



2023 Sustainability Report

www.adamantgroup.bio



2023

Sustainability Report

By Adamant Group

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01

Leadership Letter

Dear Stakeholders,

It is with great pleasure that I present the Adamant 2023 Sustainability Report. This report builds upon and evolves from the inaugural Adamant Sustainability Report compiled in 2022. The report aims to outline the Adamant Group's ESG (Environmental, Social, and Governance) objectives and monitor progress towards these targets.

I would like to thank all our Stakeholders for your ongoing support and help for Adamant to continue its journey to a more sustainable future.



Riccardo Marchetti, CEO

Ferrara, July 2024

Interview with Glauco Toscani

Adamant Sustainability and ESG Manager

> **Glauco what have been the main challenges in 2023?**

Adamant operates within various sustainability schemes, including ISCC (UE and PLUS), 2BSvs, and the Italian National Scheme. Each of these schemes requires similar but distinct reporting criteria. With the rapid growth of our business in recent years, it has been fundamentally important to integrate sustainability criteria and reporting. As we expand into new geographical and product areas, ensuring certification and compliance remains essential but complex.

> **What are the main issues in 2024?**

In 2024, the Commission will introduce the Union Database for Biofuels (UDB). This unified system is both welcome and necessary to ensure proper sustainability compliance. At Adamant, we fully support this development.

> **How do you see managing Adamant's development portfolio?**

The challenge is not only in the sustainability criteria but the full range of ESG issues for example child labour. As we move into new areas it will be essential to strengthen our links to local agencies who are active on the ground.

> **Looking forward for the next 5 years what's your vision?**

The demand for waste- and residue-based biofuels for aviation and marine applications will be substantial. To meet this demand, we will need to venture further afield and seek out new feedstocks. This will be both challenging and exciting, pushing us to new heights in sustainability and innovation.

> **Over your more than 20 years of experience in the biofuel business what have been the major achievements?**

20 years ago it was impossible to believe that airplanes would be flying on renewable biofuels based on waste and residues! Look where we are today! And this is just the beginning.

02

Report

Introduction

Why a Sustainability Report?

By detailing our initiatives, successes, and areas for improvement, the report serves as a comprehensive guide for both internal and external Stakeholders. It also acts as a focal point for the group's management team, driving informed decision-making and strategic planning.

Sustainability reporting is essential for several reasons. It enhances transparency, fosters trust, and demonstrates our commitment to responsible business practices.

Reporting Scope

The report covers the entire calendar year of 2023, with a primary focus on the group's activities in Italy, where the majority of our operations are based. However, recognizing the global nature of our business, we also include detailed information on our international operations. This includes insights into product sourcing and logistics, which are critical components of our supply chain and significantly impact our overall sustainability performance.

By broadening the scope to encompass our global activities, we aim to provide a holistic view of our sustainability efforts. This approach allows us to identify and address challenges and opportunities across different regions, ensuring that our strategies are aligned with local and international standards and expectations. Our Stakeholders, including investors, customers, employees, and communities, can gain a comprehensive understanding of our ESG performance and our commitment to sustainable growth.

Through this report, we aim to communicate our ongoing efforts to mitigate environmental impact, promote social equity, and uphold robust governance standards.

We believe that by sharing our journey, challenges, and achievements, we can inspire continuous improvement and foster a culture of sustainability within and beyond our organization.

Methodology

The information presented in this report was meticulously collected internally, leveraging the expertise and insights of various departments across the Adamant Group. The preparation of the report was supervised by the group's managing directors and management team, ensuring accuracy and relevance. We adopted a systematic approach to data collection and analysis, utilizing both qualitative and quantitative methods to capture the full spectrum of our ESG performance.

At present, there are no plans to formally audit the report. However, we recognize the value of external validation and will review this decision during the year. Our commitment to continuous improvement means that we are always exploring ways to enhance the credibility and reliability of our reporting processes. We remain open to feedback and are dedicated to implementing best practices in sustainability reporting to provide our Stakeholders the highest level of transparency and accountability.

03 About Us

1.500.000  **Tons saved in 2023**

Saving **+500KT** Compared to 2022

11 Years in the biofuels market

25 Countries in which we operate

9 Companies in the group

5 Countries in which we have offices

The sectors in which we operate

- > Road Transport
- > Aviation
- > Marine Transport
- > Trading
- > Feedstock Sourcing
- > Sustainable Certification

Vision

At Adamant, we envision a future where we lead the way in the world of innovative and sustainable energy solutions. We see waste and residues as a valuable resource, driving the creation of a greener and healthier world for generations to come.

