



# Sustainability Report

AGROMILLORA 2021

# SUSTAINABILITY REPORT 2021

This is the first published version of our Corporate Sustainability Report. It has been prepared in line with the GRI (Global Reporting Initiative) standard; with the reporting criteria according to the United Nations Global Compact, the Sustainable Development Goals, and the 2030 Agenda; and with the requirements set forth by Law 11/2018 of December 28, 2018, on non-financial information and diversity, approved on December 13, 2018, by the Congress of Deputies, amending the Code of Commerce, the consolidated text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing Accounts, regarding non-financial information and diversity (from Royal Decree-law 18/2017, of November 24). We have also referenced ISO 26000 (Social Responsibility)

This report is based on the report on the group's consolidated non-financial information; it covers the requirements arising from the regulations, forming an integral part of the consolidated management report for Agromillora Group and all the companies that compose it, headed by Namozul Spain S.L. as the parent company.

This report covers all the group's companies listed in the section on page 13, with the aim of providing the information needed to understand the group's progress, results, and indicators, as well as its situation. It also elucidates the impact of its activity regarding all relevant issues in aspects related to the Environment, Society and Labor, Ethics, Compliance, and Human Rights that were carried out during the year 2021 (until closing on December 31, 2021), including but not limited to risks and opportunities, commitments, policies, etc.





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A portrait of Jordi Mateu, CEO of Agromillora, wearing a white shirt and glasses, with a microphone headset. The background is blurred, showing an outdoor setting with other people.

*Jordi Mateu*

AGROMILLORA CEO

# Letter from the CEO





# Letter from the CEO

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2021 was a year with multiple aspects to highlight. While 2020 was shaped by the personal and professional impacts and challenges of the COVID-19 pandemic, and recovery was perhaps slower than expected throughout 2021, we have adapted perfectly to the limitations still needed to slow the spread and prevent our employees from being affected. Despite some significant outbreaks during the year, we have begun to augment our activity and our interpersonal relationships with publications, conferences, fairs, and other events finally being held in person. We have started traveling again to be closer to our subsidiaries and customers, and, above all, we have been able to focus on our day-to-day work, our production, and serving our customers, partners, suppliers, etc.

We have also continued to grow based on very significant investments at different subsidiaries: both by increasing the area of greenhouses or the capacity of our laboratories, by creating the new genetic analysis laboratory in Oregon (US), and other improvements. We have also continued to grow in terms of our human capital, with new hires and changes throughout 2021, of course supporting our employees' development and training.

For more than 30 years, our activity in the agricultural sector has fostered and developed high-density hedge planting models. We are continuing to do so as we are convinced of the positive impact of these agricultural practices, which enable achieving a high degree of resilience, productivity, sustainability, and efficiency. These models must allow us to adapt to climate change by promoting responsible usage of water resources and pesticide products, promoting innovation, and also supporting the development of our workers, customers, and the communities where we operate.

Our ambitions in terms of sustainability have been captured in a formal goal:

## **At Agromillora, we are committed to Society and the Planet in order to continue developing the Sustainable, Efficient Agriculture of the Future**

The year 2021 saw the establishment of our Corporate Sustainability Strategy and the launch of various related initiatives, including but not limited to:

- **Adding the role of a Corporate Sustainability Director**
- **Carrying out a review of our Material Issues related to sustainability issues based on 4 strategic pillars that have been identified.**
- **Signing on to the United Nations Global Compact as participating partners to contribute to meeting the Sustainable Development Goals (Agenda 2030 SDGs)**
- **Launching our corporate website on Sustainability in 6 languages.**

However, we still have a long way to go. We have set ourselves a goal for 2030 to develop and achieve goals and objectives in all the material issues identified, and we are working on these at the corporate level to bring them to the regional and local levels at the Group's different subsidiaries in the coming months and years. That's why we rely on the contribution, ideas, and effort of each and every one of the people who make up our group of companies across five continents in developing and implementing our purposes, policies, indicators, objectives, processes, programs, initiatives, and other tools that allow us to be a more responsible, sustainable, and reliable company that promotes improvements in agriculture around the world.

**Jordi Mateu**

CEO of Agromillora

# Letter from the Corporate Sustainability Director

In May 2021, I joined the Agromillora project and its commitment to sustainability with the aim of developing and integrating the principles of corporate social responsibility in a natural, consistent, and effective way. The sector we operate in already has a set of positive impacts on aspects as significant as the carbon footprint balance of living trees. This is much more advantageous with respect to the effects of climate change than most industrial products, which have a much worse footprint. We must also consider the benefits that the fruits and healthy foods produced during the useful life cycles of our trees (more than 25 years in some cases) offer people and communities, maintaining their efficiency and productivity.

But we cannot forget about the negative impacts of agriculture. We at Agromillora have set ourselves the goal of working to identify and reverse these impacts both at our facilities and in the entire value chain where we have influence.

In these first months of hard work, we aimed to create organizational and governance structures capable of making decisions at the highest level regarding this project, such as the Corporate Sustainability Committee. We have strengthened sustainability reporting in the highest corporate governance bodies, including the Board of Directors and the Management Committee; we have gotten the highest responsible positions involved at the different subsidiaries, informing them about the project and the most significant advances. We have also had a large group of leaders at Agromillora and different external stakeholders participate in the identification and classification of the most relevant issues in our current Corporate Sustainability Strategy through a new Materiality Analysis following the GRI (Global Reporting Initiative) standard.

In just a few months, with the support of core axes that are already mature within the organization, such as our mission, vision, and values and the Code of Ethics and

Conduct, as well as different policies already in the Quality Policy, we have been able to develop 20 material issues around 4 strategic sustainability axes that we have identified as strategic in our commitment to sustainability on a 2030 horizon. We are already working on these 20 relevant issues according to an GRI management model so that we can define purposes, indicators, objectives, managers, resources, or initiatives that generate positive impacts for all of them.

We have also articulated our commitments with our adherence to various initiatives like the United Nations Global Compact SDGs and its new online reporting system, which will be evaluated through the Ecovadis Business Sustainability Rating. This enables us to quantify and objectify our level of maturity in sustainability and promote continuous improvement, or more recently, to be part of the Climate Ambition Accelerator program organized by the United Nations Global Compact and the SBTi. (Science-Based Targets) initiative.

As indicated by one of our material aspects of the strategic pillar of Good Governance, this Sustainability Report aims to promote a high degree of Transparency in Communication and Reporting so that we can share our ambitions, commitments, objectives, and data reported on our activity in all the countries where we operate regarding the 4 strategic pillars defined with all stakeholders in a public, thorough way:

- **Environment**
- **Social Commitment**
- **Good Governance**
- **Product and Value Chain**

I hope that the effort involved in preparing and sharing this report will help us, Agromillora, and all our stakeholders, to work more and better towards a common goal of sustainability.

