

# Progress report 2021



# CEO's Statement

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Once again, I am pleased to share Natra's Progress Report, setting out our principal achievements in securing a more sustainable business model.

The Sustainability Committee of Natra ratified for 2021 the material issues identified in 2020. By defining our priorities, we have also continued to drive our sustainability strategy 2026 in 5 areas: People, environmental protection, responsible sourcing, positive impact in communities and promotion of a healthy lifestyle.

As a signatory of the Global Compact since 2021, we renew once again our commitment to the ten principles concerning labour rights, human rights, the environment and anti-corruption. At the same time, we participate in projects that contribute towards promotion and achievement of the Sustainable Development Goals (SDGs) established in the 2030 Agenda.

Regardless of the progress made in respect of the health crisis, the safety of our people was still our primary concern in 2021, and we implemented the necessary measures to guarantee their well-being at our production plants and offices. Building on this base, we have remained committed to their training and development, ensuring that our team grows in a diverse, healthy environment. We have also continued reinforcing our commitment to social development in the countries where we source our principal raw materials, through a variety of initiatives, such as the Empowerment Project for cocoa-producing communities in Peru.

In our zeal to protect the planet, we support the use of sustainable packaging, which currently accounts for more than 93% of the total used. We also ensure good practice by our suppliers by requiring them to follow our responsible sourcing code. In addition, this year we joined the Amazon initiative "The Climate Pledge", stepping up our commitment to climate change, undertaking to measure and report our emissions regularly, implement decarbonisation strategies and



establish measures to neutralise any residual emissions through carbon offset, aiming to achieve zero net annual carbon emissions by 2040.

We remain focused on innovation with a view to leading our market and in 2021 we launched new healthy products with natural ingredients or a reduced sugar content, and implemented ecodesign using more sustainable materials.

All this has been achieved through the work of a great team. The contribution of their talent and commitment is key to the success of our project, so my gratitude goes out to all our employees. And now, with our sights set on 2022, we will continue working to combine our ambition in Sustainability with the growth of Natra.

*Dominique Luna Tudela*

**CEO**



# Welcome to Natra

Worldwide Preferred  
Independent European  
Chocolatier

## 78 years

Producing chocolate  
confectionery and cocoa  
products



**2%** of NATRA's  
net profit  
invested in community  
projects



**2020-2026**  
Strategic Sustainability  
Plan



**1033**  
Employees

**+417.3** million €  
Turnover



**+90** Countries commercial  
presence



Committed to  
the SDGs



**Ethics Code**  
and compliance  
programme

**#1** ISO  
20400

One of the first companies  
to be certified

Carbon neutral in Scopes 1 & 2

**13,616** Credits  
of tCO<sub>2</sub>eq



United Nations  
Global Compact  
since 2012

Carbon neutral  
including Scope 3

**CLIMATE  
PLEDGE  
FRIENDLY**



**38%** Certified  
cocoa



**93%** of our packaging  
is recyclable  
or compostable



**ecovadis**  
Gold Rating

**41%**

Reduction of  
severity rate  
at our plants



**100%** Certified for  
quality and  
food safety



**FSSC 22000**





# We sell our products in

+90  
countries

## Our Mission

We provide the best chocolate and cocoa solutions for the principal retailers and private label brands, with excellence, safety, high quality standards and passionate people, helping to make dreams come true for consumers around the world.



### Head offices

1 Spain

### Production and sales department

2 3 Belgium

4 France

5 6 Spain

7 Canada

### Sales department

8 USA

9 Canada

10 Germany

11 UK

12 China





# Main achievements in 2021

Excellence in sustainability





# Sustainability at the heart of Natra's Business

Aware of the importance of sustainability management, the company has been working hard on the management of ESG (Environmental, Social and Governance) factors for many years, putting them at the heart of all our business activity.



# Our Sustainability Journey



► Signature of the **UN Global Compact** (UNGC).

► Natra's board votes on the **"2020 Commitment to Corporate Social Responsibility"** based on 5 areas: sustainable raw materials, environmental protection, people, concern for the community and healthy nutrition.

**2012**

**2013**

► Publication of the **first Sustainability report**.

► Natra's cocoa bean processing factory obtains **ISO 14001 certification**.



► Natra's cocoa bean factory sets **targets to reduce its carbon footprint by 25% and reduce 25%** and cut its energy consumption per tonne of product 25% by 2020

**2014**

**2016**

► Natra takes active part in the UTZ certified initiative that promotes **sustainability standards for hazelnuts**. Natra is a founding member of this standard for Turkey and becomes a member of its Management Committee.



► **5th Sustainability report** on progress towards 2020 targets and reporting to the UNGC.

► Achieved **76% of 2020 sustainability targets**.

**2017**

**2019**

► Participated in **Investindustrial's annual Sustainability Summit**.

► Launched **new initiatives**: sustainable packaging.

► Obtained **ISO-20400 certificate** "Sustainable procurement"

► Completed **materiality assessment**.

► Developed **new strategy** and set 2025 sustainability objectives.

► Achieved **carbon neutrality** by offsetting 2019 carbon emissions (scope 1 & 2) through proprietary nature-based solutions.



► Implemented **H&S best practices** during the **COVID-19** crisis with regard to the workplace and management of staff.

► As part of implementing ISO-20400, **97% of ingredients and packaging suppliers have signed our Responsible Sourcing code**

► **Eco design of new products** to implement sustainable packaging; **Environmental footprint** of products to assess positive impacts;

**2020**

**2021**

► New **insetting carbon project in cocoa communities** linked to Natra (Peru, VCS-CCBA standards)

► **New Corporate Environmental policy** ("Greener operations")

