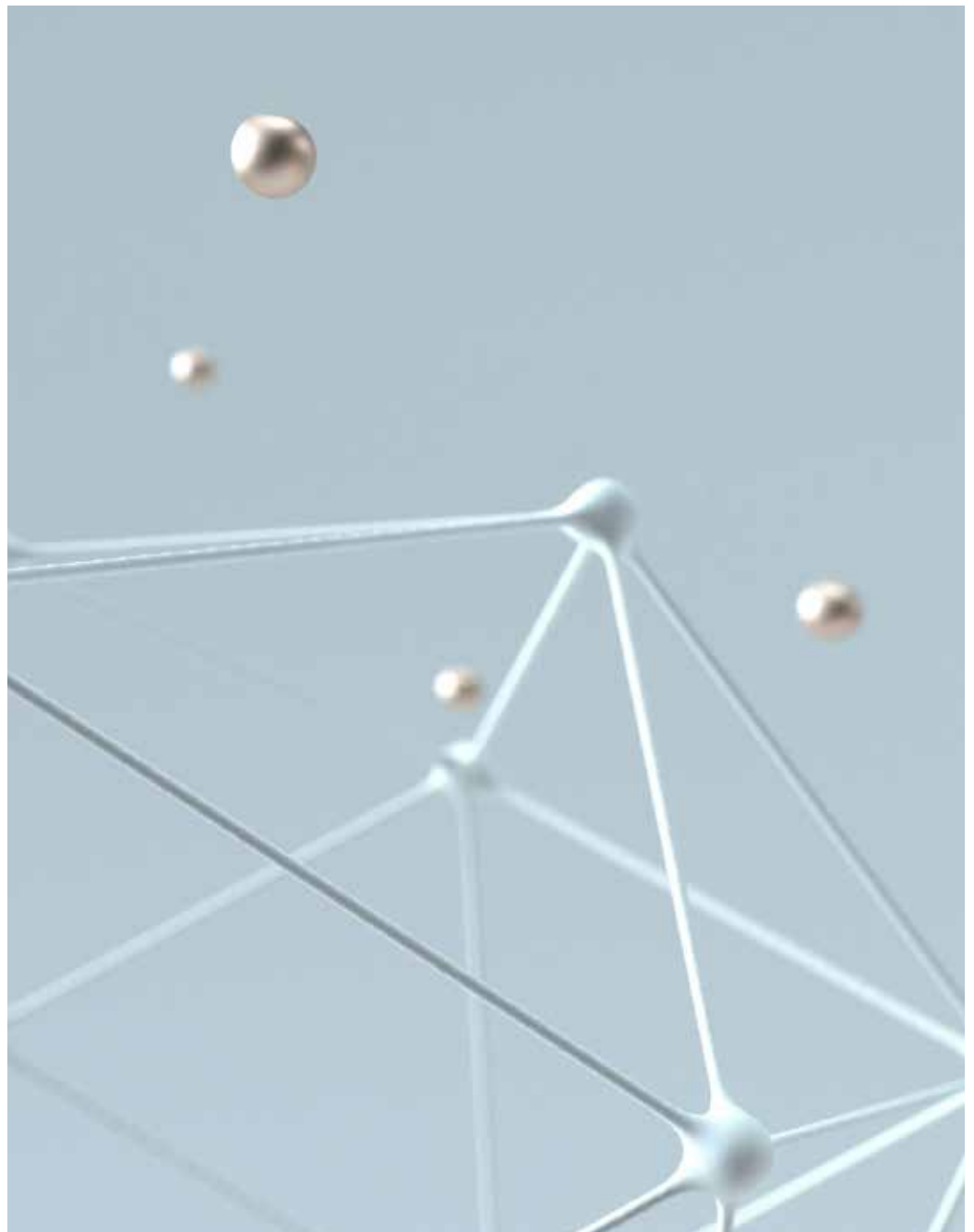


# designing value



# 01

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**DESIGNING VALUE  
PRODUCT**

Foreword:  
Driving  
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**DESIGNING VALUE  
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**DESIGNING VALUE  
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# Executive Summary

## 1. Foreword: Driving Progress in Chemistry

Lamberti's commitment to innovation and sustainability drives our mission of "Designing new values in Chemistry." We consistently measure key performance indicators to track our progress and set ambitious targets for enhancing our product portfolio. We engage proactively with suppliers to assess supply chain impacts and have launched a project to calculate the carbon footprint of most of our products. These efforts reflect our dedication to making a positive impact on the planet and people, while improving our market positioning.



## 2. Leading with Sustainability: A Statement from Patrick Balletto

Lamberti's 2023 Sustainability Report highlights our progress and future plans in integrating sustainability into core processes like product development and sourcing policies. Our digital "Smart Manufacturing" project aims to optimize resource and energy use. Thanks to the dedication of our employees, we are steadily advancing towards our sustainability goals, and we emphasise the importance of collaboration with partners, suppliers, and customers in this ongoing journey.

## 3. Lamberti at a glance: Innovating Chemistry for a Better Future

Lamberti develops innovative ingredients for diverse markets including Energy Solutions, Agriculture, Surface Treatment, Ceramics, Personal Care, and Natural Polymers. We are committed to a sustainable supply chain, sourcing materials and services from like-minded suppliers. Our approach involves regular sustainability reviews through third-party evaluations or on-site audits, ensuring we deliver sustainable solutions across various sectors.

## 4. Empowering People: Lamberti's Commitment to Its Workforce

Lamberti nurtures a culture of responsibility and growth, empowering employees to drive sustainability and innovation. Our commitment to health and safety is evident in our stringent occupational health standards and integrated management systems. We also foster inclusivity and equal opportunities, ensuring all employees can thrive.

## 5. Planet Commitment: Reducing Our Environmental Impact

Recognising the urgency of the climate crisis, Lamberti has taken bold steps to reduce our environmental impact. In 2023, we continued our energy reduction plan, upgraded engines, and improved energy efficiency across key sites. We expanded ISO certifications and set ambitious decarbonisation goals. Our efforts in emission tracking, energy diversification, and waste management highlight our commitment to a sustainable future.

## " Nourishing respectful science and good chemistry "

## 6. Product Sustainability and Innovation

Innovation and sustainability are core to Lamberti's mission. We focus on reducing fossil raw materials and aligning new products with the EU Chemical Strategy. Our investment in R&D has yielded significant returns, with increased patent-driven sales and a growing percentage of turnover from new products. We ensure comprehensive product information and safety through rigorous compliance and regular updates.



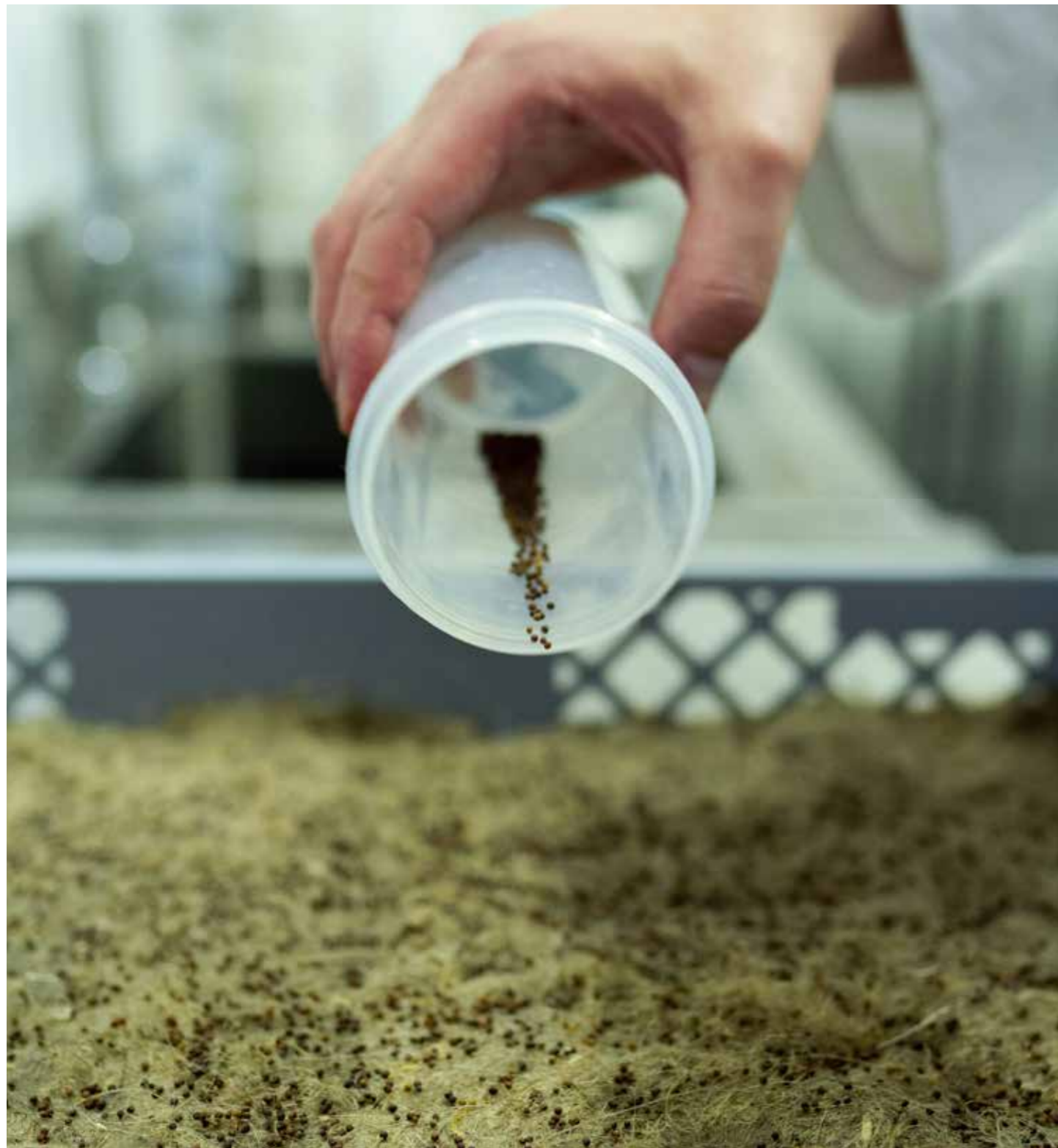
## 7. Strong Governance and Ethical Commitment at Lamberti S.p.A.

Lamberti exemplifies corporate integrity with a robust governance system and a strong ethical commitment. Our Code of Ethics, approved by the Board of Directors and translated into nine languages, guides our conduct. The Sustainability Steering Committee (SSC), chaired by the Head of Group's Sustainability, manages our sustainability strategy and ensures impactful decisions. Our governance mechanisms integrate responsible practices into every strategic decision, driving us towards a positive and sustainable future.

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# Foreword: Driving Progress in Chemistry

Ambitious targets to enhance our product portfolio, positively impacting the planet and people.



As a scientific company, we are required to constantly measure and provide evidence of the performances of our products in order to succeed in the markets where we operate. We have applied the same framework to sustainability, where we consistently measure our metrics and KPIs to track our progress towards making a positive impact. Our purpose, “Designing new values in Chemistry,” drives us to continuously improve our product portfolio, positively affecting the planet and people.

We have set ambitious targets and proactively engage with suppliers to assess supply chain impacts. Additionally, we have launched a project to calculate the carbon footprint of most of our products. These actions reflect Lamberti’s dedication to sustainability, aiming to achieve our targets and improve market positioning.

“We are committed to leading change by drastically reducing our reliance on non-renewable raw materials. Through strategic investments in low-impact, upcycled, and recyclable materials, we are designing a new generation of products that align with our world’s evolving needs. Our vision is clear: to create products that embody both beauty and sustainability, paving the way for a better future.”

# Committments for the future

## Our journey so far

Our 2023 Sustainability Report represent an important milestone of our journey and is a good opportunity to look back on what we have achieved so far.

If we look back at 2020, we we committed to fourteen sustainability targets connected to various SDGs that involved different materiality impact areas of our Group<sup>(1)</sup>. Most of these targets were expected to be achieved by 2023 and thanks to an extensive and continuous effort of the entire Group, we were able to achieve thirteen out of the fourteen targets we committed to. There is still one area we need to work on: waste reduction.

The achievement of these targets shows the strong commitment of Lamberti towards its sustainability journey and the constant progress we have been able to make in the past four years. More importantly, achieving these targets allowed us to have a positive impact on the Planet, the community and our customers, thanks to constant innovation in our products.

As sustainability is an ongoing journey, we are now ready commit to new, more ambitious and challenging targets for the coming years. As we are determined to continue having a positive impact on the planet and our communities through our products, we have identified three areas that we consider particularly crucial:

- Sustainable Supply Chain: assess the impact of our upstream value chain through a rigorous and structured approach
- Decarbonization plan to further reduce and minimize our impact on the Planet
- Positive impact in our downstream value chain providing our customers with an extensive set of data on the product we supply

<sup>(1)</sup>Please see last year's Sustainability Report for the full list of targets

## Our ratings

While we are mostly focused on having a positive impact on our stakeholders, we also consider external ratings such as EcoVadis and CDP as valuable tools to progress in our sustainability journey.



