



How We Create Value

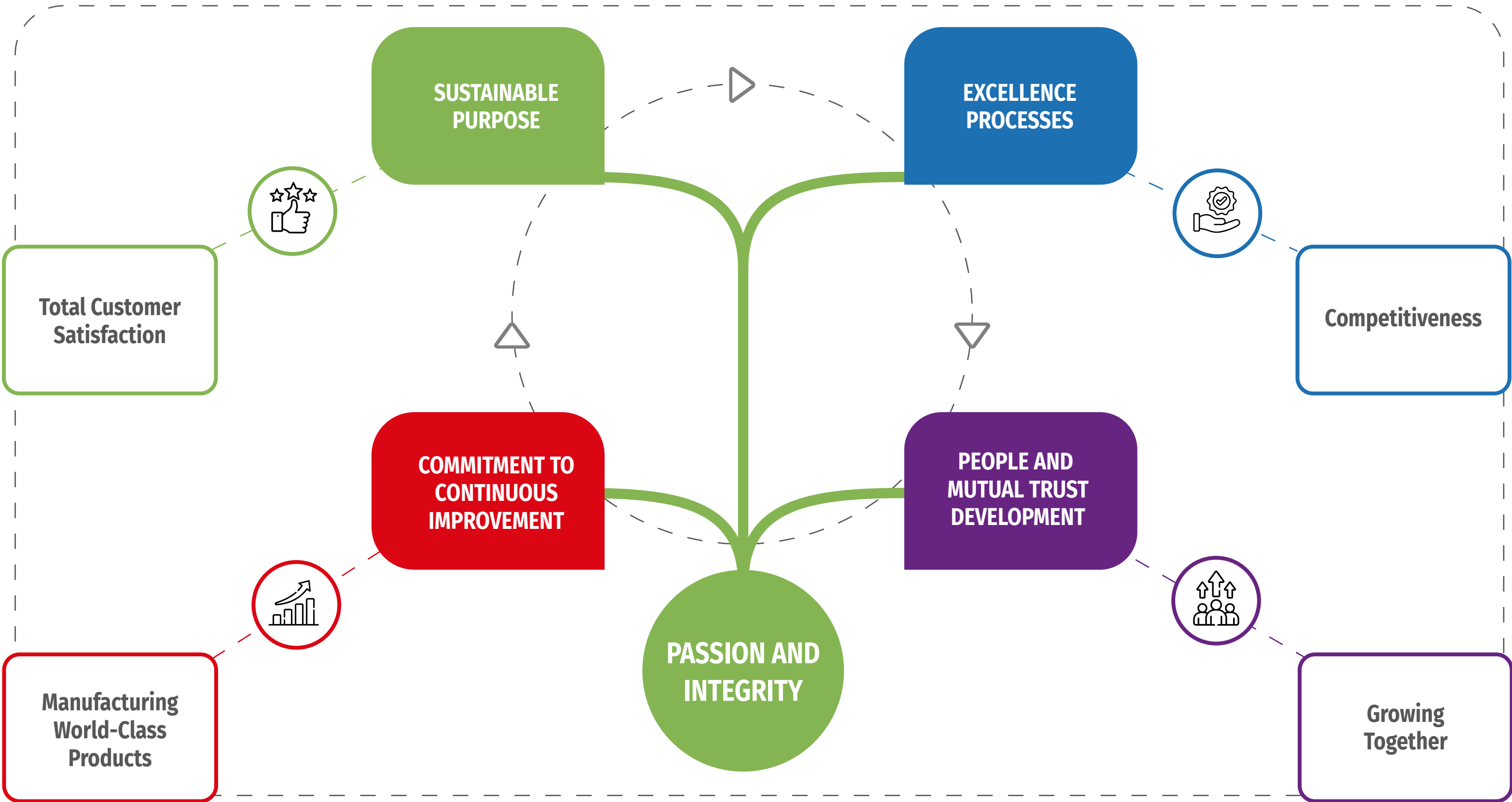


Business Model

At Grupo Lucci, we constantly aim at adding value to everything we do, based on **competitiveness, sustainability and innovation**. That is why we promote sustainable development in order to improve people's quality of life in the world by offering natural, healthy and quality-certified food products in a responsible manner.

