

We Care

Our Pathway to a
Sustainable
Future



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A word from our CEO

As the CEO of our esteemed organization, I am both humbled and proud to present our Sustainability Report 2023. This document is a testament to our commitment to sustainable practices and our dedication to making a positive impact on our planet.

Our journey towards sustainability is not a new one. We have long believed in the importance of balancing economic growth with environmental stewardship and social responsibility. Today, more than ever, we understand that our actions have far-reaching consequences, and we are committed to ensuring that these consequences are positive and beneficial.

Over the past year, we have made significant strides in reducing our carbon footprint, improving our energy efficiency, and promoting sustainable practices within our supply chain. We have also invested heavily in our local communities, supporting ManuCare initiatives that promote education, health, and well-being. Our commitment to sustainability is the promise of a brighter future for every life we touch. In the course of 2023, we have positively influenced more than 3,000 lives.



As the CEO of the Manuchar Group, I firmly believe that our commitment to sustainability is not just an obligation, but an opportunity to show leadership. We are not merely participants in the global economy, but stewards of the world we inhabit. Our actions today will shape the world for future generations. Therefore, we are dedicated to integrating sustainable practices into our business, ensuring that we not only thrive economically, but also contribute positively to our planet and the communities surrounding our operations.

PHILIPPE HUYBRECHS
CHIEF EXECUTIVE OFFICER

INTRODUCTION

Manuchar Group has been an active participant in the United Nations (UN) Global Compact since February, 2021. The company has integrated the Global Compact principles and the UN Sustainable Development Goals into its business strategy, culture, and daily operations.

Along being an active participant in the United Nations Global Compact, Manuchar Group commits to Responsible Care, the global chemical industry's voluntary initiative to drive continuous improvement in safe chemicals management, as well. Both commitments demonstrate how we are taking the necessary steps to ensure that our operations are sustainable and environmentally friendly.

Manuchar Group recognizes that the transition to renewable energy on a global scale is a monumental task, but one that holds the promise of a sustainable future. The company has been actively implementing energy-efficient and renewable energy solutions for its locations on a global scale.

In 2023, Manuchar Group focused on this transition. However, the transition to renewable energy has not been without its challenges.

Infrastructure needs to be built or adapted, technologies need to be developed and refined, and policies and regulations need to be put in place to support this shift. Additionally, the intermittent nature of some renewable energy sources, like wind and solar, requires the development of efficient storage solutions. Despite these challenges, the benefits of renewable energy make the effort worthwhile, and we are very proud to announce we have been able to transition to fully renewable energy sources on a global scale. This transition allowed us to reduce our marked-based Scope 2 carbon emissions to net-zero levels and achieve a 14% reduction in our Scope 1 and Scope 2 carbon emissions compared to the previous year, limiting our environmental impact and moving closer to our target of a 50% reduction in Scope 1 and Scope 2 emissions by 2030.

We recognize that sustainability is not a destination, but a journey. We are proud of our 2023 achievements, but we remain conscious. We understand that there is always more to be done, more to learn, and more ways to improve.

In the coming years, we will continue to push the boundaries of what is possible. We will invest in innovative technologies that reduce our environmental impact, work with our partners to promote sustainable practices, and continue to empower our employees to make a difference.

We are deeply grateful for the support and trust of our stakeholders. Your belief in our mission fuels our determination to create a sustainable future. Together, we can make a difference.

Thank you for joining us on this journey.

Philippe Huybrechs
Chief Executive Officer





The Manuchar Group is a leading distributor of chemicals across emerging markets and actively trades several other commodities.

Our end-to-end chemical distribution business serves various industries, including home and fabric care, personal care, human nutrition and animal nutrition, crop nutrition, mining and energy, pharma, glass, textiles, and water treatment. Our international trade services cover steel, polymers, paper, and several other raw materials.

Throughout the world we service these industries with sourcing, maritime transport, port operations, sales, distribution, and local logistics. The Manuchar Group operates in more than 40 emerging markets with our own local logistics assets and people, providing storage solutions, value-added logistics and just-in-time (JIT) deliveries in over 160 locations. This global undertaking is administered via the nerve centre of our entire operation: our headquarters in Antwerp, Belgium.

At the Manuchar Group we strongly believe in the value of long-term partnerships and aim to build a strong and sustainable business. This long-term view explains our systematic investments in infrastructure and teams in strategic locations in emerging markets. Our over 2,800 strong highly professional workforce connects suppliers to consumers across the entire world. They are the secret of our success, and we are committed to continue investing in our teams.

KEY FIGURES 2023



COMMODITIES SOLD
4,000,000 MT



ANNUAL TURNOVER
USD 2.4 BILLION



HANDLED 3PL
10,400,000 MT



AFFILIATES
85



EMPLOYEES
2,800



WAREHOUSING
722,000 M²



LOCAL PRESENCE IN COUNTRIES
+40

LOCATIONS
+160

SALES IN COUNTRIES
+140

OUR COMPANY

Local presence and proximity are integral to cultivating enduring relationships. The entrepreneurial spirit at the Manuchar Group ensures agility, enabling us to swiftly find solutions to assist our customers and suppliers. This agility has contributed to growing the Group's annual revenue to over 2,4 billion US dollars.

Established in 1985, Manuchar Group became part of A. Maas & Co, founded in 1880, evolving into a robust logistics group.

In 2022, a strategic agreement with new investors, alongside Manuchar Group's management, marked a significant milestone. This partnership aims to fortify the Group's position as a leading chemical distribution platform in emerging markets, enhancing our global network both geographically and in product offerings.

Recognized for our reliability, the Group's proven business model is grounded in deep local market knowledge and a resilient global distribution and supply chain network. Our mission is clear: "We keep your production running. Anytime. Anywhere."

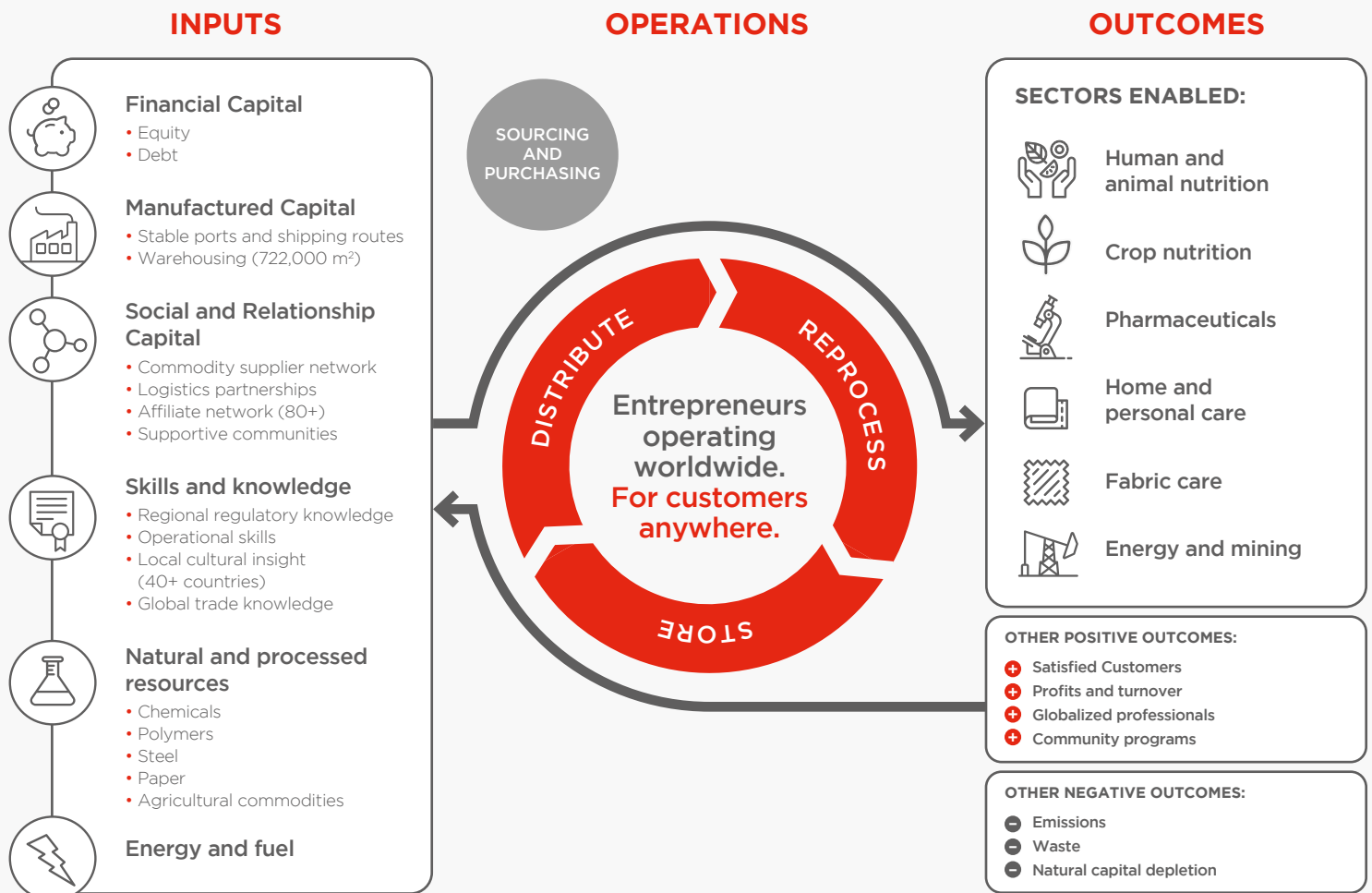
OUR MISSION

The Manuchar Group supplies raw materials in emerging markets.

We deliver the most efficient and reliable sourcing and supply chain solutions from around the globe.

We keep your production running. Anytime. Anywhere.

MANUCHAR GROUP'S BUSINESS MODEL



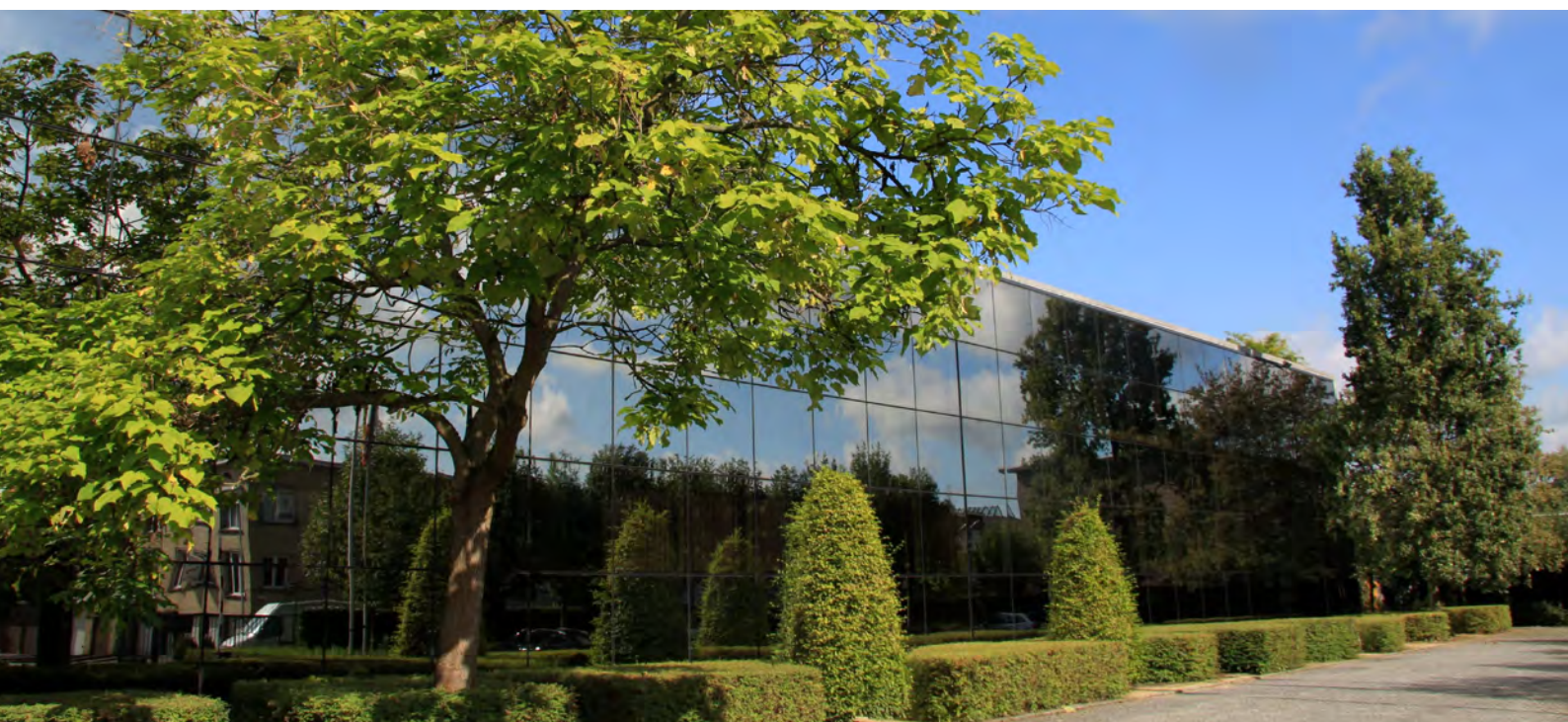
Our ESG Commitments

We, Manuchar Group, are committed to achieving a more sustainable future for all. Our sustainability goals include reducing our environmental footprint, improving energy efficiency, and creating a more sustainable supply chain.

We strive to make our operations more efficient and to reduce our carbon footprint by making investments in renewable energy sources and other clean technologies. Additionally, we are committed to educating our employees and partners about the importance of sustainability and how our actions can make a difference. In February 2021, we selected nine Sustainable

Development Goals (SDGs) to which Manuchar Group can make the greatest contribution. In 2023, we additionally selected Sustainable Development Goal (SDG) 15, which focuses on the protection, restoration, and promotion of sustainable use of terrestrial ecosystems, as a critical step in our commitment to environmental sustainability.

These ten SDGs are:



Our Sustainability Mission

The Manuchar Group pledges to be a proactive leader in fostering environmental, social, and governance (ESG) initiatives in emerging markets, underlining our commitment to sustainability and care for the communities surrounding our operations.

This commitment is exemplified through our global “We Care” sustainability program, which focuses on topics such as legal compliance, advocacy for human rights, responsible sourcing, environmental protection, and active engagement with the communities surrounding our operations.

This mission is a decision guided by our materiality assessment, aligning our strategic goals with the urgent need to protect and restore our planet's ecosystems.

Following the latest double materiality assessment, we conducted a review of The Manuchar Group's sustainability strategy for 2023. This strategic framework encompasses five core goals:

- Reducing our carbon footprint
- Advocating a responsible value chain
- Developing a safe, equal, and dignified workforce
- Investing in community development and inclusivity
- Respecting ethical principles

The first two goals contribute towards the Group's goal of achieving Net-Zero Carbon by 2050, in line with the Group's aspiration to build a sustainable future for all.

Based on the 5 goals set forward, Manuchar Group is committed to integrate environmental, social and ethical principles into its business which is central to improving the quality of life of the communities we serve globally and enhancing long-term stakeholder value.

The Manuchar Group's global “We Care” sustainability program is a comprehensive initiative that aligns with the United Nations' Sustainable Development Goals (SDGs).

This program is a testament to our commitment to creating a sustainable and equitable world.



OUR ESG COMMITMENTS

With our “We Care” program we prioritize the SDGs where the Manuchar Group can make the most substantial impact. These include:

Health and Safety

The Manuchar Group is committed to ensuring the health and safety of our employees and stakeholders. This includes implementing rigorous safety protocols and promoting a culture of safety within our organization.

Quality Education

The Manuchar Group believes in the power of education and invests in programs that enhance the skills and knowledge of our employees and the communities we serve.

Livable Wages

The Manuchar Group is dedicated to providing our employees with livable wages, recognizing that fair compensation is essential for the well-being of our workforce and their families.

Environmental Protection

The Manuchar Group is actively involved in environmental conservation efforts. We adopt sustainable practices in our operations and work towards reducing our environmental footprint.

Equality and Justice

The Manuchar Group stands for equality and justice, promoting an inclusive work environment where everyone is treated with respect and dignity.

The SDGs are integrated into the Group’s policies and procedures, serving as our guiding principles in our decision-making process. This integration ensures that sustainability is not just an afterthought but is at the core of the Manuchar Group’s operations.

Through our “We Care” program, the Manuchar Group is not only contributing to the global sustainability agenda but we also want to set an example for other companies in the sector. It demonstrates that businesses can be profitable while also being socially responsible and environmentally conscious. This commitment to sustainability is a key part of the Manuchar Group’s identity and will continue to shape our strategies and operations in the future.

To drive our ESG performance into the future, we have set ambitious goals to drive positive change within and beyond our operations. Our ESG goals to 2025 and beyond are a collection of objectives underpinned by clear and measurable targets.




















Our 2025 and beyond ESG Goals



























The advancement towards our Environmental, Social, and Governance (ESG) objectives is depicted in the following table.

Each goal's progress is associated with the United Nations Sustainable Development Goals (UN SDGs) it aligns with, as well as the significant material issue identified in our double materiality

assessment. This means that each goal we set is not only in line with global sustainability standards (UN SDGs), but also relevant to our specific business operations (material topics).

SDG	GRI	Material topic	Target	2023	2022	2021 Baseline year
 	305-5	Greenhouse gas emissions and reductions	50% reduction by 2030 scope 1&2 CO ₂ e	-20.6% (9,467.41 tCO ₂ e)	-7.6% (11,014.34 tCO ₂ e)	0% (1,920 tCO ₂ e)
 	305-5	Greenhouse gas emissions and reductions	Carbon net-zero operations by 2050	N/A	N/A	N/A
  	305-4	Transition to renewable energy	50% of electricity from renewable energy by 2035	+100% (7,173 MWh)	+20.29% (1,058 MWh)	2.87% (187 MWh)
 	306-2	Transition to a circular economy	50% reduction of waste to landfill by 2035	+9.5% (2,956 MT)	-59% (1,103 MT)	0% (2,700 MT)
  	303-5	Water	10% reduction in fresh water consumption by 2025	+27% (84,840 m ³)	+11% (74,153 m ³)	0% (66,692 m ³)
 	403-9	Occupational health and safety	20% reduction in TCIR (Total Case Injury Rate) by 2025	0.069 (+0.022)	0.047	Nm
 	403-9	Occupational health and safety	Zero workplace fatalities	0	0	0
 	405-1	Fair & inclusive workplace	30% increase of female leaders within the company by 2030	70 female leaders	Nm	Nm
 	405-1	Fair & inclusive workplace	Gender diversity: 40% of women in the global workforce by 2025	33% (-1%)	34% (+2%)	32%
  	408-1	Human rights	Zero child labour violations	0	0	0

OUR ESG COMMITMENTS

SDG	GRI	Material topic	Target	2023	2022	2021 Baseline year
  	409-1	Human rights	Zero forced labour violations	0	0	0
 	413-1	Community support & development	Positively impact the lives of 10,000 people in our communities	3,000 (+1,500)	1,500	Nm
	2-28	ESG governance	80% of all the Group's affiliates to obtain Ecovadis sustainability rating by 2030	3.5% (1.5%)	2% (+1%)	1%
   	414-1	Business ethics	100% of new and active suppliers acknowledge our Supplier Code of Conduct by 2030	50%	Nm	Nm
 	414-1	Business ethics	80% of suppliers (by spend) assessed against minimum ESG standards by 2025	52% (-8%*) *Focus on new suppliers	60%	Nm
 	205-2	Business ethics	100% of employees trained in policies and procedures relating to business ethics by 2025	85% (+5%)	80%	0%
 	205-3	Business ethics	Assess all affiliates for risks related to corruption and bribery by 2025	100% (+100%)	0%	0%
 		Responsible sourcing	FSC certification for paper and pulp	Obtained	-	-
 		Responsible sourcing	RSPO 75% of all palm oil and palm oil derivatives sourced are RSPO certified by 2030	ACOP 2023 in progress	48.76% (+6.7%)	42.06%
 	418-1	Data privacy management	Zero substantiated complaints concerning breaches of customer privacy and losses of customer data year on year	0	0	0
 		Cybersecurity & information security	ISO27000 certification in headquarters by 2025	-	-	-
 		Cybersecurity & information security	Obtain BitSight cyber security score of 850 by 2030	780 (+10 points)	770 (+100 points)	670



2023 Sustainability Highlights

In 2023, we witnessed a remarkable increase in the drive behind environmental, social, and governance (ESG) policies.

The anticipation for advancements in climate commitments, biodiversity, and other environmental issues was amplified by the involvement of investors, consumers, and political leaders.

We continued to put our “We Care” program into practice in 2023. We maintained our concentration on social matters such as diversity, equity, inclusion, and the welfare of our workers and the communities we operate in.

The rising call for action prompted us to demand more accountability, enhanced regulatory oversight, and trustworthy

disclosure backed by superior data. We are further establishing objectives to reach net-zero emissions by 2050 and made significant steps forward in 2023.

Nonetheless, we recognize that the route to energy transition is not always straightforward. We must also contemplate how to render these plans fair and equitable, while our net-zero objectives must take into account the effects on nature.

2023 Realizations

In 2023, the Manuchar Group received a Silver medal recognition at our group assessment by Ecovadis, placing us in the top 25% of sustainable companies. Our score increased by 10 points, reflecting the enhancements we’ve made.

We implemented a voluntary Ecovadis submission strategy across the Manuchar Group’s network that year, as our goal for each of our affiliates is to earn a recognized ESG rating.

In 2023, our affiliates Manuchar South Africa and Manuchar Chile achieved remarkable Platinum medals, ranking them in the top 1% of all companies across all industries rated by EcoVadis. Meanwhile, Manuchar Argentina received a Gold sustainability rating, ranking them within the top 5%, and Manuchar Brazil and Cosmoquímica earned a Silver and Bronze medal, respectively.

These recognitions underscore our commitment to sustainability and our efforts to make a positive impact on society and the environment.

We are proud to announce that we have realized our carbon reduction target set for 2025, two years ahead of schedule in 2023. This achievement is a testament of our proactive approach to reducing our carbon footprint. By harnessing renewable energy sources and implementing energy-efficient practices across our operations, we have significantly reduced our greenhouse gas emissions. Our early realization of the 2025 carbon reduction target is not just an achievement, but also a motivation to set more ambitious goals.

The implementation of our global digital Environmental, Social, and Governance (ESG) data management system in 2023 is a significant stride towards enhancing the integrity of our data. This system is designed to streamline the collection, verification, and analysis of ESG data across our operations.

The primary objective of this system is to ensure data accuracy, consistency, and reliability. By digitizing our ESG data management, we can automate data collection and validation processes, reducing the risk of human error and improving the overall quality of our data. This will enable us to make more informed and responsible business decisions based on reliable ESG metrics. Moreover, our digital ESG data management system will facilitate our alignment with the Global Reporting Initiative (GRI) Reporting Framework and the EU Corporate Sustainability Reporting Directive.

In 2023 we initiated a pilot project for ESG data assurance in three key locations. This pilot project was instrumental in identifying and addressing any gaps in our ESG data collection and reporting processes. Upon successful completion of the pilot and closure of all identified findings, we are now poised to roll out ESG data assurance across the entire Manuchar Group in 2024. This will ensure that all our affiliates adhere to the highest standards of ESG data integrity, further strengthening our position to be compliant with the EU Corporate Sustainability Reporting Directive.

2023 SUSTAINABILITY HIGHLIGHTS

In our continuous pursuit of sustainability, we have established a Sustainability Committee. This committee's primary role is to advise the board on sustainability matters, ensuring that our strategies and actions align with our commitment to responsible business practices and long-term value creation. This multidisciplinary committee is composed of individuals with a deep understanding of sustainability issues and practices. They provide valuable insights and recommendations to the board, helping shape our sustainability policies and initiatives.

To uphold the highest standards of business ethics and human rights, we have taken significant steps in 2023 to strengthen our corporate policies. These policies serve as a guiding framework, ensuring that our operations and practices respect human rights and adhere to ethical business conduct.

Recognizing the importance of our supply chain in our sustainability journey, we have developed a Supplier Code of Conduct. This code is a cornerstone of our Sustainable Business Partner Management Program. It outlines the standards and expectations we have for our suppliers in terms of ethical conduct, respect for human rights, and commitment to

sustainability. The Supplier Code of Conduct is more than just a set of guidelines; it is a reflection of our values and commitment to sustainability. By adhering to this code, our suppliers play a crucial role in our sustainability efforts and contribute to our vision of a sustainable and ethical business landscape.

Our sustainability management is aligned with materiality. In the reporting period, we performed a re-assessment of the double materiality. Based on the double materiality analysis results, 18 material sustainability topics were identified for the Manuchar Group.

The above sustainability highlights reflect our three most important material topics where significant realizations were made: Greenhouse gas emissions and reductions, transition to renewable energy and business ethics.



Sustainability risks are the challenges we must overcome, but within them lie the greatest opportunities. The path to a sustainable future is not easy, but every step we take opens up new possibilities for innovation, resilience, and harmony with our planet.

ELS VAN DE ROYE
GLOBAL QUALITY & SUSTAINABILITY MANAGER



#JoinTheManucharFamily!

Manuchar

We Care.



Governance Structure

The Manuchar Group is committed to strong corporate governance. The company's primary focus is to comply with mandatory regulations and its self-imposed business conduct rules. To achieve this, the Manuchar Group implements various internal controls and risk management systems and maintains a specialized compliance department within the organization.

The Group's governance structure ensures that its operations and decisions align with the company's values and goals. It establishes clear responsibility and accountability lines, ensuring decisions are made in the company and stakeholders' best interests. The leadership team guides the company to operate sustainably and responsibly in a competitive environment.

In 2023, the Manuchar Group's governance strategy underwent a significant transformation with the establishment of the **Sustainability Committee**. The committee advises the board on **Environmental, Social, and Governance (ESG)** risks and opportunities. This change signifies the company's ongoing commitment to enhancing governance throughout the organization.



The Manuchar Group
Sustainability Committee

Board of Directors

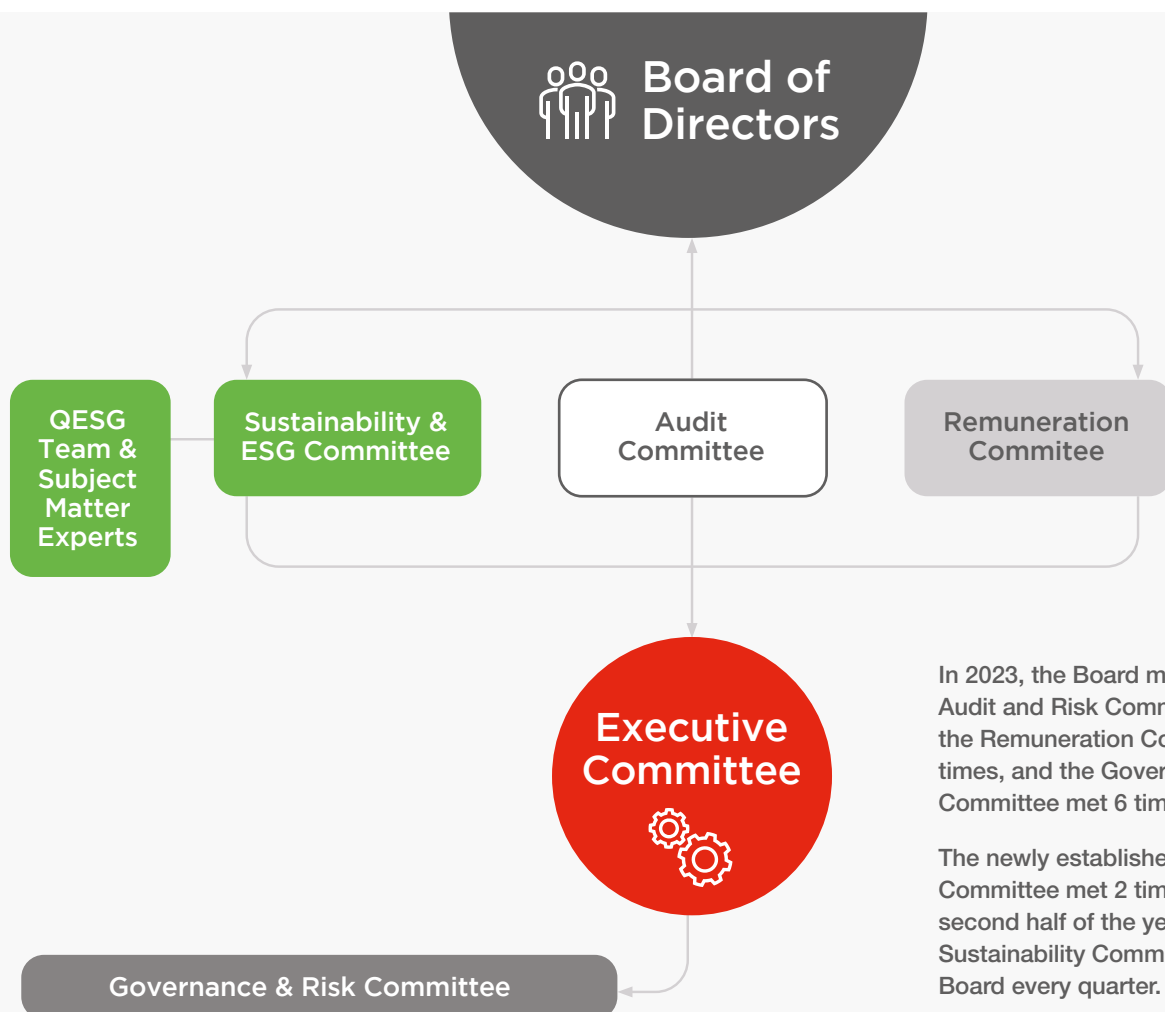
The Board of Directors at Manuchar Group is responsible for the governance of the group and the promotion of good corporate citizenship.

The Board sets the company's ethical standards, ensures compliance with all relevant laws and regulations, and ensures that its practices align with its stated values and mission.

The Board encourages management to pursue and implement initiatives that benefit the community, create positive social impact, and reflect the company's commitment to corporate citizenship.

At the highest level, the Board maintains oversight of the company's strategy and its Enterprise Risk Management (ERM) processes and programs, which include ESG and climate-related risks and opportunities.

For ease and effectiveness of its function, the Board of Directors has delegated authority of daily management to the Executive Committee and various subcommittees. The Sustainability Committee is one of the advisory organs to the board.



In 2023, the Board met 4 times, the Audit and Risk Committee met 4 times, the Remuneration Committee met 2 times, and the Governance and Risk Committee met 6 times.

The newly established Sustainability Committee met 2 times during the second half of the year, as of 2024 the Sustainability Committee will advise the Board every quarter.

Audit and Risk Committee

The Audit and Risk Committee at Manuchar Group is responsible for overseeing the financial reporting and disclosure, risk and compliance management, and internal control systems, as well as the internal and external audit functions. The committee's main objective is to ensure the integrity of the company's financial statements, including the accounting and financial reporting processes and financial statement assurance audits.

The Audit and Risk Committee also oversees the independent external auditor's qualifications and independence, the performance of the independent external auditor and the internal audit function, compliance with legal and regulatory requirements, and the company's systems/processes of disclosure controls and procedures (semi-public disclosures). The committee ensures compliance with ethical standards adopted by the company and the overall Risk Management Framework.

Sustainability Committee

The Sustainability Committee assists the Board of Manuchar Group in discharging its oversight responsibility related to the Environmental, Social, and Governance (ESG) matters and in promoting the long-term sustainable success of the Company (and its subsidiaries and affiliates thereto) with regard to ESG matters.

ESG matters are defined to include topics such as, among others, climate change impacts, energy and natural resources conservation, environmental and supply chain sustainability, human rights, diversity and inclusion, and other ESG issues that are relevant and material to Manuchar Group.

In these terms of reference, "ESG matters" or "ESG" refers to the following areas:

Environmental: the Group's climate transition strategy and impact on the environment including; greenhouse gas emissions, efficient use of resources, land use and biodiversity, and the environmental impact of the group's supply chain.

Social: the Group's responsibilities towards:

- i) employees, including workplace policies concerning safety and well-being, engagement, diversity and inclusion and other standards detailed within the Group's Global Code of Conduct.
- ii) Engagement with the local communities in which the Group (and its subsidiaries and affiliates thereto) operate.
- iii) customers and other stakeholders, and the application of human rights to such stakeholder groups and the Company's operations.