## The road ahead

PLANET	Develop a roadmap for calculating Scope 3 emissions, including the definition and prioritisation of relevant categories.	By 2025	
	Start and implement a <b>three year decarbonization plan</b> for Scope 1 and Scope 2 for the main Italian plants		
PRODUCT	<b>Automation of the PCF calculation</b> for most of our product portfolio and implementation of a Product Sustainability Platform (PSP)	By 2025	
PRODUCT /PLANET	Define the strategy and KPIs to measure our supply chain performance in terms of sustainability	By 2025	
PEOPLE	The HR team is developing a comprehensive "HR Policy Handbook" project. This initiative builds on our successful "Welcome Aboard" and aims to harmonize HR policies across all subsidiaries. By creating a unified handbook that respects local regulations while aligning with global standards, we foster inclusivity and promote a cohesive, supportive work environment worldwide. This project will enhance connections across regions and ensure that all employees experience a consistent, inclusive approach to human resources	By 2025	 
PLANET	<b>ISO certifications:</b> Sustain ongoing progress in increasing ISO certification across our plants. More specifically, we are committed to gain ISO 50001 for Italian plants by 2025. In parallel we will progress on environmental certification globally	From 2025	
PLANET	<b>Water saving plan:</b> Sustain ongoing progress of our initiatives to reduce water consumption. More specifically we are committed to implement our water reduction plan in the Italian plants in the next three years. Globally we will plan the water reduction initiative within the same timeframe	From 2025	
PRODUCT	<b>Sustain ongoing progress and monitor waste reduction plan.</b> More specifically we are planning to make specific actions in our plants located in Italy to achieve more ambitious waste reduction targets	From 2025	

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# Leading with Sustainability: A Statement from Patrick Balletto

“Thanks to our employees’ dedication, we are achieving our sustainability goals”



[Patrick Balletto, General Manager]



[Lamberti People]

I am pleased to present Lamberti's 2023 Sustainability Report, showcasing our progress and future plans. We have actively integrated sustainability into our core processes, including product development, business strategy, and sourcing policies focused on circular economy and renewable materials. Thanks to our employees' dedication, we are steadily advancing towards our sustainability goals. The figures in this report confirm our positive trajectory.

However, sustainability is an ongoing journey that requires collaboration with partners, suppliers, and customers to achieve significant improvements. True to our scientific approach, we are digitalising our production processes through our "Smart Manufacturing" project to optimise resource and energy use. I extend my gratitude to Lamberti employees and all our stakeholders for their support, which is crucial for the success of our sustainability strategy.

[Analytical Chemistry Laboratory]







[Eleonora Delia, Researcher]

## Lamberti at a glance

# Innovating Chemistry for a Better Future

“Designing new values in Chemistry and collaborating with stakeholders to deliver innovative, sustainable solutions across diverse markets.”

**At Lamberti**, we develop and manufacture innovative ingredients that positively impact various markets, including Energy Solutions, Agriculture, Surface Treatment, Ceramics, Personal Care and Natural Polymers. Our global operations are bolstered by our commitment to a sustainable supply chain. We have established a Sustainable Procurement Policy to source materials and services from like-minded suppliers, conducting regular sustainability reviews through third-party evaluations or on-site audits.

### Lamberti's Commitment to Agriculture

We recognise the essential role of agriculture in sustaining humanity and civilisation. As the global population grows and society becomes more complex, agriculture remains crucial for providing food and driving economic wealth. Lamberti has expanded its activities in the agricultural sector to support this vital field, aiming to sustain human life and civilisation while also integrating agriculture as a foundational pillar for the company's future.

### Personal Care, Experience and Vision

Lamberti's innovative approach, combined with its heritage, has led to global recognition in the Personal Care market, with its ESAFLOR®, VISCOLAM® and EUCAROL® brands. Through close collaboration with customers, Lamberti helps transforming expertise into ground-breaking raw materials providing unique and tailored solutions. Furthermore, with the integration of Kalichem's renowned cosmeceuticals expertise, Lamberti significantly broadened its formulation design capabilities.

### Innovative Energy Solutions for Transition Challenges

Lamberti offers innovative, tailor-made chemicals for the Oil & Gas, Renewables, Tunneling, Civil Engineering, and Mining industries, addressing the challenges of the energy transition. With over five decades of accumulated manufacturing and scientific expertise, Lamberti develops high-performance specialty chemicals for applications such as oil and gas drilling fluids, production, well stimulation, oil well cementing, geothermal energy, and renewable energies. The Energy Solutions Division also serves the tunneling, civil engineering, and mining sectors. Continuous innovation and strict environmental compliance are ensured by our R&D and GLP-certified environmental laboratory.

### Pioneering the Science of Surfaces

Lamberti offers a diverse range of environmentally friendly polyurethanes, acrylics, and natural polymer technologies supported by an oleochemical platform.

Their comprehensive surface treatment solutions include waterborne and UV curable polyurethanes, acrylic resins, polymeric matting agents, rheology modifiers and various additives. Lamberti's Polymer Beads Platform, combining technologies from Supercolori and Microbeads, provides unique solutions for multiple applications, including transparent and pigmented multicolour effects.

Lamberti extends its innovative solutions to the textile, printing, and finishing industries, leveraging extensive experience to enhance performance while preserving environmental resources. Committed to sustainability and performance, Lamberti's R&D ensures continuous innovation and support, connecting scientific advancements with practical applications across various sectors.

**Innovating in Ceramics and Glassware through Expertise and Know-How**

Lamberti leverages Italian expertise in the ceramic industry and the renowned Sassuolo district to create an innovative ceramic hub known for high performance, quality, and customised products. The Ceramic Division offers a diverse portfolio, including deflocculants, binders, plasticisers, rheology modifiers, solvents, and hyperdispersants for digital printing, along with tailor-made specialties for tiles, sanitary-ware, tableware, roof tiles, technical ceramics, and refractories, extending its skills to glassware decoration. With a global presence, Lamberti provides technical and commercial assistance across major ceramic regions through subsidiaries in countries such as Brazil, China, Germany, India, Mexico, and the USA, ensuring comprehensive support and innovative solutions worldwide.

**Maximising Industrial Processes Efficiency with Surfactants**

Since 1911, Lamberti has been committed to creating surfactants that optimise industrial processes while prioritising environmental responsibility and people's welfare.

Our versatile chemistry, completed in our state-of-the-art plants, focuses on using natural raw materials such as fatty alcohol, sugars, and olein. This commitment to good chemistry allows us to continually refine our products, ensuring they meet the highest standards of sustainable responsibility and efficiency for a wide range of industrial applications.

**Natural polymers a long and strong heritage for feeding the future**


Natural polymers have been central to the Lamberti Group's history, with decades of technological and industrial expertise leading to recent advancements in natural polymers for the food and regulated industries.

Their identity is built on using reliable raw materials, implementing eco-friendly processes, maintaining strict production controls, and fostering a strong R&D and technical sales approach. This foundation allows them to effectively support customers in these fields

**Adapting to Seasons and Standards: Innovative Solutions for Construction Engineering**

Modern heating and cooling systems help maintain the mechanical integrity of walls and floor coatings, extending their lifespan. As design and architectural approaches evolve, Dry Mix is increasingly used to enhance the decorative properties of cement and gypsum binders.





# Lamberti's Sustainability Footprint Key Figures

**€648 m**

Economic value  
generated

**28,315<sup>(1)</sup>**

(vs last year's 29,609)

Scope 1 emissions  
(Tons of CO2 eq)

**33,338<sup>(2)</sup>**

(vs last year's 39,657)

Scope 2 emissions  
(Tons of CO2 eq)

**0.28**

(vs last year's 0.24)

GHG emission  
intensity

**380.46**

Water  
consumption ML

**2.55**

(vs last year's 6.12)

Work-related  
injuries

**23.1%**

(vs last year's 19.5%)

Turnover generated  
by new products

<sup>(1)</sup> Source: emission factor for Scope 1 calculation are from DEFRA 2022 and ETS (Regolamento EU 2018/2066)

<sup>(2)</sup> Source: emission factor for Scope 2 calculation are from Terna 2018 (for location based) and AIB 2019 (for market based)

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# Empowering People: Lamberti's Commitment to Its Workforce

“Nurturing a culture of responsibility and growth, empowering employees to drive sustainability and innovation.”



[Francesca Mattachini, HSE Albizzate Plant]

**A People-Centric Culture:** Our purpose, “Designing new values in chemistry,” is driven by our employees’ commitment and responsibility. We foster equal opportunities for growth, supporting work-life balance and prioritising health and safety.

**Enabling Growth: Talent Development**

Our selection process focuses solely on potential and capabilities, ensuring equal opportunities for all. We begin with a robust onboarding program that integrates new hires into our community. Through tailored training aligned with job requirements, we empower employees to excel. Our cutting-edge learning platform provides global access to educational resources, supporting individual growth paths and fostering equal opportunities.

Continued development of our digital tools and innovative training programs strengthens our corporate culture and identity. We engage stakeholders through informed onboarding and ongoing education initiatives, ensuring alignment with our values and goals. Our comprehensive training covers soft skills, technical proficiency and workplace safety, reinforcing our commitment to personal and professional development. At Lamberti, we’re dedicated to nurturing talent and achieving sustainable success.



[Lamberti Training Session]

**Evolving Together: Transition Programs**

We ensure our employees thrive amidst changing landscapes with tailored transition support:

- **Performance Review and Training:** Assessing employee performance and contributions to identify targeted training for evolving roles.
- **Cross-Training Initiative:** Enhancing workflow knowledge and expanding roles to prevent skill obsolescence.
- **Succession Planning:** Mentoring our management team for comprehensive business understanding and continuity.

These initiatives do set us apart, fostering agility and readiness for the future.

**Nurturing Well-being: Employee Welfare**

We prioritise employee well-being with flexible work arrangements:

- **Smart Working:** Balancing work and personal life seamlessly with proven operational effectiveness.
- **Remote Work Expansion:** Extending remote work opportunities to various roles, promoting flexibility.
- **Office Presence:** Encouraging office presence for team interaction and collaboration, fostering a sense of belonging.
- **Institutional Training:** Resuming in-person training sessions to enhance cross-functional collaboration and project synergy.

Our approach ensures a supportive environment where productivity and well-being thrive together.

**Safeguarding Health and Safety: An Integrated Approach**

Lamberti upholds stringent occupational health and safety standards across its operations, integrating quality and environmental management for enhanced efficiency and safety. Here’s how we ensure a secure workplace:

- **Integrated Management Systems:** Our Italian plants adhere to rigorous safety protocols under ISO 45001:2018, ensuring compliance with legislative requirements and promoting a culture of safety, health, and environmental protection.
- **Risk Prevention and Management:** We employ systematic risk assessment and hazard identification processes, documented in our Risk Assessment Document (DVR) and Safety Report (RdS). These documents outline preventive measures and procedures, addressing major accident risks comprehensively.
- **Worker Participation and Reporting:** Employees are empowered to report hazards and unsafe conditions without fear of reprisal, supported by regular department meetings and open communication channels with management and safety personnel.
- **Health Services and Medical Support:** On-site health services provide medical assistance and first aid, with regular visits from occupational doctors ensuring employee well-being and compliance with health protocols.
- **Global Standards:** Our facilities worldwide, including Wharton (USA) and Nova Odessa (Brazil), implement robust safety measures like OSHA Incident Investigation Guides and comprehensive risk management programs, ensuring uniform safety standards across all operations.

At Lamberti, safety is not just a priority but a fundamental aspect of our corporate ethos, ensuring a secure and productive environment for all employees and stakeholders.

## Comprehensive Occupational Health Services

Lamberti ensures robust occupational health services across its plants, promoting employee well-being and safety:

- **On-Site Medical Assistance:** Medical and nursing services are readily available within our Italian plants, offering first aid to staff and visitors in case of illness or accidents.
- **Occupational Health Oversight:** Regular visits from occupational doctors ensure health checks and surveillance in compliance with Legislative Decree 81, focusing on preventing occupational diseases.
- **Health Promotion Initiatives:** Additional voluntary health tests supplement mandatory protocols, enhancing employee well-being across our sites.
- **Global Standards:** In Brazil, our occupational health program integrates risk management efforts, facilitated by dedicated occupational doctors and comprehensive medical insurance coverage for employees and their families.

To us, occupational health is paramount, supporting a safe and healthy work environment worldwide.

## Worker Engagement in Occupational Health and Safety

We prioritise worker engagement and collaboration in occupational health and safety across our global operations:

- **Worker Representatives:** In our Italian plants, dedicated Health, Safety, and Environment (HSE) representatives (RLSSA) ensure continuous dialogue with management. They contribute to policy drafting, emergency planning, accident analysis, and risk assessment, fostering a proactive safety culture.
- **Global Compliance:** Adhering to OSHA and ISO standards, similar committees and representatives are established at our international sites, ensuring consistent HSE management systems.
- **Incentivising Participation:** At Wharton, our safety incentive program encourages active participation through rewards for hazard mitigation, adherence to procedures, training engagement, and mentorship, reinforcing our commitment to safety excellence.

We value the active involvement of our workforce, promoting a safer and healthier workplace through collaborative efforts and proactive initiatives.



[Siria Pinton, Researcher]



[Maurizio Gallucci, Researcher]

## Comprehensive Training for Occupational Health and Safety

We ensure thorough training for all employees safety protocols and emergency preparedness across our facilities:

- **Regulated Training Procedures:** Our SAF 8.01 procedure governs comprehensive training and information dissemination throughout all plant areas. It mandates learning verification to ensure staff competency in both normal and emergency operations.
- **Monthly Training Commitment:** At Wharton, monthly occupational health and safety training sessions are held, with an annual schedule published for all workers. Topics cover general requirements while specialised training addresses specific departmental needs and federal mandates.

Lamberti remains committed to fostering a safe work environment through rigorous training programs that equip our workforce with essential skills and knowledge.

## Enhancing Worker Health and Well-being

Health and well-being of employees are actively pursued through a range of initiatives across different sites:

- **Health Care Access:** Italian employees and their families can voluntarily enroll in Faschim, providing comprehensive coverage for routine and unexpected medical needs within the chemical industry.
- **Annual Flu Vaccination Campaign:** Each year, Lamberti headquarters launches a voluntary flu vaccination campaign, ensuring employees can protect themselves and their families from seasonal illnesses.
- **Fitness and Wellness Programs:** Employees have access to gyms and fitness programs at discounted rates through specific agreements, promoting physical well-being.
- **Supplementary Health Services:** Some sites offer free supplementary screening tests and services, encouraging proactive health management among employees.
- **Educational Programs:** In 2023, Trissino site conducted specialized



[Ciro Soprano, Industrial Worker]

training on microclimate management and thermal stress risks, emphasizing hydration and its impact on health, particularly for employees with chronic conditions.

