



AGROMILLORA

# Sustainability Report

AGROMILLORA 2022

# PREAMBLE:

## ABOUT THIS REPORT

This is the second published version of our corporate Sustainability Report, and we maintain its preparation in line with the GRI (Global Reporting Initiative) standard, with the reporting criteria according to the United Nations Global Compact and the Sustainable Development Goals and the 2030 Agenda and with the requirements established in Law 11/2018 of December 28th, 2018 on non-financial information and Diversity approved on December 13th, 2018 by the Congress of Deputies by which the Commercial Code is modified, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2nd, and Act 22/2015, of July 20th, on Auditing of Accounts, in matters of non-financial information and diversity (originating from Royal Decree-Law 18/2017, of November 24th). We have also referenced the ISO Standard 26,000 (Social Responsibility Guide), and we have also begun to work according to the SBTi reference, an initiative to which we have recently adhered.

This Report, as this consolidated non-financial information statement of the Group, covers the requirements derived from this regulation, forming an integral part of the consolidated management report of Agromillora and of all the Companies that compose it, headed by Namozul Spain S.L. as parent company.

The reporting framework of these notes to the consolidated financial statements covers all the subsidiaries listed in the Group companies and Key Operating Data section of this memo.

The purpose of this report is to provide the necessary information to understand the evolution, results and indicators and the situation of the Group, and the impact of its activity with regard to all relevant issues in Environmental, Social and Labor, Ethics, Compliance and Human Rights aspects carried out during the year 2022 (up to the closing on December 31st, 2022), including, among other aspects, risks and opportunities, commitments, policies, etc.



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# Letter from the CEO

*Jordi Mateu*  
AGROMILLORA CEO

## Letter from the CEO

2022 has definitely been the year in which we have left the COVID-19 pandemic behind, but undoubtedly the Russian invasion of Ukraine has meant a new global geostrategic imbalance, as was the pandemic only a few months earlier. On the positive side, we have now normalized professional travel and face-to-face events such as conferences, trade fairs and other events and we are once again closer to our subsidiaries and above all we have been able to focus on our day-to-day business, on our production and on attending to our customers, partners, suppliers, etc.

As another major event of 2022, several companies belonging to the founding shareholders of Agromillora (the Sumarroca family, Joan Samsó and Joan Torrents), together with the investment company Edify, controlled by the Despature family, have reached an agreement to acquire the majority stake in Agromillora owned by Investcorp, the world's leading manager of alternative investment products. After almost a decade in which the company has experienced a

strong growth in partnership with Investcorp and previously with the Nazca investment fund, the company will now be fully in the hands of long-term investors with the vision of continuing to participate in the transformation of agriculture through the use of technology and innovative solutions, leading the market for the in-vitro multiplication of fruit trees and woody species worldwide.

The founding shareholders and the management team of Agromillora look forward to the new stage of the partnership with Edify and jointly expect to continue growing by entering new geographic markets and offering new species and products with the evolution of new crops towards more sustainable and efficient models. The reinforcement of the already intense collaboration with universities, research centers, breeders of varieties and rootstocks and other agricultural technology companies will be another of the pillars on which the company will base its future development.

In short, 2022, despite the difficulties, has been a good year in terms of results. In spite of all the difficulty we have gone

through (inflation, drought, drop in price of almonds...), we have worked very hard at all levels in order to offset these negative effects and prevent them from affecting our overall income statement. We would like to thank the entire Agromillora staff for their hard work, dedication and commitment to make this possible.

However, 2023 looks set to be a more challenging year. Part of that inflationary impact that we have been able to stop in 2022 will impact us in 2023, as we will not be able to fully pass this effect on to prices. Despite making great efforts to improve efficiencies and reduce mortality, other circumstances such as the sharp drop in demand for almond trees as our main species in recent years, has a drag effect too strong, that not even the sharp rise in demand for olive trees can fully compensate.

It is true that we still have many months ahead of us, and many uncertainties, but also opportunities. We hope that we will have the ability and luck to capture more opportunities than uncertainties in the remaining months, and therefore the final result will improve over the 2023 forecast.

On a positive note, for 2023, we have a new subsidiary, Agromillora Peru, which, although in a very discreet way, we hope will begin to contribute to our results from the first year.

Another important project for the future of the group that we will start this year is a new nursery in Mexico, Agromillora Mexico, which we expect to be operational by the end of this year, that is, to start contributing to sales and margin from 2024.

With these two new projects we will greatly improve our market share in Berries and our geographic diversification, both key aspects of our strategic positioning.

At a strategic level, and following the entry of the new shareholder partners, we are developing the corporate strategy with a vision for 2027, and we expect to have it developed in the coming months.

Naturally, we continue to promote and develop, as we have been doing for the last 30 years, high density hedgerow planting models, and we are doing so convinced of the positive impact of these agricultural practices, achieving a high degree of resilience, productivity, sustainability and efficiency. These models must allow us to adapt to climate change, which is having such a strong presence in 2023,

promoting a responsible use of water, energy and health resources, promoting innovation and occupational health and safety, as well as the development of our employees, customers and the communities where we operate.

Our ambitions for sustainability materialized in a formal purpose:

**At Agromillora we are committed to Society and the Planet to continue developing the Sustainable and Efficient Agriculture of the Future.**

The year 2022 has marked the practical and effective launch of our Corporate Sustainability Strategy and the implementation of several related initiatives, such as, for example:

- Incorporating sustainability as a global ambition of each and every subsidiary and corporate structure.
- Evaluate ourselves within the Ecovadis sustainability rating, with a clear objective of continuous improvement.
- Begin to engage and evaluate our suppliers in regard to sustainability.
- Conduct a review of our relevant Material Issues in sustainability aspects, based on 4 strategic pillars identified.
- Launch our first Sustainability Report (2021)

But naturally we still have a long way to go, we continue with the 2030 objective to develop and achieve goals and objectives in all the material issues identified, and we are working on them at the corporate level in order to implement them at the regional and local level in the different subsidiaries of the Group in the coming months and years.

Therefore, we rely on the contribution, ideas and efforts of each and every one of the people who make up our group of companies in the five continents, to develop and implement our purposes, policies, guidelines, objectives, processes, programs, initiatives and other tools that allow us to be a more responsible, sustainable and trustworthy company, promoting the improvement of agriculture in the world.

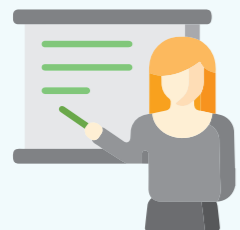
Jordi Mateu Agromillora CEO

SUMMARY  
OF

20  
22



Millions of  
trees produced  
More than 80 million  
plants delivered



Total training  
hours of workers  
8,300 hours of training



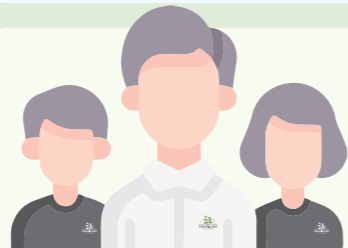
Water Consumed  
1,7 million m<sup>3</sup>



Employees  
More than 1,500 workers



Electrical energy  
consumed  
8,392 MWh and 41% of  
certified renewable origin.



Main age range of  
the workforce  
Between 39 and 49



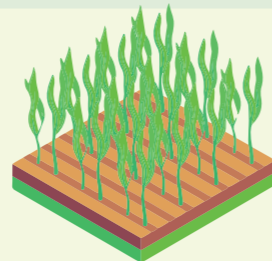
Presence  
in 25 countries



CO<sub>2</sub> emissions  
Scope 1: Direct emission  
4,585.30 Ton CO<sub>2</sub> eq  
Scope 2: Indirect emissions  
1,517.56 Ton CO<sub>2</sub> eq



Women in  
the workforce  
64,6%



Greenhouses  
628.000 m<sup>2</sup>



Business activities  
and figures  
+ of 85 million €



Organization  
Who are we at Agromillora?

## ORGANIZATION

We are Agromillora, a world leader in the nursery sector and in in-vitro plant multiplication, a benchmark in the production and commercialization of woody species with the highest genetic and sanitary quality standards.



We are pioneers in developing more efficient and profitable cultivation systems for the farmers, and we promote the cultivation of more productive, healthier and resilient plants. Improvement, innovation and sustainability are in our nature.

We are deeply committed to the development of world agriculture, to which we contribute value through improvements in productivity, efficiency and sustainability.

We promote the creation of more productive, healthy and resistant plants and work to implement new agronomic solutions, such as efficient and sustainable hedgerow production systems, new pruning systems and new plant management systems. All of these systems are much more efficient and profitable for the farmer.

