and 50 years old	20	34
	9%	**16%**
Over 50 years old	13	16
	8%	**10%**

The data do not include Nactarome Ltd and Royal Buisman.

Average hours of training, by gender	2022	2023
Total	**13.3**	**12.7**
Men	13.9	12.2
Women	12.2	13.8

The data do not include Nactarome Ltd and Royal Buisman

Average hours of training, by employee category	2022	2023
Total	**12.1**	**12.3**
Executives	19.9	8.6
Middle managers	25.7	29.1
Office workers	9.1	10.4
Production workers	7.6	7.8

The data do not include Nactarome Ltd and Royal Buisman.

Total training hours increased from 3,522 hours in 2022 to 3,838 hours in 2023, in line with the growth in number of employees, although the training focus shifted, with more emphasis on health & safety training. Health & safety training hours grew significantly, from 1,014 to 1,812 hours in 2023. Other areas also saw growth, such as hard skills training (e.g., technical and operations coursed) which rose from 677 to 892 hours, and food safety , nutrition, and diet training, from 34 to 193 hours in 2023. These data underscore Nactarome's commitment to ensuring that their workforce is well-equipped to uphold the highest standards of product safety, compliance, and quality, safeguarding product integrity at every stage of the production cycle.

In 2023, Nactarome continued to focus on establishing a more inclusive and structured performance and career development review process, even as the Company grew through acquisitions. The percentage of employees receiving regular reviews saw a marked improvement, growing from 33% in 2022 to 44% in 2023 and consistently across genders, with reviews for men rising from 31% to 46% and for women from 37% to 41%.

Executives continued to maintain a high level of participation, at over 80%, but it was in Middle management where performance reviews rose sharply from 25% to 76%, reflecting a strong focus on this categories's career development. For Office workers, participation rose from 35% to 48%, while Production workers saw a more modest increase from 25% to 37%. Overall, the data indicate a positive trend towards more inclusive and structured performance reviews.

GRI 404-3

GRI 404-2

Programs for upgrading employee skills	2022	2023
Total training hours on programs implemented to upgrade employee skills	3,522	3,838
Total training hours on health and safety	1,014	1,812
Total training hours on anti-corruption policies and procedures	25	26
Total training hours on anti-money laundering policies and procedures	12	12
Total training hours on hard skills	677	892
Total training hours on leadership / management	560	280
Total training hours on food safety / nutrition and diet	34	193
Total training hours on other topics (e.g., soft skills, dangerous goods transport, forklift, first aid)	1,200	624

The data do not include Nactarome Ltd and Royal Buisman.

Percentage of employees receiving performance and career reviews	2022	2023
Total number of employees who received a regular performance and career development review during the reporting period, by gender	132	220
	33%	51%
Men	83	152
	31%	53%
Women	49	68
	37%	47%
Total number of employees who received a regular performance and career development review during the reporting period, by employee category	132	220
	33%	51%
Executives	24	31
	86%	89%
Middle managers	18	53
	26%	76%
Office workers	52	75
	35%	48%
Production workers	38	61
	25%	37%

The data do not include Nactarome Ltd and Royal Buisman.

Specifically by legal entity:

AromataGroup has a strong focus on both physical and mental well-being, supported by its Employee Health and Safety Assistance Program and a dedicated welfare plan. One of the key objectives is to provide employees with supplementary health coverage and wellness plans, aiming to prevent health issues through proactive measures like preliminary screenings. Each year, the Company also defines a comprehensive training plan based on both Company performance and employee requests, ensuring that skill development is aligned with business needs and personal growth.

Calaf Nuances focuses on creating a supportive and flexible work environment for its employees. The Company provides continuous training, flexible working hours, teleworking options, and specific leaves for maternity, paternity, and breastfeeding. In addition, employees undergo annual medical check-ups, and personal protective equipment (PPE) is provided alongside workplace risk information. A suggestion box is available for staff, encouraging feedback and active participation in improving workplace conditions.

IPAM's policies focus on both health and safety, offering supplementary health plans that complement public healthcare. The goal is to guarantee that employees can live safely and healthily, with an emphasis on preventing physical and mental health problems. The program includes early health screenings to reduce the risk of health issues, highlighting the Company's proactive approach to employee wellness.

Nactarome Ltd has implemented a comprehensive Mental Health & Wellbeing Policy, alongside medical screening, health surveillance, and an Employee Assistance Program. The primary objective of these policies is to promote and maintain the mental health and overall well-being of employees. The Company fosters a workplace culture that supports mental health, tackles discrimination, reduces workplace stress, and encourages open conversations about mental health. Initiatives like training for managers on mental health and work-life balance demonstrate the Company's proactive stance on employee well-being. Nactarome Ltd also aims to reduce stigma around mental health conditions and provide practical strategies to manage workplace stress.

Nactis Benelux emphasizes work-life balance and career development through annual performance reviews, formation plans, and individual appraisals. Employees have access to flexible working options, such as home office and gliding hours. For older employees, additional parental leaves and career decrease options are available, along with extra vacation days for those over 55, reflecting the Company's commitment to supporting employees throughout their careers.

Nactis Flavors places emphasis on employee development and satisfaction through its Employee Assessment and Performance Review Policy. Employees undergo two types of interviews: one for performance appraisals and another focusing on career development and training needs. In 2022, the Company launched a quality of life at work (QWL) survey, leading to the creation of a 3-year plan aimed at improving working conditions. Initiatives include organizing chair massage sessions, launching an employee ideas box, and creating an internal newsletter to keep employees informed and connected. Monthly fruit deliveries and social events, such as Christmas meals and long-service awards, further enhance the work environment. For 2024, a new QWL plan is in the works, driven by employee feedback.

