

SUSTAINABILITY
REPORT 2023

SPREADING ROOTS



sovena

Feeding Futures



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ABOUT THE REPORT



SPREADING ROOTS

When what holds us together and what propels us forward is the exact same thing - values and commitments -, we assure that we are deepening our culture to nourish and harvest meaningful achievements while seeding new ones.

So, we keep positively spreading our roots among our team, partners, and consumers as we expand into new markets and ventures. Always conscious that staying true to ourselves is crucial for making a difference wherever we are.

As we close one cycle and embark on a new one, we celebrate the accomplishments that brought us here and set new sustainable ambitions and goals to continue feeding futures.



MESSAGE FROM THE CEO

— JORGE DE MELO CEO

Since 2020, we have been handling the complex repercussions of the global context. The pandemic, the war in Ukraine, and now the conflict in Palestine have given rise to a multitude of concerns that have caught companies off guard, compelling them to exert tremendous efforts to bolster resilience. Our sector in particular has faced significant impacts. Despite these challenges, we have been able to steer successfully through them, ensuring not only the financial success of the company but also the effort for completion of our sustainability strategy cycle revised in 2021.





In 2023, economical and geo-political context, along with climate change and logistics constraints kept a strong impact on raw material prices, operating costs, and ultimately on product prices. 2023 faced an unbalanced supply/demand dynamic, high inflation and interest rates, and changes in consumer profiles. **To address these challenges, we maintained a consistent focus on our supply chain**, diversified our products and endeavoured to keep providing the best and more accessible product to all customers.

In the commodities sector, the turmoil in the Middle East and the Black Sea region along with uncertain demand from China, have distorted the supply and demand models in the market, exacerbated by trade alliances and sustained price volatility due to global instability. Despite a price reduction in the sunflower market due to a global improvement of oilseed

production, access to raw material was significantly impacted by logistical disruptions. In this challenging environment, the strategy of diversifying origins pursued over recent years and the consolidation of our presence in the supply chain, along with our steadfast fulfilment of contracts with customers, have proven to be pivotal and strongly reinforced Sovená's position in the market.

In the olive oil sector, diminished production and escalating prices persisted. Despite expecting a high yielding year, production levels in Spain kept the very low levels of last year and in Portugal was below initial campaign expectations. Adverse weather conditions, including severe droughts, lack of cold in the autumn, frosts in March, high temperatures in April affecting flowering and the emergence of pests, have negatively impacted production. Olive oil shortages in the market prompted other key

“Through our strategy, feeding futures for a planet that prospers and for people that thrive, we have been able to respond and anticipate key business challenges.”



production countries to adopt protectionist laws and export restrictions, further reducing availability, and increasing prices. Despite these obstacles, resilient relationships with suppliers, proximity to origins, and our commitment to sustainability guided us through these challenges.

In 2023 we expanded our business to two geographic regions. In Angola, we set our first industrial unit, consolidating our commitment to local production, and increasing the supply chain efficiency in this market. In Colombia, we introduced our first avocado oil extraction plant, under a circularity business model aiming to reduce food waste in one of the world's largest avocado-producing countries, and establishing a foothold in the sourcing of one the currently fastest growing vegetable oils, namely in the USA market, where Sovena is strategically focused.

Through our strategy, **FEEDING FUTURES FOR A PLANET THAT PROSPERS AND FOR PEOPLE THAT THRIVE**, we have been able to respond and anticipate key business challenges. Over the last three years, we remained focused on contributing to global decarbonization, promoting the efficient use of resources, and protecting biodiversity. We have strengthened relationships with all our stakeholders extending the roots of our commitment to the development of our people and our communities.

Proud of the path we have taken, we close a cycle that has made us more resilient, more savvy and more ambitious. As we look ahead, the years to come will remain challenging for the markets, amidst climate and regulatory changes, along with evolving consumer needs. In 2023 we went through an in-depth reflection on the areas of greatest impact

where Sovena can play a meaningful role in the food chain, to define a successful route for the coming years. The new Sustainability Strategic Cycle 2024-2026 reflects our opportunity to prosper with the value chain, caring for everyone involved, and establishing new sustainable goals to continuing Feeding Futures.

