



Innovating food. *For Good.*

Sustainability Report



Our Commitment

Sustainability is much more part of the Food Value Chain: during the last years many stakeholders specially our Shareholders, our Clients and Financial Entities have committed and asked for our commitment to sustainable business practices. At the same time ESG reporting frameworks have been launched.

This is a continuity report, because we keep our vision based on our "Value Chain for Sustainability" and on our teams commitment and purpose to lead a sustainable transformation.

In this regard, we have invested to implement a new Sustainability approach, based on:

- Creation of a **Sustainability Committee**;
- Definition, periodic monitorization and public communication of **Sustainability Goals**;
- Promotion of Sustainability Onboarding sessions;

- Integration of Sustainability KPIs on the Performance Management system.

We believe that it is important to create awareness about our Sustainability Commitment throughout our value chain to evaluate sustainability risks (especially the impact on Nature) and to establish actions. We defined a mitigation plan to work in our procurement process and an environmental impact reduction plan implemented in our Business Units.

We Foster FrUPeople Development: our employees are one of our competitive advantages and main capital, and we believe that if they are accomplished with our sustainability principles and strategy they will engage to implement our approach everyday. We provide our employees with opportunities for training and personal development - we have invested in training on our values and procedures, including a creation of a Sustainability School. And we offer a working environment where our FrUPeople feel included.

We believe in a Research, Development and Innovation activity

structured throughout the value chain to keep Innovating Food for Good. We invest in projects that allow us to become a leader in Healthy and Sustainable ingredients solutions. In this regard, we encourage the establishment of partnerships throughout the value chain because it is our belief that the structured sharing of knowledge allows us to efficiently identify solutions for the valuation of available resources, responding to present needs without compromising the ability to answer the needs of future generations.

Our Commitment for next years include: to keep turning our goals into practical actions, specially work all over our supply chain and demonstrate progress year after year, in a field where the issues are complex and we are only too aware of their urgency.

We are committed to keeping sustainability at the top of our list of priorities in business and in our decision-making.

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01.

The Numbers of *Frulact*

Frulact in *numbers*



Clean Label

The annual growth rate of the revenues with "Clean Label"

1,1%
2021

31%
2022

2,5%
Goal 2023



Training

The annual growth of training hours registered

15,7%
2021

45%
2022

5%
Goal 2023



Water

The reduction rate of specific water consumption

-1,5%
2021

-2,0%
2022

-2,0%
Goal 2023



Waste

The percentage of waste valued through circular economy as part of total waste

93%
2021

95%
2022

94%
Goal 2023

Until 2022 we didn't include Germany and Switzerland, but - during 2022 we monitor the indicators in these units
We define the absolute value for 2023 based on Group Including Germany and Switzerland in 2022

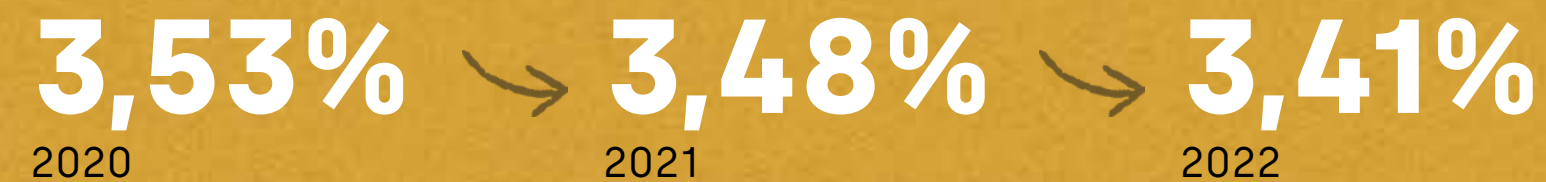
Frulact in numbers

Nature

Mitigate environmental impacts of operations

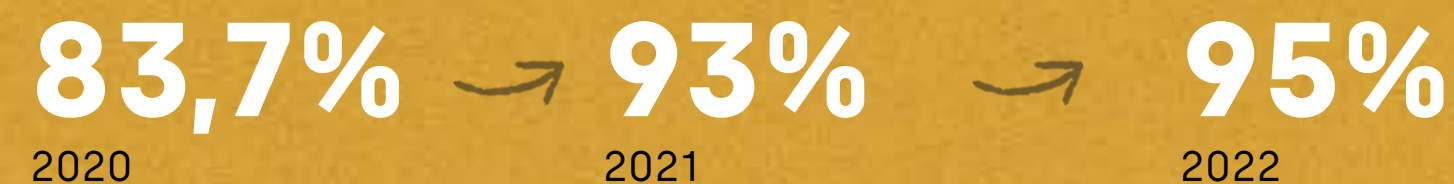


Water consumption (m³/ton FP)



Waste recover

% waste valued through value circular Economy



FruPeople

Foster People development



Training Hours



Share of employees whose bonus is linked to sustainability KPIs



Considering employees included on Evaluation Management Performance



Innovation + our products and markets

Offer Natural & Healthier Ingredients



Clean Label sales





02.

Sustainability *Management*

Create innovation from day one.

day one.

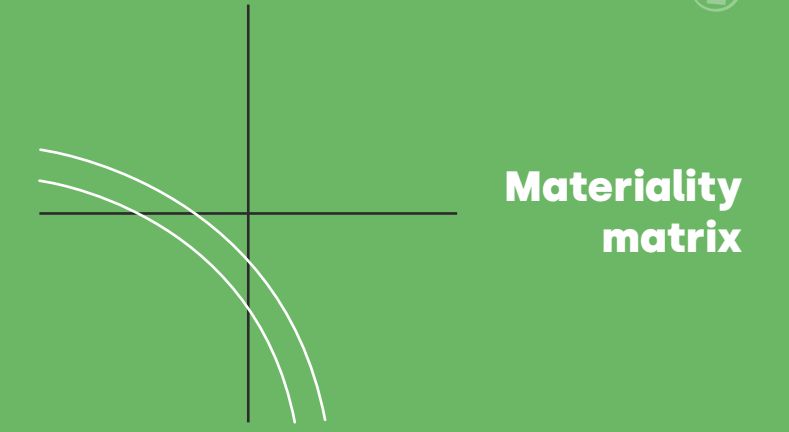
frulact
Innovating Together!

1987



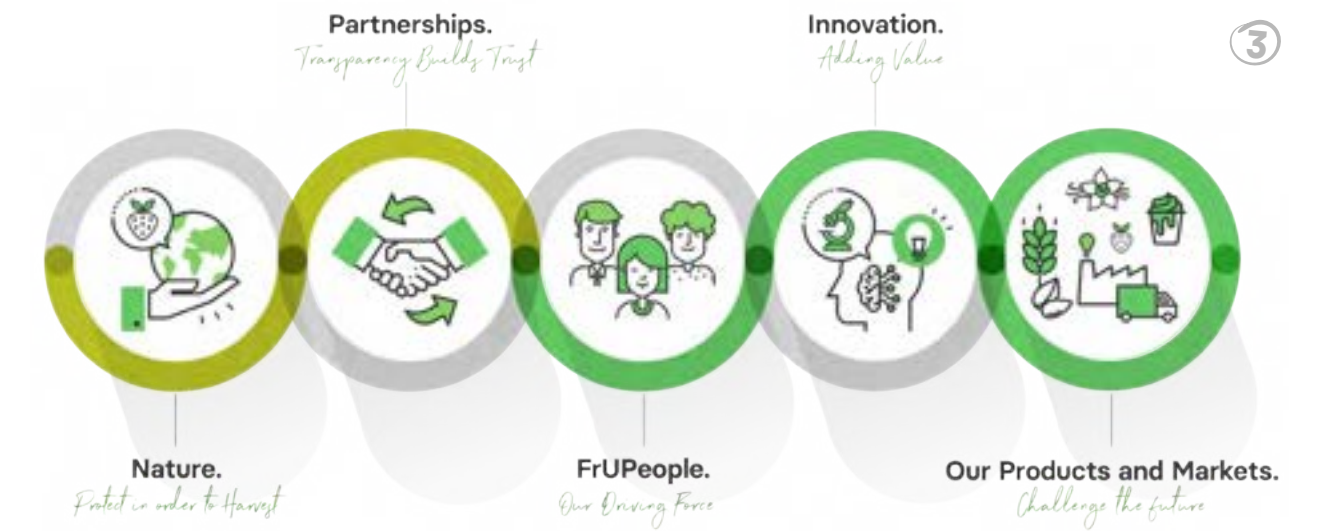
We heard the priorities from our business partners and Frulacteans

2018



2019
Innovating Food.
For Good.

Frulact's 1st #sustainability report
Value Chain for Sustainability



Priority intervention areas until...

2023



Clean Label



Water



Training



Waste



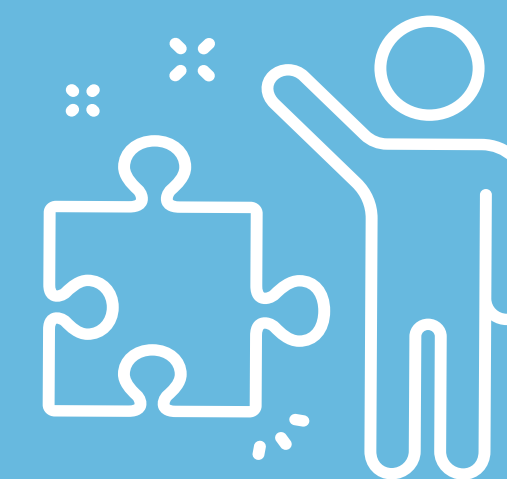
ARDIAN
2020

Promoting positive impact.
Strengthening our commitment to sustainability:
Monitoring Frulact's impact on people and planet.

Frulact's 2nd #sustainability report

Frulact

Creation of the Sustainability Committee



2021

Create innovation from day one

Innovating Together

Since our foundation as a company, Frulact has been committed to generating sustainable value for all our stakeholders, which has been reflected in a path of continuous and sustained growth supported by an Innovation Culture.

Frulact promotes the share with all stakeholders: communicates in a regular and targeted manner, which allows the establishment of a close cooperative relationship with each of these groups. There is a concern in selecting the key moments

for dialogue and sharing, using the most appropriate communication channels. The involvement and communication with our Stakeholders allow us to identify risks, challenges and opportunities related to our activities.



Shareholders

- General Shareholders' Meeting;
- Biannual meetings for accounting reports and budget execution;
- Listening to specific topics of executive management;
- Website and LinkedIn Social Network.



Regulatory and Governmental Bodies

- Surveillance of specific topics;
- Audits and Inspections (if applicable);
- Digital platforms.



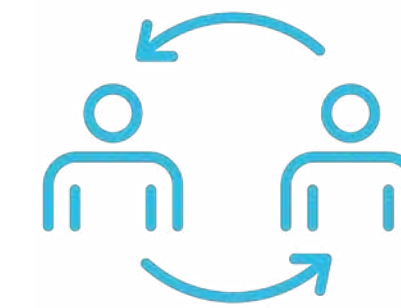
Clients

- Cooperation and partnership protocols;
- Response to Satisfaction Survey;
- Complaint Management;
- Audits;
- Frequent visits and contacts;
- Website and LinkedIn Social Network.



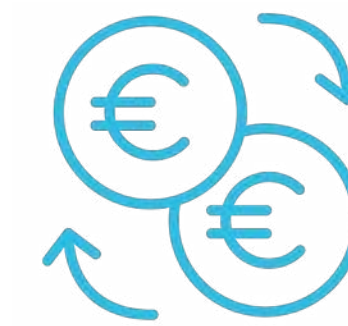
FrUPeople

- Response to Satisfaction Survey;
- Intranet;
- Internal Publications;
- Knowledge-sharing Forums;
- Management and Team Leaders meeting;
- Social activities;
- Website and LinkedIn Social Network.



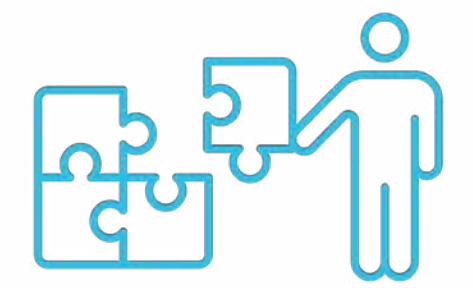
Suppliers

- Cooperation and partnership protocols;
- Frequent visits and contacts;
- Audits;
- Monitoring and development plans;
- Knowledge Sharing Forums;
- Website and LinkedIn Social Network.



Financial Institutions

- Annual Financial Statement;
- Frequent visits and contacts;
- Website and LinkedIn Social Network.



Partners

- Cooperation and partnership protocols;
- Knowledge-sharing Forums;
- Frequent visits and contacts;
- Website and LinkedIn Social Network.

Materiality Analysis

In 2018, we did a materiality analysis. We conducted a specific questionnaire to hear from internal stakeholders, including Frulacteam, and external stakeholders, our business partners, about priority areas for our future.