At Agromillora, we act as a common ground for the global communities of breeders and producers. With our flexible network of growth, we help breeders to market their species across the five continents, always under strict quality controls that ensure the propagation of these plants with the highest genetic and sanitary guarantees.

We never stop reinventing ourselves, whether we are designing new cultivation techniques with our growers and customers or innovating and experimenting in the development of new varieties with leading international breeders.

## OUR Mission

Efficient plant multiplication that, based on innovation, quality and service, in order to contribute to agricultural development.



## OUR Vision

To be the largest global platform for production and marketing of plants.



## OUR Values



### Commitment

Those of us who work at Agromillora feel identified with its mission, its objectives and its way of doing things.



### Teamwork

We actively cooperate with others in order to achieve the objectives of the group and the



### Honesty

We at all times act with transparency, sincerity and fairness. We fulfill our commitments, and if we make a mistake, we assume the consequences.



### Innovation

We question the way we do things, with a constructive spirit and are open to change.



### Service

Our customers, external and internal, must feel that we work together for them, adapting to their needs and seeking agreements that are beneficial for all.

# Aims and Commitments

We have a commitment to society and our environment, and to continue building a company of which we can all be proud, not only for the results obtained, but also for the way in which we achieve them.

And we express this through a specific sustainability aim:

**We are committed to Society and the Planet to further develop the sustainable and efficient Agriculture of the Future.**

Most relevant data of the



**37 years**  
of experience



**628.000 m<sup>2</sup>**  
of greenhouses



**+1.500**  
Employees (\*)



**+80 M**  
Of plants delivered  
in 2022



Presence in  
**25 countries**



**12 subsidiaries**  
in 10 countries



**11 Laboratories**  
From in-vitro propagation  
in 10 countries



**New**  
R&D Lab in  
Oregon (USA)

(\*) We exceed this figure at specific times of the high season

## International Presence



Average and Distribution of Employees by Country

**+1500**  
**Workers**  
**in 2022**



(\*) We exceed 1,500 employees at specific times during the high season

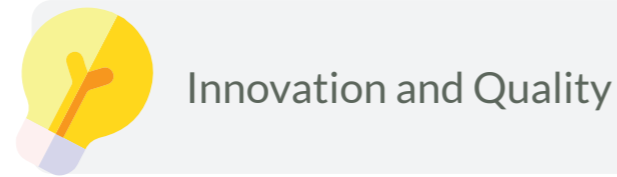
# Aims and strategies

Our leadership is the result of two factors: an innovative and highly technical production system and a capillarity that spans the five continents (and we continue to expand regions) and thanks to which we have become the number one propagator of woody and semi-woody plant species for the agricultural sector.

Our commitment is, resolutely, to the development of world agriculture to which we bring value with improved productivity.

We promote the creation of more productive, healthy and resistant plants and work to implement new agronomic solutions, such as hedgerow models, new pruning systems and new plant management systems. All of these systems are much more efficient and profitable for the farmer.

Our principles and strategies are based on:



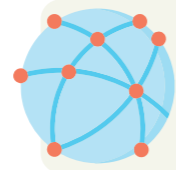
Innovation and Quality



Productive Efficiency



Sustainability



Global presence and diversification



Human Capital



Education and Training

## Agromillora companies and Main Operational Scales

In this regard, Agromillora, headed by Namozul Spain S.L. as the dominant company, has an international presence through 10 subsidiaries in 8 countries:

- **Subsidiaries:** Spain, the United States of America (with a presence in the states of Oregon, California and Florida), Chile, Brazil, Morocco, Turkey and Australia

- **Affiliated company:** Tunisia.

During the 2022 fiscal year, the Group has increased its shareholding in the Australian company to 95% and continues to be treated as a subsidiary. In this 2022 report we have also already incorporated data from both Australia and Tunisia in full.

The activities and turnover of Agromillora's subsidiaries for fiscal years 2022, 2021 and 2020 are as follows:

Location	Turnover (thousands of euros)	
	2022	2021
 España	41.447	37.574
 US - Oregon	19.514	19.362
 Chile	3.635	6.451
 US - California	7.744	10.220
 Brazil	2.031	1.539
 Morocco	4.401	3.881
 Turkey	3.860	2.916
 USA - Florida	948	581
 Jordan	0	0
 Italy	21	0
 Australia	3.629	3.193
<b>Total</b>	<b>87.230</b>	<b>85.717</b>



# Materiality analysis 2022

The principles, commitments and ambitions relating to corporate social responsibility and sustainability must address those aspects that are relevant to our organization and our stakeholders. At Agromillora we have based ourselves on the GRI (Global Reporting Initiative) guidelines, as an independent international benchmark in standard sustainability reporting methodologies, and therefore we have carried out a process of identification, development and reporting of issues that can reasonably be considered important and that meet the following premises:

- Reflect the economic, environmental and social effects of the organization
- Influence in a substantial way in the evaluations and decisions of stakeholders, providing them with value

Not all material issues are of equal importance and an analysis and justification is expected to help us define their relative priority. During 2022, we have kept the materiality analysis carried out in 2021 in full force and effect.

## Our Materiality Analysis process

At Agromillora we have revised the methodology of our dual materiality analysis in 2021, carrying out a detailed process with the following phases and structure, developed by the Sustainability Committee created in June 2021.

### Identification of the fundamental pillars of our sustainability.

- Environment
- Social Commitment
- Responsible management
- Products and Value Chain

### Identification and classification of the different stakeholders

#### Level 1 – Our organization

- Agromillora Employees
- Agromillora Senior Management Agromillora
- Distributors and Agents
- Shareholders and Members of the Board of Directors
- Suppliers
- Breeders

#### Level 2 – Stakeholders

- Organizations and companies in the agroindustria sector
- Stakeholders in the society/community where we operate
- Governmental organizations
- Non-Governmental Organizations
- Agents from the capital markets (banks, investors...)
- Universities and Research Centers
- Partners in Risk Management (insurance companies, insurance brokers...)
- Competition

### Identification and listing of those issues with significant impact for the organization or our stakeholders, grouped in each of the 4 fundamental pillars.

This process was carried out through specific working groups that we addressed for each strategic pillar a first filter of relevance.

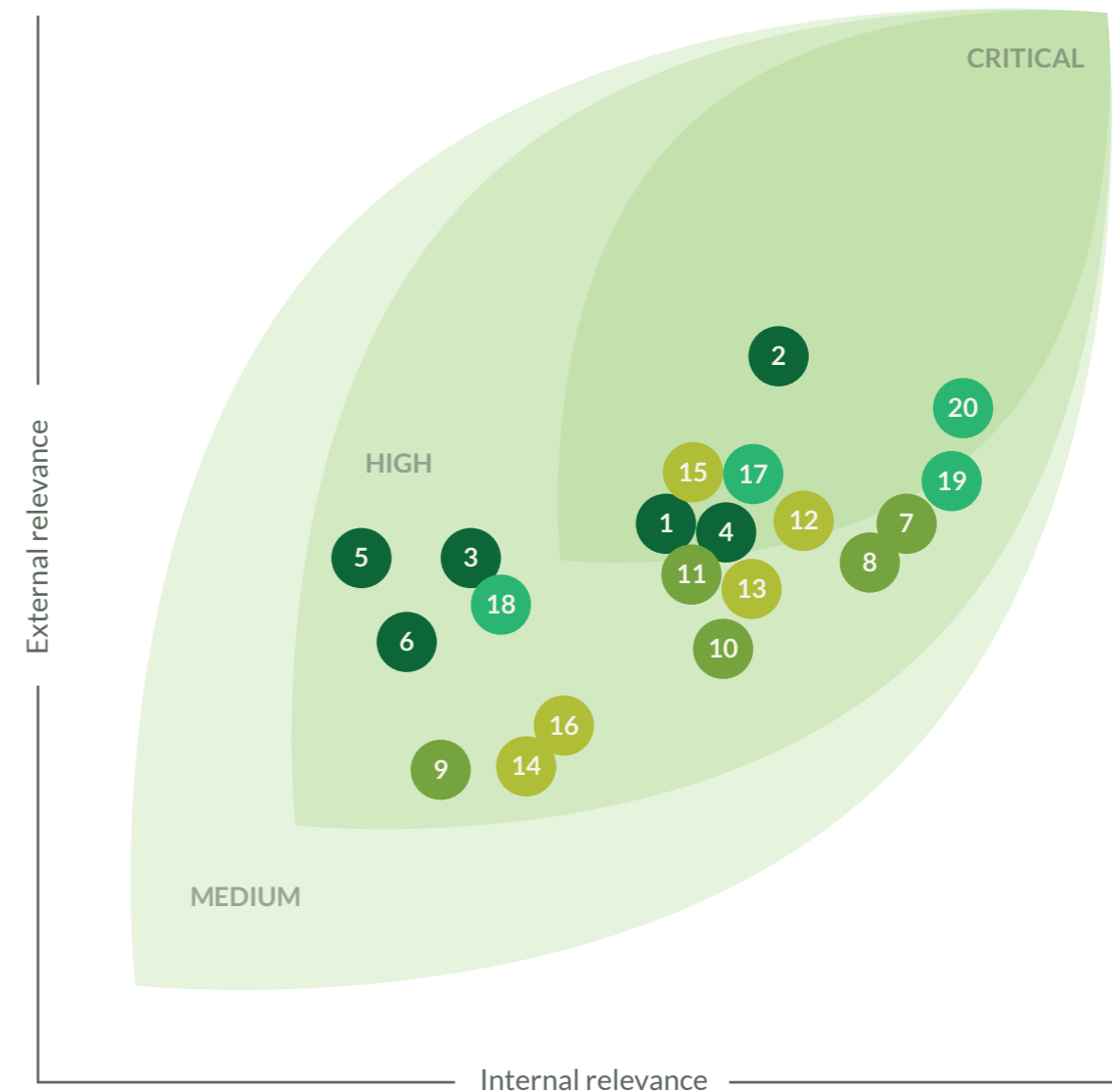
### Launching surveys to our stakeholders to determine the relevance and priorities of the defined list of material issues identified, as well as other issues raised.