► Study with **New York University** on **Return on CSR Investment (ROSI)**

► **Founding member of the French Sustainable cocoa platform**





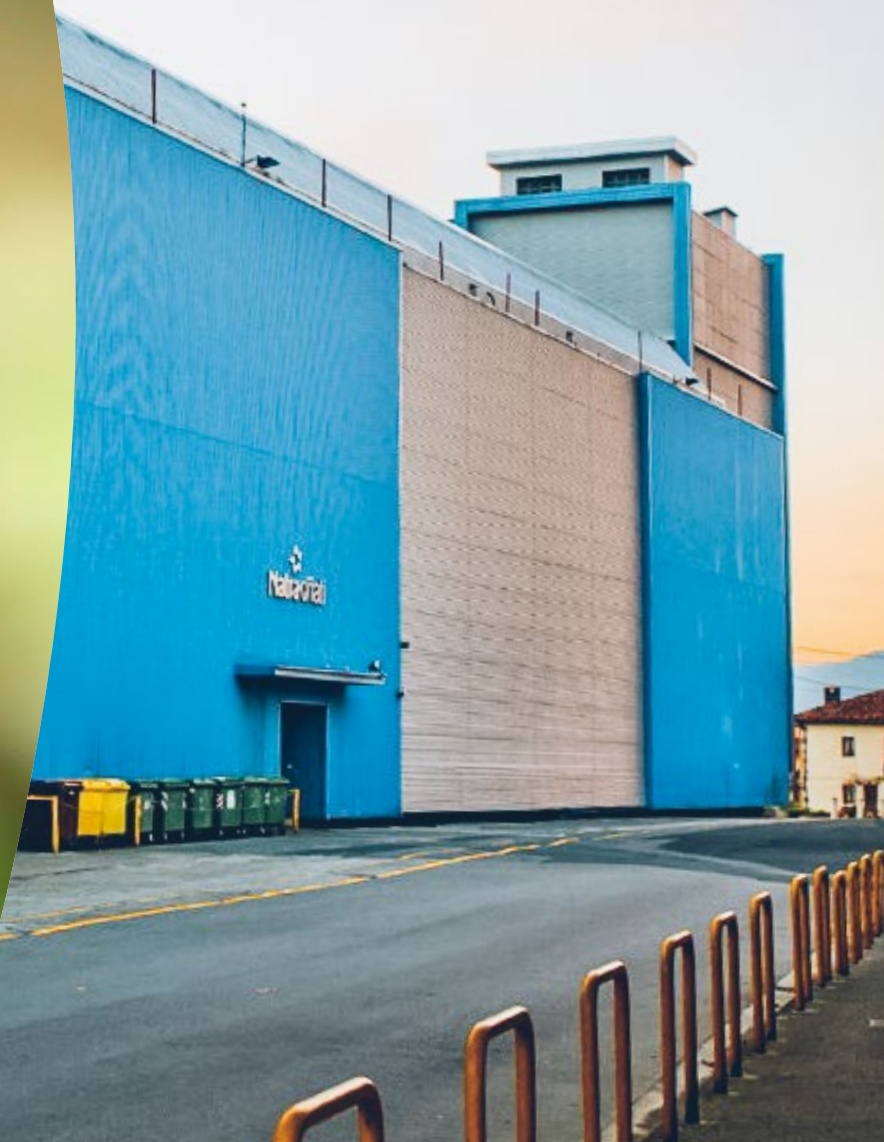


# Our sustainability and performance strategy

## Sustainability Goals 2026

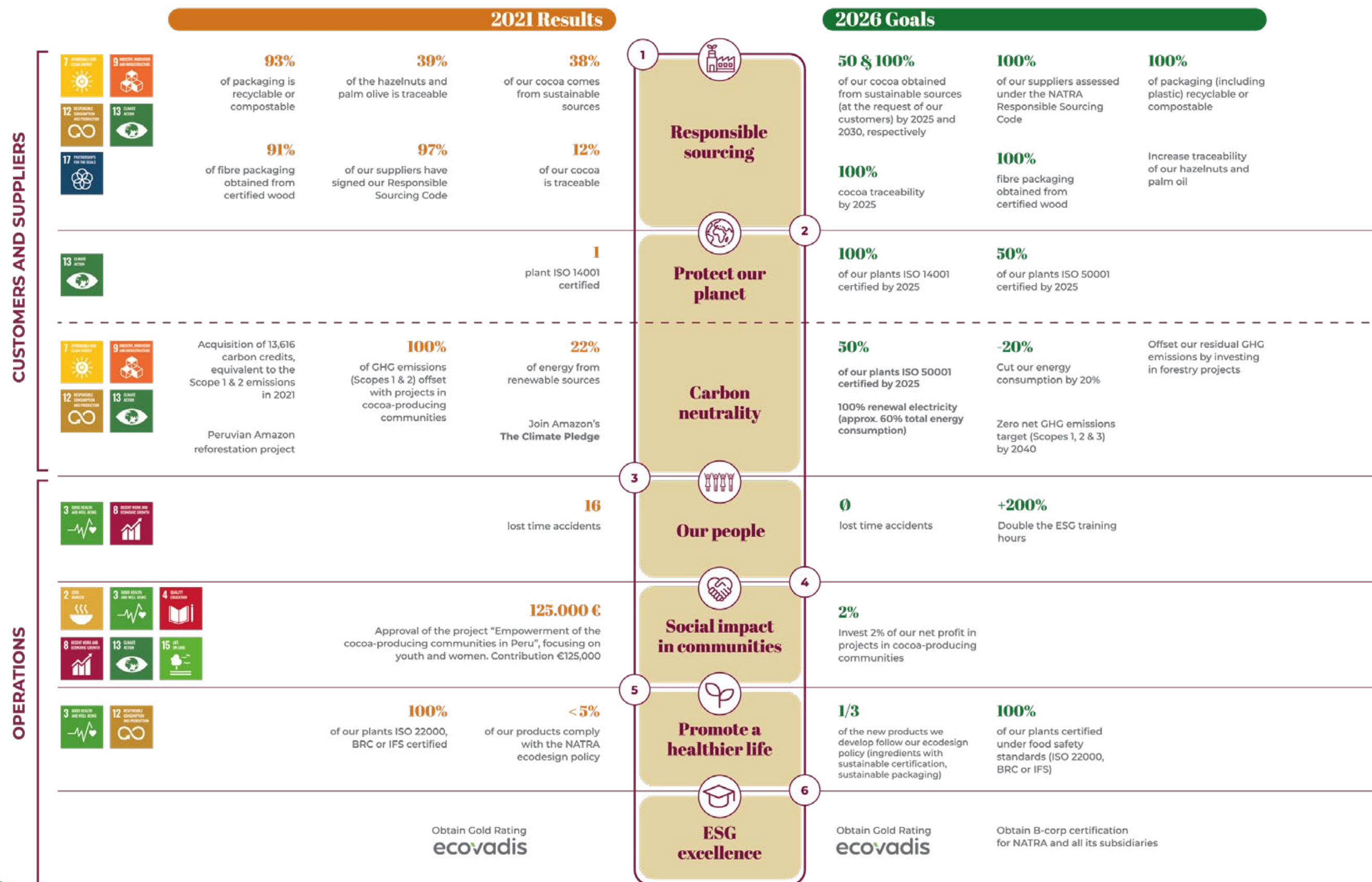
In Natra we have defined our **2026 ambition** through goals, actions and performance indicators (KPIs).

These sweeping goals contemplate the protection and development of employees, excellence in our operations, care of the planet, social impact, promotion of healthy lifestyles, responsible sourcing, innovation and ecodesign, seeking recognition as a company committed to sustainability.