Governance: the conduct of the Group's business including; corporate governance, business ethics, anti-bribery and corruption program, commercial and product governance, data privacy and security.



The Sustainability Committee serves as an advisory body, aiding the Board in closely monitoring specific matters. It formulates recommendations to the Board, while the ultimate decision-making authority remains vested in the Board.

The Sustainability Committee at Manuchar Group is responsible for reviewing and recommending updates to the Group's ESG Policy, ESG strategy, targets, and roadmap. The committee ensures ESG risks and opportunities are periodically reassessed and monitors ESG performance and progress on the roadmap. The committee also monitors ESG regulations and standards and recommends relevant external ESG frameworks and initiatives to adhere to. It evaluates and recommends external ESG rating agencies and ensures reports and publications relating to ESG meet the expected compliance and integrity levels.

The committee ensures the Manuchar Group has sufficient means to implement its ESG strategy (resources, tools, CAPEX) and that ESG is part of strategic and operational decision-making and embedded in the company's management systems. It ensures the ESG culture is developed and embedded throughout the organization and with key stakeholders outside the organization.

The committee advises the Board on the Group's ESG internal and external communication strategy and reviews any provisions made for external assurance of data and ESG governance where appropriate. It reviews the effectiveness of risk management and internal control policies where relevant to ESG matters and oversees and supports stakeholder engagement on ESG matters.

The committee oversees and monitors the Group's progress against its decarbonization strategy and reviews Internal Audit reports on ESG matters and assesses the management response to any findings. It monitors the role and effectiveness of the Internal Audit function with regard to ESG matters and the development of the capability and capacity of the Internal Audit function to perform its role on assurance of ESG matters.

In 2023, the Sustainability Committee focused on several key areas:

- **Regulatory Developments: CSRD and CSDDD**

The European Union has introduced two significant regulations: the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The CSRD promotes comprehensive sustainability reporting by businesses, aiming to channel capital towards sustainable enterprises. The CSDDD mandates companies to implement due diligence procedures to mitigate their impact on human rights and environmental issues across their operations, supply chains, and subsidiaries. Both directives are relevant to the corporate framework of the Manuchar Group, which has initiated several projects to ensure compliance with CSRD and CSDDD within the stipulated timeframe.

- **Setting Targets with SBTi**

The Science Based Targets initiative (SBTi) offers a structured approach for companies to establish greenhouse gas emissions reduction targets that align with climate science. This process includes committing to a science-based target, formulating an emissions reduction target that meets SBTi's criteria, submitting the target to SBTi for approval, publicizing the target, and annually reporting progress. The Manuchar Group has pledged to set both short-term and long-term targets. Currently, the Group is in the process of defining these targets and plans to submit them to the SBTi for validation by the fourth quarter of 2024.

- **Assurance of ESG Data**

ESG data assurance involves the independent verification of a company's Environmental, Social, and Governance (ESG) reporting. This verification process bolsters confidence in our sustainability strategy and reporting by ensuring the ESG data we report is both reliable and accurate. In 2023, the Manuchar Group conducted a limited data assurance verification on the 2022 ESG data to assess its reliability and identify areas for improvement. In 2024, our external audit partner will audit the 2023 data to provide limited data assurance.

- **Initiatives for Carbon Reduction**

Carbon reduction projects are efforts aimed at decreasing the volume of carbon dioxide in the atmosphere. In 2023, a dedicated workstream was established to identify, monitor, and evaluate the outcomes of various carbon initiatives within the Manuchar Group. These environmental projects are critical for achieving net-zero emissions targets and will be a major focus for us in 2024.

Remuneration Committee

The Remuneration Committee at the Manuchar Group makes recommendations to the Board on the company's overall compensation philosophy, policies, practices, and programs, as well as oversees the development and implementation of compensation programs.

The committee assists the Board in its appointment of individuals to senior executive and key employee positions within the Group by giving recommendations to the Board for such positions. It supports the Board in the appropriate structuring of the remuneration systems for the senior executives or key employees of the company and the Group and monitors the appropriate structure of the remuneration systems for senior executives or key employees of the Company and the Manuchar Group.

The committee assists the Board in the preparation of resolutions on the remuneration of senior executives or key employees of the Company and the Group. The long-term interests of shareholders, investors, and other stakeholders as well as the public interest shall be taken into account. The committee also supports the Board in monitoring whether the internal controls (if any) and other relevant areas are properly involved in the structuring of the remuneration systems.

Environmental, Social, and Governance (ESG) remuneration refers to the practice of linking executive pay and broader pay conditions to ESG measures. This approach is gaining traction as companies increasingly recognize the importance of sustainability and social responsibility in their long-term strategies. Manuchar Group is currently evaluating if sustainability linked remunerations is something to be rolled out by 2025 acknowledging that ESG remuneration is a significant trend in corporate governance, reflecting the increasing importance of sustainability and social responsibility in business strategy. However, it also presents unique challenges that a company must navigate carefully.



Executive Committee

The Executive Committee of the Manuchar Group is accountable for executing the strategy of the Board and exercising executive control over day-to-day operations. The committee consists of thirteen members, including three members of the Board of Directors, and is chaired by Philippe Huybrechts, CEO of the Manuchar Group. The Executive Committee assesses and reviews on a regular basis the global challenges and opportunities facing the business and incorporates stakeholder and shareholder requirements and expectations into the global strategy.

They are responsible for decision-making and overseeing the management of the organization's impacts on the economy, environment, and people.

The Executive Committee is supported by various subcommittees in the execution of its duties. Senior Management and dedicated risk committees implement and determine the effectiveness of the Company's risk controls and realign goals to ensure they remain flexible and can adapt to emerging circumstances in an ever-changing world.

The Executive Committee validates the Environmental, Social, and Governance (ESG) strategy and all global climate-related issues and topics relevant to the business.

The committee has various roles and responsibilities. These include regular review and updating of the Group's purpose, value, and mission statements. Additionally, they oversee strategic and business risks and opportunities. They set goals and objectives to promote sustainability and develop strategies

to achieve them. The committee also validates commercial and business development strategies, reviews and approves new investments, and optimizes the capital and financing structure to support the company to the fullest extent.



The Manuchar Group Executive Committee
(Rodrigo Cunha, Chief Compliance Officer, is not pictured here)

Governance, Risk, and Compliance Committee

The Governance, Risk and Compliance Committee (GRC) supervises enterprise risk management, including actions to tackle ESG concerns, across the Manuchar Group through collaboration and strategic alignment.

The GRC is led by senior management of supporting departments that have a governance role: Legal, Internal Audit, Compliance, Accounting & Controlling, QESG, Credit and IT. In addition, it is supported by leaders representing the commercial side.

The Committee meets monthly and has the following main roles and responsibilities:

- monitoring and improving processes to identify, assess and control threats and risks to the Manuchar Group;
- assigning ownership of key controls across the Manuchar Group;
- coordinating and following up of action plans to mitigate material risks that have been identified;
- regular reporting to the Executive Committee and Audit & Risk Committee.





Materiality Approach

Through double materiality assessment and stakeholder engagement, we are able to pinpoint and prioritize the topics within our value chain that are of most importance to both Manuchar Group and our stakeholders.

These material issues have the potential to influence the growth, risk, or opportunity management of the Manuchar Group, and are of significant importance to our stakeholders. In 2022, Manuchar Group carried out its inaugural materiality assessment with the aim of bolstering our ESG strategy and the company's long-term sustainability vision.

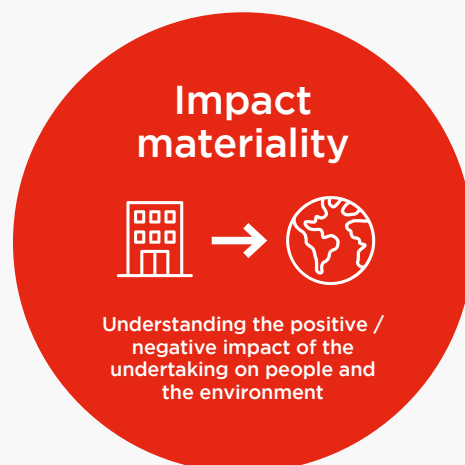
The examination of material topics was conducted from two perspectives: the effects of our activities, both beneficial and detrimental, on the environment, society, and economy, and the

relevance of these issues to our key stakeholders (investors, banks, customers, and peers). Our material topics were validated by pertinent internal stakeholders in our organization and further reinforced and assessed by members of the executive management to ensure extensive and high-level participation.

In 2023, in anticipation of the forthcoming Corporate Sustainability Reporting Directive (CSRD), we altered our method for identifying material issues. A double materiality assessment was performed.

What is a double materiality assessment?

The double materiality assessment is a mandatory process under the Corporate Sustainability Reporting Directive (CSRD) that requires companies to consider the relevance of sustainability matters from two perspectives:



OUR ESG APPROACH

A sustainability topic can be material from an impact point of view and/or from a risk and opportunity perspective. The double materiality concept ensures that sustainability reporting focuses on the topics that are most relevant for the organization and its stakeholders. The assessment process involves several steps:

THE MANUCHAR GROUP PROCESS OF IDENTIFYING MATERIAL ISSUES

1 Inputs	Defining clear operational boundaries and the value chain for inclusion in the assessment.
2 Assessment	Developing an appropriate stakeholder engagement strategy to support the materiality assessment.
3 Agreement	Identifying and consistently assessing impacts, risks, and opportunities for each topic, including transparency on the underpinning rationale.
4 Reporting	Determining materiality based on a set of pre-defined criteria; for impact materiality: scale, scope, irremediability, likelihood; for financial materiality: magnitude of financial impact, likelihood.

The outcomes of such an assessment determine which reporting standards, disclosures, and data points should be included in our sustainability reporting. It also provides indispensable insights for shaping our company strategy. In a broader sense, a report and

strategy based on material topics creates more transparency, contributes to better decision-making, and ensures that time and resources are focused on those topics that matter most to both our organization, our stakeholders, and society at large.





Double Materiality Outcome

Since 2023, the Manuchar Group has been working to identify material issues for our stakeholders using Datamaran®'s AI-powered platform. This platform allows us to identify and monitor ESG risks and opportunities from a wide range of sources, including corporate annual filings, regulations, voluntary policy initiatives, news, media, and an employee survey.

The resulting double materiality matrix forms the basis for our ESG strategy and governance processes, assisting us in evaluating and balancing specific ESG issues and trends in relation to our evolving strategy and the business landscape. We also utilize Datamaran®'s dynamic materiality assessments for quarterly "pulse" analyses to detect changes in the macro environment and integrate those findings into our business strategy, risk management, and ESG reporting processes.

The first step was to determine the human, environmental and societal issues that might be material to the Manuchar Group (issues are considered material when they influence the company's or its stakeholders' decisions). This longlist was defined based on the previous assessment used in 2022, on the material issues that have already been identified and on an expanded list of issues aligned with CSRD requirements proposed by the Datamaran® database.

So, a list of 32 issues was defined, including 22 issues already included in the assessment performed in 2022 and ten new ones coming forth of the European Sustainability Reporting Standards (ESRSs).

The Datamaran® tool performs a double materiality analysis by exploiting the data available in the analysis module and splits,

through a diagram, the financial materiality results and the materiality results of impact for each issue. The results are ranked on a scale ranging from very low to very high.

The evaluation of external stakeholder concerns was conducted using the Datamaran® tool and stakeholder concerns are evaluated through two distinct methods:

The Impact Assessment:

- A comparative study of the sustainability reports from rival companies in the chemical distribution sector.
- An examination of voluntary and non-binding initiatives (codes of conduct, guidelines, or industry standards) put forth by self-regulatory bodies in the sector, NGOs, or others.
- An analysis of opinions based on press and online media.

The Financial Assessment:

- An examination of financial reports (financial statements, management reports, and forward-looking statements from the sector and peers).
- An examination of the companies risks and opportunities.
- A compilation of voluntary initiatives in the financial markets.
- An analysis of mandatory regulations with financial penalties.
- An evaluation of SASB disclosure requirements (emphasizing financial impacts by aligning SASB metric standards with related issues).

THE MATERIAL TOPICS ARE DIVIDED INTO FOUR PILLARS



Environmental Protection



Social Responsibility



Responsible Sourcing



Corporate Governance

OUR ESG APPROACH

DOUBLE MATERIALITY MATRIX 2023



Our top 5 material issues from a financial perspective are:



Greenhouse gas emissions and reductions



Climate change risks and management



Water



Transition to a circular economy



Occupational health and safety

Our top 5 material issues from an impact perspective are:



Greenhouse gas emissions and reductions



Energy use, conservation and reductions



Water



Transition to renewable energy



Climate change risks and management

In the realm of sustainable development, we have identified key material issues that hold significant financial and impact implications. These issues are not only crucial for our economic stability but also for our commitment to a sustainable future.

Greenhouse Gas Emissions and Reductions: Acknowledging the financial implications of greenhouse gas emissions is crucial. These implications encompass potential regulatory costs, reputation risks, and the opportunities presented by emission reduction initiatives. Beyond financial considerations, the environmental impact of our greenhouse gas emissions is a primary concern. By actively reducing our carbon footprint, we contribute to a healthier planet while ensuring financial resilience.

Climate Change Risks and Management: The financial risks associated with climate change are vast and varied. Our commitment lies in managing these risks through comprehensive strategies and robust risk management frameworks. By doing so, we safeguard our financial stability while actively contributing to global climate resilience.

Water: Water scarcity and pollution pose significant financial risks. Our focus centers on efficient water use and active participation in water stewardship. By optimizing water resources, we mitigate financial vulnerabilities and promote sustainable practices.

Transition to a Circular Economy: Moving away from the linear “take-make-dispose” model to a circular economy can lead to significant cost savings and new revenue streams. Embracing circular practices not only benefits our bottom line but also reduces waste and minimizes environmental impact.

Occupational Health and Safety: Ensuring the health and safety of our employees extends beyond moral obligation—it is also a financial imperative. A safe workforce contributes to long-term financial viability and productivity.

Energy Use, Conservation, and Reductions: Our energy consumption directly affects the environment. We aim to reduce energy use and transition to more sustainable energy sources like renewable energy. This not only minimizes our impact but also supports global efforts toward a greener future.

In summary, these material issues guide our strategic decision-making process, helping us to align our financial goals with our commitment to environmental stewardship and social responsibility. By addressing these issues, we aim to create a sustainable and prosperous future for all our stakeholders.



Risk and Opportunity Management

In 2022, the Global Risk-Opportunity Management Framework was established and has since been progressively implemented across various sectors of the business. This framework is unique in its approach to identifying risks and opportunities, employing both a bottom-up and top-down strategy.

The bottom-up approach involves risk assessment at the affiliate level, leveraging local knowledge and insights into local conditions, processes, activities, and regulatory requirements. This grassroots approach ensures that the framework is grounded in the realities of each location.

Conversely, the top-down approach is driven by the Executive Committee and the Governance and Risk Committee. They identify risks and opportunities from a global standpoint, taking into account the overarching group strategy and business objectives. This ensures that the framework aligns with the company's broader goals and vision.

In 2023, the framework evolved further. Based on the risks identified, minimum requirements were established for various business fields, including environmental, social and governance (ESG) factors, operations, finance, legal, and others. An example of an ESG related minimum requirement is that each location should have conducted an environmental risk assessment.

To facilitate implementation, best practices from the Manuchar Group worldwide were collated and disseminated, setting a benchmark for these minimum standards.

Throughout 2023, numerous audits were conducted by the internal audit manager. These audits provided a snapshot of the maturity of all our locations worldwide in relation to the minimum requirements of the Manuchar Group. This ongoing process of evaluation and feedback ensures that the framework remains robust and effective, continually driving the business towards excellence in risk and opportunity management. In the year 2024, we have scheduled evaluations for the remaining locations. The results of these evaluations will guide us in refining and advancing the program further.

An essential part of the Global Risk-Opportunity Management Framework is the outcome of the double materiality assessment.

Once material issues are identified, the next step is proactive management. Here's how risk and opportunity intertwine for the Manuchar Group:

Risk Management: Risks arise from both financial and impact materiality. Climate change, supply chain disruptions, and regulatory shifts pose risks. We employ risk assessment frameworks, scenario modelling, and mitigation strategies. By doing so, we minimize negative impacts and enhance resilience.

Opportunity Management: Opportunities emerge from material issues too. Innovations, sustainable practices, and stakeholder engagement create positive outcomes. We seize these opportunities to drive growth, enhance reputation, and contribute to a sustainable future.

In essence, the double materiality assessment addresses risk and opportunity management.

The Manuchar Group has implemented several measures and set Group objectives to address the top five material issues from both financial and impact perspectives.

Those measures and objectives can be found back in the [ESG commitment section](#).

The Manuchar Group recognizes that risk is inherent to our business but also considers risk to create opportunities to enhance resilience, innovation and sustainable growth.

We are committed to proactively manage physical and transitional risks associated with our operations, including those related to trading, regulatory compliance, finance, health and safety, and the environment.

Effective risk management is a critical component of our overall strategy and success. To effectively identify, assess and address potential risks associated with our activities, we developed a comprehensive risk management process. In this process we identify three layers of responsibility and accountability (1st, 2nd and 3rd line of defense) for a robust enterprise-wide risk management approach.



Risk Management Process

1st Line of defense

Operational functions and management

Roles:

- implement local and group policies and operational risk mitigating processes;
- execute risk checks as part of the day-to-day operations;
- take ownership of risks associated with business activities (regions, products, parties involved...).

2nd Line of defense

Supporting functions and management involved in risk management (Quality, Accounting, Compliance, Finance (Credit), Legal) and the Governance, Risk and Compliance Committee

Roles:

- conduct regular assessments to identify inherent and residual risks across all our business units and affiliates;

- establish and monitor implementation of internal controls to reduce the likelihood and impact of potential risks;
- review and update policies, procedures, and guidelines and monitor compliance with them;
- adapt strategies based on emerging risks and changing business environments, considering the overall Group strategy and business objectives;
- provide ongoing training to employees on regulatory requirements and policies;
- promote a risk-aware culture in which employees are encouraged to report potential threats and concerns;
- learn from incidents and look for continuous improvements to our risk management process;
- report on risk management activities to internal (e.g., Board or shareholders) and external stakeholders (customers and suppliers).

3rd Line of defense

Internal audit function and the Audit & Risk Committee

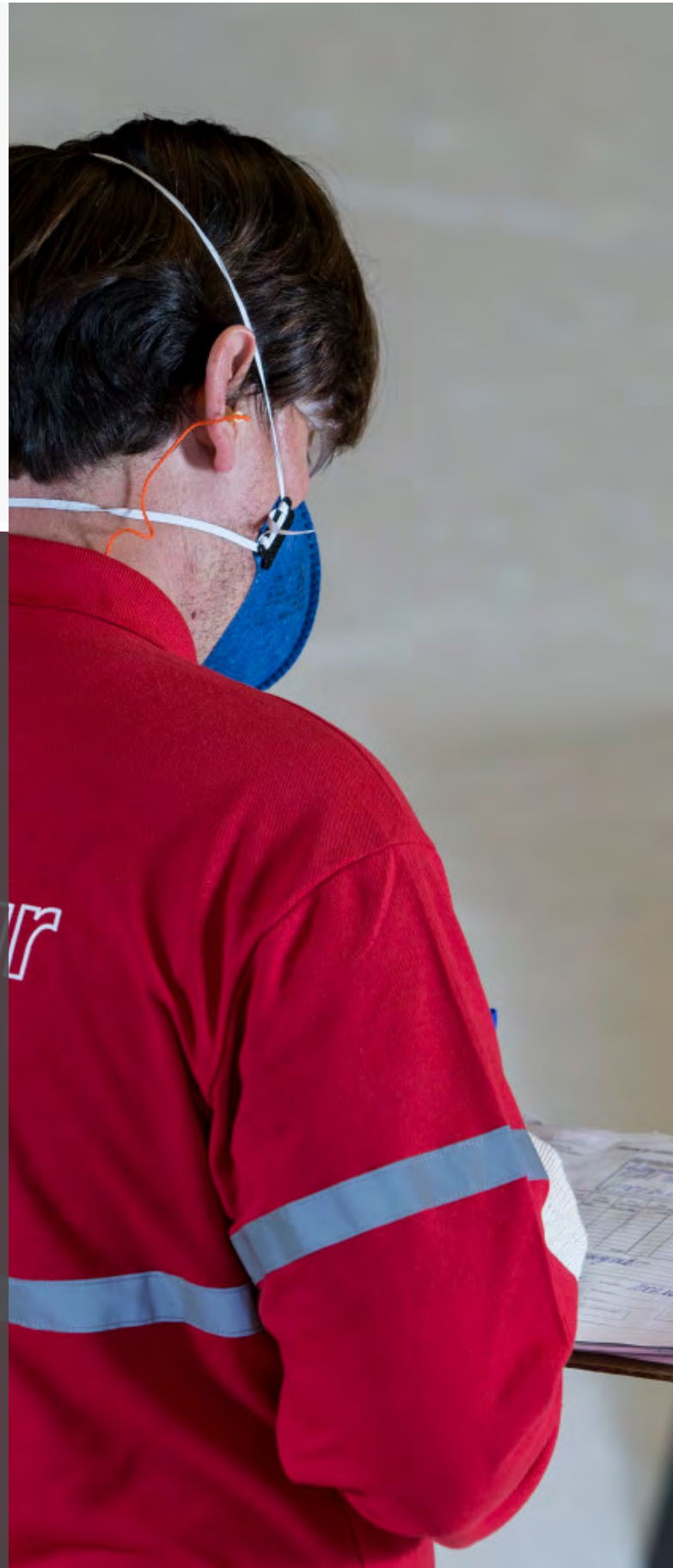
Roles:

- conduct independent audits to evaluate the adequacy and effectiveness of the 1st and 2nd lines of defense;
- review and validate the design and implementation of risk management processes;
- provide objective assessments and recommendations to senior management and the Executive Committee.

Integrating ESG considerations, such as climate change impact and labor practices, in our risk management process has become increasingly important to maintain sustainable and responsible business operations.

Efforts that have been taken with regard to ESG risk management include leadership commitment, stakeholder engagement and policy development.

Sustainability-related risks are identified through our double materiality assessment and incorporated in the risk management process.





Voluntary Initiatives and Sustainability Recognition

The Manuchar Group is a committed participant in various external sustainability initiatives, networks, and platforms.



UN Global Compact

Manuchar Group is signatory to the United Nations Global Compact, the world's largest corporate sustainability initiative representing almost every sector and size, and thereby commit to upholding its 10 principles on human rights, environment, labor, and anti-corruption since February 2021. We report our sustainability performance annually via the [Communication on Progress](#), which is published on the UN Global Compact website. You can find our commitment via our [website](#).



UN Sustainable Development Goals

Our global sustainability program, “We Care”, is based on our commitment to achieving the United Nations Sustainable Development Goals (SDGs). We have incorporated the SDGs into our processes and decision-making principles, aligning our material topics in this report with specific targets across ten SDGs. This approach allows us to efficiently manage our operational footprint and actively contributing to a meaningful social and economic progress, while supporting the local communities in which we operate.



EcoVadis

The Manuchar Group undergoes annual assessments by EcoVadis, a leading provider of business sustainability ratings. In 2023, we achieved an impressive score of 67/100 in our assessment, earning us a Silver Medal and placing us in the top 25% of the 125,000+ assessed companies. Our “Let’s Unite for Sustainability” campaign witnessed remarkable progress and commitment among our affiliates, with some undergoing their first evaluations and others successfully improving their individual EcoVadis scores. Whilst Manuchar Argentina obtained a Gold Medal with their very first evaluation, both Manuchar South Africa and Manuchar Chile obtained in early 2024 the first Platinum EcoVadis recognitions within the Manuchar Group.

Looking ahead, EcoVadis assessments for our global affiliates in 2024 are expected to further strengthen our track record of sustainable business practices. You can find more information on the status of our medals via our [website](#).



CDP

For over 10 years, we have consistently disclosed our global environmental data to our stakeholders through CDP (formerly the Carbon Disclosure Project). This allows us to protect and improve our reputation and to track and improve our environmental performance, while benchmarking our progress. In our 2023 assessment, our performance in Water Security and Climate Change earned Manuchar Group an average performance rating of C, indicating an awareness level that aligns with the sector average for Intermodal transport & logistics.



Science Based Targets initiative (SBTi)

In 2022, the Manuchar Group announced its commitment to the Science Based Targets initiative (SBTi) for both near-term and net-zero targets. The SBTi, a corporate climate action organization, collaborates with partners such as CDP, the UN Global Compact, and the World Resources Institute (WRI), to enable companies worldwide to play their part in combating the climate crisis. It defines and provides guidance to enable companies set net-zero targets in line with climate science.



Roundtable on Sustainable Palm Oil

Since 2021, the Manuchar Group has been a member of the Roundtable on Sustainable Palm Oil (RSPO), a non-profit organization dedicated to establishing and implementing global supply chain standards for sustainable palm oil. Our membership extends to our entities in Indonesia, Thailand, and South Africa, all of which are dedicated to sourcing sustainable palm oil with guaranteed traceability. In 2023, we received our first Shared Responsibility scorecard with a member average score of 3, significantly surpassing the sector average of 1.7.



Responsible Care / BACD



Manuchar Group is actively endorsing Responsible Care® Committee Participation. The Responsible Care® philosophy is at the core of our commitment. It emphasizes safety, health protection, and environmental responsibility. By adhering to these principles, we ensure that our chemical products are distributed with utmost care and diligence.

We are proud members of the Belgian Association of Chemical Distributors (BACD). Through our active participation in the Responsible Care® Committee, we contribute to a collective effort aimed at continuous improvement.

Our commitment extends beyond national borders. We align ourselves with the Responsible Care Global Charter, emphasizing responsible practices on an international scale. This alignment ensures that our distribution processes adhere to the highest standards, benefiting not only our organization but also the broader community.



SEDEX

As members of Sedex, we efficiently manage our social and ethical performance across our supply chain to mitigate long-term risks and develop new business opportunities. Through the Sedex platform, we transparently communicate our ESG performance and opportunities to both internal and external stakeholders via self-assessments. Additionally, our participation allows us to share results from our SMETA audits, providing understanding of labor standards, health and safety, environmental performance, and ethics within our own operations. Notably, in 2023, our affiliates Quimasa and Manuchar Argentina underwent successful SMETA audits.



Great Place to Work

For the 5th consecutive year, Manuchar Brazil earned the Great Place to Work® award, maintaining the 23rd position in the ranking of the best companies to work for in Rio de Janeiro. This achievement reflects the dedicated efforts of all its employees. The Great Place to Work (GPTW) organization is a renowned global authority in the field of workplace excellence and is dedicated to recognizing and certifying outstanding workplaces across more than 50 countries worldwide.



ISO 9001:2015

Obtaining ISO 9001 certification, the internationally recognized standard for Quality Management Systems, demonstrates that we adhere to rigorous standards in our processes, ensuring consistency and reliability in the delivery of our products and services. We are proud to announce that in 2023, 45% of our operational affiliates had their Quality Management System certified to the ISO 9001 standard, demonstrating the Manuchar Group's ability to consistently meet customer requirements and comply with regulatory standards.



ISO 14001:2015

The international standard for Environmental Management Systems provides a structured framework for companies to identify, manage, and improve their environmental performance. The Group's commitment to environmental responsibility and sustainability, aligned with global efforts to address climate change, is demonstrated by the fact that 8% of our affiliates have certified their environmental management system to the ISO 14001 standard, ensuring that their operations are conducted in accordance with environmental best practices and regulations.



ISO 45001:2015

Identifying, managing, and mitigating occupational health and safety risks holds importance for organizations striving to ensure the well-being of their employees. At Manuchar Group, our commitment to implementing a safe and healthy work environment is at the core of our values. By implementing robust Health and Safety Management Systems, we can not only protect our workforce but also improve our productivity. In 2023, 8% of our affiliates had their Occupational Health and Safety management system certified to the ISO 45001 standard contributing to a safer workplace for our employees.



FSC

The Forest Stewardship Council (FSC) is an international non-profit organization dedicated to promoting responsible forest management worldwide. In 2023, Manuchar Pulp & Paper achieved FSC Mix certification, showcasing our commitment to mitigating the risk of the material originating from unacceptable sources. This certification not only protects ecosystems and supports local communities, but also assures our customers of our dedication to sustainable practices, contributing to forest conservation efforts.



FCA

The Feed Chain Alliance (FCA) certification is a specialized quality management system shaped for the animal nutrition sector. It aims to guarantee the safety and quality of animal feed production processes, covering aspects such as ingredient sourcing, manufacturing processes, storage, and distribution. Since 2022, through our FCA certification, we are showing our commitment to delivering feed products that adhere high-quality standards.



IFS Broker

In 2023, the Manuchar Group achieved compliance with IFS Broker standards – demonstrating our commitment to meeting legal requirements and industry regulations related to food safety and quality. The IFS Broker certification is a standard established by the International Featured Standard (IFS) organization for companies involved in the brokerage and importing of food products, establishing the criteria for Food Safety Management Systems, and ensuring that robust measures are in place throughout the supply chain.



The attainment of the EcoVadis Platinum Medal marks a significant stride for the Manuchar Group, emphasizing our dedication to sustainability and the well-being of our human capital. This achievement is a testament to the collective efforts of our colleagues in Manuchar South Africa, who have demonstrated exceptional commitment and excellence. It sets us on a path of distinction in the industry.



STEVEN ATKINSON
GENERAL MANAGER MANUCHAR SOUTH AFRICA



Climate Action



In 2023, the Manuchar Group embarked on a first initiative to conduct a climate risk assessment for its ten largest operational sites.

The esteemed Jupiter® Intelligence, known for its expertise in climate risk assessment, was enlisted to carry out a thorough evaluation of each of the ten sites.

This evaluation covered eight climate hazards, including a combination of flood and sea level rise, wind, heat, fire, drought, hail, and precipitation, and provided an overall risk score for each site. Each site was evaluated for both present-day risk (defined as the risk in the year 2020) and future risk (defined as in the year 2030). The assessment was based on a climate change scenario known as SSP5-8.5 (4.4°C), which predicts an increase in global temperature of 3.3-5.7°C by the year 2100. This scenario falls within the Shared Socioeconomic Pathway (SSP) 5, also known as the 'fossil-fueled development-taking the highway' pathway.

This comprehensive climate risk assessment furnished the Group with crucial insights into the potential effects of climate change on each of the ten sites. These insights are instrumental in guiding the Group's future planning and the development of mitigation strategies, ensuring informed decision-making.

The Manuchar Group is leveraging this crucial climate risk data in several strategic ways. It is being used to assess the climate risk associated with potential investments in new locations, as well as during the consideration of mergers and acquisitions. Additionally, the data is being incorporated into the ManuCare program. Understanding the climate risks of the communities we operate in is essential, as it allows us to work collaboratively on effective mitigation strategies against climate change.