JORGE DE MELO





SPREADING ROOTS NURTURES OUR ESSENCE



OUR ACTIVITY WITH A FEEDING FUTURES MINDSET

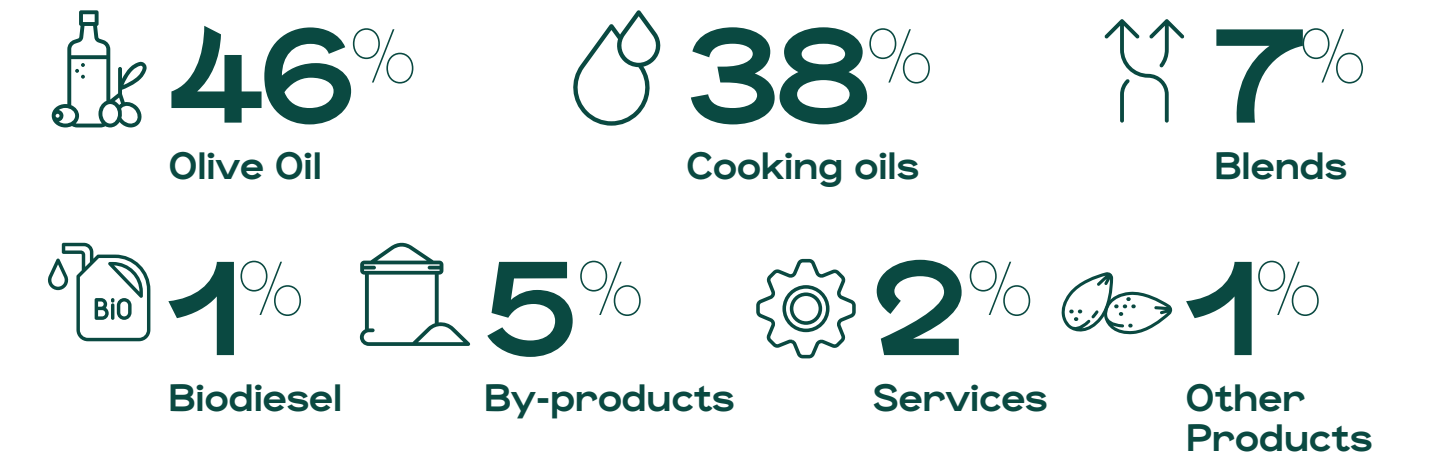
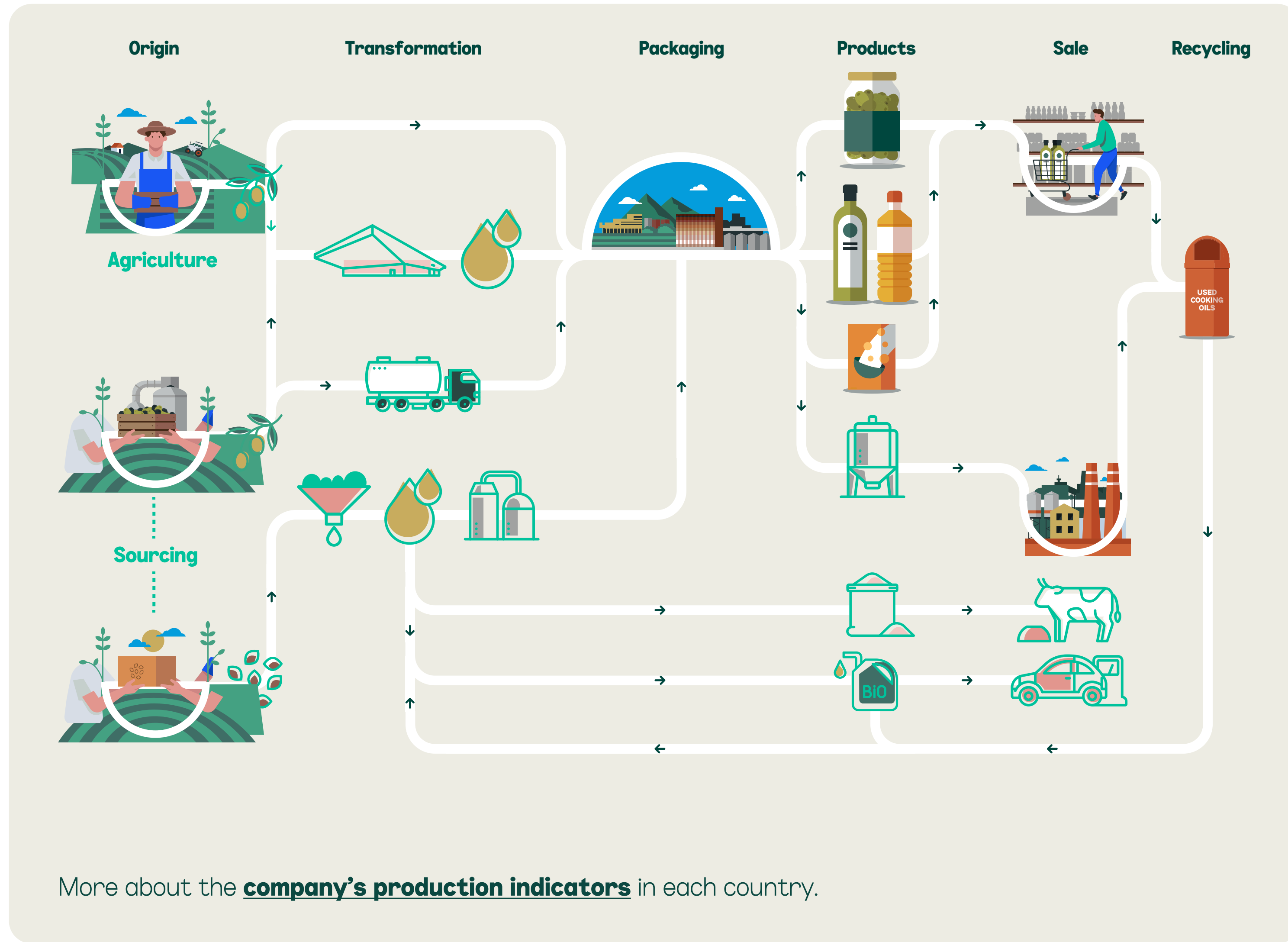
We develop and supply products and services in the olive oil and vegetable oil sectors – production, trade and supply

As one of the largest companies globally in the categories it operates and a leading partner in the food industry, Sovena has the capability to introduce innovative solutions to the future of food.

Our activities encompass agricultural production, sourcing, transformation, packaging, and distribution, complying with all strict Quality and Food Safety standards.

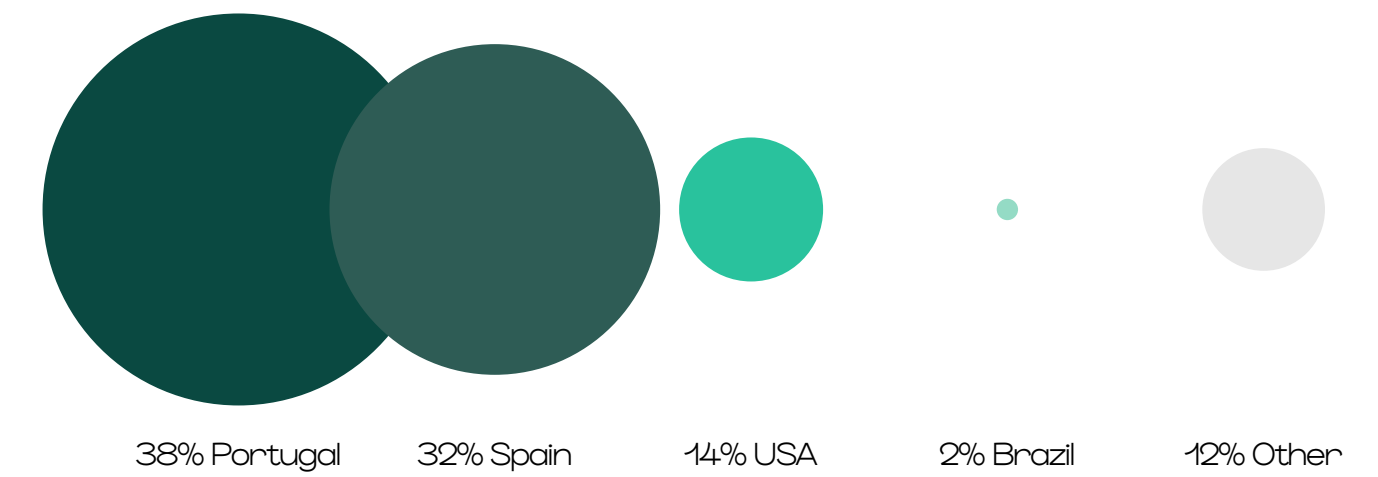
More about the [operating segments](#), [history](#) and [beliefs and values](#).





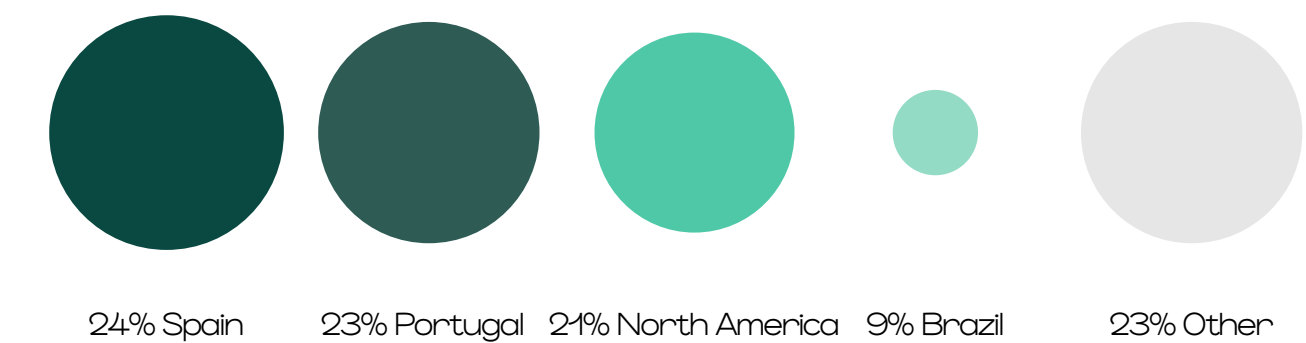
Proportion of turnover per type of product.

+1,210 Employees



+2,000 Customers

Sales per market



€1,723 Million

Net Turnover





Our brands



More about [our brands](#).