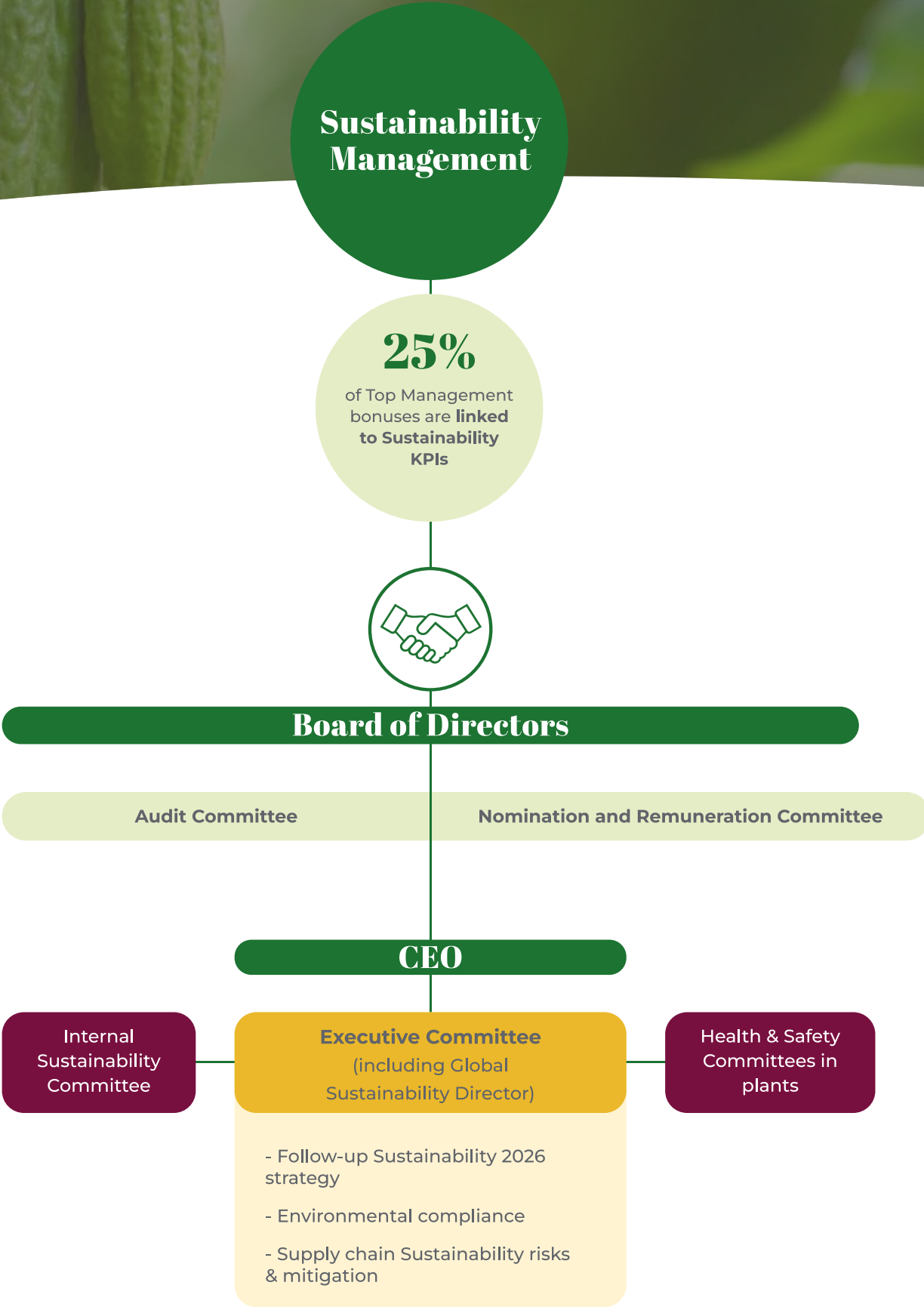
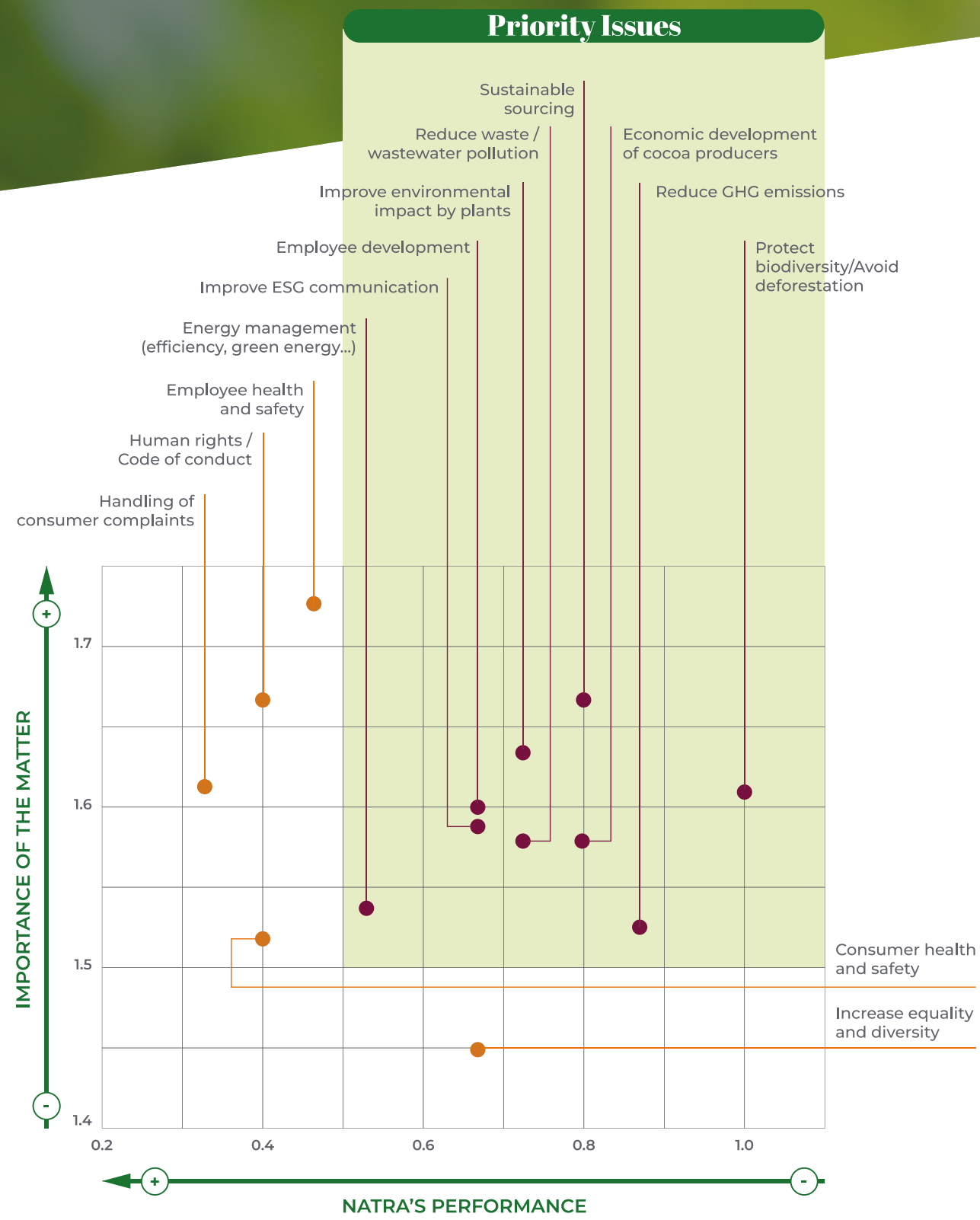
# Our sustainability strategy 2020-2026: working towards ESG excellence





# ESG material issues

The Sustainability Committee confirmed for 2021 the material issues identified in 2020.





# Natra People

We want to be one of the best places to work, with an atmosphere of trust, respect, inclusion and development



Strategic Goals Operations	2020	2021	2026
Zero lost-time injuries	22	16	0
Double the hours of ESG training	Not measured	Not measured	1.000

