



Natra

COMMITMENT 2025

IN CORPORATE SOCIAL
RESPONSIBILITY

PROGRESS
REPORT

2020

CEO's



I am pleased to present our Progress Report in a year marked by the global health crisis, where ensuring the continuity of operations and the safety of our employees has been the highest of our priorities. Since the beginning of the pandemic, we have set up a corporate crisis committee formed by the Executive Committee, which has permanently supervised the evolution of the situation, implementing the necessary security measures and protocols in our production plants and offices.

Externally, as part of our commitment to our closest communities, we launched a global action program to stand alongside the most vulnerable groups (elderly and sick persons, healthcare personnel...). Thanks to this solidarity initiative we donated €0.5 million to different non-profit organizations in Spain, France, Belgium, and Canada.

Although 2020 has been a year of great uncertainty and difficulty for all, we have been able to advance in the fulfillment of our Mission to provide the best chocolate and cocoa solutions for the main retailers and distribution brands, with excellence, safety, high quality standards and passionate people, as well as in the consolidation of our sustainable management model.

As a significant milestone, the Board of Directors has approved the new Sustainability Strategy 2020-2025 that has been designed on the protection and development of our employees, "green" excellence in our operations and supply chain, innovation, and eco-design.

In this context, thanks to a firm commitment to innovation, we have responded to the needs of a consumer who increasingly demands healthier and more sustainable products with the launch of products with less sugar content, organic origin and higher cocoa and nuts content.

Another important milestone has been to request our main suppliers to implement good practices in social, environmental, and ethical management in their operations and business relationships, with the signing of our new Responsible Sourcing Code. By 2020, 97% of ingredient and packaging suppliers have adhered to this Code.

To contribute to a low-carbon economy, we have made decisive progress in our net-zero carbon strategy. In 2020 we have become a carbon neutral

company by offsetting the emissions of our energy consumption in plants with the acquisition of credits related to forest preservation projects in Peru. In addition, we have carried out various actions such as the assessment of the risks and opportunities related to climate change, the purchase of certificates of guarantee of origin for European plants, which have allowed 43% of total energy consumption in 2020 to come from renewable sources, or the assessment, for the first time, of the emissions of our suppliers, the transport of ingredients / packaging and distribution of chocolates and the work travel of our employees (scope 3).

As a signatory organization to the Global Compact, we renew our commitment to integrate the 10 principles related to labor and human rights, the environment and fight against corruption, while participating in projects that contribute to the achievement of the Sustainable Development Goals (SDGs) of the 2030 Agenda.

It is essential to highlight and appreciate the effort made by all our employees to keep the activity in operations and guarantee the service to our customers. They have demonstrated a high capacity and flexibility to adapt to the situations that the circumstances of the pandemic and the business have been requiring.

Finally, in the next financial year, we will continue to consolidate the foundations for the sustainable growth of Natra, and work to make us the Worldwide Preferred Independent European Chocolatier.

Dominique Luna Tudela
CEO

Statement



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Passion for Chocolate

**WORLDWIDE PREFERRED
INDEPENDENT EUROPEAN
CHOCOLATIER**

NEW
SUSTAINABILITY
STRATEGIC PLAN
2020-2025



995
EMPLOYEES



€ 442,000

AID TO SOCIAL
ENTITIES
to tackle the pandemic



+410
MILLIONS €
TURNOVER



44.6
MILLIONS €
EBITDA



ETHICS CODE &
COMPLIANCE
PROGRAMME



**COMMITTED
TO SDG**



1#

One of the first
enterprises to achieve
certification

ISO
20400.org



Red Española

34%
Certified cocoa



**EMISSION-NEUTRAL
COMPANY**

12,193

CO2 EQUIVALENT
CREDITS
IN REFORESTATION
PROJECTS IN PERU



+90%
RECYCLABLE
PACKAGING



41%

Reduction in Health &
Safety incidents
in factories



**ZERO
DAYS OF
FACTORY
CLOSURE**

100%

FACTORIES CERTIFIED
IN FOOD QUALITY
AND SECURITY



Our Uniqueness

Worldwide

Preferred

Independent

Driven by
excellence

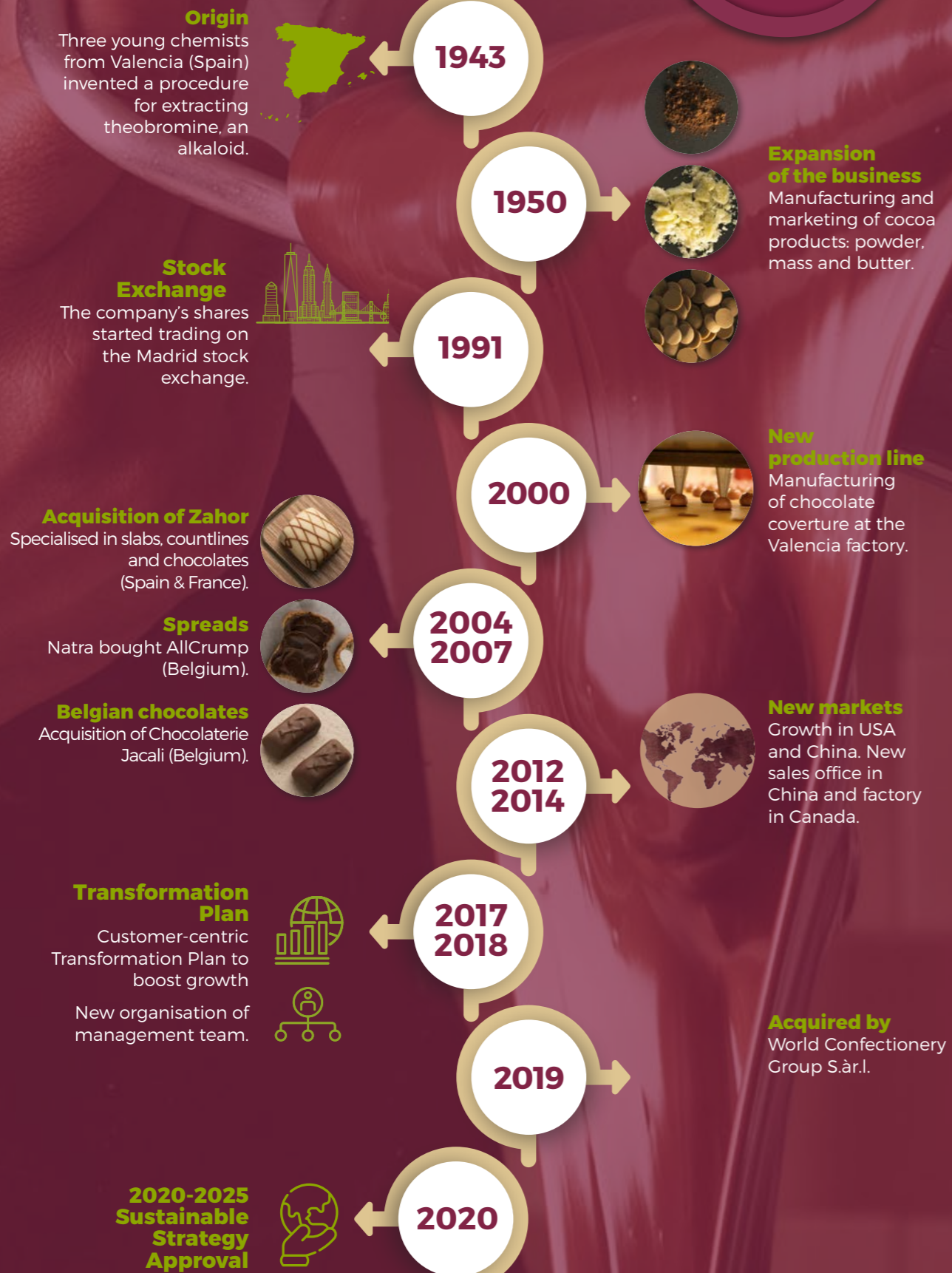
Chocolatier

European

Chocolate Experts

our history

78
YEARS



PRODUCING CHOCOLATE CONFECTIONARY AND COCOA PRODUCTS.