- **Health Promotion in Brazil:** Lamberti Brazil collaborates with CIPA to promote prevention programs for diseases like breast and prostate cancer. Annual SIPAT events feature educational sessions on topics such as smoking, alcoholism and sexually transmitted diseases.

We remain dedicated to providing a healthy work environment through comprehensive health promotion initiatives that support employee well-being.

#### **Ensuring Safety Across Business Partnerships**

We strive to maintain stringent measures to prevent and mitigate occupational health and safety impacts associated with business relationships:

- **Safety Requirements for Service Providers:** All contractors working within Lamberti's plants must adhere strictly to specified safety standards outlined in their contracts. This ensures the prevention of adverse impacts and the containment of any incidents within acceptable limits.
- **Impact Mitigation Objectives:** Throughout project cycles, efforts focus on identifying superior alternatives and practices, enhancing environmental and social benefits, minimising adverse impacts, and ensuring any remaining impacts are manageable.
- **Controlled Plant Access:** Access to Lamberti's facilities is tightly regulated and monitored. Visitors receive the "Rules of Conduct for Visitors" booklet, and both visitors and external company employees complete a questionnaire to assess their knowledge level and adherence to safety protocols.

By enforcing these measures, we are promoting a safe environment across our operations, emphasizing proactive safety practices and continuous improvement.

#### **Embracing Diversity and Equal Opportunities**

Our HR policy champions inclusivity, equality, and diversity as core values within our organisation. We ensure equal employment and professional growth opportunities for all employees, nurturing their potential. Remuneration is based on skills, experience, responsibility, and performance results.

New employees are welcomed through an onboarding program that fosters community integration. We provide tailored training aligned with job requirements to enhance capabilities. Regular feedback sessions strengthen communication and identify growth areas.

Our selection process priorities equal opportunities, focusing solely on potential and skills aligned with role requirements. We've initiated integration projects like Isola Formativa (Italy), La Giornata in Dono (Italy), Lamberti Acelera (Brazil), and We Dare (India) to cultivate an inclusive organisational culture.

#### **Memberships and Accountability**

Since 1980, Lamberti SpA has been a proud member of Federchimica, Italy's Chemical Industry Federation, affiliated with Confindustria and CEFIC (European Chemical Industry Council). We also belong to AISPEC, the Association of specialty chemicals producers.

In 2000, Lamberti SpA embraced the Responsible Care initiative and has been committed to:

- Enhancing environmental, health, safety, and security standards across our operations.
- Efficiently using resources and minimizing waste.
- Transparently reporting on performance and fostering open dialogue.

- Collaborating with governments and organizations to develop and implement robust regulations.
- Supporting responsible chemical management throughout the product lifecycle.

Since 2017, we've assessed our Corporate Social Responsibility through EcoVadis, achieving a prestigious Gold rating in 2023.

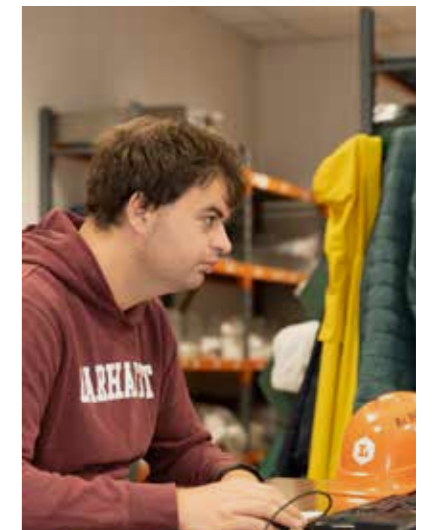
**Engaging with Communities:  
Local Impact Initiatives**

- **Albizzate Plant Initiatives**
  - Implemented Safety Management Systems (SGS PIR, SGSL, EMS) and Emergency Plans (IEP, PEE)
  - Environmental agreements with the municipality of Albizzate
  - "Isola Formativa" project in collaboration with local organisations for training protected categories
- **Lamberti Iberia Engagement**
  - Adherence to ISO standards in quality, environmental, and safety practices
  - Collaboration with local NGOs like the Down Syndrome Foundation in Castellon
- **Wharton Site Efforts**
  - Mitigation of chemical impacts through local emergency planning and first responder partnerships
- **Charitable Contributions**
  - Policy supporting local initiatives: Wharton County Youth Fair, Lion's Club, Hungerford Fire Department
  - Member of local Chamber of Commerce, promoting positive community impact
- **Internal Stakeholder Communication**
  - Updates through Plant and corporate HSEQ committees
  - Quarterly training sessions and periodic indicator sharing as per HSEQ/08 and SAF 1.05 directives

Stay Informed and Engaged:  
**Explore More on Our Stories Page**



[We Dare, India]



[Isola Formativa's People]



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# Planet Commitment: Reducing Our Environmental Impact

“Recognising the urgency of the climate crisis and taking bold steps to reduce our environmental impact, driven by specific plans and rigorous data analysis.”

### Rising to the Challenge of Climate Change

Climate change indicators reached alarming levels in 2023, with record-breaking greenhouse gases, surface temperatures, and ocean heat. At Lamberti, we recognise the urgency and are committed to reducing our environmental impact through specific plans and detailed data analysis.

### Powering Change: Energy and Emissions Reduction

In 2023, Lamberti continued its ambitious energy reduction plan initiated in 2022, focusing on decreasing electricity and fuel usage, reducing CO<sub>2</sub> emissions, making provisions for the necessary investments.

#### Key Site Actions:

- **Zanica:** throughout 2023, our plant located in Zanica has changed the engine of specific reactors and mills used for the production of natural polymers derivatives
- **Viguzzolo:** we have carried out several actions to reduce our energy consumption such as the installation of more efficient engines, the installation of inverters, the thermal insulation of pipes and valves as well as the replacement of lamps in a specific production department

- **Albizzate:** in our plant in Albizzate we have carried out several actions to reduce our energy consumption such as the thermal insulation of pipes and valves, the relamping of a production department and the installation a photovoltaic unit on the biological treatment plant

### Certifications, Monitoring and Decarbonisation Goals

Another crucial target we are constantly working on is to increase the percentage of plants with an environmental certification. Throughout 2023, we have started to work on the expansion of the ISO 14001 in one of our sites located in the US. We have also started to work on the ISO 50001 certification for our main plants located in Italy.

On top of the improving plan we have put in place, a transparent yearly emission monitoring for stakeholders is crucial for us. As for GHG emissions we aim to reduce Scope 1 and Scope 2 emissions by 3.5% by 2025 from 2021 levels, building on the 2022 energy reduction plan.

Lamberti is committed to a sustainable future through strategic energy and emissions reductions, backed by rigorous monitoring and transparent reporting.



2019

Scope 1  
38,984  
tons of CO<sub>2</sub> eq

Scope 2  
32,575  
tons of CO<sub>2</sub> eq

2020

Scope 1  
29,525  
tons of CO<sub>2</sub> eq

Scope 2  
29,797  
tons of CO<sub>2</sub> eq

2021

Scope 1  
33,668  
tons of CO<sub>2</sub> eq

Scope 2  
29,881  
tons of CO<sub>2</sub> eq

2022

Scope 1  
29,609  
tons of CO<sub>2</sub> eq

Scope 2  
39,657  
tons of CO<sub>2</sub> eq

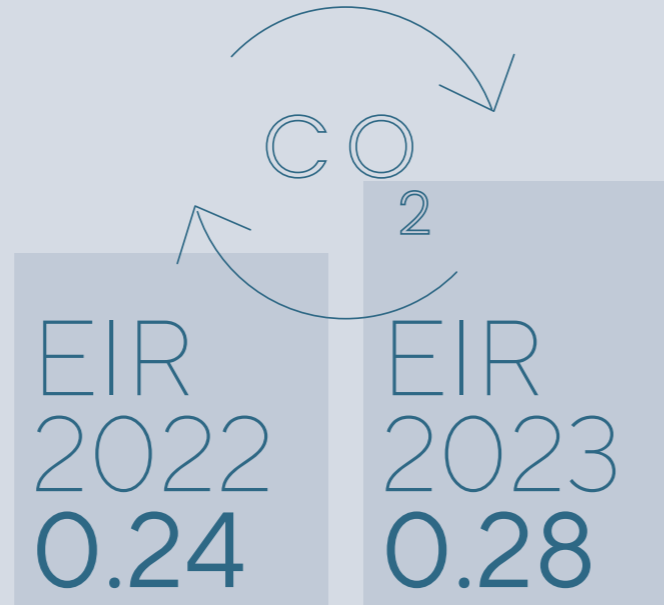
2023

Scope 1  
28,315  
tons of CO<sub>2</sub> eq

Scope 2  
33,338  
tons of CO<sub>2</sub> eq

### Measuring Progress: A Focus on Emission Intensity

At Lamberti, we prioritise transparency and progress in our sustainability efforts, particularly in measuring our emission intensity. The Emission Intensity Ratio (EIR) serves as a crucial KPI, indicating the amount of Scope 1 and 2 GHG emissions per ton of finished product. In 2023, our EIR increased to 0.28 from 0.24 in 2022.



### Energy Sources and Diversification

Despite relying heavily on non-renewable fuels, we are committed to diversifying our electricity sources. We incorporate more renewable energy through both purchased power and self-produced solar energy as well as other energy sources such as chilled water and steam.

### Total fuel consumption from non-renewable sources (values in GJ)

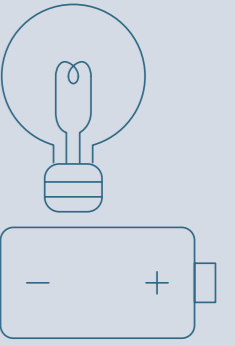
Natural Gas	477,143
Diesel	13,130
LPG	1,284
Petrol	1,013
<b>Total fuel from non-renewable sources</b>	<b>492,570</b>



<sup>(1)</sup> Source: emission factor for natural gas consumption calculation are from Ministry of Environment  
<sup>(2)</sup> Source: emission factor for diesel consumption calculation are from Ministry of Environment  
<sup>(3)</sup> Source: emission factor for LPG consumption calculation is from ISPRAFIRE  
<sup>(4)</sup> Source: emission factor for gasoline consumption calculation are from Ministry of Environment

### Electricity sources (values in KWh)

<b>Purchased electricity</b>	<b>177,746</b>
<i>of which renewable (certified)</i>	<b>30,327</b>
<b>Self-produced electricity</b>	<b>41,376</b>
<i>of which renewable certified</i>	<b>252</b>
<b>Self-produced electricity sold</b>	<b>393</b>
<i>of which renewable certified</i>	<b>-</b>



Other energy sources	Consumed	Purchased	Self-produced	Self-produced sold
Cooling	504,959	-	100%	-
Heating	181,774	99.95%	0.05%	-
Steam	1,540	94.3%	5.7%	-

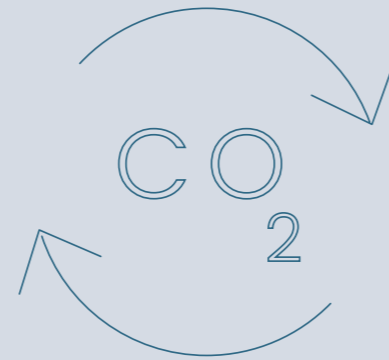
### Energy Intensity Ratio

Our energy intensity ratio, another vital KPI, rose to 3.84 in 2023 from 3.31 in 2022. This ratio reflects the energy required per ton of finished product.



### Monitoring Emissions

In our manufacturing processes, we meticulously monitor emissions of gases such as nitrogen oxide (NOx), sulfur oxide (SOx), and volatile organic compounds (VOC).



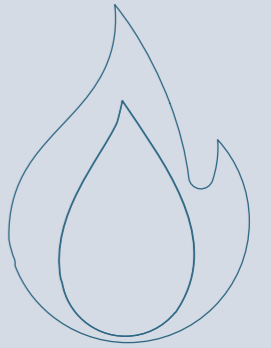
Emissions reported for 2023 include:

NOx	27,159 kg
SOx	236.5 kg
VOCs	5,435 kg
Particulate matter	1,770 kg
Persistent organic pollutants (POPs)	0 kg
Hazardous air pollutants (HAPs)	0 kg

### Refrigerant Gases

We also manage refrigerant gases, with reported quantities for 2023 including:

R-407C	43.5 kg
R-404A	0.6 kg
VOCs	31 kg



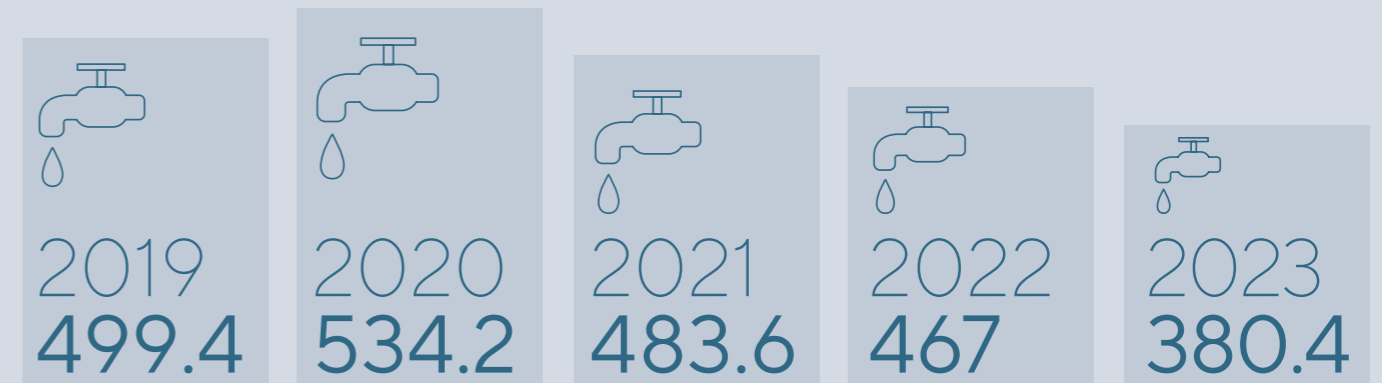
Notably, we do not produce or use ozone-depleting substances (ODS) in our processes.