Besides our brands, Sovena supplies **private label** olive oil and vegetable oil brands for customers around the world, supporting them in the development of their own brands.





We have operations in eleven countries and export to 70 countries.

Our operations include agricultural projects, mills, and industrial operations for extraction, refining, and packing, allowing us to tailor our products to meet the unique needs of each market we serve.

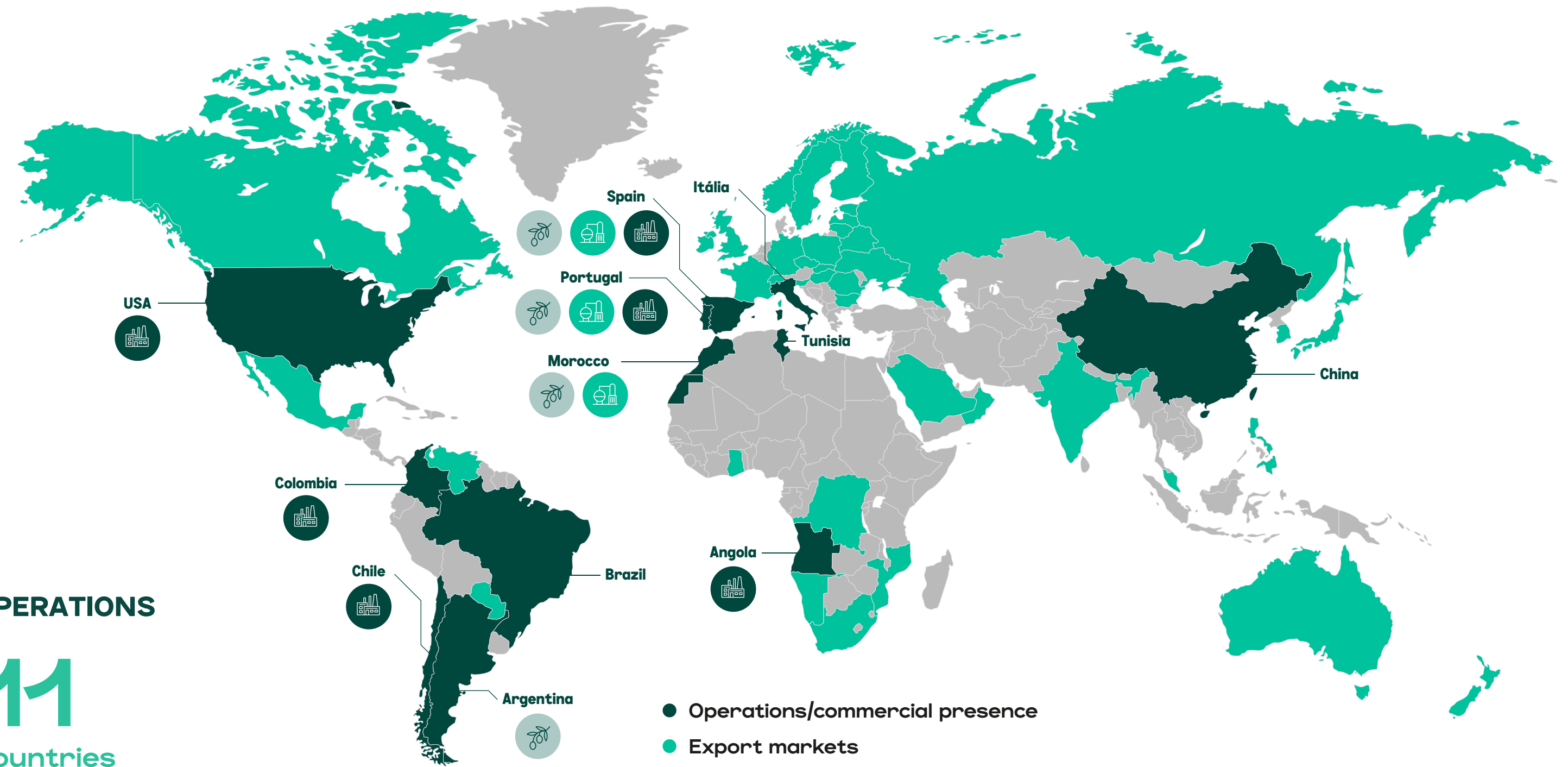
EXPORTS

Over **70** Countries

5 Continents

OPERATIONS

11 Countries



Agricultural projects

8,435 ha
Olive groves
(Portugal, Morocco and Spain)

11,290 ha
Oilseed crops
(Portugal and Argentina)

727 ha
Almonds groves
(Portugal and Spain)



Mills 4 mills

OLIVE TRANSFORMATION CAPACITY
2,550 t/day

OLIVE TRANSFORMATION CAPACITY
10,005 t

OLIVE OIL STORAGE CAPACITY



Factories 11 industrial units

EXTRACTION CAPACITY t/day	REFINING CAPACITY t/day	PACKAGING CAPACITY litres/day
2,660 Sunflower	1,358 Sunflower	4,750,000
1,650 Rapeseed	570 Rapeseed	200 Olive Oil
1,950 Soy	595 Soy	300 Biodiesel





ASSESSMENT OF THREE STRONGLY COMMITTED YEARS

Feeding futures for a planet that prospers and for people that thrive

The **five core pillars** have guided Sovena over the past three years towards achieving a more diverse and sustainable diet. We have embraced the best agricultural practices available, coupled with a more efficient and circular transformation process. To accomplish this goal, we involved our employees and supply chain partners in the purpose of feeding futures, contributing to build an energized community, and promoting consumer awareness for informed food choices and diverse diets.

Throughout this journey, we consistently maintain high standards of QUALITY and FOOD SAFETY, placing INNOVATION and DEVELOPMENT at the service of Feeding Futures.

More about **the materiality assessment that underpins our strategy.**

FOR A PLANET THAT PROSPERS

**PRODUCE FOOD
IN A SUSTAINABLE WAY**

**PROCESS EFFICIENTLY,
IN A LOW CARBON AND
CIRCULAR WAY**

FOR PEOPLE THAT THRIVES

**FOSTER EMPLOYEE'S
DEVELOPMENT AND
CONNECTION**

**ENGAGE AND
ENERGIZE THE LOCAL
ECOSYSTEM**

**ENCOURAGE INFORMED
FOOD CHOICES AND
DIVERSE DIETS**

QUALITY

FOOD SAFETY

INNOVATION AND DEVELOPMENT



We actively contribute to the [United Nations Sustainable Development Goals](#) through our strategy and action plan, specifically aligning our efforts with those goals where our actions have a more significant impact.”





MESSAGE FROM THE SUSTAINABILITY DIRECTOR

JOANA OOM DE SOUSA
Sustainability Director

In 2023, we concluded a three-year strategic cycle and made an overall assessment of our commitments and targets.

Our environment primary areas of action have been energy efficiency, carbon footprint reduction, water management, and sustainable agriculture practices. We are committed to high-efficiency and cost-effective solutions to embrace a balanced transition. Despite the unprecedented Global context we faced in this strategic cycle, we managed to reduce more than 20% of our scope 1 and 2 emissions, installed solar energy units in our farms and in three key industrial plants, invested in green electricity certificates, leveraged our biomass capacity and fully implemented our Natural Values Management Plan. Although the results have not come as quickly as we desired, we have remained strongly committed to our goals and to our stakeholders.