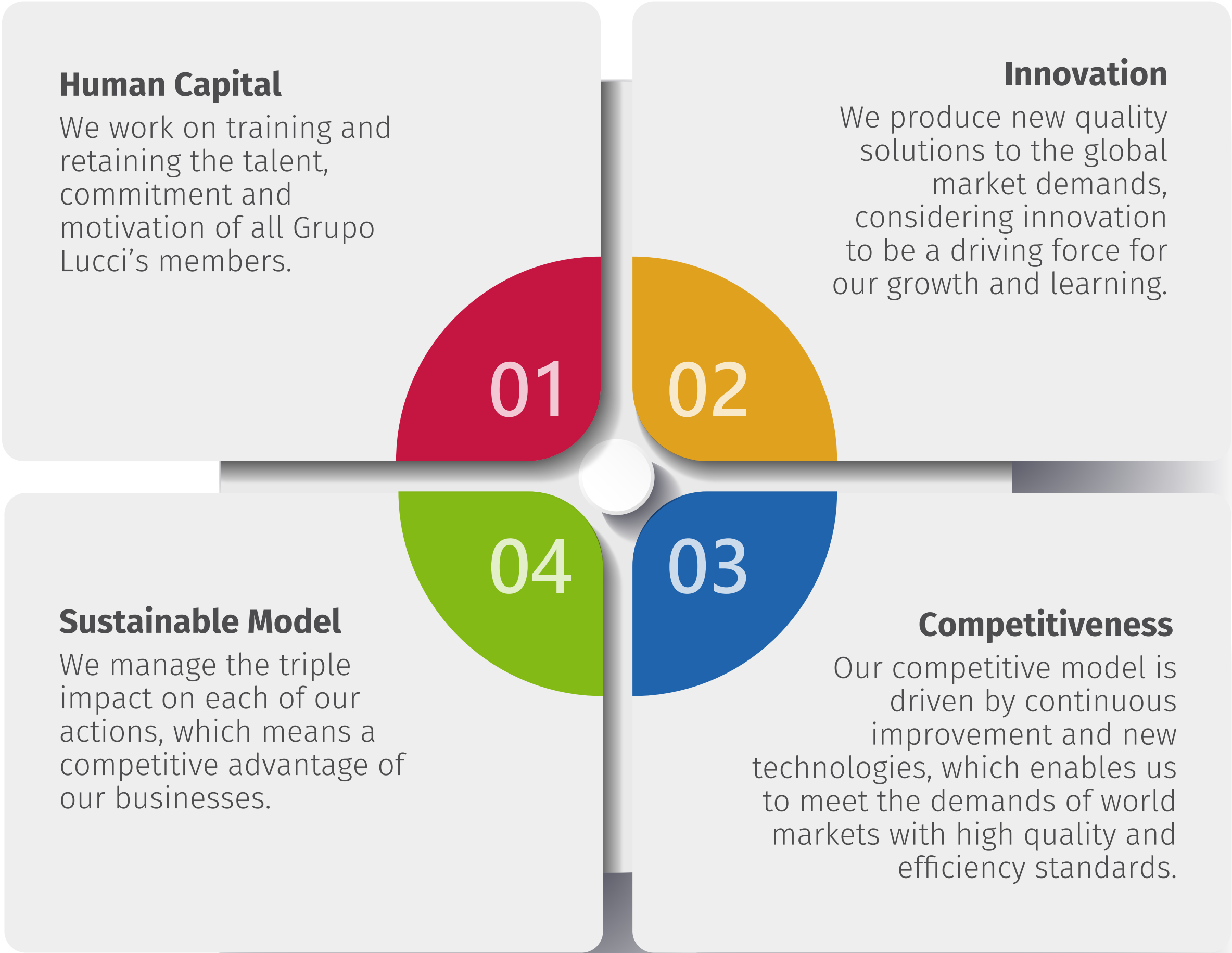
We meet our stakeholders' demands, integrating the social, economic, environmental and governance performance.