Climate Risk Assessment

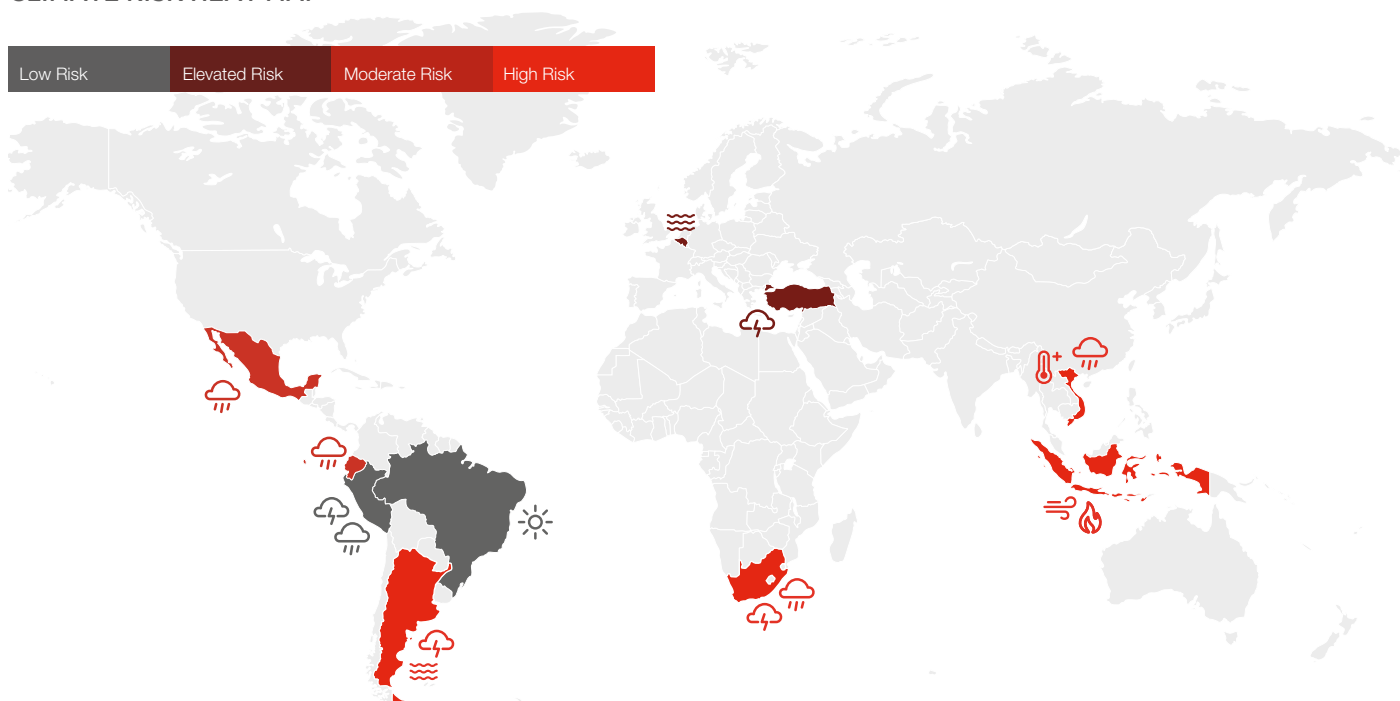
Region	Site	Overall Climate Risk ¹ Score	Overall Climate Risk Score (Country)	Risk Categorization	Primary Climate Hazard
South America	Argentina	98	97	High Risk	Flood / Severe Thunderstorm
South America	Brazil	9	38	Low Risk	Drought
South America	Ecuador	61	71	Elevated Risk	Precipitation
Central America	Mexico	76	74	Elevated Risk	Precipitation / Heat
Central America	Peru	11	7	Low Risk	Severe Thunderstorm / Precipitation
Europe	Belgium	47	93	Moderate Risk	Flood
Asia	Vietnam	95	96	Elevated Risk	Precipitation
Asia	Indonesia	97	85	High Risk	Precipitation
Africa	South Africa	81	99	High Risk	Flood
Africa	Turkey	56	73	Moderate Risk	Severe thunderstorm

¹ The overall climate risk score represents a combination of the present day (2020) risk score and the 30-year (2050) change score taking into account all eight climate perils (unequally weighted) under a 2-3°C warming scenario. Overall scores are benchmarked to global occurrences of a score of 90 means that the weighted average of the underlying peril scores is greater than 90% of all other populated locations globally. A distinction should be made between the level of hazard that a location faces, and the resulting risk to the owner, insurer, and others if a location is exposed to said hazard.

Our site in Argentina has been categorized as high risk with a climate risk score of 98, when compared to other locations in the same country, this site scores 97 in the High Risk quintile band².

Below heatmap visualizes the impact and the possibility of the primary climate hazards identified throughout the climate risk assessment.

CLIMATE RISK HEAT MAP



Precipitation, while having a medium impact, shows a high probability. This suggests that while individual precipitation events may not cause significant damage, they are likely to occur frequently.



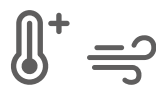
Severe Thunderstorms are in the high impact, high probability quadrant, indicating that they are both likely to occur and can cause significant damage when they do.



Floods, while having a high impact, fall into the medium probability area. This means that while floods can cause substantial damage, they are less likely to occur than severe thunderstorms or precipitation.



Fires and Droughts, despite their potential for causing medium to high impact, have a low probability. This suggests that while these events can be devastating, they are less likely to occur.



Heat and Wind hazards are in the medium impact area, with heat showing medium probability and wind showing low probability. This indicates that these events, while possible, are less likely to cause significant damage.

² A quintile band is a statistical value of a data set that represents 20% of a given population. It's a method often used in statistical analyses for comparing subgroups of a population. In this case, the High Risk quintile band refers to the top 20% of locations with the highest risk scores in the same country. So, when the site's score is compared to other locations within the same country, it falls into the High Risk quintile band with a score of 97. This means that the site's risk score is among the top 20% of scores, indicating a high level of climate risk compared to other locations in the country.

Understanding these hazards and their potential impact and probability is crucial for climate risk assessment and for developing strategies to mitigate these risks. It's a reminder that while we cannot completely prevent these natural events, we can prepare for them and reduce their potential impact on our communities.

Please note that the impact and probability of these hazards are based on geographical location and other factors.

In addition to its internal climate risk assessments, Manuchar Group has also been recognized by CDP (formerly the Carbon Disclosure Project) with a score of C in both Climate Change and Water Security in 2023.

CDP is a global environmental disclosure system that scores companies and cities to incentivize and guide them on a journey towards environmental transparency and action. A CDP score provides a snapshot of our company's global environmental disclosure and performance.

Obtaining a C in our group Climate Change disclosure indicates that we have reached an "Awareness" level of environmental stewardship in all our operations according to the CDP's scoring methodology. This scoring indicates alignment with the Intermodal Transport & Logistics sector average. Meanwhile, our Water Security C score, indicates alignment with both the Europe regional average and with the Intermodal Transport & Logistics sector average.

This means that the Manuchar Group is not only aware of its environmental impact but is also taking steps to manage it. However, the journey doesn't end here. The next levels, "Management" and "Leadership", represent companies that are most transparent and are leading the way in environmental performance.

In our 2023 assessment, our performance in Climate Change and Water Security earned Manuchar Group an average performance rating of C, indicating an awareness level that aligns with the sector average for Intermodal transport & logistics.





Environmental Protection

As a distributor of commodity chemicals, we understand that our business activities can have a direct impact on the environment through our energy consumption and emissions we produce.

In response, we have implemented multiple environmental protection and efficiency measures across our facilities worldwide, adapted to local circumstances and in compliance with relevant regulations. These measures aim to mitigate our impact on the environment, climate, and biodiversity.

We recognize the importance of reducing our energy use and emissions, which is shared by our investors, customers, and suppliers.



We have identified three areas that we believe can have the most significant impact and drive change to reach our carbon reduction goals:

Transitioning to a low carbon future

- Actively engaging in partnerships to explore ways to improve environmental performance across our value chains.
- Committing to set science-based targets.
- Conducting climate change risk and opportunity assessments.
- Transitioning to cleaner fuels and latest technology in our vehicles and equipment.

Investing in renewable energy

- A shift to renewable electricity at all locations.
- Energy management through improvements in operational efficiency.
- Actively engage in partnerships to explore ways to improve environmental performance across our value chains.

Minimizing our environmental footprint through the sustainable use of resources

- Reduce waste sent to landfills and improve recycling.
- Minimize consumption of potable water.

OUR 2030 ENVIRONMENTAL TARGETS



50% ↓

reduction in Scope 1 & 2 CO₂e emissions in our own operations



50% ↑

increase in electricity consumption from renewable energies



50% ↓

reduction in potable water consumed



50% ↓

reduction in waste to landfill

Methodology

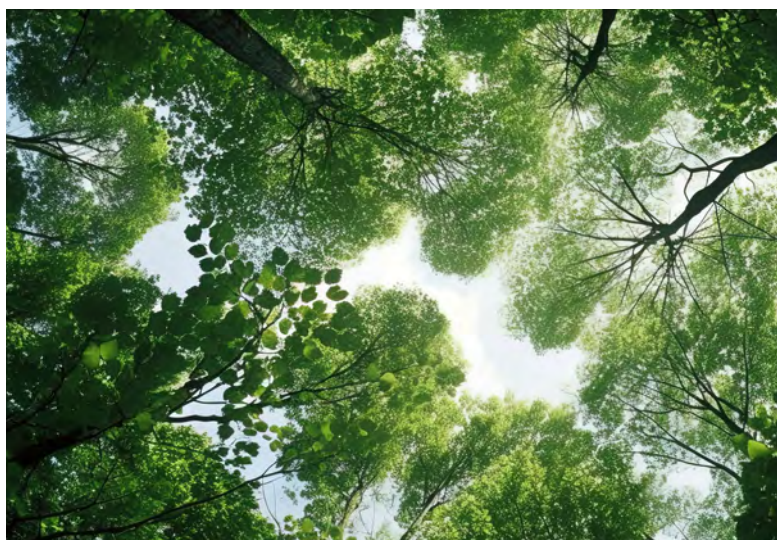
GHG Protocol

Our process of accounting for and reporting greenhouse gas (GHG) emissions follows the guidelines outlined in 'The GHG Protocol Corporate Reporting and Accounting Standards' and the accompanying 'Corporate Value Chain (Scope 3) Standard'. These globally recognized standards, developed collaboratively by the World Resources Institute and the World Business Council for Sustainable Development, stand as primary international frameworks for governmental and corporate leaders aiming to understand, quantify, and manage GHG emissions. The accounting procedures were guided by the foundational principles established in the 'GHG Protocol':

- **Relevance:** an appropriate inventory boundary that reflects the GHG emissions of the company and serves the decision-making needs of users;
- **Completeness:** accounting includes all emission sources within the chosen inventory boundary. Any specific exclusion is disclosed and specified;
- **Consistency:** meaningful comparison of information over time and transparently documented changes to the data;
- **Transparency:** data inventory sufficiency and clarity, where relevant issues are addressed in a coherent manner; and
- **Accuracy:** minimized uncertainty and avoided systematic over- or under-quantification of GHG emissions.

Greenhouse gases taken into account

All greenhouse gases (GHG's) covered by the Kyoto Protocol, namely carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆) are converted into CO₂ equivalent (CO₂e) using the Intergovernmental Panel on Climate Change (IPCC) 100-years global warming potential (GWP) coefficients.



Scope

Organizational Boundary

The organizational boundary determines the GHG reporting boundaries of the company. In general, there are two ways of determining the organizational boundaries, the "equity approach" or the "control approach". At Manuchar Group we selected the control approach and more specifically, the operational control approach to consolidate all GHG emissions. Operational control refers to the ability of an organization to introduce and implement its operating policies. We have included all emissions resulting from operations over which we have operational control in our Scope 1 emissions.

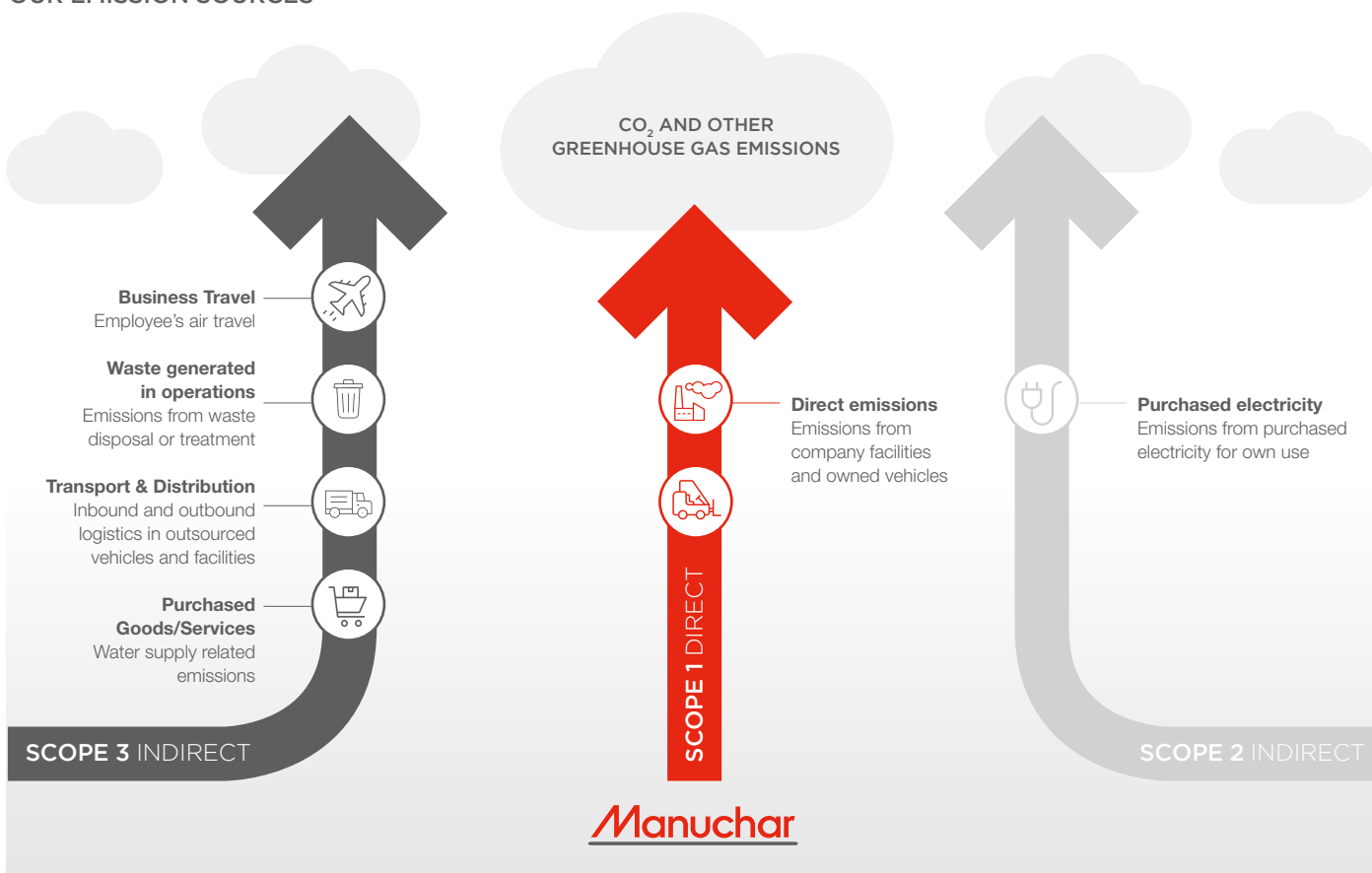
Operational Boundary

Emissions result from a variety of activities and each company needs to identify emissions associated with its operations. Under the 'GHG Protocol', emissions are categorized as direct (Scope 1) and indirect (Scope 2 & 3) emissions. For Manuchar Group's direct emissions are those originating from operationally controlled sources. Indirect emissions are generated as a consequence of the Group's activities, yet they occur at sources controlled by another entity* (over which the Manuchar Group has no operational control).



The direct and indirect emissions are divided into three scopes as shown below.

OUR EMISSION SOURCES



Scope 1

Direct GHG emissions are emissions from sources that are owned or controlled by the Manuchar Group, e.g. emissions from the combustion of fuels at our own site or from our own vehicle fleet.

Scope 2

Electricity indirect GHG emissions are emissions from the generation of purchased electricity consumed by the company. Scope 2 emissions physically occur at the facility where electricity is generated.

Our 2022 Scope 1 and 2 emissions data is reported and disclosed in the tables below.

Scope 3

Scope 3 includes other indirect emissions and are a consequence of the upstream and downstream activities of a company, but occur from sources not owned or controlled by the company such as emissions from the extraction and production of purchased materials and services, outsourced or purchased transport and distribution, waste generated in operations, business travel etc.

For 2023, Scope 3 greenhouse gas emissions were measured for the purchase of water, waste generated in operations and business travel. In 2024, we will continue improving our Scope 3 emissions measurements.

All emissions factors used were from DEFRA UK Government GHG Conversion Factors for Company Reporting (2022) unless otherwise stated. Electricity consumed is mainly purchased from the grid of relevant countries where offices and warehouses are located. Electricity grid emission factors are from the IEA Emission Factors 2019 dataset.

Manuchar Group has implemented group-wide environmental reporting since 2018, collecting consumption data quarterly and validating it centrally through the Global Quality & Sustainability Department. This data consolidation allows us to identify opportunities for energy savings and improvement projects.

To maintain transparency with stakeholders, the Manuchar Group regularly reviews and improves its reporting methodology. This year has seen an improvement in data collection and data accuracy through the use of ESG reporting software.

Manuchar Group Carbon Emissions Summary

In 2023, the Manuchar Group made substantial progress in the measurement and management of carbon emissions by implementing a more robust carbon accounting system, ensuring more accurate data and increasing the coverage of emission categories to include Scope 3 Business travel.

This resulted in a year-on-year increase in the total carbon emissions of 24%. The data below represents the carbon footprint for the years 2022 and 2023, broken down into the three categories: Scope 1 (Fuel), Scope 2 (Electricity), and Scope 3 (Indirect).

Manuchar Group Carbon Footprint

	2023 (tCO ₂ e)		2022 (tCO ₂ e)		2021 (tCO ₂ e)	
Total Scope 1 (Fuel)	9,467	66%	8,417	73%	8,518	71%
Total Scope 2 (Electricity) Market based	0	0%	2,597	23%	3,402	29%
Total Scope 3 (Indirect)	4,787	34%	486	4%	Nm	Nm
Total Carbon Footprint	14,255	100%	11,500	100%	11,920	100%

In 2023, the total carbon footprint of the Manuchar Group was 14,254.79 tons CO₂e. Of this, 66% (9,467.41 tons CO₂e) is due to fuel (Scope 1), 0% is due to electricity (Scope 2), and the remaining 34% (4,787.38 tons CO₂e) is due to indirect sources (Scope 3). In comparison in 2022 our total carbon footprint was significantly lower at 11,500 tons CO₂e. Of this, a larger proportion 73% (8,417 tons CO₂e) was due to fuel (Scope 1), 23% (2,597 tons CO₂e) was due to electricity (Scope 2), and only 4% (486 tons CO₂e) was due to indirect sources (Scope 3).

This data shows a significant reduction in the carbon footprint due to electricity from 2022 to 2023, dropping from 23% to 0%. However, the carbon footprint due to indirect sources increased substantially from 4% to 34% over the same period.

We have also adopted renewable energy solutions, such as solar panels to power our facilities, thereby reducing our dependence on fossil fuels. Additionally, we have increased our procurement of renewable energy allowing us to reduce our marked-based Scope 2 carbon emissions to net-zero.

Our success in reducing emissions was largely due to operational enhancements, including efforts to decrease energy consumption in our warehouses and optimize our operations to avoid unnecessary emissions.

Our CO₂ intensity ratio only takes into account our chemical distribution sales volumes (2,595,052 MT), as these are the volumes that pass through our warehouses and distribution centers. The emissions and sales volumes from the acquisitions made in 2023 as well as operational expansion are also included in our CO₂ intensity ratio.

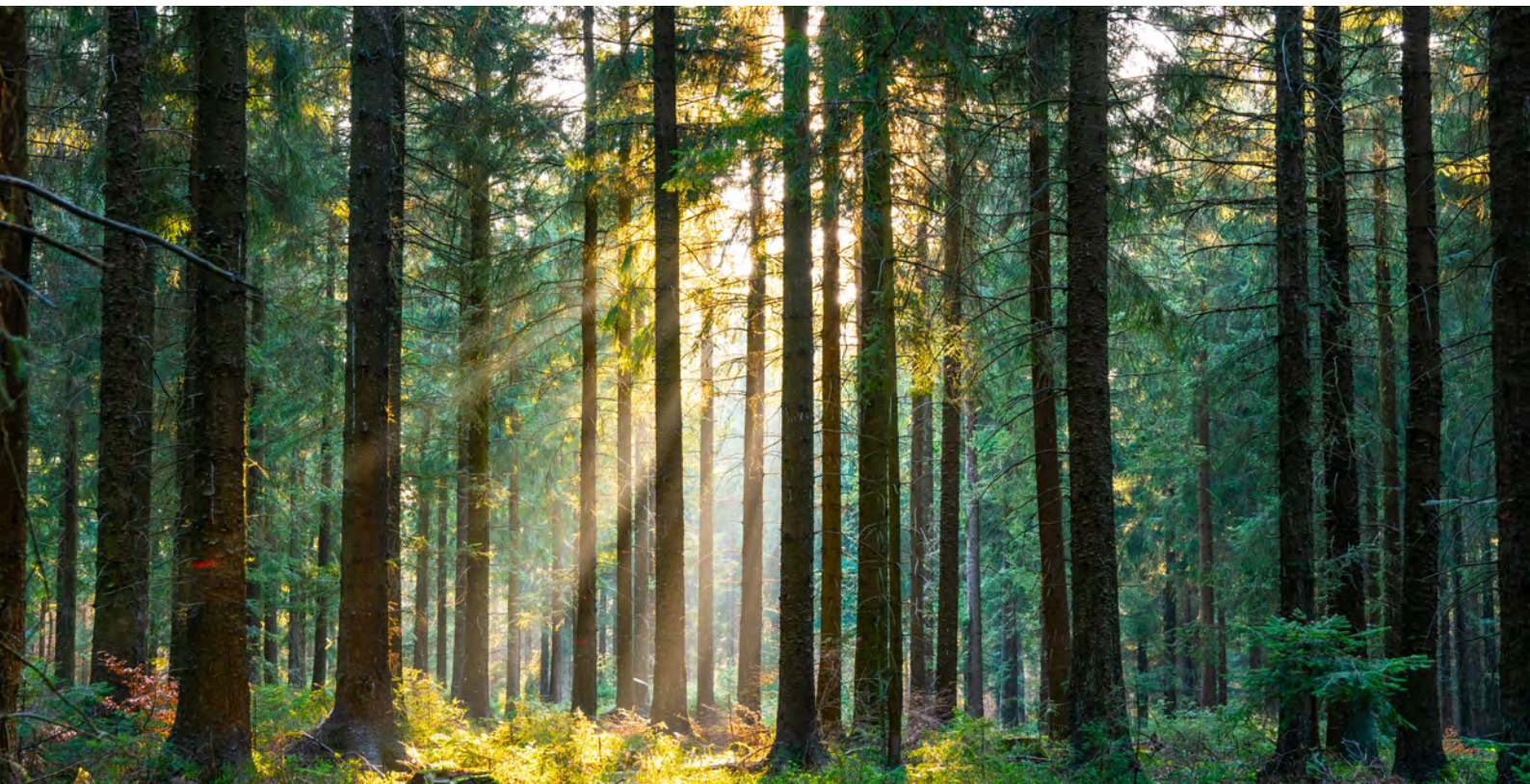
In 2023, the Manuchar Group reduced the amount of CO₂ equivalent per 1,000 tons of warehouse goods sold from 0.44 in 2022 to 0.36.

In summary, despite reductions in specific areas, the Group's total carbon footprint saw an increase from 2022 to 2023. This rise can be attributed primarily to the consolidation of reliable and precise data across the Group and the growth in operations. This indicates that, while we have made strides in certain sectors (like electricity consumption), there are other sectors (such as indirect sources) where we could make additional improvements to decrease the Group's overall carbon footprint. It is evident that we need to ramp up our efforts to achieve more substantial reductions. The Carbon Reduction Roadmap, which was developed in 2022 and refined in 2023, will guide us in our future efforts to reduce emissions.

As a company, the Manuchar Group is dedicated to achieving global sustainability goals. A key aspect of this commitment is reducing our carbon footprint and energy usage. We plan to continue focusing on emission reduction as part of our commitments beyond 2025.

Our goal is to continually seek out and implement innovative strategies that will help us meet our sustainability objectives in the emerging markets we operate while still providing top-tier service to our customers.

By taking decisive action to reduce our carbon footprint, we are playing a crucial role in combating climate change and fostering a more sustainable future.



2023 Carbon Footprint Summary

INPUTS



+160
locations



+2,800
employees



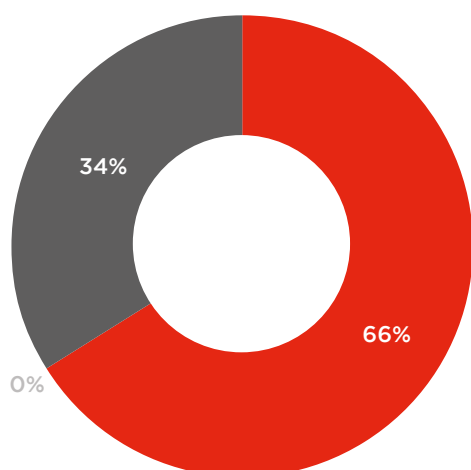
2,595,525 MT*
of sold product in 2023

Manuchar Group FY23 (tons CO₂e)

Total Scope 1 (Fuel)	9,467
Total Scope 2 (Electricity) Market based	0
Total Scope 3 (Indirect)	4,787
Total Carbon Footprint	14,255

0.36 tons CO₂e per 1,000 tons of warehouse goods sold.

(Scope 1 and 2)



Scope 1: Fuel 66%

Scope 1 emissions account for 66% of Manuchar Group's total carbon footprint. It is split between 80% diesel, 12% petrol, 7% LPG and 1% natural gas consumption.



Scope 2: Electricity 0%

After the initiative to shift towards purchasing 100% certified renewable energy at Group level, our scope 2 market-based emissions contribute to 0% of our total carbon footprint.



Scope 3: Indirect 34%

Emissions related to the purchase of water, waste generated in operations and business travel makes up for 34% of Manuchar Group's total carbon footprint.



■ Total Scope 1 ■ Total Scope 2 ■ Total Scope 3

Greenhouse gas emissions were measured in accordance with the GHG Protocol

* Chemical Distribution sales only - as this stock is handled through our facilities/warehouses.

Scope 1 and Scope 2 Emissions

We made significant strides in environmental sustainability by achieving a **14%** reduction in our Scope 1 and Scope 2 carbon emissions compared to the previous year.

CO₂e Emissions Manuchar Group

	2023 (tCO ₂ e)	2022 (tCO ₂ e)	2021 (tCO ₂ e)
Scope 1	9,467	8,417	8,518
Diesel	7,620.88	6,242.26	6,400
Biodiesel	0	1.4	0
Petrol	1,117.42	1,278.4	1,524
LPG	621.81	828.69	495
Natural gas	92.77	64.22	88
Other ³	12.6	2.1	11
Scope 2	0	2,597	3,402
Electricity	0	2,597	3402
Total Scope 1 + 2	9,467	11,014⁴	11,920

³Fuel oil.

⁴Includes new M&A in Brazil in September 2022.

We accomplished a group-wide reduction of 1,546.59 tons CO₂ in our Scope 1 and Scope 2 emissions. This substantial decrease was made possible entirely through our transition to renewable energy sources, which allowed us to bring our market-based Scope 2 emissions down to a net-zero level.

Scope 1 and Scope 2 Emission per Region

	2023 (tCO ₂ e)		2022 (tCO ₂ e)		2021 (tCO ₂ e)	
	Scope 1	Scope 2	Scope 1	Scope 2	Scope 1	Scope 2
Africa	699	0	628	768	545	730
Asia	1,854	0	2,097	173	2,741	475
Brazil	1,530	0	1,385 ⁵	728	Nm	Nm
Caribbean	42	0	41	59	80	46
Central America	827	0	1,004	158	683	191
Europe	545	0	426	37	328	247
Mediterranean	36	0	NA	NA	NA	NA
South America	3,802	0	2,791	649	4,122	1,686
Middle East	120	0	30	18	20	25
North America	12	0	14	6	0	1
Total	9,467	0	8,417	2,597	8,518	3,402

⁵Includes new M&A in Brazil in September 2022.

This data indicates the company's Scope 1 and Scope 2 carbon footprint in each region. It is important to note that within the Manuchar Group a new region (Mediterranean) was introduced in 2023 which shows our expanding operational leverage.

In 2023, the Manuchar Group observed a rise in Scope 1 emissions compared to 2022 in most of the regions it operates. This increase can be attributed to operational growth and the limited availability of green resources in the emerging markets we operate in.

These trends underscore the challenges and opportunities that lie ahead in the pursuit of reducing carbon emissions and transitioning to more sustainable operations. As the Manuchar Group, we will need to continue exploring innovative ways to expand the use of green resources.

Scope 3 Emissions

At Manuchar Group, we recognize that our carbon footprint is significantly influenced by Scope 3 emissions, which constitute over an estimated 80% of our total emissions. These emissions primarily originate from the product carbon footprints of the products we purchase and the transport and distribution of these products. A large portion of our Group's inbound and outbound distribution is managed by third-party service providers making data collection complex.

In 2022, our reporting of Scope 3 greenhouse gas emissions was limited to category 1 Purchased goods and services (water)

and to category 5 Waste generated in our operations. However, we acknowledged that the data lacked robustness and maturity, requiring enhancements in our data collection and reporting processes.

In response to this, we expanded our Scope 3 emissions data collection process in 2023 to encompass business travel. We also made significant strides in improving the data integrity of all measured Scope 3 categories. This was done to ensure that our group-wide Scope 3 data adheres to the highest integrity standards.

Scope 3 Emissions Category According to Greenhouse Gas Protocol

	2023 (tCO ₂ e)	2022 (tCO ₂ e)	2021 (tCO ₂ e)
3.1 Purchased goods and services	15.20	7.20	6.65
3.5 Waste generated in operations	265.49	478.41	1.08
3.6 Business Travel	4,506.69	Nm	Nm

In 2023, Manuchar Group's management commitment to lower carbon footprint has resulted in a dramatic increase in initiatives across our network with further installation of LED lighting in offices and warehouses, an accelerated transition away from diesel forklifts to low carbon fuels or electric variants and long-term investments in solar generated renewable energy, where the enthusiasm of our employees has ensured these changes have caused no operational or service impacts.

PAUL DUNLEA
QUALITY AND ESG STRATEGIC PROJECTS



At present, Scope 3 emissions account for 34% of the total emissions allocated to the Manuchar Group, with business travel contributing a substantial portion of these emissions.

Purchased Goods and Services (3.1 water): This category saw a steady increase in emissions over the three years. In 2021, the emissions were 6.65 tCO₂e, which increased to 7.20 tCO₂e in 2022, and further to 15.20 tCO₂e in 2023. This indicates the significant strides in improving the data integrity of all measured Scope 3 categories we have made. For the first time in 2023, emissions related to purchased water were collected and estimated for all affiliates of the Manuchar Group.

Waste Generated in Operations (3.5): The emissions from waste generated in our operations decreased significantly from 478.41 tCO₂e in 2022 to 265.49 tCO₂e in 2023. This suggests that our waste management strategies are effectively reducing our carbon footprint.

Business Travel (3.6): The emissions from business travel were not measured (nm) in 2021 and 2022. However, in 2023 they amounted to a substantial 4,506.69 tCO₂e. Reducing business travel emissions is a crucial part of our sustainability strategy.

With advancements in technology, virtual meetings have become more efficient and reliable. They can replace a significant amount of business travel, thereby reducing emissions. Secondly, we look into efficient travel planning to maximize efficiency. This could mean scheduling multiple meetings in one trip or choosing direct flights to reduce carbon emissions. Furthermore, the Manuchar Group prioritizes employee development through education.

We educate our employees about the environmental impact of business travel and encourage them to make sustainable choices.

The Europe region had the highest Scope 3 emissions among all regions, with 2,284.99 tCO₂e. This suggests a significant environmental footprint from our operations in Europe, mainly driven by business travel. Africa had the second-highest Scope 3 emissions, amounting to 1,800.53 tCO₂e. This indicates a substantial environmental impact from our operations in this region mainly driven by waste generated in our operations and limited possibilities to recycle.

These figures highlight the importance of region-specific strategies in our efforts to reduce our overall carbon footprint. By understanding where our emissions are highest, we can target those areas for improvement and make the most significant impact on our overall emissions.

Looking ahead to 2024, we plan to map out the remaining categories of Scope 3 emissions that are material to the Manuchar Group. This will provide a more comprehensive view of our carbon footprint and enable us to identify additional opportunities for emission reductions.

Our commitment to improving our Scope 3 emissions data reflects our dedication to transparency and accountability in our sustainability efforts. We believe that by continually refining our data collection and reporting processes, we can better understand our environmental impact and make more informed decisions about our sustainability strategies.