During this period, we worked diligently to achieve our efr certification, promoting well-being and work-life balance. The certification process has brought us closer together and allowed us to review, adjust and improve the measures in place. Taking advantage of the in-depth review of our Code of Ethics and Conduct,

we held, across all geographies, open, participated and committed discussions around the promotion of a responsible working environment, ethical conduct, non-discrimination, and labour and human rights.

Regarding our engagement with the communities in which we operate, I highlight our strong partnership with the Amélia de Mello Foundation, local schools and the Business Roundtable Portugal. These collaborations promote technical education programs, reskilling and upskilling initiatives, create internship opportunities and foster employability.

Sustainability matters are not new either to the world or to Sovena, but over the last three years the urgency, scope and awareness have been raised. At Sovena, the autonomy of the topic has gained prominence, exposure and action not only internally but also externally with customers, suppliers and other business partners.

Aware that these challenges cannot be faced alone and believing in the power of collective knowledge, we have been progressively and actively involved in partnerships, working groups and research projects that allow us to move faster, share and implement best practices, gain scale and innovate.

We end our report with a refreshed strategy, sharing our new priorities and targets for the coming years. We are proud of the way the process flowed, through 2023, promoting high valuable discussion and engagement across our team and external stakeholders. Thank you all.





For a planet that prospers

PRODUCE FOOD IN A SUSTAINABLE WAY



Commitments	Goals	Key action	KPI	2021	2022	2023	
				Achieved	Achieved	Achieved	Target
Contribute to sustainable food production, maintaining soil health and preserve water and biodiversity	Improve biodiversity, soil health, and water preservation	Define and implement the Natural Values Management Plan for farms (2023-25)	Develop the Natural Values Management Plan	20%	80%	100%	100%
	Improve biodiversity, soil health, water preservation, and responsible use of phytopharmaceuticals	Adopt and implement measures in the EDIA's "Guide to Good Agro-Environmental Practices"	% of area that complies with at least 50% of the applicable measures	27%	55%	85%	60%
Collaborate with our suppliers to ensure sustainable procurement	Sustainable sourcing	Endorse the Sourcing and Purchasing Policy	% of suppliers that endorse the Sourcing and Purchasing Policy	44%	87%	100%	100%
		Increase the proportion of FSC-certified materials purchased	% of FSC-certified cardboard boxes Baseline year:2020	66%	71%	82%	55%

PROCESS EFFICIENTLY, IN A LOW CARBON AND CIRCULAR WAY



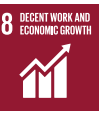
Reduce the ecological footprint of our activity through efficient use of natural resources, energy transition, and the reduction of Greenhouse Gas (GHG) emissions, while promoting the circularity of our by-products and packaging	Reduce carbon emissions by 30%	Define a plan to guarantee scope 1 and 2 emissions reduction	GHG emissions (tCO ₂ e) scope 1 and 2, with the goal of reducing emissions until reaching the value of carbon sinks (Sovena Olive Groves) Baseline year: 2020	82,786*	79,046*	69,970	60,000
	Transition to green electricity	Electricity supply agreement renegotiation + expansion of solar panels installation in our plants	% of electricity consumed from renewable sources (purchased and produced) Baseline year: 2020	55%	63%	66%	100%
	Improve circularity	Incorporation of recycled PET in packaging (Sovena brands)	% of recycled PET in packaging Baseline year: 2019	19%	19%	19%	50%

* Value updated due to minor calculation adjustments.



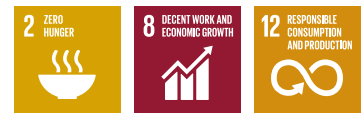
For people that thrive

FOSTER EMPLOYEE'S DEVELOPMENT AND CONNECTION



Commitments	Goals	Key action	KPI	2021	2023	2023	Target
				Achieved	Achieved	Achieved	
Guarantee the development and well-being of our employees, promote inclusion and diversity	Development/ Learning / Circulate knowledge	Development and training of our people with an increase in the total number of train-ing hours	% increase in total train-ing hours Baseline year: 2020	145%	117%	160%	15%
	Promote work life balance	eFr Certification (Empresas Familiarmente Responsáveis) – work life balance – Portugal pilot	Certification for Portugal (pilot)	launched	100%	-	-
	Promote People well-being	Employee Assistance Program (social and psy- chologic support)	% of employees with access to the program Baseline year: 2020	54%	60%	100%	100%

ENGAGE AND ENERGISE THE LOCAL ECOSYSTEM



Promote initiatives and support projects that foster dynamics of the local food system in places where Sovena operates	Promote social innovation projects	Promote and develop social innovation projects in rural areas (Portugal + Spain)	Number of municipalities included	2	5	6	4
		Finance the acceleration of social innovation projects that foster food security and accessibility, such as Project Revoa (Brazil,)	Number of social busi-nesses accelerated	0	6	-	7
	Foster sunflower crop compet-itiveness	Promote Oleoprecision: present the application, promote its use, and imple-ment new modules	Number of farmers using Oleoprecision app	70	178	190	500

ENCOURAGE INFORMED FOOD CHOICES AND DIVERSE DIETS



Promote trust in our foods and diverse diets	Improve employees' aware-ness of nutrition	Promote the nutrition pro-gram for employees (consul-tations + campaigns)	% of employees with access to the program Baseline year: 2020	40%	45%	100%	100%
	Disseminate products' nutri-tional information	Promote the nutritionists' and doctors' program in Brazil	Number of contacted professionals	1,310	1,385	-	1,376

Our practices are also aligned with the European targets advocated in the Green Deal, Farm to Fork, and Biodiversity strategy of the European Commission.



Sustainable Development Goals specific targets to which Sovena's sustainability strategy aims to contribute



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality



Ensure healthy lives and promote well-being for all at all ages

3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being



Ensure availability and sustainable management of water and sanitation for all

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

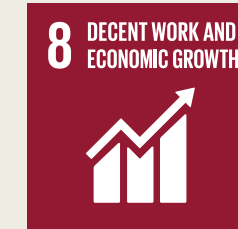
6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity



Ensure access to affordable, reliable, sustainable and modern energy for all

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 By 2030, double the global rate of improvement in energy efficiency



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



Ensure sustainable consumption and production patterns

12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature



Take urgent action to combat climate change and its impacts

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world

15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species



SPREADING ROOTS DEEPENS OUR IMPACT



2023 AT A GLANCE

NEW INDUSTRIAL OPERATION IN ANGOLA

Seed oils packaging plant, envisioning the creation of an efficient production and supply chain in the country. € 9 Million investment, annual capacity of 50 million liters, 17 local workers.

NEW INDUSTRIAL OPERATION IN COLOMBIA

Avocado oil production with an upcycling solution from avocados discarded due to their size or appearance. Positive impact on almost 300 farmers in the world's second largest avocado producing country.

CENTAZZI DEEP DIVING INTO SOVENA'S CULTURE

Employees with access to fully integrated programs, such as the Employee Assistance Program and the Amélia de Mello Foundation Scholarships.

OLIVEIRA DA SERRA SUSTAINABILITY AWARD

1st prize in the National Sustainability Award by Cofina, in the Sustainability Communication category.

PRR PROJECTS DEVELOPMENT

8 projects under PRR support achieving successful insights and results.

NATURAL VALUES MANAGEMENT PLAN IMPLEMENTATION

Training Nutrifarms team on the natural values present on the farms and on management measures to improve them.

