



# *Sustainability Report 2022*

*“Transforming lands, transforming lives”*



**AGROVISION**



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Sustainability Report 2022



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# *1. Letter from our Executive Chairman*





# Letter from our Executive Chairman



**Steve Magami**  
Co-founder and Executive Chairman

I am pleased to address all our stakeholders on behalf of Agrovision to present our third sustainability report, prepared in accordance with the standards of the Global Reporting Initiative (GRI), under the methodological update of the Universal Standards 2021. In this report we account for our environmental, social and corporate governance performance for 2022.

In recent years, we have been committed to developing a modern agribusiness approach to add value beyond our profitability. Therefore, we bring to special attention that given the expansion of our crop operations in Peru, Mexico and Morocco, we are creating a high positive impact through the dynamization of the economies in these countries, as well as formal and quality employment, generating welfare and development in the quality of life of their inhabitants.

## ***Our results in 2022***

We have been operating continuously for ten years. We are a young corporation that continues to work on delivering a portfolio of premium fruits and vegetables of the best varieties to the tables of thousands of people around the world. We have a solid portfolio of new varieties of blueberries, raspberries and blackberries in our operations in Peru, Mexico and Morocco, to supply our global customers year-round with fresh and reliable quality.

During 2022 we faced some global challenges that impacted our operation. At an economic level, we experienced an increase in fertilizer prices as a result of the bellicose conflict between Russia and Ukraine. Regarding our subsidiary in Peru, the socio-political situation in the country exacerbated social conflicts, directly impacting some sectors of the Peruvian business community and families. Although we were not directly affected, we were always prepared and alert to face any situation that could pose a risk to the continuity of the business.

We faced these situations strategically, making decisions in a different manner, being operators and investors to deepen enough and do it right. In 2022, our net sales increased by 47%, accounting for \$42,362,215 USD. This growth, which we have constantly maintained year after year, has allowed us to expand our operations in other countries, as well as to have an EBITDA margin of 22%.

I would like to announce that, thanks to our good performance and reputation in the international market, Agrovision has received the support of leading investors in sustainability, such as Responsibility Investments and Avenue Capital Group. We also celebrate that we have executed commercial agreements for marketing sales with Fruitist & Paradise companies of North American and Mexican capitals, a synergy that will allow us to position firmly among the three main suppliers of blueberries and raspberries for the North American market.

Additionally, I would like to take a moment to recognize the efforts of our Agrovision leaders in LATAM, who based on their efforts and commitment to the corporation, obtained a \$20 Million USD revolving line of credit from IADB Invest. This financing will contribute to supporting Agrovision's increased production and the growth of permanent direct and temporary employment. Increasing the volume of exports will also impulse production of our supply chain.

## ***Technology and innovation***

At Agrovision we aim to the development of intelligent agriculture, that contributes to improve the efficiency, productivity and quality of crops. In this regard, I would like to emphasize that technology is a fundamental complement that we will implement in the next ten years. Under these objectives, we invest in developing genetic improvements in some varieties of the blueberry portfolio, as the Sekoya variety, seeking to extend the shelf life of our products and provide a taste and enjoyment experience for our consumers.

Given the good results we have obtained so far, we are interested in applying these innovations to berries, hoping materialize these improvements next year. The general idea is to implement more modern tools that allow us to evolve and innovate faster, accordingly to the needs and demands of international markets.

## ***Committed to sustainable development***

Sustainability has gained an important role for Agrovision in recent years, which translates into the implementation of sustainability management tools that we have incorporated from our headquarters. Our current business model is aligned with the Sustainable Development Goals (SDGs) of the United Nations, undertaking these commitments from our forefront, supporting the reduction of gap and social inequalities in the countries where we operate. I would also like to emphasize that we are gradually incorporating the DNA of sustainability into our business. I recognize that this is not an easy task, as it involves long challenges in which we have been working to achieve a solid degree of maturity in the corporation. As part of this, we are currently managing our corporate ESG risks, in addition to driving our business towards the principles of a Sustainable Agriculture.

In environmental aspects, I want to highlight that this year our Agrovision Peru team was a finalist at the Latin American level in the Green Awards 2022, in the category of Sustainable Economy and Production. Regarding our biodiversity management, we believe that it is possible to carry out agriculture in harmony with nature and with the communities of influence. An example of this is our Sembrando Futuro Program, by which, and to its good management we have a unique biosphere ecosystem of the Arena Verde Forest Reserve. Today we protect 1,980 hectares of dry forests in Morrope, Lambayeque, Peru, where we have also been working on the preservation of flora and fauna native species.

In relation to emissions management, from our headquarters we have been discussing various actions to become a NET ZERO organization by 2030. It is thanks to these initiatives that our operations in Peru obtained their second star of the Carbon Footprint Program of the Ministry of Environment (MINAM), after an independent third party attained the verification of our corporate carbon footprint. In line with the above, I want to point out the work of our subsidiary Arena Verde in Peru, that managed to become a carbon neutral company. We look forward to continue replicating these good practices in the other companies of the group.

Our social management has evaluations and certifications that endorse that our products, in addition to being highly traceable and safe, have been produced under strict labor, social, environmental and human rights practices: GlobalG.A.P., GRASP, SMETA, COSTCO, AWS, BASC, FSMA, USDA Organic, BRC, EFI, SPRING, among others.

It is important to underline the creation of formal jobs by the sector. In 2022, we created more than 17 thousand jobs in countries where we operate. Employment opportunities also include business growth benefits, as we integrate entrepreneurs from our communities as part of our suppliers.

The obtained results have allowed the company to grow rapidly at the corporate level, making us the third largest exporter of blueberries in Peru and the number one importer of China during its low season, four years after its first commercial harvest. Currently, from our headquarters, we sell in the largest consumer markets in the world, including North America, Europe and Asia.

Finally, but not least important, I must highlight the work we deploy with our communities of local influence. Currently, our support programs with communities in Peru amount to \$200 thousand USD. These supported services have improved their quality of life, giving them access to quality basic services, enabling to narrow the gap of social inequalities.

I am grateful for the work of each of our employees, investors and other stakeholders who have allowed us to grow and expand globally. I could go on listing the achievements and successes obtained during this period; I can only keep working jointly to continue making Agrovision a world-class company.

I reiterate the invitation for you to enjoy reading our sustainability report

**Steve Magami**

Co-founder and Executive Chairman

(GRI 2-22)







## *2. Our 2022 ESG performance*





# 2022 ESG Outstanding Figures



**USD 210,412,318 M**  
Net sales



**1**  
Subsidiary (Arena Verde) was certified as carbon neutral by offsetting its emissions from its forestry activities



**1034 ha**  
Of forest under protection  
**250 ha**  
Restored through silvicultural management and reforestation with native trees



**43%**  
Of our workforce are women



**USD 200 K**  
Invested in the community of Morrope as part of our social responsibility plans



**100%**  
Of the domestic effluents of our workers' camp were treated in our Waste Water Treatment Plant (WWTP)



**11**  
Species botanical of wild flora preserved in our dry forest



**17.35 km**  
Of community roads built



**17,606**  
Formal jobs created in Peru and Mexico



**691 tons**  
Of solid waste were recycled and inserted into the circular economy



**61**  
Species of wildlife preserved in their natural habitat



**9,384 tons**  
Of food donated to our local communities



**3**  
Operating centers (Peru, Mexico, and Morocco)



**80,000**  
Plants of native species germinated in our nursery



**200 ha**  
Of organic blueberries and grapes were planted on our new organic farm located in Morrope



**7,000**  
Employees completed their COVID-19 vaccination doses



**2**  
R&D Center (Peru and Mexico)



**119,000**  
New trees planted in our Morrope Forest Reserve



**2800 ha**  
Of cultivated land in Peru, Mexico and Morocco



**4**  
Community development programs (Sembrando Alegría, Sembrando Esperanza, Sembrando Salud and Sembrando Vida)





### *3. Our company*





# About Agrovision

We are Agrovision, a company that's globally renowned for leading the way in premium blueberries and standing as one of the world's top berry growers. Our journey has been marked by impressive growth and profitability, driven by our expansion into international markets. Beyond our exceptional blueberries, we're also making strides in the realm of superfruits, with raspberries and blackberries experiencing remarkable growth.

Our integrated global operations are at the heart of our success, and our flagship Olmos project in Peru is particularly remarkable. This project capitalizes on the advantages of a natural greenhouse, resulting in high yields and an extensive production season of over 7 months. This strategic approach contributes significantly to our cost-efficient operations. Our vertical integration is further enriched by our operations in Mexico, Morocco, and the US. Plus, our ongoing projects in China and India ensure that we can provide a year-round supply to meet the demands of key global markets.

With our expansive scale, unwavering focus on operational excellence, and premium product offerings, Agrovision maintains a distinct competitive advantage in the thriving premium blueberry sector.

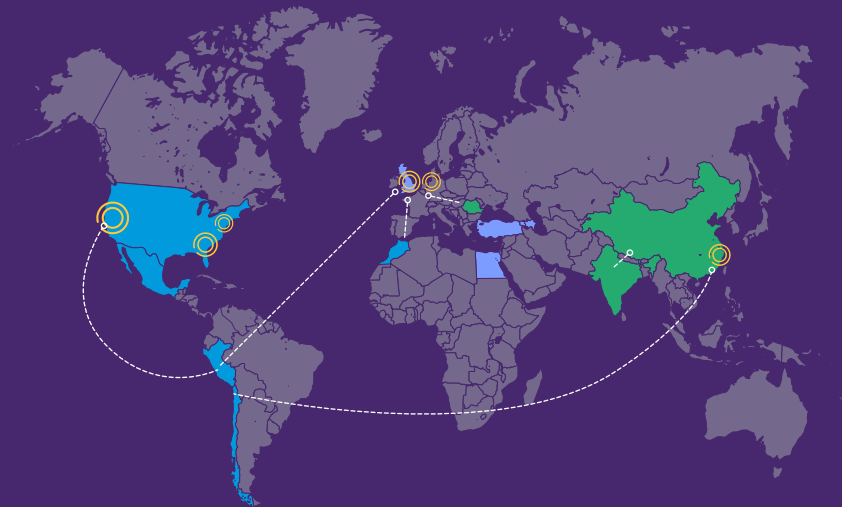
As we plan for the future, we're strategically expanding our presence in Peru, Morocco, Mexico, China, and India – collectively referred to as our "Development Plan" – all aimed at fortifying our international growth trajectory. (GRI 2-1) (GRI 2-6)

We emphasize the involvement and strategic direction of the founders in our corporation, who strive to create a positive impact in the local communities where we operate. We reflect this through employment and training opportunities, health care, educational and recreational programs, infrastructure projects, and other programs that improve the quality of life of people throughout our value chain.

Driven by the Olmos project in Peru, our world-class growing operation leverages an exceptional natural greenhouse, fostering remarkable yields and an extended 7+ month production season that amplifies productivity and supports cost-efficient methodologies. Our vertical integration is further elevated by operational hubs in Peru, Mexico, Morocco, and the US. Additionally, ongoing ventures in China and India fortify our ability to meet year-round demands across crucial global markets.



**Global asset base provides 52 week, consistent supply and is strategically located to access all major consumer regions**



## Operations and Harvest Window by Region

- Current Operations
- Current Operations - Recently Developed
- Future Operations
- Marketing Desks (6)
- Export Routes

15 countries, of which 8 have current operations



# History of Agrovision

We achieved carbon neutrality of our subsidiary Arena Verde, which has a Forest Reserve, allowing us to offset our GHG emissions.

We closed negotiations on the Olmos Project for the acquisition of 1,100 hectares, allowing us to acquire Lots B1, B2a and B2b. This expansion process will enable us to diversify our product portfolio.

We incorporated 220 hectares of crops into our Agrovision Mexico operations.

We acquired 1,000 hectares in the Olmos Project, Lot A9.

We expanded to double the capacity of our packing plants, also incorporating grapes and avocados.

We built our first packaging plant.

We started our export activities.

We started agricultural operations in Peru.

2022

2021

2020

2019

2017

2016

2015

2014

2013

Similarly, we planted 111 hectares of crops at our Agrovision Morocco operations.

Recognized as a top premium blueberry exporter.

We started project operations in Morocco.

We started operations in Mexico with 79 hectares of crops.

Recognized as one of the top vertically-integrated superfruit exporters.

We implemented our new blueberry and asparagus packing plants.

We purchased 1,000 hectares in the Olmos Project, Lot C5.

We acquired 1,000 hectares in the Olmos Project, Lot C6.



## *Business philosophy*

In our commitment to contribute to the growth of communities, we strive to develop our corporate philosophy to be a responsible and committed company.

### *OUR PURPOSE*

Transforming lands,  
transforming lives.

### *OUR VISION*

To become a leading  
corporation in premium quality  
fruits and vegetables.

### *OUR VALUES*



*Commitment*



*Proactivity*



*Integrity*



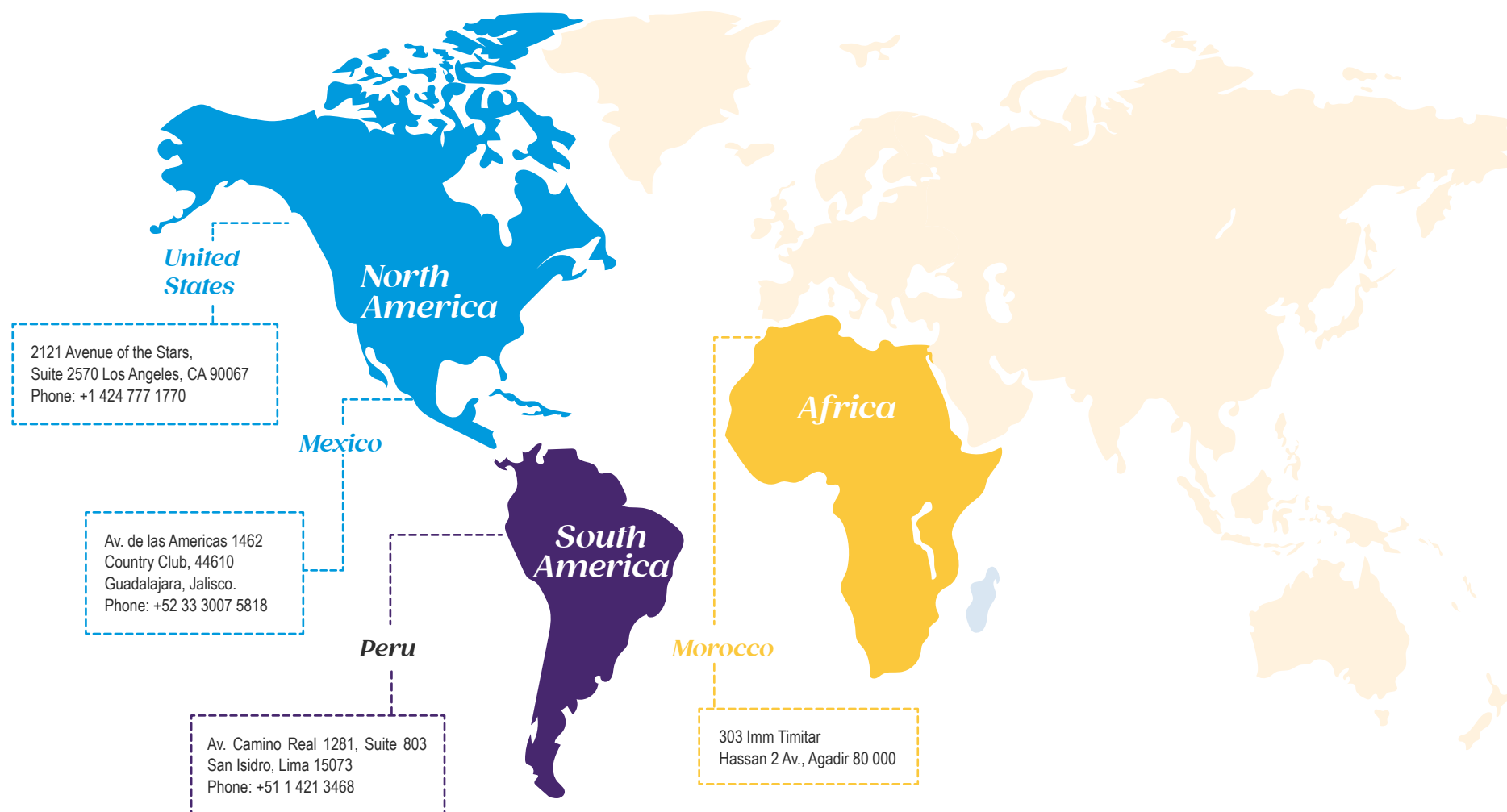
*Trust*



*Teamwork*



## Global presence



# Our operations



We started operations in Peru in 2015. Up to date we have an area of more than 3 thousand hectares of sustainable agricultural production, and we are formed by two companies: Agrovision Peru and Arena Verde, operating in the districts of Olmos and Morrope, in the Lambayeque Region.

We specialize in the growth of blueberries, grapes, avocados and asparagus on the northern coast of Peru, where we apply a sustainable agriculture model to meet our environmental and social commitments to local communities.

We are the third largest producer of blueberries in Peru, which represents a 12% share of the domestic market and the first agricultural exporter in the Lambayeque Region.

Lambayeque Region



## Olmos Irrigation Project

- Lot C5
- Lot C6 South
- Lot A9
- Lot B1
- Lot B2a
- Lot b2B



## Morrope

- North Lot
- Center Lot
- San Ricardo 2



# Our operations



## Mexico

In January 2021 we started operations in Mexico with the “Yasmine” project, located in Techaluta de Montenegro, State of Jalisco. Currently our company has 79 hectares of blueberry, raspberry and blackberry crops, and we have set ourselves a new challenge with the expansion of our operations in Estipac and San Isidro Mazatepec, both in Jalisco. This state is recognized as one of the main berry producers in Mexico and is number one in raspberry production.

We have 1,046 highly trained and committed employees. This new expansion will not only allow us to reach more people with our dried fruits but will also give us the opportunity to work with more local farmers and help the region’s economy.





## *Our products*

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We grow superfruits and vegetables such as blueberries, grapes, asparagus, avocados, blackberries and raspberries. This portfolio of fresh and frozen products has the qualities of being rich in vitamins, minerals and antioxidants. We offer our customers high quality products throughout the year, thanks to the extensive farmland in the different countries in which we operate. We recognize the authorship of the patents of all those new varieties.

In 2022 we achieved a significant increase in our production and distributed optimal varieties of blueberries, grapes, and other superfruits that were destined to the main international markets.

We shipped a total of 30 million kilograms of produce, including blueberries, asparagus and premium quality grape varieties, which enables our compound annual growth rate to be 200% over the past four years.

We seek to differentiate ourselves in the markets where we operate by offering an innovative approach to our products. In line with the above, in 2022 we ventured with the proposal to plant organic crops of grapes and blueberries in pots in the north lot, in our subsidiary, Arena Verde.

We point out that this planting was possible thanks to the application of cutting-edge engineering. Given the conditions of the groundwater from the operation's wells, we had to invest in the construction of an Osmosis Plant to ensure that the quality of the water is favorable for the plantations of these crops.

We emphasize that this has been possible thanks to the entrepreneurial vision of our leaders, who are committed to the development of new products that meet the demands of international markets.



In 2022, we allocated 200 hectares for the cultivation of organic grapes and blueberries in our subsidiary, Arena Verde.



## Blueberries



We grow premium blueberry varieties, including Sekoya and selected Australian varieties, through exclusive and semi-exclusive partnerships with the best breeding programs in the world.

Our strategically located blueberry farms in Peru, Mexico, Morocco and the United States can provide global retailers with consistent premium fruit throughout the year.

## Grapes



Our commitment is to grow only the most innovative super premium table grape varieties through strategic alliances with the best breeding programs in the world.

We combine precision farming technologies and ingenious craftsmanship to produce the optimum characteristics in every grape we grow. Our seedless table grapes are grown exclusively on our farms in Peru.

## Asparagus



We offer fresh and canned asparagus to the international market. We grow these vegetables in fertile soils, which absorb the sun's rays and are conducive to the cultivation of these vegetables. The climatic conditions where they are planted and harvested allow us to have high quality products of great nutritional value.

The 2022 harvest allowed us to position Peru as the world's leading exporter of asparagus.



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Perú	■	□	□	□	□	■	■	■	■	■	■	■
Mexico	■	■	■	■	■	□	□	■	■	■	■	■
Morocco	■	■	■	■	■	□	□	□	□	□	□	□
365-day supply	■	■	■	■	■	■	■	■	■	■	■	■



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Peru	□	□	□	□	□	□	□	□	■	■	■	■



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Peru	■	□	□	□	□	□	■	■	■	■	■	■

## Avocados



We have premium varieties of avocados, which are grown in Peruvian and Mexican lands. This product is of great nutritional value, high in potassium and is a source of energy and healthy fats.

Hass avocado is currently the most demanded variety in the international market. It is important to point out that given its texture, thick skin and roughness, it tolerates transportation to long destination markets fairly well.

## Blackberries



This vitamin C-rich, water-rich superfruit is grown in the arid valleys of Jalisco, Mexico. For the production of this fruit, we employ high quality standards and biotechnology that allows us to obtain patented varieties of blackberries grown on our farms in Mexico.

## Raspberries



We have diversified the value offer of Agrovision. For this, we have included a variety of raspberries and berries in our basket of super-fruits.

The Heritage raspberry is one of the most widely cultivated varieties, ideal for the production and export of frozen products to international markets.



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Peru	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Mexico	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



### Export Calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Mexico	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



By the end of 2022, **Agrovision was the 3rd largest producer and exporter of blueberries in Peru**, with more than 70% of its plantations with advanced and improved genetics.

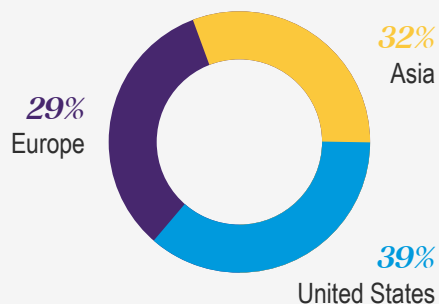


## Our export markets

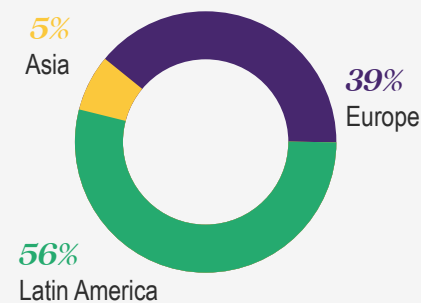


Each year, we focus our brand presence in high-standard markets, as the United States, China and the Netherlands. In 2022, we incorporated innovative sales, marketing and advance distribution platforms in the United States and Europe. This strategy allows us to listen and respond to our customers in constantly and timely manner.