**Alex San Miguel** Corporate Sustainability Director





# Corporate Sustainability Director

*Alex San Miguel*

AGROMILLORA

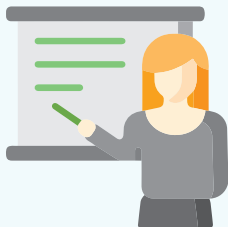
# SUMMARY OF

# 20 21



## Millions of trees produced

Over 80 million  
plants delivered



## Total training hours for workers

9,475 hours of training



## Water consumed

+1 million m3



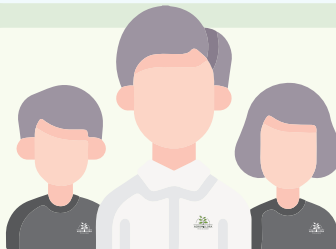
## Employees

Over 1,500 workers



## Electrical energy consumed

8,407 MWh and 43.7%  
of certified renewable origin.



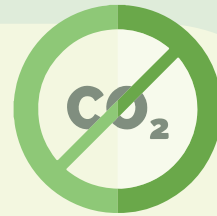
## Main age range of the staff

Between 39 and 49



## Presence

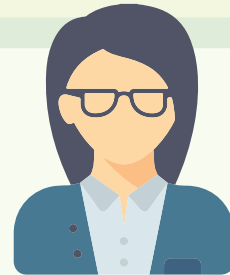
in 25 countries



## CO<sup>2</sup> emissions

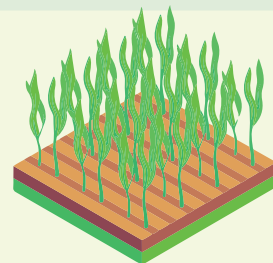
Scope 1: Direct Emissions  
4,179.86 Tons Scope 2 CO<sup>2</sup>

eq: Indirect emissions  
1,427.32 Tons CO<sub>2</sub> eq



## Women on staff

60,10%



## Greenhouses

628.000 m2



## Activities and business figures

Over €85 million



# Organization

Who are we at Agromillora?

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



We are pioneers in developing new farming systems that are more efficient and profitable for farmers, and we drive cultivating more productive, healthy, resistant plants. Improvement, innovation, and sustainability are in our nature.

We are deeply committed to the development of world agriculture; we add value to this field with improvements in productivity, efficiency, and sustainability.

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

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 market their species across five continents, always under strict quality controls that ensure those plants' propagation with the best genetic and sanitary guarantees.

We never stop reinventing ourselves, whether we're designing new cultivation techniques with our partners and clients, or innovating and experimenting in developing new varieties with the main international breeders.



# OUR Mission

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



# OUR Vision

To be the largest global platform for producing and marketing plants.

# OUR Values



## Social

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



## Teamwork

We actively cooperate with others to achieve the goals of the group and the organization.



## Honesty

We act with transparency, sincerity, and integrity at all times. We keep our commitments, and if we make a mistake, we take responsibility for the consequences.



## Innovation

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



## Service

Our clients, both external and internal, must feel that we are working together to serve them, adapting to their needs and seeking agreements that are beneficial for all.

# Aims and Commitments

We have a commitment to society and our surroundings, as well as to continuing to build a company that we can all be proud of, not only due to the results obtained but the way in which we achieve them.

We express this through a specific aim of sustainability:

**We are committed to society and the planet in order to continue developing the efficient, sustainable Agriculture of the Future.**

The group's most significant figures:



**32 years**  
of experience



**628.000**  
m2 of greenhouses



**+1500**  
Employees (\*)



**+80 M**  
Plants delivered  
in 2021



Presence in  
**25 countries**



**10**  
**subsidiaries**  
In 8 countries



**9 Laboratories**  
In-vitro propagation  
in 8 countries



**New**  
R&D Lab in Oregon

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



# International Presence



Average and Distribution  
of Employees by Country

**+1,500  
Workers  
in 2021**



# Goals and strategies

Our leadership is the product of two factors: an innovative, highly technological production system, and a flexible network of growth across the five continents; thanks to the latter, we have become the number one propagator of woody and semi-woody plant species for the agricultural sector.

Our commitment is based on the development of world agriculture; we offer added value to this field with improvements in productivity.

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

Our main principles and strategies are based on:



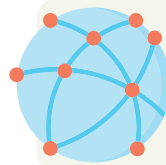
Innovation and Quality



Productive Efficiency



Sustainability



Global presence  
& diversification



Human Capital



Education and Training





# Agromillora Companies and Main Operational Scales

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

- **Subsidiaries:** Spain, the United States (also present in the states of Oregon, California, and Florida), Chile, Brazil, Morocco, Turkey, and Australia.

- **Affiliated company:** Tunisia.

During the 2021 fiscal year, the Group has agreed to incorporate the company in Austria as a subsidiary, so it is no longer an affiliated company. As of this 2021 report, we have already fully incorporated data from both Australia and Tunisia regarding environmental data.

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

Location	Turnover (thousands of euros)	
	2021	2020
 Spain	37.574	37.110
 US - Oregon	19.362	16.973
 Chile	6.451	12.249
 US - California	10.220	7.412
 Brazil	1.539	1.011
 Morocco	3.881	3.816
 Turkey	2.916	2.908
 US - Florida	581	1.038
 Australia	3.193	4*
<b>Total</b>	<b>85.717</b>	<b>83.158</b>

(\*) Until 2020 it was incorporated by the Equity method, so the financial information did not show its economic information



# 2021 materiality analysis

The principles, commitments, and ambitions regarding sustainability must address those aspects that are relevant to our organization and to our stakeholders.

At Agromillora, we have taken the guidelines of the Global Reporting Initiative as a basis, as this is an independent, international reference standard in methodologies for sustainability reporting. We have carried out a process of identifying, developing, and reporting topics that can reasonably be considered significant and which meet the following premises:

**They reflect the organization's significant economic, environmental, and social effects.**

**They have a substantial influence on the stakeholders' assessments and decisions, offering them value.**

We revised the methodology of our double materiality analysis in 2021; we've carried out a detailed process with the following phases and structure that were developed by the Sustainability Committee.