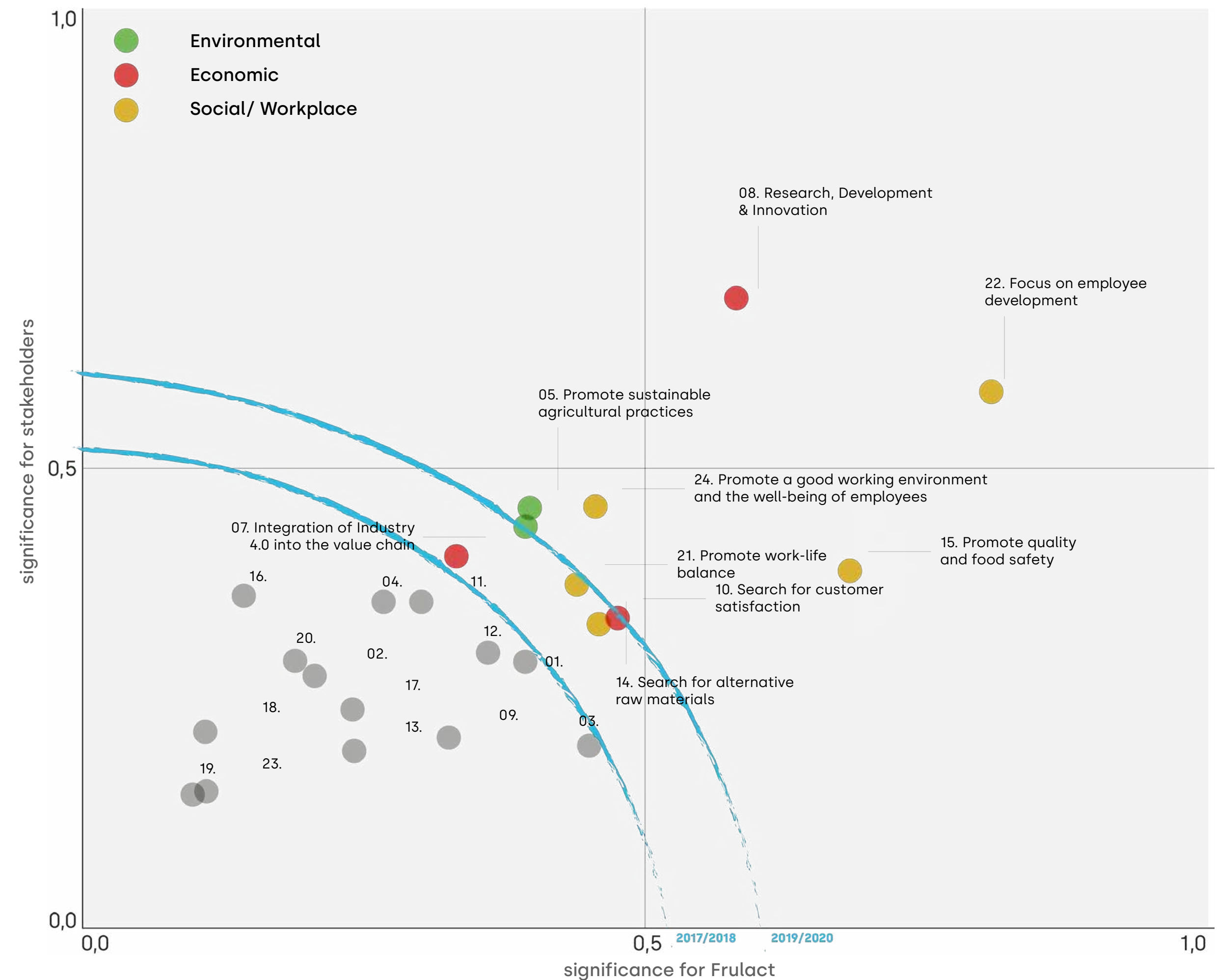
The process included mapping Stakeholders and listening to them through questionnaires, workshops and interviews.

This process resulted in the Frulact Materiality Matrix, in which **the 10 most relevant material topics** were identified.

Our Sustainability strategy

The 10 most relevant material topics:

1. Focus on employee development;
2. Research, Development & Innovation;
3. Promote quality and food safety;
4. Promote a good working environment and the well-being of employees;
5. Promote sustainable agricultural practices;
6. Promote circular economy;
7. Promote work-life balance;
8. Search for customer satisfaction;
9. Search for alternative raw materials;
10. Integration of Industry 4.0 into the value chain.

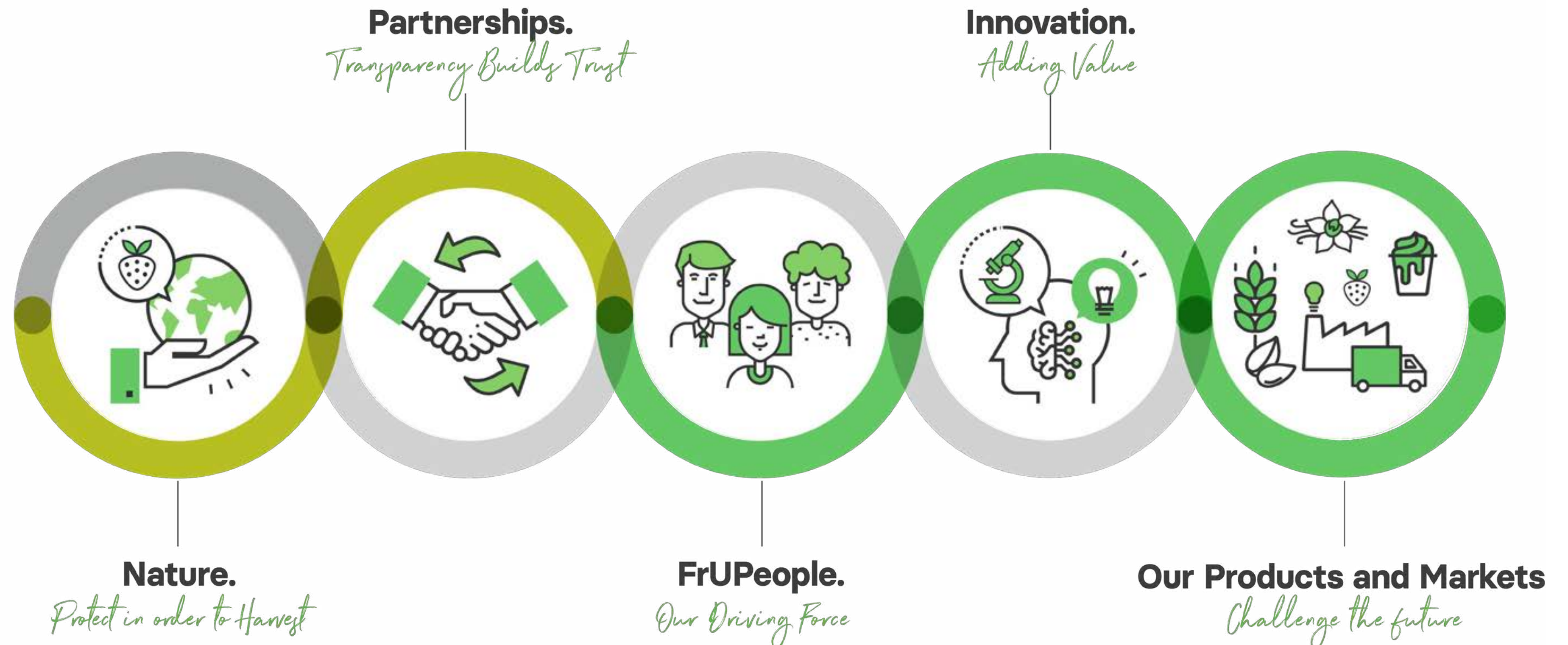


Governance

Value Chain for *Sustainability*

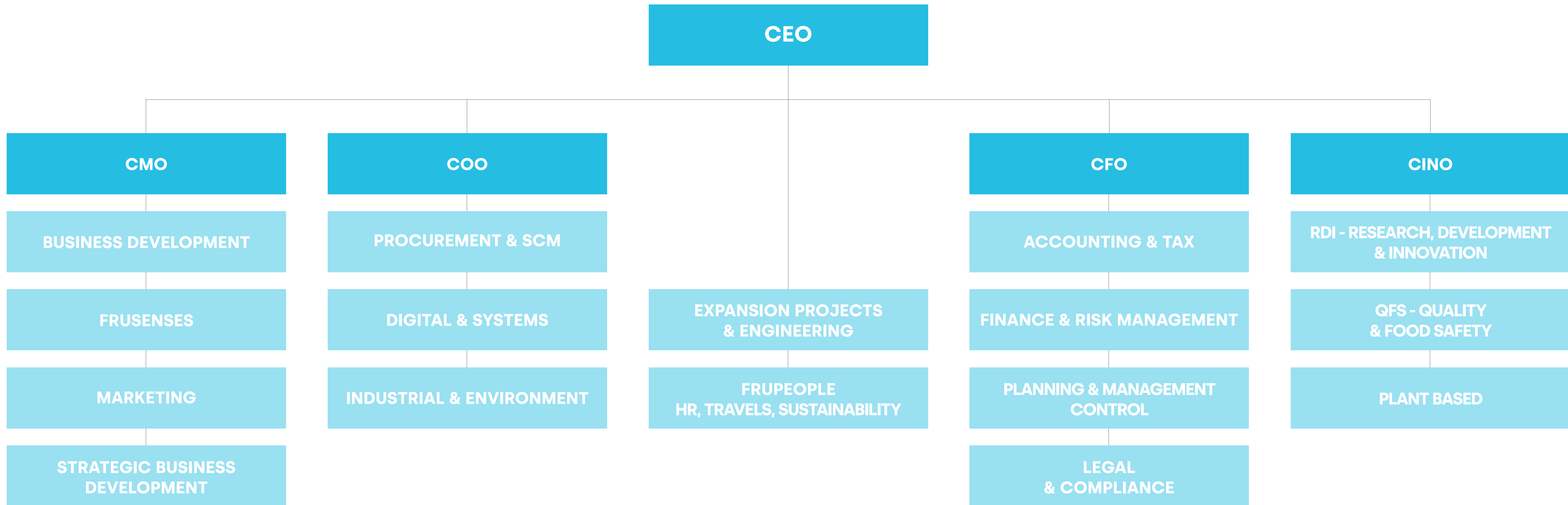
For Frulact, value creation is not restricted to economic performance or just to the Frulact universe. Value Chain for Sustainability reflects how we add value to the business through sustainable practices and the optimization of the resources used.

In 2019 Frulact defined our Sustainability Strategy: "Our Value Chain for sustainability", inspired by its value chain, where the Group realized the impact of specific activities - internal and external - on the company and the community.



Governance

In 2020, Frulact ownership changed from the founder's family to Ardian, a private equity firm specialized in the Food industry. Ardian's approach includes the promotion of a positive impact and strengthening our commitment to sustainability.



Governance

Since 2020, even though we didn't make any materiality analysis of Environmental Social and Corporate Governance, we make some work to listen to stakeholders, of which we highlight:

- Annual Employee satisfaction questionnaire - Frupeople;
- Food safety survey - Q&SA;
- Annual Customer satisfaction questionnaire - Customer;
- Customer's questionnaires about sustainability – Customer;
- RDI Strategy assessment (2020) – Frupeople, customers, suppliers and RDI Partners;
- Sustainable review of top Management promoted by the Shareholder.

Every year Ardian promoted a Sustainable Roadmap made by an external entity (INDEFI). This report is based on the information sent by Frulact as well as interviews with its

Management Team. It includes a Sustainability Benchmark and a Roadmap.

In 2021, recognizing the need to enhance an integrated Sustainability approach and to improve our positive impact, Frulact decided to review the Sustainability Governance and created a Sustainability Committee.

The Sustainability Committee is made up of:

- ExCO Sponsor;
 - Sustainability Coordinator;
 - Sustainability Sponsor associated to critical areas.
- The Sustainability Committee has the mission to create and enhance a transversal culture:
- Review the priorities of the sustainability strategy, ensuring that they are aligned with the priorities of all stakeholders;
 - Promote the implementation of the strategy;
 - Define actions to respond to the strategic sustainability priorities;

- Ensure periodic reporting of implemented actions and their impact;
- Define the budget for sustainable management.

Areas Considering:

- The top 5 materiality topics according to the 2018 Materiality Analysis;
- Our Sustainability Strategy – Our Value Chain for Sustainability;
- The Sustainability Roadmap defined by our Shareholder;
- The International Agenda, especially the Sustainable Development Goals;
- The result of the communication with different stakeholders.

The Sustainability Committee reviewed our Sustainability Principles and goals.