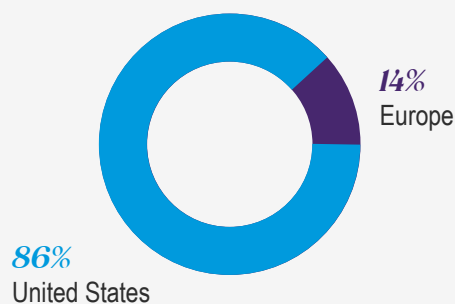
**Blueberries (t)**



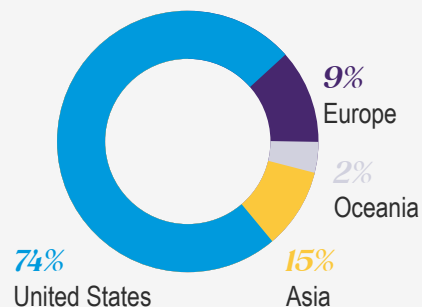
**Avocados (t)**



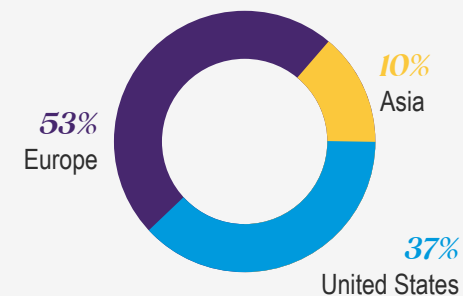
**Asparagus (t)**



**Grapes (t)**



**Frozen Blueberries (t)**



## Our export markets

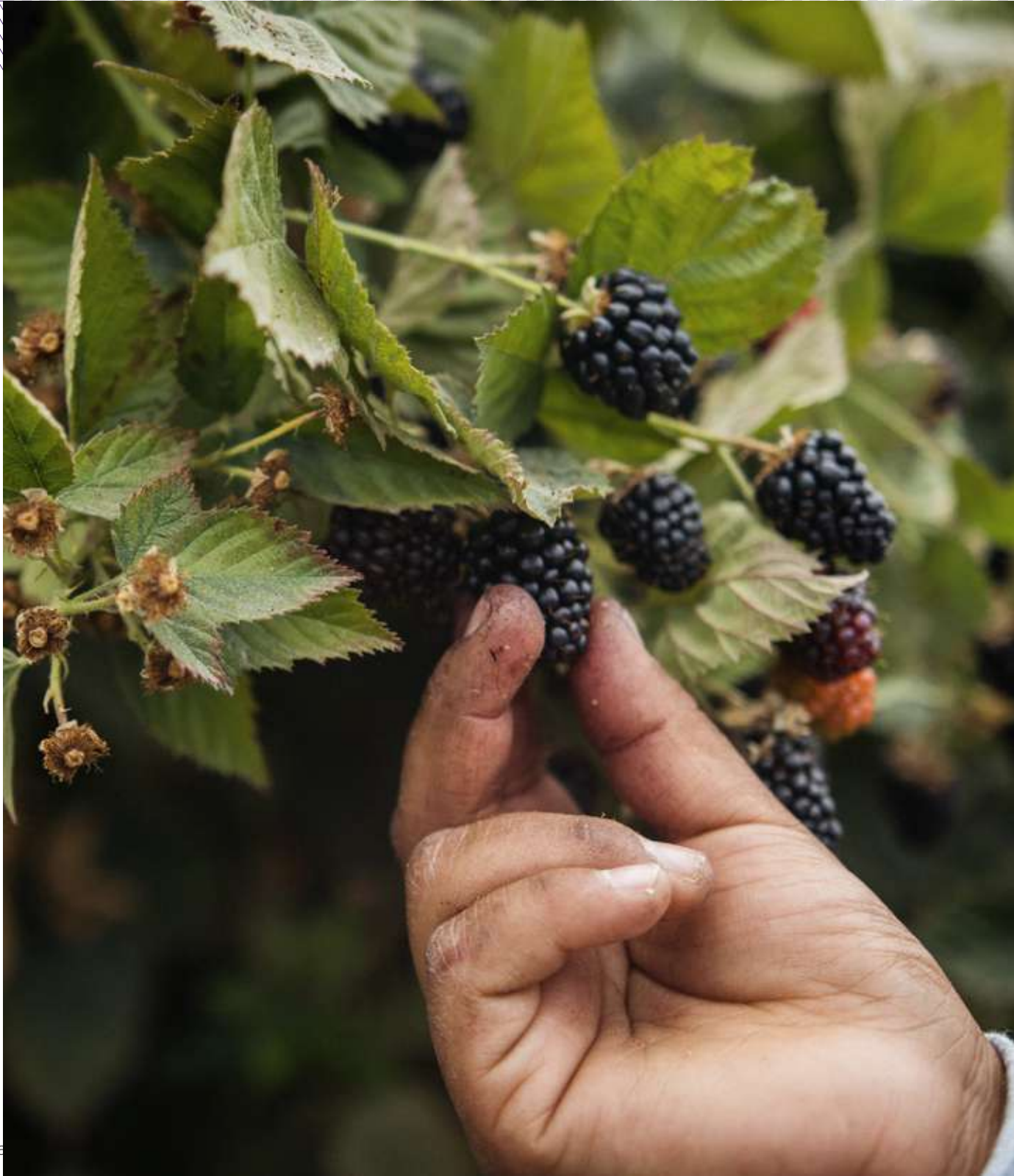


*Mexico*

*Raspberries, Blackberries and  
Blueberries (t)*



**100%**  
United States







## 4. *Our sustainability management*



# Our triple impact strategy

At Agrovision we strongly believe in the importance of sustainability in our business and operational practices, and this has been the cornerstone of our strategy for the future. We believe that a sustainability strategy is crucial to the success of our business because it encompasses everything we do and emphasizes the importance of how we do it.

We understand that an authentic sustainability strategy must be an comprehensive part of our business strategy and, at the same time, be present in our value proposition to all stakeholders. In this regard, we strive to be transparent and consistent in our communication with our employees, shareholders, customers and with society.

In 2022, we have aligned our corporate strategy at Agrovision by contributing to 11 of the 17 Sustainable Development Goals adopted by the United Nations (UN), which poses us to urgent challenges as are poverty, quality education and decent work, as well as climate change mitigation. We address these challenges through strategic alliances in the execution of various actions, goals and impact initiatives in the projects we develop, which guarantees a positive impact on the environment and the communities where we operate.

The construction of a sustainable agri-ecosystem is a key point within our sustainability strategy. We seek to create an environment with the greatest possible diversity of flora and fauna species in order to improve agricultural production and ensure sustainable crop development. That is why, in 2022, we have continued with the 2,000-hectare initiatives for the establishment of a private forest reserve in strategic areas within our estates in Morrope and Olmos.

It is in this way that we strive to implement our sustainability strategy through our Triple Impact model:



***Increasing the  
biodiversity of  
ecosystems  
and ecological  
functioning***



***Mitigating climate  
change***



***Improving the  
quality of life of  
local population  
and communities***





## Our commitment to the SDGs

Agrovision is firmly committed to the UN Sustainable Development Goals (SDGs), and our focus on sustainable agriculture is a concrete example of how our company can actively contribute to achieving the goals adopted by the 2030 Agenda.



Our actions are totally aligned with 11 of the SDGs, which encompass social, environmental and economic goals, to ensure that our company has a positive and lasting impact on society and the environment.

## Environmental



1,840 m<sup>3</sup> of drinking water donated to villages in the community of Morrope.

57,765 m<sup>3</sup> of wastewater treated and reused for irrigation of green areas at our treatment plant.

57,595 m<sup>3</sup> is the total amount of potable water processed and distributed in the North Lot camp.



1 pilot project for fruit counting.



2nd star achieved by our Agrovision and Arena Verde operations for participating in the Carbon Footprint Peru Program (HC-Peru) of the Ministry of Environment (MINAM).

15, 893.21 t CO<sub>2</sub> eq of carbon stock in an area of 1,034.06 ha.



80, 000 plants of native species germinated in our greenhouse.

## Social



25 small and medium-sized businesses in the Morrope district are our local service providers.

8,412.00 kg of first necessity foods were donated to our communities of direct influence.



7,824 kg of food donated to more than 12 rural communities.

588 kg of food donated in 124 baskets to other stakeholders.



7 thousand employees of Agrovision and Arena Verde completed their vaccination doses against COVID-19.

100% of employees have a health management system coverage.



43% of our workforce is comprised of women.

## Economic



17,000 people with dignified and quality work were employed at Agrovision.

2 new production units in Mexico and Morocco.



61 tons of waste were recycled and put into circulation within the company.



USD 40.000,00 received from the cooperation of the Netherlands International Development Bank (FMO) to strengthen our strategy of sustainability at Agrovision and the Olmos Irrigation Project.



# ESG certifications and membership in associations and guilds

Since 2015 we have offer products of the highest quality while maintaining a firm commitment to sustainability. Thanks to our dedication in the agricultural industry, we have been certified for our work, which motivates us to continue innovating and growing in the future. (GRI 2-28).

## Environmental, Social and Governance (ESG) Certifications



Food safety audit of Costco suppliers. It is based on specific regulations and norms that seek to support the well-being of the people who produce, process and harvest our products.



Complementary certification to the GlobalG.A.P. standard for good agricultural practices, that enables the proper management of risks related to water use and for promoting sustainable water resource practices.



Integral certification of the Alliance for Sustainable Water Management (AWS) where its members contribute to the sustainability of water resources through the adoption and promotion of a model for the sustainable management of natural resources, based on equitable access to water for local inhabitants and environmental sustainability with actions in productive sites and watersheds.



Social Responsibility Standard, based on the ethical-labor, worker health and safety and environmental pillars (basic guidelines), in compliance with the country's regulations and the best international social practices.



It is the most rigorous certification in the industry, addressing more than 300 standards including food safety, labor conditions and pest management.



The Business Anti-Smuggling Coalition is an international business alliance that promotes safe trade in cooperation with governments and international organizations.

## Associations

At Agrovision we are committed to sustainable and responsible berry production. Because of this, we have established strategic alliances with diverse associations and guilds of the agricultural industry to ensure that our products meet the highest quality standards.

Thanks to our alliances, we have consolidated our position as one of the leading companies in the production of berries worldwide, recognized for our reliability and responsibility in the competitive market. These collaborative synergies have enable us to keep abreast of the latest trends and developments in the agricultural industry, allowing us to continuously innovate and improve our processes and products.



Non-profit association of producers and exporters of asparagus and other fresh, canned and frozen vegetables. Its objective is to promote behavioral change in business through innovative, social and sustainable practices.



Non-profit association founded in 2001 that represents producers that currently account for over 74% of the volume of Peruvian table grapes exported to the world.



Association for the export and trade of blueberries in Peru that represents producers that account for 80% of the total Peruvian blueberry production. Pro Arándanos believes in the power of the blueberry industry at an economic, social and environmental level. They work to achieve a sustainable balance and create a positive change in Peru.



Non-profit association of individuals or legal entities that produce and export avocado from Peru. It dedicates to establishing diverse trade opportunities and support the Peruvian industry on technical issues and scientific research for the improvement of production, packaging and trading of high-quality avocado.



Asociación de Propietarios de Tierras Nuevas de Olmos (Association of Owners of Tierras Nuevas de Olmos), groups the companies operating in that area. They lead initiatives that create synergies within the agri-industrial activities of Olmos Irrigation and for the development of the area of influence.



Private non-profit association that promotes the development of the national agricultural sector, seeking to improve its competitiveness and development by supporting Peru's international trade negotiations and promoting the agri-export chain as a source of employment and development.



Private non-profit institution whose objective is to promote the development of trade, industry, services and investment in Peru. This organization has a large number of associated companies and professionals that seek to promote Peru's economic growth and improve the country's business environment.



In **Mexico**, we are part of the National Association of Berry Exporters (Aneberries), through which we establish common agendas in order to make the sector competitive, increase exports and access new international markets, among other points of cooperation.



# *Dialogue and communication with our stakeholders*

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At Agrovision we establish close and open dialogue relationships with our stakeholders because we believe this to be the key to the success of our business. We are committed to work in a responsible and transparent manner in all areas of our organization.

We continually seek opportunities to collaborate with our various stakeholders, from our customers and suppliers to local communities and the government. We believe that working together is the best way to strengthen our business and ensure that we meet our economic, social and environmental responsibilities (GRI 2-29).

## *Agrovision stakeholders*



*Consumers*



*Customers*



*Shareholders*



*Employees*



*Community*







*Suppliers and  
Contractors*






*Financial  
Entities*



*Government*

<i>Stakeholder</i>	<i>Dialogue mechanism</i>
 <p>Consumers</p>	<ul style="list-style-type: none"> <li>• Social networks</li> <li>• Website</li> <li>• Complaints and claims management system</li> <li>• Integrity channel</li> <li>• Commercial platform</li> </ul>
 <p>Customers</p>	<ul style="list-style-type: none"> <li>• Website</li> <li>• Social networks</li> <li>• Complaints and claims mechanism</li> <li>• Integrity channel</li> <li>• Face-to-face or virtual meetings</li> </ul>
 <p>Shareholders</p>	<ul style="list-style-type: none"> <li>• Face-to-face or virtual meetings</li> <li>• Mail</li> <li>• Telephone calls</li> <li>• Website</li> <li>• Integrity channel</li> </ul>
 <p>Employees</p>	<ul style="list-style-type: none"> <li>• Corporate mail</li> <li>• Telephone calls</li> <li>• Social networks</li> <li>• Website</li> <li>• Training</li> <li>• Regular monthly meetings</li> <li>• Written material/audiovisual media</li> <li>• Integrity channel</li> </ul>

<i>Stakeholder</i>	<i>Dialogue mechanism</i>
 <p>Community</p>	<ul style="list-style-type: none"> <li>• Social networks</li> <li>• Web page/talento.agvperu.com</li> <li>• Printed documents</li> <li>• Integrity channel</li> <li>• Workshops and training</li> <li>• Face-to-face meetings</li> <li>• Direct dialogue</li> </ul>
 <p>Suppliers and Contractors</p>	<ul style="list-style-type: none"> <li>• Corporate mail</li> <li>• Direct communication</li> <li>• Website</li> <li>• Training and audits</li> <li>• Mechanisms for receiving comments, complaints and suggestions</li> <li>• Integrity channel</li> </ul>
 <p>Financial Entities</p>	<ul style="list-style-type: none"> <li>• Face-to-face or virtual meetings</li> <li>• Website</li> <li>• Mail</li> <li>• Integrity channel</li> <li>• Telephone calls</li> <li>• Corporate breakfasts</li> </ul>
 <p>Government</p>	<ul style="list-style-type: none"> <li>• Mail</li> <li>• Telephone calls</li> <li>• Tracking platforms</li> <li>• Integrity channel</li> <li>• Face-to-face or virtual meetings</li> <li>• Website</li> <li>• Audits</li> </ul>





## ***5. We promote safe and sustainable agriculture***



# Sustainable agriculture

At Agrovision we are committed to work under a sustainable agriculture approach, aiming for our production not only to satisfy current, but also future generations. We ensure this through our triple impact strategy that states that our purpose goes further than profitability. This implies carrying out operations in compliance with high standards through respect and preservation of the environment, natural capital, social equality and the development of our communities.

It is important to point out that jointly with the IADB Invest, we are implementing an environmental and social plan that will enable our indicators to improve efficiency in the use of resources and the reduction of emissions, among other eco-sustainable actions. The IADB Invest will provide advisory services that will help us develop a study to optimize the use of fertilizers in order to reduce our carbon footprint.

Additionally, as a result of our corporate efforts in sustainability, in 2022 we received 40 thousand Euros in financing, as well as technical support from the International Development Bank of the Netherlands (FMO), to strengthen our sustainability strategy and implement a solid Environmental Management System based on ISO 14001.

These types of contributions and synergies with international cooperation banks are enabling us to incorporate sustainability into Agrovision's DNA.

In accordance with the Food and Agriculture Organization of the United Nations (FAO), we are also concerned about global food security. Therefore, we have mandated that our sustainable agriculture approach promotes healthy ecosystems in its portfolio of products that are economically accessible and incorporate sustainable practices that promote the care of water, land and natural resources. Our approach works under the following principles:



**Climate change mitigation**



**Zero emissions and decarbonization of operations strategy**



**Biodiversity conservation**



**Sustainable use and assurance of water**



**Productivity, efficiency and performance**



**Well-being and health of people**



**Community development**



**Implementation of circular economy in packaging and integrated waste management**





## *International recognition for our sustainable agriculture management*

In 2022 we were finalists in the Green Awards in the sustainable economy and production category given the good sustainability management promoted in our subsidiary Arena Verde, in the Lambayeque region, Peru. It is worth pointing out that the “Sembrando Futuro” project was positioned among the 50 most important projects in Latin America.

Today we are not only successful in international markets with our top-quality products (top 10 agri-exporting companies in the country), but we also have the capacity to preserve the surrounding dry forest ecosystem (including its wild species) and to create decent employment for the integral development of young people in the locality where we operate. For this, our project was one of the finalists in the Green Awards 2022.

With the same enthusiasm, Agrovision will continue to support sustainable and regenerative agriculture.



### ***Arena Verde - Planting the Future***

**Category:** Economy

**Subcategory:** Sustainable Production

**Country and City:** Peru, Lambayeque



We would like to highlight that year after year we seek to achieve optimal performance of our environmental programs. In 2020, our environmental management was recognized and awarded by the Ministry of the Environment (MINAM), in the Antonio Brack Egg national awards, for our project “Arena Verde Planting the Future, transforming land and saving lives”, in the category Peru Natural, acknowledgement Integral Land Management.





## *Responsible sourcing*

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In Agrovision we understand that our suppliers are a fundamental piece in the support and development of our productive chain. That is why we have a Purchasing Policy that allows us to execute acquisitions and contracting of goods and services considering quality, price, safety, sustainability and human rights criteria. For a responsible supply chain, we require that the companies that work with us have certifications and audits that ensure good environmental and social practices.

Likewise, in Agrovision purchase orders we establish general provisions, which include the prevalence of the Internal Work Regulations (RIT), the OSH Policies and the Code of Ethics. We provide these documents to all suppliers and contractors so that they are aware of the ethical and organizational culture with which we work, which they must accept and sign when establishing business relationships with us.

On the other hand, in the General Terms of Contract (GTC) we establish that the company reserves the right not to accept partially or totally the goods or services from contractors in case of any type of risk to health or the environment during transportation, use, handling or storage. Thus, Agrovision and its employees value interacting with business partners that maintain good environmental standards; thus, based on policy, we do not work with suppliers or contractors that engage in conduct that harms the environment or human rights (GRI 3-3).





## *Socio-environmental evaluation of suppliers*

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We permanently carry out homologation processes with our suppliers. For the socio-environmental evaluation of our suppliers we have a Supplier Management Procedure and Supplier Evaluation Manuals, where we establish the guidelines and requirements that suppliers must comply with according to the category of goods or services, they offer us. During this process, through our criticality matrix, we evaluate suppliers and classify them as critical and non-critical. For the former, we request documentation that allows them to align themselves with our organizational culture, as well as ISO requests and social and environmental policy manuals. Once the observations have been raised, we proceed to make a scheduled visit to ensure that all the information and observations comply. Subsequently, when the supplier complies with all the requirements, we schedule visits, on an annual basis.

In 2022 we evaluated 42 suppliers on environmental criteria and guidelines for our operations in Peru. 26 of them were evaluated on social criteria. Most of them operate on machinery rental, personnel transportation, construction, catering, and box assembly, etc.

For our operations in Mexico, we are developing internal policies and guidelines for a more efficient management with suppliers. Thus, in 2022 we implemented an Internal Access Regulation, where we include environmental aspects that must be complied with by the companies that contract with us (GRI 3-3) (GRI 308-1) (GRI 414-1) (GRI 414-1)

## *Purchases from local suppliers*

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We contribute to the socioeconomic development of our local areas of influence. Thus, we are committed to promoting and developing competitive local suppliers that integrate sustainability into their contracting processes. We also support them in their formalization and business growth, so that they can meet the corporation's requirements. As part of this process, and for a better linkage, we provide them with support from company specialists to improve their processes, controls, certifications and digitalization, among other aspects.

In 2022, for our Peruvian operations, we made local purchases for a value of \$15,607,000 USD, amounting to 15% of our total purchases. This type of contribution enabled the growth of small and medium-sized local entrepreneurs. Regarding the goods and services that we contract locally, most of them provide us with personnel transportation services, fuels and lubricants, containers and packaging, hardware, fixed assets and agrochemicals, etc. We include the percentage of expenditures by source and type of suppliers in our Peruvian operations: (GRI 3-3) (GRI 204-1)

*Percentage of spending on suppliers  
by source and amount*

Source	Total USD	%
NATIONAL	70,726,894	69.70%
LOCAL	15,607,732	15.38%
IMPORTED	15,134,593	14.92%
<b>Grand total</b>	<b>10,469,220</b>	<b>100.00%</b>

*Percentage of spending by type and amount*

Source	Total USD	%
VARIOUS SERVICES	9,654,212	61.86%
MISCELLANEOUS SUPPLIES	1,515,919	9.71%
FUELS AND LUBRICANTS	1,289,300	8.26%
CONTAINERS AND PACKAGING	1,145,194	7.34%
FERRETERIA	633,200	4.06%
FIXED ASSETS	353,172	2.26%
EPP AND INDUSTRIAL SAFETY	340,214	2.18%
SPARE PARTS	225,249	1.44%
IRRIGATION	183,133	1.17%
AGROCHEMICALS	117,507	0.75%
SUBSTRATES	91,326	0.59%
FORMULATED FERTILIZERS	33,041	0.21%
SEEDLINGS AND SEEDS	23,811	0.15%
FERTILIZERS	2,341	0.01%
AGRICULTURAL EQUIPMENT	114	0.00%
<b>Grand total</b>	<b>15,607,732</b>	<b>100.00%</b>



As for our Mexican operations, we are focused on expanding in the short and medium term. We expect to have a local purchasing plan that will enable us to contribute to the socioeconomic development of small and medium-sized producers in our direct area of influence.



# Traceability, quality and food safe

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## Food quality and safety

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At Agrovision we are committed to supplying our different destination markets with high quality fresh fruit and vegetable products, ensuring their safety, quality, legality and authenticity. We guarantee these attributes through our certifications, audits and transparent labeling information.

As an agri-exporting company of products for human consumption, we have a relevant responsibility towards our customers and consumers. Thus, we have an Integrated Management Policy (IMP) for the entire corporation, aligned with our quality system, enabling us to identify hazards and control risks throughout the entire production chain.

In recent years, the market trend with respect to food safety and security has been the introduction of the concept of “Safety Culture”, defined by the Global Food Safety Initiative (GFSI) as the corporate values and beliefs that affect the way of thinking and behaving in regard to food safety, throughout the company’s value chain. In relation to this, at the corporate level, we are currently integrating actions and initiatives that support this culture into our strategic plans. At the same time, we work to strengthen this concept in all our employees, ensuring the positioning of the Agrovision employer brand.

Our production system complies with strict controls and inspections from planting, harvesting and dispatch of our fresh packaged products, in order to ensure national standards and destination requirements throughout the production chain. The principles and controls are based on Good Agricultural Practices (GAP), manufacturing and storage standards. Currently, our fields and packing plants have been certified by local regulations in the countries where we operate, meeting export requirements. We have also been able to maintain food safety certifications; moreover, we have obtained new seals that guarantee the production of premium categories for certain markets and more demanding customers.



It is important to point out that GLOBALG.A.P and BRCGS are certification standards for agricultural products that are part of the Global Food Safety Initiative (GFSI), a private organization that promotes safety and innocuousness in food preparation, ensuring that food reaches the final consumer with no contamination.

For products exported by Agrovision Peru’s operations and its subsidiaries, in 2022 we recorded minimal impacts on non-compliance rates in Global Food Safety Initiative (GFSI) audits.