GRI 3-3   GRI 403-8

5.3 HEALTH AND SAFETY AT WORK

Nactarome is deeply committed to ensuring the health and safety of all its employees, with each legal entity adhering to comprehensive health and safety policies designed to provide a safe and compliant working environment. These policies foster a culture of safety through rigorous training programs like fire extinguishing and evacuation drills, training in Good Manufacturing Practices (GMP), food safety protocols, and technical training on equipment such as metal detectors to minimize risks. Protective equipment and compliance with local regulations are emphasized to create an environment that prioritizes the well-being of all staff members. In both 2022 and 2023, 100% of the Company's employees were covered by an occupational health and safety system[1].

Nactarome recorded zero fatalities or high-consequence injuries in both 2022 and 2023. The Company saw an increase in both the absolute number of recordable work-related injuries, rising from 8 in 2022 to 16 in 2023, as well as in the rate of recordable injuries, from 12.6 to 24.1[2] .

GRI 403-10

For both employees and external workers there were **no fatalities** as a result of work-related ill health **or cases of recordable work-related ill health**.

GRI 403-9

Work-related injuries for employees	2022	2023
The number of fatalities as a result of work-related injury	0	0
The rate of fatalities as a result of work-related injury	0	0
The number of high-consequence work-related injuries	1	0
The rate of high-consequence work-related injuries	1.57	0
The number of recordable work-related injuries	8	16
The rate of recordable work-related injuries	12.6	24.1
The number of hours worked	635,970	662,639

1.   The data do not include Royal Buisman.

2.   These rates have been calculated using the following formula: (Number of recordable work-related injuries / Number of hours worked) * 1,000,000. The same formula has been applied to calculate the rates in the table of GRI 403-9 "Work-related injuries for employees", changing the numerator.

Specifically by legal entity:

AromataGroup has implemented a Documento di Valutazione dei Rischi (DVR, i.e., a document to assess the risks related to business operations) that covers various types of risks, such as chemical, carcinogenic, and machine-related hazards. Emergency plans and operating instructions are well-defined, and safety audits are regularly conducted across the sites of Concorezzo, Gessate and Vanzago. A dedicated emergency team, with ongoing training, is present at all locations to ensure rapid response in case of an incident. Regular safety meetings with the RSPP, occupational physician, and employer, as well as training sessions for staff, further contribute to maintaining a high level of workplace safety. Personal protective equipment (PPE) is systematically distributed, and its use closely monitored.

Calaf Nuances follows an annual prevention plan, subcontracted to SP Activa, which includes a thorough risk assessment and the development of an action plan. The Company ensures compliance with Spanish regulations and organizes yearly medical check-ups for its employees. Regular emergency drills are held, along with risk assessments related to manual handling, dust exposure, and the use of equipment. Training on fire extinguisher handling and other safety measures is also provided to minimize risks and enhance safety awareness.

IPAM maintains a comprehensive health and safety system, including a risk assessment document and emergency plans. A trained emergency team is available at all times, and employees receive continuous training to keep up with workplace safety standards. The Company holds regular meetings with the RSPP, occupational physician, and other relevant stakeholders to evaluate safety procedures and make necessary improvements. In addition, IPAM provides PPE to its staff and ensures regular monitoring for compliance.

Nactarome Ltd has developed a robust health and safety management system that includes a Health & Safety Policy and Occupational Stress Policy. Regular internal audits, risk assessments, and procedural reviews help maintain high safety standards across all operations. The Company prioritizes contractor management, site safety inductions, and the creation of a positive safety culture through employee engagement. Regular fire safety drills, alarm bell testing, and committee meetings focused on safety concerns are key initiatives. The Company is also developing a Health & Safety dashboard to further enhance monitoring and reporting capabilities.

GRI 3-3   GRI 413-1

5.4 LOCAL COMMUNITIES

Nactarome places great importance on its relationships with the communities surrounding its facilities. The Company strives to foster social well-being, improve quality of life, and support local initiatives.

Nactarome's community involvement includes partnerships with educational institutions, collaborations with local authorities, support for vulnerable groups, and participation in local events. These efforts reflect the Company's commitment to being a responsible corporate citizen.

Specifically by legal entity:

AromataGroup actively engages with local communities by supporting educational and social initiatives. The Company collaborates with local schools and universities, especially those specializing in chemistry, bakery, and food-related studies, by providing work experiences and opportunities for joint projects and research. Additionally, AromataGroup supports local organizations dedicated to helping sick individuals and people with disabilities. The Company finances the cost of a minibus used by these organizations, demonstrating a long-term commitment to their operations and the local community's needs.

Calaf Nuances is deeply involved in supporting its local community, focusing on fostering positive relationships with local authorities. The Company prioritizes hiring employees from the city of Calaf and ensures its operations, such as water discharge, meet environmental standards. Additionally, Calaf Nuances sponsors local events, such as the city's 3x3 basketball tournament, contributing to the community's well-being and engagement. The Company's support for local activities, combined with its renewal of the environmental license every four years, underscores its commitment to long-term community sustainability.

IPAM has a strong focus on social responsibility, particularly through its collaboration with a social cooperative that supports individuals with disabilities and social challenges. This partnership reflects the Company's commitment to inclusivity and providing opportunities for those facing difficulties. IPAM also contributes to local festivals, providing financial support for events that bring the community together, further reinforcing its local engagement and social solidarity.

Nactis Flavors fosters community support through collaborations with local businesses and authorities. The Company has organized working groups with local firms to explore synergies in areas such as waste sorting, public transportation, and shared services. Nactis Flavors also works closely with the regional authority Grand Paris Sud to support local events and discuss broader development issues, such as improving transport networks. Meetings with the Social and Economic Committee involve local social organizations, allowing the Company to address working conditions and environmental concerns in coordination with the community. This holistic approach ensures that Nactis Flavors remains engaged with both local economic development and social well-being.

Nactis Benelux promotes a proactive approach to safety with regular fire emergency drills, external first aid training, and forklift operation training. The Company also provides psychological assistance and has established a person of trust to address employee concerns. A safety and prevention committee meets regularly to discuss relevant issues, and toolbox meetings are held to educate staff on specific risks, such as exposure to heat or dust. Additionally, the Company fosters team-building activities and organizes annual personnel events to strengthen employee engagement in safety matters. . Nactis Benelux's health and safety system is also audited and supported by IDEWE, an external organization specialized in safety at work and work protection, which guarantees that employees security and wellbeing are effectively addressed.