## “We are Zero”

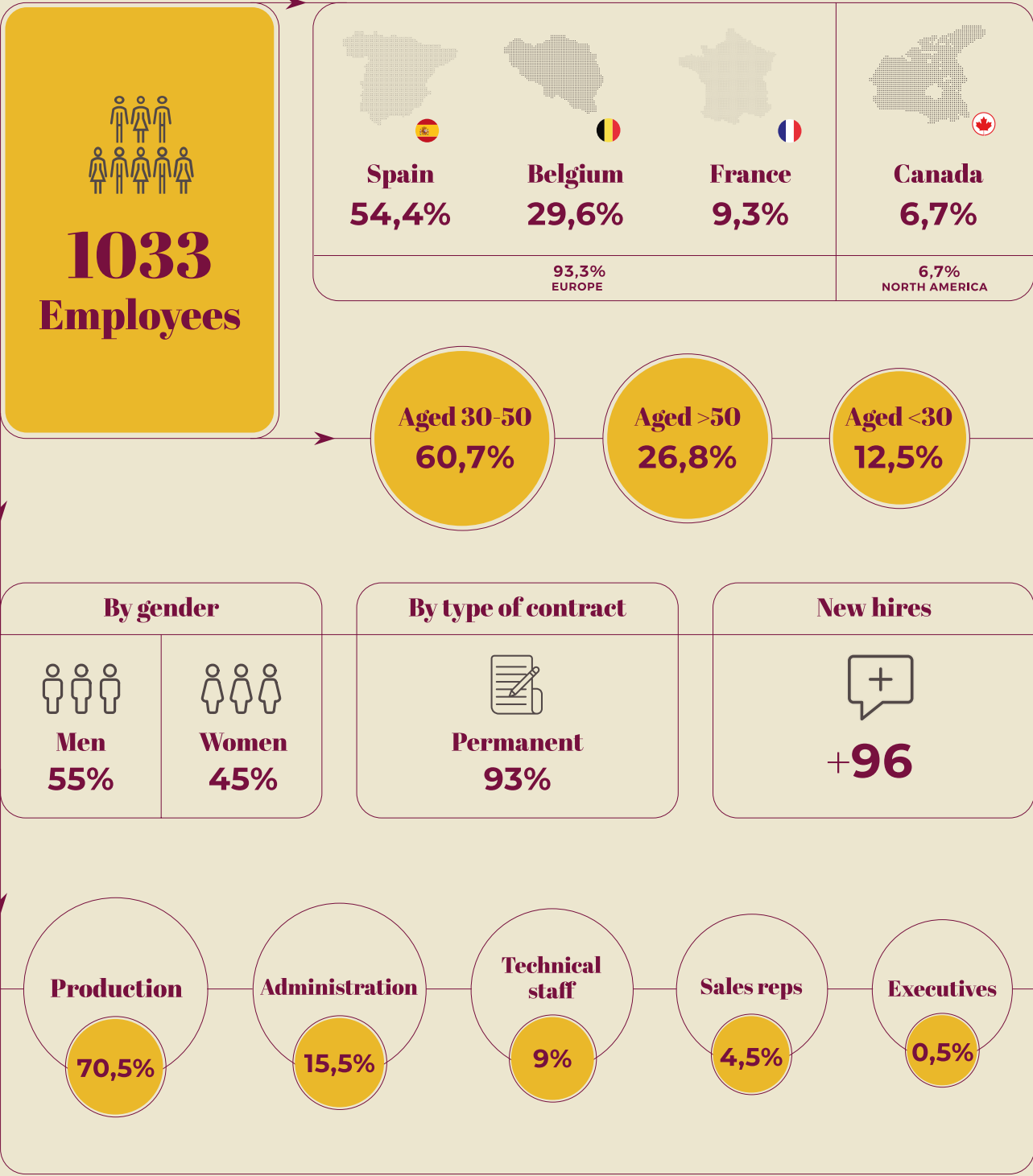
Natra aspires to becoming one of the best places to work, with a safe, healthy working environment based on **trust, respect and inclusion**, where people can achieve personal and professional growth and development.

Aligned with this vision, we continue to foster employee health and safety under the maxim “We are Zero”, striving to make our organisation more agile and efficient, **integrating sustainability in the company’s culture**, developing the skills and expertise of our employees and boosting commitment through communication that reaches the entire workforce.



# We are Natra

Strengthening our leadership and the talent of our professionals



## Our values

Our corporate culture is defined in our values and characterises our style of management and relations with our professionals, guiding us to fulfil **Natra's mission and vision** every day.

We set **challenging above-standard goals**, improving and maintaining high performance levels.

### Integrity

We are **honest and transparent**, with sound principles. We are committed to our work and communicate with each other constantly.

### Excellence

We create and promote **new ways of acting** and opportunities for business growth.

### Teamwork

We **work together** to achieve our goals, sharing information, backing and recognising the contribution of each member of the organisation towards **meeting common goals**.

### Entrepreneurship

### Innovation

We really believe that our human talent can create solutions **to transform the organisation, our market and society**.



# Our focus on training and development

**+41%**  
Training hours cf 2020

At Natra we provide adequate training aligned with the strategic challenges of the company, the needs detected in functional areas and the results of individual performance assessments.



**20.320 hours**  
Hours of training



**19 hours**  
Average training/employee



**375.893 €**  
Investment in training

## Performance appraisal

Our employees are a cornerstone in Natra's continuity and sustainability and their development and growth is a constant priority for the Group. **One of Natra's challenges is to promote internal talent to positions with greater responsibility.** In 2021, five senior managers joined the Executive Committee with effect from 1 January 2022.

The **Performance Appraisal** policy defines the procedure for performance appraisal in Natra. Every year each employee has a meeting with their immediate boss to review their achievements during the previous year and set their objectives for the following year, which must be aligned with the goals and objectives of the organisation.

**+11**  
internal promotions

## Developing our talent

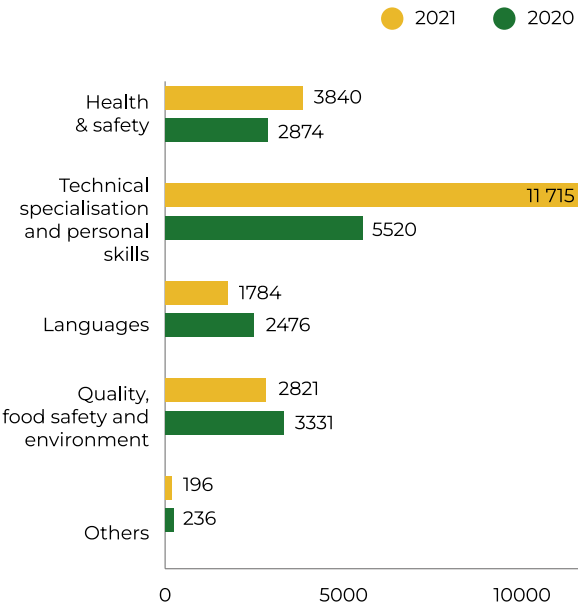
**296**  
in plants

**55**  
corporate

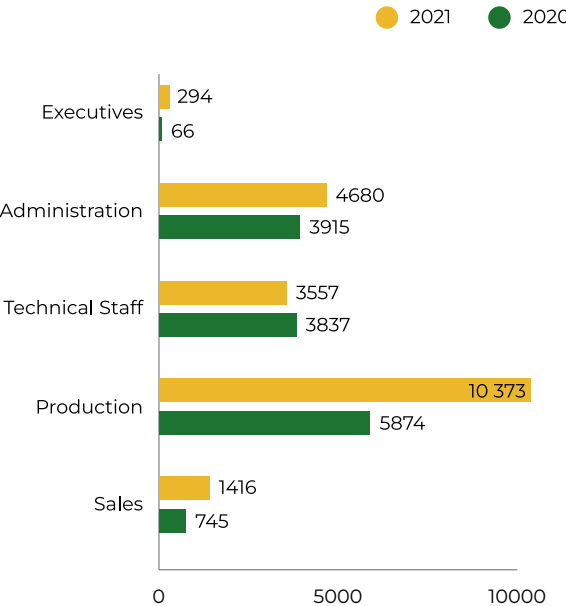


**351**  
employee appraisals in 2021

Hours training by training area



Hours training by professional category





We promote equal opportunities in access to employment, working conditions, training, development and promotion of our professionals



Equality and non-discrimination

Natra takes responsibility for maintaining a **work environment free from any discrimination** or conduct that might entail personal harassment, and we do not allow any discrimination on grounds of race, ethnicity, nationality, gender or age, among others. Natra also rejects any behaviour that generates a hostile or threatening work environment. This commitment is reflected in the following documents:

- Natra's code of ethics
- Recruitment and selection policy
- Group-wide global policies
- Equality plan
- Protocol against sexual harassment

Diversity

Our plants in Spain and France comply with the **Spanish Disability Act and the French Labour Code**, respectively, through direct hiring and, where this is not possible, alternative arrangements.