### Water Resource Management

Water is crucial for our production processes and has a significant impact on both people and the environment. At our Viguzzolo plant, water is used in production, boiler feed, cooling towers, and fire-fighting systems. In Wharton, all water is sourced from an on-site well for production and personal use. Every plant is fully compliant with both local and state jurisdictions as far as the water discharge requirements are concerned. We carefully manage water usage across our global operations, especially in areas with high water stress. Major sites keep taking actions to monitor and reduce the use of water:

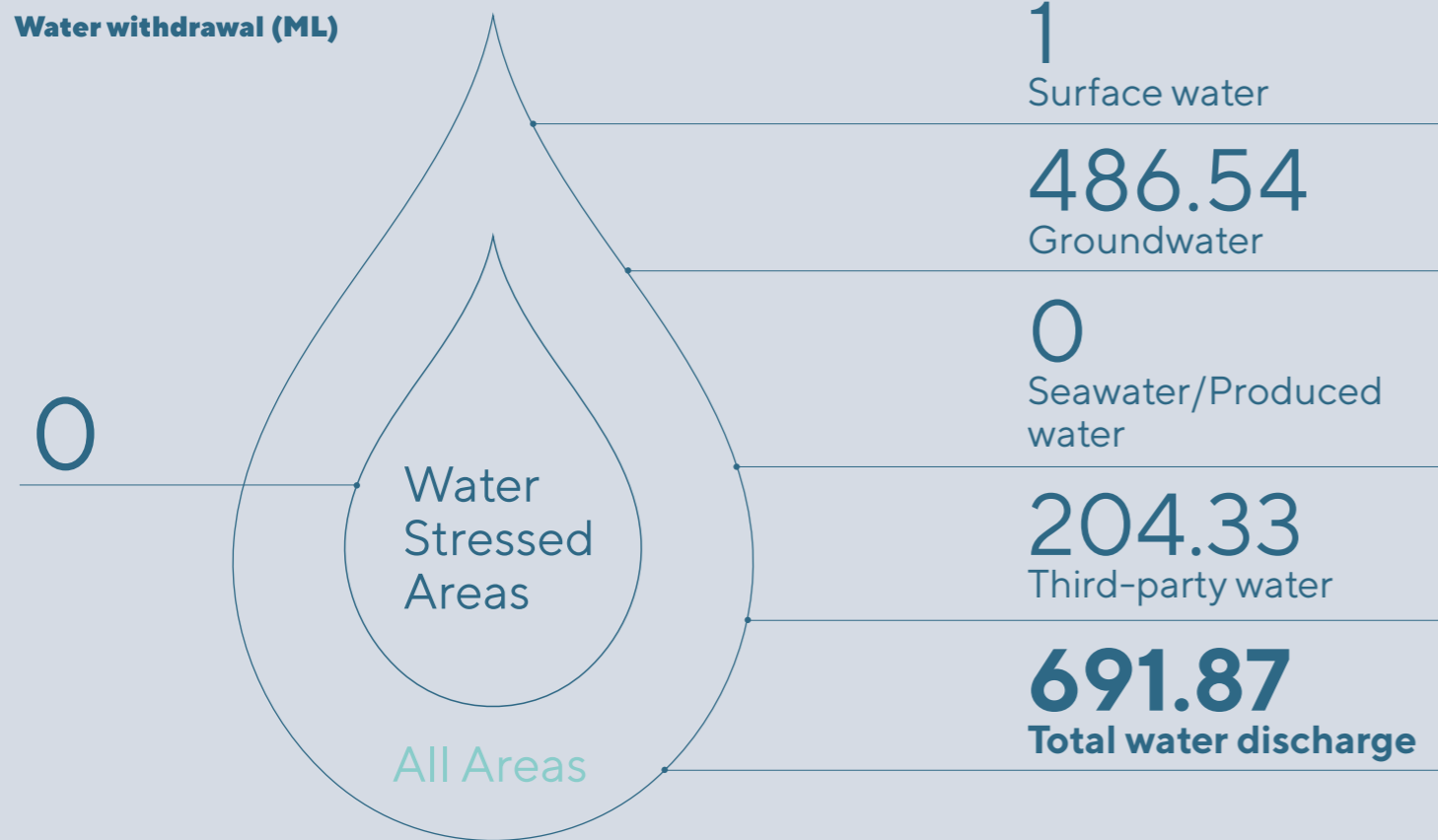
- **Albizzate:** reuse of water from TAF plant, installation of level gauges on intermediate water storage, removal of leaks from the underground network
- **Nerviano:** recovery, filtration and reuse of process water
- **Zanica:** optimization of the natural polymer purification process
- **Viguzzolo:** optimization of water flow rates required for the operation of liquid ring vacuum pumps

Since our first sustainability report, we have steadily reduced our water withdrawal from 499.4 ML in 2019 to 380.4 ML in 2023, achieving a 28% reduction in total Group water consumption. This reduction surpasses our target of a 15% decrease.

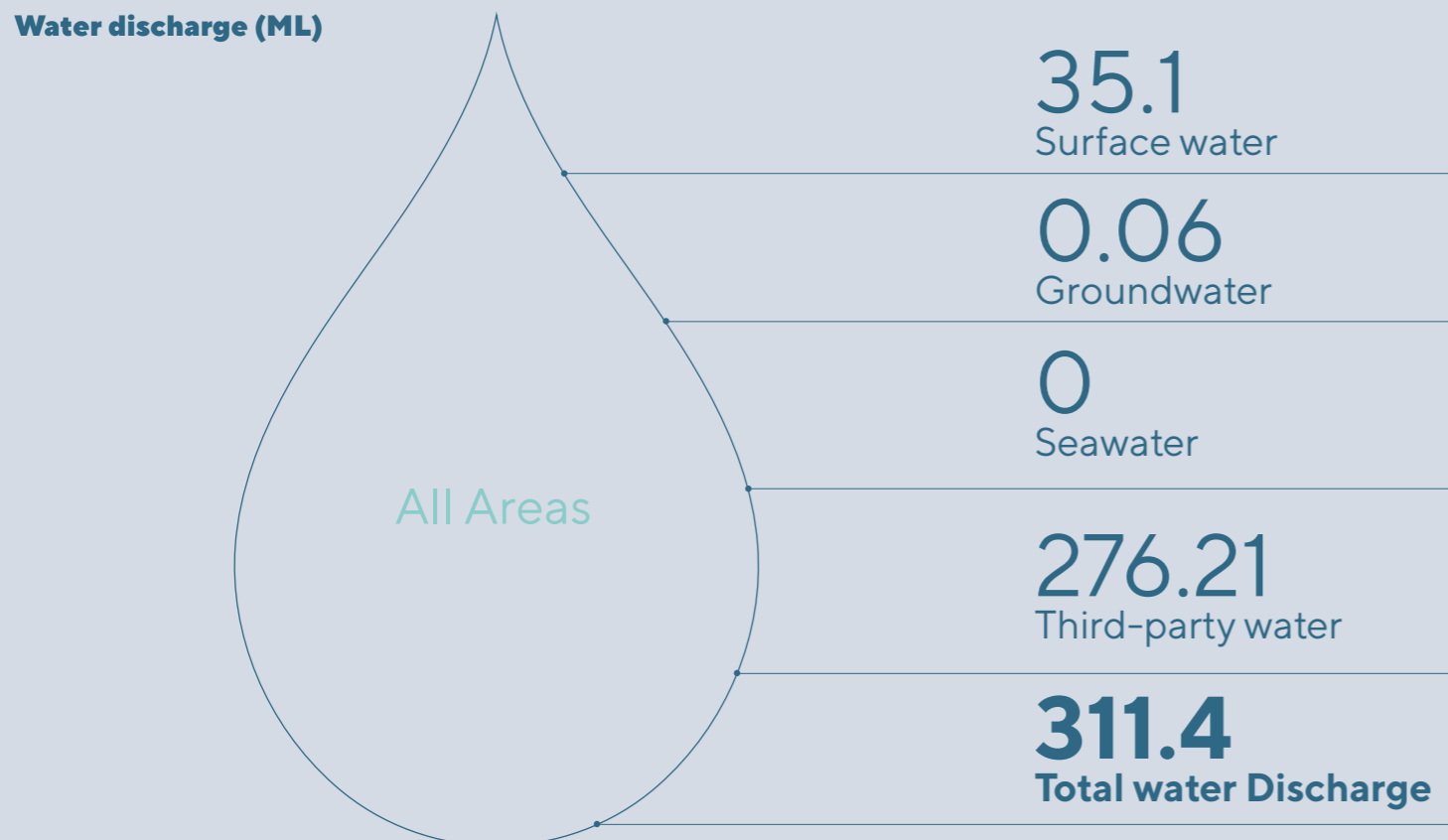


Water consumption has two main components, water withdrawal and water discharge we also report on:

**Water withdrawal (ML)**

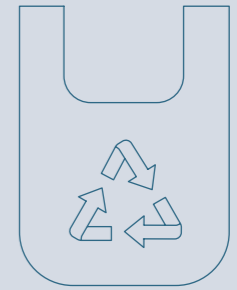


**Water discharge (ML)**



**Effluent and Waste Management**

Our waste management strategy focuses on increasing the reuse, recycling, and recovery (RRR) of waste. In 2022, our RRR was 12.3%. Although we aimed for 30% by 2023, we achieved 10.9% for hazardous wastes and 17% for non-hazardous wastes.



Disposal method	Hazardous	Non-hazardous
Reuse	-	87.16
Recycling	2.3	700.8
Composting	-	-
Recovery	3,067	1,594
Incineration	68.2	167.5
Deep well injection	-	2,933
Landfill	3,878	706
On site deposit	70	-
Treatment	18,263	6,200
Other	2,839	1,611

Values are in tons

In 2023, we continued to implement initiatives to improve waste management at our Viguzzolo, Zanica and Nerviano plants. Despite our efforts, these values remained in line with 2022 but still below our target. We remain committed to advancing our waste reduction strategies to achieve our long-term goals.

By integrating responsible water and waste management practices, we ensure our operations contribute positively to the environment and align with our sustainability objectives. Our dedication to reducing our environmental impact reflects in our continuous monitoring and proactive steps towards energy diversification and emission reduction.

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# Product Sustainability and Innovation

“Innovation and sustainability are the cornerstones of our mission, ensuring safety and excellence at every step.”



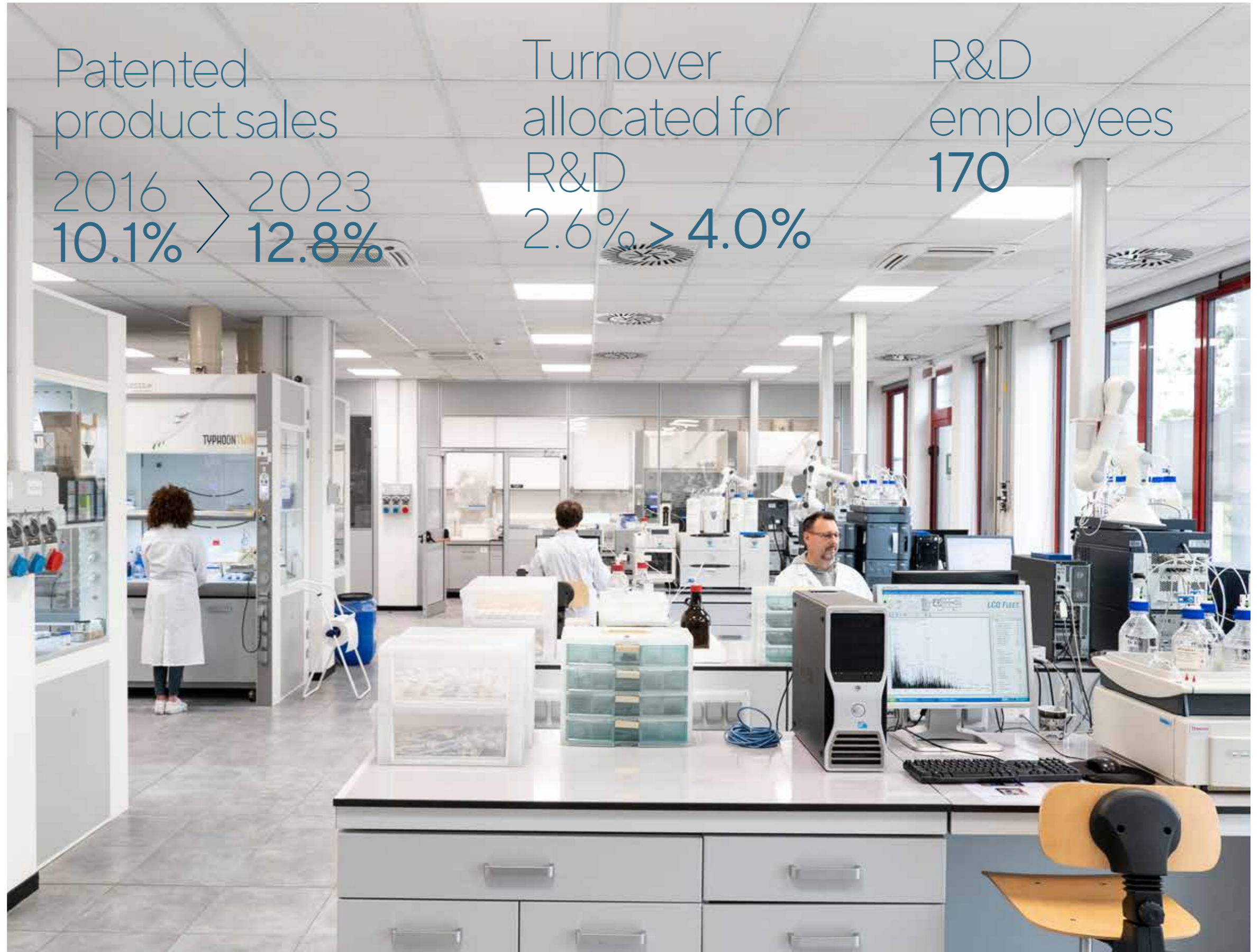
## Innovating for a Safer, Sustainable Future

Guided by our internal Code of Ethics, we have integrated robust quality, environmental, and safety management systems. These systems utilise continuous improvement procedures to address both positive and negative events.