Nactis Flavors integrates health and safety into its overall management framework, with a focus on risk prevention and employee protection. The Company has developed specific training programs to raise awareness about fire safety, GMP, and food safety standards. A comprehensive action plan is in place to address risks at all production sites, and incidents are thoroughly investigated to prevent recurrence. Job-specific risk assessments are regularly updated, with the results being communicated to the Social and Economic Committee.

6. PRODUCT AND PROCUREMENT RESPONSIBILITY

HIGHLIGHTS

Nactarome Ltd holds

BRCGS Grade A*

certification and actively invests in digital projects like **SAP** and **DEVEX** to ensure cutting-edge data management and product safety

All other Nactarome legal entities are certified under

FSSC 22000

confirming their commitment to food safety and quality

Nactarome continues to **invest in R&D and digitalization** as key pillars for growth, significantly increasing its investments by

45% in 2023

GRI 3-3   GRI 416-2   GRI 417-2   GRI 417-3

6.1 PRODUCT QUALITY AND SAFETY

Nactarome places a strong emphasis on maintaining high standards for product quality and safety across all of its sites. The Company adheres to global food safety regulations, ensuring compliance with legal requirements and best practices in food production. By integrating quality and safety systems into its operations, Nactarome aims to guarantee that its products are not only compliant with legal regulatory standards, but also meet customer expectations for safety and quality. Regular audits, both internal and by external bodies, help ensure the continuous improvement of these systems. In 2022, there were no incidents of non-compliance with regulations concerning the health and safety impacts of products and services and in 2023 there was one warning coming out of an incident in AromataGroup. In both 2022 and 2023, in the face of, respectively, 48.366 and 48.534 order lines, Nactarome incurred in one incident, registered by Nactis Flavors,that resulted in a simple warning for non-compliance with product and service information and labeling regulations. Nactarome recorded no incidents of non-compliance with marketing communications regulations.

Specifically by legal entity:

AromataGroup sites are all recognized under EU Regulation 852/2004 and regularly audited by official bodies. The Company has achieved certification under ISO 9001 and FSSC 22000, including recent certification of the Vanzago site in early 2024. AromataGroup's comprehensive quality and food safety management system includes policies, procedures, and operating instructions covering all food safety requirements. The Company uses Hazex software to ensure the safe handling and labeling of products, and its facilities are frequently inspected by customers with positive results.

Calaf Nuances is committed to providing high-quality, safe products for the food industry, ensuring compliance with regulations such as Regulation (EC) No 1334/2008 on flavourings and certain food ingredients with flavouring properties, and Regulation (EU) No 1169/2011 on general principles, requirements and responsibilities governing food information, and in particular food labelling. The Company has implemented a Quality and Food Safety management system with key procedures including quality control, production management, and customer satisfaction. Calaf Nuances is certified under ISO 9001 and FSSC 22000, and its products hold Halal and Kosher certifications.

IPAM focuses on meeting the needs of the restaurant, catering, and retail sectors by producing healthy and safe products. The Company has embraced continuous improvement, using high-quality raw materials and maintaining robust supplier evaluation processes. IPAM switched in 2023 from BRC and IFS certifications to FSSC 22000 to align with Nactarome certifications. It also holds Organic, Halal, and Kosher certifications, emphasizing its commitment to food safety, sustainability, and consumer trust.

Nactarome Ltd is dedicated to producing safe, legal, and high-quality food. The Company adheres to both UK and EU regulations and works to achieve the highest standards of food production. It holds a BRCGS Grade A* certification, which proves the Company's respect for established global standards in food safety and is actively involved in projects such as SAP and DEVEX implementation to enhance data capture and reporting.

Nactis Benelux has been certified under FSSC 22000 for several years, with a focus on delivering products that meet client specifications. The Company actively monitors and analyzes complaints and non-conformities to improve its production processes and ensure food safety.

Nactis Flavors maintains FSSC 22000 certifications across all its sites, with the goal of achieving zero food safety and regulatory non-compliance. The Company's Food Safety and Quality Policy is revised annually, and plans are underway to certify its new Morangis TRABLIT factory in 2025.

Royal Buisman holds FSSC 22000 certification and has demonstrated compliance with all food safety and quality requirements. The Company's HACCP plan ensures that products are consistently monitored for quality and safety, continuing its tradition of delivering high-quality products for over 150 years.

GRI 3-3

6.2 RESPONSIBLE PROCUREMENT AND TRACEABILITY

Nactarome places a high emphasis on responsible procurement and traceability, integrating ethical considerations, sustainability, and regulatory compliance into its sourcing practices. The Company maintains global policies that ensure its suppliers adhere to strict standards regarding quality, environmental sustainability, and social responsibility. Ensuring traceability throughout the supply chain, from raw material sourcing to final product delivery, is a key priority for the Company, supported by a robust supplier evaluation process and compliance with relevant certifications and regulations. Nactarome is working to extend EcoVadis certification to all its legal entities, in order to increase transparency and accountability in the supply chain.

The absolute number of Nactarome suppliers screened using environmental and social criteria grew in 2023 as they were 79, compared to the 66 assessed in 2022. Nevertheless, the percentage of suppliers screened dipped slightly from 20% to 18% as the total number of suppliers grew substantially from 826 to 1,018. This was driven by the Company's growth and new acquisitions.