## Identification of the fundamental pillars of our sustainability.

Environment  
Social Commitment  
Good Governance  
Products and Value Chain

## Identification and classification of the various stakeholders

### Level 1 - Our organization

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

### Level 2 - Stakeholders

Organizations and companies in the agro-industrial sector  
Actors from the Society /Community where we operate  
Governmental Organizations  
Non-Governmental Organizations  
Agents from the capital markets (bank, investors...)  
Universities and Research Centers  
Partners in risk management (insurance companies, insurance brokers...)  
Competition

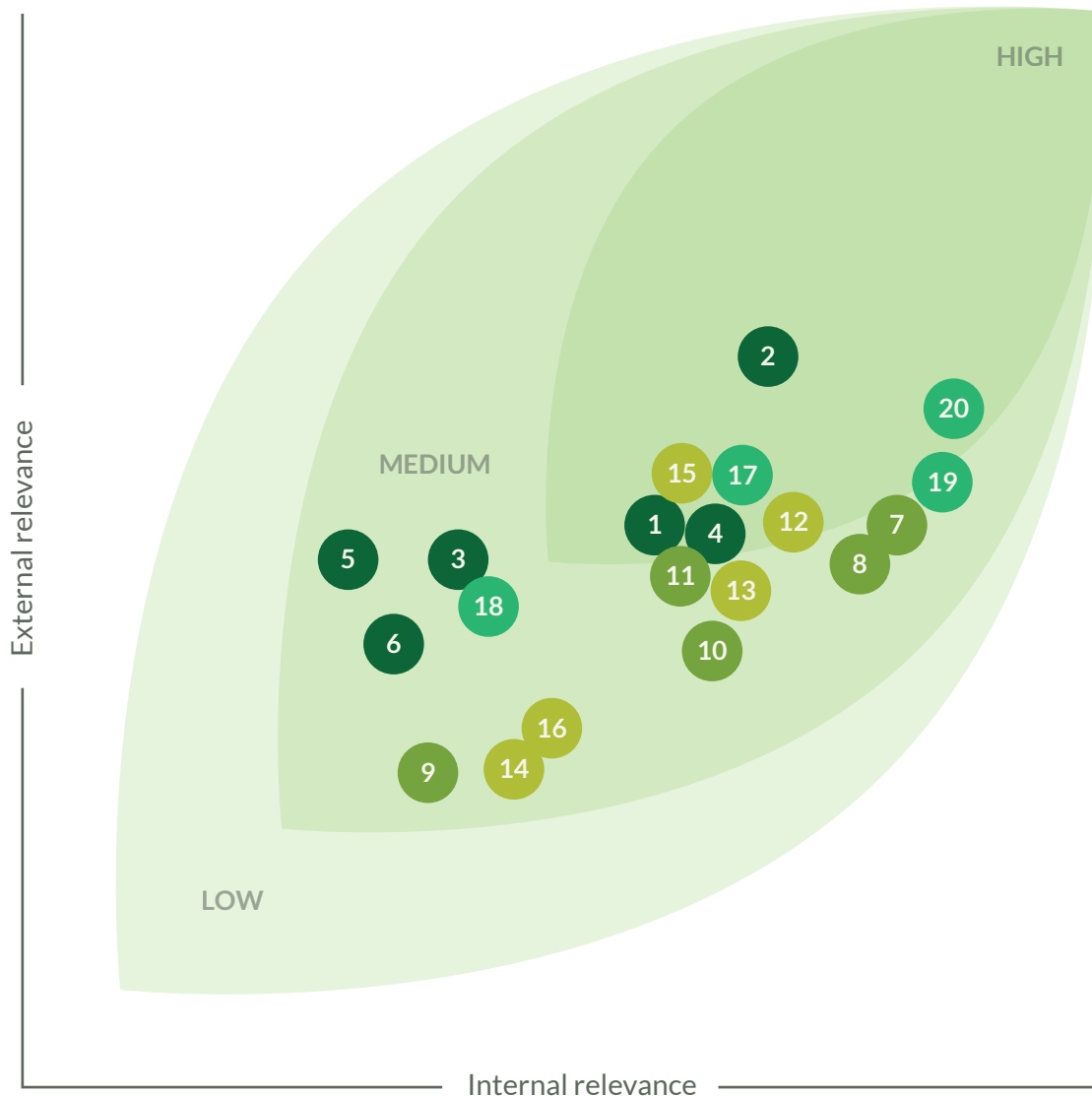
**Identifying and listing issues that have a significant impact on the organization or our stakeholders, grouped in each of the 4 fundamental pillars.**

**Conducting surveys among stakeholders to determine the relevance and priorities of the definitive list of identified material issues.**

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

# Materiality Map

AGROMILLORA 2021



## 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

## Social Responsibility

7. Health and safety at work
8. Professional development
9. Society and Community
10. Equality and Diversity
11. Working conditions

## Responsible Management

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

## Products and Value Chain

17. Health and Safety of clients and consumers
18. Responsible sourcing
19. Impacts on product sustainability
20. Innovation



# Sustainability

## Corporate Sustainability Strategy

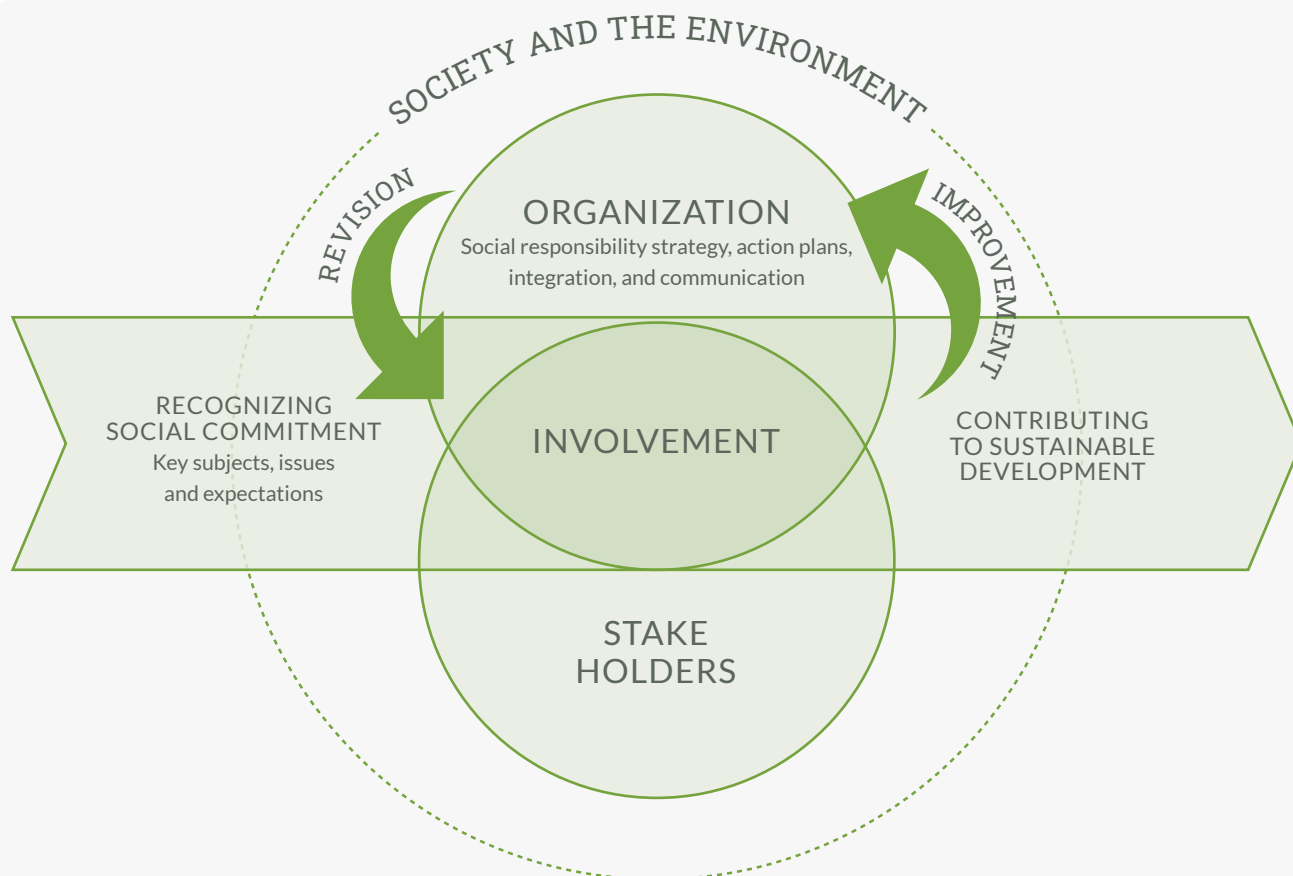
We have developed our sustainability strategy throughout 2021, looking to international references and regulatory standards such as ISO Standards (ISO 14001 - ISO 45001 - ISO 26000...) and the concept of ESG (Environmental-Social-Governance) factors and the GRI-GSSB (Global Reporting Initiative – Global Sustainability Standards Board) standard.