Priority Intervention areas

Nature



Mitigate sustainability risks in the supply chain

We will influence stakeholders to reduce their impact

We will make a Climate Risk analysis in our Supply Chain

Mitigate environmental impacts in the operation

We will guarantee an environmental impact reduction

Water is a raw material of high consumption! We will use it in a more efficient way

We will get 100% of our waste reincorporated through circular economy

FruPeople



Foster People development

We will reinforce training to employees and community

We will guarantee well-being of employees

We will promote a good working environment

Innovation & Our Products and Markets



Offer Natural & Healthier ingredients

We will increase the production of Clean Label ingredients

Reduce Food waste

We will Improve the methodologies to guarantee the quality and food safety of our products

We pretend to lead a Food circular system

And identified the Priority Intervention Areas until 2025



Clean Label

The annual growth rate of the revenues with "Clean Label"



Training

The annual growth of training hours registered



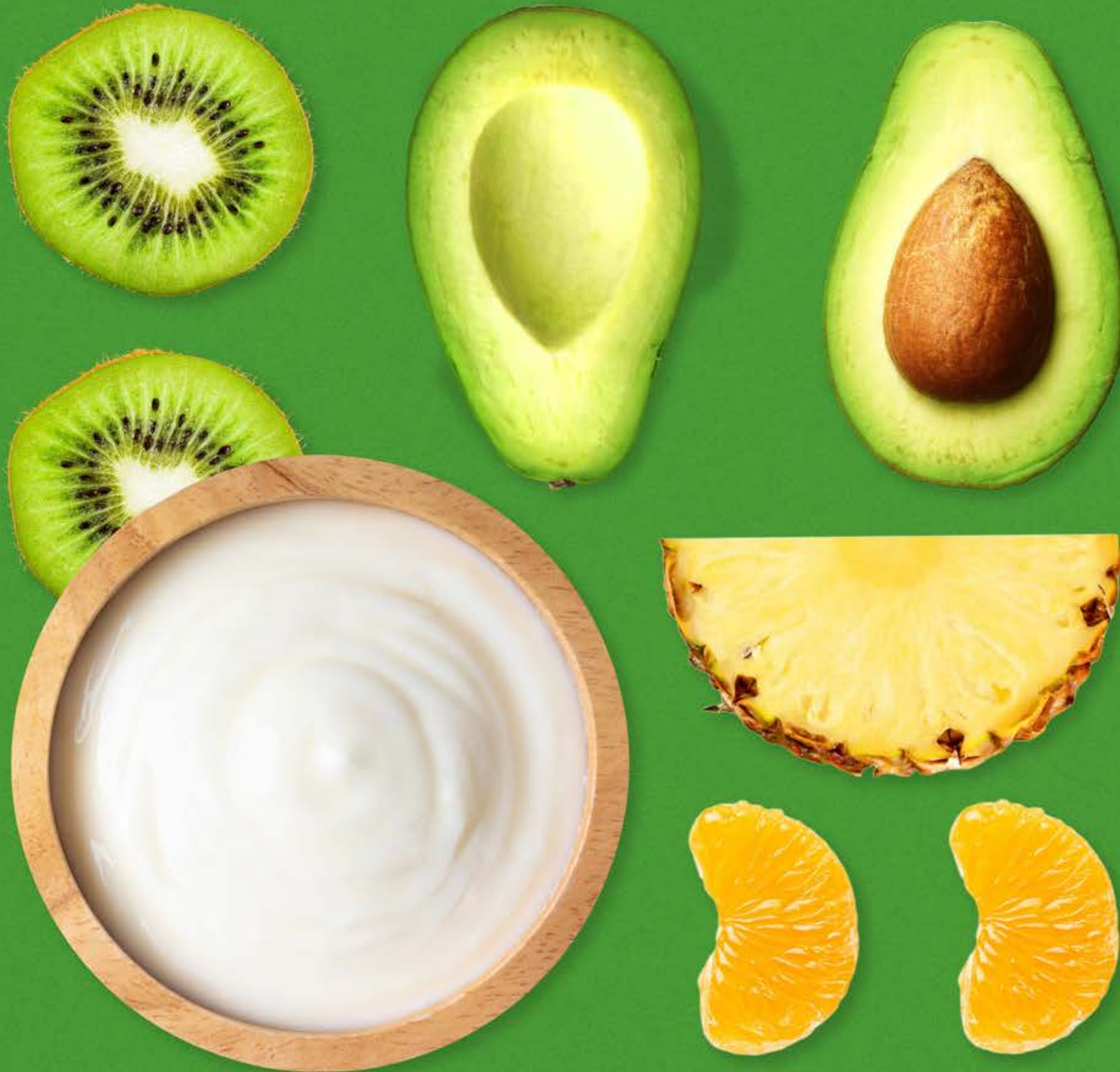
Water

The reduction rate of specific water consumption



Waste

The percentage of waste valued through circular economy as part of total waste



03.

Our Value Chain
for Sustainability

Value Chain for Sustainability

We keep our vision of a non-linear value chain, which benefits from flexibility and reciprocity in the exchange of market, technological and organizational knowledge.

- It is from Nature that we seek our raw materials, so we try to care for and respect the planet in our decision-making.
- We recognize that if we work together, we will have a greater impact. Therefore, we underline the importance of our partners in this strategy and the ability to maintain long-term relationships that go beyond the commercial bond and that bring us new perspectives on the market and the creation of innovative products.
- We believe that FrUpeople are our most valuable asset. Frulact has been investing in the implementation of new processes

that allow the development of people, and promote a good working environment and well-being of employees.

- The focus on Innovation is what allows us to respond to the needs of our stakeholders, adding value to our products. That is why this is the central axis of our strategy. We believe that it is through the Knowledge generated through Innovation activities that we guarantee a truly sustainable future.
- Our Growth is sustained on Our Products and Markets: The quality and food safety of our products always adapted to a strategy to seek to create value for the Customer.

We want to continue investing in production with respect to raw materials, resulting in natural and healthy products that anticipate market trends.

It is the interaction between all these axes that allows us to guarantee the positive impact of our activity and create value with and for all Stakeholders: shareholders, regulatory and governmental entities, customers, FrUPeople, suppliers, financial institutions and partners.



Nature.

Protect in order to Harvest.

We select the best that Nature offers.

Our raw materials are the starting point for our products to guarantee quality and ensure food safety throughout the value chain. We promote a sustainable procurement strategy.

To protect Nature we aim to mitigate sustainability risks in the supply chain. We promote the efficient use of resources to reduce our environmental footprint. We promote our stakeholders also reduce their impact.



Promote sustainable agricultural practices 19

Environmental Management 26



Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

The recent pandemic has affected every part of our value chain, from raw material sourcing to end customer. Due that our focus during the past years was to build resilience in our supply chain and procurement process, not only focused on sustainable agriculture practices.

Our Approach

Promote agricultural best practices through procurement policies, while ensuring the quality and food safety of raw materials.

Procurement Mission:

We believe that defining a Procurement Mission will help us communicate our approach to our stakeholders.

"Promote Frulact's competitiveness, by actively procuring the best quality products at the best possible prices, while ensuring availability, traceability, sustainability at the highest ethical standards"

Our Mission is supported by our Code of Ethic and Conduct, which outlines our commitment to Promote Human Rights in our Value Chain, including:

- Condemnation of slave or forced labor and human trafficking;
- Condemnation of child labor;
- Freedom of association;
- Non-discrimination by sex, race, religion, economic, health or other situation;
- Condemnation of situations of any kind of harassment or abuse: sexual, psychological or verbal.

We recognize that our external stakeholders, namely suppliers and customers, are independent entities of the Frulact Group, however, we promote them to share these fundamental values of respect for human beings and for the planet.



Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

Risk Management in the supply chain

During the last years, Frulact has been rocked by supply-chain vulnerabilities and disruptions. We understand that it is advantageous to identify the main risks our procurement process is exposed to and to define a mitigation plan to address them.

RISK	EXAMPLE	CONSEQUENCES	MITIGATION PLAN
<p>QUALITY AND FOOD SAFETY NON-CONFORMITIES</p>	<p>Foreign Bodies Deviations from physical and chemical parameters</p>	<p>Blocked Raw materials - backlog of industrial production</p> <p>Final product with non-conformities</p>	<p>Promote Quality and Food Safety (Material Topic)</p>
<p>CLIMATE & PHYSICAL RISKS</p>	<ul style="list-style-type: none"> • Droughts & Water Scarcity • Extreme Heatwaves • Spring Frost • Heavy Rains • Earthquakes • Hurricane 	<p>Sudden forecast changes Supply chain disruptions</p> <p>Impact on the Service Level on our Clients Increase of waste material and costs</p>	<p>Climate Risk Analysis in the supply chain (Project)</p>

Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

Our *Good Practices*

Supplier selection & homologation

Frulact' supplier selection and homologation process, standard stages for approval and quality assurance of new products, is centralized and starts with the obligation to fill out a supplier questionnaire with items related to labor and the environment. There are three main objectives for the supply teamwork.

- Eradicate forced Labor;
- Identify suppliers with sustainable practices, especially Good Agricultural Practices (GAP)** certification;
- Promote sustainability along the value chain;

In 2023 we preview to review our Supplier selection & homologation process including the Sustainable Criteria.

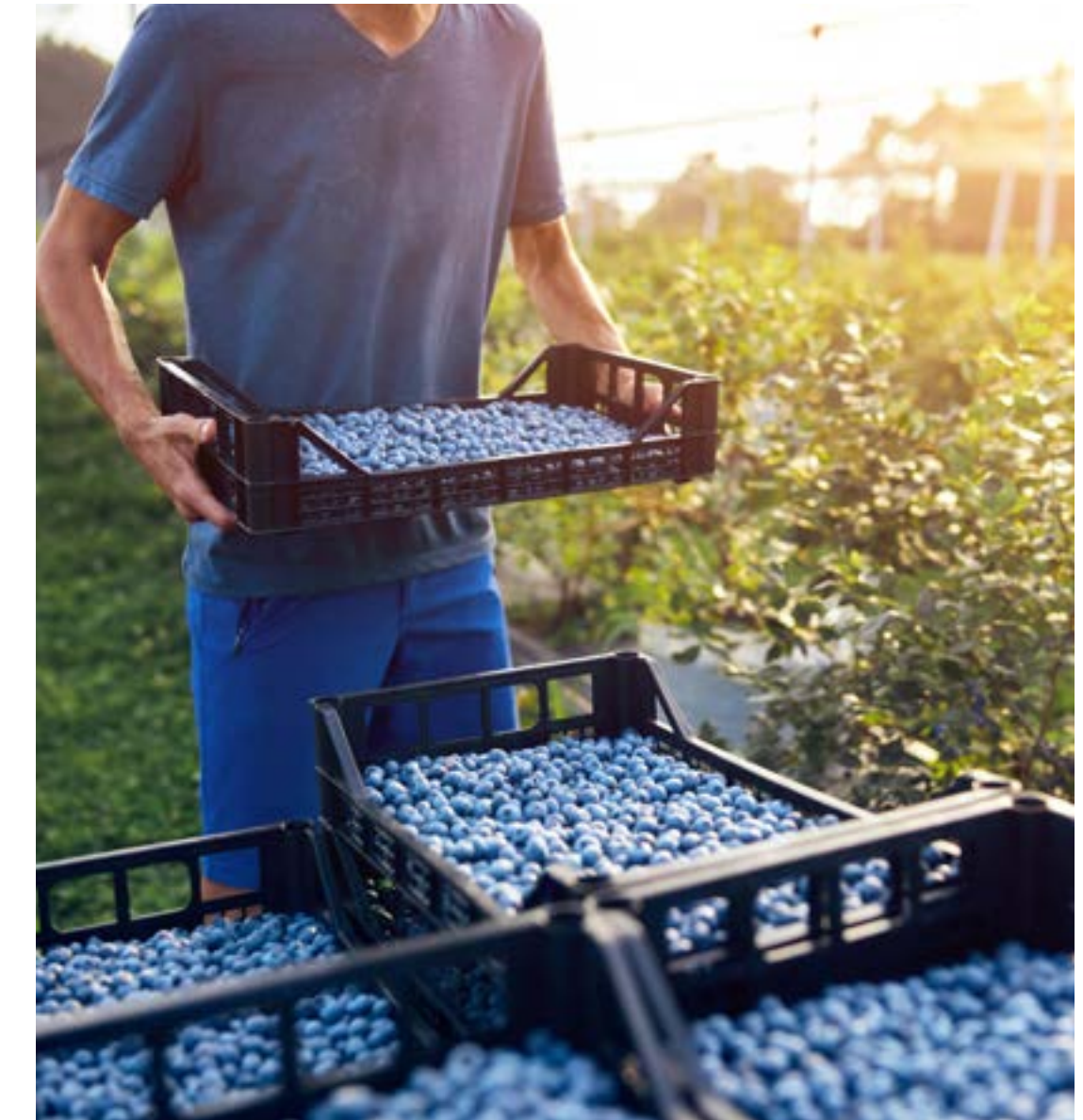
Suppliers Preventive risk control

To guarantee Quality and Food Safety standards we have a cross functional team (Procurement, Quality, Supply Chain) a preventive risk control procedure into the Procurement Team.

Their responsibilities include:

- Perform a risk matrix to identify the critical raw materials to be controlled;
- Create and develop preventive actions with suppliers;
- Identify and visit potential suppliers to verify production processes;

In 2022 the Supplier audit monitored 45% of all purchased fruits 80% of all frozen fruit.



Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

Our *Good Practices*

Sustainability Capex evaluation

In 2022 we reviewed our Capex Approval Process for investments higher than 20K euros to guarantee that it included Sustainability Criteria. We included the impact of the different options in the following criteria:

Health & safety

No Investment can put at risk the guarantee of collaborators Health & Safety. Evaluate impact on Health and Safety: reduce the number/severity of work accidents or the impact on occupational diseases, the exposure to extreme conditions, increase the wellbeing during work time.