GRI 308-1 GRI 414-1

New suppliers assessed using environmental and social criteria	2022	2023
Percentage of new suppliers that were screened using environmental and social criteria	20%	18%
Total number of suppliers	826	1018
New suppliers added during the year	66	79
Number of suppliers that were screened using environmental and social criteria	165	187

Specifically by legal entity:

AromataGroup and **IPAM** ensure responsible procurement and traceability through a comprehensive assessment process for their suppliers. Environmental and ethical practices are evaluated via a self-assessment questionnaire. Traceability of raw materials is guaranteed through the quality management system and SAP, which allow full transparency across the supply chain. To maintain regulatory and quality compliance, supplier data — such as certifications and raw material origins — are collected and renewed every three years. Annual evaluations by the procurement and quality departments assess suppliers based on service quotations and quality. Depending on the results, suppliers may continue as approved, be approved with improvement conditions, or be delisted. This supplier evaluation process is also a key requirement for the companies' FSSC22000 certification. These measures align with Nactarome's standardized policies.

Calaf Nuances has implemented both a Quality and Environmental Policy and an Ethical Policy. These policies underscore the Company's commitment to producing high-quality, safe products while complying with environmental regulations and respecting human resources, occupational safety, and anti-corruption measures. Being certified under ISO 9001, Calaf Nuances demonstrates its dedication to responsible procurement practices and environmental stewardship.

Nactarome Ltd operates under global sourcing principles for ethical purchasing, ensuring supplier approval and certification are in place through assessments and audits as needed. The Company has established a list of banned and high-risk countries from which they avoid sourcing. Their efforts include projects focused on enhancing visibility in the supply chain to trace the journey from farm to fork, reducing risk to the business while maintaining a high standard of ethical procurement.

Nactis Benelux has a flexible and customer-centric approach to procurement, tailoring its production based on client demand. When clients request specific criteria — such as sourcing responsible raw materials or ensuring vegan compliance — the Company adapts its sourcing practices accordingly to meet these standards. Nactis Benelux holds the EcoVadis Bronze Medal, proving the Company's awareness of its sustainability challenges and willingness to improve its CSR performance.

Nactis Flavors requires all suppliers to sign an environmental and ethical charter. The Company's quality management system ensures traceability, collecting and reviewing data on supplier certifications and the origin of raw materials. Suppliers are evaluated annually based on service and quality standards by both the procurement and quality departments. The results of these assessments determine whether a supplier continues to work with Nactis Flavors, undergoes improvement, or is delisted. This evaluation process is a key requirement of the Company's FSSC 22000 certification. Nactis Flavors also holds the EcoVadis Silver Medal, which further demonstrates the Company's commitment to structuring an improving its sustainability management system.

Royal Buisman has established long-term relationships with its suppliers, sourcing nearly all of its ingredients from Europe. The Company relies on an external procurement organization for most of its sourcing. Ethical considerations are integral to its supplier relationships, with requirements in place for suppliers to provide information on their adherence to ethical standards, either through codes of conduct or certification to social standards. As an additional proof of the Company's attention to sustainable procurement, Royal Buisman holds the EcoVadis Silver Medal.

6.3 R&D, INNOVATION, AND DIGITALIZATION

Nactarome prioritizes research, innovation, and digitalization as key drivers of growth and competitiveness. Each legal entity emphasizes R&D to develop cutting-edge products, improve production processes, and address evolving market trends. By investing in new technologies and fostering collaboration across its entities, Nactarome ensures continuous innovation in food, beverage and other sectors. Moreover, digital tools and systems help streamline development processes, enhance traceability, and ensure regulatory compliance, all while aiming to create healthier, sustainable products.

Nactarome showcased their commitment to innovation by significantly increasing their total investment in Research & Development from € 230,000 in 2022 to € 334,551 in 2023, driven primarily by a notable introduction of spending on software platforms (€ 330,000 in 2023) and reduction in investments for laboratory equipment.

Investment in Research & Development (€)	2022	2023
Total investment in R&D	**230,000**	**334,551**
Equipment for laboratories	220,000	4,551
Software platforms	10,000	330,000

Specifically by legal entity:

AromataGroup focuses on continuous innovation in the increasing adoption of natural raw materials, advanced production technologies, and analytical methods to meet customer needs across the food, pharmaceutical, and cosmetics sectors. Since 2021, the Company has made significant investments in upgrading its analytical capabilities, acquiring GC-MS and HPLC-MS equipment. These have allowed AromataGroup to improve sample preparation, enhance analytical sensitivity, and attract new customers by developing innovative flavor solutions. Additionally, the establishment of a new application laboratory enables the creation of tailored flavor solutions that precisely reflect real-world product conditions, enhancing customer satisfaction. The Company has also achieved significant progress in the savory and beverage sectors, particularly with natural flavorings and botanical extracts for non-alcoholic cocktails and products compliant with Kosher and Halal requirements.

Calaf Nuances is committed to developing innovative, clean-label flavors that meet both customer demands and the Company's international expansion goals. The R&D team works to deliver complete flavoring solutions that add value by excluding enhancers, additives, and allergens, all while maintaining competitive pricing. These efforts help position Calaf Nuances as a leader in flavor innovation.

IPAM has modernized its R&D infrastructure, allowing it to offer high-quality, competitively priced products with rapid turnaround times. Recent investments, such as the Near Infrared Analyzer and wireless data loggers for high-temperature ovens, have significantly improved the Company's ability to collect and analyze data, facilitating faster production of new prototypes. The R&D team has also developed multifunctional product mixes and streamlined production efficiency, leading to greater flexibility in production planning and inter-site collaboration.

Nactarome Ltd's R&D processes are governed by strict product design and development procedures, ensuring that all new products meet food safety and regulatory standards. The Company has digitized its formulations and raw material approvals to ensure seamless tracking and compliance. In addition to creating healthier product options (low-sugar, low-salt), Nactarome Ltd is committed to eco-friendly packaging, using biodegradable or recyclable materials whenever possible. Digital engagement with customers via online marketing tools reduces the need for physical travel, further contributing to sustainability.

Nactis Benelux adapts its R&D activities to meet the changing demands of its B2B clients, focusing on product trends like vegan options and reduced salt content, as requested. The Company's flexible approach ensures that client requirements drive innovation and product development.

