

# Growing with purpose

People at the centre  
of our decisions

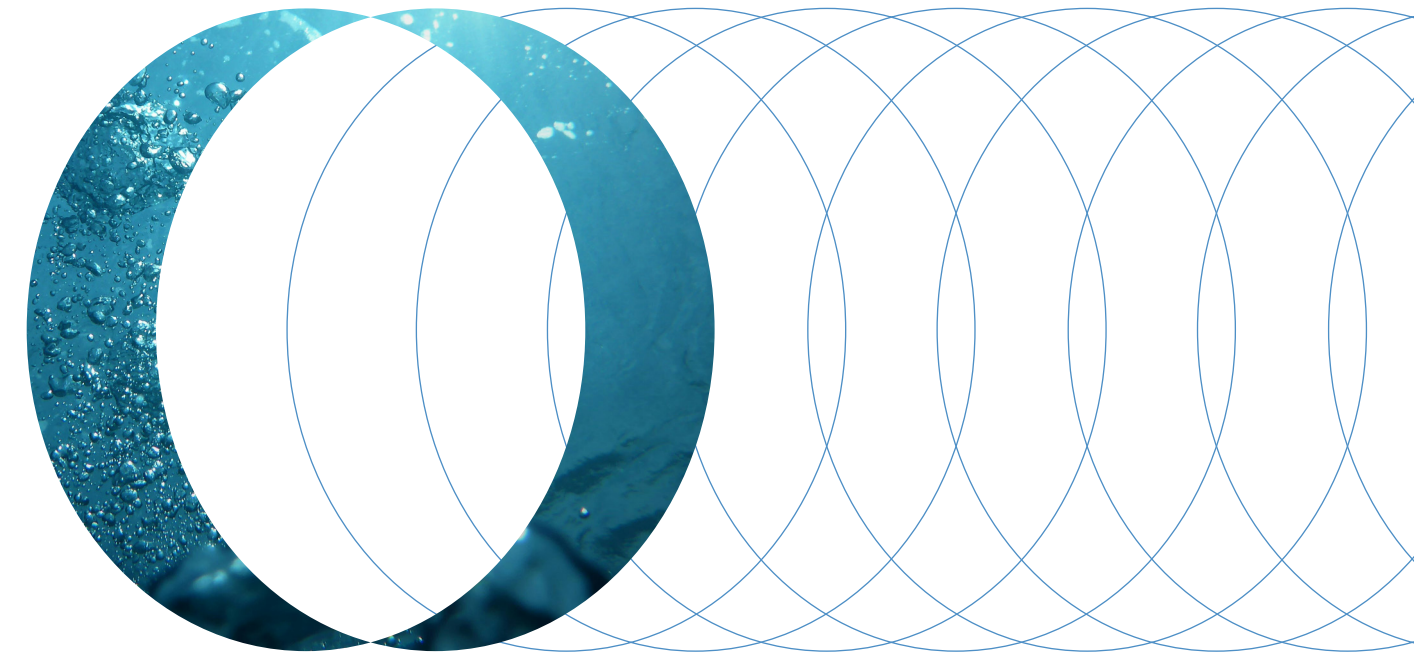
# 1.

## STRATEGY AND GOVERNANCE FOR CHANGE

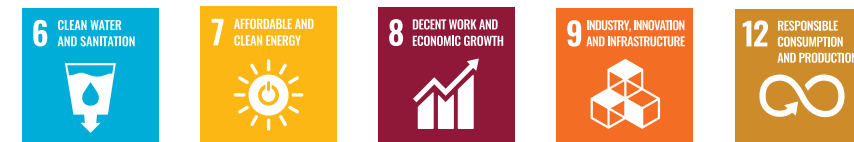
# 1. Change

For Bondalti, sustainable growth is that which develops in full alignment with the priorities of the society. We therefore view business as a driver for creating a positive impact, in the certainty that our strategic decisions gain even more relevance in the face of unprecedented challenges on a global scale, at an environmental, social and economic level.

“Tomorrow Matters” represents the motto that guides our growth in areas that complement and enhance each other. We innovate today, mindful of the future.



## Strategic SDG



## Impacted SDG



By 2025, Bondalti plans to invest more than 70 million euros in decarbonisation projects at the Estarreja unit

## 1.1. Identity

### PURPOSE

To contribute to a better world through creating innovative and sustainable Chemistry.

### VALUES



#### Competence

Bondalti encourages an ongoing attitude of continuous improvement, through individual responsibility and team work, striving for excellence and consistency.



#### Innovation

Bondalti fosters an entrepreneurial culture and an open and curious mentality, in a constant search for new solutions and value-creating opportunities.



#### Human development

Bondalti puts human dignity at the centre of its decision-making and contributes to the development of its people's abilities, fostering autonomy and ongoing learning.



#### Integrity

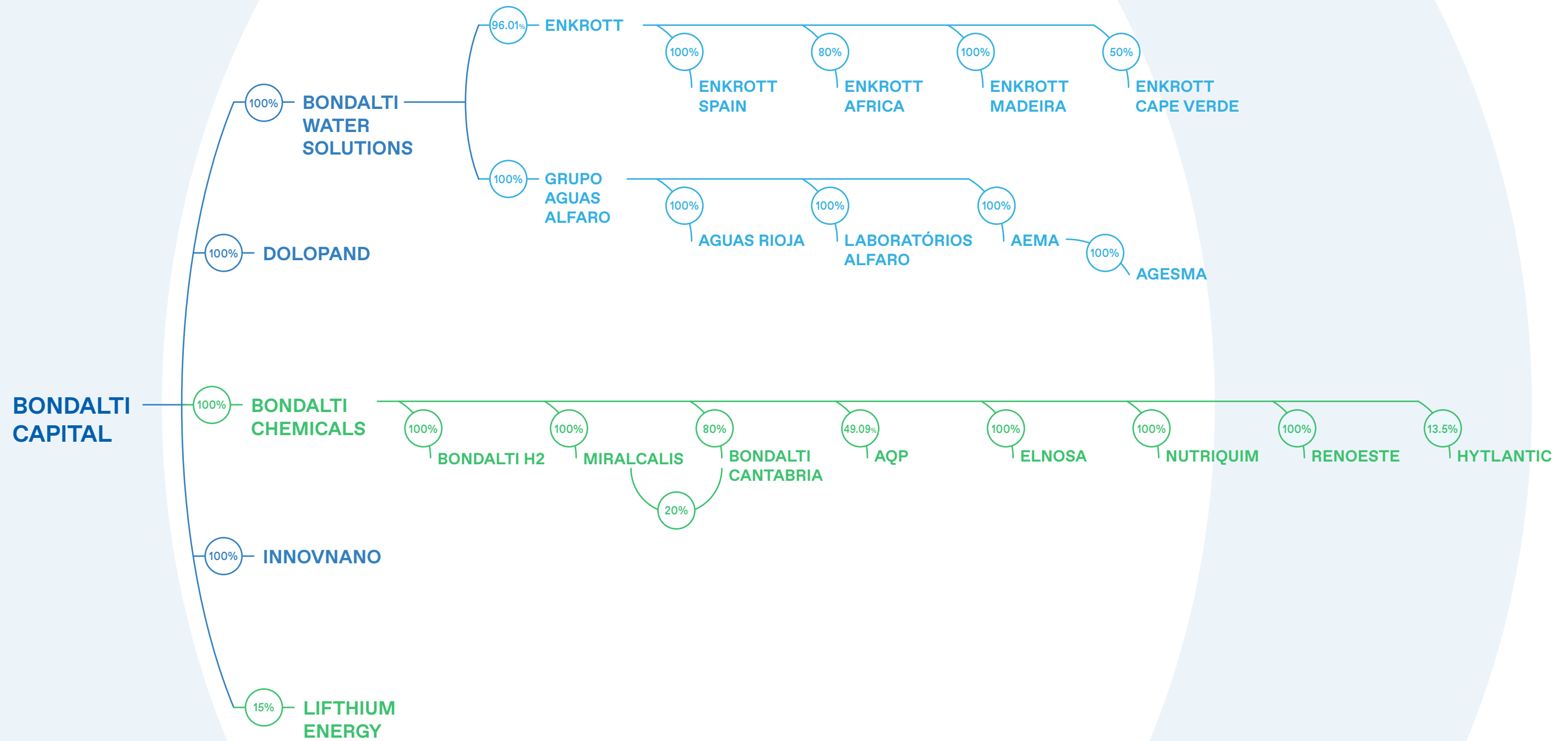
Bondalti promotes honest and ethical behaviour, establishing relationships of trust and loyalty, treating everyone fairly and candidly.



#### Responsible practices

Bondalti strives every day to be synonymous with high standards of quality, safety and respect for the environment, seeking to add value to the communities where it operates, while protecting both people and the planet.

# Bondalti Companies



## 1.2. Business areas

### 1.2.1. Bondalti Chemistry

#### ORGANIC CHEMICALS

#### Aniline and derivatives

#### INORGANIC CHEMICALS

#### Chloralkali

As the largest Portuguese producer in the industrial chemicals sector, and one of the main Iberian operators, Bondalti has manufacturing plants in Portugal (Estarreja) and Spain (Torrelavega) that aim to satisfy a wide range of customers in the domestic and international markets.

In the organic chemicals segment, Bondalti is the European sales leader and one of the world's leading non-integrated aniline producers, through the use of proprietary technology. It is also the Iberian peninsula's largest producer of chlorine, in the inorganic chemicals segment and the second largest Iberian producer of electrolytic hydrogen, or hydrogen obtained through processes of electrolysis. Bondalti currently exports more than 90% of its production.

“To contribute to a better world through creating innovative and sustainable chemistry” – Bondalti’s purpose is reflected in the company’s strategic positioning and the responsibility with which it engages in its activities. Its 150 years of experience, which laid the foundation of what Bondalti is today, represents a distinctive feature in the market, but also a pillar of its sustainable vision for the business.

Bondalti products are indispensable in our daily lives and essential for the well-being of modern societies. Bondalti’s chemistry is present in a diverse range of sectors, from water treatment and reuse through pharmaceuticals to footwear, and also includes agriculture and cleaning and disinfection.

But being an “industry of industries” also means the responsibility of contributing to sustainable development goals, either by minimising its own impacts or by innovating new products capable of contributing to the decarbonisation of the economy, while maintaining its economic and social function.



## Investment in decarbonisation

Despite the economic context with multiple challenges on a global scale, 2023 was a very positive year for Bondalti's activity in the chemical sector. It managed to maintain an excellent sales volume and its market position, as well as implementing initiatives aligned with the long-term objectives of decarbonising its industrial sites.

Bondalti was the company with the highest percentage and the highest absolute value of incentive approved under Component 11 of the PRR, in support of its investment plan in decarbonisation, which involves different areas and different technologies, with a total of more than 70 million euros to be invested, until the end of 2025, at the Estarreja unit. A project that includes pioneering technologies in the industry, such as the use of batteries to store locally produced renewable energy. In 2023, the execution of these investments, aligned with the company's sustainable business strategy, has already mobilised 13 million euros.

## Efficiency gains and cost reduction

In 2023, the company bolstered its commitment to efficiency gains and cost reductions. Although inflation had a significant direct impact on operating costs, especially materials and services, Bondalti maintained its competitiveness compared to European industry.

The primary treatment of salt (an essential raw material for chlorine production) represented one of the focuses of 2023. In addition to

meeting the objective of diversifying sources of supply, mitigating the company's exposure in the event of a shortage, this initiative provided a relevant impact on cost reduction through the replacement of vacuum salt – a product of high purity and higher cost – with sea salt.

## Bondalti Chemicals' competitiveness milestones in 2023

**Reliability:** the Estarreja site achieved reliability rates close to 90%, a competitive advantage that translates into meeting production targets, delivering products to customers and implementing improvement projects.

**Efficiency:** the main achievement was in terms of specific consumption, which recorded historically low values. Raw materials are the biggest cost of production and using them in the most efficient way has a very significant impact on the business. Currently, the main raw materials are at the highest level of efficiency ever achieved.

