**Sustainability Report** 2023

# The **difference** everyday makes

BOLTON

# Basis for Preparation

The 2023 Sustainability Report has been prepared with the aim of providing a clear understanding of the Group's business activities and of its most relevant sustainability matters. For the financial year 2023 (from January 1st to December 31st 2023), Bolton reports its sustainability disclosure for the first time following the requirements outlined by the **European Sustainability Reporting Standards**[1] (hereafter "ESRS"), in alignment with the Corporate Sustainability Reporting Directive.

The information pertaining to the 2023 Corporate Carbon Footprint has been subject to external limited assurance in accordance with the standard ISAE 3410. The Independent Practitioner's Report on a Limited Assurance Engagement is available at page 212.

The sustainability statement was prepared on a consolidated basis and covers **all the operational companies controlled by Bolton Group S.r.l. with the exception of Unipak A/S that was acquired in July 2023**. Any metric-specific exceptions to this scope of consolidation are punctually signaled with dedicated notes throughout the report. The Impact, Risks and Opportunities (IROs) subject to disclosure were identified through double materiality analysis. Further information regarding the methodology adopted to conduct the analysis can be found in the section on "Double Materiality Assessment".

To date, the Sustainability Report covers only part of the information pertaining to Bolton's upstream and downstream value chain. By appealing to the transitional provision outlined in ESRS 1, Section 10.2, the Group disclosed upstream and downstream value chain information only referring to in-house or publicly available data on impacts, risks and opportunities. In managing these aspects within its value chain, in fact, Bolton has not yet developed a due diligence process fully compliant with that described in ESRS 1, Section 4. As the Group will develop such a process in the coming years, the Sustainability Report will include metrics better suited for disclosing upstream and downstream value chain information on material impacts, risks and opportunities stemming from its direct and indirect business relationships.

Being the first year of preparing a voluntary report following the ESRS standards, **Bolton does not report any variations or errors compared to prior periods**. Where the metrics required by ESRS coincide with those disclosed for the Sustainability Report of the previous financial years, comparative information is presented. However, for newly introduced metrics, Bolton makes use of the transitional provision outlined in ESRS 1, Section 10.3. Any specific required piece of information has been omitted from the Sustainability Report because of classified or sensitive data associated with intellectual property, know-how or the results of innovation. No information has been incorporated by reference.

The concept of short, medium and long-term used by Bolton throughout the Sustainability Report coincide with the time horizons defined by ESRS 1, Section 6.4:

- Short-term: 1 year from the end of the reporting period;
- Medium-term: up to 5 years from the end of the reporting period; and
- Long-term: more than 5 years from the end of the reporting period.

Where the metrics presented have been obtained from estimations or have been subject to measurement uncertainty, Bolton signaled the specific assumptions, approximations and sources of uncertainty with dedicated notes throughout the Sustainability Report. The Group presents an overview of the main methodologies adopted to develop the topic-specific information disclosed within the Sustainability Report in the "Methodological Notes" at the end of the document.

1 ESRS have been release by EFRAG and adopted by the EU Commission in July 2023.

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# A Message from our Chairwoman

I am pleased to share with you the achievements of Bolton in 2023, as outlined in our latest **Sustainability Report**.

At Bolton, **we believe in the power of everyday moments to create lasting positive change**. Our mission is to enhance the lives of people around the world, making their daily experiences more enjoyable, practical, clean, beautiful, and delicious. These moments, cherished across generations, contribute to the well-being of families and communities. Through our sustainability strategy, we leverage the value created by our brands to reinvest in initiatives that benefit both the planet and its people, driving meaningful impact and fostering a brighter future.

This past year has been marked by significant milestones and progress in our journey towards sustainability and ethical business practices.

Our commitment to ethical conduct was reinforced with the establishment of a **new comprehensive Code of Conduct and Human Rights Policy**. Both documents have been disseminated among all employees and integrated into our training programs, reaffirming our dedication to ethical business practices and upholding human rights throughout our operations.

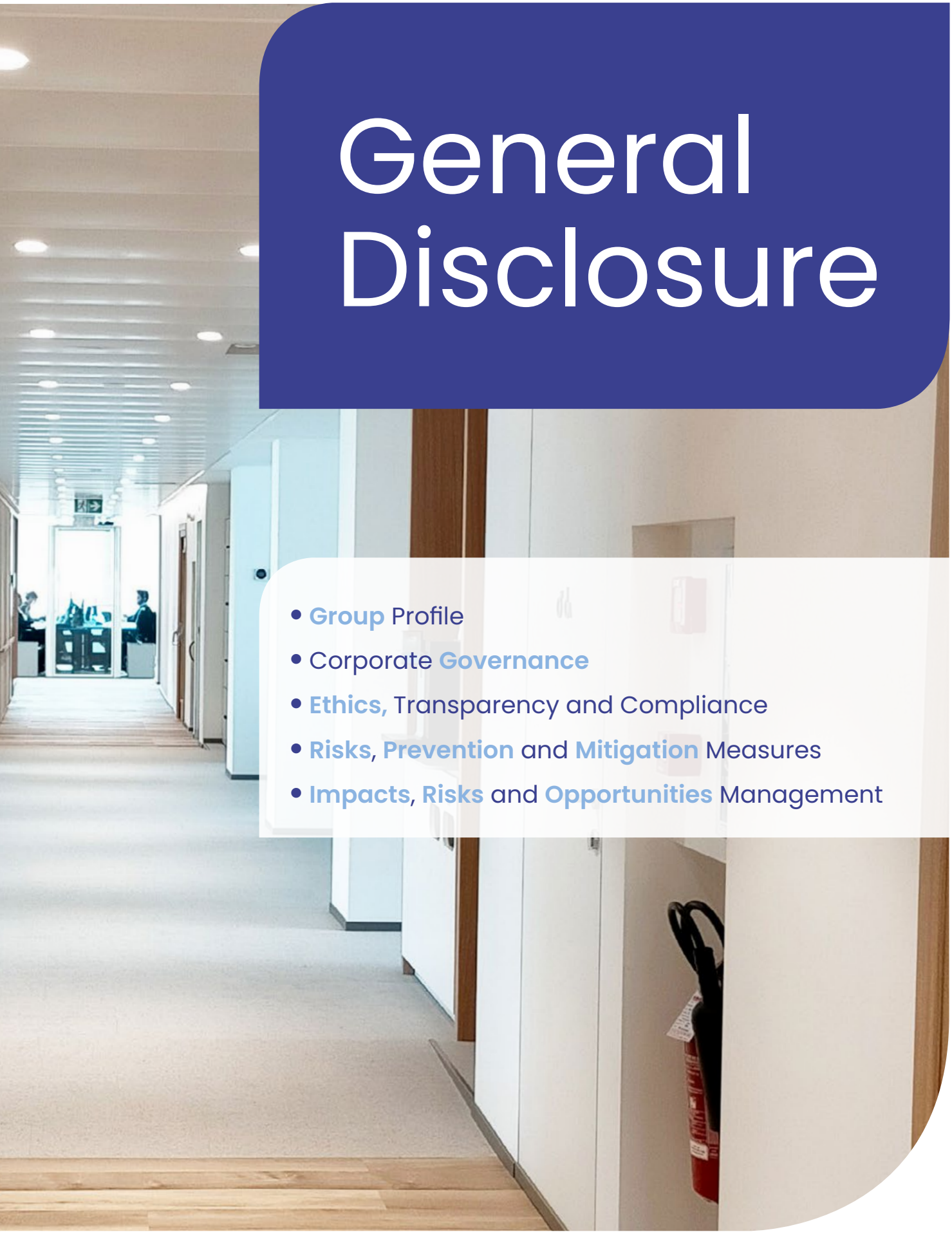
We introduced the **Speak Up platform**, providing both employees and external stakeholders with a secure and confidential online platform to voice concerns and contribute to our continuous improvement efforts.

We conducted two crucial **surveys on Equity, Diversity, and Inclusion (ED&I) and the Great Place to Work (GPTW).** These surveys provided valuable insights to inform our actions to build a more inclusive and equitable workplace and to improve the level of satisfaction. Finally, we advanced our Sustainable Development goals, among the key results: **93.7%** of the tuna we use for our branded products comes from responsible fishing practices, and **24.8%** of our plastic packaging is made of recycled plastic or bio-based sources. We also achieved important recognition of our efforts: our plants in Goes (The Netherlands) and Bühl (Germany) received **gold medals from Ecovadis**, and we achieved a **B score** in the first submission to CDP Climate Change questionnaire. This marks an important milestone in evaluating the maturity of our climate corporate responsibility so far.

**Thank you** for your continuous support as we strive to build a more sustainable future for all.

Marina Nissim

* Marine Stewardship Council (MSC) certified, in MSC full assessment, or engaged in a comprehensive and credible FIPs, or Green/Yellow rated according to Monterey Bay Aquarium's Seafood Watch.



# General Disclosure

- Group Profile
- Corporate Governance
- Ethics, Transparency and Compliance
- Risks, Prevention and Mitigation Measures
- Impacts, Risks and Opportunities Management

# Group Profile

Bolton is an **Italian family-owned fast-moving consumer goods company** with 10.500 employees located across 60 offices, 17 production facilities, 10 R&D laboratories, and 14 fishing vessels worldwide.

With a diverse portfolio of **over 60 quality brands** in categories such as Food (canned fish and meat, and sauces), Home Care, Personal Care, Adhesives, and Beauty, Bolton has been enriching the lives of millions of people every day for **more than 75 years**, making their everyday more delicious, more enjoyable, useful, and beautiful.

It's these everyday moments that make the difference on families and the way they live. All these moments together, help us to have a positive impact on people, communities, and our planet.

More than
**3.2** Billion Euros

**10,500** Employees

**60** Offices

**17** Plants

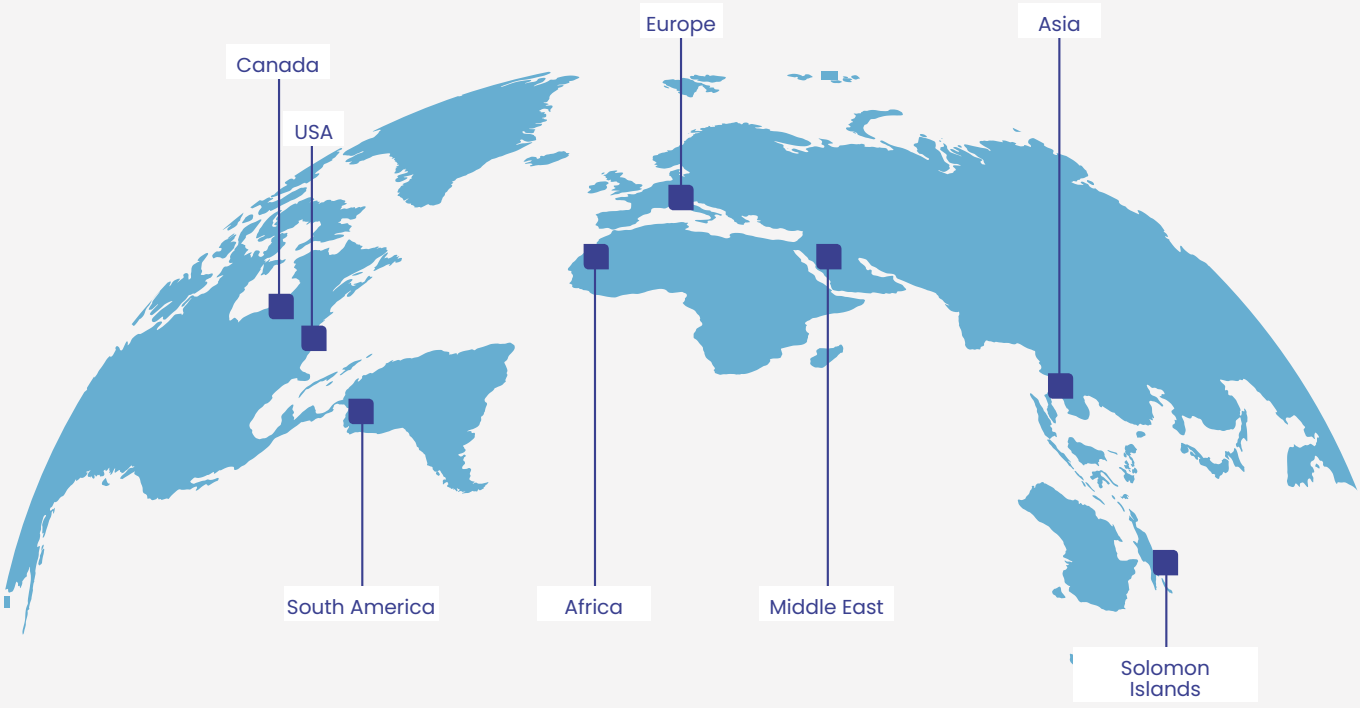
**10** R&D Lab

**14** Fishing vessels


| | |
|---|---|
| Italy | 32.3% |
| France | 8.0% |
| Spain | 6.6% |
| Germany | 3.7% |
| Other European Countries | 17.1% |
| South America | 10.8% |
| North America | 9.0% |
| Asia | 8.7% |
| Africa | 2.8% |
| Oceania | 1.0% |


| | |
|---|---|
| Food | 67.4% |
| Home Care | 11.3% |
| Personal Care | 7.7% |
| Adhesives | 9.1% |
| Beauty | 4.5% |

## Global Presence



The difference everyday makes

## Our Mission

Our brands are loved across generations. Meeting the everyday needs of people around the world. Making their everyday more enjoyable, more useful, cleaner, more beautiful and more delicious. It's these everyday moments that enrich the way families live.
All these moments together, help us to make a positive contribution on people, communities and our planet. Together, these moments have the power to start a change, the scale to make a difference.


## Our Shared Culture

Our culture is expressed in our Manifesto, which includes four beliefs, written to inspire us to **Imagine Big and Do Better**, together.

### Quest to Evolve

We are on a quest for new ways and perspectives to improve and evolve, moving with agility and rewarding competence.

### Care for Balance

We care for every person to pursue a true balance between the community, our activities and the planet.

### Design for Value

We design every detail to generate value and share it.

### Will to Achieve

We will and we never give up, acting as entrepreneurs to achieve innovative solutions.

# Our Companies

## EMEA

**AUSTRIA**
- Bolton Austria
- UHU Austria

**BELGIUM**
- Bolton Belgium

**CROATIA**
- Bolton Croatia

**CZECH REPUBLIC**
- Bolton Czechia

**DENMARK**
- Unipak

**FRANCE**
- Bolton Food
- Bolton Solitaire
- Griffon France
- Rogé Cavaillès
- UHU France
- VIA Océan

**GERMANY**
- Bolton Deutschland
- UHU

**GREECE**
- Bolton Hellas
- UHU Bison Hellas

**ITALY**
- Bolton Group
- Bolton Food
- Bolton International
- Bolton Manitoba
- Collistar
- Madel
- Società Italo-Britannica L. Manetti - H. Roberts & C.
- Tri Marine Europe
- UHU Bostik

**MOROCCO**
- Societè Nouvelle Cosarno

**POLAND**
- Bolton Polska

**PORTUGAL**
- UHU Ibérica Adesivos

**ROMANIA**
- Bolton BG Romania

**SERBIA**
- Bolton Serbia

**SLOVAKIA**
- Bolton Slovakia

**SLOVENIA**
- Bolton Adriatic

**SPAIN**
- Atunera Dularra
- Bolton Cile España
- Bolton Food
- Grupo Conservas Garavilla
- Productos Imedio
- Tri Marine International Spain

**SWITZERLAND**
- Bolton Swiss

**THE NETHERLANDS**
- Bison International
- Bolton Adhesives
- Bolton Group B.V.
- Bolton Nederland
- Collistar Benelux
- Perfecta Chemie International

**UKRAINE**
- Unipak

**UNITED ARAB EMIRATES**
- Bolton Middle East

**UNITED KINGDOM**
- Bolton BG UK

## AMERICAS

**CANADA**
- Bolton BG Canada

**COLOMBIA**
- Colombo Española de Conservas
- Grupo Alimentario del Atlántico (GRALCO)

**ECUADOR**
- Conservas Isabel Ecuatoriana
- Seafman

**PANAMA**
- Tri Marine International

**UNITED STATES OF AMERICA**
- Tri Marine North America
- Tri Marine Management Company
- Wild Planet Foods

## ASIA & OCEANIA

**CHINA**
- Tri Marine International

**SINGAPORE**
- Tri Marine International

**SOLOMON ISLANDS**
- National Fisheries Development
- SolTuna

**TAIWAN**
- Tri Marine International Kaohsiung

**THAILAND**
- Bolton Adhesives Thailand
- Tri Marine International Thailand

HQ Offices Plants

## Our Categories

### Food

**Products**
Tuna, canned tuna, canned seafood, canned meat, ready-made sauces.

Net sales
**2,200** M€

Brands
**16**


### Home Care

**Products**
Laundry detergents, additives, bleaches, softeners. Toilet detergents and septic tank treatments. Small-surfaces and floor cleaners.


Net sales
**370** M€

Brands **22**

### Personal Care

**Products**
Deodorants, bath foams, shower gels, soaps, intimate hygiene, hair care, creams, talcum powder, sun care.

Net sales
**251** M€

Brands **12**


### Beauty

**Products**
Slimming produts, face treatments, make-up, body care, sun care, hair care, fragrances.

Net sales
**149** M€

Brands
**5**


### Adhesives

**Products**
Adhesives, sealants, waterproofing, moisture absorbers, jointing compounds, lubricants.

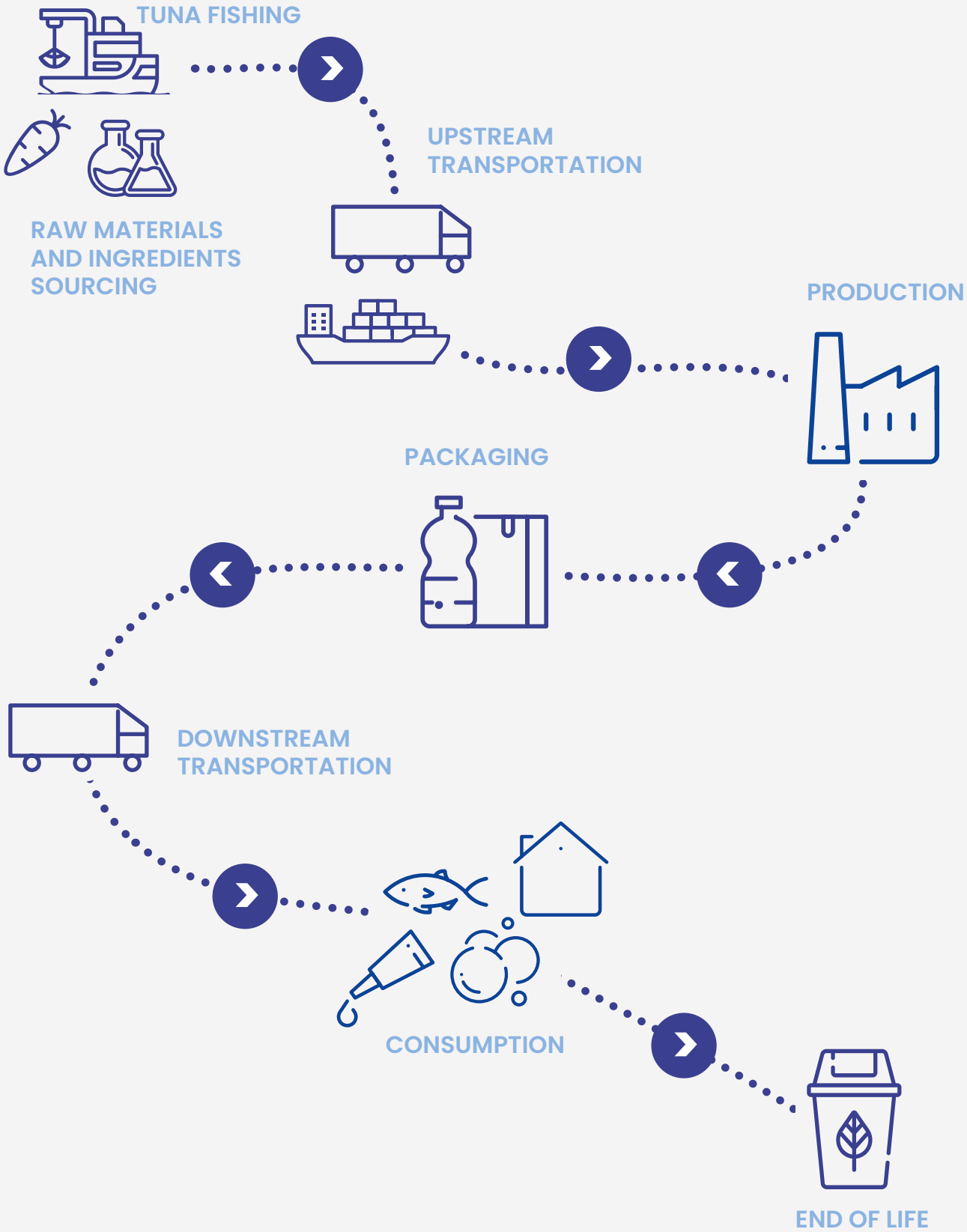
Net sales
**297** M€

Brands
**7**

## Our Brands


*Only in Italy

## Our Value Chain



### RAW MATERIALS AND INGREDIENTS

Operating across diverse sectors, we procure a wide range of raw materials, including tuna and meat, as well as plant-based ingredients like olive oil, sunflower oil and tomatoes. Additionally, we source other organic and inorganic materials primarily represented by surfactants, oxidants, reducing agents, acids, fillers, polymers, and solvents.
Our relationships with suppliers are founded on trust and long-term collaborations, ensuring alignment with our sustainability values. We meticulously monitor our raw material suppliers through rigorous quality audits and traceability measures.

### TUNA FISHING

The company operates through 14 fishing vessels in the Atlantic and Pacific Oceans. The operations strictly adhere to the regulations established by the RFMOs (Regional Fisheries Management Organizations), the conservation measures issued by the ISSF (International Seafood Sustainability Foundation). Each vessel is equipped with electronic monitoring systems to track fishing operations.

### PRODUCTION

With manufacturing facilities spanning 17 locations globally, we uphold stringent quality and safety standards in our production processes. While the majority of our products are manufactured in-house, we source 3.6% of commercial goods from third-party suppliers, ensuring that environmental and social impacts are managed effectively.

### PACKAGING

Packaging serves a dual purpose: protecting product integrity and communicating with consumers, aiding them in making informed choices on the shelves by providing clear information on our products' composition and proper disposal methods.
We utilize materials such as tinplate, aluminum, glass, paper and plastic.
To enhance circularity, we prioritize the use of recycled and bio-based content.

### LOGISTICS

Our products reach consumers through various channels including supermarkets, drugstores, perfumeries and pharmacies in over 150 countries. By collaborating with logistics partners, we ensure the efficient transportation of raw materials and finished products through our network of warehouses.

### CONSUMPTION

At the heart of our business is a commitment to meet people's needs and enrich their lives. Whether through providing nourishing food, simplifying household chores, or supporting professional endeavors, we aim to foster sustainable consumption habits and lifestyles.

### END OF LIFE

While packaging plays a vital role in preserving product quality, it also presents environmental challenges if not disposed responsibly. We provide clear guidance on proper disposal methods and prioritize the design of packaging that is reusable, refillable or designed to be recyclable.
We are also working to increase the biodegradability of the ingredients in our formulations.

# Corporate Governance

## Our Company Structure

As of 31 December 2023, the Group was composed of 64 legal entities, managed under the industrial holding **Bolton Group S.r.l.**

Bolton Group S.r.l. guides and coordinates three Business Units, operating in the following categories: **Food**, **Home Care**, **Personal Care**, **Beauty** and **Adhesives**.

Furthermore Bolton has an **International Division** dedicated to expand the presence of the Group and its brands in the most promising markets through 16 owned distribution companies or external distributors. Bolton Group S.r.l also controls Wild Planet Foods mainly active in the canned seafood industry in the USA.

**Bolton is led by a Group CEO, formally appointed by the Board of Directors. Both the leaders of the Business Units and the heads of the Group functions report to him and all together they form the Group Leadership Team of Bolton.**

Bolton Group S.r.l also holds a 40% stake in Nauterra, a global food company specialized in canned seafood. Nauterra is not consolidated in this annual report, a part from what concerns the specific percentage of Scope 3.15 in the session dedicated to Climate.


## Our Corporate Governance

The Bolton Board of Directors is composed by:

| Marina Nissim | Roberto Leopardi | Salomone Benveniste | Leone Manfredini | Guy Noordink | Sami Kahale |
|---|---|---|---|---|---|
| Chairwoman | Group CEO | Board Member | Board Member | Board Member | Board Member |

The responsibilities of the Board are wide: from defining the corporate governance system and approving strategic plans to defining remuneration policies, overseeing internal controls systems and M&A strategies.

Specifically regarding Sustainable Development, the Board of Directors is responsible for:

- Overseeing the material impacts, risks and opportunities and sustainability priorities for the Group.
- Overseeing the sustainaibility strategy and initiatives, approving new significant investments.
- Reviewing and approving the information reported in the Group Sustainability Report.

Given the rising importance of non-financial factors in business, an Executive Board Committee focused on Positive Impact generation has been established.

The ***Impact Executive Committee*** is the main decision-maker for the Group on environmental and social issues. It evaluates strategic proposals from management, adds external insights, and ensures alignment with shareholder interests and business goals.

The Committee is composed by Marina Nissim, Bolton Chairwoman, Roberto Leopardi, Group CEO and Leone Manfredini, Group Chief Impact Officer and Chairman of the Committee.
The Group Sustainable Development Director is a regular guest of the Committee's meetings serving as General Secretary.

The Impact Executive Committee's main responsibilities are to:

- Review and approve the **sustainable development strategy**, informing the Board accordingly.
- Monitor the **investments necessary to bring the sustainable development strategy to life** and asking for final approval of new major ones to the Board.
- Provide **governance for key sustainable development topics**, ensuring alignment with strategic goals.
- Review and approve **sustainability risks, impacts, opportunities and monitor progress** on sustainable development targets.
- Promote **proactive stakeholder engagement** and **ensure compliance** with external laws.

On top of the Impact Executive Committee, other two specific committees were set up: the Risk and Control Committee and the Nominees and Remuneration Committee.
The committees meet quarterly and report to the Board regarding their activities.

The **Risk and Control Committee** ensures the effectiveness of the company's internal control and risk management system. Among its responsibilities are ensuring the accuracy of financial and non-financial information, and evaluating risks and compliance with the Code of Conduct and corporate governance principles.

The **Remuneration and Nomination Commitee** is tasked with various responsibilities related to the appointment, remuneration, and performance evaluation of top management and executives within the Group. Among its responsibilities are the monitoring and evaluation of incentive plans, including sustainability-related ones, and ensuring the overall consistency of the remuneration policy.

## Bolton Sustainable Development Governance

The Board of Directors has delegated key sustainability decisions to the Impact Executive Committee. The Board must be regularly informed and involved in case of major impacts connected with the company reputation or new significant investments.

At managerial level, the **Group Sustainable Development Director**, **responding to the Group CEO leads a team** in charge of:

- Defining and updating the sustainable development strategy and goals.
- Setting sustainability policies and guidelines.
- Implementing cross-sector projects that are considered a priority for the Group.
- Spreading the culture of sustainability throughout the Company.
- Monitoring the regulatory evolutions on sustainability related topics and ensuring compliance.
- Controlling sustainability data and reporting them, according to international standards and initiatives.

All these activities have to be brought to the attention of the Impact Executive Committee for its approval and are made in full collaboration with the Sustainable Development teams of the Business Units.

**Each Business Unit has a dedicated Sustainable Development Director reporting to the CEO of the Business Unit**. With their teams, they are responsible for developing sector-specific plans aligned with the Group priorities and executing the Group strategy. The Business Unit Sustainable Development Team collaborates closely with all functions within the Business Units to integrate sustainability into daily operations and value chains. Dedicated Business Unit sustainability steering committees facilitate this integration process. Additionally, country-specific sustainability ambassadors have been designated to gather local insights, identify risks and opportunities, and provide diverse perspectives.

The Business Unit team in particular pursues the following objectives:
- Identifying areas of actions for its specific sector, assessing risks and opportunities.
- Defining sustainability paths at brand level aligned with the Group strategy.
- Ensuring that product innovation projects and communication activities take into consideration sustainability.
- Leading sector specific partnerships and engaging with local stakeholders.
- Monitoring the Business Units sustainability performances and results.

**The Group Sustainable Development Team and the Business Units' Sustainable Development Teams form a functional Matrix**, which is responsible for advancing the Group sustainability agenda. The Matrix regularly meets to ensure alignment and coordination, explore potential cross-sector synergies, share knowledge, expertise and best practices from different supply chains, provide future outlook and monitor progress.

## Managerial Committees

Building on the knowledge level achieved through over the past few years, Bolton has decided to create three dedicated managerial committees with the ambition to accelerate progresses on:

| 1. | 2. | 3. |
| --- | --- | --- |
| Decarbonization and Climate Adaptation. | Equity, Diversity and Inclusion. | Impact Measuring and Sustainability Reporting. |

The Committees are internal working teams composed by Bolton senior executives, with the role of:

- Understanding the implications of the material topic for Bolton, its business units and countries.
- Defining a work plan with specific goals and KPIs.
- Monitoring the implementation of related projects.
- Monitoring the evolution of legislative initiatives and the business landscape.
- Evaluating potential partners or initiatives to enhance the commitments.

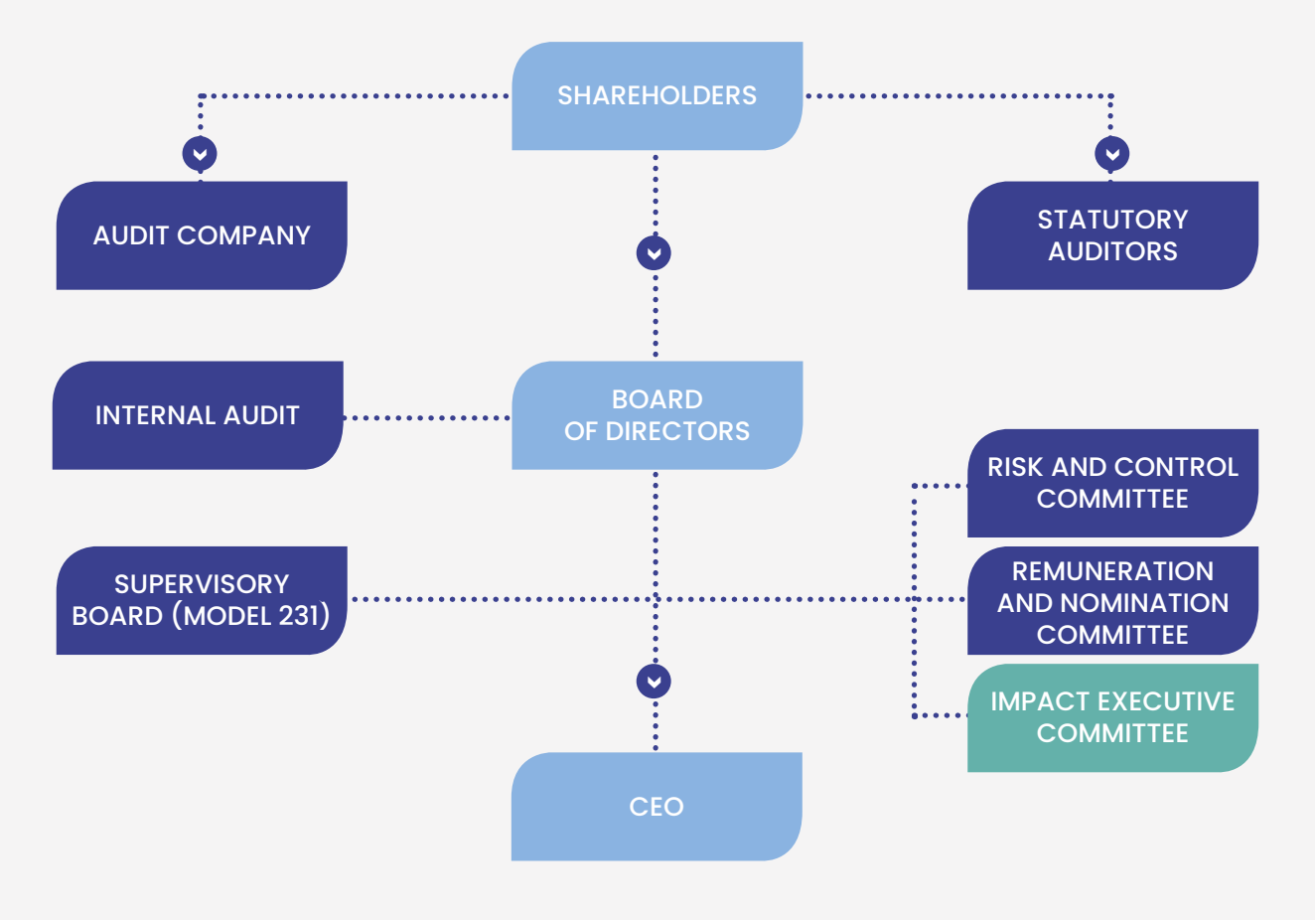
The committees meet quarterly to review progresses and performances against targets.

## Integration of Sustainability-related Performance in Incentive Schemes

At Bolton, we recognize the critical importance of integrating sustainability-related performance into our incentive schemes to drive our sustainable development.

For our top executives, performance is evaluated against sustainability goals and targets outlined in the Group Sustainable Development Strategy, specifically referring to circularity, climate and human rights.

# Ethics, Transparency and Compliance




**Honesty** and **integrity** are among the founding values of Bolton: acting with respect and fairness in all our dealings is at the core of our solid professional reputation. We do business in line with the highest ethical standards and in accordance with the laws and regulations of each country where we operate.

The main corporate bodies and functions involved in the internal control system are:

**Board of Statutory Auditors**

The Board of Statutory Auditors represents the controlling body of the company and is responsible for supervising the activities of the directors and checking that the management and administration of the company are carried out in compliance with the law. The Board of Statutory Auditors consists of three full members and two substitute members elected by the Shareholder's Meeting every three years.

**Auditing Firm**

The Auditing Firm, appointed by the Shareholder's Meeting of the Bolton Group S.r.l is KPMG, which is in charge of the legal control of the accounts and the auditing and certification of the Group's Financial Statements. In 2023, KPMG has been involved in the first limited assurance process of Bolton corporate carbon footprint.

**Supervisory Board**

The Supervisory Board is entrusted by the Board of Directors with the task of supervising the correct application of the Organizational Management and Control Model (known as "Model 231") and the compliance with the Group Code of Conduct. Bolton Group S.r.l adopted the Model 231 to implement the requirements set forth by Italian Legislative Decree no. 231/2001, applicable across the whole Italian territory. The Model 231 defines rules and principles of general conduct that Bolton Group s.r.l has adopted in order to prevent and avoid unlawful behaviors and to ensure conditions of fairness and transparency in the conduct of activities. The Model 231, moreover, identifies the company activities and processes that are at risk of crime and defines the preventive controls implemented by the Company in order to prevent the commission of the crimes provided for by Legislative Decree 231/01 considered relevant for the Company. For that purpose, Model 231 has been adopted by each of the Italian legal entities in order to cover specific risks related to the different businesses. The Supervisory Board consists of three members (two external and one internal) elected by the Board of Directors every three years, reports directly to the top management of the Company and is not bound to the Company's operations by any hierarchical ties, so as to ensure its full autonomy and independence in the performance of its functions. The prescriptions contained in the Model 231 are complemented by those of the Group's Code of Conduct, which describes the ethical commitments and responsibilities in the conduct of business and corporate activities which are expected by our employees and business partners.

**Internal Audit**

The Internal Audit function reporting directly to the Board of Directors, is delegated to implement an effective Internal Control System, aimed at ensuring:

- effectiveness and efficiency of business processes;
- adequate risk control;
- reliability and integrity of accounting and management information;
- compliance with laws, regulations, procedures;
- safeguard of company assets.

The Internal Audit function continuously monitor the Company processes in order to evaluate the effectiveness and efficiency of the internal controls set by the Company and its need for adaptation, providing support and advice on specific issues to the other Company functions.
It is a crucial function to help the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

## Compliance Function

In 2023, we took a significant step towards fortifying our commitment to ethical business practices and sustainable growth with the creation of a new compliance function reporting directly to the CFO. This function serves as an internal support system, providing crucial technical expertise to manage the risk of non-compliance with laws, regulations, and internal policies. The function informs the Group Leadership Team about its advancements at least twice every year and, in the person of the CFO, reports to the Risk and Control Committee every quarter.

Our compliance objectives are strategically aligned to three key areas:

- mitigating the risk of non-compliance by ensuring strict adherence to laws, rules, and internal policies across all our business activities.
- cultivating and strengthening relationships with our valued customers and stakeholders, recognizing their integral role in our overarching success.
- facilitating the seamless adaptation of our business model to external changes, including shifts in international and national regulations, as well as evolving market dynamics.

## Key Policies and Procedures

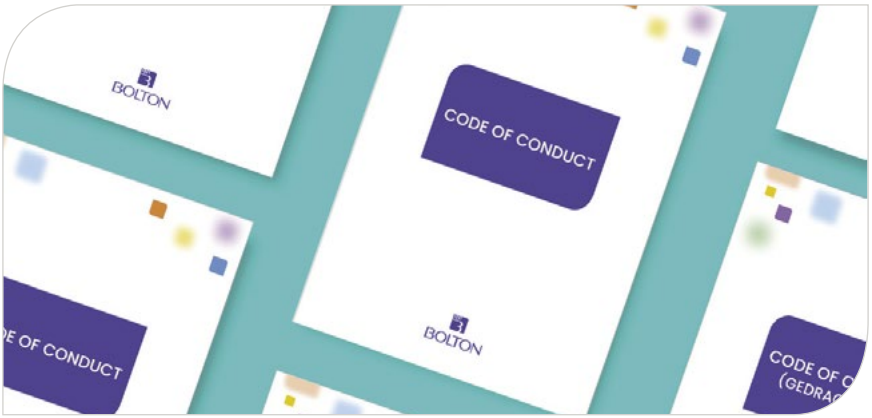
Bolton's subsidiaries, suppliers and subcontractors are required to strictly abide by local legislation and to comply with the policies and procedures summarized below. If these policies and procedures set forth more stringent standards than those established by local legislation, such standards must take precedence.

### Code of Conduct

The Code of Conduct forms the cornerstone of Bolton's ethical commitments and, as such, includes the Group's engagements in upholding human rights and fair working conditions, health and safety, environmental stewardship, responsible marketing and tax compliance. The Code also contains practical examples of behaviors expected by the Group in relation to each topic to help employees integrate those principles in their daily work.

**In 2023, the Board of Directors approved a revised version of the document that has been shared with all employees and is available in the company corporate website translated into the 6 widely spoken languages within the Group**.

Compliance with the Code of Conduct constitutes an essential condition of any commercial relationship between Bolton and its suppliers. An e-learning platform is open for our suppliers.




### Human Rights Policy

The Human Rights Policy defines the Group's commitment to respect and promote the human rights of all individuals, including our employees, suppliers, customers and the communities where we operate. In 2022 as part of our collaboration with OXFAM we have worked to strengthen its commitments and principles, aligning them to the Universal Bill of Human Rights and the conventions which it has inspired, such as the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the United Nations Conventions on the Rights of the Child (UNCRC), the UN Global Compact principles and the OECD 's Guide for Multinational Companies.
The new Bolton Human Rights Policy takes into account nine basic principles, including legal, regulated and voluntarily chosen employment, freedom of association and collective bargaining, health and safety, non-excessive working hours and rights of local populations.

For the following rights:

- **Child Labour**: we have set a commitment to not employing children under the age of 16 in any part of our value chains.
- **Remuneration of Employees**: on top of meeting the national legal standards and industry benchmarks, we are committed to creating favorable conditions that enable workers to earn a living wage which allows them to maintain a decent standard of living, meet basic needs and provide some discretionary income when national legal standards do not provide for such an opportunity.
- **Discrimination**: we are committed to promoting and respecting gender equity, maternity and paternity rights, ensuring equal access to training and promotion and other relevant topics.
- **Grievances**: for the first time, we are committed to implementing a secure and confidential reporting tool to report grievances, human rights or labor rights violations or any other kind of breaches of the principles set in the Policy, under the UN Guiding Principles on Business and Human Rights.

**The New Human Rights policy was approved by the Board of Directors in 2023 and has been shared with all employees and introduced in the training program covering the Code of Conduct. The policy is available in 6 languages on our website**.

## Speak Up Policy

Transparency and trust are a crucial foundation of our culture and values. We actively encourage all individuals to voice their questions or concerns regarding potential misconduct or breaches of our Code of Conduct involving our Company, employees, or business partners.
The Company is committed to ensuring complete confidentiality to anyone reporting a breach in good faith and will make sure that the person does not suffer any retaliation. **In 2023, the Group introduced the Speak Up platform, a secure and confidential online system accessible to employees and external stakeholders**. This platform enables anonymous reporting of breaches to laws, regulations, or Group principles and is overseen by an independent service provider, ensuring availability 24/7, 365 days a year. The Bolton Speak Up Policy delineates a robust framework for reporting and addressing potential wrongdoings or violations of our Code of Conduct.

## Raw Materials and Ingredients Policy

In the pursuit of its commitment and approach to sustainability, Bolton has published a dedicated standard on raw materials' and ingredients' sourcing. This policy is built around nine fundamental principles:

1. Business Integrity
2. Quality
3. Highest Safety
4. Materials Circularity
5. Protection of Biodiversity
6. Animal Welfare
7. Responsible Use of Resources
8. Continuous Improvement
9. Collaborations and Partnerships.

Furthermore, the policy contains also appendixes covering the specific requirements and principles we adopt in our business categories: Food, Home and Personal Care, Beauty and Adhesives.
The policy was introduced in 2023 and is available on our corporate website.

## Packaging Policy

Published in 2020 and updated in 2023, as part of our collaboration with WWF Italy, the Group's Packaging policy aims to demonstrate that rejecting the linear "take – make - consume - throw away" model, involves more than simply using recycled materials or designing recyclable products: it requires real change in practices of the innovation process at each stage.
**Bolton strategy for packaging circularity is built on three main elements: 1. less packaging; 2. material circulation and 3. consumer engagement**.
More is described in the chapter dedicated to "Circular Resources" of this report.

# Risk Prevention and Mitigation Measures

## Risk Management Framework

Bolton implements a 'three lines of defense' model for organizing risk management activities. The first line of defense is the quality and behavior of Business Units' operational management, which holds ownership, responsibility, and accountability for assessing and mitigating risks. This operational management is supported by the second line of defense function, the newly created Compliance function, overseeing compliance with Group policies, processes, and controls. This function also facilitates the implementation of risk management practices and drives continuous improvements in internal controls. The third line of defense is the internal audit function ('Internal Audit'), mandated to perform Group-wide reviews of key processes, projects, and systems based on Bolton's strategic priorities and most significant risk areas.

**The Group is progressively enhancing the framework to ensure continuous monitoring and assessment of risks, aiming to establish a comprehensive Enterprise Risk Management (ERM) system that includes precise analyses of environmental and social risks in 2025**.

In 2024, at the Board level, the Risk and Control Committee was established to further strengthen risk management. This committee is tasked with assessing, at least once a year, the adequacy of the internal control and risk management system concerning business characteristics and assumed risk profile, as well as evaluating its overall effectiveness.

Among the key activities aimed at ensuring the quality and behavior of Bolton's operational management there are:

1. Ensuring employees are trained on Group policies and are aware of the Group's sustainability commitments.
2. Committing to industrial excellence through the integrated management certification system.
3. Enhancing the transparency and accuracy of impact analysis activities, sustainability performance monitoring, and communication to stakeholders through a more effective reporting system.

## Employee Training and Awareness

Bolton is dedicated to ensuring that all employees across the organization are fully acquainted with its policies and procedures, including those pertaining to human rights and environmental protection. This commitment is realized through regular training initiatives, internal communications and organization-wide events.

In 2023, we delivered two key training programs:

- **Code of Conduct E-learning**: we implemented comprehensive e-learning modules covering various ethical, compliance, and sustainability topics. This training included a dedicated session on our recently published Human Rights Policy, coupled with insights into our Speak Up platform. Initially introduced to our white-collar workforce, this training will be extended to blue-collar employees through in-person sessions, targeted for completion by the end of 2024. New employees are mandated to undergo this e-learning training.

- **Cybersecurity Training**: our organization prioritizes the enhancement of cybersecurity awareness among employees, contributing to the collective defense against potential cyber threats. This targeted training equips our workforce with the knowledge and skills needed to safeguard the organization's digital infrastructure.

Furthermore, Bolton actively communicates its sustainability commitment through the Company internal social network. This platform serves as a hub for sharing and celebrating Group-wide achievements, partnership and events such as the World Environment Day and the World Oceans Day. These initiatives not only highlight recognized achievements but also play a crucial role in elevating awareness about environmental issues among our employees.

### Integrated Management System Certifications

Beyond our policy framework, at Bolton, we are committed to industrial excellence within the context of compliance with national and international regulations and Integrated Management System certifications. Several entities and sites owned by Bolton Group S.r.l have achieved a significant number of certifications, including ISO 14001 (environmental management), ISO 45001 (occupational health and safety management), ISO 50001 (energy management), ISO 9001 (requirements for implementing a quality management system), and ISO 22005 (food supply chain traceability). These certifications assist us in meeting stringent standards in quality, environmental sustainability, and health and safety, while also enabling the implementation of effective risk management and mitigation strategies throughout our internal operations.

In 2023, our sites were covered according to the following standards:

| BUSINESS CATEGORIES | PLANT | CERTIFICATIONS | | | | |
|---|---|---|---|---|---|---|
| | | ISO14001 | ISO50001 | ISO45001 | ISO9001 | ISO22005 |
| FOOD | Cermenate | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Aprilia | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Quimper | ✓ | | ✓ | ✓ | ✓ |
| | O Grove | | | ✓ | ✓ | ✓ |
| | Cabo de Cruz | | | ✓ | ✓ | ✓ |
| | Toledo | | | | ✓ | ✓ |
| | Manta - CIESA | | | ✓ | | ✓ |
| | Agadir | | | | ✓ | ✓ |
| | Gralco | | | | ✓ | ✓ |
| | Manta - Seafman | | | | ✓ | ✓ |
| | Noro - Soltuna | | | | ✓ | ✓ |
| HOME AND PERSONAL CARE | Calenzano | ✓ | ✓ | ✓ | ✓ | |
| | Nova Milanese | ✓ | ✓ | ✓ | ✓ | |
| | Cotignola | | | | ✓ | |
| ADHESIVES | Goes | ✓ | | ✓ | ✓ | |
| | Buhl | ✓ | | ✓ | ✓ | |
| FLEETS | NFD Fleet | | | | ✓ | ✓ |
| | Via Ocean Fleet | | | | ✓ | ✓ |
| | Garavilla Fleet | | | | ✓ | ✓ |

The aim is to progressively certify all our sites, ensuring that each facility meets the rigorous standards set forth by these certifications.

## Bolton's Commitment to Non-Financial Data Disclosure

Bolton is committed to transparent, accurate, and timely reporting of sustainability information, recognizing it as both a regulatory necessity and a cornerstone of trust-building with stakeholders. To ensure the integrity of this reporting process, Bolton has implemented a new process with a robust internal control system to better align with the upcoming regulations, like the CSRD at European level. Each legal entity has a designated data owner spanning various functions such as finance, operations, procurement, human resources, and compliance. Data collection occurs at the legal entity level, followed by scrutiny at the Business Unit level and verification by Sustainable Development Directors.

At the Group level, data is consolidated and validated by the Group Sustainable Development Director. Additionally, in 2023, Bolton initiated a limited assurance process of its corporate carbon footprint, this important step will enable the Group to present more reliable data to its stakeholders. The Sustainability Report undergoes review by the *Impact Executive Committee* before final approval by the Board of Directors.

# Impacts, Risks and Opportunities Management

## Stakeholder's Engagement

Bolton supports a collaborative approach with external reputed partners that can inspire us in developing our projects and transform our value chains for the better.

We maintain long standing collaborations with **WWF®** on two critical aspects of our sustainable transformation journey: responsible fishing and packaging circularity. Regarding social aspects, we collaborate with **OXFAM** to ensure that our policies and procedures uphold human rights along our value chains. We gradually assess our main and more critical supply chains in the tuna sector using the Human Rights Impact Assessment methodology. Furthermore, we support the **United Nations Global Compact** in Italy, Spain, the USA and Ecuador, participating in their Climate Ambition Accelerator and various publications and events.