Our products

with the highest standards in food quality and security



Our products are sold in

+90
COUNTRIES



HEAD OFFICE
1 Madrid - Spain

PRODUCTION AND SALES OFFICE
2 Malle - Belgium
3 Bredene - Belgium
4 Saint-Étienne - France
5 Onati - Spain
6 Valencia - Spain
7 London - Canada

SALES OFFICE
8 San Diego - USA
9 Toronto - Canada
10 Dortmund - Germany
11 London - United Kingdom
12 Hong Kong - China

Our Mission

WE PROVIDE THE BEST CHOCOLATE AND COCOA SOLUTIONS FOR **LEADING RETAILERS AND BRANDED MANUFACTURERS, WITH EXCELLENCE, SAFETY, HIGH QUALITY STANDARDS AND PASSIONATE PEOPLE,** CONTRIBUTING TO MAKE THE DREAMS OF CONSUMERS WORLDWIDE COME TRUE.



Sustainability in Natra

76%
TARGETS MET
ON 2013-2020
SUSTAINABILITY
PLAN

We work on **INTEGRATING SUSTAINABILITY IN OUR DAILY ACTIVITIES AND BUSINESS STRATEGY**, as well as in relationships with our interest Stakeholders.

The first Natra Sustainability Plan (Compromiso 2020) ended in 2020, achieving 76% compliance with objectives.

This plan for the period 2013-2020 established the priorities around five main areas of action: Sourcing, Environmental Protection, Our team, Concern for the Community, Healthy Nutrition.

These results and fields of action have been taken into account in establishing the 2020-2025 sustainability strategy.

The basis of our new Sustainability Strategy

In early 2020, we started an **internal consultation process**, with the aim of identifying the material sustainability issues of Natra, on which to build the new Sustainability Strategy.

Phase

1

The sustainability team identified **80 material issues** in five areas: Social-People, Environment, Clients, Local Development, Sustainability Management-Governance.

Using ISO/TS 26030 as the reference framework: 2019

- Social responsibility and sustainable development
- Guidance on using ISO 26000: 2010 in the food chain.

Phase

2

A consultation was held with the Management Committee and Leadership Team (82 senior managers and managers), to identify the highest priority issues for Natra, among the 80 identified in phase 1. A list of **23 relevant issues** was obtained.

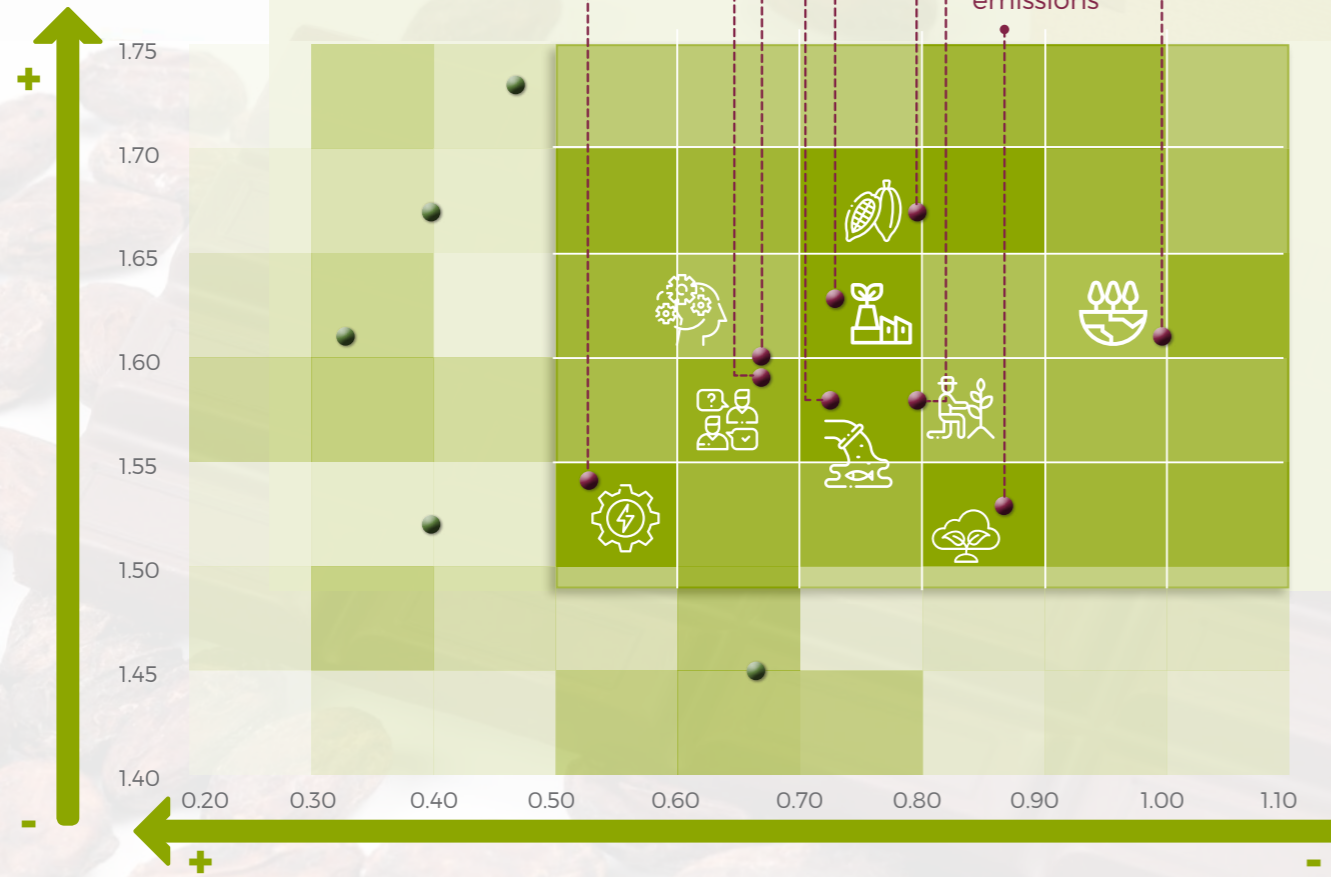
Phase

3

The Executive Committee evaluated the level of performance of each of the relevant aspects, obtaining **nine priority issues**, on which Natra's Sustainability Strategy 2020-2025 was designed.

Most relevant issues

Importance of the topic



Natra Performance

● Priority issues ● other relevant issues

Sustainability management



Sustainability Strategy 2020-2025 & UN Sustainable Development Goals

2020 results

2025 goals



34% of sustainable cocoa beans sourced.
97% of our new suppliers have signed the responsible sourcing code of conduct.

Sourcing



Natra is "carbon neutral" as 12,193 tons of CO2 acquired to support forest preservation project in Amazon/Peru
1 factory certified ISO-14001 (environmental management).
43% energy from renewable origin.
90% of packaging (recyclable or compostable).
90% of paper/cardboard packaging to have sustainable forestry certification.

Environmental protection



0.32 severity rate

Natra team



Social and educational contribution to highly vulnerable children in Côte d'Ivoire, world's leading cocoa-producing country. **40.7 tons** of product donated to food banks
440.000 € invested to counteract the effects of Covid-19 for the most vulnerable.
7 initiatives linked to sports and healthy lifestyle

Concerns for the community



100% of factories are ISO-22000, BRC or IFS certified

Healthy Nutrition



45%
of our cocoa proceeds from sustainable sources.

+30%
in our cocoa, hazelnut & palm oil traceability.

100%
of our new suppliers evaluated against NATRA's responsible sourcing code of conduct



100% of factories are ISO 14001 certified (6 factories).
50% of factories are ISO 50001 certified (3 factories).
-20% of energy consumption.