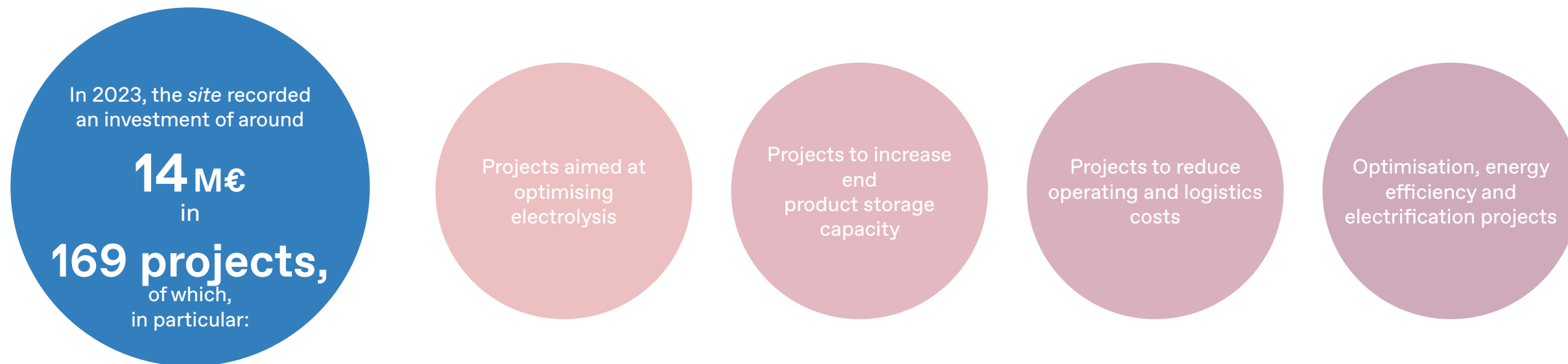
**Productivity:** In terms of quantities produced, 2023 was the second best year ever, especially for aniline, nitrobenzene and nitric acid, thanks to two fundamental factors: on the one hand, the capture of sales, which created the need to maintain production at high levels throughout the year, and, on the other, the availability of the factories to operate at an optimal performance level.








**Technology:** the decision was made to replace the brine electrolysis technology in Estarreja with a more energy efficient one with greater technical support for the maintenance of those units (best in class). Around 20% of a total investment of around 40 million euros was made during 2023.

**Rejuvenation:** the ambitious know-how transmission plan among the Estarreja operations teams, with a view to ensuring

continuity in the manufacturing area, resulted in an important training component during the year (through the 4x4 Training programme, specifically designed for this purpose). The average age of the employees of the site fell from 44 in 2022, to 42 in 2023. In 2021, in industrial chemicals, Bondalti had 135 employees over 50 years of age, a number that decreased to 116 in 2023.

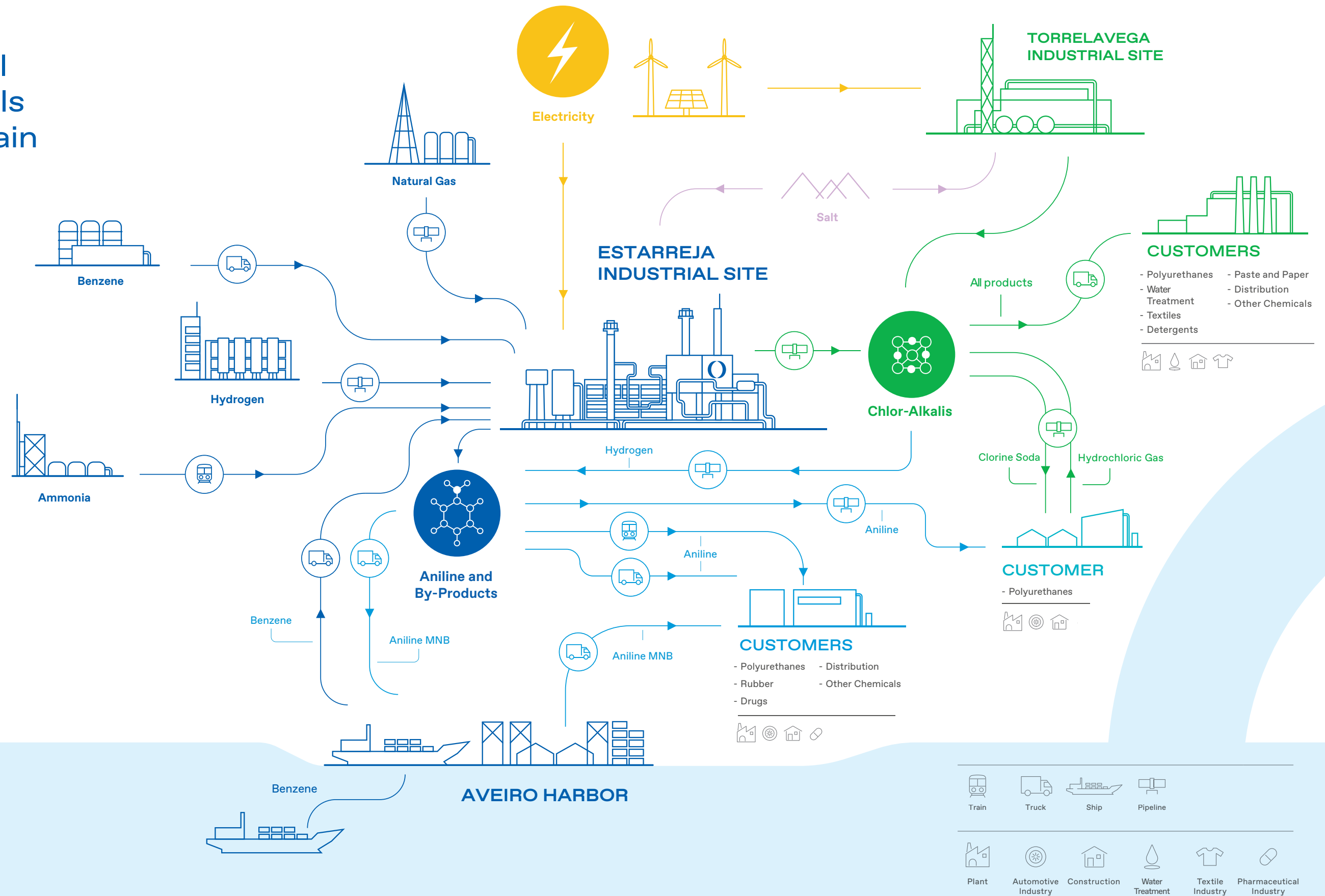
### Main investments made in Estarreja



	 <p><b>Chemical Industry</b></p> <p>The chemicals produced form part of the beginning of the value chain for countless customers</p>	 <p><b>Paints and Pigments</b></p> <p>The composition of paints involves water-insoluble chemicals and oily substances</p>	 <p><b>Rubber Industry</b></p> <p>In rubber processing, organic chemicals are used in its composition</p>	 <p><b>Pharmaceutical Industry</b></p> <p>Pharmaceutical industry products have very high purity requirements</p>	 <p><b>Hygiene and cleaning products/ Detergents and Soaps</b></p> <p>Cleaning products are characterised by the effective elimination of oils and fats and the disinfection of surfaces</p>	 <p><b>Water Treatment</b></p> <p>Chlorine-based products act to disinfect public water and water for human consumption</p>	 <p><b>Paper Industry</b></p> <p>The manufacture of paper and derivatives depends essentially on inorganic products</p>
Nitric Acid	○						
Sulphanilic Acid	○	○	○	○			○
Aniline	○	○	○				
Mononitrobenzene	○	○	○	○			
Hydrochloric Acid	○		○		○		○
Chlorine						○	
Sodium Hypochlorite			○		○	○	○
Caustic Soda	○		○		○		○



# Industrial Chemicals Value chain



## 1.2.2. Bondalti Water

### Present in the whole water cycle








Bondalti Water develops two types of complementary activities, for customers in sectors such as industry, health, tourism and large buildings and facilities, for whom water is a critical asset:

#### DESIGN AND ENGINEERING

Design, production, marketing and installation of highly reliable and competitive equipment and solutions for the production of water for human consumption, the treatment of process water and wastewater, sludge and other waste products;

#### OPERATION AND MAINTENANCE

Close and continuous monitoring, whether of integrated management, operation, preventive and/or corrective maintenance.

- Design and Engineering —  
- Factory and Production/Work —  
- Operation and Maintenance —   

To these two activities, we can add the accredited **Laboratory** in Spain, which allows us to offer, both to external customers and internal operations, chemical and biological analyses and high quality process and technical inspection services, guaranteeing total independence.

The company has operations in Portugal, Spain and Angola, and exports solutions for the integrated water cycle throughout



the world, with an extensive portfolio of technologies, including:

- Solutions with membrane technologies, such as reverse osmosis or ultrafiltration;
- Electrodeionisation equipment;
- Advanced biological solutions, including membrane bioreactors (MBR) and anaerobic reactors;
- Solutions with physicochemical treatments, advanced oxidation systems and sludge treatment;
- Customised chemical dosing equipment for water treatment or other applications;
- Solutions for the reuse of wastewater for various purposes;
- Advanced monitoring and control solutions associated with Bondalti Water products.

At a time of strong pressure on the management of natural resources, Bondalti Water puts its experience and skills at the service of a more sustainable operation for its customers, throughout the entire water cycle.

Bondalti Water bases its activity on offering technological solutions for the integral water cycle to various customers, particularly industrial customers and those in the services sector. It addresses the most difficult and technically demanding challenges as those where the greatest value can be contributed. It covers the entire water cycle, including process water, utilities, wastewater treatment and reuse. These solutions have a strong focus on increasing operational and energy efficiency and reducing the water footprint. Reinforcing its

commitment to the energy efficiency of solutions, Bondalti Water is also present at various points in the Water-Energy nexus, including the generation of biogas and, associated with it, the recovery of waste and recovery of nutrients.

The holistic approach to the challenge of managing this vital resource means that the company is today recognised in the market as an outstanding partner for personalised, technically advanced and multidisciplinary solutions tailored to each customer for optimising water flows, in multiple sectors of activity.

Bondalti Water recognises that the circularity of resources, particularly water, represents a critical factor for competitiveness through the reduction of operational costs and compliance with ESG – Environmental, Social and Governance criteria, which is why it has developed a comprehensive service that cuts across the entire water cycle.

The result of the consolidation of two companies, the Spanish AEMA and the Portuguese Enkrott, Bondalti Water brings together more than 60 years of accumulated experience, which puts it in a position to offer the best technologies. The company has more than 500 active service references and brings together know-how and multidisciplinary skills to develop solutions specific to each need. It is a European leader in membrane bioreactor (MBR) technology, in which Bondalti Water professionals have more than two decades of experience, in addition to designing, manufacturing and integrating advanced solutions, particularly automation, all over the world, from the Iberian Peninsula to Australia, and including Antarctica.

## Year of growth and consolidation

For Bondalti Water, the year 2023 will be marked by major growth in its customer base, as well as the diversification of the products and services offered. The company's organic growth has involved expanding its commercial products and services in the Portuguese and Spanish markets, through the cross-referencing of skills and specialisations between the two geographical areas.

As part of this strategy, Bondalti Water reinforced its presence in the Process Water segment, in Spain, and in the Waste Water segment, in Portugal, which also involved increasing production capacity and the portfolio of technologies, as well as expansion of the network of international partners. In 2023, the company expanded the number of countries to which it exports, with markets outside the Iberian Peninsula and Angola contributing 9% of total sales volume, compared to 6% in the previous year.

As a result of the international promotion and market recognition of the cross-cutting nature of the company's skills, the year 2023 is also marked by a record number of large-scale projects in different sectors of activity.

The strengthening of Bondalti Water's scale also translated into its teams: the number of employees represents around 47% of Bondalti's headcount. Due to this growth and continuing the already contemplated path towards integration, in 2023 a new organisational

structure for integrated Iberian coordination was implemented, which allows for better sharing of skills and capabilities.

## Biogas and circularity

Biogas, a renewable fuel produced from organic waste originating from the treatment of wastewater, animal or vegetable waste, is one of the fundamental fronts of development at Bondalti Water. The aim is to recover waste as a raw material for energy production, realising the full potential of circularity and reducing the carbon footprint.

The biogas segment is developed in two main areas of activity, the first of which consists of the use of technologies in the treatment of wastewater with a view to optimising the production of this product. This is a front in which Bondalti Water is already very active, with two large-scale installations operating in a brewery and a WWTP shared by four factories in the food sector.