To determine internal relevance, we consider employee and senior management stakeholders. For external relevance we consider the rest of the stakeholders

### Preparation of the final matrix in the form of a materiality map.

# Materiality Map

## AGROMILLORA 2022



### Environment

1. Climate Change - Carbon Footprint
2. Responsible Water Management
3. Circular Economy - Waste Management
4. Energy Efficiency
5. Responsible Consumption
6. Biodiversity and genetics

### Responsible Management

12. Climate Change - Carbon Footprint
13. Responsible Water Management
14. Circular economy - Waste management
15. Energy Efficiency
16. Responsible Consumption

### Social Responsibility

7. Occupational health and safety
8. Professional development
9. Society and Community
10. Equality and Diversity
11. Working conditions

### Products and Value Chains

17. Health and Safety of customers and consumers
18. Responsible sourcing
19. Impacts on sustainability of the products
20. Innovation



# Sustainability

## Corporate Sustainability Strategy

We have been maturing our sustainability strategy throughout 2022, following the international normative references and standards such as the ISO Standards (ISO 14.001 - ISO 45.001 - ISO 26.000...) or the concept of ESG factors (Environmental - Social - Governance) and the GRI-GSSB standard (Global Reporting Initiative - Global Sustainability Standards Board).

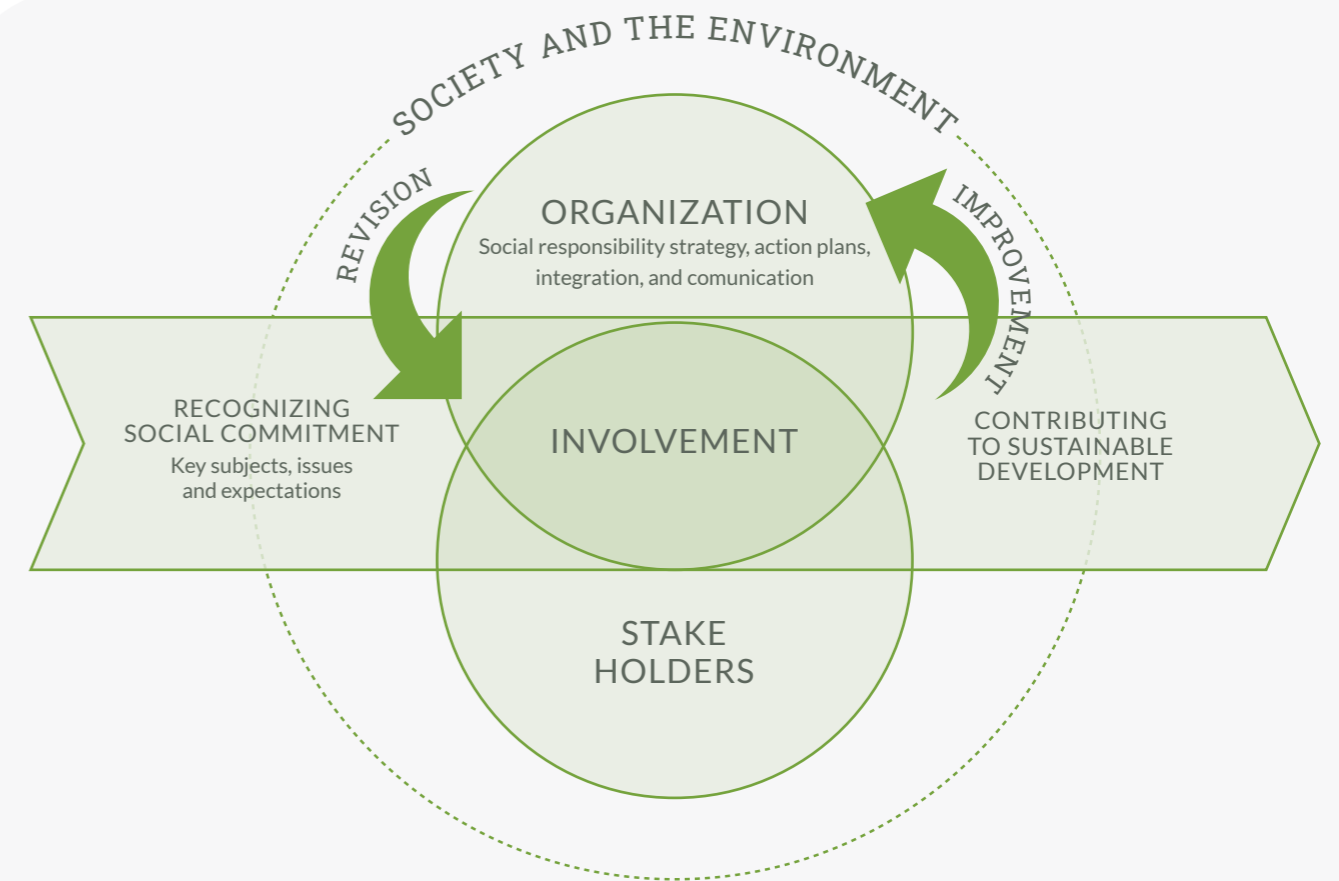
Agromillora has also joined the SBTi initiative to reduce greenhouse gas emissions in April 2023 after an evaluation period during 2022. And of course, we continue as a participating partner of the United Nations Global Compact to contribute to the achievement of the Sustainable Development Goals (SDGs).

We continue with the corporate sustainability committee, integrated into the corporate steering committee

to lead the integration of corporate social responsibility and sustainable development into our activities, products and operations as a fundamental strategy of our organization.

The Corporate Sustainability Committee is composed of senior management representatives from different areas and is led by the Corporate Director of Sustainability.

**Our strategy is based on our involvement both at the organizational level and with all stakeholders in generating positive impacts and reducing or eliminating the negative impacts of our organization and also influencing the entire value chain in this same objective.**



We do so with a vision aligned with the 2030 Agenda, but in some cases, such as Climate Change, we even project to a 2050 horizon.



We are developing the 20 material issues identified in our materiality analysis according to a GRI (Global Reporting Initiative) methodology, responding to the following 10 points for each of the material issues identified, initially at the corporate level:

We are initiating this process with the most relevant issues and will roll it out during 2022 and 2023 in all subsidiaries.



## Agromillora's contribution to the Sustainable Development Goals



From 2021 at Agromillora we have been committed to the 2030 agenda through our contribution in a specific way to the United Nations Sustainable Development Goals.

Since the start of our commitment, we have developed it by focusing our commitments, objectives and initiatives on the following 10 SDGs:





# Environment

At Agromillora we are committed to Environmental Protection, one of our strategic pillars.

For this reason, we have developed and published an environmental management policy where we have expressed the following commitments:

- The Senior Management of the organization is fully committed to the purpose of this policy.
- This Corporate Environmental Policy is appropriate to our purpose and organizational context.
- At Agromillora we are committed to the development of environmental projects, initiatives and objectives in all our relevant operations, both external (upstream and downstream) and internal.
- We are committed as a Participant of the United Nations Global Compact, fully supporting the Sustainable Development Goals.
- We are determined to lead continuous improvement to enhance our corporate environmental performance, considering the following specific commitments:

Protecting the Environment and giving special consideration to:



Climate Change & Carbon Footprint



Responsible Water Management



Biodiversity & Genetics



Circular Economy & Waste Management



Responsible Consumption of Energy and Natural Resources



Preventing Pollution



Comply with legal obligations and other requirements

- Identify and provide the necessary resources for Environmental Performance management and commitments.
- To achieve the appropriate level of worker competencies and environmental awareness through adequate training and education.
- Review of environmental performance annually by senior management.
- The policy will be reviewed by senior management in the event of substantial changes in the business context, relevant requirements or material issues.