SOLAR IN NUTRIFARMS

Installation of solar panels on four farms, which were fully operational during the irrigation campaign.

MAAVI INNOVATION CENTER PARTNERSHIP

Collaboration protocol with Kimatec's MAAVi Innovation Center to explore natural-based solutions to increase crops resilience, yield and quality.

OLIVE PIT DRYER INSTALLATION

Enhance the management of by-products from own mills, maximize raw material access and optimize biomass boiler usage.

FAMILY RESPONSIBLE COMPANY (EFR) CERTIFICATION RENEWED

The ongoing effort to manage conciliation between professional and personal lives was once again recognized by the MásFamilia Foundation.

FIRST SOVENA FAMILY DAY IN PORTUGAL

All employees and their families invited to share a day in our groves and mill, enjoying a full day totally dedicated to what we have best: Our People.

RESKILLING PROGRAM (PRO_MOV)

With Association Business Roundtable Portugal (BRP) and Instituto de Emprego e Formação Profissional (IEFP), we took part of a group that developed an Agriculture Training Program.

"IMPACT JOURNEY" PROGRAM LAUNCHED

Entrepreneurship program in partnership with Amélia de Mello Foundation, Grupo José de Mello and Casa do Impacto, that brings young people closer to opportunities in the impact ecosystem.

REVOA PROJECT FOCUS

100% profits from the Andorinha Extra Virgin Olive Oil in Brazil supporting Gastronomia Periférica, a social business that provides culinary training to students that come from marginalized backgrounds.

MARMELO MILL VISITS REDESIGNED

Enhance visitors' experience about the origin and production process, with a specific focus on circular economy.

COLLECTION OF USED COOKING OIL

With "Reciclar traz Futuro" initiative, 35 tons of used cooking oil were collected in the 92 oil containers distributed across 73 locations and more than 20,000 recycling funnels were offered to consumers.





We partner:



Business Council for Sustainable Development

(BCSD) Portugal, a non-profit association that brings together more than 170 leading companies in Portugal actively committed to the transition to sustainability.

Working Groups

Diversity, Equity and Inclusion
Value chain and Circular Economy*



GRACE – Responsible Companies, a corporate association which works in the areas of Responsibility and Sustainability, bringing together companies committed to implementing solutions for sustainable growth.

Working Groups

SDG 13 – Climate Action
SDG 6 – Water*



Business Roundtable Portugal – represents +40 of Portugal's largest business groups, of which Sovena is part, with a single purpose: to accelerate the country's economic and social growth to ensure a fairer, more prosperous, and more sustainable Portugal.

Working Groups

People/Requalification/
ProMov
People/Vocational education
Companies/Globalization
Sustainability



GS1 Portugal, a multi-sector business organization, including raw-material producers, retailers, and distributors, responsible for introducing the bar code in Portugal in 1985.

Working Groups

Sustainability Committee*

We engage:



The New Plastics Economy **Global Commitment** is led by the Ellen MacArthur Foundation, in collaboration with the UN Environment Programme, to promote a circular economy for plastics.



act4nature is a BCSD Portugal initiative that mobilizes companies to protect, promote and restore biodiversity. Testemunhos act4nature Portugal (youtube.com)



Water Management Pact is an initiative dedicated to prioritizing the issue of water on the Portuguese national agenda. Partner entities pledge to adopt sustainable measures for more efficient water management.



Unidos Contra o Desperdício is a movement that aims to draw attention to food waste and find ways to reduce it.

* Joining in 2024

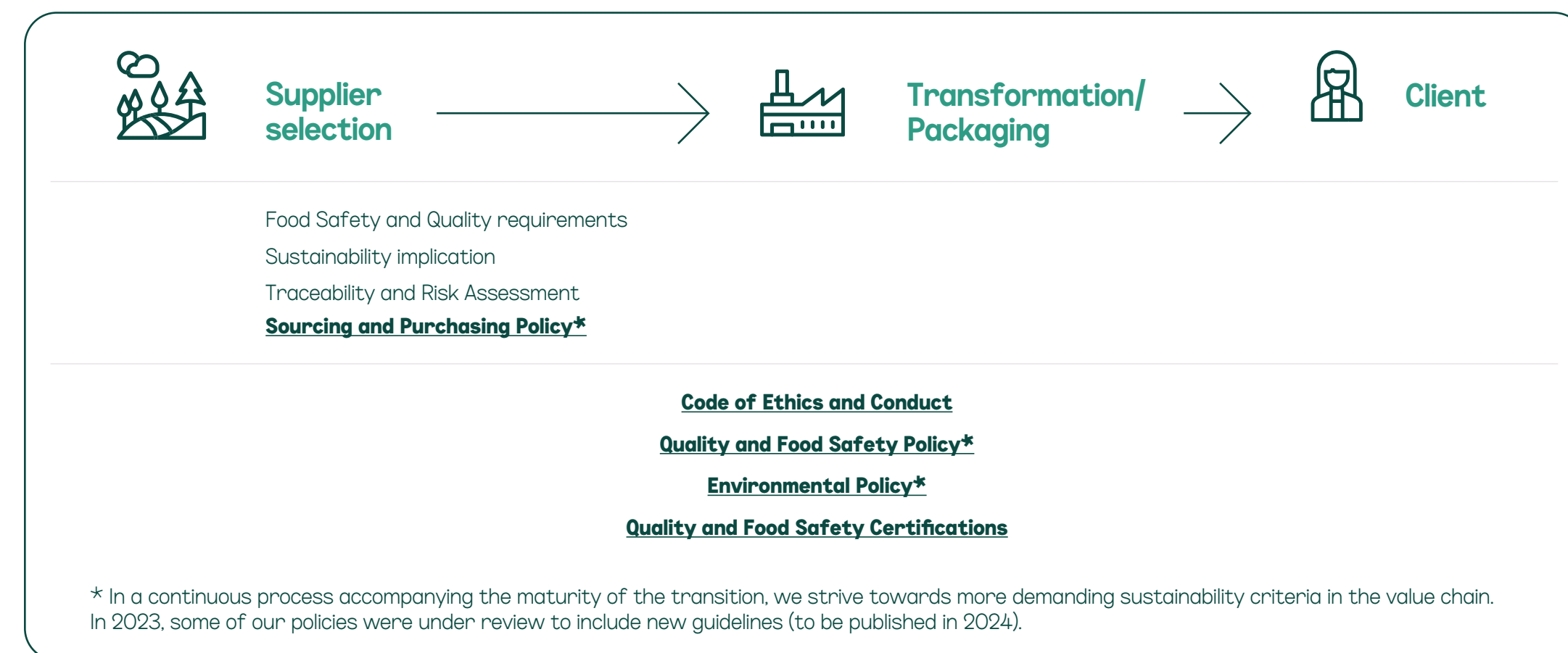


BUSINESS FOUNDATIONS

QUALITY AND FOOD SAFETY / Every day we work hard as a team to ensure compliance with our demanding policies, standards, and customers' requirements.

STRICT REQUIREMENTS

From new food requirements to safety risks, environmental, social and governance concerns throughout the value chain, Sovena focuses on **ensuring all requirements for a better future in the food industry.**



SUPPLY CHAIN ALIGNMENT / In 2023, our primary non raw-material suppliers signed a specific commitment declaring their alignment with Sovena's policies regarding social and environmental topics. In the case of our raw-material suppliers this alignment is explicit and included in every contract.