In addition to production from wastewater, the company is also developing projects that aim to implement dedicated units, in which biogas production incorporates not only waste from water treatment, but also other types of organic waste. The sector is emerging in the Iberian Peninsula, where there are still few projects in execution or operation. In Portugal, the public strategy to support biogas was presented in January 2024.

## Desalination: a market with potential

Bondalti Water is investing in desalination, a market segment that is gaining increasing significance, given the current backdrop of water scarcity. The company has been developing solutions for the industrial or tertiary sector (hospitals and hotels), with a focus on small installations or portable equipment. In 2023, it completed a project in the area of tourism that adds to previous references in the area.

## Investment in manufacturing facilities

The strategy of producing the equipment needed for different projects internally, with a view to reducing costs and risks, resulted, in 2023, in increased investment in manufacturing facilities.

At the Sintra unit, dedicated to process water, factory floor space increased by around 40%, now standing at 4 500 square metres, allowing the company to bolster efficiency and respond to the needs of a market that covers Portugal and Spain, as well as other geographical areas, and complementing the increase in industrial space put in place previously at the Alfaro unit, which today focuses on the area of waste waters.

The company is also developing activities that aim to enhance local skills in each of the production centres, namely work with stainless steel components in Spain, allowing this to complement the existing specialisation in Portugal, which is more focused on plastic elements.

## Constant commitment to Research and Development (R&D)

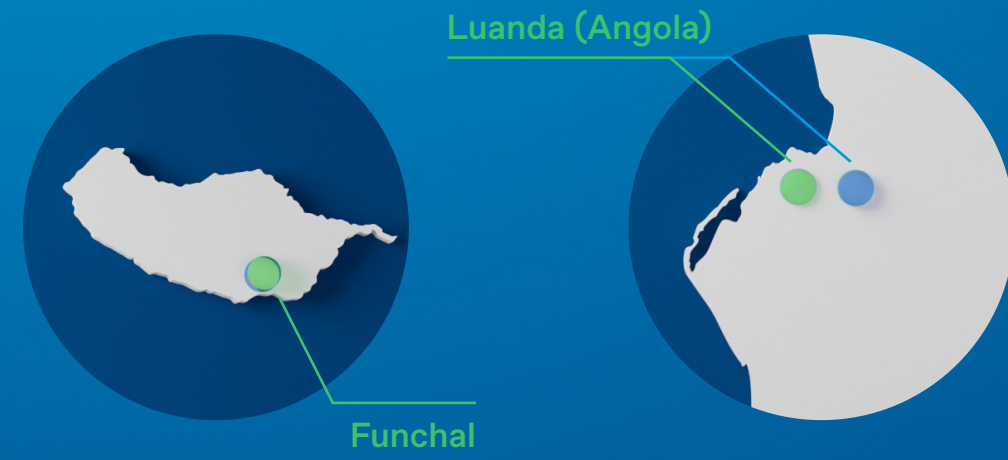
The year 2023 marked the end of the European LIFE Multi-AD project, which took place under the coordination of the AEMA, in a consortium with the companies ITAInnova (Spain), SIS (Romania), I&S (France) and Energy Greengas Almazan (Spain).

With an investment of around 1.2 million euros from Bondalti Water - AEMA, this initiative established new levels of efficiency in water management as a critical factor for the competitiveness of Small and Medium Enterprises (SME) in the food and beverage sector in the European Union.

The initiative consisted of the development of a highly efficient and accessible anaerobic system (without the use of oxygen). This includes a new type of high-performance reactor and software that Bondalti Water is in the process of patenting, with the great advantage of producing high-quality biogas, with a methane content of more than 80%.

# Location of Bondalti Water facilities

- Production Units
- Logistics
- Offices



### 1.2.3. BONDALTI H2

#### Green Hydrogen

The experience of decades in the development of technologies and processes in industrial chemicals is now enabling Bondalti to occupy a unique position in sustainable energies. Green lithium and green hydrogen are at the heart of a strategy that places the company on the side of the solution in the global objectives for energy transition.

Also in this area, Bondalti intends to assume its vocation as an “industry of industries”, with innovative proposals that aim not only to decarbonise its operations and value chain, but also other value chains. Created in 2022, this is a business area that implements Bondalti’s commitment to seeing its track record capitalised in sustainability.

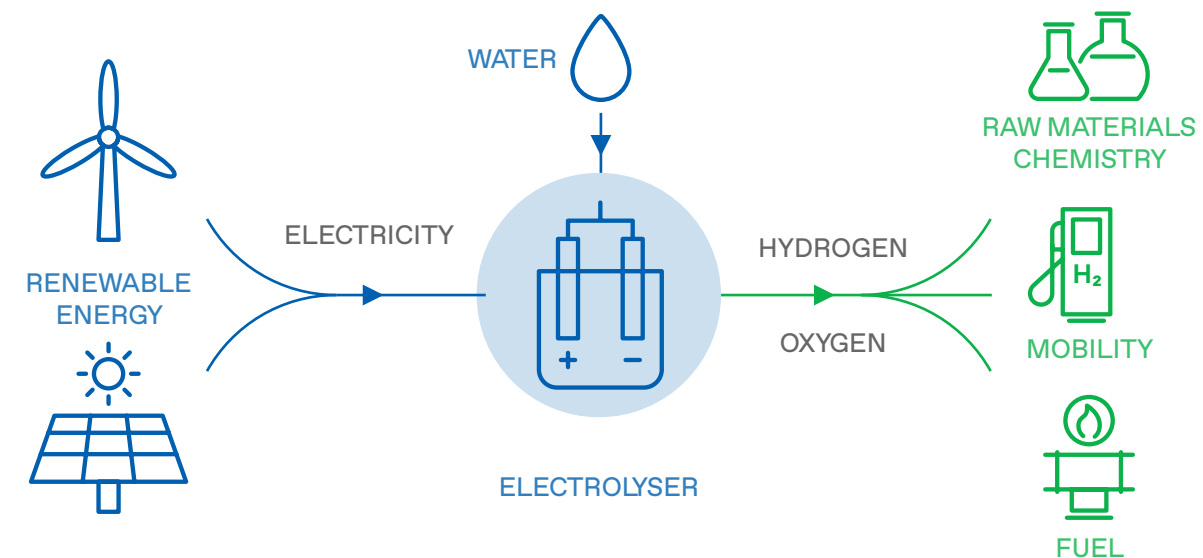
#### Green Hydrogen: an investment in decarbonisation

So-called “green hydrogen” is distinguished from conventional hydrogen by the fact that it is produced through processes that are based on energy obtained from renewable sources. Bondalti has unique conditions for converting all this decarbonisation potential: as a result of the company’s operations, the Estarreja Chemical Complex is one of the locations, nationally, with the most highly developed hydrogen value chain. Bondalti is, moreover, the second

largest Portuguese consumer of hydrogen, already having considerable knowledge in the production of hydrogen via electrolysis, inherent to the chloralkali process, in which it is the leader in the Iberian market.

The existence of a hydrogen value chain in Estarreja and experience in electrolysis technology and its operation thus constitute competitive advantages that support Bondalti’s commitment to positioning itself as a future producer of green hydrogen. This is a strategic area for the company, as it not only represents a contribution to the effort to decarbonise the company’s operations, but it also has the potential to reduce greenhouse gas (GHG) emissions from other industrial sectors, in which electrification appears more complex.

#### Green Hydrogen Production



## New market opportunities

The fact that green hydrogen is recognised as a prominent aspect of energy transition on a global scale, particularly in view of European objectives, has the potential to stimulate growth in demand, both in market segments that consume hydrogen as a raw material, and in those that can use it as a clean fuel, as is the case in long-haul transport.

Hydrogen is also being seen as a contribution to reducing the European Union's (EU) energy dependence. The European Commission has established the ambition of producing 10 million tons per year of clean hydrogen (i.e., "green", and others, the production of which has a low environmental impact) in the EU by 2030, and is defining the policies and regulatory framework to enable this target to be achieved.

## Bondalti's strategic hydrogen project

Known by the name H2Enable, it represents Bondalti's pioneering project for the production of green hydrogen at the Estarreja Chemical Complex: with an estimated investment of 142 million euros until the start of operations. Its co-promoters responsible for the R&D component are the Faculty of Engineering of the University of Porto (FEUP), the Green Hydrogen Collaborative Laboratory (HyLAB) and the Portuguese Association of Chemistry, Petrochemistry and Refining (APQuímica), and as strategic partners, Bondalti Water and Dow Chemical.

The project aims to decarbonise Bondalti's operations, as well as those of potential customers and partners, in line with the company's objectives of reducing GHG emissions through the consumption of energy from 100% renewable sources in its operations.

H2Enable is also aligned with European decarbonisation and industrial transformation goals, based on advanced, intelligent and efficient technologies, low environmental impact, orientation towards more qualified products with greater added value, as well as the principles of circularity.

This project will also allow production for direct sale in the market, specifically by means of injection into the national natural gas network, and for the mobility sector, contributing towards the competitive positioning of Portugal in green energies in alignment with the objectives of the European Commission RePowerEU.

H2Enable for the production of hydrogen at the Estarreja Chemical Complex was given the status of "Important Project of Common European Interest" (IPCEI) by the European Commission and is integrated into the mobilisation agendas of the PRR (Recovery and Resilience Facility).



**HIDROGÉNIO** →



### 1.2.4. Lifthium: innovation in the lithium value chain

The year 2023 will be marked by the establishment of Lifthium Energy, a company owned by Bondalti and the José de Mello Group that aims to develop an innovative lithium refining ecosystem, introducing a high degree of differentiation through the adoption of green technologies.

Sustainable lithium refining processes, including the use of electrolysis and renewable energy in processing the raw material, constitute one of the most distinctive elements of Lifthium Energy.

The entry of Bondalti and the José de Mello Group into the lithium value chain also creates a positive impact by enabling shorter logistics chains and, therefore, contributes to the reduction of the carbon footprint, when compared to the current model, which involves transport from more distant regions of the globe.

An all the more important perspective given that, currently, 62% of lithium is supplied by China, while Europe has not yet started producing it. It is estimated, moreover, that, with the growth of electric transport, demand will only be able to meet 50% of needs by the end of the decade.

### The construction of a new sustainable refining route

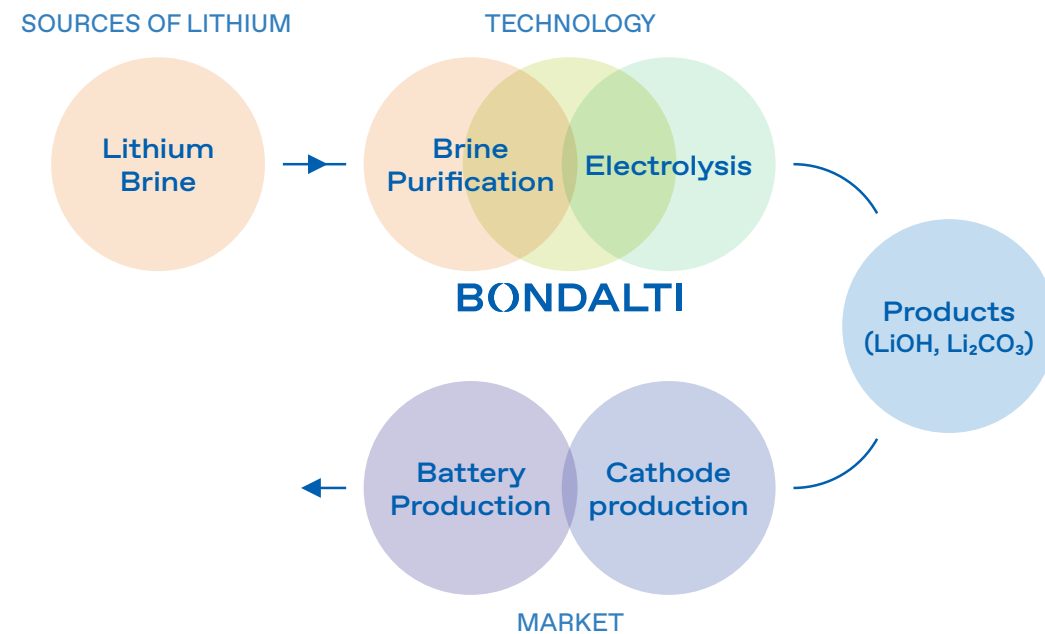
Since 2020, Bondalti had been developing a project to study the electrochemical pathway to transform lithium chloride into lithium hydroxide, a fundamental raw material for batteries, particularly those used in electric cars.