**Our partnership culture is rooted in a proactive engagement with internal and external stakeholders**. It helps us understand the issues, risks and opportunities that are most relevant to our business. We engage with employees, consumers, business partners, communities and NGOs, academic experts, government representatives and industry peers to learn and gather feedback on our strategy, ambitions, targets and progress.

| STAKEHOLDER | HOW WE ENGAGE |
|---|---|
| Employees | We keep our colleagues informed through our internal communication channels, Town Halls with our management and engagement initiatives such as internal podcast. In 2023, our focus was on actively listening to our employees, conducting two main surveys: "Great Place To Work" and "ED&I survey." These surveys aimed to assess our progress and adjust our action plan with effective measures. |
| Consumers | Thanks to our marketing departments, we regularly monitor the satisfaction and needs of our consumers through market researches and gathering brand insights. |
| Local Communities and NGOs | We play an active role in the communities where we are present, building long lasting collaborations with local stakeholders. Specifically our aim is supporting vulnerable people in the countries where we operate, with a specific focus on our employees and their families in Ecuador, Colombia, Morocco and the Solomon Islands. |
| Business Partners | The collaboration with our business partners is essential for achieving our sustainable development goals, both upstream with our suppliers, as well as downstream with our customers. We prioritize fair and reliable relationships, fostering intensive dialogue and cooperation. We regularly share our sustainability commitments and targets with our business partners and engage them in finding solutions. We are monitoring our key suppliers with assessments and audits to evaluate the quality of the products they sell and their sustainability maturity. In 2022 we signed our first agreement with Ecovadis with the ambition to reach more than 400 suppliers in 3 years with a specific assessment. |
| Academia | We recognize the value of research and the networking opportunities that the universities and business schools can offer.<br>For example, we are supporting the MASEM, Master in Sustainability and Energy Management of the Bocconi University in Milan.<br>In 2023, our Food Business Unit partnered with the University of Naples Federico II in the launch of a new Master's Degree Course in Sustainable Food Systems (SFS), a cutting-edge program designed to educate and train the next generation of experts in sustainable food systems.<br>In addition, we're among the members of ONFOODS, one of the 14 partnerships promoted by Italy's National Recovery and Resilience Plan (NRRP) in the thematic area 'Sustainable Food Models'. For the next three years, we will be working together with 26 public and private entities to promote a new model of sustainable nutrition. |
| Trade Association | We believe in the power of the industry collective action. We actively participate in trade associations representing our industries, aligning on sustainable challenges and roadmaps. Specifically, in the tuna sector, we are proud to be among the founding members of the International Seafood Sustainability Foundation, that has become today the key not for profit organization for sustainable fishing practices and to collaborate with industry peers in advancing human rights protections in the seafood supply chain through platforms like the Seafood Task Force.<br>As of 2022, we lead the working group on sustainability of the AIPCE CEP, allowing for a direct dialogue with the most important entities that transform, process, import and export seafood at EU level.<br>In 2023, we have also become ambassadors of the Ethical Packaging Charter Foundation. We will work together to promote an ethical and sustainable business culture and to design, produce and use packaging consciously, in line with the objectives of the Ethical Packaging Charter. |
| Government Authorities | We advocate for stronger policy development to protect marine ecosystems at both European and international levels.<br>We engage in preparatory meetings with bodies such as the Long-Distance Fleet Advisory Council (LDAC) and Regional Fisheries Management Organizations (RFMOs), collaborating with peers, civil society, and NGOs. |

Key **Partnerships** and **Collaborations** in our Industries:

## NON-PROFIT, THIRD SECTOR ASSOCIATIONS AND UN AGENCIES

- Banco Alimentare
- Bermeo Tuna World Capital
- BVA – Solidando
- FAI – Fondo Ambiente Italiano
- FEBA – European Federation of Food Banks
- Fondazione Rava
- Fondazione Umberto Veronesi
- GS1 – Scuola Superiore Sant'Anna
- International Seafood Sustainability Foundation (ISSF)
- MSF – Medici Senza Frontiere
- North Atlantic Pelagic Advocacy Group (NAPA)
- Nutrition Foundation of Italy (NFI)
- Ospedale dei Bambini Buzzi
- OXFAM
- Packaging Ethical Charter Foundation
- Red Cross
- Repair Cafè International Foundation
- Sustainability Makers
- Too good to go
- UN Global Compact
- UNHCR
- Valore D
- WWF Italy and International

## ACADEMIA

- AZTI
- Bocconi University - MASEM
- Centro tecnológico AINIA
- IED – Istituto Europeo di Design
- Istituto Europeo di Oncologia (IEO)
- Istituto Mario Negri
- OnFoods – (NRRP)
- Politecnico di Milano
- Universidad de Deusto
- Università degli Studi di Milano
- Università degli Studi di Parma
- Università degli Studi di Napoli Federico II
- Università di Bologna
- Università di Padova
- Università Politecnica delle Marche

## TRADE ASSOCIATIONS

- AIPCE-CEP (European Fish Processors Association)
- AISE (International Association for Soaps, Detergents and Maintenance Products)
- ANCIT (Italian Canned Seafood Association)
- ANFACO (Spanish Canned Seafood Association)
- Assocasa (Italian National Association of Detergents and Specialties for industry and home care)
- Cosmetica Italia (Italian Cosmetics Association)
- Cosmetics Europe (European Cosmetics Association)
- FEICA (European Adhesives Association)
- Federchimica (Italian Chemical Association)
- Febea (French Cosmetics Association)
- Global Dialogue for Seafood Traceability (GDST)
- Global Tuna Alliance (GTA)
- IVK (German Adhesives Association)
- North Atlantic Pelagic Advocacy Group (NAPA)
- VCI (German Chemical Association)
- VLK (Dutch Adhesives Association)

## GOVERNMENT AUTHORITIES

- Egadi Islands Marine Protected Area
- Long Distance Advisory Council (LDAC)
- Strongim Bisnis

## Double Materiality Assessment

In 2023 Bolton updated its materiality analysis, taking into consideration the latest regulatory requirements set forth by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), as provided by EFRAG (European Financial Reporting Advisory Group). Embracing these new standards, the Group adopted a double materiality approach, integrating the assessment of impacts generated with an initial evaluation of financial materiality. Central to this approach was stakeholder engagement, both internal and external, crucial for identifying and assessing impacts, risks, and opportunities relevant to the materiality analysis.

The double materiality assessment unfolded across four stages:

### 1. Mapping Impacts, Risks and Opportunities

This process enabled us to create a preliminary, comprehensive list of all the impacts resulting from the Group's activities, along with a compilation of the risks and opportunities that could influence the Group's financial position. Each impact, risk, and opportunity was identified by considering the various sectors and value chains in which Bolton operates, and by examining the connections and dependencies between risks, opportunities, and the impacts they generate.

We relied on two main sources of information:

- **Analysis of internal procedures** to make sure that the business operations are conducted to minimize any environmental and social negative impact, while, at the same time, fostering the scope and the magnitude of our positive impacts on people and the economy at large. During this phase, we mainly considered internal policies (e.g. Code of Conduct, Human Rights Policy, Packaging Policy, Raw Materials and Ingredients Policy) and a risks assessment analysis that allowed us to comply with regulations or to obtain certifications concerning different aspects of sustainability like our environmental management practices or the social conditions of workers in our supply chains.

- **Analysis of external documents** concerning sustainability within the main sectors in which Bolton operates, including specific studies developed by some of our partners like WWF and Oxfam. We also took into account the guidance provided by ESRS 1, which details the "Topics, Sub-Topics, and Sub-Sub Topics" associated with each sustainability issue. Additionally, we conducted an evaluation of Mega-Trends (e.g., Digital Revolution, Climate Change, New Governance, New Economy...) expected to become material for most organizations in the short, medium, and long term and we carefully considered the evolving regulatory framework.

## 2. Impact Materiality Assessment

Upon completing the mapping of all impacts —both positive and negative— generated by Bolton, we proceeded to assess their significance. This assessment engaged internal and external stakeholders. Internally, we evaluated significance according to two key parameters outlined by the new ESRS standards: the **likelihood** of the impact occurring and its **severity**, which was further assessed based on factors such as scale, scope (taking into consideration the impact spread in terms of geographical area and stakeholders affected), and, in cases of negative impacts, the irremediability of the consequences. We categorized impacts as either **actual** or **potential**. All these considerations on impacts have been supported by an analysis involving the Sustainable Development Directors of each business unit and the Central Functions.
Additionally, we sought the perspectives of external experts among the key strategic stakeholders of the company (such as Trade Associations, NGOs, Public Institutions and Suppliers). During one-to-one meetings, we asked them to evaluate the current relevance of previously identified impacts based on their knowledge of Bolton.

By aggregating internal and external contributions together, it was possible to obtain a prioritization of impacts.

## 3. Financial Materiality Assessment

Given the innovative nature of the initiative and the continually evolving context, especially in terms of reporting standards, the assessment of identified risks and opportunities for Bolton was exclusively conducted through an internal qualitative assessment.

For each identified risk and each opportunity, we evaluated the **probability** and **potential magnitude**. Probability gauges the likelihood of materializing of a risk or an opportunity, while potential magnitude assesses the potential impact on the company's financial position. To support the assessment of these parameters, we conducted an analysis, taking into account existing **initiatives** implemented by the company to mitigate risks and capitalize on opportunities. Additionally, we made assumptions regarding various qualitative financial variables, such as **potential financial losses**, **increased costs**, and **reputation damage**.

This activity will be reinforced with more robust quantitative data in the upcoming year.

## 4. Prioritizing Material Topics

Drawing from the assessments, Bolton prioritized the generated impacts, risks, and opportunities to identify those most relevant to the Group.

The impacts, risks, and opportunities have been grouped into fourteen material topics. This clustering serves as the basis for the reporting structure.

In the table below, the **fourteen material topics** are listed:

IMPACT

FINANCIAL

| Material Topic | Materiality | Impact, Risk or Opportunity (IRO) Type | Main Impact, Risk or Opportunity Description |
|---|---|---|---|
| Climate Change | IMPACT | − | Greenhouse gas emissions, contributing to climate change, mainly stemming from energy consumption from non-renewable sources, direct emissions from production and fishing activities, and emissions linked to purchased goods and services. |
| | FINANCIAL | − | Reduction of Bolton's economic performance due to the physical consequences of climate change. |
| | | − | Increase in Bolton's costs due to the deployment of renewable energy solutions. |
| | | + | Maintaining economic performance thanks to reduced carbon footprint of Bolton's activities. |
| Marine Biodiversity | IMPACT | − | Biodiversity loss arising from productive activities that can lead to significant changes in the species composition, structure or function of natural ecosystems (such as overfishing, deforestation, and pollution of natural habitats). |
| | FINANCIAL | − | Increase in raw material costs due to degradation of habitats and ecosystems where the organization operates. |
| | | + | Maintaining economic performance through sales of tuna from responsible fishing practices. |
| Circularity: upstream and downstream | IMPACT | − | Environmental impacts associated with the extraction of virgin raw materials used as ingredients for our products and /or in their packaging. |
| | | + | Waste reduction through optimization of production processes and reuse, recycling, and regeneration of materials. |
| | FINANCIAL | − | Increase in the purchase costs of raw materials due to their scarcity in the market or the adoption of innovative yet more expensive alternatives. |
| | | + | Reduced disposal costs resulting from the recovery and valorization of waste in our operations and potential tax mitigation through the use of recycled and recyclable content in our packaging. |
| Water Stewardship | IMPACT | − | Contribution to the water scarcity problem through the use of a significant amount of water in the production process. |
| | | − | Release of contaminated and/or toxic substances from production operations into the water. |
| | FINANCIAL | − | Increased fines due to improper management of polluted discharges to water. |
| | | + | Reduced costs by optimizing water management in processes throughout the value chain. |
| People Development | IMPACT | + | Workforce's skills enhancement by providing employees the possibility to join educational programs and trainings aimed at fostering personal and professional development. |
| | FINANCIAL | − | Inadequate staffing levels (in terms of numbers and skills) compounded by low motivation stemming from a deficient talent development program. |
| Health and Safety in our Workplaces | IMPACT | − | Increase in the number of work-related injuries (employees and contractors) due to lack of an effective health and safety management system. |
| | | + | Increased employee wellbeing through the awareness and prevention initiatives in the areas of health, mental and physical integrity. |
| | FINANCIAL | − | Rise in operational losses due to penalties or damages incurred from employee non-compliance with health and safety regulations. |

| Material Topic | Materiality | Impact, Risk or Opportunity (IRO) Type | Main Impact, Risk or Opportunity Description |
|---|---|---|---|
| Economic well-being and Development of Communities |  | ⊖ | Lack of decent living conditions for employees stemming from the instability of employment contracts and/or insufficient compensation. |
| | | ⊕ | Economic development of business partners through the generation of economic value. |
| |  | ⊖ | Increase in complaints, operational disruptions and business risk for long-term activities due to lack of listening and involvement of local communities in the areas in which the Company operates. |
| | | ⊕ | Increased ability to find a skilled workforce among members of the community in which the Group operates. |
| Human Rights |  | ⊖ | Violation of human rights across the value chain arising from the engagement in informal and/or illegal labor practices. |
| |  | ⊖ | Increased fines due to the violation of human rights through the value chain regarding freedom of association, wage conditions, forced labor, child labor, health and safety, equal opportunity. |
| Equity, Diversity and Inclusion |  | ⊖ | Lack of respect for diversity and gender equality stemming from differential treatment influenced by factors such as gender, sexual orientation, religion, ethnicity, language, disabilities. |
| |  | ⊖ | Rise in operational losses resulting from legal actions initiated by employees due to discrimination, mobbing, or harassment. |
| Responsible Procurement throughout the value chain |  | ⊖ | Animal cruelty resulting from suppliers' non-compliance with animal welfare standards. |
| | | ⊕ | Improvement of the value chain sustainability-related performance through the implementation of ESG audits and assessments. |
| |  | ⊖ | Increased costs and vulnerability of operations due to insufficient differentiation of suppliers, especially relevant in instance of single sourcing. |
| | | ⊕ | Improved reputation through the implementation of ESG audits and/or assessments towards the Group's key suppliers. |
| Safe and sustainable products |  | ⊕ | Enhanced product sustainability achieved by developing production and packaging processes with reduced environmental impact. |
| |  | ⊖ | Rise in penalties resulting from non-compliance with regulatory requirements for product safety and quality assurance. |
| Responsible Governance |  | ⊖ | Reduced data security due to mishandling of customers and/or business partners data and inadequate defense system against cyber attacks. |
| |  | ⊖ | Reputational, legal and economics effects of bribery, anticompetitive behaviors or other types of illicit business conduct within the organizational operations and/or across the supply chain. |
| Traceability and Transparency in production chain |  | ⊖ | Lack of transparency in the Group's non-financial disclosure due to incorrect or partial reporting of sustainability data across the entire value chain. |
| |  | ⊖ | Increase in fines and reputational damages associated with the insufficient traceability of raw materials used in our operations and the lack of due diligence in our supply chain. |
| Group's Ethics and Integrity |  | ⊖ | Insufficient information provided to external stakeholders due to the absence or lack of clarity in Group policies, which fail to adequately cover the Group's businesses. |
| |  | ⊖ | Increase in fines and reputational damages associated with the publication of group policies that are unclear or do not adequately detail the Group's businesses. |

# Sustainable Development Strategy

Sustainable Development has always played a central role in Bolton's strategy. Many of Bolton's activities rely on natural resources and human labor, and so depend directly on balanced, well-functioning ecosystems and respect for individuals along our supply chains. Protecting resources and the planet, and having a positive impact on its employees, partners, suppliers and their communities, is therefore vital for the Group to continue growing in a sustainable way.

Key Features of our Strategy:

- Aligned with our **Mission**: Bolton is dedicated to meeting the everyday needs of people around the world. Our mission is to make daily life more enjoyable, useful, cleaner, more beautiful, and more delicious. We believe that these everyday moments enhance the quality of life for families. By focusing on these moments, we aim to make a positive impact on people, communities, and our planet. Collectively, these moments have the potential to initiate change and create a significant difference.

- **Meaningful for all**: the sustainable development strategy has been designed to be relevant and impactful for all our legal entities and business relationships, in all the geographies where we operate. Furthermore it sets a direction that is shared with all the employees to empower their contribution.

- Aligned with **Business Plans**: it is part of the growth direction of our industries and it is taken into account in the key business processes of the Group (budget cycles, M&A plans, innovation flows, people management, etc.).

- Aligned with **relevant impacts, risks and opportunities**: it has been developed taking into consideration the most relevant impacts, risks, and opportunities associated with Bolton's operations, as well as those within the upstream and downstream value chain.

- **Supportive**: the strategy supports the 17 Sustainable Development Goals set out by the United Nations in 2015 and the UN Global Compact Ten Principles.

- **Science Based**: the strategy aims to take into consideration the latest scientific searches on climate, water, oceans and human rights. Thanks to the collaboration with external partners and scientific experts, we continuously review it along the year.

Our Strategy is rooted into **three key commitments**:

| 1. | 2. | 3. |
|---|---|---|
| Our brands are committed to create value by enabling people to live sustainable lifestyles. | We want to persistently improve our footprint on the Planet and support regenerative initiatives to have a Positive Impact on Nature. | We want to ensure that our value chains guarantee human rights, offer equal and thriving opportunities to employees and local communities. |

## POSITIVE IMPACT BRANDS

**VALUE CREATION**

### FOR NATURE

*Environmental Value*

| | |
|---|---|
| CIRCULAR RESOURCES & CLIMATE | • Circularity: responsible formulas, sustainable packs and waste management<br>• Climate Positive Actions |
| WATER & OCEANS | • Ocean and water stewardship<br>• Responsible Fishing<br>• Biodegradability |

### FOR PEOPLE

*Human and Social Value*

| | |
|---|---|
| WORKPLACES | • Wellbeing and Safety<br>• People Care and Benefits<br>• Human and Professional Development |
| SOCIETY | • Human rights, economic wellbeing and local communities' culture fostering<br>• Business partners' development and inclusion<br>• Quality Education |

**RESPONSIBLE GOVERNANCE, TRANSFORMATIVE PARTNERSHIPS, INNOVATION, OPENNESS AND INCLUSION**

## Positive Impact Brands

Bolton crafts brands to allow people to easily embrace a more sustainable and responsible lifestyle.



- Our Food offer aims at fostering people healthy and sustainable eating habits in a convenient and affordable way.
- Our Personal Care and Beauty products allow people to take care of their wellbeing through responsible and sustainable daily rituals.
- Our Home Care range allows people to transform homes into comfortable and responsibly managed living places.
- Our Adhesives enable people to embrace a more sustainable lifestyle by fostering their creativity and promoting a culture of repairing, upcycling and sustainable home improvement.

The value generated through our branded solutions is distributed among our shareholders, but also reinvested for the benefit of our employees, communities and the Planet.

Specifically we have identified precise working areas for the **Nature** and the **People**.

## NATURE

We are aware that the planet's resources are limited, and that our existence would be impossible were it not for the generosity of the ocean and the land. We cannot improve our recipes and formulas without the unique features of natural ingredients.
That is why we have chosen to focus our attention on 4 specific dimensions:

### 1. CLIMATE
We aim to reduce the level of greenhouse gases emissions in the atmosphere and do our best to protect the natural ecosystem we count on through regenerative and conservation activities.

### 2. CIRCULAR RESOURCES
We are committed to shifting, as much as we can, from a traditional linear model to a more circular approach, keeping resources in the economic loop for as long as possible.

### 3. OCEAN'S PROTECTION
We are committed to put in place responsible practices in our fishing acitvities and product formulations, to guarantee the health of the stocks, biodiversity preservation and coastal communities' business development.

### 4. FRESH WATER STEWARDSHIP
We believe that we have to tackle the issue with the utmost responsibility and find the most relevant water stewardship technologies and solutions to preserve this fundamental resource for our business and for the planet.

## PEOPLE

We believe that our business should be based on strong values and respectful business model that takes human and social needs into account, both within the walls of the company, and in the communities in which we operate.
That is why we focus on 2 dimensions:

### 1. WORKPLACES
We care for our people: offering benefits and thriving opportunities for their human and professional development, so that Bolton can prosper with a motivated and passionate community in the long term.

### 2. SOCIETY
We take great care to respect the human rights of all people working in our value chains. We promote a culture of well-being in which economic prosperity and the nurturing of local culture are fundamental considerations in our business choices.

Correlation between the **Sustainable Development Strategic Areas** for Bolton and the **UN SDGs**:

| | 01 No Poverty | 02 Zero Hunger | 03 Good health and wellbeing | 04 Quality Education | 05 Gender Equity | 06 Clean water and sanitation | 07 Affordable and Clean Energy | 08 Decent growth and economic growth |
|---|---|---|---|---|---|---|---|---|
| **Positive Impact Brands** | | | | | | | | |
| Support people healthy and sustainable lifestyles | | ■ | ■ | | | ■ | | ■ |
| **Circular Resources and Climate** | | | | | | | | |
| Having more circular sources, packs and processes | | | ■ | | | ■ | ■ | ■ |
| Developing Climate positive actions | | | | | | ■ | ■ | |
| **Water and Oceans** | | | | | | | | |
| Ocean and Water Stewardship actions | ■ | ■ | ■ | | | ■ | ■ | ■ |
| Adopting Responsible Fishing Practices | ■ | ■ | | | | | | ■ |
| Investing on Biodegradability | | | ■ | | | ■ | | |
| **Workplaces** | | | | | | | | |
| Ensuring wellbeing and safety at work | | | ■ | | ■ | | | ■ |
| Safeguarding people care and benefits | ■ | | ■ | ■ | ■ | | | ■ |
| Investing on employees human and professional development | ■ | | ■ | ■ | ■ | | | ■ |
| **Society** | | | | | | | | |
| Promoting a human rights' respectful culture and assessing supply chains | ■ | ■ | ■ | | ■ | | | ■ |
| Local Communities' Economic Development and Culture Fostering | ■ | ■ | ■ | ■ | ■ | | | ■ |
| Involving Business Partners on ESG | | | | | | | | ■ |
| Investing on Quality Education | ■ | ■ | | ■ | ■ | | | ■ |

■ Major Direct Contribution to the Goal ■ Indirect Contribution to the Goal (voluntary or indirect)

| 09 Industry, Innovation, Infrastructure | 10 Reduced inequalities | 11 Sustainable cities and communities | 12 Responsible Consumption and Production | 13 Climate action | 14 Life below water | 15 Life on Land | 16 Peace, justice and strong institutions | 17 Partnerships for the Goals |
|---|---|---|---|---|---|---|---|---|
| ■ | | ■ | ■ | ■ | ■ | | | ■ |
| ■ | | ■ | ■ | ■ | ■ | ■ | | ■ |
| ■ | | ■ | ■ | ■ | ■ | ■ | | ■ |
| ■ | | | ■ | ■ | ■ | | | ■ |
| ■ | | ■ | ■ | ■ | ■ | | | ■ |
| ■ | | ■ | ■ | ■ | ■ | ■ | | ■ |
| ■ | ■ | ■ | ■ | | | | | ■ |
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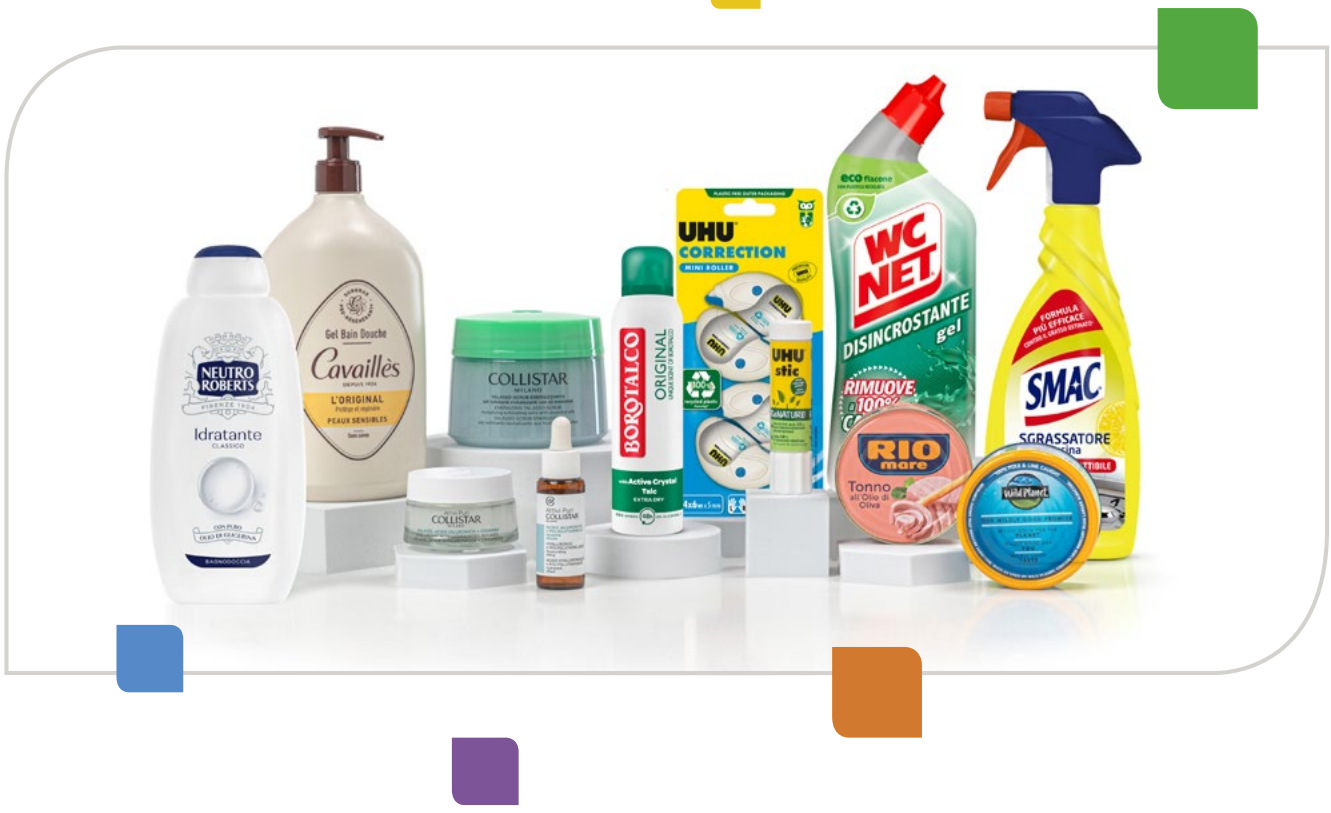
| | ■ | ■ | ■ | | | | ■ | ■ |
| | ■ | ■ | ■ | | | | ■ | ■ |
| ■ | ■ | ■ | ■ | ■ | ■ | ■ | | ■ |
| ■ | ■ | ■ | | | | | ■ | ■ |

## Commitments and Targets

To substantiate the high-level commitments, in 2023 Bolton reviewed its sustainable development targets to align them with the new strategy and reinforce its ambitions. The new targets have been shared with our partners OXFAM and WWF to gather their feedback and input. Moreover the targets were approved by the Board of Directors.

**POSITIVE IMPACT BRANDS**
Our brands are committed to create value by enabling people to live sustainable lifestyles

| TARGETS | 2021 | 2022 | 2023 |
|---|---|---|---|
| **SUSTAINABLE PORTFOLIO** | | | |
| By 2030, 50% of Company's revenue come from more sustainable products.[1] | - | NEW | **31%** |




1 More sustainable than the previous product version, referring to raw materials' certifications, more circular ingredients or packaging.

## FOR NATURE

**Persistently improve our footprint on the Planet and support regenerative initiatives to have a Positive Impact on Nature**

| TARGET | 2021 | 2022 | 2023 |
|---|---|---|---|
| **CIRCULAR RESOURCES** | | | |
| By 2025 we will reach a Forest Positive Approach: | | | |
| ▪ 100% paper recycled or from sustainable sources | 78%* | 86.7% | **89.9%** |
| ▪ 100% RSPO certified palm oil derivates in our products<br>**Due to global lack of raw materials* | 8% | 21.4% | **25.1%** |
| By 2025 we will reach zero waste to landfill in our manufacturing sites (where technological systems are available)<br>**% recovered or recycled waste in our production sites* | 94% | 95.0% | **93.2%** |
| By 2025 we will improve our packaging through: | | | |
| ▪ 100% packaging reusable, refillable or designed to be recyclable (excluding packaging where ingredients or residue may affect recyclability or pollute recycling streams) | 86% | 86.1% | **94.5%** |
| ▪ 40% plastic packs made from recycled or bio-based sources | 12% | 17.4% | **24.8%** |
| By 2035 we will reach a more circular approach on packaging through: | | | |
| ▪ 100% zero virgin plastic from fossil sources. | | NEW | **24.8%** |
| By 2030 we will reach 50% ingredients from circular sources[2] in our Home, Personal and Adhesives products | | NEW | **21.1%** |
| **CLIMATE** | | | |
| By 2023 we'll set a robust Corporate Carbon Footprint and a clear decarbonization strategy | | NEW | **ONGOING** |
| By 2025 we will reduce the footprint in our operations through: | | | |
| ▪ -20% $CO_2$ emissions per ton of finished product vs 2017 levels[3] | -17% | -18.9% | **ACHIEVED** |
| ▪ 100% renewable electric energy purchased (where it is feasible)[4] | 40.3% | 59.1% | **58.2%** |
| **OCEANS** | | | |
| By 2024 onwards achieve 100% tuna from responsible fishing practices for all our brands[5] | 69% | 86.5% | **93.7%** |
| Every year 100% of tuna in compliance with ISSF and RFMO regulations | | NEW | **100%** |
| By 2025 reach 100% usage of biodegradable FADs[6] for all our vessels | | NEW | **4.7%** |
| By 2030, for our global brand Rio Mare, 100% tuna from MSC certified fisheries*<br>** Rio Mare branded tuna products with Marine Stewardship Council (MSC) certification on pack* | | NEW | **36%** |
| Developing annual advocacy initiatives focused on fisheries management and marine ecosystems protection with our transformational partners | | NEW | **ONGOING** |
| Every year support our environmental partners in conservation projects to protect marine ecosystems | | NEW | **ONGOING** |
| **WATER** | | | |
| By 2024 we will calculate our Corporate Water Footprint and define a new reduction strategy | | NEW | **ONGOING** |
| By 2025 we'll reduce water consumption per ton of finished product by 20% vs 2017 levels[7] | -10% | -13% | **-16.2%** |
| By 2035 we will reach 100% biodegradable ingredients in our home and personal care products[8] | | NEW | **70%** |
| By 2025 100% suncream products in compliance with the Hawaiian Reef Bill | 41% | 59.7% | **64.8%** |

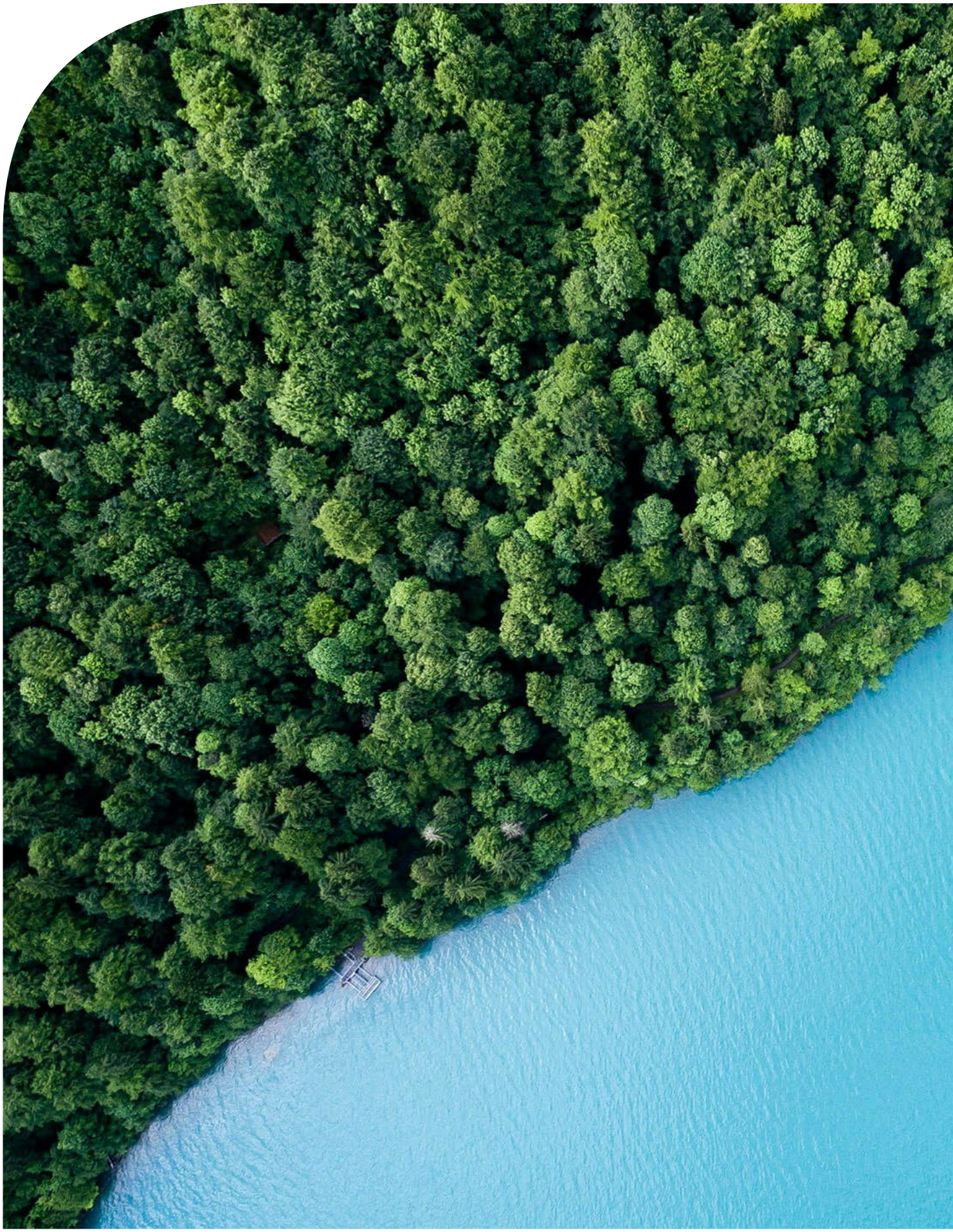
2 Ingredients from "Circular Sources" can be e.g. renewable/biobased, recycled/regenerated/upcycled, coming from abundant minerals and biomass balance certified.
3 Excluding acquisition since 2019 and including Scope 1 Stationary Combustion and Scope 2 Market Based emissions in our Production Facilities.
4 In our production facilities.
5 It means: Marine Stewardship Council (MSC) certified, in MSC full assessment, or engaged in a comprehensive and credible FIP, or Green/Yellow rated according to Monterey Bay Aquarium's Seafood Watch.
6 Majority of material is biodegradable.
7 Excluding acquisitions since 2019, and intended as water withdrawals.
8 Calculated on organic ingredients following OECD Test 301 methodology.

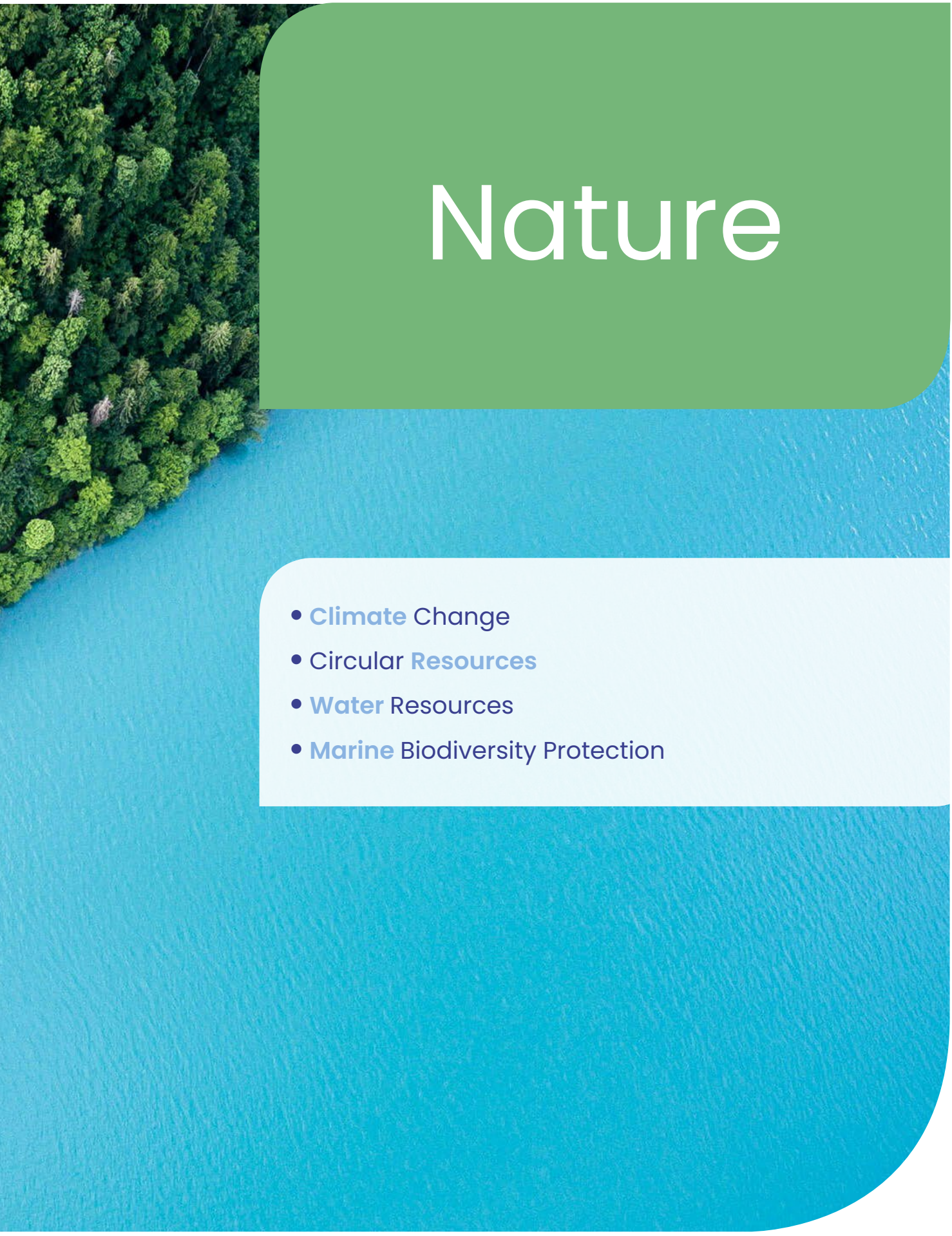
## FOR PEOPLE

Ensure that our value chains guarantee human rights, offer equal and thriving opportunities to employees and local communities

| TARGET | 2021 | 2022 | 2023 |
|---|---|---|---|
| **WORKPLACES** | | | |
| **Well-being and Safety** | | | |
| By 2025 reduce by 50% Lost Time Accidents vs 2020 baseline | | NEW | ACHIEVED |
| **People Care and Benefits** | | | |
| By 2024 map the minimum living wage in all the geographies where we have activities and consequently bridge possible gaps | | NEW | ONGOING |
| By 2024 conduct Gender Pay Equity assessment in all key geographies and consequently bridge possible gaps<br>*Previous goal: Guarantee equal pay for all genders. This still remains our final goal.* | | NEW | ONGOING |
| Guarantee access to primary medical care for 100% employees and families in countries with no access to public health | | NEW | ONGOING |
| **Human and Professional Development** | | | |
| By 2025 strengthen employee engagement, achieving the industry benchmark in bi-annual Great Place to Work survey | 68% | 68% | **67%**[9] |
| By 2025 40% management positions to be held by women*<br>**Previous goal: 40%of senior management positions to be held by women. We extended the scope to more levels of management.* | | NEW | **37%** |
| **SOCIETY** | | | |
| **Human Rights, Economic Well-being, Local Culture Fostering** | | | |
| By 2024 develop and implement a safe, effective and clear grievance mechanism and whistle blowing channel | | NEW | ACHIEVED |
| By 2025 100% acknowledgement to our Code of Conduct and Human Rights Policy in our workplaces and tier 1 suppliers | | NEW | ONGOING |
| **Business Partners' Development** | | | |
| By 2025, implement sustainability due diligence management systems that ensure, at least, a social and environmental self assessment or audit on 100% strategic direct suppliers | 31% | 31% | UNDER REVIEW |

9 The perimeter of the survey has been extended in 2023. The result is 70% if we consider the same perimeter of 2022.





# Nature

- Climate Change
- Circular Resources
- Water Resources
- Marine Biodiversity Protection

# Climate **Change**

At the end of 2023, the UN Conference at Dubai, COP 28, confirmed the urgency to act to face the climate change challenge. It marked the conclusion of the first "Global Stocktake" of the world's efforts to address climate change under the Paris Agreement. With evidence showing that progress is too slow across all areas of climate action – from reducing greenhouse gas emissions, to strengthening resilience to a changing climate, to getting the financial and technological support to vulnerable nations – countries responded with a decision on how to accelerate action across all areas by 2030. **In this context, Bolton acknowledges the need to accurately calculate GHG emissions and define tangible steps towards a robust decarbonization of our value chains**.

COP 28 also resulted in unprecedented recognition for linking efforts to address the climate and biodiversity crises. Alongside pollution, these make up the three main interlinked environmental issues facing humanity.

This underlines the importance of tackling climate change, together with nature protection and restoration. Bolton heavily relies on natural resources and this link substantiates the positive role that we can play in the transition towards a low-carbon economy, where Nature can thrive and, consequently, our business.

Since 2022, climate change has been positioned as a material topic in Bolton's Sustainable Development strategy. In 2023 we approached it by:

| 1. | 2. | 3. | 4. | 5. |
|---|---|---|---|---|
| Carrying out a first qualitative **climate risks and opportunities** assessment. | Showcasing our commitment to decarbonization by **disclosing through CDP.** | Embedding climate action in our main corporate **policies.** | Starting the definition of our first **Climate Transition Plan.** | Refining and **getting an assurance of our Corporate Carbon Footprint Calculation.** |

## Impacts, Risks and Opportunities

Historically, our approach to climate-related impact and risk management has been aligned with national and international regulations and with the Integrated Management System certifications, specifically the ISO 14001 and ISO 50001.

Under the principle of continuous improvement we collect environmental and energy performance data annually. Our scope encompasses both direct production operations and external activities under our control throughout the product life cycle, considering short, mid, and long-term impacts.

Specifically to identify impacts, risks and opportunities, we conduct analyses to define key dimensions to be considered, such as Environment and Territory Changes, Market Factors, and Technology Evolutions. Then, within these dimensions, internal and external factors influencing our business are identified by the management and relevant stakeholders are engaged to map their needs and expectations. Risks and opportunities are then assessed considering their likelihood and severity. We also list control and mitigation actions that have already been implemented and classify their level of effectiveness.

In 2023 we did a first exercise to adopt the double materiality approach, in line with the Corporate Sustainability Reporting Directive.

### Measuring our impacts

Our operations generate an impact on climate through activities and facilities under our direct control, and indirectly through our value chain. This has been showcased by Bolton's Corporate Carbon Footprint Calculations and confirmed by the inside-out perspective of our double materiality assessment.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Climate Change | IMPACT | ⊖ | **Greenhouse gas emissions**, contributing to climate change, mainly stemming from energy consumption from non-renewable sources, direct emissions from production and fishing activities, and emissions linked to purchased goods and services. | |

To accurately quantify our Greenhouse (GHG) emissions, we calculate our Corporate Carbon Footprint annually, following the internationally recognized Greenhouse Gas Protocol Corporate Standard[1], issued by the World Resource Institute.

In line with Bolton's parent company structure, we adopt the **Operational Control approach** when defining the organizational boundaries of our Corporate Carbon Footprint, including 100% of the GHG emissions under the control of the company. Given our 40% stake in Nauterra[2], we also include 40% of this company's Scope 1 and 2 emissions in our Scope 3.15 Investments.

Concerning emissions sources included in our calculation (operational boundaries) we include all the GHG Protocol Scopes, except from:

- *Scope 3.8 Upstream Leased Assets*: although Bolton leases offices, car fleets and fishing vessels and carriers, the corresponding emissions are reported under Scope 1 and 2 as these assets fall under the scope of Bolton's operational control.
- *Scope 3.13 Downstream Leased Assets*: as Bolton does not lease any downstream assets.
- *Scope 3.14 Franchises*: as Bolton does not have any franchises.

1 Including emissions of $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, and $NF_3$ and using the most recent **Global Warming Potential (GWP)** values published by the IPCC based on a 100-year time horizon to calculate $CO_2$eq emissions.
2 https://nauterra.com/

## GREENHOUSE GAS EMISSIONS IN OUR OPERATIONS AND SUPPLY CHAINS

### Food, Tri Marine and Wild Planet

79% of our emissions are associated with our food supply chains, processing and commercialization.

The tuna supply chain is long and complex, making up the most significant share of our emissions due to the fuel consumption in fishing operations. Tuna fishing vessels typically rely on Diesel and Marine Fuel engines for propulsion and refrigeration systems to preserve the catch, releasing Greenhouse Gases into the atmosphere.

Processing caught tuna involves energy-intensive activities such as cooking, defrosting, and canning. Sterilization processes require high temperatures, that make it complex to reduce fossil fuel use.

The tuna trading activities carried out by Tri Marine embed a significant amount of emissions associated with our purchased goods and the processing of intermediate products.

### Adhesives, Home, Personal Care and Beauty

18% of our emissions come from our operations in the chemical sector.

In this case, the emissions are mostly embedded in the packaging, ingredients and commercial goods that we purchase.

Adhesive production involves chemical reactions that often require high temperatures and energy inputs, leading to emissions of Greenhouse Gases.

In the Home and Personal Care and Beauty sectors, the manufacturing of products such as soaps, detergents, and cleaning agents may involve energy-intensive processes and the use of petroleum-derived chemicals, resulting in GHG emissions.

Considering that Bolton operates also in the Food category, in 2024 we will carry out a first analysis to determine the relevance of our **Forest, Land and Agriculture (FLAG) emissions in our total inventory**.

## Assessing Climate-Related Risks and Opportunities

Adopting a double materiality approach allowed us to assess the potential impact that climate change could have on our business by considering the entire value chain, from the raw materials that we purchase to the changing perception that consumers may have of our products.

This analysis, that involved internal and external stakeholders, confirmed that our global presence and the reach of our brands are subject to **physical and transitional risks** that might have an impact on Bolton's long-term economic performance.

**Climate risks are defined as potential negative consequences of a climate-related threat and/or of adaptation and mitigation responses to such threat.**
They can be classified into:

### Physical Risks

Risks arising from the direct impacts of climate-related events and phenomena, such as extreme weather events (e.g., hurricanes, floods, heatwaves), sea-level rise, and changes in temperature and precipitation patterns. Physical climate risks can lead to property damage, supply chain disruptions, increased insurance costs, and threats to infrastructure and operations.

### Transition Risks

Risks stemming from the transition to a low-carbon economy and the policy, legal, technological, and market changes associated with it. Transition risks can include regulatory changes, shifts in consumer preferences, advancements in renewable energy technologies, and evolving market expectations. These risks may affect industries reliant on fossil fuels, high-emission activities, or carbon-intensive supply chains, leading to financial losses, stranded assets, and decreased competitiveness.

In our materiality assessment, physical risks associated with an increase in global temperatures were classified as likely and with a high potential magnitude, resulting in a significant relevance. Food and Tri Marine are highly dependent on natural resources such as tuna, olive oil and tomato. As an example, due to increasing droughts, olive oil to date is one of the most expensive resources to obtain. Specifically in the fishing and food industries, ocean temperature increase and acidification are the key climate related impacts resulting in shifts in fish populations and declining fish stocks. Extreme weather conditions and natural disasters can also disrupt fishing operations, leading to losses in our Bolton's yield and income. Physical risks are also relevant for the other Business Units, although to a lower extent and mainly related to potential supply chain disruptions.

The main transitional risk identified through our double materiality assessment is the increased costs coming from a switch to renewable energy. This risk was classified as very likely, with a medium potential magnitude considering that as part of our sustainable development strategy, we aim to reduce non-renewable energy consumption and reach 100% of electricity purchased from renewable sources by 2025 which can imply higher costs.

| Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|
| FINANCIAL | ⊖ | **Physical Risks**: reduction of Bolton's economic performance due to physical consequences of climate change. |  |
| | ⊖ | **Renewable Energy Transitional Risk**: increase in Bolton's costs due to the deployment of renewable energy solutions. |  |

Our 2023 double materiality assessment also allowed us to identify a potential opportunity associated with decarbonization: reducing our carbon footprint could have potential benefits such as operational cost savings given by tax incentives, improved brand reputation, access to new markets and customers interested in sustainable products.

| Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|
| FINANCIAL | | **Decarbonization**: Maintaining economic performance due to reduced carbon footprint of Group activities. | |

## Our First CDP Climate Change Disclosure

Although we performed a first double materiality assessment, we have not yet developed a resilience analysis nor a climate risk assessment using future scenarios, as Bolton's Enterprise Risk Management (ERM) is still under design phase.

We believe that embedding the climate-related risks and opportunities assessment in the ERM will be the best way to ensure that a medium- and long-term view of climate related issues is considered in the company's business strategy. We acknowledge the importance of performing these assessments with the use of future scenarios in the coming years to understand physical and transition risks that might impact financially the company, and in 2023 we focused on building the internal knowledge on climate risks assessment to define a roadmap in 2024.

In the meantime, through our first **CDP Climate Change Disclosure questionnaire** compiled in 2023 we:

- Defined short-, medium- and long-term horizons.
- Provided a preliminary definition of substantive financial or strategic impact on our business.
- Identified and described the types of risks considered in current risk assessments.
- Identified and described inherent climate-related risks and opportunities with the potential to have a substantive financial or strategic impact on our business.