## Climate Change

We are committed to quantifying greenhouse gas (GHG) emissions and to outlining a reduction plan with a 2030 and 2050 horizon.

We have joined the SBTi initiative with the aim of outlining a 10-year plan to reduce our emissions in line with the 1.5°C path proposed by the Paris agreement.

### Table of emissions scopes 1 and 2 at the corporate level:

Greenhouse Gas Emissions	Ton CO <sup>2</sup> eq		
<b>Scope 1: Direct Emissions</b>	<b>2022</b>	<b>2021</b>	<b>2020 (1)</b>
Fuels: Liquids	3.306,79	2.972,73	1.896,56
Fuels: Gases	986,01	1.004,72	551,25
Refrigerant Gases	292,50	202,40	Sin Datos
<b>TOTAL</b>	<b>4.585,30</b>	<b>4.179,86</b>	<b>2.447,81</b>

Greenhouse Gas Emissions	Ton CO <sup>2</sup> eq		
<b>Scope 2: Indirect Emissions</b>	<b>2022</b>	<b>2021</b>	<b>2020 (1)</b>
TOTAL Purchase of electricity	1.517,56	1.427,32	987,32

(1) 2020 values do not include the impact of refrigerant gases or subsidiaries from Australia and Tunisia.

(2) 2021 values corrected after review at the end of 2022.

### Best Practices carried out:

- Use of daytime heat in greenhouses and heat retention by means of thermal covers. We have launched an initiative for underfloor heating of tunnels through underfloor heating, which will allow us to reduce energy needs significantly.
- Replacement of oil-fired combustion/heating equipment by propane gas in some subsidiaries. Impact on emissions derived from greenhouse gas emissions from refrigerant gases. Advance locations with the most polluting gases or most significant emissions
- Automatic adjustment of temperatures by means of regulators that optimize the adjustment of heat generation in greenhouses. Use of electric vehicles in various subsidiaries for the internal transfer of products within our facilities.
- Greenhouse cooling systems using energy-efficient water curtains. Evaluation of hybrid or electric alternatives in the transportation of the commercial network.
- Prospecting for renewable electric power alternatives either by contracting a renewable energy supplier or by certified supply and installation of solar photovoltaic power in Australia and evaluate new projects in subsidiaries such as Iberia or Sur. More responsible management of electricity consumption in subsidiaries such as Morocco.



## Responsible Water Management

In 2022, water availability, both due to reduced rainfall and the violence of some precipitation, has posed and continues to pose a significant risk to our operations and generally to the agricultural sector worldwide.

An exceptional drought situation in several countries has led to consumption well above that of previous years.

We are committed to quantifying water consumption and determining water use, reduction and management measures responsible for the quantity and quality of water discharged into the environment.

- By 2023 this objective has been deployed for all subsidiaries as strategic and in 2022 working groups were already initiated in this regard in Iberia with very encouraging results and trials.
- We must identify opportunities for water reduction, less waste and reuse as a strategic initiative in the coming years.

### Table of water consumption for fiscal years 2020 and 2021:

Water Consumption	m <sup>3</sup>		
	2022	2021	2020 (1)
Well	1.643.343	823.689	1.113.599
River Water	89.554	167.094	143.452
Municipal Water Supplies	12.403	9.457	8.407
Rainwater	28.767	44.546	31.706

### Best practices carried out:

- Adjustment of irrigation to the actual needs of the plants by control with humidity probes in some subsidiaries.
- Preventive and corrective maintenance of irrigation elements.
- Rainwater harvesting in some subsidiaries by accumulation in retention basins.



## Responsible use of raw materials

We are committed to identify all inputs and categorize them according to their risk and impact on the environment, and to work to implement control and mitigation measures in those cases where impacts are significant.

Consumption of Raw Materials	Units of measure	2022	2021	2020(1)
Peat/Substrate	m <sup>3</sup>	18.141	19.293	13.236
Plastic	kg	951.685	660.949	789.061
Wood	kg	339.762	135.836	(4)
Cardboard (2)	kg	620.546	933.295	698.203
Fertilizers	kg	400.739	265.053	305.863
Chemicals (liquids)	m <sup>3</sup>	55	46	(3)
Chemicals (solids)	kg	217.038	177.469	(3)

(1)2020 values do not include the impact of Australian and Tunisian subsidiaries (2) Boxes only, does not include other cellulose-based materials (paperpot type), (3) We have established new metrics regarding 2020, separating liquid from solid products. (4) In 2020, wood consumption (pallets, stakes, etc...) was not calculated (5) Updated in 2021 with revised data after previous EINF 2021 published

### Best Practices carried out:

- Identification, testing and increased use of ecologically sound alternatives for pest control. We have improved in determining the input of plant material that currently the metric is not consistent.
- Purchase of peat-based substrates with ecological certification in some subsidiaries or substrates based on woody debris. Specific pest control trainings promoting more sustainable solutions.
- Establish more precise metrics for chemical products.



## Energy Efficiency

We are committed to identify and quantify all the energy sources we use in our facilities and especially those with the greatest impact either by quantity or intensity of use, with particular attention to those of fossil or non-renewable origin, in order to identify opportunities to change to alternatives of renewable origin and lower consumption.

Table of energy consumption by fuel/electricity category

Energy Consumption	Units of measure	2022	2021	2020(1)
Fuels: Liquids	m <sup>3</sup>	1.237,18	1.114,45	706,00
	kWh	12.214.243	10.991.563	6.985.644
Fuels: Gases	kWh	5.209.494	5.174.931	3.047.495
Power consumption (2)	kWh	8.398.392	8.407.330	7.536.095

(1) 2020 values do not include the impact of the Australian and Tunisian subsidiaries (2) 44% of the 2021 and 41% of the 2022 consumption comes from certified renewable sources (Iberia and Chile). No data for Australia's renewable portion as of the end of the year report, but will increase the %. (3) 2021 value revised after incorporation of Iberia's values after the close of the 2021 report

### Best Practices carried out:

- Use of high-efficiency cooling systems (type inverter) on all new equipment. Identify electricity suppliers that guarantee renewable energy in countries where this is possible.
- Use of LED lighting and successive replacement of existing fixtures. Development of lower consumption projects for heating (underfloor heating for greenhouse tunnels).
- Selection of motors and equipment with the highest efficiency in case of new purchases or substitutions. Installation and development of photovoltaic projects in Australia, Chile and Iberia.



## Circular Economy and Waste Management

Launch of a working group in Iberia to identify energy efficiency opportunities with various initiatives underway, Circular Economy and Waste Management. We are committed to identify and quantify the management of waste generated by our activity and to reduce and manage it appropriately. We are also committed to identify and develop raw material alternatives with greater circularity with respect to their origin.

Given our position in the initial stages of the value chain of the agricultural sector, not being food producers, we do not generate impacts on food waste.

### Waste management data table:

Waste and Scraps	Tons		
	2022	2021	2020(1)
Total Landfill/Incineration	754	753	331
Total Vegetable/Compostable Waste	1961	1.938	2.485
Total recycled	417	240	433
Total hazardous waste	4,21	NO DATA	NO DATA

(1) 2020 values do not include the impact of the Australian and Tunisian subsidiaries

### Best Practices carried out:

- Continue with the identification of the % of recycled material in cardboard-based products (approx. 60%) or plastic (more than 95% in bases and trays) and establish optimal reference values to specify in the purchase and development of these materials. Use of reusable customer transport systems (Agromillora California).
- Improvement in waste management at some subsidiaries, especially the use of plant residues as compost for the production of our own mother plant fields. In 2022 we already have information on hazardous waste generation. We are identifying opportunities to reduce packaging use that are subsequently considered a waste for our customers. The percentage of hazardous waste out of the total is 0.134%.



## Biodiversity and Genetics

We are committed to ensuring the conservation, restoration and sustainable use of terrestrial ecosystems and inland freshwater ecosystems, and in particular in the identification of risks and opportunities to promote biodiversity with our products and in our facilities and those of our customers.

Working with the genetics of our products with the objective of favoring the efficiency and sustainability of agriculture and food production, especially as an alternative to the risks of climate change.

We have not had any negative impacts on protected areas since we do not enter any protected areas in our operations.