In 2023, Bondalti invested in the development of this new business area, focusing on tests carried out at a pilot plant, with a view to refining lithium through electrolysis. The results obtained, as well as the opportunity detected on a global scale and the technological skills gathered by the company, namely its vast experience in the chemical industry, were decisive factors in deepening implementation of the project.

Lifthium Energy is already developing a demonstration unit for this new technology.



## Sustainable Lithium Market Opportunity



### REFINING BY ELECTROLYSIS

Electrochemical refining represents Lifthium’s major innovation milestone. The company uses Bondalti’s extensive know-how in salt purification and electrolysis, in the context of chlorine production, to develop a refining process with a smaller environmental footprint. While, in the chloralkali value chain, electrolysis is applied to sodium chloride (brine), it will now be used on lithium chloride, in order to produce lithium hydroxide. With this process, Lifthium estimates emissions 50% below the industry average.

### CLASSIC REFINING

Conventional refining technology, based on the transformation of spodumene into lithium hydroxide, constitutes one of Lifthium’s development paths. Also in this field, the company presents an innovative and more sustainable value proposition. A reduced environmental impact will be achieved by using renewable energy sources. Moreover, this is a refining technology that allows the integration of lithium sulphates from battery recycling, thus achieving circularity in electric transport.

In 2023, Lifthium joined the IPCEI EuBatIn (Important Project of European Interest – European Battery Innovation) as the only Portuguese company with a green lithium refining project to form part of this European consortium.

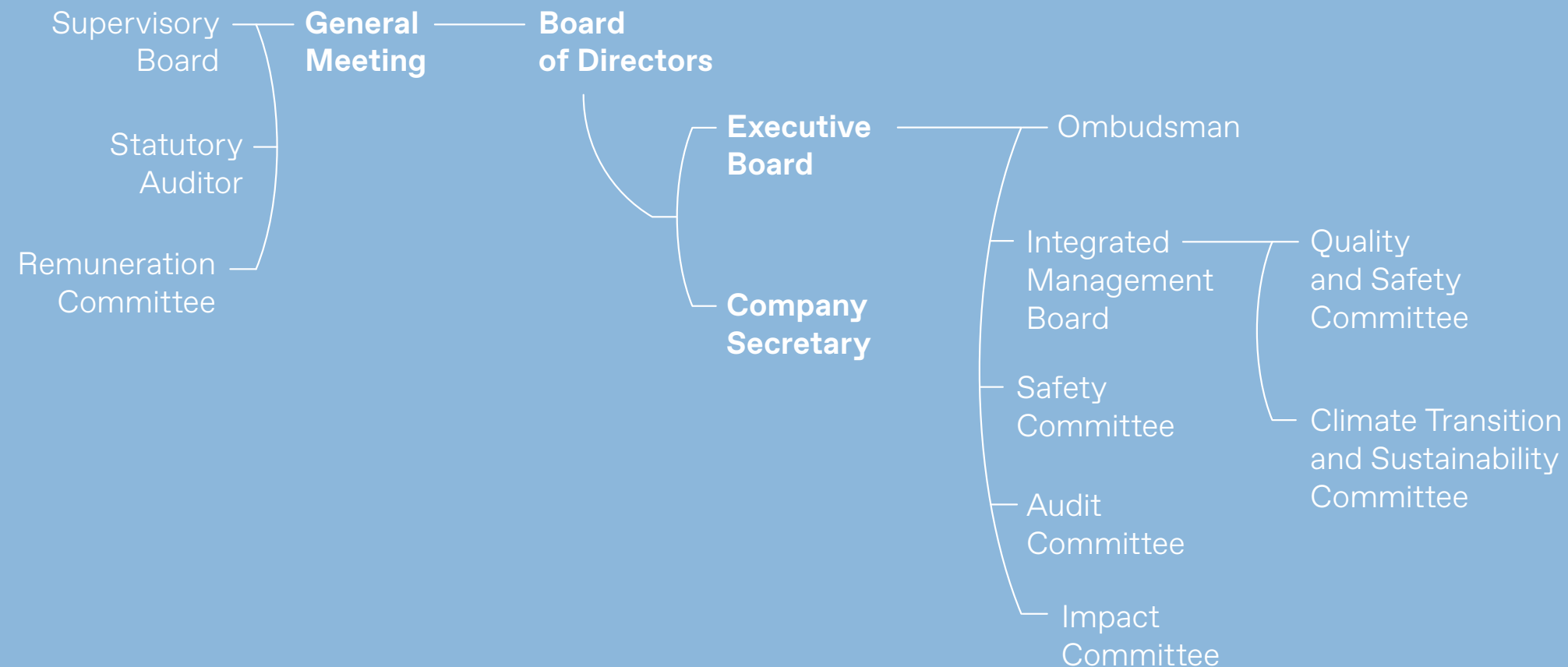


EuBatIn aims to develop a competitive, innovative and sustainable battery value chain in the EU. This project brings together the main European players in several member states and at various levels of the value chain, from mining to recycling, including refining, through advanced materials and the production of batteries, modules and systems, as well as software and systems. This integrated project brings together research, development and innovation (RDI) and FID – First Industrial Deployment skills.

# 1.3. Governance Principles

Bondalti Capital, SA owns a group of companies dedicated to managing business areas related to industrial chemicals and water treatment. Bondalti Capital, SA has responsibilities across the group, such as defining the purpose, vision, values or strategy, as well as coordinating the management of all the investees.

Bondalti’s governance model is based on ethical principles and transparency, implemented by different bodies responsible for guiding, managing and supervising the activity.



## General Meeting

The General Meeting is formed by shareholders with voting rights and its operating rules and responsibilities are defined in the Articles of Association, complying with the provisions of the Companies Code. The General Meeting is convened and directed by the Chair of the respective Board, which also consists of a secretary, both elected by the Board for a four-year term. Members of the Board of Directors and the Supervisory Board should also participate in the meetings, without voting rights.

The General Meeting is responsible for appraising the report of the Board of Directors; discussing and voting on the balance sheet and accounts and deliberating on the distribution of profits for the year; electing the Board of the General Meeting, the Board of Directors, the Supervisory Board and the Remuneration Committee; deciding on any changes to the articles of association and capital increase; among others.

## General Meeting Board

### CHAIRMAN

Alexandre Cabral Côte-Real de Albuquerque

### SECRETARY

Pedro Jácome da Costa Marques Henriques

## Supervisory Board and Statutory Auditor

The supervision of the company is the responsibility of the Supervisory Board, made up of three full members and one alternate, elected at the General Meeting for the current four-year period. The structure, composition, attributions, powers and duties of this body are stipulated in Articles 413 to 423 of the Companies Code.

This body is responsible for supervising the management of the company; monitoring compliance with the law and the Company's Articles of Association; verifying the regularity of the books, accounting records and supporting documents; overseeing the process of preparing and disclosing financial information; among others.

## Supervisory Board

### CHAIR

Maria do Rosário Mayoral Robles Machado Simões Ventura

### VOTING MEMBERS

José Miguel Tavares Mora do Vale

Romualdo Luís Ribera Salcedo

### ALTERNATE

Igor Amarii

## Statutory Auditor

Ernst & Young Audit & Associados – SROC, SA

### Remuneration Committee

The Remuneration Committee is responsible for establishing the remuneration policy for members of the statutory bodies, to be approved by the General Meeting, as well as setting the remuneration for members of statutory bodies.

### Board of Directors

The company's management is overseen by a Board of Directors, elected by the shareholders at the General Meeting for a four-year, renewable term of office. In January 2021, the Board of Directors was appointed for the four-year period 2021-2024, maintaining the Chairman from the previous term, as well as the members who make up the Executive Board.

This body is responsible for managing business, acts and operations related to the corporate purpose; representing the company; establishing the technical-administrative organisation and internal operating rules; among others. The Chairman of the Board of Directors is responsible for ensuring proper execution of the resolutions of the board, as well as coordinating its activities. Meetings of the Board of Directors should be held monthly and are convened by the Chairman.

### Board of Directors

#### CHAIRMAN

João Maria Guimarães José de Mello\*

#### VOTING MEMBERS

André Cabral Côrte-Real de Albuquerque\*

João Jorge Gonçalves Fernandes Fugas

João Pedro Ribeiro de Azevedo Coutinho

João Pedro Stilwell Rocha e Melo

Luís Augusto Nesbitt Rebelo da Silva\*

Luís Henrique Marcelino Alves Delgado\*

Marisa Poncela García

Vasco Luís José de Mello

\*Executive Board

### João Maria Guimarães José de Mello



João de Mello is Chairman of the Board of Directors and Chairman of the Executive Board of Bondalti Capital, as well as a member of the Board of Directors and Executive Board of José de Mello Capital, SA, the shareholder of Bondalti.

With more than 30 years of professional experience in the chemicals sector, in addition to his duties at Bondalti, he represents the company on the General Board of the COTEC (Business Association for Innovation), he occupies the post of Deputy Chairman on the Board of the General Assembly of the AIP (Portuguese Industrial Association), participates as a member of the Board of the ACEGE (Christian Association of Entrepreneurs and Managers) and has been Chairman of the Board of Directors and Executive Board of the European Chemical Industry Council (CEFIC) since 2024. He was also Chairman of the General Meeting of APQuímica.

With a degree in Business Management from the École d'Administration et de Direction d'Entreprises, in Switzerland, João de Mello later completed university studies in Industrial Textile Techniques at the Catholic University of Leuven, in Tournai. Additionally, he underwent training in various areas of management, having completed the Leadership Management Training Programme for Top Managers at IMD International.

### André Cabral Côrte-Real de Albuquerque



With 20 years of experience in the chemicals sector, André de Albuquerque is a member of the Board of Directors and Executive Board of Bondalti Capital. Additionally, André de Albuquerque is also a member of the Board of Directors of FEIQUE (Spanish Chemicals Industry Business Federation) and a Business Angel accredited by the IAPMEI (Agency for Competitiveness and Innovation).

Over the years, André de Albuquerque has taken on various management roles in companies and sectors as diverse as Printed Electronics, Nanotechnology, Civil Explosives and Fertilisers, having acquired extensive experience in various functional areas.

André de Albuquerque holds a degree in Business Administration and Management from the Portuguese Catholic University, with postgraduate qualifications from the same university and AESE Business School.

### João Jorge Gonçalves Fernandes Fugas



João Fugas is a non-executive member of the Board of Directors of Bondalti Capital and a National Defence Auditor at the National Defence Institute.

With more than 35 years of professional experience in various industries, his CV also includes important management responsibilities at various industrial and service companies within the Sonae Group.

João Fugas holds a degree in Chemical Engineering from the Faculty of Engineering of the University of Porto. Additionally, he completed several management training programmes, including the Leadership Management Training Programme for Top Managers at IMD International and the Senior Management Programme at AESE Business School.

### João Pedro Ribeiro de Azevedo Coutinho

João Azevedo Coutinho is an executive director of José de Mello Capital and a non-executive member of the Board of Directors of Bondalti Capital.

With more than 35 years of professional experience, he began his career at Coopers & Lybrand and was director responsible for the Investment Banking Division of Deutsche Bank in Portugal. João Azevedo Coutinho was a Member of the Executive Board of Banco Mello de Investimento, an Executive Member of the Board of Directors and CFO of Brisa, and was also responsible for several areas and subsidiary companies of the Brisa Group. He was also a Member and later Chairman of the Board of Directors of the Board of CCR – Companhia de Concessões Rodoviárias in Brazil.

Holder of a degree in Business Administration and Management from the Portuguese Catholic University, he completed the Leadership Management Training Programme for Top Managers at IMD International and the Advanced Management Programme at Harvard Business School.



### João Pedro Stilwell Rocha e Melo

Pedro Rocha e Melo is an executive director of José de Mello Capital, a non-executive director of Bondalti Capital, Deputy Chairman of the CUF and Deputy Chairman of the ACEGE.