Nactis Flavors is deeply committed to supporting its customers in their product development by investing in R&D projects, monitoring market trends, and deploying digital tools like Flavour Flow for managing product requests. The Company continuously launches new R&D initiatives and has implemented systems like Devex to enhance data management and streamline the development process. Nactis Flavors also applies for government subsidies to support its R&D activities, further fueling innovation.

Royal Buisman has an R&D team focused on key projects, such as comparing aroma compounds in their products with competitors, optimizing processing conditions to prevent product caking, and exploring the use of their products to reduce cocoa content in compound chocolate. Their R&D efforts also support product and process improvements, ensuring that the Company stays competitive and continues to meet customer needs.

7. ENVIRONMENTAL RESPONSIBILITY

HIGHLIGHTS

Renewable electricity usage doubled

in 2023 from 7,366 GJ in 2022 to 14,362, representing 41% of total electricity consumed

Calaf Nuances sourced over half of its electricity from

renewable sources

in 2023 and plans further efficiency improvements through LED lighting and new machinery

Nactis Benelux

eliminated diesel

consumption for production from 5,942 GJ in 2022 to zero in 2023

Nactarome Ltd achieved

net-zero carbon emissions

in 2023 by offsetting its carbon footprint supporting CSR projects in Latin America, Africa and Asia

GRI 3-3

7.1 ENERGY AND ENERGY EFFICIENCY

Nactarome is deeply committed to energy efficiency and responsible energy management across its operations. By investing in renewable energy, optimizing production processes, and engaging employees, partners, and suppliers, the Company aims to minimize its environmental impact and promote sustainability. Each legal entity within Nactarome implements strategies to reduce energy consumption and increase efficiency, contributing to the group's overall environmental goals.

Nactarome's energy intensity ratio decreased from 418 in 2022 to 342 in 2023 despite total energy consumption increasing as the Company grew. Diesel use was drastically reduced, thanks to Nactis Benelux eliminating its use in production, and the amount of renewable electricity purchased nearly doubled.

GRI 304-1

Nactarome has no operational sites managed in, or adjacent to, protected areas and areas of high biodiversity.

Energy consumption (gigajoule, GJ)	2022	2023
Fuels for heating and cooling or production		
Natural gas	125,666	141,145
Diesel	6,228	683
LPG	0	0
Electricity		
Electricity purchased	30,494	35,288
of which renewable and certified with GO (Guarantee of Origin)	7,366	14,362
Self-generated electricity	1,473	1,392
of which renewable	1,473	1,392
Car fleet		
Gasoline	2,308	3,623
Diesel	750	1,067
LPG	0	0
Total energy consumption within the organization	**166,920**	**183,197**

The 2022 data do not include Nactarome Ltd.

Energy intensity ratio[3]	2022	2023
Energy intensity ratio for the organization	**418**	**342**
Total energy consumption within the organization	166,920	183,197
Total number of employees	399	535

3. Energy intensity ratio is calculated by dividing the Company's total energy consumption by the chosen denominator – in this case, the total number of employees. Since 2022 energy consumption data do not include Nactarome Ltd, this legal entity's employees have been excluded from the 2022 denominator.

Specifically by legal entity:

AromataGroup is committed to environmental protection through pollution prevention, renewable energy investments, and sustainability training for employees and partners. The Company's energy efficiency initiatives are integrated into broader environmental policies that target waste reduction, pollution control, and safe chemical management, fitting for a Company holding ISO 14001. Notably, the recent expansion of its Concorezzo production site includes the "Control Room" project, which uses predictive algorithms to monitor and ensure the efficient operation of all critical equipment. Since 2021, AromataGroup has enhanced production capacity without adding new assets, optimizing instead energy consumption across utilities through improved logistics and production flow management.

Calaf Nuances has implemented a comprehensive Quality and Environment Policy focused on energy savings and emissions reduction consistent with its ISO 14001 certification. Key initiatives include optimizing production planning to minimize the need for cleaning between batches, thus reducing water, energy, and emissions. Calaf Nuances sources 54% of its electricity from renewable sources and has plans to further enhance efficiency by replacing lighting with LEDs and investing in energy-efficient machinery such as compressors and vibrating sieves. Training employees on energy-saving best practices and studying the potential for installing solar panels are also part of their long-term strategy.

Nactarome Ltd has set specific objectives to move towards more energy-efficient equipment and lighting. The Company has ongoing projects aimed at improving its energy consumption levels, with a focus on reducing the environmental footprint of its operations through energy efficiency improvements.

Nactis Benelux actively monitors its energy consumption and seeks continuous improvement by redesigning production processes. Energy efficiency projects are a central focus of the Company's capital expenditures, with the goal of reducing energy use year over year. Although the Company does not currently hold certifications in this area, its commitment to energy reduction remains a priority.

Nactis Flavors made significant changes to its operations in France, including the relocation of its Bondoufle plant to Lieusaint and the integration of the Morangis site into Nactarome, which are expected to improve operational efficiency and lay the groundwork for future energy-saving initiatives. Nactis Flavors is certified ISO 14001 for its environmental management system.

GRI 3-3

7.2 EMISSION REDUCTION AND CLIMATE CHANGE MITIGATION

Nactarome aims to reduce emissions and mitigate climate change through a range of strategies, including energy efficiency, renewable energy investments, and optimized logistics. The Company continuously works to lower its carbon footprint across its supply chain and operations, adhering to local and global environmental standards.

Greenhouse gas (GHG) emissions are in line with total energy consumption, increasing by 8% (Scope 1) and 15% (Scope 2) in 2023, but the overall emissions intensity, calculated by dividing the absolute GHG emissions by the organization's number of employees, dropped because of the Company's expansion.

Nactarome's commitment to emission reduction and climate change mitigation is demonstrated by its comprehensive strategies across its group entities. These initiatives are designed to drive long-term environmental benefits, while also ensuring compliance with international standards and contributing to global efforts to combat climate change. Each entity within Nactarome plays a pivotal role in meeting these ambitious targets through tailored projects and initiatives.