### Best Practices carried out:

- Apply a pest control strategy based on prevention, observation and minimum intervention. Development of varieties with greater adaptation and resilience to climate change (such as the self-rooted rainfed almond tree).
- More selective and specific integrated pest control, through the use of biological control and physical barriers, having a lower impact on biodiversity. We are considering the genetics of new varieties with a positive impact at the sustainability level (need for water - nutrients, etc...).
- Reduce and optimize the use of pesticides and their impact on the environment.



## Pollution Prevention

We are committed to controlling and minimizing all risks of environmental contamination from our activities that may impact the air, water or soil, as well as the species or ecosystems that inhabit them.

In terms of noise pollution, we have not identified any substantial risks for our activities.

Light pollution does not pose any risk or impact from our activity.

### Best Practices carried out:

- Preventive overhaul and maintenance of combustion equipment. We have launched a plan to control water in the main subsidiaries in 2022 and to continue in 2023-24 with the objective of identifying all water flux according to their origin, use and discharge to minimize their waste.
- Control of irrigation water and precise dosing of the products added to them. Implementation and improvement of spill retention control in chemical product warehouses.



# Social Commitment



## Introduction

The Group has launched a new Human Resources Corporate Policy, completely updated and with a fully corporate approach, whose objective is to define, design and disseminate a human resources management model that favors attracting, developing and retaining talent, fostering the professional growth of the teams together with the growth of the company, in a safe and motivating work environment.

It also incorporates key aspects such as diversity, equality, inclusion, work-life balance, ethics, etc. It is an optimal tool for establishing and aligning the guidelines that govern labor relations in the Group's different companies and is a reference at the time of defining strategy and objectives.

In order to achieve the purpose of this policy, Agromillora counts on:

a) **Human Resources Department**, which oversees the development of the global HR strategy, policies, procedures and processes and local human resources teams and team leaders in the different Group companies, who are responsible for the implementation and monitoring of global policies and strategies and their alignment with more specific and local policies and strategies.

b) **Collective bargaining** agreements or specific agreements.

c) **Channels of dialogue and communication** with employees: committees with workers, work climate surveys, specific meetings, the corporate website, Agromagazine, the group's different communication channels and the People Portal.

d) **Training programs**, international projects and actions that favor the exchange of experiences and knowledge, improvement, professional development, consolidation of a Group organizational culture, retention, recognition, and promotion of employees.

e) **Occupational risk prevention programs and processes.**

f) **Code of Ethics and Conduct of Agromillora**, which establishes the guidelines that must govern the ethical behavior of all its employees in their daily performance and, specifically, with regard to the relationships and interactions with all its stakeholders.

## Group commitments to sustainable development

### 8 DECENT WORK AND ECONOMIC GROWTH



As we have already indicated, Agromillora is committed to the Sustainable Development Goals and has implemented sustainability as a strategic element of our activity.

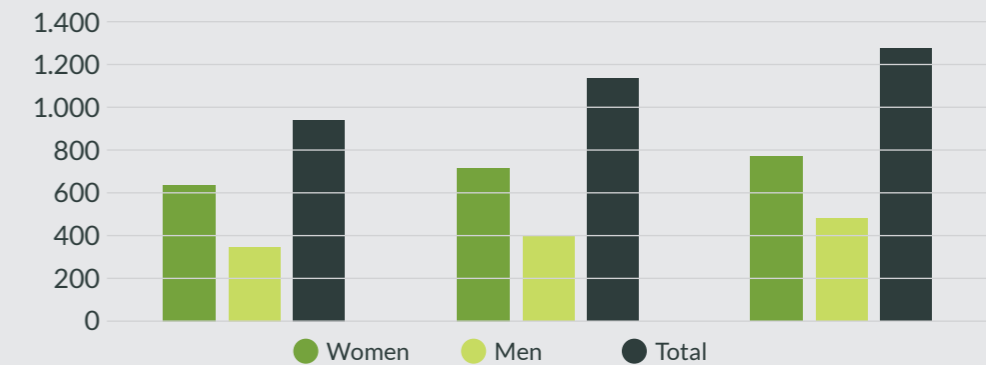
Agromillora's impact on the communities is generated mainly through the creation of local employment, the contribution to socio-economic development and the improvement of the quality of life in the countries supplying the main raw materials.



## Employment

The total number and distribution of employees by gender, age, country and position as of December 31st, 2022, and their comparison with the totals for the fiscal years 2021, 2020 and 2019, shows a stabilization of the number of employees compared to the previous fiscal year.

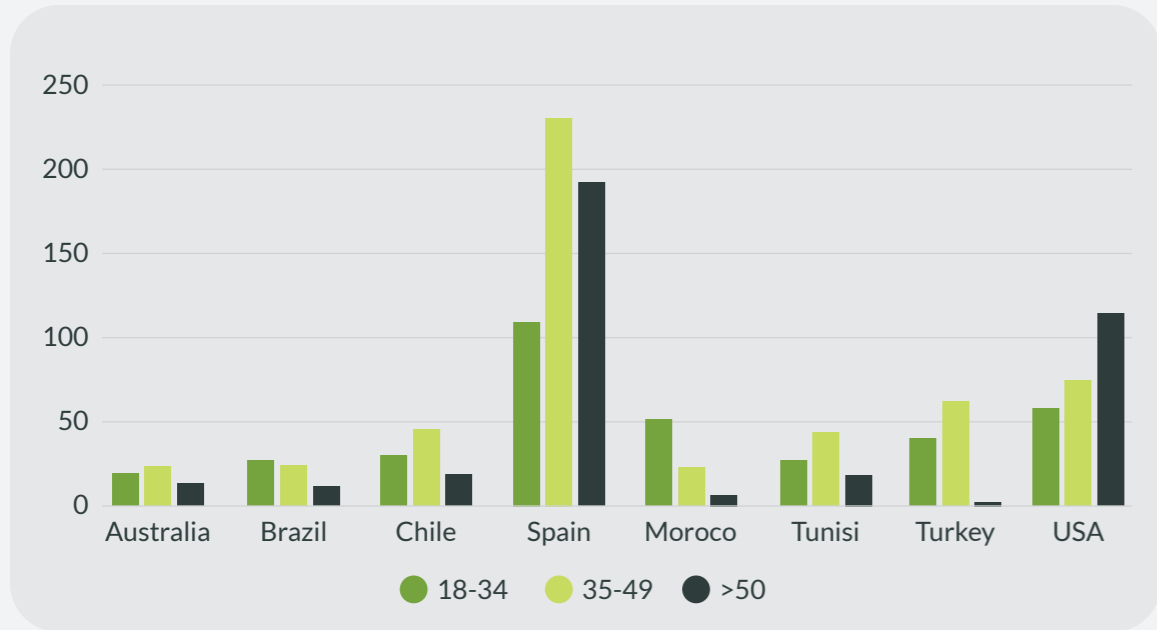
	Total	Men	Women
Total 2019	1.255	435	820
Total 2020	1.256	476	780
Total 2021	1.139	407	732
Total 2022	951	337	614



### Employees by gender, age and occupational classification 31/12/2022

Country and age ranges	Total General	Men	Women
<b>Australia</b>	<b>55</b>	<b>30</b>	<b>25</b>
18-34	19	12	7
35-49	23	10	13
≥50	13	8	5
<b>Brasil</b>	<b>62</b>	<b>8</b>	<b>54</b>
18-34	27	3	24
35-49	24	3	21
≥50	11	2	9
<b>Chile</b>	<b>93</b>	<b>31</b>	<b>62</b>
18-34	29	15	14
35-49	45	14	31
≥50	19	2	17
<b>España</b>	<b>528</b>	<b>214</b>	<b>314</b>
18-34	108	46	62
35-49	229	90	139
≥50	191	78	113
<b>Marruecos</b>	<b>80</b>	<b>58</b>	<b>22</b>
18-34	51	35	16
35-49	23	17	6
≥50	6	6	0
<b>Tunez</b>	<b>87</b>	<b>11</b>	<b>76</b>
18-34	26	3	26
35-49	43	7	36
≥50	18	1	17
<b>Turquia</b>	<b>106</b>	<b>22</b>	<b>84</b>
18-34	41	10	31
35-49	62	10	52
≥50	3	2	1
<b>USA</b>	<b>244</b>	<b>61</b>	<b>183</b>
18-34	57	18	39
35-49	74	12	62
≥50	113	31	82

The following tables show how Agromillora's workers are mostly concentrated in the 35-49 age group. Forty-two percent of the workers are in that middle age bracket, while 28% are between 18 and 34 years old, and 30% are 50 years old or older.