He was Deputy Chairman and Executive Director of Brisa Autoestradas de Portugal and Chairman of Via Verde Portugal. Before joining Brisa, he worked in Investment Banking, holding the position of CEO of Banco Mello de Investimentos, Director of Banco Mello, Companhia de Seguros Império and Mello Valores. He was also a member of the Board of the Portuguese Chamber of Commerce and Industry.

Pedro Rocha e Melo holds a degree in Mechanical Engineering from Higher Technology Institute and an MBA (Master of Business Administration) from Universidade Nova de Lisboa.

### Luís Augusto Nesbitt Rebelo da Silva

Luís Rebelo da Silva is a member of the Board of Directors and Executive Board of Bondalti Capital.



At the beginning of his professional career, Luís Rebelo da Silva worked for ICEP (Foreign Trade Institute of Portugal) and in the venture capital sector, as an investment analyst. Before joining Bondalti, Luís Rebelo da Silva worked for more than 18 years in several other businesses within the José de Mello Group, in which he held important management positions.

Luís Rebelo da Silva graduated in Business Administration from the Higher Institute of Economics and Management, in Lisbon.

## Luís Henrique Marcelino Alves Delgado

Luís Delgado is a member of the Board of Directors and Executive Board of Bondalti Capital, and Chairman of the Board of Directors of APQuímica.



He joined the José de Mello Group to take on roles in the Strategic Planning, Development and Control department of José de Mello, having then worked for several companies, including Efacec Power Solutions, where he served as Executive Director on behalf of shareholders José de Mello and Têxtil Manuel Gonçalves.

Luís Delgado holds a degree in Electrical and Computer Engineering from Instituto Superior Técnico, having subsequently completed an MBA from Universidade Nova de Lisboa.

## Marisa Poncela García

Marisa Poncela García is a member of the Board of Directors of Bondalti Capital, with non-executive duties.



With a degree in Economic Sciences from the University of Zaragoza, she began her professional career in 1984 as a technician at the Ministry of the Economy and Commerce, where she had a distinguished career in the Spanish public administration as Secretary General for Science and Innovation, Secretary of State for Commerce, president of ICEX Spain Exportações e Investimentos and, until 2020, international director of Renfe Operadora.

Marisa García was also a professor on several master's degrees and general director of the Abbott Foundation and co-founder of Addtalentia SL. Currently, Marisa Poncela García is also a non-executive director at Talgo, a company in the railway sector; at Idom, engineering and consultancy; at Salvat Laboratories, in the pharmaceutical sector; and at Amber, a technology and communications engineering company.

## Vasco Luís José de Mello

Vasco Luís José de Mello is Managing Director of José de Mello Capital and a non-executive member of the Board of Directors of Bondalti Capital.



With more than 30 years of professional experience, he began his career in the mergers and acquisitions department at Hambros Bank, in London and Lisbon. He joined the Corporate Finance area at Banco Mello de Investimentos and was director responsible for Strategic Planning and Control at José de Mello. He worked in the health sector and was Executive Director of the CUF, having held several positions, namely Chairman of the Executive Board of Hospital CUF Infante Santo and Hospital CUF Descobertas, Executive Director of Quirón (Spain), and held the position of Chairman of the Management Board of the Hospital de Braga PPP, and the Hospital de Vila Franca de Xira PPP. He returned to the parent company as General Manager, with responsibility for Strategic Planning, Control and Accounting.

Holding a degree in Mechanical Engineering from the Catholic University of Leuven, Belgium, Vasco Luís José de Mello completed a master's degree in Business Management at the same university and participated in several Management courses at IMD, INSEAD (Institut Européen d'Administration des Affaires) and MIT Sloan.



## Executive Board

The Board of Directors delegates the day-to-day management of the company to the Executive Board (EB), namely the monitoring of all activities and projects developed in Bondalti companies.

As a rule, meetings of this body occur on a weekly basis and aim to manage critical and priority issues for any of the organisation's divisions, to ensure that decisions are taken in a timely and responsible manner. The regular monitoring carried out by the EB is also very

important in risk management and analysis of compliance with the objectives defined in the short, medium and long term.

Assessment of the performance of this body is based on objectives defined for a given time horizon and in the economic, social and stakeholder perception areas.

The Directors who comprise the Executive Board are responsible for the proximity management of different areas and departments:

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### João de Mello

- Communication and Branding
- Risk Management and Internal Auditing
- Legal
- People

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### André de Albuquerque

- Hydrogen Business
- Commercial
- Business Development and Market Intelligence
- Strategic Development, Planning and Management Control
- Supply Chain

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### Luís Delgado

- Sustainability and Climate Transition
- Energy and Integrated Production Planning
- Safety, Environment and Quality
- IT, Information Security, Digitalisation and Innovation
- Technology
- Sites at Estarreja + Cantabria

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### Luís Rebelo da Silva

- Bondalti Water
- Administrative and Financial

At Bondalti, there are also other advisory bodies that support the management of important matters that cut across the organisation.

### Ombudsman

The Ombudsman's mission is to oversee and supervise all matters relating to the application of the Bondalti Code of Ethics. The Code of Ethics demonstrates the company's commitment to acting in all circumstances with high ethical standards and integrity, at all times respecting the rights of its stakeholders. The Code of Ethics and the Ombudsman's Regulations define the internal and external mechanisms for counselling and reporting behaviours that present ethical or legal misconduct or a violation of integrity.

The Ombudsman is appointed or dismissed by the Executive Board and works in direct coordination with the organisation's governing bodies, committees and structures.

### Integrated Management Board

The Integrated Management Board aims to support the implementation of the Quality, Occupational Safety and Health, Environmental and Energy management systems at Bondalti

Chemicals and Bondalti Cantabria, with a view to improving performance, sustainable development, the protection of workers' health and safety, and the prevention of serious industrial accidents.

This body is subdivided into two parts, according to the subjects and areas in question, the **Quality and Safety Council**, for matters related to Quality, Occupational Safety and Health and Industrial Safety, and the **Climate Transition and Sustainability Council**, for matters relating to the Environment, Energy, Environmental Sustainability and Climate Change.

### Security Committee

The Security Committee is the body responsible for the Information Security strategy, as well as monitoring its implementation. This Committee is responsible for analysing and monitoring Bondalti's compliance with legal and regulatory Information Security obligations; discussing and proposing initiatives in this area that increase the level of internal control; promoting debate about significant changes at Bondalti; identifying and analysing impacts on Information Security and the Organisation's risk profile; and supervising Information Security performance indicators.

### Audit Committee

The Audit Committee evaluates and monitors the organisation's governance processes, risk management process and controls, and proposes appropriate improvement measures in the Annual Audit Plan, which it must approve, and the execution and results of which it must monitor. This Committee receives reports of irregularities presented by employees and any interested parties. The Internal Audit and Risk Management Division (DAIGR) reports to this Committee, as part of its internal audit activities.

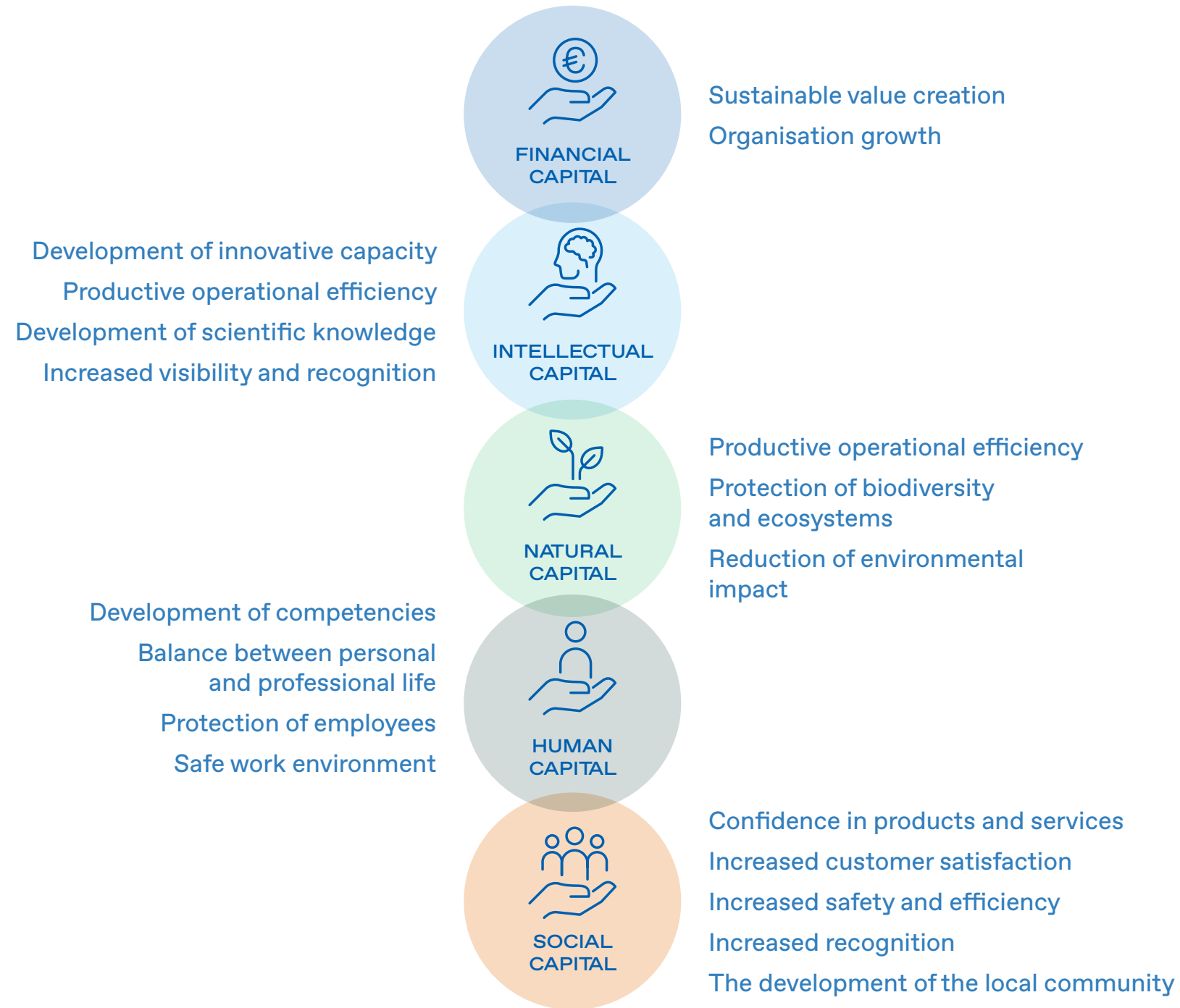
### Impact Committee

The Impact Committee is made up of a group of employees from the organisation who are responsible for driving the innovation strategy. The committee includes representatives from different departments and functions within the organisation and is responsible for overseeing the innovation strategy, allowing the identification of opportunities for new products, services and business models.

The role of the Impact Committee is to provide a forum to discuss and evaluate new ideas, assess their feasibility and potential impact, and prioritise initiatives based on their strategic importance and needs for resources.



# Leading indicators and value creation



## Commitment



**290.9 million euros** in costs of goods sold  
**87.9 million euros** in external charges for services  
**39.8 million euros** in staffing costs



**71 ideas** from employees submitted under the Colombo Programme  
**6.2 million euros** in costs and investments in RDI  
**8% of employees** involved in RDI activities



**570 thousand t** industrial chemicals raw materials  
**2.290 million m<sup>3</sup>** water consumed  
**2.882 million GJ** energy consumed



**752 Employees** (453 in Portugal, 216 in Spain and 83 in Angola)  
**1.225 million euros** in employee benefits  
**44 756 hours** of training



**2.367 million euros** invested in the community  
**208 stakeholders** evaluate sustainability performance  
**192 customers** evaluate the industrial chemicals

## Results

**503.6 million euros** in sales  
**96.2 million euros** in EBITDA  
**50.5 million euros** in net earnings  
**21 million euros** in liquid debt

**1.9 million euros** accumulated return on ideas implemented  
**39 RDI initiatives** and/or projects  
**78 partnerships** in RDI

**1.840 million t** of industrial chemical products  
**1.164 million m<sup>3</sup>** of effluents  
**18 760 t** of waste generated  
**1 060 426 t CO<sub>2</sub> eq** emitted

**efr Certification** from the Fundación MásFamilia  
**12** minor lost-time work accidents  
 Incidence rate of **0.02**

**82 out of 100** in the EcoVadis sustainability questionnaire  
**46%** response rate in the stakeholder sustainability evaluation  
**4.25 out of 5** in customer evaluation

## 1.4. Sustainable business

The new Corporate Sustainability Reporting Directive (CSRD), which came into force in January 2024, raises the level of disclosure requirements for companies in Europe.