**We at Agromillora joined the United Nations Global Compact in July 2021 as a participating partner to contribute to achieving the Sustainable Development Goals (SDGs).**

We have established a Corporate Sustainability Committee to lead sustainable development and integration in our activities, products, and operations as part of our organization's fundamental strategy. This committee is composed of leaders from Senior Management representing different areas, and it is headed by the Corporate Sustainability Director.

Our strategy is based on getting involved both at the organizational level and with all stakeholders in generating positive impacts and reducing or eliminating our organization's negative impacts while also influencing the entire value chain in terms of this objective.





We do this with a vision that's aligned with the 2030 Agenda, but in some cases, like climate change, we even project to a 2050 horizon

**We have a commitment to:**

**Our People**  
and the community where we live



**The Environment**

**Economic Sustainability**

We are working on the 20 material issues identified in our materiality analysis according to a Global Reporting Initiative (GRI) methodology; this way, we are responding to the following 10 points for each of the material issues identified, first at the corporate level:

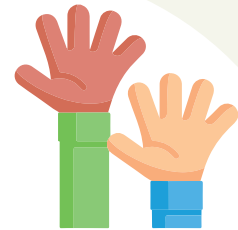
We are starting this process with the most significant issues, and we will deploy it at all subsidiaries throughout 2022 and 2023.



**Surroundings**



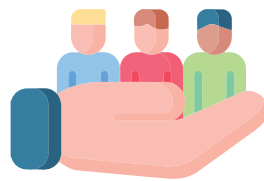
**Aims and  
Commitments**



**Policies**



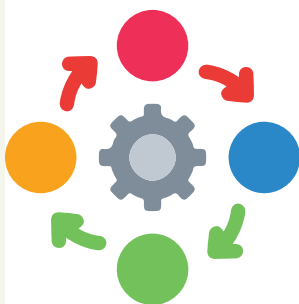
**Indicators, Objectives  
and Targets**



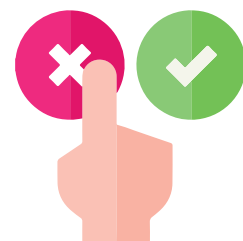
**Responsibilities**



**Resources**



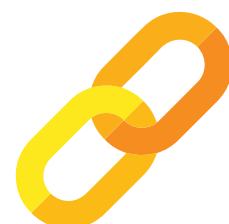
**Specific Actions**  
(Processes, projects, programs,  
initiatives...)



**Complaint and Claim  
Management**



**Control, Follow-Up,  
and Evaluation**



**References**





## Agromillora's Contribution to the Sustainable Development Goals



At Agromillora, we are committed to the 2030 Agenda through our contribution specifically toward the United Nations Sustainable Development Goals.

In July 2021, we signed our commitment and have acted on it by focusing our commitments, objectives, and initiatives on the following 10 SDGs:

In 2022, we will publish our progress report using the new digital reporting platform of the United Nations Global Compact. Thus, our company will be an "Early Adopter" of this new digital reporting technology.





# Environment



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

That's why we have developed an environmental management policy

that especially considers:



Climate Change  
& Carbon Footprint



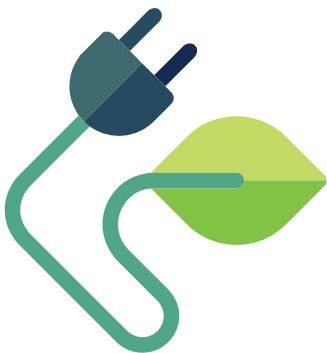
Responsible  
Water Management



Biodiversity  
& Genetics



Circular Economy  
& Waste Management



Responsible  
Consumption  
of Energy and Natural Resources



Preventing  
Pollution



Complying with  
legal obligations  
and other requirements

That is why we have identified key indicators, and we are beginning to identify and set environmental commitments and targets in many regards.





## Climate Change

We are committed to quantifying Greenhouse Gas (GHG) emissions and drawing up a reduction plan with 2030 and 2050 horizons.

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

Greenhouse Gas Emissions	Tons CO <sup>2</sup> eq	
Scope 1: Direct Emissions	2021	2020 (1)
Fuels: Liquids	2,972.73	1,896.56
Fuels: Gases	1,004.72	551.25
Fugitive emissions of Refrigerant Gases	202.40	Sin Datos
<b>TOTAL</b>	<b>4,179.86</b>	<b>2,447.81</b>

— (1) 2020 values do not include the impact of refrigerant gases at either the Australian or Tunisian subsidiaries —

Greenhouse Gas Emissions	Tons CO <sup>2</sup> eq	
Scope 2: Indirect Emissions	2021	2020 (1)
<b>TOTAL Electricity purchased</b>	<b>1,427.32</b>	<b>987.32</b>

### Best Practices carried out:

- Using daytime heat in greenhouses and heat retention through thermal covers.
- Replacing diesel combustion/heating equipment with gas at some subsidiaries.
- Automatic temperature adjustment with controls that optimize adjusting heat generation in greenhouses.
- Greenhouse cooling systems with high-efficiency water curtains.
- Doing research on renewable electric energy alternatives either by contracting a certified supply or considering solar photovoltaic energy projects at some subsidiaries.
- Identifying fugitive greenhouse gas emissions from refrigerant gases - for the first time in 2021 - and identifying the need for improvements at locations with more polluting gases or more significant emissions.
- Using electric vehicles at various subsidiaries for internal product transfer within our facilities.
- In 2022, we joined the United Nations Climate Accelerator to integrate the Science Based Targets (SBT) initiative into our carbon footprint reduction decisions. We've started to develop a Reduction and Neutrality objective for the 2030-2050 period that is yet to be defined.
- We have quantified Scope 2 emissions based on local emission factors for both 2021 and 2020 data.