We regularly review various indicators and targets to track our progress. Detailed statistics and reports help us set clear goals and timelines, ensuring transparency with all stakeholders through regulated and voluntary communications. Our dedication extends to product sustainability, focusing on reducing fossil raw materials and innovating new products aligned with the EU Chemical Strategy. Customer satisfaction and impurity reduction remain central to our product optimisation efforts.

Over the years, we have demonstrated a strong commitment to R&D, **with new product launches annually and patent-driven sales increasing from 10.1% in 2016 to 12.8% in 2023.** In the last five years, the Company has allocated between 2.6% and 4.0% of its turnover to R&D, **with total expenses rising from €16.9m in 2022 to €20.6m in 2023.** The R&D workforce, though slightly decreasing in percentage from 18.4% in 2018 to 12.7% in 2023, **remained robust with over 170 employees in recent years.** This investment yielded significant returns, as the percentage of yearly turnover from new products grew from **15.1% in 2018 to 23.1% in 2023,** underscoring the successful commercialisation of innovative solutions.

Continuing the path begun in previous years, in 2023 Lamberti S.p.A. demonstrated substantial activity in intellectual property management, filing 9 new patents applications in 2023 and prosecuting the maintenance of a portfolio of 536 patents, 428 of which already granted and 108 pending. This highlights our strong focus on innovation and protection of our technological advancements.



[Analytical Chemistry Lab]

**Ensuring Excellence: Comprehensive Product Information and Safety**

At Lamberti, we rigorously comply with mandatory product information requirements. All raw materials, intermediates, and finished products are thoroughly investigated for toxicological and ecotoxicological properties at the R&D level and updated in our SAP system. We provide detailed Safety Data Sheets (SDS) and Technical Data Sheets (TDS) to ensure proper use and disposal. Our RS25 procedure and periodic re-evaluations, including SEVESO procedures, guarantee the highest standards of health, safety, and environmental (HSE) compliance.

In the current year, Lamberti significantly increased the number and volume of eco-friendly products, raw materials, and overall eco-friendly universe compared to the previous year. The current year saw 2,619 eco-friendly products (92.20% of total product) and 1,979 eco-friendly raw materials (85.78% of total), while the eco-friendly universe included 4,351 SAP codes (89.33% of total), showing a substantial shift towards sustainable practices.

**Ecofriendly Products<sup>(1)</sup> and Raw Materials**

**Ecofriendly Products:**

Current year	<b>2,619 units</b>	(179,210,660 kg, 92.20%)
Previous year	<b>1,711 units</b>	(218,241,778 kg)

**Ecofriendly Raw Materials:**

Current year	<b>1,979 units</b>	(134,813,344.60 kg, 85.78%)
Previous year	<b>1,517 units</b>	(201,750,113 kg)

**Ecofriendly Universe (SAP Codes):**

Current year	<b>4,351 units</b>	(314,024,004.80 kg, 89.33%)
Previous year	<b>3,288 units</b>	(419,991,891 kg)

<sup>(1)</sup> Products labelled as not dangerous for the environment

**Product Evaluation and Testing**

**REACH data dossiers:**

Current year	<b>0</b>
Previous year	<b>2</b>

**CEFIC re-evaluation program:**

Both years	<b>0</b>
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**Overall New Product Evaluation (RS25):**

Current year	<b>146</b>
Previous year	<b>176</b>

**Ecotoxicological Analysis:**

Current year	<b>147</b>
Previous year	<b>187</b>



## External Lab Studies

### Ecotoxicological Studies (external lab):

Current year	1
Previous year	0

### Toxicological Studies (external lab):

Both years	0
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### Physical Chemical Studies (external lab):

Current year	2
Previous year	0

### Minimal Non-Compliance with Product and Service Information and Labeling in Current Year

All raw materials, intermediates and products are investigated for tox and ecotox properties and periodically revised in case of new information from authority or suppliers or our internal analysis.

Their properties and correct use are detailed to our customers through SDS, TDS and related further information.

In the current year, there were no incidents of non-compliance with regulations resulting in fines or penalties, nor were there any incidents related to voluntary codes. However, there were 3 incidents of non-compliance that resulted in

warnings. In contrast, the previous year recorded no incidents in any of these categories. Notably, there were no cases related to non-compliance with product safety regulations in 2023, with the only warnings being formal claims specifically concerning labeling and packaging.

## Renewable content<sup>(1)</sup> in manufactured products

### ALL SAP products:

Current year	959 units	(54,738,084.76 kg)
Previous year	1,201 units	(56,757,296.00 kg)

### Personal Care products:

	Current year		Previous year	
	Number / Volume	% total product	Number / Volume	% total product
Number of Natural Product (according to ISO 16128) - Products for Personal Care with NOI > 0.5	31.00n	0.00%n	28.00n	0.00%n
% of Natural Product (according to ISO 16128) VS total number of products - Products for Personal Care	0.00n	46.96%n	0.00n	48.27%n
% of Natural Product (according to ISO 16128) VS total volume of products - Products for Personal Care	0.00n	69.66%n	0.00n	66.07%n

### No Incidents of Non-Compliance in Social and Economic Areas

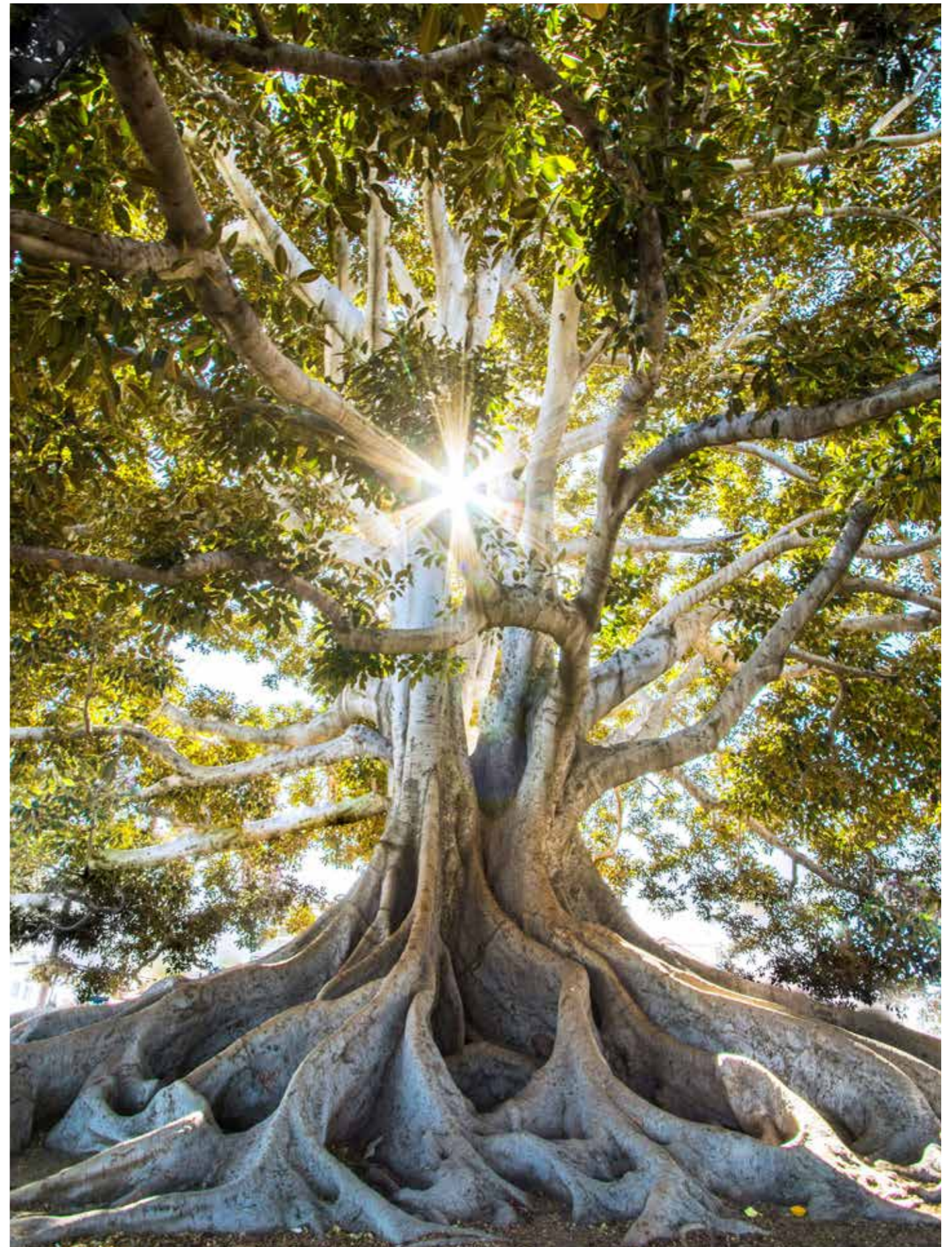
In 2023, there were no incidents of non-compliance with laws and regulations in the social and economic areas. Specifically, there were no significant fines, non-monetary sanctions, or cases brought through dispute resolution mechanisms recorded in the current year, mirroring the previous year's record.

<sup>(1)</sup> biobased content calculated according to UNI EN 16785-2:2018

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# Strong Governance and Ethical Commitment at Lamberti S.p.A.

“Lamberti S.p.A. exemplifies corporate integrity with a governance system designed to ensure strategic oversight and ethical conduct across all operations.”



### Robust Governance Structure

Lamberti S.p.A. operates with a traditional governance system, where senior executives who are also shareholders play a crucial role in defining strategic topics. Responsibilities are delegated to the Board of Directors, the Board of

Statutory Auditors, and the Shareholders' Meeting. As regards the Group's Board of Directors, the Shareholders' Meeting held on 29 June 2021 appointed a new Board of Directors consisting of five members who is in charge from 31 December 2023.

	Current year						Previous year					
	Number			Percentage			Number			Percentage		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total number of members	0n	5n	5n	0.00%n	100.00%n	100.00%n	0n	5n	5n	0.00%n	100.00%n	100.00%n
Of which are executive	0n	4n	4n	0.00%n	80.00%n	80.00%n	0n	4n	4n	0.00%n	80.00%n	80.00%n
Of which are non-executive	0n	1n	1n	0.00%n	20.00%n	20.00%n	0n	1n	1n	0.00%n	20.00%n	20.00%n
Independent members	0n	0n	0n	0.00%n	0.00%n	0.00%n	0n	0n	0n	0.00%n	0.00%n	0.00%n
Members from under represented social groups	0n	0n	0n	0.00%n	0.00%n	0.00%n	0n	0n	0n	0.00%n	0.00%n	0.00%n
Members with ESG competences	0n	0n	0n	0.00%n	0.00%n	0.00%n	0n	0n	0n	0.00%n	0.00%n	0.00%n

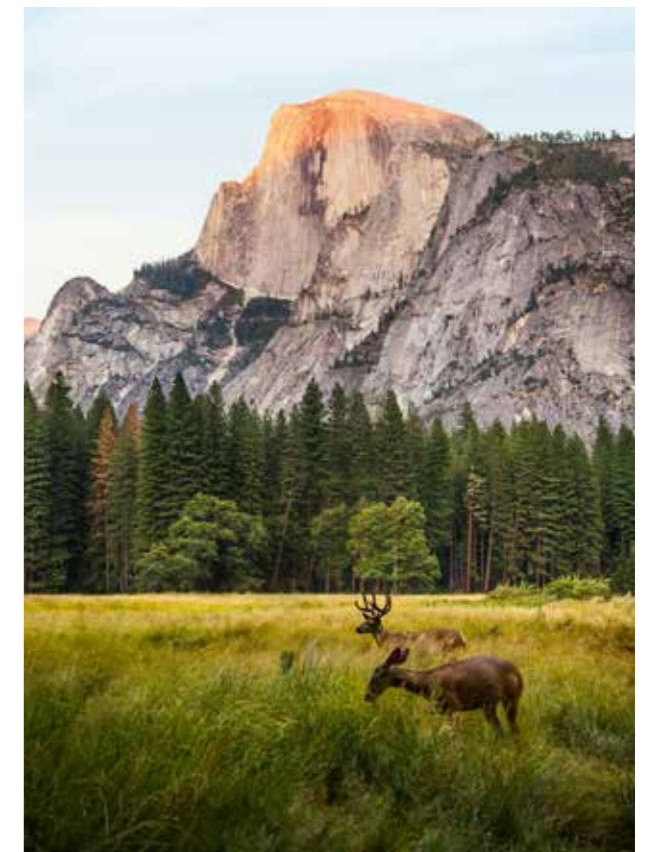
The Executive Committee, Lamberti Group's main governance body, supervises operational activities and sets the Group's strategic direction. The Executive Committee is also kept constantly informed by any critical concern that may arise by the internal Crisis Management Team (CMT)

### Commitment to Ethics, HR policy and Digitalization

Our Code of Ethics, approved by the Board of Directors, is a binding document for all stakeholders. Translated into nine languages, it is actively promoted and monitored by regional Directors to ensure compliance with our standards. The Code of Ethics includes also the whistleblowing procedure

The Group's HR policy regarding remuneration is another crucial topic that is managed by the highest's governance bodies. It consists mainly in making sure that people get a fair remuneration based on skills, experience and results delivered. As a global employer, our remuneration policy envisage a fixed part and a variable one, whose value includes also sustainability targets. More specifically, the variable remuneration policy is envisaged for Executives and senior managers includes an objective linked to a specific sustainability KPI.