The total number of employees and the distribution of employment contract types by gender, age and professional classification as of December 31st, 2022, and their comparison with the total data for fiscal years 2021, 2020 and 2019 are shown in the following table:

Type of Contract	Women	Men	Total
Permanent	656	355	1011
Temporary	127	60	187
Other Modalities	37	20	57

Table 3: Distribution of Agromillora employees



Table 4: Distribution by position and gender of Agromillora's employees

## Hours worked and absenteeism

During 2022, Agromillora employees worked a total of 2,884,330 hours. Due to Covid-19, more hours of absenteeism were recorded than usual. In total, there were 131,147 hours of absenteeism (4.55% of the total), 16,524 of which were due to Covid-19 reasons.



## Compensation and remuneration

The HR policy defines that compensation and remuneration aims to achieve the following points:



To favor the attraction, incorporation and retention of the best professionals through attractive and competitive compensation packages, which requires the definition and planning of the organizational structure and its sustainable dimensioning, horizontal and sufficiently flexible structures, periodic surveys on market practices and trends, and internal equity analysis; and linking the evolution of compensation to the Group's capacity for sustainable and consistent growth.



Homogenization of key job descriptions for the subsidiaries and of the annual salary review process for key teams for increments, promotion and cost of living analysis, consistent with the Group's strategic positioning and its development, with its international and multicultural reality and with its objective of excellence and internal consistency / equity.



Simple remuneration structures, without unnecessary complexity or sophistication, through a system that includes base salary, variable (bonus), social benefits, retirement benefits and others. Variable compensation will always be linked to the achievement of individual, team, subsidiary and/or group objectives (performance management process).



To offer the appropriate tools for internal analysis and proposals for increases and promotions by team managers, according to market practices, individual skills, competencies, evolution possibilities, internal equity, recognizing and rewarding the dedication, responsibility and performance of the professionals.

The salary gap, calculated based on average annual total employee compensation data distributed by professional category for fiscal years 2022, 2021 and 2020, is as follows:

**Gender Gap**  
The calculation is made with the average salary of all salaries without discarding the highest salary of each gender.

Category	2022	2021	2020
Intermediate Command	29,14%	16,77%	-5,81%
Technical Specialist	11,85%	15,12%	19,80%
Operator	7,30%	-0,54%	-10,61%
Intern	13,46%	0,00%	0,00%
<b>Total</b>	<b>16,65%</b>	<b>9,40%</b>	<b>3,61%</b>

We have determined the salary gap by professional category for the years 2020 and 2021 by considering the highest and second highest salaries in order to assess their differential impact.

## PAYMENT TO SOCIAL SECURITY AND SAVINGS SYSTEMS

While there is no common pattern today in the Group concerning Social Benefits, the corporate HR team has been strengthened with a role focused on Compensation and Benefits that seeks to develop policies and procedures for Compensation and retribution in kind and social benefits, as well as to start working on health concepts for subsidiaries of the Group.

## Implementation of policies of disconnection from work, work-life balance and organization of working time.

Agromillora's Code of Ethics and Conduct includes the commitment to facilitate the balance of personal, family and work life of the people who are part of the company, regardless of the subsidiary to which they belong, the area, or the position of responsibility held in the organization chart.

The Corporate HR Policy dedicates a chapter to "Work-life balance, respect for privacy and digital disconnection" with the aim of promoting the implementation of work-life balance measures that favor respect for the personal and family life of its professionals and facilitate the best balance between personal and family life and work responsibilities. The different subsidiaries of the Group consider each particular situation to find the best solution in each case.

Each subsidiary complies with local law for maternity and paternity leave, reduction of working hours and applicable leaves of absence. Both the Equality Plan implemented in the subsidiary in Spain and harassment prevention training and initiatives in the United States recognize that equality requires initiatives that promote inclusion and non-discrimination, including the personal situation of pregnancy, children or any other condition. We have collected different metrics to assess the different impacts of parental leave.



## Occupational Health and Safety

Occupational health and safety has been developed based on a system of risk prevention, education and training, and in 2022 we have developed and published a corporate health and safety policy, with the following principles and commitments:

- The Senior Management of the organization is fully committed to the purpose of this policy.
- This Corporate Occupational Health and Safety Policy is appropriate to our purpose and organizational context.
- At Agromillora we are committed to developing Occupational Health and Safety projects, initiatives and objectives in all our relevant internal operations, but we can also include external operations (upstream and downstream).
- We are committed as a Participant of the United Nations Global Compact, fully supporting the Sustainable Development Goals.
- We are determined to lead continuous development to improve our corporate performance in Occupational Safety and Health, considering the following specific commitments:

The Group develops an environment focused on risk prevention, training, health and safety, the objective of which is to achieve the following points:



To provide and promote a safe and healthy working environment for which everyone is responsible.



Promote the homogenization of minimum standards of action and prevention in all phases of the production process, always respecting at least the requirements of each country and in such a way that directors, technicians, managers and workers assume their responsibilities in this matter, following each prevention instruction, reporting accidents and incidents and collaborating in the investigation of causes, identification of forms of prevention, implementation of initiatives, etc.



In order to have a safe and healthy work environment, the use of any illegal drugs or substances or the abusive use of alcohol in the workplace is not tolerated.



Nor is the possession or use of unauthorized weapons tolerated during working hours and in the exercise of functions on behalf of the company, whether inside or outside Agromillora's facilities and in accordance with the legal regulations applicable in each subsidiary.

In parallel, within the Collective Bargaining Agreements of the different locations where the company is present, certain specifications are determined regarding health and safety related matters.



## Social relations

The objective of internal communication at Agromillora is to disseminate and publicize the company's strategic plans. Agromillora seeks to maintain a model of responsible and positive labor relations based on principles of dialogue and respect for workers, therefore, it has:

- Channels such as committees with workers, the channel for consultations and complaints (related to the Code of Ethics and Conduct, in those subsidiaries where it is deployed).
- Works councils or union representation (in applicable countries)
- Specific meetings
- The corporate website
- The Agromagazine (annual corporate magazine for the entire Group, presented in digital and paper format, in their respective languages, whose format has evolved to a poster-type model that is much simpler to publish and distribute to all subsidiaries).
- Corporate communication emails are mainly for new hires and departures.
- The Group's various intranets
- The People Portal
- Agromillora also has mobile messaging groups, such as Agromillora Experience, where publications, events, outstanding professional milestones, new incorporations, etc. are shared.

# Training

The corporate HR policy addresses the following points in relation to talent management, performance, development and training:

Standardization of the main performance management processes, identification of training needs for the best performance of the responsibilities defined in the jobs and business needs, definition of medium- to long-term development plans according to the growth projection of the company and potential of the teams, and implementation of group and/or local training and development actions that promote the acquisition of new skills in the teams and in the company, according to the culture, Mission, Vision and Values of the Group.

The sense of responsibility of the employees with their own development and professional career in Agromillora, which offers the tools that can support them, in line with the needs, opportunities and real projection of growth of the Group, within an environment in constant evolution.

Promote training and development as a key element for professional qualification, continuous performance improvement and promotion within the group, focusing on technical learning, skills development, leadership, languages, etc., in a way that allows cohesion and alignment within the Group.

Management, continuous learning and knowledge sharing within the Group.

The 70/20/10 Learning Model, where the development and acquisition of new skills or knowledge merit special attention for practice ("learning by doing"), followed by feedback and classroom training, requiring the support and follow-up of the team leaders in the process. Methodologies can be varied: learning by doing, classroom, online, internal or external, job rotation, horizontal mobility, coaching, mentoring, projects and international participation, performance evaluation, 180, 360, assessments, etc.

The performance management process for key positions proposes the definition of objectives at the beginning of the year, the mid-year review and the performance evaluation at the end of the year as a tool to help motivate, focus and align everyone towards the company's objectives and priorities, in which everyone can contribute so that the company can achieve the expected results. The year-end evaluation of the teams together with their managers is about an open conversation, feedback for both and with the purpose of generating a stimulating environment, by measuring the progress of each objective, the strengths and opportunities for improvement in relation to the objectives and recognition/merit for the extra effort, which will also result in a development plan at the start of a new year and with new objectives, including the competencies and values of Agromillora.

Encourage internal promotion and promotion linked to having the successor identified and trained. Definition processes for succession planning and workforce planning that allow for analysis of new challenges, projects and initiatives linked to the business strategy that require the creation of new jobs.

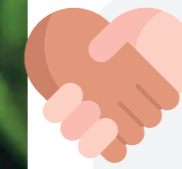
The company must also consider mobility within the group, counting on internal successors and the identification of internal talent with the potential to take on new positions or replace roles that present mobility, facilitating development plans that will prepare them for the future.

In 2022 we have expanded sustainability training to many more subsidiaries and reaching wider employee groups, such as in Iberia or Chile. And the process should grow year after year.