21 employees with different abilities

Work-life balance

We have several tools to enable our employees to strike a healthy work-life balance, including:

- \* **Teleworking policy** applicable in all countries, which lays down the conditions for working from home.
- \* A document of **recommendations for effective onsite and offsite working**.
- \* Other measures: flexitime, condensed working hours at certain times of year and leave for personal affairs, possibility of taking holiday allowance in full days or half days, subsidised company canteen, etc.

Finally, this year we have underscored certain guidelines setting limits on the times and duration of meetings; encouraged employees to return to the office with a view to alleviating isolation and strengthening team relationships; and held fortnightly meetings to monitor teleworking.



We strive to improve our employees' health and quality of life





# Healthy, Tasty and Great Value



2026 Goals. Healthy Nutrition	2020	2021	2026
1/3 of the new products we develop follow our ecodesign policy (ingredients with sustainable certification, sustainable packaging)	< 5%	< 5%	33%
Maintain 100% of our plants certified to the highest international food safety standards	100%	100%	100%

2026 Goals. Sustainable Packaging	2020	2021	2026
100% of our packaging (including plastic) recyclable or compostable	90%	93%	100%
100% of our fibre packaging obtained from certified wood	90%	91%	100%





## Pillars of Innovation



### Health = Better for you

**Developing healthier options** based on natural ingredients, reduction of sugar and portion control, among others



### Sustainability = Better for the Planet

Implementing **ecodesign, use of more sustainable materials and certificates, recyclability and reduction of materials**



### Convenience

Adapting the presentation of our products to new **lifestyles and different consumption times**, and to the clients' processes in the Ingredients Division



### Satisfaction and Indulgence

Innovational combination of ingredients to boost **delight of the senses, flavour, aroma and textures**

## 2021 launches by category

New products with reduced sugar content, organic, high cocoa content





## Spreads

Protein-enriched, vegan, low-sugar and high cocoa content products.



## Chocolate tablets

We have broadened our product range, adding organic, high cocoa content (85-90-99%) and low-sugar chocolate. Launchings include Belgian chocolate and blonde chocolate slabs and chocolate+wafer slabs.



## Chocolate Snacks

In countlines:

- ▶ Chocolate in portions or squares or mini countlines
- ▶ Also in the healthy line, Scandinavian countlines have been launched: biscuit & oat and nougat & almond. Peanuts are given prominence as they are a source of protein and great taste. This trend will be maintained in 2022.



## Pralines

Belgian chocolates and truffles coated in ruby chocolate have been launched in Pralines, while enhancing the visibility and exposure of our products.

## New developments

- ▶ Vegan products (vegan chocolate)
- ▶ Continued use of peanuts in different formats, from small bites to countlines
- ▶ Replacement of sugar with natural sources other than polyols, which will lead to further expansion of the range of chocolates in this popular segment
- ▶ Protein-enriched ranges to improve the nutritional value of indulgent products

## Our products are developed according to the most stringent quality and safety standards

Certifications Plants	BRC	IFS	FSSC 22000	Kosher*	Halal*
Natra Malle	✓	✓		✓	✓
Natra Oñati	✓	✓		✓	
Natra Saint-Étienne	✓	✓		✓	
Natra Jacali	✓	✓		✓	
Natra Cacao			✓	✓	✓
Natra London	✓			✓	

\*Specific certification of Kosher and Halal products, indicating that they are suitable for consumption for people of the Jewish and Islamic faiths, respectively.





# Sustainable packaging

Better for the planet



## Sustainable packaging strategy 2022-2025

### Improving recyclability

- ▶ Acceleration of change in materials to guarantee that flexible packaging (snacks) is recyclable
- ▶ Investment in lines to work with 100% recyclable materials
- ▶ Innovation in materials and technologies to guarantee recyclability goals and meet the functional needs of the product

### Plastic-free packaging

- ▶ Grammage reduction policy, keeping within the technical limits of the material
- ▶ Elimination whenever it is unnecessary
- ▶ Replacing plastic with alternative materials (paper/cardboard)

### Incorporation of recycled material

- ▶ Incorporation of rPET in spread jars and praline trays
- ▶ Exploration of ways to use rPP in the lids of spread jars
- ▶ Incorporation of rPE in cling film applications for secondary and tertiary packaging
- ▶ Incentives to use recycled fibre in paper and cardboard packaging



# Milestones 2019-2021

100%

Elimination of PVC and EPS packaging 2021

93%

of volume of packaging materials is recyclable

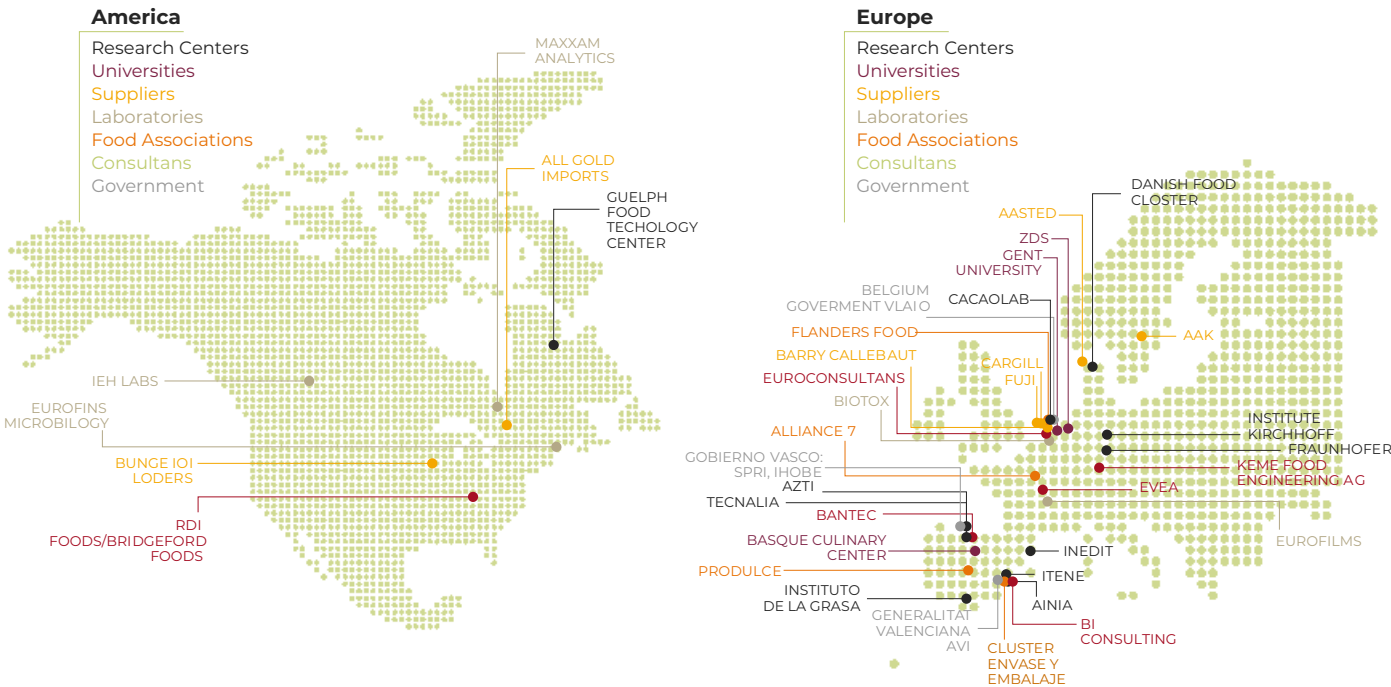
91%

of paper-based packaging materials certified by FSC or similar

- Incorporation of 30% rPE in cling film applications for secondary and tertiary packaging in Natra Malle
- Use of PE in primary packaging applications to guarantee recyclability in countries such as the UK and France
- Development of a paper flow wrap for chocolate snack multipacks
- Elimination of PVC from metal lids used on spread jars and replacement with TPE (thermoplastic elastomers) that do not affect recyclability and guarantee sealing
- Analysis of recyclability under ISO 18604 of the main types of packaging used
- Reduction of grammage in preform of 400 g PET jars for spreads
- Redesign of secondary packaging formats with risk potential for people's health and safety in all categories