## Quality, innocuousness and food safety certifications

					
<p><b>GLOBALG.A.P.</b></p> <p>The GlobalG.A.P. (Good Agricultural Practices) standard is a globally recognized certification that establishes standards for safe and sustainable agricultural practices. This certification covers environmental, health and safety, Integrated Pest Management (IPM), traceability and safety, among others.</p>	<p><b>ORGANIC CERTIFICATION</b></p> <p>At Agrovision, the products we grow, and our process meet the requirements and regulations of the United States Department of Agriculture (USDA). All of our farms have the current certification, which allows us to guarantee that the agricultural products have been grown according to strict organic standards.</p>	<p><b>BRC CERTIFICATION</b></p> <p>BRC Food (British Retail Consortium Food) certification is an internationally recognized standard for food safety and food quality. It was developed by the British Retail Consortium (BRC).</p> <p>At Agrovision we use this work frame as a reference tool to evaluate and certify the safety and quality of the products we trade.</p>	<p><b>EFI (EQUITABLE FOOD INITIATIVE)</b></p> <p>Agrovision is the 1st South American company certified by the EFI.</p> <p>It is the most rigorous certification in the industry, addressing more than 300 standards including food safety, labor conditions and pest management.</p>	<p><b>FSMA (FOOD SAFETY MODERNIZATION ACT.)</b></p> <p>FSMA (Food Safety Modernization Act) certification refers to a set of regulations and standards established by the FDA (Food and Drug Administration) as part of the Food Safety Modern Act.</p>	<p><b>Walmart</b></p> <p>We ensure that our production and harvesting meets high food safety standards.</p> <p>Our avocados, blueberries and berries comply with the Global Food Safety Initiative (GFSI) guidelines required by our client Walmart.</p>

				
<p><b>BRCS</b></p> <p>International standard for brand protection, reputation and compliance with global standards recognized by the Global Food Safety Initiative (GFSI).</p>	<p><b>TESCO</b></p> <p>TESCO customer assessment applicable to the entire production chain, from harvesting to packing and shipping of fresh produce.</p>	<p><b>M&amp;S</b></p> <p>Marck &amp; Spencer customer assessment applicable to the entire production chain, from harvesting to packing and shipping of fresh produce.</p>	<p><b>COTSCO</b></p> <p>COSTCO customer evaluation applicable to fresh produce packing and shipping.</p>	<p><b>Peruvian National Agricultural Health Service (SENASA)</b></p> <p>Phytosanitary Certification for the commercialization of products.</p>



### Results of food safety audit processes

#### Non-conformity rate of external audit reports

Safety certifications	Critical non-conformities	Major non-conformities	Minor non-confor
BRC	0	0	3
GLOBALG.A.P.	0	0	0

In Mexico, we have an Internal and Third-Party Audit Program focused on certifying the good agricultural practices of our operations. At this moment, our farms Yasmin, Lupita and Anita have been successfully certified in GLOBALG.A.P, SMETA, FSMA and GRASP. In this way, we ensure safe trade by meeting high standards of quality and food safety.

### Results of food safety audit processes

Scheme	Required level of compliance	Level of compliance obtained		
		YASMIN	LUPITA	ANITA
Global G.A.P	Major 100% Minors: 100% 100% recommendations	Major 100% Minors: 100% 100% recommendations	Major 100% Minors: 100% 100% recommendations	Major 100% Minors: 100% 1100% recommendations
Add-on GRASP	>95 %	97.96%	In process of implementation by 2023	In process of implementation by 2023
Add-on FSMA	Recommended: 80%	100%	In process of implementation by 2023	In process of implementation by 2023

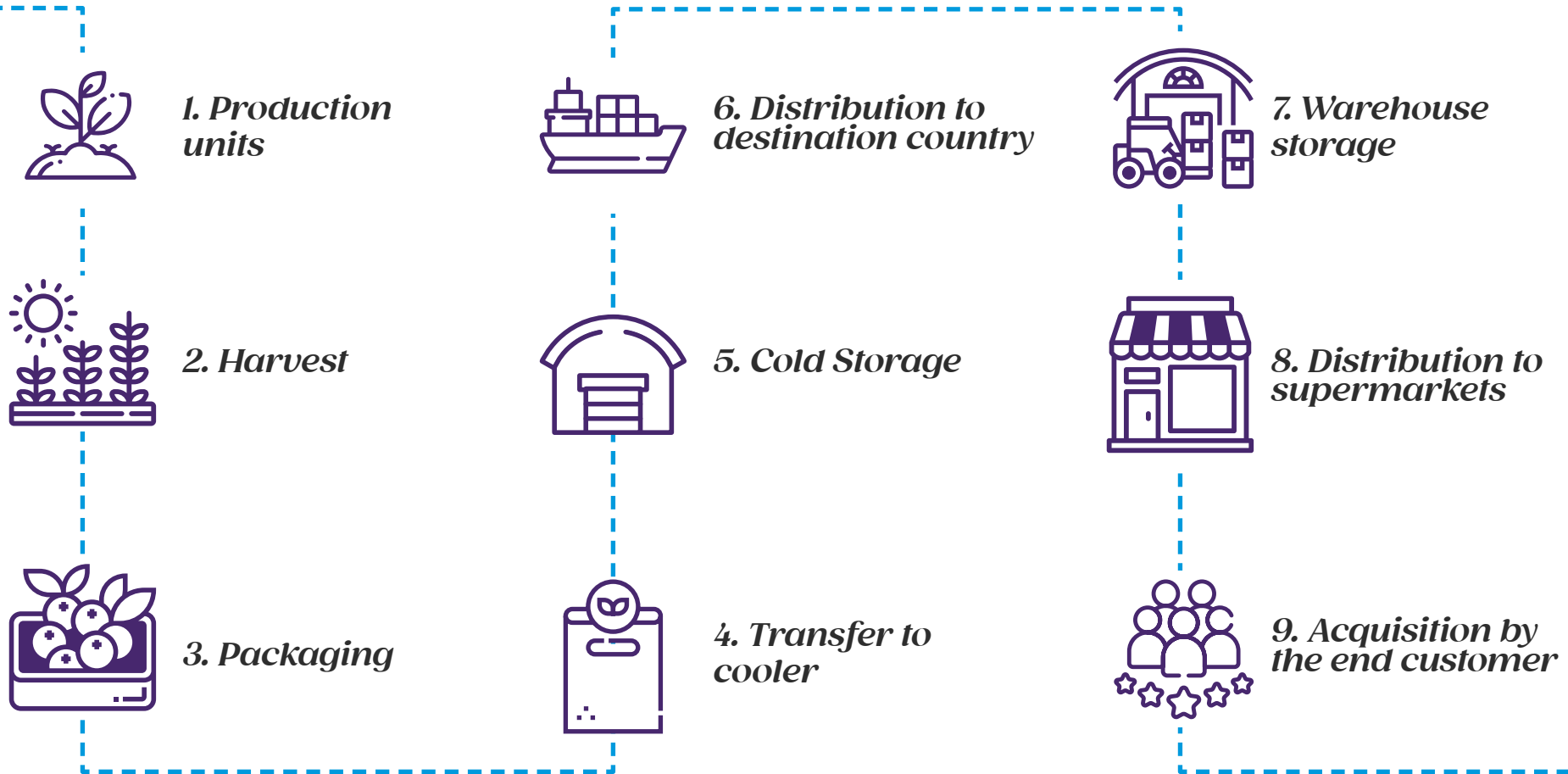
### Product traceability

We control every stage of our production process, from the stages of production units, harvesting and packaging to distribution and purchase by the customer. At Agrovision we have implemented traceability tools and systems that allow us to track fruit products both internally and externally.

We currently manage traceability surveillance controls through our Hazard Analysis and Critical Control Point (HACCP) system. This allows us to reduce risks associated with production and marketing, in addition to minimizing and mitigating physical or chemical microbiological risks. It is important to point out that this system includes food safety controls. In addition, we have certifications and audits that support the safety of our customers and consumers.



*Our traceability control phases of our fruit products:*



Finally, the data collected from our traceability management is stored in a modern digital software system called “Simple Agro”, which allows us to carry out a correct implementation of the tracking and traceability process. In the case of the Mexican operations, this process is compiled through a Document Management System and integrates the aforementioned information.



# Customer health and safety

In Agrovision we operate with the highest standards of quality and food safety in order to achieve the satisfaction of our customers. Thus, we strive to meet most of expectations, producing safe and healthy food in accordance with legislation in force at origin and destination.

Our evaluations and certifications guarantee that our products comply with the most demanding national and international standards. We also emphasize that our products, in addition to being highly traceable and safe, have been produced under strict labor, social and environmental practices and respectful of human rights.

In addition, we also have a supplier control, which allows us to ensure that the materials used during the process come from safe sources and do not represent a risk of contamination to our products. We perform these controls throughout the supply chain in order to guarantee the safety and health of our customers (GRI 3-3).



## High quality fruits and vegetables

We apply strict controls for the production of our fruits and vegetables, from planting and harvesting to the dispatch of our fresh and packaged products, in order to ensure compliance with national standards and destination requirements throughout the production chain. This means that we frequently conduct tests with our suppliers and customers to ensure the continuous improvement of our management system and validate the response times of our supply chain.

The principles and controls are based on good agricultural, production and storage practices (GAP), which we transmit to our employees during their induction phase.

We provide our employees with initial training, continuous training and audiovisual information that allows them to integrate in a more dynamic way to the company's culture of innocuousness, quality, safety, health and sustainability. In this way, we ensure that their activities are carried out in a safe and healthy manner, protecting the product and complying with the objectives and goals established by the company in relation to the integrated management system.

To ensure compliance with the effectiveness and prevention of traceability and safety risks, we evaluate on an annual basis the performance of the objectives and goals established in our Integrated Management Policy. These management tools allow us to propose improvement opportunities for the following year.

For 2022 we obtained the following levels of compliance for the indicators established for customer health and safety:

- 100% compliance with internal control programs
- National external audits, certification/re-certification and from clients with the best ratings or compliance percentages (Example: GlobalG.A.P. "100%", BRCGS Food "AA").
- 100% compliance with the training program
- Complaint management: no complaints were received from customers.
- Supplier management: 100% of supplier evaluations completed

We would like to highlight that, thanks to the efforts and work carried out at the corporate level, in 2022 our exported products have complied 100% with the safety indicators (established in accordance with the BRCGS Standard, including the Prerequisite Programs, HACCP Plan, allergen management and quality management systems) (GRI 416-1).



## Transparency in information and labeling

The transparency and good communication that we maintain with our customers is reflected in the compliance of the legal requirements that they request from us regarding labeling. Thus, our work focus at Agrovision is oriented towards the automation of the production chain, from origin to destination to avoid material losses in the process.

In response to customer requirements, we evaluate suppliers and new labeling technologies in order to guarantee the compliance required by the export authorities. This work allows us to optimize our resources. We are currently working on a project to incorporate traceability information using laser printing equipment on boxes, that will enable us to use labels.

Additionally, we emphasize that the good labeling management that we carry out at Agrovision has permitted us to have a complete knowledge of the product's history. For example, we carry out product differentiation and segregation by quantity, since each label identifies a product of a different category. This is a pre-requisite for the destination markets and importers, and also represents a backup in the event of a possible claim or technical problem during transit or at destination, as it enables us to adequately analyze the reason for the given deviation. (GRI 3-3) (GRI 417-1)

*The following are the information and labeling requirements for Agrovision products.*

Topic	Unit of measure
The origin of the product's components.	The requested information is sent to the customer (packaging specification mentioning the materials used plus the technical specification of the packaging material provided by the supplier).
The content, especially in relation to substances that could generate an environmental or social impact.	According to the requirements requested by the client, we make specifications on the packaging, where we point out the techniques of the materials to the suppliers. At the same time, we justify if it can be replaced with another biodegradable or recyclable material and, in case there is no replacement (because it is not yet commercially available), we tell the customer that we will work with the suppliers in this regard (raising the observation and looking for a medium - long term option if possible).
Safe use of the product.	As mentioned above, information is sent to the customer. In addition, and if necessary, we request a laboratory analysis from the suppliers to ensure their use of food grade.
Product disposal and environmental and social impacts.	We apply the same procedures that we detailed for the handling and control of substances that could have environmental or social implications. Simultaneously we justify whether it can be replaced with another biodegradable or recyclable material and, if there is no replacement (because it is not yet commercially available), we tell the customer that we will work with the suppliers in this regard (raising the observation and looking for a medium-long term option, if possible).



## *We add value to the agricultural sector: R&D&I*

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Research, development and innovation (R&D&I) is one of the main drivers of the growth and expansion of our operations. Our contributions are reflected in the research and integration of new crops into our value proposition, as well as in the genetic improvement of the products we offer.

For the Research and Development areas, this year we have set out to find solutions to current problems that directly impact production. We are constantly improving processes and techniques that allow us to have a better management of varieties of fruit species. Also, from the research pillar we have joined synergies with educational institutions, presenting research and development projects in the sector, obtaining good results and funding for projects in circular economy by governmental institutions as Concytec in Peru.

In the case of our operations in Peru, we have prioritized three important R&D&I projects: the Pest Detection Project, the Meteorological Update Project and the PH Measurement Project that we are currently executing. As for our operations in Mexico, we have focused on supporting the Variety Evaluation and Adaptation to the Zone, Evaluation and Diagnosis of Phytosanitary Products and Evaluation and Diagnosis of Plant Nutrition Products projects.

Finally, we want to point out that the R&D&I teams constantly monitor the execution of projects to measure their effectiveness, as well as present innovative proposals to the Board of Directors in order to join efforts that enables us to make the corporation visible as leader in its sector (GRI 3-3) (NOT GRI IDI).





## *Some of the projects developed in 2022:*



### *Peru*



#### ***Implementation of a portal for agricultural management***

A set of geographic visualizers and dashboards in a user-friendly and easy-to-access environment, that allows users to perform crop monitoring using images (satellite/drones) and other field data (sensors and apps) to analyze the behavior and variability of crops based on different variables.



#### ***Pilot project for fruit counting***

In partnership with international companies, we have been implementing tools for fruit counting artificial intelligence systems in blueberry and grape crops. We are validating the methodology to refine the accuracy of the data.



#### ***Project agreement between Agrovision and Universidad Privada del Norte (UPN)***

In agreement with the Universidad Privada del Norte (UPN) we proposed the development of the project "Nanoparticles of metals biosynthesized from agro-industrial waste applied in the functionalization of bioplastics for use in the industrial chain of berries". It should be noted that, thanks to this proposal, we were winners of the 2022 edition.

This recognition from the National Council for Science, Technology and Technological Innovation (Concytec Peru) and the National Program for Scientific Research and Advanced Studies (Prociencia Peru) will allow the promotion of a project whose main contributions are the promotion of circular economy in our industry and a greater use of academic research for the development of the sector.



## Technological innovation in data management

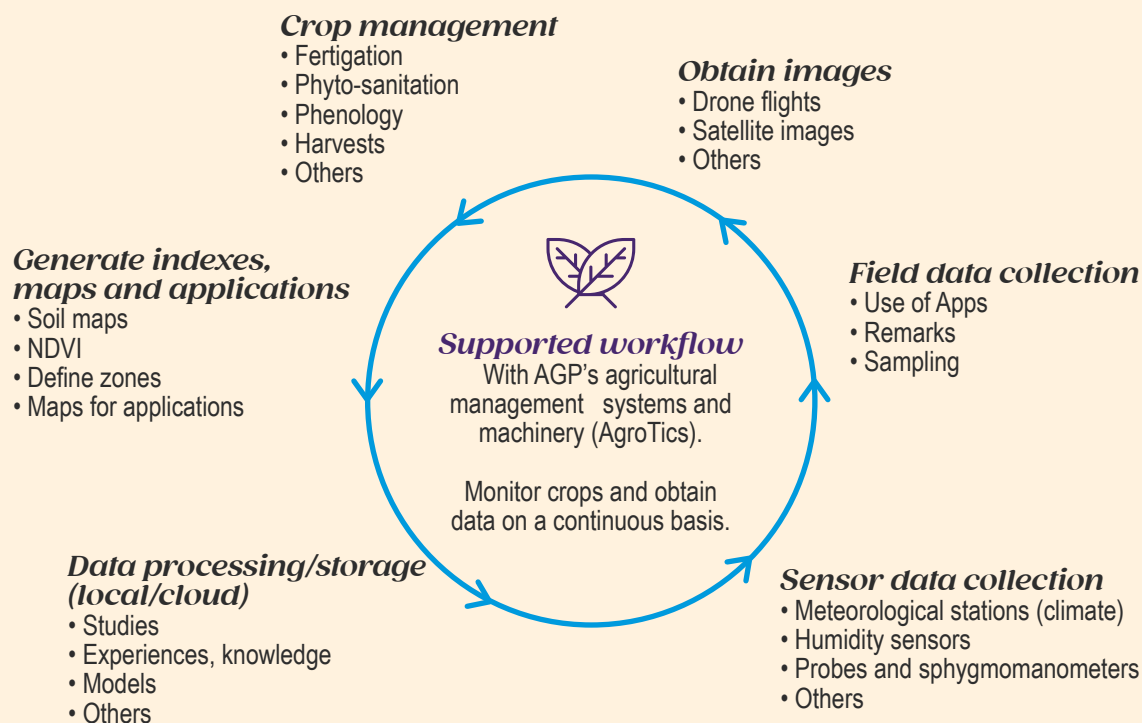
An important component of Agrovision is the implementation of technological tools that contribute to the efficient management of crops in their different phases (growth, development, production). In coordination with all areas of the company, various initiatives were taken into consideration to optimize the management of field data, **under three important pillars:**

- Agricultural Management System.
- Precision Agriculture.
- Agricultural Automation.

### We aim to achieve the following objectives:

- Provide technological services and manage data for crop monitoring.
- Create new information to build real field scenarios.
- Assist in the planning and scheduling of activities, as well as decision making.
- Systematize and facilitate agronomic practices.
- Improve resource utilization and increase production.
- Implement a farm management information system in the company.

## Comprehensive outline of the Agricultural Management Portal



### Some of the activities carried out



Integration of data from different sensors at the field level with the use of AgroTics (Agricultural and Food Technologies communications).



Implementation of the Agricultural Management Portal.



Use of technology for precision agriculture for the monitoring of crops.

# Opportunities in health and nutrition

At Agrovision we work to promote healthy and varied food, which provides positive benefits for people's health. We are an important part of the food chain for thousands of consumers around the world. Our production of crops considered superfoods contain a series of nutrients of high nutritional value.

It should be noted that among the multiple benefits offered by the consumption of our food proposal, our food contains a high concentration of vitamins, minerals and antioxidants, and other nutrients. It has been proven that their consumption prevents heart, digestive and rheumatological diseases. This value proposition is beneficial for the health and well-being of our consumers.

We were born with the purpose of becoming a leading corporation in premium quality fruits and vegetables. Therefore, we strive to develop the best recipes in our crops to nourish our consumers and inspire them to have better eating habits.

Another important aspect that we take into consideration as a world-class organization is that the supply of our products, in relation to their price and quality, should be accessible to all consumers. As a triple-impact company, we are directly involved with the world food problem. Thus, we work from the corporate level to make our products inclusive and close the food gap. In our subsidiaries we work in a comprehensive manner, incorporating actions that contribute to SDG 2 Zero Hunger (GRI 3-3) (NO GRI OSN).

## Superfoods portfolio of Agrovision

Following is the nutritional offer we work with from Agrovision farms and plants. This variety of premium crops allows us to supply our global customers all year round with high quality fresh and reliable superfoods. We have a strong portfolio of blueberry, raspberry and blackberry varieties in Peru, Mexico and Morocco, as well as other crops like avocado, grapes and asparagus.



### Benefits of our blueberries

- Great source of antioxidants.
- High amount of vitamin C.
- They protect the memory and revitalize it: high level of anthocyanin.
- They improve cardiovascular health and prevent diabetes.



### Benefits of our avocados

- Great source of antioxidants.
- High amount of vitamin C.
- Improve memory.
- Improve cardiovascular health.



### Benefits of our asparagus

- They are diuretics: they facilitate the elimination of liquids.
- Its richness in folic acid makes it ideal for pregnant women.
- Low caloric content, ideal for diets.
- They prevent constipation: their fiber content aids in faster digestion.
- High in vitamin A, E and C.



### Benefits of our grapes

- They help to eliminate excess retained liquids.
- They help reduce blood pressure and maintain a healthy heart.
- Calcium and alkaline elements: stimulate and detoxify the liver.
- They help cleanse the kidneys, eliminating uric acid.
- They are excellent antioxidants thanks to the presence of resveratrol.





## ***6. Governance approach and contribution to human rights***



## *Governance approach and contribution to human rights*

We build a solid governance framework expressed in corporate policies, practices and values that reflect our nature. We conduct our business in a transparent manner, doing the right thing and applying a strong sense of honesty. We express our commitment to operate under sustainable economic growth, offering quality employment for our employees and supporting our communities in their development. Therefore, we adhere to compliance with the laws and regulations in the countries where we operate, guaranteeing transparency and ethics in our management. These actions are valued by our stakeholders, who see Agrovision as a world-class organization and, above all, responsible with its environment (GRI 3-3).



# *Corporate governance*

We are formed as a closely held corporation that is part of Agrovision and is led by the corporate Board of Directors. The Board of Directors is composed of eight directors, who oversee the activities of the Agrovision group of companies, and whose mission is to generate an acceptable return on investment and positive change for the people and in the environments where we operate (GRI 2-9).

## *Boards of Directors*

Our Board of Directors represents the highest governing body within Agrovision. It is made up of a team of qualified experts, who lead and execute various projects in the countries where we have operations. It is worth mentioning that they have a broad base of advisors and consultants, who provide them with the necessary experience to minimize business risks. This team is led by the Executive Chairman and founders of our company, Mr. Steve Magami and Mr. Thomas Snyder.

- At the corporate level, they meet once a year. However, to address business performance issues, they meet quarterly.
- The vast majority of the members of the Board of Directors are shareholders.
- Two executive members are members of the Board of Directors. These are Steve Magami, Executive Chairman, and Thomas Snyder, CEO and Executive Director.
- With respect to the formation and management of the corporation, the Board of Directors has the powers of legal representation.
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Our directors support all decisions made by the corporation regarding the supervision of economic, environmental and social aspects. It is worth mentioning that our CEO, Thomas Snyder, oversees the management of ESG impacts of the subsidiaries and promotes and executes the vision of sustainable development that we have been working on at the corporate level (GRI 2-10) (GRI 2-11).

Steve Magami, co-founder and Executive Chairman, and Tom Snyder, the corporation CEO, are responsible for overseeing the strategy and results. In terms of financial performance, they seek to attract new investments, direct the company's strategic growth and determine where capital could be invested. They also oversee sales and decide which markets to export to (GRI 2-11).



## Board of Directors

(GRI 2-9)



**THOMAS SNYDER**

Co-founder, CEO and  
Executive Director

CEO over a 25-year period of the Hamilton Group's international businesses, with worldwide interests in petrochemicals, agriculture, transportation, including supervised risk and development projects for and with governments, banks, investment groups, export credit agencies, OPIC in over 40 industrial complexes in 20 countries.



**STEVE MAGAMI**

Co-founder and  
Executive Chairman

Mr. Magami has developed a career in business construction and project development. He has generational roots in agriculture and has been active in agribusiness, land acquisition, water and infrastructure in Peru since 2007 when he co-founded his first Peruvian company (sold to a \$3 billion private equity firm and then to British Petroleum). He previously served as a director of Lovell Minnick Partners, the private equity division of Putnam Lovell Jefferies, responsible for \$1 billion in private equity partnerships focused on executing acquisitions of middle-market financial services companies. He has served on the boards of numerous private equity firms and venture capital-backed hedge funds.



**STEPHEN KAPLAN**

Board of Directors

Mr. Kaplan was a co-founder of Oaktree Capital Management and former head of Oaktree's private equity group. Following his retirement from Oaktree in 2017 he formed Nalpak Capital, a family office focused on a broad range of investments. He is co-chairman and principal owner of DC United club in MLS, and co-owner of Swansea City club in the English soccer league. He was previously minority owner and vice chairman of the NBA's Memphis Grizzlies. Prior to joining Oaktree at its inception in 1995, he served as managing director of TCW and as Portfolio Manager in TCW's Special Credits Group. Prior to joining TCW in 1993, he was a partner in the law firm of Gibson, Dunn & Crutcher.



**IYAD DUWAJI**

Board of Directors

Mr. Duwaji is an entrepreneur with an internationally significant track record in turnaround and growth strategies. He was previously CEO of SHUAA Capital, a publicly traded company in Dubai. Under his leadership, SHUAA grew 26 times in 14 years and was awarded the Best Equity House in the UAE by Euromoney for three consecutive years. He serves as a director of other companies and currently focuses on the growing demand for food and AgTech as an investment theme.



**BEN NICOLL**

Board of Directors

Mr. Nickoll is the managing partner of El Faro Partners, a family office focused on lending, real estate, private equity, agriculture and distressed securities. He is the former chief investment officer of Ore Hill Partners, an event-driven hedge fund that he co-founded in 2002 and later sold to Man Group. He previously managed High Yield Trading at both Lehman Brothers and Morgan Stanley.