**Our 2023 analysis was qualitative, but in the next years we will focus on developing quantitative analyses that allow us to reach financial impact figures**.

### B SCORE IN OUR FIRST CDP CLIMATE CHANGE DISCLOSURE

CDP DISCLOSER 2023

CDP is a not-for-profit charity that oversees a global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. Regarded as the gold standard of environmental reporting, CDP provides the richest and most comprehensive dataset on corporate and city action.

**In 2023 we submitted our first CDP questionnaire to respond to increasing clients' requests, and to evaluate our climate-related maturity. From a scale ranging from F to A, Bolton received a B Score**, showcasing our commitment to transparency and to a low carbon economy.

## Climate in Our Policies and Trainings

We are currently finalizing Bolton's Climate Transition Plan, the key document outlining our roadmap to address climate change. In the meantime we have enriched our policy framework, which includes internal and external guidelines that drive our way of working, to include our climate commitments.

| | |
|---|---|
| **Code of Conduct** | We establish our aim to promote positive climate actions and expect our employees and business partners to commit to:<br>• Identifying opportunities for improving energy efficiency.<br>• Reducing the total product footprint, also considering a reduction in the energy demand during utilization phase. |
| **Raw Material Policy** | Through this document we adopt circularity and sustainability criteria in the selection of raw materials and ingredients which explicitly embed climate change mitigation.<br><br>Relative to the Food products, in the sections related to oil, vegetable, and beef sourcing we ask our suppliers to ensure the adoption of practices and technologies that reduce emissions.<br><br>For our Adhesives, Beauty, Home and Personal Care products we are committed to sourcing zero deforestation palm oil derivatives to reduce our emissions linked to land use change. |
| **Packaging Policy** | Through this document we establish our commitment to shift from a traditional linear model to a circular economy of packaging, where products and materials stay in the economic loop for as long as possible.<br><br>This is strongly linked to our value chain emissions reduction, in particular to our Scope 3.1 Purchased Goods and Services, Scope 3.5 Waste and 3.12 End of Life Treatment of Sold Products. |

2023 was also a meaningful year to increase the awareness of our top managers regarding the Climate Change. We developed the **Bolton's Climate and Decarbonization Toolkit**, a set of internal documents composed of:

- **GHG Accounting Guidebook**: describing Bolton's Corporate Carbon Footprint calculation methodology.
- **Energy Guidance**: containing information on the role of electricity in corporate decarbonization and the key ways to shift towards impactful electricity procurement.
- **Climate and Decarbonization Glossary**: establishing the official definitions of key climate related terminology to create a Bolton harmonized vocabulary.

These documents were distributed as complementary materials of a **Climate Training Program offered to more than 100 leaders of the company** and composed of two sessions. The first one focused on Corporate Carbon Footprint and Strategy Setting, and the second one was dedicated to deep diving Climate Transition Plans, Internal Carbon Pricing and Carbon Removals.

## Our Climate Ambition

Our Sustainable Development Strategy sets the following climate goals:

| Goal description | 2022 | 2023 |
|---|---|---|
| **By 2025 we will reduce the footprint in our operations through 100% of purchased renewable electric energy where feasible[3].** | 61.3% [4] | **59.1%** |
| **-20% of $CO_2$ emissions per ton of finished product compared to 2017 levels by 2025.[5]** | -18.9% | **ACHIEVED** |
| **By 2023 we will set a robust corporate carbon footprint baseline and a clear decarbonization strategy.** | We refined our first Corporate Carbon Footprint. | We fixed a robust baseline and started working on the decarbonization plan. |

Our current emissions intensity and renewable electricity targets were set back in 2020 based on the available knowledge of the company's climate impact and aimed at showing an initial commitment to climate-related issues. However, we acknowledge their current limitations considering that:

- Our emissions intensity target only covers Scope 1 stationary combustion and Scope 2 market-based emissions in production plants.
- Our renewable electricity target covers production facilities and excludes countries in where the procurement this type of energy might not be technically feasible.

Further details on our current targets can be found in our CDP Climate Change Disclosure.

Regardless of their limitations, our current objectives have driven actions to mitigate our carbon footprint. These commitments are a key part of our industrial strategic plans and span from the implementation of suggestions from energy audits to the procurement of green electricity.

In 2023, the percentage of purchased renewable electricity decreased compared to 2022 because of an increased consumption in our facilities not covered by renewable energy contracts, specifically Conservas Isabel Ecuatoriana and Seafman in Ecuador, and in Gralco in Colombia.

3 Feasible meaning technologically feasible in a specific country. Electricity purchased by our production facilities.
4 Reinstated value from 2022 report considering a more stringent definition of renewable electricity that aligns with ESRS requirements.
5 Excluding Tri Marine considering its acquisition in 2019. Tri Marine's target is reported on their sustainability report.

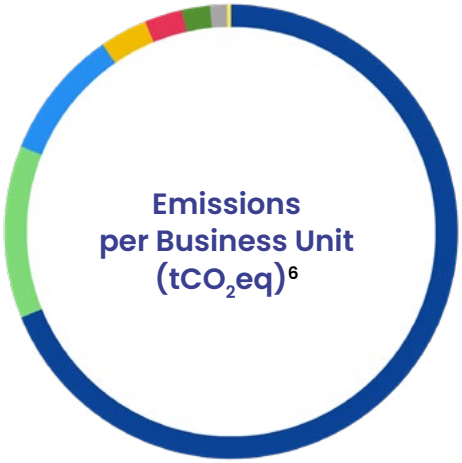
**We acknowledge, anyhow, the need to shift from potential-based targets set through a self-oriented approach to more ambitious targets that align with the global climate ambition**.

This is why, in the past years, we refined the calculation of our Corporate Carbon Footprint to include all relevant Scopes, and in 2023 we went further by paving the way for Bolton's first Climate Transition Plan through a four-step approach:

| Done in 2023 | | To be finalized in 2024 | |
|---|---|---|---|
| STEP 1: Scope 1 and 2 Top-Down Analysis | STEP 2: Scope 1 and 2 Bottom-Up Analysis | STEP 3: Scope 3 Analysis | STEP 4: Closing the Gap to 1.5°C |
| Drawing from the emission reductions necessary to align with the goal of limiting global temperature rise to 1.5°C, as well as the emission hotspots identified in our Corporate Carbon Footprint, we outlined a potential distribution of efforts across Bolton's Business Units and assets, including production facilities and fleets. | We used the top-down analysis as a starting point to create a list of business-unit specific measures that would allow us to consider technically feasible alternatives to decarbonize our operations.<br>Only then, we integrated a financial perspective to understand the economic implications in terms of CAPEX and OPEX. This allowed us to determine feasible Scope 1 and 2 emissions reduction targets. | We will identify the key actors in our value chain and the main emission hotspots in our Scope 3. Based on this, we will list the initiatives associated with emission reduction potentials, including technological changes, eco-design practices and procurement options, and assess their financial implications. | We will assess the gap between our feasible targets, and the targets in line with the Paris Agreement.<br>We will then define a series of strategic decisions that could allow us to close the gap, including M&A and changes in our business and operations profiles. |

Bolton's Climate Transition Plan will be reinforced and further analyzed in 2024. Thanks to the new governance of the company, the plan will be better embedded into the business strategy of the Group, representing a meaningful action plan to decarbonize our operations and supply chains.

## Our 2023 Corporate Carbon Footprint




| | |
|---|---|
| Tri Marine | 65.1% |
| Home & Personal Care | 13.8% |
| Food | 10.4% |
| Adhesives | 3.8% |
| Wild Planet | 3.1% |
| International | 2.2% |
| Holdings (Nauterra Share Included) | 1.3% |
| Beauty | 0.3% |

| | 2022 | 2023 |
|---|---|---|
| Gross Scope 1 GHG emissions ($tCO_2eq$) | 228,336 [7] | **226,340** |
| Gross location-based Scope 2 GHG emissions ($tCO_2eq$) | 19,141 | **17,807** |
| Gross market-based Scope 2 GHG emissions ($tCO_2eq$) | 7,374 [8] | **7,558** |
| Total Scope 3 - GHG emissions ($tCO_2eq$) | 3,224,611 | **3,076,757** |
| Total GHG emissions (location-based) ($tCO_2eq$) | 3,472,088 | **3,320,904** |
| Total GHG emissions (market-based) ($tCO_2eq$) | 3,460,321 | **3,310,655** |
| Total GHG emissions (location-based) per net revenue ($tCO_2eq$/Million Euros) | 1,061 | **1,017** |
| Total GHG emissions (market-based) per net revenue ($tCO_2eq$/Million Euros) | 1,058 | **1,013** |

**Bolton's 2023 Corporate Carbon Footprint was 3,310,655 tons of $CO_2eq$.** Our emissions are mainly attributed to our supply chain, with Scope 3 making up 93% of our total emissions. Scope 1 emissions correspond to 6.8% of our footprint, while scope 2 market based emissions account for 0.2%.

6 Distribution of the total emissions calculated with Scope 2 market-based emission.
7 Reinstated value from 2022 due to an adjustment in the calculation.
8 Reinstated value from 2022 due to the adoption of a more stringent definition for renewable electricity.

While we had previously stated 2022 as Bolton's first emissions' baseline year, after the 2023 calculation and considering the GHG Protocol Corporate Standard and CDP's recommendation to choose a base year that has been assured by an external third party, we have **decided to select our 2023 Corporate Carbon Footprint as GHG Emissions Baseline** to measure our progress towards targets.

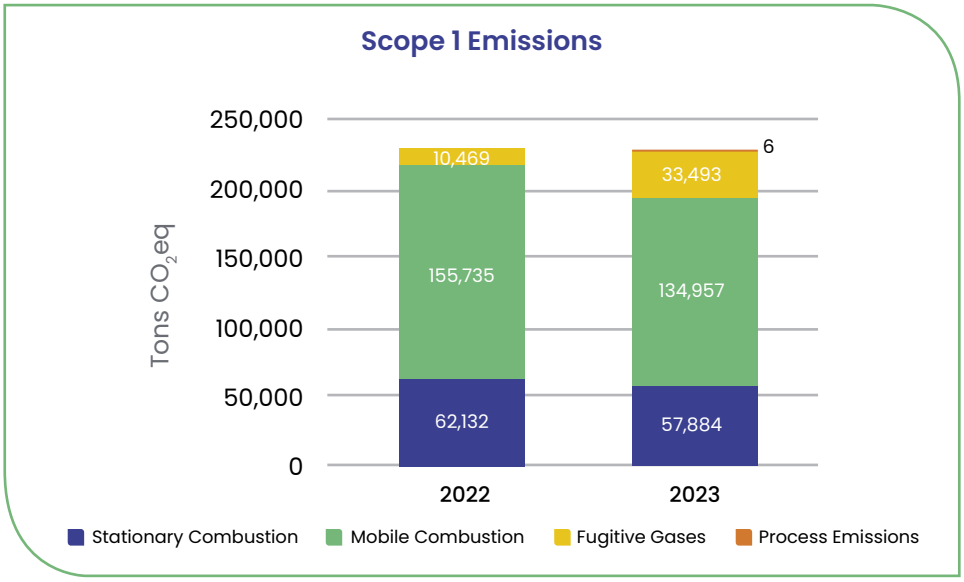
**The 2023 Footprint is, in fact, the first one to be externally verified through a limited assurance process**.

Furthermore, our 2023 calculations, which are based on the reporting specifics and methodology included in the Methodological Note, allow for compliance with the new SBTi methodological requirement related to Forest, Land and Agricultural (FLAG) Emissions. Where possible, FLAG emissions have also been reported (included within the Emission Factor).

## Our Direct Emissions

Our Scope 1 Emissions, those coming from sources directly controlled by Bolton, can be divided into four types:

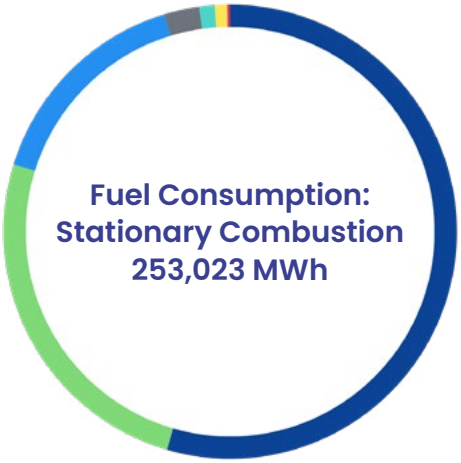
1. ***Stationary combustion emissions*:** generated by the fuel usage in our production plants and offices;
2. ***Mobile combustion emissions*:** generated by the fuel usage in our car fleets and vessels, including those leased but for which the company purchases the fuel;
3. ***Fugitive gases emissions***: coming from leaked refrigerants in our production plants and vessels.
4. ***Process emissions***: coming from Urea and calculated for our Cermenate production plant falling under the ETS.



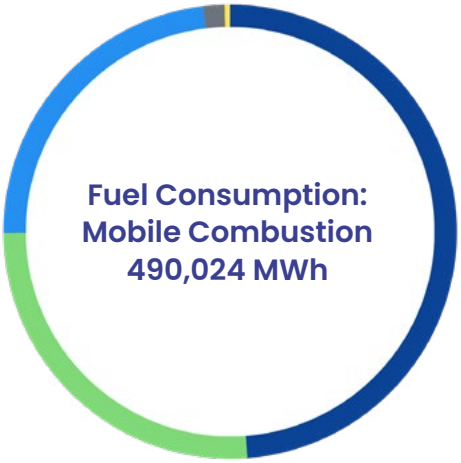

In 2023 our Scope 1 remained overall stable, with a decrease of less than 1% compared to last year. Emissions from fugitive gases nearly tripled mainly due to the inclusion of refrigerant refills in leased vessels that were not considered in the 2022 perimeter[9]. Emissions from stationary and mobile combustion decreased by 7 and 13% respectively.

9 Data not retreivable for 2022.

| | MWh 2022[10] | MWh 2023 |
|---|---|---|
| **Fuel consumption from crude oil and petroleum products** | **721,940** | **602,232** |
| Diesel | 141,251 | 178,001 |
| Fuel Oil | 44,920 | 39,404 |
| Gas Oil | 6,158 | 2,267 |
| Gasoline | 1,059 | 7,289 |
| Liquefied Petroleum Gases | 2,309 | 8,344 |
| Marine Fuel Oil | 211,745 | 127,853 |
| Marine Gas Oil | 314,498 | 239,074 |
| **Fuel consumption from natural gas** | **155,941** | **138,588** |
| **Fuel consumption from other fossil sources (waste oil)** | **0** | **531** |
| **Fuel consumption from renewable sources (biogas)** | **2,748** | **1,696** |
| **TOTAL FUEL CONSUMPTION** | **880,629** | **743,047** |




| | |
|---|---|
| Natural Gas | 54.7% |
| Diesel | 25.4% |
| Fuel Oil | 15.6% |
| Liquefied Petroleum Gases | 2.5% |
| Biogas | 0.7% |
| Gas Oil | 0.9% |
| Waste Oil | 0.2% |



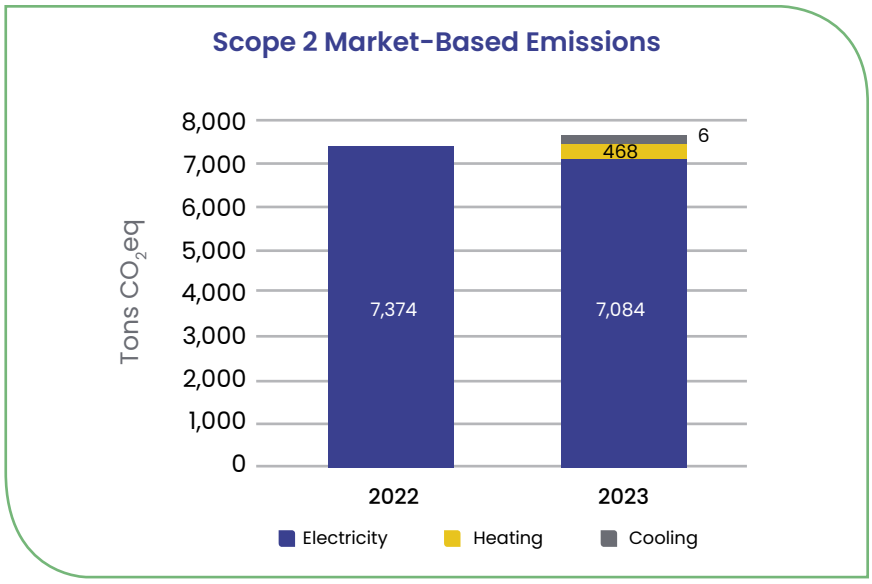

| | |
|---|---|
| Marine Gas Oil | 48.8% |
| Marine Fuel Oil | 26.1% |
| Diesel | 23.2% |
| Gasoline | 1.5% |
| Liquefied Petroleum Gases | 0.4% |

10 Contains reinstated values due to adjustments in fuel consumption.

**Fuel consumption represents 90% of our total energy demand** and drives our Scope 1 emissions:

- 58% of **Diesel** is used in our vessels, 6% in our car fleets and the remaining part predominantly in our Soltuna plant, where the lack of network gas and electricity makes it difficult to transition to cleaner fuels. In 2023 the consumption increased because the number of leased vessels, specifically longliners that run on Diesel, increased from 8 in 2022 to 18 in 2023.
- **Fuel Oil** and **Gas Oil** are used only in stationary combustion, and the decrease in consumption responded to a decrease in production.
- **Gasoline** is predominantly used for our car fleets (85%), and in 2023 the consumption remained constant.
- **Liquefied Petroleum Gas** is mostly used for stationary combustion in our plants (75%). In 2023 the consumption increased as our plant in Quimper had to switch from natural gas to this fuel due to variations in international energy prices.
- Our Fleets run mainly on **Marine Fuel Oil and Marine Gasoil**, and in 2023 the consumption decreased as less fish was caught and transported in the first semester, our Charo Vessel was under maintenance for a part of the year, and the Via Euros vessel was sold towards the end of 2022.
- In 2023 we identified and included for the first time the combustion of **Waste Oil** coming from our NFD Fleet in the Soltuna production plant.
- The use of **biogas** in our Manta plant decreased by 38%.

It is also worth noting that since 2006, our tuna processing plant in Cermenate, Italy, has fallen under the scope of the EU ETS. In 2023 Scope 1 emissions from this facility corresponded to 5.5% of Bolton's total Scope 1 emissions.



## Our Emissions from Purchased Energy

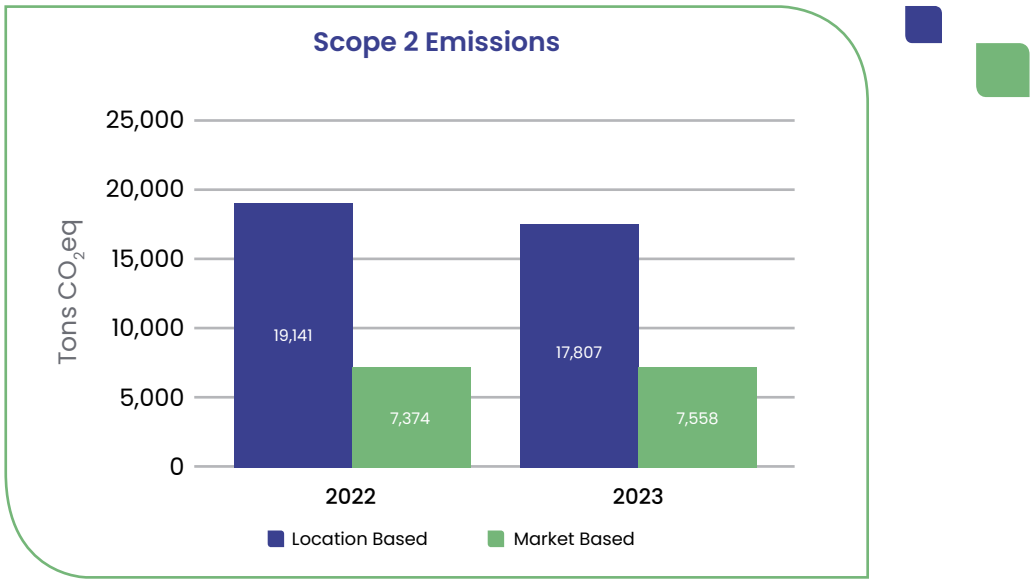
0.2% of our Corporate Carbon Footprint corresponds to our Scope 2 Market-Based emissions linked to the electricity, heating and cooling that is purchased by Bolton and that represents **9.7% of our total energy demand**. These emissions remained overall constant with a 3% increase, and the variations are linked to an increase in the accuracy of our non-fuel energy related data, considering that in 2023 we:

1. Collected energy related data in our offices for the first time, which allowed us to move away from an estimation based in the area ($m^2$) of our offices.
2. Identified and included purchased heating in our Adhesives offices in the Netherlands and Portugal and purchased cooling from our Tri Marine office in Singapore.
3. **Adjusted our internal definition of renewable purchased non-fuel energy to ensure that it is backed up by contractual agreements, which led to an adjustment and reinstatement of our 2022 values**. Specifically, in the past our purchased electricity in Ecuador, was reported according to a document released by the utility in Ecuador establishing the renewable share of the energy mix. **However, this year we adopted a conservative approach in line with the new European Sustainability Reporting Standards, and started considering purchased electricity as renewable only if it is backed up by contractual agreements establishing the origin**. This explains the relevant change in the percentage of purchased renewable electric energy, from what we reported in previous reports and this last one.

The energy purchased in our production facilities remained overall constant, as well as the consumption of self-generated energy from solar panels in our Home and Personal Care production plants in Nova Milanese and Cotignola which represents **0.3% of our total energy demand**.

| | MWh 2022 | MWh 2023 |
|---|---|---|
| **Consumption of purchased electricity, heat or cooling from fossil sources** | **13,590** | **34,720** |
| Electricity | 13,590 | 32,799 |
| Heat | 0 | 1,878 |
| Cooling | 0 | 43 |
| **Consumption of purchased electricity from renewable sources** | **65,570** | **45,772** |
| Electricity | 65,570 | 45,772 |
| **TOTAL PURCHASED NON-FUEL ENERGY** | **79,160** | **80,492** |
| **Consumption of self-generated non-fuel renewable energy (Solar PV)** | **2,799** | **2,494** |
| **TOTAL NON-FUEL ENERGY CONSUMED** | **81,959** | **82,986** |

Scope 2 emissions can be calculated following two methods: location-based and market-based. The location-based approach averages energy generation emission factors in specific areas, focusing on where energy is produced. The market-based method calculates emissions based on **the specific sources from which a company purchases electricity, considering additional environmental attributes like Renewable Energy Certificates**.




**Out of our total purchased non-fuel energy, 43% is non-renewable and 57% comes from renewable sources**. This reflects in our Scope 2 market and location-based emissions: in 2023 the emissions associated with the electricity purchased by Bolton were 58% lower than the local averages. Specifically, regarding renewable electricity:

- 87% is purchased through the unbundled procurement of energy attribute certificates, specifically in Italy, France and our production facilities in O'Grove and Cabo de Cruz, Spain.
- 11% is purchased as retail green electricity in our Adhesives production plants in Germany and The Netherlands, and in certain offices.
- 2% purchased by our production plant in Toledo, is the default electricity delivered from the grid, but supported by energy attribute certificates.

Currently the electricity purchased in our production facilities located in Morocco, Colombia and Ecuador is not backed up by renewable energy contracts. However, we are currently reevaluating our electricity sourcing strategies portfolio to increase our share of renewable electricity and further reduce our market-based Scope 2.

## AIMING FOR ENERGY LABEL A IN OUR ADHESIVES PLANT IN GOES

To comply with upcoming regulations and to be in line with the most ambitious international energy efficiency certifications, in 2023, we started the renovation of the office building in our Adhesives production plant in Goes. Our aim is to reach category A of the European Union Energy Label scheme.

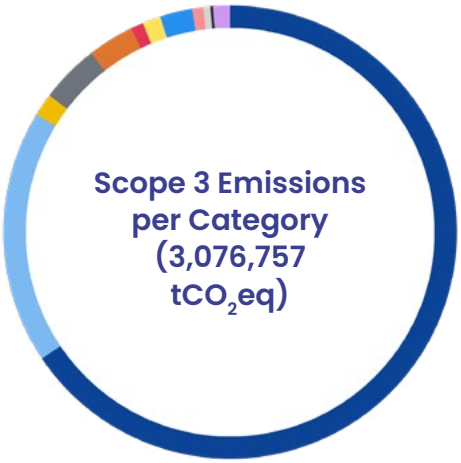
The project consisted of the insulation of roofs, the replacement of heating boilers and the installation of a heating pump with heat recovery. In 2024, the activity will be closed with the installation of solar panels.

Installing the heat pump leads to increase of electricity consumption and decrease in the gas consumption by the office building, which will be partly compensated by introduction of solar panels. In total we expect:

- 65% reduction of electricity used by the office building
- 65% reduction of gas consumption by the office building
- 65% reduction of $CO_2$ emissions of the office building.

### Emissions from our Value Chains

The most significant part of Bolton's Corporate Carbon Footprint is attributed to the activities along our value chains, beyond the boundaries of our own production sites. Specifically, 93% of our emissions are Scope 3.




| | |
|---|---|
| Purchased Goods and Services | 65.6% |
| Processing of Sold Products | 18.1% |
| Fuel and Energy Related Activities | 1.6% |
| Upstream Transport and Distribution | 4.2% |
| End of life treatment of Sold Products | 3.3% |
| Downstream Transport and Distribution | 0.9% |
| Waste | 1.3% |
| Use of Sold Products | 2.3% |
| Employee Commuting | 0.8% |
| Capital Goods | 0.5% |
| Business Travel | 0.2% |
| Investments | 1.2% |

| Tons of $CO_2$eq | 2022 | 2023 |
|---|---|---|
| 1 Purchased goods and services | 2,247,728 [11] | **2,018,678** |
| 2 Capital goods | 15,855 | **14,523** |
| 3 Fuel and energy-related Activities | 49,862 [12] | **48,388** |
| 4 Upstream transportation and distribution | 76,010 | **128,269** |
| 5 Waste generated in operations | 36,508 | **40,313** |
| 6 Business travel | 1,483 | **4,914** |
| 7 Employee commuting | 22,084 | **23,999** |
| 9 Downstream transportation | 35,657 | **27,735** |
| 10 Processing of sold products | 616,081 | **556,308** |
| 11 Use of sold products | 31,611 | **70,743** |
| 12 End-of-life treatment of sold products | 91,734 | **101,697** |
| 15 Investments | n.a. | **41,190** |

**74% of our Scope 3 emissions come from our upstream value chain, and specifically 66% from the goods and services that we purchase for our core manufacturing activities**. In 2023, our Scope 3.1 emissions decreased due to an increased accuracy in the calculation of emissions linked to Tuna raw materials and commercial goods. Within our 2023 Scope 3.1 Purchased Goods and Services:

- 73% of the emissions are linked to raw materials and 14% to commercial (trading) goods. In this case the most significant hotspot is Tri Marine considering the core tuna trading activities. Raw materials from our Food and Home and Personal Care Business Units are also hotspots, although in a minor share.
- 11% comes from purchased packaging with a hotspot in our Home and Personal Care Business Unit as the main material used is plastic.
- The remaining 2% are emissions from purchased services, and in a minor share also from purchased water and supporting goods.

**With this in mind, engaging our suppliers in a virtuous sustainability journey will be the key lever in decarbonizing our value chain**.

While we work towards a supply chain engagement, we want to increasingly rely on better primary data and supplier specific emission factors to enhance the accuracy of our climate measuring. Although in the coming years we will implement a structured approach to collect data from our supply chain, in the meantime we have been building internal capacities towards a better understanding of our products' emissions by deep diving our emission factors and identifying improvement points, and by initiating the adoption of a value chain perspective through the use of Life Cycle Assessment (ISO 14040 compliant) methodologies.

11 Reinstated value from 2022 report due to a double counting in purchased tuna volumes.
12 Reinstated value from 2022 due to an adjustment in the fuel consumption used as activity data to calculate 3.3 emissions.

**Our second hotspot in value chain emissions comes from Scope 3.10 processing of sold products**. This is also consistent with the tuna trading activities performed by Tri Marine, as we sell tuna loins and rounds that are then further processed mainly into canned tuna. This Scope 3 category also comprises, to a minor extent, emissions of fish by-products from our Food and Tri Marine manufacturing facilities which are sold to be processed into pet food, fish oil and fish meal. In 2023 these emissions decreased by nearly 10%, due to a reduction of the volumes of round fish sold for further processing.

**Scopes 3.4 and 3.9 upstream and downstream transportation and distribution represent minor hotspots in our value chain emissions**. The variations in these categories are mainly due to changes in our data collection methodologies, as we are pursuing efforts to move away from spend based data collection to incorporate distance based and supplier specific emissions. Furthermore, in 2023 we were able to increase the completness of our datasets by including information for each one of the legal entities of our International division, while in 2022 the corresponding emissions were estimated.

**Scope 3.12 End-of-life treatment of sold products** presented an 11% increase because in 2023 we increased the completeness of the calculation by including the emissions coming not only from our manufactured products, but also from commercial (trading) goods.

Concerning the other Scope 3 categories, it is worth noting that:

- Our **Scope 3.6 Business Travel** increased compared to 2022 as we were able to collect information from legal entities within Bolton that were not included in last year's calculations.
- In 2023 we enhanced our **Scope 3.7 Employee Commuting** emissions calculation by broadening the scope of the internal employee mobility survey. In 2022 we only collected data from White Collars in Italy and extrapolated it at global level. This year we were able to reach White Collars worldwide, and in the future we aim at including blue collars to get a more precise picture.
- Our **Scope 3.11 Use of Sold Products** is mainly made up of emissions coming from the combustion of fossil fuels that we sell to third parties. The increase in this emissions is explained by the expansion of the data collection perimeter which allowed us to integrate all the legal entities within Bolton in which this activity occurs.
- In 2023 we included for the first time the **Scope 3.15 investments** emissions to our operational boundaries by collecting audited data from Nauterra.

# **Circular** Resources

As a company committed to corporate responsibility, we recognize the critical importance of integrating circular principles into our operations, products, and supply chains. We believe that the business is at the hearth of the circular transformation, that will allow us to face many of the current challenges, like the climate change and the biodiversity loss. As the report by the Ellen MacArthur Foundation, *The Nature Imperative: How the circular economy tackles biodiversity loss* (2021) demonstrates: "to halt and reverse biodiversity loss, we need to fundamentally transform the way we produce, use, and consume our products and food. Conservation and restoration efforts alone – crucial though they are – will not be enough". It's clear that moving from linear to circular economy would slow down the use of resources, reduce the landscape and habitat disruption and help limit biodiversity loss as well as waste pollution.

Furthermore energy efficiency practices and the switch to renewable energy would address only 55% of global GHG emissions, for the remaining part we will need to change the way we make and use products, materials and food. This explains why a more circular economy can support us in tackling the climate change crises.

Specifically, most of Bolton $CO_2$eq emissions belong to the scope 3.1 of the GHG Protocol, connected with the purchasing of packaging and raw materials. That's why switching to more circular resources could benefit our decarbonization path and help us mitigating our impact on the climate. Considering our commitments on nature, packaging and raw materials, indeed, we are actively working to embed circularity into our business model, driving positive environmental and social outcomes while creating long-term value for stakeholders.

## Impacts, Risks and Opportunities

Bolton, relies on the extraction of raw materials to sustain its operations. Specifically the ingredients used in the formulas of our Home Care, Personal Care, Beauty and Adhesives products and in our food recipes, as well as packaging materials used to preserve and distribute them. Their extraction often comes with a range of environmental, social, and economic impacts. By transitioning towards renewable resources and integrating recycled or regenerated materials into our products and packaging, we aim to reduce our environmental footprint and also contribute to the circularity and resilience of our industries.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Circularity: upstream and downstream | IMPACT | ⊖ | Environmental impacts associated with the extraction of virgin raw materials used as ingredients for our products and /or in their packaging. |  |
| | | ⊕ | Waste reduction through optimization of production processes and reuse, recycling, and regeneration of materials. | |
| | FINANCIAL | ⊖ | Increase in the purchase costs of raw materials due to their scarcity in the market or the adoption of innovative yet more expensive alternatives. |  |
| | | ⊕ | Reduced disposal costs resulting from the recovery and valorization of waste in our operations and potential tax mitigation through the use of recycled and recyclable content in our packaging. | |

## EXTRACTION OF RAW MATERIALS AND BIODIVERSITY IMPACTS

### Food

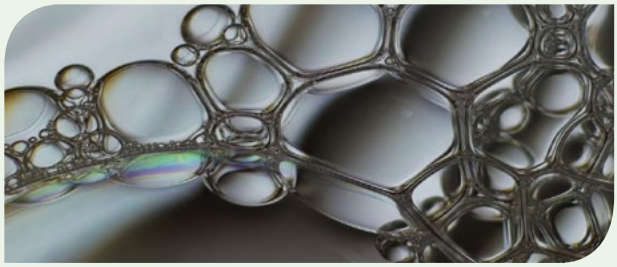
For our **canned meat business**, which accounts for 5% of our food business turnover, the primary concerns relate to deforestation risks and animal welfare issues associated with beef sourcing. The expansion of agricultural lands for livestock grazing or feed production could contribute to deforestation, and climate change. Additionally, if animal welfare principles are not respected, the ways in which the animals are treated could represent a social concern.

**Olive oil** is another essential ingredient in our food products, strongly connected with biodiversity conservation. The cultivation of olive trees, in fact, relies on healthy ecosystems and diverse plants' and animals' species for pollination and soil wellbeing. Preserving biodiversity is therefore crucial to ensuring the sustainability of olive oil production and maintaining ecosystem resilience.

Regarding **packaging materials**, canned seafood and meat predominantly use aluminum and tinplate packaging, which come with energy-intensive production processes, that could contribute to resource depletion and GHG emissions. Similarly, plastic packaging used in sauces poses concerns regarding plastic pollution and its detrimental effects on ecosystems.

### Adhesives, Home, Personal Care and Beauty

In the Adhesives sector the main environmental impacts stem from the extraction and processing of **petroleum-based chemicals and synthetic polymers**. These activities could contribute to environmental degradation and may pose health and safety risks due to the improper handling or exposure to hazardous chemicals.



In the Home and Personal Care sector, the main impacts revolve around the extraction and use of **synthetic chemicals**, including surfactants, fragrances, and preservatives. These chemicals, being non-renewable and often fossil fuel based, can be released into the environment during product use and disposal, leading to water pollution and ecosystem disruption, particularly in aquatic environments. Furthermore, in the Personal Care and Beauty care sectors, the extraction of nature-based materials such as **palm oil derivatives** and non-abundant minerals could also raise concerns about resource depletion and biodiversity loss.

All the above-mentioned sectors heavily rely on **plastic packaging**, which has significant environmental impacts related to both fossil-based content and waste generation. The production of plastic packaging could contribute to carbon emissions and resource depletion, while improper disposal leads to pollution and harm to wildlife. Additionally, the use of **paper packaging** could raise concerns about potential deforestation and habitat loss.

## WASTE REDUCTION THROUGH RAW MATERIALS VALORISATION

### Food

In the seafood sector, **byproducts** such as fish skins, bones, and trimmings, which are often discarded as waste, can be repurposed and transformed into valuable products. These byproducts contain valuable nutrients and proteins that can be extracted to be used in various applications, including food supplements, pharma, agriculture and cosmetics.

Similarly, in the sauces sector, **leftover ingredients** and production residues can be utilized to create new products or ingredients, reducing waste and maximizing resource utilization.

### Adhesives, Home, Personal Care and Beauty

In the adhesives, home, personal and beauty care sectors utilizing **recycled or regenerated materials** in the product's formulation and packaging can reduce reliance on virgin resources while diverting waste from landfills.

Additionally adopting **refillable or reusable packaging** options can further enhance waste reduction efforts, minimizing the need of single-use containers and reducing packaging-related waste.

In our preliminary evaluation, Bolton has identified the following financial risks and opportunities:

- **Raw Material Costs' Increase**: The escalation of raw material costs, due to their increasing scarcity in the markets, climate change and more stringent regulatory requirements for traceability (i.e EUDR), could represent a significant risk across our industries. For instance, within our food sector, we observed a significant rise in olive oil prices in 2023, driven by prolonged droughts. Experts suggest that such price hikes may become a persistent structural issue. Similarly, in our chemical sector, where we are actively transitioning from virgin plastic to recycled alternatives, we face potential profit implications. The growing demand for recycled plastics introduces the risk of market scarcity and subsequent price inflation. Additionally, our commitment to sourcing certified, traceable, and innovative raw materials, could further add operational costs.

- **Opportunity of Costs Reduction and Taxes Mitigation**: Bolton sees a possible opportunity to reduce costs and taxes, through the adoption of more circular production processes and materials. By streamlining production processes and maximizing the efficiency of circular materials usage, we could save money invested in waste management and disposal. Furthermore, leveraging recycled and recyclable content in our packaging not only aligns with sustainability objectives but also helps mitigate transition risks, like new taxes.

## Circularity in our Policies and Actions

Bolton is committed to increasingly embrace circular economy models. Specifically, our circularity strategy is based on three areas of actions:

| 1. | 2. | 3. |
|---|---|---|
| Responsible sourcing and use of raw materials. | Implementing more sustainable packaging. | Ensuring responsible waste management. |

### Responsible Sourcing and use of Raw Materials

Bolton aims to reduce the environmental and social impact of its ingredients and raw materials. Specifically we state that in our newly published **Ingredients and Raw Materials Policy**, a document aimed at providing a common understanding of fundamental principles, commitments, and objectives of the Group. By adhering to this policy, we prioritize the sourcing of raw materials and ingredients that ensure the health and safety of individuals, promote the efficient and sustainable use of resources, safeguard biodiversity and uphold animal welfare. In the near future, we will carry out engagement activities with our suppliers regarding compliance with the principles outlined in the policy.

Specifically, for the Food sector we outline the key principles related to responsible sourcing of tuna, mackerels, sardines, anchovies, mussels, salmon, beef, vegetable and oil. For what concerns beef sourcing, we ask our suppliers to implement sustainability principles outlined by the *Global Roundtable for Sustainable Beef*, emphasizing the importance of animal health and welfare in compliance with EU requirements. Additionally, we require suppliers to ensure product traceability, including the use of strong and reliable livestock monitoring systems (i.e. georeference data).

For vegetables and oil sourcing, our policy asks suppliers to ensure the adoption of practices and technologies to properly manage soil and water resources to prevent land and soil degradation, including land affected by potential desertification. Moreover, they must support the conservation of ecosystems, including biodiversity. In particular, suppliers should minimize the use of pesticides and fertilizers.

For the Home Care, Personal Care, and Beauty Care sectors, we are committed to substitute synthetic chemicals with sustainably-sourced natural ingredients whenever feasible. Additionally, the policy includes a list of blacklisted ingredients prohibited from our products, progressively replacing them with more sustainable alternatives. Specific sourcing principles are applied for mica, nanomaterials, talc, palm oil derivatives, paraffin/petrolates, and pearlescent pigments.

A dedicated committee composed of R&D, Regulatory and Sustainable Development departments convenes approximately annually to ensure that the lists are kept up-to-date allowing us to minimize the use of controversial ingredients, proactively anticipating future challenges, and taking measures to either eliminate or find alternative solutions to potentially problematic ingredients.

Finally, for our adhesives category, we underline our stringent approach to formulations, prohibiting the development of new products with potentially hazardous formulations and actively replacing current formulations with safer alternatives in accordance with market developments and legislations. The policy has been approved by the Board while its implementation and monitoring is delegated to the R&D, Quality and Regulatory departments of our Business Units.

## INCREASING THE CIRCULARITY IN OUR CHEMICAL PRODUCTS FORMULATIONS

In 2022 we committed to reach **50% of ingredients from circular sources in our Home, Personal Care, and Adhesives products within 2030**. By circular resources, we mean renewable or bio-based, recycled, regenerated, or upcycled ingredients, as well as those coming from abundant minerals or biomass balance certified sources.

To achieve this goal, we are analyzing the origin of all organic and inorganic components of our formulas to find alternative bio-based or recycled sources and ensure the use of abundant minerals. This is a highly challenging task to maintain the same performance and efficacy, consumer safety, and ensuring responsible sourcing compliant with European regulations such as EUDR, while also having reduced $CO_2$ eq emissions.

Our Home, Personal and Beauty Care Business Unit developed an internal Circularity Tool that is key to measure the circularity level of our products and gradually improve their environmental performance. Its correct application has also been verified by Bureau Veritas Italia, an internationally recognized certification and inspection body. The circularity tool allows us to analyze circularity product performance both upstream and downstream, using a mass balance approach that takes into consideration several criteria, such as:

- **Upstream Circularity**:
  - Renewability of the ingredients and abundancy level of the minerals used in the formula.
  - Recycled, bio-based and/or certified content of the packaging material used.

- **Downstream Circularity**:
  - Recyclability of the product packaging.
  - Biodegradability of the organic ingredients.

This tool highlights the potential improvement areas and drives product innovation towards more sustainable paths. It also gives punctual information to monitor the progress towards our sustainability targets.

In 2023, about 89% of the products ingredients have been assessed mapped into the tool, allowing us to continuously increase the number of analyzed products.

Regarding our Adhesives business, we use 22% circular ingredients, and we continuously evaluate further opportunities to increase their amount in our formulations while responding to high quality level expectations.



## OUR BEST PRACTICES


### Winni's Bio Fermentation

Winni's has always been dedicated to pioneering solutions that prioritize safety for both people and the environment. Our focus on sustainability and effectiveness has led us to explore cutting-edge technologies, like the bio fermentation. Bio fermentation, a natural process well-established in pharmaceuticals, cosmetics, and food industries, has now been introduced in household care by Winni's. This process involves selected yeasts fermenting oils and sugars to create 100% natural cleaning actives. The true breakthrough lies in these cleaning actives, which not only enhance sustainability but also boost cleaning performance when incorporated into formulas. Bio fermentation stands as a harmonious blend of sustainability and effectiveness, already integrated into our new liquid laundry detergents and hand dishwashing detergents.

### Water-Less Beauty

Many skincare products rely heavily on water as a primary ingredient. To reduce environmental impact and enhance practicality, we've embraced a water-less approach in product formulations.
By eliminating water, our formulations become more essential and easier to transport due to their concentrated form. Examples by Collistar are the Cleansing Butter and the Cream-Powder Cleanser. While Cavaillès and Omia have also adopted this innovative approach in their launches of solid facial range and solid shampoos respectively.

## Implementing more Sustainable Packaging

Since 2022, we collaborate with WWF Italy to assess the sustainability of our packaging and identify pathways for improvement, focusing particularly on a more responsible use of plastic. The collaboration is focused on strengthening our policies and procedures linked to packaging management, reinforcing our drive for sustainable innovation to enable the progression towards our packaging goals.

As part of this partnership, we reviewed our **Packaging Policy**, the document that summarizes our strategy for fostering a circular economy in packaging. Following the indications provided by WWF® we have adopted an approach that starts with the overarching aim to rethink and redesign our packaging by prioritizing the following three principles:

| 1. | 2. | 3. |
|---|---|---|
| **Less Packaging**: We aim to reduce the materials by removing unnecessary packaging, avoiding over-packaging, and eliminating problematic chemicals. We strive to innovate and reduce the weight of our packaging while promoting reuse through refill and return systems. | **Material Circulation**: We are committed to maximizing the use of recycled and renewable materials in our packaging to support a circular economy. Our focus is on designing packaging that is recyclable or compostable, avoiding composite materials, and ensuring easy separation for recycling. | **Consumer Engagement**: We empower consumers with knowledge and tools to participate in the circular economy. Through clear labeling and information on materials and recycling, we inspire consumers to recycle, repair, and engage in sustainable practices, aiming to reduce waste and promote a repair culture. |

In addition to the *Packaging Policy*, two other important documents guide our actions and drive progress towards our objectives: the **"Recyclability Guidelines"** and **"Guidance on Packaging Material"**.

The *Recyclability Guidelines*, based on the recyclability guidelines issued by national and international recyclability consortiums and associations including WRAP, RECOUP, CONAI, CEPI, CEFLEX, APR, EPR, RECYCLASS, outlines criteria that dictate the design and composition of packaging materials, streamlining their recycling processes effectively.

We are aware that this leads us to theoretical recyclability; therefore, in the coming years, we will work to deepen our understanding of the topic to measure the actual recyclability of our packaging and align our guidelines with the criteria of the European Packaging and Packaging Waste Regulation.

The *Guidance on Packaging Material*, developed in collaboration with WWF, offers insight into environmental impacts across different life stages. It systematically compares key regulations and innovations concerning packaging, waste, plastics, bioplastics, circular economy, and chemicals, providing clarity and resources for all stakeholders involved in product and packaging design and development.

## MINIMIZING PLASTIC IMPACTS

In 2021, we committed to **reaching 40% of our plastic packaging sourced from recycled or bio-based materials by 2025**. Over the past 3 years, we have managed to increase this percentage from 5% to 24.7%. In 2022, we further strengthened our commitment with the aim of **eliminating virgin fossil fuel-based plastic by 2035**.

**Replacing virgin fossil fuel-based plastics with recycled or bio-based alternatives is one of the most important part of our roadmap**. However this is not an immediate process. The technical properties and market availability of recycled plastic vary greatly, depending on factors such as the quality and quantity of upstream waste selection and the production process. Moreover, ensuring that recycled or bio-based plastic packaging meets the same rigorous technical and safety standards as virgin plastic poses a significant challenge, particularly in industries with stringent safety requirements such as cosmetics, adhesives and food packaging.

To advance along our roadmap, we are collaborating closely with our suppliers to exchange knowledge and coordinate development plans. Additionally, we are leveraging the expertise of external partners such as universities and WWF® to gain further technical insights and guidance on overcoming sustainability challenges. Thanks to these collaborations, we are exploring alternative and innovative packaging solutions using agricultural supply chain by-products, considering the use of paper where feasible and practical, and progressing towards models focused on reuse and return.

Our commitment to innovation spans across sectors, driving us to continuously seek out sustainable practices and solutions.

### Home Care

For our home care products, we have innovated our packaging production processes to allow for the use of recycled plastic in more product categories.
In 2023, we completely revamped our Omino Bianco laundry detergent range by transitioning the bottle to **contain 50% post-consumer recycled** (PCR) **plastic** and the cap to consist of 100% PCR material. This eco-design initiative enabled us to save more than 900 tons of virgin plastic, equivalent to 23 million half-liter bottles. Additionally, the relaunch involved a 16% reduction in the weight of the cap.


### Personal Care

Thanks to the close collaboration with our suppliers, we managed to reach more than 30% recycled plastic in our packaging portfolio for personal care products. This result was achieved through different renovation projects such as the ones involving Neutro Roberts Intimo and Borotalco roll-on deodorants where virgin HDPE plastic was entirely replaced by 100% R-HDPE.

## Beauty Care

The new Collistar face cleansing with a significant focus on packaging sustainability features bottles made from 100% recycled and recyclable plastic. Additionally, the decision was made to forgo outer packaging to reduce paper consumption.

The Beauty Care Business Unit is also investing in developing reusable and refillable solutions for make-up products. This eco-design approach, which places a stronger focus on durability, has been applied to all the make-up products sold in cases (foundations, eyeshadows, face powders, blush) and to the make-up in stick (Puro lipsticks and Impeccabile Mascara). In 2023 we also launched a refillable solar foundation "Mediterranea". The packaging contains 80% recycled plastic and is refillable as many times as desired.

Our innovation efforts in the home care, personal care, and beauty care sectors have been recognized with 17 awards by CONAI (National Italian Packaging Consortium). These awards specifically acknowledge our strong focus on redesigning products to be recyclable, transitioning from virgin to recycled plastic, and shifting from disposable to reusable packaging in the makeup sector.

## Sauces


Prima, our ready-made sauces business, has made a significant change by transitioning the Ketchup bottles from PET to transparent recycled PET and increasing to 25% the recycled plastic in our Mayo bottles. In 2023, our attention was also directed towards tertiary packaging, where we successfully decreased the weight of the wrapping film by 20%, resulting in a total plastic usage reduction of 2300kg.

## Adhesives

In 2023, we expanded the UHU ReNature product range by introducing UHU ALL PURPOSE ReNATURE, featuring a tube crafted from 100% recycled aluminum and a cap composed of 100% recycled plastic.



Moreover, for both UHU ReNATURE range and the UHU correction rollers, we are progressively transitioning from PET blister covers to full cardboard blisters, made from 90% up to 95% recycled cardboard. This shift helps to eliminate plastic in secondary packaging and facilitates easier recycling.


Additionally, our Moisture Absorber Original devices have been switched to recycled (PCR) materials with the goal to not only contribute to our circularity goals but, at the same time, to give it a more premium perception, resulting in the use of 48% recycled material for the 900/1000g device and 50% recycled material for the 450g device.

Furthermore, the bottles for our Mildew Remover (in both Regular and Chlorine Free variants) are now composed of 70% recycled PCR material. Overall, these improvements will allow us to save 60 tons of virgin plastic per year.