Scope 3 Emissions per Region

	2023 (tCO ₂ e)
	Scope 3
Africa	1,800.53
Asia	149.49
Brazil	169.04
Caribbean	16.59
Central America	38.48
Europe	2,284.99
Mediterranean	10.86
South America	9.90
Middle East	112.41
North America	195.10





Energy Management

Renewable energy transition

In our journey towards sustainability, we have embarked on numerous initiatives to shift towards renewable energy sources. A significant milestone in this journey was the installation of solar panels across several of our facilities. These solar panels harness the power of the sun to generate clean, renewable energy, thereby reducing our dependence on grid-supplied electricity and minimizing our carbon footprint. In 2023, for the first time within the Manuchar Group, we generated renewable electricity for our own consumption.

Moreover, in 2023, we achieved a breakthrough by transitioning to purchasing 100% certified renewable energy at Group level. This significant step forward has greatly reduced our environmental impact and reaffirms our commitment to improving energy management practices as part of our sustainability strategy.

I-RECs, which are electronic certificates that track and represent the environmental attributes of electricity produced from renewable sources and subsequently fed into the grid, have become an integral part of our energy landscape. Each I-REC corresponds to 1 MWh of renewable energy produced and integrated into the grid, and renewable energy producers can request their issuance.

The I-REC Standard Foundation is dedicated to empowering energy consumers through the implementation of international standards at a local level. I-RECs play a crucial role in the worldwide endeavor to transition towards a more sustainable energy future. They serve as evidence of the renewable nature of power sources used in plants qualified under the Standard International RE and are a recognized mechanism for reporting reductions in greenhouse gas emissions in an increasing number of countries across Asia, Africa, and Latin America.

The Manuchar Group, primarily operating in emerging markets where the availability of green or renewable energy is currently limited, recognizes I-RECs as a viable alternative to diminish our carbon footprint. The acquisition of renewable energy for the Manuchar Group complements our own initiatives, reinforcing our commitment to sustainability and environmental responsibility.

By investing in renewable energy, we are not only supporting the transition to a low-carbon economy but also contributing to the growth of the green energy sector.

This investment in renewable energy allowed us to reduce our market based* scope 2 emissions to zero, helping the Group to move ahead of its 2025 reduction target set.

Looking ahead to 2024, we have several exciting projects in the pipeline that will further contribute to our green energy goals.

*In 2023, our location-based Scope 2 emissions amounted to 1,997.89 metric tons CO₂e, which constituted 12% of our total group emissions. This represents a significant reduction from the previous year, 2022, when our Scope 2 emissions were considerably higher at 2,597 metric tons of CO₂e, a notable 23% reduction has been achieved in 2023.

In early 2023, as a significant measure to incorporate renewable energy into our operational practices, we installed 258 solar panel modules across various areas of our Distribution Center in Imbituba, Brazil.

This project claimed the top spot in the first edition of the Innovation Olympics at Manuchar Brazil, representing their commitment to sustainable practices.

The success of this initiative is thanks to a collective team effort between our operation bases and headquarters, all working towards a common goal: bringing benefits for the company and the environment with a renewable, noise-free, and clean energy solution.

This strategic implementation of solar panels brings numerous benefits, aligning with our sustainability goals. Beyond reinforcing our commitment to environmentally conscious practices, this move enhances supply security, reduced CO₂ emissions, and substantial energy savings.



It was very satisfying to work with the Solar Energy initiative, which emerged in an internal program to foster innovative ideas from our colleagues, aiming to enhance processes, boost profitability, and cut costs. The proposed idea aligned with the company's sustainability strategy, contributing to reducing carbon emissions. After conducting a comprehensive feasibility study and facing strategic challenges, PMO Brazil was able to originate the final project. The 258 solar panels have already generated fifty-three megawatts from June to December 2023 – representing 30% of Imbituba's total energy input since its operational startup – and numbers are expected to grow even higher, further reducing operational costs and allowing redirection toward other investments.

VINICIUS SÁ
MANUCHAR BRAZIL PROJECT ANALYST



Resource Usage

Waste Management

Operating in various regions, the Manuchar Group has implemented waste management processes that are proportionate to the nature and scale of our operations. Despite having a relatively small manufacturing footprint, the majority of our waste consists of packaging materials from our chemical distribution network.

Our objective is to minimize waste generation at the source and enhance recycling efforts. We adhere to the 5R's principles of waste management, which include Refusing, Reducing, Reusing, Repurposing, and Recycling.

By doing so, we aim to decrease our waste disposal volumes and work towards our goal of reducing waste to landfill and incineration (without energy recovery) by 50% by 2030.

In 2023, we continued to improve transparency regarding waste volumes and standardized the collection of waste data across all our operations, including new sites and locations. We have collected data from both offices and warehouses, receiving quarterly reports that quantify the waste generated, disposed of, and recovered.

This data is categorized by material type and whether the waste is hazardous or non-hazardous, providing a comprehensive overview of our company's waste management efforts.

This approach not only helps us to monitor and manage our waste but also to target specific recycling efforts and explore new ways of reducing our wastage.



Despite the ongoing challenges in measuring waste, particularly recyclable materials managed by informal markets in the developing countries where we operate, we made notable advancements.

Our primary actions included:

- 1 Raising Awareness and Communication:** We increased awareness about the crucial need for precise waste data collection. We disseminated best practices for waste handling and minimization across our organization on a global scale.
- 2 Supporting and Implementing:** We provided active support for the execution of effective waste management practices.
- 3 Recycling Efforts:** Our dedication to recycling materials was a key factor in achieving reduction of carbon emissions related to waste.
- 4 Data collection:** We refined our global data collection process using our ESG platform. Initially a part of the data was estimated. However, subsequent enhancements enabled us to collect a larger volume of real-world data, leading to more accurate end results group wide.

Our waste to landfill increased from 1,103 tons to 2,956 tons group wide. This increase is mainly driven by above mentioned improvements in data collection.

Operational Waste Generated Manuchar Group

	2023		2022		2021	
	Quantity (MT)	Emissions (tCO ₂ e)	Quantity (MT)	Emissions (tCO ₂ e)	Quantity (MT)	Emissions (tCO ₂ e)
Commercial and Industrial waste: hazardous	158	29.73	118	23.39	809	556
Commercial and Industrial waste: non-hazardous	2,798	231.60	985	445.01	1,891	263.30
Total Quantity of waste disposed	2,956	261.33	1,103	478.40	2,700	819.30

While this may initially seem counterintuitive, it is important to note that this increase is a direct result of our enhanced ability to track and manage waste. The improvements in data collection have not only provided us with a more accurate picture of our waste production but also set the stage for data assurance in 2024. However, the real triumph lies in our recycling efforts. Despite the increase in waste, we have managed to significantly reduce the carbon emissions linked to waste. Through concerted group-wide recycling initiatives, we have successfully brought down our carbon emissions from 478.40 metric tons of CO₂ to 261.33 metric tons of CO₂.

This achievement underscores the power of recycling and its potential to mitigate the environmental impact of waste. It serves as a testament to our commitment to sustainability and our resolve to continuously seek out and implement effective emission reduction strategies. As we move forward, we remain dedicated to further improving our waste management practices and reducing our carbon footprint, for the benefit of our planet.



Recycling

As Manuchar Group we are dedicated to fostering a circular economy, which aligns with our objective of minimizing packaging material through reuse and the adoption of improved recycling techniques. Circularity presents new business opportunities and promising growth potential for us.

This dedication is consistent with the principles of waste management, namely the 5R's: Refuse, Reduce, Reuse, Repurpose, and Recycle. In total, 435.51 metric tons of waste were recycled, resulting in carbon emissions of 4.16 tCO₂e.

In 2024, we aim to further improve our recycling efforts through the collection and analysis of recycled waste data.



Since its installation in 2022, our headquarter colleagues have saved

80,000+

plastic bottles with the help of our Dripl® water refill point at the office.

We encourage an environment where our colleagues use innovative solutions aimed at waste reduction and improving recycling efforts.

Recycled Waste Manuchar Group

	2023	
	Quantity (MT)	Emissions (tCO ₂ e)
Big Bags	46.01	0
Commercial and industrial waste - Non-Hazardous	0.13	0
General residual waste	140.34	0
Metal: aluminum cans and foil (excl. forming)	4.29	0.09
Metal: scrap metal	14.93	0.32
Paper and board: board	16.67	0
Paper and board: mixed	33.79	0
Paper and board: paper	0.78	0
Plastics: average plastic film	91.50	1.95
Plastics: average plastics	30.52	0.65
Plastics: LDPE and LLDPE (incl. forming)	20.41	0.43
Plastics: PP (incl. forming)	33.57	0.71
Plastics: PVC (incl. forming)	0.06	0
WEEE - mixed	0.49	0.1
Wood/Pallets	2.02	0
Total quantity recycled	435.51	4.16

ENVIRONMENTAL PROTECTION

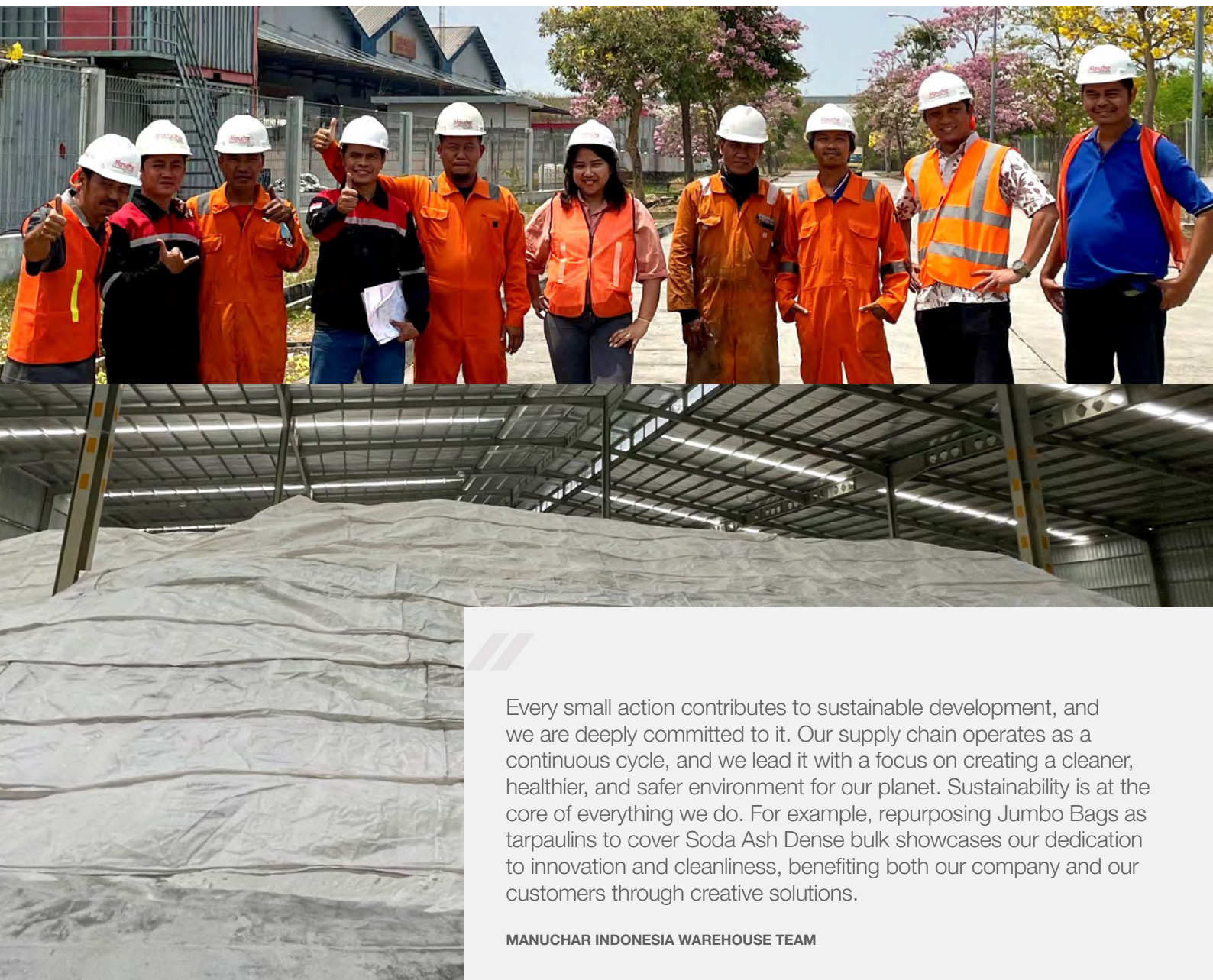
This commitment is exemplified by our Indonesian colleagues who manually sewed tarpaulin from the recycling of jumbo bags. It is now being used to protect 18,000 MT of Soda Ash Dense in Cikarang from dirt and contamination. Additionally, we imported 48.8 MT of Personal Care products to Manuchar Nigeria using 240 reconditioned drums—containers refurbished for use. This initiative marks a significant step towards our sustainability goals as we continue to explore more sustainable practices in our operations.

Such initiatives are excellent examples of how we give new purpose to materials that would otherwise be discarded.

As part of our dedication to improving our waste management practices, we have implemented measures to improve recycling capabilities and capacity across various facilities. Comprehensive

training ensures all employees are equipped with the necessary knowledge and skills to effectively manage waste. By separating and recycling waste at source, we minimize the amount of waste that needs to be responsibly disposed of in licensed landfill facilities.

In Brazil, aligning with the waste management principles, we sent approximately 800 kg of organic waste from our operations for composting. This initiative earned a sustainability certification from the AmoRosa Composting Project, recognizing it as an environmentally sustainable practice. Furthermore, we distributed seed paper brochures to our partner drivers, covering practices to reduce fuel emission impact, recycling and selective disposal, and raising awareness of wildlife and flora, especially in environmentally protected areas during road travel.



Every small action contributes to sustainable development, and we are deeply committed to it. Our supply chain operates as a continuous cycle, and we lead it with a focus on creating a cleaner, healthier, and safer environment for our planet. Sustainability is at the core of everything we do. For example, repurposing Jumbo Bags as tarpaulins to cover Soda Ash Dense bulk showcases our dedication to innovation and cleanliness, benefiting both our company and our customers through creative solutions.

MANUCHAR INDONESIA WAREHOUSE TEAM

Responsible water use (or consumption)

Manuchar Group experienced a notable increase in water usage compared to the previous year. This surge was primarily driven by two key factors: the expansion of our operational locations and improvements in data accuracy. As the Manuchar Group continued to grow, we established more facilities across various regions. Each new location, with its warehouses and offices, is added to our overall water consumption. Water was essential for several operations, including cleaning, maintaining sanitary conditions, and in certain instances product manufacturing. Simultaneously, we made significant strides in enhancing the accuracy of our data recording methods working towards future data assurance. We realized that our previous records might not have fully captured the extent of our water usage.

By refining our data collection and monitoring systems, we were able to obtain a more precise understanding of our water consumption patterns.

These developments led to a higher recorded water usage in 2023 compared to 2022.

However, it is important to note that this increase does not necessarily imply a lack of efficiency or sustainability in our operations. Instead, it reflects our growth as a company and our commitment to transparency and accuracy in our environmental reporting. As we move forward, we remain dedicated to our ongoing initiatives, such as supplementing our water supply with rainwater, to ensure our operations are as sustainable as possible.

In 2023, our total water withdrawal amounted to 84,840 cubic meters, marking a

14%

increase from 2022

Water Withdrawal Manuchar Group

	2023 (tCO ₂ e)	2022 (tCO ₂ e)	2021 (tCO ₂ e)
Water withdrawal (With water stress)	17,287	30,695	21,832
Water withdrawal (Without water stress)	67,554	43,458	44,860
Total water withdrawal	84,841	74,153	66,692



📍 BRAZIL

At Manuchar Brazil, we have implemented an innovative and environmentally friendly approach to maintaining our fleet of trucks. Instead of relying on traditional water sources, we utilize collected rainwater for the car washing process.

By using rainwater, we significantly reduce our demand for municipal water supplies, thereby conserving a valuable resource. This practice not only benefits our operations but also contributes positively to the wider community by reducing pressure on local water resources. The process involves the collection of rainwater through a specially designed system. The collected water is then used in our car washing facilities to clean our trucks. This ensures that our fleet is maintained to the highest standards while minimizing our environmental impact.

We are continually working on initiatives to supplement our municipal water supply with rainwater.



📍 ECUADOR (UNICHEM)

At Manuchar Unichem, we are deeply committed to sustainable practices and efficient resource management. Our advanced technology and machinery play a crucial role in this commitment. Remarkably, 95% of our operational processes utilize recycled wastewater, demonstrating our dedication to water conservation.

Our unique system is designed to recirculate water creating a closed-loop process that maximizes efficiency and minimizes waste. This means that the wastewater generated from one process does not simply become waste instead, it becomes a valuable resource for the next process in the production of the same product. This innovative approach not only reduces our water consumption but also decreases our environmental footprint. By reusing and recycling water, we can significantly reduce the demand for fresh water and contribute to the sustainable management of this vital resource.

In essence, our operations at Manuchar Unichem exemplify a circular economy model where waste is not just minimized but is also transformed into a resource. As we continue to grow and evolve, we remain dedicated to exploring and implementing such sustainable solutions in all aspects of our operations.



Water withdrawal

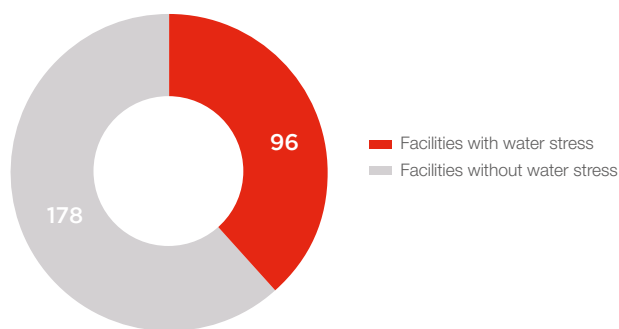
In 2023, the Manuchar Group continued to prioritize responsible water consumption across all our operational facilities. Despite not being major consumers of water, we recognize the importance of protecting this scarce resource and using it responsibly.

According to the World Resources Institute, about half of the countries where the Manuchar Group operates are categorized as medium to extremely high water-stressed areas. In response to this, we conducted a risk analysis for our ten largest sites

worldwide in 2023 to identify which sites could potentially suffer water shortages as climate change intensifies. The assessment revealed that one site had a significant risk related to water withdrawal. This finding underscores the importance of our commitment to reducing our water usage by 10% annually, with the ultimate goal of using 50% less water in 2030 than we did in 2021.

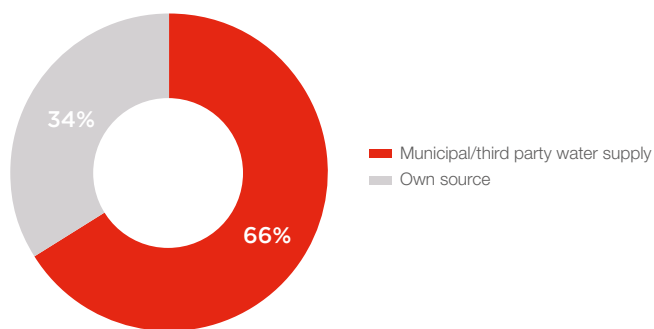
Our efforts to minimize consumption and improve efficiencies are particularly focused on these facilities.

NO. OF FACILITIES OPERATING IN REGIONS WITH WATER STRESS VS NO. OF FACILITIES OPERATING IN REGIONS WITHOUT WATER STRESS

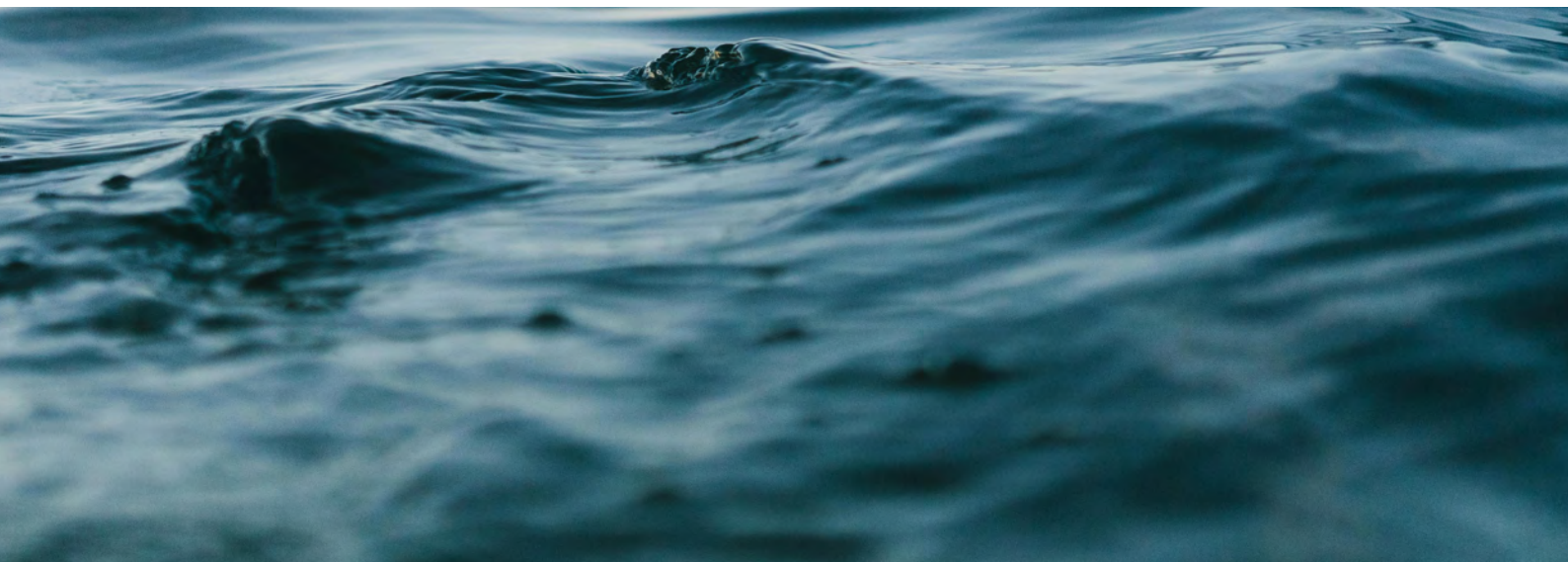


In terms of source, 66% of our water withdrawal is from municipal/third party supply, and 34% is from our own sources. We have ninety-six facilities operating in regions with water stress and 174 facilities operating in regions without water stress.

TOTAL WATER WITHDRAWAL BY SOURCE



Our commitment to responsible water use and our proactive approach to managing climate risks reflect our dedication to environmental protection and sustainability. As we move forward, we will continue to prioritize these values in all aspects of our operations.





Environmental Protection in Action

Environmental awareness is key to understanding how human activities affect the planet and promoting sustainable practices that benefit rather than harm the Earth. Our environmental initiatives focus on promoting the use of renewable energies, reduce pollution, and protect important habitats and species.

The commitment and dedication in creating a greener and more sustainable future shown by our colleagues are a true testament

to the importance we place on building a positive social impact, reflecting our core value: We Care.

Caring for our Environment



📍 PERU

As part of our Environmental Day initiatives, our colleagues in Peru undertook an exciting campaign to collect and donate recyclable materials, such as plastic caps. Through their efforts, we managed to gather 144 kg of recyclable materials, which were then donated to Aldeas Infantiles, a non-profit association dedicated to supporting children's education.



📍 VIETNAM

In Vietnam, our colleagues came together for a three-month initiative dedicated to the cleanliness of the wharf area near our operations. Our diverse team consisted of colleagues from different departments within the organization, enthusiastically collaborating to address the urgent challenge of plastic pollution.



📍 BRAZIL (FERTISANTA)

In Brazil, we supported the REDECO project, held since 2022, at the port beach in Imbituba. This initiative is centered on encouraging the population, especially the artisanal fishermen of the beach, to practice responsible management of solid waste and discarded fishing nets from the beach, ensuring their proper disposal. By engaging in this project, we contributed to environmental conservation and promoted responsible practices in our community.



📍 KENYA

Contributing to energy conservation, Manuchar Kenya has replaced all lighting in our Mombasa facilities with energy-efficient LED lights and are aiming to replace all lighting in our Nairobi Warehouse with LEDs by 2024. Complementing these efforts, we launched an energy-saving campaign that includes informative references on every lighting switch, to raise awareness and promote mindful energy consumption.



📍 SOUTH AFRICA

Despite the prevailing energy crisis in the country, our colleagues of Manuchar South Africa have successfully steered electricity supply challenges to integrate lithium-ion battery driven forklifts into their operations. This not only supports our group environmental initiatives but also positions us for increased operational efficiency and cost containment, while deriving further benefits from this green initiative and reduction in CO₂ emissions.



📍 BELGIUM

We partnered with River Cleanup®, a not-for-profit organization, with a global network, who organizes events to remove plastic waste from rivers around the world with the aim to stop plastic pollution from reaching our oceans. Through this collaboration, we were able to assist in extracting 10,000 kg of plastics from rivers in 2023.



📍 ECUADOR (QUIMASA)

Reaffirming our commitment to the conservation of green areas, we supported the Siembratón initiative for the planting of 3,000 trees of native species as a way of restoring the Bosqueira protective forest, located in the north of Guayaquil, that was affected by fires in 2022. To further aid in the restoration efforts, we donated fertilizers and provided training sessions on their correct use for vigorous tree growth.

In addition, we actively participated in the Reciclatón 2023, whose goal was to collect 10 tons of recyclable materials citywide. We contributed by promoting source separation of recyclable waste within Quimasa, raising awareness among employees to extend responsible waste management practices to their homes. Our team successfully recovered approximately 30 kg of recyclable waste, which were delivered to the city's Ministry of the Environment for recycling.

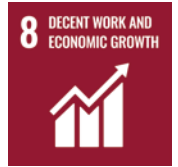


As Quimasa-Manuchar, we are committed to protecting nature and the environment. Throughout 2023, we actively engaged in volunteer initiatives such as Siembratón, Reciclatón, and Manos en Acción, which was held at a rural school in my town. The opportunity to invest our time and expertise in these activities brought us immense fulfillment, allowing us to play a small but meaningful role in supporting our planet and our local community.

VERÓNICA ANDRADE
GENERAL SERVICES ASSISTANT QUIMASA



Health and Safety



At Manuchar Group, operational health and safety remains paramount. We are dedicated to safeguarding the well-being of our employees, suppliers, and customers in the workplace by fostering a culture and implementing practices that place safety at the forefront. Our objectives related to worker health and safety align with UN Sustainable Development Goals 3 (Good Health) and 8 (Decent Work).

As a global enterprise with a widely diversified network of employees, suppliers and customers, we acknowledge the specific challenges due to different local legislation, customer requirements, industry standards, and cultures. Nevertheless, we recognize that emphasizing occupational health and safety at our business is crucial for creating a safe and healthy work environment. At Manuchar Group, we firmly believe that this commitment contributes to increased productivity, improved employee well-being, and reduced operational expenses.

Our steadfast commitment to achieving zero fatalities in our operations remains unwavering. In 2023, we have once again successfully attained this goal. This accomplishment is the outcome of anchoring a QHSE (Quality, Health, Safety, and Environment) culture across all layers of the organization. The Manuchar Group is dedicated to providing the necessary resources for these endeavors. Our employees align with the company's ethics and values, as outlined in our Code of Conduct, exhibit exemplary behavior, and actively participate in relevant safety activities.



Prioritizing health and safety isn't just a standard to be met; it's a commitment to the well-being of our most valuable assets – our people. In every action we undertake, safety shall be in the spotlight, ensuring our people return home safe, unharmed and thriving.

PATRICIA DEL AGUILA
SENIOR QUALITY ASSISTANT



Occupational Health and Safety Management System

Our Health and Safety Management System is built on a robust list of policies, standards, and supporting documentation based on risk mitigation. They articulate the Group's objectives and guidelines to achieve the highest standards in operational health and safety, being applicable to all business activities at every level of the company hierarchy.

Ensuring safe working conditions and perpetually enhancing the Manuchar Group's safety program are indispensable facets of our daily operations. Our commitment to safety seamlessly aligns with our fundamental value of placing Safety First. We give paramount importance to health, safety, security, and environmental considerations when strategizing for both existing and new operations, products, processes, and facilities.

Our ongoing journey emphasizes continuous improvement, with active participation and unwavering commitment to Health and Safety excellence from all.

Within this culture at the Manuchar Group, our people and stakeholders take ownership of their well-being and that of others, contributing to the establishment of an industry-leading safety ethos. We are dedicated to cultivating an outstanding safety culture

grounded in communication, collaboration, and consultation. Accountability is a key principle that applies to our leaders, managers, supervisors, employees, and subcontractors.

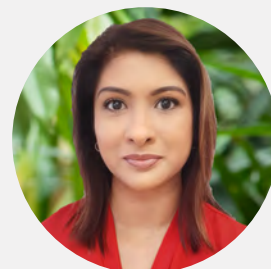
QHSE and Food Safety Management Systems (ISO certification metrics)

Manuchar Group consistently places emphasis on occupational health and safety, customer satisfaction, respect for the environment, and continuous improvement. Our QHSE and Food Safety Management Systems adhere to the principles set forth in globally recognized standards (mainly ISO 9001, ISO 45001, ISO 14001 and FSSC22000). These certifications play a pivotal role in standardizing systems across our global operations. Regular internal and external audits, integral to certification compliance, are essential for assessing and ensuring alignment with established standards throughout our systems and processes. Consequently, we actively support and guide our affiliates at Manuchar to pursue ISO or GFSI certification through dedicated assistance from our Global Quality and Sustainability Team.

Since 2022, the Global Quality and Sustainability Team has undergone substantial changes. The team has not only expanded in size but has also diversified in terms of expertise and nationalities, encompassing responsibilities such as overseeing social governance, providing compliance guidance, coordinating management systems, addressing environmental concerns, managing operational health and safety, ensuring food and feed safety and assessing product risk. As a result, the Manuchar Group is actively working to enhance collaboration between the Global Quality and Sustainability Team and the Local Teams.

ISO 9001:2015 is an internationally recognized standard for Quality Management and Manuchar South Africa is truly proud and excited to have achieved this prestigious certification across all our sites. It is the culmination of the collective effort from our entire team, whose dedication and hard work have been pivotal in reaching this milestone. We understand that being an ISO certified organization is synonymous with best business practice, customer-centric focus, and structured processes. Therefore, our ISO 9001:2015 certification exemplifies our commitment to quality standards, service excellence and continuous improvement.

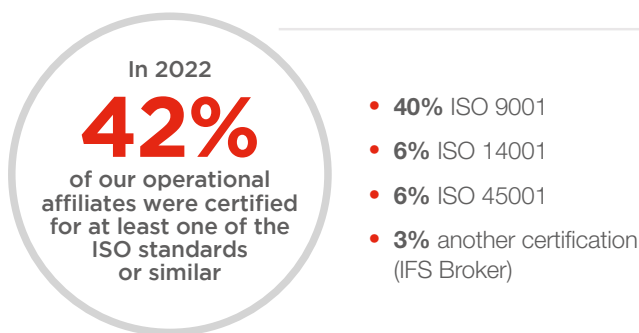
RESHMEE MOONSAMY
SHEQ MANAGER MANUCHAR SOUTH AFRICA



HEALTH AND SAFETY

The main goal is to establish a culture of Quality, Health, Safety, and Environment (QHSE), and Food Safety, throughout all layers of the organization. Throughout the year, the Manuchar Group has participated in global initiatives such as World Food Safety Day (organized by WHO) and World Quality Week (hosted by CQI/IRCA). In these sessions, we have offered our colleagues a range of activities, workshops, interviews, webinars, and articles to foster their knowledge and interest in these crucial topics.

Two of our affiliates currently hold triple ISO certifications, while an additional two have dual ISO certifications. Although our 2023 goal was to increase the number of affiliates with triple ISO certifications, this objective was not realized. Looking ahead to 2024, our aim is not only to increase the count of triple ISO certified affiliates but also to enhance the overall certification status across all our affiliates.



*Current rise may be impacted by the increase in the number of Manuchar affiliates.



In the realm of food safety, the Manuchar Group is striving to attain FSSC22000 global certification. The pursuit of this certification on a global scale is intended to streamline the adoption of our food safety management system across our affiliates worldwide. This initiative aims to enhance the safety of our food products, instill confidence among consumers, meet regulatory requirements, and, importantly, inspire our affiliates to initiate the local certification process.