# Collaboration Projects

In 2021, Natra continued collaborating actively with different national and international universities, research centres and platforms



CO-INNOVATION Projects	Description	Alliance
GLYCOPROFIT*	Technological platform for the conversion of sucrose into healthier alternatives, such as trehalose, kojibiose or nigerose	University of Ghent
REHUSK	Potential assessment of transforming cocoa husk (waste by-product from cocoa processing) into different bio-products	Ainia
ECORGAN	Study and development of new recipes for the usual components of countlines on the market, using only organic ingredients	Azti Tecnalia technological centre
JUSTPLAN	Development of a new range of multi-layer plant-based countlines in which ingredients of animal origin are replaced with plant-based ingredients, while maintaining the functionality of the original ingredients in each of the recipes and the organoleptic properties of the end product	Azti Tecnalia technological centre
New solutions with a sustainable focus*	Search for healthier and more sustainable packaging in different products developed by the company. Studying consumer needs and desires and identifying value proposals	Collaboration Universities of Mondragon and Delft
REVICO	Aims to develop innovative methods of fermentation and subsequent processing to enable an optimal, sustainable use of the different components of the cocoa bean and their specific applications	Vrije Universiteit Brussel; University of Ghent; Antwerp University and Food2Know
Internal projects	Development of enhanced processing of cocoa powder, with a reduced carbonate content but without changing the colour or flavour	Natra

\*Projects that ended in 2021





# Towards Lasting Changes



Strategic Goals Operations	2020	2021	2026
Zero lost-time injuries	22	16	0
100% of our plants ISO 14001 certified	17%	17%	100%
50% of our plants ISO 50001 certified	0	0	50%
Reduce our energy consumption by 20% (kWh per tonne of chocolate)	689	654	530
100% renewable electricity for NATRA plants (approx. equiv. to 60% of total energy consumed)	43%	22%	60%
Net zero GHG emissions (Scopes 1, 2 & 3) by 2040	Zero Scope 1 & 2 emissions	Zero Scope 1 & 2 emissions	Zero emissions target for scope 1 & 2 / reduction action plan for scope 3
Offset our residual GHG emissions by investing in carbon credit forestry projects related with the countries where we source cocoa beans	100%	100%	100%

Strategic Goals Customers & Suppliers	2020	2021	2026
50% & 100% of our cocoa obtained from sustainable sources (at the request of our customers) by 2025 and 2030, respectively	34%	38%	50% (2025) and 100% in 2030
100% cocoa traceability by 2025	7%	12%	100%
100% of packaging (including plastic) recyclable or compostable	90%	93%	100%
100% of our suppliers assessed under the NATRA Responsible Sourcing Code	97%	Not measured	100%



# Our factories

Health and safety is a priority goal at Natra and we promote a zero accident culture with the maxim “Our DNA is zero”

## Protecting our people

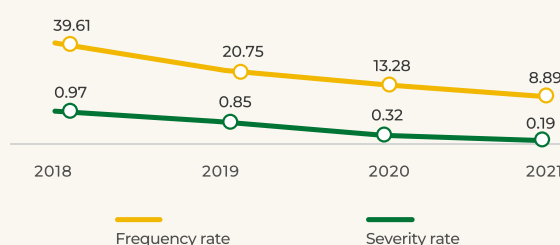
At each and every one of our plants Natra implements action plans to make sure our employees can do their work in the safest and healthiest conditions possible and to minimise the risks of work-related accidents. Thanks to this commitment, the Group is achieving a significant reduction of accident rates.

In 2021 there were 16 lost-time injuries, down from 22 in the previous year, as we draw nearer to our goal of zero lost-time injuries by 2026, in line with the Group's Sustainability Strategy.



The frequency and severity rates have been **lowered by 78% and 80%**, respectively, over the period 2018-2021

### Evolution of accident rates 2019-2021



There were **no work-related accidents** at our plants in London (Canada) and Bredene (Belgium) in 2021



## Key initiatives

- ▶ All our plants have been certified by SMETA/SEDEX, which verifies good practice in health and safety
- ▶ Start-up of campaign to detect potential risk situations in which a safety incident almost occurs (near misses)
- ▶ Reinforcement of health and safety teams
- ▶ Ad hoc campaigns focusing on zero accidents and group dynamics in the investigation of accidents
- ▶ Health and Safety Committee meetings held in pursuance of the laws applicable in each country
- ▶ Monthly Review of the action plan with the participation of the corporate H&S officer



### Safety talks

(daily conversations with operators on a safety issue) help operators to identify the most important risks in their respective jobs and to increase awareness of the importance of safety in a work environment



Since the beginning of the pandemic **Natra has protected its operations** maintaining high safety standards

On account of the health situation caused by Covid, all Natra workplaces (plants and offices) have been adapted to guarantee the health and safety of our employees and continuity of our operations to ensure that we could meet our commitments to customers. We also have common protocols for the entire Group, which are continuously monitored.



The “safe site” certification at our plants and head offices was maintained in 2021, which means that the measures taken to manage and minimise the impacts of COVID-19 are adequate.



# Greener operations

Natra is firmly committed to minimising our environmental impact and preserving the ecosystems in the areas where we operate

Natra has a zero impact focus, implementing a strategy of continuous improvement at our facilities, application of the best environmental practices and extension of our environmental commitment to our suppliers.



**Our Valencia plant** (Natra Cacao) has renewed its ISO 14001:2015 certification.

**The Oñati (Spain), Bredene (Belgium) and Saint Etienne (France) plants** have begun the process for obtaining that certification in 2022.



Natra has joined Amazon initiative “The Climate Pledge”, stepping up our commitment to climate change. As a signatory, we undertake to:

- ▶ Measure and report our emissions regularly.
- ▶ Implement decarbonisation strategies in line with the Paris Agreement.
- ▶ Establish measures to neutralise and offset any residual emissions to achieve zero net annual carbon emissions by 2040.

## Climate change strategy: NET ZERO

**Natra has its own roadmap to becoming a carbon neutral company by 2040**, with the following goals: reduce emissions associated with energy consumption, avoid emissions by buying certified cocoa and palm oil and offset residual emissions through the purchase of credits.