## OUR COLLABORATIONS

### Packaging Ethical Charter Foundation

In 2023 we became ambassadors of the Packaging Ethical Charter Foundation (*Fondazione Carta Etica del Packaging*). This foundation promotes a set of shared values within the packaging supply chain, aligning our development activities with the principles of the **Ethical Packaging Charter**, particularly focusing on safety, transparency, and sustainability. As ambassadors, we pledge to operate in accordance with the ten points of the Charter, promote its values and content, and advocate for a "system culture" of packaging for an ethical and conscientious future.

### Commit For Our Planet

Bolton, along with its Personal Care and Beauty brands, has joined "Commit For Our Planet," an initiative by **Cosmetics Europe** aimed at reducing the environmental footprint of the cosmetics sector through collective action across the entire value chain. This initiative comprises various objectives spanning three areas of commitment: nature, climate, and packaging. As partners, we will have access to a range of indicators and measures beneficial for our sustainability journey and decarbonization efforts. With the involvement of several major players, we will not only strengthen our sustainability commitments but also add value to them with both internal and external stakeholders.

## Ensuring Responsible Waste Management

In our operations, we strive to reuse, recycle, or responsibly dispose waste whenever possible, with the aim of reducing the amount of waste sent to landfill or incineration without energy recovery. To advance this task, we have initiated discussions with specialized companies and local authorities to implement appropriate treatment solutions. For each type of waste, we are scouting possible synergies with private and public companies on the territory that could be interested in recovery and valorization.


In 2023, for example, the production site in Bühl successfully implemented a process to recycle PET-Liners from the labelling process of glue sticks. The single labels for our glue sticks are positioned on a PET-Liner and are dispensed from a roll. The PET-Liner then remains and needs to be disposed of. Up to now, this PET-Liner had to be thermally recovered because it could not be materially recycled by the local waste disposal companies.
By partnering with a renowned recycling company in the Netherlands, our Adhesives business unit, found a way to recycle the PET-Liners into raw materials for PET based products again. This process leads to a saving of 60% disposal cost and 67.5 tons of $CO_2$ equivalent per year based on 25 tons of waste.

Additionally waste management is an integral part of our ISO 14001 certification roadmap. Our production facilities undergo regular audits to identify opportunities for improvement, minimize production losses, promote waste reduction, and enhance resource efficiency. Through these measures and the respect of national and international regulations, we ensure effective waste management and pollution prevention.

## PRIMA PLANT TOWARDS ZERO WASTE

Our Toledo plant, achieved the AENOR Zero Waste certification, for the recovery of non-hazardous waste. This certification recognizes organizations that manage the waste fractions they generate, thus diverting them from landfills. This system aims for effective waste management: to reduce its creation, prepare it for reuse, and transform it into raw materials for reintroduction into the value chain.

The majority of waste generated at the plant is non-hazardous (99.4%). The primary waste types are mud (40.52%) and fat (33.69%) from the wastewater treatment plant, finished products unsuitable for consumption (19.41%), and paper and cardboard packaging (6.38%).

The sludge and fat from the waste water treatment plant is turned into compost through a microbiological decomposition of the organic matter, which is used in agriculture and gardening. Furthermore, the supplier in charge of the composting process is currently exploring a project in order to obtain biogas from compost that will be injected into the national gas network.

With the fraction of food products not suitable to be consumed also, through a mechanical process the organic matter is turned into compost and the empty and clean containers are conditioned and classified by type of material so that they can be properly recycled.

The cardboard, metals and film-type plastics are transferred from our factory in a segregated and classified way so that the recycling plant can recover 100% of these materials.

## ADDRESSING THE IMPACT OF FOOD LOSSES IN THE TUNA SUPPLY CHAIN

Being among the major tuna processors in the world, we feel a deep responsibility to manage the resource in the best way possible, from the way it is fished, stored and transported to the way it is cleaned, processed, canned and distributed. In all these steps of the value chain we are committed to minimize food losses and waste.

Food losses represent food that was originally intended for human consumption but has been devalued due to various factors at the stage of production and processing. A significant proportion of the losses in the fish industry can be attributed to processing. While some of these losses are inevitable and can be traced back to the necessary cleaning of the fish, others may arise during the transportation, canning and storage phases.

In our Food Business Unit, we have developed a dedicated line of research in collaboration with European universities, that is supported by EU funds, with the following objectives:

- reducing the oxidation of the meat in the storage phase and increasing the yield of the tuna in the cleaning phase;
- analyzing waste and making the most of it according to the residual nutritional properties (e.g. fertilizers, pharmaceutical usage, nutraceuticals, etc.);
- improving efficiency of the cleaning process through the mapping of the operating procedures in place in the different supply chains around the world and the sharing of best practices therefore promoting the adoption of Gold Standards along the supply-chain.
- Reduce the ratio, flakes to fillets, through biological intervention along the supply-chain.

As part of this initiative, in 2023, Bolton co-funded two doctoral scholarships at the University of Milan for research activities focusing on “studying treatments aimed at reducing the degradation process of fresh tuna”.

Also in 2023, Bolton partnered with the new International Master’s Degree Program in Sustainable Food Systems promoted by the Department of Agriculture at the University of Naples Federico II, in collaboration with several leading companies in the food sector. This program represents an important opportunity to concretely support education on sustainability issues for the agri-food industry, enriching the academic curriculum with new content and perspectives. Further, the University of Naples is also the EU Hub for Innovation in the Food-tech system and facilitate the adoption of tech advancement in the Food system to enhance the sustainability of the whole sector.

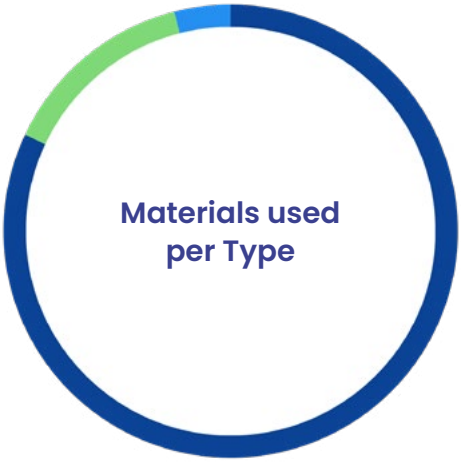
## Targets and Metrics

### Our 2023 Accomplishments

| Goal | 2022 | 2023 |
|---|---|---|
| **By 2025 we will reach a Forest Positive Approach:**<br>• 100% RSPO certified palm oil derivates in our products;<br>• 100% paper recycled or from sustainable sources on primary packaging | 21.4%<br>86.7% | **25.1%**<br>**89.9%** |
| **By 2025 we will improve our packaging through:**<br>• 40% plastic packs made from recycled or bio-based sources;<br>• 100% packaging reusable, refillable or designed to be recyclable (excluding packaging where ingredients or residue may affect recyclability or pollute recycling streams). | 17.4%<br>86.1% | **24.7%**<br>**94.5%** |
| **By 2035 we will reach a more circular approach on packaging through:**<br>• 100% zero virgin plastic from fossil sources; | NEW | **24.7%** |
| **By 2030 we will reach 50% ingredients from circular sources* in our home, personal care and adhesives products.**<br>**renewable/biobased, recycled/regenerated/upcycled, coming from abundant minerals and biomass balance certified.* | NEW | **21.1%** |
| **By 2025 we will reach zero waste to landfill in our manufacturing sites (where technological systems are available).** | 94.3%<br>recovered or recycled waste in our facilities | **93.2%**<br>recovered or recycled waste in our facilities |

## Our 2023 Performance

Bolton uses approximately **808,000 tons of raw materials and packaging materials**, along with nearly **30,000 tons of commercial goods**, which are sourced externally through a consolidated network of third-party suppliers and marketed by Bolton. About **82% of our materials consists of biological ones**, primarily seafood raw materials. Other significant biological materials include those used in packaging, notably paper and cardboard. **Technical materials account for nearly 15%** and are half represented by synthetic raw materials used in the formulations of our home, personal care, and adhesive products, and the other half by packaging materials.




| | |
|---|---|
| Biological Materials | 81.6% |
| Technical Materials | 14.8% |
| Commercial Goods | 3.6% |

| Materials Used (Tons) | 2023 | % out of total |
|---|---|---|
| **Total weight of commercial goods used** | **29,694** | **3.6%** |
| **Total weight of biological materials used** | **684,057** | **81.6%** |
| Biological raw materials | 654,779 | 78.1% |
| Biological packaging | 29,278 | 3.5% |
| **Total weight of technical materials used** | **124,319** | **14.8%** |
| Technical raw materials | 61,971 | 7.4% |
| Technical packaging | 62,348 | 7.4% |
| **Total weight of materials used** | **838,070** | **100%** |

**59% of our biological raw materials and packaging materials are sustainably sourced**. In this first year of adopting the ESRS standards, we are considering the guidelines set by our raw materials and ingredients policy, and packaging policy. 'Sustainably sourced' means being Marine Stewardship Council (MSC) certified, receiving a Green/Yellow rating according to the Monterey Bay Aquarium's Seafood Watch for tuna and harvested seafood, Aquaculture Stewardship Council (ASC) certified for farmed seafood, being RSPO certified or COSMOS certified for the ingredients of natural origin used in our products formulations. Additionally, it includes being Forest Stewardship Council (FSC) 100%, FSC Recycled, FSC mix or PEFC certified for paper and cardboard.

| Sustainably Sourced Materials (Tons) | 2023 |
|---|---|
| Total weight of biological materials sustainably sourced | 404,357 |
| Total weight of biological materials used | 684,058 |
| Share of biological materials sustainably sourced in total biological materials used (%) | 59.1% |

## Focus on our Raw Material Performances

Our primary raw materials include tuna, along with other seafood such as mackerel, sardines, salmon, anchovies, mollusks, meat and animal-based derivatives, collectively accounting for 81% of our raw materials. Plant-based ingredients, such as vegetable oils, vegetables, and plant-based derivatives, along with inorganic ingredients of natural origin used in our chemical formulations, represent 10.4% of our raw materials. Technical raw materials and ingredients of chemical synthesis, predominantly surfactants, oxidants, reducing agents, acids, fillers, polymers, and solvents, constitute the remaining 8.6%.

| Raw Materials Used (Tons) | 2023 | % out of total |
|---|---|---|
| Total weight of Technical raw materials used | 61,971 | 8.6% |
| Total weight of Biological raw materials used | 654,780 | 91.4% |
| Tuna | 562,270 | 78.4% |
| Other Seafood | 14,829 | 2.1% |
| Other raw materials of animal origin | 3,807 | 0.5% |
| Plant-based raw materials | 49,145 | 6.9% |
| Other raw materials of inorganic origin | 24,729 | 3.5% |
| Total weight of raw materials used | 716,751 | 100% |

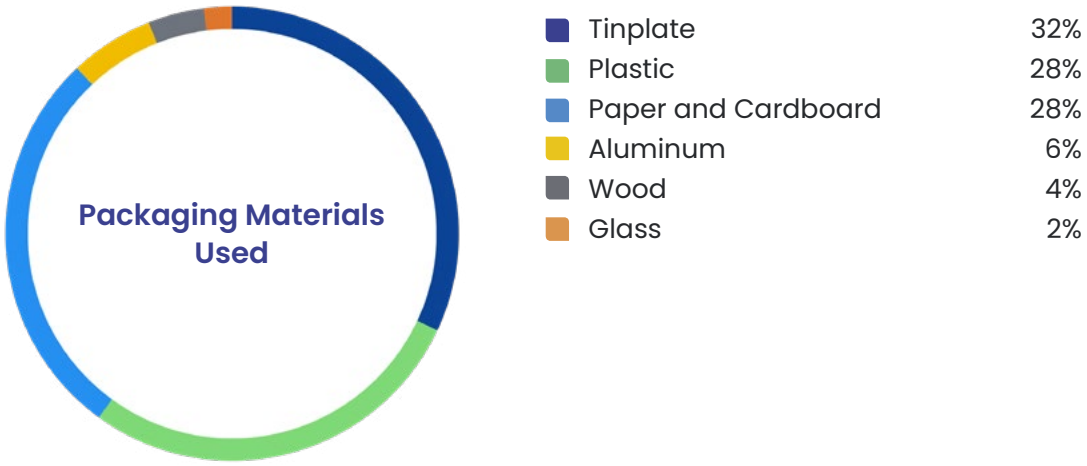
In 2023, the total raw materials used decreased by 4.8%, driven by a 7.8% decrease in seafood raw materials and a 10.2% increase in non-seafood raw materials.

| Raw Materials Used (Tons) | 2022 | 2023 |
|---|---|---|
| **Total Raw Materials used** | **752,920** | **716,751** |
| Seafood Raw Materials | 626,145 | 577,099 |
| Non-Seafood Raw Materials | 126,775 | 139,652 |

### Focus on our Packaging Performances

In 2023, **Bolton used approximately 91,000 tons of packaging materials**. Our main packaging materials are tinplate, paper, cardboard and plastic that overall account for 88%.

**77% of tinplate is used by our Food Business Unit, while 81% of the plastic is used by our Home and Personal Care Business Unit**. These two Business Units account for 86% of our paper, carton and cardboard consumption as well.

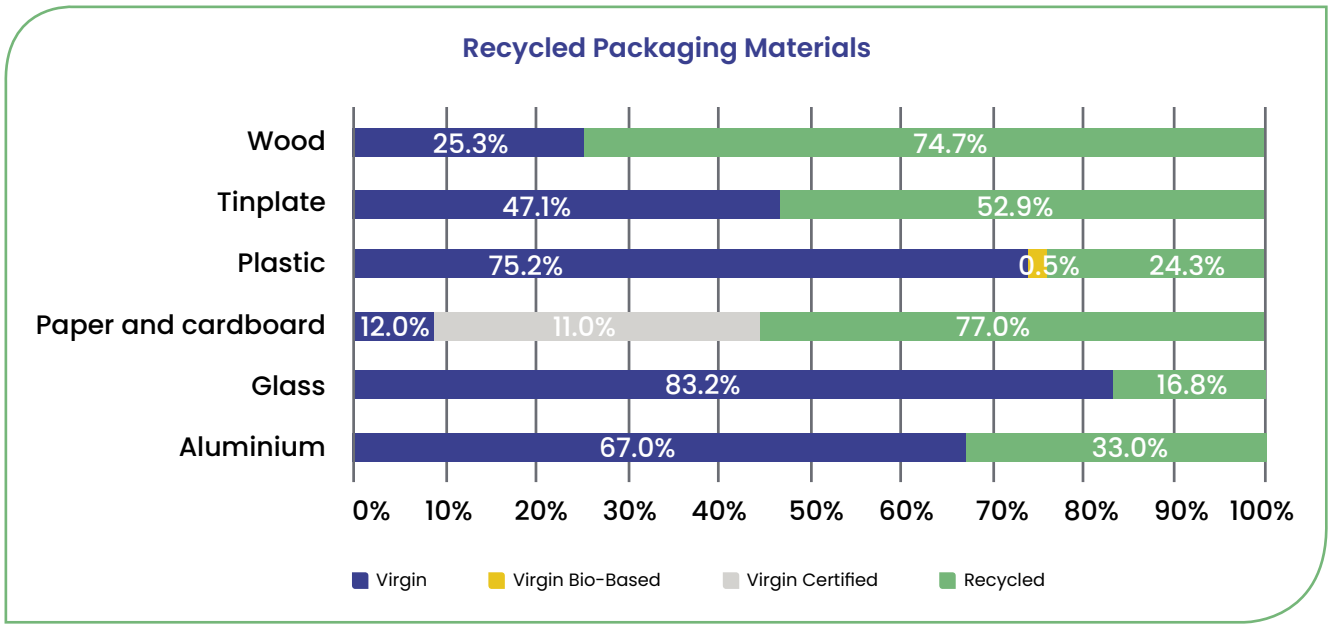



In 2023, we accomplished a **11% reduction in packaging material usage**, largely attributed to minor sales adjustments, portfolio effects, and packaging reduction initiatives.

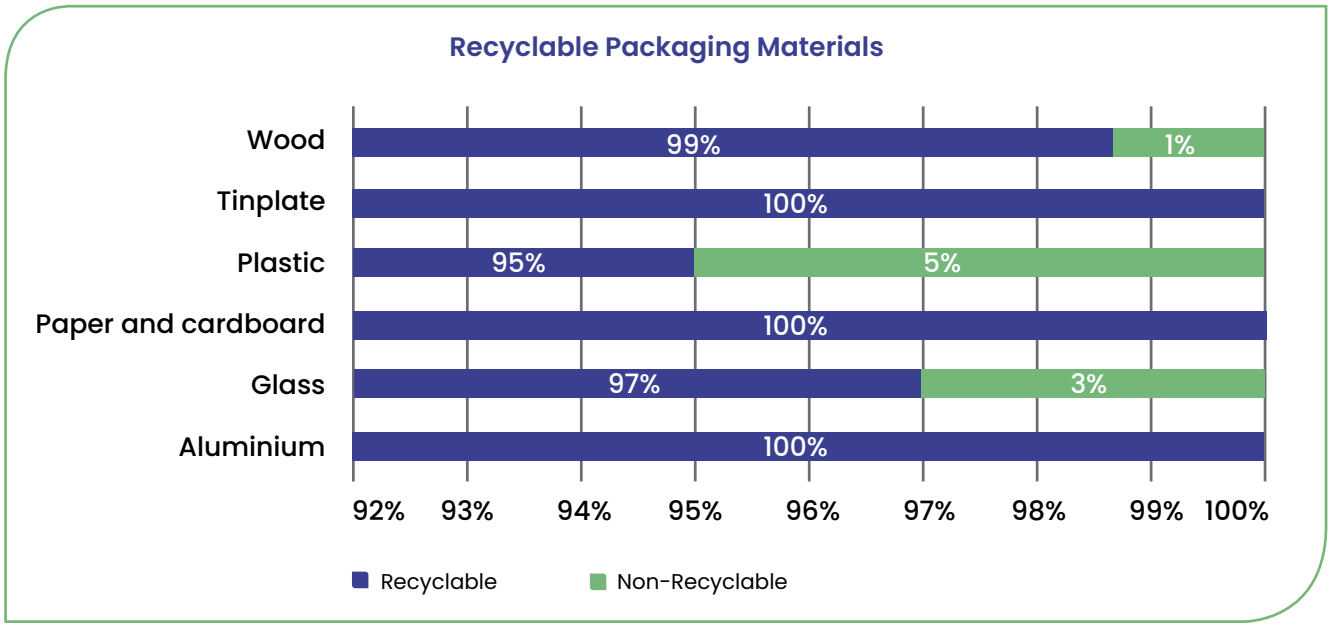
| Packaging Materials Used (Tons) | 2022 | 2023 |
|---|---|---|
| **Total Technical Packaging materials used** | **68,732** | **62,348** |
| Aluminum | 5,379 | 5,520 |
| Glass | 2,988 | 1,952 |
| Plastic | 27,243 | 25,184 |
| Tinplate | 33,122 | 29,692 |
| **Total Biological Packaging materials used** | **34,653** | **29,278** |
| Bio-based Plastic | 109 | 125 |
| Paper and cardboard | 29,974 | 25,392 |
| Wood | 4,570 | 3,761 |
| **Total Packaging Materials used** | **103,385** | **91,626** |

**Approximately half of our packaging material is recycled**. In 2023 we increased the quantity of **recycled plastic**, which **rose from 17.4% to 24.3%,** primarily driven by a 1,200 tons increase in recycled plastic from the Home and Personal Care Business Unit.

| Recycled Packaging | 2023 |
|---|---|
| **Total weight of recycled packaging materials used (Tons)** | **46,381** |
| **Recycled materials out of total packaging materials (%)** | **51%** |



**All the packaging materials we use have recyclability content rates exceeding 95%.** We recognize that the current assessment of recyclability is purely theoretical as it only evaluates the material in its initial stage and does not consider the final product destination. As part of our Sustainable Development Strategy we measure the recyclability of our products aiming at reaching 100% packaging reusable, refillable or designed to be recyclable (excluding packaging where ingredients or residue may affect recyclability or pollute recycling streams) by 2025.




## Our Waste Management Performances

**In 2023, waste generation at Bolton amounted to 31,008 tons**. 92% of the waste generation occurred at the plant level, while 8% occurred at the vessel level. The majority, approximately **69%, of this waste is non-hazardous, while 9,754 tons, or 31%, is hazardous**. All the waste generated in our vessels is non-hazardous. Our operations do not involve any radioactive waste.

| WASTE CATEGORIES IN OUR FACTORIES | |
|---|---|
| SEAFOOD | **Non-Hazardous:** sludge from water waste treatment plant, fish and vegetable waste, exhausted vegetal oils, metals (cans), plastic (film, and raw material packaging), unsorted waste, paper and cardboard, wood.<br>**Hazardous:** WEEE (waste of electric and electronic equipment), exhausted inks and mineral oils, lighting lamps. |
| SAUCES | **Non-Hazardous:** plastic, carboard, sludge, organic waste, scrap, materials unsuitable for food consumption and alkaline batteries.<br>**Hazardous:** cleaning liquids, chemical products, aerosols, contaminated packs (metal, plastic and cardboard), used oil, paintings and batteries. |
| HOME AND PERSONAL CARE | **Non-Hazardous**: Plastic, paper and cardboard, organic waste, sludge from biological purification plant, alkaline batteries, wood, unsorted waste, metals, cement and mixed waste from construction and demolition activities.<br>**Hazardous**: aqueous concentrates from purification plant, bulk raw materials or finished product waste, packaging containing residues of dangerous substances, cleaning liquids, aerosol, batteries, hazardous sludge, WEEE, exhausted inks and oils, exhausted neon, medical waste, paining. |
| ADHESIVES | **Non-Hazardous**: metal, plastic, paper and cardboard, non-hazardous adhesives/ chemicals, household waste, wood.<br>**Hazardous**: contaminated metal and plastic, hazardous adhesives/chemicals and organic solvents, WEEE. |
| FISHING VESSELS | **Non-Hazardous**: cardboard, plastic, tin cans, tin foil, paper, wire rope, Nylon/ PP rope, wood (from the rope drums/pallets), filters, alkaline batteries, used cooking oil/fat.<br>**Hazardous**: Lead Acid Batteries, printer Cartridges, used engine oil. |

Additionally, approximately **43.3% of the generated waste was diverted from disposal** through re-use, recycling, and other recovery operations, while approximately **56.7% was directed to disposal** through incineration with or without energy recovery and other disposal operations.

| Waste Management | 2023 | % out of total |
|---|---|---|
| **Total weight of waste diverted from disposal (Tons)** | **13,434** | **43.3%** |
| **Hazardous waste diverted from disposal** | **848** | **2.7%** |
| Preparation for Reuse | 1 | 0% |
| Recycling | 206 | 0.6% |
| Other recovery operations | 641 | 2.1% |
| **Non-hazardous waste diverted from disposal** | **12,586** | **40.6%** |
| Preparation for Reuse | 250 | 0.8% |
| Recycling | 9,447 | 30.5% |
| Other recovery operations | 2,889 | 9.3% |
| **Total weight of waste directed to disposal (Tons)** | **17,569** | **56.7%** |
| **Hazardous waste directed to disposal** | **8,906** | **28.7%** |
| Incineration with energy recovery | 282 | 0.9% |
| Incineration without energy recovery | 42 | 0.1% |
| Landfilling | 6 | 0.0% |
| Other disposal operations | 8,576 | 27.7% |
| **Non-hazardous waste directed to disposal** | **8,663** | **28.0%** |
| Incineration with energy recovery | 788 | 2.5% |
| Incineration without energy recovery | 74 | 0.2% |
| Landfilling | 4,332 | 14.1% |
| Other disposal operations | 3,469 | 11.2% |
| **Total weight of waste generated (Tons)** | **31,003** | **100%** |

# **Water** Resources

Water is a fundamental resource for many aspects of our value chains and operations, from the formulation in our R&D labs, to the production processes in our factories and the use of our products by consumers. As the global challenges of climate change and population growth exacerbate water scarcity, access to clean and safe water is increasingly at risk.

Bolton has a long-standing commitment in the context of ocean stewardship, where we have directed our efforts towards responsible fishing practices. While this commitment remains a cornerstone of our sustainability efforts, we recognize the urgent need to broaden our focus to encompass freshwater stewardship as well.

In 2022 we embedded water as one of the key pillars of our Sustainable Development strategy, signaling our dedication to address water challenges comprehensively.

**In 2023, we approached water stewardship through:**

**1. Assessing water-related impacts, risks and opportunities.**
**2. Embedding water management into our business strategy and policies.**
**3. Defining a roadmap to update our water ambition.**
**4. Monitoring water use to boost operational efficiency.**

## Impacts, Risks and Opportunities

In Bolton identifying, assessing, and responding to water-related impacts, risks and opportunities has historically taken place in the context of compliance with national and international regulations and Integrated Management System certifications, specifically the ISO14001.

Starting in 2023 we embarked on a comprehensive assessment adopting a double materiality approach to understand water resources challenges in our operations. Through information exchanges with internal and external stakeholders, we gained valuable insights into our water-related impacts, dependencies, risks, and opportunities across the diverse sectors and regions in which we operate.

Specifically concerning financial effects that water-related issues can have in our company, we developed an initial qualitative understanding by involving key internal stakeholders. In the next years we aim to keep enhancing this analysis through the use of qualitative tools and metrics, and by involving external stakeholders.

As we navigate the landscape of water stewardship, we recognize the global challenges related to water stress and pollution without overlooking the local specificities that characterize this topic. Given the complexity and diversity of Bolton's value chains and the locations where we operate, in upcoming years we will enlarge the scope of this assessment to understand impacts across our value chain and actively engage affected stakeholders to ensure we are addressing water related issues following a holistic approach that safeguards water as a shared resource.

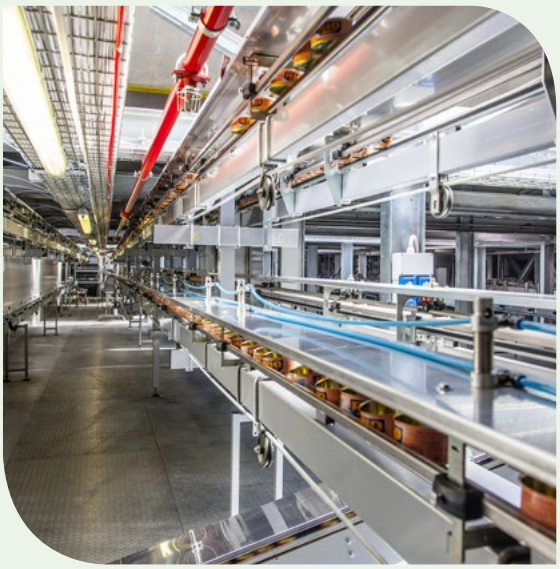
### Our Impacts on Water Resources

Water plays a critical role in our own operations and in the use-phase of our products.

Our operations, if not properly managed, could generate two main impacts on water: resource consumption and polluted water discharge.

| Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|
|  IMPACT | ⊖ | **Water consumption**: contribution to the water scarcity problem through the use of a significant amount of water in the production process. |  |
| | ⊖ | **Toxic Water Discharge**: release of contaminated and/or toxic substances from production operations into the water. | |

## WATER CONSUMPTION IN OUR OPERATIONS



### Food and Tuna Supply

The Food and Tuna Supply sectors are water dependent as this resource plays a vital role in the processing of canned tuna, seafood and meat and in the creation of ready-made sauces.

In our manufacturing facilities water is used for freezing, defrosting, sanitizing and cooking, but it also plays a key role in agricultural practices associated with the raw materials that we source.

Compliance with stringent water quality standards and regulatory requirements is imperative to ensure product safety and hygiene. The constant cleaning of our machines and the strict sanitation and sterilization measures pose a challenge to reduce water consumption in our operations.

### Adhesives, Home, Personal Care and Beauty

In the chemical sector, water is a fundamental ingredient in many of our products and a requirement for their use.

Water is key for cleaning and hygiene in Home and Personal Care. It is also a key ingredient in skincare and hair care products as, on average, they are 70% water based.

On the other hand, the production processes of our adhesives products rely on closed cooling cycles, which reduce the water demand. Nonetheless, water is crucial for production processes and, also in this case, a significant share of the products' composition is water-based.

Regarding the second impact identified, polluted water discharge could emerge as a significant impact within our value chain.

Unlike production processes for Food and Tuna Supply, which do not typically involve the use of harmful substances, the operations in the chemical sector require careful management to prevent pollution. However, the existence of a stringent set of mature and international environmental regulations limits the probability of occurrence of any significant impacts on water resources quality.

Furthermore, our Adhesives, Home, Personal and Beauty Care products impact water in the consumption and disposal phase considering the presence of non-biodegradable substances that might end up in water streams. This substantiates the importance of evaluating water impacts considering a life-cycle perspective, which will be a focus when updating our water stewardship ambition.

### Understanding Water Risks and Dependencies to Increase Resilience

Mitigating risks coming from our reliance on water resources and water-linked ecosystem services must be the compass of our water management strategy. While we work towards mapping risks and dependencies throughout our value chain, through our 2023 financial materiality assessment we identified one possible transition risk linked to our direct operations.

| Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|
|  FINANCIAL |  | **Penalties from Polluted Discharges**: increased fines due to improper management of polluted discharges to water. |  |

To complement this assessment, we have also started analyzing basin water risks, to increase internal awareness and to develop a water strategy.

**FOCUS: WATER RISKS**

**In its operational sites, a company could face two types of water-related risks:**

**Basin Water Risks**
**The nature and conditions of the basins in which the sites operate.**

ANALYZED BY BOLTON SINCE 2022

**Operational Water Risks**
**How the sites depend upon and potentially impact water.**

TO BE ANALYZED IN 2024

We evaluate basin water risks through the **Aqueduct Water Risk Atlas**, a tool developed by the World Resources Institute that uses geospatial data and advanced modelling techniques to assess water risks by considering four dimensions:

1. **Quantity-Physical risks** linked with the potential impact of changes in water availability, such as droughts or floods.
2. **Quality-Physical risks** linked to the possibility of changes in water quality.
3. **Reputational risks** referring to the potential conflicts that may arise with the public over water-related issues that may damage the company's image or result in the revocation of its license to operate in a community.
4. **Regulatory risks** in terms of the potential impacts that water-related regulations could have in the company.

In the first basin water stress analysis published in our 2022 sustainability report, we were able to determine the basin risk profiles for each one of our production facilities based solely on geographical variables which provided insights into the nature and conditions of the basins where we operate.

In 2023 we have enhanced our assessment to incorporate **sector-specific considerations**, and looking ahead, we will work to complement our basin water risk assessment with an operational one to evaluate our dependencies and impacts on water.

| | Plant | Country | Major Basin | Minor Basin |
|---|---|---|---|---|
| CHEMICAL | Cotignola | Italy | Italy, East Coast | Reno |
| | Calenzano | Italy | Italy, West Coast | Arno |
| | Goes | The Netherlands | Scheldt | Oosterschelde |
| | Nova Milanese | Italy | Po | Lambro |
| | Bühl | Germany | Rhine | Rhine 3 |
| FOOD | Agadir | Morocco | Africa, North West Coast | Tensift |
| | Aprilia | Italy | Italy, West Coast | Garigliano |
| | Toledo | Spain | Tagus | Tagus 1 |
| | Quimper | France | France, West Coast | Blavet |
| | Conservas Isabel Ecuatoriana | Ecuador | Colombia - Ecuador, Pacific Coast | Ecuador Southwest Pacific Coast |
| | Seafman | Ecuador | Colombia - Ecuador, Pacific Coast | Ecuador Southwest Pacific Coast |
| | Cermenate | Italy | Po | Olona |
| | Soltuna | Solomon Islands | Solomon Islands | Solomon Islands |
| | Gralco | Colombia | Magdalena | Magdalena 1 |
| | Cabo de Cruz | Spain | Spain-Portugal, Atlantic Coast | Ulla |
| | O'Grove | Spain | Spain-Portugal, Atlantic Coast | Lerez/Urnia |

| | Overall Water Risk | Quantity Risk | Quality Risk | Regulatory & Reputational Risk |
|---|---|---|---|---|
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- Extremely High
- High
- Medium - High
- Low-Medium
- Low

## BASIN WATER RISKS: ADOPTING A SECTOR SPECIFIC PERSPECTIVE LENS

### Food and Tuna Supply

7 out of our 11 Food and Tuna Supply production facilities operate in locations of Extremely High or Medium-High overall water risk, raising to 9 when focusing on physical risk associated to quantity. Considering the water dependent processes related to canned food production, we place efficient water management as a key priority in our industrial plans.

Specifically, these production facilities face varying degrees of water risk across different regions. For instance, for our plant in Agadir, Morocco, situated within the Tensift River Basin, the overall water risk is rated as Extremely High, primarily due to severe water scarcity and compromised water quality. This poses significant challenges to our operations, particularly in terms of water availability for processing.

Similarly, in Aprilia, Italy, located along the Garigliano River in the Italy West Coast basin, the water risk is also classified as Extremely High, highlighting concerns about both water quantity and quality. These assessments underscore the critical need for targeted water management strategies to mitigate risks and ensure sustainable operations.

**FOCUS ON: Tensift River Basin**

The Tensift River Basin in Morocco, where our Agadir production facility is located, is one of the most important watersheds in the country thanks to the development of agricultural and tourism activities. It is surrounded by the crest of the High Atlas Mountains, and its outlet is in the Atlantic Ocean.

This basin faces significant challenges related to water scarcity and pollution. Rapid urbanization, agricultural expansion, and climate change have intensified these issues, leading to competition for limited water resources. Pollution from untreated sewage, industrial discharge, and agricultural runoff further degrades water quality.

### Adhesives, Home, Personal Care and Beauty

Two of our 5 production facilities from the chemical sector operate in locations of High and Medium-High overall water risk.

Our assessment using the Aqueduct tool resulted in diverse water risk profiles across regions, with varying degrees of physical risk related to quantity, quality, and regulatory and reputational concerns.

Our facility in Cotignola, Italy, situated along the Reno River in the Italy East Coast basin, faces an overall water risk rated as High. This rating reflects not only the significant physical risk related to both water quantity and quality but also elevated regulatory and reputational risks associated with potential water pollution and non-compliance with environmental standards which are key topics for the chemical sector.

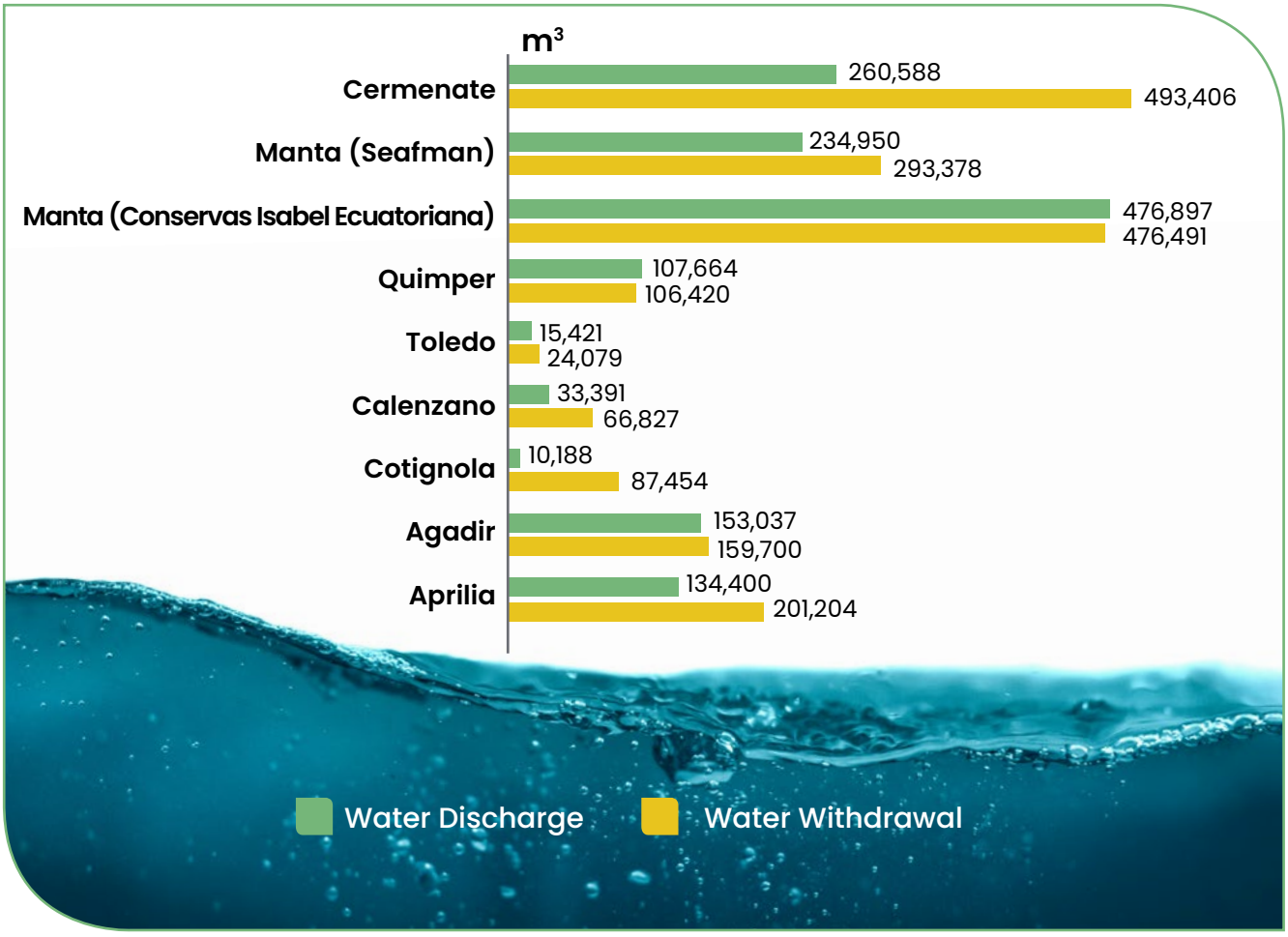
Our facility in Nova Milanese, Italy, located in the Po River basin, experiences relatively lower water risks, with ratings of Low to Medium.

**FOCUS ON: Reno River Basin**

The Reno River Basin in Italy, where our Cotignola production facility is located, spans approximately 5,049 square kilometers and encompasses a diverse landscape of plains, hills, and mountains. Water quality is impacted by agricultural runoff, industrial discharges, and urban pollution, posing risks to aquatic ecosystems and human health.

The basin faces challenges related to water quantity, especially during dry periods and droughts, due to heavy water usage for agricultural, industrial, and domestic purposes. Nonetheless, in 2023 our Home Care production facility located in this region suffered the effects of a flood that affected our plant and led to the suspension of distribution and production activities. This served as clear proof of the need to embed water related risks in our business strategy.

| | Water Consumption in Water Stressed Areas ($m^3$) | |
|---|---|---|
| | **2022** | **2023** |
| Aprilia | 8,444 | 66,804 |
| Agadir | 25,585 | 6,663 |
| Cotignola | 87,267 | 77,266 |
| Calenzano | 59,916 | 33,436 |
| Toledo | 8,621 | 8,658 |
| Quimper | -13,853 | -1,244 |
| Manta (Conservas Isabel Ecuatoriana) | -21,532 [14] | -406 |
| Manta (Seafman) | 43,584 | 58,428 |
| Cermenate | 190,564 | 232,818 |
| **Bolton Total** | **388,596** | **482,423** |




14 Reinstated value from 2022 Sustainability Report due to an inconsistency in the water discharge calculation.

While the water consumption in our Toledo plant remained overall constant compared to 2022, the other plants presented a series of variations. In Bolton, the consumption is calculated as the difference of water withdrawals and water discharges, and is therefore sensitive to multiple variables. In the future we are also committed to improving our measuring systems especially concerning the effluent points, as our consumption is potentially overestimated due to a lack of accurate discharge measurements.

For the case of our Home and Personal Care production facilities:

- In our Calenzano plant the reduced consumption resulted from the installation of a new reverse osmosis system at the inflow water treatment facility. This system, operational since June 2022, has a yield of 85% compared to the previous one, translating into lower withdrawals from the public network. Additionally, upon its activation, we obtained an environmental authorization allowing for the discharge of waste water into surface water channels as opposed to the previous disposal as waste, which explains the increase in the discharged volumes.
- In the Cotignola plant, in 2023 we introduced an evaporator into the inflow water treatment process. Although the system used was only a pilot and the official system is yet to be installed, its higher efficiency also resulted in a withdrawal reduction. Furthermore, the packaging process in the plant was simplified and resulted in an overall water use reduction in the production process.

Regarding our Food production facilities, for the case of Cermenate and Aprilia, both located in Italy, the increase in water consumption is due to the reduction in water discharges. In these facilities the water consumption results mainly from steam losses and the disposal of wet sludge as waste. In the Agadir facility, although the water withdrawals increased due to a technical problem with a cooling tower that uses around half of the water, the discarges increased by 31%, leading to an overall reduction in the consumption.

In our production plant in Quimper, France, the water consumption is negative representing a higher volume of discharges than withdrawals coming from rainwater volumes as they are currently not reported in terms of withdrawals but included in the discharge volumes. The increase in 2023 consumption in this case was due to a decrease in the withdrawals. Slightly negative values are also present for our Conservas Isabel Ecuatoriana production facility in Manta.

Finally, for the case of our Seafman production plant, also located in Manta, the variation in the consumption is due to an increase in the water withdrawals resulting from a definition adjustment that resulted in better data quality.

## Potential Opportunities

Our 2023 double materiality assessment led us to the identification of a possible resource efficiency opportunity, specifically related to more efficient processes with lower water requirements.

| Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|
|  FINANCIAL |  | **Water Management**: reduced costs by optimizing water management in processes throughout the value chain. |  |

## Water Management in our Strategies and Policies

Appropriate water management is a priority in Bolton, especially considering that 51% of our water consumption occurs in areas under water stress and that we have formally identified a resource efficiency opportunity for the future.

Our policy framework is the foundation for mitigating the impacts confirmed in our double materiality assessment. We have embedded water as a key topic in internal and external guidelines that drive our way of working.

| | |
|---|---|
| **Code of Conduct**[15] | Regarding water resources, we expect our employees and business partners to commit to:<br><br>**1.** Identifying opportunities for improving water efficiency.<br>**2.** Reducing the total product footprint, also considering the usage phase and water reduction during utilization stage. |
| **Policy on Ingredients and Raw Materials**[16] | Through this document we adopt rigorous quality, safety, circularity and sustainability criteria in the selection of both raw materials and ingredients which explicitly embed water-related issues.<br><br>The policy addresses the topic of water management, specifically related to enhanced protection and improvement of aquatic environments, the prevention of further deterioration and protection of water bodies and aquatic ecosystems, and the product and service design in view of addressing water related issues.<br><br>Relative to the Food sector, through the sections related to oil, vegetable, and beef sourcing we ask our suppliers to ensure the adoption of practices and technologies for correct water management.<br><br>For the Home and Personal care sector we have limited the use of nanomaterials in skin care, toiletries, and sun care products due to their low solubility, contributing to the good ecological and chemical quality of surface bodies. |

15 https://www.boltongroup.net/wp-content/uploads/2023/06/CODE-OF-CONDUCT_2024_ENG.pdf
16 https://www.boltongroup.net/wp-content/uploads/2023/05/Policy-Raw-Materials.pdf

Beyond our policy framework, our current water management takes place in the context of ISO 14001 certification roadmap. To guarantee compliance with these requirements, our production facilities are subject to periodic water audits for the identification of improvement opportunities to promote sustainable water usage, based on a long-term protection of available water resources. Through these efforts, and the compliance with national and international regulations, we ensure water treatment and prevent water pollution resulting from our operational activities.

## MANAGING WATER RISKS AND OPPORTUNITIES THROUGH OUR FOOD INDUSTRIAL ROADMAP

Acknowledging the impact that our water intensive processes have in water resources, and also leveraging on the opportunity to reduce costs, our food category has set water efficiency as a key pillar in its strategic plan. Specifically, a water reduction roadmap was set and is underway until 2026.

The implementations of a series of efficiency measures including water demand reduction, recycling, and in-house treatment has allowed our production facilities to reach an overall reduction of total water used per tons produced.

Specifically, in our **Conservas Isabel Ecuatoriana plant**, we have focused on increasing water circularity by:

- Diversifying water sources through the incorporation of seawater that is treater through reverse osmosis.
- Minimizing water loss and waste.
- Reusing water in our processes.
- Treating wastewater to prevent polluted effluents that might alter the physico-chemical properties of the destination water body.

We plan to leverage this experience by extending the increased circular approach to other two production facilities in the coming years.

Although our policy framework and management system certifications work as a baseline for water management, we acknowledge that local specificities linked to water issues need to be addressed through dedicated policies with a priority for our operations in areas of water risk. This will be a focus point of Bolton's work towards water stewardship in coming years.

## Our Water Ambition

As part of our Bolton Sustainable Development Strategy, we have set a series of voluntary water related goals:

| Goal description | 2022 | 2023 |
|---|---|---|
| **By 2024 we will calculate our corporate water footprint and define a clear reduction strategy** | NEW | We have identified a partner to support us and started the calculation. |
| **By 2025 we will reduce water consumption [17] per ton of finished product by 20% vs 2017 levels** | -12.9% | -16.2% |
| **By 2035 we will reach 100% biodegradable ingredients in our home and personal care products** | NEW | 70% [18] |
| **By 2025 100% suncream products in compliance with the Hawaiian Reef Bill** | 59.7% | 64.8% |

To reduce our impact in water consumption and leverage our water management opportunity, we have an efficiency target for our own operations, including those in areas of high-water stress, aimed at reducing our water withdrawals per ton of finished product by 20% compared to 2017 levels. This is also in line with our policy framework, specifically concerning ISO certification. The target is periodically monitored along the year through plant-specific monitoring dashboards that include also other Health, Safety and Environment indicators. In 2023 we reached -16.2% of water consumption per ton of finished product, representing 81% of the target achieved relative to 2017, the base year. This progress has mainly been achieved through the identification of efficiency measures in water audits carried out in a number of our production facilities, which have allowed us to identify best practices and implement measures to reduce water losses.

On the other hand, to mitigate our impact in terms of water pollution, for our Home and Personal Care Business Unit in 2022 we set the new objective to reach 100% biodegradable ingredients by 2035, addressing our impact beyond our own operations.

17 Excluding acquisitions since 2019, and intended as water withdrawals
18 Calculated on organic ingredients following OECD Test 301 methodology.

## ADDRESSING WATER POLLUTION BEYOND OUR OWN OPERATIONS


In 2023 we reached 70% biodegradable organic ingredients in our Home and Personal Care products. We are carrying out dedicated projects and undertaking a roadmap to consider the compatibility of our products with marine ecosystems.

The OECD 301 method is used to verify the adequacy of the products with respect to international standards on biodegradability. This method, developed by the Organization for Economic Co-operation and Development (OECD), is a standardized test used to evaluate the biodegradability of chemical substances in aerobic conditions, typically in water. This method assesses the rate and extent to which a substance breaks down into simpler compounds by the action of microorganisms present in the environment. It is commonly used to determine the environmental fate of chemicals and their potential impact on ecosystems.


Thanks to these efforts, our relaunched Omino Bianco liquid detergent contains over 90% biodegradable ingredients and requires 22% less water per washing dose.

Although our current objectives go beyond what is required by local and international regulations, we acknowledge their limitations in terms of alignment with local needs, particularly in areas of water risk, ecological thresholds and involvement of external stakeholders and affected communities.
**To address this, we have identified an external partner with extensive expertise in the development of strategies related to water cycle management. This collaboration will enable us to adopt a lifecycle approach to water footprint assessment, identify impact hotspots, set targets based on scientific evidence, and measure progress effectively**. These actions will be the starting point for defining a comprehensive corporate water strategy that responds to our stakeholders' requests while enabling us to create value in the long term. Our aim is also to integrate our management and disclosure practices in the articulated framework of international standards and initiatives to increase transparency and accountability.