Hazard Identification and Risk Assessment

Hazard identification and risk assessment are integral processes that not only prioritize the safety and well-being of individuals but also contribute to legal compliance, efficient resource allocation, and overall organizational resilience. These processes form the foundation for a robust safety culture and are essential for the sustainable success of any organization. The results of our hazard assessment help us take suitable preventive measures to avoid work-related illnesses and health problems.

Equipping storage facilities with crucial information about chemical properties, including flammability, reactivity, and toxicity, is essential for ensuring the secure handling and transportation of hazardous materials while adhering to regulatory standards. To achieve this, Manuchar Group conducts ongoing risk assessments for its products. The provision of dangerous goods compatibility reports is part of this proactive approach, offering guidance on suitable storage conditions and necessary precautions. This strategy is crucial for minimizing the potential risks of accidents and injuries.

In 2023, a globally implemented internal audit management software became operational, aiding the Global Quality and Sustainability Team in collecting information about the primary risks in our operations. This software also facilitated the provision of relevant resources and the implementation of measures on a global scale.

All local internal audit representatives underwent training in the utilization of this tool. The internal audit program encompasses topics related to health and safety, quality, process and facility security, environment, and food safety. Operational internal audits were scheduled for all sites operated by the Manuchar Group. Presently, 90% of these sites have conducted internal audits and implemented corrective measures based on the findings.

For 2024, new internal audits will be scheduled for all operational sites, with the frequency adjusted based on risks and opportunities defined as well as on site complexity.

Injury Management and Incident Investigation

Injury reporting is a proactive and essential practice for maintaining a safe and healthy work environment. It enables us to respond promptly to incidents, identify trends and patterns, prevent future injuries, and continuously improve safety measures.

At Manuchar Group, we are committed to maintaining a safe work environment through a systematic and globally informed approach to injury reporting. We count with a global injury reporting (INR) system where our local teams can report on lost time injuries, ensuring seamless communication with our Global Quality and Sustainability team. This system plays a crucial role in initiating incident investigation, identifying root cause and executing preventive and corrective actions to mitigate potential hazards. This data is collected and globally analyzed, providing valuable information for the implementation of targeted prevention strategies and the continuous improvement of overarching safety protocols.

In 2023, Manuchar Group achieved once again the significant milestone of zero work-related fatalities and zero work-related illnesses, encompassing both our employees and contractors, whether on our sites or during commuting. This accomplishment aligns with our global objective of maintaining a zero-fatality record. Furthermore, 85% of our sites successfully concluded the year without any lost time injuries. Our facility in Igarassu, Brazil, stands as a testament to the Group's commitment to health and safety, marking an impressive feat by reaching 1,200 consecutive days without a workplace accident.

A significant indicator of our dedication to operational health and safety lies in our lost time injury severity rate (LTISR). This metric quantifies the number of workdays lost per thousand hours due to work-related accidents. We achieved a 19% reduction in lost workdays compared to the previous year, while maintaining a consistent lost-time injury severity rate for two consecutive years. These outcomes can be attributed to our proactive identification and mitigation of potential hazards, coupled with an unwavering dedication to cultivating a secure workspace for all personnel.



This important milestone of 1,200 days without a workplace accident at the Igarassu Distribution Center in Brazil is the result of constant vigilance, risk mitigation and reinforcement of the culture of prevention. It's a joint effort between occupational safety and all the employees of the Igarassu Distribution Center, because in order to achieve our goals, we need everyone to be moving in the same direction. I can only thank everyone for their commitment and dedication.



SUZE NOGUEIRA
OHS MANAGER MANUCHAR BRAZIL

HEALTH AND SAFETY

Regrettably, our objective to achieve a 10% reduction in accidents involving lost time injuries for the year 2023 was not realized. According to the global data collected, there were 43 reported lost time injuries (LTI) during 2023, surpassing the 36 reported in 2022. Consequently, our lost time injury frequency rate (LTIFR) and the total case injury rate (TCIR) increased. Over the last two years, the Global Quality & Sustainability Team has dedicated efforts to enhance awareness regarding injury reporting. Additionally, there has been an increase in the number of Manuchar affiliates in the past year. Both these factors have the potential to influence the reported number of lost time injuries.

In our injury reporting, the foremost category among the eight available types for reported LTIs is “falls or impacts”, constituting 25%. Following closely, incidents classified under the “other” category contribute 21%, encompassing injuries related to repetitive strain injuries or skin issues. Together, these two categories account for almost half of the reported lost time injuries. Subsequently, the next most frequently reported LTIs are “fractures and dislocations” as well as “cuts and scrapes”, both accounting for 16% and 14% respectively.

Aiming to provide a clearer and more concise overview of the risk landscape and to prioritize and address them effectively, the Manuchar Group has developed a risk heat map where the severity and likelihood of the most common risks faced by our organization is illustrated. Notably, risks associated with falls or impacts, fractures and dislocations, repetitive strain injuries, as well as cuts and scrapes, emerge as the highest-risk factors in our operations.

Based on the reported injuries and the risk assessment conducted, it is evident that falls at the same level and collisions

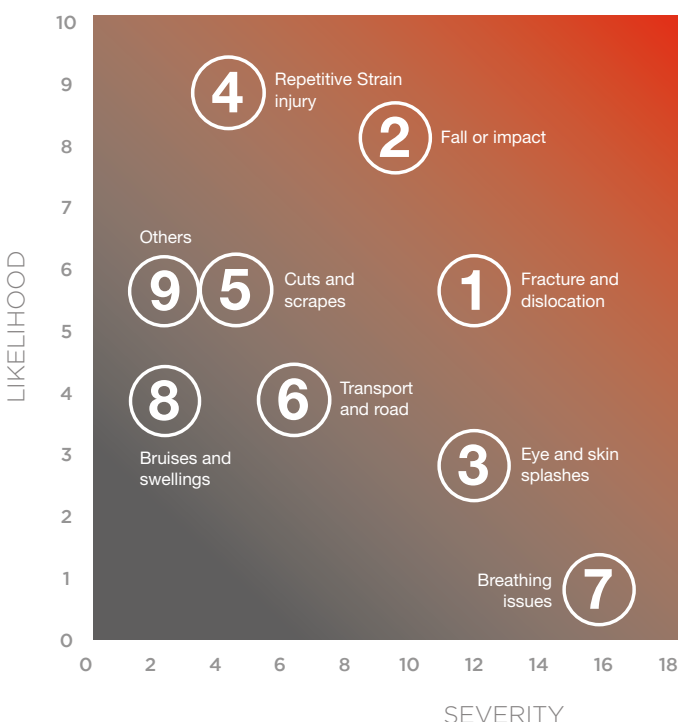
are probable occurrences in our operations. Despite the absence of reported incidents related to falls from different levels, it is crucial to acknowledge that working at heights is an inherent risk to logistics operations, necessitating ongoing vigilance.

Various injuries reported in 2023 were classified as Repetitive Strain Injuries (RSIs), indicating that our operations involve repetitive motions or overuse. Recognizing this, it becomes essential to emphasize prevention measures and adhere to proper ergonomics, as they play a vital role in reducing the risk of repetitive strain injuries.

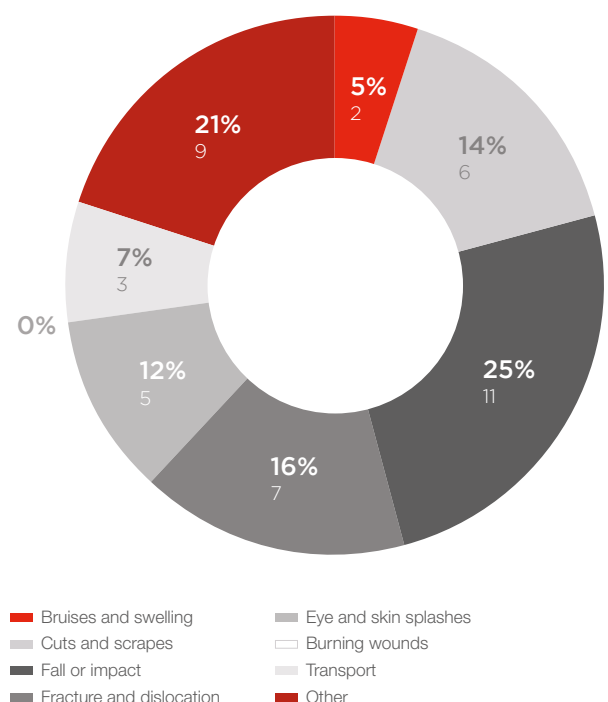
The majority of products handled by Manuchar Group are of a chemical nature, with occasional classifications as irritative and corrosive. To prevent a rise in injuries associated with skin and eye damage, it is essential to remain vigilant in using personal protective equipment. In addition, injuries such as fractures or dislocations may result from operational machinery, emphasizing the importance of ensuring proper maintenance and providing thorough instruction to operational employees on the correct use of this equipment.

Our findings led to increased global safety communications during 2023 and to enhanced health and safety awareness, focusing especially on the risk derived from our operations.

RISK HEAT MAP



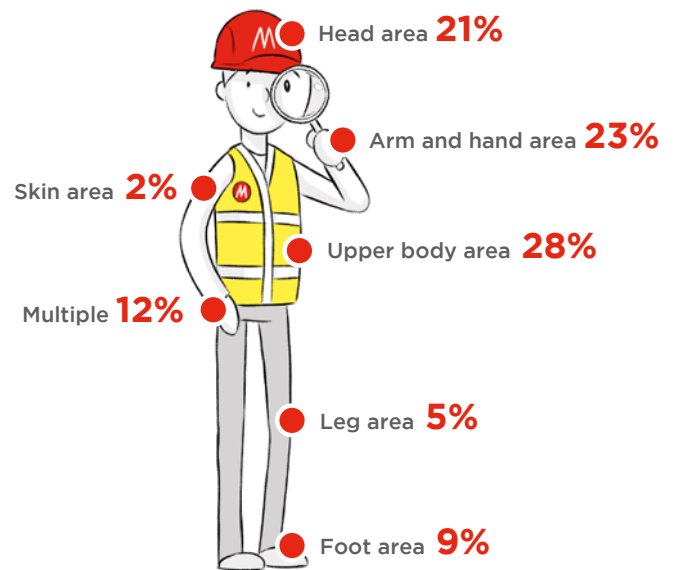
INJURIES BY TYPE IN 2023



Our goal for 2024 is to achieve a 10% reduction in accidents resulting in lost time injuries and, once again, sustain zero fatalities.

The prevalence of the “other” category as the second largest indicates a potential deficiency in the granularity of our reporting system’s categorization. As a proactive measure for the year 2024, our goal is to improve our injury reporting system by incorporating a more detailed breakdown of incident types and introducing the capability to report near-misses. Originally planned for 2023, this initiative aims to enhance the precision and comprehensiveness of our reporting system and to facilitate the implementation of targeted preventive measures.

INJURIES PER AREA



Performance metrics for safety

	2023	2022	2021
Total number of work-related injuries (excluding first-aid injuries)	49	48	nm
Number of lost-time injuries	43	36	8
Total number of work-related fatalities	0	0	0
Total number of work-related illnesses	0	0	0
Total days lost due to work-related injury	743	914	1,311
Lost-time injury frequency rate	3.46	2.37	1.17
Lost-time injury severity rate	0.060	0.060	0.121



Occupational Health

Occupational health professionals collaborate with employers and employees to assess and mitigate workplace risks, design and implement health and safety programs, conduct health surveillance, and provide medical care and support for work-related health issues. The overarching goal is to create work environments that safeguard the physical and mental health of workers while optimizing productivity and overall organizational success.

Manuchar Group's approach involves proactively providing employees with preventive healthcare advice tailored to their individual health risks, including necessary preventive check-ups.

All medical data generated during this process adhere to medical confidentiality standards and are protected and archived in compliance with national data protection regulations. Notably, there were no reported instances of occupational illness or disease in the year 2023.



At Manuchar Group, we highlight the significance of ergonomics. Our commitment involves designing and organizing the physical environment and tools to align with the capabilities and needs of individuals, fostering optimal efficiency, comfort, and overall well-being for both our operational and office workers. In pursuit of this, we introduced a global ergonomics procedure designed for office work environments in 2023. This procedure addresses key factors, including proper workstation design, comfortable seating, efficient space utilization, and the prevention of repetitive strain injuries. By incorporating ergonomic principles, our goal is to elevate productivity, mitigate the risk of work-related musculoskeletal disorders, and cultivate a healthier and more comfortable work environment.

Worker Participation and Consultation in Occupational Health and Safety

At Manuchar Group, we believe that worker participation and consultation in occupational health and safety (OHS) is a vital aspect of fostering a safe and healthy workplace. This approach entails actively involving employees in decisions and processes related to health and safety matters.

Workers possess firsthand knowledge and experience of their job tasks and work environment. Involving them in OHS discussions allows for the identification of potential hazards and the development of effective safety measures. Furthermore, when workers are part of the decision-making process, they feel a sense of ownership and accountability for safety outcomes. This fosters a collective responsibility for maintaining a safe work environment.

Worker participation facilitates open and transparent communication channels between employees and management regarding safety concerns, policies, and procedures.

Establishing health and safety committees, administering employee surveys, and providing reporting channels like

whistleblowing, persons of confidence, and confidential reporting are the ways through which Manuchar Group actively encourages employee participation and consultation.

We respect the fundamental right of our employees to freedom of association, which includes the right to establish and join a labor union. The decision whether to engage in such associations is entirely at the choice of our employees. In 2023, 29% of our global workforce was covered by Collective Agreements (CAOs), either in compliance with legal requirements or voluntarily chosen by the employees.

All our employees, irrespective of union association status, have the opportunity and the right to express their concerns and protect their rights regarding working conditions and terms of employment. This can be done through our feedback culture, where our employees can express their concerns, report hazards, and suggest improvements in a transparent and respectful manner. Additionally, we provide other alternative mechanisms, such as our internal whistleblowing platform, ensuring every employee's perspective is valued and heard.



Health and Safety Training, Communication, and Awareness

Creating awareness through safety training is essential for maintaining a safe and productive work environment. It equips employees with the knowledge and skills needed to identify and mitigate risks, ultimately leading to a safer and more productive work environment.

A key element of our awareness campaign is communication. Each month, different topics to encourage positive safety behaviors, and eliminate risk are shared with our colleagues around the world.

We encourage our affiliates to incorporate a comprehensive range of training sessions and Toolbox Talks applicable to both operational and office personnel. These should include areas such as operational and office ergonomics, evacuation procedures, first aid, working at heights, chemical handling, and emergency preparedness, specifically focusing on spillage management.

Additionally, internal safety weeks are organized by our affiliates to create further awareness about the risks related to our operations. These events guide employees on preventing work accidents and occupational diseases, providing them with the necessary knowledge and tools to prevent workplace injuries.

During these initiatives, time is set aside for our employees, contractors, and partners to learn more about safety, re-sign workplace safety policies, and have some fun. This approach guarantees that everyone involved not only gains valuable insights into safety practices but also experiences an engaging and positive atmosphere that reinforces the importance of a safe workplace.

Prioritizing employee safety is a cornerstone of our values at Manuchar Thailand. To bolster awareness and ensure a safe work environment, we conducted a comprehensive 6-hour safety training session. Our aim is to proactively mitigate risks and safeguard the well-being of our employees.

PAWEENA NEANMONGKOL
OPERATIONS MANAGER MANUCHAR THAILAND



Employee Well-being

At Manuchar Group, we care about the physical and mental well-being of our employees, recognizing the importance of a balanced work-life dynamic. Our commitment is to cultivate a supportive, health-conscious, and balanced work environment that enhances the overall welfare of our team.

We strongly believe that promoting physical fitness and healthy living is integral to comprehensive well-being.

In February 2023, our sports activities kicked off at headquarters with the introduction of the Manuchar Sports Ambassadors. These are dedicated Manuchar employees that each represented a sports activity for 2023. Their role was to inspire and motivate others to participate in a range of interesting options, including Fit4Life, Yoga sessions, as well as the spirited Manuchar Cycling Team and the Manuchar Running Team, who embraced this initiative, leading to a successful participation in the Antwerp Marathon held in October 2023.

Our team-building events are packed with sporty and fun activities, creating memorable moments, developing new skills, nurturing meaningful relationships, and promoting a healthy lifestyle. Looking after our people is crucial for both our reputation and for our overall health as a company. By having happy, motivated, and loyal employees, the quality behind our operations improves, leading to higher levels of commitment and better business results.

In addition to a range of well-being programs such as sports events, employee-led activities, and workshops on stress management, we've designated 'Persons of Confidence' to handle issues related to discrimination or inappropriate behavior. We've also established a clear well-being roadmap that guides our initiatives and ensures consistency in our approach.



'Fit4Life' session held at our Headquarters during summer.

'Fit4Life' is our exciting initiative aimed at promoting well-being and vitality within Manuchar. In our efforts to combat the sedentary lifestyle often associated with office work, we invite everyone to energize their lunch breaks with some fun workouts. This initiative not only fosters a healthier lifestyle but also cultivates a sense of camaraderie among our colleagues. We make the most of our lunch breaks by moving, stretching, and embracing a more active approach to work-life balance.

ELINE VAN LOOK
MANUCHAR SPORTS AMBASSADOR, JUNIOR TRADER



HEALTH AND SAFETY

In order to prevent occupational diseases, we incorporate brief, active breaks during the workday to help relax the muscles, increase creativity, and reduce work fatigue. Notably, in Peru, a competition was held within the framework of the World Day for Safety and Health at Work, where our drivers won the event by submitting a video showcasing the correct ways to embrace active breaks.

Recognizing the role nutrition plays in improving the quality of life and strengthening the immune system, we have taken steps to promote healthy and balanced eating habits among our colleagues.

At our headquarters, we proudly collaborate with Fruitful Office, which not only offers our colleagues a delightful and sustainable snack option, but also contributes to a broader global impact. For each basket of fruit enjoyed, they plant a fruit tree in Malawi, Africa, aligning our commitment to well-being with a commitment to environmental stewardship.

Alongside numerous initiatives, in Mexico, our colleagues launched their “Great Loser Challenge”, an initiative focused on encouraging our colleagues to make lasting improvements in their diets and adopt a healthier lifestyle.

By fostering a supportive community and promoting positive habits, we reflect our belief that a healthy and balanced life is not just a personal goal but a shared commitment within our team.



Health and Safety in Action

Aligned with our global objective of enhancing safety awareness by 2023, our affiliates worldwide have orchestrated health and safety activities. These initiatives encompass a range of activities such as first aid and fire training, emergency drills, as well as ergonomics and forklift handling, selected by our colleagues.

Caring for our People



📍 TRINIDAD AND TOBAGO

In response to the findings obtained from an internal audit, conducted as part of our global internal audit program, our colleagues in Trinidad and Tobago organized multiple safety trainings covering topics like ergonomics and forklift safety. Moreover, they certified their contracted truck drivers in HAZCOM, ensuring a thorough understanding of best practices for maintaining a safe work environment across all levels.



📍 ARGENTINA

As part of their Health and Safety training plan, currently at 93% completion across over 17 different topics, our Argentinian colleagues ensure that employees receive proper training and certification in first aid, firefighting, and emergency drills. This approach prepares them to be able to respond to any medical emergency in the workplace.



📍 SOUTH AFRICA

In South Africa, our colleagues held their first company-wide Safety Stand Down as part of their ongoing initiative of growing the safety culture. Taking a pause from their regular work activities, they had the opportunity to engage in a discussion on safety beyond the Toolbox Talks that take place daily per shift in operations.



📍 MEXICO

Every month, our colleagues in Mexico host multiple awareness trainings and drills as part of their “because training is the best destination” campaign. Among the highlights of 2023 are their “Evacuation, Search and Rescue” trainings, and active participation in national earthquake drills across all their locations. These efforts ensure our colleagues are equipped to protect and evacuate individuals in emergencies, while also safeguarding themselves in the event of accidents.



📍 BRAZIL (COSMOQUIMICA & COSMOLOG)

Volunteers from Cosmoquimica and Cosmolog participated in first aid and fire brigade training. Brigade members visited firefighting facilities and attended theoretical firefighting and first aid classes in the auditorium, emphasizing the importance of preparedness and adherence to safety standards.



📍 PERU & MEXICO

Commemorating the World Day of Occupational Health and Safety promoted by the International Labor Organization (ILO) on April 28th, our colleagues in Peru and Mexico organized multiple events to promote the prevention of accidents and occupational diseases among our employees, featuring educational thematic games and contests.

Caring for our People



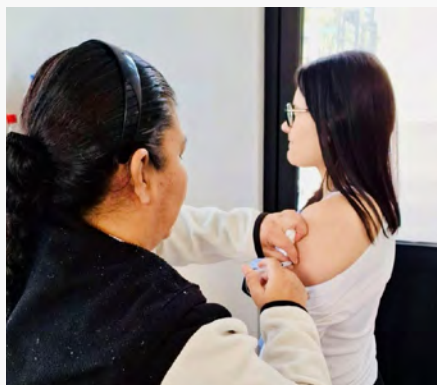
📍 BELGIUM & VIETNAM

The teambuilding initiatives that took place in 2023 included engaging events such as dodgeball, footdarts, kubbs, and pétanque in Belgium, and participation in the Mini PTS Football 2023 in Vietnam, where we proudly won the third prize.



📍 THAILAND

Our colleagues showed their commitment to helping spread the safety culture by organizing the so-called '6 hours Safety Training', an initiative designed to align with Thai regulations, focused on safety, occupational health, and the working environment. This comprehensive training day allowed our team to define effective strategies for managing and improving our safety protocols in the workplace.



📍 WORLDWIDE

As part of our initiatives to address health concerns, we have voluntary Flu Vaccine Days at our offices. Not only providing our employees with the opportunity to protect themselves, but also extending that protection to others.



📍 CHILE

In October 2023, our colleagues took part in the global effort to raise awareness about breast cancer prevention. As part of their campaign, all employees, regardless of gender, received the Palpa device. This tool educates users on the breast self-exam technique allowing our employees and their loved ones to recognize and distinguish anomalies at an early stage.

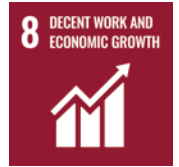


📍 INDONESIA

Collaborating with their health insurance, Manuchar Indonesia organized a Health Screening and Consultation event, providing our colleagues with essential free health screenings, and private discussions with doctors regarding health concerns. They took advantage of this moment to gather our warehouse team and introduce them to newly hired personnel at the Head Office, as a short gathering moment.



Human Capital



Sustainability targets go beyond mere goals, they are commitments to our planet. To actively engage our employees in these initiatives, our human capital teams have been initiating events and promoting sustainable practices in the workplace. We consider it our responsibility to extend sustainability projects throughout the organization, prioritizing these targets and securing our teams' commitment to supporting them.

Recognizing that our employees are essential in turning these targets into reality, we acknowledge their creativity, dedication, and passion for sustainability as driving forces behind our success. Consequently, investing in our human capital is not just beneficial for business, it is essential for our sustainable future. This commitment leads us to further invest in recruitment and retention, attracting individuals dedicated to sustainability.

Given that sustainability extends beyond environmental concerns to the well-being of individuals, we maintain a focus on implementing well-being programs that address physical, mental, and emotional health, fostering a sustainable and healthy workforce. Looking ahead to 2024, we plan to integrate sustainability into employee training and development programs, ensuring that our workforce is well-educated on environmental and social responsibility.



While financial assets are critical, our true wealth lies in our human capital. The diverse skills, talents, and dedication of our employees are the driving force behind our success. Investing in their development is not just a strategic choice, it is the heartbeat of our organization's sustainable growth and prosperity.

AYSE KORKMAZ
HR MANAGER



Employee Acquisition and Talent Retention

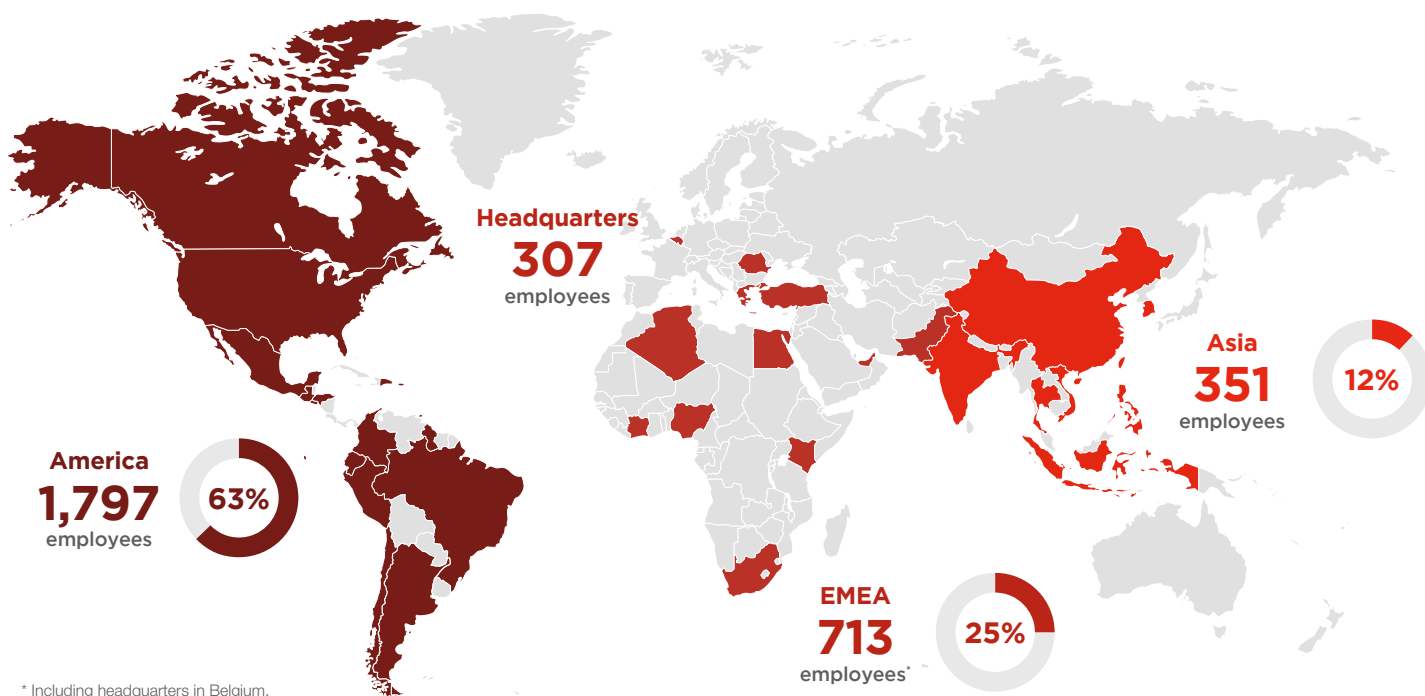
At Manuchar Group, prioritizing the identification, assessment, hiring, and onboarding of qualified candidates is fundamental. Our commitment to a long-term impact involves strategically selecting individuals who not only meet immediate job requirements but also resonate with the organization's values, goals, and future vision. An integral part of our talent acquisition approach is establishing a connection through employer branding, featuring employee testimonials, success stories, and achievements in sustainability initiatives.

Throughout the entire process, we emphasize the importance of embracing diversity, fostering an inclusive culture, and addressing the unique needs of a global workforce. This approach positions the Manuchar Group as an attractive employer on a global scale.

The HR role extends beyond onboarding, focusing on post-boarding and talent retention. We collaborate with employees to address their needs for flexibility, training, growth, and recognition. Recognizing the importance of a flexible work environment in our attraction and retention strategy, we globally provide health care coverage, annual, parental, and family responsibility leave, along with a flexible work model supporting a mix of in-office, remote, and on-the-go workers.

Our Telework Policy offers practical insights for maximizing productivity in remote work while emphasizing both security and well-being. Certain positions may not qualify for remote work due to technological or security constraints or the need for a physical on-site presence. Each affiliate follows its hybrid working policy aligned with guidelines, local laws, and regulations.

NUMBER OF EMPLOYEES PER REGION



Allocating resources to talent development isn't solely an investment in individuals, it's a strategic dedication to the enduring growth and sustainability of our organization. Preserving and nurturing this cultivated talent guarantees a legacy characterized by expertise, innovation, and success.

STEFFI VAN RANST
HR BUSINESS PARTNER



Family Friendly Programs

At Manuchar Group, we recognize the intricate challenge of balancing family and work responsibilities. Our commitment is reflected in a range of initiatives aimed at supporting employees in managing both aspects of their lives, complemented by improved medical benefits.

We facilitate family life and work equilibrium, offering appropriate paternity leave and family friendly programs as part of our inclusive benefits.

In 2023, our global efforts included significant updates to our Maternity and Paternity policies. For instance, Manuchar

South Africa implemented a policy that ensures 100% full pay of maternity leave over a period of 4 months for our female employees. On a global scale, The Manuchar Group has measures to encourage flexibility at work, to provide parental and childcare leave, and to create a healthy work-life balance.

To promote recognition and strengthen the bonds between our company and our employees, our global Wellness Program features a range of celebratory activities. These include monthly birthday celebrations, and commemorating significant events such as Women's Day, Mother's Day, Father's Day, and Children's Day.



📍 BRAZIL

During Children's Month in 2023, we provided a unique opportunity for our employees to bring their children to the workplace, to have a fun morning and enjoy a snack. At Plury Quimica (part of the Manuchar Group), a Talent Contest was organized, encouraging employees to submit photos and videos of their children, adding an extra layer of fun.



📍 BELGIUM

As part of our annual tradition, we celebrated Saint Nicholas festivities, inviting all Manuchar employees and their families for a day filled with celebration and gifts for our employee's children. This tradition gives the kids lasting memories and allows our colleagues the opportunity to get to know each other and their families even better outside the office walls.



📍 WORLDWIDE

In a heartwarming gesture, our colleagues honored Manuchar moms and dads by giving meaningful gifts on Mother's Day and Father's Day. This reflects our dedication to fostering an environment where parent-employees can thrive professionally while also being valued members of the Manuchar family. Additionally, we invited employees to share photos and videos of their children, adding an element of joy to the occasion.

Recruitment management

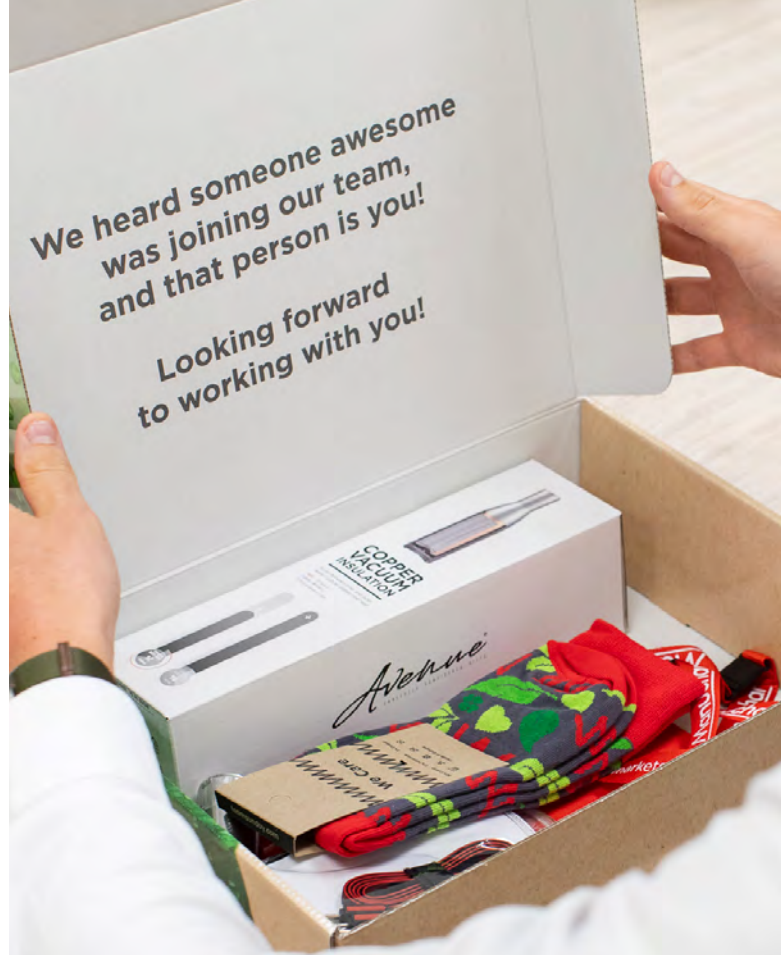
To navigate the competitive landscape for talent, our talent acquisition teams transitioned from a reactive recruitment-centric approach to a proactive talent acquisition strategy.