Greenhouse Gas

Forecast of CO2 emissions resulting from the investment - variation in energy consumption, decrease resulting from renewable energy production or substitution.

Quality & Food Safety

No Investment can put at risk the guarantee of Quality and Food Safety. Evaluate impact on: number of non conformities reduction ; Risk of exposure to microbiology contaminations, exposure to allergens, exposure to foreign bodies...

Water

Forecast water consumption variation - specific or total.

Energy

Forecast of Energy consumption variation - specific or total energy variations, including energy sources.

Waste

Forecast variation in waste: Material Losses, Food Losses, waste valorization procedures/ technologies.

Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

Our Projects

First Transformation

Frulact has internalized part of its 1st transformation activity focusing on the most important / fragile fruits used (strawberry, apricot, fig and raspberry) and producing significant percentage of the Company's own needs for the 2nd stage transformation, with the rest being acquired from other manufacturers.

Frulact's 1st transformation Units receives the fresh produce directly from the fields in the crop season and transforms it into uniform raw materials that can be used throughout the year, avoiding the characteristic variability of agricultural products.

The integration of the 1st transformation provides higher control over the supply chain:

1. Work directly with fruit producers;
2. Fruits are prepared in order to be placed on the conveyor belt;
3. Fruits are washed, disinfected and cutted according to customer request;
4. Fruits go to static freezing or transformed in pulp that will be packed aseptically.

In 2022 we installed an IQF TUNNEL for our first transformation factory in Morocco.

We believe that in this way we can:

- Guarantee availability;
- Easier ontrol & traceability (farm to fork);
- Assure the highest possible quality.



Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

Our Projects

Supply chain climate risk analysis

In 2021 we conducted a Climate Risk Analysis for our main crops. We identified 5 different crops in 5 different crop areas:

- Oat production in Finland (5 main oat production areas targeted);
- Cherry production in Greece (Peloponnese);
- Strawberry production in Morocco (Kenitra) and Spain (Andalusia);
- Apricot and peach production in Greece (Macedonia).

For each crop, we have identified the main climatic vulnerability indicators. When These indicators are reached, they can lead to a qualitative or quantitative drop in yields. These vulnerabilities are put in front of the probability of occurrence of these events in the projection of future climates.

By 2030, among the 5 studied raw materials 3 Frulact raw materials will face significantly

different climate conditions - they are considered to be at the highest level of risk – meaning a yield reduction >10% will be expected.

From now on, we are focused on ensuring an adaptations plan that considers:

- Dual sourcing practices: Multiple geographies, Manufacturers & Traders;
- Supplier Relationship Management Programs in place with key suppliers: Commitment to the highest environmental and ethical standards.

That includes:

Fruits:

From 18 different countries and 2 hemispheres:

- To provide a wide selection of fruits (+50 fruit types);

- To promote availability throughout the year (different harvest per hemisphere);
- To minimize geopolitical and weather-related risks;
- To promote direct relationships with farmers, and guarantee an easier traceability.

Sugar:

Global and regional approach depending on market conditions and constrains.

Flavors:

Supplier core list per geography for innovative flavors.



Nature.

MATERIAL TOPIC - 5

Promote sustainable agricultural practices

The challenges of the Sustainable Development Goals



Promote transparency by encouraging the adoption of traceability systems throughout the value chain;

Encourage suppliers to implement sustainable production systems and resilient farming practices.



Audit the suppliers in order to fight forced labour practices and child labour in all its forms.

2019/2020

Frulact has a fast traceability system implemented with internal software.

During 2020 it was very difficult to implement audit processes due to pandemic situation.

2021/2022

Frulact is reviewing the procurement process and will implement:

- Sustainable sourcing policy
- Climate risk assessment in the supply chain

Nature.

MATERIAL TOPIC - 5
Environmental Management

We will guarantee an environmental impact reduction;

Our Approach

Mitigate environmental impacts in the operation to ensure the efficient use of resources.

Impact Monitorization

Frulact's production important environmental impacts, both direct (e.g., energy and water consumptions for fruit transformation and processing, food waste) and indirect (the production of raw materials and the distribution of Group's products).

Frulact monitors good practices and environmental indicators in all units, promoting the reduction of environmental impact through continuous improvement. Frulact is committed to improving energy and water efficiency of its production processes and also focuses on reducing waste and extending further the share of waste utilized through circular economy.

Definition of monthly monitoring plan with environmental indicators, allowing the Group to detect anomalies and implement measures to reduce the impact.



Nature.

MATERIAL TOPIC - 5
Environmental Management

Specific Energy consumption



Our *Good Practices*

Environmental certification

Frulact has an environmental management system (EMS) included in its integrated management system, having said system certified in the Portugal units (Maia, Ferro and Tortosendo) since 2013 and is certified against ISO 14001.

During 2021/2022 we have been working to promote the implementation of the EMS in other geographies.

We define a goal to obtain the EMS certification for all our Business Units until 2026. Our approach includes:

- Procedures to monitor monthly specific KPIs implemented for each Industrial Unit and define action plans that guarantees environmental improvement – Implemented;
- Gap Analysis to be realized with the support of external entities in all Business Units, specially oriented to guarantee the adaptation of Local Environmental Legal requirements – on going;

- Local EMS review and adaptation according with the Gap Analysis results – on going;
- EMS certification obtained in all Business Units – until 2026.

Energy efficiency and Carbon footprint

Sustainable energy is now part of Frulact's present and future and is part of our business strategy.

We are committed to reducing energy consumption and CO2 emissions by selecting renewable energy sources.

Monthly we monitor Energy Consumption and scope 1 & 2 CO2 emissions. We detect anomalies and define action plans to reduce our impact.

During the last years Frulact had invested in renewable Energy Sources.

Our main energy consumption is used to produce steam. The boiler takes energy from some form of fuel such as natural gas and

paraffine to heat water into steam. In 2016, at the Tortosendo unit, we installed a biomass boiler – it burns pellets, a byproducts of the forest industry, to produce energy. It allows us to decrease our Global CO2 emissions.

Unfortunately, this is not a sustainable solution for all Business Units. We are always looking for innovative solutions that can contribute for reduction our CO2 emissions.

In March 2020 we launched our first energy production unit for self-consumption (UPAC) in Frulact's Unit in Tortosendo, Covilhã, Portugal.

We have a plan to reinforce the photovoltaic production units in our Business Units in:

- Portugal (Maia and Tortosendo);
- Morocco;
- South Africa;
- France.

We are studying possibilities in other Units.

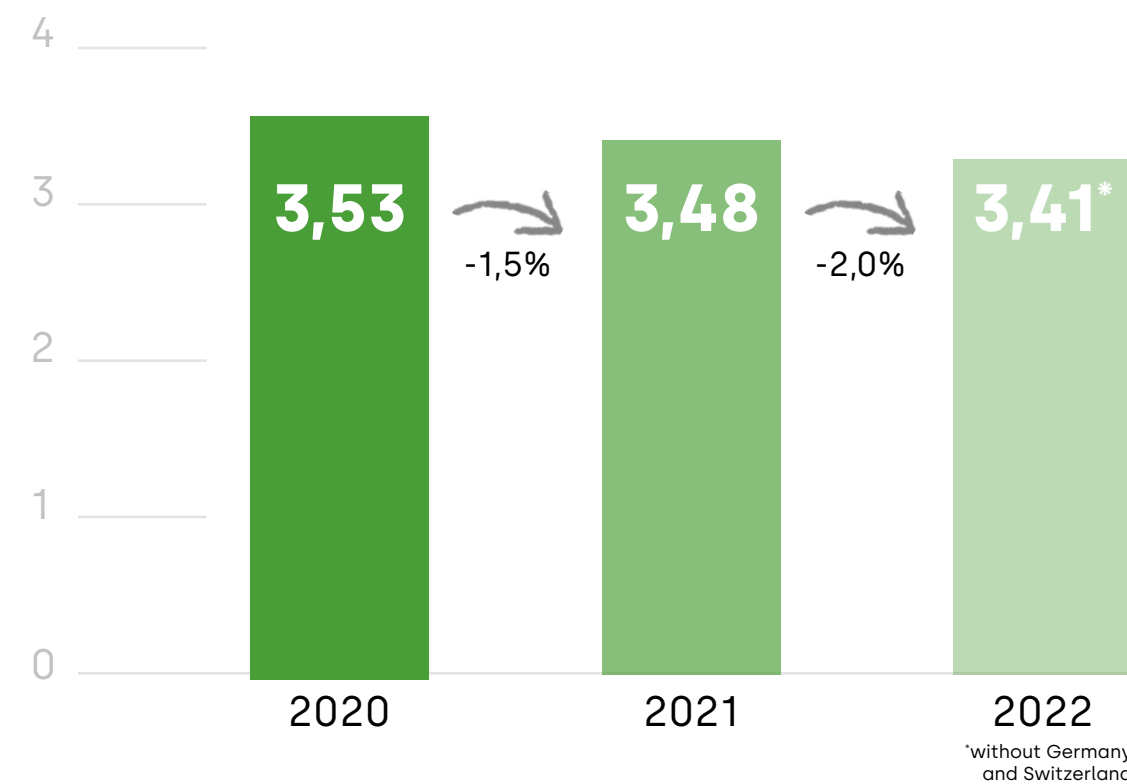


Nature.

MATERIAL TOPIC - 5
Environmental Management

Water is a raw material! We will use it in a more efficient way;

Specific water consumption



Our Good Practices

Water Use efficiency

Water is our main raw materials, the only used in all our products. Water is also an essential resource in the process of washing our production lines and packaging, which ensures food safety.

We set forth the periodicity and frequency of the washing process, taking into account the production planning, always ensuring the parameters of quality and excellence of the end product.

Water Reuse

The reuse of clean water is a strategy that makes it possible to optimize the use of water. In 2022 in Tortosendo:

- All lines have been modified to work in close loop every time they are running on water;
- Increase the cooling temperature set point to reduce the water consumption.

Canada's Good Practices

In 2022 Frulact Canada had been expanded and the investment included:

- Chemical dosing unit to dilute the chemicals in the right amount of water;
- New floor scrub machine;
- 2 high pressure washer to clean fruit room and production area.

We also invested in promoting a behavior to promote water efficiency use that includes:

- Right cleaning procedures – first remove the solid waste and only after that apply water;
- Use more brooms and squeegees and less water to remove the waste.

Canada had registered a 11% reduction of specific water consumption from 2021 to 2022.



Nature.

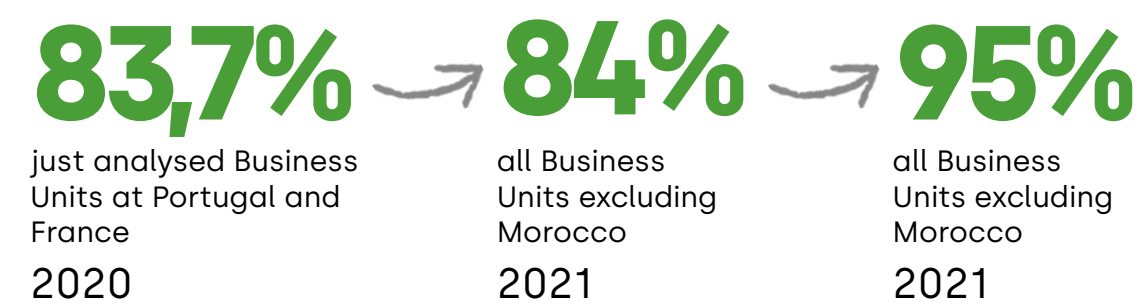
MATERIAL TOPIC - 5
Environmental Management