## Water Consumption in our Operations

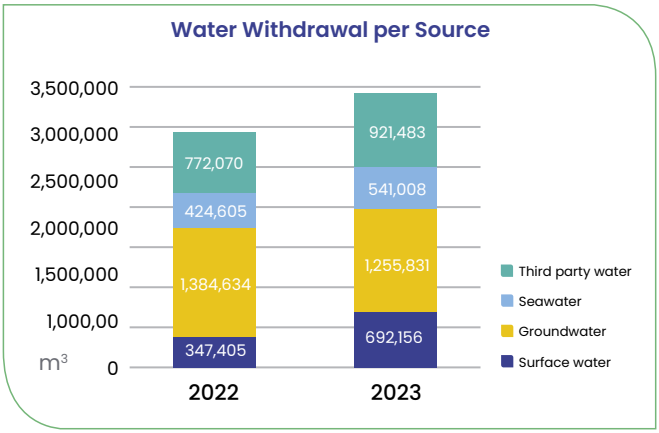
A solid water performance controlling system is the basis for strategy setting and for measuring progress against existing targets, which is why water-related performance indicators are integrated in our broader Health, Safety and Environment management systems. Nonetheless, measuring water consumption in our manufacturing production plants poses several challenges including:

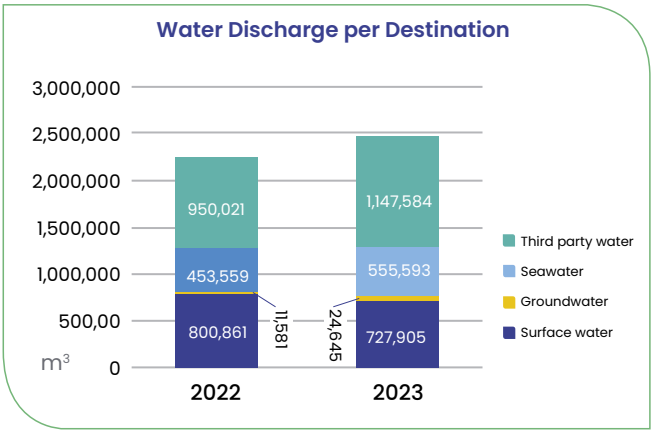
| 1. | 2. | 3. | 4. |
|---|---|---|---|
| **Variability in water usage** due to factors like production volume, product mix changes, equipment efficiency, and maintenance tasks, leading to fluctuating requirements throughout stages of the process. | **A diverse range of water sources**, each requiring specific measurement techniques. | **Water losses** occurring due to leaks, spills, evaporation, and inefficient equipment. Identifying and quantifying these losses accurately can be challenging. | **Manufacturing processes can be complex** and involve multiple process streams and interlinked operations. Understanding and measuring water consumption within such processes may require detailed process knowledge and specialized instrumentation. |

While we adopt new technologies, certain data that cannot be currently retrieved through accurate metering systems[19] are calculated and estimated using the best available information.

| | 2022 | 2023 |
|---|---|---|
| Total Water Withdrawal - $m^3$ | 2,928,714[20] | 3,410,478 |
| Total Water Discharge - $m^3$ | 2,216,022[21] | 2,455,727 |
| Total Water Consumption - $m^3$ | 712,692[22] | 954,751 |
| Total Water Recycled and Reused - $m^3$ | n.a.[23] | 205,116 |
| Total Water Stored - $m^3$ | n.a.[24] | 6,127 |
| Water Consumption Intensity $m^3$/M€ Net Revenue | 167.7 | 230.3 |

19 Partially: rainwater in Solomon Islands and Ecuador estimated through local monthly precipitation, seawater withdrawal in O'Grove and Cabo de Cruz calculated through a mass-balance approach, water withdrawal in NFD and Via Ocean fleets estimated based on water needs per fishing trip and number of fishing trips, water discharges from weeping wells in Cermenate estimated through calculation models.
20 Reinstated value from 2022 Sustainability Report due to the adoption of a new definition of water withdrawal in Conservas Isabel Ecuatoriana production plant to match the Bolton definition.
21 Reinstated value from 2022 Sustainability Report due to an inconsistency in water discharge calculation from Conservas Isabel Ecuatoriana production plant. The value excludes the Adhesives Business Unit.
22 Reinstated value from 2022 Sustainability Report (See Footnote 7). The value excludes the Adhesives Business Unit.
23 New KPI disclosed from 2023 onwards. No historical data available.
24 New KPI disclosed from 2023 onwards. No historical data available. Changes in water storage will only be included from 2024 onwards.




**In 2023, 954,751 m³ of water were consumed in our operations, representing a 34% increase compared to last year. Our total withdrawals increased by 16%, while our discharges only by 11%.**

The variations in water related indicators were mainly due to increased accuracy in our data collection and calculation. Specifically, we:

| 1. | 2. | 3. | 4. |
|---|---|---|---|
| Included our Adhesives Business Unit's water consumption in the perimeter of the calculation, as for the first year we were able to estimate the water discharges[12], leading to an overall increase in the consumption. | Aligned the definition of water withdrawal in our Seafman (Ecuador) and Grupo Alimentario del Atlantico (Colombia) plants to that of the rest of the Group, which resulted in a withdrawn volume increase. | Included our fleets' water consumption in the calculation perimeter. | Included our offices' water consumption in the calculation perimeter where available. |

While the above mentioned definition alignment increased Tri Marine's water withdrawals, this was counterbalanced by the reduction in all other business units.
On the other hand, apart from the newly calculated discharges in our Adhesives' plants, the volume of effluents increased in all plants except for Prima's in Toledo.

Around 71% of our consumption corresponded to Food and Tri Marine. The rest of our consumption corresponded mainly to Home and Personal Care, where water is a key part of our formulations.

12 For our Goes production facility, the discharge was estimated using the formula water withdrawn – water in products – water sent to waste = water discharged as there are no meters in the discharge points. For the Bühl production facility, no metering systems are present in the discharge points, but there are meters that measure the amount of water used for the production processes and the product manufacturing, therefore the discharged volume was calculated as water withdrawn – water in products.

In terms of water sources:

- **Groundwater (37%)** is the Bolton's main source, responding to the demand in our plants in Italy, and partially in Spain, Morocco, the Solomon Islands and Ecuador.
- **Third Party Water that we purchase from the supply network (27%)** is the second relevant source for Bolton, covering the whole demand in France, The Netherlands and Germany, the most significant share in Morocco, and partially in Spain, Ecuador and the Solomon Islands.
- **Surface water (20%)**, specifically river water, is withdrawn by our plant in Colombia where it undergoes potabilization treatment. Also in this case, around half of the water withdrawn is directly discharged after treatment. Rainwater is used to partially cover the demand in the Solomon Islands.
- **Seawater (16%)** is withdrawn in Ecuador and in Spain and by our Fleets. Our Conservas Isabel Ecuatoriana facility treats seawater withdrawn using reverse osmosis. In this case, the discharge with the dissolved substances representing around half of the withdrawal.

Our discharges reach four different destinations:

- **47%** of the water is discharged into third party water in the **public networks** in Europe, Colombia, Morocco, Ecuador and the Solomon Islands.
- **30%** of effluents reach a **surface water body**. This corresponds to water discharged to the Magdalena River in Colombia, and to a small share of discharge released to weeping wells in our Cermenate plant in Italy.
- **23%** of the water is discharged into the **sea**. This takes place in the Solomon Islands, Spain and in our Fleets.

# **Marine** Biodiversity Protection

Covering over 70% of the Earth's surface, the ocean plays a crucial role in regulating climate, supporting biodiversity, and sustaining livelihoods. As it is stated in the third *"Business for Ocean Sustainability"* Report of the One Ocean Foundation, the ocean has currently been depleted of half of its Blue Natural Capital. Rebuilding the Blue Natural Capital contributes to mitigating climate change, through the capacity of coastal ecosystems to sequester carbon and their role in defending the shoreline from storms and rising sea levels. It also contributes, critically, to increasing biodiversity, which in turn supports many other functions, such as food provision, alleviating the growing food crises that impact the most vulnerable societies.

The United Nations, through the *Kunming-Montreal Global Biodiversity Framework*, have formulated ambitious goals for the ocean, including stopping biodiversity losses, protecting 30% of ocean areas and restoring 30% of degraded habitats by 2030. This is going to require leadership by Governments, NGOs, but also the private sector. And Bolton is committed to positively contribute to that, protecting the ocean's biodiversity, the biodiversity of its blue forests and promoting a healthy blue economy.

## Impacts, Risks and Opportunities

**Bolton is a key player in the global tuna fishing, processing, and canning industry**. We trade over 500,000 metric tons of tuna annually, utilizing a portion for our own brand production through our Food Business Unit and the Wild Planet company, while selling the rest to diverse customers such as other brands, processing plants, and fishing companies via Tri Marine. Through transformative partnerships, , we aim to ensure responsible harvesting of this valuable resource, yielding benefits for ecosystems and livelihoods.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Marine Biodivserity | IMPACT | ⊖ | Biodiversity loss arising from productive activities that can lead to significant changes in the species composition, structure or function of natural ecosystems (such as overfishing, deforestation, and pollution of natural habitats). |  |
| | FINANCIAL | ⊖ | Increase in raw material costs due to degradation of habitats and ecosystems where the organization operates. |  |
| | | ⊕ | Maintaining economic performance through sales of tuna from responsible fishing practices. | |

In the seafood industry, the **overexploitation of fish stocks** and unsustainable fishing practices stands out as a primary concern as it may lead to a decline in fish population. Specific to the tuna sector, by-catch poses a significant issue, where non-target species such as turtles and sharks are unintentionally caught during fishing operations. Moreover, **pollution** stemming from this sector, primarily attributable to discarded or lost fishing gear, poses a significant threat to marine biodiversity (potentially causing entanglement of marine species) and can cause damage to marine habitats such as coral reefs. The tuna sector's impacts are further compounded by challenges related to **traceability** and illegal, unreported, and unregulated (IUU) fishing practices. Without robust traceability measures, it becomes difficult to verify the legality and sustainability of tuna products throughout the supply chain, exacerbating the risk of IUU fishing activities. IUU fishing not only undermines conservation efforts but also threatens the economic stability of legitimate fishing operations and the livelihoods of coastal communities. Moreover, it perpetuates unfair competition and market distortions, compromising the integrity of seafood markets globally.

Socially, the **tuna sector plays a pivotal role in the livelihoods of coastal communities, providing employment opportunities and supporting local economies**. However, unsustainable practices and inequitable distribution of benefits can exacerbate socioeconomic disparities and undermine the long-term viability of these communities. Thus, addressing the impacts of the tuna sector requires a comprehensive approach that balances ecological conservation with social responsibility, ensuring the sustainable management of marine resources for present and future generations.

From a financial perspective, one significant risk stems from the **potential increase in raw material costs due to the degradation of habitats and ecosystems**. The availability of seafood resources may decline, leading to higher procurement costs and supply chain disruptions.

However, amidst these challenges, we believe that **tuna sourced from responsible fishing practices** remains a robust opportunity for our business. This is driven by increased attention from consumers in most markets, as well as concerns from external stakeholders and expectations from customers.

## Marine Ecosystem Health in our Policies and Actions

Our strategy to promote the health of the ocean and fish stocks focuses on six key pillars:

1. Responsible Seafood Sourcing and Tuna Supply
2. Responsible Fishing Practices for Vessels
3. Transparency and Traceability
4. Partnerships for Healthier Oceans
5. Advocacy for Ocean Stewardship
6. Conservation Actions for Marine Ecosystems

### Responsible Seafood Sourcing and Tuna Supply

We are committed to sourcing seafood from **responsible fishing practices**, in line with internationally recognized regulations, including those set by the International Seafood Sustainability Foundation (ISSF), Regional Fisheries Management Organizations (RFMOs), and the principles established by MSC certification. These sourcing ambitions are integrated into our company's Raw Materials and Ingredients Policy, covering various seafood products, including tuna, mackerel, anchovy, sardine, mollusk, and salmon.

| | |
|---|---|
| Tuna | Bolton, through its Food Business Unit is committed to source 100% of its tuna either Marine Stewardship Council (MSC) certified or sourced from credible and comprehensive Fishery Improvement Projects (C&C FIPs) by 2024. Furthermore, it is committed to source from fish stocks that are not overfished and not in overfishing, and are above safe biological limits. For our Wild Planet branded tuna products we prioritize sourcing green-rated tuna according to the Monterey Acquarium Seafood Watch program, while yellow-rated tuna are chosen only when green options are not available. We never source species with a red listing. |
| Mackerel, Anchovy, Sardine | The Mackerel, Anchovy, and Sardine Sourcing Policy emphasizes the importance of sustainable management in these fisheries. It requires suppliers to comply with local and international laws, RFMO conservation measures, and avoid IUU fishing. The policy encourages sourcing from MSC certified fisheries and participation in Fishery Improvement Projects (FIPs). Suppliers are urged to promote compliance among their own suppliers and make their commitment to sustainability public. Transparency throughout the supply chain is crucial, including traceability and documentation. |
| Mollusk | The Mollusk Sourcing Policy focuses on promoting sustainable and responsible practices in mollusk harvesting, fishing, and processing. It emphasizes compliance with local and international regulations, adoption of good environmental practices, and protection of ecosystems. The policy encourages the use of best practices in extraction and handling, as well as the promotion of legal requirements among suppliers. Specific requirements are outlined for the sourcing of mussels, including species specifications and cultivation methods. Suppliers are also required to comply with codes of ethics, report traceability information, and collaborate with us to ensure policy compliance. Additionally, the policy encourages suppliers to work towards MSC/ASC certification and supports continuous improvement in sustainability practices. |

| | |
|---|---|
| **Salmon** | The Salmon Sourcing Policy emphasizes the promotion of sustainable and responsible practices in salmon farming, fishing, and processing. It stresses compliance with local and international regulations, as well as the adoption of measures to protect ecosystems and biodiversity. Specific requirements are outlined for the sourcing of wild pink salmon and farmed salmon (Salmo salar). For farmed salmon, suppliers are expected to be involved in robust aquaculture improvement projects or ASC certified fisheries, and to implement various measures to conserve natural habitats, prevent escapes, manage genetic integrity, control parasites, minimize antibiotic use, and reduce environmental impact. Additionally, suppliers must ensure sustainable feed sourcing, comply with codes of ethics and conduct, report traceability information, and collaborate with us to verify policy compliance. The policy encourages suppliers to support MSC/ASC certification initiatives and promote these requirements among their own suppliers and subcontractors. |
| **Tuna Supply** | For what concerns our tuna supply business, we have a specific sustainability policy that outlines our commitment to ensuring sustainability, compliance with regulations, traceability, and supporting initiatives that promote responsible tuna fishing practices. Specifically:<br>• We align our practices with the standards set by the International Seafood Sustainability Foundation (ISSF) and the Seafood Task Force (STF), aiming to minimize ecosystem impacts and uphold strong labor standards.<br>• We obviously comply with all applicable laws and regulations related to fisheries management and engage with government agencies and regional fisheries management organizations (RFMOs) to promote effective management and enforcement.<br>• We ensure traceability from fishing vessel to final sale, utilizing third-party review to prevent illegal, unregulated, and unreported (IUU) seafood. We actively monitor RFMO activities and collaborate with NGOs to improve tuna resource management, focusing on bycatch mitigation and electronic monitoring.<br>• We support the ISSF's mission of promoting science-based initiatives for tuna conservation and sustainable use, voluntarily adhering to ISSF's conservation measures.<br>• We require environmentally sound methods and certifications from the Marine Stewardship Council (MSC), the Seafood Watch of the Monterey Bay Aquarium and Fair-Trade USA for various tuna products. We aim to increase MSC certified supply over time. For fisheries not yet certified, we support Fisheries Improvement Projects (FIPs) aimed at achieving sustainability standards. These FIPs involve multi-stakeholder engagement, pre-assessment, workplan development, budgeting, staff designation, and public reporting on progress.<br>• Through strict standards, we commit to eliminate harm to dolphins and other marine mammals. |

## MARINE STEWARDSHIP COUNCIL CERTIFICATION AND FISHERY IMPROVEMENT PROJECTS

### MSC CERTIFICATION

MSC Fisheries Standard is the foremost international benchmark for sustainable fishing practices. It is grounded in the United Nations FAO guidelines for ecolabelling and updated regularly to incorporate the most recent research in fisheries science and the best management practices in fisheries based on multi-stakeholder consultations.
Compliance with the standard demonstrates a commitment to responsible and sustainable practices, contributing to the conservation of marine ecosystems. Independent third-party auditing ensures credibility. The Standard assesses three pillars, making it highly robust:

1. **Sustainable Fish Stocks**: fishing must take place at a level that ensures the health, continuity and productivity of fish populations.
2. **Minimization of Impact**: fishing must be carefully managed to maintain the health of other species and habitats within the ecosystem.
3. **Effective Fisheries Management**: fisheries must comply with relevant laws and have an effective management system in place to ensure compliance and the achievement of fishery objectives.

### FISHERY IMPROVEMENT PROJECTS (FIPs)

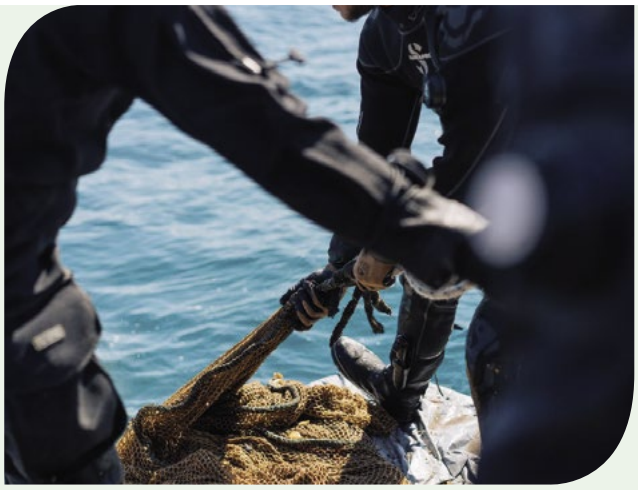
FIPs are multi-stakeholder initiatives that involve fishermen, vessel owners, NGOs, governments and other members of the fishing industry, with the aim of improving fishing practices and management to support the well-being of marine species, habitats and communities. The ultimate goal of a FIP is to progressively generate measurable improvements that result in MSC certification.
FIPs are assessed by fisheryprogress.org on a scale ranging from A to E based on their rate of progress against specific time benchmarks. A-C progress ratings are reserved only for FIPs that have reported improvements in policies, fishing practices or in the water within the last 12 months.

**A FIP can be defined as Credible and Comprehensive when**:

- A scoping document and MSC pre-assessment has been completed by an independent third-party auditor.
- An action plan has been established.
- The FIP has been publicly launched.
- The FIP has entered its implementation stage.
- The fishery is making progress according to the action plan designed within the agreed time frame.
- Progress is to be evaluated periodically by an external independent consultant.
- The FIP is required to have an A or C rating on fisheryprogress.org.

Tri Marine is involved in a number of MSC assessments and certifications both directly and indirectly. In addition to the numerous fisheries it sources from that are independently certified, Tri Marine held its own certifications for five fisheries in 2023, with a sixth under full assessment.

| Fishery | Status |
|---|---|
| Tri Marine Western and Central Pacific Skipjack, Yellowfin, and Bigeye Tuna Fishery | MSC certified |
| Solomon Islands Skipjack and Yellowfin Tuna Purse Seine and Pole and Line | MSC certified |
| Solomon Islands Longline Albacore, Bigeye, and Yellowfin Tuna Fishery | MSC certified |
| AGAC Four Oceans Integral Purse Seine Tropical Tuna Fishery | MSC certified |
| Tri Marine Atlantic Albacore Longline Fishery | MSC certified |
| Tri Marine Pacific Ocean Longline Fishery | Under Full Assessment |



In 2023, a significant milestone was reached in our FIP process with the **MSC certification attained by the Foundation for Tuna Conservation (TUNACONS).** The group represents 48 fishing vessels that catch around 25% of the total tuna landed from the Eastern Pacific. Of this, over 20,000 metric tons was sourced by Tri Marine. These fleets instituted a number of best practices onboard, including ensuring **100% observer coverage** even when not mandatory, adopting **best practices for bycatch handling and release**, and **testing biodegradable designs of fish aggregating devices (FADs)**. In addition, TUNACONS was a **strong advocate of strengthening fisheries science and adopting needed conservation and management measures at the national and multi-national level**, which were fundamental to demonstrating and protecting sustainable stocks of skipjack and yellowfin tuna.

**Through this process, the vessels were assessed under three principles underpinning best practices for sustainable fishing**. Firstly, the fishery was found to be operating in a way where the resource is not being overexploited, allowing fishing on the stocks to continue indefinitely. Secondly, the fishery's impact on the surrounding ecosystem, including other species and hsystem upon which the fishery depends is not negatively impacted. Finally, the assessment team also looked into the monitoring, control and surveillance systems of the fishery and found that it is well managed and meets domestic and international laws and regulations.

## MONTEREY BAY AQUARIUM SEAFOOD WATCH

**Seafood Watch** is a program of the Monterey Bay Aquarium aimed at assessing the impacts on marine and freshwater ecosystems of fisheries (wild-caught) and aquaculture (farming) operations. The assessments and calculations result in an overall scoring and final rating known as a Seafood Watch Recommendation with green representing the best choice, yellow indicating a good alternative and red identifying species that should be avoided.

Seafood Watch is based on four criteria:

1. Impacts on the stock: evaluates the fishery's impacts on the assessed stock by taking into account the current abundance of the stock and the fishing mortality.
2. Impacts on other species: evaluates the same factors as impacts on the stock, but applying them to non-target species.
3. Management effectiveness: evaluates the harvest strategy to control fishing pressure on the managed species, and assesses bycatch management, enforcement, monitoring and stakeholder engagement.
4. Impacts on habitats and ecosystems: evaluates the fishery's impact on the seafloor and how they are reduced.

For our Wild Planet products, which in 2023 amounted for a total of nearly 4,768 tons of tuna sourced, we prioritize sourcing green-rated products, while yellow-rated products are chosen only when green options are not available. We never source species with a red listing.

## RESPONSIBLE FISHING PRACTICES FOR VESSELS

Bolton owns fourteen purse seine and pole and line fishing vessels that operate in the Western and Central Pacific, Eastern Pacific and Atlantic oceans. **All our vessels are MSC certified or in a Credible and Comprehensive FIP**, and all our purse seiners are registered in the **Proactive Vessel Register** of the International Seafood Sustainability Foundation (ISSF), **undergoing annual checks by independent third parties** to ensure compliance with ISSF conservation measures. All fishing operations are **completely traceable**, and all purse seiners are monitored through **electronic monitoring systems**.

Aligned with our commitment to lead the implementation of best practices across our fleets and in those in our value chain, **we consider the efficient handling of Fishing Aggregating Devices (FADs) a top priority in the fishing sector**. In line with the International Seafood Sustainability Foundation (ISSF) guidelines, we work closely to ensure the responsible use of FADs not only in our tuna fishing vessels but also on those of our suppliers.

FADs are floating objects, made with natural and/or manmade fibers, that are deployed in the ocean to attract fish and tuna. FADs can be equipped with transceivers and are deployed to create conditions that attract schools of fish in search of food or protection. By providing skippers with information about the location and number of fish gathered beneath FADs, the technique is used to optimize operations.

Although FADs provide several benefits for purse seine tuna fishing, their effect on tuna populations and the marine ecosystem can be problematic, particularly regarding the unintentional catch of non-target species like sharks and other marine animals and contributing to marine plastic pollution. Consequently, and similar to any other fishing technique, we are committed to their active and responsible management.
Specifically, we have established a series of requirements for FAD management of our fleets based on ISSF recommendations:

- Use of non-entangling FADs to minimize the impact of fishing on the marine environment, avoiding the entanglement of non-target species, voluntarily audited annually by the AZTI Institute.
- Self-limitation to an average of 300 active drifting FADs per vessel, annually audited by AZTI and applicable only to our Atunera Dularra fleet.
- Periodic submission of data related to the use of FADs to the Regional Fisheries Management Organizations (RFMOs), along with information on fishing catches.
- Promotion of participation in the design of biodegradable FADs. Active participation was taken in the design and testing of biodegradable FADs in the Pacific Ocean in collaboration with IATTC in a project funded by the EU and in the Atlantic Ocean with ISSF.
- Addressing FAD recovery while biodegradable designs are proven and fully implemented through a partnership with the Secretariat of the Pacific Community (SPC).

## FOCUS: FAD MANAGEMENT

Fishing aggregating devices (FADs) are typically crafted from repurposed nets, floats, and other items that have fulfilled their original purpose. However, these materials usually consist of non-biodegradable synthetics such as nylon, polypropylene, and styrofoam. Additionally, once FADs drift beyond the operational zone of fishing vessels, they are no longer useful and cannot be retrieved, often washing up as debris on reefs and beaches.

Tri Marine has been a leader in the scientific analysis and response to FAD impacts. This includes the development of biodegradable FAD designs and FAD recovery strategies to reduce marine plastic pollution.

In partnership with the Secretariat of the Pacific Community (SPC), Tri Marine has worked with our suppliers to voluntarily provide over 10 years of FAD tracking data in the Western and Central Pacific, resulting in a comprehensive analysis of FAD hotspots for recovery efforts.
In 2022, a Memorandum of Understanding (MOU) was signed with SPC to continue this work, with Tri Marine sponsoring technical staff in the areas to advance recovery. This work continued through 2023, with expansion in the Federated States of Micronesia, Samoa, American Samoa and the Solomon Islands to gather data on FAD strandings/ beaching, clean-up efforts and build geofencing programs to intercept abandoned FADs before they reach shores.

In addition to its partnership with SPC, Tri Marine has participated in FAD recovery efforts in the Galapagos Islands together with TUNACONS and WWF. 27 FADs were recovered in 2023, removing 3,140 kgs of marine debris from beaches, reefs and the seas around the marine preserve.

Together with the ISSF, TUNACONS and the Inter-American Tropical Tuna Commission (IATTC), Tri Marine has been heavily engaged in the development of biodegradable FADs in the Eastern Pacific and Atlantic, including trialing new “Jelly FAD” designs. The goal is to create economically viable cordage and fabric materials that are truly biodegradable and have a lifespan of approximately one year. In the event that a bioFAD drifts beyond the operational zone, it should naturally decompose within a reasonable timeframe, as it is composed of organic matter. In 2023 a larger-scale tests in real open water conditions were done. We actively took part in the trial with our Garavilla fleets.

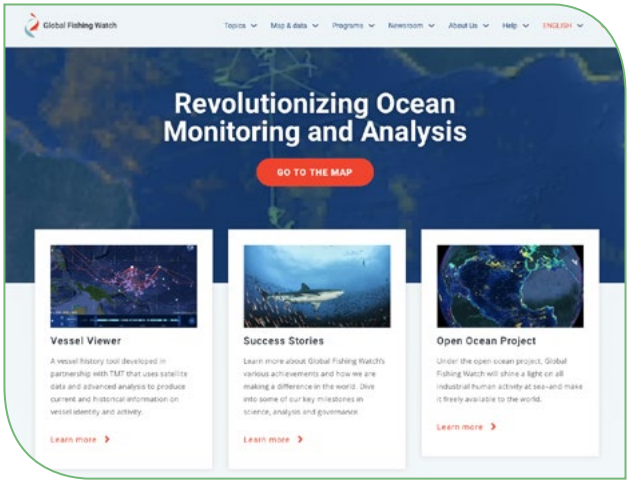
## Ensure Transparency and Traceability in the Seafood Chain

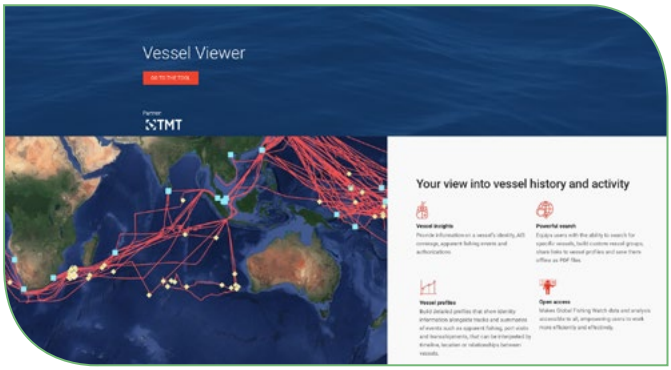
Transparency and traceability are key to measure and disclose our responsible seafood sourcing and fishing performances. They are also crucial in decreasing instances of fraud and food waste, combatting issues such as Illegal, Unreported and Unregulated (IUU) fishing, human rights abuses and environmental degradation. As leaders in the sector, we are also committed to meeting international obligations, national laws and consumer demands for reliable and transparent information about product origins.

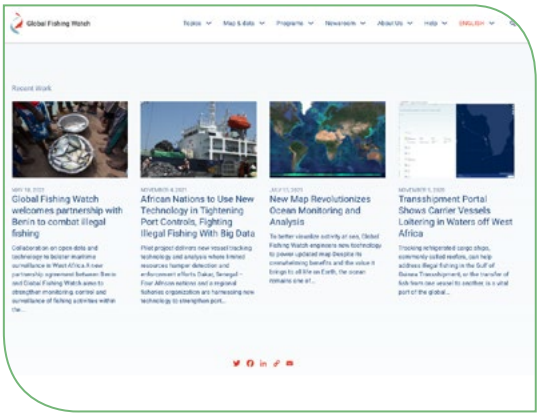
At the core of our traceability efforts there is the **ISO 22005 certification standard**, widely recognized as the benchmark standard for food traceability, that cover both our processing plants and tuna supply allowing us to trace every can of our tuna produced from the moment tuna is caught to consumer's plate.

Moreover we continued to work with the **Global Dialogue on Seafood Traceability** (GDST), testing the compatibility between systems and providing input to the initiative to develop better standards for transparency and traceability in the fishing sector.

Regarding transparency, **since 2023, we utilize the Global Fishing Watch Map** an innovative online platform that provides real-time tracking information for 8 out of 14 owned vessels, allowing stakeholders to easily visualize and analyze our fishing activities. We are one of the few companies that actively uses this tool and we will continue to leverage it to drive positive change in the industry. Data on these vessels' movements are analyzed by an independent expert to ensure there is full monitoring and assurance of these vessels' operations. The company also publishes yearly the list of all the supplier vessels.



## IMPROVING TRANSPARENCY ONBOARD TUNA VESSELS

All our owned fleets are equipped with Electronic Monitoring (EM systems), ensuring the accuracy of data recorded in fishing logbooks and compliance with good practices.


In collaboration with **FlyWire**, Tri Marine has achieved a significant milestone in advancing electronic monitoring (EM) capabilities onboard distant-water tuna longline vessels.

Tri Marine's journey in EM began in 2014 with the first pilot project in the Western and Central Pacific, and since then, we have continued to pioneer innovative solutions. By leveraging FlyWire's proprietary solution, we are not only tracking and reporting catch but also gaining insights into fuel consumption and labor utilization to improve operational efficiency and reduce environmental impacts.

This initiative aligns also with our commitment to increasing observer coverage rates, particularly in our recently certified Atlantic Albacore Longline Fishery.

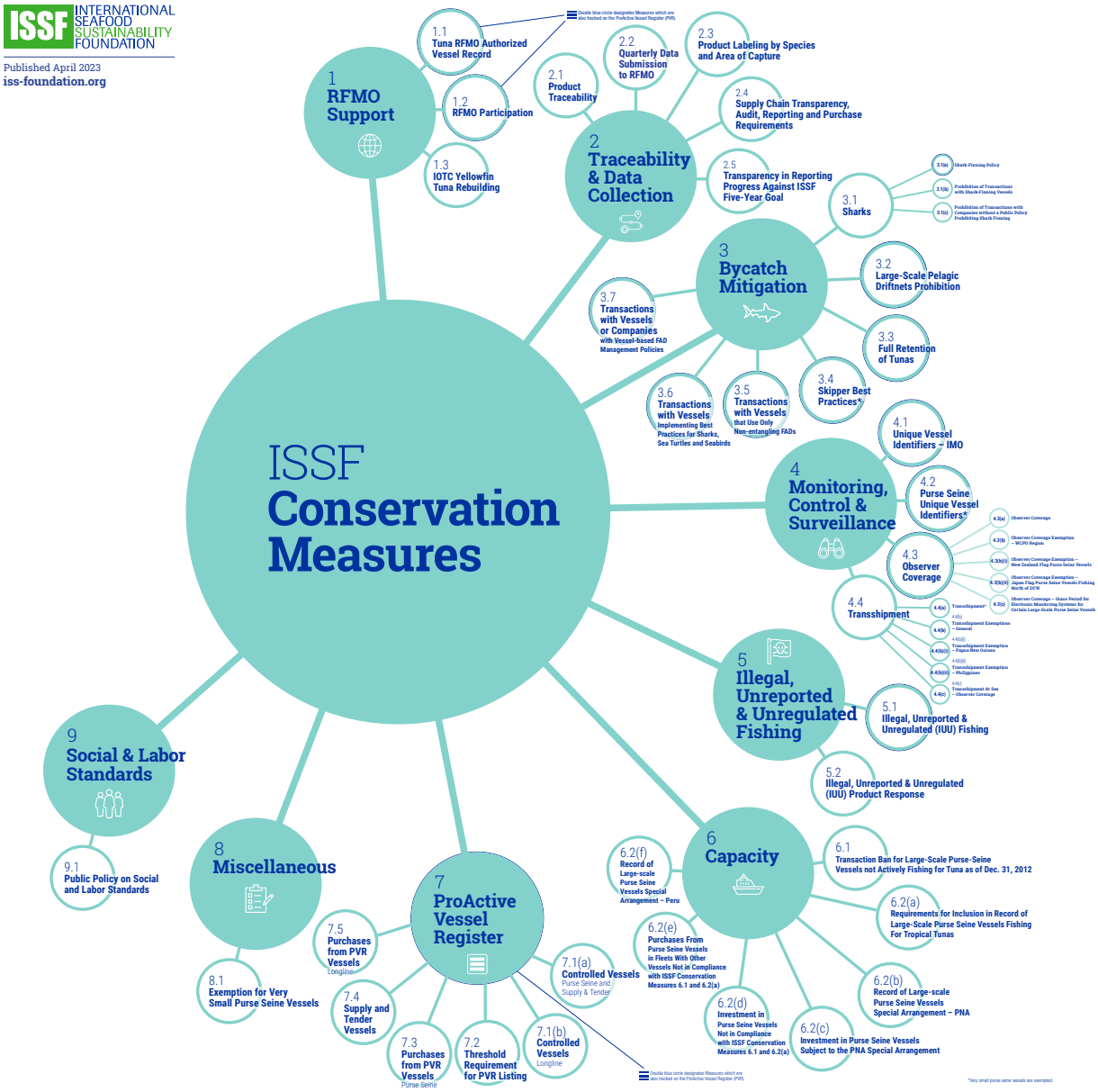
## Partnerships for Healthier Oceans

Ocean protection and marine ecosystem restoration are global challenges, that can be tackled through the efforts and commitments of numerous players, especially those who have the greatest potential to reduce the pressing threats to the ocean's biodiversity and to find solutions.
At Bolton, we believe that our role is to encourage transformative partnerships that promote ocean stewardship to improve our industry.

### *INTERNATIONAL SEAFOOD SUSTAINABILITY FOUNDATION (ISSF)*

Bolton is among the founding members of the ISSF, a non-profit organization that brings together leading companies in the fishing industry, the scientific community and environmental NGOs. The organization aims to promote long-term conservation and sustainable use of tuna and other fish populations. ISSF is a prime example of how sector leaders can come together to address sustainability issues using a scientific and pioneering approach. This organization works towards improving fishing management to ensure that fisheries meet the sustainability standards set by MSC's environmental certification.

As members of ISSF, we undergo annual audits to ensure compliance with its 46 conservation measures. **In 2023, Bolton achieved a 100% score in the annual ISSF audit**.

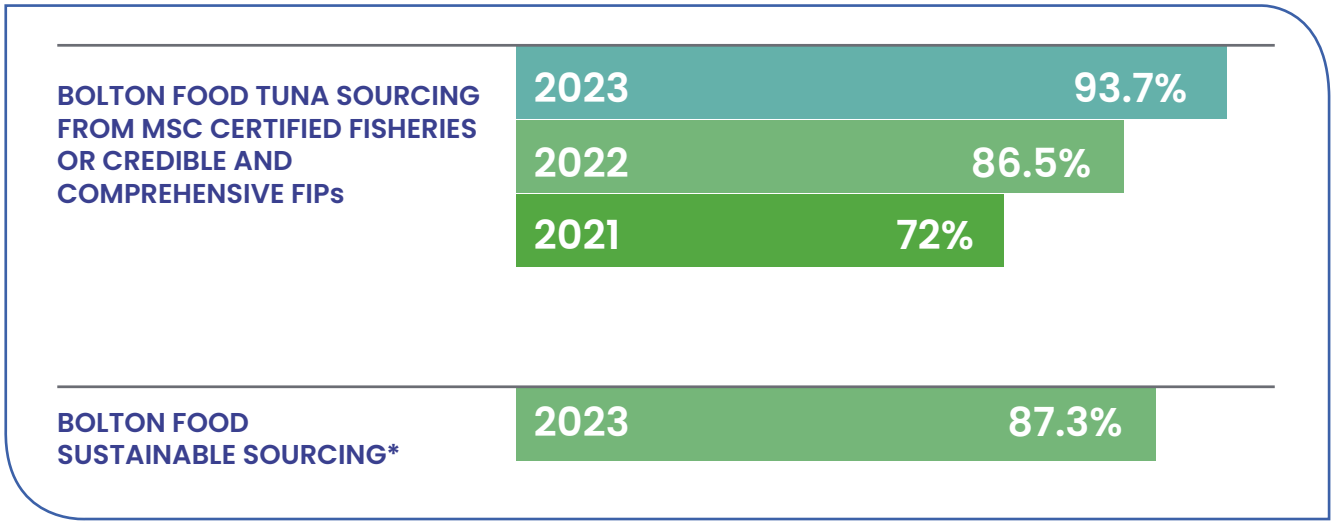


## *COLLABORATION WITH THE WORLD WILDLIFE FUND (WWF®)*

WWF® is a non-governmental organization that aims to stop environmental degradation and build a future where people can live in harmony with nature. It works in partnership with companies and other stakeholders to develop nature conservation initiatives, defining more sustainable environmental policies, and to seek solutions that mitigate the impacts that businesses may have on the planet, including threats facing the oceans.
WWF® and Bolton collaborate since 2017. The partnership aims to contribute to the safeguarding of a healthy ocean and the livelihoods of communities that depend on it, by increasing the value of canned seafood sourcing exclusively from sustainable fisheries. Sustainable fisheries are those that ensure the long-term resilience of tuna and other species in healthy ecosystems, and are conducted in an ethical, legal, transparent, and fully traceable manner.

Our partnership with WWF® is based on four main goals:

1. **More Sustainable Sourcing**: improve the company's sustainable sourcing by obtaining 100% of its Yellowfin and Skipjack Tuna from MSC-certified fisheries or from Credible and Comprehensive Fishery Improvement Projects by 2024. Furthermore, we are committed to reducing our sourcing from stocks that are below the safe biological limits (SSB/SSB0<20%), stock classified as "overfished" and stocks "in overfishing", as per the official RFMOS's stocks assessments. The commitment to increasing sourcing from MSC/ASC certified fisheries have been adopted also for other fish species such as salmon, mackerel, and sardines.
2. **Advocacy and Policy Change**: advocate for responsible management of global supply chains to move the sector towards sustainability. Together with WWF®, we advocate to Regional Fisheries Management Organizations (RFMOs) for more responsible management of fishing practices. Our advocacy commitments also include traceability, transparency and conservation of the marine environment.
3. **Traceability and Transparency**: increase the traceability and transparency of our tuna products, ensuring that all supply vessels are tracked and publicly listed, and that tracking data for company owned vessels is transparently shared online.
4. **Social and Labor Standards**: continue to strengthen our Human Rights policies, assess risks in our own supply chains and commit to an increasingly equitable supply.




* From MSC certified fisheries or credible and comprehensive FIPs and from fish stocks that are not overfished and not in overfishing, and are above safe biological limits (SSB/SSB0>20%).

## *INTERNATIONAL POLE AND LINE FOUNDATION*

We are also member of the International Pole and Line Foundation (IPNLF), an organization that aims to support sustainable fishing practices. Initially, IPNLF focused on small-scale pole-and-line fisheries in the Maldives, but it has now expanded to represent fisheries worldwide, bringing together science and traditional fishing methods.

The organization's Scientific and Technical Advisory Committee (STAC) plays a critical role in producing influential reports highlighting the environmental, social and sustainable benefits of one-by-one fishing. Our involvement allows us to support practical projects that help small-scale fishers implement best practices, while also advocating for their rights in international fisheries management decision-making. In addition, Tri Marine Sustainability Director, joined the IPNLF Market Advisory Group in 2023.

## *BERMEO TUNA WORLD CAPITAL*


We are an active member of Bermeo Tuna World Capital (BTWC), a public-private association that involves key players in the tuna supply chain, with the main objective of promoting the sustainable management of tuna.

In 2023, BTWC organized in Bilbao and Bermeo, the Bermeo Tuna Forum, an international forum with the participation of more 400 people and key stakeholders from the industry (NGO, public institutions, RFMOs, international organizations, retailers, tuna and vessel associations) to reflect and discuss about the importance of maintaining a balance between the economic development of the tuna fishing activity and the protection of the resources, while protecting human rights along the supply chain. The Forum also focused on the importance of establishing partnerships for the sustainable management of tuna and the need for the localization of the 2030 Agenda for its long-term survival.

The Forum was the scenario for the launching of two important initiatives:

- The International Declaration Agreement on Tuna Sustainability to be approved by the United Nations.
- The World Alliance of Tuna Cities, a network of cities to jointly promote this International Declaration and to promote the sustainability of the industry at local level.

## Advocacy for Ocean Stewardship

Bolton believes in the power of advocacy to face the current environmental and social challenges. Our advocacy efforts intend to influence market incentives and policy development to generate a positive change within the sector and the development of new measures to protect our fisheries and marine ecosystems.

### *REGIONAL FISHERIES MANAGEMENT ORGANIZATIONS (RFMOS)*

Regional Fisheries Management Organizations (RFMOs) are organizations formed by governments with fishing interests in a particular area to promote the conservation and management of fish populations in each ocean.

Bolton has initiated a direct and indirect involvement in advocacy activities with RFMOs aimed at encouraging the development of new policies to protect marine ecosystems.

Bolton advocacy objectives for 2023 focused on:

- the adoption of Harvest Strategies and Rules to guarantee an adequate fishery management;
- the implementation of a robust FAD management procedure to reduce their potential environmental impact, their impact on the juvenile-mortality of yellowfin and bigeye tunas and the bycatch of non-targeted species;
- the increase of observer coverage for monitoring fishing operations to 100% within industrial tuna fishing fleets.

Specifically, for the IOTC, in 2023 Bolton joined the Global Tuna Alliance (GTA), the Tuna Protection Alliance (TUPA), and WWF in an influential joint initiative, making a public statement asking for a 30% reduction in yellowfin catch vs 2020 levels. To be aligned, we self-imposed a gradual and significant reduction in the use of yellowfin tuna caught in the Indian Ocean, aiming for an ultimate reduction of at least 30% by 2025 compared to 2020. In 2023 our yellowfin tuna volumes from the Indian Ocean, decreased by more than 67% vs 2020 levels.

### *LONG-DISTANCE FLEET ADVISORY COUNCIL (LDAC)*

LDAC
Long Distance Advisory Council

Starting from 2022 we became official members of the Long-Distance Fleet Advisory Council (LDAC), a consultative body that gathers input, aligns expectations, and provides guidance to the European Union on how to approach discussions with RFMOs. Participation in the works of the LDAC will allow us to understand the EU decision-making process, expressing our concerns and conveying our priorities.

## *EUROPEAN FISH PROCESSORS ASSOCIATION (AIPCE CEP)*

The AIPCE CEP is the highest organization that represents transformers, processors and traders of fish and fishery products supplying the European Union market. The association represents 19 EU National Associations from 11 Member States and 3 National Associations, and emphasizes the importance of responsibly and sustainably sourcing fish from all origins, including the EU fleets, aquaculture, and international supply chains.
The AIPCE CEP's role is key in supporting the objectives of the EU Common Fisheries Policy and Fisheries Control System, in encouraging improved implementation and enforcement of existing measures and the introduction of substantive new requirements.
In 2022 our Food Business Unit Sustainable Development Director was appointed Chairman of the Working Group on Sustainability, allowing for a direct dialogue with the most important entities that transform, process, import and export seafood at EU level.
In 2023 we have provided our direct contribution for the creation of a new European Seafood Sector Manifesto. The manifesto, to be published in 2024, is addressed to seafood companies and European institutions. Its main objective is to inspire and standardize the approach to sustainability of companies, promoting a holistic and transformative approach. The manifesto will be developed around 6 relevant pillars:

- Responsible Fishing and Healthy Oceans
- Responsible Aquaculture
- Responsible Production
- Human Rights and Communities Development
- Healthy and Affordable Food
- Responsible Communication.

## *NORTH ATLANTIC PELAGIC ADVOCACY GROUP (NAPA)*

In 2023 Bolton has continued to engage as member of the North Atlantic Pelagic Advocacy Group, also known as NAPA.
The NAPA is a coalition of more than 50 retailers, food service companies and suppliers aimed at improving North Atlantic pelagic fisheries management.
NAPA was formed in response to the continuing dispute between Coastal States over mackerel quota allocation in the North East Atlantic. Over time, this dispute has resulted in annual catches well in excess of the advised level for three commercially important species: North East Atlantic mackerel (hereafter mackerel), Atlantic-Scandian (Norwegian Spring Spawning), herring (hereafter herring), and North East Atlantic blue whiting (hereafter blue whiting). As a consequence of this overfishing, and the absence of a long-term management strategy, fisheries in each stock lost their Marine Stewardship Council (MSC) certifications.
NAPA aims to drive sustainability in these fisheries by securing an agreement on total allowable catches in line with the scientific advice, as well as long-term, science-based fisheries management strategies. The group is tackling these issues through the establishment of two Fishery Improvement Projects (FIPs) – one for mackerel and herring, and one for blue whiting.

## Conservation Actions for Marine Ecosystems

As part of our ongoing commitment to marine ecosystem conservation, Bolton actively engages in various initiatives aimed at preserving vital marine habitats.

### *MANGROVES FOREST CONSERVATION IN ECUADOR*

In July 2022, we collaborated with WWF® to support the renewal of land protection concessions for 6,093 hectares of mangroves forest in the Gulf of Guayaquil in Ecuador, with the goal of extending this protection regime to more than 8,000 hectares. In fact, 31% of the mangrove ecosystem in Pacific South America is in Ecuador, where the Gulf of Guayaquil is home to 80% of the country's mangroves. Moreover, Ecuador holds a special place in our business operations, with two production plants located in Manta and the surrounding Pacific Ocean waters being vital to our supply chain.
Mangrove forests play a pivotal role in providing essential ecosystem services such as carbon sequestration, soil erosion protection, fisheries support, and water filtration. They are crucial to the livelihoods of coastal communities worldwide, with an estimated 100 million people dependent on them. These 'blue forests' are an important resource in fighting climate change, as they can store up to 9 times more carbon dioxide per hectare than tropical forests. Despite their significance, human interventions have led to the loss or degradation of over 67% of the historical mangrove habitat. In the 1970s and 1980s the coverage of mangrove forests In Ecuador had been greatly reduced due to deforestation to make room for shrimp farms.
Since 2000, Ecuador's Ministry of the Environment has implemented a mangrove conservation strategy by giving local ancestral communities the opportunity to obtain a 10-year concession to manage the forests to preserve them and better manage their fish resources. Communities are asked to submit forest management plans to become "mangrove guardians" with the goal of monitoring and guarding the sites.
Bolton and WWF support local communities by providing them with technical assistance to implement or renew mangrove concessions recognized by the Ecuadorian government. They also co-fund area delineation actions and donation of basic equipment, such as computer and radio communication tools, with the aim of strengthening the communities' capacity to monitor, supervise and protect the mangroves themselves.

### *SEA TURTLE CONSERVATION*

Tri Marine contributed to the International Seafood Sustainability Foundation's (ISSF) sea turtle conservation fund, which provides crucial funding for important projects worldwide. A combined donation of $104,000 from Tri Marine and other contributors helped support the various initiatives in 2023 and 2024 cycle.
In Ecuador, Tri Marine formed an alliance with RACSE Foundation to support their sea turtle conservation program in Manta by providing protective structures for nests and the construction of a hatchery. This resulted in close to 500 baby sea turtles making their way to the ocean. In 2024, we will assist in the construction of another hatchery to continue supporting the program.
Our Food Business Unit, furthermore, since years, support the Egadi Islands Marine Protected Area (MPA) and the Caretta Caretta Sea Turtles Recovery Center in Sicily, Italy. In 2023, our funding allocated towards essential equipment, such as UV lamps and timers to help sea turtles to grow, digital magnifiers to use in school labs to detect microplastics, tablets for marine educational workshops and a cutting-edge LED wall for remote and lab-based multimedia presentations.

## Targets and Metrics

### Our 2023 Accomplishments

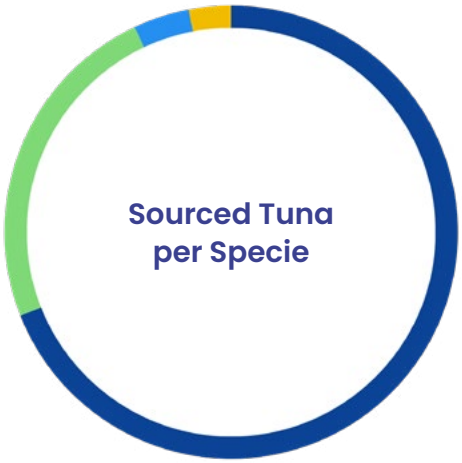
| Goal | 2022 | 2023 |
|---|---|---|
| **By 2024 onwards achieve 100% tuna from responsible fishing practices for all our brands*** **It means: Marine Stewardship Council (MSC) certified, in MSC full assessment, or engaged in a comprehensive and credible FIP, or Green/Yellow rated according to Monterey Bay Aquarium's Seafood Watch* | 86.5% | **93.7%** |
| **Every year 100% of tuna in compliance with ISSF and RFMO regulations.** | NEW | **100%** |
| **By 2025 reach 100% usage of biodegradable FADs* for all our vessels*** **Majority of material is biodegradable* | NEW | **4.7%** |
| **By 2030, for our global brand Rio Mare, 100% tuna from MSC certified fisheries*** **Rio Mare branded tuna products with Marine Stewardship Council (MSC) certification on pack* | NEW | **36%** |
| **Developing annual advocacy initiatives focused on fisheries management and marine ecosystems protection with our transformational partners.** | NEW | **ONGOING** |
| **Every year support our environmental partners in conservation projects to protect marine ecosystems.** | NEW | **ONGOING** |

### Our 2023 Accomplishments

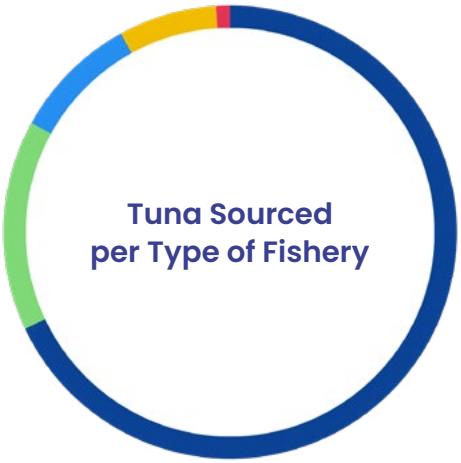
In 2023, Bolton sourced approximately 560,000 metric tons of tuna. 8% corresponds to the total tuna caught through our owned fishing vessels, with the rest being sourced from external suppliers.