100% renewable electricity in NATRA plants.
Offset residual carbon emissions in forest carbon credit projects in countries where we source cocoa beans.

100% of packaging (recyclable or compostable).
100% of paper/cardboard packaging to have sustainable forestry certification.



-50%
Health and Safety incidents in factories.

+200%
training time (hours) on ESG subjects.



Investing 2% net profits in community projects
near chocolate factories and in cocoa-producing communities, in raw material supply countries.

Establish continued **collaboration** with food banks.

Continue promoting sponsorship of sports and healthy lifestyles.



1/3 of our development of new products follows the best sustainability practices (ecodesign towards sustainable ingredients and sustainable packaging).

Maintain **100%** of our plants certified to the highest international food safety standards.

Better for you. Healthy life, healthy nutrition



Investment in R&D and innovation is aimed at **THE DEVELOPMENT OF DIFFERENTIATING, HEALTHY, HIGHER QUALITY AND NUTRITIOUS PRODUCTS**

Innovation is a strategic pillar of Natra's business model, enabling us to be at the forefront of the latest trends in the sector and to respond to the needs of a consumer who is increasingly seeking healthy and sustainable products.



Spreads

- With alternatives to the palm fat, reduced saturated fats and the usual chocolate taste.
- Expansion of the range of organic spreads, guaranteed "palm oil free".
- Range of spreads with high dry fruit content.

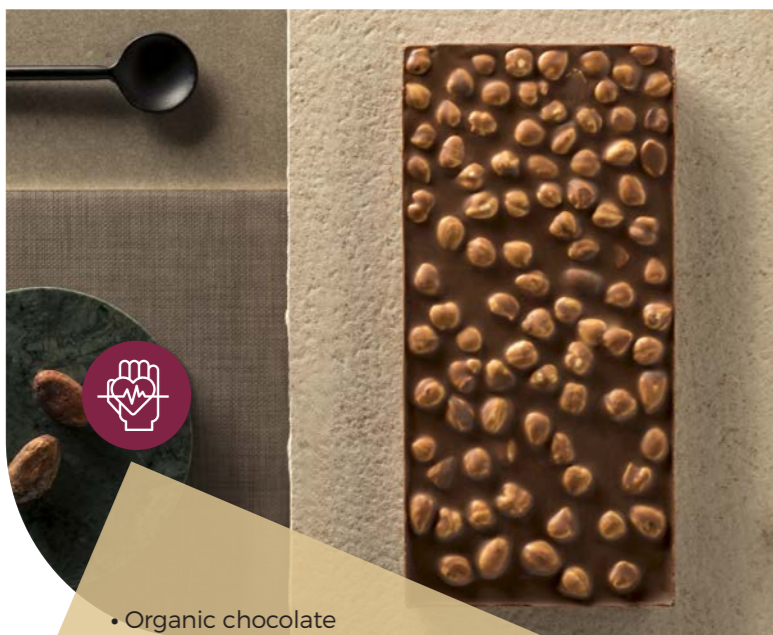


Chocolate snacks

- New Napolitains.
- Bars with dark chocolate, a trend increasingly present in categories other than tablets.
- Bars focused on children, with recipes high in milk.



Areas of innovation



- Organic chocolate tablets with reduced sugar.



- New chocolates launched with novel flavours, such as cocktail truffles.
- Assortments of praline chocolates/bonbons with "palm oil free".

Tablets

Launches in 2020 by category

New products with lower sugar content, organic, high cocoa and nut content

Pralines

Commitment to sustainable packaging

100%
COMPOSTABLES OR RECYCLABLE PACKAGING
2025

100%
ELIMINATION OF PVC AND EPS PACKAGING
2021

100%
PAPER/CARTON WITH SUSTAINABLE FORESTRY CERTIFICATION
2025

2019-2021 sustainable packaging strategy on 5 main targets :

- **Generation of value** through the creation of new and eco-designed new packaging and formats.
- **Maximize the value of the portfolio of products** through production cost reduction to optimise system packaging and standardise processes in all our plants; as well as redesign the packages

THINK GREEN

Standardisation

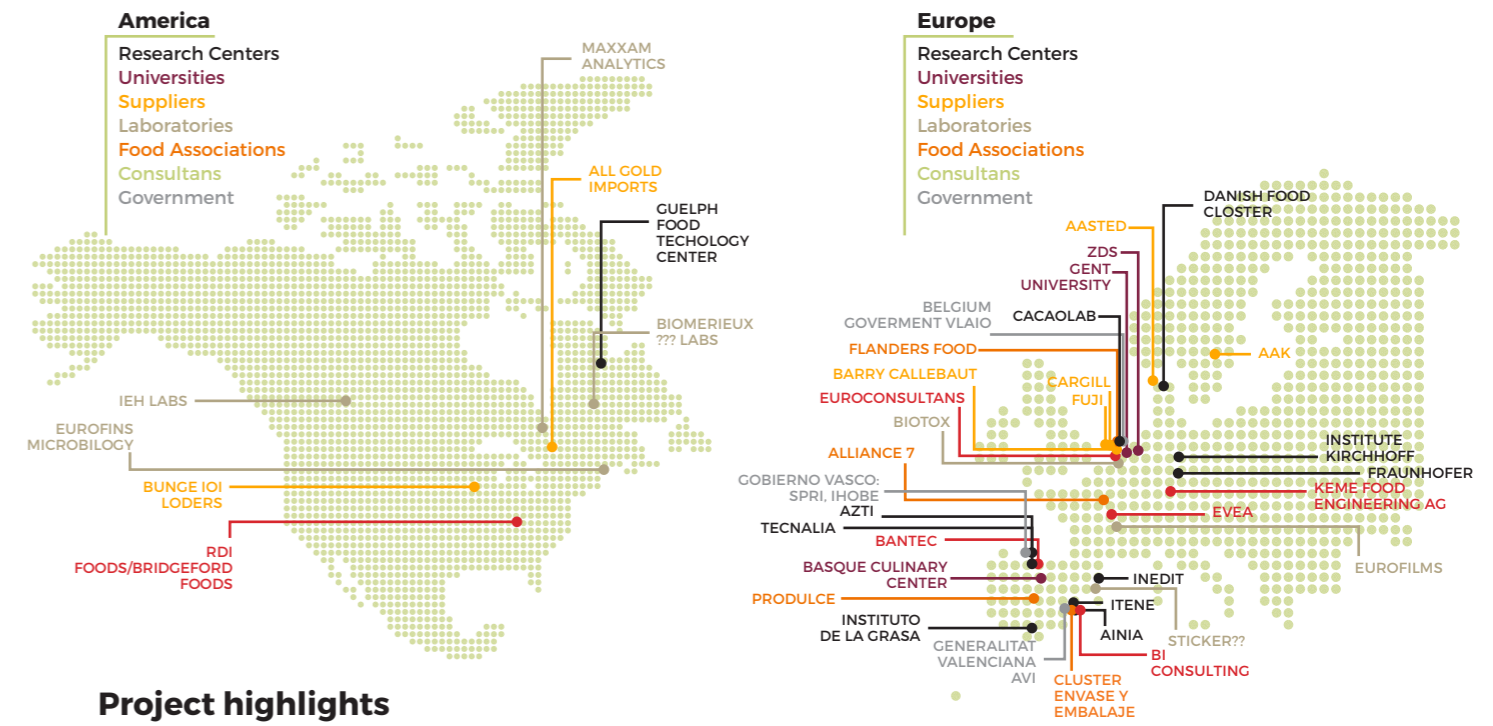
Disruption

Premiumisation

- Develop Doypack recyclable resealable in three formats (125gr, 250gr and 500gr).
- Improve of the recyclability of rigid plastic containers, through the development of monomaterial structures capable of maintaining the same properties and product life.
- -10% of cling film grammage for technology improvement spreads and 30% post-consumer recycled material in new cling film.
- Incorporate post-consumer recycled PET in trays for chocolates and pralines on an industrial scale and feasibility analysis of jars Spreads 100% PET.
- Develop 100% paper solutions for individual packaging in the Snacking category.
- Redesign formats for secondary packaging.