Lucci's Culture, Accelerated by LEAN Philosophy



Based on our organisational values, we defined a growth model that guides Grupo Lucci's companies in the development of their excellence models. In the citrus production, we have already implemented Citrusvil's Model of Operational Excellence with its tools and routines adapted from Lean Management.

Priority Areas



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Sustainability is at the center of our business decisions, and we take on commitments to preserve natural resources for future generations.
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Grupo Lucci's Sustainability Policy



Our Commitment to Sustainable Development and the 2030 Agenda

Strategic Principle	Commitment to Sustainable Development	2030 Agenda
<p>Food Safety in our Products</p>	<p>We manufacture healthy and safe products which meet international quality and safety standards, balancing short-term and long-term interests while we integrate economic, environmental and social aspects for decision making.</p>	
<p>Rational Use of Water</p>	<p>Water is an essential natural resource for life in our planet, as well as a crucial resource for food production. Thus, we commit to managing it efficiently and responsibly.</p>	
<p>Energy Efficiency</p>	<p>Energy efficiency is essential to make our products more sustainable and reduce the emissions of CO2 and other harmful gases in the atmosphere. Therefore, an efficient use of energy enables us to develop our activities in keeping with a global trend towards low-carbon manufacturing and cleaner energy sources.</p>	
<p>Circular Economy</p>	<p>By means of circular economy practices, we reduce the use of resources in production, maximize their use and ensure their final disposal, prioritising material recovery and reuse. We generate renewable electric energy from our effluents and manage our waste. We are Zero Effluent. We process plastics at our Plastic Waste Recycling Plant in order to obtain other products that are incorporated into new production systems.</p>	

Biodiversity Conservation

Biodiversity is the diversity of life, that is to say, the variety of living beings we can find in our planet and the relations they establish with each other and with their environment. Thus, we aim at striking a balance between the conservation of biodiversity and its habitat and agricultural production in territories of high environmental value.



Human Rights Protection and Respect

We promote and respect universally recognized human rights. We comply with applicable laws, guaranteeing decent work conditions, professional development, knowledge development and equal opportunities, and involving our value chain in this commitment.



Accountability and Transparency

We foster a culturally respectful work environment that promotes equality, is sensitive to the needs of every collaborator and respects diversity. Our commitment consists in establishing healthy relationships among collaborators but also good business relations with our suppliers, customers, consultants, competitors and the general public. Every time one of them chooses us, they are choosing our attributes and they are relying on our products and the way we conduct our business.



Private Social Investment

Since 2003, through Fundación Vicente Lucci, we have channeled our social capital actions, based on three strategic pillars that have an impact on Grupo Lucci's rural communities of influence: education, labour inclusion and entrepreneurship, and citizen engagement.



First Green Bond for Citrusvil

In June 2022, Citrusvil, one of Grupo Lucci's companies, issued its first Class I and Class II secured Corporate Bond for Argentine Securities Commission SMEs (PYME- CNV) and obtained positive results. Such issuance was in keeping with the four main components of the 2021 Green Bond Principles (GBP) by the International Capital Market Association (ICMA).

These bonds constitute a way of investing in sustainable assets; that is to say, we have benefited from this kind of funding which has a sustainable objective: being used to finance projects that help mitigate climate change consequences or preserve the environment. Therefore, this kind of debt, which falls within the scope of the ESG criteria (environmental, social and governance) which our company aligns with, benefits the investor with the allocation of funds proportionally to their investment.