Most of the tuna sourced is Skipjack (Katsuwonus pelamis), followed by Yellowfin (Thunnus albacares). Bigeye (Thunnus obesus) and Albacore (Thunnus alalunga) represent a minor share.

68% of Bolton tuna sourcing comes from fisheries that are MSC certified, 22% is sourced from fisheries involved in fishery improvement projects aimed at obtaining the MSC certification or are in the process of obtaining it. About 9% comes from fisheries that have no certification. Finally, 1% of our tuna sourcing is Green/Yellow rated according to the Monterey Bay Aquarium's Seafood Watch, which corresponds to the tuna we use in our Wild Planet products.




| | |
|---|---|
| Skipjack | 70% |
| Yellowfin | 24% |
| Big Eye | 4% |
| Albacore | 2% |

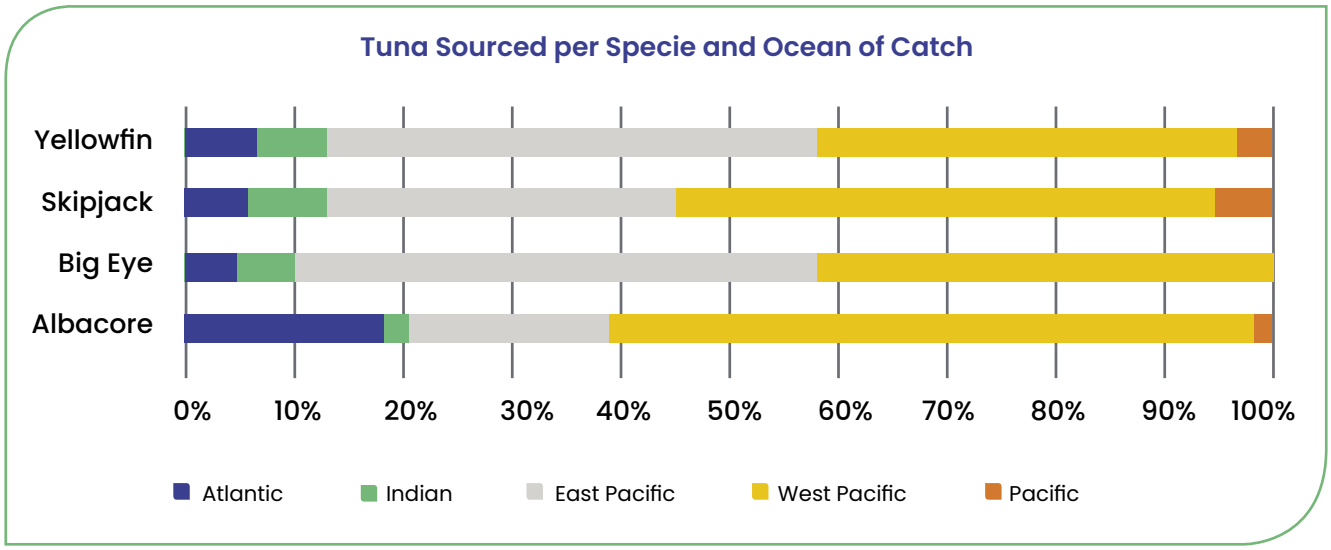



| | |
|---|---|
| MSC | 68% |
| MSC full assessment | 7% |
| FIP | 15% |
| Standard (No Certification) | 9% |
| Green/Yellow Seafood watch | 1% |

As described in our procurement policies, we pay close attention to the status of tuna stocks in the world's fisheries from which we source. To accomplish this, we make use of the ISSF Status of the World Fisheries for Tuna, a report based on the most recent scientific assessments of these stocks and the management measures adopted by Regional Fisheries Management Organizations (RFMOs). For each stock, ISSF applies color ratings (Green, Yellow, Orange) to each of two factors: stock abundance and fishing mortality.

In 2023, 88% of our tuna sourcing came from the Pacific Ocean, 6% from the Atlantic, and 6% from the Indian Ocean. 96% of our tuna sourcing came from stocks rated green, 2% rated yellow, which corresponds to approximately 11,000 tons of Big Eye tuna from the Eastern Pacific and 1,000 tons from the Atlantic, and 2% rated red, corresponding to approximately 7,240 tons of Yellowfin tuna and 1,330 tons of Big Eye tuna sourced from the Indian Ocean.

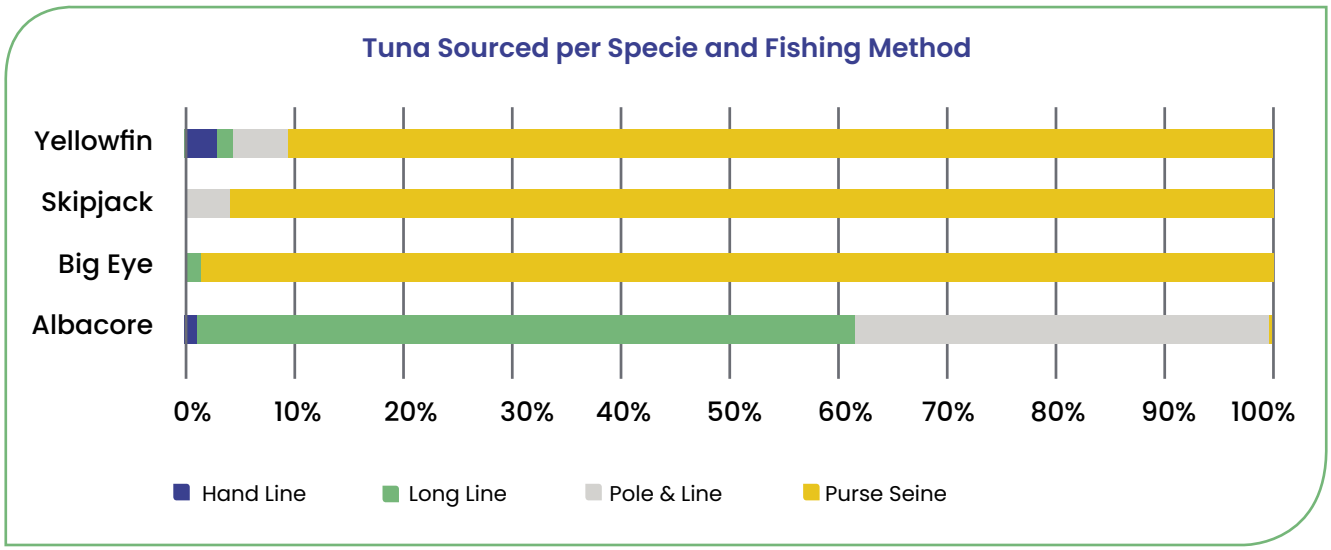
At Bolton, we firmly believe that these stocks can only be effectively recovered if significant reductions in catches are implemented immediately. For several years now, Yellowfin stocks in the Indian Ocean continue to be overfished and suffering from overfishing. This is why we strongly support a 30% reduction in yellowfin tuna catches from 2020 levels and have self-imposed a limit on our supply. In 2023, the volumes of yellowfin tuna used in our products sourced from the Indian Ocean decreased by more than 67% compared to 2020 levels.




| | Atlantic | Indian | East Pacific | West Pacific | Pacific* |
|---|---|---|---|---|---|
| Albacore | 3,222 | 350 | 2,261 | 7,985 | 335 |
| Big Eye | 1,024 | 1,332 | 10,918 | 9,706 | - |
| Skipjack | 23,285 | 23,815 | 129,299 | 192,477 | 22,296 |
| Yellowfin | 8,976 | 7,243 | 60,931 | 52,019 | 4,796 |
| **Total in Metric Tons** | **36,507** | **32,740** | **203,409** | **262,187** | **27,427** |

**In the Pacific column, we have included Skipjack and Yellowfin tuna caught by vessels licensed to fish in both the Western and Eastern Pacific, while Albacore tuna is caught in the North Pacific.*

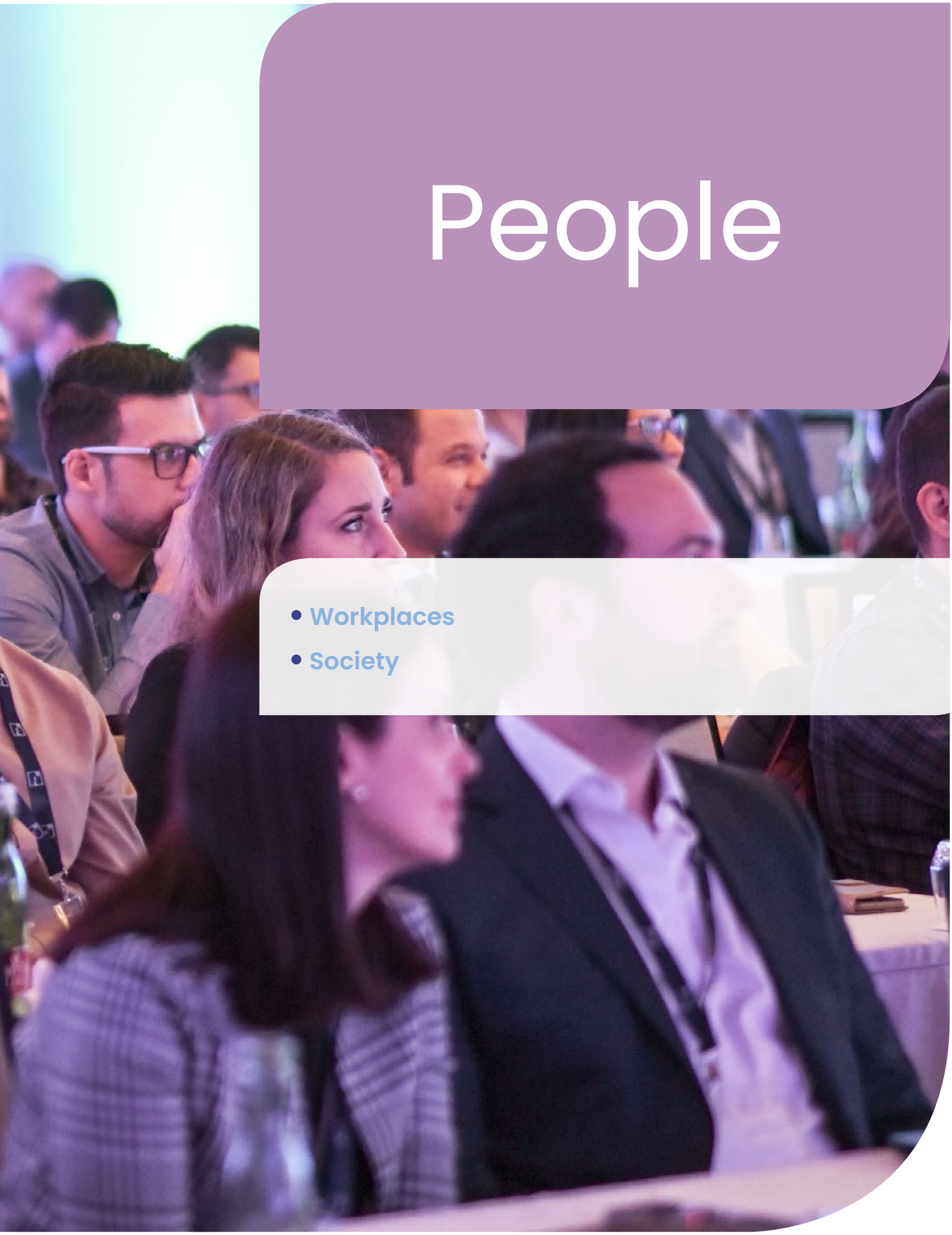
In 2023, 92.7% of our tuna was caught through Purse Seine fishing method, with 5.3% coming from more artisanal fishing methods such as Pole & Line, Handline and 1.9% from Longline fishing method.



| | Hand Line | Long Line | Pole&Line | Purse Seine |
|---|---|---|---|---|
| **Albacore** | 296 | 8,826 | 5,008 | 23 |
| **Big Eye** | - | 399 | - | 22,582 |
| **Skipjack** | 11 | - | 13,765 | 377,395 |
| **Yellowfin** | 3,756 | 1,622 | 7,134 | 121,452 |
| **Total in Metric Tons** | **4,063** | **10,847** | **25,907** | **521,452** |

Aside from tuna, at Bolton we also market approximately 14,800 tons of other seafood products, including mackerels, sardines, salmon, mussels. Our canned seafood products are produced throughout our facilities in Italy, France, Spain, Morocco and Ecuador. We also work with a select group of external suppliers who have been long-standing partners of ours and have established a strong reputation for delivering high-quality products.


| | |
|---|---|
| Mackerels | 45% |
| Sardines | 30% |
| Other Seafood | 20% |
| Salmon | 3% |
| Mussels | 2% |



# People

- Workplaces
- Society

# Workplaces

As highlighted by the 2023 Global Talent Trends Mercer, in today's rapidly evolving business landscape, organizations are increasingly recognizing the importance of resetting relevance to align with shifting societal values and expectations. While progress has been made in areas such as environmental initiatives, significant gaps persist in key areas such **as living wages, social justice, and human rights**.

However, to truly thrive in this changing environment, organizations must also prioritize delivering on **total well-being for their employees**. By focusing on both the work environment and benefits, companies can create a supportive ecosystem that promotes physical, mental, and emotional health. Additionally, building for employability is crucial in ensuring that employees remain adaptable and agile in the face of evolving demands. Investing in **skills development and workforce readiness** not only benefits individual employees but also strengthens the organization's capacity to navigate uncertainty and drive sustainable growth.

Moreover, with the introduction of the new European regulations CSRD (Corporate Sustainability Reporting Directive) and CSDDD (Corporate Sustainability Due Diligence Directive), there is an increased focus on **Human Rights in the workplace.** These regulations mandate companies to assess and report on their human rights impacts throughout their operations and supply chains. Ensuring fair treatment, non-discrimination, and safe working conditions for all employees are central to meeting these requirements. Therefore, **aligning health, safety, and talent retention strategies with a strong commitment to human rights** is essential for sustainable business success in the evolving regulatory landscape.

## Impacts, Risks and Opportunities

Our workforce consists of over **10,500 employees,** approximately **60% are blue-collar workers** mainly based in the developing countries of Ecuador, Morocco, Colombia, and the Solomon Islands. They are primarily involved in manual fish cleaning operations at our cannery factories, or are sailors employed on our fishing vessels. The rest of our blue-collar employees are based in Europe, where we have fish and meat canneries, a plant dedicated to sauces and facilities for the production of home care, personal care, and adhesives' products. **Our white-collar employees** are predominantly situated in Europe, with **25% based in Italy, where our headquarters are located**. They are mainly involved in managerial or administrative tasks. Bolton employs 368 non-employees, comprising workers whose activities are overseen by Bolton Group's legal entities despite being under employment contracts with third-party companies. This category encompasses interns, agency workers, agents, and contractors.

In assessing the impacts, risks, and opportunities within our workplaces, we have focused on the impacts related to our employees.

### People Development

The productivity and efficiency of the workforce directly impact production output, quality, and overall operational performance. A highly skilled and motivated workforce can drive innovation and competitive advantage. Investing in training and development programs can enhance employee skills, knowledge, and capabilities, improving workforce productivity and performance. Continuous learning opportunities also help attract and retain top talent. Conversely, we have identified a financial risk related to talent shortage due to the risk of not being sufficiently attractive and having to pay more for specialized personnel, as well as reduced productivity linked to demotivated and inadequately skilled labor.

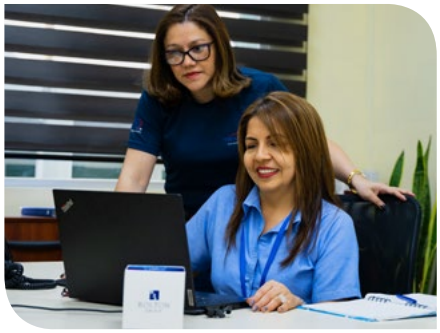
| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| People Development | IMPACT | + | Workforce's skills enhancement by providing employees the possibility to join educational programs and trainings aimed at fostering personal and professional development. | |
| | FINANCIAL | − | Inadequate staffing levels (in terms of numbers and skills) compounded by low motivation stemming from a deficient talent development program. | |

## Health and Safety in our Workplaces

Our decisions regarding health and safety policies can significantly impact the lives and well-being of individuals working in our plants, vessels, and offices. For example, our canneries involve labor-intensive operations with delicate tasks that require the use of blunt materials for fish cleaning. On fishing vessels, there are additional risks related to heavy equipment handling and navigational hazards. Our plants dedicated to home care and adhesives products also involve handling potentially hazardous substances. The effectiveness of our health and safety management systems ensure our people are able to work in a safe environment and mitigate the risk of handling dangerous substances. Furthermore, neglecting to prioritize workplace safety can result in injuries, accidents, legal liabilities, and harm to the company's reputation.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Health and Safety in our Workplaces | IMPACT | ⊖ | Increase in the number of work-related injuries (employees and contractors) due to lack of an effective health and safety management system. |  |
| | | ⊕ | Increased employee wellbeing through the awareness and prevention initiatives in the areas of health, mental and physical integrity. | |
| | FINANCIAL | ⊖ | Rise in operational losses due to penalties or damages incurred from employee non-compliance with health and safety regulations. |  |

## Equity, Diversity and Inclusion



Embracing diversity and inclusion initiatives can attract diverse talent pools, improve employee engagement and retention, and foster innovation and creativity within the workforce. Failure to effectively manage diversity and inclusion efforts can lead to internal conflicts, decreased morale, and impaired teamwork, ultimately hindering productivity and organizational effectiveness. Moreover, from a financial perspective, there is a risk of operational losses resulting from legal actions due, for example, to discrimination, mobbing or harassment.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Equity, Diversity and Inclusion | IMPACT | ⊖ | Lack of respect for diversity and gender equality stemming from differential treatment influenced by factors such as gender, sexual orientation, religion, ethnicity, language, disabilities. |  |
| | FINANCIAL | ⊖ | Rise in operational losses resulting from legal actions initiated by employees due to discrimination, mobbing, or harassment. |  |

## Working Conditions and Human Rights


Bolton's operations extend across diverse global regions including developing countries such as Ecuador, Colombia, Morocco, Solomon Islands where the lack of strong institutions and regulations might lead to an oversight in the enforcement of human rights, such as women's rights or trade unions. The company's employment practices, encompassing workplace safety, fair wages, and labor rights, directly influence the human rights of its employees. Through the adoption of ethical business practices and robust policies, coupled with effective grievance mechanisms, Bolton can effectively mitigate human rights risks and avoid financial losses stemming from penalties or reputational issues.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Human Rights | IMPACT | ⊖ | Violation of human rights across the value chain arising arises from engaging in informal and/or illegal labor practices. | |
| | FINANCIAL | ⊖ | Increased fines due to the violation of human rights through the value chain regarding freedom of association, wage conditions, forced labor, child labor, health and safety, equal opportunity. | |

## Strategy and Policies

People are at the heart of our organization and are our most precious resource. Central to our employee-centric approach are our Code of Conduct, Human Rights Policy, and Whistleblowing System and Policy, fundamental documents that have been approved by the Board of Directors. These documents ensure a workplace environment built on principles of fairness, equity, and respect.

**CODE OF CONDUCT**

The Code of Conduct applies to all companies within Bolton and it is intended for all those working in the name or on behalf of Bolton including consultants, agents and representatives, among others.

With regards to our internal relations, the Code of Conduct is founded upon the following principles:

**Diversity, Equity, and Inclusion**

- Bolton is committed to creating and maintaining a positive, safe, and inclusive work environment.
- Equal opportunities are ensured throughout the employment path, including recruitment, promotion, and training, free from discrimination based on race, age, gender, religion, nationality, or other factors.
- Discrimination and harassment, including sexual harassment, are condemned and actively discouraged.
- Employees are encouraged to act as role models, respect equal opportunity principles, and promptly report any discriminatory behavior.

**Human Rights and Fair Working Conditions**

- Bolton upholds and promotes human rights in accordance with international standards.
- The company engages in open dialogue with employees and trade unions to address working conditions and mutual interests.
- Transparent and confidential procedures are provided to report any concerns related to human rights violations.

**Health and Safety in the Workplace**

- Bolton prioritizes the well-being and safety of its employees and communities.
- Compliance with safety regulations and fostering a culture of safety through training are emphasized.
- Employees are expected to actively participate in safety measures, report any anomalies promptly, and avoid work under the influence of alcohol or drugs.

**Responsible Use of Company Physical and Digital Assets**:

- Employees are required to use company assets responsibly and in compliance with policies.
- Personal use of company resources should not disrupt work performance or violate company policies.

**Confidentiality**:

- Protecting confidential information is crucial for the company's success.
- Employees must exercise diligence in handling and protecting confidential information, even after employment ends.
- Unauthorized disclosure of information is strictly prohibited.

| | |
|---|---|
| **HUMAN RIGHTS POLICY** | We are committed to upholding the internationally recognized human rights, as laid out in the *Universal Bill of Human Rights* and the conventions which it has inspired, such as the *ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the United Nations Conventions on the Rights of the Child* (UNCRC).<br><br>The Human Rights Policy of Bolton is directly derived from the core values of the Group and involves the following rights: legal, regulated and voluntarily chosen employment; freedom of association and collective bargaining; health and safe working place; child labour; living wages; non-excessive working hours; discrimination and harsh treatment; rights of local populations and reporting breaches.<br><br>The Human Rights Policy applies to all companies within Bolton and we expect our entire family of suppliers and other relevant stakeholders to adhere to the principles and values contained in this Policy. |
| **SPEAK UP POLICY** | In 2023, Bolton established a single and comprehensive **violation reporting system** to report and consistently manage possible Wrongdoings (Whistleblowing Management System), including Grievances (Grievance Mechanism). The Speak Up policy defines the reportable issues, the parties allowed to make the report and the management process – including the organization, roles and responsibilities – that both the Whistleblower and the companies must follow. The policy applies to Bolton Group S.r.l. and its subsidiaries, including all Internal and External reporting parties.<br><br>The policy is based on the following principles:<br><br>**Confidentiality and Anonymity**<br>● The identity of the Whistleblower remains confidential and anonymous unless consent is given.<br>● Disclosure of the Whistleblower's identity is limited to those responsible for handling the report and is strictly necessary for its management.<br>● Anonymity is maintained through the use of a dedicated whistleblowing tool with cryptography systems.<br><br>**Transparency**<br>● Activities governed by the policy must ensure transparency, providing a clear and truthful disclosure of the process for effective control and monitoring.<br><br>**Impartiality, Independence, and Professionalism**<br>● Whistleblowing reports are managed to maintain independence and objectivity, ensuring professionalism and competence in the process.<br>● Decision-making involves tiers from the Business Units and the Group levels, ensuring accountability and adherence to the policy.<br><br>**Prohibition of Retaliation**<br>● Retaliation against Whistleblowers is strictly prohibited if the report is made based on valid reasons.<br>● Various measures are outlined, including but not limited to dismissal, demotion, changes in duties or workplace, disciplinary actions, coercion, harassment, and economic or reputational harm.<br>● Prohibited actions extend to both employees and external parties involved in the whistleblowing process. |

Complementing these policies is our **People Strategy**. In 2023, Bolton updated its three-year people strategy through a collaborative effort involving our Human Resources teams, CEOs, Country Managers, as well as key functions of the organization such as Marketing, Sales, and young talents. This collective endeavor aimed to refine our approach to talent management and organizational culture, aligning it with our evolving business objectives.

Bolton's people strategy is based on three pillars:

1. **Integrated Talent Management,** which includes attracting, selecting and growing our people while ensuring a free flow of talent across the organization. This approach is designed to create a pool of skilled and diverse professionals who can collaborate seamlessly across the company to achieve its business objectives. Given the scale and diversity of our company, we are able to provide rich career opportunities for our people to grow.

2. **"One Bolton Culture".** We recently codified our distinctive culture in our Bolton Manifesto. The Manifesto captures the beliefs and attitudes that drive the way we work together and how we make decisions. We aim to foster a strong sense of belonging through a fair, diverse and inclusive company culture. We are convinced that a diversified workforce and an open and appreciative corporate culture are important success factors in a globalized world. Different perspectives, cultures, and ways of thinking enable us to meet the needs of our increasingly diverse markets and stakeholders with creative and innovative products, services and solutions.

3. **Leadership Development,** is about giving our people managers the skills and confidence to create the conditions for our people to thrive. We aim to develop leaders that can inspire and engage their teams, set clear performance goals and development plans for their people, as well as create an environment where everyone feels that they have a voice.

## Integrated Talent Management

At Bolton, our commitment to attracting, nurturing and developing talent from within our organization is reflected in our Integrated Talent Management approach, which begins with the onboarding phase of new employees, continues through the performance evaluation and talent management, and development through specific training programs.

*ONBOARDING*

The Group onboarding provides new joiners with essential knowledge to seamlessly integrate into our organization while fostering a shared culture and encouraging networking among new hires across borders. The Group onboarding process complements the Business Units onboardings by sharing insights about Bolton, its mission, vision, and shared values. This integrated approach provides an enriched perspective that transcends the boundaries of Business Units, fostering a sense of belonging and helping newcomers embrace the identity of being part of the same unified company. Participation in Group onboarding is mandatory for all white-collar newcomers. To ensure comprehensive coverage and engagement, the Group onboarding process is conducted three times a year, with each session accommodating approximately 100 participants. This structured approach guarantees that all newcomers have the opportunity to engage in the process and build connections with their peers. The journey through Group onboarding begins within the initial week of the newcomer's tenure and concludes within a maximum of six months through a combination of individual and group moments that support the understanding of the Group and allow to create proximity with other colleagues, despite physical distance.

*PERFORMANCE MANAGEMENT*

To establish a robust performance management approach, in Bolton we adhere to three foundational principles:

1. **Fairness and Equity** we evaluate performance objectively and impartially. Performance assessments should be based on consistent criteria and free from biases, treating all employees equitably.

2. **Continuous Improvement and Development** as we promote continuous improvement and development, the process should focus not only on evaluating past performance but also on identifying areas for growth, learning, and skill enhancement.

3. **Open and Constructive Communication** we believe in open and constructive communication between managers and employees. Regular feedback and two-way discussions are essential for clarifying expectations, addressing concerns, and fostering a supportive work environment.

Our performance development process, **I-LEAD**, is designed to ensure that the business objectives and goals of the company are clearly communicated throughout the organization and that the performance and evaluation is made on the basis of common and uniform principles and clearly defined criteria set out by the Bolton Competency model. The process develops around four stages: goals setting, performance evaluation, calibration and feedback.

The "goals setting" phase ensures that clear and attainable performance goals are established, outlining expectations, success criteria, and guiding individual and team efforts. The "performance evaluation" consists of an Year-end assessment that measures the progress toward goals, offering insights into strengths and areas for improvement. Performance evaluations are a vital part of fostering professional growth within our organization. They are conducted systematically, involving every employee, regardless of their role. The main objective is to assess an employee's performance against their set targets, recognizing strengths and areas for improvement. We use a comprehensive approach, evaluating both quantitative and qualitative goals. Quantitative goals are linked to measurable achievements, while qualitative goals encompass behaviors outlined in the Bolton Manifesto. During the "calibration phase", a collectively reviewing evaluation ensures fairness and consistency while addressing biases and discrepancies. And , finally, the "feedback phase" concludes the process. Through these discussions, we aim to provide valuable feedback and create personalized plans for each employee's development.

In 2023, the coverage of employees using the I-LEAD performance review tool was further extended, covering over **4,263 employees**, with the goal of gradually expanding its use to encompass the entire employee population.

## *TALENT IDENTIFICATION AND SUCCESSION PLANNING*

Talent identification is a crucial process that allows us to recognize individuals with the skills, potential, and drive to significantly impact our company's success. In 2023, we have developed a new talent identification framework as part of our integrating talent management strategy, which serves as the cornerstone of the succession planning strategy that is under development.

Our talent philosophy is founded on key beliefs and principles:

1. **Recognizing the value of every employee:** in Bolton, we value all our employees for their unique talent and contribution to the organization.
2. **Nurturing employee development:** we believe in lifelong learning and that all our employees deserve support in their development.
3. **Empowering employee growth:** we expect all our employees to take accountability for their development and career aspirations.
4. **Cultivating leaders from within:** our goal is to promote from within and fill leadership positions internally.

To identify talents, we use the **9-box matrix, which** helps us assess employees based on their **performance and potential**. This strategic tool facilitates the **allocation of resources** and focuses on **talent management actions**, based on their consistent delivery of results over time, ideally within the past three years, rather than a specific accomplishment or performance period. Additionally, potential is assessed based on the individual's capability and interest in growing and developing the qualities required for success in more challenging roles, including their aptitude for effective leadership and their motivation to tackle greater challenges. Furthermore, we consider their alignment with the organizational culture, reflecting our organizational beliefs.

Allocating individuals within the 9-box matrix allows us to create tailored development paths for all, while maintaining a diverse talent pool in the organization. This strategic process ensures a balanced mix of employees with varying strengths and capabilities, identifying high-potential future leaders and those needing additional support. Such insights are invaluable for succession planning and talent management, offering a structured framework for fair and objective talent evaluations and discussions.

Talent discussions occur at two levels: at the Business Unit (BU) level for all employees to identify development actions and nurture a talent pool, and at the Group level, focusing on individuals in middle/top management positions (banding 4-5). These discussions center around those exhibiting both the potential and skills required for international or cross-BU careers. This group-oriented perspective aims to conduct comprehensive talent evaluations across various business units, ultimately promoting talent mobility and facilitating cross-functional development.

## *LEARNING AND DEVELOPMENT*

In Bolton, we take pride in valuing and nurturing talent from within our organization, cultivating a culture of learning and development that begins right from the start of our employees' journey with the company. This approach operates on two levels, aimed at ensuring that our employees develop the necessary skills to excel in their roles and contribute to the company's success.

At the Group level, we offer a range of training programs focusing on topics related to Bolton's culture, leadership, people management, and common functional skills. Meanwhile, at the Business Unit level, we tailor training programs to meet the specific needs of each unit, allowing us to address the unique challenges and opportunities faced by each industry.

## *BEYOND – Bolton Leadership Program*

In 2023, we launched **Beyond – Bolton Leadership Program**, a new leadership journey to support our leaders in facing future challenges and driving teams towards tomorrow. The program challenges participants to surpass their own limits, fostering a mindset of continuous growth and development. By exploring new leadership skills and approaches through cross-contamination of ideas and experiences, leaders can expand their capabilities and adaptability in a rapidly evolving landscape. Embracing change becomes a driving force for transformation, enabling leaders to steer their teams confidently towards the future. Furthermore, Beyond aims at fostering a deep understanding of diversity and inclusion, encouraging leaders to embrace different perspectives and create a welcoming environment for all, thus embracing inclusivity. The program, that articulates in 4 months with both synchronous and asynchronous moments, brings together managers from various functions, and levels, fostering cross-functional collaboration and creating a powerful network of support and inspiration through collaborative networks.

## *SUSTAINABLE DEVELOPMENT TRAININGS*

In 2023, specific training sessions were organized to enhance our leaders' knowledge on sustainability. In addition to the training programs, we also organized workshops aimed at delving into challenges and objectives for the near future, fostering collaboration and team spirit among sustainability teams.

- **World Business Council for Sustainable Development Training**
  Customized learning path for our Group Leadership Team and Executive Board designed to provide an overview of sustainable development topics relevant for Bolton's business continuity and development. Comprising three modules, the training focused on the WBCSD Vision 2050 framework, which aims to guide business action to enable 9+ billion people to live well within planetary boundaries by mid-century. It also covered embedding sustainability into business governance and introduced the Inner Development Goals framework, consisting of five dimensions organizing 23 skills and qualities necessary to be a sustainable development leader.

- **Climate Training Program for Leadership Teams**
  Designed for over 100 company leaders, the training program aimed at enhancing their understanding and strategic approach towards climate-related challenges focus on the following topics: Corporate Carbon Footprint and Strategy Setting, Climate Transition Plans, Internal Carbon Pricing and Carbon Removals.

- **Sustainable Development Movement Activation**
  2-days experience dedicated to Bolton's Sustainable Development Teams where they were able to delve into the challenges, opportunities, and the role that each of them, both as individuals and as a team, needs to play in order to advance Bolton's Sustainable Development Strategy. Participants were able to explore the assets Nature and People of our Sustainable Development Strategy while also spending time together to foster their team spirit and getting in touch with important partners such as WWF and OXFAM.

| | 2023 |
|---|---|
| **Total Number of Training Hours** | **181,868** |
| Male | 72,773 |
| Female | 109,095 |
| **Average Number of Training Hours - Male** | **14.83** |
| **Average Number of Training Hours - Female** | **19.45** |

## Fostering "One Bolton Culture"

Fostering active listening and engagement among our Bolton community is a central focus at Bolton.

*EMPLOYEES ACTIVE LISTENING*

2023 was dedicated to promoting active listening and engagement within our Bolton community. We conducted two significant surveys: the Great Place to Work and the Equity Diversity and Inclusion surveys.

- **Great Place to Work**

Our employee engagement survey serves as a cornerstone of our commitment to cultivating a workplace that prioritizes the well-being and satisfaction of our employees. By gauging sentiment on factors such as credibility, respect, fairness, pride, camaraderie and overall job satisfaction, we gain a nuanced understanding of what contributes to a fulfilling and rewarding work experience. In 2023, the survey was extended both in terms of workforce categories and geographies and involved **6,273 employees with a 85% response rate.**

- **Equity, Diversity and Inclusion (ED&I) Survey**


The ED&I survey covers a spectrum of aspects related to our employees' daily lives within and around the workplace. It explores their experiences, perceptions, and expectations, providing valuable insights into the dynamics that shape their professional environment. The topics covered by the survey include organizational culture on ED&I, gender diversity, age diversity, cultural diversity, language of inclusion, relationships with colleagues, relationships within working teams, and relationships with managers. The survey was conducted for the first time ever in our organization and covered **5,929 employees, achieving a response rate of 60%.**

**The results from the two surveys highlighted strengths such as a strong sense of pride in working for Bolton, a friendly atmosphere, positive relationships with direct colleagues, and appreciation for autonomy and entrepreneurial spirit in daily activities.**

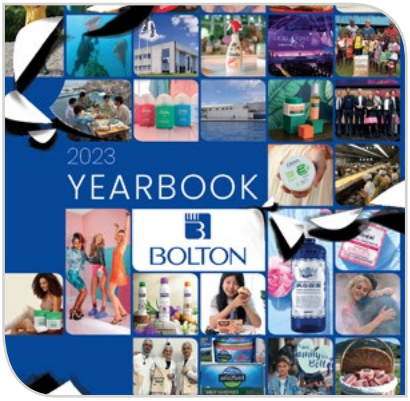
Additionally, Bolton is perceived as an inclusive place where people feel valued regardless of cultural traits. However, the survey also identified several opportunities for improvement, including **enhancing alignment between managerial actions and stated commitments, increasing transparency in HR processes, prioritizing change and innovation, and promoting more equity in terms of gender and age diversity.**

The results of the survey have been shared with all employees and the Group Leadership Team, which has identified two main priority areas to focus on: **fairness and recognition, and development opportunities**, with a specific focus on gender equity. Throughout 2024, specific action plans will be defined and initiated, involving the implementation of measures to address specific needs identified during the listening phase. For their definition, the HR managers have involved some champions among the employees.

*EMPLOYEES ENGAGEMENT INITIATIVES*

One of the areas we are investing in to build and spread the "One Bolton Culture" is internal communication. Through this, we ensure that our employees are regularly updated on our economic, environmental, and social progress, and that best practices and successes are shared among all.

Our internal communication tools and channels are:




**Yearbook:** A summary of our major initiatives and achievements from the past year, distributed to all our employees in Europe, Morocco and Latin America, including white and blue-collar workers. The Yearbook is available in English, Italian, French, Spanish, German and Dutch.


**Bolton Global Updates:** Quarterly digital live events providing updates on our business results, marketing initiatives, initiatives implemented in our industrial sites and sustainability projects. On average over 1,000 employees connected to each event.


**Bolton Monthly:** A bi-monthly newsletter distributed digitally to all white-collar employees and in a printable format suitable for display on screens in the break rooms of our plants for blue-collar workers. The newsletter is translated into the group's six official languages and reaches employees worldwide with news related to business updates, brand initiatives, sustainability projects, and life at Bolton.


**Bolton Agorà:** Our internal social media channel, which continues to grow and connect our employees. In 2023, we established a new vertical community called "Internationals", specifically tailored to our employees from the International Division. This community is actively fueled by employees who share news regarding special initiatives, new product launches, and other pertinent updates.


**Bolton Beats:** In 2023, Bolton's podcast channel was dedicated to the renovation works at the Milan Headquarters. **"Bolton Beats Pirelli Square"** provides updates on the renovations, organizational and architectural choices made, and supports our employees in change management.


**Manifesto Challenge:** a competition to promote the adoption of behaviors and values outlined in the Bolton Manifesto. The Manifesto Challenge concluded the journey initiated in 2022 with the introduction of the new Bolton Manifesto, which involved employees in several communication initiatives and training events. Participants had three weeks to engage in a series of tests related to the beliefs of Bolton's manifesto, including watching 12 videos depicting work scenarios aligned with these beliefs. Correct and quick answers gave participants the chance to win the challenge and nominate a colleague as a Manifesto Champion. The challenge concluded with a celebratory event, announcing winners who received prizes such as a one-year supply of Bolton products for the overall winner.

## Compensation and Well-being

We are dedicated to ensuring our employees well-being and financial security through our compensation and social security programs and dedicated welfare initiatives.

*COMPENSATION*

Our compensation system is based on providing appropriate and competitive basic pay to all employees, in accordance with local market conditions, industry benchmarks, job roles, organizational hierarchies and collective agreements.

In addition to basic pay, we reward our employees with different bonus systems:

**For our non-managerial employees:** we use compensation components that are customized to local market conditions and reflect the nature of their work. This includes bonuses related to sales targets for our salesforce and bonuses related to production targets for our blue-collar workers.

**For our managers:** we use variable remuneration components to reward individual contributions to the continued growth and profitability of the business.

Furthermore, our HR department assesses and reviews every year our employee's total compensation packages according to the results of the I-LEAD performance review and takes action to adjust for inflation when necessary.

Our compensation meets or exceeds both the national legal standards and industry benchmarks. Nonetheless, we strive to ensure that our workers' basic needs are met, and that they have discretionary income to **reach a living wage, even when national legal standards fall short of this goal.** That's why, we committed to **mapping the minimum living wage in all the regions where we operate by 2024** and subsequently bridging any gap identified. In 2022, we conducted this analysis in Ecuador, and in 2023, in Morocco. We continue to work with OXFAM to ensure that we achieve this goal.

## *SOCIAL SECURITY, BENEFITS AND WELFARE PROJECTS*

We are committed to making a positive impact on both our employees and the communities where we operate. To achieve this goal, our company offers a comprehensive range of benefits and social security measures aimed at supporting our employees' well-being and ensuring their long-term financial stability.

Our commitment extends beyond mere compliance with relevant laws and regulations regarding social security, including mandatory contributions to pension funds and healthcare plans. **Our employee benefits encompass life insurance, disability insurance, accidental death and dismemberment insurance, and medical insurance. Additionally, we provide flexible benefits such as meal vouchers and contributions for personal and family expenses**, including school fees, public transportation passes, sports memberships, and more. These flexible benefits are tailored to meet the diverse needs of our employees and may vary by geographical location.

For our employees located in developing countries, we have pledged to ensure **access to primary medical care for 100% of our employees and their families**, especially in countries lacking public healthcare infrastructure.

For instance, at our *Société Nouvelle Cosarno* cannery in Agadir, Morocco, we provided a range of essential services to our employees and their families, including pregnancy consultations, maternal and newborn supplies, ophthalmological exams and glasses, oral health care, urgent medical support, disability assistance. Furthermore, we continued our literacy program for predominantly female employees, empowering them with literacy and numeracy skills for personal growth and development.

Similarly, at *Conservas Isabel Ecuatoriana* cannery in Manta, Ecuador, we offered private consultations in pediatrics, gynecology, maternity, psychology, and physiotherapy, along with oral health care, urgent medical support, and disability assistance.

In Baranquilla, Colombia, at our Gralco cannery, we organized various initiatives in 2023 to promote mental and physical well-being among our 700+ employees. These activities included eye care campaigns, cytology screenings, Breast Cancer Prevention campaigns, Cardiovascular Risk Prevention campaigns, Mental Health Awareness campaigns, Oral Health Campaigns, Hand Injury Prevention, and On-Site Medical Care.

Lastly, at our *SolTuna plant* in Noro, Solomon Islands, we not only provide medical assistance to our employees but also extend support to the wider community through our clinic. When further medical attention is required, SolTuna arranges transport by boat to Gizo Hospital, located approximately 40 kilometers from Noro, ensuring access to essential healthcare services.

## *PRIORITIZING FLEXIBILITY AND WORKSPACE TRANSFORMATION*

We are actively shaping and developing our corporate culture and working environment to create the workplace of the future for our company and employees. While our offices and sites will continue to serve as places for collaboration and exchanging ideas with colleagues, we also recognize the importance of providing more flexibility and freedom for employees to balance their professional and private lives.

To address this, starting from July 2022, we implemented a new "Smart Working Policy," allowing employees to work remotely for 2 days per week.

For pregnant women, new parents (up to two years after birth/adoption), workers with disabled children, caregivers, workers with motor disabilities, or with the recognition of particularly serious civil invalidity, the flexible working is extended to three days per week per month.

We are carefully tracking the level of employee satisfaction and the adoption rate among all workforce categories. We have also received valuable input through tools such as the GPTW and ED&I surveys, which highlighted that the request for increased flexibility is among the most important areas for our employees. For this reason, we are studying how to enhance the policy to provide even greater flexibility and extend its utilization.

In parallel, we are working to redesign workspaces to align them with the future-oriented working environment. The first project focuses on our Milan headquarters, where a major renovation project began in June 2023 and will last two years. This transformation will enable us to benefit from modern, inclusive, and open workspaces that prioritize people and our brands.

## Health and Safety

Health and safety are foundational principles of our business, as articulated in our Code of Conduct. We are committed to providing safe and healthy work environments and conduct our operations with particular attention to the safety of employees, external contractors, and the communities where we operate. Given the diversity of sectors and specific health and safety risks, and recognizing the significance of these variations, Bolton has decentralized its occupational health and safety management to the business unit level. This approach allows for a more targeted strategy to mitigate risks across different sectors, enabling us to effectively address the unique health and safety challenges inherent to each business unit.

Ensuring consistent health and safety standards across Bolton is imperative. To achieve this goal, we conduct audits at our manufacturing sites using globally recognized safety certifications. These certifications complement our internal audit program and governance processes for health and safety. Consequently, we have transitioned from the OHSAS 18001 standard to ISO 45001 in locations where the latter standard was not already in use. As of 2023, **75% of our manufacturing facilities have obtained ISO 45001 certification**, while the remaining plants are assessing the timing and resources required to achieve certification in the coming years.

Furthermore, our company places significant emphasis on employee training to ensure compliance with technical safety standards and promote health and safety practices. Regular training sessions are conducted across all sites to equip staff with the skills to identify and mitigate potential hazards, as well as to respond effectively to incidents such as fires or emergencies. We constantly invest in improving the safety of our workers, both through the provision of personal protective equipment and through equipment that enables us to promptly identify issues and risks. **To this end, we have set an ambitious target: to reduce the number of lost-time accidents (LTAs) by 50% by 2025 compared to the 2020 baseline.**

## SAFETY DAYS IN CERMENATE AND APRILIA PLANTS

In 2023, **Safety Days** were held at our plants in Aprilia and Cermenate, Italy. The factories paused for a moment of reflection and training on important safety topics through technical tests, quizzes, and awards.


In Cermenate, activities focused on the following themes:

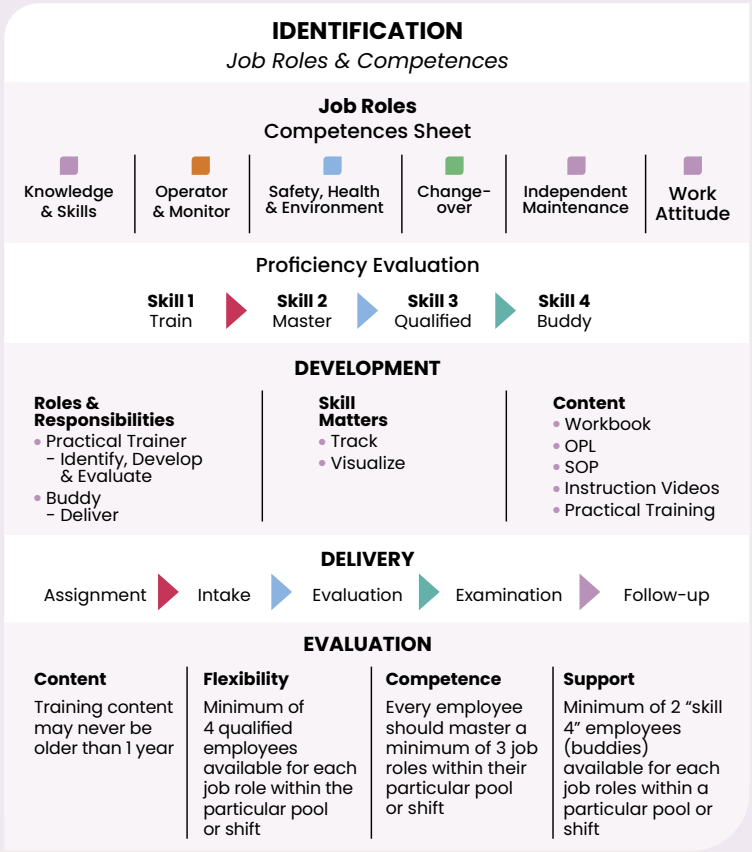
- **Noise:** With our ear protector supplier, we discussed personal protective equipment (PPE) and noise-induced damages. We provided all participants with ear protectors and recorded the meeting as Category III PPE training (useful for compliance with Legislative Decree 81/08).
- **First Aid:** we covered first aid maneuvers for cardiac arrest in infants, children, and adults, as well as airway obstruction clearance.

In Aprilia, the following topics were addressed:

- **First Aid:** With the participation of the Italian Red Cross, first aid topics, Basic Life Support (BLS), life-saving maneuvers, and pediatric and adult airway obstruction maneuvers were covered.
- **Fire Prevention:** Theoretical and practical exercises were conducted for everyone on fire extinguishment (using $CO_2$ extinguishers and handling small fires), as well as theoretical and practical exercises on the use of Category III PPE.

## ADVANCING OPERATIONAL EXCELLENCE: BOLTON ADHESIVES' TRAINING AND SAFETY INITIATIVES

In 2023, Bolton Adhesives launched a comprehensive operational training initiative known as the "Bolton Academy" at its Goes facility in the Netherlands. This program, spanning six distinct modules including Knowledge and Skills, Operate and Monitor, Safety, Health and Environment, Change-Over, Independent Maintenance, and Work Attitude, was designed to address identified training needs within the organization. Each module received tailored training materials, and delivery was structured through a systematic program. Evaluation of the program's effectiveness was ensured through the use of Key Performance Indicators (KPIs), ensuring alignment with organizational goals. A total of 70 employees from the Operations and Supply Chain division in Goes participated in the initiative. Plans are underway to extend the program to our Adhesives locations in Germany in the near future.




Additionally, in 2023, our Adhesives business unit conducted a Safety Culture survey in collaboration with external partner Kader Group to assess the current safety culture within our Operations and Supply Chain organization in Goes, the Netherlands. The results of this survey, slated to be shared with all involved employees in the second quarter of 2024, will guide us in defining actionable steps to enhance our safety culture in the months and years ahead. Furthermore, the same survey will be rolled out at our production location in Bühl and logistic center in Greffern, Germany, during the second quarter of 2024.

## ADDRESSING HEALTH AND SAFETY IN MOROCCO

In 2023, our safety initiatives at our plant in Agadir, Morocco, were comprehensive and proactive, aiming to foster a culture of safety and preparedness across our operations.

We performed a gap analysis against ISO 45001 standards and underwent regulatory audits of our occupational health and safety systems, including a rigorous assessment by the Moroccan Nuclear and Radiological Safety and Security Agency for authorization of our x-ray inspection machine.