We will get 100% of our waste reincorporated through circular economy

Our performance



% waste valued through value circular Economy



Our Good Practices

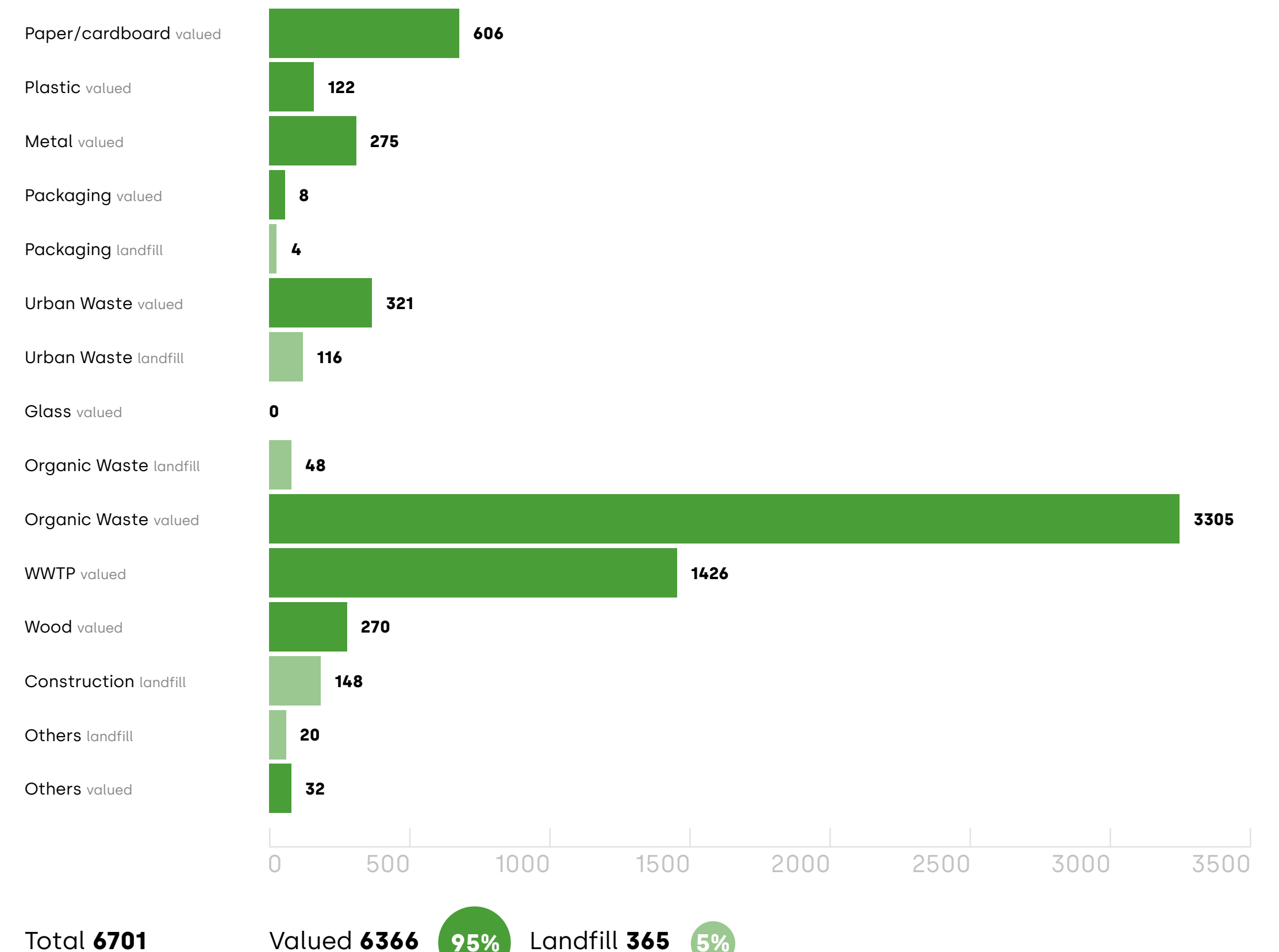
Circular Economy

Frulact has an environmental management system (EMS) included in its integrated management system, having said system certified in the Portugal units (Maia, Ferro and Tortosendo) since 2013 and is certified against ISO 14001.

Our waste recovery is mostly done by external partners and one of our main challenges in waste management steel be to identify the partners that are aligned with our values and use technology to recover.

Maia is the first Business Unit with 100% of Waste recovered through Circular Economy

Waste generated



Nature.

MATERIAL TOPIC - 5
Environmental Management

Our Projects

Climate risk analysis

In 2021, With Ardian's support, we undertook a Climate risk assessment.

Regarding our business units, we had identified the following main risks for the period 2030 | 2050

- Portugal (2 manufacturing sites) - Heatwaves and increase of averages temperatures (2030| 2050);
- Morocco (2 manufacturing sites) - Water scarcity and Flood Risks;
- South Africa (1 site) - Water scarcity and increase of averages temperatures.

This also highlighted the need to integrate climate risks into the planning for potential new plants under consideration in North America.

Frulact has assessed physical climate risks at several potential sites and narrowed it search to 2.

Water and electricity control

We believe that a continuous monitorization of key indicators is the best option to analyze energy and electricity consumptions allowing to easily detect deviations and anomalies. We are reinforcing water meters in critical points in our Business Unit and we do a daily consumption registration. At Maia this registration helped us to detect a subterraneous leakage during 2022. We also implemented an online and on time tool in Tortosendo's Business Unit. We are testing the tool to evaluate the impact before we implement in other Business Units. During 2023 we will implement some new meters in critical points South Africa.

Water and electricity control

Included on the expansion Project of Tortosendo's Business Unit in the end of 2022 we had implemented a Cabinet Washer. It is an equipment that will allow to wash and clean support tools and will substitute a wash under running water.

Animal feed

In most of our units we value our organic waste to produce energy or fertilizers, but we recognize our organic waste have a nutritional value we would like to find new ways to value it.

In 2021 in Portugal we had started a process to incorporate into animal feed. The legal process in Tortosendo had just finished in the end of 2022 and we are looking for agriculture partners to implement the new solution. In Maia we are still in the process of obtaining authorization.

When we integrate Frulact Switzerland the organic waste was already used for animal Feed.



Nature.

MATERIAL TOPIC - 5
Environmental Management

Our Projects

Microbiological Analyses | Waste reduction

Since September 2022 we have been testing a new microbiology procedure to reduce our waste:

We reduce the number of duplicate analyses that have the following impact:

- **50% reduction of petri dishes (-3.500Kg);**
- **50% reduction culture medium (-5.000L).**

All changes in microbiology procedures changes are previous validated to guarantee the good practices of Food Safety.

Upcycled foods use ingredients that otherwise would not have gone to human consumption, are procured and produced using verifiable supply chains, and have a positive impact on the environment. In our RDI strategy axis we included "Circular Food System: to develop sustainable ingredients solutions and valorize food products". From the plant-based process which we use to produce oatvita results a byproduct with significant nutritional value – specially with high levels of fiber and protein. The plant based process we use to produce

oatvita as a byproduct with significant nutritional value – specially with high levels of fiber and protein. We had identified some products in the market with the same origin. We had defined 3 projects to value this byproducts:

- FruUP - reuse and valorize Frulact and Oatvita byproducts:
In 2022, two scientific posters resulted from the partnership with Colab4Food:

- Drying - to obtain a dry oat flour high in protein and fiber;
- cLabel+ - to develop a sweetener.



Nature.

MATERIAL TOPIC - 5
Environmental Management

The challenges of the Sustainable Development Goals

2021/2022



Implemented technology to monitor water consumption and define action plans.
Invested in technology to improve our wastewater treatment unit in Tortosendo.

2023/2024

Keep reduction rate of 2,0% of specific water consumption.
Investment in technology:

- To improve equipment efficiency;
- To keep the monthly monitoring of water consumption.



Implemented an Electric Car Fleet Police.

Invest in renewable energy:

- Solar photovoltaic units in Portugal, France, Morocco and South Africa;
- Define goals to reduce CO2 emissions scope 1, 2 and 3;
- Accomplish renewable energy technology.

Nature.

MATERIAL TOPIC - 5
Environmental Management

The challenges of the Sustainable Development Goals

2021/2022



Monthly monitorization of waste treatment in all business units except in Morocco.

2023/2024

Work in partnership with waste treatment suppliers to guarantee the identification of better valorization solutions specially in Canada and Morocco.



Started a plan of Gap Analysis to promote EMS implementation in all Business Units.

Implemented the composting of Oatvita byproduct.

Environmental KPI's defined and monitored in all business Units.

Implement EMS at all Business Units until 2026.

Identify new solutions to value byproducts, specially the ones that have nutritional value.

Definition of environmental goals to reduce our global impact

Partnerships.

Transparency Builds trust.

We started supported in an **“Innovating Together”** strategy.

Since the first day we work together with our partners to obtain a greater impact. Therefore, we want to include our partners in our Value Chain for Sustainability.

In our Sustainability approach, all our Stakeholders are possible partners for a greater impact.



Partnerships for a more sustainable business 35



Partnerships.

Transparency builds trust

Our Approach

It is part of our Sustainability strategy to value our partners, so that we continue to work for a common good. We establish partnerships that allow us to create valued ingredients without compromising our ability to respond to the needs of future generations. We promote our employees recognize we need the trust of our stakeholders to obtain the best results: the promotion and management of trust relationships is not seen as an individual activity, but rather a direct link to all other activities in the value chain.

We favor transparency in the relationship with Stakeholders:

- We identify key Stakeholders and common material topics;
- We outline common strategies for value creation;
- We monitor the impact of partnership management on the company.



Partnerships.

Transparency builds trust

RDI Partnerships

Frulact promotes the establishment of partnerships with all stakeholders, namely:

- **Technology suppliers:** promoting the development of technology oriented towards Frulact's needs and in order to guarantee more effective responses to the needs of Stakeholders;
- **Higher Education Institutions:** promoting curricular internships and participating in Research, Development and Innovation projects;
- **Business associations:** participating in intercompany training actions and actions to share good practices;
- **Food sector companies:** participating in cooperation, namely in circular economy projects.

Our *Good Practices*



Colab4food

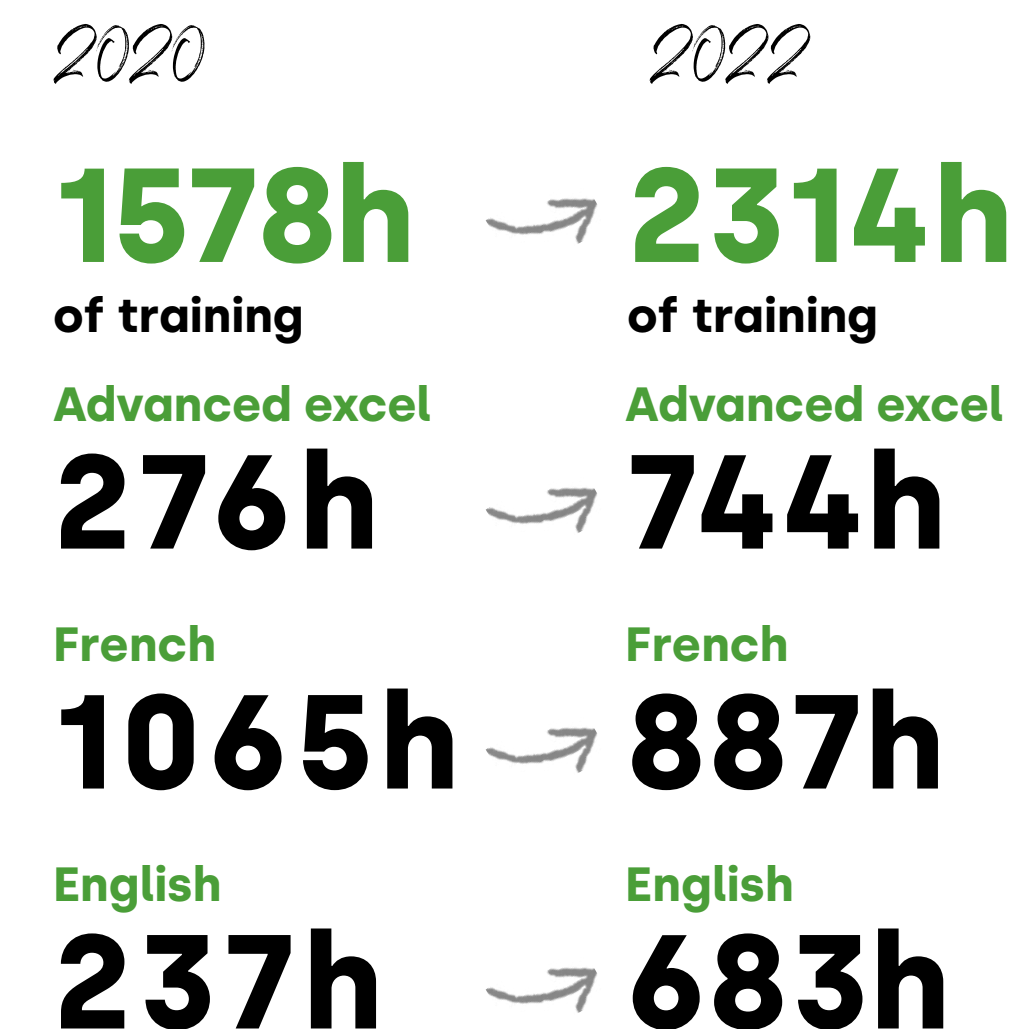
Frulact is a founding partner of the collaborative laboratory for Research & Development in the food sector with the goal of increasing its competitiveness through a collaborative strategy between academic and business circles, being a catalyst in the process of developing new products and technologies for the food industry.



FrUPeople Partnership – IEFP

The Instituto de Emprego e Formação Profissional (IEFP) has the mission of promoting the creation and quality of employment and combating unemployment, through the implementation of active employment policies, namely vocational training. Since 2019 Frulact has benefited from the partnership with the IEFP to attract talent, promoting integration through the program of professional internships that are then integrated, promoting young professionals employability.

Since 2019 and 2020, Frulact established a partnership with the IEFP that allowed Frulact employees to have access to the following training: languages: English and French; Advanced Excel Until 2022 we realized IEFP's training in e-learning with synchronous sessions creating classes with collaborators from different Business units. It also promotes the inter-departmental contact.