But, more than that, it demonstrates that sustainability is an undertaking that goes beyond the borders of a company – it involves the entire value chain, in a joint and coordinated effort.

The directive is expected to impact 50 000 companies and around three quarters of business volume in the European Economic Area. As early as 2023, Bondalti anticipated the work with its partners to prepare for the new conditions.

### Materiality

Recent Global Reporting Initiative (GRI) guidelines and, especially, the current Corporate Sustainability Reporting Directive (CSRD), require organisations to conduct an in-depth analysis in relation to sustainability, which entails companies disclosing complete and consistent information that reflects the impacts, risks and opportunities of their activities on the economy, people and the environment.

The concept of double materiality has gained prominence in the contemporary business landscape, reflecting the interconnection between the financial and non-financial aspects of an organisation in the assessment of its development, performance and positioning, in addition to its impact on sustainability issues. This concept encompasses two perspectives:

**Impact materiality (from the inside out):** This refers to the significant impacts, real or potential, that organisations can cause on people and the environment in the short, medium or long term, whether at the level of operations or at the level of the value chain.

**Financial materiality (from the outside in):** This concerns evidence that sustainability issues generate financial effects on the organisation's operations, creating risks and opportunities that influence or may influence future cash flows and, consequently, the value of organisations in the short, medium and long term.

The double materiality concept and analysis supports organisations in identifying and mitigating non-financial risks, including risks related to climate change, ethical issues, social impact and inadequate governance.

This approach strengthens the resilience of organisations vis-à-vis their stakeholders and emerging challenges.

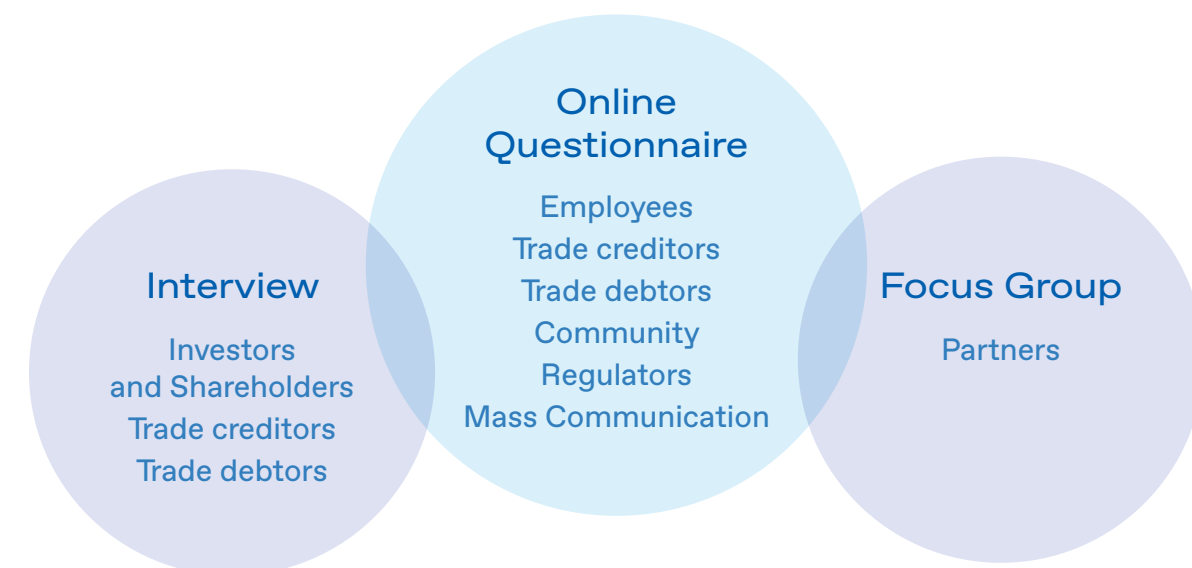
In 2023, Bondalti carried out a new materiality analysis taking into account this double materiality approach.

This new approach was implemented for Bondalti's two business areas, Industrial Chemicals and Water Treatment, resulting in a consolidated business matrix.

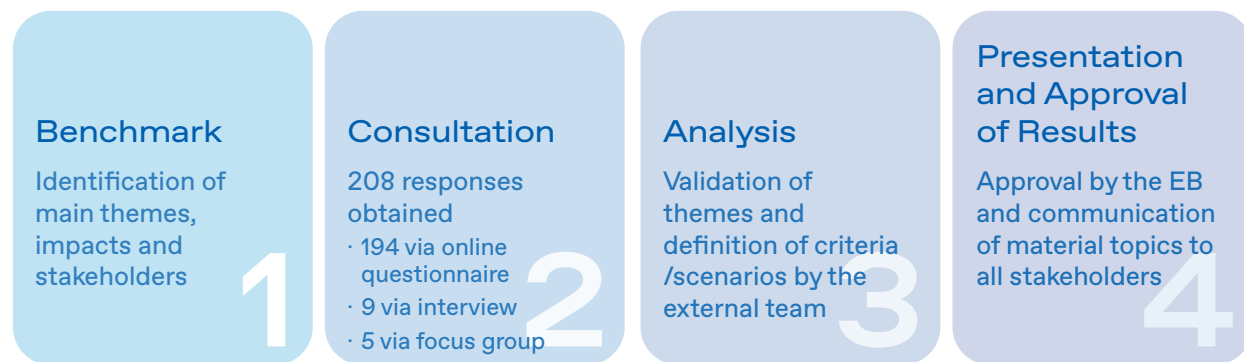
### Methodology

- **List of Topics:** Identification of Bondalti's main topics and impacts through an analysis of benchmarks and main trends. From this process, a questionnaire emerged and was made available to the main stakeholder groups.
- **Consultation Process:** The stakeholder consultation process took place in two distinct phases:
  - Prioritisation of topics considering the organisation's impact on the environment and society, carrying out stakeholder consultations through an online questionnaire, one-to-one interviews and/or focus groups;
  - Prioritisation of topics considering their relevance to the business and their financial impact on the organisation's value creation potential, through consultation with top management to analyse the relevance of the topics to the business.

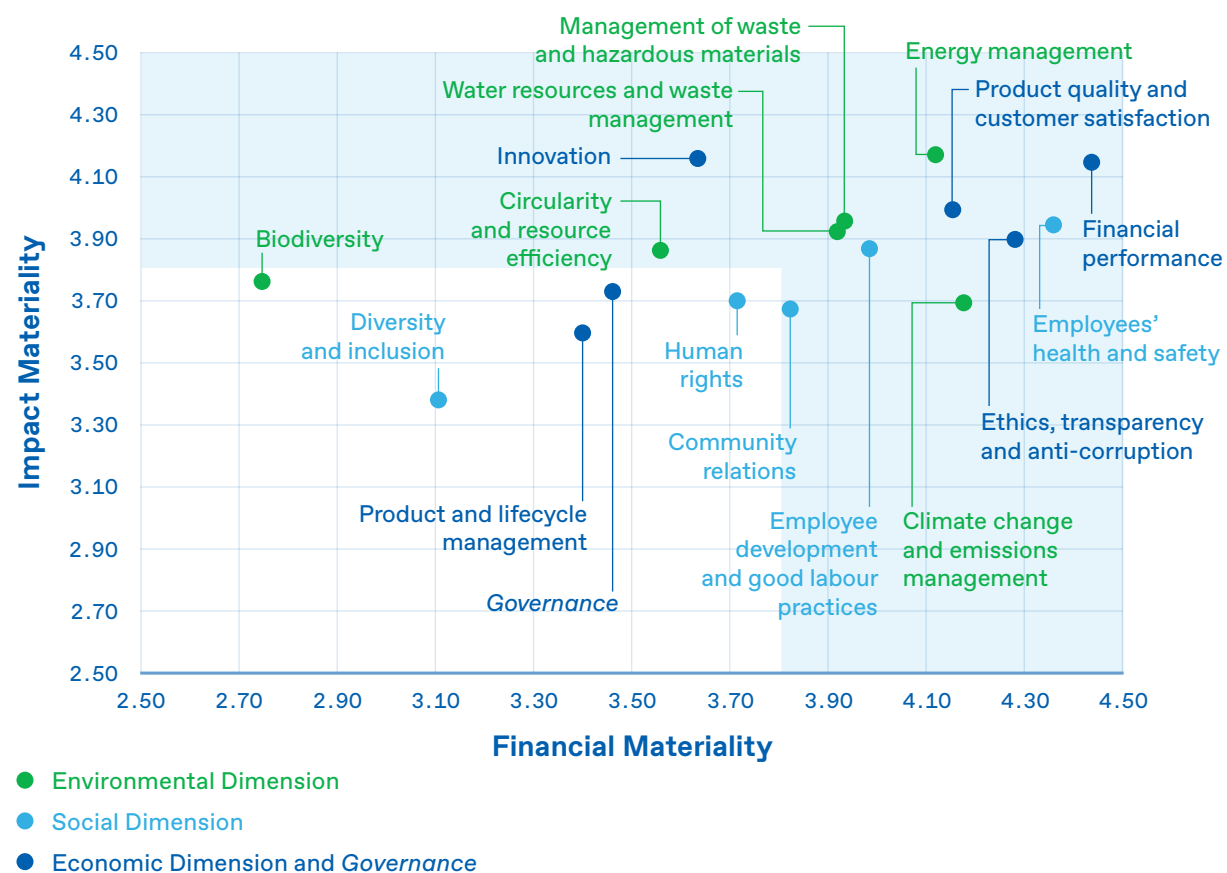
- **Materiality Matrices:** Consolidation of results and positioning of the various themes, taking into account the internal and external perspective of the stakeholders, through the materiality matrix. A topic becomes material if it is material from the impact perspective and/or the financial perspective. This phase resulted in the list of material topics for Industrial Chemicals, Water Treatment and Consolidated Bondalti.



### Process



### Materiality Matrix (consolidated)



### Material Topics

The exercise of reviewing Bondalti’s material topics resulted in 12 new topics:

- Environmental Dimension**
  - Circularity and resource efficiency
  - Water resources and waste management
  - Management of waste and hazardous materials
  - Climate change and emissions management
  - Energy management
- Social Dimension**
  - Employee development and good labour practices
  - Health and safety of employees
  - Community relations
- Economic Dimension and Governance**
  - Innovation
  - Product quality and customer satisfaction
  - Financial performance
  - Ethics, transparency and anti-corruption

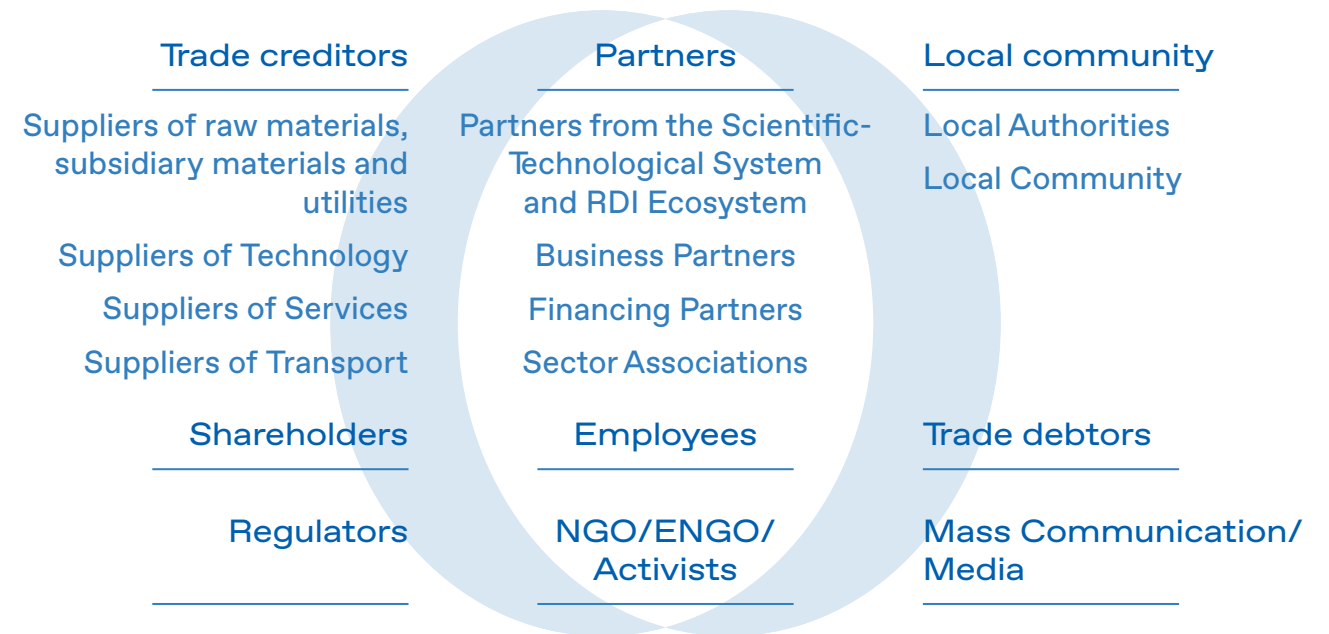
In the process of consulting with its stakeholders, it was also possible to revalidate the alignment of Bondalti’s strategy with its contribution to achieving the United Nations Sustainable Development Goals, through the identification of the SDG most strongly impacted by Bondalti, whether directly or indirectly. The SDG materialise the United Nations 2030 Agenda for Sustainable Development, which must be implemented by everyone, to promote prosperity and global well-being, protect the environment and combat climate change.