Digitalization is becoming more and more a crucial driver for a profitable and sustainable growth in the coming years also for the chemical industry where many players have already made significant step toward a digitalization of their most important operations. For this reason, we have also started to go in that direction launching digital transformation projects in different areas of the Group. In order to succeed and to address the strategic nature of this activity, we have established a governance system to ensure that the most crucial decisions are discussed involving also the highest governance bodies.



### **Sustainability Steering Committee (SSC)**

To ensure impactful decisions, we have established the Sustainability Steering Committee (SSC), chaired by the Head of Group's Sustainability and comprising senior executives. Meeting quarterly, the SSC reviews the organization's impacts on the economy, environment, and people, and updates on relevant ESG topics. The SSC reports to the Executive Committee twice a year, keeping the main governance body informed about achievements and future developments. Among the reported subjects, there is also the Sustainability Report which is reviewed by the Executive Committee

### **Integrating Responsibility Across the Group**

Responsible practices are a core part of our strategy, driven not only by the SSC but also by a dedicated sustainability team and employees across various departments. These individuals manage specific projects and tasks related to sustainability, leveraging their skills to meet specific needs. Our governance mechanisms and committed teams ensure that responsible practices are integrated into every strategic decision, driving us towards a positive and sustainable future.



**The Lamberti Group is private Company headquartered in via Marsala 38/D; 21013 Gallarate (VA) Italy.** The Group operates worldwide and the reporting scope includes the **21 countries where the Group has either manufacturing operations** (Italy, France, Russia, Spain, Norway, Brazil, Mexico, USA, Canada, China, India and Indonesia) **or commercial offices** (United Arab Emirates, South Africa and Hong Kong, South Korea, Germany, Turkey, Poland, Norway, Argentina and Colombia).

The perimeter of the 2023 sustainability report has been expanded compared to 2022, now including the following companies:

- **Lamberti Argentina S.R.L.**
- **Lamberti Colombia S.A.S.**
- **Microbeads AS**
- **Lamberti Canada Inc**
- **Lamberti Middle East Specialt5y Chemicals FZE**
- **East Tennessee Inv.**
- **Lamberti Deutschland GmbH**
- **Lamberti Kimya Sanyu Ve Ticaret A.S.**
- **Lamberti Asia Pacific**
- **Lamint SA**
- **Compania de Servicio**
- **Lamberti Polska**
- **Industries Lamberti S.A.**

The reporting perimeter of the Sustainability Report corresponds with the 2023 audited Group consolidated financial statements, net of the following companies, which joined the consolidation area in 2022 (first three companies) and 2023 (the remaining companies)

- **Agro Invest International Holdings Limited (UK)**
- **Turftech International Holdings Limited (UK)**

- **Turftech International Limited (UK)**
- **Aquatrols Corporation of America**
- **Aquatrols Holding Company Inc**
- **Aquatrols Europe LTD**
- **Aquatrols Hong Kong LTD**
- **Shanghai Aquatrols Asia Technology Co. LTD**
- **Aquatrols Nederland BV**

The consolidated financial statements have been prepared on the basis of the financial statements approved by the consolidated companies' share/quota holders or boards of directors, adjusted, where necessary, for alignment with the group's accounting policies, or on the basis of the reporting packages drawn up in accordance with the parent's instructions and submitted by the consolidated companies.

The accounting policies used to prepare the consolidated financial statements are those that the parent has adopted to draw up its financial statements, i.e., those adopted by most of the consolidated companies.

Reporting period is 1 January 2023 through 31 December 2023. The frequency of the report is annually. The financial reporting period aligns with the sustainability reporting period: 1 January through 31 December, annually. Any restatements of the information provided in this report would be clearly disclosed in the appropriate sections.

For more information regarding Lamberti's Sustainability Report, please refer to the following contact:

**[sustainabilityreport@lamberti.com](mailto:sustainabilityreport@lamberti.com)**

Lamberti Group has published Sustainability Reports annually starting in 2020 for reporting year 2019. The 2023 sustainability report, like all reports since 2019, has been prepared in accordance with GRI Standards.

From the 2022 report, also in accordance with GRI, our Group's Board and Management Team has decided to perform external assurance, a logical step in our sustainability journey. The assurance provider is an independent organization which has absolute independence from the Lamberti Group and it is able to reach and publish objective and impartial conclusions. **In the definition process of the materiality analysis, first, a group of potentially relevant aspects for the company and its stakeholders were identified.** The identification included the analysis of internal documentation and external documentation.

Additionally, we performed a benchmarking analysis of industry best practices at national and international levels. Internal and external stakeholder groups responded to the key topics and concerns raised where representatives of each area expressed their point of view regarding relevant issues for the company.

**Working alongside the Deloitte & Touche S.p.A. team, we performed our materiality assessment by filtering every step through actual and potential, negative and positive impacts on the economy, environment and people including impacts on their human rights by working on three key phases:**

- 1. understanding** our value chain impacts and relevant stakeholders
- 2. creating** a longlist of sustainability topics through stakeholder engagement focused on the single materiality concept of impact risk and assessing the most significant topics to our organization, and lastly
- 3. integration** of the results into reporting and strategy.

Among the topics evaluated, only those with the highest social and environmental impact as well as those with the highest relevance for stakeholders were considered essential for the Sustainability Report.

Given Sustainability's broad reach, to focus on materiality impact a materiality analysis assessment with methodological support provided by Deloitte & Touche S.p.A. was performed in November of 2021. Please see GRI 3-2 in the Appendix for the full list of material topics.

# Methodological Note



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# GRI Content Index





## GRI 2-7a Employees by gender and workers who are not employees

	Current year			Previous year		
	Female	Male	Total	Female	Male	Total
Total number of employees	327	988	1,315	314	987	1,301
of which permanent employees	322	965	1,287	309	950	1,259
of which temporary employees	5	23	28	5	37	42
of which non-guaranteed hours employees	0	0	0	0	0	0
Total number of employees (Full time + Part Time)	327	988	1,315	314	987	1,301
of which full-time	305	972	1,277	293	976	1,269
of which part-time	22	16	38	21	11	32

There have been no significant fluctuations in the number of employees and there were 148 total workers who are not employees whose work was controlled by the organization during reporting year 2023 performing works such as civil construction, repair, cleaning and security services

## GRI 2-7b Employees by region

	Current year							Previous year						
	Italy	Europe	Middle East-Africa	USMCA	South America	Asia	Total	Italy	Europe	Middle East-Africa	USMCA	South America	Asia	Total
Total number of employees	751	80	10	158	203	113	1,315	773	52	6	164	201	105	1,301
of which permanent employees	731	80	10	156	197	113	1,287	733	51	6	164	200	105	1,259
of which temporary employees	20	0	0	2	6	0	28	40	1	0	0	1	0	42
of which non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total number of employees (Full time + Part Time)	751	80	10	158	203	113	1,315	773	52	6	164	201	105	1,301
of which full-time	726	69	10	156	203	113	1,277	743	51	6	164	201	104	1,269
of which part-time	25	11	0	2	0	0	38	30	1	0	0	0	1	32

## GRI 2-7c - Employees by quantity of produced tons

Total number of employees was 1,315 for 222,369 tons produced, this means that the quantity produced per employee was equal to 169.1 tons

# Annex Reporting Datapack

## GRI 2-21 – Annual compensation ratio

	Current year	Previous year
	Description	Description
<b>Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)</b>	196.55	54,16
Percentage increase in annual total compensation for the organization's highest-paid individual	137.68%	103.13%
Median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	116.03%	102.36%
<b>Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual compensation for all employees (excluding the highest-paid individual)</b>	1.19	1.01

## GRI 2-27 – Compliance with law and regulations

	Current year	Previous year
	Description	Description
Number of significant instances of non-compliance with laws and regulations	7	18
of which instances for which fines were incurred	0	14
of which instances for which non-monetary sanctions were incurred	7	4
Number of fines for instances of non-compliance with laws and regulations that were paid	0	10
of which fines that occurred in the current reporting period	0	10
of which fines that occurred in the previous reporting period	0	0
Monetary value of fines that occurred in the current reporting periods	0.00 €	56,173.50 €
of which fines that occurred in the current reporting period	0.00 €	55,973.50 €
of which fines that occurred in the previous reporting periods	0.00 €	0.00 €

## GRI 2-28 – Membership associations

- Industry associations in which the organization participates in a significant role:
  - Federchimica - Dott. Paolo Lamberti was president of Federchimica until October 2023
  - AISPEC - Association of specialty chemicals producers - Dott. Giuseppe Li Bassi - President of Leather, Textile and Paper group

- Other membership associations in which the organization participates in a significant role
  - Lamberti in present also in EFFCI, CEFIC, Confindustria Vicenza, Varese, Modena
- National or international advocacy organizations in which the organization participates in a significant role
  - Advocacy groups are present in almost all the Industrial associations

## GRI 2-30 Collective bargaining agreement

Percentage of employees covered by collective bargaining agreements in 2023 was 69.81%

	Current year	Previous year
	Description	Description
Number of employees covered by collective bargaining agreements	918	915
Total number of employees	1,315	1,301
Percentage of employees covered by collective bargaining agreements	69.81%	70.33%

## GRI 3-1 – Process to determine material topics

In the definition of the materiality analysis, as a first step, a group of potentially relevant aspects for the company and its stakeholders were identified. The identification included the analysis of internal and external documentation.

After this, we performed a benchmarking analysis of industry best practices at national and international levels as well as with our peers. Following this benchmarking, internal and external stakeholder groups have been engaged to responded to the key topics to express their point of view regarding relevant issues for the company.

Working alongside the Deloitte & Touche S.p.A. team, we performed our materiality assessment in 2021 by filtering every step through actual and potential, negative and positive impacts on the economy, environment and people including impacts on their human rights by working on three key phases:

- understanding our value chain impacts and relevant stakeholders
- creating a longlist of sustainability topics through stakeholder engagement focused on the single materiality concept of impact risk and assessing the most significant topics to our organization. This materiality assessment has been performed in 2021 and therefore the double materiality was not yet required
- following the material topics identification, they have been integrated and measured into our report and monitored to implement our strategy.

Among the topics evaluated, only those with the highest social and environmental impact as well as those with the highest relevance for stakeholders were considered essential for the Sustainability Report.

Given Sustainability's broad reach, to focus on materiality impact a materiality analysis assessment with methodological support provided by Deloitte & Touche S.p.A. was performed in November of 2021. The materiality analysis has engaged several stakeholders, both internal and external

## GRI 3-2 List of material topics

Area	Material Topic
Economic Responsibility & Compliance	Ethics and Integrity
	Economic Performance
	Digitalization
Products & Services	Product Safety
	Product innovation and intellectual property
	Quality of products and services and customer satisfaction
	Product sustainability
Social Responsibility	Enhancement, skills development and talent attraction
	Employee welfare and well - being
	Relation with local communities
	Diversity and equal opportunities
Product Optimization	
Supply Chain	Sustainable supply chain management
Environmental Responsibility	Responsible management of water resources
	Responsible materials consumption
	Effluents and waste management
	Energy and Emissions
	Environmental compliance

## GRI 201-1 Direct economic value generated

	Current year		Previous year	
	Value	Percentage	Value	Percentage
ECONOMIC VALUE GENERATED	648.01	100.00%	780.04	100.00%
Revenues	638.79	98.58%	779.86	99.98%
Net sales (including intercompany)	658.38	-	753.52	-
Changes in inventory	-26.32	-	17.11	-
Other revenues and income (including intercompany)	6.73	-	9.23	-
Financial Income including intercompany)	9.22	1.42%	0.18	0.02%
Income from equity investments (including dividends)	0.00	-	0.00	-
Other financial income (including interest on receivables)	9.22	-	0.18	-
TOTAL REVENUES	648.01	-	780.04	-
ECONOMIC VALUE DISTRIBUTED	575.08	88.75%	688.09	88.21%
Total operating costs	442.63	76.97%	563.07	81.83%
Materials, product components, structures (including intercompany)	338.08	-	439.32	-
Services (without internal transfers)	90.74	-	112.09	-
Costs for the use of third party assets (including intercompany)	13.81	-	11.66	-
Total wages and employees benefits	103.82	18.05%	101.07	14.69%
Total wages (wages + amounts paid to Pas on behalf f employees)	103.82	-	101.07	-
Total benefits	0.00	-	0.00	-
Total payments to capital suppliers	11.00	1.91%	4.77	0.69%
Dividends to all shareholders (including intercompany)	5.20	-	1.4	-
Passive interests (including intercompany)	5.80	-	3.37	-
Total payments to PA	17.48	3.04%	19.05	2.77%
Taxes (income and property taxes) - NOT DEFERRED	17.48	-	19.05	-
Sanctions at international, national and local level	0.00	-	0.00	-
Total investments in the community (only effective, no expenditure commitment)	0.15	0.03%	0.13	0.02%
Voluntary donations	0.15	-	0.13	-
Contributions to charities, NGOs and research institutes	0.00	-	0.00	-
Fund investments	0.00	-	0.00	-
Funds to support community infrastructure, such as recreational facilities	0.00	-	0.00	-
Direct costs of social programs, including arts and entertainment, sporting, events	0.00	-	0.00	-
ECONOMIC VALUE RETAINED	72.93	11.25%	91.95	11.79%

## GRI 205-1 Operations assessed for risk related to corruption

	Current year	Previous year
	Value	Value
Operations assessed for risks related to corruption	8	8
Total of operations	9	9
Percentage of operations assessed for risks related to corruption	88.89%	88.89%

## GRI 205 -3 Confirmed incident of corruption and actions taken

There were no proven corruption incidents in none of the companies that are part of Lamberti in 2023

## GRI 206 -1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices

There were neither legal actions pending nor legal actions completed for anti-competitive behavior, and trust and monopoly practices in 2023

## GRI 207-1 Approach to taxes

The approach to taxation adopted by the Lamberti Group is consistent with what is defined within the Group's Code of Ethics, based on the Lamberti Values underlying the company's mission.