In 2023, we introduced our Child Labor Policy and Recruitment Standard Policy, outlining minimum standards for Manuchar affiliates concerning the selection and onboarding of new employees. We advocate for a flexible and inclusive hiring process, ensuring equal opportunities for all candidates. Maintaining transparency throughout the various steps of the process, along with providing constructive feedback to candidates not selected after interviews, remains essential for our employer brand and candidate experience.

The majority of Manuchar Group's employment contracts are permanent, with only 5% of our employees on a temporary contract in 2023. We believe that providing our employees with regular, indefinite contracts not only offers them greater job security, but also a decent standard of living, which is highly valued by our workforce. The Manuchar Group extends company benefits to both permanent and temporary employees.

Manuchar Group provides customized benefits packages for each country of operation, considering local needs and adhering to government regulations. These competitive packages are designed to attract top talent and cultivate employee loyalty.

In 2023, we introduced our Fair Wages and Compensation Policy, ensuring that all Manuchar Group employees and workers receive fair remuneration and the right to a living wage that covers everyday needs and allows for discretionary income. This commitment aligns with the Unilever Partner Promise Programme,



where we have been invited by our customer to showcase our dedication to promoting equality and inclusion.

At Manuchar Group, we recognize that investing in a thorough and well-structured onboarding process is key to the success of both individual employees and the organization at large. As part of this commitment, Manuchar Group has implemented a clear onboarding approach, ensuring that new colleagues receive essential materials and policy insights for an effective onboarding experience. Within the Manuchar Group, we welcome newcomers with an onboarding box containing gadgets and pertinent organizational information.

In addition to our onboarding approach, we have established the Buddy Program at HQ, forming a foundational element for a positive employee experience. Each new employee is paired with an experienced colleague, their "buddy," who offers support, guidance, and assistance during the initial stages of employment. This program is designed to facilitate a smoother integration into the organization, help new hires feel at ease in their new environment, and enable them to quickly become productive contributors.

Each talent acquisition marks the beginning of a new chapter, where every individual not only brings their unique strengths but also becomes the cornerstone of our collective journey towards the future.

MICHELINE GOOSSENS
TALENT ACQUISITION SPECIALIST





Diversity, Equity and Inclusion

As a global entity operating worldwide, the Manuchar Group embraces a diverse workforce representing various backgrounds, cultures, and nationalities. We highly value employees for their unique skills and competencies, fostering a workplace where interactions are conducted with decency and respect, irrespective of gender, race, background, nationality, sexual orientation, religion, age, or any potential discriminatory factor.

Our headquarters in Belgium, employing colleagues from 33 nationalities, vividly reflects our international culture. We are committed to creating an environment where everyone feels welcome to contribute ideas, help grow the business, and experience comfort and appreciation. Our people play a crucial role in the success of our company, and embracing diversity contributes to a more enjoyable work atmosphere and greater personal satisfaction.

Continuing our commitment to inclusion, we have formally adapted our work regulations, emphasizing a crucial non-discrimination clause. This underscores our dedication to avoiding any distinctions based on age, gender identity, race, ethnic background, sexual orientation, political opinion, nationality, religious beliefs, physical or mental disability, or any other personal characteristic. Strengthening our commitment to diversity and inclusion, our recruitment strategies employ a transparent and objective procedure managed by human resource professionals.

Recruitment and promotion decisions at Manuchar Group are solely based on merit, personal competencies, qualifications, and achievements. We further emphasize our commitment to a respectful workplace through our feedback culture that encourages open communication and through the

implementation of a whistleblowing platform and proactive measures to prevent workplace harassment. Additionally, we encourage and support affinity or other groups for minorities and vulnerable groups, such as working parents, specific genders, ethnicities, religions, or cultural backgrounds.

In 2022,
our organization
proudly embraced
employees from

54

different
nationalities

By the end of 2023, we
celebrated further growth,
with our team now
comprising individuals from

57

distinct national backgrounds,
highlighting our ongoing
commitment to inclusivity and
global representation

Gender Diversity

The logistics and transport sectors are frequently criticized for their lack of workforce diversity, particularly concerning gender equality. Our commitment to gender equality ensures that every Manuchar Group employee, regardless of gender, has equal access to career development opportunities in a fair and just workplace.

We firmly believe in the right of both women and men to participate equally in the workplace, and we actively strive to ensure this principle is endorsed in every aspect of our organization.

While we are proud of the progress we have achieved in advancing gender diversity, with female representation in our workforce reaching 33%, we recognize there is still work to be done. Despite a 1% decrease from the previous year, we remain dedicated in our pursuit of a truly diverse and inclusive workplace.

The Manuchar Group acknowledges the proven benefits of diverse teams, such as increased innovation and performance. Therefore, we are resolute in our efforts to enhance gender diversity across all levels and functions within the Manuchar Group. Looking ahead, we have set goals to further strengthen gender diversity within our global workforce. By 2025, we aim to increase the representation of female leaders by 30%, ensuring an even fairer and more inclusive workplace for all.

GENDER DIVERSITY



1,909 men

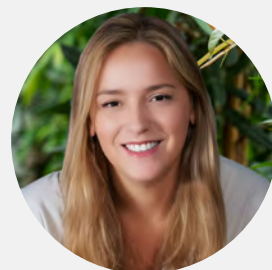
67%

952 women

33%



Since 1996 I have worked for Manuchar. I started as an import assistant and had the opportunity to grow with the company and achieve several leadership positions in my career. At Manuchar Group, we truly practice our values and incentivize Diversity, Equity, and Inclusion since the very first beginning of the company activities. We care about our values, the human capital and meritocracy, all you need to do is work hard to make a difference and go for the extra mile. It is a pleasure to work for a company with such strong values, worried about equality and where I can represent our global female workforce.



RENATA AGUALUZA
CHIEF EXECUTIVE OFFICER MANUCHAR BRAZIL



Employee Development

Personal Evaluation Process

The Personal Evolution Process (PEP) is a deliberate and systematic approach for evaluating an employee's job performance and contributions to the organization. Our adopted methodology aims to enhance skills, knowledge, and mindset, enabling employees to effectively navigate new challenges and opportunities, and ultimately, evolve into their best selves.

Every employee undergoes an annual review (PEP) that covers targets, evolution, training needs, and well-being. This review also includes discussions on job satisfaction and motivation levels. In 2023, 50% of our global workforce reported to have received regular performance and career development reviews, with 100% of our employees at HQ having completed a PEP.

Responding to the outcomes of these 2023 performance reviews, global initiatives such as additional investments in leadership training and communication techniques, particularly in giving and receiving feedback.



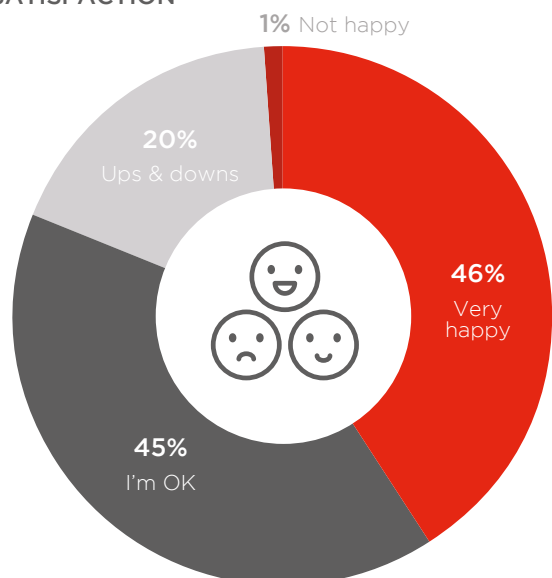
INTERNATIONAL MOBILITY



51%

Employees are open for relocation, of which 31% with some constraints

JOB SATISFACTION





Employee Satisfaction

Within the Manuchar Group, we recognize that the satisfaction of our employees is the base for our long-term success. Besides collaborating with our employees to address their needs for flexibility, training, growth, and recognition, we additionally offer a wide range of programs and initiatives to improve their work-life balance and well-being.

In both 2021 and 2023, we conducted anonymous Employee Well-being Surveys at our headquarters. These surveys serve as valuable tools for gaining insights into the holistic health and satisfaction of our employees. By engaging in this process, we aim not to only understand but also to enhance the overall

well-being of our workforce. The findings from these surveys are shared with managers and contribute to our ongoing efforts to create a healthier and more satisfying work environment for our employees.

In this comprehensive survey, we address factors related to the well-being of our employees such as:

- 1 Awareness:** We believe that informed employees are empowered employees. To achieve this, we conduct targeted awareness campaigns, covering topics such as mental health, physical wellness, and stress management. These campaigns provide accurate information to each employee, ensuring that our workforce is well-informed and equipped to make informed decisions about their well-being.
- 2 Screening & Assessment:** Beyond awareness, we actively encourage employees to reflect on their own needs. Through regular screening and assessment, we help them recognize potential areas for improvement, including stress triggers, work-life balance and emotional well-being. These assessments guide our employees toward personalized solutions.
- 3 Education & Self-Help:** Knowledge is a powerful tool in promoting well-being. As Manuchar Group, we offer a range of resources to enhance employee well-being. This includes keynote talks by experts covering various topics such as mental health, nutrition, and exercise. Additionally, we provide convenient e-learning modules to allow our employees to learn at their own pace. Moreover, we regularly publish articles on our intranet or send newsletters addressing relevant well-being topics.
- 4 Behavioral Change:** Our ultimate goal is to drive positive behavioral change among our employees. We achieve this through different strategies, including subtle reminders to encourage healthier choices. Whether it's reminding our employees to take breaks, cultivate positive habits or stay hydrated.

APPROACH OF OUR EMPLOYEE WELL-BEING SURVEY



Our employee well-being survey goes beyond mere data collection; it actively contributes to the well-being of our workforce and helps us create a workplace where employees thrive both personally and professionally.

Compared to 2021, the Manuchar Group has proudly made progress in several areas related to the well-being of our employees. These include improvements to our compensation policy, ensuring better and more transparent remuneration for our employees. Additionally, we have provided a wider range of training, engaging keynotes, and other initiatives to support mental and physical health. Furthermore, recognizing the changing work landscape, the Manuchar Group has embraced flexible working arrangements for all employees, enabling them to balance work and personal life effectively.

The results of our 2023 survey reveal that 75% of our employees consider their work to be cognitively demanding. This underscores the need to pay attention to their well-being and implement strategies to reduce cognitive load. We are committed to implementing effective solutions, such as optimizing work processes to alleviate mental burden and ensure our employees can perform at their best.

The majority of our employees view the variety in their job tasks (92.31%) and the required skills (87.18%) positively. Our organization's performance in these areas surpasses statistical norms and can be regarded as a strong asset of the work environment.

Moreover, an impressive 88.77% of our employees have a favorable perception of job security. This indicates that a significant portion of our workforce views their work conditions with confidence. Ensuring job security is crucial for maintaining employee satisfaction and productivity.

In 2023, we inaugurated the ManuChange Committee, a novel consultancy board dedicated to fostering social dialogue within our organization. This committee was created to provide our employees with a platform where they can freely express their ideas and feedback, actively contributing to making Manuchar an even more positive place to work.

The committee members were democratically elected by our workforce, emphasizing their role in gathering valuable feedback, comprehending the needs of our employees, and initiating actions to enhance the overall employee experience. This strategic initiative underscores our commitment to actively involving employees in shaping a positive and collaborative workplace environment.

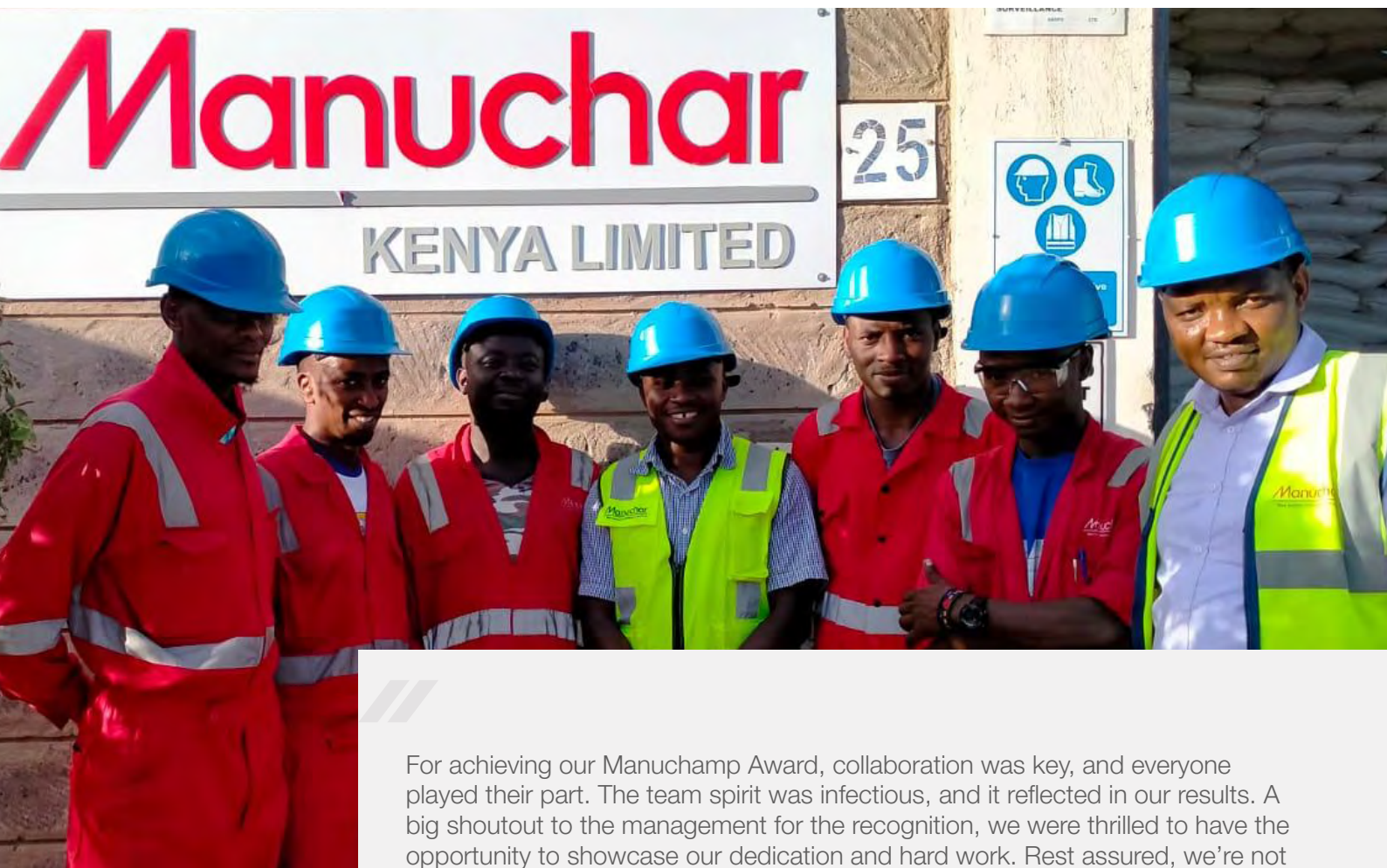
Through the ManuChange Committee, we aim to promote open communication, address concerns, and continuously improve the employee experience. In 2024, we aim to implement appropriate solutions based on the feedback and insights gathered through this committee.

Employee Reward and Recognition

Acknowledging the engagement and enthusiasm of our employees is a vital element in cultivating a positive and productive workplace culture.

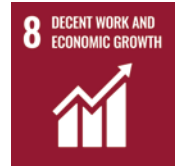
We understand that the success of our business is intricately tied to the performance of our people. Since 2021, the Manuchar Group has implemented the ManuChamp employee recognition program to highlight exceptional commitment and dedication. This program allows employees to nominate specific colleagues quarterly for their outstanding achievements and exemplary behavior in four nomination categories: Our Values, Health and Safety, Sustainability, and Social Responsibility.

Through the ManuChamp Program, we celebrate individuals who embody the Group's core values, such as integrity, teamwork, and customer service, contributing to a safe and pleasant working environment. Others are recognized for implementing sustainable practices in our operations or making a positive impact on their local community, including our colleagues. These individuals go above and beyond, inspiring their teams and consistently giving their best efforts to help us achieve our goals, regardless of the time or location.



For achieving our Manuchamp Award, collaboration was key, and everyone played their part. The team spirit was infectious, and it reflected in our results. A big shoutout to the management for the recognition, we were thrilled to have the opportunity to showcase our dedication and hard work. Rest assured, we're not stopping here – this recognition fuels our motivation to continue pushing boundaries and achieving even greater success. Thanks for being awesome partners in our journey to excellence!

MANUCHAR KENYA NAIROBI WAREHOUSE TEAM
MANUCHAMPS 2023



Community Engagement

At the Manuchar Group we care about the communities in which we operate. Through our social responsibility program, ManuCare, we actively promote inclusive and qualitative educational initiatives and lifelong learning opportunities in alignment with the UN Sustainable Development Goals 4 (Quality Education) and 8 (Decent Work).

We are committed to helping create a brighter future for the communities surrounding our operations by providing resources and support to educational institutions and to young students. Our primary focus is on increasing access to quality education, which must be a priority to accelerate progress towards all the Sustainable Development Goals. This urgency becomes even more crucial against the backdrop of a global recession, growing inequalities, and the climate crisis.

Education serves as a fundamental path for children towards a promising future. While Sustainable Development Goal 4 aims to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all” by 2030, today’s reality reveals complex challenges. Globally, around 250 million

children and teenagers are out of school, 617 million children and adolescents cannot read and do basic math, and 763 million adults are illiterate.

With ManuCare, our goal is to significantly decrease the number of children and young people with limited access to education, contributing not only to a better future for the next generation in our local communities but also to the long-term growth and sustainability of our business.

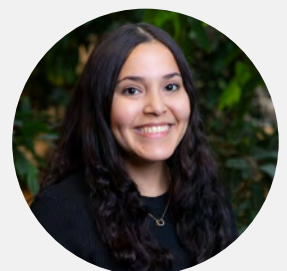
ManuCare focuses on children’s education projects, improving their school facilities, and offering internships or other vocational training. In 2023, we extended our focus to projects connecting education and sustainability.

In 2023,
we made a positive
impact on the lives of over
3,000
individuals, creating change
through 23 different initiatives
in the communities
surrounding our
operations.

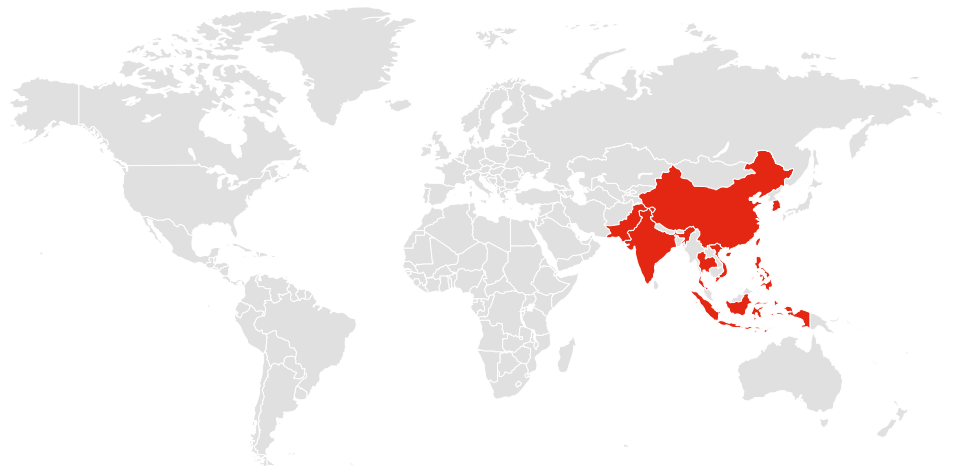


It is thanks to the dedication and support of our colleagues around the world that we, together as the Manuchar Group, can make a positive change and witness its impact. Through ManuCare, we are contributing to shape a brighter future for children and youth in the communities surrounding our operations, providing them with the opportunity and resources to receive quality education – enabling them to unlock their full potential.

PAOLA RODRIGUEZ
QUALITY & ESG ASSISTANT



Caring for our Local Communities Asia



📍 THAILAND

In Lad Num Kwa School, a school where occasionally teachers had to use their personal money to ease the school's expenses, Manuchar Thailand installed a solar power system that allowed us to effectively reduce their electricity expenses by 58%. With this project, we not only helped the school save on operational costs but also contributed to a greener, more sustainable future for students and teachers. Additionally, we improved their well-being by introducing a new water purification system.



📍 THE PHILIPPINES

In partnership with Manila Water Foundation, Manuchar Philippines has once again donated refrigerated drinking fountains to 3 schools, Mainaga San Francisco Elementary School, Halang Elementary School and EMS Signal Elementary School, dispensing clean and cold water to students and staff. This initiative aligns with our goal of promoting environmental sustainability, encouraging students to use reusable water containers instead of single-use plastic bottles. Additionally, our team engaged in a two-hour hygiene session, instructing children on proper tooth brushing techniques and effective handwashing practices.



📍 INDIA

Manuchar India partnered with the NGO Jeevan Samvardhan, an organization dedicated to providing shelter and support to homeless children, with the objective of integrating them into society and restoring their faith in the community. Through this partnership, we funded the construction of 1 dormitory and 5 rooms for boys at a new property owned by Jeevan Samvardhan in Badlapur, located a short distance from our office.

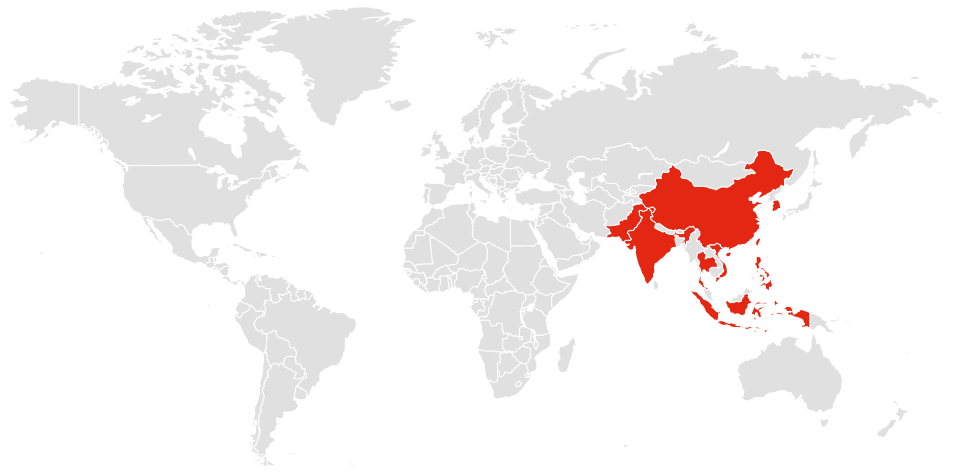


📍 INDONESIA

After being welcomed to SLB BC Nur Abadi School by students performing traditional dances, Manuchar Indonesia completely renovated the school's infrastructure, including restrooms, study areas, and computer facilities, before the start of the 2023-2024 school year. We helped create a more conducive and inspiring learning environment for its students with speech/hearing impairments and mental or physical disabilities.

Caring for our Local Communities

Asia



📍 VIETNAM

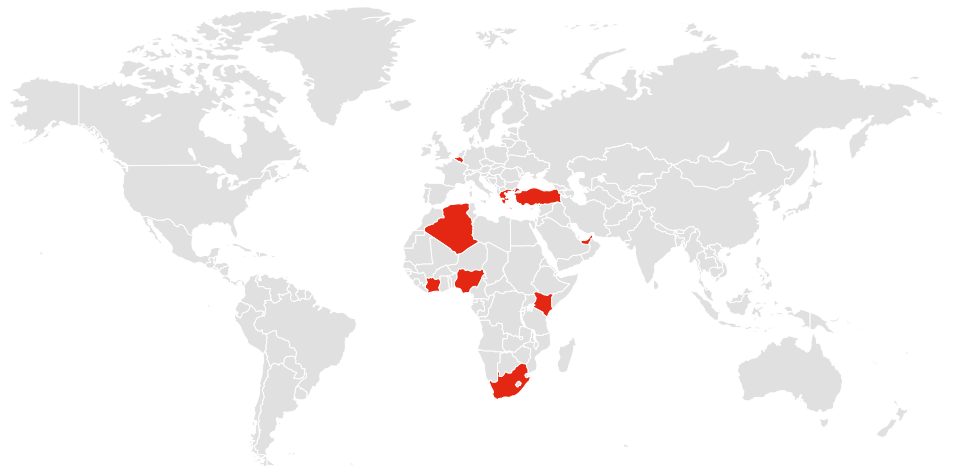
Manuchar Vietnam supported Little Rose Warm Shelter, founded in 1992 with the intention of rehabilitating and protecting girls aged 12-18 who were at risk of or who had been victims of abuse. In response to funding difficulties, the shelter created the Little Rose Bakery, where the girls make and sell baked goods to support the shelter. Our support included donating a commercial oven and a commercial stand mixer, contributing significantly to their efforts towards self-sufficiency.



Manuchar Thailand colleagues
visiting Lad Num Kwa School.

Caring for our Local Communities

EMEA



📍 NIGERIA

Manuchar Nigeria proudly partnered with Chess in Slum Africa (CISA) in a remarkable initiative to uplift the underserved youth in Oregun, Nigeria. We organized a youth chess tournament for 70 children, where the fastest minds emerged as champions, each winning a 1-year scholarship. Moreover, we provided an 8-week chess training program to the youth of Oregun, offering them invaluable skills in math, soft skills, reading, and more.



📍 KENYA

Manuchar Kenya partnered with Strathmore University to support 15 students from diverse backgrounds facing unique financial challenges in achieving their higher education dreams. These scholarships cover tuition fee balances, accommodation, and stipend allowances, providing students with the necessary resources and the environment to pursue their studies effectively. Our goal is to foster the development of future business leaders through this initiative.



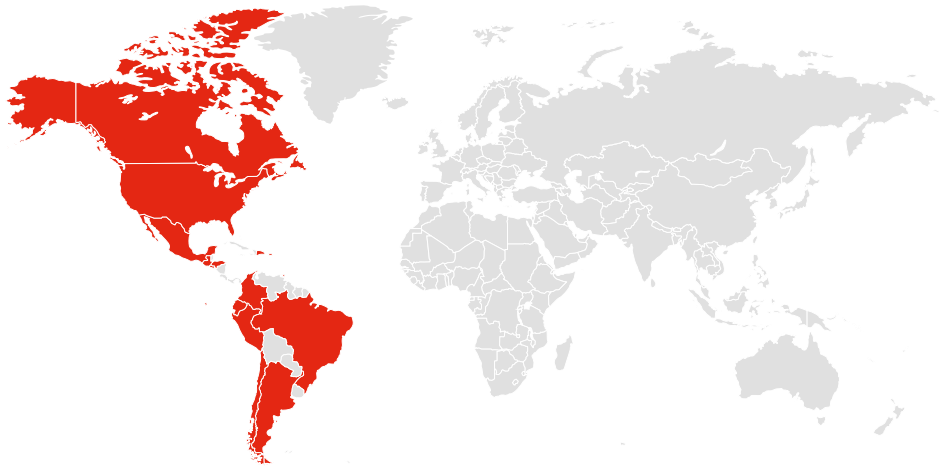
📍 SOUTH AFRICA

Manuchar South Africa “adopted” Christopher Nxumalo Primary School, a co-educational institution that currently serves 465 students despite facing various challenges. Through this collaboration, we are addressing several of the school’s essential needs, including enhancing its infrastructure, installing a water tank to ensure a reliable supply of clean water, and building a sports ground. These projects are meant to improve the health and well-being of the students, as well as their learning environment.



Manuchar Nigeria team partnership with Chess in Slum Africa.

Caring for our Local Communities America



📍 ECUADOR (MAPRIPLASTEC)

Mapriplastec acquired 17 projectors for the Guardian de los Saberes Luz y Vida School, a community-managed school in Quito, benefiting 860 students. This donation not only equips students with the tools to create presentations and watch documentaries but also contributes to the improvement of teaching methods. We collaborated with the school's principal, teachers, and students to foster a spirit of collaboration and mutual growth.



📍 ECUADOR (QUIMASA)

In 2023, Quimasa Manuchar created the volunteer program "Manos en Acción" (Hands in Action), through which our colleagues support meaningful social causes, such as supporting rural schools. They benefited a total of 120 students from the 24 de Mayo School and Miguel de Santiago School through initiatives aimed at creating an encouraging study environment. Activities included cleaning, painting, removing weeds, installation of playground equipment, adapting bathrooms, water pipes and electrical connections.



📍 PERU

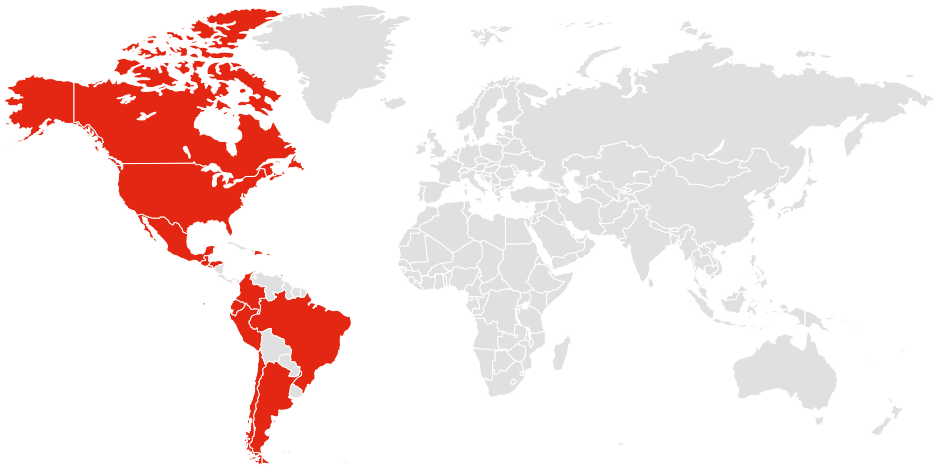
Promoting education through practical tools, like Office 365 software, Manuchar Peru started a 9-month course designed for children of our warehouse operators. These courses are instructed by volunteers from Manuchar's administrative staff, who, knowing the benefits the program will have for them, are generating a long-term competitive advantage for the students. Upon completion of the program that's currently still ongoing, the students will be rewarded with company laptops that are no longer in use by the staff.



📍 TRINIDAD AND TOBAGO

Located in a rural area, the Upper Guaico Primary RC School faced the challenges of being underfunded. Determined to make a positive impact, Manuchar Trinidad and Tobago provided school material to the entire school consisting of 109 students, ensuring that they have the tools to do well in their classes. Additionally, we donated two colorful concrete benches to the school to brighten their learning environment.

Caring for our Local Communities America



📍 BRAZIL

Our colleagues in Brazil launched the program “Educating with Agro”, dedicated to creating gardens in community institutions or NGOs within local communities using recycled non-hazardous waste sourced from our distribution centers, including items such as PPE, tires, and bottles. Throughout the garden creation process, volunteers provided informative sessions on sustainable agribusiness in all four participating locations, combining our agricultural proficiency with our commitment to environmental care.



📍 COLOMBIA

Manuchar Colombia and Manuchar Logistic joined forces to enhance the learning environment at the Jose Maria Cabal school in Buenaventura. This initiative involved donating computers to provide students with access to information and educational resources. Additionally, we provided chairs and tables tailored to the students’ needs, aiming to improve their comfort and overall well-being.



Manuchar Colombia and Manuchar Logistic teams at the Jose Maria Cabal school in Buenaventura.

Caring for People – Community Outreach



📍 TURKEY

Manuchar Turkey showed its support for a rocket launch at Yildiz Technical University in May 2023. We provided 25 kg of microcrystalline wax, which played a crucial role as fuel for the project. The rocket launch was carried out by the ambitious students of Yildiz Rocket Team, an established group dedicated to fostering scientific and engineering talent through research and development in the aerospace, aviation, and defense industries within the country.