**STANLEY XU**

Board of Directors

Mr. Xu is a director of WP Global Partners, where he has worked since 2011. He is actively involved in sourcing and investment diligence for private equity, secondary and co-investment funds, and contributes to portfolio management and industry research. He represents WP Global on several portfolio company boards, including Agro Vision Corp. Prior to joining WP Global he was a hedge fund management sales analyst at Goldman Sachs.



**MARC ARON**

Board of Directors

Mr. Aron has over 20 years of experience in commodities trading, having previously worked with Credit Suisse, Drexel, Mitsui and AIG. His family office oversees a diversified portfolio of real estate, venture capital and private equity investments.



**KERRY ASSIL**

Board of Directors

Dr. Assil is the head of a family office investment group focused on resources and real assets with a focus on agriculture and real estate. He is a world-renowned ophthalmologist who invented and pioneered several surgical procedures and therapeutic technologies. He serves as medical director and chief executive officer of the Assil Eye Institute and is a founding partner of a medical network of more than 34 LASIK centers in four countries.



## Functions of Agrovision's Board of Directors

Our Board of Directors is responsible for overseeing the development of the best strategies for the management of the business. They are the ones who set the company's strategic and growth guidelines, promote policies and guidelines of the company, ensure the integrity and accounting systems of the corporation, approve and control the budget and design the strategic planning, among other actions.

At the subsidiary level, we have several committees that support the fulfillment of the company's board of directors' goals. In Peru we have five committees: Human Resources Committee, Management Committee, Ethics Committee, Finance Committee and Technology Committee. To deal with sustainability issues, we have created the Sustainability Area, which supports the fulfillment of the goals of the strategy of this area.

With respect to the frequency of Board meetings, the Board meets on a quarterly basis to address the aforementioned matters. Board meetings are led by our CEO Thomas Snyder and our Executive Chairman Steve Magami. Please note that committee issues and resolutions are reported at these plenary meetings (GRI 2-13).



## Corporate performance evaluation

Given that our Board members are not independent, we do not apply a performance evaluation; however, we ensure that they fulfill their commitments to the company. We permanently involve them on ESG impact management issues, so that they are aligned with Agrovision's corporate vision (GRI 2-18).



## Sustainability management at the corporate level

As part of our commitment to sustainable development, the Board of Directors encourages our subsidiaries to work under a sustainability approach. Therefore, we propose guidelines and directions they should take to manage their economic, social and environmental impacts. We highlight the high level of involvement of our CEOs in the initiatives and the supervision of the impacts of our subsidiaries in Peru, Mexico and Morocco.

The Board of Directors reviews and approves the sustainability strategy, reviews the evaluation of KPIs and corporate performance with respect to the sustainability plan, reviews and approves the contents of the sustainability report, sustainability training, among other ESG issues. Among the sustainability initiatives planned for 2022, we are reviewing actions and initiatives for Agrovision to reach the goal of being NET ZERO by 2030. We are confident that we will achieve this feat that we have proposed from the Board of Directors (GRI 2-17).

As a result of these efforts and thanks to the support of the corporate, in Peru we have created the Sustainability and Corporate Affairs Area, which has been supporting the fulfillment of the goals of the sustainability strategy. This area is led by the Sustainability Manager, Eduardo Aza, together with Luciana Valladares, Deputy Sustainability Manager (GRI 2-12) (GRI 2-13) (GRI 2-14) (GRI 2-14)

### Conflict of Interest

In compliance with our commitments undertaken in our Corporate Code of Ethics, we call on our employees and other stakeholders with whom we interact to address conflicts of interest in the performance of their duties, whether they are potential, real or apparent. Therefore, they should carefully evaluate their commitments and relationships, acting with transparency and loyalty.

In this regard, we have developed an Internal Policy in case of Conflicts of Interest, in order to guide our employees and other interested parties. This policy is part of the Code, which is published on our website. It is worth mentioning that for the resolution of these issues and other ethical implications we have a disciplinary Ethics Committee, which evaluates and sanctions the cases presented with respect to conflicts of interest that may arise. (GRI 2-15)



## Remuneration and compensation policies

We have a Compensation Policy, that allows us to establish the base salary, salary bands and benefits for our employees, ensuring that they are paid fairly according to market salaries. We currently work under the advice of the consulting firm Korn Ferry, which helps us with the establishment of methodologies and tools that allow us to grow in an orderly manner and compare ourselves with the market, in addition to reviewing the packages or benefits of each level.

Regarding the compensation received by Agrovision members, these also fall within the payroll and salary bands established by the Korn Ferry Model. It should be noted that the compensation processes are approved by the Board of Directors, which monitors the model presented, ensuring that it is transparent, competitive and equitable.

At the management level we also apply the same methodology, and evaluate managers by objectives and performance. This review is done more at the presidential level; in the case of subsidiaries, corporate managers participate in the evaluation and determination of bonuses and incentives, among others (GRI 2-19) (GRI 2-20).





## *Ethics and anti-corruption management*

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We conduct our operations with transparency and integrity, respecting the laws and obligations in the countries where we operate. We foster a corporate culture with our collaborators and stakeholders, based on transparency, integrity and trust. At Agrovision we establish our ethical guidelines in our Code of Ethics and Conduct, where we set forth norms, principles and values that our employees and third parties with whom we have any kind of relationship must comply with.

This management guidance tool prevents fraud, corruption and money laundering, among other ethical transgressions. We reaffirm that the basis of ethical behavior lies in the development of an organizational culture that promotes respect, equality and dignity for all, without distinction of any kind (GRI 3-3).



### **Ethics Committee**

We have Ethics Committees in each of the subsidiaries where we operate. The purpose of these committees is to monitor ethical principles and standards of conduct among employees, customers, suppliers and other stakeholders. The committee is the body responsible for analyzing, evaluating and resolving any situation framed within the Code of Ethics. It also establishes the necessary policies to promote compliance.

In Peru this committee is made up of five members, while in Mexico up of eight people of recognized moral and ethical solvency. For the follow-up of cases, we ensure total confidentiality and discretion.

Regarding the sessions of the Ethics Committee, in Mexico we consider a session to be constituted as long as it has a majority of the members. The Ethics Committee adopts its resolutions by the favorable vote of the majority of the members present at the session. In the event of a tie, the chairman of the Ethics Committee has the casting vote.



### **Agrovision Ethics Line**

(GR 2-16)

We encourage our employees, suppliers and other stakeholders to report acts and violations of the Code of Ethics. For this reason, we have established a reporting system for each country where we operate.

In Peru, our Ethics Line is managed by Ernst & Young (EY), which, through different channels, either by telephone, mail, web form or personal interview, receives the complaints and then notifies the Ethics Committee, which carries out the investigations and resolutions of the cases received. It is important to point out that EY's Ethics Line covers the operations of Agrovision and Arena Verde.

To learn more about Agrovision Peru's channels, please visit the website:



[www.canaldeintegridadagrovision.com](http://www.canaldeintegridadagrovision.com)



### **Mexico**

For Agrovision Mexico operations, the Ethics Channel is managed by the company Sistema Ético de Denuncia Anónima (SEDA), which receives and responds to complaints, processes them in the system, and notifies the Ethics Committee for follow-up and evaluation of the situation. This whistleblowing channel is secure, independent and reliable. We encourage our stakeholders to make use of this reporting mechanism.



#### **Access to the integrity channel:**

- E-mail: [integridadagrovision@sedamx.com](mailto:integridadagrovision@sedamx.com)
- Website: [www.sedamx.com/integridadagrovision](http://www.sedamx.com/integridadagrovision)
- Toll-free hotline: 800 890 8180
- WhatsApp: +52 33 2744 8418
- Complaints and suggestions mailbox for each unit.





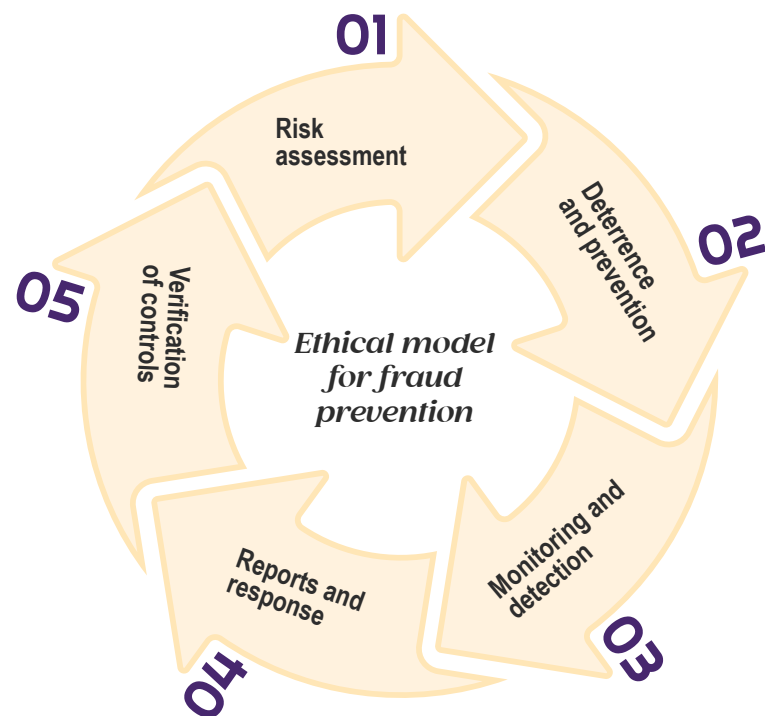
## Anti-corruption management

Our company is committed to comply with the norms and standards that establish procedures to prevent possible illicit activities like drug trafficking, terrorism, smuggling, money laundering, corruption and bribery, human trafficking, among others. Therefore, we respect the legal requirements in force in the countries where we operate, and to demonstrate a corruption-free management we evaluate the effectiveness of the Security Management and Control System (GRI 3-3).



### Ethical Program for fraud prevention

We have been developing a prevention model to address the main risks identified at the corporate level in agricultural infrastructure, agricultural and industrial operations, harvesting and logistics. We have an Ethics Program to prevent fraud and address the main risks identified at the corporate level.



## 01 Risk assessment

This assessment is intended to identify cases of fraud or corruption that may occur and who might commit them. As such, strategic reasoning is developed to anticipate the behavior of a potential fraudster. For these purposes, the Group has established strategic risk matrices and controls related to the

The user areas are in charge of the operation, with the support of the Lean area.

## 02 Deterrence and prevention

Prevention involves the elimination of the root cause, while deterrence is the modification of the behavior or intention to commit a crime through surveillance and monitoring.

The following are some of the techniques established by the Group to deter and prevent fraud:

- Selection and recruitment of personnel (reliable manpower).
- Customer selection and knowledge (external fraud and money laundering prevention).
- Anti-fraud and anti-corruption training and awareness (across all lines and departments of the organization).
- Signing of commitments and policies (Code of Conduct and Internal Work Regulations).

## 03 Monitoring and detection

The Group has defined internal controls and periodic reviews to prevent losses that could affect the organization financially and reputationally.

The Group's main detection channels are:

- Periodic internal controls of the operational areas, Internal Audit, Property Security, Lean & Continuous Improvement, whistleblower channel (managed by EY in coordination with Internal Audit) and random reviews.

## 04 Reporting and response

After the investigation has been completed, actions to be taken based on the findings are determined. All actions applicable to all levels of employees, including senior management, are appropriate to the circumstances after consultation with those responsible for those decisions. Consultation with Legal is conducted before disciplinary, civil or criminal action is taken.

**05 Verification of controls** The Internal Audit department evaluates the key controls in the fight against fraud, corruption and the mitigation of medium and high risks; it will also ensure that the identified risks are controlled. These are tested on a regular basis within the deadlines established in the annual audit plan.



## Anti-corruption training

Our employees receive ongoing training on anti-corruption issues. Our stakeholders are aware that when new employees join the company, we provide them with training and the Code of Ethics so that they are aware of the company's policies, which include topics related to anti-corruption. In 2022, the Human Resources Area and the Ethics Committees trained 100% of our employees in Anti-Corruption Policies and the Code of Ethics and Conduct. In this way, we foster transparent and ethical relationships with our employees so that they maintain appropriate behaviors in accordance with Agrovision business values (GRI 205-2).



**In 2022, we recorded zero cases of corruption in both operations.** This demonstrates the high commitment of our employees to our ethics and anti-corruption management (GRI 205-3).



# *Risk management: cybersecurity and data protection*

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In Agrovision we manage and control the different risks that could affect our operations. We have corporate risk maps and matrices that enable us to identify and evaluate risks according to their classification, for each business unit. We also apply action plans and control measures to reduce their impact.

One of the potentially critical issues that we have identified in our sector is the security and protection of the information of our employees, customers and suppliers. For this reason, at Agrovision we have been working hard to strengthen a system that allows us to protect this sensitive information. Given the growth of the agro-industrial sector in the countries where we operate, and in view of the increasing competition, we consider this issue as susceptible to work, since data leaks could occur that could favor the direct competition.

We manage cybersecurity and data protection in accordance with the guidelines of our Information Security Policy, where we establish the actions to be followed by our employees to ensure compliance with user activities on computer equipment.

The aforementioned policy is materialized through the implementation of several computer systems, like Web Application Firewall (WAF), which protects us from multiple attacks to the servers; and Endpoint Security, which is installed in the Agrovision information park in order to eliminate risks in cases of threats to the system, thus preventing the transmission of information.

This entire infrastructure of operating systems allows our organization to be at the forefront of its industry and at the same time perform secure operations.

Finally, in order to guarantee an adequate treatment of the company's and our customers' information, we annually submit our company operations to certification processes and audits through the Business Alliance for Secure Commerce (BASC) certification, which ensures that the handling of information and information resources of our operations and supply chain comply with adequate management and control. To date, we have not received any claims or demands from customers or suppliers regarding leaks or breach of contracts due to information leaks (GRI 3-3) (GRI 418-1).



# Our contribution to human rights

In Agrovision we are committed to work and comply with the Universal Declaration of Human Rights, the fundamental conventions of the International Labor Organization and the OECD Guidelines for Multinational Enterprises, in order to protect our employees and our internal and external stakeholders, establishing and taking actions to mitigate these risks. To ensure due compliance, we have implemented a Human Rights Policy that applies to all the countries where we operate.

In relation to human rights policies and guidelines, Code of Ethics and Conduct, among other management documents, these are published on our website and our corporate social networks so that our stakeholders can access and be aware of our commitment to them. Likewise, internally we guarantee strict compliance with the human rights of our employees; for this reason, when a new employee joins the company, the Human Management Area provides inductions and training on the main company policies, which include the Code of Ethics and the aforementioned policies. (GRI 2-23) (GRI 2-24) (GRI 2-25)

On the other hand, it is important to mention that 100% of our operations are subject to the Sedex Members Ethical Trade Audit (SMETA) on an annual basis. The verification process covers all aspects of responsible business practice, including human rights. It is worth noting that Agrovision Peru and Arena Verde have been audited on the core values of Health and Safety and Social Welfare.

## Map of Agrovision human rights impacts



### Collaborators

- Offer a living wage in accordance with the law and area of work.
- Right to overtime pay and compensation.
- Punctuality in payment according to company standards.
- Respect for the contract signed by the workers.
- Working hours in accordance with the law.
- Right to health and safety of personnel.



### Suppliers

- Respect for contracts signed with suppliers and contractors.
- Every supplier accepts and respects the compliance of our framework documents and performance guidelines, which contemplate the protection of human rights.



### Senior Management

- Compliance and respect for national and international rules and regulations.



### Customers

- Alignment with national and international standards valued by our customers.
- Loyalty.





## **7.** *Performance of our industry*



# Our economic performance



## Peru

We contribute to Peru's economic development and are a source of income for thousands of Peruvians in the north. We want to promote open and transparent management for the industry. We develop our economic management in relation to our Performance Management Policy, in which we establish our annual growth projections, as well as the budget follow-up analysis. We review this information on a quarterly basis in conjunction with our board of directors, who make decisions to improve our economic performance.

In addition, we have a Strategic Plan, in which we establish the milestones and indicators that we must meet from the corporate level with respect to economic performance. For the evaluation and follow-up of our economic projections we take into account the EBITDA indicator, which we measure month by month and analyze additional variables to implement improvement plans that allow us to achieve the desired performance.

It is important to highlight that in 2022, Peru experienced a context of social disruption, which could have affected the continuity of our operations. However, thanks to the leadership of our team, who were able to take the necessary actions, we had an excellent financial performance, as we closed the year with net sales of more than 200 billion dollars.

*Economic results generated, including their distribution with our main stakeholders, as well as the retained value:*

Consolidated Agrovision Peru	2022	
<b>Economic value</b>	<b>Currency USD</b>	<b>210,412,318</b>
Net sales	\$	210,412,318
Income from financial investments	\$	0
Asset sales	\$	0
<b>Economic value distributed</b>	<b>\$</b>	<b>187,216,051</b>
operating costs	\$	(168,050,103)
employee salaries and benefits (administrative personnel)	\$	(9,266,615)
Payments to the government (taxes) (Peru)	\$	(9,699,333)
Community investments	\$	(200,000)
<b>Retained economic value</b>	<b>\$</b>	<b>23,196,267</b>



# Our economic performance



## Mexico

In order to consolidate our operations worldwide, we are undergoing an expansion process in Mexico that will allow us to be profitable in the medium and long term. In 2022, our financial performance was impacted by exogenous factors, as the war in Ukraine, making fertilizer and agrochemical prices more expensive. Despite this situation, Agrovision anticipated the situation at that time and purchased agro-industrial products such as fertilizers, agrochemicals, among others, which are stored in our Yasmin farm. In this way, we ensured the campaigns and harvests for the 2022 season.

Regarding the performance of our economic indicators, it is important to point out that, due to the company's expansion in Mexico, our EBITDA is profitable according to the proposed objectives, and we expect in the medium term to obtain a profit margin as we have planned from the corporate level. The project's goal is to cover 500 hectares of crops by 2024. We closed the year with 350 hectares of crops that have benefited the economy of Jalisco.

For the evaluation of our financial statements, we have the support of a specialized accounting firm, Russell Bedford, which helps us with the monthly and annual accounting close. In addition, we send the information from our accounting firm to Peru so that it can be consolidated into a single global tally report. The macro results are then sent to corporate.

Finally, we highlight that thanks to the efforts and initiatives we are working on at Agrovision in 2022 we received financing from IADB Invest, that granted us a line of credit of \$20 million USD to cover our blueberry production in Mexico and Peru. The corporation for Mexico allocated us \$10 million USD to continue expanding our crop production capacity (GRI 3-3) (GRI 201-1).

### Economic performance for 2022:

Consolidated Agrovision Mexico	2022	
<b>Economic value generated</b>	<b>Currency USD</b>	<b>3,960,177</b>
Net sales	\$	3,960,177
<b>Economic value distributed</b>	<b>\$</b>	<b>4,449,356</b>
Operating costs	\$	(935,576)
Employee wages and benefits	\$	(1,989,209)
Payments to capital providers	\$	0
Payments to the Government	\$	(1,523,571)
Community investments	\$	(1,000)
<b>Retained economic value</b>	<b>\$</b>	<b>(489,179)</b>





## *8. Transforming lands*





# Our environmental management

Our environmental sustainability management is supported by our Environmental Management Policy, which defines Agrovision commitments to agricultural development. Thus, we carry out our activities within the framework of the principles of environmental care and social responsibility as part of our sustainable production strategy, as well as compliance with the laws in force in the countries where we operate and the non-impact on our communities of influence. Likewise, we promote an efficient use of natural resources in our stakeholders, using the least number of resources possible.

In order to fulfill the commitments that will lead us to achieve our objectives, **Agrovision has established the following fundamental principles:**



Protect the Peruvian Coastal Dry Forest biome, maintaining 30% of the total areas available for agriculture in the Morrope area for biodiversity conservation purposes, respecting and generating protection areas (Ecological Economic Zoning - ZEE) established by the Ministry of the Environment and the Regional Government of Lambayeque.



Promote research and development of activities that contribute to climate change mitigation and enable sustainable use of natural resources.



Monitor compliance with legal environmental regulations applicable to the agricultural sector and the requirements voluntarily assumed by our companies.



Establish indicators that allow us to objectively determine the environmental impact generated by agricultural operations in our estates through regular environmental monitoring.



Maintain the awareness and sensitization of all our employees, encouraging their environmental training and active participation.



Establish a solid waste disposal reduction target, using circular economy.



Decarbonization of all Agrovision operations.

We are currently in the process of consolidating and standardizing our environmental programs into an Integrated Management System under ISO 14001 standards for Environmental Management Systems (EMS). In doing so, we seek to demonstrate our responsibility and commitment to environmental protection, as well as to manage the environmental risks that may arise from our operations.

The following are the environmental indicators that we have been managing since the corporate level: (GRI 3-3)

Aspects	Performance Indicator
ENVIRONMENTAL	No. of executed objectives of the Water Management Plan
	Treated Drinking Water Consumption (chlorine) m3/year
	Direct Consumption of Treated Potable Water (ozone) m3/year
	Treated wastewater m3/year
	Emission reduction tCo2/year
	% of sustainable agricultural land
	Solid waste collected tn/year
	Compliance with sustainable procurement guidelines
	No. of perimeter fences built linear meters planted/year
	N° conserved areas ha/year
	N° of trees planted/year
	N° of species sighted/year
	N° of endangered species conserved/year
	Consumption kw/year

## Environmental Compliance

In relation to environmental regulatory compliance, we emphasize that we have environmental management instruments in place to prevent, mitigate and restore environmental damage. For our Agrovision Peru operations corresponding to the Olmos project, we maintain our Environmental Impact Statement (EIS) in force, and we apply the same instruments for our subsidiary Arena Verde. Regarding the latter, in 2022 we carried out an update of the Environmental Impact Assessment (EIA) as we are expanding operations. Likewise, for our Agrovision Mexico operations, the Anita, Yasmin and Lupita estates have the respective permits from the state government.

In 2022, we received no environmental sanctions for any of our Agrovision operations (GRI 2-27).



## Energy at Agrovision

To make efficient use of our energy consumption in Peru, we have implemented an Energy Reduction Plan, in which we establish energy efficiency and rational energy use objectives. This sustainable energy model is based on making efficient use of this resource, as well as promoting the use of renewable energies within the corporation. Considering the above, we also invest in the use of renewable energies, more efficient generation technologies and less polluting fuels.

We believe that our main energy consumption is for our Agrovision and Arena Verde operations, mostly from electricity consumption, as well as the use of fuels as diesel, gasoline and LPG. Therefore, to ensure compliance and efficient use of our energy consumption, on a monthly basis the Corporate Affairs and Sustainability Area carries out inspections to the different units of the company to determine whether they are making an efficient use of energy. If the areas do not meet the objectives and indicators set, they are provided with training and sensitization, so that they can internalize good working practices regarding energy use and consumption (GRI 3-3) (GRI 302-1).

### Power consumption

The analysis of energy consumption by supply has been made according to the number of hectares, number of people and tons produced during the year 2022.

Below is a breakdown of our energy consumption for our Peruvian operations:

#### Energy consumed by subsidiary

Company	Consumption per Hectare 2021	Consumption per Hectare 2022	Consumption per person 2021	Consumption per person 2022	Consumption per Tons 2021	Consumption per Tons 2022
AGV	7.58	08.01	1.44	1.60	4.470	4.499
ARV	03.09	3.94	1.30	1.55	2.108	2.455

### Environmental eco-efficiency projects: renewable energies

As part of the decarbonization objectives of our operations, since 2022 we have been implementing the self-generation of electricity from solar panels installed in our Agrovision irrigation ponds. Each of these panels has a power of 200-watt hours. The energy operating areas charge the panels in the morning so that during the night they start working from 7:00 pm to 5:00 am.

During 2022 they were 153 days of operation, the electricity consumption of these panels was 15,606 MWh. This consumption amounts to 3,1196 tCO<sub>2</sub>eq of GHG avoided.