GRI 305-1   GRI 305-2

Carbon footprint (tons of CO$_2$ equivalent, tCO$_2$ e)	2022	2023
Direct GHG emissions (Scope 1)	8,012.06	8,620.21
Natural gas	7,321.80	8,223.64
Gasoline	169.72	266.37
Diesel	520.54	130.20
GPL	0	0
Energy indirect GHG emissions (Scope 2 – Market Based)	2,328.52	2,671.81
Energy indirect GHG emissions (Scope 2 – Location Based)	2,319.86	2,661.88
Total GHG emissions (Market Based)	**10,340.57**	**11,292.02**
Total GHG emissions (Location Based)	**10,331.92**	**11,282.09**

The 2022 data do not include Nactarome Ltd.

GRI 305-4

GHG emissions intensity	2022	2023
GHG direct emissions intensity (Scope 1)	**20.08**	**16.11**
GHG indirect emissions intensity (Scope 2, Market Based)	5.84	4.99
GHG indirect emissions intensity (Scope 2, Location Based)	5.81	4.98

The 2022 data do not include Nactarome Ltd.

Specifically by legal entity:

Calaf Nuances employs a life-cycle approach to emissions reduction, conducting an annual review of environmental aspects across its operations. The Company has implemented various initiatives to reduce emissions from both the supply of raw materials and the shipment of final products. These include consolidating orders to minimize transport emissions, optimizing production processes to reduce energy and water consumption, and using electricity from renewable sources. Calaf Nuances is also committed to further energy efficiency improvements, such as acquiring more efficient machinery.

Nactarome Ltd aligned with the UK's target of achieving net-zero carbon emissions by 2050. In 2023, the Company partnered with Carbon Neutral Britain to measure and calculate its total carbon footprint for 2023, with the purpose of offsetting all its emissions to become carbon neutral. The methodology adopted by Carbon Neutral Britain to calculate the Company's carbon footprint complies with ISO 14064 and GHG Protocol Emissions Standard Principles. Among the offsetting projects funded by Nactarome Ltd are hydroelectric power in Chile, a cook stove project in Malawi, energy-efficient lighting in India, and the Salkhit wind farm in Mongolia.

Royal Buisman is in the process of implementing a significant emission reduction project, replacing gas-powered heating with an electric kettle in its production processes. This transition is expected to substantially reduce the Company's gas consumption and overall emissions. Royal Buisman's efforts have been recognized with a bronze Ecovadis medal, marking the beginning of its sustainability journey.

7.3 WATER MANAGEMENT

Specifically by legal entity:

Water management is a critical component of Nactarome's sustainability strategy, with a focus on reducing water consumption and minimizing environmental impact through efficient systems, careful monitoring, and innovative projects. Across its legal entities, Nactarome seeks to optimize water use, reduce waste, and ensure compliance with local and global environmental regulations.

Nactarome 's water consumption decreased by 5% in 2023, thanks to reduction in Nactis Benelux. Water use in Calaf Nuances comes in an area with water stress, as the Catalonia location (Spain) experiences low rainfall and frequent droughts.

Only Nactis Benelux takes groundwater; its high water consumption is due to its industrial operations, such as the preparation of liquid solutions, equipment cleaning and sanitation and wastewater treatment.

AromataGroup has implemented several water management initiatives, including the installation of automatic washing systems to reduce water consumption in its production processes. Through the analysis and recalibration of washing times, the Company has achieved a significant reduction in water withdrawals. Additionally, a biological water treatment plant has been installed to purify industrial wastewater, reaching values 20 times lower than legal limits. AromataGroup is also exploring unified production processes to reduce cleaning cycles, cutting the number of daily washes from three to one, which further limits water usage.

Calaf Nuances closely monitors water consumption, particularly in production, which accounts for 80% of the Company's total water use. Two indicators are used to track water consumption: one for production and another for offices and laboratories. To reduce water usage, Calaf Nuances has implemented a range of solutions, including sensors and aerators on taps, foot-operated faucets, and the recovery of cooling water from reactor jackets, a project that could reduce annual water consumption by 15%. Training programs in water-saving best practices also help raise awareness among staff, contributing to the Company's overall water conservation efforts.

Nactarome Ltd is working to reduce water consumption where possible by introducing more efficient systems. Recent changes include replacing most production sinks with knee-operated impulse sinks and utilizing high-pressure, low-volume water cleaning systems to optimize cleaning while minimizing water use.

Nactis Benelux continuously monitors its water consumption with the goal of reducing usage annually. Water-saving projects are integrated into the Company's capital expenditure plans, focusing on rethinking production processes to use water more efficiently.

Nactis Flavors faces unique water challenges due to its coffee roasting processes, which require higher water consumption compared to other Company plants in France. A significant portion of the water used in these processes is collected as food waste and later methanized, although the cost of collecting and processing this waste remains high. Nactis Flavors is exploring ways to improve water efficiency in these processes.

Water consumption (megaliters, Ml)	2022	2023
Total water consumption from all areas	**130**	**124**
Total water consumption from all areas with water stress	0	1

Water withdrawal by source (megaliters, Ml)	2022	2023
Total water withdrawal	**117**	**127**
Surface water	0	0
Groundwater	53	57
Rainwater collected directly and stored by the organization	0	0
Wastewater provided by another organization	0	0
Water supplied by public water utilities or other water service management companies	63	70

7.4 WASTE MANAGEMENT AND CIRCULARITY

Nactarome is committed to minimizing waste generation and enhancing circularity across its operations. The Company's approach to waste management includes rigorous monitoring, training, and adherence to both local and global regulations. Its policies are geared towards reducing environmental impact through recycling, waste valorization, and the responsible disposal of hazardous materials, ensuring a closed-loop system wherever possible.

Nactarome increased the use of FSC or Ecolabel EU certified paper from 49% in 2022 to 62% in 2023.