Mission

Adamant's mission is to pioneer sustainable mobility worldwide through innovative circular models that repurpose waste and residues from different industries and reduce burdens on the environment.



Adamant Board & Management Team



Riccardo Marchetti
Group CEO

The Group is led by Riccardo Marchetti, who founded the company in 2013, evolving it from a consultancy firm specialized in sustainability certification to the current Group focusing on advanced biofuels origination and trading. Riccardo, with a bachelor's degree in International Economics, has extensive work experience in leading international agro-industrial companies, having held senior trading positions in the vegetable oils and biofuels sectors.



Alastair Fraser
Group General Manager

Alastair Fraser, General Manager of the Group and CEO of Adamant Ecodev, is a UK PhD graduate with an MBA from Bocconi university in Milan; Alastair has been a pioneer in biofuels since the early nineties, starting with Novaol biodiesel plant at Leghorn, Italy. His experience includes management roles in the chemical and fertilizer industries, such as European Director with Kemira GrowHow and MD of an Italian private equity buyout. Over the past 15 years, Fraser has held management positions in international biofuels processing and trading companies.



Roberto Garlaschi

Group COO

Graduated in Engineering at the Milan's Politecnico, Roberto Garlaschi joined Adamant in 2024 as Chief Operating Officer. Roberto has an extensive experience in executive roles; previously he held the position of Managing Director at Samox and Director at Sipcam-Oxon group, optimizing business strategies and enhancing company performance monitoring and efficiency.



Marco Reino

Finance & Control Manager

Marco Reino, Finance and Control Manager at Adamant Group since October 2022, brings extensive experience in financial management and analysis. His decade-long career includes roles as Finance Manager at Bonatti Canada Construction Inc., Country Finance Manager in Algeria for Bonatti S.p.A., and Administrative Controller at Renco S.p.A. in Congo. He began his career as a Subagent at Allianz Insurance in Italy. Reino holds Master's degrees in Finance and Management Control from the University of Pisa and Economic and Financial Sciences from the Polytechnic University of Marche.



Roberto Straforini

Accounting Manager

Roberto Straforini serves as the Accounting Manager of Adamant Group, bringing a wealth of experience from prominent Italian and international agribusiness companies. Before joining Adamant BioNRG in 2016, he directed financial and administrative operations at Novaol Srl, a European leader in biofuel production, and managed restructuring projects at Demetra Pharmaceutical.



Emanuele Fratantuono

Biz Dev & Trading Coordination Manager

Emanuele Fratantuono, Business Development & Trading Coordination Manager at Adamant Group, has extensive experience in renewable energy projects and biofuel trading. He has led decarbonization initiatives at Crossbridge Energy and managed biodiesel trading operations at Element Alpha SA and Renewable Energy Group, implementing advanced risk strategies. His expertise ranges from commercial negotiation to sustainability, enhancing growth and innovation at Adamant Group.



Davide Bovio

Technical Director

An engineer specialized in biofuel plant management, Davide Bovio has extensive experience at Oxem Spa and Sirius Srl, holding key roles in production and maintenance. He currently leads the technical operations of Adamant Group, leveraging his industry expertise to optimize processes and enhance operational efficiency.



Joaquin Varela

Adamant Latam General Manager

Based in Buenos Aires, Joaquin Varela leads the team operating in Latin America as the General Manager at Adamant Latam S.A. With extensive experience in the biofuels sector and the oil and gas industry, he is responsible for the supply and marketing of renewable raw materials throughout the region. Previously, he played a key role as the Commercial Director at Patagonia Bioenergía S.A., significantly contributing to the company's positioning in the global biodiesel markets. Varela also has experience with Repsol, where he managed crude oil trading and refined products activities in Latin America.



Glauco Toscani

Sustainability & ESG Manager

Glauco Toscani manages the sustainability certification team, having gained significant experience at SGS Italia where he served as the Manager for Agricultural Services. With over a decade of experience, he managed sales and technical operations in the Feed, Food, and Fuel sectors, including biofuels and bioliquids. Prior to joining Adamant Group as Sustainability Manager, Toscani worked as a lead auditor and food scheme specialist, conducting audits across major certification standards in the industry.