## 6 CLEAN WATER AND SANITATION



# Responsible Water Management

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

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

#### Water Consumption

m3

	2021	2020 (1)
Well	823,689	1,113,599
River water	167,094	143,452
Municipal Water Supplies	9,457	8,407
Rainwater	44,546	31,706

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

#### Best Practices carried out:

- Adjustment of irrigation to the plants' actual needs via controls with humidity probes at some subsidiaries.

- Preventive and corrective maintenance of irrigation elements.

- Use of rainwater at some subsidiaries by accumulation in retention basins.

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



# Responsible use of raw materials

We are committed to identifying all inputs and categorizing them according to their risk and impact on the environment and working to implement control and mitigation measures in cases where the impacts are significant.

Consumption of Raw Materials	Units of measure	2021	2020(1)
Peat/Substrate	m3	19,293	13,236
Plastic	kg	660,949	789,061
Wood	kg	135,836	(4)
Cardboard (2)	kg	933,295	698,203
Fertilizers	kg	265,053	305,863
Chemical Products (liquids)	m3	46	(3)
Chemical Products (solids)	kg	177,469	(3)

(1) 2020 values do not include the impact of Australian and Tunisian subsidiaries, (2) Only boxes, does not include other cellulose-based materials (paperpot), (3) We have established a new metric for 2020, separating liquid products from solids. (4) In 2020, wood consumption was not calculated (pallets, stakes, etc...)

#### Best Practices carried out:

- Identification, testing, and use of ecological alternatives for pest control
- Purchase of peat-based substrates with ecological certification at some subsidiaries or substrates based on woody residues or by-products.

- Establishing more accurate metrics for chemicals.

- For 2022, we will have to investigate how to determine the inclusion of plant material in the best possible way since the metric is not currently sound.

## 7 AFFORDABLE AND CLEAN ENERGY



# Energy Efficiency

We are committed to identifying and quantifying all the energy sources we use at our facilities, especially those with the greatest impact either in quantity or intensity of use. We pay special attention to those of fossil fuel or non-renewable origins in order to identify opportunities to switch to alternatives from renewable origins and/or with lower consumption.

### Table of energy consumption by fuel/electricity category

Energy Consumption	Units of measure	2021	2020(1)
Fuels: Liquids	m3	1,114.45	706,00
Fuels: Gases	kWh	5,174,931	3,047,495
Electricity consumption (2)	kWh	8,407,330	7,536,095

(1) 2020 values do not include the impact of Australian or Tunisian subsidiaries, (2) 44% of the 2021 consumption is of 100% certified renewable origin (Iberia and Chile)

### Best Practices carried out:

- Using high-efficiency cooling systems (inverter type) for all new equipment.
- Using LED lighting.
- Selecting the most efficient motors and equipment for new purchases or replacements.
- Identifying electricity suppliers that guarantee renewable origins in countries where possible.

## 13 CLIMATE ACTION

## 8 DECENT WORK AND ECONOMIC GROWTH



# Circular Economy and Waste Management

We are committed to identifying and quantifying management of the waste generated by our activity and to reducing and managing it properly. We are also committed to identifying and developing alternative sources of raw materials with greater circularity in terms of their origin.

### Data table on waste management:

	Tons	
Waste and Scraps	2021	2020(1)
Total sent to Landfill/Incineration	753	331
Total Vegetable/Compostable Waste	1,938	2,485
Total recycled	240	433

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

### Best Practices carried out:

- \*Identifying the % of recycled material in cardboard-based products (approx. 60%) and plastic (more than 95% in bases and trays) and establishing optimal reference values to specify in the purchase and development of these materials.
- Improvement in waste management at some subsidiaries, particularly in the use of plant waste as compost for our fields of mother plants.
- Using reusable customer transportation systems (Agromillora California).
- In 2021, we started requesting hazardous waste generation data from all our subsidiaries, but we still do not have sufficient consistency for it to be reported in a consolidated manner





## Biodiversity and Genetics

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

**Working with our products' genetics with the aim of promoting efficiency and sustainability in agriculture and food production, especially as an alternative to the risks of climate change.**

### Best Practices carried out:

- Applying a pest control strategy based on prevention, observation, and minimal intervention.
- Reducing and optimizing the use of pesticides and their impact on the environment.
- More selective, specific comprehensive pest control through the use of biological control and physical barriers, therefore having a lower impact on biodiversity.
- Developing varieties with greater adaptation and resilience to climate change (such as the self-rooted rainfed almond tree).



## Preventing Pollution

We are committed to controlling and minimizing all risks of our activities polluting the environment through their impact on air, water, or soil, as well as any impact on the species or ecosystems they inhabit.

**We have not identified substantial risks of noise pollution from our activities.**

**We will carry out measures to minimize or prevent water and soil pollution stemming from our activity.**

### Best Practices carried out:

- \* Preventive inspection and maintenance of combustion equipment.
- Monitoring irrigation water and precise dosing of products added to it.
- Implementing and improving monitoring retention of discharges in warehouses for chemical products.



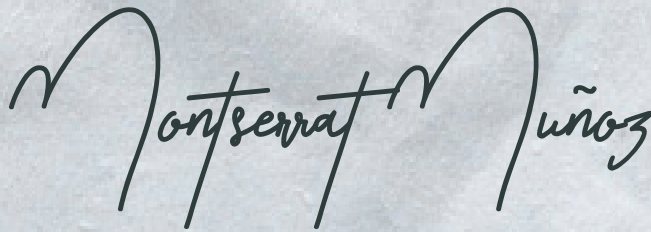
# Social Commitment



*"We are still at a stage of taking special care of those who work at companies due to the high emotional, motivational, and economic impact that all of the current external events are having. But our focus has always been on the different groups around us, especially the most vulnerable. Agromillora is a global company that is committed to improvement not only in the sector but at the social level. That is why we set goals that are aligned with the SDGs, to achieve maximum well-being in common."*

*Through our subsidiaries across 10 different geographical areas, we actively partner with nearby communities, working together for their sustainable development. Offering quality work, promoting health and professional development, and reducing inequalities are the main axes of our strategy."*

**Montserrat Muñoz**  
HR Director



Agromillora has a human resources framework policy with the objective of establishing, designing, and disseminating a management model that supports attracting, developing, and retaining talent, promoting professionals' growth alongside the company's in a safe, motivating work environment.



In order to achieve this policy's goal, Agromillora has:

**a) Human Resources Department.** It is responsible for developing global HR strategies, policies, procedures, and processes and for managing local human resources teams and team leaders at the Group's different companies.

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

**c) Channels for dialogue and communication** with employees: committees with workers, workplace climate surveys, specific meetings, the corporate website, "AgroMagazine," the group's various communication channels, and the People Portal.

**d) Training programs,** projects, and international actions that favor exchanging experiences and knowledge, improvement, professional development, and the consolidation of organizational culture at Agromillora.

**e) Programs and processes on occupational risk prevention.**

**f) Agromillora Group's Code of Ethics and Conduct.** This code establishes the guidelines that all employees must follow in their daily work, specifically with regard to the relationships and interactions with stakeholders.