Joint innovation

We continue our active collaboration with different universities, research centers and platforms, national and international, with the aim of transforming joint knowledge into new products that meet the needs of customers and consumers.



Project highlights

Project	Description	Partner
PROTEINATUR	Development of snacks with high natural proteins.	Azti technological centre
ECORGAN	Study and develop new recipes for the usual components of commercialized bars that incorporate capitalise organic ingredients.	Azti technological centre
VEGEFRUIT	Development of a new range of healthier snacks for children.	University of Ghent
GLYCOPROFIT	Creation of a technological platform to convert sucrose into healthier alternatives such as trehalose, kojibiose or nigerose.	University of Ghent
REHUSK	Assessing the potential for transformation of cocoa husks (residues from cocoa processing, process) into different bio-products.	Ainia

In addition, Natra is collaborating with...

• **Bunge Loders Croklaan (BLC)**, world leader in specialized oils and fats for the food industry to develop a solution that allows a more balanced nutritional profile without compromising the sensory experience.

• **Students from different universities and higher education** for the eco-design and development of new formats through XI call for the "Design and Sustainability Awards" of the Packaging Innovation Cluster.

NATRA IS DEVELOPING INTERNALLY A PROJECT AIMED AT THE DEVELOPMENT OF A NEW RANGE OF HEALTHY COCOA POWDER AND LOW AMOUNT OF SPORES.

Our plants



NATRA HAS OBTAINED IN ITS PRODUCTION AND CENTRAL OFFICES
"GLOBAL SAFESITE" AGAINST COVID-19
CERTIFICATION OF BUREAU VERITAS



"The greatest challenge has been to maintain, with rigor and discipline, the Covid-19 protocols, both internally and for essential visits, ensuring that our productive activity has not stopped at any time, and always guaranteeing the health and well-being of our employees".

"The level of involvement and coordination of the different areas of the plants has been very high, so to date we have not had any internal contagion in the organization".

Ignacio Apodaca
 Corporate Health & Safety Manager

ZERO DAYS OF FACTORY CLOSURE

We have launched numerous Health and Safety measures to deal with the extraordinary situation caused by COVID 19, putting all means in place to protect employees, as well as continue to respond to the needs of our customers. It is satisfying to have managed to keep operations protected with high safety standards, with no contagion in the facilities and with sick leave by the COVID-19.

- Capacity limitation in the facilities.
- Compulsory use of masks on the premises.
- Use of diagnostic tests (PCR, antigen test, etc.) to prevent contagion, from possible asymptomatic persons, to the rest of the staff.
- Telework for a large proportion of administrative posts.
- Providing personalized hydroalcoholic gel.
- Maintaining safety distance.
- Prohibiting visits to plants except for essential services.
- Establishing a common protocol for action in different areas for the whole Group.
- Payment of an extraordinary bonus to employees in recognition of the effort made in the pandemic.

Means implemented to manage and minimize Covid-19 impacts





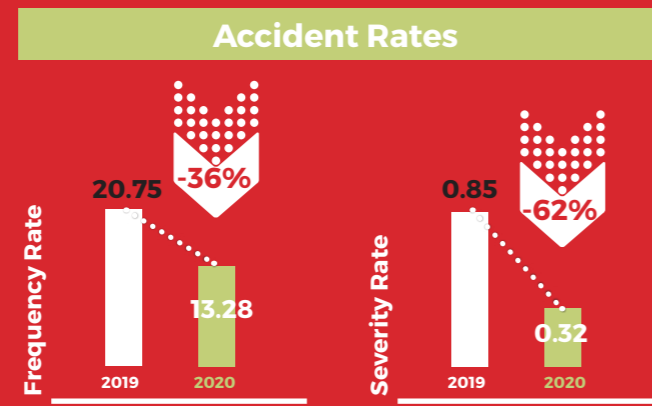
Target 2025
 REDUCE HEALTH AND SAFETY INCIDENTS IN 50% OF FACTORIES

Towards Zero accidents



At Natra, we are committed to ensuring the safety, health and well-being of our entire workforce, with a proactive view of safety and health, and with a goal of "Zero Accidents". With this line of conduct, the Group's factories have in force the SMETA / SEDEX certification that verifies good practices in health and safety.

In 2020 there were 22 accidents (11 of men and 11 of women) with a decrease comparable to 61 accidents (30 of men, 31 of women) in 2019, representing a reduction of 64%. This reduction is the result of the development of a plan, launched in 2019, in each factory, and aimed at reducing accidents.



NATRA'S COCOA PLANT (VALENCIA) RENEWS ITS ISO 14001 CERTIFICATION.

2025 GOALS
 100% ISO 14001 CERTIFIED PLANTS
 50% ISO 50001 CERTIFIED PLANTS

NATRA REQUIRES ITS SUPPLIERS OF INGREDIENTS AND PACKAGING, TO CONFORM TO ITS RESPONSIBLE SOURCING CODE.

Natra maintains its commitment to care for the environment, this being one of the key axes on which it based its 2020-2025 Sustainability Strategy.

This environmental commitment materializes both in the development of an Environmental Management System and in the zero-carbon strategy to fight against climate change.

Protecting our planet

Environmental policy

In 2020, the Executive Committee approved the Group's Environmental Policy (Green Operations Natra Policy) aimed at minimizing environmental impact and conserving ecosystems in the operating environment, which involves:



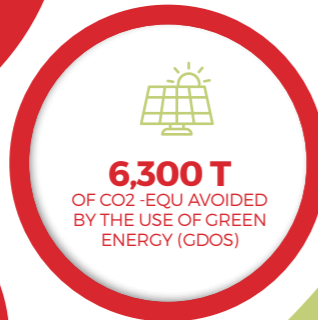
Zero-carbon strategy

On the road to carbon neutrality, Natra has approved the Greenhouse Gas Emissions Reduction Policy, which aims to **reduce** emissions from energy consumption, **avoid** emissions from purchases of certified cocoa and palm, as well as **offset** residual emissions with credit acquisitions.

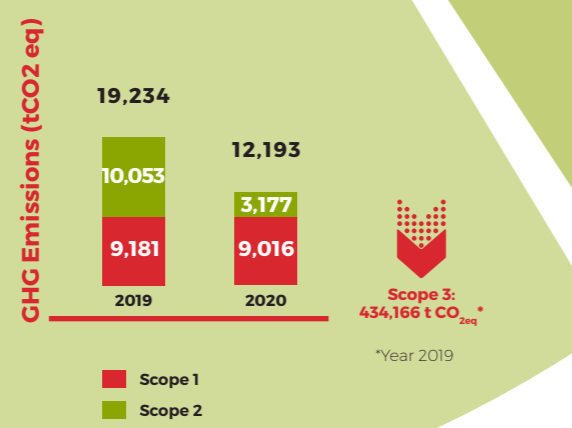


WE ARE CONTRIBUTING TO BUILDING A **SUSTAINABLE AND LOW-CARBON FUTURE**

Reducing and offsetting carbon footprint



Natra is a carbon-neutral company by acquiring 12,193 tons of CO2 credits in Amazon forest preservation projects in Peru, offsetting their emissions of scope 1 and 2.