“Making the planet better, a goal we work to achieve every day.”

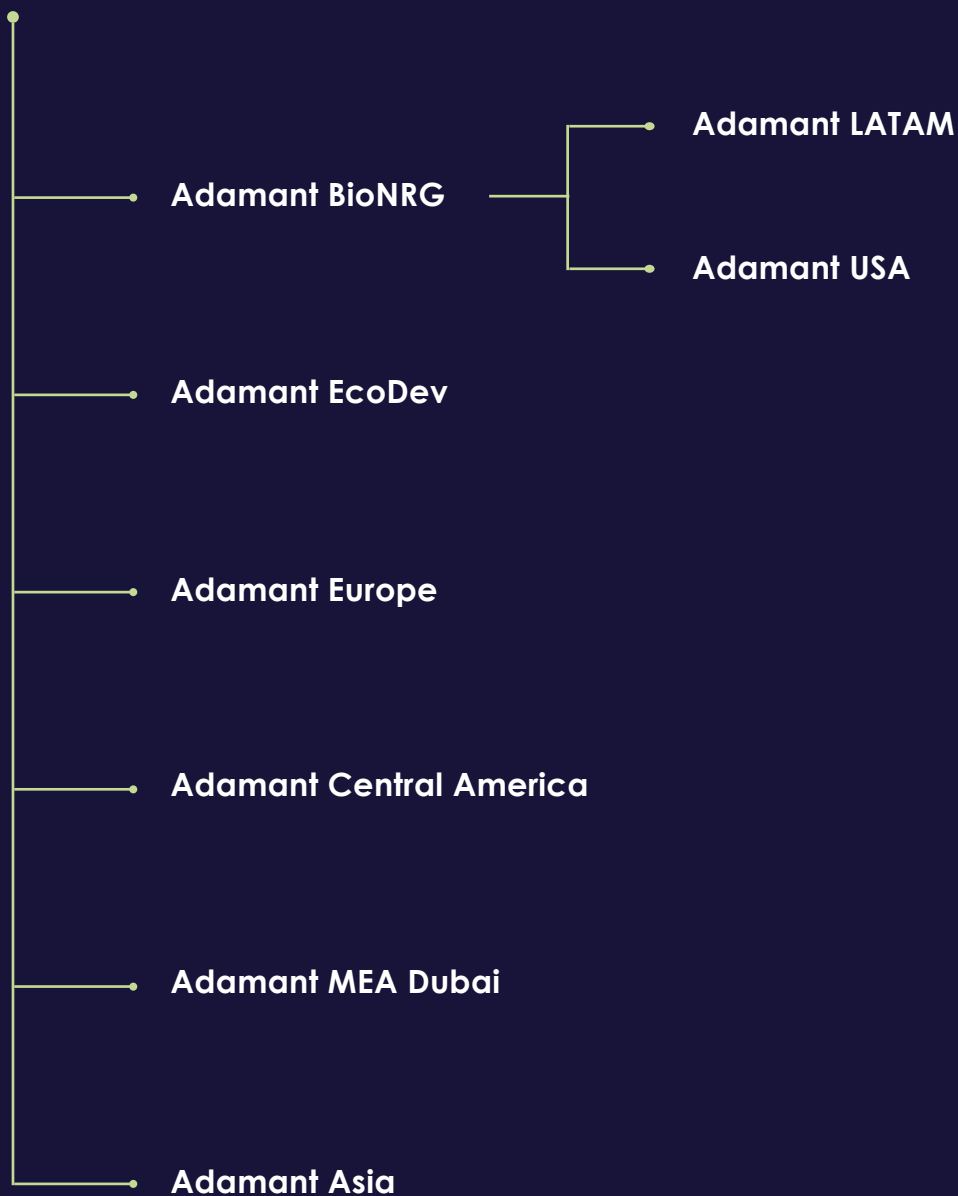
Camelina Sativa field



Corporate Structure

Adamant BioNRG AG

July 2021



Our History





Adamant Worldwide

Adamant BioNRG

Involved in trading biodiesel and raw materials for biodiesel production (specifically waste and by-products)

Adamant Ecodev

Specialises in feedstocks for biofuel production, coprocessing, electricity generation and marine fuels



Adamant Europe

Specialises in trading biodiesel in the North European market

Adamant Latam and Central America

Engaged in sourcing raw materials for biodiesel production from Central and South America

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A Sustainable Business

Key Results

Based on group consolidated figures

€650 Mio

2023 Revenue

+500k MT

Raw materials and biofuels
sold and sourced

7,7 %

ROI - Return on Investment
Net income/Net capital employed

25,2 %

ROE - Return on Equity
Net income/Net equity

Certifications

Adamant Group maintains a series of certifications to ensure sustainability in the biofuel supply chain. These certifications are crucial for compliance with the criteria defined in the RED EU Directive 2018/2001.