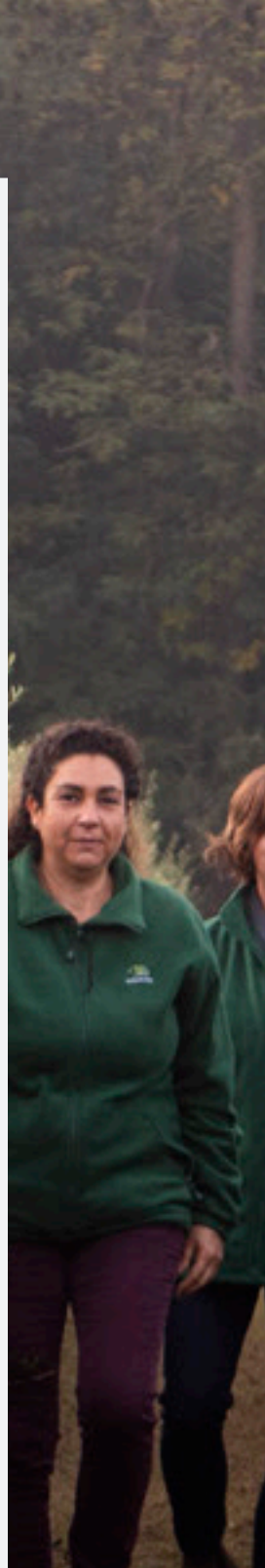
## The Group's commitments to sustainable development

### 8 DECENT WORK AND ECONOMIC GROWTH



As mentioned, Agromillora is committed to the Sustainable Development Goals and has implemented sustainability as a strategic element in our activity.

Agromillora's impact on communities is primarily generated by creating local employment, contributing to socio-economic development, and improving the quality of life in the countries that supply the main raw materials.





## Employment

The total number and distribution of employees by gender, age, country, and position as of December 31, 2021, as well as the comparison with numbers from the 2020 and 2019 fiscal years, shows that the workforce has seen an increase in employees in the last two years.

	2019	2020	2021
<b>Women</b>	614	732	780
<b>Men</b>	337	407	476
<b>Total</b>	951	1,139	1,256

Table 1: evolution of the number of women, men, and the total workforce at Agromillora in the years 2019, 2020, and 2021.

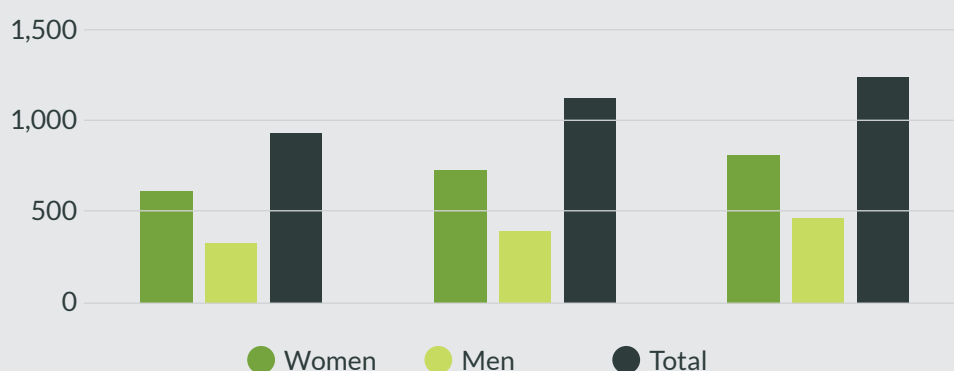


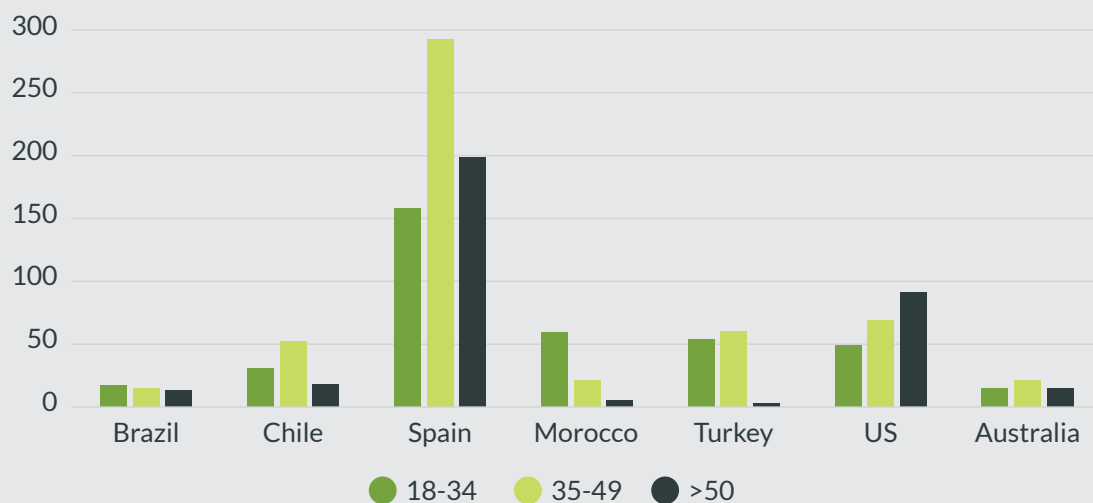
Figure 1: Evolution of Agromillora's workforce in the years 2019, 2020, and 2021.

Country	Age	Women	Men	Total
Brazil	18-34	14	3	45
	35-49	11	4	
	>50	12	1	
Chile	18-34	18	13	101
	35-49	37	15	
	>50	15	3	
Spain	18-34	88	70	649
	35-49	175	118	
	>50	117	81	
Turkey	18-34	43	11	117
	35-49	50	10	
	>50	2	1	
Morocco	18-34	121	38	84
	35-49	5	15	
	>50	0	5	
US	18-34	29	20	209
	35-49	56	13	
	>50	67	24	
Australia	18-34	4	11	51
	35-49	10	11	
	>50	6	9	

Table 2: Distribution of Agromillora employees by country and age group



The following tables show how Agromillora workers are primarily concentrated in the age range of 35 to 49. Some 40.60% of the workforce is in this average range; 30.49% is between the ages of 18 and 34, and 27.30% is 50 years of age or older.



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

Type of Contract	Women	Men	Total
Permanent	537	278	815
Temporary	220	176	396
Other Types	23	22	45

Table 3: Distribution of Agromillora employees



Table 4: Distribution of Agromillora workers by position and gender

## Hours worked and absenteeism



During 2021, Agromillora employees worked a total of 2,694,764 hours. Due to Covid-19, though, there were more hours of time off than usual. In all, there were 105,903 hours (3.93% of the total) of time off; 17,810 of these were due to Covid-19.