📍 MEXICO

Manuchar Mexico actively participated in the Little Citizens program, where our colleagues gave talks to over 30 school children, emphasizing the importance of fairness, kindness, and understanding their rights to create a positive difference in their communities. Moreover, we engaged in Children's Day activities to support the Gomez Palacio and Chihuahua communities. In Nuevo Leon, we extended our support by donating exercise equipment to Duck's Football Club, integrated by children and teenagers aged 6 to 20 years.



📍 KENYA

Manuchar Kenya participated in the 3rd edition of the Vice Chancellor marathon at Strathmore University to help raise funds for the Strathmore Scholarship that provides financial aid to students. A great opportunity for Manuchar Kenya to make an impact for students who will be the future generation of leaders.



📍 CHINA

In the remote mountainous region of Anhua, China our Manuchar colleagues extended their support to Wenhe School by replacing coal stoves with electric alternatives. This initiative was undertaken in recognition of the adverse environmental impact of coal stoves and to enhance the school's services and environmental cleanliness, promoting a healthier and more sustainable learning environment.



📍 BELGIUM

Following a powerful magnitude 7.8 earthquake that rocked the eastern coast of Turkey and northern Syria in February 2023, the Manuchar Group extended a helping hand. We chose to donate to a local charity organization, aiming to aid those impacted by the earthquake in their recovery efforts and provide support as they rebuild their lives. Moreover, in 2023, our Party Committee organized many initiatives for charity such as a quiz night, food events and donations that together raised a significant amount, which was doubled by the management. The charity for 2023 was the Antwerp HOPE Benefit, who gives hope to anyone in need, with a specific focus on children.



We were deeply saddened by the devastating tragedy that affected 14 million people in the south-east part of Turkey on 6th of February 2023. Our heartfelt condolences to those who have lost their loved ones because of the tragedy. I also would like to express my gratitude to the Manuchar family, that stood up immediately to help the victims by all means. The support of the Manuchar Group's corporate fund and each colleagues' individual contribution ended up accommodating essential needs of the victims via reputable NGOs and by direct contribution to re-build a workshop facility for a school in the region.

SABRI TEHTAS
HEAD GLOBAL ACCOUNT MANAGER



📍 CHILE

Manuchar Chile completely renovated the playground at the Eduardo Fernandez de Asturias School, for children between the ages of 4 and 5. Previously, the playground wasn't a safe space for the children to play, lacking essential safety features such as a roof and walls to define a secure play area. Thanks to the efforts of our colleagues, the school now has a playground area where children can enjoy their free time in a safe and dynamic environment.



📍 DOMINICAN REPUBLIC

Manuchar Dominicana carried out a donation of school uniforms for the 152 girls and boys of the Educational Center Miguel Valentin Batista, in the community of Valle de Rancho Arriba. This initiative had a positive impact on the primary school students from this industrious agricultural community. Notably, this region is one of the main areas of the Dominican Republic that produces vegetables under the drip irrigation system in greenhouses.



📍 ECUADOR (UNICHEM)

Manuchar Ecuador (Unichem) carried out the reconstruction of the San Carlos village house in the Yaruqui community. This project involved the painting and repair of a sport field and rooms for children and senior citizens. Additionally, we replaced playground equipment and repaired the electrical system, contributing to the overall improvement of the community house.



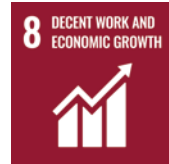
📍 SOUTH AFRICA

Manuchar South Africa participated in the Belgian Chamber of Commerce Cape Town 2023 initiative to reform the neglected soccer pitch in the Philippi Township in Cape Town. The Philippi Village has 32 football clubs that are associated with the South African Football Association with only one functioning field. With the State visit of their Majesties the King and Queen of Belgium, the Belgian Chamber of Commerce held the inaugural ceremony of the soccer pitch project on Sunday the 26th of March. During our visit, the reconstruction of the grass pitch was still underway, however the fundraising helped to finance the new goalposts, sport equipment, the pitch, clubhouse and soccer kits for game day.





Supplier Management



At Manuchar Group, our operations rely on extensive networks of third-party providers to offer products, freight forwarding, logistics, brokerage, and intermodal services. Our commitment to sustainability covers every aspect of our supply chain, where we identify and manage environmental, social, and economic impacts.

Our complex supply chain means we source products from multiple countries, exposing us to environmental, social and governance issues such as natural resource exploitation, human rights abuses, and corruption, which can impact our supply chain integrity and operational continuity. We recognize the importance of responsible supplier management to anticipate and address these impacts proactively to protect our business interests. Moreover, by fostering partnerships with suppliers who offer low-carbon logistics solutions, we not only reduce our own carbon footprint but also accommodate the growing demand for sustainable shipping options in the market.

A sustainable procurement approach ensures that everyone in our supply chain complies with laws and regulations as well as adheres to and supports international principles for sustainable business conduct.

Manuchar Group seeks to adopt an incremental and progressive sustainable procurement approach for procurement activities. This strategy aims to effectively address broader environmental, social, and governance issues, allowing us to significantly

contribute to the Sustainable Development Goals through responsible sourcing practices in collaboration with our business partners.

Manuchar Group's Sustainable Procurement policy focuses on identifying suppliers of similar mindset and building relationships with these suppliers to enable us to manage the supply chain to increasingly involve suitable materials that reduce environmental impacts and ensure the transparency and validity of our sourcing.

We are committed to continuously strengthening our supplier management initiatives to align with evolving sustainability standards, including third-party screening and supplier assessments.



Third-party screening process

Within supplier management, comprehensive screening procedures are fundamental to our operations. This involves due diligence, where our dedicated teams meticulously investigate and assess the prospective supplier's background, sustainability program, financial stability, and compliance history to ensure compatibility with our values and goals.

Supplier screening helps us identify and mitigate risks related to environmental impact, labor practices, and ethical conduct. This approach not only protects our interests but also reinforces our commitment to sustainability.

As an ESG-conscious organization, we recognize that our suppliers' actions reflect on our own reputation. Therefore, we prioritize transparency and responsibility in supplier practices, knowing that these are integral elements to maintaining stakeholder trust and upholding our reputation as an ethical and socially responsible entity.

Supplier assessment

We assess our new and existing suppliers based on a range of criteria, including quality management, labor practices, environmental impacts, human rights, business ethics and responsible sourcing, to ensure that our suppliers uphold our standards and contribute positively to our sustainability objectives. These supplier evaluation requirements are based on international standards including the UN Declaration of Human Rights and the Conventions of the International Labor Organization (ILO) including its Fundamental Principles and Rights at Work.

We show preference to suppliers who demonstrate their ability to meet our performance requirements on social responsibility, environmental, and ethical standards. This procedure helps us identify and prevent violation of human rights across our supplier operations – including on health and safety and child and forced labor. In the event that the supplier does not meet our requirements, we terminate our business with them.

Since 2022, we have applied a risk-based approach to our supplier evaluation process, categorizing our suppliers by priority and focusing our efforts on those we believed were a higher risk based on geographic location, product purchased and spend. In 2023, we assessed 52% of our suppliers, a slight decrease from the 60% assessed in 2022. Despite not meeting our target of evaluating 60% of suppliers, mainly attributed to an increase in supplier numbers, the introduction of our revised Supplier Code of Conduct, General Terms & Conditions and third-party screening process has notably fortified our evaluation framework.

From 2024, we will refine our approach and continue to assess and screen all our suppliers based on a risk assessment approach to achieve our goal of 60% coverage. Those with scores that suggest they are medium-to-high risk will be assessed every year, while those with low risk will be assessed every three years.



In 2023,
10%

of our suppliers were assessed
by EcoVadis.

As we look ahead, we anticipate
this number to increase, working
collaboratively with our suppliers
to improve sustainability
practices and create a
more responsible
supply chain.

Instilling Sustainability Principles to our Suppliers

The Manuchar Group's Code of Conduct serves as a guiding compass for our employees. It ensures adherence to ethical principles, compliance with company policies, and alignment with local laws across our operating markets. But it doesn't stop there. As Manuchar Group, we extend these expectations to our suppliers – the vital partners who contribute to our global supply chain. End of 2023, the Manuchar Group launched its Supplier Code of Conduct.

Our Supplier Code of Conduct is based on the principles of the United Nations Global Compact, the chemical industry's Responsible Care program, and Manuchar Group's own Code of Conduct.

Since its introduction, more than 50% of the suppliers we have recently evaluated have voluntarily signed our Supplier Code of Conduct. We anticipate this figure to increase further in 2024.

The Supplier Code of Conduct outlines stringent standards in various critical areas:

- 1 Ethics:** Suppliers are expected to conduct business ethically, respecting laws and regulations.
- 2 Employment and Human Rights:** Fair treatment of employees, non-discrimination, and respect for human rights are paramount.
- 3 Product Safety and Quality:** Suppliers must uphold rigorous safety and quality standards.
- 4 Health and Safety:** Ensuring safe working conditions for all.
- 5 Compliance with Laws and Regulations:** Adherence to legal requirements.
- 6 Anti-Bribery and Anti-Corruption:** Zero tolerance for unethical practices.
- 7 Business Integrity and Financial Records:** Transparency and accuracy in financial dealings.
- 8 Environment:** Commitment to sustainable practices.
- 9 Trade Controls and Sanctions:** Compliance with international trade regulations.
- 10 Data Privacy and Protection:** Safeguarding sensitive information.

We encourage suppliers to cascade these principles throughout their own supply chains. By doing so, we want to create a ripple effect—an ethical current that flows beyond our immediate operations. In addition to the Supplier Code of Conduct, Manuchar Group's purchases are governed by specific agreements and our General Terms & Conditions of Purchase. These documents ensure clarity, fairness, and alignment in our supplier relationships.

A voluntarily signed Supplier Code of Conduct is a critical component of our ESG third-party screening, as it promotes transparency. It demonstrates as well that the supplier is willing to be held accountable for its actions. Suppliers who refuse to sign or fail to comply with the Code may raise red flags during the screening process and depending on the assessment outcome cooperation might be halted.

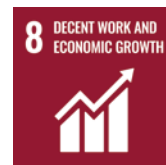
In summary, the Manuchar Group Supplier Code of Conduct isn't just a document—it's a pledge to uphold ethical standards, foster responsible practices, and create a positive impact across our supply network.



Download the full Manuchar Group Supplier Code of Conduct [here](#).



Responsible Sourcing



At Manuchar Group, we are dedicated to actively seeking out alternative products and materials that are recognized for their reduced environmental impact. We achieve this by collaborating with suppliers that adhere to high standards of safe working conditions, fair and respectful treatment of employees, and ethical practices throughout their operations.

Knowing where raw materials come from, how they are produced, and engaging in addressing environmental and social issues such as deforestation, human rights, and climate change through deliberate selection of suppliers and how we work with them can shape our social and environmental footprint, fostering a positive impact on both fronts. Our procurement policies and criteria are designed to ensure that we meet our objectives and provide the best value for money in the procurement of goods and services. As part of this commitment, Manuchar Group has recently updated its responsible sourcing policy to include the sourcing of three key commodities: soy, vanilla, and cocoa.

Soy is a versatile product used in a wide range of industries, from food to biofuels. However, irresponsible soy production can lead to deforestation and habitat loss. The Group's policy now includes measures to ensure that the soy they source is produced sustainably, with minimal impact on the environment.

Vanilla, a valuable spice, is often sourced from small-scale farmers in countries like Madagascar. Manuchar Group's updated policy emphasizes fair trade practices, ensuring that these farmers receive a fair price for their product and work under safe conditions.

Cocoa, the main ingredient in chocolate, is another commodity that can have significant social and environmental impacts. Manuchar Group's policy includes measures to prevent child labor and deforestation in the cocoa supply chain.

By including these commodities in our responsible sourcing policy, Manuchar Group is taking a significant step towards reducing its environmental impact and promoting social justice in its supply chains.



In 2023, we further refined our supplier onboarding process to rigorously screen for any potential involvement in bribery, corruption, discrimination, or other unethical activities through our third-party screening measures. Moreover, by integrating the voluntary signing of our Supplier Code of Conduct into this procedure, we directly request suppliers to acknowledge and adhere to its terms. We are committed to ensuring that our procurement practices are compliant with all applicable laws and regulations, and that our suppliers and contractors adhere to the highest ethical standards.

It is important to develop sustainable relationships with our suppliers, and we strive to ensure that all of our procurement processes are carried out in a professional and respectful manner.

We actively encourage our suppliers to spread our principles throughout their own supply chains, promoting a culture of ethical business practices beyond our direct engagements.

Manuchar Group prioritizes purchasing goods and services from suppliers who adhere to ethical sourcing practices and demonstrate a firm commitment to sustainability, aligned with our overarching vision. We commit to promoting responsible consumption and production, and to taking positive steps to reduce our environmental impact throughout our supply chain.

In 2023,

49%

(nearly half) of the palm oil and related products we procured were sourced from certified palm oil suppliers

Palm Oil and Conflict Minerals

At Manuchar Group, we are committed to making progress in reducing the environmental and social impacts of palm oil production, ensuring that the rights of workers and local communities are respected, and that sustainable practices are adopted.

Palm oil remains one of the most widely used but sensitive ingredients across different industries, including human nutrition and personal care. We recognize the environmental implications associated with palm oil production, particularly in Indonesia and Malaysia, where widespread deforestation has occurred due to plantation expansion. Although we do not produce palm oil or its derivatives, the Group is involved in their distribution across different markets.

Since 2021, the Manuchar Group has been a member of the Roundtable on Sustainable Palm Oil (RSPO), a non-profit organization that develops global supply chain standards for

sustainable palm oil. And in 2022, we were pleased to welcome Manuchar Indonesia, Manuchar Thailand and Manuchar South Africa into our membership. As responsible distributors, we prioritize sourcing products with the least possible environmental impact.

Our RSPO distributor license is available on our website, symbolizing our adherence to the recognized certification standard and our unwavering commitment to sourcing sustainable palm oil for our customers.

This membership offers tangible benefits to producers, traders, and consumers by adhering to a globally recognized standard for the responsible production and sourcing of palm oil. Moreover, it is an opportunity to develop a competitive advantage in the market through the ability to demonstrate ethical practices and contribute to the worldwide effort to ensure the sustainability of the palm oil industry.

Implementing RSPO's standard guidelines to our supply chain means we take a significant impact of sustainability especially in palm oil production, by limiting impact to our environment, communities, and our future. Sustainability is part of every process and decision we select through the journey."

SILKY PUTRI
OPERATIONS MANAGER MANUCHAR THAILAND



As RSPO members, we comply with their Principles and Criteria, which outline the standards for responsibility, accountability, and transparency in the entire lifecycle of sustainable palm oil. Additionally, we annually publicly report our certification status, progress, and commitment to advancing RSPO's vision of establishing sustainable palm oil as the standard.

While responsible sourcing helps reducing the negative environmental impact of palm oil production, another approach is to avoid using it altogether, a stance we are gradually adopting to provide our customers with more sustainable solutions, such as glycerin sourced from non-palm oil origins.

Since 2021, Manuchar Group has established a policy that prohibits the handling of conflict minerals such as tin, gold, or tungsten. We proactively take steps to audit and trace our supply chains for any conflict minerals to make sure they come from legal, regulatory compliant, socially, and environmentally responsible sources. In case of any alleged violations to this policy, we encourage our employees, suppliers, and other parties to report any concerns via our whistleblower platform.



At Manuchar Europe sustainability is a key pillar on which we work together with our suppliers and customers. We understand very well that deforestation and forest degradation have serious consequences for the livelihoods of the most vulnerable people, including indigenous people and local communities who depend heavily on forest ecosystems. Therefore, we removed the last palm-based product from our portfolio in 2023, replacing it with alternative, more environmentally friendly options, marking a positive step forward in our journey towards a greener future.

DENNIS NEEL
BUSINESS DEVELOPMENT MANAGER HUMAN NUTRITION EUROPE



Pulp and Paper

At Manuchar Group, we are committed to sourcing pulp and paper that meet our responsible sourcing standards, sourced from deforestation-free areas, or from suppliers who are actively making measurable progress toward meeting these standards.

Deforestation is a key driver of nature loss, which is why we prioritize sourcing from Forest Stewardship Council (FSC) certified suppliers. When a paper earns the FSC label, it certifies that it is made of responsibly sourced wood fiber, managed in a way that reduces their environmental impact.

In 2023, Manuchar Pulp & Paper obtained the FSC Mix certification. This accomplishment represents a significant milestone in our unwavering commitment to sustainable business practices and dedication to sourcing products responsibly from well-managed forests, perfectly aligning with our mission to contribute to a more sustainable future.

FSC Mix is made with a mixture of materials from FSC-certified forests, recycled materials, and/or FSC-controlled wood. While controlled wood doesn't come from FSC-certified forests, it mitigates the risk of the material originating from unacceptable sources.

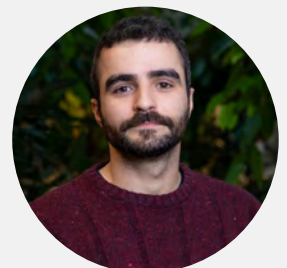
By obtaining this certification, we reaffirm our commitment to environmental and social responsibility, demonstrating our ongoing efforts to integrate eco-friendly initiatives into our operations that eliminate deforestation from our supply chain, and ensure our products consistently meet the highest sustainability standards.

As we continue to navigate the evolving landscape of global markets, we remain dedicated to promoting strategies that are more environmentally conscious and that prioritize the health of our planet and future generations.



At Manuchar Pulp & Paper we are committed to sustainable forest management and responsible sourcing. In October 2023 we proudly acquired FSC certification with the most common label in the industry: FSC Mix. This entails we are licensed to trade a mix of FSC pure paper (FSC 100%), recycled material and/or controlled woods.

GABRIEL SOARES
TRADE COORDINATOR MANUCHAR PULP & PAPER



Recycled Materials

In 2023, the demand for recycled materials faced numerous challenges, including price inflation, high interest rates, a recession in the manufacturing sector, and low prices of virgin materials. As a result, a lot of recycling companies suffered losses or closed operations.

The economic cycle has reached a floor, and we are seeing new order entries in January 2024, largely due to the fact that Manuchar Polymers rPET is compliant with the strict regulations of imports of recycled PET for bottle-to-bottle applications.

rPET is a type of polyester that is produced from recycled plastic bottles and containers, reducing the need for virgin polyester. By using recycled polymers, we can reduce the amount of plastic waste in landfills and oceans, decrease our reliance on non-renewable sources and overall promote a circular economy.

Manuchar Polymers has further invested in expanding its sales network for rPET across Europe and North America, in anticipation of the 2025 deadline set by the E.U. Single Use

Plastics Directive. This directive sets out an obligation for PET beverage bottles to include at least 25% recycled content. While European recyclers have been proactive in investing in the production of food-grade rPET pellets, resulting in increased capacities over the past year, concerns still persist regarding the limited availability of rPET.

We are more optimistic about our sales in the short run as we will start discussions with the large brands who have significant work to do to meet their 2025 E.U. Single Use Plastics Directive targets, which include voluntary pledges to increase recycled content in their products.

This not only emphasizes the importance of sustainable practices but also highlights the critical role of recycled polymers in shaping a more environmentally conscious future. As we head towards the 2025, Manuchar remains committed to expanding its sales network and promoting positive change.



By offering compliant rPET solutions and expanding our sales network, we not only diminish plastic waste in landfills and oceans but also lessen our dependence on nonrenewable sources, fostering a circular economy for a healthier planet.

STEVEN VANDORPE
GENERAL MANAGER MANUCHAR POLYMERS



Food and Feed Safety Management System

A supply chain focused on quality and food and feed safety plays a pivotal role in safeguarding consumers' well-being, upholding the integrity of the food and feed industry, and ensuring the sustainability of businesses.

Manuchar Group believes in the necessity of instilling a quality and food and feed safety mindset at every stage of the supply, starting, and ending with the customer.

Prioritizing food and feed safety and adopting responsible practices yields various advantages, including risk mitigation, ensuring consumer safety, complying with legal standards, and fostering trust and brand reputation.

The Manuchar Group approaches this responsibility with utmost seriousness, incorporating a Global Food and Feed Safety Management System. This system not only aligns with our commercial strategy but also aids local business affiliates in the secure handling of food and feed products.

In an effort to strengthen our commitment to ensuring the safety and quality of our products and services while prioritizing the well-being of our customers, we undertook initiatives last year to elevate global awareness on quality and food and feed safety. Through a series of trainings, workshops, and communications, we successfully cultivated food and feed safety and quality leadership within our teams across the entire organization.

As a global distributor, the Manuchar Group faces with the significant challenge of sourcing and delivering products of the right quality. It is imperative to ensure that our product and service suppliers align with constantly evolving regulatory standards and adhere to our stringent food and feed safety requirements. Regular monitoring and assessment of supplier performance are essential to maintain continuous compliance. Upholding rigorous standards for our suppliers allows us to supply our customers with products of the highest quality, meeting our precise specifications. The Global Quality and Sustainability department has set up a comprehensive Group Food and Feed Supplier approval procedure that all our subsidiaries strictly follow. This procedure involves assessing the consistency and safety practices of our suppliers through a risk evaluation process, utilizing a combination of supplier questionnaires, certifications, and audits.

In 2023, our team members of Manuchar Europe achieved recertification for IFS Broker and FCA, successfully completing the annual external audit to assess the effectiveness of their food and feed safety as well as quality management systems.

Reaching certification in these globally recognized standards enhances the credibility of our products and brand, leading to a decrease in food and feed safety incidents, improved efficiency, higher customer retention, and an expanded market presence.

Manuchar Group targets to achieve certification for its worldwide food safety management system in FSSC22000 (a globally recognized food safety management system by GFSI) in the course of 2024. This global certification is intended to strengthen our overall food safety management system, equip our affiliates with the necessary resources to improve their own systems, and motivate them to obtain GFSI (Global Food Safety Initiative) certification promptly. The ultimate goal is to ensure that all Manuchar affiliates are certified according to one of the GFSI standards by the year 2030.



Manuchar Europe Team obtaining their IFS Broker certification in 2022.

Ensuring Food Safety is not only a responsibility, but a firm commitment to safeguarding the well-being of those we nourish every day.

MAURICE HELSEN
REGION MANAGER MANUCHAR EUROPE



In 2024,
Manuchar Group aims
to decrease the overall
number of Non-
Conformity Reports
(NCRs) by

10%

Continuous improvement

Implementing a robust quality control system involves a holistic approach that covers all steps of the process, from planning to continuous improvement. It helps the Manuchar Group to deliver high-quality products, meet our customers' expectations, and maintain a competitive edge in the market. Our management systems are designed to identify and address deviations from established quality standards.

The quality control system, as well as the food and feed safety system are focused towards proactively preventing and addressing potential issues. Despite our diligent efforts, there are occasions when the products we handle or services we provide might not meet our internal standards. In such cases, we approach these issues with highest seriousness, conducting thorough root cause analyses and implementing corrective actions to prevent the recurrence of similar issues in the future. We view

these instances as opportunities for continuous improvement, striving to enhance our robust processes, aiming to minimize customer complaints and increase the likelihood of delivering products correctly on the first attempt.

Within the Manuchar Group, we have deployed a worldwide tool known as the Non-Conformity Reporting (NCR) system for managing and reporting instances of non-compliance. This system is an integral component of our global compliance program, aiming to quickly and effectively identify, investigate, and resolve any non-compliance issues. Upon receiving complaints, they are recorded in our global non-conformance reporting platform. Our teams, both globally and locally, thoroughly analyze and determine the root cause of the reported issue, taking necessary actions to address the problem and implement preventive measures to avoid recurrence.

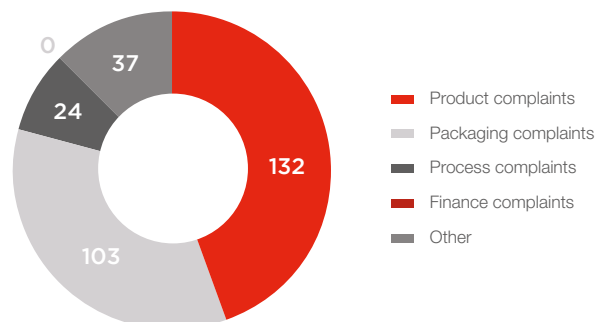
17%
decrease in customer
complaints for our global
key account customers
in the recent year

In 2023, a total of 296 complaints were reported globally, reflecting an 8% increase compared to the previous year.

Through the improvement of our quality and food safety management systems and the introduction of our Global Food and Feed approval process, we anticipate accomplishing these objectives.

We are actively streamlining our global non-conformity reporting tool to enhance data collection and improve data analysis.

TYPE OF NON-CONFORMITIES REPORTED IN 2023





Product Safety and Quality

As Manuchar Group, we are dedicated to delivering a responsible and secure service, ensuring that the products we handle meet high standards of quality. Our commitment extends to safeguarding the well-being of both our customers and employees.

Responsible Management and Safe Handling of Chemicals

This is a critical aspect of ensuring workplace safety and minimizing risks. Following process steps are key components in our risk assessment method to safeguarding the well-being of both our customers and employees:

- 1 Transaction Review Process:** Every transaction undergoes meticulous scrutiny, covering various critical aspects. These include assessing the classification of Dangerous Goods, reviewing labels, ensuring proper packaging for transportation, and collecting all necessary documentation. We carefully consider the product type and its intended end use to determine the essential controls and requirements. Our goal is to ensure that the end user receives precisely what they need, safely and with consistent quality. This is achieved through rigorous adherence to operational standards and control measures by both our suppliers and ourselves.

Additionally, we take into account the risks associated with product transportation. This extends beyond product quality and integrity, encompassing the safety of the transport process, the well-being of workers involved, and environmental considerations.
- 2 Safety Data Sheets (SDSs) Management:** For every product that the Manuchar Group handles a safety data sheet is created. These safety data sheets are a prerequisite in our risk assessment process and are generated with the highest care.
 - **Regular Updates and Precision:** SDSs undergo periodic updates and meticulous maintenance. These documents contain vital information about the chemical properties, hazards, handling procedures, and emergency response measures. Ensuring accuracy is paramount.
 - **Strategic Display:** SDSs are strategically placed in warehouses. This accessibility ensures that our personnel as well as emergency services can swiftly access critical details during emergencies, such as spills or incidents. Having this information readily available enhances our safety protocols.



- **Compliance with Regulations:** We take compliance seriously. For each product, we provide a well-reviewed Safety Data Sheet (SDS) that aligns with various regulations:
 - REACH: Compliance with the European Union's Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulations.
 - GHS: Adherence to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS).
 - Local Regulations: We adapt to the specific requirements of the different destinations where our products are distributed.
 - External Expertise: To address any uncertainties or issues, we collaborate with external providers and consultants. Their expertise ensures that our SDSs remain accurate and up to date.

- 3 Warehouse Management and Training:** Warehouse personnel receive appropriate training. They understand the unique storage requirements for different types of chemicals. This knowledge extends to handling incompatibilities and meeting special requirements for products stored across various locations globally.

At the Manuchar Group, we believe a well-prepared team and adherence to safety protocols play a vital role in responsible chemical management.

An SDS, or Safety Data Sheet, is a critical tool for understanding the possible risks associated with a chemical product. In essence, this document provides insights into the characteristics of the substance, guidelines for safe handling and appropriate emergency procedures. Our goal is to ensure that an SDS is accessible for each product within a span of one business day or less. A robust SDS system is a cornerstone of safe chemical handling.

ANNELORE MICHIELS
QUALITY AND ESG ASSISTANT



REACH Implementation

Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is a European regulation dating from 2007. The main purpose of REACH is to ensure a high level of protection for human health and the environment. The European Chemical Agency demands the industry to register and evaluate the substances that they manufacture or import.

Manuchar Group's obligations towards REACH can vary depending on the specific chemistry of the products in its portfolio. There are some key points to consider for a successful registration strategy:

- **Identifying the products:**

Due to Manuchar Group's large product portfolio it is important to correctly identify the chemistry of the product. The analytical data of the product, received from the supplier, is crucial in this process. This information has to be consistent to confirm the products identity.

- **Understanding the obligations towards REACH**

Companies are required to gather information on the properties of their chemical substances and to register that information in a central database in the European Chemicals Agency (ECHA). In some cases, Manuchar Group handles its own REACH registration. In other cases Manuchar Group can obtain a successful registration with the help of our suppliers. Communication with the supplier is essential in this step.

- **Risk Management**

Companies must identify and manage the risks associated with the substances they manufacture and market in the EU/EEA. As a manufacturer or importer registering such substances, you must show the ECHA how they can be used safely and use a safety data sheet to inform potential users in the supply chain of any risk management measures they may need to take.

Manuchar Group has done this assessment for all its products, that are imported in the EU/EEA. In addition, the company is setting up a proactive approach towards REACH, which will ensure that we are not only complying with the regulation but also contributing to the trading of safe and sustainable alternatives.



The Globally Harmonized System (GHS)

The GHS (Globally Harmonized System of Classification and Labelling of Chemicals) Purple Book is a document published by the United Nations. This book defines physical, health and environmental aspects of chemicals and harmonizes classification criteria. The Purple Book aims to standardize the content and format of chemical labels and safety data sheets, which helps ensure consistency across different regions.

However, it's important to note that the Purple Book is not a regulation and is not legally binding in any country. Therefore, countries adopting GHS have to take basic GHS elements from the Purple Book and issue their own regulations or standards to implement GHS. During this process, each country/region may set extra requirements on chemical classification and labelling.

As an international chemical distributor, it is very important to the Manuchar Group that we have clear and consistent information about chemical hazards. By maintaining materials safety data sheets per region, the Manuchar Group follows up each region's implementation of GHS.

UFI

Annex VIII to the CLP (Classification, Labelling and Packaging) regulation was published in 2017 for the harmonization of information relating to emergency health response. This regulation is applicable to importers and downstream users placing hazardous mixtures on the European market.

Each product, classified for health and physical hazards, will have a Unique Formula Identifier (UFI) on its label. This 16-character code links information about a product, its uses, ingredients,

and toxicity. This information will help national poison centers to quickly identify the composition of a product in case of an emergency.

Manuchar Group has created UFI's for all hazardous products for industrial use, that are being placed on the European market.



Chemical Compatibility: Ensuring Safety Everywhere

As a company involved in the distribution, handling, and storage of diverse chemical products, we recognize that chemical compatibility is not just a technical term – it's a fundamental aspect of our risk management system and its significance becomes evident for the following reasons:

- 1 Safety First:** Chemicals can react with each other in unexpected ways, leading to hazards such as fires, explosions, or toxic gas release. By understanding the incompatibilities, we minimize these risks.
- 2 Product Integrity:** Proper storage ensures that our chemical products remain effective and maintain their intended properties. Understanding the inherent properties of each product and controlling the storage conditions prevents degradation, contamination and loss of quality and efficacy.
- 3 Regulatory Compliance:** Complying with specific storage requirements is not only necessary for the integrity of the products, but it is also essential to meet legal and environmental regulations. Our commitment to safety extends beyond our organization – it impacts the environment and communities.

The Role of Our Product Risk Management Team

Our Product Risk Management Team takes proactive steps to ensure that chemical products are handled and stored appropriately. We've developed a comprehensive site unique compatibility matrix that outlines which chemicals can be safely stored together. This matrix considers factors such as chemical class, reactivity, and potential hazards.

Our team disseminates this matrix to all our locations worldwide. Whether it's a research lab, manufacturing facility, or warehouse, everyone has access to the necessary information.

The compatibility matrix provides specific guidelines and customized guidance for each chemical category:

- **Flammable products:** separated according to their Flash Point and the temperature and ventilation will be adequate depending on the category.
- **Oxidizing and corrosive products:** studied case by case, and special precautions are taken around them to avoid spills and eliminate any risks of them reacting with items around them (wood, metals...)
- **Explosives or radioactive materials:** under no circumstances are permitted in close proximity to any of our products, in strict adherence to our safety protocols and regulatory standards.

Customer Health and Safety

The Manuchar Group is committed to prioritizing customer health and safety, as well as embracing social and ecological responsibility. Our dedicated team meticulously assesses transactions involving dangerous goods, whether transported by air or sea (IATA or IMDG). Each assessment scrutinizes labels, packaging, container stuffing, and additional documentation. We also evaluate the quality and social responsibility of suppliers, along with the customer's capacity to safely store these hazardous materials—ensuring no risks to their facilities, workers, or the environment.