ISCC EU/PLUS

The ISCC EU/PLUS are European-approved voluntary schemes applicable to biofuel and related supply chains (circular plastic). Certification compliance status is subject to regular independent audits.

2BSvs

The 2BSvs is a European-approved voluntary scheme, specifically designed for the biofuel supply chain. These voluntary schemes are recognised across Europe and enable us to trade in the principal European markets.

Italian National Scheme

This certificate, (Istituzione del Sistema Nazionale di Certificazione della Sostenibilità dei Biocarburanti e dei Bioliquidi, DM 14.11.2019) is specifically for marketing bioliquids and biofuels in the Italian market.

Auditors PwC

PwC has been appointed to audit the main Adamant group companies. Smaller entities are audited by local firms. All group companies accounts have been approved for the year 2023.

Code of ethics and whistleblowing

The Adamant Group has an ethical code and whistleblowing policy. In the case of the main Italian entities this is formalised via independent compliance audits according to the Legal Decree 231. This policy is applied on a voluntary basis to other group companies. All personal receive regular training and updates on these issues.

These certifications underscore our commitment to sustainability and adherence to stringent regulatory requirements, allowing us to operate and compete effectively within the European biofuel market.

Our Solutions

The green transition is in progress and will not be reversed. Reducing CO² emissions from transportation is a truly global issue. In most regions, although at varying speeds, policies are being implemented to increase the use of renewable fuels.

At Adamant, we see certain key elements and trends:

#1

The search to increase the production of renewable fuels from waste and residues and not from crop-based feedstocks.

#2

Oil and gas companies investing in high-quality renewable diesel production in HVO and SAF plants and coprocessing feedstocks in existing plants.

This is why we are able to offer different solutions to foster a green transition toward commercial and private mobility.

Products

Advanced Biofuels

Produced from waste and residues, our advanced biodiesel provides an eco-friendly alternative to traditional fuels, significantly reducing carbon emissions and promoting sustainability.

Renewable Diesel (HVO, SAF)

Our high-quality renewable diesel, including Hydrotreated Vegetable Oil (HVO) and Sustainable Aviation Fuel (SAF), meets stringent environmental standards.

Sustainable Feedstocks for Oleochemicals

We provide sustainable feedstocks essential for oleochemical production, contributing to the creation of bio-based chemicals and materials while reducing environmental impact.

Advanced Feedstocks

Sourced from over 25 countries, our advanced feedstocks ensure a reliable and sustainable supply chain for biofuel production and co-processing, supporting global energy needs.

Pyrolysis Oil and Intermediates

Our pyrolysis oil and intermediates are important for sustainable biofuel and circular naphtha production. These products offer a high-specification solution for converting waste into valuable energy resources.

Logistics

Storage Facilities

Strategically located storage facilities across Europe, Latin America, and Asia ensure the secure and efficient storage of biofuels and feedstocks, facilitating global distribution.

Bulk Shipping and Container Logistics

Our comprehensive bulk shipping and container logistics services guarantee timely and cost-effective transportation of biofuels and feedstocks worldwide.

In-land Trucking

We provide reliable in-land trucking solutions, ensuring seamless delivery and distribution of biofuels and feedstocks across various regions.

Other Services

Sustainability Analysis Certification

We offer expert assistance with sustainability certification and analysis to help businesses in enhancing their green credentials and achieving compliance with environmental standards.

Project Feasibility Studies and Start-Up Financing

Our services include thorough project feasibility studies and start-up financing support, enabling successful implementation and growth of biofuel and renewable energy projects.

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Adamant Sustainability Vision

Increased investments directed in feedstock producing regions such as Asia and Africa.

Increase supply in the aviation and marine sectors.

It is also clear that in the near future there will be a big demand for renewable and circular feedstocks from the petrochemical industry as building blocks (circular naphtha).