➤ **Emissions have dropped by 37% mainly due to the decrease in emissions of Scope 2** (purchase of certifications to guarantee the origin of electricity for our European plants)

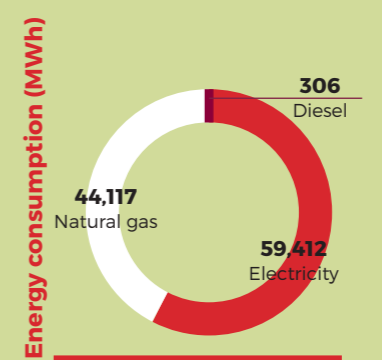
➤ Natra became an emissions-neutral company for the first time in 2019, by offsetting emissions of scope 1 and 2, **via the purchase of 19,234 tons of CO2 equivalent credits in ecosystem preservation projects in Canada.**

➤ **Natra's scope 3 has been assessed for the first time based on the data of 2019.**

➤ **An assessment of the risks and opportunities related to climate change has been carried out by a specialized consultant.** The main risks identified are related to the discontinuity of some tropical raw materials, and the risk of flooding affecting factories.

Some landmarks

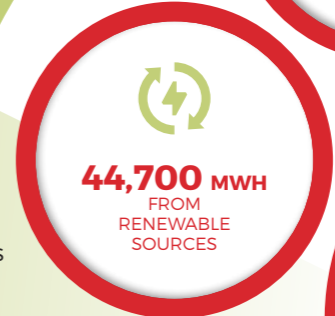
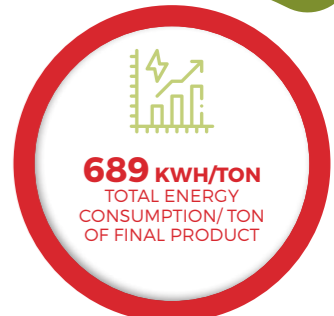
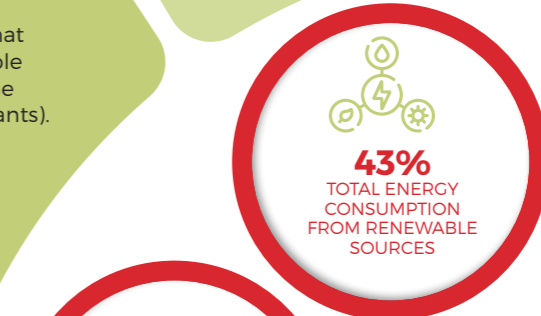
- **5% improvement in energy efficiency compared to 2019.**
- **Purchase of certifications to guarantee the origin of electricity (GDO's) for our European plants**, which states that 44,700 MWh come from renewable sources (accounting for 76% of the electricity consumed by these plants).



At Natra, we work towards greater energy efficiency, in operations, and reducing energy consumption.

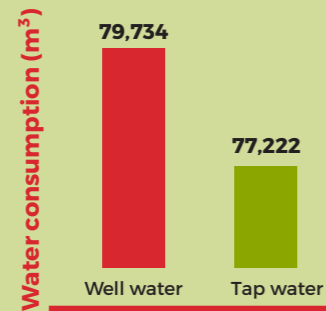
Energy saving and energy efficiency initiatives:

- Replacement of diesel trucks by electric trucks.
- Replacement of obsolete refrigeration equipment with new, more efficient ones.
- Replacement of refrigerants by others, with less environmental impact.
- Replacement of hot air compressor, by hot air blower, in the alkalization process.
- Use of the remaining cold water from cogeneration in the air cooling machine of dust mills.
- Oil replacement of air compressors, by another with greater efficiency.
- Replacement of TL lamps, with more efficient, LED lamps.
- Implementation of automatic shutdown systems, in areas without activity.
- Energy audit performed every two years.
- Heat recovery for other factory processes.
- Replacement with low-consumption machinery.
- Sensitization of employees.



Energy efficiency and renewable energies

Efficient management of resources



Natra has succeeded in improving by 3% against last year, its efficient management of water over total production.

Water Footprint



1.03
M³/TON
OF FINAL PRODUCT

- Leakage repairs.
- Constant calibration of the conductivity measurement of cooling towers to reduce purges.

Adjustment of conductivity purges of boilers and cogeneration cooling towers.

Internal awareness of employees.

4,231,221 KG
NON-HAZARDOUS
WASTE

Circular economy

7.8 KG/TON
WASTE LAND-FILLED/
INCINERATED
TOTAL WASTE / TON
OF FINAL PRODUCT



The waste generated is managed by authorized operators and transporters, and in accordance with the legislation of each country.

Initiatives for waste minimization:

Feasibility study of coils for the packaging of bags of 20 kg of chocolate drops and cocoa paste. 100% recyclable coils, to replace the current coils, which cannot be recycled because they have a part in aluminum.

Study of methods to obtain new bio-products.

To the extent possible, plants recycle, compost their waste and incinerate their waste to generate energy. 4,076 tons of by-products, from the husks, fins and other cocoa derivatives are intended for animal feed.

Daily monitoring of food waste.

Annual review of waste streams.

Environmental awareness days on the correct segregation of waste.

Responsible Sourcing & Value Chain

97%
Suppliers have signed the new code of conduct

+140 K t Raw materials **+29 K t** Packaging

34% Certified cacao

Against deforestation **100%** RSPO-certified palm oil

Cacao and cacao derivatives:
77% Africa **23%** Latin America

Hazelnut
70% Turkey

Palm oil
100% Asian continent (mainly Malaysia)

Other tools

- ▶ Corporate procurement policy
- ▶ Supplier code of conduct
- ▶ Code of ethics
- ▶ Compliance System



44,700 MWh energy consumption from renewable sources

79,734 (m³) Tap water **77,222 (m³)** Well water
Water consumption

995 Employees

6 Production plants

Natra Cacao Valencia

12,193 Acquisition CO₂ t credits eq "Carbon-neutral" company

90% Recyclable or compostable packaging
90% of paper/cardboard packaging to have sustainable forestry certification

Sustainable packaging

ISO 20400.org



ISO 14001

Signatory United Nations Global Compact

410 € M Turnover



Our Team

People are a strategic pillar for Natra's development and growth. In order to attract the best talent, we work to achieve the following goals: promote the health and safety of employees; improve the organization to make it more agile and efficient; integrate sustainability into the company culture; boost employee engagement and develop their skills and abilities.

In this exercise, conditioned by the global crisis provoked by COVID-19, management of Human Resources has become a key element for Natra. The great challenge has been to take care of, and ensure the health, safety and well-being of our people, as well as the continuity of the business.



An extraordinary moment, a solid compromise

Since the beginning of the pandemic, a corporate crisis Committee was set-up by the Steering Committee, together with a Committee in each plant, to enable direct monitoring with the Directors of Operations and Human Resources.

We drew up a safety protocol that must be monitored and complied with by each plant, constantly reviewed to adapt it to the reality of each country. In addition, each plant has established a specific protocol to better serve the circumstances and peculiarities of the environment and work organization of each plant.

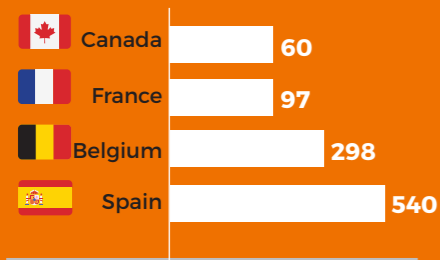
We have demonstrated high capacity and flexibility to adapt to the changing situations that the circumstances of the pandemic and business have been requiring. It is worth noting that, during the pandemic, there were no impacts on the service levels of the plants.