The products are always accompanied by the necessary documentation, with the Safety Data Sheet (SDS) being the most important document for health and safety. This SDS provides guidance for safe storage and handling of the product, and



In general for each product, special care will be taken to comply with the conditions for safe storage specified in section 7 of the SDS.

Our team continuously reviews and updates the matrix based on new research, regulatory changes, and incident reports. We stay ahead of the curve to ensure safety worldwide.

In 2023
the product
risk management
team created

>60
compatibility
matrixes

our dedicated team is always available to address any doubts or concerns regarding a specific product. We take pride in our commitment to ensuring that our customers receive the highest quality products and services, and we are dedicated to maintaining the highest standards of safety and quality in everything we do. When it comes to delivering dangerous goods, we have an extra layer of control that ensures that our customers are ready to receive the specific product in a way that is safe for them, their facilities, and the environment.

When dealing with products that could impact human or animal health, we give preference to suppliers with appropriate accreditations. This ensures that our operational standards and controls originate from a reliable source.



712

customer product safety
queries were handled in 2023



103

customer questionnaires were
handled in 2023

In 2022, there were three notable product bans, affecting various regions where we operate. However, in 2023, this number decreased to two, signifying a reduction in product bans and recalls. Both product bans were attributable to a specific batch of product in one location, minimizing the impact on our supply chain and our customers.

This reduction is a positive sign, demonstrating enhanced product safety, compliance, and robust product risk management. Furthermore, no incidents of non-compliance concerning product and service information, labeling and marketing communications were registered in 2023. It also showcases the efficacy of the quality control procedures employed by our warehouses.



GRI	Target	2023	2022	2021
416-1	(Risk) Assessments of the health and safety impacts of product and service categories	4200	4063	Nm
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	0	0	Nm
416-2	Recalls	0	0	Nm
416-2	Product bans	2	3	Nm
417-2	Incidents of non-compliance concerning product and service information and labeling	0	0	0
417-3	Incidents of non-compliance concerning marketing communications	0	0	0
na	Internal product and service non conformity reports raised (NCR)	296	272	416



📍 NIGERIA

Manuchar Nigeria was awarded Best Trading Services Company of 2023 at the renowned International Standards Excellence Awards held in Abuja, Nigeria. This highlights Manuchar Group's commitment to excellence and dedication to delivering premium services to our customers.

Our foundation is built upon integrity, transparency, and dedication to delivering top-notch Trading Services, Supply Chain Management, Logistics, and Distribution of various chemicals and raw materials across diverse industries.

PRODUCT SAFETY AND QUALITY

Presently, each of our global locations has a dedicated team responsible for evaluating product risk in their respective areas. They meticulously assess each case, considering local regulations to ensure a comprehensive risk assessment across all aspects. In 2024, Manuchar Group will revisit its internal policy regarding dangerous goods. This policy will go beyond assessing product risk during transport, providing clearer guidelines for the storage and handling of all products. It will particularly concentrate on hazardous items, adding an additional layer of risk awareness for every individual within Manuchar Group who may encounter such products.

We believe that our commitment to social and ecological responsibility is an integral part of our business, and we strive to ensure that our products and services are of the highest quality while minimizing our impact on the environment. We are dedicated to maintaining the highest standards of safety and quality in everything we do, and we are proud to be a responsible corporate citizen.

The Manuchar Group is committed to always considering the most severe scenario when it comes to product quality, to ensure the best possible protection for our supply chain and customers.

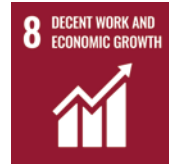


As a company prioritizing employee and customer safety, the Manuchar Group diligently manages all aspects of product risk. We approach this responsibility with care, expertise, and relentless determination.

INÉS DE CASTRO ARRIBAS
PRODUCT RISK SPECIALIST







Ethics & Business Integrity

At Manuchar Group, “Governance” starts with strong business ethics to enable sustainable growth.

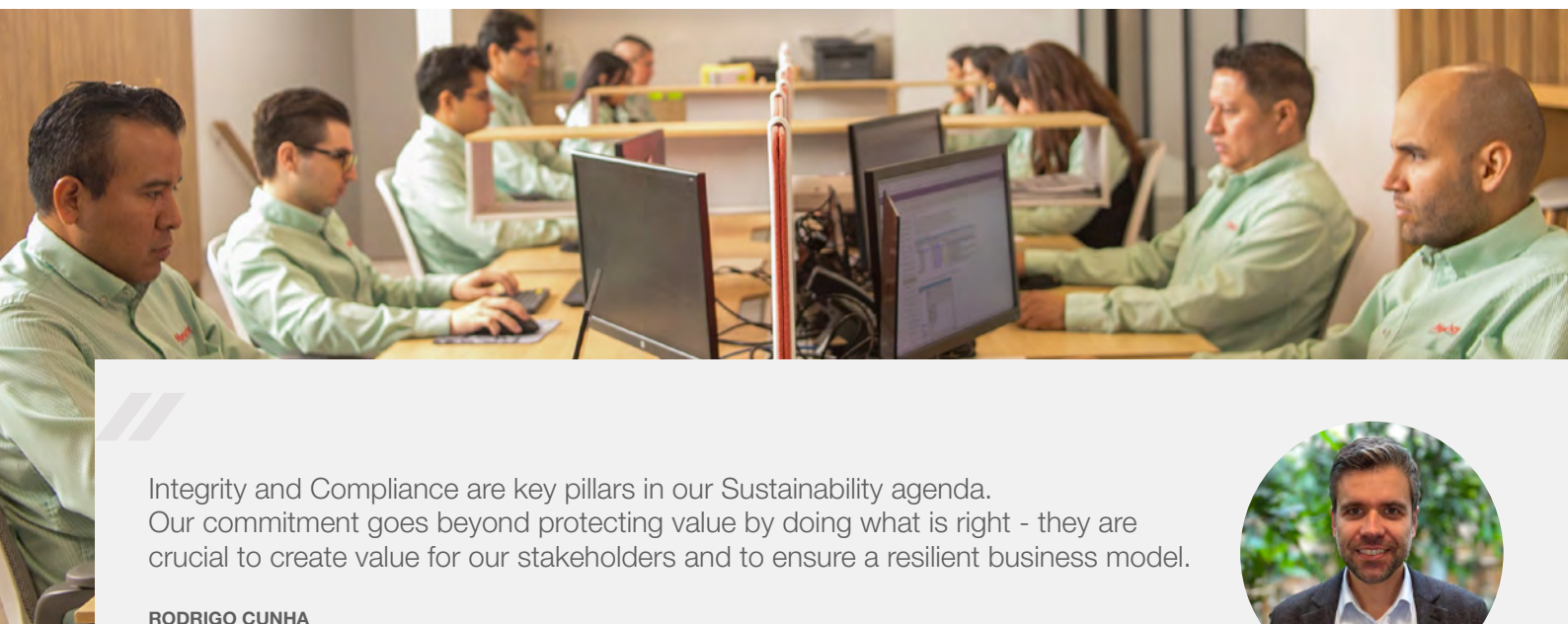
We strive to promote business ethics not only to protect value – as it ensures compliance with applicable regulations - but also to create value as it is crucial to enhance trust among employees and meet expectations from stakeholders.

Compliance framework

Manuchar’s Group compliance framework is based on three strategic pillars:

- **Risk based design:** We proactively address compliance risks by instituting stringent internal controls. This approach not only mitigates potential legal and financial risks but also aligns with our commitment to Environmental, Social, and Governance (ESG) principles by minimizing operational risks that could negatively impact our sustainability goals.
- **Empowerment:** We believe in the power of education and inspiration. By providing our employees with the necessary training, we encourage and empower them to make ethical decisions.
- **Effectiveness:** We monitor and test our compliance program proactively.

Our commitment to continuous improvement drives us to regularly assess and refine our compliance program. This includes our ESG initiatives, where we strive to enhance our performance in environmental stewardship, social responsibility, and strong governance.



Integrity and Compliance are key pillars in our Sustainability agenda. Our commitment goes beyond protecting value by doing what is right - they are crucial to create value for our stakeholders and to ensure a resilient business model.

RODRIGO CUNHA
CHIEF COMPLIANCE OFFICER





Risk based design

Highlights 2023

We have improved our policies to meet our business risk profile. Focusing on trade sanctions and anti-bribery regulations, we reviewed our:

- Onboarding process to identify third parties that must undergo our compliance screening – we screened more than 70,000 third parties in 2023. Our process mandates all third parties with which Manuchar Group has a contractual relationship to undergo a screening process using a renowned compliance platform. Results are then reviewed by the Compliance team on a risk-based approach before Manuchar Group can engage with the third party.
- A Risk & Control assessment encompassing risk domains such as Trade Sanctions and Anti-corruption has been performed in our affiliates in 2023. Results will further enhance the risk-based compliance program.
- Sanctions & Trade Controls Policy to enhance our approach to tackle trade sanctions and export control risks.
- M&A – we have implemented a robust process to review and address risk in our mergers and acquisitions as well as corporate development projects.

Next to that, we launched three policies governing substantial risks:

- Anti-Bribery and Anti-Corruption (ABAC) Policy;
- Third-Party Agents Policy;
- Gifts, Hospitality and Entertainment (GHE) Policy.

The policies specify processes and procedures to reinforce our zero-tolerance stance towards bribery and corruption for employees and third parties acting on our behalf.

70k
third parties
screened
in 2023

Commitments 2024

- ▶ **Resources & accountability:** Additional colleagues have been hired to further improve Manuchar Group's ethics & compliance program. We will also expand accountability for processes and controls into other functions.
- ▶ **Technology and Analytics:** We will further expand the use of technology and data analytics to identify and address risks in our supply chain with a third-party risk management platform. This platform will centralize ERP and Compliance data to improve the way we identify and address risks. We are also tracking the implementation of standardized terms & conditions addressing bribery, trade sanctions and export control risks.
- ▶ **Collaboration:** We will further collaborate with other supporting functions in our Governance, Risk and Compliance Committee which also plays an essential role in supervising enterprise-wide risk management.

A Risk & Control assessment encompassing risk domains such as Trade Controls and Anti-corruption has been performed in **100%** of Manuchar Group's affiliates in 2023





Empowerment

Highlights 2023

We provided several global training sessions to empower colleagues to make decisions in line with both our policies and Code of Conduct.

To facilitate knowledge retention, the policies come with supporting materials such as instruction videos, manuals and FAQ's.

We have also improved our Whistleblowing Framework in line with the European Whistleblowing Directive. This includes the implementation of a new non-retaliation Policy and a dedicated platform for secure reporting of misconduct, allowing anonymous reporting.

Whistleblowing reports: In 2023, we investigated and addressed five incidents and expect to have an increased number of incidents as we further communicate and automate our reporting system.

Commitments 2024

- ▶ **Trainings & Communications:** Trainings and communications have been delivered in different formats and we will continue increasing awareness with a comprehensive training plan adapted to specific risk groups. Tailored trainings will help Manuchar colleagues to become good risk spotters and to feel empowered to make ethical decisions or to escalate to Compliance when needed. Our new Learning Platform will allow us to accurately follow up on completion progress globally.
- ▶ **Automation:** We will further automate and facilitate communication with colleagues to guide them through compliance questions related to our Code of Conduct and approval of gifts, hospitality and entertainment.



At Manuchar Group, we encourage an open culture where employees feel safe to raise concerns and know their complaints will be taken seriously and with confidentiality. Not only does the Whistleblowing Framework facilitate transparency, but it is as well one of the most effective ways to detect and prevent fraud, corruption and other unethical behavior.

LAURA KNOCKAERT
COMPLIANCE COUNSEL





Effectiveness

Highlights 2023

We have designed an enhanced procedure to conduct continuous transaction testing to measure adherence to our Trade Sanctions policies.

In 2023, we embarked on a journey to strengthen our commitment to compliance with the revision of our Trade Sanctions Policy. Recognizing the critical importance of these policies, we designed a procedure to conduct continuous transaction testing.

The introduction of this procedure marked a significant step forward in our compliance efforts. It not only helped us measure adherence to our Trade Sanctions Policy more accurately, but also fostered a culture of compliance within our organization.

In addition, our Code of Conduct emphasizes the importance of honesty, integrity, and transparency in all our business dealings. Our Code of Conduct was designed to be as accessible as possible and available to all stakeholders, including customers, employees, and vendors, and can be found here: www.manuchar.com/conduct

We are committed to providing a safe, healthy, and ethical work environment for all our employees, partners, and suppliers. Our management conveys the message that doing business in a safe and ethical way is the Manuchar way.



Commitments 2024

- **Transaction tests:** The procedure will be further expanded to encompass more risk domains and more affiliates and types of transactions.
- **Investigations:** We will further improve the way we measure timeliness and remediation of incidents and actions resulting from risk assessments in line with our policies.

Key 2023 stats



Trainings and Q&A sessions on new and existing compliance procedures and processes have been provided in different languages to

70+ affiliates



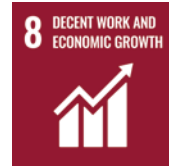
85%

of our employees completed the Code of Conduct training



70K+

third parties were screened on our compliance platform



Management of the Regulatory Environment

The current regulatory environment has become increasingly complex, with an emphasis on risk management, compliance and rising pressure from regulators, investors and consumers for more transparency, accountability, and action on environmental and climate matters.

To meet these demands, we have developed robust internal processes to ensure a comprehensive understanding of the regulations we face and identifying potential risks while keeping up the commercial pace.

A close cooperation between our business operations and inhouse legal, quality and compliance teams is essential. This interaction allows us to run our business as smoothly as possible by identifying and mitigating potential legal and regulatory risks, ensuring compliance with applicable laws and regulations, and fostering a culture of compliance and ethics at the Manuchar Group.

Given the international breadth of our Group, we have strengthened our global legal team with professionals from diverse backgrounds and nationalities. This brings us legal expertise from several jurisdictions and enriches the team in terms of language skills in order to respond to the increase in legal, compliance and governance matters.

Our legal team actively reviews commercial terms and conditions that govern our regular purchase and sales contracts, M&A matters, and the establishment of new affiliates that are either fully owned companies or joint ventures, covering both the contractual and compliance side of these activities.

In 2023, the content of our terms & conditions of purchase has been optimized to mitigate commercial risk; we have also included provisions that set forth our expectations towards customers and/or suppliers on compliance and corporate social responsibility.

Regulators worldwide are increasingly recognizing the importance of ESG factors in assessing a company's long-term sustainability and resilience. They are implementing stricter regulations and standards for companies to adhere to, in terms of their ESG practices. These changes in the regulatory environment have been identified as a transitional risk for the Manuchar Group.

In response to the rapidly evolving regulatory environment, the Manuchar Group has instituted a standard regulatory scanning process, leveraging the Datamaran® AI platform since 2023. This platform enables us to confidently navigate the intricate ESG regulatory landscape by converting extensive ESG-regulatory data into practical insights. With Datamaran®'s dynamic, data-driven, and tech-enabled methodology, we've fortified our strategic and governance procedures.

This allows us to concentrate on and react to pertinent external occurrences, shifting business priorities, and stakeholder anticipations as we strive towards our ESG objectives and progress on our path to sustainability.

In 2023, the Executive Committee has approved a new Competition Compliance Policy as the initial step in a global competition compliance program. The year 2024 will see this program evolve further, with the implementation of risk assessments and tailored trainings. These initiatives are designed to ensure that our company not only stays competitive but also operates within the boundaries of ethical business practices. Employees, the backbone of any organization, play a crucial role in upholding these ethics. They are the ones who interact with the products, services, and stakeholders on a daily basis. Their actions and decisions can significantly impact the company's ethical standing.

The introduction of the new Competition Compliance Policy and the subsequent risk assessments and tailored trainings will equip the employees with the necessary knowledge and tools to make ethical decisions.

We strive to maintain a culture of compliance, integrity and ethical conduct where everyone involved in our operations, including suppliers and customers, understands the critical importance of legal and regulatory compliance.

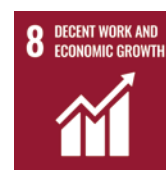
Legal management is essential for businesses to navigate the legal landscape, mitigate risks, maintain ethical practices, and establish a foundation for long-term success. It contributes to the overall stability and sustainability of our business in a dynamic and regulated environment.

SOFIE BEERNAERT
HEAD OF LEGAL AND HUMAN RESOURCES





Cybersecurity and Data Privacy



Data, connectivity and digitization play a crucial role in the Manuchar's Group strategy making information security a vital precondition for a successful transformation. This increased reliance on IT systems and continuous rise of cyber-attacks, makes managing cyber risks a top priority for any company around the world.

We prioritize a robust cybersecurity and data protection strategy to safeguard sensitive information ensuring the trust of our employees, clients and business partners. Employing cutting-edge firewalls, encryption protocols and intrusion detection systems, we fortify our digital infrastructure against evolving threats.

In 2023, we embarked on a journey to fortify our global information security posture, we have defined a set of fundamental principles that underscore our commitment to safeguarding the collection, processing, and storage of information. These principles are set in a global information security policy based taking a risk-based approach. Our objectives center around cultivating a security-conscious culture through comprehensive awareness programs, monthly phishing campaigns and continuous training initiatives.

Simultaneously, we focus on measurable outcomes, such as a targeted reduction in security incidents, phishing click rates and the elevation of our BitSight Advanced Rating Score.

By embracing these principles, engagements, and objectives, we are not only enhancing our cybersecurity resilience but also instilling a proactive and adaptive security culture that serves as a cornerstone in our commitment to protecting the integrity and confidentiality of third-party information in our global operations.

To communicate transparently on cybersecurity and to drive continuous improvement, the Manuchar Group uses BitSight. This third-party validated security rating company identifies,

measures, and analyzes our cybersecurity incidents and practices. BitSight is committed to the Principles for Fair and Accurate Security Ratings, ensuring a trusted standard in security ratings. In 2023 we managed to increase our BitSight score to 780 maintaining our advanced security posture. This is an independent rating by BitSight based on technical analysis allowing companies to measure the impact of their security efforts. According to the industry benchmark by BitSight, Manuchar Group is positioned in the advanced overall security posture and largely above average.

The complex regulatory and compliance obligations that are enforced in many countries impose greater demands on cyber and data protection. This entails designing the right type of governance models and controls to ensure that the Manuchar Group can compliantly pursue its enterprise transformation across the globe.

In the event of an incident, an incident response team and plan is in place, minimizing potential impact.

Our global Whistleblowing Framework implemented in 2023 is an essential part of Manuchar Groups' Incident response procedure (IRP) to manage breaches of confidential information.



No substantiated complaints in 2023

concerning breaches of customer privacy nor losses of customer data

We've established secure channels for whistleblowers, ensuring their anonymity and providing a safe avenue to voice concerns. By fostering a culture of transparency and accountability, we strengthen our data protection framework, swiftly addressing potential threats.

Our commitment to cybersecurity and data protection extends beyond safeguarding our assets, it's a commitment to fortifying the trust we share with partners. It reflects our dedication to preserving confidentiality, integrity, and availability, bolstering our reputation as a trusted custodian of valuable data.

780
BitSight
cyber security
rating



Business Continuity

We recognize that unforeseen disasters can have a profound impact on business operations and customers. Therefore, we have developed a robust disaster recovery strategy to swiftly and effectively respond to disruptions, ensuring the continuity of critical business functions.

Technological resilience is at the heart of our disaster recovery efforts. We invest heavily in technology to fortify our disaster recovery capabilities from cutting-edge backup systems, redundant infrastructure, and cloud-based solutions. Regular testing and simulations ensure the reliability of our backup systems and the rapid restoration of critical data and applications, minimizing downtime. Our goal is not only to minimize downtime but also to preserve data integrity and ensure a seamless return to normal operations.

Ensuring availability of critical systems and preventing unauthorized access to business and personal information is paramount to our business continuity and all parties who rely on the Manuchar Group every day.

Digital Transformation

As supply chains are becoming increasingly digital, we see opportunities to optimize and innovate them.

This will allow us to anticipate our customers' demands far more efficiently than in the past. We can now see in real time what the position of a shipment is and no longer depend on the expected arrival times as these are often updated only after a vessel has moored.

We do want to be recognized as an innovative partner for our customers and suppliers and provide them with real-time reliable information on the actions we take to sustain our mission statement of keeping their production running. Anytime. Anywhere.

To us, a digital supply chain is a real-time and global end-to-end process whereby all actors can exchange their information in all security.

Therefore, we are investing in the latest technologies and platforms that enable us to integrate and automate our supply chain operations globally. We are also collaborating with our stakeholders to create value-added solutions that enhance our performance and customer satisfaction. We believe that a digital supply chain is the key to our future success and growth.

MANUTRACK

Distribution

 Shipments FCL

 Products

 Break Bulk

 Tracking Monitor



4,541,977.86 MT
TOTAL WEIGHT 7 DAYS

5,387,934.722 MT
TOTAL WEIGHT 30 DAYS

Arrivals



IN 7 DAYS



IN 30 DAYS

Departures



IN 7 DAYS



IN 30 DAYS

Product List - 7 days

Product 1	2,679,461 MT
Product 2	933,414 MT
Product 3	199,186 MT
Product 4	111,677 MT
Product 5	107,939 MT
Product 6	94,298 MT
Product 7	30,194 MT
Product 8	28,011 MT

We are committed to becoming a leader of the digital supply chain. With our innovative approach, we aim to revolutionize the way supply chains operate and set new standards for the industry. By leveraging the latest technologies and continuously improving our services, we are determined to provide our customers with the best possible experience and establish ourselves as an unrivaled leader the industry.

PATRICK PUTMAN
CHIEF INFORMATION OFFICER





Materiality Assessment

A comprehensive list of the issues used in the double materiality assessment, along with their definitions can be found back in the overview below.

Material issue	Definition
Access & affordability	This issue refers to a company's ability to ensure all individuals and population groups can access their products and services without discrimination. It includes the management of universal needs, affordability and accessibility.
Air emissions	This issue refers to non-greenhouse gas air emissions that impact air quality, atmospheric conditions and/or human health. These may be emitted through company operations or through the use of company products, most commonly fossil fuel combustion engines.
Business model resilience	This issue refers to identifying and managing risks and opportunities connected to social, environmental, public health and economic challenges in business model planning. It focuses on how companies respond and adapt to these changes to carry on their activity, grow and create value for shareholders and society in the long term.
Climate change risks & management	This issue refers to the physical and transition impacts, risks and opportunities presented by climate change and the transition to a low-carbon economy and adaptation and resilience measures adopted by companies. References to governance systems to manage climate-related risks and opportunities are also included in this issue.
Community relations	This issue refers to the management of the relationship between businesses and the communities they operate or which they interact with, considering engagement mechanisms, community contributions, and positive or negative impact on local communities.
Competitive behavior	This issue refers to practices that prevent or restrict free trade or competition between commercial actors in a market, including anti-competitive behaviour and protectionism. It also captures protection and infringement of intellectual property rights.
Customer practices	This issue refers to the dynamics of customer expectations that affect satisfaction, loyalty and brand reputation and the mechanisms to ensure consumers are treated fairly and honestly during commercial transactions.
Customer privacy & data security	This issue refers to the aspect of information technology that deals with the protection of private corporate information, critical information systems and networks from security breaches.
Ecological impacts	This issue refers to the contamination of natural resources due to harmful substances, excessive use or exploitation, and general corporate operational impacts that affect the protection of land, forests and biodiversity resources and the measures in place to remediate them.
Employee diversity & inclusion	This issue refers to the processes and mechanisms a company has to grow and maintain diversity in the workforce and ensure equal opportunities and treatment for all employees.
Employee health & safety	This issue refers to a company's safety performance and the mechanisms that have in place to maintain a safe and healthy workplace environment. It captures protocols, training, work arrangements, and the physical and mental working conditions to which employees are exposed to.
Energy management	This issue refers to the management of the environmental and social consequences associated with energy use. It addresses a company's management of its energy consumption, production, diversification, recovery, and reductions.
Ethical corporate behavior	This issue refers to the moral code of conduct and guiding principles to the strategic and operational management of a business. It captures the management of risks and opportunities associated with ethical considerations, lawful behavior, and compliance practice
GHG emissions	This issue refers to greenhouse gas emissions that an organisation generates from activities under its control (Scope 1), from the energy it uses and purchases (Scope 2), and from business-related activities that are created from sources outside its ownership and control (Scope 3). It further captures disclosures on GHG emissions reductions and efficiencies, as well as smarter and eco-friendly transportation systems, infrastructure planning, and logistics management.
Governance structures & mechanisms	This issue refers to the mechanisms, procedures, and rules concerning the company's internal control, supervision, reporting, and decision-making system.
Human rights	Refers to the fundamental rights and freedoms inherent to all human beings that ensure they are able to live with dignity, freedom, equality, justice, and peace, and the measures necessary to uphold these rights and the protection of the rights of the child as relates to anticipating, preventing or responding to any form of violence, exploitation, abuse or practices that might be harmful to a child's physical and mental development and integrity.

Material issue	Definition
Innovation & technology	This issue refers to the development and use of advanced technologies and digital innovations to generate new business processes and improve customers' and other stakeholders' experiences. It also addresses some ethical challenges in technology development.
Labor practices	This issue refers to employment practices regarding internal and external workforce throughout the value chain, compliance with regulatory regimes and internationally accepted labor standards in the workplace. It captures minimum labor rights, employee benefits, fair compensation and worker-related CSR initiatives.
Management of local impacts	This issue refers to the mechanism to assess, manage and mitigate the direct and indirect negative impacts of the business in the local communities in which they operate.
Management of the legal & regulatory environment	This issue refers to the company's regulatory compliance strategy and how it engages and aligns itself with regulators to make public and corporate interests compatible. It captures corporate compliance management, lobbying & government relations, as well as responsible tax planning.
Natural capital	This issue refers to the stock of capital derived from biological diversity and ecosystems as well as natural resources.
Physical & socio-political risks	This issue refers to challenges from changes in society, economics, politics, and people from an event (acute) or general trend (chronic) and natural & human-induced disasters. These factors are broadly outside any single company's control but can have large-scale implications for business.
Product & service safety & quality	This issue refers to the initiatives, procedures, and staff training to ensure product and service quality and end consumers' safety, including considerations regarding product ingredients and their potential effects on customer health. References to breaches of product or service quality and safety and general liability concerns are included in this topic.
Product design & lifecycle management	This issue refers to integrating sustainability considerations in the production and consumption of products and services during their use phase and at the end of their life. It captures practices and processes that minimize or eliminate negative impacts on both the environment and consumers' health and safety.
Responsible consumption & production	This issue refers to a company's ability to promote sustainable and healthy consumption and production patterns.
Selling practices & product labelling	This issue refers, on the one hand, to the requirements, standards, certifications and established practices regarding the information presented to consumers when advertising and selling goods and services. On the other hand, it refers to the social challenges related to the failure to provide transparent, accurate and complete information.
Sourcing efficiency & management	This issue refers, on the one hand, to the establishment of commitments and policies designed to trace, screen, monitor, and follow up with supplier performance against one or more ESG dimensions, while on the other hand, to the management of supply chain risks concerning supply shortages or disruptions. It captures strategies to maintain fluid communication and support between a company and its suppliers.
Transition to renewables & alternative energies	This issue refers to the transition from a predominantly fossil-based energy production system and consumption to renewable and alternative energy sources, including policies, goals, accounting instruments and technologies that facilitate that transition.
Transparency	This issue refers to the comprehensive management of corporate communication through the systematic recording, reporting, transmission of information and analysis of corporate developments, performance and management.
Waste & hazardous materials management	This issue refers to the gaseous, liquid and solid substances used or disposed of in business operations or present in products that threaten human health or the environment. Captures the generation, treatment, recovery, recycling and reduction measures of hazardous and non-hazardous waste and the handling, storage and application of hazardous material
Water & wastewater management	This issue refers to the management and conservation of water resources to meet business and customer needs. It captures water consumption, efforts to reduce it and water effluent, and wastewater treatment and pollution from commercial operations affecting water quality and availability.
Workforce management	This issue refers to the process of ensuring the workforce is functioning at its most productive levels and copes with organizational changes. It captures employee recruitment, retention and development practices.



GRI Index

Statement of use	Manuchar Group has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI standard and description		References	Comments and online resources
Universal Standards			
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	p. 6-7	Manuchar NV, Rietschoorvelden 20, B-2170, Antwerp
2-3	Reporting period, frequency and contact point		January 1 to December 31, 2023, annual reporting, published March 2024. Manuchar NV, QESG Dept. Email: quality.info@manuchar.com
Activities and workers			
2-6	Activities, value chain and other business relationships	p. 6-7	
2-7	Employees	p. 71, p. 73, p. 75	
Governance			
2-9	Governance structure and composition	p. 16-20	
2-11	Chair of the highest governance body	p. 20	
2-12	Role of the highest governance body in overseeing the management of impacts	p. 20	
2-13	Delegation of responsibility for managing impacts	p. 17-20	
2-14	Role of the highest governance body in sustainability reporting	p. 17, p. 20, p. 22-23	
2-16	Communication of critical concerns	p. 27-29	
2-20	Process to determine remuneration	p. 19	

GRI standard and description		References	Comments and online resources
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	p. 4-5, p. 8-12	
2-23	Policy commitments	p. 9, p. 89-92, p. 107-110	www.manuchar.com/conduct
2-24	Embedding policy commitments	p. 9, p. 89-92, p. 107-110	
2-25	Processes to remediate negative impacts	p. 108-110	
2-26	Mechanisms for seeking advice and raising concerns	p. 109	
2-27	Compliance with laws and regulations	p. 111	
2-28	Membership associations	p. 30-32	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	p. 22-23	
Material Topics			
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	p. 22-24	
3-2	List of material topics	p. 25-26	
3-3	Management of material topics	Sections 3, 4, 5 and 6	The management of our material topics are discussed in detail in the report.
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	p. 12, p. 108	
205-2	Communication and training about anti-corruption policies and procedures	p. 110	
205-3	Confirmed incidents of corruption and actions taken		There were no confirmed incidents of corruption in 2023.
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	p. 46	
302-4	Reduction of energy consumption	p. 40-43, p. 46-47	
302-5	Reductions in energy requirements of products and services	p. 46	
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	p. 52-54	
303-2	Management of water discharge-related impacts	p. 52-54	
303-3	Water withdrawal	p. 52-54	
303-5	Water consumption	p. 52-54	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	p. 40, p. 42	
305-2	Energy indirect (Scope 2) GHG emissions	p. 40, p. 42	
305-3	Other indirect (Scope 3) GHG emissions	p. 40, p. 42, p. 44-45	
305-4	GHG emissions intensity	p. 40-41	
305-5	Reduction of GHG emissions	p. 40-41	

GRI standard and description		References	Comments and online resources
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	p. 48-49	
306-3	Waste generated	p. 48-49	
306-4	Waste diverted from disposal	p. 48-51	
306-5	Waste directed to disposal	p. 49	
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	p. 12, p. 90	
306-4	Negative environmental impacts in the supply chain and actions taken	p. 89-91	
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	p. 71	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 71, p. 73	
401-3	Parental leave	p. 71-73	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	p. 58-59	
403-2	Hazard identification, risk assessment, and incident investigation	p. 60-63	
403-3	Occupational health services	p. 64	
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 64	
403-5	Worker training on occupational health and safety	p. 65	
403-6	Promotion of worker health	p. 66-67	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 64	
403-8	Workers covered by an occupational health and safety management system	p. 59, p. 64	
403-9	Work-related injuries	p. 63	
403-10	Work-related ill health	p. 63	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee		8 training hours per employee (22,612 training hours delivered Group-wide)
404-2	Programs for upgrading employee skills and transition assistance programs	p. 77-78	
404-3	Percentage of employees receiving regular performance and career development reviews	p. 76	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	p. 75	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken		There were no incidents of discrimination reported in 2023.
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		www.manuchar.com/conduct
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor		www.manuchar.com/conduct
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		www.manuchar.com/conduct

GRI standard and description		References	Comments and online resources
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	p. 80-87	
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	p. 12, p. 90	
414-2	Negative social impacts in the supply chain and actions taken	p. 89-91	
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	p. 99-105	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 104	
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	p. 99-105	
417-2	Incidents of non-compliance concerning product and service information and labeling	p. 104	
417-3	Incidents of non-compliance concerning marketing communications		There were no incidents concerning non-compliance of marketing communications reported in 2023.
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 113	

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