With this in mind Adamant has been working in many different areas, but the main projects are:

- > Feedstock processing and storage in Asia and Africa (upstream investments).
- > Biobunker (marine fuels) blending and distribution (down stream investments)
- > Pyrolysis oil trading and production from waste plastics and tyres
- > Increasing waste oil collection and treatment in Central America
- > Non biological renewables in Latin America

How We Operate

Adamant works nearly exclusively with waste and residue feedstocks and products based on waste and residues (reference European Renewable Energy Directives RED 2 and 3). Such feedstocks enter into the circular energy concept and have a very high CO₂ saving compared to fossil fuels and traditional biofuels. These fuels conform to the European voluntary certification sustainability schemes 2BSvs and ISCC and the Italian national system NIS. These schemes confirm

CO₂ emissions and custody along the full origination and supply chain. Conformity certificates (POS) are issued per batch and subject to control and verification of all players in the supply chain, by external auditors. The certifications include social and work conditions and indirect deforestation effects. Adamant is an equal opportunity employer and is against all forms of discrimination and racism.



Social Support

Adamant is deeply committed to social responsibility and supporting local and global communities. Our initiatives extend beyond business operations to actively contribute to social well-being and address pressing humanitarian needs.

Refugee Support: As part of our commitment to aid those in need, we have allocated one of our properties to accommodate refugees from Ukraine. We recognize the importance of offering refuge and support to individuals displaced by conflict and are proud to provide a safe and welcoming environment for those seeking shelter and stability.

Agricultural Sustainability

In our commitment to sustainable production, we have developed an agricultural area in Porotto, near Ferrara, in collaboration with the Fondazione Navarra Agricultural Research Center. Here, we conducted trials on *Camelina Sativa* cultivation, and in 2023, we dedicated part of the land to creating the “Wildflower Meadow” project to support the local bee population.

Research & Innovation

Adamant is committed to promoting research and innovation in the advanced biofuels sector, in collaboration with the University of Ferrara and other local research institutions. Recently, we funded a research project on the use of mussel and clam shells as catalysts for biodiesel production. Additionally, we actively support academic research programs to develop innovative solutions for advanced biofuels production.

Sport Sponsorships

Sport plays a fundamental role in Adamant's mission to promote values of inclusion, commitment, and collaboration. Through support for local sports teams, we aim to nurture youth talent and promote a healthy and active lifestyle.

SPAL Sponsorship

Over the years, Adamant has supported the football team SPAL, contributing to its success and its roots in the community. In the 2023/2024 season, we were proud to be one of the main sponsors, demonstrating our ongoing commitment to supporting local football.

Vado Ligure FC Sponsorship

Adamant actively collaborates with the Ligurian coastal depots and has decided to support Vado Ligure FC in its journey to success in the D league. In the 2023/24 season, we were the main sponsor of the team's jersey, strengthening our bond with the local community and its love for football.

Basket Ferrara and Adamant Trophy

Furthermore, Adamant has supported basketball in Ferrara, providing stability to the youth sector and sponsoring the Adamant Trophy, a competition reserved for Under 15 excellence teams. This commitment reflects our dedication to promoting the development and success of sport at the local level.



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What Will Tomorrow Be Like?

Future Commitment Towards Sustainability

Adamant is passionately committed to pioneering the search for innovative, sustainable feedstocks derived from waste and residues across the globe, ensuring we meet the ever-growing demand from our customers.



In 2023, Adamant consolidated its market position by divesting its interests in camelina oil production in Argentina to Chevron and Bunge. This strategic move was driven by the initial success of the project, coupled with the recognition that further developments required additional resources, which Adamant chose to allocate to other projects within its portfolio. At present, Adamant is pursuing a strategy of both geographical and vertical expansion. Specifically, it has expanded its infrastructure for used cooking oil recovery in Central America and increased tank storage capacity in Argentina. Concurrently, it has opened a representative office in Brazil and is set to establish Adamant Vietnam by 2024. Additionally, the company is exploring expansion opportunities in Africa, with the aim of opening a subsidiary in Ivory Coast by the coming year.

Looking ahead, Adamant is committed to further diversifying into related biofuel markets, with a focus on the biobunker sector in the ARA shipping area, where it has significantly increased storage capacity.

Moreover, it is investing in a portfolio of activities in sourcing and producing pyrolysis oils from recycled plastics and tyres for the biofuel and biodiesel markets, supporting the petrochemical industry.



Adamant Group

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