## Compensation and remuneration

The HR framework policy establishes that compensation and remuneration aim to achieve the following points:



a) **Encourage attracting**, hiring, and retaining the best professionals through attractive, competitive remuneration packages



b) **Standardizing** the descriptions of key positions for subsidiaries and the annual salary review process for key teams for increases, promotion, and cost of living analysis, in keeping with the company's strategic positioning.



c) Simple **remuneration structures** with a system that includes base and variable salaries, retirement benefits, and more.



d) **Offering the right tools** for internal analysis and proposals for increases and promotions by team managers, rewarding professionals' dedication, responsibility, and performance.

The **wage gap**, calculated based on the median and average data on the total annual compensation for employees by professional category for the 2021 and 2020 fiscal years, is as follows:

Categoría	2020	2021
	Gender Gap	Gender Gap
Middle Management	-5.81%	16.77%
Technical Specialist	19.80%	15.12%
Operator	-10.61%	-0.54%
Total	3.61%	9.40%

This calculation is made with the average of all salaries, not excluding the highest salary of each gender

The salary gap by professional category for the years 2020 and 2021 was determined by considering the highest and second-highest salaries to assess their differential impact.

A photograph of three men in an industrial or laboratory setting. The man on the left is wearing a green jacket and a grey face mask, looking towards the camera. The man in the middle is wearing a green shirt and a green face mask, also looking towards the camera. The man on the right is wearing a black shirt and a green face mask, looking slightly away from the camera. In the background, there are white walls with some technical equipment and pipes.

## **PAYMENT TO SOCIAL SECURITY AND SAVINGS SYSTEMS**

While there is no common pattern today at Agromillora regarding Social Benefits, the corporate HR team has been strengthened with a role focused on Compensation and Benefits that aims to develop policies and procedures for compensation and remuneration in kind and social benefits, as well as to start working on health concepts for company subsidiaries.

## **Implementing 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 balance in personal, family, and work life for the individuals who are part of the company, regardless of the subsidiary to which they belong, the area, or their position in the organizational chart.

The HR Framework Policy recognizes the objective of promoting the implementation of measures to support time in one's personal life, encouraging respect for the personal and family life of professionals, and facilitating balance with work responsibilities.

Each subsidiary complies with local law on maternity and paternity leave, reduction of working hours, and applicable leave of absence.



## Occupational Health and Safety

Occupational health and safety has been developed in accordance with a system of Risk Prevention, training, and education. In 2021, we developed a corporate health and safety policy that fits our purpose and organizational context, and Senior Management is committed to its aim.

At Agromillora, we are fully committed to supporting the Sustainable Development Goals as a Participant in the United Nations Global Compact. We are also committed to developing Occupational Health and Safety projects and initiatives in all our relevant internal and external operations (upstream and downstream).

We are determined to lead continuous improvement in our corporate performance in terms of Occupational Safety and Health, considering the following specific commitments:



Providing safe, healthy working conditions for the prevention of work-related injuries and diseases.



Eliminating hazards and reducing Occupational Health and Safety risks.



Facilitating workers' consultation and participation, as well as workers' representatives where appropriate.



Complying with legal and compliance obligations.

Agromillora develops an environment oriented around risk prevention, training, health, and a safety strategy. We offer and promote a safe, healthy work environment, just as we promote the standardization of minimum standards of action and prevention in all phases of the production process, respecting the requirements of each country.

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





## Social relationships

Internal communication at Agromillora aims to communicate the company's strategic plans. Therefore, there are channels such as:

**Committees with workers.**

**Inquiries and complaints channel** (regarding the Code of Ethics and Conduct at subsidiaries where it is deployed).

**Works councils** or trade union representation (in applicable countries).

Specific **meetings**, the corporate website

**AgroMagazine** (corporate annual magazine for the entire group presented in a digital and paper format in their respective languages)

**Corporate e-mails** mainly for communicating new hires and departures.

The Group's different **intranets**.

**People Portal.**

**Mobile messaging groups**, such as Agromillora Experience, where publications, events, outstanding professional milestones, new additions, etc., are shared.



# Training

The HR framework policy addresses the following points regarding talent management, performance, development, and training:



We identify the training needs for the best performance of the responsibilities defined in the positions and business needs.

We implement training and group development actions that promote new skills on the teams and at the company, in accordance with Agromillora's culture and values.

We encourage training and development as a key element for professional qualification, continuous improvement in performance, and promotion within the company.

We use the 70/20/10 learning model. The development and acquisition of new skills or knowledge deserve special attention for the practice of 'learning by doing,' followed by feedback and classroom training; the last step requires support and follow-up from the heads of teams in the process.

At the beginning of a new year, we define objectives; in the middle of the year, we proceed with a review; we carry out an evaluation of performance at the end of the year. These objectives are designed as a tool to support motivation and to focus and align everyone around the company's objectives and priorities, where each individual can contribute so that the company can achieve the expected results.

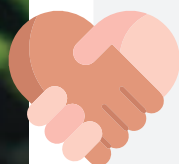
The total number of training hours carried out during the 2021, 2020, and 2019 fiscal years, distributed by professional category, is as follows:

Total training hours by professional	Grand Total	Men	Women
Senior Management	423	380	43
Middle Management	1,264	852	412
Technical Specialist	2,635	1,264	1,371
Operator	5,153	1,686	3,467
<b>Total 2021</b>	<b>9,475</b>	<b>4,182</b>	<b>5,293</b>



# Diversity and Equality

Agromillora's HR framework policy addresses the following points on diversity and equality:



a) Respect for diversity: zero tolerance for any type of discrimination based on ethnic origin, nationality, social origin, gender, sexual orientation, or any other personal, physical, or social condition.

b) Developing the principle of equality of opportunities with regard to access to employment, training, professional promotion, and working conditions, thereby fostering diversity



c) Following an action protocol in case of harassment, abuse of power, or any type of physical or verbal aggression.

To this end, we follow and comply with local laws, where applicable, regarding non-discrimination based on gender, minority status, disability, etc.

The Equality Plan was implemented in Spain in 2018. In the United States, harassment trainings are held where any condition is present, whether origin, gender, age, or disability.

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

Percentage of employees with disabilities	Total number of days worked	Days worked by people with disabilities	% of the total
Total 2021	499,577	4,811	0.96%
Total 2020	431,429	4,392	1.02%



# Good Governance



Agromillora aims to ensure integrity, understood as hard-working, transparent, and responsible behavior with our shareholders, employees, customers, suppliers, and the various agents involved in our activity.

## Risks and management approaches

To respond to the risks related to integrity and transparency, Agromillora has developed a set of policies and mechanisms to establish ethical, honest, responsible performance in good faith carried out by each person who works at and for the company.



### Compliance and Criminal Prevention Model

The Compliance and Criminal Prevention Manual includes this Model that is founded on the analysis and monitoring of potential risks that may affect the company. It also includes the existing procedures and controls at Agromillora that are aimed at preventing, detecting, and penalizing these illicit acts.

## 1. Prevention

**Economic and financial management model:** Agromillora has a set of controls and procedures in the financial and economic field, providing full transparency and fidelity to its accounting books, transactions, and the Group's economic management in general.