## Mexico

In Mexico, we have an Energy Efficiency Plan for our energy management, aiming to reduce the use of non-renewable energy and increase the use of renewable energy to have a lower impact on the environment.

Some of the actions we have been implementing for our energy efficiency management, include:

- Use of energy-saving light bulbs.
- Energy-saving air conditioning.
- Use of bicycles within the production unit



### Plans to improve energy efficiency

- Training on the proper use of electricity.
- Training on the proper use of liquefied petroleum gas (LPG).
- Project for the use of solar panels.

## Resilience to climate change

The agri-food industry is very sensitive to the impacts of climate change, with temperature levels, water availability, and the incidence of pests and diseases being critical issues. In response to this, Agrovision has incorporated a differential focus on sustainability into its business model, encouraging adherence to certifications that guarantee its sustainable agricultural management and promote actions for the conservation, restoration and protection of natural dry forest corridors.

For the management of emissions of both Agrovision and Arena Verde, our actions in Peru are guided by our Environmental Management Policy (EMP), which allows us to set annual reduction targets. One of the corporate plans is for the company to be a NET ZERO organization by 2030; that is, to cut GHG emissions to the nearest possible zero emissions.

## Decarbonization Initiatives

In 2022, we celebrate as an important milestone, the emission neutrality achieved by our subsidiary Arena Verde, in Peru. This achievement comes from efforts and environmental commitments that we assumed from the corporate, to achieve the decarbonization of all our operations. We are constantly working on strengthening our environmental strategy and we expect to do the same in the other subsidiaries of the corporation.



## Carbon footprint

Since 2019, we have been annually measuring the corporate carbon footprint for both Agrovision and Arena Verde operations, considering scopes 1, 2, 3 and 4, using the methodology of the International GHG Protocol developed by the World Resources Institute (WRI), the World Business Council for Sustainable Development (WBCSD) and the international standard ISO 14064-1: 2018.

Furthermore, in 2022 our Agrovision Peru operations were recognized by the Ministry of Environment (MINAM) as the only agricultural corporation in the country to have achieved the second level of accreditation in the measurement of the carbon footprint for its two companies: Agrovision Peru and Arena Verde. This type of recognition encourages us to continue with our management, progressively reducing the corporate carbon footprint.

According to this year's estimate of the emissions of our subsidiaries, Agrovision's results amount to 39,399.26 tCO<sub>2</sub>eq; while Arena Verde recorded a total of 7,687.64 tCO<sub>2</sub>eq. (GRI 3-3) (GRI 305-1) (GRI 305-2) (GRI 305-3)



### Agrovision 2022 corporate carbon footprint by scope type

Scope	Category	tCO2eq	% total
1	Direct GHG emissions and removals	13,714.65	36.89%
2	Indirect GHG emissions caused by imported energy	3,406.37	9.01%
3	Indirect GHG emissions caused by transportation	12,750.36	29.26%
4	Indirect GHG emissions caused by products used by the organization.	9,527.88	24.83%
Total carbon footprint		39,399.26	100%

### Arena Verde 2022 corporate carbon footprint by scope type

Scope	Category	tCO2eq	% total
1	Direct GHG emissions and removals	3,471.02	46.47%
2	Indirect GHG emissions caused by imported energy	852.71	11.33%
3	Indirect GHG emissions caused by transportation	559.62	4.73%
4	Indirect GHG emissions caused by products used by the organization.	2,804.29	37.47%
Total carbon footprint		7,687.64	100%



### Management achievements

We obtained the second star in the Carbon Footprint Program of the Ministry of the Environment (MINAM).



### Mexico

In Mexico, we carry out emissions management following corporate policies and guidelines. We measured our corporate carbon footprint by measuring scopes 1, 2 and 3 of the Yasmin, Anita, and Lupita farms. We outsourced this work to Gruner Consulting, which is in charge of conducting the inventory in accordance with the Greenhouse Gas Protocol methodology.

In 2022, our total emissions from the three scopes amounted to 7,115.95 tCO2eq.

Agrovision Mexico 2022 corporate carbon footprint by scope type of our subsidiaries Yasmine and Lupita

Absolute results for the calculation year		
Activity	Ton CO2 eq	Percentage
Scope 1	647.10	9.0%
Scope 2	573.68	8.0%
Scope 3	5,935.17	82.9%
<b>Total</b>	<b>7,155.95</b>	<b>100%</b>
Crop Absorptions Tons of CO2 equivalent	259.05	



# Efficient water management

We understand that the development of our agro-industrial activities demands the use of large quantities of fresh water. Aware of this situation in Agrovision, as a leading company in the agro-industrial sector in Peru, we have implemented mechanisms and actions that allow us to supply and responsibly manage the water resources available to us.

In line with this purpose, and as part of the AWS certification, we have a Sustainable Water Resource Management Policy where we state that we carry out our agricultural practices in a consensual manner with the various stakeholders with whom we interact, making a responsible and sustained use of water. Additionally, we have aligned this policy with our Water Management Manual, a management document that serves as a reference framework for the management, control, implementation, evaluation, and communication of the actions we carry out for the adequate management of resources in the projects we execute.

Agrovision is making strenuous efforts to maintain an efficient consumption of the resource. We have arranged the construction of a modern hydraulic infrastructure, which allows us to have a responsible supply in accordance with the national regulations in force. Regarding the evaluation of the consumption of the resource, we keep a daily and monthly calculation, information that we collect through the Irrigation Area, monitoring the performance of the indicators and the progress of the proposed objectives. It is important to note that the evaluation of water consumption is carried out in accordance with the Alliance for Water Stewardship (AWS) standard (GRI 3-3).

## Certifications

The following are the company's certifications in sustainable water management:



Integral certification of the Alliance for Sustainable Water Management (AWS) where its members contribute to the sustainability of water resources through the adoption and promotion of a model for the sustainable management of natural resources, based on equitable access to water for local inhabitants, and environmental sustainability with actions in productive sites and watersheds.



Complementary certification to the Global G.A.P. for good agricultural practices, for adequately managing risks related to water use, and promoting sustainable water resource practices.



## Management achievements by business unit

### Agrovision



**231,153** drums of water distributed between January and December 2022.

Expansion of the ozonation plant to guarantee the distribution of 3L of water per person.



Linear restoration of biological connection for climate regulation and connectivity purposes in our agricultural forms.

**180,000** trees planted on 36 km with 2 forest species (Casuarinas and Guaranquillo).

**85,000** trees in 51 km of internal fences.



Constant training for our employees on irrigation and fertilization optimization, water quality, irrigation infrastructure equipment maintenance and efficient use of water resources.



Automation system for the crates washing process of our export fruits.



In-house development and implementation of precision agriculture software for efficient use of natural resources and optimization of inputs.



Installation of new flow meters and automation of the water supply system for dining rooms and toilets in all our agricultural operations.

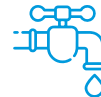
### Arena Verde



**80 m<sup>3</sup>** of drinking water donated to supply water tanks for schools in Morrope.



By the end of December 2022, the company was able to comply with **678 ha** reforested forests in Morrope.



**57,595 m<sup>3</sup>** of drinking water processed and distributed to our employees in the workers camp.



Ongoing training for our employees on the efficient use of water resources.



**57,765 m<sup>3</sup>** of wastewater treated and reused for green areas in our farms.



**1,840 m<sup>3</sup>** of water donated to hamlets in the Morrope Community.



# How we use water at Agrovision



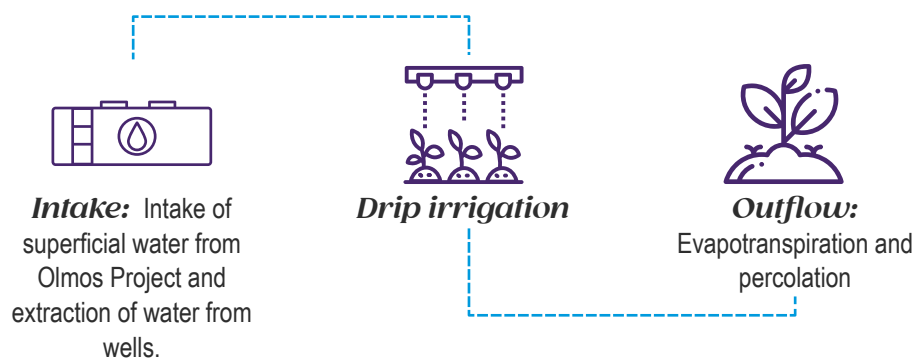
## Peru

We carry out our crop water supply through two catchment processes. In the first process, the supply comes from surface sources of the Olmos Irrigation Project; while the second process is carried out by means of water from 19 subway wells.

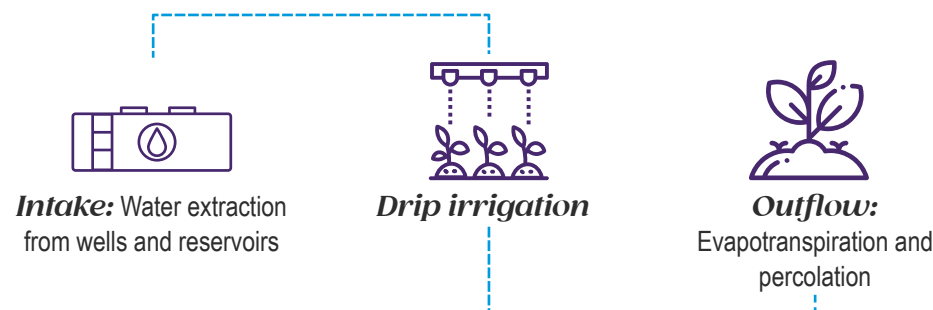
Similarly, for the operations of the Arena Verde farm, the supply process is carried out through the collection of water from thirteen wells. It is important to point out that both the water from the Olmos Project and the water from the wells is stored in Agrovision reservoirs; subsequently, it undergoes purification and filtration processes to eliminate turbidity. Finally, in accordance with irrigation protocols, we store the purified water in tanks by slabs to perform PH controls and inject the corresponding fertilizers according to the type of crop. Once the fertilization is completed, we proceed with the irrigation through pipes using the drip irrigation mechanism (GRI 3-3).

### Water management at Agrovision and Arena Verde Farm

#### Water inlets and outlets Agrovision - Olmos



#### Water inlets and outlets Arena Verde - Morrope



Furthermore, we apply high quality standards for our drinking water supply.

At Agrovision our source of supply for consumption activities is groundwater. This water is previously treated in the ozonation and purification plants, then we bottle it as drinking water and distribute it to all our employees. We follow the same procedure in Arena Verde farm, with the difference that here the water is distributed in the North Lot camp (GRI 303-1) (GRI 303-3).

### Water withdrawal by type of source

Water withdrawal by type of source	Unit of measure	Total
<b>Agrovision</b>		
Surface water: Olmos Project (total)	Thousands of m <sup>3</sup>	9,438,793
Groundwater: wells and reservoirs(total)	Thousands of m <sup>3</sup>	1,454,047
<b>Arena Verde</b>		
Groundwater: wells and reservoirs(total)	Thousands of m <sup>3</sup>	6,506,458

Regarding our consumption, in 2022 we recorded a total consumption of 22,753,680 m<sup>3</sup>, which represented 100% fresh water. We should point out that most of the water used in the cultivation processes comes from the Olmos Project, while the same resource for human consumption is obtained from subway wells (GRI 303-5).

### Water consumption by Agrovision input and output type

Water inlets			Total
Water sources and derivative		Unit of measure	Total
GROUNDWATER	9 WELLS - CONSUMED	m <sup>3</sup>	1,743,995
H2OLMOS WATER	LICENSE	m <sup>3</sup>	26,606,671
	IRRIGATION PROJECT CONSUMED	m <sup>3</sup>	20,131,735
PACKING - PROCESSING ASPARAGUS, BLUEBERRIES, AND AVOCADOS		m <sup>3</sup>	0
DINING ROOM (cooking, washing up, cleaning)		m <sup>3</sup>	0
TOTAL		m <sup>3</sup>	22,753,679

Water outlets		Total	
Water receivers	Unit of measure	Total	
CROP IRRIGATION	m³	21,174,326	
CANTEENS AND H.S.H. C5	m³	25,576	
CANTEENS AND H.S.H. C6	m³	14,134	
DINING ROOMS A9	m³	1,304	
PHYTOSANITARY APPLICATIONS C5	m³	97,078	
PHYTOSANITARY APPLICATIONS C6	m³	201,555	
PHYTOSANITARY APPLICATIONS A9	m³	102,135	
DRINKING WATER CONSUMPTION	m³	10,218	
WASTEWATER (DIPSA)	m³	0	
PACKING - PROCESSING ASPARAGUS, BLUEBERRIES AND AVOCADOS	m³	70,069	
WASHING OF HARVEST TRUCKS	m³	0	
STRUCTURAL WATER IN FRUIT (blueberries, asparagus, asparagus, table grapes, avocados)	m³	Blueberries	16,593
		Asparagus	150
		Table grapes	903
		Avocados	495
SOIL INFILTRATION	m³	1,039,143	
TOTAL		22,753,680	



## Mexico

In accordance with our water management at the regulatory level, our activities in Mexico are governed by the provisions of the National Water Commission (CONAGUA), which has given us the respective permits so that we can supply our water through two wells. In terms of corporate policies and guidelines, we have an Environmental Policy for our operations in that country, which allows us to develop our activities.

Also, in accordance with corporate regulations, we promote eco-efficiency actions regarding the use and management of water in the farms where we operate. We carry out permanent evaluations on the consumption of this resource, measuring the consumption of the estates through a daily reading nanometer. Thus, every day the people in charge of managing the water well make the measurement based on the well concession we have. In addition, each fertigation room -which are three systems divided into two areas- measure these consumptions.

In terms of effluent management, currently most of the water we draw from our wells is reverse osmosis, and the waste from this process is carefully drained off-site following environmental standards. For the coming year, we intend to incorporate a modern system that will allow us to manage the corporation's effluents and waste in the best possible way.





### Water consumption by type of Arena verde inlet and outlet

Water inlets		Total
Water sources and derivative	Unit of measure	Total
GROUNDWATER	m <sup>3</sup>	6,506,458
PRECIPITATION	m <sup>3</sup>	11,530
OZONIFIER	m <sup>3</sup>	859
PTAP	m <sup>3</sup>	57,595
WWTP	m <sup>3</sup>	36,157
<b>Total</b>	<b>m<sup>3</sup></b>	<b>6,612,599</b>

Water outlets		Total
Water sources and derivative	Unit of measure	Total
ASPARAGUS CROP IRRIGATION	m <sup>3</sup>	6,232,592
PHYTOSANITARY APPLICATIONS	m <sup>3</sup>	9,123
DRINKING WATER	m <sup>3</sup>	57,595
IRRIGATION OF GREEN AREAS, PERIMETRIC FENCING	m <sup>3</sup>	36,157
STRUCTURAL WATER OF THE FRUIT	m <sup>3</sup>	927
OTHER SERVICES (Bathrooms, Laundry, Kitchen, and Curtains)	m <sup>3</sup>	11,809
SISTERNA (ROAD IRRIGATION)	m <sup>3</sup>	3,500
FORESTRY	m <sup>3</sup>	1,150
CAMP	m <sup>3</sup>	54,212
NORTH LOT PROJECT STAGE II	m <sup>3</sup>	69,120
SOIL INFILTRATION LOSSES	m <sup>3</sup>	136,261
<b>Total</b>	<b>m<sup>3</sup></b>	<b>6,612,446</b>





## *Effluent management*

In recent years, Agrovision has invested in modern technology in order to treat the liquid effluents created in our operations. We carry out these processes in the Wastewater Treatment Plant (WWTP), located in the Arena Verde camp facilities. By 2023, we are planning to invest in the construction of a new Wastewater Treatment Plant (WWTP) in Lot C5 to continue with effective effluent management. It is important to point out that the water that reaches this place goes through primary, secondary and tertiary processes, to finally obtain water that meets high quality criteria according to the Environmental Quality Standard for irrigation water (ECA), which we use to irrigate the company's green areas.

Our modern WWTP have their respective Operations Manuals and complement their management through the Wastewater Management Procedure. The operations are carried out by Agrovision's specialized personnel.

Regarding effluent management, in Agrovision Peru's lots, this process is carried out through an authorized EPS that collects effluents from the company's locations and transports them to an official landfill. In addition, we maintain a monthly control of the wastewater and treated in each of the companies (GRI 303-2) (GRI 303-4).

For 2022 Agrovision's operations we had a total of 43,320m<sup>3</sup> of effluents, which were transported and disposed of by the EPS we work with.



## *Our forest reserve: Caring for regional biodiversity*

We support the restoration and regeneration of fragile ecosystems impacted by our operations. We develop our agri-industrial activities following the guidelines of our Environmental Management Policy (EMP), where we establish as a priority to maintain at least 30% of the total areas available for agriculture in the areas of Morrope in Lambayeque, Peru, as spaces for biodiversity conservation. Thus, we create protection areas in accordance with the economic ecological zoning established by the Ministry of the Environment (MINAM) and the Regional Government of Lambayeque.

We have a Forestry Plan for the Conservation of Reserved and Protected Areas, with which we promote the Forest Reserve Program, which aims to conserve 1,369.21 hectares destined to reserve areas and 609.40 hectares destined to protection areas that constitute a conservation corridor, making a total of 1,978 hectares, which are supervised by SERFOR and OEFA. This program also includes the implementation of wildlife refuge niches to increase species diversity and maintain the identified biological corridors. The benefits for the company's operations are reflected in the increase in the biological diversity of the agri-system; and the fauna thus favors the crops.





This area of the Forest Reserve Program is in the northern and central lots of our subsidiary Arena Verde, in the district of Morrope, Lambayeque region. To measure the effectiveness of the actions and compliance with indicators, we apply environmental monitoring with biological components to flora and fauna, which have a baseline established in the EIA, as well as our own methodology.

We currently protect more than 69 species of birds, 4 mammals and 3 reptiles. In addition, we have been monitoring, since 2017, indicators of fauna species sighted in Morrope, identifying two species of birds (Peruvian mockingbird -*Phytotoma raimondii*- and rufous tufted tit -*Myiarchus semirufus*-), which are in a vulnerable state according to the IUCN (International Union for Conservation of Nature) list.

These actions are part of the Biodiversity Monitoring Plan, a management document that allows us to systematize all the information collected by our Arena Verde forestry brigade. In 2022 we updated the monitoring plan and included wildlife measurement and inventory, flora assessment and noise and air monitoring, among other actions.

All these actions are part of our corporate vision of the “Transforming Lands, Transforming Lives” Program, which integrates components of sustainability, biodiversity, connectivity, care of flora and fauna and territorial management, reducing the risks of natural disasters and creating a natural ecological balance in our agricultural activities. (GRI 3-3) (GRI 304-1).

## Achievements in our biodiversity management



Protected areas  
**1,034 ha.**



Restored areas  
**250 ha.**



**45,000 new trees**  
of five native species native to the dry forest planted in our forest reserve.



**80,000**  
plants of native species germinated in our nursery.



**11 botanical species of wild flora**  
native to dry forests, 3 species are vulnerable (carob tree, sapote tree and Batis maritime).



**61 species of wildlife**  
preserved in their natural habitat.



**07 endemic species**  
Peruvian cortarrama, rufous tule, Peruvian miner, Andean condor, Sechura fox, Cañan lizard, and Peruvian desert lizard.



**298,749 trees in 36 km of perimeter fencing**  
Linear restoration of biological connection with 2 forest species (casuarinas and guaranquillo).





## Equatorial Dry Forest Habitat Restoration

These forests are home to species of flora and fauna adapted to arid conditions, most of which are native to dry equatorial forests, and some of which are in danger of extinction. In terms of trees, we have restored species like carob (*Prosopis pallida*), sapote (*Capparis scabrida*), Christ's whip (*Parkinsonia aculaeta*), as well as shrubs like aramo (*Acacia huarango*), vichayo (*Capparis angustifolia*) and canutillo (*Grabowskia boerhaviifolia*).

Regarding fauna restoration, we have restored habitats for mammals, birds and reptiles, like the Peruvian tree frog (*Phytotoma raimondii*), rufous tufted flycatcher (*Myiarchus semirufus*), Sechura fox (*Lycalopex sechurae*), and iguanas (*Iguana iguana*).

We have contributed to the restoration of 1,980 hectares of dry forest, financed with company resources. We are also committed to perpetually protecting the area set aside for the reserve and the dry forest (GRI 304-2) (GRI 304-3) (GRI 304-4)

### Species of flora and fauna registered in the conservation list of the International Union for Conservation of Nature (IUCN).

Vegetation unit	Family	Genus - species	State of Conservation
			National
			D.S. 043-2006 AG
Dry sparse forest	CAPPARACEAE	Capparis scabraria Kunth	CR
	FABACEAE	Prosopis pallida	VU
Semi-dense dry forest	CAPPARACEAE	Capparis scabrida Kunth	CR
	FABACEAE	Prosopis pallida	VU
Gallery forest	BATACEAE	Batis maritima	CR
	FABACEAE	Prosopis pallida	VU
Transition Zone	BATACEAE	Batis maritima	CR

### Species of reptiles registered on the conservation list

Vegetation units	Species	Common name	National legislation	International conservation
			DS 034-2004-AG	IUCN
Dry sparse forest	Microlophus occipitalis	Desert lizard	Least Concern (LC)	Least Concern (LC)
	Dicrodon guttulatum	Cañan lizard	Near Threatened (NT)	Not specific
	Callopistes flavipunctatus	Lizard	Near Threatened (NT)	Not specific
Semi dense dry forest	Microlophus occipitalis	Desert lizard	Least Concern (LC)	Least Concern (LC)
	Dicrodon guttulatum	Cañan lizard	Near Threatened (NT)	Not specific
	Callopistes flavipunctatus	Lizard	Near Threatened (NT)	Not specific

### Species in national and/or international conservation status

Vegetation units	Species	Common name	National legislation	International conservation
			DS-004-2014-MINAGRI	IUCN
Coastal desert	Geositta peruviana	Peruvian miner from Sechura	Near Threatened (NT)	Least Concern (LC)
Semi-dense dry forest	Phytotoma raimondii	Peruvian Cortarrama	In Danger (EN)	In Danger (EN)



## *Mexico*

We manage biodiversity in our activities in Mexico in regards to the flora located around the company's properties. In addition, we have an Ecological Improvement Plan for Areas to convert unproductive areas, and areas identified as ecological priorities, into conservation areas.

We have a perimeter fence of green areas, which border on the right margin with the railroad track and with the limits of the Natural Protected Areas of the Municipality of Techaluta de Montenegro. Personnel access to this area is restricted to avoid damage to the vegetation in the area. Likewise, there are no disturbances as the extraction of organisms that affect biodiversity, and a study and investigation of the plant species in the area is pending.

Additionally, we cut down a tree because the species has been affected by pathogenic organisms, as mistletoe, and we notify the Civil Protection Department of the Municipality so that it can be felled. This helps to prevent safety risks, among others. At the same time, we contribute to reforestation by using species native to the region. In 2022 we planted around 420 trees of the guaje species (*Leucaena leucocephala*). In this way, we have made progress in meeting the corporation's goals and objectives.

For our wildlife management, we maintain and conserve the care of species, as local birds, mammals, reptiles and amphibians. We have not developed a plan for the management of these species, but we respect the native species that live within our operations. We also raise awareness among our workers to avoid damaging the area's fauna.





## Integrated Pest Management

We manage Integrated Pest Management (IPM) through the application of phytosanitary controls based on monitoring and evaluation systems using thresholds. This type of methodology allows us to be environmentally conscious, causing less impact on ecosystems. We also provide training to our personnel on the responsible handling of agrochemicals and safety standards.

It is important to specify that in this system we detail the types of pests, occasional pests and potential pests of the area that affect our crops. We start the control process with cultural, ethological, and biological management, and as a final measure we apply chemical control (if there is no control with all the above mentioned sequentially). We carry out all these measures after phytosanitary evaluation and discuss the measures to be taken for the control of each of the pests that are detected according to the phenology of the crop.