This approach is based on the principles of prudence, responsibility, consistency and transparency towards the Company's stakeholders, including the Tax Administrations of the various countries.

All activities carried out by the Group comply with the relevant tax regulations and tax planning is always aligned with business activities. Individuals who are assigned the functions of representation towards national and international Tax Authorities must be inspired by the strictest compliance with the applicable legal provisions as well as the principles of fairness, transparency and loyalty, without compromising the integrity or reputation of the Lamberti Group in any way.

At Lamberti SpA, Group's headquarters, operates the Tax Group Department, which is responsible for the coordination, control and monitoring of taxation issues for the entire Group. Lamberti Group pays close attention to the right application and interpretation of new tax rules, in order to always be update on tax legislation and to avoid future litigations by the Tax Authority.

At the local level, the subsidiaries' tax provisions are managed by the subsidiary's administrative departments in coordination with local tax consultants. Information is shared with the management of the local entity and the Tax Group Department of Lamberti SpA. To minimise the risk of errors, local administrative departments, together with tax consultants, carry out checks on the accounting and tax relevance of the transactions and operations performed.

In particular, Lamberti carries out intra-group transactions at market conditions (arm's length value), complying with criteria of substantive and procedural fairness for the purposes of a transparent and objective assessment: the fees for the exchange of services and/or goods between Group companies are defined on the basis of market conditions and must always be justifiable.

## GRI 207-2 Tax governance, control and risk management

The corporate culture principles underlying the implemented fiscal approach are the following:

- responsible management of the tax variable based on trust, transparency and collaboration with institutions and inspired by the principles set out in the Code of Ethics
- tracing and measuring of tax risks associated with business processes, aimed to containing them
- promoting a tax culture and compliance with all tax laws and regulations applicable in the various jurisdictions in which the Group operates
- promoting within the Group of general principles of conduct in tax matters, based on the values of responsibility
- adequacy of the organisation and related processes (tax governance) in compliance with the defined objectives;
- provision of effective monitoring procedures that allow the identification of any deficiencies or errors in its operation and the consequent implementation of the necessary corrective actions
- consolidated relationship with the Tax Authorities managed in a professional, transparent and timely manner

## GRI 207-3 Stakeholder engagement and management of concerns related to taxes

With reference to the approach to the tax related stakeholders, The Group maintains continuous and proactive cooperation relations with the Tax Authorities, based on principles of transparency and mutual trust.

With regard to the tax authorities, the Group considers the adoption of behaviour aimed at responding promptly to requests received from the Tax Authorities to be of fundamental importance.

With respect to the public policy advocacy on tax, the group works by disseminating the principles of its corporate culture so that they can positively influence the outcome of public policies, such as laws and regulations

The processes for collecting and considering the views and concerns of stakeholders (including external stakeholders) is achieved by disclose complete, correct, accurate and precise information and by always behaving in a transparent and collaborative manner.

## GRI 207-4 Country by country reporting

Membership Area	Italy	Europe	Middle East-Africa	USMCA	South America	Asia
(iii) Employees' number	752	74	14	252	109	120
(iv) Revenues from third-party	208,776,824	61,498,197	16,346,877	246,135,256	41,751,865	59,515,841
(v) Revenues from infra-group transactions with other tax jurisdictions	112,739,261	5,181,285	57,322	7,608,247	3,527,420	6,375,309
Revenues from infra-group transactions within the same tax jurisdiction	940,918	24,000	0	7,728,960	0	0
Revenues related to other source of infra-group revenue such as dividends, interest and royalties (not included in turnover)	5,372,238	6,131,484	0	0	0	0
(vi) Profit/Loss before tax	28,114,665	14,061,183	-349,743	38,760,542	2,741,997	2,457,674
(vii) Tangible assets other than cash and cash equivalents	65,284,511	5,617,679	35,583	53,733,010	4,926,973	4,373,855
(viii) Corporate on income tax paid on cash basis	916,114	1,133,507	231,616	8,591,985	1,507,901	318,580
(viii) Corporate on income tax accrued on profit/loss income	4,512,642	1,388,076	102,024	8,678,444	1,291,603	549,439
(x) Reasons for the difference between the corporate income tax occurred on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax	The main differences are related to the utilisation of the loss carried forward under the tax consolidation scheme; (ii) to the other tax incentives (tax credits) and (ii) to a minor extent to dividends received (taxable in Italy for % of the nominal amount)	The main differences are related to (i) the dividends received, which are not taxable under certain conditions and (ii) minor tax adjustments on the basis of local tax law		The main difference is due to the depreciation deductible according to the local Tax Law (as negative tax adjustment)	The main differences are due to (i) the deduction of the interests calculated on shareholders' equity (Juros) in Brazil; (ii) the tax adjustment for inflation (negative adjustment); (iii) the tax treatment of unrealized exchange rate provision	

## GRI 301-1 Material used by weight or volume

	Current year	Previous year
	Weight	Weight
RAW MATERIALS	156,795.0	196,529.0
Of which renewable	39,054	51,108.0
PROCESS MATERIALS	0.0	0.0
Of which renewable	0.0	0.0
SEMI-MANUFACTURED GOODS OR PARTS	0.0	0.0
Of which renewable	0.0	0.0
MATERIAL FOR PACKAGING	3,223.0	4,254.0
Of which renewable	163.0	212.0
Other ( specify)	0.0	0.0
Total materials used	156,795.0	196,529.0
Total non-renewable materials used	117,741.0	145,421.0
Total renewable materials used	39,054.0	51,108.0
Total packaging used	3,223.0	4,254.0
Total non-renewable packaging used	3,060.0	4,042.0
Total renewable packaging used	163.0	212.0

## GRI 301-2 Recycled input materials used

	Current year		Previous year	
	Recycled input materials used	%recycled input materials	Recycled input materials used	%recycled input materials
Petrochemical Downstream Output	0.00 t	0.00%	3,765.00 t	1.92%
Oleochemical Downstream Output	782.00 t	0.50%	888.00 t	0.45%
Packaging Recycled	24.00	0.74%	25.00	0.59%

Limitation to the perimeter: Lamberti subsidiaries in SAP (Europe, Americas, China, Kalichem srl)

In 2023 we considered as "Recycled material" only raw materials that in one stage of their life cycle are classified as Waste and Recycled as for GRI 301-2.

Other chemicals byproducts/bottoms/side stream used in our production, since Sustainability Report 23 will be classified as "Valorized materials" till when there will be a clear official definition and classification for these recycled raw materials.

Value SR23 :  
 Valorized materials Petrochemical 2.272 t = 1,45%  
 Valorized materials Oleochemical 505 t = 0,32 %

## GRI 302-1a and 302-1b Energy consumption within the organization (input)

	Current year	Previous year
	Value YTD	Value YTD
<b>ENERGY CONSUMPTION - TOTAL FUEL CONSUMPTION FROM NON-RENEWABLE SOURCES</b>		
Natural Gas (M3)	13,502,673.3	14,252,885.6
Of which used for production processes	13,059,058.0	13,720,495.8
Of which not for production processes	443,615.2	532,389.8
Diesel (L)	364,583.5	349,573.8
Of which used for production processes	274,900.5	316,804.1
Of which not for production processes	89,683.0	32,769.7
LPG (L)	50,006.7	57,014.7
Of which used for production processes	36,644.0	0.0
Of which not for production processes	13,362.6	57,014.7
Petrol (L)	31,748.7	28,821.1
Of which used for production processes	0.0	0.0
Of which not for production processes	31,748.7	28,821.1
<b>B-TOTAL FUEL CONSUMPTION FROM RENEWABLE SOURCES</b>		
Biomass (Kg)	0.0	0.0
Of which used for production processes	0.0	0.0
Of which not for production processes	0.0	0.0
Biogas (M3)	0.6	0.0
Of which used for production processes	0.0	0.0
Of which not for production processes	0.6	0.0
<b>TOTAL FLUEL CONSUMPTION</b>		
<b>C-TOTAL PURCHASED ELECTRICITY CONSUMPTION</b>		
Purchased electricity (KWH)	49,373,994.9	55,169,719.3
Of which renewable (certified)	8,424,310.0	12,719,659.0
Self -produced electricity (KWH)	11,493,453.0	11,223,058.0
Of which renewable (certified)	70,208.0	31,828.0
Self -produced and sold electricity (KWH)	109,200.0	62,961.0
Of which renewable (certified)	0.0	0.0
Consumed cooling ( e.g. chilled water plant) (KWH)	0.0	0.0
Purchased	0.0	0.0
Self - produced	140,266,456.0	157,346,163.0
Sold	0.0	0.0
Consumed heating (KWH)	0.0	0.0
Purchased	50,468,047.4	63,782,610.0
Self-Produced	24,902.0	24,616.0
Sold	0.0	0.0
Consumed steam (KWH)	24,196.0	0.0
Purchased	403,524.0	0.0
Self Produced	24,196.0	43,798.0
Sold	0.0	0.0
<b>D-TOTAL SELF GENERATED AND SOLD ELECTRICITY</b>		
	11,602,653.0	11,286,019.0

## GRI 302-1c Energy consumption within the organization (Company fleet Input)

	Current year	Previous year
	Value YTD	Value YTD
<b>COMPANY FLEET ENERGY CONSUMPTION</b>		
Diesel (L)	17,531.9	6,782.0
Diesel (n)	1.0	0.0
Petrol (L)	10,975.8	7,722.0
Petrol (n)	1.0	8.0
LPG (L)	0.0	0.0
LPG (n)	0.0	0.0
Natural gas (KG)	43.4	0.0
Natural gas (n)	0.0	0.0
TOTAL VEHICLES	2.0	8.0
TOTAL CONSUMPTION OF THE COMPANY FLEET	0.0	-
<b>COMPANY CAR FLEET KILOMETERS</b>		
Diesel	401,558.0	77,852.0
Petrol	98,322.0	412,573.0
Hybrid	3,000.0	0.0
CNG	0.0	0.0
LPG	0.0	28,626.0
Other	0.0	0.0
Plug-in Hybrid Electric Vehicle	34,500.0	0.0
Battery Electric Vehicle	34,962.0	0.0
TOTAL KM	586,342.0	519,051.0
<b>COMPANY MOTORCYCLE FLEET KILOMETERS</b>		
Diesel	0.0	0.0
Petrol	0.0	0.0
Hybrid	0.0	0.0
CNG	0.0	0.0
LPG	0.0	0.0
Other	0.0	0.0
Plug-in Hybrid Electric Vehicle	0.0	0.0
Battery Electric Vehicle	0.0	0.0
TOTAL KM	0.0	0.0

## GRI 302-1d Energy consumption within the organization (Company Fleet GJ)

	Current year	Previous year
	YTD GJ	YTD GJ
Diesel (L)	631.04	243.08
Petrol (L)	350.29	247.44
LPG (L)	0.00	0.00
Natural gas (KG)	1.53	0.0
TOTAL CONSUMPTION OF THE COMPANY FLEET	982.87	490.52

The reason of the increase in the consumption of diesel is mainly due to an expansion of the reporting perimeter that from this year includes all the companies of the Group except for Aquatrols and Turftech.

## GRI 307-1 - Non compliance with environmental laws and reg.

	Current year	Previous year
	Value	Value
Total number cases of non compliance with environmental laws	0	4
Total monetary value of significant fines (EUR)	0.00 €	7,500.00 €
Total number of non-monetary sanctions (number of cases)	0	0

## GRI 401-2 Benefits provided to full-time employees that are not provided to part-time employees

We provide a variety of benefits to our employees that includes insurance for accidents during and beyond working hours as well as medical coverage.

Every year we offer the option of free flu vaccination to many employees and have plans to expand this option in the coming years. We make sure to offer disability and invalidity coverage for professional and non-professional accidents. Moreover, we offer special rates with medical centers and laboratories, as well as with gyms, physiotherapy studios and wellness centers. Additionally we offer the possibility of taking parental leave.

	Current year			Previous year		
	Men	Women	Total	Men	Women	Total
Employees entitled to parental leave	988	327	1,315	987	314	1,301
Employees that took parental leave	8	19	27	16	18	34
Working employees after PL ended	4	13	17	13	15	28
Employees still on parental leave	0	5	5	0	3	3
Working employees still employed 12 months after PL ended	5	13	18	42	34	76
Return to work rate	50.00%	68.42%	62.96%	81.25%	83.33%	82.35%
Retention rate	0.00%	38.46%	29.41%	0.00%	20.00%	10,71%

## GRI 403-8 - Workers covered by an occupational health and safety management system

	Current year				Previous year			
	Employees	Employees (%)	Other workers (n)	Other workers (%)	Employees	Employees (%)	Other workers (n)	Other workers (%)
Covered by an occupational health and safety management	1,205	91.63%	116	78.38%	1,263	97.08%	115	71.88%
Covered by such a system that has been internally audited	1,001	76.12%	102	68.92%	992	76.25%	89	55.63%
Covered by such a system that has been internally audited or certified by an external party	840	63.88%	102	68.92%	797	61.26%	85	53.13%

## GRI 403-9a - Hours worked

	Current year	Previous year
Number of Hours worked (h)	3,144,370.64	2,324,710

The reason for the significant increase in the hours worked with respect to 2022 is due to the addition to the reporting perimeter of new companies. More specifically: Lamberti Argentina S.R.L., Lamberti Colombia S.A.S, Microbeads AS, Lamberti Canada Inc, Lamberti Middle East Specialty Chemicals FZE, East Tennessee Inv, Lamberti Deutschland GmbH, Lamberti Kimya Sanyu Ve Ticaret A.S., Lamberti Asia Pacific, Lamint SA, Compania de Servicio, Lambreti Polska and Industries Lamberti S.A.