Bondalti contributes to several SDG, and in a more relevant and strategic way to the following:



## Involvement of stakeholders

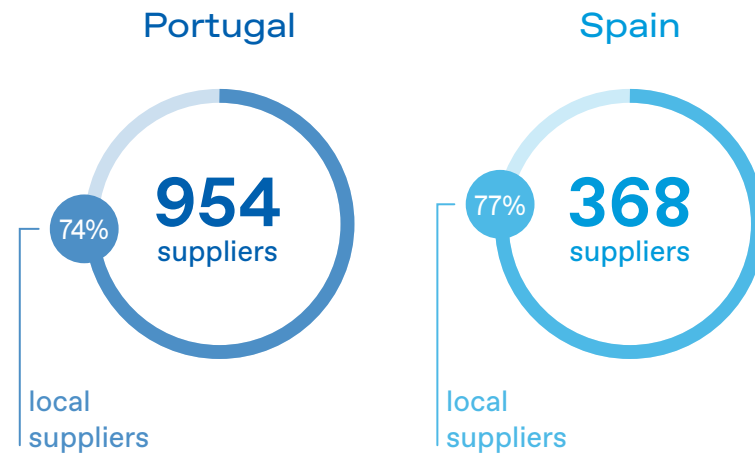


### Suppliers

With the aim of ensuring that its suppliers are equally aligned with the principles of sustainable development, Bondalti has been implementing its Code of Conduct for Suppliers since 2021, which establishes the main guidelines on the topics of the Environment, Health and Safety, Human Rights and Labour, and Ethics and Governance. Bondalti expects its suppliers to recognise and act in accordance with the content of this Code, in addition to complying with their contractual obligations and Bondalti's General Conditions of Purchase.

 [Code of Conduct for Suppliers](#)

### Industrial Chemicals Operations



### Water Treatment Operations



### Customers

As Product Quality and Customer Satisfaction are one of the material topics for Bondalti, the processes of involvement with this group are the focus of the organisation.

At Bondalti Chemicals, in Estarreja, a survey is carried out every two years with the aim of determining the level of customer satisfaction in relation to the products and services that Bondalti provides, as well as possible opportunities for improvement in the areas of customer service, commercial service, products, documentation, supply and technical assistance. The last survey carried out was for the year 2022, in which customers' opinions regarding the activity of Bondalti Chemicals and Cantabria were determined, based on a total of 192 responses received (overall response rate of 72%).

In 2023, no cases of non-compliance associated with impacts caused by products and services on health and safety were identified in any of Bondalti's business areas

## 1.5. EU taxonomy

With increasing exposure to acute physical climate risks (e.g. heat/wind waves) and chronic physical climate risks (e.g. rising mean sea levels), the European Commission has developed a regulatory response with the aim of boosting sustainable finance in financial markets.

The European Union Taxonomy Regulation (2020/852) aims to establish a mechanism to identify environmentally sustainable economic activities, with non-financial reporting requirements for European companies. In this regard, Article 8 of the Taxonomy Regulation requires organisations covered by the Non-Financial Reporting Directive (NFRD) to disclose how and to what extent their economic activities are eligible and aligned with the Taxonomy.

An economic activity must satisfy four conditions to be considered sustainable from an environmental standpoint, namely:

- i. It contributes substantially to one or more of the following environmental objectives: Climate change mitigation; Adaptation to climate change; Sustainable use and protection of water and marine resources; Transition to the circular economy; Pollution prevention and control; Protection and restoration of biodiversity and ecosystems;

- ii. It Does Not Significantly Harm - DNSH any of the environmental objectives;
- iii. It complies with minimum (social) safeguards to ensure alignment with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the eight fundamental conventions identified in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights;

iv. It satisfies the technical assessment criteria established by the Commission, through adopted delegated acts, which determine under what conditions this activity: i) contributes substantially to a given environmental objective; ii) does not significantly harm the other objectives.

By this we mean the following:

- An **economic activity is eligible** if it can substantially contribute to at least one of the six environmental objectives underlying the Taxonomy, regardless of whether that activity complies with the technical criteria established in the [Delegated acts](#); [↗](#)
- An **economic activity is considered aligned with the Taxonomy** when the significant contribution of this eligible economic activity to at least one of the environmental objectives is confirmed, based on the technical criteria specified in the [Delegated acts](#), [↗](#) DNSH any of the environmental objectives, and complies with minimum (social) safeguards.

Bondalti is not currently required to report under the Taxonomy. However, it developed an analysis of eligible economic activities, as well as their alignment with the criteria defined by the Regulation. In this context, and as permitted by the Regulation, Bondalti voluntarily discloses the work already carried out for this purpose.

### Eligibility of the activities

In the analysis of the economic activities of Bondalti companies, it was found that the following activities can be considered eligible according to the taxonomy for the objectives of climate change mitigation and adaptation:

#### Eligible activities of the Bondalti Group

Company	Activity	Turnover (%)	CapEx (%)	OpEx (%)
Bondalti Chemicals	Chlorine production	3.5%	14.6%	3.2%
Bondalti Chemicals	Manufacture of basic organic chemicals	11.8%	2.3%	11.0%
Bondalti Chemicals	Production of nitric acid	0.6%	0.1%	0.5%
Bondalti Water Solutions	Construction, expansion and operation of water capture, treatment and supply systems	2.4%	1.9%	4.2%
Bondalti Water Solutions	Construction, expansion and operation of wastewater collection and treatment systems	4.7%	3.7%	6.3%

In this first exercise, the activities identified as eligible were based on a principle of conservatism, and Bondalti is analysing each of these activities in a more granular way in order to better assess the possible contribution it may have in accordance with the Taxonomy.

### Alignment with the EU Taxonomy

Bondalti is also evaluating the technical evaluation criteria for **substantial contribution** to the objectives of mitigation and adaptation to climate change, and is in the process of systematising information, supported by new procedures and tools for collecting and consolidating information, which allow the analysis of the technical criteria to be completed in full.

In this regard, Bondalti is also reviewing the risk identification and management process, in order to integrate the identification of physical climate risks with greater significance for the activities it carries out. Subsequently, and as stated in the criteria in Appendix A of the Regulation, the development of a vulnerability assessment of the most relevant climate risks is planned, based on climate projections for certain future scenarios, and an impact assessment.

### Minimum safeguards

The EU Taxonomy also states that activities must ensure compliance with the **minimum safeguards** to be considered environmentally sustainable, as introduced by Article 18 of the Taxonomy Regulation, which implies the alignment of a company with:

- OECD Guidelines for multinational companies;
- United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental

conventions identified in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work;

- International Bill of Human Rights.

Considering the 4 pillars (Human Rights, Corruption, Taxation and Fair Competition) for which companies must ensure that risk situations do not occur, Bondalti manages and prevents possible risks associated with these topics through the adoption and implementation of its commitments, policies and initiatives, thus falling into alignment with the minimum safeguards criteria.

The Bondalti Code of Ethics and Conduct and the Code of Ethics for Suppliers lay down the guidelines that reflect its corporate stance and its commitment to acting in all circumstances ethically and with integrity, at all times respecting the rights of its stakeholders. Under the ambit of these two tools, Bondalti has internal procedures for controlling and preventing corruption and a dedicated reporting channel. Bondalti is a signatory to the principles of the United Nations Global Compact (UNGC), having joined the Global Compact Network Portugal, meaning its companies are also affected by its policies and codes of values, being committed to the Portuguese Platform for Integrity.

## 1.6. Risk Management and Internal Audit

As a result of its experience in the chemical sector, where it has a history spanning more than a century, Bondalti integrates into its culture an approach to risk management characterised by proactivity, mobilisation of the organisation and systematic improvement. This risk management is more than a routine procedure, representing one of the most striking traits of its identity as a responsible company. This risk management culture goes beyond complying with regulatory obligations, as reflected in its voluntary adoption of various management systems, as well as the continuous monitoring of the risk mitigation measures and assessment of new internal and external challenges.

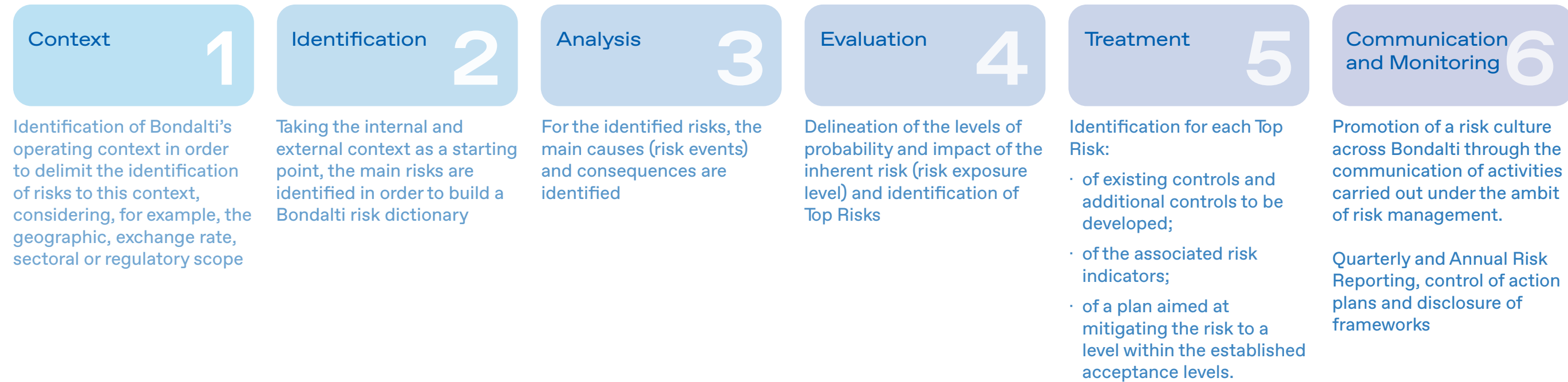
The Risk Assumption Policy establishes that Bondalti only accepts a very low level of risk in relation to the possible impact on people and the environment, and a low level in economic impacts, reputational impacts and continuity of operations. Based on these criteria, the company has defined 26 top risks to which it pays special attention, as they have the potential to bring significant uncertainty to the pursuit of the organisation's objectives.

The company's Risk Management Process is applied through the so-called Three Lines Model, which involves:

- In the first line, the functions most directly aligned with the delivery of products and services to the organisation's customers;
- In the second line, the functions that provide support in risk management;
- In the third line, functions that provide independent and objective guarantees and advice on the adequacy and effectiveness of the governance and risk management.