We are Natra

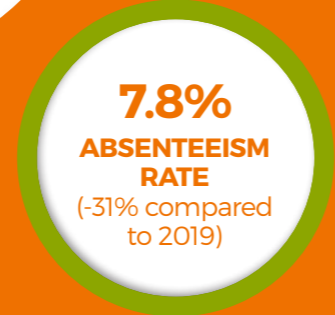
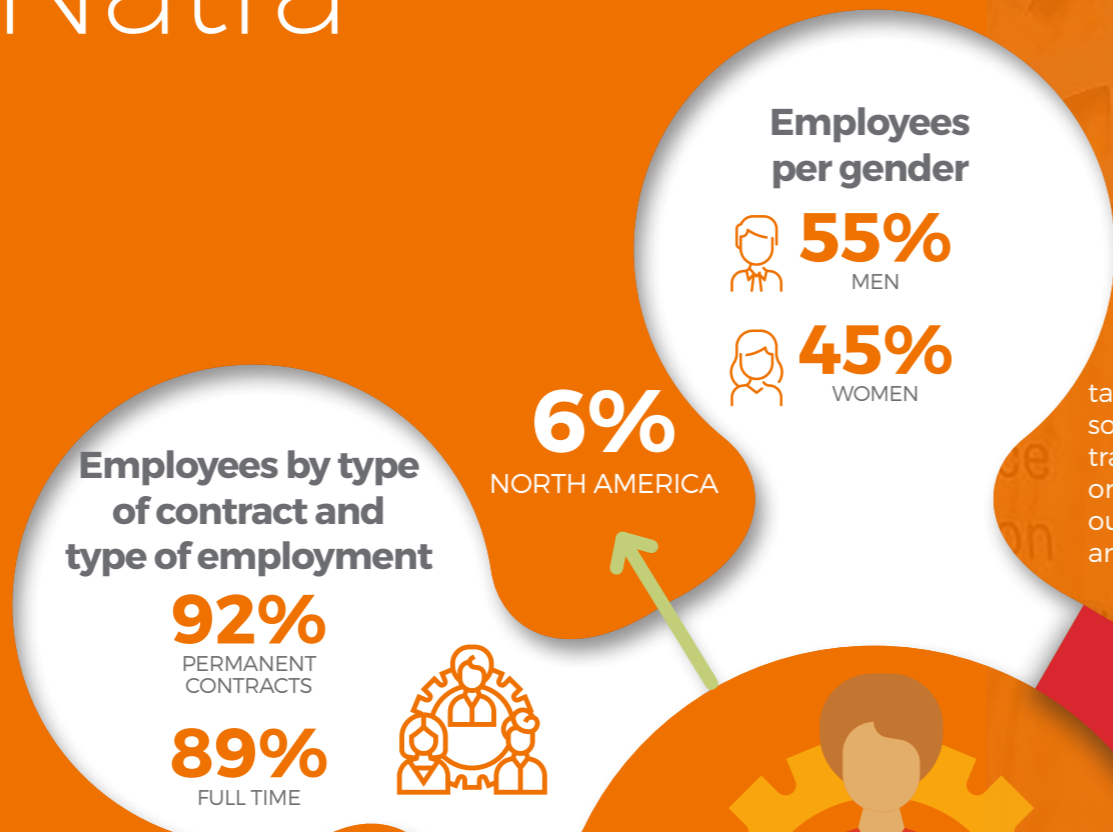
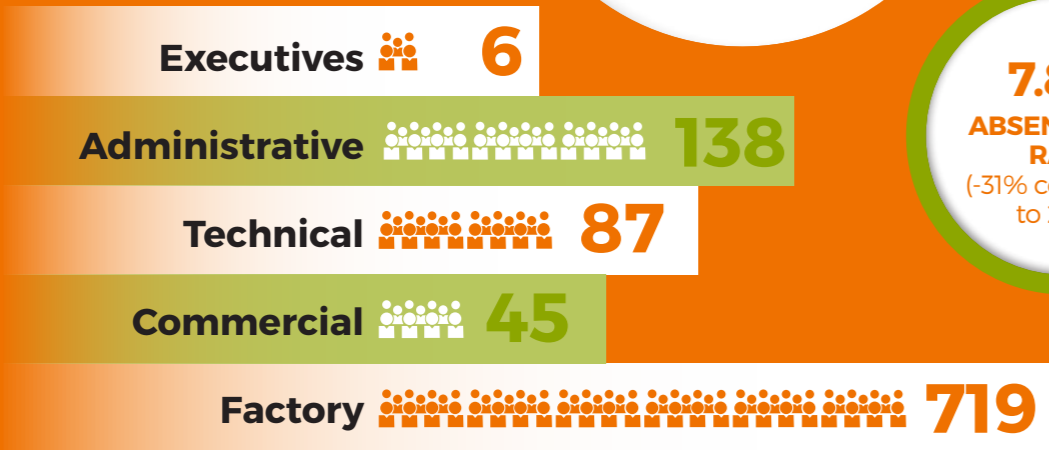
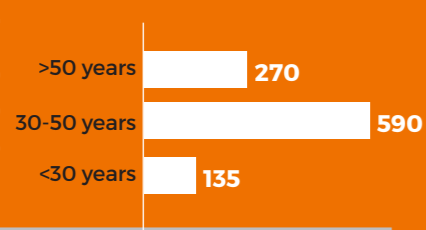
PEOPLE ARE THE TRUE
ENGINE OF OUR MISSION
AND OUR PASSION



Headcount by country



Headcount by age group



Innovation

We truly believe that our human talent can create solutions to transform the organization, our market and society.

Our values

Our corporate culture is based on values that guide us daily in achieving Natra's mission and vision.

Integrity

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

Entrepreneurship

We create and promote new ways of taking action and opportunities for business growth.

Excellence

We set challenging goals above standards, improving and maintaining high levels of performance.

Teamwork

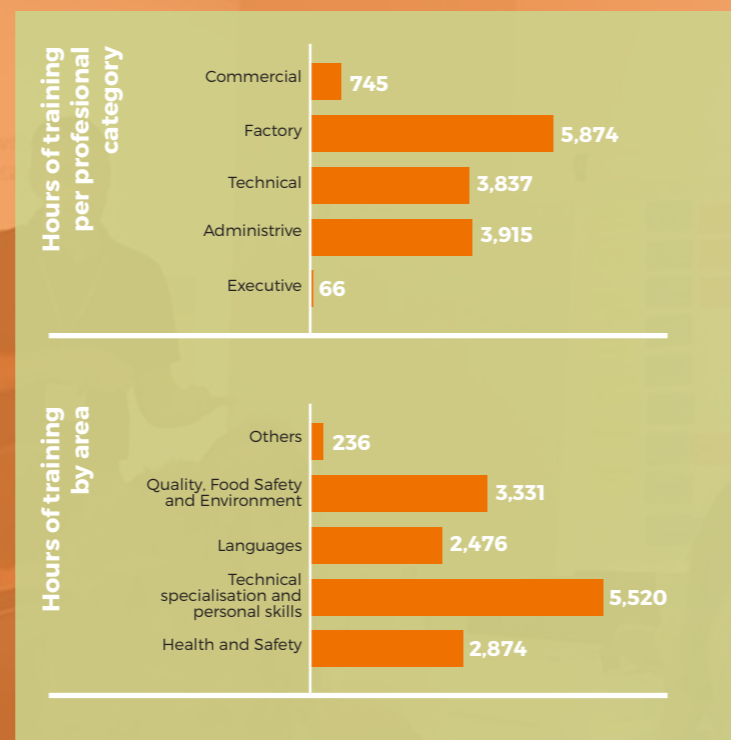
We work together to achieve our goals, sharing information, supporting and recognizing the contribution of each member of the organization to achieving common goals.

Training and development

At times with low incidence rates, the training was conducted in person with all the necessary preventive measures.

Aware of the importance of developing the skills and knowledge of our team, we try to provide the appropriate training taking into account the challenges of the company, the needs detected by the functional areas, as well as the results of individual performance processes.

The factories and distinct divisions/functional areas design their own training procedures and planning.



Internal promotion is part of the career development that Natra offers its employees. In 2020, internal talents were promoted to positions of greater responsibility.

The Performance Appraisal Policy establishes the performance evaluation procedure at Natra. Each year, each employee meets with their immediate manager in order to review the achievements of the previous year, and set targets for the following year. These goals are aligned with the goals and objectives of the organization.