# Diversity and Equality

The Corporate HR policy addresses the following points on diversity and equality:



**Respect for diversity:** non-tolerance of any type of discrimination based on ethnic origin, nationality, social origin, age, gender, marital status, sexual orientation, ideology, political opinions, union affiliation, religious confession or any other personal, physical or social condition.

At Agromillora we are committed to achieving a fair and inclusive work environment, where each employee's contribution is valued. We believe that a diverse workforce, composed of people who bring heterogeneous experiences, ideas and opinions, strengthens the organization. We promote diversity through recruitment, internal promotion and training and development programs.

a) **To develop the principle of equal opportunities** with regard to access to employment, training, professional promotion and working conditions, encouraging diversity. At Agromillora we are committed to offering our employees fair and equal opportunities in hiring, training and development, compensation and promotion. It is imperative that all policies and programs echo our commitment to equality.



b) **Follow a protocol for action** in case of harassment, sexual harassment, abuse of power, inequality, favoritism, disrespect, or any type of physical or verbal aggression.

To this end, we work following and complying with local laws, where they exist, in relation to non-discrimination based on gender, belonging to minorities, disability, etc.

In Spain, the Equality Plan was implemented in 2018 and in the United States, training on harassment is carried out where any condition is included, whether by origin, gender, age, disability.

In addition, the percentage of employees with disabilities and their impact in hours worked on the Group's average workforce for fiscal years 2022, 2021 and 2020 are as follows:

Percentage of employees with disabilities	Number of days worked Total	Days worked for people with disabilities	% of total
Total 2022	535.721	6.035	1,13%
Total 2021	499.577	4.811	0,96%
Total 2020	431.429	4.392	1,02%



The total number of training hours completed during fiscal year 2022 distributed by professional category, is as follows:

Total hours of training by professional category	Total Hours	Men	Women
Senior Management	527	256	271
Intermediate control	1.857	978	879
Specialist Technician	4.328	1.641	2.687
Operator	1.588	734	854
Intern	0	0	0
<b>Total 2022</b>	<b>8.300</b>	<b>3.609</b>	<b>4.691</b>



# Human Rights

## Introduction

On March 21, 2018, the Group's Board of Directors approved the Agromillora Code of Ethics and Conduct, which sets out the principles of conduct required of the Group's various companies and of all employees and managers, regardless of their hierarchical level, their geographical or functional location and the Group company for which they provide their services.

Agromillora is committed to business ethics, human rights and compliance with the law in all areas of its operations. These three fundamentals are the basis on which the Code of Ethics and Conduct was developed.

With regard to respect for human beings, the Code of Ethics and Conduct includes the following standards:



Respect and promotion of human rights. By way of example and without excluding other situations, human trafficking, child labor, forced, compulsory, illegal or irregular labor is not tolerated.



Collaboration with third parties that are also committed to human rights compliance.

The objective of this policy is to comply with the laws and international standards in force in the countries where the company operates, especially respecting the principles expressed in the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) declaration, the principles of the United Nations Pact, the United Nations Guiding Principles on Human Rights and Business.

The Management of each subsidiary will be responsible for the launch, maintenance of adherence, implementation of measures and application of the Code in their respective spheres of action. The launch is planned for the various Group companies over the next few years.

## Application of due diligence procedures

Due diligence is one of the cornerstones of Agromillora's Human Resources Policy. This process involves an identification of the potential impacts on Human Rights along the value chain in order to subsequently integrate the findings into the Group's processes. Agromillora regularly carries out a review and update of its due diligence processes, using best practices identified both within the Group and externally for the development of a global due diligence model.

## Prevention measures and management of possible abuses committed

Agromillora makes available the Channel of Inquiries and Complaints for the correct compliance with the Code of Ethics and Conduct. This is a confidential communication channel where you can make communications related to Consultations (whenever you have a doubt or question about the Code) or reports of any irregular conduct.

During the last few years, training has been provided to a very significant portion of the Group's employees. All employees have adhered to the Code of Ethics and Conduct.

The Code of Ethics and Conduct has been implemented in all of the largest companies in the world, relevance of the Group as well as in key positions in the rest of the subsidiaries.

## Promotion of and compliance with ILO provisions

Ethical behavior is one of the fundamental pillars of the Group and is regulated by the Code of Ethics and Conduct, applicable to all Group employees, and whose principles are also incorporated into relations with third parties working for the Group or on its behalf.

The Group supports the United Nations Global Compact Principles and highlights in which it is explicitly mentioned that companies should support the elimination of all forms of forced labor, child labor or coerced labor and during the 2021 fiscal year it has not identified any such activities or operations.

With regard to the supply chain, Agromillora only works with customers and suppliers that declare their commitment to human rights compliance. Throughout the fiscal year, no suppliers or contractors have been identified as violating or jeopardizing compliance with human rights.

## Complaints about human rights violations

During the fiscal year 2022, there have been no complaints regarding the Code of Ethics and Conduct. In 2020 and 2021, there were also no complaints related to human rights violations.



# Legal Compliance

Agromillora seeks to guarantee integrity, understood as diligent, transparent and responsible behavior with our shareholders, employees, customers, suppliers and the different agents involved in our activity.

## Risk and management approaches

In response to the risks related to integrity and transparency, Agromillora has developed a series of policies and mechanisms to establish ethical, honest, responsible and good faith behavior by each of the people who work in and for the Group.



### Compliance and Criminal Prevention Model

The Compliance and Criminal Prevention Model is contained in the Compliance and Criminal Prevention Manual and is based on the analysis, assessment, prioritization and monitoring of potential risks that may affect the Group, followed by the compilation of existing procedures and controls in Agromillora aimed at preventing, detecting and sanctioning the commission of such offenses, especially those of a criminal nature, as they are the most serious.

In addition, within the framework of the Compliance and Criminal Prevention Model, a series of organizational and regulatory measures have been taken. All of this with the ultimate aim of promoting and enhancing a true compliance culture capable of reflecting our corporate ethics, establishing our control mechanisms and reducing the possibility of criminal offenses being committed on behalf of the Group, directly or indirectly.

Agromillora's Compliance and Criminal Prevention Model is mainly based on the following, on 4 principles:



## 1. Prevention

The elements of the Compliance and Criminal Prevention Model aimed at the correct detection of irregular conduct are:

**Economic and financial management model:** Agromillora has a series of controls and procedures in financial and economic and procedures in the financial and economic area, providing full transparency and fidelity in its accounting books, transactions and, in general, in the economic management of the Group. In addition, in the budgetary area, an accounting item is foreseen to meet the needs of the Compliance Body in the exercise of its duties of maintaining and monitoring the Compliance and Criminal Prevention Model.

**Compliance Body:** This is the internal and permanent collegiate body with autonomous powers of initiative and control, whose main function is to follow up and supervise the monitoring measures of the Compliance and Criminal Prevention Model.

This duty is the responsibility of Agromillora's Audit Committee.

**Criminal Risk Map:** The Agromillora Group has a document that lists the risks inherent to the Group, as well as their assessment and prioritization. The residual risks and their prioritization are also included, following an assessment of the Group's existing controls. The assessment of the Group's existing controls. It is a document that is kept in the custody of the Compliance Body, as it is a tool that serves to measure over time the evolution of risks, as well as the existing controls and their effectiveness. It is integrated into the Action Plan and is reviewed and updated annually.

**Code of Ethics and Conduct:** Agromillora has a Code of Ethics and Conduct approved at the Board of Directors' meeting on March 2nd, 2018, by which all the Group's subsidiaries are governed. The Code is applicable to directors, managers and employees, regardless of their hierarchical level and their geographical or functional location, is mandatory and expressly imposes the obligation to comply with the law.

**The Code establishes the following general principles and guidelines:**

- Integrity, consistency, credibility, accuracy, fairness, and professionalism.
- Compliance with local, national and international laws and regulations, standards, and procedures and, beyond what is legal, ethical standards in our activities.
- Respect and sensitivity to the culture, history, traditions, customs and laws of the countries in which we operate.
- The company's reputation and image.
- Operational excellence and quality.

These principles and guidelines serve as an initiative guide for each of the Group's members in their activities in relation to employees, customers, suppliers, competitors, authorities and society in general. Specifically, it imposes the obligation to comply with the legislation and obliges to report to the Compliance Body, through the Consultation and Complaints Channel, any suspicion or knowledge of the violation of the Code, including the violation of the applicable legislation.

**Manuals, Policies, Procedures and Protocols:** Their purpose is to ensure an effective culture of ethics and compliance within Agromillora, as well as the effectiveness of control standards and procedures that minimize the risk of unlawful behavior by Group personnel.