Green Projects Are in Keeping with Citrusvil's Sustainability Strategy:

- » **Generation of electric energy from biogas:** it aims at generating electricity from renewable sources, in this case, the biogas generated at the Effluent Treatment Plant. **2022: 7,858 MWh.**
- » **Systematization and control of laminar soil erosion in San Rafael Orchard:** it aims at achieving a sustainable lemon production in different sectors of the property.
**2022: Dam 1: Input water flow 3.58 m³/s
Output water flow 1.48 m³/s**
- » **Light conversion of the industrial site:** it aims at reducing the carbon footprint generated by the electricity consumption associated to lighting by using more efficient technology in all the facilities of the industrial site. **We reduced our electricity consumption by 1,184 MWh/year by replacing halogen lighting with LED technology. We reduced our power consumption by 65%.**

The bond was fully subscribed and the maximum amount established by Citrusvil had to be prorated due to the significant number of stakeholders.

The issuance was for an amount of USD 6,368,999, Linked dollar, at a 0.00% interest rate and due on December 30, 2024.

It is worth mentioning that the entities that guaranteed the submission were: Banco Supervielle, Banco Comafi and Santander Argentina, and those which successfully placed such issuance were: Banco Comafi, Max Capital S.A. Santander Argentina and Banco Supervielle.



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With our first green bond, we reaffirmed the company's commitment to keeping growing by means of investments that are focused on sustainability, add value to the brand, favour competitiveness and consolidate innovation in our business model.

Martín Carignani
Citrusvil S.A.'s CEO



Priorities and Materiality

As our main commitment to addressing the sustainability and management framework, we have defined our Sustainability Policy, which guides our activities, enabling us to measure our performance in the long term.

This framework is based on three main areas in the company, in accordance with the ESG criteria (Environmental, Social and Governance).