TRAINING
14,437 HOURS

INVESTMENT IN TRAINING
334,932 €

TRAINING AVERAGE/EMPLOYEES
14.51

CALIBRATING PERFORMANCE



450
PEOPLE
EVALUATED IN 2020

425
IN PLANTS

25
CORPORATES

WE PROMOTE EQUAL OPPORTUNITIES
IN ACCESS TO EMPLOYMENT, WORKING CONDITIONS, TRAINING, DEVELOPMENT AND PROMOTION FOR OUR STAFF.

EQUALITY AND NON DISCRIMINATION

Natra assumes the responsibility of maintaining a working environment free from any discrimination and conduct involving harassment of a personal nature, promoting non-discrimination on grounds of race, ethnicity, nationality, gender, age, etc. Also, Natra also rejects any kind of behavior that creates a hostile or frightening work environment.

This commitment is reflected in the following documents:

- Natra's code of ethics
- Recruitment and selection policy
- Group level global policies
- Regulations and internal policies in our plants
- Equality Plans
- Protocol against sexual harassment

DIVERSITY

The Spanish and French plants comply with the General Disability Act, and the French Labour Code, respectively, through direct hiring and, where appropriate, alternative measures.

23
EMPLOYEES WITH DIFFERENT ABILITIES

+35%
EMPLOYEES WITH DISABILITIES VS 2019

WORK-LIFE BALANCE

WE ENSURE QUALITY OF LIFE AND HEALTH OF OUR PEOPLE

Natra has a Teleworking Policy to facilitate a better balance between professional and personal life. This policy is applicable in all countries and establishes the conditions of eligibility of teleworking.

In 2020, a document was approved with the recommendations for effective work in offices and teleworking during the exceptional situation of the Covid-19 with the aim of promoting an adequate balance between personal and working life.

SOCIAL DIALOGUE

WE WORK TO PROMOTE A GOOD SOCIAL CLIMATE.

In Belgium, Spain and France, 100% of professionals are covered by a collective agreement. In Canada, 100 per cent of the workforce is covered by applicable legislation.

Natra guarantees trade union representation in accordance with the customs and traditions of each country. The most significant trade unions in each country are now represented.

In 2020, the Saint-Étienne factory signed four agreements with the unions.

Ethics & Integrity

Our Compliance system

In 2020 we have continued to strengthen our compliance system, our transparency and best corporate governance practices.

Natra has a compliance system to ensure a strong ethical culture and integrity, creating healthy and stable relationships with all stakeholders.



AT NATRA WE ARE COMMITTED TO INTEGRITY, HUMAN RIGHTS, TRANSPARENCY IN MANAGEMENT AND COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.



Elements of our compliance system

The **Code of Ethics**, communicated and ratified by the entire staff, includes the typology of behaviors that are unacceptable to Natra.

The **Compliance Policy** provides us with the necessary mechanisms to ensure compliance with legal regulations, self-regulation systems and any other commitments.

The Risk and Compliance Committee reports to the Audit Committee, and is responsible for overseeing the effectiveness of the Compliance Management System and for analyzing complaints coming through the Group's Ethical Channel.

0
COMPLAINTS IN
2020

Natra has an Ethics channel through which alleged breaches or unethical conduct by an employee can be reported.

Main actions



Implementation of a **new delegation of authority policy**, which establishes corporate directives for the operational decision-making process in the Group.



Reinforcement of business continuity plans to deal with the pandemic in each factory, within the Group's corporate crisis management framework.



Implementation of **new procedures associated with risk policies with third parties, antitrust and anti-bank.**



Development of two training courses on anti-bribery and corruption, and antitrust for Natra employees.

Training in the prevention of corruption and fraud is a key element in the corporate culture of the company. In 2020, were organized:

- Awareness-raising sessions with commercial and purchasing teams to ensure that Natra's customers and suppliers are not on *blacklists* in sanctioned countries.
- Training for employees who are subject to *antitrust* and *anti-bank* risks.



WE REMAIN FIRMLY COMMITTED TO THE **FULFILLMENT OF HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION, BRIBERY AND MONEY-LAUNDERING**

Respecting human rights

We develop our business responsibly, managing and mitigating the risks related to the violation of human rights, both in direct and indirect operations.

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



We extend the commitment to human rights to our value chain:

- **We require cocoa suppliers to certify in writing that the cocoa supplied** is produced under decent working conditions in accordance with conventions such as the International Labor Organization (ILO), paying particular attention to the elimination of child and forced labor, non-discrimination in employment and respect for the freedom of association.
- The **Responsible Purchasing Code** of Natra asks suppliers to identify, avoid and address the negative impacts related to child labor, forced labor, freedom of association, safety at work, equal treatment, working hours and minimum wage.



Concern

for the
community



WE SHARE THE NEEDS OF OUR COMMUNITIES
AND WE GET INVOLVED TO HELP THEM
SOLVE THEM

In Natra, we are aware of the value generated by the relationship with the different communities where we operate, and to which we transfer a social commitment that mainly translates into the improvement of their well-being.

In the year 2020, we have especially reinforced this commitment in the fight against Coronavirus by helping the most affected groups in collaboration with different entities.

We also have continued to collaborate with food banks, supporting initiatives to promote healthy lifestyles in society, as well as having a positive impact on the living conditions of farmers and their families in those countries where we buy our main raw materials.



**WE WILL INVEST 2% OF 2020 NET PROFITS
IN COMMUNITY PROJECTS NEAR OUR
CHOCOLATE FACTORIES AND IN COUNTRIES
WHERE WE SUPPLY OUR MAIN
RAW MATERIALS.**

Standing together against the pandemic


442,000 €
 DONATED

Foto: Javi Fergo



" Thanks to Natra's collaboration, we were able not only to reorient, but to multiply, our activities to protect the most vulnerable groups from covid-19.

We have developed an intense response to this emergency by accompanying, informing, providing health care and also providing psychosocial support to those who have needed it most in Spain through our regional offices, and in countries where we manage projects with people at risk of social exclusion, such as Belgium, France and Canada "

Susana Atienza Borge
 Director of Marketing and Fundraising, Doctors of the World



Foto: Cintia Sarria

This year, marked by the COVID-19 pandemic, we wanted to be close to those groups that are particularly vulnerable: the elderly, the sick, health workers, young people with few resources... We have a presence there: Spain, France, Belgium and Canada.

Plant-Country	Action	NGO
Valencia and Oñati (Spain)	Measures of protection for elderly people in nursing homes.	Messengers of Peace
Valencia and Oñati (Spain)	Awareness-raising on COVID prevention measures among particularly vulnerable groups and facilitating access to health care (social and medical consultations).	Médecins du Monde
Oñati (Spain)	Endowment of the Hospital with resources to support its emergencies.	Psychiatric Hospital of San Juan de Dios de Mondragón
Oñati (Spain)	Support for the "Red Cross Plan RESPONDS to COVID 19" with the provision of sanitary protective equipment.	Red Cross Guipuzkoa
Oñati (Spain)	Donation for the purchase of computers for children who, due to their family circumstances, do not have access to online education.	City Council of Oñati
Malle (Belgium)	Support for the installation of 5 COVID-19 pre-diagnostic triage booths.	Hospital AZ Sint-Jozef - Malle and Municipality
Malle- Bredene (Belgium)	Installation of an isolation room for the homeless, and a infirmary for the chronically ill.	Médecins du Monde
Malle (Belgium)	Donation for the purchase of computers for children who, due to their family circumstances, do not have access to online education	Malle Municipality
Saint-Étienne (France)	Medical consultations for vulnerable communities or homeless people.	Médecins du Monde
Saint Etienne (France)	Coordination with various social entities for access to food for university students without financial resources..	Municipality of Saint Etienne
London (Canada)	Establishment of mobile health clinics, recruitment of a nurse for emergency operations, emergency fund support.	Médecins du Monde

Collaboration with organizations that work towards enhancing the well-being of people



We participate in projects aimed at improving the living conditions of farmers, eliminating child labor or promoting social inclusion, among others.