As Nactarome's business grew, the total weight of the 15 main types of materials purchased by the Company also grew. These materials estimated to largely align with the materials actually used in production. Notable increases were observed in categories such as Grains & Sweeteners (from 3,030 tons to 5,620 tons), which grew especially due to the acquisition of Royal Buisman, that uses large amounts of sweeteners producing caramel; Colours (from 572 tons to 1,736 tons); and Savory (from 1,765 tons to 2,031 tons). Conversely, some categories like Molecules and Vanilla saw a reduction in weight.

Nactarome generated more waste in 2023 but kept hazardous waste generation stable. Non-hazardous waste grew due to the acquisition of Calaf Nuances and Royal Buisman, to Nactis Flavors' relocation of its Bondoufle plant to Lieusaint, and to AromataGroup's closure of the plant in Bresso, leading to a 27% increase in total waste compared to 2022.

Main production materials bought by weight (metric tons, t)	2022	2023
Total weight of the main production materials bought	**54,385**	**59,167**
Flour	33,897	33,245
Ingredients	8,847	9,548
Grains & sweeteners	3,030	5,620
Belgium feed stock	4,536	4,417
Savory	1,765	2,031
Colours	572	1,736
Spices & herbs	700	862
Coffee	6	485
Fish	0	381
Essential oils / Oleoresins	167	197
Fruits & vegetables	159	188
Flavour	150	187
Molecules	460	169
Extracts	48	71
Vanilla	48	30

Office materials used by weight (metric tons, t)	2022	2023
Total office paper used	**5.59**	**6.94**
FSC certified paper	2.25	3.27
Ecolabel EU certified paper	0.5	1.04
Non-certified paper	2.84	2.64
Toner and cartridges consumed	**0.17**	**0.14**

Waste generated (metric tons, t)	2022	2023
Total weight of waste generated	**7.335**	**8.523**
Non-hazardous waste	4.340	5.516
Hazardous waste	2.994	3.007

Specifically by legal entity:

AromataGroup places a strong emphasis on minimizing waste and promoting circularity. Waste is carefully segregated, and the Company actively seeks to recycle as much material as possible. For example, thanks to their biological water treatment system (see § 7.3 Water management), waste containers made of plastic and metal are washed and then recycled, eliminating the need for hazardous waste disposal. A system of selective waste collection has been implemented, and waste destined for recycling is monitored and documented. AromataGroup has achieved significant milestones in waste reduction and efficient waste management, including a system that checks the potential for recycling all waste before final disposal. The Company has also developed specific metrics and procedures aimed at reducing packaging waste through initiatives such as reducing the size of packaging materials and recycling raw materials or finished products when possible.

Calaf Nuances has established a comprehensive waste management system, supported by regular audits and evaluations. In 2023, 92% of the Company's waste was recycled, recovered, or valorized. Key measures include an internal waste collection system, annual submission of the DARI (Annual Declaration of Industrial Waste), and close collaboration with authorized waste managers. Calaf Nuances implements eight waste indicators, which are evaluated annually to ensure the waste produced is kept within acceptable limits. Several initiatives have also been undertaken to minimize waste, such as reducing the size of packaging materials,

recycling natural chemicals, and reformulating flavors that present high material loss during production. Additionally, training is conducted for all staff on waste segregation practices to reinforce a culture of circularity.

Nactarome Ltd complies with UK regulations for waste management, ensuring all waste, including hazardous materials, is disposed of through licensed contractors. Efforts are focused on maximizing recycling and using waste for energy generation where possible, minimizing the volume sent to landfills. The Company has ongoing projects aimed at reducing waste production and increasing recycling rates.

Nactis Benelux prioritizes continuous improvement in waste management practices and adheres to legal regulations for the separate collection of specific waste types, all of which are handled by recognized third-party waste managers. The Company also employs "rework" to minimize food waste in its production processes, contributing to both waste reduction and resource efficiency.

Nactis Flavors focuses on ensuring waste management compliance across its various facilities. At the Yssingeaux plant, plastic packaging contaminated with dangerous goods is now properly collected and sent for decontamination, significantly lowering the Company's recycling rate but improving safety and compliance. At other plants, such as Bondoufle/Lieusaint, similar measures for contaminated plastics are already in place. Future projects include energy recovery from mixed waste at Yssingeaux, aimed at improving waste valorization efforts.

8. METHODOLOGY

GRI 2-3

This is Nactarome's first Sustainability Report and has been prepared using the universal standards revised by the 'Global Reporting Initiative', an international independent organization that has developed one of the world's most widely used standards for sustainability reporting (i.e., GRI Standards), in 2021. The Sustainability Report follows the 'In Accordance' approach and content was developed according to the principles of accuracy, balance, clarity, comparability, completeness, sustainability, timeliness, and verifiability, as set out in GRI 1: Fundamental Principles 2021.

The sustainability information and data shared in this Report cover the period from January 1, 2023, to December 31, 2023. The 2022 data referred to exclude Calaf Nuances and Royal Buisman, which were acquired by Nactarome in 2023, and in some cases, where specifically mentioned, data also exclude Nactarome Ltd.

Nactarome has published this 2023 Sustainability Report with the purpose of providing a tool for an open and transparent dialogue with all the Company's stakeholders.

The publication of the document is voluntary, as Nactarome does not fall within the scope of Italian Legislative Decree no. 254/2016, which defines the organizations required to report on their non-financial performance. Still, the intent of the Company is to update this report annually.

Nactarome's 2023 Sustainability Report has been developed with the methodological support of the external firm SCS Consulting.