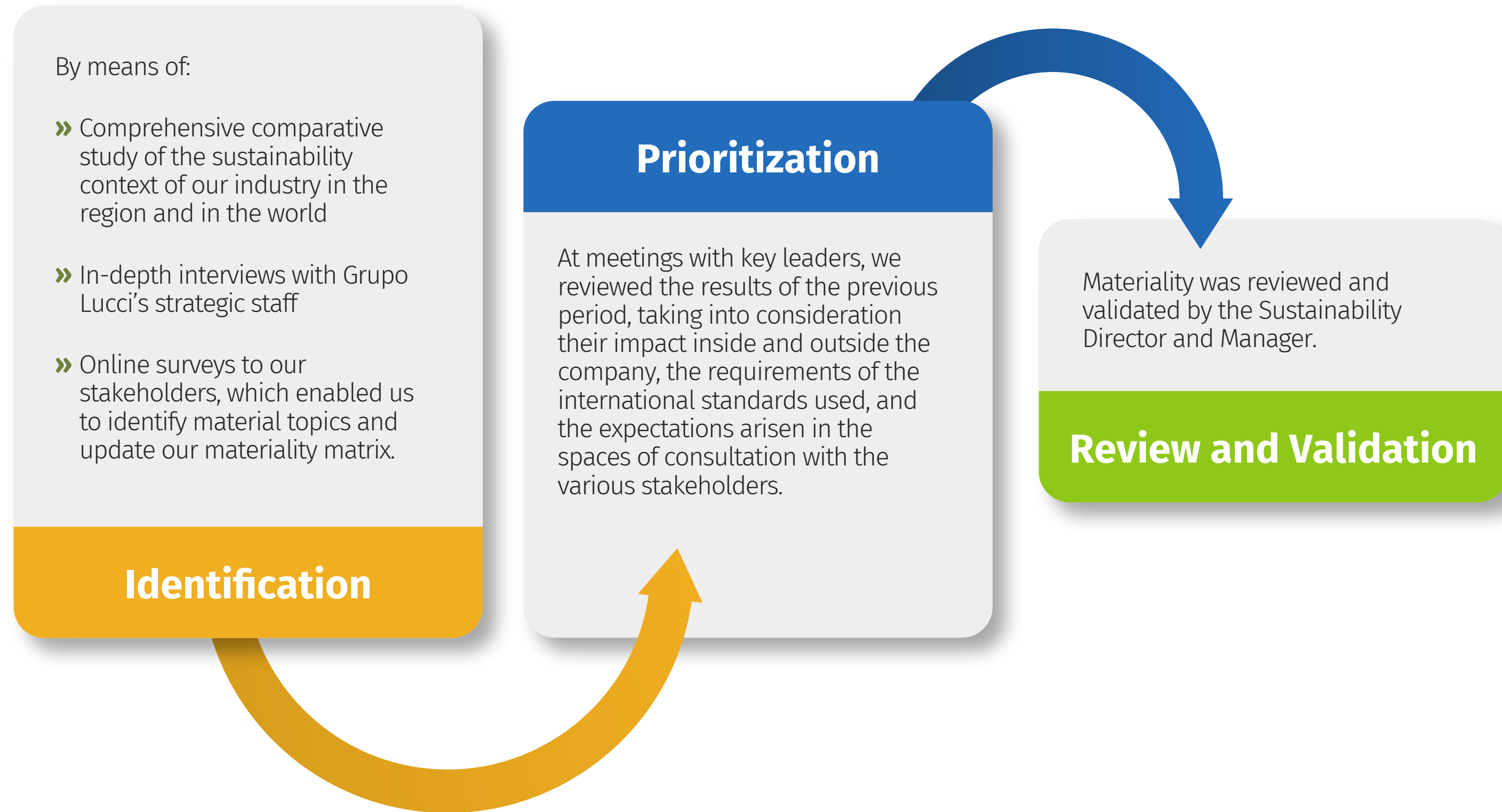


The following table provides a comprehensive view of the results of the sustainability interaction and management, the potential impact on the relations with our stakeholders and the strategic execution of our Sustainability Policy:

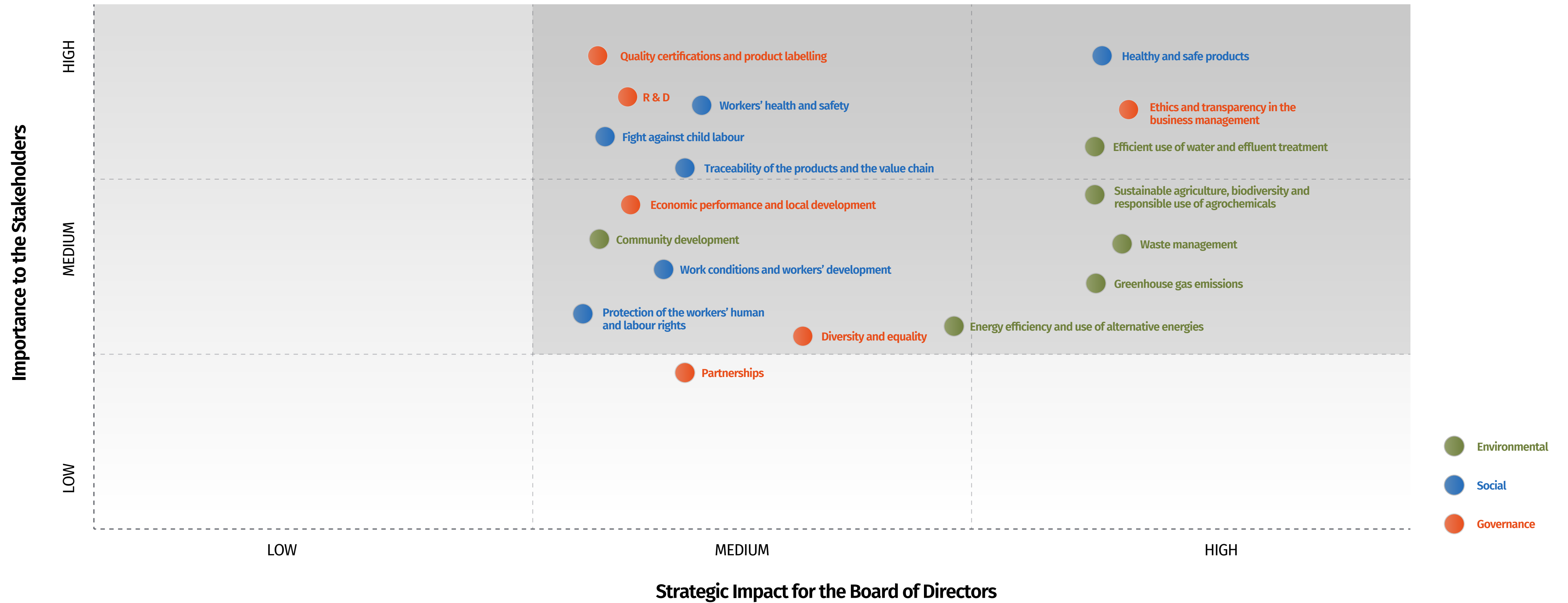
Material Topic	Sustainability Policy Strategic Principle	Impact on Grupo Lucci	Accountability
<p>Natural Resources Climate Change</p>	<ul style="list-style-type: none"> » Rational Use of Water » Energy Efficiency » Circular Economy » Biodiversity Conservation 	<p>We are immersed in a global climate crisis which forces us to define action plans lead the change. In addition, the risks and opportunities that climate change posits have the potential to generate substantial changes in our operations, income and expenses. Sustainable agriculture promotion is essential for the sustainability of our business model.</p>	<p>The management in line with these topics is reported in the following chapters:</p> <ul style="list-style-type: none"> » Sustainable Businesses » Environmental Management
<p>Society</p>	<ul style="list-style-type: none"> » Safe Food Products » Human Rights Protection and Respect » Private Social Investment 	<p>Our goal of being leaders and benchmarks in Argentine agricultural production makes such impact significant for our customers and our corporate development, promoting certified production and manufacturing practices in order to achieve quality excellence and final satisfaction. In addition, our commitment to communities consists in the source of talent, the growth of businesses and social development, and we are challenged by the possibility of increasing the engagement levels on our behalf.</p>	<p>The management in line with these topics is reported in the following chapters:</p> <ul style="list-style-type: none"> » Sustainable Businesses » Social Investment

Material Topic	Sustainability Policy Strategic Principle	Impact on Grupo Lucci	Accountability
Human Capital	» Human Rights Protection and Respect	<p>Our people are one of the pillars of the Sustainability Policy, since we aim at being, on one hand, an example of employment and career opportunity, and, on the other hand, we think they are a key strategic component and a stakeholder we have to look after since our business depends on the well-being of our workforce.</p> <p>In addition, we promote diversity and inclusion, occupational health and safety, taking into consideration that their work capacity depends on the occupational health and safety policy and the protocols implemented. Lastly, training and education are key to achieve our goals.</p>	<p>The management in line with this topic is reported in the following chapter:</p> <ul style="list-style-type: none"> » Human Capital
Leadership Governance	» Accountability and Transparency	<p>As a company, we adhere to the highest ethical and compliance standards in order to get the trust of our stakeholders, investors, communities and people. Besides, relations with our stakeholders are key to develop our activities and boost business relations.</p>	<p>The management in line with these topics is reported in the following chapters:</p> <ul style="list-style-type: none"> » We Are Grupo Lucci » How We Create Value » Ethics and Corporate Governance

As part of our commitment to transparency and accountability, during this period, we conducted a comprehensive review of our materiality, thus redefining and prioritising various ESG topics:



As a result of this process, we have organised our materiality into three main areas, taking into consideration both our Board of Directors' expectations as well as those of each stakeholder consulted so that we can establish the baseline to address emerging sustainability topics. For each of them, we have identified and developed subtopics and indicators:



Communication with the Stakeholders

At Grupo Lucci, we believe open communication and collaboration with the various actors is essential to achieve the Sustainable Development Goals. In this regard, we align with objective 17.7, which urges us to promote the development of effective partnerships in the public, public-private and civil society spheres, making the most of the experience and the strategies to obtain resources as a result of such partnerships.