In addition to audits, we conducted emergency tests, including defibrillator training for rescue workers and first-aid tests, ensuring readiness in emergency situations. Furthermore, we organized evacuation tests for both day and night shifts, prioritizing the safety of all staff members.
Recognizing the importance of ongoing training, we provided comprehensive safety training sessions covering various aspects such as Occupational Health and Safety awareness for new recruits, safety rule awareness for trainees, and specialized training for emergency teams. Additionally, we offered training in first aid, firefighting, evacuation procedures, as well as working at height, confined spaces, and lockout tagout protocols, equipping our workforce with the knowledge and skills needed to mitigate risks and ensure a safe working environment.

# Targets and Metrics

### Our 2023 Accomplishments

| Goal | 2022 | 2023 |
|---|---|---|
| By 2025 reduce by 50% Lost Time Accidents vs 2020 baseline. | NEW | ACHIEVED |
| Map the minimum living wage in all the geographies where we have activities by 2024 and consequently bridge possible gaps. | NEW | ONGOING |
| By 2024 conduct Gender Pay Equity assessment in all key geographies and consequently bridge possible gaps. | NEW | ONGOING |
| Guarantee access to primary medical care for 100% of our employees and their families in countries with no access to public health. | NEW | ONGOING |
| By 2025 strengthen employee engagement, achieving our industries benchmark in bi-annual Great Place to Work survey. | 68% | 67%[1] |
| By 2025 40% of management positions held by women. | NEW | 37% |

1 The perimeter of the survey was enlarged in 2023. The result is 70% if we consider the same perimeter of 2022.

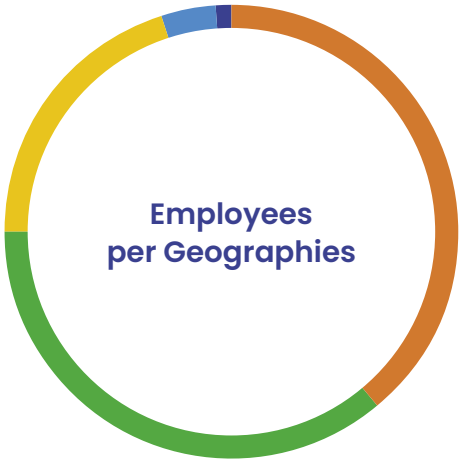
## Our 2023 Performance

*WORKFORCE COMPOSITION*

In 2023, our workforce comprised **10,518 employees, with 55% being women and 45% men.** Of our workforce, 78% are employed in the Food sector, 10% in the Home, Personal, and Beauty Care sectors, and 7% in the Adhesives sector, with the remaining employees working in the Holding company and International Division.

Our workforce is primarily located in Europe and South America, where we mantain both manufacturing plants, offices and our headquarters. Additionally, we have significant presence in Asia and Oceania, where our second-largest tuna plant is located.


| | |
|---|---|
| Food | 78% |
| Home and Personal Care | 9% |
| Adhesives | 7% |
| International Division | 4% |
| Holding | 1% |
| Beauty Care | 1% |




| | |
|---|---|
| South America | 39% |
| Europe | 36% |
| Asia & Oceania | 20% |
| Middle East | 4% |
| North America | 1% |

| Number of Employees per Gender and employment contract | 2023 |
|---|---|
| **Permanent employees** | **10,214** |
| Male | 4,547 |
| Female | 5,667 |
| **Temporary employees** | **290** |
| Male | 154 |
| Female | 136 |
| **Non-guaranteed hours employees** | **14** |
| Male | 4 |
| Female | 10 |

| Number of Employees per Gender and employment type | 2023 |
|---|---|
| **Full-time** | **9,952** |
| Male | 4,441 |
| Female | 5,511 |
| **Part-time** | **566** |
| Male | 262 |
| Female | 304 |

*DIVERSITY METRICS*

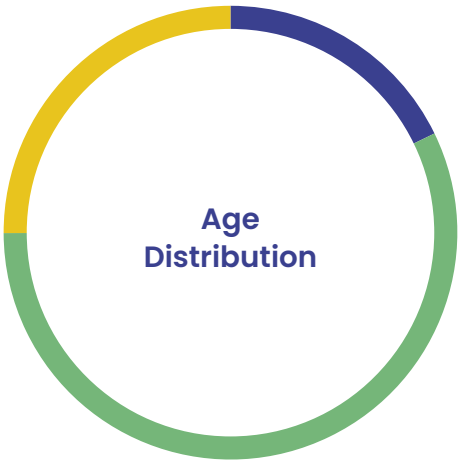
We value diversity and are actively working to increase the representation of women in management positions. As of 2023, they constitute **37% of our management team in banding 1-7**.

Regarding age distribution, the majority of our workforce, 57%, falls within the 30-50 age range. Additionally, 25% of our employees are above 50 years old, while 18% are under 30 years old.

Furthermore, in 2023, we employed **234 individuals with disabilities**, accounting for 2.2% of our total workforce.


| | |
|---|---|
| Male | 76% |
| Female | 24% |

| Top Management Positions (banding 1-3) | 2023 |
|---|---|
| **Total** | **92** |
| Male | 70 |
| Female | 22 |




| | |
|---|---|
| 30-50 years old | 57% |
| Over 50 years old | 25% |
| Under 30 years old | 18% |

| Age Distribution of Employees | 2023 |
|---|---|
| **Total** | **10,518** |
| Under 30 years old | 1,923 |
| 30-50 years old | 5,989 |
| Over 50 years old | 2,606 |

| | |
|---|---|
| **Employees with disabilities** | **234** |
| **Employees with disabilities on total** | **2.2%** |

*HEALTH & SAFETY METRICS*

Ensuring the health and safety of everyone involved in our operations is our top priority. All employees and non-employees are covered by our health and safety management systems.

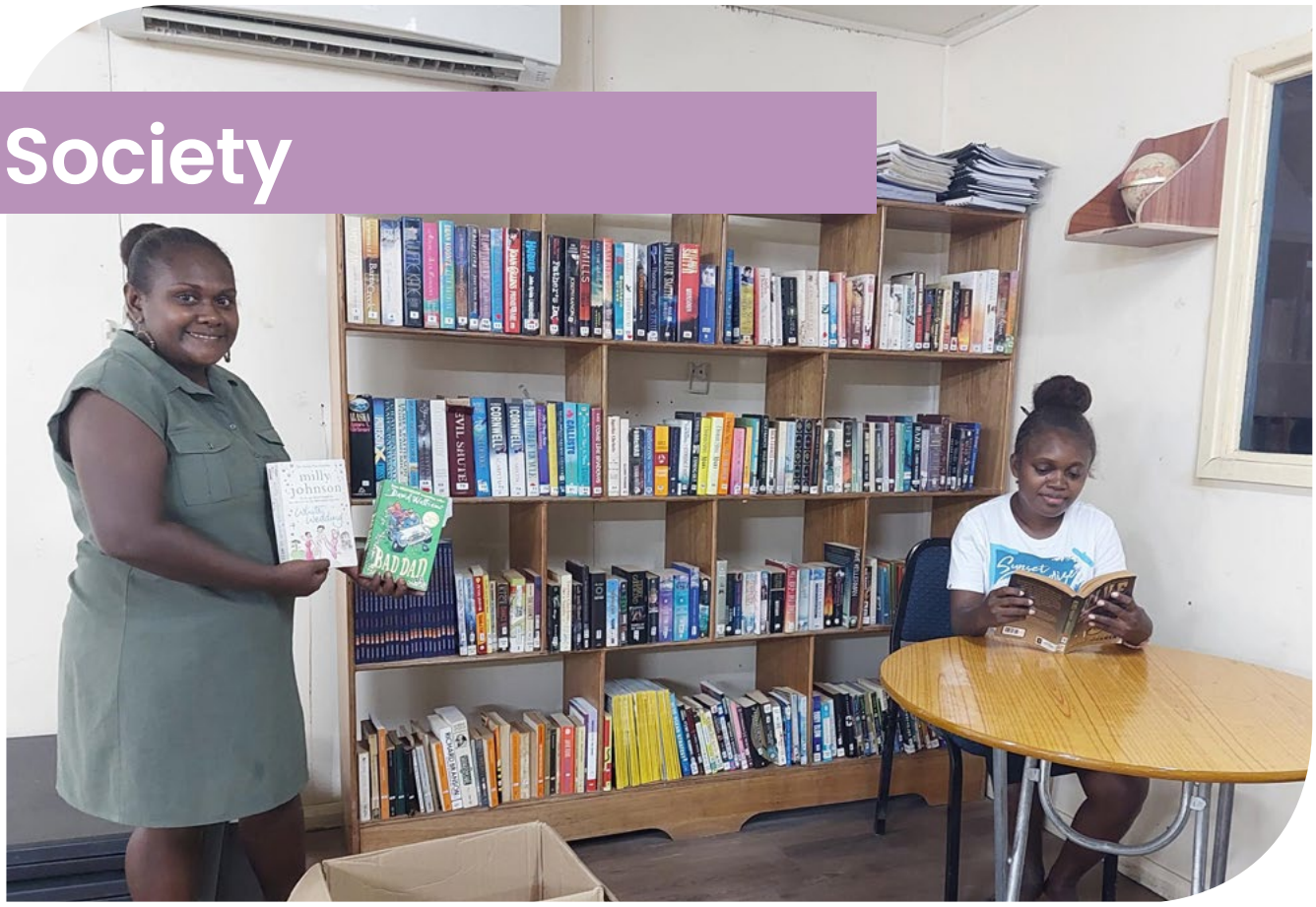
In 2023 the rate of recordable work-related accidents was at 8.45 for our employees and 65.86 for our non-employees. **Zero fatal occupational accidents happened**.

| Employees Health and Safety Metrics | 2023 |
|---|---|
| **Worked Hours** | **15,500,498** |
| Number of recordable work-related accidents | 134 |
| Rate of recordable work-related accidents* | 8.45 |
| Number of cases of recordable ill health | 50 |
| Number of fatalities as a result of work-related injuries | 0 |
| Number of fatalities as a result of work-related ill health | 0 |
| Number of days lost to work-related injuries | 4,716 |
| Number of days lost to work-related ill health | 16,190 |

| Non-employees Health and Safety Metrics | 2023 |
|---|---|
| **Worked Hours** | **986,995** |
| Number of recordable work-related accidents | 65 |
| Rate of recordable work-related accidents* | 65.86 |

**Rates calculated per one million of worked hours.*

# Society




At global level there is a need to tackle emerging inequalities, with the poorest half of the global population possessing only 2% of the total world wealth. In contrast, the richest 10% of the global population own 76%. There is a clear need to disconnect opportunity from people's circumstances at birth, and to advance equal opportunities for all. In this way we will have fairer and just societies able to tackle the nature-related challenges connected with climate change and biodiversity loss.

**At Bolton, we are working towards an economic model that places the protection of human rights at its core, emphasizes the common good and promotes fair value distribution to ensure our long-term success**.

Our impact goes beyond our physical premises, which is why our commitment extends to fostering more sustainable, inclusive, and fair value chains, where we actively collaborate with our business partners and stakeholders. The communities surrounding us are integral to our operations, and we are committed to being a positive force within our broader environment by upholding human rights and supporting local wellbeing.

In 2022 we enriched our Sustainable Development strategy with a dedicated commitment to societies, specifically to local communities' development, and in 2023 we addressed the topic by focusing on:

| 1. | 2. | 3. | 4. |
|---|---|---|---|
| Assessing social impacts, risks and opportunities. | Protecting Human Rights in our value chains. | Engaging with our business partners to work towards a more sustainable supply chain. | Generating a positive impact in the communities that surround us. |

## Impacts, Risks and Opportunities

Bolton operates in value chains across multiple sectors, increasing our exposure to societal issues. **We have historically worked towards generating a positive impact in society, also by partnering with renowned actors in the field, and in 2023 we performed a first double materiality assessment to deep dive, classify and formalize our main impacts, risks and opportunities**.

### Our Impacts on Society

Being a player across diverse sectors implies diverse degree of **potential for human rights violations** not only within our own operations but also across our numerous supply chains:

- In the tuna supply chain, violation of human rights could be linked to labor and social rights abuses, health and safety risks to workers on fishing vessels, and the environmental consequences of overfishing and unsustainable practices, affecting marine ecosystems and the livelihoods of fishing-dependent communities.
- In the food sector, potential impacts on workers are related to labor rights of agricultural workers and, to a lesser extent, land rights issues which could lead to the displacement of local communities and impact food security.
- In the case of Adhesives, Home, Personal and Beauty Care sectors, impacts could be related to labor rights violations, chemical exposure risks to workers, and ethical concerns related to animal testing and supply chain transparency.

#### WORKERS ACROSS THE TUNA SUPPLY CHAIN

The Tuna Supply chain is complex and extensive, involving multiple and diverse stakeholders, many of whom operate in developing countries where fishing activities occur. In these regions, the absence of robust institutions and regulatory frameworks may result in inadequate safeguard of human rights, including women's and labor rights.

Furthermore, the isolation experienced by workers on fishing vessels during extended periods at sea, coupled with the use of vessels operating under various flags, can heighten the risk of human rights violations. These challenges underscore the importance of implementing effective safeguards and oversight mechanisms to protect the rights and well-being of individuals involved.

On the other hand, our global reach allows us to have a potential positive impact in terms of economic development of our upstream and downstream business partners and in improving the ESG performance of our value chain through the implementation of sustainability related initiatives.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Human Rights | IMPACT | ⊖ | **Violation of human rights** across the value chain arising from the engagement in informal and/or illegal labor practices. |  |
| Responsible Procurement throughout the value chain | IMPACT | ⊕ | **Improvement of the value chain sustainability-related performance** through the implementation of ESG audits and assessments. |  |
| Economic well-being and Development of Communities | IMPACT | ⊕ | **Economic development of business partners** through the generation of economic value. |  |

## Society-Related Risks and Opportunities

**Apart from the identification and classification of our society-related impacts, our double materiality analysis also allowed us to identify a series of financial risks and opportunities**. Through this exercise, we developed an initial qualitative understanding by involving key internal stakeholders. In the next years we aim to keep enhancing this analysis with quantitative tools and metrics, and by involving external stakeholders.

The first identified risk is related to possible **human rights violation** across value chains, encompassing critical areas such as freedom of association, living wages, forced labor, child labor, health and safety, and equal opportunity. **Non-compliance with existing and upcoming international initiatives and regulations** can result in substantial financial penalties, reputational damage, and legal actions.

The second risk stems from **procurement practices** throughout the value chain. The primary risk arises from the **potential escalation of costs and vulnerabilities in operations due to inadequate supplier differentiation**, which becomes particularly critical in instances of single sourcing. Over-reliance on a single supplier can amplify risks related to supply chain disruptions, quality inconsistencies, ethical breaches, and regulatory non-compliance. Such vulnerabilities can lead to significant financial losses, reputational damage, and operational setbacks. Furthermore, due diligence management systems are becoming increasingly relevant for companies, so that they can check the ESG performances of their value chains, anticipate possible ESG risks and implement improvement plans with business partners.

The third risk mounts to the economic wellbeing and **development of the communities** in which we operate and is linked to **potential complaints due to perceived inadequate engagement, listening, and involvement of local communities**. Failing to actively consult and collaborate with local stakeholders can compromise trust, lead to dissatisfaction, and spark resistance to company activities. Such disconnects can escalate into operational disruptions, reputational harm, and regulatory scrutiny, jeopardizing long-term business viability and growth prospects.

| Material Topic | Materiality | IRO Type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Human Rights | FINANCIAL | — | **Increased fines due to the violation of human rights** through the value chain regarding freedom of association, wage conditions, forced labor, child labor, health and safety, equal opportunity. |  |
| Responsible Procurement throughout the value chain | FINANCIAL | — | **Increased costs and vulnerability of operations due to insufficient differentiation of suppliers**, especially relevant in events of single sourcing. |  |
| Economic well-being and Development of Communities | FINANCIAL | — | **Increase in complaints, operational disruptions and business risk for long-term activities** due to lack of listening and involvement of local communities in the areas in which the Company operates |  |

**Through our first double materiality assessment we also identified two society-related opportunities**:

1. Implementing **responsible procurement practices** based on robust due diligence management systems throughout the value chains offers a financial opportunity to enhance our reputation and stakeholder trust. By prioritizing ethical sourcing, environmental sustainability, and social responsibility, Bolton can differentiate itself as a player with sustainable business operations.

2. By actively supporting local economic growth, education, and skills development initiatives, Bolton can cultivate a **skilled workforce from within the community**. This localized approach not only reduces recruitment costs and turnover rates but also fosters community engagement, goodwill, and workforce diversity.

| Material Topic | Materiality | IRO type | Main Impact, Risk or Opportunity Description | Relevance |
|---|---|---|---|---|
| Responsible Procurement throughout the value chain | FINANCIAL | + | **Improved reputation through the implementation of ESG audits and/or assessments** towards the Group's key suppliers | |
| Economic well-being & Development of Communities | FINANCIAL | + | **Increased ability to find a skilled workforce** among members of the community in which the Group operates | |

## Embedding Social Topics in our Policies and Actions

**We are committed to generating a positive impact in the societies where we operate. This reflects in our policy framework and 2023 actions**, which are the foundations to address impacts and risks, and leverage opportunities related to our three identified material topics.

### Human Rights Protection

At Bolton, respect for human rights is an essential foundation for a sustainable and responsible business. Our commitment to this topic is rooted in our values and principles and we recognize our responsibility to respect and promote the human rights of all individuals, including our employees, suppliers, customers, and the communities where we operate.

**The ethical and social values we uphold, including our commitment to human rights, are stated in our Code of Conduct.** These values are also reflected in the set of policies we have developed over the years, that are aligned with the Universal Bill of Human Rights and the conventions which it has inspired, such as the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the United Nations Conventions on the Rights of the Child (UNCRC), the UN Global Compact principles and the OECD's Guide for Multinational Companies.

**In 2020 we started a four-years partnership with Oxfam** to strengthen our social sustainability roadmap and conduct a more thorough investigation into the impact of our operations on key human rights. Our aim is to address, mitigate and prevent any adverse effect on the lives of workers and communities along the tuna supply chain.

**In 2022, we published the Bolton Human Rights Policy supported by Oxfam. Since then, we have been advancing our efforts to leverage the Due Diligence process along our value chains** to monitor the implementation of the Human Rights Policy within the Bolton's activities and encourage our relevant stakeholders and suppliers to comply with it. Our goal is to enhance and transform our value chains for the better rather than excluding anyone from this journey.

As a first concrete step towards the due diligence approach, **in 2022, Oxfam conducted a first Human Rights Impact Assessment of our strategic tuna supply chain in Ecuador, and in 2023 a new one on the Moroccan supply chain.**

These assessments aim to evaluate the current and potential human rights implications of the tuna industry in these countries, to identify underlying causes and to provide recommendations to concerned parties for their prevention, mitigation, and/or remediation.

**Considering that the tuna supply chain is subject to a higher risk of human rights violation we have also developed the Food Business Unit's Code of Conduct for Tuna Suppliers with the support of Oxfam, focused on ensuring that no human and labor right violations take place in our tuna supply chain by demanding suppliers to comply with the essential requirements of ILO conventions.**

## HUMAN RIGHTS IMPACT ASSESSMENT IN MOROCCO

Since 2020, we have been working in a long-term, multi-country partnership with Oxfam to promote the concept of "healthier and more sustainable food", not only for consumers and for the environment, but also for producers. **The aim of this partnership is to work together towards a tuna supply chain that ensures inclusiveness, gender equality, respect for human rights and safe and decent working conditions for all actors involved.** We also aim to develop new standards of social business sustainability in the tuna industry, thus contributing responsibly to an increasingly fair and inclusive supply chain.

One of the goals of this partnership is to develop different Human Rights Impact Assessments (HRIA) using Oxfam's owned methodology along three relevant tuna supply chains: Ecuador, Morocco and Colombia.

In 2023, we focused on developing a HRIA in Morocco through a country analysis of the socio-economic, legal and cultural context, an assessment of the local tuna market, and through several interviews with key stakeholders including internal staff, suppliers, tuna sector associations, international organizations, NGOs, trade unions and workers representatives.

The core of the HRIA is a field mission undertaken by performing:
1. In-depth interviews with workers and other rights holders within and outside the company's supply chain.
2. A final stakeholder roundtable to deepen the analysis and validate the findings.

The outcome of the HRIA, expected by 2024, will be an Oxfam´s report including a corrective action plan developed together with the Food Business Unit to avoid, prevent, and mitigate the adverse human rights impacts found in the supply chain.

## PARTICIPATING IN THE SEAFOOD TASK FORCE

The Seafood Task Force (STF) is an industry-led initiative that focuses on supply chain oversight by recognizing that marine conservation and human right issues are closely linked. The organization's members are the world's largest tuna suppliers, brands, and retailers that have established an industry leading Code of Conduct (CoC) and Vessel Auditable Standards to advance human rights protections in seafood supply chains.

STF utilizes extensive know-how, resources and commercial leverage of the membership through powerful Member Sub-Groups. **Tri Marine has actively led the Worker Voice work group since 2021 and spent much of 2023 working on the area of mutual recognition of auditable standards which led to source more fish with less duplication of social audits.**

Furthermore in 2023, Tri Marine's Sustainability Program Manager was appointed to the Seafood Task Force Board of Directors.

In line with our commitment to transparency and to encourage a listening environment, **in 2023 we introduced the Speak Up platform and policy, a single and comprehensive violation reporting system to report and consistently manage possible Wrongdoings (Whistleblowing Management System).**

## Business Partner Engagement

We have a growing responsibility to transform our value chains and **increase due diligence analysis connected with environmental and social topics at global level.**

Suppliers play a crucial role in evolving the way Bolton does business through their participation and contribution, which is why in 2022 we set the goal to implement sustainability due diligence management systems that ensure, at least, an ESG self-assessment or audit on 100% strategic direct suppliers.

In 2023 we started a three-year agreement with **EcoVadis**, a globally recognized assessment platform that rates businesses' sustainability based on four key categories: environmental impact, labor and human rights standards, ethics, and procurement practices. By 2026 we aim to evaluate nearly 400 suppliers.

In the context of this project, in 2023 we:

- Developed a **suppliers communication toolkit** to transparently establish our aim with the initiative.
- Participated in a **six-month onboarding program** that allowed us to identify current gaps that need to be addressed to develop a robust sustainable procurement roadmap.
- Developed and offered **trainings for our buyers and for the procurement managers** to increase awareness.

### ECOVADIS GOLD MEDAL FOR OUR ADHESIVES PRODUCTION PLANTS

To support the supply chain transparency for our customers, our Adhesives production sites in Bühl (Germany) and Goes (The Netherlands) were also assessed by EcoVadis in 2023.

Both sites have earned a gold medal, attaining a Score of 72 out of 100. This achievement places us in the top 5 percent of companies evaluated by EcoVadis.

Anticipating upcoming European Regulations, **in 2023 the Food Business Unit developed a Code of Conduct for Suppliers** setting ethical and sustainability performance standards, to which suppliers must adhere. It sets general requirements in terms of compliance with applicable law, food safety, quality and nutrition, health and safety, environment, anticorruption and reporting breaches.

Building on these initiatives, **in 2024 we will develop a policy to set the bases for designing and implementing a Responsible Business Partner Program** aligned with our broader Sustainable Development Strategy in the years to come by:

- Defining a vision, strategy and concrete goals.
- Establishing a clear sustainable procurement governance.
- Defining procedures and processes including risk and due diligence management.
- Ensuring capacity building and continuous improvement throughout our supply chain.


## Social Impact

We are committed to promoting **responsible corporate citizenship by actively engaging with the communities where we operate.** We support these communities through educational programs, inclusion initiatives, and practical assistance for vulnerable individuals.

*EDUCATIONAL PROGRAMS IN ECUADOR AND MOROCCO*

Since 2019, as part of our commitment to support the communities in which we operate, we have developed various education projects in Manta, Ecuador, and Agadir, Morocco. These locations are home to three of our tuna production plants, and **our goal has been to extend our support beyond our employees to their families and the wider community to promote equity regardless of the local socio-economic situation.**

Specifically **in 2023 we supported four schools in Manta by improving their infrastructure and supplying essential educational materials.** These included computers, printers, educational toys, and various school supplies. Additionally, we offered school scholarships, organized summer camps, provided extracurricular classes, and offered academic support. **Through these initiatives, a total of 544 children across four schools have benefited.**

Similarly, we developed various **educational programs in Agadir**. These included literacy programs, school scholarships, university scholarships, summer camps, extracurricular classes, and academic support. **In addition to supporting 81 of our employees, these programs benefited 309 children across five schools.**

## *FOSTERING SUSTAINABILITY EDUCATION THROUGH OUR ADHESIVES PRODUCTS*

**In our commitment to environmental education and sustainability, we have launched several initiatives across different regions leveraging on our adhesives products.** In Portugal, through our UHU brand, we support the Eco-Schools program, an international certification program coordinated by the Foundation for Environmental Education (FEE), involving over 2,000 schools and impacting more than 800,000 students. We collaborate with these schools on the UHU Challenge, promoting sustainable consumption and biodiversity conservation, engaging over 107,000 students in 2023.

**In Italy**, we initiated educational activities with primary and secondary schools, emphasizing sustainable choices in daily life and introducing students to UHU ReNature products. Starting with a pilot school in 2023 and involving 100 children, the program will be enlarged to six schools and 450 children in 2024, with plans for further expansion.

**In Spain** we hosted the 13th annual "We Care about the Environment" school competition under the Imedio brand, reaching over 10,600 students from 353 schools, fostering awareness through creative projects on sustainability.

Lastly, **in Austria**, our brand UHU has been partnering for several years with the country's largest stationery retailer, Libro, for a creative school competition. In 2023 the chosen theme was 'green travelling,' engaging 32 schools and over 370 children in 2023.

## *PARTNERING WITH LOCAL NGOs*

Our Adhesives Business Unit has been collaborating with the **Trees for All Foundation** in the Netherlands. This Public Benefit Organization plants forests and trees for a better climate, increased biodiversity and healthier living conditions. In 2023 we involved our customers and consumers through dedicated promotions with our Wood Max adhesives products, and several Bolton employees supported the initiative by participating in tree planting activities.

Furthermore, our adhesives offices in Rotterdam and Goes in the Netherlands, and Diegem in Belgium, supported the **local Foodbanks** with product donations from employees and the company. The activity was launched in the annual Christmas lunch, and the products were delivered by our employees in January.


In the United States, our Wild Planet brand Marketing and Sales teams volunteered their time by sorting and organizing food donations destined to reach families in need in collaboration with **Conscious Alliance** in Boulder, Colorado. This non-profit hunger relief organization unifies bands, brands, artists, and fans to collectively support communities in crisis.

*SOCIAL INCLUSION IN THE SOLOMON ISLANDS*

**To leverage the local community's skills, in 2023 our Soltuna production plant collaborated with Pasifiki HR, Australia's Strongim Bisnis and the People with Disabilities Solomon Islands project to welcome three talented interns with disabilities to a three-months internship.** We believe in the potential of every individual and in the importance of providing an inclusive and supporting working environment where these interns can develop their professional skills and are empowered to pursue their career aspirations. As part of our commitment with the communities in which we operate, Soltuna already employs 12 individuals with disabilities.

Furthermore, Soltuna has opened the **first-ever Employer sponsored child daycare center in the Solomon Islands.** After two years of construction, the Pikinini Kea Haus facility was officially inaugurated in February 2023 and is now fully operational. This service addresses a pressing need within the community by providing reliable childcare for workers who lack traditional extended family support and is a great first step in inspiring other companies in the region to consider similar initiatives.


*EMERGENCY AID*

**In May 2023, the Emilia Romagna region in Italy, where our Cotignola production plant is located, was affected by severe flooding.** While our teams worked diligently to restore operations at the facility, we provided food supplies to the local Civil Protection to assist the community and offered financial support to affected employees.

Furthermore, **following the devastating earthquake that struck Morocco, where our Cosarno Food plant is located,** we took action to assist the affected communities by providing essential supplies. Working closely with reputable organizations, including the Croissant Rouge and the Mohamed V Foundation, our team facilitated the delivery of approximately 112,000 cans of our products.

# BOLTON HOPE FOUNDATION

The Bolton Hope Foundation was established in 2019 by Marina Nissim, President of the Foundation and Chairwoman of Bolton. The Nissim family has been active in philanthropy for many years and has long supported culture and scientific research.

The decision to focus on education was made over ten years ago.

The establishment of the Bolton Hope Foundation was an important step and confirmed a long-standing commitment: the promotion of the right to education as a source of awareness and responsibility, capable of enhancing the qualities and potential of every human being, especially the youngest.

Through the prevention of the early-school leaving, the promotion of innovative didactic methods and education for sustainable development, Bolton Hope Foundation contributes to ensuring accessible and forward-looking quality education.

**In 2023, the Foundation supported 22 initiatives, spread across different strategic guidelines, with approximately € 6.2 million distributed or allocated to more than 20 beneficiaries and partners.**


| | |
|---|---|
| Core Social Initiatives | 89.3% |
| Knowledge Development | 9.9% |
| Dissemination | 0.4% |
| Internal Know-How | 0.4% |

*STRENGTHENED AUTONOMY: IMPROVING THE EDUCATIONAL OFFER IN PALERMO*

In 2023, the Foundation launched a **wide-ranging initiative in Palermo to permanently strengthen the educational offer of some of the city's public schools.**

The initiative, which also involves three large comprehensiveschools, attended by over 3,400 students between the pre-school, primary and secondary school levels. It aims at:

- Preventing educational failure.
- Enabling the stable improvement of the school's educational offer.
- Promoting integration between the school and extracurricular environments, creating conditions for dialogue and collaboration between teachers, education workers and families in order to foster the acquisition of basic, socio-emotional and citizenship skills by students.

**In the first months of the 2023/2024 school year, a total of 105 classes with more than 1,700 pupils have already benefited from the intervention.**

*EDUQA: A NEW SCHOOL WITH AND ENVIRONMENTAL VOCATION IN NAPLES*

From 2021, Bolton Hope Foundation has embarked on a long-term collaboration with **Fondazione Foqus and the Social Entreprise "Dalla Parte Dei Bambini"** of Naples for the creation of EDUQA, a new school with an excellent educational offer and an environmental vocation. The new school is located in a social context, the Spanish Quarters, which are characterized by high rates of economic and educational poverty.

The initiative was inaugurated in September 2023 during the GEA 2023 - Giornate Educazione Ambiente (Environmental Education Days): three days of conferences and meetings on education and sustainability aimed at citizens and attended by Italian and international experts working in the fields of Education, Sociology, Philosophy, Science and Sustainability.

All the teachers involved in EDUQA's educational activities have undergone a special three-year training course on the climate crisis, sustainability and the environment, and on active teaching methods.

Over the next two years, EDUQA will undergo comprehensive development, leading to the establishment of a nursery, kindergarten, primary, and secondary school. **During 2023/2024 school year, EDUQA is attended by more than 300 students.**

## *SUSTAINABILITY INITIATIVES FOR ITALIAN TEACHERS*

In 2023, the Foundation supported several training initiatives on environmental sustainability for Italian teachers, including:

- An experimental course at the Politecnico di Milano on environmental sustainability and innovative teaching;
- The School of Sustainability, a course on education for sustainable development;
- An environmental training course organized by IPRASE (Provincial Institute for Educational Research and Experimentation) of the Autonomous Province of Trento for environmental referent teachers based in Trentino.

## *LEARNING CURVE*

Learning Curve is the Foundation's new editorial initiative, launched in 2023: a space on the Bolton Hope Foundation website dedicated to educational issues, with contributions from experts, academics, operators, teachers, research centers and non-profit organizations, with the aim of promoting debate and the dissemination of knowledge on educational issues.

## Our 2023 Accomplishments

| Goal | 2022 | 2023 |
|---|---|---|
| **Human Rights, Economic Well-being, Local Culture Fostering** | | |
| By 2024, develop and implement a safe, effective and clear grievance mechanism and whistle blowing channel. | NEW | ACHIEVED |
| By 2025, 100% acknowledgement to our Code of Conduct and Human Rights Policy in our workplaces and tier 1 suppliers. | NEW | ONGOING |
| **Business Partners Development** | | |
| By 2025, implement sustainability due diligence management systems that ensure, at least, a social and environmental self-assessment or audit on 100% direct strategic suppliers. | 31% | UNDER REVIEW |

Concerning Human Rights, Economic Well-being and Local Culture fostering, in 2023 we developed and implemented the Speak Up platform and policy, achieving in advance our target to develop and implement a safe, effective and clear whistle blowing channel. We are currently working to have 100% acknowledgement to our Code of Conduct and Human Rights Policy in our workplaces and tier 1 suppliers by 2025.

Regarding Business Partners Development, we are currently reviewing this target as our collaboration with Ecovadis has allowed us to identify the need to update our internal definitions related to due diligence and strategic suppliers to ensure a consistent and robust monitoring throughout Bolton. This will be a key component in the development of our Responsible Business Partner Program and Policy to be developed in 2024.

# Methodological Note

# 1. Reporting Specifics and Methodology

## 1.1 Sustainable Development Strategy Targets

| EMISSIONS INDEX PER TONNES OF FINISHED PRODUCT | |
|---|---|
| **Definition** | GHG emissions arising from a share of the energy consumption in Bolton production sites per ton of finished product. |
| **Scope** | Stationary fossil fuel emissions combustion emissions and market-based scope 2 emissions from production plants excluding acquisitions since 2019. |
| **Units** | Percent change of the Tonnes $CO_2$eq / tonnes of finished product. |
| **Method** | The scope 1 stationary combustion emissions and scope 2 market-based emissions from production plants acquired prior to 2019 are divided by the tonnes of finished product produced. |
| **Source** | ERPs, refrigerant gases refill invoices, car fleet card registries, contractual proof for electricity reported as renewable, EACs cancellation statements, internal HSE tracking tools. |

| % OF RENEWABLE PURCHASED ELECTRIC ENERGY WHERE FEASIBLE | |
|---|---|
| **Definition** | Share of purchased electric energy coming from renewable sources out of the total electricity purchased in Bolton. |
| **Scope** | Electricity purchased from third parties in Bolton's production plants.<br>The target covers only locations where the procurement of renewable electricity is feasible, meaning technologically feasible in a specific country. |
| **Units** | Percentage of total electricity purchased. |
| **Method** | The total renewable electricity purchased from third parties in production plants and backed up by a contractual agreement stating the renewable origin is divided by the total amount of electricity purchased.<br>For Purchased or Acquired electricity to be considered renewable, it must be backed up by a contract stating the origin. If the origin of the purchased or acquired electricity is not clearly defined Bolton adopts a conservative approach and the purchased or acquired energy is considered as non-renewable. This is in line with the ESRS and CDP reporting guidance, and with the GHG Protocol Scope 2 Guidance. |
| **Source** | Internal HSE tracking tools, contractual proof for electricity reported as renewable, EACs cancellation statements. |

| REVENUE COMING FROM SUSTAINABLE PRODUCTS | |
|---|---|
| **Definition** | Net revenue attributable to 'sustainable products' during the reporting period. Sustainable products are products with sustainability features that are well communicated to consumers. |
| **Scope** | All Group products revenues. |
| **Units** | Million euro. |
| **Method** | The target is expressed as a percentage of the total Group revenues coming from consumers products. |
| **Source** | ERPs. |

| PAPER RECYCLED OR FROM SUSTAINABLE SOURCES | |
|---|---|
| **Definition** | The total amount of paper, cardboard, and carton sourced from certified or recycled sources includes materials that are 'recycled,' 'mixed,' or 'virgin' Forest Stewardship Council (FSC) certified, PEFC certified, and 'recycled' paper, cardboard, and carton without specific certifications. |
| **Scope** | All Group's primary, secondary, and tertiary packaging made of paper, cardboard, and carton materials. Packaging from co-packed (third-party manufacturers) is not included. |
| **Units** | Tonnes. |
| **Method** | The target is expressed as a percentage of the total paper, cardboard and carton packaging weight. |
| **Source** | Suppliers' specific data and ERPs. |

| RSPO CERTIFIED PALM OIL DERIVATIVES IN OUR PRODUCTS | |
|---|---|
| **Definition** | The total amount of palm oil derivatives coming from Roundtable on Sustainable Palm Oil (RSPO) certified sources used in our products. |
| **Scope** | Home, Personal care and Adhesives products. |
| **Units** | Tonnes. |
| **Method** | The target is expressed as a percentage of the total palm oil derivatives weight. |
| **Source** | Suppliers' specific data and ERPs. |

| ZERO WASTE TO LANDFILL IN OUR MANUFACTURING SITES (WHERE TECHNOLOGICAL SYSTEMS ARE AVAILABLE) | |
|---|---|
| Definition | The total amount of waste that is recovered, recycled or disposed of through other disposal operations including incineration with energy recovery and is no longer sent to landfill. |
| Scope | Excludes waste that is disposed of through incineration without energy recovery.<br>Excludes manufacturing sites located in areas without established technological systems to manage waste, such as the Solomon Islands. |
| Units | Tonnes. |
| Method | The target is expressed as a percentage of the total amount of waste generated in the reporting period. |
| Source | Internal HSE tracking tools. |

| % OF PACKAGING REUSABLE, REFILLABLE OR DESIGNED TO BE RECYCLABLE (EXCLUDING PACKAGING WHERE INGREDIENTS OR RESIDUE MAY AFFECT RECYCLABILITY OR POLLUTE RECYCLING SYSTEMS) | |
|---|---|
| Definition | Packaging materials or components may be considered recyclable if they meet the recycling criteria defined by at least one major regional recycling industry organization and there is evidence of practical recycling of these materials or components.<br>Packaging materials are considered reusable or refillable when we market the refill solutions. |
| Scope | All Food, Home Care, Personal Care, and Beauty Care product packaging.<br>This excludes packaging for all adhesive products, pharmaceutical products and certain Beauty Care products (such as mascara and nail polish) where residue may affect recyclability. |
| Units | Tonnes. |
| Method | The target is expressed as a percentage of the total packaging weight used in the same period.<br>The recyclability status of each material and packaging component is established based on the internal Recyclability Guidelines. This document, agreed with and endorsed by WWF, is based on the latest available guidelines issued by the major European recycling industries or associations. |
| Source | Internal tracking tool. |

| % PLASTIC PACKS MADE FROM RECYCLED OR BIO-BASED SOURCES | |
|---|---|
| Definition | The total amount of plastic sourced from recycled or bio-based materials. Recycled content may include post-consumer sources, post-industrial sources, or plastic materials from outside existing collection streams (e.g., marine litter). |
| Scope | All primary, secondary and tertiary packaging used to commercialise our branded products. |
| Units | Tonnes. |
| Method | The target is expressed as a percentage of the total plastic packaging weight sourced in the reporting period. |
| Source | Suppliers' specific data and ERPs. |

| ZERO VIRGIN PLASTIC FROM FOSSIL SOURCES | |
|---|---|
| Definition | The total amount of plastic sourced from non-fossil sources. |
| Scope | All primary packaging used for our branded products. |
| Units | Tonnes. |
| Method | The target is expressed as a percentage of the total plastic packaging weight sourced in the reporting period. |
| Source | Suppliers' specific data and ERPs. |

| INGREDIENTS FROM CIRCULAR SOURCES IN OUR HOME, PERSONAL AND ADHESIVES PRODUCTS | |
|---|---|
| Definition | The total amount of ingredients sourced from renewable, bio-based, recycled, regenerated, or upcycled materials, including those derived from abundant minerals and biomass balance certified materials. |
| Scope | Home care, Personal Care and Adhesives products. |
| Units | Tonnes. |
| Method | The target is calculated on dry weight and expressed as a percentage of the total ingredients sourced in the same reporting period. |
| Source | Suppliers' specific data and ERPs. |

| TUNA FROM RESPONSIBLE FISHING PRACTICES FOR ALL OUR BRANDS | |
|---|---|
| Definition | Tuna sourced from responsible fishing practices means tuna from fisheries that are Marine Stewardship Council (MSC) certified, in MSC full assessment, engaged in a comprehensive and credible Fishery Improvement Project (FIP), or Green/Yellow rated according to Monterey Bay Aquarium's Seafood Watch |
| Scope | Includes tuna sourced from owned vessels and third-party vessels. |
| Units | Tonnes Round equivalent. |
| Method | The KPI is expressed as a percentage of the total tuna sourced in the same reporting period. |
| Source | ERPs. |

| BIODEGRADABLE FADS USED IN OUR OWNED VESSELS | |
|---|---|
| Definition | Fishing Aggregated devices (FAD) made of more than 50% biodegradable materials. |
| Scope | Owned vessels. |
| Units | Number of FAD deployed. |
| Method | The KPI is expressed as a percentage of the total FAD deployed in the same reporting period. |
| Source | Internal tracking tool. |

| RIO MARE TUNA FROM MSC CERTIFIED FISHERIES | |
|---|---|
| Definition | Rio Mare branded tuna products with Marine Stewardship Council (MSC) certification on pack. |
| Scope | Rio Mare branded tuna products sold in the reporting year. |
| Units | Tonnes |
| Method | The KPI is expressed as a percentage of the total Rio Mare branded tuna products sold in the same reporting period. |
| Source | ERPs. |

| WATER WITHDRAWAL INDEX PER TONNE OF FINISHED PRODUCT | |
|---|---|
| Definition | The sum of all water drawn into the boundaries of the production facilities from all sources for any use over the course of the reporting period and expressed in cubic meters, divided by the tonnes of finished product. |
| Scope | Water withdrawals in production plants excluding acquisitions since 2019. |
| Units | Percent change of the volume in $m^3$ of water withdrawn / tonnes of finished product. |
| Method | The water withdrawal volumes from production plants acquired prior to 2019 are divided by the tonnes of finished product produced. |

| BIODEGRADABLE INGREDIENTS | |
|---|---|
| Definition | The percentage by weight of biodegradable ingredients used in our home and personal care products. |
| Scope | Organic ingredients used for manufacturing home and personal care products. |
| Units | Percentage of biodegradable ingredients (by weight) divided by the total weight of ingredients used to manufacture home and personal care products. |
| Method | Biodegradability is calculated on organic ingredients, according to OECD test 301.<br>The percentage is calculated by the home and personal care business unit and collected through external data collection platforms. |

| HAWAIIAN REEF BILL | |
|---|---|
| Definition | Percentage of sun cream references in compliance with the Hawaiian Reef Bill requirements. |
| Scope | Suncream products from the home, personal and beauty care business unit. |
| Units | Percentage of suncream references (by number) in compliance over total number of suncream references. |
| Method | The number of suncream references in compliance is divided by the total number of suncream references produced and the percentage is directly collected through an external data collection template. |

| LOST TIME ACCIDENTS | |
|---|---|
| Definition | Lost time accident is defined as a work-related accident that causes the employee to be absent from work for more than 1 day. |
| Scope | Excludes accidents whilst travelling to and from the workplace.<br>All employees and sites of the Group (including field sales and fleet) are in scope including those employed through staff leasing companies where the responsibility for their safety is with Bolton.<br>3rd party contractors are excluded. |
| Units | Number of Lost time accidents. |
| Method | The KPI is expressed as a percentage and calculated as follows:<br>total number of lost time accidents * 1,000,000/ Total worked Hours. |
| **Source** | Internal HSE tracking tools. |

| WOMEN IN MANAGEMENT POSITIONS | |
|---|---|
| Definition | Total number of women in managerial roles, identified as the job bands from 1 to 7 according to the job banding applied in Bolton, which is a classification system that groups positions into categories ('job bands') based on similar responsibilities and compensation levels. |
| Scope | Total number of employees by headcount as of 31 December of the reporting period in banding level from 1 to 7. |
| Units | Number of employees by headcount. |
| Method | The KPI is expressed as a percentage of the total employees in banding level from 1 to 7 in the same reporting period. |
| **Source** | ERPs. |