- **Amigo Foundation Ivory Coast**, the first cocoa-producing country in the world and where our Group sources part of the cocoa beans it uses. Social and educational contribution to children with a high level of vulnerability.
- **Associations** that focus on improving the living conditions of farmers, their families and communities, and on the preservation of the environment (UTZ Certified, Fairtrade International, International Cocoa Initiative).



Participation in forums and associations

- Flanders Food
- Belgian Federation for the food industry (Fevia).
- Royal Belgian Association of the biscuit, pralines and confectionary (Choprabisco)
- Association for Research in the Food and Farming Industry (AINIA)
- Federation of Cocoa Commerce (FCC)
- International Cocoa Organization (ICCO)
- Produlce
- FIAB
- AECOC, Asociación de fabricantes y distribuidores
- Excellence in Manufacturing Consortium (EMC)
- Syndicat du chocolat
- European Cocoa Association (ECA)

Industry



Food banks

Another way we collaborate is by donating our product to food banks and other non-profit associations.



Organisations that promote sustainable sourcing



- International Cocoa Initiative (ICI)
- World Cocoa Foundation (WCF)
- Belgian Alliance for Sustainable Palm Oil (BASP)
- Fundación Española del Aceite de Palma Sostenible
- Bioforum
- Fairtrade International
- UTZ Certified
- Roundtable on Sustainable Palm Oil (RSPO)
- Rainforest Alliance
- SEDEX
- United Nations Global Compact Spanish Network

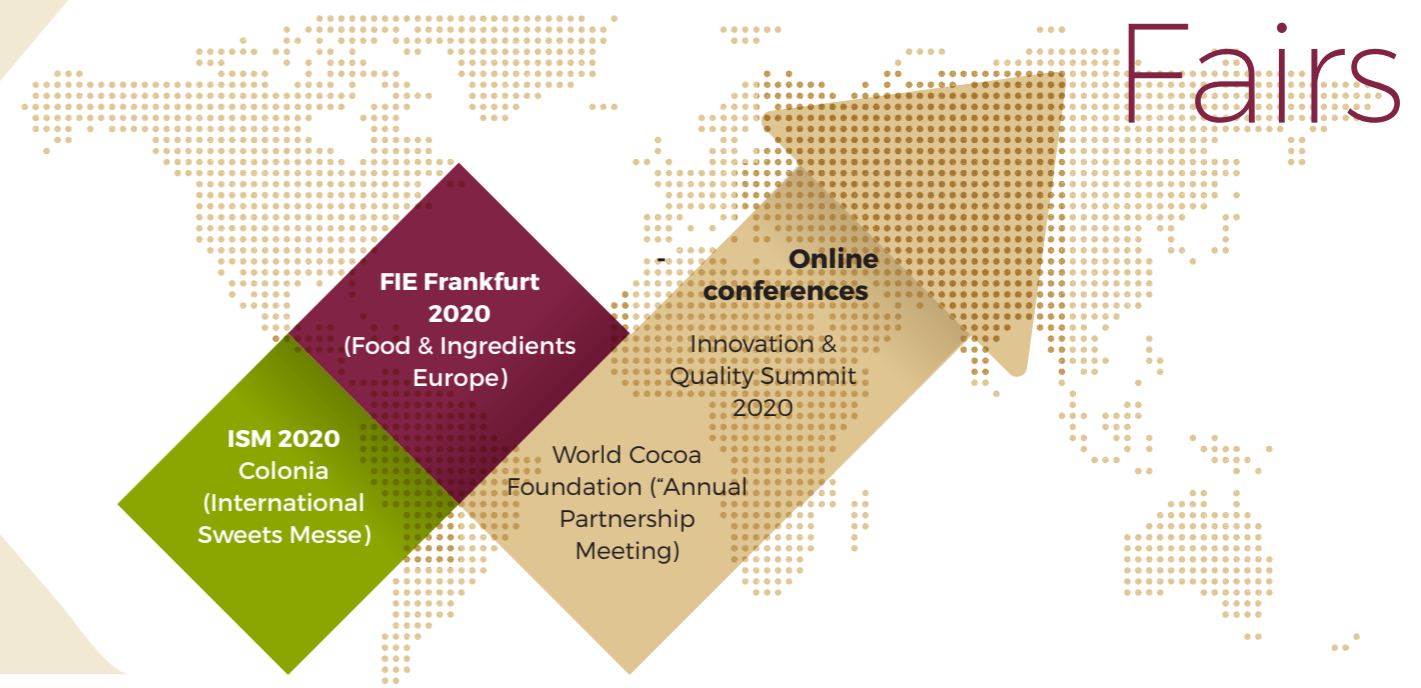
Promotion of healthy life-style



We support initiatives linked to sport and healthy lifestyles with the community and employees:

- KVO-Oostende football club (West Flanders, Belgium)
- Saint-Chamond basketball team (Loire, France)
- AloñaMendi football team (Oñati, Spain)
- Euskalkirol, municipal school sport project (Oñati, Spain).
- "Fruit always available" Plan (Plant of Valencia, Spain), before the pandemic.
- Bicycles leasing services for employees with advantageous financial terms (Belgium).
- Participation in a program aimed at creating a securer and healthier workplace (Canada).

Fairs



Annex I.

Natra's Contribution to Sustainable Development Goals (SDG)

Natra's sustainability strategy is closely with some of the challenges of the SDGs: ending poverty in all its forms, hunger and inequality, and preserving the planet's natural resources.

Through our work, we contribute directly to **Goals 2** End hunger, achieve food security and improved nutrition and promote sustainable agriculture, **Goal 3** Ensure a healthy life and promote well-being for all at all ages and **Goal 12** Ensure consumption and production patterns.



- Cocoa procurement: Fairtrade, UTZ, Rainforest Alliance and organic in Africa.



- Obtaining food safety and quality certifications (IFS, BRC, FSSC 22000)
- Participating in reviewing certification standards in sustainability, such as UTZ & RSPO.
- Sustainable procurement of cocoa, palm oil and hazelnuts.
- Member of a community that promote sustainable procurement (UTZ Certified for cocoa and hazelnut, Fairtrade International, Roundtable on Sustainable Palm Oil...)



- Innovation and development of healthier chocolate products.
- Collaboration with sports and healthy food initiatives.
- Action plan to improve working conditions and minimize risks of work-related injuries.



- Collaboration with the Amigo Foundation (Ivory Coast).
- Annual training Plans.



- Commitment to local employment and employee's skills in our cocoa / chocolate plants.
- Investment in employee training.



- Innovation strategy (sustainable packaging, healthy chocolates...).
- Collaborative innovation projects (circular economy for waste...).



- Collaboration projects in Colombia and Ivory Coast.
- Sustainable sourcing of cocoa and palm oil.



- Sustainable sourcing of cocoa and palm oil.
- Development of healthy and sustainable products with certification of ingredients, new sustainable packaging...).
- Membership of a community that promote sustainable production: RSPO, Spanish Sustainable Palm Oil Foundation, Belgian Alliance on Sustainable Palm Oil..
- ISO 20400 certification.



- Carbon-neutral strategy.
- Emissions compensation system.
- Energy-efficiency initiatives in all plants.
- Purchasing certifications to guarantee origin of electricity (GdOs).
- Solar panels, Malle plant.
- Cogeneration of energy in the plant.
- Sustainable packaging strategy.



- Sustainable sourcing of cocoa and palm oil.

Annex II.

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3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Ethics management and compliance. Our team.	103 Management approach Evaluation of human rights. 407-1
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5 Businesses should uphold the effective abolition of child labour.	Ethics management and compliance. Responsible Sourcing.	103 Management approach Evaluation of human rights. 408-1
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Environment		
7 Businesses should support a precautionary approach to environmental challenges.	Our factories.	103 Management approach in each area in the Environmental dimension. 302-1 / 303-5 /305-1 / 305-2/ 305-5/ 306-2
8 Businesses should undertake initiatives to promote greater environmental responsibility.	Our factories. Responsible Sourcing.	
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Natra

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