One of the most relevant achievements in pest management in the 2022 campaign was that we reduced the number of active ingredients in relation to the maximum allowed by each destination country, achieving that the raw material (blueberry) shipped to different parts of the world reached the maximum allowed by each destination country.

with a lower number of molecules in the fruit. It was also a year of innovation and intensification of biological control in the blueberry fields, where multiple releases of predatory insects like orius and lacewings were carried out.

Additionally, we perform daily phytosanitary evaluations, and we rely on the use of FITOSOFT software, which allows us to analyze the level of incidence of each pest damage. In addition, Agrovision Operaciones Perú has a laboratory for the breeding of beneficial insects and reproduction of microorganisms for the control of the most common pests and diseases in our crops (GRI 3-3-) (NO GRI MDP).



### Management achievements

In 2022 we have worked together with the other companies integrated to Pro Olmos sharing our Integrated Pest Management, unifying work and comprehensive actions for the control and eradication of quarantine pests (fruit flies, thrips, among others).



### Health Committee

In 2022 we participated in the Health Committee, made up of the companies within the Olmos project, to create joint plans and alternatives to reduce the levels of pests that affect us.



### Mexico

Integrated Pest Management is executed in Mexico, considering the guidelines of the Flora and Fauna Management Plan, which aims to mitigate any impact that the construction and operation of our production unit may have on the species that inhabit the territory, and thus be able to evaluate the current practices that may need to be changed or optimized within the facilities.

To carry out pest control within the production unit, we carry out an exhaustive monitoring of the different crops in order to determine the best product to use. All agrochemicals and fertilizers used comply with Mexican and foreign regulations applicable to berry production.

We emphasize that, to achieve quality harvests, we have a Phytosanitary Management in our Mexican operations, which allows us to implement the necessary improvement processes and to go one step ahead by supporting the Production Managements. In this way, we prepare ourselves to go through auditing processes, achieving quality harvests.

It is important to point out that, in compliance with GlobalG.A.P. regulations, we audited three production units. In doing so, we evidenced adequate Integrated Crop Management (ICM) and Integrated Pest Management (IPM).

## Soil health and management



### Peru

We have implemented a Soil Management Plan (SMP), in which we detail the management of the different crops to prevent compaction and erosion. Additionally, our irrigation technology is governed by our Water Management Policy (WMP), with which, indirectly, we not only seek to maintain a water balance, but also to maintain an adequate structure of our soil. In post-pruning periods, we shred plant residues in situ in the crop rows, incorporating organic matter into the soil over time. In addition, we carry out applications via irrigation system of microorganisms that bring life to the soil.

In order to reinforce the virgin soils on which we develop our operations, we have incorporated substrates with the purpose of ensuring that the seedlings have a good adaptability to the soil; and, therefore, a better yield in each harvest. This has a positive impact to the extent that, as there is a larger harvest, more labor is required, thus having a positive impact on the local economy indirectly and on all the company's workers directly.

We emphasize that we work our land under a sustainable agriculture approach, which is why we focus on increasing the use of biological alternatives that allow us to reduce the use of pesticides and improve natural management for less damage to the environment.

We also include the use of microorganisms in soil management, thereby helping to improve the efficiency of nutrient uptake, root protection in crops and the elimination of soil contamination, which increases soil fertility.

We monitor integrated soil management through irrigation and fertilization. For this purpose, Agrovision has hydrometers, fertimeters, tensiometers and soil sensors (GRI 3-3) (NO GRI Soil Management).

#### **We present the main practices we carry out for proper soil management:**



#### **Practices carried out by Agrovision**

- Land preparation.
- Use of substrates to improve soil composition prior to planting.
- Use of organic matter as crop maintenance to improve soil composition.



#### **Types of fertilizers used by the organization**

- Organic fertilizers.
- Conventional fertilizers allowed by SENASA, which provide micro-elements and macro-elements.



### Mexico

We carry out integrated soil control management based on the guidelines of the Flora and Fauna Management Plan, which allows us to take the necessary measures for their care and impact management. In the case of soil management, we currently carry out two types of planting. The first establishes that crop management must be carried out by covering the soil with plastic in order to prevent erosion and increase water retention. It is important to point out that our crops are irrigated using the drip irrigation system.

The second process involves the installation of a process that allows us to cover the surface with a bed to raise the pots, which will prevent soil erosion. On the other hand, when we carry out the pruning processes of the plants, all plant residues are left between the beds in order to prevent soil erosion. Irrigation is the same; that is, drip irrigation. For the moment, those are the two modalities we apply in the three units of Agrovision Mexico's operations.





# Materials, circularity, waste, and packaging management



## Crop nutrient use

Crop fertilization is carried out through the drip irrigation system, which makes better use of nutrients in the rhizosphere zone of the plant, thus allowing for less nutrient runoff.

### The amount and duration of irrigation provided depends on:

- Type of crop
- Growing age
- Weather conditions and radiation

From the beginning of the production cycle, an irrigation can last at least 30 seconds and be repeated up to 54 times from 8:00 am to 6:00 pm, with no set number of irrigations.

### Most used irrigation fertilizers

- |                                  |                                  |
|----------------------------------|----------------------------------|
| • Calcium                        | • Ultra K                        |
| • FERTIGRO phosphorus            | • Ultra-soluble ammonium sulfate |
| • Magnesium sulfate              | • Rotech                         |
| • NKS Champion potassium sulfate | • Carboxy micros                 |
| • S60                            | • Carboxy zn                     |

## Use of materials

The materials we use in the different production units come mainly from usable waste like paper, plastic, cardboard, irrigation hoses, unused sacks, gallon containers, pallets, among others.

**The three categories of materials** that we use the most in Agrovision Peru's operations:



### Paper

printed sheets, notebooks, cartons, etc.



### Glass

glass bottles, glasses, and containers.



### Plastic

plastic bottles, plastic wrappings, etc.

We store these materials within our facilities; subsequently, through a Solid Waste Operating Company (EO-RS). At the time of delivery, the EO-RS must complete the Control of Waste form (GRI 3-3) (GRI 301-1).

### Consumption by type of material

TYPE OF MATERIALS	Total (kg)
Paper / cardboard	258,440.00
Food waste	192,300.00
Wood	16,320.00
Plastics, 20 LT containers- UND	36,203.00
Plastics, 25LT-UND containers	455.00
Plastics, 30LT-UND containers	1,885.00
Plastics, 200LT-UND containers	1,309.00
Metal, 200LT-UND containers	66.00
Plastic hose kg	87,400.00
Clamshell plastics	29,870.00
Plastics (sacks)	19,350.00
Plastics	17,540.00
Metal	22 470.00

## Waste management and circular economy

We manage our waste management and circular economy based on the guidelines of our Environmental Management Policy. We highlight the importance for the company of reducing the final disposal of waste using a circular economy approach. Non-hazardous solid waste is recorded throughout the year; however, its information is consolidated on an annual basis due to the existence of material that is reused.

We take on our environmental commitment in a responsible manner and focus on integrated solid waste management in Peru. We executed a contract with a solid waste operating company (EO-RS) that collects, stores, temporarily keeps, transports, and properly disposes

of the waste created by both Agrovision and Arena Verde. Also, we periodically submit quarterly, half-yearly and annual management reports to the competent authorities in the environmental area of the Peruvian Government. For an efficient management, we have implemented an Integral Waste Management Procedure. With respect to the impact of the waste we create, these do not have a major implication or effect on the environment (GRI 3-3) (GRI 306-1) (GRI 306-2) (GRI 306-3)

### Composition of Agrovision waste

TYPES OF WASTE	YEAR	TYPICAL COMPOSITION	QUANTIFICATION T/YEAR	FINAL DISPOSAL/ TREATMENT
NON-HAZARDOUS SOLID WASTES	2021	Cardboard, irrigation hose, disused sacks, galley, waste not usable, etc.	1,233.78	SI
NON-HAZARDOUS SOLID WASTES	2022		1,283.06	SI
Total			2,516.84	

TYPES OF WASTE	YEAR	TYPICAL COMPOSITION	QUANTIFICATION T/YEAR	FINAL DISPOSAL/ TREATMENT
HAZARDOUS SOLID WASTES	2021	Used oil, disused oil, biocontaminated waste, gallon containers, knobs, etc.	25.18	SI
HAZARDOUS SOLID WASTES	2022		26.19	SI
Total			51.37	



### Composition of Arena verde waste

TYPES OF WASTE	YEAR	TYPICAL COMPOSITION	QUANTIFICATION T/YEAR	FINAL DISPOSAL/ TREATMENT
NON-HAZARDOUS SOLID WASTES	2021	Cardboard, hose irrigation, etc.	93.36	YES
NON-HAZARDOUS SOLID WASTES	2022		23	YES
TOTAL			116.36	

TYPES OF WASTE	YEAR	TYPICAL COMPOSITION	QUANTIFICATION T/YEAR	FINAL DISPOSAL/ TREATMENT
HAZARDOUS SOLID WASTES	2021	Used oil, waste, Bio-contaminants	6.35	YES
HAZARDOUS SOLID WASTES	2022		6.38	YES
TOTAL			12.73	

### Circular economy

In 2022, we executed a circular economy project “Nanoparticles of metals biosynthesized from agro-industrial waste applied in the functionalization of bioplastics for use in the industrial chain of berries”, in partnership with the Universidad Privada del Norte (UPN), with through we aim for the valorization of waste in the production of berries and their re-circulation within the same industry, in addition to proposing alternatives of biodegradable bioplastics from renewable sources, achieving a better impact on the product.

As a result of this collaborative work, the Universidad Privada del Norte (UPN) obtained recognition from the Peruvian National Council for Science, Technology and Technological Innovation (CONCYTEC), which granted them funding for the execution of the project. For our part, we offered them advice and materials to implement this initiative. This year, the project is being implemented under the leadership of the research professors: Dr. David Asmat Campos, Dr. Meliza Rojas Silva and Dr. Alberto Miano Pastor of the Center for Advanced Research in Agri-engineering (CIAA) of the UPN Trujillo Campus.



## Sustainable packaging

Packaging of the different crops handled by Agrovision is carried out in strict compliance with the legal regulations in force, considering the aspects of purchase of materials, contracting, agreements with suppliers, among others.

In Agrovision we have integral packaging processes, which allow us to control each of the stages of the packaging process, obtaining as a final product high quality export boxes according to the legal requirements for export products. We detail our process as follows: (GRI 3-3) (NO GRI Packaging)

- Reception of raw material.
- Quality inspection of raw material.
- Pre-cooling of raw material.
- Packaging.
- Palletizing.
- Tagged.
- Finished product cooling.
- Finished product storage.
- Office.



### **Positive aspects:**

- Compliance with the legal regulations in force in the countries where we operate, for the tax return for the purchase of packaging materials.
- Creation of formal employment, providing jobs for the inhabitants of the area where our plant operates (1,700 people at peak season).
- Participation in the supply chain by purchasing various packaging materials from local suppliers (USD 17 million).
- Segregation of waste by nature for proper disposal.
- We initiated the construction of a WWTP (Wastewater Treatment Plant) to ensure the correct use of water resources, both for consumption and disposal through treatment prior to release into the environment.





## Packaging characteristics

We manage with suppliers certified in environmental and social aspects the elaboration and purchase of packaging with a high content of recycled material, complying with the following characteristics:

- Clamshells: plastic containers that transport and have direct contact with the fruit and are the main display container for the finished product. They are made from 100% recycled Polyethylene Terephthalate.
- Boxes: secondary packaging of great participation in product packaging, made with approximately 30% recycled cardboard.



*125g clamshell packaging made from certified Polyethylene Terephthalate plastic.*



*FSC-certified boxes made with 30% recycled cardboard.*





## 9. *Transforming lives*







In recent years, we have developed a strong economic expansion that has allowed us to create formal jobs in northern Peru. We promote working conditions and employability with a sustainable approach, creating opportunities and giving our workers the chance to grow with us.

We want to be competitive and leaders in the agribusiness industry in Peru. For this reason, we promote the dynamization of the economy, creating formal employment that contributes to the Gross Domestic Product (GDP). We also benefit our communities of direct influence in Olmos and Morrope by hiring local labor, who work with us in the different crop campaigns. We complement our actions by offering benefits, growth opportunities and a good working environment for them to develop their full potential at work.

Also, for transforming land and lives, we celebrate that in 2022 the Inter-American Development Bank (IDB) granted us financing for US\$20 million to continue with our expansion of blueberry production. This will allow us to increase direct, permanent and temporary jobs in Peru and Mexico (GRI 3-3).





## Our workforce

We are a driving force of national economy in Peru and Mexico. We emphasize that the productive sector in which we operate represents one of the sectors with the greatest opportunities for growth, and increasingly requires skilled labor. Therefore, in our people management we have a Recruitment and Selection Procedure for Employee and Worker Personnel, which allows us to recruit the most suitable personnel, as well as to monitor the evolution of the company.

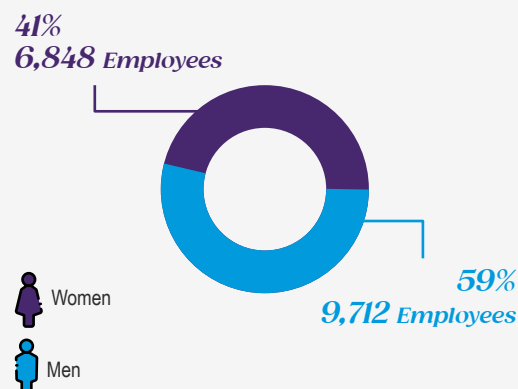
By the end of 2022, for the Peruvian operations alone, we had 16,560 people working in the company, of which 9,712 were men and 6,848 women. In the case of employees who worked permanently in the company, this segment consisted of 1,497 men and 681 women. In the case of employees who worked on a temporary basis, there were 8,215 men and 6,167 women. All of them worked full time and enjoyed all the benefits provided by law.

In the case of our Mexican operations, given that we are in the process of expanding our operations, the workforce in 2022 was composed of a total of 1,046 workers, of which 734 were male employees and 312 were female employees. It should be noted that, in accordance with Mexican law, all of them had the benefits provided by law. In addition, we work with intermediary entities that provide us with professional security services, which is why we hired 18 workers to cover security at the Anita and Yasmin estates. (GRI 2-7) (GRI 2-8) (405-1)

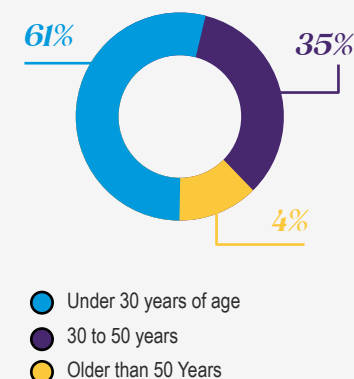


**Peru**

Employees distributed by region and gender



Employees distributed by age group and gender



**Mexico**

Employees distributed by region and gender



# We create quality employment

We invigorate the economies of the countries where we operate, creating formal jobs, offering growth opportunities and contributing to the development of our communities of influence. In Peru, despite the political crisis, our global sector has managed to create more than 1,360,000 formal jobs as a result of the increased shipments of superfoods to the international market.

This type of achievement encourages us to continue working on the growth of the Economically Active Population (EAP).

Regarding the hiring of local labor in Peru, our labor supply mainly benefits our communities of Olmos and Morrope, who work with us in the various harvesting campaigns. It is important to note that, thanks to the high demand for our products in the international market, we are extending our labor supply to other regions like Piura, La Libertad, Tumbes, Loreto and Lima. All the workers we recruit from other places are offered the benefit of accommodation in the company's North Lot camps, food, and other benefits.

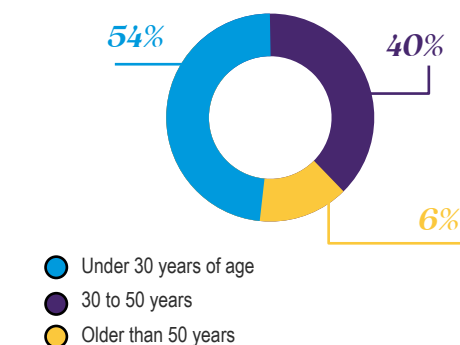
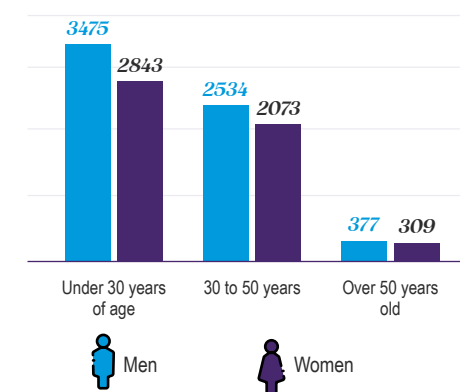
Our employability management in Mexico is keeping pace with the expansion of our operations. To date, we primarily employ a workforce from Jalisco and other nearby states. We expect to continue to ride the wave of our expanding operations and, in this way, further position the brand internationally.

## Hiring of new employees

For the 2022 campaign, we hired 11,611 new workers to fill various positions in the company in Peru. We would like to point out that the bulk of the new hires are agricultural workers. By 2023, we expect to exceed this expectation and continue to contribute to Peru's GDP. Regarding the dismissal of workers, these remain within their regular range. Since hiring is done on a seasonal basis, it does not affect productivity. On the contrary, when we reactivate future campaigns, we hire them again (GRI 401-1).



## New employees

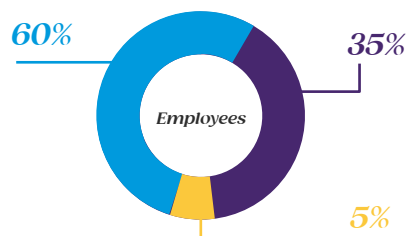
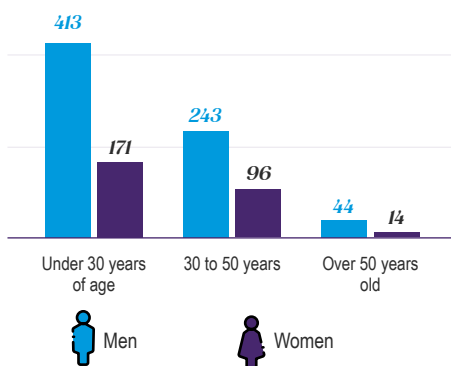






## Mexico

### New employees



- Under 30 years of age
- 30 to 50 years
- Older than 50 years



We encourage creativity and support the innovation of our teams. In response to this, we have implemented our #IdeandoAgrovision program in Peru, with the aim of encouraging our employees to carry out their ideas by developing impact projects that positively benefit the company. Projects participate in four categories: safety, efficiency, cost, and sustainability. We would like to point out that this project is currently in the development phase, reviewing proposals. We expect to have the first pilots by mid-2023, and we are confident that we will soon see great projects become a reality.

## Labor benefits for our employees (GRI 401-2)



### Peru

#### Benefits law



Essalud



Disability coverage



Provisions for retirement



Christmas bonuses



Life insurance law



Parental leave



July bonuses



CTS

#### Additional benefits



Transportation



Hosting



Performance bonus



### Mexico

#### Benefits law



Health care



Disability and disability coverage



Provisions for retirement



Christmas bonus



Life insurance law



Parental leave



Equity participation (OCT)I

#### Additional benefits



Transportation



Decent housing and food (for foreign personnel)



School of learning



Weekly perfect attendance bonus



Harvester of the month award



Decent housing and food (for foreign personnel)



## Parental leave

Respectful of the legislation of the countries where we operate, we offer the breaks required by law for our employees, whether for maternity or paternity (GRI 401-3).



According to national Peruvian legislation, maternity leave arrangements for women are governed by Law 30367. Therefore, our female employees are entitled to 49 days of prenatal leave and 49 days of postnatal leave. On the men's side, we grant them 10 days off in cases of natural childbirth.



Maternity and paternity leave in Mexico is regulated by the Federal Labor Law. Article 132 of this law establishes, in the case of male workers, paternity leave for five days, while according to article 170, women enjoy twelve week paid maternity leave. Our workers enjoy all these benefits.



PARENTAL LEAVE	México	
	Man	Woman
Employees who were entitled to paternity or maternity leave.	2	2
Employees who have taken paternity or maternity leave.	2	2
Employees who returned to work after completing paternity or maternity leave.	2	1
Employees who returned to work after completing paternity or maternity leave and kept their jobs twelve months after their return to work.	2	2

# We enhance your talent

We value the relationship we have with our employees and know that our success depends on each one of them. For this reason, we are committed to promoting an open and inclusive workplace in our operations that provides opportunities for professional growth and a good working environment. Currently, in Agrovision we work in a comprehensive way our people management, thanks to which we provide our team with the necessary tools so that they can have a good performance.

For the development of the soft and hard skills of our workers we have a Training Plan (TP) where we establish the training needs according to the requirements of the different areas. In addition, on an annual basis, the Human Resources team reviews, assigns, and approves the budget for the development of activities for the company's three labor categories: field and packing workers, skilled workers and employees, and executives.

It is important to point out that, in the case of Peru, our training and learning model is divided into two fronts. On the one hand, we develop external trainings, which are led by personnel from outside the company and benefit employees according to the target audience. For example, the Foco Talent training program offers access to undergraduate, graduate and language courses, and all employees who are part of a committee can access the benefit of short training courses according to the needs of the area.

In the case of internal training, these are promoted by the Human Resources team, and we manage them with internal user areas of the corporation. Currently, we are successfully developing the Agrovision Corporate School Program (CSP), a space where we promote the strengthening of our employees' skills. We also have an internal Certification Program, a space in which all user areas receive short training on specific topics.

At our Mexico headquarters we are working on the implementation of the program, and we hope this year to conclude with the institutional alliances in order to start the replication of the program.

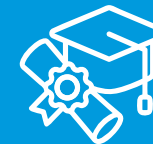
To measure the effectiveness and monitoring of compliance with the proposed indicators of the Training Plan (TP), we carry out input and output evaluations, with which we ensure that the resources provided have covered the needs of the employee. Similarly, the Human Resources area evaluates compliance with the programs through the monitoring of monthly and annual indicators. We highlight that in 2022 our flagship Corporate School program achieved 100% of its proposed objectives.  
(GRI 3-3) (GRI 404-1)

## Management achievements in 2022



**\$148,470 USD**

Invested in training and education



We developed **122** instructional designs for the Corporate School Program (CSP).



We executed **10** inter-institutional agreements with various educational institutions.





### Average number of training hours per year per employee

In 2022 we were able to train 47,589 employees in various job categories, for a total average of 293,783 man-hours of training. This achievement encourages us to continue investing in them, which also allows the development of the regions where we operate. We present the average number of training hours invested in Agrovision workforce (GRI 404-1).

#### Average hours of training in Peru, by labor category

Job category	2021			2022		
	Number of people trained	Training hours	Average hours of training	Number of people trained	Training hours	Average hours of training
Worker	19,978	115,243.3	5.77	27,763	161,424.15	5.81
Auxiliary	461	2,132.3	4.63	916	3,782.45	4.13
Inspector	110	596.3	5.42	287	1,453.15	5.06
Manager	3	12	4.00	4	10	2.50
Assistant	81	437.3	5.40	117	564.3	4.82
Analyst	22	73	3.32	44	160.15	3.64
Supervisor	831	4,910.3	5.91	960	5,864.3	6.11
Coordinator	19	49.3	2.59	21	111.15	5.29
Chief	52	491.3	9.45	210	661.3	3.15
Superintendent	1	1.3	1.30	5	21	4.20
Deputy Manager	6	22	3.67	4	17.3	4.33
Manager	3	19	6.33	4	25.15	6.29
Total	47,589	293,783	6.17	30,335	174,094.4	5.74



Given that operations in Mexico are in the process of expansion, training during 2022 focused on business regulatory issues. Thus, we provided talks on labor rights, safety regulations and awareness on harassment and bullying. We closed the year by completing 100% of the training programs proposed by the Human Resources Area.