Principal environmental indicators	Units	2020	2021
Scope 1 emissions	t CO2 eq	9.016	7.569
Scope 2 emissions	t CO2 eq	3.177	6.047*
Electricity consumption	MWh	59.412	59.832
Natural gas consumption	MWh	44.117	41.324
Diesel consumption	MWh	306	144
Total energy consumption/tonne of end product	kWh/t	689	655
Tap water consumption	m3	79.734	67.953
Well water consumption	m3	77.222	76.430
Total water consumption/tonne of end product	m3/t	1,03	0,93
Non-hazardous waste	Kg	4.231.221	5.100.459
Hazardous waste	Kg	10.047	24.482
Total landfill-incinerated waste/tonne of end product	Kg/t	7,8	7,7
By-product used for animal feed	ton	4.076	5.198

*\*The GOs for electricity consumption at our Valencia plant, equivalent to approx. 3,000 t CO2 eq, have not been deducted because their contracting is pending at the date of this report.*



## Reduction of emissions

### Renewable energies

- Purchase of electricity guarantee of origin certificates (GOs) for our plants for a total 22,602 MWh.
- Investment in the installation of 2,466 solar panels at our Valencia plant, which will produce 1.5 GWh of electricity for self-consumption, due to come on stream in 2022.
- Use of solar panels at our Malle plant, equivalent to 2.7% of the energy consumption at that plant.



**22% of the energy used at our plants is renewable**

### Energy efficiency

- Three energy efficiency audits made (two in 2020), giving rise to action plans.
- Commencement of the certification process at the Valencia plant under the ISO 50001 Energy Management System, which provides the tools for identifying the activities that consume most energy, seeking solutions to improve efficiency.
- Installation of digital meters to monitor consumption.
- Replacement of the diesel forklift trucks with electric ones.
- Replacement of obsolete cooling equipment with newer and more efficient equipment.
- Replacement of coolants with others that have a smaller environmental impact.
- Replacement of the oil in the air compressors with a different, more efficient oil.
- Replacement of TL lighting with more efficient LED lighting.
- Installation of systems that automatically turn off the lights in areas with no activity.
- Heat recovery for other processes at the plant.



**Improved energy efficiency: 655 kWh/t finished product, cf 689 in 2020**

## Carbon offset. Combating reforestation

This project ratifies Natra's work and commitment to the Sustainable Development Goals (SDG), contributing towards the following goals:



### Natra buys carbon credits in reforestation projects that benefit communities linked with our supply chain

In 2022, we bought 13,616 carbon credits equivalent to the Scope 1 & 2 emissions in 2021, in a reforestation project in the Peruvian Amazon. This project helps to reduce deforestation and degradation in the indigenous communities Shipibo Conibo and Cacataibo in the Ucayali region (Peru).

### Commitment to a circular economy

Natra tries to minimise food waste, guarantee the efficient use of waste and give it a second life, in accordance with the circular economy principles.

#### REHUSK Project

Research project headed by the R&D team in collaboration with the AINIA research centre as our technological partner.

REHUSK focuses on assessing the potential transformation of cocoa husk (waste by-product from cocoa processing) into different bio-products and their applications, both for the chocolate sector and for other sectors (cosmetics, detergents, etc.) and in the reuse of one of the bio-products of interest (polyphenolic extracts) to develop functional chocolates rich in polyphenols.

Environmental benefits deriving from this circular economy project:

- Reduction of the environmental impact of our processes by reusing by-products or waste to produce value added products.
- Reduction of our carbon footprint by obtaining bio-products that can be transformed into compostable biopolymers and obtain a future bioplastic to be used in our products, thus securing a complete circular economy.



**5,198 tonnes of by-products for animal feed**



**77% of the waste generated is reused**







**36.6**  
tonnes of product  
donated

### Other social projects

In our endeavour to back initiatives in the local communities, Natra also strives to promote healthy lifestyles and support underprivileged groups by donating our own products.

### Promotion of healthy lifestyles

Natra collaborates with and sponsors some initiatives linked to sport and healthy lifestyles.

The Canada plant engaged in actions related mainly with mental health and healthy nutrition through training and communications. Bredene and Malle continued to foster bicycle hire and support running activities. The Oñati plant continued backing local sports.

Plants	Sponsorships (in euros)	2020
Oñati	1.500	Eskola Kirola
Bredene	6.064	KVO Ostend – Football club premier league
London	347	Royal Canadian Air Cadets #27
TOTAL	7.911	

### Solidarity project: Young students in precarious circumstances

Natra Saint Étienne donated 25,000 euros to the association FASEE (Federation of Student Associations of Saint Étienne) to finance the opening of a shop for students in precarious circumstances. The shop opened in January 2022.



### Participation in forums and associations

#### Industry Associations

- ▶ Flanders Food
- ▶ Belgian Federation for the food industry (Fevia)
- ▶ Royal Belgian Association of the biscuit, pralines and confectionary (Choprabisco)
- ▶ Association for Research in the Food and Farming Industry (AINIA)
- ▶ Federation of Cocoa Commerce (FCC)
- ▶ Produlce
- ▶ Syndicat du chocolat
- ▶ European Cocoa Association (ECA)

#### Organisations that promote sustainable sourcing

- ▶ International Cocoa Initiative (ICI)
- ▶ World Cocoa Foundation (WCF)
- ▶ Belgian Alliance for Sustainable Palm Oil (BASP)
- ▶ Fundación Española del Aceite de Palma Sostenible
- ▶ Fairtrade International
- ▶ Roundtable on Sustainable Palm Oil (RSPO)
- ▶ Rainforest Alliance
- ▶ SEDEX
- ▶ Red Española del Pacto Mundial de Naciones Unidas
- ▶ Beyond Chocolate
- ▶ Sustainable Cocoa Platform in France (founding member)

#### Events / Conferences

- ▶ European Food Sure Summit. Online congress. This is a forum for food safety and quality professionals.
- ▶ World Food Innovate Summit. This forum offers an opportunity to examine the successes and failures of product launches by the largest food and beverage enterprises in the world and find out about the new innovating firms.
- ▶ 36th AECOC FMCG Congress. This is the principal event in this sector bringing together manufacturers and distributors of fast moving consumer goods.



# Ethics & Integrity

Natra's responsible management and ethical, honest, transparent conduct with stakeholders is based on sound values and robust ethics management and compliance systems

## Our Compliance System

Geared to guarantee a sound ethical culture and integrity, creating healthy, stable, valuable relationships

**Compliance Policy** establishing our opposition to the internal or external commission of any unlawful criminal act or non-compliance and our commitment to the surveillance, prevention and detection of non-compliance of whatsoever nature.

### Internal regulations

**Code of Ethics** defines the internal regulations of Natra and contains the principles and conduct that must prevail in all the Group's activities and the types of conduct that the company considers unacceptable.



154

New hires have received and signed the Code of Ethics

**Ethics Channel** (canal.etico@natra.com) through which any suspected non-compliance or unethical conduct by Natra employees, executives or directors under the internal or external laws and regulations applicable to the Group can be reported.

**Ethics Committee** made up of the Legal and Compliance Officer, the Chief People Officer and the Internal Audit and Risk Management Officer.

### Key initiatives

- ▶ Application of the policy delegating authority in the operating decision-making process within the Group and the Third Party Risk Policy prior to commercial contracting during the year, focusing on avoiding commercial relations with customers and suppliers affected by international sanctions or with reputation issues.
- ▶ Application of the ingredient supplier approval process with a view to moving towards responsible, sustainable and quality sourcing.
- ▶ Processing and solving of the two reports received.



## Natra is firmly committed to defending human rights and preventing corruption, bribery and money laundering

Training in the prevention of corruption and fraud is a key element within our corporate culture. In 2021 the following training was organised:

- ▶ All employees in positions particularly exposed to these risks are obliged to complete a specific training course on corruption and bribery when they join Natra.
- ▶ During 2021 we continued to promote other policies and processes that were put in place in 2020 to prevent the risk of corruption and bribery and other legal risks that might arise from Natra's relations with business partners, such as the Third Party Risk Policy and the ingredient supplier approval process.
- ▶ The company conducts SMETA audits, in which good practices are verified in the areas of labour, health & safety, ethics and the environment.