Partnerships.
Transparency builds trust

The challenges of the Sustainable Development Goals

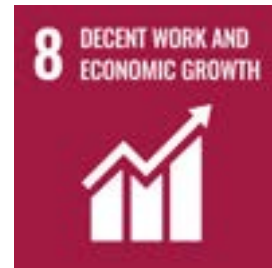
2021/2022

2023/2024



RDI Partnerships.

RDI Partnerships.



Review our internship program.



Integration Project in all business Units, especially the new ones: German and Switzerland.
Definition and monitorization of Global Sustainability KPIs.

Review our internship program.

To be analyzed the participation in associations.

IEFP.



FrUPeople.

Our driving force.

Focus to “Foster People Development” People.

FrUPeople team had invested in reviewing the procedures to recognize the value of our People.

We worked to align all employees with our values and requests to guarantee the higher impact of our activity all over our Value Chain – from procurement until final consumers satisfaction.

We value the Diversity of our People. We work to create a good working environment that promotes the inclusion and well-being of each one of our collaborators. Their singularities allow us to leverage our impact.



Focus on employee development 39

Promote a good working environment and the well-being of employees 43



FrUPeople.

MATERIAL TOPIC - 1

Focus on employee development

Our Approach

Promote talent in the workplace, through a space of dialogue between managers and employees.



Our FrUPeople Team had been working on reviewing our procedures to prepare our employees for the future challenges:

Align our People with our values

In 2022 we had:

Reviewed our Code of Ethic and Conduct that:

- Clearly identifying Frulact's commitments and what is expected of its employees;
- Using language that is easy for everyone to understand;
- Promoting training for all employees.

Reviewed our Onboarding process, turning it similar in all geographies, for all employees from temporary workers to Global Managers, that includes:

- An obliged global training during the first day covering: "Code of Ethics and Conduct", "Quality and Food Safety"; "Environmental" and "Health and Safety";
- Follow up meetings after 1 and 6 months to monitor employees' integration;
- **Promoted new geographies integration with our values, including their singularities.**
- Integration of the technologies systems to keep Business Units working since the first day;
- Key employees as trainers.

Promote Personal Development

Reviewed the organizational System.

Now we have job designations and responsibilities transversal defined to all geographies. That facilitates interaction and sharing between Business Units.

Uniformization of performance management system based on new criteria that are easier for all to understand.

Implemented a new platform and promoting at least 2 meetings between the employee and his/her leader. That allows employees to understand their evolution and alignment with Frulact's strategy.

Align training strategy with Personal.

Development to guarantee employees have the tools necessary to anticipate future challenges.

FrUPeople.

MATERIAL TOPIC - 1

Focus on employee development

Our *Good Practices*

Frulact Academy



606 → 1.031
2021 → 2022

1.592,5h	Corporate School Our values and Principles (Onboarding)
1307h	Management School Management Principles
436h	Sustainability School Sustainability Principles
23.605,85h	Technical School Specific technical Principles

Sustainability KPIs included on Performance Management System

To guarantee Sustainability awareness all over Frulact we had integrated Sustainability linked Loan KPIs to integrate the bonus priced associated with Performance Management System.

Frulact Academy

Frulact Academy was created in 2020 to provide the employees with the skills they need to perform at the highest level by sharing internal and external knowledge and establishing strategic partnerships.

We organized it with the following schools, aligned with Frulact's Values and Principles. We highlight the Sustainability School that we created in 2022 to create awareness about sustainability.

FRULACT "MARIUS PUTTER SCHOLARSHIP"

Marius Putter was Frulact's South Africa Maintenance Responsible.

He has perfectly embodied our value of sharing knowledge and empowering those who worked with him. In 2022 Frulact shared that we created Marius Putter Scholarship to grant studies for a future talent.

We are working with Artisan Training Foundation.



FrUPeople.

MATERIAL TOPIC - 1

Focus on employee development

E-learning hours



1.950 4.929,5
2020 2022

Our Projects

E-learning Platforms

Since 2020 we clearly understand that e-learning Platforms allow us: On average, performance of these KPIs affect 2% of the bonus for employees and 10% for Top Management.

- To guarantee the same training contents to all employees;
- To promote the same training in different geographies at the same time.

Frulact invested in 2 e-learning platforms:



Axa Climate School

An international training platform developed by specialists to enable companies to upskill and engage all employees to succeed in the sustainable transition.



Easygenerator

This platform allows us to develop our own contents and to keep them available in all Business Units. We use it to create the contents for:

- Onboarding – that is the training that all new employees in all geographies need to do before start working with Frulact;
- New Code of Conduct and Ethic – training developed to disseminate the new version of the Code that is now included in onboarding training program.



FrUPeople.

MATERIAL TOPIC - 1
Focus on employee development

The challenges of the Sustainable Development Goals



2021/2022

Increase employee support towards pursuing higher education:
1 employee integrated in a Doctoral program.

Extend training opportunities to all employees.
606 ↗ 1031

Increase the number of hours of professional training mainly in developing countries where we are present, Morocco and South Africa.

Morocco
172h ↗ 1120,5h
2020 2022

South Africa
2212h ↗ 1649h
2020 2022

2023/2024

1 employee integrated with a Doctoral program finished with Frulact's Support.

Keep invest in training opportunities to all employees, specially associated with sustainability awareness.
Keep invest in training, specially associated with sustainability awareness.

FrUPeople.

MATERIAL TOPIC - 1

Promote a good working environment and the well-being of employees

We value the Diversity of our People.

Our *Approach*

Promote working conditions that favor the motivation and well-being of employees, strengthening individual responsibility and providing a greater ability to work as a team.

We work to create a good working environment that promotes the inclusion and well-being of each one of our collaborators. Their singularities allow us to leverage our impact.



FrUPeople.

MATERIAL TOPIC - 1

Promote a good working environment and the well-being of employees

Number of employees with Health Insurance

362 → **433**
2020 2022

Our *Good Practices*

Employee's Well Being

We invest on the wellbeing of our employees because it promotes their sense of belonging to Frulact's community.

Health

We keep invest on the health insurance to our employees, to give them the option to choose their health decisions.

Flexibility

Since 2019 we implemented some measures that promotes flexibility for our employees allowing everyone a healthy fulfilment of personal and professional goals.

In 2020-2022, in Central services, we tested the flexible schedule and 2 days at Homeoffice to all employees whose duties can be performed at home.

Access to advantages

We have established some partnerships with service suppliers to give to our employees the access to some advantages. We hope these partnerships give our employees the facility to access to some services and facilitates the process to choose a trusted suppliers. It includes partnerships for different kind of services:

- Financial entities;
- Health entities;
- Hotel services;
- Car services;
- Gymnasiums.



FrUPeople.

MATERIAL TOPIC - 1

Promote a good working environment and the well-being of employees

Our *Good Practices*

Health & Safety at Work

Frulact has practices of Health and Safety management at work, with rules applied at each production site and presentation of monthly indicators.

The Group defined roles and responsibilities regarding health and safety:

- Identification of a Health & Safety Coordinator, that reports directly to Global Head of Frupeople who ultimately reports to CEO;
- The Health & Safety Coordinator accompanies the Plant Units in all geographies and participates in the resolution of day-to-day problems in this area, together with local Frupeople and plant management.

Frulact has implemented several procedures and tools for accident investigation and communication in its various industrial units which include internal investigation reports, procedures for action, internal communications, accident-specific basic training annually.

Risk prevention plans are carried out internally, including legally required risk assessments, prevention plans, recording and investigation of incidents/accidents, and occupational safety.

We had created an onboarding Health & Safety e-learning training to promote these principles in all Business Units. Now we ensure that no employee starts his activity without knowing the main risks associated with the performance of his function.

Training Hours in health & Safety



Accident Frequency

FrUPeople.

MATERIAL TOPIC - 1

Promote a good working environment and the well-being of employees

88%

Everyone is treated equally, regardless of their religion

86%

Everyone is treated equally, regardless of their sexual orientation

84%

Everyone is treated equally, regardless of having a disability

88%

Everyone is treated equally, regardless of their ethnicity

81%

Everyone is treated equally, regardless of their race

Our Projects

Diversity & inclusion analysis

Frulact always promoted the respect and inclusion of different singularities in our culture. All over the years, with our internationalization, we faced some challenges, but it also allows us to keep respected for the difference between our geographies.

In 2022 we promote a structured approach to Diversity & Inclusion we defined our COMMITMENT to include everyone and value the singularity of each of our employees. It will include:

- Monitor KPIs to analyze our Diversity and to promote the inclusion of everyone;
- Promote Training to guarantee the respect of everyone whenever they have contact with anyone who represents Frulact;

- Promote a recruitment approach that will allow us to guarantee we keep our team diverse and benefit from their different singularities.

Cultural Inclusion

We recognize the value of the culture of each geography where we are! Frulact Group have been working to promote regional events related to local traditions. For example:

- Halloween in Canada;
- Lamb fest in Morocco;
- St. Martin's in Portugal;
- Summer fest in Germany.



FrUPeople.

MATERIAL TOPIC - 1

Promote a good working environment and the well-being of employees



The challenges of the Sustainable Development Goals

2021/2022

Flexibility and homeoffice extension to Central Services support activities.

Simplify Performance Evaluation System:

- Implementation of a new platform;
- Inclusion of sustainability KPIs to all employees.

Invest on the establishment of partnerships and benefits for employees: Water and coffee in Portuguese Business Units.

2023/2024

1 employee integrated with a Doctoral program finished with Frulact's Support.

Invest on establishment of partnerships and benefits for employees: Include health insurance in Morocco.

Innovation.

Adding Value.

Innovation is Frulact's most nurtured competitive and sustainable advantage.

To create better food for today and tomorrow, we look at the future with ambition and always make sure we place Innovation at the very heart of everything we do.



Research, Development & Innovation 49



Innovation.

MATERIAL TOPIC - 2
Research, Development & Innovation

Offer Natural & Healthier ingredients

Our *Approach*

Working innovation throughout the value chain, from the field to the consumer, increasing knowledge and identifying opportunities to improve products and processes.

In 2021 we defined a Sustainable Priority that can measure our impact in production of offer Natural & Healthier Ingredients:

We will increase the production of Clean Label ingredients – monitored by Clean Label Sales.

It is through Research, Development an Innovation, that Frulact produces knowledge to guarantee:

- Natural, healthier and new experiences: Improve portfolio with healthier and high nutritional products. Provide new experiences to consumers;

- Preserve and enhance quality and properties of the ingredients: New or improved processes to increase product quality
- New markets for existing capabilities: Search for new markets for Frulact's area of competence;
- Circular Food System: Develop sustainable ingredients solutions and valorize food products.



Innovation.

MATERIAL TOPIC - 2
**Research,
Development
& Innovation**



Our *Approach*

Clean Label Definition

There is no global regulation on natural claim or clean label and Food additives regulation differ greatly from region to region.

Frulact's RDI and Business development Teams defined Clean Label Food Product: "a product that uses ingredients recognized and accepted by consumers"

It follows 2 principles to create the guidelines:

- No chemical modifications on the ingredients;
- Not misleading the consumers;



Innovation.

MATERIAL TOPIC - 2
**Research,
Development
& Innovation**

Our *Good Practices*

RDI Portfolio

Frulact have a Portfolio Manager Matrix organizing projects on Frulact's Strategy Priorities and classifying based on Technology Readiness Level – TRL. TRL is an international type of measurement system used to assess the maturity level of a particular technology.

We classify our projects if they are in:

TRL 1

IDEA

**Project and
objective definition**

TRL 2

POC

**Proof of concept
Labs Scale**

TRL 3

POP

**Proof of Performance
Industrial Scale**

TRL 4

FINAL APPLICATION

**Industrial Test
on Final application**

The RDI Portfolio Matrix allows us to communicate the state of our projects with our internal and external stakeholders.

Innovation.

MATERIAL TOPIC - 2
Research, Development & Innovation

Our Projects

c-label+ TRL2

The CLabel+ (innovative, natural and nutritional food) project is developed with 20 partner entities. It aimed to develop processes and products that are perceived by consumers as natural ingredients, reducing the number of additives and meeting consumer expectations through the physical, chemical, and nutritional properties of the products. Frulact is actively involved in the development of clean label solutions with sugar reduction and sweetness shaping, especially by adding value to by-products from the agri-food industry. We are business leaders of PPS2:

- We identified and developed two raw materials capable of partially or completely replacing sugar incorporated in fruit preparations, biscuits and sauces;
- Raw materials: a hydrolyzate manufactured from a co-product of oat processing by the company Oatvita; a hydrolyzate made from waste from yacon agricultural production;
- Despite the positive outcomes of the project, it remains far from being ready for the market.

Co-financed by:



Kokumi TRL2

The project aimed to promote **SUGAR REDUCTION**, and guarantee round, balanced taste experience and improved mouthfeel in products with low/ no added sugar. We Increased level of fibers to compensate the mouthfeel - only from natural sources of ingredients and natural processes.

Veggie fiber TRL4

Clean Label: Replace all stabilizers in fruit & vegetables preparations by vegetable fibers with texturizing properties. The use of specific equipment makes it possible to promote the functionalization of fiber sources and potentialize their nature benefits, allowing us to work on all types of preparations and applications.

Back 2 basics TRL4

Clean Label: development of products containing only two ingredients - fruit and sugar - where the fruit pieces are stabilized using technological processes which avoid the use of stabilizing agents.