Bondalti's risk management process is based on the concepts of ISO 31000:2018 and COSO ERM (Enterprise Risk Management), which recommend that risk management be an integral part of business management and decision making.

## Risk Management process cycle



## New Project Risk Management model

In 2023, as a result of Bondalti's growth into new business areas, as well as recent operational initiatives, such as the new photovoltaic park in Estarreja, a Project Risk Management model was implemented. This model involves an analysis that accompanies each phase of investment in projects of high strategic value to the company.

## Internal Audit

The Internal Audit Department is responsible for providing the organisation with an independent guarantee regarding the effectiveness of processes and risk controls at Bondalti, for this purpose carrying out process and risk audits.

In its interventions, Internal Audit acts on all of Bondalti's functional areas, business and support processes, prioritising and planning its activity based on an analysis of the risks to which the company is exposed. The area's mission is to increase and protect organisational value by providing:

- Assurance regarding the effectiveness of risk management and internal controls, including how the first and second lines (Operations and Risk Management) achieve risk management objectives;
- Advisory of the nature and scope agreed with the applicant, whose work aims to add value and improve risk management and internal control processes, without Internal Audit assuming management responsibilities;
- Insight.

## Strengthening Internal Audit in 2023

It was with the conviction that the organisational independence of the Internal Audit area is a fundamental cornerstone that Bondalti approved the creation of an Audit Committee, which took office in December. The body will be responsible for evaluating and monitoring the organisation's governance and risk management processes and controls and for proposing improvement measures, in addition to receiving reports of irregularities from employees and any interested parties.

The Internal Audit and Risk Management area also gained new competencies in 2023, with its members completing the certification process as Internal Auditors at the IIA – Institute of Internal Auditors, a leading global organisation.



## 1.7. Information Security and Digital Transformation

Information Technology, Cybersecurity and Digital Transformation are topics with growing relevance in an increasingly connected world dependent on technology, and have become essential for guaranteeing the competitiveness, security and adaptability of companies in a business environment undergoing constant change.

### More comprehensive strategy in Digital Transformation

The year 2023 was marked by the end of another cycle of the Digital Transition Programme, in force since 2020, and the beginning of preparations for a new phase. Bondalti is now investing in a stronger, more agile and comprehensive strategy, which will seek to identify, across the board, areas for improvement that can be addressed using digital tools. Some of these investments deserve to be highlighted, due to their profound impact on different areas of the company, from production to administrative processes:

- **Increased operational efficiency:** Increasing use of digital technologies to optimise internal processes, reduce operational costs, eliminate redundant tasks and increase productivity;

- **Data analysis and decision making:** Investment in technologies that allow data to be collected, analysed and interpreted effectively, helping to make more informed and accurate decisions, as well as optimising production planning;
- **Conversion of processes to electronic format:** Significant advances in the conversion of documents and various procedures to electronic format, in an industrial and administrative context, always seeking to reduce manual procedures as much as possible and increase the ease of consulting historical information.

## Digital Transformation Process

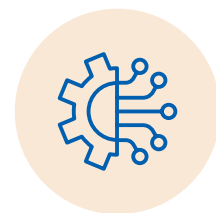


### Adoption of Cloud technologies

Migration of information technology (IT) infrastructures to cloud computing environments, allowing scalability, flexibility and reducing operational costs;

Use of cloud services for data storage, facilitating access to and sharing of information among teams and departments;

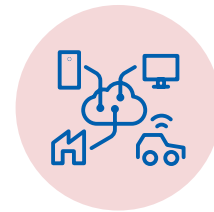
Approach based on different Cloud providers, avoiding a high degree of dependency.



### Advanced data integration

Significant advances in the ability to integrate data from different industrial systems;

Implementation of data analysis and processing systems for various purposes – purchasing, sales and customers, management data, logistics or even risk – to assess safety and regulatory compliance at all stages of production and distribution.



### Internet of Things (IoT)

Installation of sensors and connected devices to collect data in real time, enabling remote monitoring of equipment and optimisation of resources in a manufacturing context;

Using these capabilities to improve operational and energy efficiency and the safety of work spaces.



### Implementation of new technologies

Use of predictive analysis capabilities in several pilots with a view to operational and productive improvement, such as in the analysis of electrolysis processes, and to support predictive diagnosis for equipment maintenance.

### Cybersecurity: protecting the organisation and its people

Ensuring the confidentiality, as well as the integrity and availability, of the organisation's data and information is a commitment that Bondalti assumes in implementing its procedures, which adopt the best practices and international standards. Last year, Information Security represented an essential component of business planning and operations, which resulted in various measures:

- Consolidation of the capacity to monitor and detect cyber events and incidents through the assembly of an SOC (Security Operation Center);
- Definition of all processes inherent to the treatment of and response to cyber incidents;
- Raising awareness on the topic, with monthly internal phishing simulation campaigns and across-the-board training programmes – mandatory for users who, in the simulations, compromised their data – through e-learning content (CyberFlix action) and face-to-face sessions.

## 1.8. Recognition and certifications

To demonstrate its responsible approach, Bondalti worked on certifications for various management systems, ensuring the implementation of best practices and promoting continuous improvement in all its operations, namely:

**ISO 9001:2015** – Quality Management System – Bondalti Chemicals, Bondalti Cantabria;

**ISO 14001:2015** – Environmental Management System – Bondalti Chemicals, Bondalti Cantabria;

**ISO 14064-1:2018** – Greenhouse gases – Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals – Bondalti Chemicals, Bondalti Cantabria;

**Greenhouse Gas Protocol** – Corporate Accounting and Reporting Standard, revised edition, WRI/WBCSD - Scope 1, 2 and 3 – Bondalti Chemicals, Bondalti Cantabria;

**ISO 45001:2018** – Occupational Safety and Health Management System – Bondalti Chemicals, Bondalti Cantabria;

**ISO 50001:2018** – Energy Management System – Bondalti Chemicals, Bondalti Cantabria;

**NP 4457:2007** – Research, Development and Innovation Management System – Bondalti Chemicals;

**ISCC Plus** – Bondalti Chemicals.

In the area of Water Treatment, Bondalti seeks to provide the highest standard of quality and dedication to the customer and the environment, holding the following certifications:

**ISO 9001:2015** – Quality Management System – Enkrott SA; Enkrott Spain; AEMA; Aguas Rioja;

**ISO 14001:2015** – Environmental Management System – AEMA; Aguas Rioja;

**ISO 45001:2018** – Occupational Safety and Health Management System – AEMA; Aguas Rioja; Enkrott SA;

**UNE-EN ISO/IEC 11731:2017** – Certification for carrying out physicochemical and microbiological analyses and enumeration of *legionella* - Laboratorios Alfaro;

**UNE-EN ISO/IEC 17020:2012** – Accreditation as an inspection body by ENAC, with the number 177/EI321 – Laboratorios Alfaro;

**UNE-EN ISO/IEC 17025:2017** – Accreditation as a testing laboratory by ENAC, with the number 524/LE1135 – Laboratorios Alfaro;

**ISCC EU** – Aguas Rioja.



In the first quarter of 2023, Bondalti was again recognised with the EcoVadis platinum medal, after achieving a total score of 82 points out of 100, according to the 2021 financial year. During 2023, the Sustainability and Climate Transition team worked together with the EcoVadis teams to respond to the next questionnaire, in 2024, with the consolidation of the years 2022 and 2023.



For the second consecutive year, Bondalti continued the evaluation of its chemical activities (Estarreja and Torrelavega sites) by the CDP (Carbon Disclosure Project) in the Climate Change category. This assessment involves exhaustive work to collect evidence from different areas of the company. At the end of July, the questionnaire was completed, with Bondalti Chemicals obtaining, at the end of 2023, a Level C result.



Bondalti was once again recognised with the certification of “Family Responsible Company” (efr), awarded by the Másfamilia Foundation and the ACEGE - Christian Association of Entrepreneurs and Managers.

This certification aims to recognise Bondalti’s family and work-life balance policies and is the result of the adoption of a people management model based on values such as flexibility, diversity, personal development and reconciliation, put into practice under a plan that includes more than five dozen measures.

Bondalti has been certified since 2020, and this recognition has now been renewed for another three years. The certification is awarded after an independent external audit process, lasting six months to one year.

Also in 2023, Bondalti’s efr managers were updated, comprising to date one person responsible for Bondalti Capital and three people responsible for Bondalti Chemicals.



After joining the UN Global Compact at the beginning of the year, Bondalti completed the COP - Communication on Progress questionnaire for the first time. The COP is a comprehensive report in which companies report their activities in accordance with the UN Global Compact Principles, highlighting their commitment.



For the second consecutive year, Bondalti participated in the National Sustainability Awards ceremony (Jornal de Negócios), resulting from the submission of two entries for the “New Territories for Lynxes and Iberian Imperial Eagles” project, in the category “Conservation of Natural Capital”; and “H2Enable – The Hydrogen Way for Our Chemical Future” in the category Decarbonisation. From these entries, Bondalti was awarded two Honourable Mentions, one for each category.

Also at the end of 2023, Bondalti again submitted two entries for the National Sustainability Awards under the ambit of the “Bonding with Nature” project, in the category Communication of Sustainability, and the “ElectroLithium” project, in the category Decarbonisation.



Bondalti was highlighted as an example of good practices in the SDG (Sustainable Development Goals) Observatory Report on Portuguese companies, released by the Catholic University and the Center for Responsible Business and Leadership. Bondalti’s recognition occurs in the chapter Identified Good Practices “due to the complete and organised way in which it presents its initiatives”; adopting a coherent line in the presentation of the different projects: Objective, Methodology, Ambition and expected results and Contribution to the SDG. As an example, the case “Repower Chemicals: Energy Efficiency and Renewables” was presented.



Bondalti Water | AEMA was recognised by Aqua España – Spanish Association of Companies in the Water Sector for the way it has maintained an associative course and actively participated in achieving common objectives in the industry over the last 20 years.



Bondalti was recognised with the Medal of Honour for Business Merit by AICO - Ibero-American Association of Chambers of Commerce, an award that aims to highlight companies that over the years have promoted progress and favourably influenced the economic, social and cultural environment of the country or countries where they operate.



The LIFE Multi-AD project received an award in the “SDG 6 – Clean Water and Sanitation” category by Reconocimientos go!ODS.

Given the weight of the sector and the impact that the project could generate from an economic and environmental standpoint, when installed on a large scale, LIFE Multi-AD took as its strategic axis the satisfaction of the needs of SME in this field, establishing a new technological paradigm that allows companies to evolve towards a circular economy model and, thus, increase their sustainability.

The go!ODS awards are organised and managed by the UN Global Compact Spain, in collaboration with the Rafael del Pino Foundation. These awards aim to recognise and support innovative projects that contribute to the United Nations SDG.



Bondalti’s Purchasing area was recognised as the best Purchasing Organisation of 2023 in Portugal, an award given by APCADEC – Portuguese Purchasing and Supply Association.

Sponsored by the European Institute of Purchasing Management (EIPM), the APCADEC awards aim to recognise purchasing organisations for the excellence of their practices, which allow them to assert themselves as role models. This Bondalti area has a maturity level of 4+ under the “EIPM Reference Maturity Levels”, on a scale of up to 5.

This is the third time that Bondalti has been recognised in these awards, following the distinctions obtained in 2019 and 2020 for its Procurement area.



Bondalti was awarded 1st prize in the “Large Companies” category of the Export and Internationalisation Awards, an initiative promoted by novobanco and Jornal de Negócios, which were held for the 13th time this year.

According to the organisation, the objective is to highlight Portuguese companies that invest heavily in promoting exports and internationalisation, crucial factors for the growth and development of the domestic business community.



For the first time, Bondalti was placed in the Top 10 of the “Large Companies” category in the “Excellence Index” study, an initiative promoted by CEGOC and Neves de Almeida HR Consulting, with the scientific partnership of ISCTE Executive Education.

In 2023, Bondalti competed with 150 other organisations, representing yet another recognition of the excellence of its team, its culture and the feeling of unity it cultivates every day.

A full-page background image featuring a sunset over the ocean. The sky is a gradient of colors from light blue at the top to orange and red near the horizon. The ocean is a deep blue with gentle waves in the foreground. The text 'BONDALTI' is centered in the middle of the image.

**BONDALTI**

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