**Training and dissemination of the Code of Ethics and Conduct and the Compliance Model and the Compliance and Criminal Prevention Model:** Agromillora, through the Compliance Body, has established a specific training plan on criminal risks aimed at the entire workforce. The Group delivers the Code of Ethics and Conduct and the Agromillora Code of Conduct, as well as the Compliance Policy to all new recruits, who commit to read and comply with it.

## 2. Detection

The elements of the Compliance and Criminal Prevention Model aimed at the correct detection of irregular conduct are:

**Channel for Inquiries and Complaints:** Agromillora has developed a tool available to all personnel, where they can report any knowledge, doubt or suspicion of behavior contrary to the Code of Ethics and Conduct, to the general principles of behavior or to the law and/or that may involve the materialization of a criminal risk.

The management of this channel is absolutely confidential and is entrusted to the Compliance Body, as the body delegated by the Board of Directors to monitor the Compliance and Criminal Prevention Model.

During fiscal year 2021, no queries and complaints have been received through this channel. For its part, in 2020 the ethics committee did not receive any either and we must go to 2019 when it received 3 complaints through the email designated for this purpose that were investigated and resolved. New controls have been incorporated to mitigate the risk of incurring again in a noncompliance for the same concept reported.

## 3. Reaction

**Disciplinary System:** Failure to comply with the rules contained in Agromillora's Compliance and Criminal Prevention Model will give rise to disciplinary sanctions, in accordance with the Disciplinary System, with the Compliance Body being responsible for ensuring its effective and correct application, without prejudice to any administrative or criminal sanctions that may result.

## 4. Follow-up

**Plan for follow-up, supervision and monitoring of the Compliance and Criminal Prevention Model:** The main objective is to continuously validate the implementation of the Compliance Model, allowing to periodically check the effectiveness of the existing policies, procedures and controls, as well as their evolution, so that the Group has an overview of its Model, allowing it to take the necessary actions to ensure its adequacy and effectiveness in the development of its duties of prevention, management and control of criminal risks.

**Verification of the Compliance and Criminal Prevention Model:** Agromillora performs periodic of the Compliance Model. To this end, it has established an annual audit plan to audit the operational effectiveness of the controls included in the Model, the functioning of the Compliance Body and the Consultation and Complaints Channel.

### Preventive measures

The Code of Ethics and Conduct expressly prohibits any behavior that, directly or indirectly, seeks to influence the will of persons or entities outside the Group for the purpose of obtaining, in an unlawful manner, any kind of irregular benefit.





# Product and Responsible Supply Chain Management

At Agromillora we are committed to developing a **responsible supply** chain covering social, ethical and environmental aspects, and we ensure the sustainability and safety of our products.



**Health and Safety of Customers and Consumers:** We must ensure that our products, production and facilities do not pose any risk to customers and consumers. Adhering to regulations on our activity and promoting safe transportation and distribution are the best ways to manage it.



**Responsible Purchasing:** We shall implement responsible purchasing processes according to the new supplier management policy and procedures, evaluating environmental, social and governance aspects. In order to decide which suppliers and products we work with and want to work with in the future.



**Sustainability impact of the products:** We are defining an impact analysis of our products at all levels, but especially environmental (water footprint, carbon footprint, resource use, etc).



**Innovation:** We can identify opportunities to develop innovation proposals in aspects of sustainability. For example, in energy efficiency, consumption of inputs, rational use of water (optimization of irrigation, reuse, etc) insulation, ventilation, cooling, ... especially in technological and development aspects.

## Responsible supply chain management



The main objective of Agromillora's sustainable management lies in ensuring the sustainability of its products throughout its value chain, whose first and foremost business link is the production and supply of its agricultural raw materials. To this end, the Group is acting directly with key players in its supply chain, working closely with farmers to promote sustainable agriculture, both environmentally, economically and socially.

At the supplier level, we have launched a new responsible purchasing policy, as well as a supplier code of conduct. The main purposes and commitments of the policy are as follows:

- The Senior Management of the organization is fully committed to the purpose of this policy.
- The Corporate Sustainable Procurement Policy is appropriate to our purpose and organizational context.
- At Agromillora we are committed to the development of sustainability projects, initiatives and objectives in all our relevant procurement operations.
- We are committed as a Participant of the United Nations Global Compact, fully supporting the Sustainable Development Goals.
- We are determined to lead continuous improvement to enhance our corporate purchases in a responsible manner, considering the following specific aspects of our suppliers, ensuring adequate and fair labor conditions and Human Rights, giving special consideration to the following aspects:
  - Forced Labor
  - Child Labor
  - Non-Discrimination
  - Infringements of freedom of association
  - Unethical employment
  - Unsafe working conditions
- Protect the Environment, including:
  - Climate Change
  - Responsible Water Management
  - Biodiversity and Genetics
  - Responsible Consumption of Energy and Natural Resources
  - Pollution and Waste
- Provide appropriate whistle-blowing channels to manage legitimate concerns regarding supply chain issues and risks.
- Achieve the appropriate level of supplier competencies and awareness by providing adequate awareness, training and education.
- Review annually the performance of Sustainable Purchasing by senior management.
- The policy will be reviewed by senior management in the event of substantial changes in the business context, relevant requirements or material issues.
- To ensure good legal and ethical governance, by means
  - Compliance of Legal and Compliance Obligations
  - Apply Ethical and Responsible practices
  - Identify and provide the necessary resources to manage Performance and Responsible Purchasing commitments.

As a formal commitment from our suppliers, which we encourage them to read, understand, acknowledge and subscribe to our Agromillora Supplier Code of Conduct, where we identify the requirements, we ask our supply chain to be part of our confidence portfolio of responsible sourcing partners.

During 2022 we have disseminated among Iberia's main suppliers the new supplier code of conduct and by a criterion of risk and business volume, we have also launched a self-assessment survey to a selected group of suppliers in order to evaluate their performance and promote their improvement and development in sustainability.

## Product, customer and consumer health and safety

Quality is part of Agromillora's culture:

*"All personnel and collaborators are committed to perform quality work, whether it is in production, commercial, administrative processes or in any area of the company, whether the recipient of our work or performance is the end customer or another department or Agromillora's personnel. In particular, we must pay special attention that Agromillora's production and service follow Quality Assurance standards as a distinctive key element of the Agromillora brand."*

Quality Policy:

Agromillora has a quality policy, which expresses the intentions and direction applied by the organization to obtain maximum customer satisfaction, ensuring compliance with legal requirements and the process of continuous improvement of all activities.

Complaint systems, complaints received and their resolution

Complaints are dealt with either by telephone or e-mail, according to the information provided by the customer, and are handled mainly by the sales agent assigned to the customer.

As a rule, Agromillora's various subsidiaries carry out a subsequent telephone followup of all complaints in order to ascertain the degree of consumer satisfaction.



# At AGROMILLORA we work with four main brands:

## SMARTTREE®

Intended for final customer and ready for field planting.

## ROOTPAC®

The Rootpac® rootstock series comes from the breeding program for new Prunus rootstocks developed between 1996 and 2012.

The search for these standards was focused on responding to the needs of a fruit sector in constant evolution and development towards efficiency and intensification of plantations.

## MICROGRAFT®

Micrograft® is an exclusive product for nurserymen for later re-growth. It saves production time and labor, as well as increasing flexibility and allows for both potted and bare-root production.



Commercialization of grafted grapevine plants. We trade VCR vines. VCR is recognized for its wide range of products and their levels of quality and reliability.



# Efficient and Sustainable Solutions

The SES is a seal that identifies a value proposition of Agromillora based on hedgerow cultivation

Agromillora, historically, has made several significant contributions to the industry, but the largest have been those related to new models of hedgerow cultivation.

## Transformational Solutions always based on Innovation

— OUR REASON TO BE —

Agromillora's SUSTAINABILITY contribution to the market

### Why this contribution?

Improve the efficiency of existing production systems.

Provides positive impacts linked to sustainability.

### Attributes that define the SES

#### INPUTS

Encourages the reduction and rational use of phytosanitary products.

Efficient management of water resources.

Carbon footprint.

Appropriate genetics linked to the hedgerow model.

#### ENVIRONMENT AND MANAGEMENT

It enables combatting desertification and degraded soils and helps to rehabilitate non-fertile lands. Solutions to ecological cultivations.

Possibility of installing anti-frost systems

Efficient mechanization of the handling and harvesting of the cultivation (less energy use)

#### RESPONSIBILITY

Promotes technological modernization, agricultural innovation and the need for skilled labor.

Positive impacts on the socio-economic development of rural regions.

Improvements in occupational health and safety.

### To Which Crops Does This Apply?

Hedgerow Models  
Promoted By  
Agromillora



Olive grove  
in hedgerows



Nuts in hedgerows



Citrus in hedgerows



Stone fruit trees in  
hedgerows