During 2022 we recorded six hours of training for 413 workers, both men and women, which gives us an average of 0.014 hours of training for workers. By 2023, we expect to increase the average number of male trainings.



## Training programs

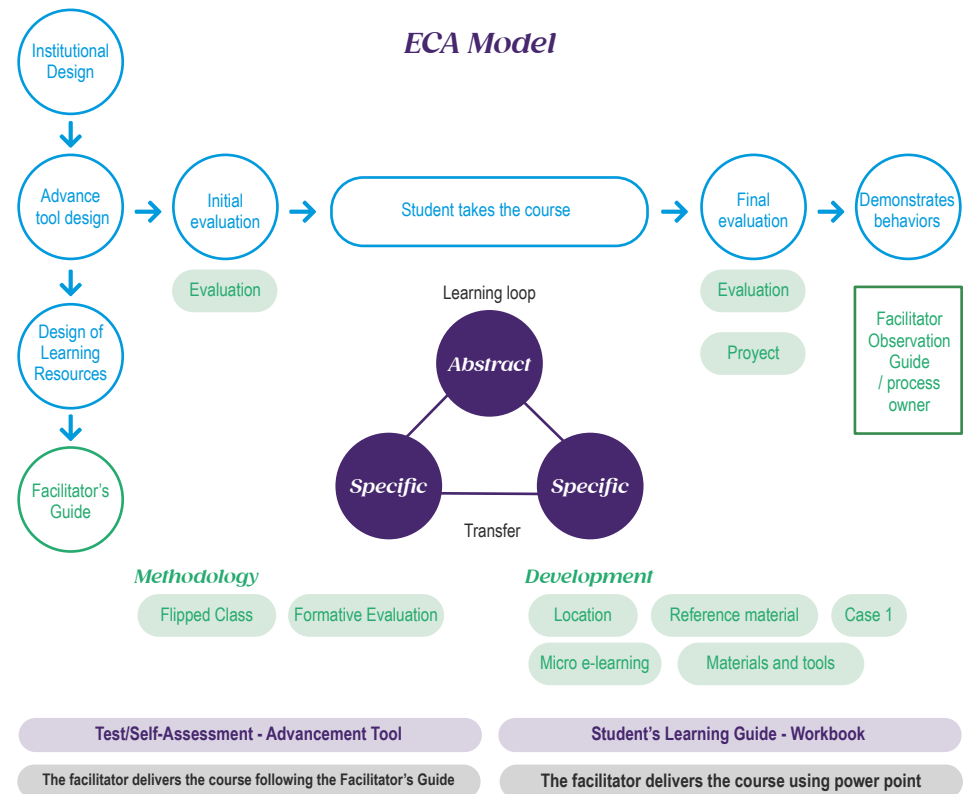


### Peru

We focus on developing a learning model that allows us to identify training needs and, in this way, to create a plan to cover all our target audiences. Our goal is that our employees can expand their knowledge and have a good performance and leadership in the different work areas of the company (GRI 404-2).

### Agrovision Corporate School

We want all our employees to develop their potential; therefore, we created the Agrovision Corporate School (ECA). It consists of five programs and 16 schools with their own educational model that, through classroom and virtual courses, ensure the development of our employees' competencies. To grow is to provide better opportunities, and this is what we look for with this project.



Regarding the performance of the ECA in 2022, we highlight that we achieved 100% in the execution of the five proposed programs, benefiting 1,107 employees. By 2023, we expect to exceed the goal and accelerate the learning process of our employees, thus achieving the sustainability of knowledge in all areas of the company.



Program	Quantity	%	Total amount	Total %
Agricultural	672	100%	672	100%
Executive	24	100%	24	100%
In house	270	100%	270	100%
Middle management	21	100%	21	100%
Packing	120	100%	120	100%
% of compliance	1,107	100%	1107	100%



### Programa Young Talent

Young Talent is a program to attract young talents from the main national and foreign universities, with a focus on the agricultural and plant operations of our business. Through rigorous examinations and an exhaustive recruitment and selection stage, we seek to select young people with a good profile and academic performance, to whom we provide a training plan to perform positions with responsibilities and career line within the organization.



### Mexico

Our vision of being leaders in the agri-export industry motivated us to join efforts to develop the competencies of all our employees in their different jobs. For this reason, we work with our own educational model that ensures the effective development of competencies and allows the achievement of individual goals that our personnel need for their professional development (GRI 404-2).

#### Internships at Agrovision Mexico

We offer training opportunities for young students in their final years of university to carry out their professional internships at our Techaluta de Montenegro operations. They have been working in production and irrigation, among other areas. We emphasize that, thanks to this agreement, the students have the benefit of working with us. We hope that next year we will be able to increase the number of beneficiaries in the program.

#### Students benefiting from the 2022 Professional Internship Program

University	# of Students	Training	Semester internship hours	Area of application
Universidad de Guadalajara	3	Agricultural engineers	520	Production, irrigation
ITTJ	1	Agricultural engineers	500	Production



## Performance management at Agrovision

We evaluate the performance of our employees in Peru in order to measure the fulfillment of individual objectives aligned with the company's strategic vision, as well as to understand the training needs of each one of them. Based on the results obtained, our Human Resources Department applies the corresponding improvement plans. We specify that the performance evaluations of our personnel are carried out by labor category (GRI 404-3).

### Percentage of employees who have received evaluation by operation and labor category.

Job category	2022	
	Number of people evaluated	% of people evaluated
Manager	22	100%
Deputy Manager	14	100%
Superintendent	11	100%
Chief	76	100%
Coordinator	34	100%
Supervisor	63	100%
Analyst	58	36%
Assistant	110	100%
Technicians	23	100%
Qualified	844	100%
<b>Total</b>	<b>1255</b>	<b>100%</b>



We carry out performance evaluation management in Mexico by labor category and following the indicators we set forth in an evaluation form. In the case of immediate supervisor positions, we consider the balance of the harvest seasons, among other performance and compliance indicators; and if performance is optimal, we proceed with the delivery of incentives. For positions of trust, we apply the evaluation based on seasonal objectives, taking into consideration efficiency and performance metrics, kilos achieved, performance of operating expenses, among others. Subsequent to the measurement of indicators, immediate supervisors provide feedback to their personnel in charge.

In the case of the operating workers, they are not evaluated under specific criteria, but we do take into consideration their day-to-day efforts. The field coordinators ensure their correct performance in the harvests. We give bonuses and gifts to all workers who exceed their performance.





## *Diversity and inclusion and workforce protection*

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We make Agrovision a safe, inclusive workspace with equal opportunities for all our employees. Under our Recruitment and Selection Procedure for Employees and Workers, we define our line of action with priority attention to women, personnel with disabilities, migrants and the LGBTBIQ community. Therefore, our corporate culture has proposed to develop actions and programs that promote the following impacts: (GRI 3-3)

We value diversity and equity, promote non-discrimination and foster employability.

We create and promote employment through diverse talent, in which different generations coexist, and there is a balanced presence of women in different positions.

In our Code of Ethics, we state that we conduct our operations in an environment of cultural plurality and diversity where mutual respect is promoted, inclusive and free of discrimination, intimidation and harassment, and where there is no abuse, discrimination, harassment or aggression of any kind. We do not tolerate sexual harassment and sanction it in accordance with national regulations. In addition, we have a Sexual Harassment Intervention Committee (CIFHS), which is made up of company employees.

For the current period, we have not recorded any cases of discrimination or labor abuse within Agrovision and Arena Verde operations. In 2023 we will implement various programs where we will address issues of unconscious bias, female empowerment programs and recognition of women, among others. We also plan to expand our labor recruitment to other countries, achieving the incorporation and closing employability gaps.

We comply with the provisions of ILO Convention 111 in Mexico. For this reason, we value all employees and the contributions that each one of them makes to us. We are also committed to promoting relationships of equality and opportunity and do not tolerate situations of discrimination. We are dedicated to maintaining workplaces where there is no physical or verbal discrimination or harassment based on race, sex, color, nationality, social origin, religion, age, disability, sexual orientation or political opinion, or any other category protected by applicable laws.

For the period 2022 no cases of discrimination in the work environment were detected (GRI 406-1).

### ***Fair and equitable payment***

We conduct our operations in accordance with the guidelines of the International Labor Organization (ILO), specifically with Convention 100 on equal remuneration and minimum wages. The salary for both operations is based on the principle of equal pay for work of equal value. Thus, we pay our employees, promoting an equal pay approach (GRI 405-2).

We point out that we have a law that requires us to keep our salaries confidential in Peru. However, we assure that we pay in accordance with market salary bands, which is why our workers are among the best paid in the sector. It is also important to point out that, in order to achieve the equal pay ratio between women and men, we have applied the Korn Ferry model, which allows us to ensure equal pay, according to the labor category of the workers.

Our market wage ratio in Mexico is equal to 1; that is, the pay received by both male and female workers is equal according to the corresponding job category.

### ***Freedom of association and collective bargaining***

We respect the rights to collective bargaining and freedom of association. We undertake these commitments within the framework of the Universal Declaration of Human Rights, the core conventions of the International Labor Organization (Convention 87), as well as the OECD Guidelines for Multinational Enterprises, in order to protect our workers and internal and external stakeholders.

We respect the freedom of association of our employees in Mexico and Peru, and we have a “Workers’ Representatives Committee”, which acts as a union and has among its functions to address labor issues when the situation warrants it. Regardless of the current situation of absence of unions, Agrovision Peru’s Labor Policy emphasizes that the Company respects the right of its employees to form a union, and to join or not join a union, without fear of retaliation or intimidation or harassment. (GRI 2-30) (GRI 407-1).







## Workforce protection

We conduct our business in accordance with the Guiding Principles on Business and Human Rights. In this regard, we are committed to respecting and protecting the fundamental rights of the people and stakeholders with whom we interact. Currently, all our operations are subject to SMETA auditing processes, which allow us to ensure that we conduct our activities under safe working conditions and free of forced and child labor.

Agrovision and Arena Verde prohibit all forms of involuntary and forced labor in Peru, including prison labor, forced labor, debt bondage, slave labor, and any form of human trafficking. No worker who has an outstanding loan is prevented from resigning. If for any reason it is necessary to work overtime, the worker is free to work overtime or not for additional pay.

In compliance with national legislation, we have implemented mechanisms, policies, and management systems that ensure that our operations are free of child labor. We also conduct external audits, which are carried out by the National Superintendency of Labor Inspection (SUNAFIL), which certifies that Agrovision and its subsidiaries do not hire underage workers. To date, we maintain the figure of zero underage workers.

It should be noted that we encourage our suppliers and strategic partners to carry out this type of assessment, as the brands that work with us require us to meet high social standards in human rights.

In accordance with the provisions of the Mexican Federal Labor Law, article 178 of which prohibits the employment of minors, we prohibit the hiring of persons under 18 years of age in our operations. We align these provisions with ILO Conventions 138 and 182, and we are committed to the abolition of child labor.

In relation to forced labor, at Agrovision Mexico we have identified that, in the value chain, the companies with the highest risk of forced labor are found in the following functions: civil works suppliers, land preparation, and irrigation and infrastructure installation. To mitigate these risks, we comply with Mexican labor laws and constantly reinforce the relevance of volunteer work among our employees (GRI 408-1) (GRI 409-1).



# Occupational health and safety

We provide safe working conditions for all our employees. For this reason, we develop actions with them that go beyond the law, to guarantee their health and well-being at work. At Agrovision we have an Occupational Health and Safety (OSH) system in accordance with national OSH legislation, specifically Law No. 29783. This legal framework allows us to promote a culture of risk and occupational accident prevention. Also, the SMETA and EFL certifications ensure that our operations are carried out according to the best OSH practices.

In addition, our OSH management system is supported by our Occupational Health and Safety Policy, which covers both operations. It is important to highlight the commitments of senior management in the involvement of this issue. For this reason, we have arranged for our system to be extended to suppliers and contractors. For greater control and risk prevention we have an OSH Committee, which is formed on a parity basis.

To measure the effectiveness of our system, we conduct both internal and external audits to identify, prevent and mitigate hazards and accidents in the work environment. In 2022 we had two inspections by SUNAFIL, which verified our compliance with OSH standards. We also had the services of an auditor authorized by the Ministry of Labor and Employment Promotion (MTPE) to identify the strengths and recommendations on the operation of Agrovision's OSH system.

We have implemented all these improvements in order to reduce risks and fatalities. In March 2022 we had an accident with fatal consequences at our facilities, for which reason we implemented more rigorous control measures with which we redefined and improved preventive controls that allow us to avoid this type of recurrence. To complement these measures, audits have enabled us to improve our alarm and evacuation system in work areas within the company's operations. (GRI 3-3) (GRI 403-1) (GRI 403-7) (GRI 403-8) (GRI 403-8)

## Coverage of the occupational health and safety management system

Type of collaborator	Lambayeque	
	Number	Porcentaje
Collaborators	36,510	100%
Contractors	350	100%



## Hazard identification, risk assessment, and incident investigation

For hazard identification and risk assessment we have OSH management tools, like the Hazard Identification Matrix, the Risk and Controls Evaluation (IPERC) and the Risk Control

Hierarchy. With them we control and manage hazards during the development of our activities, as well as prevent injuries and occupational diseases. We review the IPERC matrices on an annual basis and/or when there are changes in the processes. To ensure their correct functioning, we sporadically and permanently monitor and evaluate the proposed methodology.

In accordance with the guidelines of our Internal Occupational Health and Safety Regulations, we also encourage our employees to report situations of occupational hazards. Article 13 of the safety regulations establishes that when an employee identifies this type of situation, he/she must immediately report the occurrence of any incident or accident to the safety representatives or delegates, so that corrective measures can be taken. If the employee decides to stop his or her activities in case of imminent risk, he or she must inform his or her immediate supervisor and leave the site.

Regarding the investigation of incidents and accidents, at Agrovision we have implemented a procedure for Reporting and Investigation of Accidents, Incidents and Hazardous Incidents, which allows us to determine events that occur during the workday, as well as to adopt precautionary measures to avoid and reduce occupational hazards and risks. (GRI 403-2).





## Occupational health

We facilitate access to health services for all Agrovision employees. We promote and protect their health through mechanisms for the prevention and control of occupational diseases and accidents, as well as creating safe workspaces. For this reason, we have implemented, in each of our plants and farms, health care units with medical and nursing staff, where we provide care to all employees and contractors. It is important to point out that these modules are for primary care; for specialized and critical care we refer employees to nearby hospitals and clinics in the region.

In Agrovision and Arena Verde we have occupational health and hygiene services. For the identification of hazards and risks on this subject we have a monitoring and evaluation system, with specialized methodologies that allow us to identify risks like exposure to biological hazards, extreme temperatures, ionizing radiation and chronic diseases, among others. All this information is collected by the OSH supervisors and inspectors; subsequently, we proceed to document the findings in the IPERC matrix.

Based on this, we proceed with the Annual Training Plan, which is prepared by the personnel. In coordination with the Human Development Management Area, we determine the topics in hygiene and occupational health according to the results, and we schedule them in order of priority. In 2022 we have focused our efforts on promoting the completion of the COVID-19 vaccination doses and the promotion of health and nutrition, as well as preventing risks associated with sunstroke, among others. As a leading company in its sector, all our employees have medical insurance, EsSalud insurance and SCTR for high-risk work. (GRI 403-3) (GRI 403-6)



## Vacunafest Agrovision

The actions we develop in health and safety contribute positively to reduce social gaps, and benefit both our community and our employees. These actions are aligned with SDG 3, Health and well-being. In this regard, since the beginning of the pandemic, we have always guaranteed the health and safety of our employees. For this reason, in partnership with the Ministry of Health, we have supported vaccination campaigns, encouraging our employees to complete their respective doses.

In 2022, more than 7,000 permanent and temporary employees completed their vaccination doses through this campaign. We have also carried out more than 34 Vacunafests in Agrovision's farms. This type of achievement is recognized by our own employees and their families, who support us in the strict application of our health and safety protocols.



### **COVID management and prevention -19**

In order to create a safe and healthy environment for everyone, we have an Integrated Management Protocol to prevent COVID-19. We include the protocols derived from this management document:

- Prevention protocol
- Verification protocol
- Detention protocol
- Medical surveillance protocol
- Contingency and emergency response protocol

#### **Our preventive measures are:**

- Raising awareness among our employees through informative workshops, visits, talks by area, informative panels and virtual conferences.
- Medical services for detention, treatment and emergency cases.
- Telemonitoring of confirmed cases of COVID-19.



### **OSH Committee**

In accordance with national OSH provisions and regulations, at Agrovision we have established an OSH Committee, the purpose of which is to regularly review and audit the company's compliance with risk prevention requirements. It is made up of 12 members, six of whom are representatives of the company and are appointed by the General Management; the other six members are representatives of the employees elected by means of a vote among themselves.

This committee meets at least once a month in ordinary sessions and, if necessary, in extraordinary meetings. The main responsibilities of the Committee are the approval of the internal OSH regulations, the annual OSH plan, the annual training plan, accident investigation and monitoring of all OSH management.

Additionally, regarding participation and communication processes, our workers have communication channels like the suggestions and complaints mailbox, to communicate any situation that may affect their well-being, safety and/or health. They also participate in the preparation or review of the IPERC matrices (GRI 403-4).



### **Training of workers in OSH**

In accordance with the provisions of our Internal Labor Regulations (RIT), our employees receive no less than four training sessions per year on occupational health and safety, and the topics are covered in accordance with the Annual Occupational Health and Safety Training Program (PAC).

General OSH training for all workers includes inductions on hazards and risks at work, hand care, actions in case of emergencies, prevention of bee stings and other insect bites, and protection against solar radiation, among others.

For workers in specific positions that involve high-risk activities, we conduct risk-oriented training on handling chemical substances, use of agricultural machinery, use of fire extinguishers, handling ammonia, and emergency management. Similarly, for positions that are responsible for handling minor vehicles like motorcycles and ATVs, we also develop training and evaluations, among other technical courses. (GRI 403-5)





### Work-related injuries

In 2022, we were able to reduce the accident rate KPIs compared to 2021. We highlight that the number of accidents decreased from 153 in 2021 to 134 in 2022. In total data, this means a decrease of 15%. With respect to the frequency rate, this decreased from 10.53 in 2021 to 7.87 in 2022, a decrease of 25%.

As a result, we were able to demonstrate legal compliance and the occupational health and safety inspections did not record any sanctions or observations. We present the performance of the accident rate indicators recorded in the respective years: (GRI 403-9)

#### Work-related injuries

Workers	Unit of measure	Agrovision Peru	
		2021	2022
Number of hours worked	Nro.	15,004,711	17,032,402
Number of deaths resulting from an occupational accident injury	Nro.	0	1
Number of occupational injuries with major consequences (excluding fatalities)	Nro.	-	-
Number of recordable occupational injuries	Nro.	158	134
Death rate resulting from an occupational accident injury	Nro. / 106 HHT	0	0.058
Injury rate due to occupational accidents with major consequences (excluding fatalities)	Nro. / 106 HHT	-	-
Recordable occupational injury rate	Nro. / 106 HHT	10.53	7.87



### Occupational diseases and illnesses

In relation to the ailments and illnesses recorded at Agrovision, we recorded the highest incidence of musculoskeletal ailments related to field and packing work. Another case of attention was dermatological ailments associated with contact with chemical substances, which caused minor burns. All cases were treated immediately by our occupational physicians to avoid major risks.

On the other hand, we did not record any deaths related to occupational diseases or illnesses. We present the indicators on the number of cases of recordable occupational diseases for this period. (GRI 403-10)

#### Occupational diseases and illnesses

Occupational diseases and illnesses of workers	Unit of measure	Agrovision Peru	
		2021	2022
Number of deaths resulting from occupational illness or disease	No. Cases / 1,000,000 man-hours worked	0	0
Number of cases of recordable occupational illnesses and diseases	No. Cases / 1,000,000 man-hours worked	7.1	6.6



## *We contribute to the development of our communities*

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We maintain a genuine relationship with our communities of influence, with the objective of contributing to their development and improving their quality of life. Our dialogue and relationships are conducted in a transparent manner and are framed within the strategic objectives, values and policies of Agrovision. We want to be recognized as the leading company in its sector in the Lambayeque region, creating formal employment and well-being for its communities.

Our community relations management is expressed in the Social Management Policy, where we ensure our commitment and promotion of initiatives aligned to sustainable development with the communities of Olmos and Morrope. Likewise, all the programs and projects we execute are carried out in accordance with our Community Relations Plan, where we establish mechanisms, strategies and actions to guarantee an adequate relationship with the communities of direct influence.

For the evaluation and verification of compliance with the social indicators proposed in the Social Management Plan, for Agrovision and Arena Verde operations we have a Social Monitoring System (SMS), which allows us to know the progress of our action plans and programs. It is important to highlight that many of our contributions to the communities are carried out in coordination with the public sector, that is, with the local governments.

We also maintain open and constant communication, which ensures that social responsibility and community relations strategies create value and project the necessary spaces for the communities to grow in the three dimensions: economic, social and environmental. To address initiatives, concerns, expectations and complaints, we have a Complaints and Suggestions Management Procedure, which we have been managing since 2020. (GRI 3-3) (GRI 413-1)



## Socioeconomic impact programs

We create shared value with our main stakeholders, one of the priorities being our community of influence, which benefits from the creation of formal employment, in addition to the impact programs in which we invest. In 2022, thanks to the good performance of our triple bottom line strategy, we received financing funds from the IADB to increase our production, create formal employment and continue strengthening the programs and projects we maintain in the areas where we operate. (GRI 3-3) (GRI 203- 1) (GRI 413-1)



**Peru**

### Development pathways

We invest in infrastructure works, which consist of the rehabilitation and signaling of community roads, thus reducing travel times for agricultural workers and connecting remote hamlets, population centers and annexes, facilitating access to health and education services that are usually found in more developed localities.

In coordination with the Municipality of La Colorada and the San Pedro de Morrope Rural Community, we have improved one of the main access roads to the village. For this reason, we have placed road signs along the entire road. Likewise, in Monte Verde, in coordination with the local authorities, we have built a guardhouse to help them maintain adequate control of the vehicles that travel along the road.

By 2022, thanks to joint efforts with various stakeholders, we will be able to rehabilitate 17.35 kilometers of community roads. These types of infrastructure works have improved the quality of life of our communities, and at the same time encourage us to continue investing in impactful works.







## ***Sembrando Salud Program***

We contribute to our communities of influence improving their well-being and quality of life. In Agrovision and Arena Verde we organize integral health days, which we execute in coordination with the local authorities of the San Pedro de Morrope Peasant Community and members of the medical team of the Lambayeque Health Network. Our contribution includes donations of medicines and equipment to keep these spaces in optimal operation.

In 2022, we carried out two free comprehensive general medical clinics, one in the central plaza of the community of Morrope, and another decentralized in the Las Norias population center in the community of Olmos. These activities were carried out with the support of the San Juan de Dios clinic, which provided us with technical support and specialized personnel to attend to the different families in our communities of influence.

In the district of Morrope, we attended a total of 590 beneficiaries, including children, adults and senior citizens, who were able to receive care in more than thirteen clinical specialties such as general medicine, dentistry and laboratory, among others. We also assisted them with 14,134 donated medicines. On this day we gave away 2,400 winter clothes so that children can protect themselves from the cold.

We replicated these same actions in the village of Las Norias in Olmos, where we served 198 families, benefiting them with the same specialties and donations. In this town center we donated 10 thousand units of medicines and sunscreen, as well as 520 pieces of clothing.

In addition, we implemented two school medical kits for the local schools in the Vigar Chico village in the Olmos district. Our contribution included supporting the local soccer team Cruzeiro FC Las Norias, whose members received medical attention and laboratory tests.