46

participants

Training in Anti-bribery and corruption, Anti-trust and Third Parties



28

hours of training

Antibribery and corruption, Antitrust, Third Parties



5

plants have been submitted to SMETA audits

## Respect for human rights

We perform our business responsibly, managing and mitigating all risks of violating human rights in both direct and indirect operations.



We have been a signatory of the **United Nations Global Compact since 2013** and maintain our commitment to promote the **Sustainable Development Goals (SDG)**.

We extend this commitment to human rights to our entire value chain.



**We require cocoa suppliers to certify in writing that the cocoa is produced** under decent working conditions according to conventions such as the International Labour Organization (ILO), paying special attention to the eradication of child and forced labour, non-discrimination in employment and respect for the freedom of association

Our **Responsible Sourcing Code** includes a specific chapter on Human Rights, requesting our suppliers to identify, avoid and address any negative impacts related with child labour, forced labour, freedom of association, safety in the workplace, equal treatment, working hours and minimum wage.



Zero

reports of human rights abuse



# Social impact

We strive to improve the quality of life in cocoa-producing communities, while promoting more ecological agriculture respectful of biodiversity

## Support for local communities

**Support for the indigenous communities Shipibo Conibo and Cacataibo in the Ucayali region (Peru)**

This reforestation project in the Peruvian Amazon, forming part of our carbon offset goal, has a positive bearing on the following social and environmental aspects:

- ▶ It prevents the deforestation of 4,855 hectares of critical tropical forest ecosystem.
- ▶ It helps to protect three endangered species (the jaguar, the blue-headed macaw and the tapir).
- ▶ It supports seven indigenous communities and two projects for women who use forestry resources for handicrafts.
- ▶ It enhances the economic development of local enterprises and is the first FCS programme in indigenous communities and in Peru.

**Empowerment of the cocoa-producing communities in Peru through the development of digital and financial skills, focusing on young people and women**

This project approved in 2021 provides training in digital tools in the cocoa-producing communities of Peru to enable them to increase the value of their product, learning how to provide details on traceability, deforestation, etc. This project focuses above all on women and young people and will contain a module teaching them good agro-environmental practices.

2,000  
participants



50%  
beneficiaries women  
and young people



12  
months duration



### In collaboration with:

Amazonas Trading, Fundación Entreculturas and other stakeholders, such as Alianza Cacao Perú- USAID, Asociación de Exportadores, ADEX and Local Education Center in Bagua Grande / Ucayali

### Other alliances supporting communities and environmental protection

Rainforest Alliance, Fairtrade International, International Cocoa Initiative, World Cocoa Foundation. French Sustainable Cocoa Initiative and Beyond Chocolate



# Appendix

Natra's Sustainability Strategy is aligned with some of the challenges facing the SDGs: **hunger and inequality, health and well-being, responsible consumption and production, climate action**

## SUSTAINABLE DEVELOPMENT GOALS



### Natra's contribution to the Sustainable Development Goals (SDG)

Natra contributes especially to the following SDGs:



Some of our actions contributing towards achieving Sustainable Development Goals are set out in the following table:

Sustainable Development Goals	Some of Natra's initiatives
	<ul style="list-style-type: none"><li>• Cocoa procurement: Fairtrade, Rainforest Alliance and organic in Africa</li></ul>
	<ul style="list-style-type: none"><li>• Obtaining food safety and quality certifications (IFS, BRC, FSSC 22000)</li><li>• Participation in sustainability certification standard audits: UTZ and RSPO</li><li>• Sustainable procurement of cocoa, oil and hazelnuts</li><li>• Membership of organisations that promote sustainable sourcing (Rainforest Alliance for cocoa and hazelnuts, Fairtrade International, Roundtable on Sustainable Palm Oil...)</li></ul>
	<ul style="list-style-type: none"><li>• Innovation and development of healthier chocolate products</li><li>• Collaboration with sports and healthy eating initiatives</li><li>• Action plan to improve working conditions and minimise risks of work-related injuries</li></ul>
	<ul style="list-style-type: none"><li>• Project for Empowerment of Cocoa-Producing Communities in Peru through the development of digital and financial skills, focusing on women and young people</li><li>• Annual training plans</li></ul>

*continued on the following page*



## Index of Global Compact contents

	<ul style="list-style-type: none"> <li>Commitment to local employment and employability in our cocoa / chocolate plants</li> <li>Investment in employee training</li> </ul>
	<ul style="list-style-type: none"> <li>Innovation strategy (sustainable packaging, healthy chocolates)</li> <li>Collaborative innovation projects</li> </ul>
	<ul style="list-style-type: none"> <li>Collaboration projects in Peru</li> <li>Sustainable sourcing of cocoa and oil</li> </ul>
	<ul style="list-style-type: none"> <li>Sustainable sourcing of cocoa and palm oil</li> <li>Development of healthy, sustainable products (with certification of ingredients, new sustainable packaging...)</li> <li>Membership of different organisations that promote sustainable production: RSPO, Spanish Sustainable Palm Oil Foundation, Belgian Alliance on Sustainable Palm Oil, Beyond Chocolate, among others</li> <li>ISO 20400 certification</li> </ul>
	<ul style="list-style-type: none"> <li>ISO 14001 certification Valencia</li> <li>Carbon neutrality strategy</li> <li>Carbon offset projects</li> <li>Energy efficiency initiatives at all our plants</li> <li>Purchase of guarantee of origin certificates (GOs)</li> <li>Solar panels at Malle plant</li> <li>Cogeneration at Valencia plant</li> <li>Sustainable packaging strategy</li> </ul>
	<ul style="list-style-type: none"> <li>Sustainable sourcing of cocoa and palm oil</li> <li>Carbon offset project in Peru</li> </ul>

Principles		Chapter of Report	Related GRI Standards
Human Rights			
1	Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Responsible Sourcing</li></ul>	103 Management Approach for Human Rights and Non-Discrimination Assessment <b>406-1 / 407-1 / 408-1 / 409-1</b>
2	Businesses should make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Responsible Sourcing</li></ul>	103 Management Approach for Human Rights and Non-Discrimination Assessment <b>102-16 / 102-17</b>
Labour			
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Natra's People</li></ul>	103 Management Approach for Human Rights Assessment <b>407-1</b>
4	Businesses should uphold the elimination of all forms of forced and compulsory labour	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Natra's People</li><li>Responsible Sourcing</li></ul>	103 Management Approach for Human Rights Assessment <b>409-1</b>
5	Businesses should uphold the effective abolition of child labour	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Natra's People</li><li>Responsible Sourcing</li></ul>	103 Management Approach for Human Rights Assessment <b>408-1</b>
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li><li>Natra's People</li><li>Responsible Sourcing</li></ul>	103 Management Approach for Human Rights Assessment <b>406-1</b>
Environment			
7	Businesses should support a precautionary approach to environmental challenges	<ul style="list-style-type: none"><li>Towards Lasting Changes - Our factories</li></ul>	103 Management Approach for Environment <b>302-1 / 303-5 / 305-1 / 305-2/ 305-5/ 306-3</b>
8	Businesses should undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"><li>Towards Lasting Changes - Our factories</li><li>Responsible Sourcing</li></ul>	
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"><li>Towards Lasting Changes - Our factories</li></ul>	
Anti-Corruption			
10	Businesses should work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"><li>Ethics &amp; Integrity</li></ul>	103 Management Approach for Anti-Corruption <b>102-16 / 102-17</b>





**COMMITMENT 2026**  
IN CORPORATE SOCIAL  
RESPONSIBILITY