9.   GRI CONTENT INDEX

Statement of use	Nactarome has reported the information cited in this GRI content index for the period 01/01/2023 – 31/12/2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI	Disclosure	Position
GRI 2 General Disclosures (2021)		
The organization and its reporting practices		
2-1	Organizational details	1.1 About the Company
2-2	Entities included in the organization's sustainability reporting	1.1 About the Company
2-3	Reporting period, frequency and contact point	Nactarome's 2023 Sustainability Report discloses information and data for the period January 1st, 2023 – December 31st, 2023. The Company reports on sustainability annually. For more information, please write to info@ nactarome.com.
2-4	Restatements of information	As this is Nactarome's first sustainability report, no restating of prior-year information was required.
2-5	External assurance	As this is a voluntary report, there is no requirement for external assurance.
Activities and workers		
2-6	Activities, value chain and other business relationships	1.3 Business model
2-7	Employees	5.1 Diversity, equity and inclusion
2-8	Workers who are not employees	5.1 Diversity, equity and inclusion
Governance		
2-9	Governance structure and composition	2 Corporate governance
2-10	Nomination and selection of the highest governance body	2 Corporate governance

GRI	Disclosure	Position
2-11	Chair of the highest governance body	2 Corporate governance
2-14	Role of the highest governance body in sustainability reporting	2 Corporate governance
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Letter from the CEO
2-26	Mechanisms for seeking advice and raising concerns	4.1 Ethical business conduct
2-27	Compliance with laws and regulations	4.1 Ethical business conduct
2-28	Membership associations	Nactarome does not participate in any association, while some of its legal entities do: · AromataGroup belongs to Assolombarda (Association of companies operating in the provinces of Milan, Lodi, Monza and Brianza, Pavia) and Federchimica (Italian Federation of the chemical industry); · Nactis Benelux is a member of FEVIA (Federation of Belgian food companies) and Aroma (Federation of producers, importers and users of aromas, essences, extracts, and aromatic products in Belgium); · Royal Buisman participates in EUTECA (European Technical Caramel Association) and FNLI (Dutch Food Industry Federation); Nactarome Ltd is part of UK Flavour Association, UK Seasoning and Spice Association, UK Food and Drink Federation, IOFI (International Organization of the Flavor Industry), and EFFA (European Flavour Association).

GRI	Disclosure	Position
Stakeholder engagement		
2-29	Approach to stakeholder engagement	3.1 Materiality Analysis and stakeholder engagement
2-30	Collective bargaining agreements	5.1 Diversity, equity and inclusion
Material topics		
GRI 3 Material topics (2021)		
3-1	Process to determine material topics	3.1 Materiality Analysis and stakeholder engagement
3-2	List of material topics	3.2 Material topics
3-3	Management of material topics	3.3 Nactarome's Sustainability Plan
Ethical business conduct		
3-3	Management of material topics	4.1 Ethical business conduct
205-2	Employees trained on anti-corruption	4.1 Ethical business conduct
205-3	Confirmed incidents of corruption and actions taken	4.1 Ethical business conduct
Data privacy and cybersecurity		
3-3	Management of material topics	4.2 Data privacy and cybersecurity
418-1	Breaches of customer privacy and losses of customer data	4.2 Data privacy and cybersecurity
Diversity, equity and inclusion		
3-3	Management of material topics	5.1 Diversity, equity and inclusion
405-1	Diversity of governance bodies and employees	5.1 Diversity, equity and inclusion
405-2	Ratio of basic salary and remuneration of women to men	5.1 Diversity, equity and inclusion
Employee wellbeing and development		
3-3	Management of material topics	5.2 Employee wellbeing and development
401-1	New employee hires and employee turnover	5.2 Employee wellbeing and development
401-2	Benefits provided to full-time employees	5.2 Employee wellbeing and development
401-3	Parental leave	5.2 Employee wellbeing and development
404-1	Average hours of training per year per employee	5.2 Employee wellbeing and development
404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Employee wellbeing and development
404-3	Percentage of employees receiving performance and career reviews	5.2 Employee wellbeing and development

GRI	Disclosure	Position
Health and safety at work		
3-3	Management of material topics	5.3 Health and safety at work
403-8	Workers covered by an occupational health and safety management system	5.3 Health and safety at work
403-9	Work-related injuries	5.3 Health and safety at work
403-10	Work-related ill death	5.3 Health and safety at work
Local communities		
3-3	Management of material topics	5.4 Local communities
413-1	Operations with local community engagement, impact assessments, and development programs	5.4 Local communities
Product quality & safety		
3-3	Management of material topics	6.1 Product quality and safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	6.1 Product quality and safety
417-2	Incidents of non-compliance concerning product and service information and labeling	6.1 Product quality and safety
417-3	Incidents of non-compliance concerning marketing communications	6.1 Product quality and safety
Responsible procurement and traceability		
3-3	Management of material topics	6.2 Responsible procurement and traceability
308-1	New suppliers that have been assessed using environmental criteria	6.2 Responsible procurement and traceability
414-1	New suppliers that have been evaluated using social criteria	6.2 Responsible procurement and traceability
R&D, innovation, and digitalization		
3-3	Management of material topics	6.3 R&D, innovation, and digitalization
Energy and energy efficiency		
3-3	Management of material topics	7.1 Energy and energy efficiency
302-1	Energy consumption within the organization	7.1 Energy and energy efficiency
302-3	Energy intensity	7.1 Energy and energy efficiency
304-1	Operational sites managed in, or adjacent to, protected areas and areas of high biodiversity	7.1 Energy and energy efficiency

GRI	Disclosure	Position
Emission reduction and climate change mitigation		
3-3	Management of material topics	7.2 Emission reduction and climate change mitigation
305-1	Scope 1 emissions (tCO2e)	7.2 Emission reduction and climate change mitigation
305-2	Scope 2 emissions (tCO2e)	7.2 Emission reduction and climate change mitigation
305-4	GHG emission intensity	7.2 Emission reduction and climate change mitigation
Water management		
3-3	Management of material topics	7.3 Water management
303-3	Water withdrawal by source	7.3 Water management
303-5	Water consumption	7.3 Water management
Waste management & circularity		
3-3	Management of material topics	7.4 Waste management and circularity
301-1	Materials used by weight or volume	7.4 Waste management and circularity
306-3	Waste generated (breakdown by type)	7.4 Waste management and circularity

NACTAROME
The Colourful Taste of Nature

Contact:

nactarome.com

info@nactarome.com