Innovation.

MATERIAL TOPIC - 2

Research, Development & Innovation

Our Projects

Preserve and enhance quality and properties of the ingredients

Cerealact TRL3

Develop a new range of products that guarantees a **FULL CEREAL EXPERIENCE** for Breakfast or Snacking proposal such as Yogurt with cereals and Non-dairy Porridge. Using technological processes and Frulact's know-how it was possible to develop a stable product with high amount of cereals.

HPP (High Pressure Processing) TRL4

Technology HPP (High Pressure Processing), also known as "high pressure" and "cold press", is based on the application of high cold pressures on products. This technology seeks to be an alternative to conventional heat treatment contributing to the preservation of the "fresh like" characteristics of fruits and vegetables, especially in what concerns their color and flavor.

Enrobee II TRL4

The project answer to a long-standing problem in the food industry, where the incorporation of the food components with low water activity (ex. cereals) in hydrophilic matrices has only been possible by using two-compartment packages. A new coated solution was developed to allow the incorporation of cereals into fruit preparations and dairy matrices, minimizing the loss of textural properties and ensuring a better preservation of the products over their shelf-life

New markets for existing capabilities

Fat bases TRL4

Specific fat-based formulations to keep crunchiness of the inclusions. No need of pasteurization.

Circular Food System

Fru UP TRL4

Reduce organic waste
Valorize our byproducts into new ingredient.
Upcycle byproducts and develop a range of products with upcycled ingredients: fruit powders; Protein and fibers.

(please find this information in the WATER and ELETRICITY CONTROL section above).



Innovation.

MATERIAL TOPIC - 2
**Research,
Development
& Innovation**

The challenges of the *Sustainable Development Goals*

2021/2022

2023/2024



Contribute to reduce malnutrition: Promotion of projects to develop Health and Nutrition ingredients.

Disseminate projects results in the market.



Definition of Clean Label.

Increase Clean Label sales.

Our Markets and Products.

Challenge the future.

We add value to raw materials through innovative and efficient processing methodologies, as well as betting on trends and anticipating consumers' needs.

Therefore, boosted by the markets, in a clear orientation to serve our customers and consumers, we are positioned in the design, industrialization and commercialization of innovative and added-value ingredients for the Food and Beverage Industries.



Promote quality and food safety 56



Our Markets and Products.

MATERIAL TOPIC - 3

Promote quality and food safety

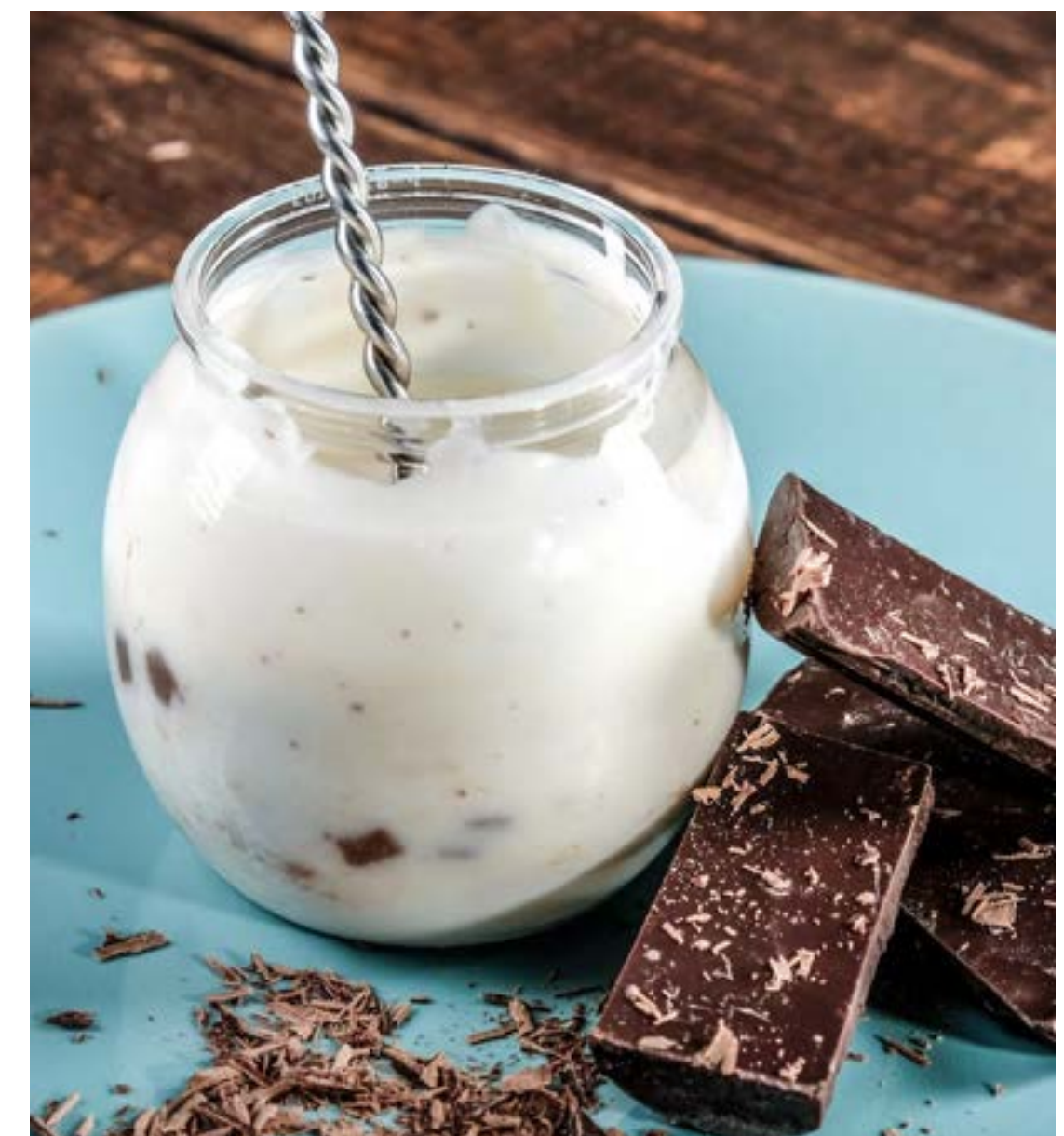
Food Safety is the main focus of Frulact.

Our *Approach*

Set as a clear and non-negotiable goal to ensure the Food Safety and elevate the Quality standards in all processes and products of the Frulact Group.

We promote a Quality and Food Safety Culture:

- Supported by a commitment of the company but also of each of our employees;
- Based on continuous improvement work, including a look for solutions that always improve our impact;
- Promoted by a communication that sensitize all employees about their role to guarantee the Quality and food Safety of our products.



Our Markets and Products.

MATERIAL TOPIC - 3

Promote quality and food safety

Training hours in Quality and food safety

2.401h

2022

Our *Good Practices*

Training

We have promoted the sharing of good practices of Quality and Food Safety since the first day. Nowadays any employee can't start work at Frulact without an onboarding training that approaches our Quality and Food Safety strategy our good practices, the critical points.

Every year we make a review in a Global Training about Quality and Food Safety. It is promoted by each Business Unit oriented according with each specific results. We also promote training:

- To sensibelize for changes needed after a critical situation such as a non-conformity or a complaint;
- In loco to guarantee that everyone knows the critical points during the process.

Quality minutes

A periodic newsletter, which reminds all employees about their responsibility in complying with the procedures that ensure the quality and food safety of Frulact products.

"Do it right" Box

A communication channel, completely confidential, that allows all employees to share behaviors/procedures/practices that put at risk the Food Safety and Quality of our products and consequently of the consumers.

Daily Meetings

In each Industrial Unit the Management team have a daily Meeting where they discuss different themes including the Quality and Food Safety situations.

Foreign bodies

Although in most cases foreign bodies do not present any risk in terms of food safety, they are perceived with displeasure by consumers. We created a team to analyze all foreign bodies detected and define solutions to prevent its presence or to ensure we are able to detect it before being sent to customers.

In the last 4 years, Frulact has reduced by 4% the Foreign Bodies Complaints Index, already including the incorporation of 2 new units in the Group.



Our Markets and Products.

MATERIAL TOPIC - 3

Promote quality and food safety

Our *Projects*

New platform for Suppliers

In the continuous search for improving the efficiency of our processes, Frulact has developed a dynamic platform for the homologation of Suppliers. This project aims to simplify the homologation process, allowing the Supplier to play a more active role.

New platform for Non-Conformities

Together with an external partner company, the software platform for managing nonconformities and document management was redesigned. In addition to the aesthetic revision, several improvements were implemented to comply with the newest quality requirements.

Research Projects in Microbiology

In partnership with higher education institutions and university laboratories, several projects have been developed in the area of microbiology. The objective is the creation of new technologies that allow the timely detection of microbiological issues in the finished product.



Our Markets and Products.

MATERIAL TOPIC - 3

Promote quality and food safety

The challenges of the *Sustainable Development Goals*



2021/2022

Improve the methodologies to guarantee the quality and food safety of our products to reduce product rejection and organic waste.

2023/2024

We invest in projects to increase Quality and food safety, and reducing chemical uses.



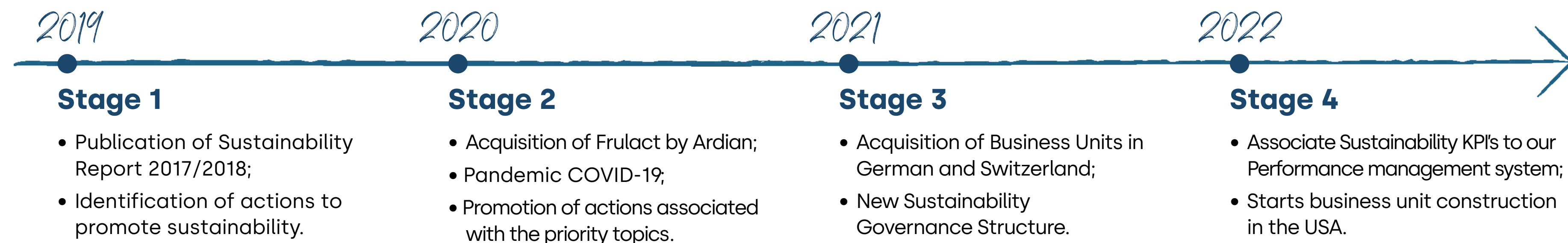
04.

Our
Report

Our Report

This report reports on the implementation of the strategic approach to promoting sustainability at *Frulact in 2021/2022*

Frulact presents the Sustainability Report for the years 2019 and 2020.



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4475-150 Gemunde, Maia – Portugal
t. (+351) 229 287 910
E-mail: sustainability@frulact.com

This Sustainability Report is also available on the Frulact website at:
www.frulact.com/sustainability

The Sustainability Report 2021/2022 was prepared with reference to GRI (Global Reporting Initiative) Standards. Seeking to meet the needs and expectations of our stakeholders, the document addresses the most relevant sustainability issues at Frulact in chapter 03. Value Chain for Sustainability.

It should be noted that this report is a continuity report: based on the Materiality analysis from 2018 but taking into account

the analysis of the Context and Sustainability Environment, and consultation with stakeholders during the last years. The indicators presented result, whenever possible, from the consolidated activity of the Frulact Group: Portugal, South Africa, Canada, France and Morocco. In 2022, we monitor the indicators of Germany and Switzerland, but they were not integrated to be comparable with those of 2021. They were monitored so that we could set targets for 2023. For a more detailed analysis of the

indicators by geographical area, please refer to the GRI Table at the end of this document. Given the significant changes in the Frulact Group's environment in recent years, Frulact is committed to carrying out a review of stakeholder consultation and to reviewing its strategy during the year 2023.

In this regard we would like you to share with us your opinion and suggestions on how we can contribute to a better future in our value chain, through the following contacts.