FOCUSED QUALITY / To guarantee the quality of our products, Sovena establishes close relationships with all its partners. This includes strategic support for small-sized suppliers, tailor-made quality agreements, dissemination of legal, technical, and scientific information, and continuous meetings on quality and safety topics. In 2023, we improved the approval process for mills with more demanding quality requirements and agreements.

PREVENTION FIRST / We continuously focus on improving our control systems and procedures to guarantee the highest Food Safety and Quality requirements of our products. Traceability control, risk assessment, policies, and certifications required our special attention to enable the effectiveness of the system and prevent food fraud. The robustness and maturity of our processes allow us to work directly with customers and suppliers concerning alerts and updates on risks, as well as provide technical support.

668
potential risks
analysed





MOSH/MOAH PREVENTION

Vegetable and olive oils are susceptible to MOSH/MOAH contamination, the umbrella term for mineral oil hydrocarbons, along the process from harvest production, collection, transportation and transformation.

In 2023, Sovena conducted a training session in the Marmelo Mill to inform and provide tools to prevent this problem to approximately 70% of Portuguese olive oil producers, representing around 80% of the olive groves production in Portugal. The session covered topics such as MOSH/MOAH's food safety risks and the best practices identified by Sovena through the studies conducted.

A communication and awareness plan based on this experience will be developed in 2024, targeting producers, suppliers, cooperatives, laboratories, and sector associations to reinforce the relevance of the topic, keep its status updated, and address associated legislative changes.

In the same line, and within our PRR project, Sovena Group will duplicate its capacity for analyzing these compounds in 2024, thereby expanding its study and reinforcing collaboration and support with our suppliers.

BEST IN CLASS LEVEL COMPANY

HIGHT LEVEL CERTIFICATIONS / We enhanced standard profiles and attained new certifications for sustainability, food safety and traceability:

- Almada (Portugal)** ISCC Plus (International Sustainability Carbon Certification) and EPA (United States Environmental Protection Agency) certifications allow access to the challenging biofuel markets such as those in the USA. These certifications guarantee sustainable, traceable, and deforestation-free supply chains.
- Barreiro (Portugal)** Integrated Production certification obtained for adhering to good agricultural practices and rational resources management in olive oil production. Additionally, the update to BRCGS FOOD I9 (British Retail Consortium Global Standards – Global Food Safety Standard) has been achieved.
- Brenes (Spain)** Zero Waste certification is being implemented, to recognize the effort to recover the different fractions of waste, avoiding its final disposal in landfills.
ISO 500001 certification is also under implementation to improve the energy management system.
This factory is also preparing the ISCC (International Sustainability Carbon Certification) certification.
- Centazzi (Portugal)** IFS – International Featured Standards certification has been obtained for ensuring quality and safety in products and processes, specifically in the context of a cookie factory.
- Placencia (Spain)** The basis of FSVP (Foreign Supplier Verification Program) certification was implemented for olive exports to the USA. Process to be closed in 2024
- USA Modesto** SQF (Safe Quality Food) – Global Food Safety certification has been obtained to guarantee the safety of food products across the supply chain.
- Others** Through SUSA, Sovena was one of the selected group of companies approved as VQIP (Voluntary Qualified Importer Program) imports for the FDA (U.S. Food and Drug Administration) - five in total in 2023.





ETHICS AND CONDUCT / Our Code of Ethics and Conduct, revised in 2021, sets the basic ethical principles for all operations and for the relationships between the several players of the value chain, regarding social and environmental aspects and business conduct.

In 2023, we continued investing in training and awareness-raising, to ensure that its principles are applied every day by our employees.

316 (69%)

Employees in Portugal participated in the Code of Ethics and Conduct awareness sessions (2022 and 2023).



LUIS APARICIO
Corporate Quality Director

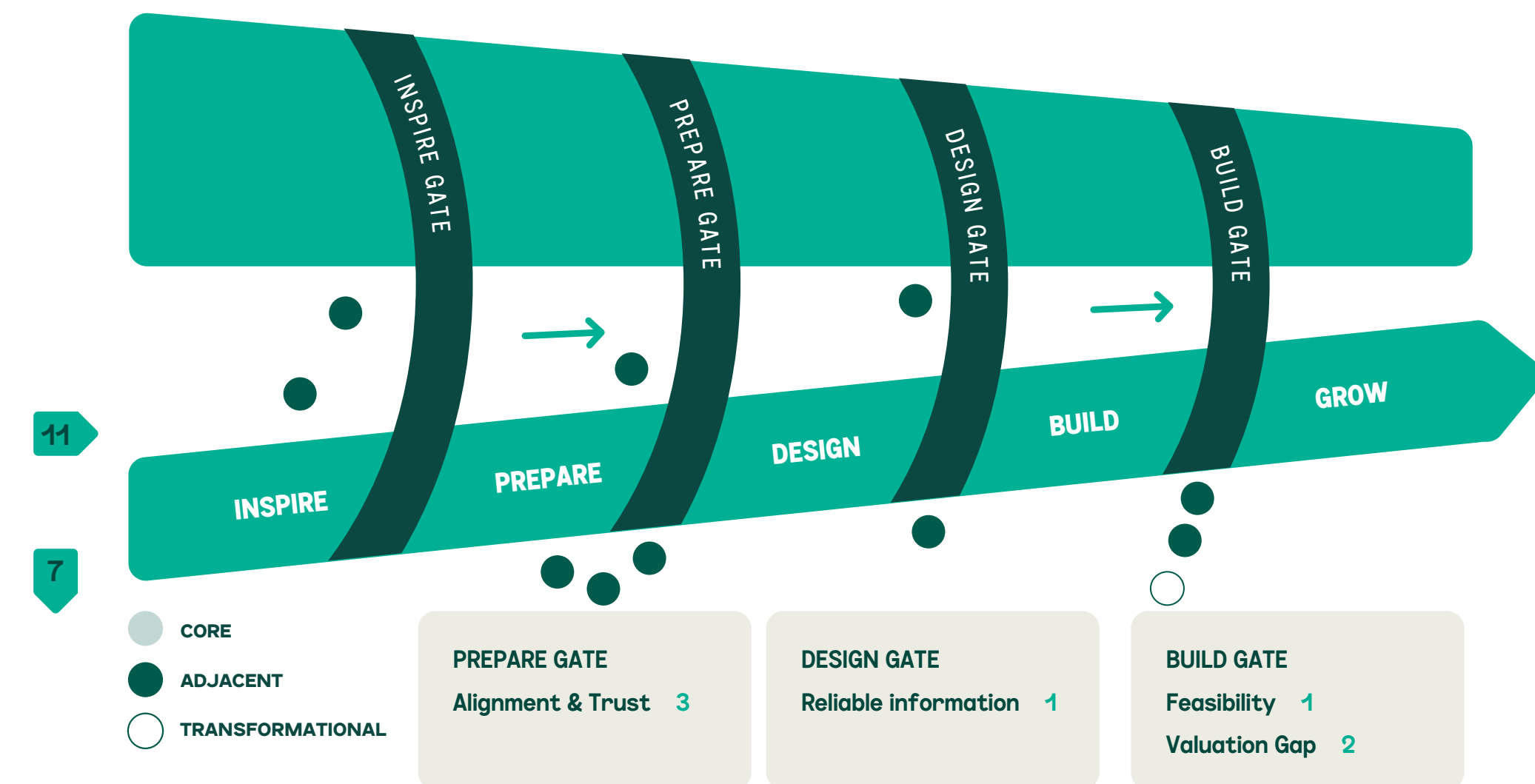
“Over the past three years, Sovena has demonstrated a significant commitment to sustainability, implementing high-impact measures and maintaining high standards of quality and food safety throughout its production chain. Over the next three years, Sovena aims to further intensify its sustainability efforts, aligning with growing regulatory and consumer needs, while reinforcing its quality and food safety management systems to ensure continued trust from all stakeholders.