## ***Sembrando Vida Program***

We developed the “Sembrando Vida” (Sowing Life) program, whose main objective is to support the supply of drinking water to villages, towns and annexes in need of this resource. We supply water through tanker trucks, and we also provide them with submersible electric pumps for tubular wells and electric generators, which will allow them to have access to clean and quality water. It is important to point out that in these areas there is little access to public water and sanitation services. This is why we in the private sector are mobilizing to support our local communities.

In 2022, Arena Verde will provide 1,840 m<sup>3</sup> of drinking water for 1,500 families in the district of Morrope, who so far do not have home drinking water service. In total, this program will benefit twelve villages and hamlets: La Colorada, El Romero, Angolo I, Angolo II, Dos Palos, Arbolsol, Cartagena, Pañalá, Cruz de Medianía, Cruz de Paredones, San Jorge, Santa Isabel and Santa Rosa.

We continued these activities by supporting the drilling of a tubular well in the town of Pañalá, where we developed activities in conjunction with the rural community of Morrope to obtain drilling permits for an 80-meter deep well. These collaborative actions by Agrovision allow more Peruvians to have access to quality services.



## Sembrando Esperanza Program

In the context of the health emergency caused by COVID-19, we deployed a comprehensive health care program for our communities of influence. Actions included protocols and action plans to address the disease. In 2022 we maintained this program, being more focused on supporting vaccination campaigns in the districts and hamlets of our communities.

In Morrope we carried out mass vaccination campaigns for children and adults, with the support of the local medical center. We carried out a total of four vaccination days and managed to apply a total of 3,786 doses to adults and children in the villages of Cruz del Medano, Porvenir, El Alto, Santa Elena and Santa Rosa, among others.

Likewise, as part of the program's community actions, we joined synergies with local radio stations to raise public awareness of the care and prevention of the disease. Thus, for eight months every week we broadcast informative audios with prevention and care topics. We emphasize that these actions are carried out as part of our Community Relations Plan.

The program also included actions to donate medicines to combat anemia in infants in the community. These actions were carried out jointly with the Morrope Medical Center, which provided logistical support for the anemia screening campaigns. The donations consisted of:

- 1,000 bottles of polymalted iron in drops (Ferrimax)
- 1,000 lancet tests (with caliper)
- 1,000 microwells (Emocue)

On the other hand, from Arena Verde we collaborate with the community of San Pedro de Morrope supporting them monthly with the logistic expenses for the maintenance of the community ambulance, which allows them to transfer vulnerable patients from the area to health centers in Lambayeque or Chiclayo. It is important to note that the ambulance is managed by the Morrope Health Center. In 2022, as an important milestone, the community ambulance made 555 trips to attend emergency cases.



## Sembrando Alegría Program

In Arena Verde we support local educational institutions in the hamlets of the district of Morrope. In response to their concerns, we provide them with school furniture and other educational tools so they can continue with their studies. In 2022, we implemented and improved environments and playgrounds in the schools of the hamlets of Morrope. Likewise, we offered Christmas days for all the children in the area.

The following are the main services supported and executed as part of the program

- Donation of 500 school packages containing pencils, pens, notebooks, colors, markers, scissors and erasers.
- Donation of 80 m<sup>3</sup> of water for the Inca Garcilaso de la Vega school tank in Morrope.
- Perimeter fencing and painting of school 10991 in Casablanca.
- Perimeter fencing, roofing and donation of synthetic grass at a school in El Romero.
- Construction and installation of sanitary and toilet facilities at the Monte Verde Community Management School.

In addition, we donated soccer balls of different sizes for children and youths, a volleyball net, two removable gymnastics stools and training cones for 272 children from the 10182 school in Cerro Cascajal.



## Food Staple Food Supply Plan

This plan consists of delivering food and basic necessities to the most vulnerable areas of the districts and annexes of Morrope. To date, twelve rural associations have benefited from the program. In 2022, we delivered 7,824 kg of staple foods, such as rice, vegetables, noodles, oil and tuna, among others. In addition, we donated 250 metal tarpaulins to protect their homes from summer rains and 250 blankets for winter periods.

We included in this support the authorities and representatives of local collectives, to whom we delivered an additional 588 kg, donated in 123 baskets of staple foods. These types of efforts made by Agrovision allow us to improve the well-being and quality of life of our local communities.



## Sembrando Identidad

We encourage the preservation of the Mochica cultural heritage in our communities. Therefore, from Arena Verde we support local initiatives in the district to celebrate festivities and fairs on special days. Likewise, we provide them with the necessary tools so that they can become local service providers, thus promoting the employability of the area. We carry out these activities in alliance with local authorities and, through them, we channel the relevant donations.

Results of the program in 2022:



25 local service providers.



S/ 24,000 soles invested in collaboration for anniversaries district and holiday fairs.



96 baskets of food (384 kg) donated to the Peruvian National Police on the occasion of its anniversary.



## Mexico

In 2022, in Mexico, we allocated a budget item to support the government of Guadalajara in holding the Pitaya fair and the sale of empanadas. This event was held during the Holy Week and Easter holidays, benefiting several local entrepreneurs. The municipality also authorized 258 stalls and tianguis to sell empanadas, palms, candles and religious articles.

In this way we promote tourism development in Guadalajara in alliance with local authorities. We will continue to support this type of initiative in order to strengthen the economy of small local businesses (GRI 413-1).







## *10. About this report*





## *Our report*

We present our third Sustainability Report for the fiscal year 2022. This document is published annually and contains information for the fiscal year from January 1 to December 31, 2022. The scope of the report includes only Agrovision's operations in Peru and Mexico.

In this sustainability report we disclose to our shareholders and other stakeholders our performance in the management of Environmental, Social and Corporate Governance (ESG) impacts. In Peru, for the management and measurement of impacts we have considered the operations of Agrovision and Arena Verde; while for Mexico we include the Anita, Yasmin and Lupita farms, respectively.

This management document has been prepared in accordance with the Global Reporting Initiative (GRI) standards, using the update of the new Universal Standards 2021. We additionally include the frameworks of the United Nations Sustainable Development Goals (SDGs), the Sustainability Standards Accountability Board (SASB) and Global Compact sector metrics.

The information contained in this report has not been restated or subjected to verification processes by an external auditor. (GRI 2-2) (GRI 2-3) (GRI 2-4) (GRI 2-5)





# Our materiality process

The materiality analysis is a management tool that allows us to identify the strategic priorities for our sustainability management. Thus, following the recent changes to the Global Reporting Initiative (GRI) reporting standard, we have gone through a process of updating our material issues, including the new evaluation criteria, which focuses on due diligence and human rights.

Accordingly, we develop our materiality with an impact materiality approach where we integrate the identification of actual and potential impacts for our stakeholders (environmental, social and human rights), as well as the risks and opportunities that could affect our ability to generate value with our stakeholders. For this analysis of material issues, we have not established a prioritization threshold, but we have established a quadrant that allows us to visualize which are the most significant issues for our organization (GRI 3-1) (GRI 3-2).

Methodological steps we have followed to find our material issues 2022:



## 1. Understand the context of the organization

To understand the context of the organization, we conducted an internal and external analysis of our company. To this end, at an external level we carried out a benchmarking of leading companies in the agribusiness sector with which we have commercial relations. We also included a review of the main sustainability guidelines and standards, focusing on the review of the SASB standard through the sectoral supplement for agricultural products. We also review the sustainability context and the main trends in the sector, as well as the country context and the risks that could affect us.

On the internal side of the company, we reviewed our sustainability strategy and its impact on value creation and reviewed the main policies and management documents to understand the sustainability issues we have been managing.

## 2. Identify actual and potential impacts

Additionally, for the identification of impacts we conducted a workshop with the corporation's management, where we identified the impacts, we generate and those we could cause through our operations and business relationships (positive, negative, real and potential impacts). In addition, we included the application of other instruments such as surveys and focus groups with some stakeholders such as commercial customers, employees and suppliers, to whom we consulted on the most impactful aspects of our company, both positive and negative.

## 3. Assessing and prioritizing actual and potential impacts

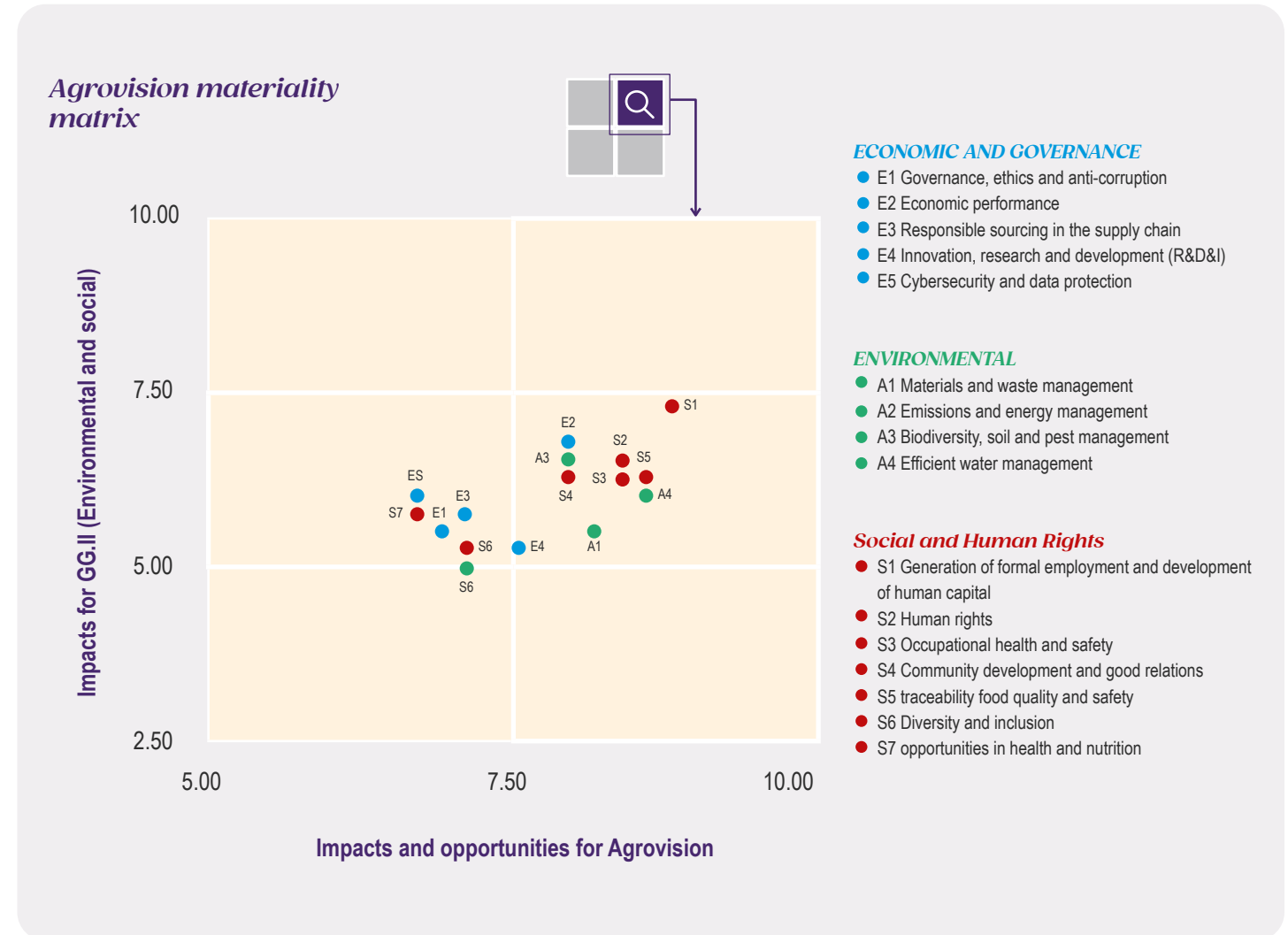
After an exhaustive analysis of the previous stages, for the prioritization of Agrovision's most significant impacts we included the following evaluation criteria: first, the actual and potential negative impacts, we evaluated them under the variables of scale, scope, probability and severity. For the evaluation of actual and potential positive impacts, we included the variables of scale and scope, among other criteria that we considered relevant. In conclusion, we identify the impacts (positive, negative, real and potential), proceed to assess them and finally prioritize the most significant for our sustainability management in 2022.



#### 4. Validation of materiality issues

We presented the most significant material issues for our organization to the Sustainability and Corporate Affairs Area, that approved the materiality issues proposal.

This is the prioritization of our list of materiality issues:







# ***11.** GRI 2021 Table of Contents*



Declaration of use	AGROVISION CORP has prepared the report in accordance with GRI standards for the period from January 1 to December 31, 2022.
GRI 1 used	GRI 1: Fundamentals 2021

GRI Standard	Contents	Page	SDG	Omission		Explanation	
				"Requirement omitted"	Reason		
General disclosures							
GRI 2: General Disclosures 2021	2-1 Organizational details	10	-				
	2-2 Entities included in the organization's sustainability reporting	106	-				
	2-3 Reporting period, frequency and contact point	106	-				
	2-4 Restatements of information	106	-				
	2-5 External assurance	106	-				
	2-6 Activities, value chain and other business relationships	10	-				
	2-7 Employees	82	-				
	2-8 Workers who are not employees	82	-				
	2-9 Governance structure and composition	47	-				
	2-10 Nomination and selection of the highest governance body	46	-				
	2-11 Chair of the highest governance body	46	-				
	2-12 Role of the highest governance body in overseeing the management of impacts	48	-				
	2-13 Delegation of responsibility for managing impacts	48	-				
	2-14 Role of the highest governance body in sustainability reporting	48	-				
	2-15 Conflicts of interest	48	-				
	2-16 Communication of critical concerns	50	-				
	2-17 Collective knowledge of the highest governance body	48	-				
	2-18 Evaluation of the performance of the highest governance body	48	-				
	2-19 Remuneration policies	48	-				
	2-20 Process to determine remuneration	48	-				
		2-21 Annual total compensation ratio	-	-	All content	Confidentiality restrictions.	It is sensitive information for the market competitiveness of our industry.
		2-22 Statement on sustainable development strategy	5,6	-			
		2-23 Policy commitments	54	-			
		2-24 Embedding policy commitments	54	-			
		2-25 Processes to remediate negative impacts	54				



GRI Standard	Contents	Page	SDG	Omission		Explanation
				"Requirement omitted"	Reason	
	2-26 Mechanisms for seeking advice and raising concerns	50	-			
	2-27 Compliance with laws and regulations	59	-			
	2-28 Membership associations	25				
	2-29 Approach to stakeholder engagement	27	-			
	2-30 Collective bargaining agreements	93	-			
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	107	-			
	3-2 List of material topics	107	-			
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	56, 57	-			
"GRI 201: Economic performance 2016"	201-1 Direct economic value generated and distributed	56, 57	8,9			
Responsible sourcing in the supply chain						
GRI 3: Material Topics 2021	3-3 Management of material topics	32	-			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	33, 34	8			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	33	.			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	33	5, 8, 16			
Cybersecurity and data protection						
GRI 3: Material Topics 2021	3-3 Management of material topics	53	-			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	53	16			
Innovation, development and research (R&D&I)						
GRI 3: Material Topics 2021	3-3 Management of material topics	41	-			
This material topic has no specific GRI Standard associated with it	NOT GRI Innovation, development and research	41	-			

GRI Standard	Contents	Page	SDG	Omission		Explanation
				"Requirement omitted"	Reason	
Governance, ethics and anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	46	-			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	51	16			
	205-2 Communication and training about anti-corruption policies and procedures	52	16			
	205-3 Confirmed incidents of corruption and actions taken	52	16			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no claims or actions of this type in the reporting period		-		
Materials and waste management						
GRI 3: Material Topics 2021+B64:H72	3-3 Management of material topics	75	-			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	75, 76	8,12			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	76	3, 6, 11, 12			
	306-2 Management of significant waste-related impacts	76, 77	3, 6, 11, 12			
	306-3 Waste generated	76, 77	3, 6, 11, 12, 15			
This material topic has no specific GRI Standard associated with it	NOT GRI Packaging	78	-			
This material topic has no specific GRI Standard associated with it	NOT GRI Circular Economy	77	-			
Emissions and energy management						
GRI 3: Material Topics 2021	3-3 Management of material topics	59	-			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	60	7, 8, 12, 13			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	61, 62	3, 12, 13, 14, 15			
	305-2 Energy indirect (Scope 2) GHG emissions	61, 62	3, 12, 13, 14, 15-			
	305-3 Other indirect (Scope 3) GHG emissions	61, 62	3, 12, 13, 14, 15			



GRI Standard	Contents	Page	SDG	Omission		Explanation
				"Requirement omitted"	Reason	
Efficient water management						
GRI 3: Material Topics 2021	3-3 Management of material topics	65	-			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	65	-			
	303-2 Management of water discharge-related impacts	68	6, 12			
	303-3 Water withdrawal	65	6			
	303-4 Water discharge	68	-			
	303-5 Water consumption	65, 66, 67	6			
Biodiversity, soil and pest management						
GRI 3: Material Topics 2021	3-3 Management of material topics	70	-			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	70	6, 14, 15			
	304-2 Significant impacts of activities, products and services on biodiversity	71	6, 14, 15			
	304-3 Habitats protected or restored	71	6, 14, 15			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	71	6, 14, 15			
This material topic has no specific GRI Standard associated with it	NOT GRI Soil management	74	-			
This material topic has no specific GRI Standard associated with it	NOT GRI Pests management	73	-			
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	95	-			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	95	8			
	403-2 Hazard identification, risk assessment, and incident investigation	95	8			
	403-3 Occupational health services	96	8			
	403-4 Worker participation, consultation, and communication on occupational health and safety	97	8, 16			
	403-5 Worker training on occupational health and safety	97	8			
	403-6 Promotion of worker health	96	3			

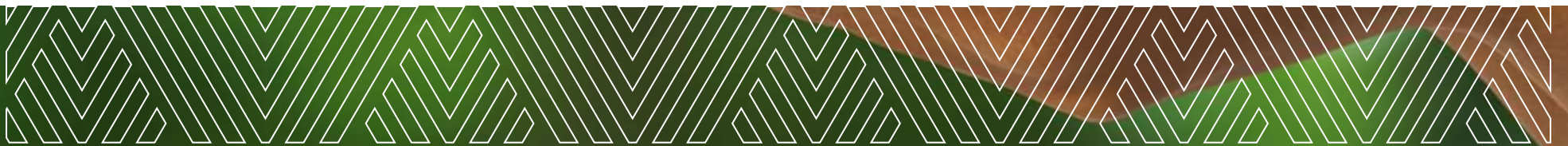
GRI Standard	Contents	Page	SDG	Omission		Explanation
				"Requirement omitted"	Reason	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	95	8			
	403-8 Workers covered by an occupational health and safety management system	95	8			
	403-9 Work-related injuries	98	3, 8, 16			
	403-10 Work-related ill health	98	3, 8, 16			
Generation of formal employment and development of human capital						
GRI 3: Material Topics 2021	3-3 Management of material topics	81	-			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	83, 88	-	Rotación de personal	Información no disponible / incompleta.	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	85	4, 5, 8, 10			
	401-3 Parental leave	86	5,8			
GRI 401: Employment 2016	404-1 Average hours of training per year per employee	87				
	404-2 Programs for upgrading employee skills and transition assistance programs	89, 90	8			
	404-3 Percentage of employees receiving regular performance and career development reviews	91	5, 8, 10			
Diversity and inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	92	-			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	82	5,8			
	405-2 Ratio of basic salary and remuneration of women to men	93	5,8,10			
Human rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	92	-			



GRI Standard	Contents	Page	SDG	Omission		Explanation
				"Requirement omitted"	Reason	
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	93	5, 8			
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	93	8			
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	94	8, 16			
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	94	5, 8			
Community development and good relations						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	99	-			
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	100	5, 9, 11			
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	99, 100, 101, 102, 103, 104	-			
Traceability, quality and food safety						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	35	-			
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	39	-			
<b>GRI 417: Marketing and Labeling 2016</b>	417-1 Requirements for product and service information and labeling	40	12			
Opportunities in health and nutrition						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	44	-			
<b>This material topic has no specific GRI Standard associated with it</b>	NOT GRI Health and nutrition opportunities	44	-			



## *12. Glossary*





# Glossary of Terms

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**1. Alliance for Water Stewardship (AWS):** A global network that promotes responsible and sustainable water management. They work in collaboration with companies, non-profit organizations and governments to establish standards and certifications for water management in different sectors.

**2. IADB Invest:** Promotes sustainable development in Latin America and the Caribbean through private investment. IDB Invest provides financing and technical support to companies and projects that contribute to economic growth, employment generation, poverty reduction and environmental protection in the region.

**3. Business Alliance for Secure Commerce (BASC):** Business alliance that promotes security in international trade in cooperation with governments and international organizations. Its objective is to prevent illicit practices in the supply chain and facilitate the secure exchange of goods between countries.

**4. Due diligence:** Continuous process in which companies implement necessary and effective measures to identify, prevent, mitigate, assume responsibility and respond to negative impacts, whether actual or potential, arising from their own activities or from the activities of their value chain.

**5. EBITDA:** Financial indicator used to evaluate a company's performance, providing a clear view of its capacity to generate operating income. It allows to evaluate the company's profitability and efficiency compared to others in the same industry and track performance over time.

**6. Endpoint Security:** Central security system that eliminates risks in case of threats to the system, preventing them from being transmitted to connected systems.

**7. SASB Standards:** Their objective is to facilitate the communication of relevant sustainability information to investors. These standards are available for 77 industries and focus on identifying sustainability-related risks and opportunities that may affect cash flows, access to financing and the cost of capital in the short, medium and long term.

**8. Food Safety Modernization Act (FSMA):** Law aimed at improving food safety in the U.S. market. The FSMA establishes regulations and preventive measures to prevent foodborne illnesses, ensuring that food produced, processed and distributed in the United States meets adequate safety standards.

**9. Global Food Safety Initiative (GFSI):** A non-profit association comprised of industry experts committed to improving food safety throughout the business value chain. The GFSI is responsible for approving a series of standards for food safety, packaging, storage and distribution.

**10. Global G.A.P:** Leading global assurance program that ensures that consumer requirements are met in agricultural production in several countries, covering aspects such as food safety, sustainability and product quality.

**11. Global Reporting Initiative (GRI):** International governmental organization that promotes sustainability reporting as a tool for planning, measuring, evaluating and communicating progress and impacts on the social, economic and environmental aspects of an organization.

**12. ISO 14064-1:** International standard that establishes the principles and requirements for quantifying and reporting greenhouse gas (GHG) emissions and GHG removals produced by organizations.

**13. OECD Guidelines:** Governmental recommendations that provide non-binding principles and standards to promote responsible business conduct at the global level.

**14. NET ZERO:** A status in which an organization seeks to achieve net zero emissions as part of its climate impact, with the objective of minimizing greenhouse gases (GHG) in the short term.

**15. ISO 14001:** International standard that establishes a framework for implementing and maintaining effective environmental management systems. It helps organizations to comply with environmental regulations, reduce their impact on the environment and continually improve their environmental performance.

**16. ISO 37001:** International standard that provides requirements and guidance for companies to establish, implement, maintain, review and improve an anti-bribery management system.

**17. Software FITOSOFT:** Geographic Information System (GIS) for the sanitary control of agricultural fields that facilitates the collection of data on pests, diseases and biological controllers in the field. It also allows the processing of this information and the generation of useful reports.

**18. Web Application Firewall (WAF):** Solution designed to protect web applications by filtering and monitoring HTTP traffic flowing between the application and the Internet. Its main function is to detect and block malicious or suspicious attempts that could pose a threat to the security of the web application.

**19. World Business Council for Sustainable Development (WBCSD):** A global community composed of leading companies from different industry sectors that seek to drive the adoption of responsible business practices, foster innovation and promote sustainable solutions to address global environmental and social challenges.

**20. World Resources Institute (WRI):** A global research organization that works in collaboration with diverse organizations to develop practical solutions to environmental and sustainable development issues, improving the quality of life of people and ensuring the prosperity of nature.

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(GRI 2-1) (GRI 2-3)

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