GRI Table

General Contents

GRI	Location
2 General Disclosures	
THE ORGANIZATION AND ITS REPORTING PRACTICES	
2-1 Organizational details	
<p>Frulact's Group FRULACT SERVIÇOS PARTILHADOS, S.A. FRULACT - INDÚSTRIA AGRO-ALIMENTAR, S.A. BEIRAFROST - TRANSFORMAÇÃO DE FRUTA, S.A. FRUSENSES - INDÚSTRIA E COMÉRCIO DE AROMAS, LDA 5SENSESINFOOD, S.A. FRULACT MAROC - PRODUIT AGRO-ALIMENTAIRES S.A.R.L INNOVAFRUIT S.A.R.L FRULACT FRANCE, SOCIÉTÉ PAR ACTIONS SIMPLIFIÉE (SAS) FRULACT SOUTH AFRICA PTY (LTD.) FRULACT CANADA INC FRULACT GERMANY GMBH FRULACT SWITZERLAND AG FRULACT USA LLC</p>	
<p>Rua do Outeiro, 589 4475-150 Gemunde Maia</p>	

GRI Table

General Contents

GRI	Location
2-1 Organizational details	
Portugal	
Maia	<ul style="list-style-type: none"> • Frulact (headquarters) • Frutech (RDI center) • Frusenses (Flavours) • 5ensesinfood (plant based ingredients)
Ferro	<ul style="list-style-type: none"> • Ferro Frulact (1st Transformation)
Tortosendo	<ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables)
South Africa	
Pretória	<ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables)
Canada	
Kingston	<ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables)
France	
Apt	<ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables)
Morocco	
Larache	<ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables) • Frulact (1st Transformation)

Frulact in numbers
Our Market & products

GRI Table

General Contents

GRI	Location
<p>2-1 Organizational details</p>	
<p>Germany</p>	
<p>Emmerich</p> <ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables) 	<p>Frulact in numbers Our Market & products</p>
<p>Switzerland</p>	
<p>Reinach</p> <ul style="list-style-type: none"> • Frulact (stabilized ingredients based on fruits & vegetables) 	
<p>More info at https://frulact.com/contacts/</p>	

GRI Table

General Contents

GRI	Location
<p>2-1 Organizational details</p> <p>Group of companies that include:</p> <ul style="list-style-type: none"> FRULACT SERVIÇOS PARTILHADOS, S.A. Sociedade Anónima FRULACT - INDÚSTRIA AGRO-ALIMENTAR, S.A. Public Limited Company BEIRAFROST - TRANSFORMAÇÃO DE FRUTA, S.A. Public Limited Company FRUSENSES - INDÚSTRIA E COMÉRCIO DE AROMAS, LDA Private limited by shares 5ENSESINFOOD, S.A. Public limited company FRULACT MAROC - PRODUIT AGRO-ALIMENTAIRES S.A.R.L Limited liability company STE INNOVAFRUIT S.A.R.L Limited liability company FRULACT FRANCE, SOCIÉTÉ PAR ACTIONS SIMPLIFIÉE (SAS) Société par actions simplifiées FRULACT SOUTH AFRICA PTY (LTD.) Limited liability company FRULACT CANADA INC. Limited liability company FRULACT GERMANY GMBH - Limited liability company FRULACT SWITZERLAND AG - Limited liability company FRULACT USA LLC - limited liability company acting as a corporation 	<p>Frulact in numbers Our Market & products</p>

GRI Table

General Contents

GRI	Location
<p>2-2 Entities included in the organization's sustainability reporting</p>	
<p>The financial annual report for 2021 and 2022, which is yet to be released due to the certification of accounts, cover all the companies included in this report</p>	<p>Our Report</p>
<p>2-3 Reporting period, frequency and contact point</p>	
<p>1/01/2021 a 31/12/2022 Frulact will publish its sustainability report biannually</p>	<p>Our Report</p>
<p>2-4 Restatements of information</p>	
<p>2-5 External assurance</p>	
<p>Frulact did not request an external verification of its sustainability report</p>	<p>Our Report</p>

GRI Table

General Contents

GRI	Location
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ACTIVITIES AND WORKERS

2-6 Entities included in the organization's sustainability reporting

Frulact is a business group that positions itself as an innovative company focused on providing value-added ingredients for the food and beverage industry. Our business areas:

- Stabilized ingredients based on Fruits, Vegetables, Cereals and other specialities;
- Food Flavours;
- Plant Based Ingredients;
- RDI Services - Research, Development & Innovation.

More info at: <https://frulact.com/frulact/where-we-are>

Frulact in numbers
Our Markets and
Products

The Frulact Group has a global supply strategy that promotes the identification of the most sustainable option for each purchase, taking into account food quality and safety, as well as economic and social criteria. The process requires the acquisition of raw materials such as fruits and vegetables, cereals and other food ingredients, but also packaging, commodities and equipment, general and industrial services.

Acquisition of Business Units in German and Switzerland (2021)
Starts business unit construction in the USA (start scheduled for 2024)

GRI Table

General Contents

GRI	Location
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2-7 Employees

2-8 Information on Employees and Other Workers

Country	Gender	Number of permanent employees <small>(fixed-term contracts included)</small>	Number of temporary employees	Number of part-time employees/ internships	Total	2022
Portugal	Female	200	9	2	211	408
	Male	180	16	1	197	
France	Female	8	1	0	9	57
	Male	42	5	1	48	
Marocco	Female	32	0	0	32	101
	Male	57	0	2	59	
South Africa	Female	35	0	0	35	85
	Male	50	0	0	50	
Canada	Female	29	0	0	29	95
	Male	66	0	0	66	
Total	Female	304	10	2	316	736
	Male	395	21	4	420	

GRI Table

General Contents

GRI		Location
GOVERNANCE		
2-9	Governance structure and composition	Governance Our Commitment
2-10	Nomination and selection of the highest governance body	Governance Our Commitment
2-11	Chair of the highest governance body	Governance Our Commitment
2-12	Role of the highest governance body in overseeing the management of impacts	Governance Our Commitment
2-13	Delegation of responsibility for managing impacts	Governance Our Commitment
2-14	Role of the highest governance body in sustainability reporting	Governance Our Commitment
2-15	Conflicts of interest	Governance Our Commitment
2-16	Communication of critical concerns	Governance Our Commitment
2-17	Collective knowledge of the highest governance body	Governance Our Commitment
2-18	Evaluation of the performance of the highest governance body	Governance Our Commitment
2-19	Evaluation of the performance of the highest governance body	Governance Our Commitment

GRI Table

General Contents

GRI		Location
2-20	Process to determine remuneration	Governance Our Commitment
2-21	Annual total compensation ratio	Governance Our Commitment
STRATEGY, POLICIES AND PRACTICES		
2-22	Annual total compensation ratio	Governance Our Commitment
2-23	Policy commitments	
<p>The Rio Declaration - signed at the United Nations Conference on Environment and Development held in Rio de Janeiro in June 1992 - encourages countries to adopt a precautionary approach, in compliance with their context, but addressing the threats of serious or irreversible environmental damage. Such measures should not, however, represent an unacceptable financial effort and a cost-benefit analysis should therefore always be conducted. At Frulact, we follow this principle daily; environmental values are an integral and indispensable part of our decision making process.</p>		
<p>Frulact has established its environment according to the information on the page: https://frulact.com/people/frulactculture/ Standards and rules of conduct are outlined in the Code of Ethics and Conduct of Frulact.</p>		
2-24	Embedding policy commitments	Our Commitment

GRI Table

General Contents

GRI	Location
-----	----------

2-27 Compliance with laws and regulations

During the reporting period, there were no non-conformities related to legal non-compliance or that originated in any warning

2-28 Membership associations

Organisation	Type of participation (2017/18 biennium)
AEP - Portugal Business Association	Associated company participating in events organised by the association, whenever appropriate.
Ancipa - National Association of Traders and Food Industries	Associated company participating in events organised by the association, whenever appropriate.
Cordas Association	Contributes with offers, in kind or in goods, to the activity of the entity.
Luso-Moroccan Chamber of Commerce and Industry	Member of the Chamber participating in events organised by the Chamber, whenever appropriate.
Luso-South African Chamber of Commerce and Industry	Member of the Chamber participating in events organised by the Chamber, whenever appropriate.
Codipor - Portuguese Association of Identification and Codification of Products	Associated company participating in events organised by the association, whenever appropriate.



GRI Table

General Contents

GRI	Location
Cotec Portugal - Business Association for Innovation	It is a strategic participation by taking part in governing bodies and in projects and/or commissions.
CZPS - Centro Zulmira Pereira Simões	Contributes with offers, in kind or goods, for the activity of the entity.
APGEI - Portuguese Association of Management and Industrial Engineering	Associated company participating in events organised by the association, whenever appropriate.
Competitiveness Forum	Associated company, part of the Governing Bodies - Member of the Board of Directors.
PortugalFoods	It is a founding entity, as Frulact chaired the Board of Directors during the first triennium 2009-2011. Currently participates in projects and/or commissions within the scope of its duties as an Associate.

GRI Table

General Contents

GRI	Location
-----	----------

STAKEHOLDER ENGAGEMENT

2-29 Approach to stakeholder engagement

Governance
Our Commitment

Clients: Satisfaction surveys are conducted annually, assessing the degree of satisfaction of our clients regarding the performance of the areas and activities of Frulact.

2020	2021
96%	87,1%

Note: At the date of publication of the report we do not have information for 2022.

Employees: satisfaction surveys are conducted annually, which assess the degree of satisfaction of our employees in regards to the company's different areas of activity.

2020	2021	2022
74%	67%	60%

Suppliers: Supplier audits are conducted.

Note: In 2022, the questionnaire was carried out by an external company ("Great Place to Work"). Consequently, adjustments should be considered.

Communicating with Stakeholders
Partnerships

2-30 Collective bargaining agreements

Companies in Portugal, France and Canada have a collective labour agreement covering all the employees.

GRI Table

Specific Content

GRI	Location
-----	----------

302	Energy 2016
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302-1	Energy consumption within the organisation	2021 (kwh)	2022 (kwh)
	Total energy consumption by non-renewable (tep)	47 653 462	50 487 495
	Total energy consumption by renewable source (tep)	9 246 362	23 393 165
	Total consumption of energy purchased for consumption (tep)	56 216 380	73 260 358
	Total energy sold (tep)	50 501	35 328
	Total energy consumption within the organisation (tep)	56 899 825	73 880 659
	Energy intensity (Kgep/ton of Finished Product)	631	689

GRI Table

Specific Content

GRI	Location								
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302-3 Energy intensity

	Group	Tortosendo Plant	Beirafrost Plant	Maia	Apt Plant	Kingston Plant	Larache Plant	Larache Innova	ZA Plant
2021 kWh/ton	631	567	558	639	812	767	765		406
2022 kWh/ton	681	530	505	683	855	855	1041	608	522

303-5 Water consumption

SPECIFIC WATER CONSUMPTION m ³ /tonFP	TTS	Beirafrost	Maia	Apt	Kingston	Larache	Innova	South Africa	TOTAL
2021	3,52	1,94	4,24	4,20	3,26	4,11	4,11	2,64	3,48
2022	3,55	2,26	4,57*	3,99	2,89	3,66	2,96	2,95	3,41
reduction	-0,70%	-14,5%	-7,7%	6,7%	11,4%	11,1%	11,1%	-11,8%	2%

GRI Table

Specific Content

GRI	Location
-----	----------

306-3 Waste generated		
Paper/cardboard	valued	606
Plastic	valued	122
Metal	valued	275
Packaging	landfill	8
Packaging	landfill	4
Urban Waste	valued	321
Urban Waste	landfill	116
Glass	valued	0
Organic Waste	landfill	48
Organic Waste	valued	3 305
WWTP	valued	1 426
Wood	valued	270
Construction	valued	148
Others	landfill	20
Others	valued	32
TOTAL		6 701
Others	valued	6 366
Others	landfill	335

GRI Table

Specific Content

GRI	Location
-----	----------

306-4 % waste recovered

	TTS	Beirafrost	Maia	Apt Plant	Kingston	Silverston	Total
2021	69%	88%	99%	99%	85%	92%	89%
2022	61%	99%	100%	100%	80%	96%	95%

401 Employment 2016

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

KPI anual Bonus – PT, CA, MA, ZA	PT - permanent employees
Seniority Benefits - PT, FR, CA, MA, ZA	FR, CA – all employees
Flexible Schedule – PT (for non operational employees)	ZA – some employees
Health insurance PT, FR, CA, ZA	MA – No Health insurance available

GRI Table

Specific Content

GRI		Location				
404	Training and Education 2016					
404-1	Average hours of training per year per employee					
	<table border="1"> <thead> <tr> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>24h/employee</td> <td>24h/employee</td> </tr> </tbody> </table>	2021	2022	24h/employee	24h/employee	
2021	2022					
24h/employee	24h/employee					
404-3	Percentage of employees receiving regular performance and career development reviews					
	<table border="1"> <thead> <tr> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>66%</td> <td>68%</td> </tr> </tbody> </table>	2021	2022	66%	68%	
2021	2022					
66%	68%					
408	Child Labor 2016					
408-1	Operations and suppliers at significant risk for incidents of child labor	Nature Sustainable Agriculture				
409	Forced or Compulsory Labor 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Nature Sustainable Agriculture				

GRI Table

Specific Content

GRI	Location												
416	Customer Health and Safety 2016												
416-1	Assessment of the health and safety impacts of product and service categories												
	<table border="1"> <thead> <tr> <th></th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>N° of categories of products and services provided by the company</td> <td>5</td> <td>5</td> </tr> <tr> <td>N° of categories of products and services in which health and safety impacts are assessed</td> <td>5</td> <td>5</td> </tr> <tr> <td>% of categories of products and services in which health and safety impacts are assessed</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>		2021	2022	N° of categories of products and services provided by the company	5	5	N° of categories of products and services in which health and safety impacts are assessed	5	5	% of categories of products and services in which health and safety impacts are assessed	100%	100%
	2021	2022											
N° of categories of products and services provided by the company	5	5											
N° of categories of products and services in which health and safety impacts are assessed	5	5											
% of categories of products and services in which health and safety impacts are assessed	100%	100%											
	Note: Since all products are food-related, a risk analysis is always conducted from a food safety point of view.												
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services												
	During the reporting period, there were no non-conformities related to legal non-compliance or that originated in any warning.												



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