INNOVATION AND DEVELOPMENT / We extend the principles of our Feeding Future strategy to all significant business and investment decisions.

INNOVATION IN BUSINESS

INNOVATION FUNNEL / To pursue a healthier and more sustainable future, Sovena continues exploring New Ventures opportunities, leading to the beginning of 11 new projects in the innovation funnel in 2023, four of which still in our pipeline.

NEW VENTURES INNOVATION FUNNEL 2023





BUSINESS AND GEOGRAPHIES DIVERSIFICATION / To enhance circularity and healthy diets, Sovena initiated a € 6 Million industrial project in Colombia for world-leading avocado oil production. The plant started production in July 2023, has a daily production capacity of 14 tons of avocado oil, and aims to recover more than 30 thousand tons of avocado fruit that would be otherwise wasted due to devaluation. With this infrastructure, our goal is to encompass 50% of Colombia’s small avocado producers by 2027. In 2023, the project successfully involved around 300 producers.

Avocado in Colombia	Centazzi	EcoXperience
2023	2022	2021
Greenfield investment	Acquisition	Minority shareholder
Circularity and raw material access	Healthy nutrition	Circularity
Colombia	Portugal	Portugal
<p>EXTRACTION OF AVOCADO OIL from fruit not suitable for export, focused on upcycling a byproduct, with a particular emphasis on exporting to the USA.</p> <p>Vidrio Andino Award In 2023, this plant was awarded the “Prémio a La Excelencia en La Arquitectura Sostenible” in the industrial and commercial category, by the Sociedad Colombiana de Arquitectos.</p>	Expanding the portfolio of HEALTHY PRODUCTS . Sovena introduces Salutem brand products, dedicated to addressing new food trends.	Production of ECO-LOGIC DETERGENTS from used cooking oil, by transforming a waste into an added-value product, thereby closing the oil production loop.

INNOVATION AT THE CORE OF KNOWLEDGE

As part of our 2024-2026 Research and Development agenda, we aim to complete several projects focused on decarbonization and the circularity challenges.

RECOVERY AND RESILIENCE PLAN (PRR) AGENDA / Partly funded by European Funds, Sovena has been approved to lead three projects within VIIAFOOD Agenda (Valorisation, Industrialisation and Innovation for the Agri-Food sector in Portugal), a Platform for Valorization, Industrialization and Agrifood Innovation with key players in the market:

VIIAFOOD		
New Pack	HidroX	MOH
A new generation of packaging materials.	Development of natural olive extracts (OIBPE) from mill by-products.	Minimization of the presence of mineral oil hydrocarbons (MOH) in vegetable oils.
€ 1.2 Million investment in R&D	€ 1.3 Million investment in R&D	€ 0.8 Million investment in R&D
3 partners	2 partners	1 partner
<p>R&D lines</p> <p>Testing of synthesized biopolymers and evaluation of their safety, recyclability, and industrial applicability.</p> <p>Development of easily implementable intelligent packaging solutions.</p>	<p>R&D lines</p> <p>Obtaining bioactive extracts at pilot and semi-industrial level from olive by-products and the olive oil production process and validating their use in food and cosmetics.</p>	<p>R&D lines</p> <p>Optimizing analytical techniques and statistical data processing for the rapid analysis of samples to identify the origin and extent of contamination, as well as the critical phases of the process.</p>





Also included in the **VIIAFOOD**, two lines of investment were approved for internal training, one for Innovation culture and the other for **Food Industry 4.0 capacitation** (Sovena investment of €1 Million).

OTHER R&D+I PROJECTS / Within the PRR (Recovery and Resilience Plan) agendas, Sovena also participates in other innovation projects, through consortium with various companies and organizations.



JOÃO BASTO
New Ventures Director and Centazzi Managing Director

“A first cycle of commitment with the Group’s new positioning comes to an end. Cohesion around Feeding Futures has allowed the ongoing diversification process to materialize, aware that only opportunities with impact and relevance for people and the planet ensure the sustainability of the business. The possibility of converting used cooking oil into detergents promoted by Eco-X, and the utilization of discarded avocados from Colombian farmers for oil production, are concrete examples of our vision, which we intend to reinforce in the upcoming cycle. It will also be an opportunity to fulfil our ambition of democratizing access to healthy and balanced food through our ‘Salutem’ brand.

SUSTAINABLE PLASTICS	INSECTERA	TEC4GREEN
Circularity through recycling, design, and alternative raw material sources	Development of an insect-based industry in its diverse dimensions	Prepare the agro-industrial sector for future technological and environmental challenges.
€ 39 Million of investment in R&D (whole consortium) € 71,000 - Sovena Investment	€ 27 Million of investment in R&D (whole consortium) € 83,000 - Nutrifarms investment	€ 16 Million of investment in R&D (whole consortium) € 75,000 - Nutrifarms investment
4 partners	44 partners	19 partners
R&D lines Development of a biopolymer from olive stones, which, at the end of its life cycle, can be used as a compost.	Innovation Lines Utilizing olive pomace as a component for feeding insect larvae and the development of a new organic fertilizer. This fertilizer, Insect Frass, is the result of the organic matter bio digestion, and is formed from insect wastes and decomposed material. Nutrifarms is testing the application of this fertilizer in own olive plantations to test its ability to improve the soil and nourish the olive grove.	Innovation Lines Development of a new generation of hybrid and biological products for agricultural crops protection and nutrition, demonstrating Digital Farming technologies (precision agriculture and Agronomic Decarbonization), and promoting water streams and agricultural by-products treatment and valorization. Nutrifarms will test products for crop protection and nutrition.





INNOVATION IN DIGITAL TRANSFORMATION

To ensure a successful digital transition, to enhance operational efficiency and systems and information security, Sovena has invested in the following tools in recent year:

GLOBAL

A new cloud-based Quality Management System; more robust cyber-attack protection systems, online communication and collaboration platforms, and higher quality video conferencing systems to reduce travelling, facilitate hybrid working, and conduct online meetings.

Portugal and Spain

Interconnecting printers between units, offices, and countries through a cloud system, incorporating access codes, and implementing ink and paper rationalization measures.

Barreiro, Centazzi, Algés

Network renewal to improve speed, resilience, performance, and traffic and information management.

Barreiro

New warehouse management solution for packaging and auxiliary materials, stock control and traceability, material provisioning and replenishment capacity.

Brenes

Automation of the final product warehouse, which brought improvements in inventory control and increased efficiency in production confirmation and shipping processes.

Over the next three years, Sovena will undertake a transformation and renewal program of its application architecture with the implementation of SAP S/4 Hana, alongside with application projects to increase operation's digitization in several industrial sites – Almada, Barreiro, Andujar e Brenes.