**Compliance Body:** the governing body whose main function is to monitor and supervise the follow-up measures for the Compliance and Criminal Prevention Model. This function falls to Agromillora's Audit Committee.

**Criminal Risk Map:** Agromillora has a document that compiles the criminal risks inherent to the Group, as well as their assessment and prioritization.

**Code of Ethics and Conduct:** The Code is applicable to directors, managers, and employees, regardless of their hierarchical level and geographical or functional location; compliance with it is mandatory, and it expressly imposes the obligation to comply with 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 rules and procedures for control that minimize the risk of illicit behavior by the Group's Personnel.

**Training and dissemination of the Code of Ethics and Conduct and the Compliance and Criminal Prevention Model:** Agromillora delivers the company's Code of Ethics and Conduct, as well as the Compliance Policy, to all new hires who undertake to read and comply with it.



## 2. Detection

Agromillora makes the Inquiries and Complaints Channel available for proper compliance with the Code of Ethics and Conduct. This is a confidential communication channel where messages related to inquiries or complaints regarding any irregular conduct can be made.

Complaints about cases of human rights violations: During the 2021 fiscal year, there were no complaints related to the Code of Ethics and Conduct. During 2020, there were also no complaints related to human rights violations.

## 3. Response

Disciplinary System: Failure to comply with the rules in the Agromillora Compliance and Criminal Prevention Model will lead to disciplinary action, in accordance with the Disciplinary System.

## 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 for periodic checks of the effectiveness of existing policies, procedures, and controls, as well as their progress.

Verification of the Compliance and Criminal Prevention Model: Agromillora carries out periodic verifications, establishing an annual audit plan in order to audit the operational efficiency.

### Prevention measures

The Code of Ethics and Conduct expressly prohibits any behavior that directly or indirectly intends to influence the will of any persons or entities outside Agromillora with the purpose of obtaining any kind of irregular benefit illegally.





# Product and Value Chain



At Agromillora, we are committed to developing a **responsible supply chain** that considers 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 risks to customers and consumers. Adhering to regulations on our activity and promoting safe transportation and distribution are the best ways to manage this.



**Responsible Purchasing:** We must apply responsible purchasing processes according to the new supplier management policy and procedures, evaluating environmental, social, and governance factors. The aim is 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 on our products at all levels, above all in environmental terms. (water footprint, carbon footprint, resource use, ...)



**Innovation:** We can identify opportunities to develop innovation proposals in aspects related to sustainability. Examples are energy efficiency, consumption of inputs, reasonable water use (optimization of irrigation, reuse, ...), insulation, ventilation, cooling... especially in technological and development regards.



## Responsible management of the supply chain

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



The main objective of Agromillora's sustainable management is to ensure the sustainability of its products throughout its entire value chain; the first and primary link of business is the production and supply of its raw agricultural materials.

To this end, Agromillora is acting directly with the main actors in its supply chain, working side by side with farmers to promote sustainable agriculture in the environmental, economic, and social fields.

At the supplier level, we are launching a new responsible purchasing policy, as well as a code of conduct.

## Health and safety for products, customers, and consumers

### Quality is part of Agromillora's culture:

*"All Staff and Collaborators are committed to carrying out quality work, whether in productive, commercial, or administrative processes or any other area of the company, whether the recipient of our work or action is the final customer or another department or Staff at Agromillora. In particular, we must pay special attention to ensure that Agromillora's production and service follow the Quality Assurance standards as a key distinctive element of the Agromillora brand."*

### Quality Policy:

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

///



## Health and safety for products, customers, and consumers

### Claims systems, complaints received, and resolving issues

Claims are answered by phone or e-mail, according to the data provided by the client; management is primarily carried out by the commercial agent assigned to the customer.

As a rule, the various Agromillora subsidiaries carry out subsequent telephone follow-up on all claims to find out the level of consumer satisfaction.



# At AGROMILLORA, we work with four main brands:



Intended for the end customer and ready for planting in the field

## ROOTPAC®

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

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

## MICROGRAFT®

Micrograft® is an exclusive product for nursery owners for subsequent regrowth. This entails saving production time and labor, as well as an increase in flexibility; it also makes it possible to grow both in pots and with the bare root.



Commercialization of the grafted vine plant. We market VCR vines, and we are the first producer worldwide. VCR is recognized for its wide range of products and levels of quality and reliability.







# **Solutions that are Efficient and Sustainable**

SES is a seal that identifies a value proposition by  
Agromillora based on hedge-row cultivation



Agromillora has historically made several valuable contributions to the industry, but the most impactful are those related to new models of hedge cultivation.

## Transformative Solutions always based on Innovation

— OUR RAISON D'ETRE —

Agromillora's contribution of SUSTAINABILITY to the market

### Why this contribution?

It improves the efficiency  
of existing production systems.

It provides positive impacts  
linked to sustainability.

### Attributes that define SES

#### INPUTS

It encourages the reduction and reasonable use of  
phytosanitary products.

Efficient management of water resources.

Carbon footprint.

Suitable genetics linked to the hedge-row model.

#### SETTING AND MANAGEMENT

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

Possibility of installing anti-frost systems

Efficient mechanization of handling and collection of  
the crops (less energy use)

#### SOCIAL

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

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

Improvements in occupational health and safety.

### Which Crops Does It Apply To?

Hedge-Row Models  
Promoted by  
Agromillora



Olive grove in hedge-rows



Nuts in hedge-rows



Citrus fruits in hedge-rows



Stone fruits in hedge-rows



# Covid 19

## Measures and lessons in 2021



Thanks to the enormous effort made by the teams at all the subsidiaries, we have been able to live with this threat and managed not to let it interrupt our production. We have continually prioritized the safety of our teams in countries all over the world.

It is true, however, that living with the SARS-COV-2 virus and its Omicron variety with its higher transmissibility has led to a higher number of medical leaves among our workforce, fortunately mostly minor. This has been a significant logistical challenge, but we have been able to handle it properly.

Throughout 2021, we maintained prevention, protection, and hygiene measures based on the recommendations of health authorities. The most significant were:



**Providing protective measures** such as masks, hand sanitizer, disposable wipes, soap dispensers, and more.



Guiding and providing indications on using **preventive elements** and the action steps, disinfection, distancing, travel, etc.



Providing information about **action steps** in case of infection, providing antigen tests and PCR tests if necessary.



**Encouraging teleworking** in positions that allow it, as well as the safe return to the offices throughout 2021.



**Performing monitoring and control** for positive cases and direct contacts.

One of the main lessons learned is about our ability to adapt to the impact of the pandemic and infections in a very resilient way, despite some significant impacts due to concentrated work leave among many workers in a short space of time. In taking stock of the year, we can affirm that, given the high activity of many subsidiaries and the high number of workers at the Group, the prevention, containment, and reaction measures have been highly positive.

Absenteeism due to Covid cases in 2021 was at 17,810 hours, which represents 16.8% of all absenteeism in 2021.