## GRI 403-9 - Injuries

	Current year	Previous year
Work related injuries with LTA (n)	8	13
Days away from work with LTA (n)	168.5	158
IF - Frequency indicator (n.work related injuries *1000000/Hours worked)	2.54	6.12
IG - Severity Indicator (Days away from work with LTA *1000/Hours worked)	0.05	0.07

## GRI 403-5 - Training in HSE

	Total HSE Training Hours	
	Current year	Previous year
HSE Training hours	16,496.30h	18,107.55h

## GRI 404-1a - Hours of training per year per employee

	Current year						Previous year					
	Hours Men	Hours Women	Total Hours	N°males	N°female	Total Employees	Hours Men	Hours Women	Total Hours	N°males	N°female	Total Employees
Executives/Managers	3,276.5	1,301.0	4,577.5	206.0	72.0	278.0	4,499.5	1,805.2	6,304.7	173.0	60.0	233.0
White collars	5,533.5	2,103.5	7,637.0	287.0	237.0	524.0	6,751.8	4,151.1	10,902.9	261.0	203.0	464.0
Blue Collars	5,425.4	69.6	5,495.0	495.0	18.0	513.0	8,476.5	481.4	8,957.9	434.0	17.0	451.0
Total	14,235.4	3,474.1	17,709.5	988.0	327.0	1,315.0	19,727.9	6,437.6	26,165.4	868.0	280.0	1,148.0

## GRI 404-1b - Average hours of training per year per employee

	Current year			Previous year		
	N° Hours per capita Males	N° Hours per capita Females	Average total hours	N° Hours per capita Males	N° Hours per capita Females	Average total hours
Executives/Managers	15.90 h	18.08 h	16.46 h	26.01 h	30.09 h	27.06 h
White collars	19.28 h	8.88 h	14.57 h	25.87 h	20.45 h	23.50 h
Blue Collars	10.96 h	3.87 h	10.71 h	19.53 h	28.32 h	19.86 h
Total	14.41 h	10.62 h	13.47 h	22.73 h	22.99 h	22.79 h

## GRI 403-9 - Types and cause of work related injury

	Current year		Previous year	
	Employees	External workers	Employees	External workers
WORK-RELATED INJURY				
Facilities as a result of work-related injury	0	0	0	0
Work-related injuries high-consequence ( excl fatalities)	1	0	0	0
Number of recordable work-related injuries	8	1	13	0
Number of "in itinere" injuries	2	0	2	0
Hours worked (Last 12 Months)	3,144,370.2	196,016.5	2,123,948.0	199,473.7
Rate of fatalities as result of work related injury	0.0	0.0	0.0	0.0
Rate of high - consequences work-related injury ( excl fatalities)	0.3	0.0	0.0	0.0
Rate of recordable work related injuries	2.54	5.10	6.12	0.00

The main types of work related injuries relate to lacerations, fractures and bruises

## GRI 403-10 - Work-related ill health

There was one work-related ill during the reporting year.

## GRI 405-1a - Diversity of governance bodies and employees (top management)

	Current year				Previous year			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Men	0	0	2	2	0	0	2	2
Women	0	0	1	1	0	0	1	1
Total	0	0	3	3	0	0	3	3
Percentage Men	0.00%	0.00%	66.67%	66.67%	0.00%	0.00%	66.67%	66.67%
Percentage Women	0.00%	0.00%	33.33%	33.33%	0.00%	0.00%	33.33%	33.33%
Percentage Total	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%



## GRI 405-1b - Diversity of governance bodies and employees (number of employees)

	Current year												Previous year											
	<30 years			30-50 years			>50 years			Total			<30 years			30-50 years			>50 years			Total		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives/Managers	0	0	0	77	39	116	129	33	162	206	72	278	0	0	0	66	32	98	107	28	135	173	60	233
White Collars	22	20	42	144	152	296	121	65	186	287	237	524	21	23	44	137	130	267	103	50	153	261	203	464
Blue Collars	72	4	76	256	12	268	167	2	169	495	18	513	59	6	65	225	10	235	150	1	151	434	17	451
Total	94	24	118	477	203	689	417	100	517	988	327	1,315	80	29	109	428	172	600	360	79	439	868	280	1,148

## GRI 405-1c - Diversity of governance bodies and employees (percentage of employees)

	Current year												Previous year											
	<30 years			30-50 years			>50 years			Total			<30 years			30-50 years			>50 years			Total		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives/Managers	0.00%	0.00%	0.00%	5.86%	2.97%	8.82%	9.81%	2.51%	12.32%	15.67%	5.48%	21.14%	0.00%	0.00%	0.00%	5.75%	2.79%	8.54%	9.32%	2.44%	11.76%	15.07%	5.23%	20.30%
White Collars	1.67%	1.52%	3.19%	10.95%	11.56%	22.51%	9.20%	4.94%	14.14%	21.83%	18.02%	39.85%	1.83%	2.00%	3.83%	11.93%	11.32%	23.26%	8.97%	4.36%	13.33%	22.74%	17.68%	40.42%
Blue Collars	5.48%	0.30%	5.78%	19.47%	0.91%	20.38%	12.70%	0.15%	12.85%	37.64%	1.37%	39.01%	5.14%	0.00%	5.66%	19.60%	0.87%	20.47%	13.07%	0.09%	13.15%	37.80%	1.48%	39.29%
Total	7.15%	1.83%	8.97%	36.27%	15.44%	51.71%	31.71%	7.60%	39.32%	75.13%	24.87%	100.00%	6.97%	2.53%	9.49%	37.28%	14.98%	52.26%	31.36%	6.88%	38.24%	75.61%	24.39%	100.00%

## GRI 405-2a - Ratio of basic salary and remuneration of women to men (input)

	Current year						Previous year					
	Basic Salary Total Amount			Remuneration Total Amount			Basic Salary Total Amount			Remuneration Total Amount		
	Male	Female	Ratio	Male	Female	Ratio	Male	Female	Ratio	Male	Female	Ratio
Executives/Managers	17,073,112.18€	4,224,490.00€	0.24n	22,827,239.87€	5,156,986.90€	0.22n	12,278,303.39€	3,254,734.21€	0.26n	15,388,599.10€	3,895,136.96€	0.25n
White Collars	12,075,221.53€	7,434,037.88€	0.61n	13,111,746.73€	7,979,020.71€	0.60n	9,760,083.49€	5,722,075.82€	0.58n	10,961,945.10€	6,133,267.79€	0.55n
Blue Collars	14,888,218.15€	427,123.61€	0.02n	14,714,823.42€	258,178.34€	0.01n	8,978,461.92€	114,301.49€	0.01n	9,155,180.27€	138,391.56€	0.01n

## GRI 405-2b - Ratio of basic salary and remuneration of women to men

	Current year						Previous year					
	Basic Salary Average			Remuneration Average			Basic Salary Average			Remuneration Average		
	Male	Female	Ratio	Male	Female	Ratio	Male	Female	Ratio	Male	Female	Ratio
Executives/Managers	82,879.27€	58,673.47€	0.71n	110,812.34€	71,624.81€	0.65n	70,972.85€	54,245.57€	0.76n	88,951.43€	64,918.94€	0.72n
White Collars	42,074.05€	31,500.16€	0.74n	45,868.26€	45,845.26€	0.73n	37,394.95€	28,187.56€	0.75n	41,999.78€	30,213.14€	0.71n
Blue Collars	30,077.20€	23,729.08€	0.78n	29,726.91€	14,343.24€	0.48n	20,687.70€	6,723.61€	0.32n	21,094.88€	8,140.68€	0.38n

## PRODUCT

### GRI 416-1 - Assessment of the health and safety impacts of product and service categories

The Safety Data Sheets coverage for Lamberti products for mandatory and voluntary requirements, and the Italian version of them is to intend > 99%. The HSE evaluation for new products is carried out under specific internal procedure for products included in SAP systems for purchased and manufactured chemicals.

	Current year	Previous year
Safety Data Sheets coverage for Lamberti products for mandatory and voluntary requirements	99.00%n	99.0%n
Italian version Safety Data Sheets coverage for Lamberti products for mandatory and voluntary requirements	99.0%n	99.0%n
Number of Safety Data Sheets(all languages) prepared during the period	3,088n	3,913n
Number of product for which a Safety Data Sheets (all languages) was prepared during the period	1,075n	1,318n
Number of new products for which an HSE evaluation was made using internal RS25 procedure	146n	199n

### GRI 416-2 - Incidents of non-compliance concerning the health and safety impacts of products and services

No warnings or penalties were received by customers or authority about non compliance of SDS, product safety documents. Penalties are generally part of inspections or audit by public authorities and customer warnings are considered information received in formal way under QA processes.

### GRI 417-1a - Requirements for product and service information and labeling (Product Certification)

The internal procedures include the request of information through the supply chain related to the HSE information for products and services. The chemicals are our core business and we are fully committed to obtain any information to manage correctly the use of chemicals in our plants and also in the products on the market, according with current legislations adopted in EU and in various Countries and as part of our ethical code, including the impact for the environment, workers and general population. The management of the chemicals and in general of products part of our industrial activities are followed by a number of internal procedures to define the specific hazard properties, the condition of exposure and finally the definition of risks and the action to do to minimize the possible hazardous effects on workers and environment.

The management of chemicals and materials used in outer activities (i.e. packaging) includes the end-life activities which are generally intended as waste management. In this case we followed a number of internal procedures in our plants according with the current laws, informing also our customers about the correct management of products. All the chemicals manufactured, purchased, used of intermediate, including the chemicals generated in our process and treated in our plants are covered by internal procedures to assess safe use.

Certification	Current year		Previous year	
	Number	% (product in BU)	Number	% (product in BU)
GOTS	89.00n	0.00%n	78.00n	0.00%n
BLUESIGN	147.00n	0.00%n	96.00n	0.00%n
ZDHC	213.00n	0.00%n	176.00n	0.00%n
ISEGA	4.00n	0.00%n	4.00n	0.00%n
COSMOS	0.00n	0.00%n	9.00n	0.00%n
NATRUE	3.00n	0.00%n	3.00n	0.00%n
OSPAR	62.00n	0.00%n	61.00n	0.00%n

Cosmetic Certification under ECOCERT and COSMOS (data from Cosmetic Division)

Agriculture Certification under ECOCERT (data from Agriculture Division)

The values indicated in product certification are referred to the total products part of these certification schemes. In 2022 we decided to indicate the total number of OSPAR certification obtained by UK, NL and DK authorities and managed by Geo Science Division.

In 2023 two other indicators are shown: the certifications referred to cosmetic products under ECOCERT and COSMOS criteria managed by Personal Care Division and the certifications referred to Agro products under ECOCERT criteria managed by Agriculture Division.

At the moment is not possible to define the % of products certified vs other products, because it's not possible to distinguish the specific application area for each product (SAP code).

### GRI 301-1 - Materials used by weight or volume

	Current year	Previous year
	Weight	Weight
RAW MATERIALS	<b>156,795.00t</b>	<b>196,529.00t</b>
of which renewable	39,054.00t	51,108.00t
PROCESS MATERIALS	0.00t	0.00t
of which renewable	0.00t	0.00t
SEMI-MANUFACTURED GOODS OR PARTS	0.00t	0.00t
of which renewable	0.00t	0.00t
MATERIAL FOR PACKAGING	3,223.00Kn	4,254.00Kn
of which renewable	163.00Kn	212.00Kn
Other [specify]	0.00t	0.00t
<b>Total materials used</b>	156,795.00t	196,529.00t
<b>Total non-renewable materials used</b>	117,741.00t	145,421.00t
<b>Total renewable materials used</b>	<b>39,054.00t</b>	<b>51,108.00t</b>
<b>Total packaging used</b>	3,223.00Kn	4,254.00Kn
<b>Total non-renewable packaging used</b>	3,060.00Kn	4,042.00Kn
<b>Total renewable packaging used</b>	163.00Kn	212.00Kn

Limitation to the perimeter: Lamberti subsidiaries in SAP (Europe, Americas, China, Kalichem srl) Not Productive sites: Gallarate, France (since 2022), India (since 2023).



# External Assurance



# Lamberti Group

**2023 Sustainability report**

(with independent auditors' report thereon)

KPMG S.p.A.

25 October 2024



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## Independent auditors' report on the sustainability report

To the board of directors of  
 Lamberti S.p.A.

We have been engaged to perform a limited assurance engagement on the Sustainability Report (the "sustainability report") of Lamberti Group (the "group") for the year ended 31 December 2023.

### Directors' responsibility for the sustainability report

The directors of Lamberti S.p.A. (the "parent") are responsible for the preparation of the sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards").

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

### Auditors' independence and quality management

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB)

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 Trieste Varese Verona

Società per azioni  
 Capitale sociale  
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 20124 Milano MI ITALIA



Lamberti S.p.A.  
 Independent auditors' report  
 31 December 2023

applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2 comparing the financial disclosures presented in the "Lamberti's Sustainability Footprint Key Figures" and "Annex Reporting Datapack – GRI 201-1 Direct economic value generated" sections of the sustainability report with those included in the group's consolidated financial statements;
- 3 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we held interviews and discussions with the parent's management personnel and with Lamberti USA Inc.'s personnel. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at group level:
  - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the sustainability report;
  - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited the Albizzate (Italy) and Conroe (Texas) sites, which we have selected on the basis of their business, contribution to the key performance indicators and location, to meet their management and obtain documentary evidence, on a sample basis, supporting the correct application of the procedures and methods used to calculate the indicators.

### Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the sustainability report of Lamberti Group for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.



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**Other matters**

The sustainability report of Lamberti Group for the year ended 31 December 2022, was subject to a limited assurance engagement by another auditor who expressed an unmodified conclusion on that sustainability report on 10 November 2023.

Varese, 25 October 2024

KPMG S.p.A.



Ivan Spertini  
Director of Audit