## 1.2 Climate Change Key Performance Indicators

| TONNES OF FINISHED PRODUCT | |
|---|---|
| Definition | Goods made by the production facilities that are ready for shipment. |
| Scope | Bolton manufacturing facilities production volumes. |
| Units | Tonnes of product produced. |
| Method | The tonnes of finished product are collected in external data collection templates per Business Unit and a total value is aggregated at Bolton level. |
| Source | Internal tracking tools. |

| SCOPE 1 GHG EMISSIONS | |
|---|---|
| **Definition** | Direct GHG emissions from operations that are owned or controlled by Bolton. Scope 1 emissions can come from stationary and mobile combustion of fuels, fugitive gases and process emissions. |
| **Scope** | Stationary combustion from offices, warehouses, logistic centers and production plants owned or controlled by Bolton. Mobile combustion from fishing vessels and car fleets owned or controlled by Bolton. Process emissions calculated and considered relevant under the EU ETS methodology. Fugitive gases from fleets from owned plants and fleets, and from leased fishing vessels and carriers.<br>Scope 1 covers emissions from the seven GHGs covered by the Kyoto Protocol: $CO_2$, $CH_4$, $N^2O$, HFCs, PFCs, $SF_6$ and $NF_3$. |
| **Units** | Tonnes $CO_2$eq. |
| **Method** | Scope 1 stationary combustion emissions are calculated by multiplying the reported fuel consumption (MWh, NCV) in assets owned and controlled by Bolton times the most recent and currently available emission factors from the UK Government's Department for Business, Energy and Industrial Strategy (DBEIS).<br>Fuel consumption refers to the gross consumption of Bolton Group's legal entities, thus the calculation did not include deductions for energy produced and exported to third parties.<br>For reporting year 2023, all fuel consumption data used for calculating Scope 1 emissions was collected in the internal digital data collection platform except from fuel consumption in car fleets. Car fleet fuel consumption data was collected through external templates.<br>Car fleet fuel consumption values were obtained from card registries that may not fully capture the actual consumption and can therefore be considered as an estimate. If fuel consumption could not be retrieved, it was estimated based on the travelled distances or the number per car type.<br>Scope 1 fugitive gases emissions are calculated by multiplying the volumes of refrigerant gases refilled during the reporting year times the most recent and currently available emission factors from the UK Government's Department for Business, Energy and Industrial Strategy (DBEIS) for the gases falling outside the Kyoto Protocol Scope, and from the Intergovernmental Panel on Climate Change (IPCC GWP AR6) for the rest of the gases.<br>For Bolton's production facility falling under the EU ETS, the emissions were calculated following the corresponding methodology as requested by the ESRS. This calculation included all relevant process emissions calculated using ETS emission factors.<br>GHG Emissions were calculated in Bolton's Corporate Carbon Footprint Tool, developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. |
| **Source** | Standard: Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.<br>Activity Data: fuel consumption invoices, ERPs, meter readings, refrigerant gases refill invoices, car fleet card registries<br>Emission Factors: UK Government's Department for Business, Energy and Industrial Strategy (DBEIS), IPCC AR5, IPCC AR6. |

| SCOPE 2 GHG EMISSIONS | |
|---|---|
| **Definition** | Indirect emissions from the generation of purchased or acquired electricity, heat and cooling purchased by Bolton. |
| **Scope** | Emissions from purchased electricity, heat and cooling in offices, warehouses, logistic centers and production plants owned or controlled by Bolton, including those from purchased electricity used in Battery Electric Vehicles (BEVs). |
| **Units** | Tonnes $CO_2$eq. |
| **Method** | Scope 2 emissions are calculated by multiplying the reported purchased electricity heat and cooling (MWh) in assets owned and controlled by Bolton times the most recent and currently available emission factors from the International Energy Agency (IEA), Verband der Automobilindutrie (VDA) and Association of Issuing Bodies (AIB).<br>The calculation follows the dual reporting required by the GHG Protocol:<br>• Location Based: emissions calculated with national emission factors, representing the national electricity mix.<br>• Market Based: emissions calculated with supplier-specific emission factors, residual mix emission factors, and national emission factors if the prior two are not available.<br>For reporting year 2023, all electricity, heating and cooling consumption data used for calculating Scope 1 emissions was collected in the internal digital data collection platform except from consumption in electric car fleets.<br>Electric car fleet consumption data was collected through external templates.<br>Electric Car fleet consumption values were obtained from card registries that may not fully capture the actual consumption and can therefore be considered as an estimate. If fuel consumption could not be retrieved, emissions were estimated based on the travelled distances or the number of cars per type.<br>The Scope 2 emissions were calculated using the location-based approach as it is unclear where the vehicles are charged, and it is therefore safe to assume that they are charged with the average electricity mix.<br>If the origin of the purchased energy is not clearly defined in contractual agreements, Bolton adopts a conservative approach and considers it as coming from non-renewable sources.<br>GHG Emissions were calculated in Bolton's Corporate Carbon Footprint Tool, developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. |
| **Source** | Standard: Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, GHG Protocol Scope 2 Guidance.<br>Activity Data: electricity invoices, ERPs, contractual proof for electricity reported as renewable, EACs cancellation statements, car fleet card registries.<br>Emission Factors: International Energy Agency (IEA), Verband der Automobilindutrie (VDA) and Association of Issuing Bodies (AIB). |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **Definition** | | Indirect emissions not included in scope 2 that occur in Bolton's value chain. |
| **Units** | | Tonnes $CO_2$eq. |
| **Methodology** | | The total Scope 3 emissions are calculated as the sum of all the Scope 3 categories described below.<br>Activity data was collected through the internal data collection platform and external templates.<br>GHG Emissions were calculated in Bolton's Corporate Carbon Footprint Tool, developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard. |
| **Scope 3.1** | **Definition** | All upstream (i.e., cradle-to-gate) emissions from the production of products and services purchased or acquired by Bolton in the reporting year. |
| | **Scope** | **Purchased goods**<br>Emissions from raw materials and primary, secondary and tertiary packaging materials used to manufacture Bolton products, as well as trading (commercial) goods including their packaging.<br>It also includes emissions from water acquired from external networks. Supporting and office goods are excluded due to their low relevance (estimated as < 1% of the scope 3). Purchased capital goods and fuels used for energy purposes within Bolton are excluded as emissions are reported under other scopes.<br>**Purchased services**<br>Emissions from services purchased by Bolton excluding those that are not relevant or already reported under other categories (i.e. personnel costs, ammortization, agent provision, transportation costs, car fleet leasing, rental and management costs, travel expenses). |
| | **Methodology details** | Scope 3.1 emissions are calculated following two methodologies:<br>• **Average Data Method**: multiplies the mass (kg, tons, liters, $m^3$) of the purchased goods with the industry average emission factors.<br>• **Spend Based Method**: multiplies the economic value of the purchased goods and services with the industry average emission factor.<br>These calculations were based on the most recent and currently available emission factors from AGRYBALISE, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS), Ecoinvent, World Food LCA Database, and, to a minor extent, research papers.<br>Purchased goods mass and expenditure data was collected through Excel templates. To avoid the double counting of emissions from intercompany sales, the reported values only include goods and services purchased outside of the Bolton perimeter.<br>Water data was collected through the internal digital data collection platform.<br>Purchased services expenditure was extracted from Bolton's annual management report.<br>For Tuna purchased goods, the emissions were calculated based on the specific type of fish product (rounds, loins and finished products) and the emission factor capturing the upstream emissions not already accounted for in other scopes. |
| | **Source** | Activity Data: ERPs, internal tracking and monitoring tools, water meters and invoices.<br>Emission factors: AGRYBALISE, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS), Ecoinvent, World Food LCA Database, and, to a minor extent, research papers. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.2 Capital goods** | **Definition** | Emissions coming from the extraction, production, and transportation of capital goods purchased or acquired by the company in the reporting year. |
| | **Scope** | Emissions related to purchased goods that are capitalized and recorded as assets on the balance sheet. |
| | **Methodology** | CAPEX values reported in Bolton's financial report are grouped into four categories according to the accounting principle IAS 16, Property, Plant and Equipment:<br>• Land and Buildings<br>• Machines and Installations<br>• Furniture and Equipment<br>• Vessels and Equipment<br>The corresponding emissions are calculated through the spend-based methodology by multiplying the expenditure times the corresponding emission factors from the UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |
| | **Source** | **Activity Data**: Bolton Management report.<br>**Emission factors**: UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |
| **3.3 Fuel and energy related activities** | **Definition** | Emissions coming from the extraction, production, and transmission and distribution losses of fuels and energy purchased by the company in the reporting year, not already accounted for in scope 1 or scope 2. |
| | **Scope** | Comprises cradle-to-gate emissions of:<br>1. Purchased fuels, from raw material extraction up to the point of, but excluding, combustion.<br>2. Purchased electricity, including emissions of purchased fuels from raw material extraction up to the point of, but excluding, combustion by a power generator.<br>3. T&D losses or energy consumed in a T&D system including emissions from combustion.<br>4. Generation of purchased electricity that is sold to Bolton. |
| | **Methodology** | The emissions are calculated through the average data method by multiplying fuel consumption data used for Scope 1 and 2 calculation times the corresponding Scope 3.3 emission factors from the International Energy Agency and Verband der Automobilindutrie (VDA). Emissions from the combustion of fuel and from the purchased electricity consumed are not accounted for in this category.<br>The calculation of Scope 3.3 from purchased electricity, heat and cooling is performed with the location-based values.<br>For reporting year 2023, all energy consumption data used for calculating Scope 3.3 emissions was collected in the internal digital data collection platform except from consumption in car fleets. Car fleet consumption data was collected through external templates. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.4 Upstream transportation and distribution** | **Definition** | Emissions coming from transport and distribution services paid/organized by Bolton. |
| | **Scope** | This category includes emissions from third-party transportation and distribution services purchased by the reporting company in the reporting year including inbound logistics, outbound logistics and third-party transportation and distribution between a company's own facilities.<br><br>Outbound logistics services purchased by the reporting company are categorized as upstream because they are a purchased service.<br>This category includes all transportation paid for by Bolton, specifically:<br>• Emissions from transportation and distribution of products purchased between tier 1 suppliers and Bolton's own operations, including multi-modal shipping where multiple carriers are involved in the delivery of a product.<br>• Emissions from transportation and distribution services purchased by Bolton including inbound logistics, outbound logistics and transportation and distribution between Bolton's own facilities.<br><br>Transportation and distribution upstream of Bolton's tier 1 suppliers are not accounted here as they are included in the emission factors in used for scope 3.1 calculation.<br><br>This category only includes emissions from transportation and distribution in vehicles and facilities not owned or controlled by Bolton. Emissions from vehicles and facilities owned or controlled by the company are accounted for in Scope 1 and 2.<br><br>Transportation and distribution services not paid/organized by the company are not included here as they are accounted for in Scope 3.9 Downstream Transportation and Distribution.<br><br>Emissions from the transportation of waste generated in Bolton's production facilities are not included here, as they are accounted for through the Scope 3.5 calculation. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.4 Upstream transportation and distribution** | **Methodology** | Scope 3.4 emissions are calculated using three approaches:<br>• **Fuel-based/Supplier-specific**: emissions data calculated by the logistic providers for the transport/warehousing service is retrieved and used directly.<br>• **Distance-based method**: the mass, distance, and mode of each shipment are multiplied by the corresponding mass-distance emission factor from Ecoinvent. Where the exact distance was not available, it was estimated based on the city of origin and destination.<br>• **Spend-based method**: the expenditure on each mode of shipment and warehousing is multiplied by the secondary emission factor from DBEIS 2021 with an inflation-based projection.<br><br>Emissions calculated with the distance-based method and fuel-based approach are calculated using a Well-to-Wheel approach.<br><br>To avoid double counting of emissions occurring in intercompany transport and distribution, the calculation of these emissions was performed with the transportation and distribution paid by each company. The calculation did not include intercompany transportation not paid by companies within the Bolton perimeter in the data collection.<br><br>Transportation and distribution data was collected through external data collection templates. |
| | **Source** | Activity data: ERPs, Internal tracking tools, supplier specific data provided by logistics service providers, transport and distribution invoices.<br><br>Emission Factors: Ecoinvent, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |
| **3.5 Waste** | **Definition** | Emissions coming from the disposal and treatment of waste generated in Bolton's operations. |
| | **Scope** | This category includes the scope 1 and 2 emissions of waste management suppliers that occur during disposal and treatment in facilities not owned or controlled by Bolton. |
| | **Methodology** | The volumes of waste generated are collected through the internal digital data collection platform, where they are classified by:<br>1. Type of waste: hazardous, non-hazardous.<br>2. Type of treatment: incineration with and without energy recovery, landfilling, recycling, preparation for reuse, other disposal operations, other recovery operations.<br><br>To calculate the emissions, the average-data method is used, and the values are then multiplied by the Ecoinvent emission factor corresponding to the type of waste and disposal method.<br><br>Emissions from wastewater treatment are also included in Scope 3.5. A conservative approach is implemented, and all water inflows reported under scope 3.1 are assumed to become wastewater. |
| | **Source** | Activity Data: reports released by waste management operators, waste management invoices, internal tracking tools.<br>Emission factors: Ecoinvent. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| 3.6 Business Travel | **Definition** | Emissions coming from the transportation of employees for business-related activities. |
| | **Scope** | This category only includes emissions from vehicles not owned or controlled by the company. Emissions from vehicles owned or controlled by the company are accounted for in Scope 1 and 2. |
| | **Methodology** | Scope 3.6 emissions are calculated using three approaches:<br>• Supplier-specific method: emission data calculated by travel agencies and transport services providers are directly used.<br>• Distance-based method: determines the distance and mode of business trips, and applies the appropriate Ecoinvent emission factor for the mode used<br>• Spend-based method: multiplies the amount of money spent on each mode of business travel, and applies secondary emission factors from DBEIS<br>Emissions that were calculated with the distance-based method and spend-based approach are calculated using a Well-to-Wheel approach.<br>Business travel data was collected through the internal digital data collection platform. |
| | **Source** | Activity Data: reports from travel agencies, internal tracking tools, invoices.<br>Emission Factors: Ecoinvent, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |
| 3.7 Employee Commuting | **Definition** | Emissions coming from the transportation of employees between their homes and workplaces. |
| | **Scope** | This category includes Scope 1 and 2 emissions from commuting in vehicles not owned or controlled by the company. Emissions from vehicles owned or controlled by the company are accounted for in Scope 1 and 2. |
| | **Methodology** | Employee commuting data is collected through the annual employee mobility survey including country, distance of commuting, days per week of commuting and mode of transportation. The survey is voluntary and sent to white collars worldwide. The results are then extrapolated to obtain emissions from blue collars' commuting.<br>3.7 emissions are calculated through the distance-based method by multiplying the values collected through the employee mobility survey times the appropriate emission factors per type of transportation mode.<br>These emissions are calculated using Well-to-Wheel approach. |
| | **Source** | Activity data: employee mobility survey.<br>Emission factors: Ecoinvent. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.8 Upstream Leased Assets** | Not relevant.<br>The only leased assets correspond to Tri Marine leased longliners and carriers. The associated emissions have been included in Scope 1 mobile combustion, given the vessels are under the company's operational control. | |
| **3.9 Downstream Transportation and Distribution** | **Definition** | Emissions coming from transportation and distribution services paid by the customer/supplier (not paid by Bolton). |
| | **Scope** | This category includes Scope 1 and 2 emissions of transportation providers, distributors and retailers that occur during the use of vehicles and facilities.<br>Emissions are calculated until the point of sale.<br>Transportation and distribution services paid/organized by Bolton are not included here as they are included in Scope 3.4. Transportation and distribution upstream of Bolton's tier 1 suppliers are not accounted here as they are included n the emission factors in used for scope 3.1 calculation.<br>This category only includes emissions from transportation and distribution in vehicles and facilities not owned or controlled by Bolton as these are accounted for in Scope 1 and 2.<br>Emissions from the transportation of waste generated in Bolton's production facilities are not included here, as they are accounted for through the Scope 3.5 calculation. |
| | **Methodology** | Scope 3.9 emissions are calculated using three approaches:<br>• Fuel-based/Supplier-specific: emissions data calculated by the logistic providers for the transport/warehousing service is retrieved and used directly<br>• Distance-based method: the mass, distance, and mode of each shipment are multiplied by the corresponding mass-distance emission factor from Ecoinvent. Where the exact distance was not available, it was estimated based on the city of origin and destination.<br>• Spend-based method: the expenditure on each mode of shipment and warehousing is multiplied by the secondary emission factor from DBEIS<br>Emissions calculated with the distance-based method and fuel-based approach are calculated using a Well-to-Wheel approach.<br>Transportation and distribution data was collected through external data collection templates. |
| | **Source** | Activity data: ERPs, Internal tracking tools, supplier specific data provided by logistics service providers, transport and distribution invoices.<br>Emission Factors: Ecoinvent, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.10 Processing of Sold Products** | **Definition** | Emissions coming from further processing of by-products or intermediate products sold in the reporting year by downstream companies. |
| | **Scope** | Scope 1 & 2 emissions of the processing companies purchasing the intermediate products or by-products.<br>These emissions are applicable to legal entities, and specifically the production plants, that carry out Tuna Production activities. Only downstream processing by clients outside of Bolton is considered here. Intercompany sales of intermediate products are excluded to avoid double counting. |
| | **Methodology** | The volumes of intermediate product or by-product per type of further processing is collected through the internal digital data collection platform.<br>The emissions are then calculated through the average-data method by multiplying the volumes times the corresponding emission factor per type of process. |
| | **Source** | Activity Data: internal tracking tools, reports from waste management service providers.<br>Emission Factors: Ecoinvent. |
| **3.11 Use of Sold Products** | **Definition** | Emissions coming from further processing of by-products or intermediate products sold in the reporting year by downstream companies. |
| | **Scope** | Category 3.11 includes scope 1 and 2 direct use-phase emissions of sold products over their expected lifetime. It does not include indirect use-phase emissions. In Bolton, only two types of sold products generate direct emissions:<br>1. Diesel sold to third parties.<br>2. Adhesives glue guns. |
| | **Methodology** | Glue guns<br>The number and type (power) of glue guns are collected through an external data collection template. The emissions are calculated following the approach for products that directly consume energy during use which involves breaking down the use phase, measuring emissions per product, and aggregating emissions. The emission factors used were retrieved from Ecoinvent.<br>Diesel<br>The volumes of diesel sold to third parties were collected through the internal digital data collection platform.<br>The emissions were calculated using the approach for fuels and feedstocks, which involves collecting fuel use data and multiplying them by representative fuel emission factors from DBEIS. |
| | **Source** | Activity data: internal tracking tool stating glue guns sold per type, internal tracking tools and invoices of diesel sold to third parties.<br>Emission factors: Ecoinvent, UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| 3.12<br>End of life<br>Treatment of sold products | Definition | Emissions occurring during the waste disposal and treatment of products sold by Bolton at the end of their useful life. |
| | Scope | Scope 1 and 2 emissions of waste management companies that occur during the disposal or treatment of sold products. |
| | Methodology | The estimation of Scope 3.12 emissions was based on purchased goods inflow data used to calculate Scope 3.1. The calculation is based on four main components.<br><br>1. Packaging of manufactured products<br>It is assumed that all the packaging that is purchased for product manufacturing and used to calculate Scope 3.1 is sold and used on the same year. The Waste-type-specific method is then applied by multiplying the total mass of packaging times the average emission factors from Ecoinvent for waste treatment.<br><br>2. Packaging of trading (commercial) goods<br>Packaging volumes of trading (commercial) goods is collected directly by our adhesives, beauty and partially home and personal care business units. When the direct values are not available, we perform an extrapolation of packaging emissions based on an emission proxy based on scope 3.1 results. The Waste-type-specific method is then applied by multiplying the total mass of packaging times the average emission factors from Ecoinvent for waste treatment.<br><br>3. Formulas with fossil carbon content<br>Only applicable to our adhesives and home, personal and beauty care business units. For Adhesives it is assumed that all the purchased raw materials and commercial goods obtained from Scope 3.1 are going to municipal solid waste incineration and the Waste-type-specific method is applied using an Ecoinvent emission factor.<br><br>For Beauty it is assumed that products are disposed of in wastewater and the fossil carbon oxidizes to $CO_2$. These emissions consider purchased raw materials from scope 3.1. Assumption: 30% of the ingredients is glycerine with a fossil carbon content of 39%.<br><br>For Home and Personal Care it is assumed that products are disposed of in wastewater and the fossil carbon oxidizes to $CO_2$. Only the non-renewable surfactants are considered. Fossil carbon content of surfactants is 62%.<br><br>4. Food waste<br>Applicable to business units that manufacture and sell food products. The food raw materials reported under Scope 3.1 were multiplied by an overall food waste in households of 17% (UNEP), and by the Ecoinvent emission factor for food waste. |
| | Source | Activity data (same as for Scope 3.1): ERPs, internal tracking and monitoring tools, water meters and invoices<br><br>Emission Factors: Ecoinvent, Assumptions described above. |

| SCOPE 3 GHG EMISSIONS | | |
|---|---|---|
| **3.13** | Not relevant.<br>Bolton does not lease assets to downstream companies. | |
| **3.14** | Not relevant.<br>Bolton does not have any franchises. | |
| **3.15 Investments** | **Definition** | Emissions coming from the operation of investments |
| | **Scope** | Scope 1 and 2 emissions from investees, in line with the investment share. |
| | **Methodology** | Emissions from investments were allocated based on Bolton's proportional share of investment in the investee.<br>Bolton applies a Control Approach in the Corporate Carbon Footprint consolidation, meaning that if there is a share of 50% or greater in a company, the investee's emissions should be included in Scope 1 and 2, and not in Scope 3.15. However, considering that Bolton has a 40% share in Nauterra, 40% of the investee's Scope 1 and 2 emissions has been reported under this category. |
| | **Source** | Activity Data: Nauterra 2023 sustainability report<br>Emission Factors: not applicable |

| TOTAL GHG EMISSIONS PER NET REVENUE | |
|---|---|
| **Definition** | The total GHG emissions over the net revenue in million euros. |
| **Scope** | Scope 1, 2 and 3 emissions. |
| **Units** | Tonnes of $CO_2$eq / million euros. |
| **Method** | The total emissions are calculated as the sum of Scope 1, 2 and 3 and divided by the net revenue in million euros.<br>The index is calculated twice: once considering the market-based emissions and once considering the location-based emissions. |
| **Source** | Source of net revenue: ERP<br>Total GHG emissions calculated based on the GHG Protocol Corporate Standard methodology. |

| TOTAL ENERGY CONSUMPTION | | |
|---|---|---|
| **Definition** | The aggregation of the following Energy-Related Activities undertaken by Bolton, expressed in MWh and in Lower Heating Value or Net Calorific Value:<br>1. Fuel Consumption<br>2. Consumption of purchased or acquired electricity, heat and cooling<br>3. Consumption of self-generated non-fuel renewable energy. | |
| **Scope** | Production plants, fishing fleets, car fleets and offices owned or controlled by Bolton. | |
| **Units** | MWh, NCV. | |
| **Methodology** | The total energy consumption was calculated as the sum of the three types of energy-related activities mentioned above.<br>All energy consumption data was collected in the internal digital data collection platform except from fuel and electricity consumption in car fleets. Car fleet fuel and electricity consumption data was collected via external templates. | |
| **Source** | Conversion factors: UK Government's Department for Business, Energy and Industrial Strategy (DBEIS). | |
| **Fuel consumption** | **Definition** | A form of energy consumption through combustion |
| | **Scope** | The indicator refers to the gross fuel consumption. It does not refer to net consumption, therefore no deduction for energy produced and exported from the organizational boundary took place.<br>Fuel bought by Bolton and sold to third parties is not included in the Energy Consumption indicator.<br>Fuel consumption excludes the potential consumption in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded consumption is estimated as less than 1% of Bolton's total fuel consumption. |
| | **Methodology** | Fuel consumption values were collected based on the source:<br>• Renewable fuels: biogas<br>• Non-renewable fuels:<br>- Coal and Coal Products<br>- Crude Oil and Petroleum Products: Diesel, Marine Gas Oil, Marine Fuel Oil, Gasoline, LPG, Fuel Oil, Gas Oil, Waste Oil<br>- Natural Gas<br>In case technical constraints (for example a lack of meters) do not allow to retrieve the fuel used, the value was estimated based on the fuel purchased. |
| | **Source** | Activity data: meter readings, fuel invoices, internal tracking tools. |

| TOTAL ENERGY CONSUMPTION | | |
|---|---|---|
| Purchased or acquired non-fuel energy | Definition | Consumption of electricity, heat or cooling purchased from a third party outside of Bolton |
| | Scope | Energy acquired or generated within the Bolton perimeter is not accounted for to avoid double counting.<br>Electricity, heat and cooling consumption excludes the potential consumption in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded consumption is estimated as less than 1% of Bolton's total purchased non-fuel energy consumption. |
| | Methodology | For Purchased or Acquired energy to be considered renewable, it must be backed up by a contract stating the origin. If the origin of the purchased or acquired electricity is not clearly defined Bolton adopts a conservative approach and the purchased or acquired energy is considered as non-renewable.<br>In Bolton renewable electricity is sourced through the following strategies:<br>• Green electricity from unbundled procurement of energy attribute certificates<br>• Retail green electricity / green tariffs<br>• Default delivered electricity from the grid, supported by energy attribute certificates<br>This is in line with the ESRS and CDP reporting guidance, and with the GHG Protocol Scope 2 Guidance. |
| | Source | Activity data: energy invoices, contractual proof stating the renewability of the energy (if reported as renewable), EACs cancellation statements for renewable electricity, Internal tracking tools. |
| Consumption of self-generated non-fuel renewable energy | Definition | The consumption of non-fuel renewable energy is a form of energy consumption that doesn't require combustion |
| | Scope | This indicator refers to the gross consumption. It does not refer to net consumption, therefore no deduction for energy produced and exported from the organizational boundary should take place (i.e. electricity generated through PV panels and fed into the grid should not be deducted). |
| | Methodology | In Bolton, non-fuel energy consumption comes entirely from Solar PV. |
| | Source | Activity data: on-site meter readings, internal tracking tools. |

## 1.3 Circular Resources Key Performance Indicators

| COMMERCIAL GOODS USED DURING THE REPORTING PERIOD | |
|---|---|
| Definition | Total amount of products produced and manufactured by third parties and acquired by Bolton for distribution through its channels. |
| Scope | Includes only finished products sourced in the reporting period that do not require further processing in our plants. |
| Units | Tonnes |
| Method | The KPI is calculated by summing the weight of the products in tonnes. |
| Source | ERPs. |

| TOTAL WEIGHT OF TECHNICAL MATERIALS USED | |
|---|---|
| Definition | Total amount of materials of synthetic origin, sourced by the Company for manufacturing purposes, including both raw materials and packaging components. |
| Scope | • Includes synthetic organic or inorganic raw materials used to manufacture our Home Care, Personal Care and Adhesives products. In the case of mixed products, this category shall include only the portion of organic materials that have fossil content.<br>• Includes primary, secondary and tertiary packaging materials made of aluminum, tinplate, glass or plastic (excluding bio-based plastic). Primary and secondary packaging materials are the ones that constitute a sales unit while the tertiary packaging is the one needed to facilitate the handling and transport of the sales units to our customers. Transport packaging does not include road, rail, ship and air containers. |
| Units | Tonnes |
| Method | The KPI is calculated by summing the weight of technical materials in tonnes. |
| Source | Suppliers' specific data and ERPs. |

| TOTAL WEIGHT OF BIOLOGICAL MATERIALS USED | |
|---|---|
| Definition | Total amount of materials of natural origin, derived from living organisms or natural sources, sourced by the Company for manufacturing purposes, including both raw materials and packaging components. |
| Scope | • Includes raw materials and intermediary products that are used to manufacture our food products<br>• Includes organic plant-based or animal-based raw materials used to manufacture Home Care, personal care or adhesives products. In the case of mixed products, this category shall only include the portion of bio-based materials<br>• Includes minerals of natural origin used to manufacture our Home Care, Personal Care and Adhesives products<br>• Includes primary, secondary and tertiary packaging materials made of paper, cardboard, carton, wood or bio-based plastic. Primary and secondary packaging materials are the ones that constitute a sales unit while the tertiary packaging is the one needed to facilitate the handling and transport of the sales units to our customers. Transport packaging does not include road, rail, ship and air containers. |
| Units | Tonnes |
| Method | The KPI is calculated by summing the weight of technical materials in tonnes. |
| Source | Suppliers' specific data and ERPs. |

| BIOLOGICAL MATERIALS SUSTAINABLY USED | |
|---|---|
| Definition | Sustainably sourced materials are those that are certified to have been produced minimizing negative impacts on people and the planet along the entire supply chain and are fully traceable from their origin to the store shelf. |
| Scope | Biological materials sourced in the reporting year for manufacturing purposes that are certified according to one of the following certifications:<br>• Marine Stewardship Council (MSC)<br>• Green/Yellow rating according to the Monterey Bay Aquarium's Seafood Watch program<br>• Aquaculture Stewardship Council (ASC)<br>• Roundtable for Sustainable Palm Oil (RSPO)<br>• COSMOS<br>• Forest Stewardship Council (FSC) 100%, FSC Recycled, FSC mix<br>• PEFC |
| Units | Tonnes |
| Method | The KPI is expressed as a percentage of the total biological materials sourced in the same reporting period. |
| Source | Suppliers' specific data and ERPs. |

| RECYCLED PACKAGING MATERIALS USED | |
|---|---|
| **Definition** | Recycled packaging refers to packaging materials that have been recovered, reprocessed, and reused after their initial use. This includes materials from post-consumer waste, post-industrial waste and materials from outside existing collection streams (e.g., marine litter). |
| **Scope** | Packaging materials sourced in the reporting year for manufacturing purposes.<br>This excludes packaging materials from commercial goods. |
| **Units** | Tonnes |
| **Method** | The KPI is expressed as a percentage of the total packaging materials sourced in the same reporting period. |
| **Source** | Suppliers' specific data and ERPs. |

| RECYCLABLE CONTENT IN PACKAGING MATERIALS USED | |
|---|---|
| **Definition** | A packaging component is considered recyclable if it meets the recycling criteria defined by at least one major regional recycling industry organization and there is evidence of practical recycling of these materials or components. |
| **Scope** | Packaging materials sourced in the reporting year for manufacturing purposes.<br>This excludes packaging materials from commercial goods. |
| **Units** | Tonnes |
| **Method** | The KPI is calculated for each packaging material sourced and is expressed as a percentage of the total packaging material sourced within the same reporting period.<br>The recyclability status of each material and packaging component is established based on the internal Recyclability Guidelines. This document, agreed with and endorsed by WWF, is based on the latest available guidelines issued by the major European recycling industries or associations. |
| **Source** | Suppliers' specific data and ERPs. |

| WASTE DIVERTED FROM DISPOSAL | |
|---|---|
| **Definition** | Total waste diverted from disposal through recycling, reuse or other recovery operations.<br>• **Waste recycling**: any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but excludes both energy recovery and the transformation of materials into those intended for use as fuels or in backfilling operations.<br>• **Waste reuse**: any operation by which products or components are diverted from disposal and prepared to be used again for the same purpose for which they were conceived<br>• **Other recovery operations**: Any operation where the primary outcome is that waste serves a useful purpose by replacing other materials which would otherwise have been used to fulfill a particular function. |
| **Scope** | All waste (hazardous and non-hazardous) arising in our manufacturing facilities and vessels. |
| **Units** | Tonnes |
| **Method** | Absolute number reported by sites. |
| **Source** | Internal HSE internal tracking tools. |

| WASTE DIRECTED TO DISPOSAL | |
|---|---|
| **Definition** | Total waste directed to incineration (with or without energy recovery), landfilling or other disposal operations.<br>• **Incineration**: the controlled burning of waste at high temperature with or without energy recovery.<br>• **Landfilling**: landfilling is the final depositing of solid waste at, below, or above ground level at engineered disposal sites.<br>• **Other disposal operations**: any operation which is not considered waste recovery. |
| **Scope** | All waste (hazardous and non-hazardous) arising in our manufacturing facilities and vessels. |
| **Units** | Tonnes |
| **Method** | Absolute number reported by sites. |
| **Source** | Internal HSE tracking tools. |

| TOTAL WASTE GENERATED | |
|---|---|
| **Definition** | Total waste generated from our global manufacturing facilities and vessels. |
| **Scope** | All waste (hazardous and non-hazardous) arising in our manufacturing facilities and vessels. |
| **Units** | Tonnes |
| **Method** | The total amount of waste generated is calculated by summing the weight of the waste diverted from disposal and the weight of the waste directed to disposal. |
| **Source** | Internal HSE tracking tools. |

| TOTAL AMOUNT OF HAZARDOUS WASTE | |
|---|---|
| **Definition** | Total hazardous waste generated from our global manufacturing facilities and vessels is defined as waste possessing any of the characteristics listed in Annex III of Directive 2008/98/EC on waste:<br>H 1. Explosive<br>H 2. Oxidizing (highly exothermic reactions when in contact with other substances)<br>H 3. a) Highly flammable<br>H 3. b) Flammable<br>H 4. Irritant<br>H 5. Harmful<br>H 6. Toxic<br>H 7. Carcinogenic<br>H 8. Corrosive<br>H 9. Infectious<br>H 10. Toxic for reproduction<br>H 11. Mutagenic<br>H 12. Waste releasing toxic or very toxic gases in contact with water, air, or an acid<br>H 13. Sensitizing (substances and preparations which, if inhaled or penetrate the skin, are capable of eliciting a reaction of hypersensitization)<br>H 14. Ecotoxic (presenting immediate or delayed risks for sectors of the environment)<br>H 15. Waste capable, by any means after disposal, of yielding another substance that possesses any of the characteristics listed above. |
| **Scope** | Hazardous waste generated by our manufacturing facilities and vessels. |
| **Units** | Tonnes |
| **Method** | Absolute number reported by sites. |
| **Source** | Internal HSE tracking tools. |

| TOTAL AMOUNT OF NON-HAZARDOUS WASTE | |
|---|---|
| **Definition** | Total non-hazardous waste generated from our global manufacturing facilities and vessels is defined as waste that does not possess any of the characteristics contained in Annex III of the Directive 2008/98/EC on waste (listed above).. |
| **Scope** | Non-hazardous waste generated by our manufacturing facilities and vessels. |
| **Units** | Tonnes |
| **Method** | Absolute number reported by sites. |
| **Source** | Internal HSE tracking tools. |

## 1.4 Ocean Biodiversity Protection Key Performance Indicators

| TUNA SOURCED PER SPECIE | |
|---|---|
| Definition | Total amount of tuna sourced in the reporting period per species scientific name. |
| Scope | Group tuna sourced from owned vessels and from third-party vessels. |
| Units | Tonnes round equivalent. |
| Method | The KPI is expressed as a percentage of the total tuna sourced in the same reporting period.. |
| Source | ERPs and internal tracking tool. |

| TUNA SOURCED PER TYPE OF FISHERY | |
|---|---|
| Definition | Total amount of tuna sourced in the reporting period per type of fishery:<br>Marine Stewardship Council (MSC) Certified: Fisheries that have received certification from the MSC, which ensures they meet international best practices for sustainable fishing.<br>MSC Full Assessment: Fisheries that are currently undergoing the rigorous MSC full assessment process, indicating their commitment to achieving MSC certification.<br>Fishery Improvement Project (FIP): Fisheries engaged in a comprehensive and credible Fishery Improvement Project aimed at achieving sustainability and environmental responsibility, even if they haven't yet received formal certification.<br>Monterey Bay Aquarium's Seafood Watch:<br>• Green Rated: Best choices for sustainability, indicating that the species is abundant, well-managed, and caught or farmed responsibly.<br>• Yellow Rated: Good alternatives that are better choices compared to other options, though they may have some concerns regarding environmental impact or management practices.<br>Standard fisheries: none of the above. |
| Scope | Group tuna sourced from owned vessels and from third-party vessels. |
| Units | Tonnes round equivalent. |
| Method | The KPI is expressed as a percentage of the total tuna sourced in the same reporting period. |
| Source | ERPs and internal tracking tool. |

| TUNA SOURCED PER FISHING METHOD AND OCEAN OF CATCH | |
|---|---|
| Definition | Total amount of tuna sourced in the reporting period per fishing method and area of catch. |
| Scope | Group tuna sourced from owned vessels and from third-party vessels. |
| Units | Tonnes round equivalent. |
| Method | The KPI is expressed as a percentage of the total tuna sourced in the same reporting period. |
| Source | ERPs and internal tracking tool. |

## 1.5 Water Resources Key Performance Indicators

| WATER CONSUMPTION | |
|---|---|
| Definition | The amount of water drawn into Bolton's perimeter and not discharged back to the water environment or a third party over the course of the reporting period, reported in cubic meters. |
| Scope | Water consumption in owned or controlled production plants, fishing vessels and offices.<br>Water consumption in leased fishing longliners and carriers were excluded.<br>This indicator excludes the potential consumption in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded consumption is estimated as less than 1% of Bolton's total water consumption. |
| Units | $m^3$ |
| Method | Water consumption is calculated by subtracting the total water discharge from the total water withdrawn. |
| Source | Water consumption formula based on GRI 2021 standards. |

| WATER CONSUMPTION IN AREAS OF WATER STRESS | |
|---|---|
| Definition | The amount of water drawn into Bolton's perimeter in locations classified as medium – high and above according to the Aqueduct Water Risks Atlas, and not discharged back to the water environment or a third party over the course of the reporting period, reported in cubic meters. |
| Scope | Water consumption in owned or controlled production plants.<br>Water consumption in owned and leased fishing vessels was excluded.<br>Water from offices was excluded. |
| Units | $m^3$ |
| Method | The Aqueduct Water Risk Atlas is a tool developed by the World Resources Instityute that usesd geospatial data and advanced modelling techniques to assess water risjks by considering:<br>• Quantity-Physical Risks<br>• Quality-Physical Risks<br>• Reputational Risks<br>• Regulatory Risks<br>The coordinates of each production plant are entered into the online tool and the results are obtained based on the default parameters.<br>Water consumption is calculated by subtracting the total water discharge from the total water withdrawn. |
| Source | Water consumption formula based on GRI 2021 standards. |

| WATER WITHDRAWALS | | |
|---|---|---|
| Definition | The sum of water drawn into the boundaries of the organization from all sources for any use over the course of the reporting period. | |
| Scope | Water withdrawals in owned or controlled production plants, fishing vessels and offices.<br>Water withdrawals in leased fishing longliners and carriers was excluded.<br>This indicator excludes the potential withdrawals in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded withdrawals are estimated as less than 1% of Bolton's total water withdrawals. | |
| Units | $m^3$ | |
| Method | Water withdrawal volumes are collected through the internal digital data collection platform per source:<br>• Surface water<br>• Groundwater<br>• Seawater<br>• Third-party water<br>For each one of the withdrawal sources, the volume is collected per type of water:<br>• Freshwater<br>• Other water | Rainwater withdrawals in the Seafman plant in Ecuador were estimated based on monthly rainfall.<br>Seawater withdrawn in production plants in Cabo de Cruz and O'Grove was estimated based on the difference between water discharged and water withdrawn from the municipal network. |
| Source | Water invoices, meter readings, reports concerning the amount of water withdrawn from water bodies, internal HSE tracking tools. | |

| WATER DISCHARGES | |
|---|---|
| Definition | The sum of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party, for which the organization has no further use, over the course of the reporting period. |
| Scope | Water discharges in owned or controlled production plants, fishing vessels and offices.<br><br>Water discharges in leased fishing longliners and carriers were excluded.<br><br>This indicator excludes the potential discharges in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded discharges are estimated as less than 1% of Bolton's total water discharges. |
| Units | $m^3$ |
| Method | Water discharge volumes are collected through the internal digital data collection platform per destination:<br>• Surface water<br>• Groundwater<br>• Seawater<br>• Third-party water<br><br>For each one of the discharge destinations, the volume is collected per type of water:<br>• Freshwater: concentration of total dissolved solids equal to or below 1,000 mg/L<br>• Other water: concentration of total dissolved solids superior to 1,000 mg/L<br><br>For offices and fishing vessels it is assumed that no water consumption occurs, therefore the discharges were estimated to be equal to the withdrawals.<br><br>For the adhesives production facilities, no metering systems are present in the discharge points.<br>• For the production plant in Goes, water discharges were estimated with the following formula:<br>*Water withdrawn – water in products – water send to waste = water* discharged<br>• For the production facility in Bühl metering systems allow for the identification of the volume of water going into the production process and products. Water discharged is calculated based on the formula:<br>*Water withdrawn – water in products = water discharged*<br><br>Water discharged into soakaway pits in the Cermenate plant is estimated based on the millimeters of rainfall during the year and the drainage area. |
| Source | Documentation and/or reports produced by detection systems in defined discharge points, Evidence of calculations performed to arrive to estimated values (in case estimations are carried out), internal HSE tracking tools. |

| WATER RECYCLED OR REUSED | |
|---|---|
| Definition | Water and wastewater (treated or untreated) that has been used more than once before being discharged from Bolton's boundary, expressed in cubic meters. |
| Scope | Owned or controlled production plants and fishing vessels. Leased fishing longliners and carriers were excluded. |
| Units | $m^3$ |
| Method | The volume of water recycled or reused was collected through the internal digital data collection platform.<br>For offices it was assumed that no water was recycled or reused. |
| Source | Internal HSE tracking tools. |

| WATER STORED | |
|---|---|
| Definition | Water held in storage facilities or reservoirs at a certain point of the reporting period, expressed in cubic meters. |
| Scope | Owned or controlled production plants and fishing vessels. Leased fishing longliners and carriers were excluded. |
| Units | $m^3$ |
| Method | The volume of water stored was collected through the internal digital data collection platform.<br>For offices, it was assumed that no water was stored.<br>Considering this KPI was collected for the first time in 2023, the changes in water storage will only be reported from 2024 onwards as it will be calculated as the difference between the total water storage at the end of the reporting period and the total water storage at the beginning of the reporting period |
| Source | Reports from detection systems, Internal HSE tracking tools. |

| WATER CONSUMPTION INTENSITY | |
|---|---|
| Definition | The total water consumption over the net revenue in million euros. |
| Scope | Water consumption in owned or controlled production plants, fishing vessels and offices.<br>Water consumption in leased fishing longliners and carriers were excluded.<br>This indicator excludes the potential consumption in some commercial offices located in rented spaces, for which values cannot be retrieved. The excluded consumption is estimated as less than 1% of Bolton's total water consumption. |
| Units | $m^3$/million euros |
| Method | The total water consumption is divided by the net revenue in million euros.<br>Total water consumption is calculated by subtracting the total water discharge from the total water withdrawn. |
| Source | Source of net revenue: ERP<br>Water consumption formula based on GRI 2021 standards. |

## 1.6 Workplaces Key Performance Indicators

| NUMBER OF EMPLOYEES PER EMPLOYMENT CONTRACT | |
|---|---|
| Definition | Total number of employees with a breakdown by employment contract type:<br>• **Permanent Contract**: A permanent employment contract is a contract with an employee, for full-time or part-time work, for an indeterminate period.<br>• **Temporary Contract**: A temporary employment contract is of limited duration and is terminated by a specific event, including the end of a project or work phase or the return of replaced employees.<br>• **Non-Guaranteed Hours**: Non-Guaranteed Hours Employees are employees employed by the undertaking without a guarantee of a minimum or fixed number of working hours. |
| Scope | All employees of December 31 of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of employees by headcount |
| Method | Sum of all the Bolton Group's legal entities employees by employment contract. |
| Source | ERPs. |

| NUMBER OF EMPLOYEES PER EMPLOYMENT TYPE | |
|---|---|
| Definition | Total number of employees with a breakdown by employment type:<br>• **Full time**: A 'full-time employee' is an employee whose working hours per week, month, or year are defined according to national legislation and practice regarding working time (such as national legislation which defines that 'full-time' means a minimum of nine months per year and a minimum of 30 hours per week)<br>• **Part time**: A 'part-time employee' is an employee whose working hours per week, month, or year are less than 'full-time' as defined above. |
| Scope | All employees of December 31 of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of employees by headcount |
| Method | Sum of all the Bolton Group's legal entities employees by employment type |
| Source | ERPs. |

| WOMEN IN TOP MANAGEMENT POSITIONS | |
|---|---|
| Definition | Total number of women in Top managerial roles, identified as the job bands from 1 to 3 according to the job banding applied in Bolton, which is a classification system that groups positions into categories ('job bands') based on similar responsibilities and compensation levels. |
| Scope | Total number of employees by headcount as of 31 December of the reporting period in banding level from 1 to 3. |
| Units | Number of employees. |
| Method | The KPI is expressed in absolute value and as a percentage of the total employees in banding level from 1 to 3 in the same reporting period. |
| Source | ERPs. |

| NUMBER OF RECORDABLE WORK-RELATED ACCIDENTS | |
|---|---|
| Definition | The number of occurrences arising out of or in the course of work that could or do result in death, injury, or ill health, recorded during the reporting period. |
| Scope | All employees as of December 31st of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of accidents. |
| Method | The KPI is expressed in absolute value and as a rate per 1,000,000 hours worked following the formula: number of recordable work-related accidents / total hours worked * 1,000,000. |
| Source | HR payroll system. |

| NUMBER OF CASES OF RECORDABLE ILL HEALTH | |
|---|---|
| Definition | The number of cases of negative impacts on health arising from exposure to hazards at work. 'Ill health' indicates damage to health and includes diseases, illnesses, and disorders. |
| Scope | All employees as of December 31st of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of cases. |
| Method | The KPI is expressed in absolute value. |
| Source | HR payroll system. |

| NUMBER OF DAYS LOST TO WORK-RELATED INJURIES | |
|---|---|
| Definition | Total number of days lost to work-related injuries . |
| Scope | All employees of December 31 of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of day lost. |
| Method | The KPI is expressed in absolute value. |
| Source | HR payroll system. |

| NUMBER OF DAYS LOST TO WORK-RELATED ILL HEALTH | |
|---|---|
| Definition | Total number of days lost to work-related ill health. |
| Scope | All employees of December 31 of the reporting period.<br>Excludes agency workers, independent workers, internships and all those workers which do not possess an employment contract with one of Bolton Group's legal entities. |
| Units | Number of day lost. |
| Method | The KPI is expressed in absolute value. |
| Source | HR payroll system. |

# 2. ESRS Content Index

| ESRS | Disclosure requirement | Full name of the disclosure requirement | Page |
|---|---|---|---|
| **General Information** | | | |
| ESRS 2 | BP-1 | General basis for preparation of sustainability statements | 1 |
| ESRS 2 | BP-2 | Disclosures in relation to specific circumstances | 1 |
| ESRS 2 | GOV-1 | The role of the administrative, management and supervisory bodies | 16 - 18 |
| ESRS 2 | GOV-2 | Information provided to and sustainability matters addressed by the company's administrative, management and supervisory bodies | 19 - 20 |
| ESRS 2 | GOV-3 | Integration of sustainability-related performance in incentive schemes | 20 |
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| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816, Annex II | | 17 | |
| ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | | 17 | |
| ESRS 2 GOV-4 Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex 1 | | | | 1 | |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicators number 4 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | | Not material |
| ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | 70 - 75 | |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | | Not material |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | 50 - 51 | |
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climat Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2 | | | Not material |
| ESRS E1-4 GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | 57 - 58 | |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | | 61 | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS E1-5 Energy consumption and mix paragraph 37 | Indicator number 5 Table #1 of Annex 1 | | | | 61 - 64 | |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 Table #1 of Annex 1 | | | | | Not material |
| ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | 59 - 60<br>65 - 67 | |
| ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 | Indicators number 3 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | 59 | |
| ESRS E1-7 GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) | | Not material |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) | | | | | | |
| ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk. | | | | Not material |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral | | | | Not material |
| ESRS E1-9 Degree of exposure of the portfolio climate-relate to opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818, Annex II | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS E2-4 Amount of each pollutant listed in Annex E-PRT II of the Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1 | | | | | Not material |
| ESRS E3-1 Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 | | | | 97 - 98 | |
| ESRS E3-1 Dedicated policy paragraph 13 | Indicator number 8 Table 2 of Annex 1 | | | | 94 - 97 | |
| ESRS E3-1 Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 | | | | 106 - 107 | |
| ESRS E3-4 Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 | | | | 101 | |
| ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of Annex 1 | | | | 101 | |
| ESRS 2- SBM-3 - E4 paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 | | | | 105 - 107 | |
| ESRS 2- SBM-3 - E4 paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 | | | | 105 - 107 | |
| ESRS 2- SBM-3 - E4 paragraph 16 (c) | Indicator number 14 Table #2 of Annex 1 | | | | 105 - 107 | |
| ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b) | Indicator number 11 Table #2 of Annex 1 | | | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c) | Indicator number 12 Table #2 of Annex 1 | | | | 106 - 107 | |
| ESRS E4-2 Policies to address deforestation paragraph 24 (d) | Indicator number 15 Table #2 of Annex 1 | | | | | Not material |
| ESRS E5-5 Non-recycled waste paragraph 37 (d) | Indicator number 13 Table #2 of Annex 1 | | | | 87 | |
| ESRS E5-5 Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 Table #1 of Annex 1 | | | | 85 - 87 | |
| ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 Table #3 of Annex I | | | | | Not material |
| ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 Table #3 of Annex I | | | | | Not material |
| ESRS S1-1 Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | 25 - 26; | |
| 131 | | | | | | |
| ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | | | Delegated Regulation (EU) 2020/1816, Annex II | | 25 - 26 | |
| ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 Table #3 of Annex I | | | | 25 - 26 | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS S1-1 workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I | | | | 25 - 26 | |
| ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c) | Indicator number 5 Table #3 of Annex I | | | | 131 | |
| ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | 148 | |
| ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 Table #3 of Annex I | | | | 148 | |
| ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 Table #1 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | | Not material |
| ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I | | | | | Not material |
| ESRS S1-17 Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I | | | | | Not material |
| ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | | Not material |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS 2- SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 Table #3 of Annex I | | | | 129, 151 - 152 | |
| ESRS S2-1 Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1 | | | | 25, 153 - 156 | |
| ESRS S2-1 Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | | 25, 153 - 156 | |
| ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12(1) | | | Not material |
| ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | Delegated Regulation (EU) 2020/1816, Annex II | | 153 - 156 | |
| ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | | Not material |
| ESRS S3-1 Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 | | | | 153 | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Page in the Sustainability Report | Materiality |
|---|---|---|---|---|---|---|
| ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 Table #1 Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | | Not material |
| ESRS S3-4 Human rights issues and incidents paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | | Not material |
| ESRS S4-1 Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 | | | | 25 | |
| ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | | Not material |
| ESRS S4-4 Human rights issues and incidents paragraph 35 | Indicator number 14 Table #3 of Annex 1 | | | | | Not material |
| ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 Table #3 of Annex 1 | | | | 156 | |
| ESRS G1-1 Protection whistle-blower of paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 | | | | 131 | |
| ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II) | | | Not material |
| ESRS G1-4 Standards anti-corruption of and anti-bribery paragraph 24 (b) | Indicator number 16 Table #3 of Annex 1 | | | | | Not material |

# Bolton

**Bolton's GHG indicators related to scopes 1, 2 and 3 emissions**

(with independent auditors' report thereon)

KPMG S.p.A.

19 September 2024

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# Independent limited assurance report to Bolton on the GHG indicators related to scopes 1, 2 and 3 emissions

*To the board of directors of*
*Bolton Group S.r.l.*

We were engaged to report on the Bolton's GHG indicators related to scopes 1, 2 and 3 emissions set out in the "Climate Change" section of the Sustainability Report 2023 (the "sustainability report") of Bolton Group S.r.l. (the "parent") and its subsidiaries (together the "group" or "Bolton") for the year ended 31 December 2023 (the "Bolton GHG indicators"), in the form of an independent limited assurance conclusion that, based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Bolton GHG indicators are not properly prepared, in all material respects, in accordance with the "Greenhouse Gas Protocol" issued by the World Resource Institute (the "GHG Protocol").

## *Directors' responsibilities for the Bolton GHG indicators*

The parent's directors are responsible for the preparation of the information related to the Bolton GHG indicators in accordance with the GHG Protocol, which they have identified as their reporting standard as stated in the "Climate Change" section of the sustainability report.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Bolton GHG indicators that are free from material misstatement, whether due to fraud or error. It also includes selecting the GHG Protocol as the criteria against which to measure the GHG emissions.

## *Auditors' independence and quality management*

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management (ISQM) 1, which requires the company to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## *Auditors' responsibility*

Our responsibility is to examine the Bolton GHG indicators prepared by the parent and to report thereon in the form of an independent limited assurance conclusion based on the procedures we have performed and the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Bolton GHG indicators are properly prepared, in all material respects, as the basis for our limited assurance conclusion.

A limited assurance engagement in accordance with ISAE 3410 involves assessing the risks of material misstatement of the Bolton GHG indicators, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances of the engagement and evaluating the overall presentation of the Bolton GHG indicators. The nature, timing and extent of procedures selected depend on our understanding of the Bolton GHG indicators and other engagement circumstances, and our consideration of areas where material misstatements of the Bolton GHG indicators are likely to arise.

In developing our understanding of the Bolton GHG indicators and other engagement circumstances, we have considered the process used to prepare the Bolton GHG indicators in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the parent's internal control over the preparation and presentation of the Bolton GHG indicators.

Limited assurance is less than absolute assurance and reasonable assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the evidence-gathering procedures performed in response to the assessed risks. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Moreover, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies and agreeing or reconciling with underlying records.

Our procedures included the following:

1. through inquiries, we obtained an understanding of the group's internal control environment and information systems relevant to emissions quantification and reporting but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
2. we evaluated whether the group's criteria, principles and guidelines adopted to prepare the Bolton GHG indicators are appropriate and had been consistently applied;

3. we obtained an understanding of the processes underlying the generation, recording and management of the significant information related to the Bolton GHG indicators. Specifically, we held interviews and discussions with the parent's management personnel. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit data and information to the office that prepares the Bolton GHG indicators;
4. for a selection of specific components/sites, which we have selected on the basis of their contribution to the Bolton GHG's total emissions, we obtained documentary evidence supporting the correct application of the procedures and methods used to calculate the Bolton GHG indicators;
5. we evaluated whether the group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the group's estimates.

## *Conclusion*

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Bolton's GHG indicators related to scopes 1, 2 and 3 emissions for the year ended 31 December 2023 are not prepared, in all material respects, in accordance with the GHG Protocol.

## *Other matters*

The 2022 comparative figures presented in the "Climate Change" section of the sustainability report have not been examined.

Milan, 19 September 2024

KPMG S.p.A.

Vera Ravasi
Director of Audit

BOLTON

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