Based on these principles and in line with our sustainability strategy, we forge valuable bonds with all the stakeholders, learning about their expectations regarding our company and understanding them.



Shareholders and Investors

- » Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Financial statements
- » Annual report and balance sheet
- » Regular meetings

Collaborators and Trade Unions

- » Collaborators and Trade Unions Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Performance assessment
- » Regular meetings to give feedback as part of the management system
- » Ethics Hotline
- » Internal audits
- » Internal communication via e-mail, chat and intranet
- » Training courses and meetings
- » Informative posters on safety and news
- » Meetings and agreements with guild and trade union representatives

Customers

- » Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Direct communication with the commercial teams
- » Report preparation upon request of various stakeholders
- » Annual satisfaction survey
- » Customer service
- » Virtual meetings
- » Audits
- » National and international fairs and events
- » Plant visits

Communication with the Stakeholders

Suppliers and Contractors

- » Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Supplier assistance service
- » Meetings
- » Audits
- » Ethics Hotline
- » Training courses on sustainable practices
- » Consultancy services on certifications
- » Sustainable Purchase Policy

Local Communities

- » Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Direct communication with Fundación Vicente Lucci
- » Working meetings
- » Awareness-raising training courses and workshops
- » Education, work, environment and entrepreneurship programs
- » Corporate volunteering

Government, Civil Society Organizations and Sectoral Agencies

- » Institutional communication: official website, mailing, Sustainability Report, press and social media
- » Sectoral meetings
- » Business chambers and associations
- » Work commissions
- » Public-private partnerships
- » Initiatives, commitments and partnerships on sustainable development

Integrated Management System

Our responsible growth is guided by our purpose, that is, providing the world with safe, natural and healthy products as efficiently and sustainably as possible.

That is why we work jointly and efficiently promoting the integration of the Quality, Food Safety, Environment, Health and Safety Systems. Moreover, we implement management processes that enable us to have international standards certifications, meeting our customers' expectations.



Our Commitment to Child Labour Eradication

At Grupo Lucci, we respect the international principles of human rights and the International Labour Organization Declaration. In addition, we are committed to SDG 8, mainly to objectives 8.3 and 8.5, which establish the creation of decent job positions, as well as objective 8.7, which urges organizations to take immediate and effective measures to eradicate forced labour and eliminate child labour.

We work in a responsible manner to provide decent and legal jobs in rural areas, protecting human rights and preventing child labour. In order to reaffirm these commitments and monitor our contractors' compliance with Grupo Lucci's good social practices and applicable Law No. 27,401, we conduct harvest audits.



We included the control of contractors and harvest workers in order to mitigate the risk of labour informality and prevent child labour. We carry out biometric controls to ensure the staff's identity and compliance with their formal registration.



In 2022, there were no cases of forced labour reported in our operations and supply chain.









Number of Audits Conducted in our Citrus Orchards By Production Area





North

	El Rodeo	1
	La Valentina	1
	El Chañar	2
	Don Vicente	2

Center

	Los Nogales	1
	Villa Carmela	1
	San Pablo	1
	Chabela	3
	Cruz Alta	3
	Cevil Pozo	3

South

	Caspinchango	1
	Alpachiri	1
	San Rafael	1
	Ischilón	5



In the reported period, we conducted a total of 26 audits on contractors, reaching 14% of their staff on average.