EDUARDO ALVES DA SILVA
Chief Financial Officer

“The commitments we have made to sustainability are key to our competitiveness and differentiation. Developing and strengthening relationships with our partners, namely material suppliers and financial institutions, is essential in this endeavour.”



PRODUCE FOOD IN A SUSTAINABLE WAY

Recognizing the vital role of water, soil, biodiversity, and energy in food production, as well as their reciprocal impact, we regularly reassess our practices, and, through partnerships with Suppliers, Universities, and Research Centers, we continually test and promote new techniques.

OUR TARGETS AND PROGRESS

KPIs	2023 achieved accumulated	Progress compared to 2022	2023 Target
Development of the Natural Values Management Plan	100%	+ 20 p.p.	100%
2021: Kickoff for all farms in Portugal. 2022: Map and monitor natural values, identify areas strictly designated for conservation, establish a baseline to measure and evaluate our progress. Conduct public consultation. 2023: Train the internal team and implement measures according to the plan. Over the next three years, we will conduct another in-depth evaluation of the plan.			
% of area that complies with at least 50% of the applicable measures in EDIA's Guide to Good Agri-Environmental Practices	85%	+ 5 p.p.	60%
We used the EDIA Guide to assess the practices on our farms in Portugal: Ferreira (2021), Alto Alentejo (2022), Beja and Alvito area (2023). We found that 85% of the Nutrifarms area complies with the good practices suggested by EDIA to a good level (>84%).			
% of suppliers that endorse the Sourcing and Purchasing Policy	94%	+ 7 p.p.	100%
In all new and renewed contracts, suppliers committed to the best economic, environmental and social practices, proving to be aligned and comply with our policies.			
% of FSC-certified cardboard boxes Baseline year: 2020	82%	+ 11 p.p.	55%
Working together with our suppliers made it possible to exceed the objectives initially set.			





Production challenges and solutions

WATER MANAGEMENT IN DROUGHT CONDITIONS

The persistence of drought in the Iberian Peninsula significantly impacted olive oil production. In a context of drought conditions, our continuous monitoring tools in the olive and almond groves proved to be crucial. Real-time data on soil moisture, weather conditions, and plant water status enabled precise and efficient water management. Leveraged on technology and expertise, our team adjusts and optimizes irrigation plans weekly, tailoring them to each farm's and tree's specific needs.

IRRIGATING WITH SOLAR ENERGY

In 2023, we concluded the installation of four new solar units in our farms to support the irrigation. We currently have eight irrigation systems supported by solar energy.

The four units installed in 2022 started full operation in 2023 and supplied about to 40%¹ of the irrigation energy needs on these farms.

By 2024 we expect to add 2 more units, having 10 out of 49 farms irrigated with the support from photovoltaic systems.

During summer months we hope to use mostly solar energy for irrigation.

In addition, the remaining electricity consumed on the Portuguese farms comes from renewable sources.

1. Considering data from three of the four units

RESILIENCE THROUGH NATURAL VALUES

The implementation of the Natural Values Management Plan started in 2023. Nutrifarms' team underwent training on the measures for responsible management of the natural values on our farms. Each technician selected measures tailored to the characteristics of each farm, and specific sites were designated for the implementation of these chosen measures. The objectives include enhancing connectivity between natural areas within farms, promoting biodiversity and protecting existing habitats. In 2024, we will monitor the outcomes of these measures, with evaluation scheduled for 2025.



Oliveira da Serra's first harvest pays tribute to biodiversity

In 2023, we dedicated a special edition to biodiversity, including, on the label, images of three species (rabbit, frog, and nightingale) that inhabit our olive groves and are amongst the ones we carefully preserve.





STUDYING PRACTICES ON CARBON FARMING

In 2023, Nutrifarms collaborated with 33 partners across Europe on the **ClieNFarms** project, which focuses on carbon-neutral farming. The project aims to evaluate and find solutions for achieving climate neutrality. During 2023 a group of farms was selected to adopt and demonstrate good practices for reducing emissions or increasing carbon sinks in olive groves.

Specifically, in addition to designating a Nutrifarms farm as the Demonstration Farm, we identified ten additional olive farms to serve as Lead Commercial Farms responsible for disseminating the tested measures. In all participating farms we have collected soil samples to define baseline emissions/sink levels. Moreover, we organized the Creative Arena event to showcase and discuss how adopting these measures can contribute to the carbon neutrality of olive groves, as well as the motivations and barriers faced by olive growers. Throughout the year, we implemented various measures to assess their effectiveness in reducing emissions or enhancing carbon sinks.



VASCO MARTINS
Agribusiness Managing Director

“In recent years, the Sovena group has been developing its activities with a special focus on sustainability, recognizing its essential role in addressing the significant challenges the world faced. These challenges imply and project an increasingly greater responsibility that all companies must embrace. The path we have already taken has instilled within the group a culture aligned with the values that sustainability entails. This will enable, in the new cycle that is now beginning, the consolidation of this path by establishing new goals that present an even greater challenge. Nutrifarms, the “agricultural arm” of the Sovena group, has been an exemplary figure in the olive grove and olive oil production sector in many areas, ranging from modernization to innovation, from new agricultural management models to efficiency, but particularly in sustainability, where we have taken significant strides that are now considered benchmarks. We are proud of the journey we have embarked on, but it will never truly end. We acknowledge that the challenges are increasing, and we will embrace new goals, always adapting to the realities we face. We do this because we are aware that agriculture is now, more than ever, a fundamental “piece” of global sustainability, and we aspire to be a strong contributor to creating a better future and perhaps serve as an inspiration for other actors in the agricultural and agro-industrial sectors. Sustainability is in Nutrifarms’ DNA!





RESEARCHING FOR NATURAL SOLUTIONS

We established a collaboration protocol with **Kimitec's MAAVi Innovation Center**, which will research the development of innovative, natural solutions tailored for olive. This effort is expected to yield advanced solutions that will benefit the broader agricultural sector by addressing a variety of challenges. Through this collaboration, our goal is to reduce the incidence of pests and diseases, and the environmental stress, at the same time optimizing water usage, and improving crop yield and quality.

FEEDING FLIES WITH OLIVE POMACE

As part of **InsectEra** project, we started testing the use of olive pomace as feed for the black soldier fly and assessing the fertilizing properties of the resultant manure in our olive groves. Together with other partners, we established test protocols and identified specific areas within our olive groves to evaluate the efficacy of fly manure in enhancing soil organic matter and nourishing olive trees.

Olive and seed oil sourcing: two different worlds

The sourcing dynamics of olive oil and seed oil operate in two distinct spheres. In both cases there is diversity in suppliers and geographies, but each facing unique market circumstances, employing different production methods, and possessing different capacities to address the impacts of climate change.

Despite these challenges, we remain steadfast in our commitment to secure raw materials that adhere to our stringent food safety and quality standards. We have prioritized the diversification of our sourcing channels and fostered collaborative relationships with our suppliers. A noteworthy example is our sunflower sourcing in Spain, where we actively engage in activities such as demonstration test fields to share best practices, seed test testing, and the annual Sunflower Forum. Sovena actively participates in this event each year, bringing together approximately 150 producers.



Olive Oil

350

local suppliers

78

in Portugal

37

in other Mediterranean countries

232

in Spain

3

In South America



Seed and Vegetable Oil

Several reliable suppliers in all the main producing geographies, in particular E027, Black Sea region, Argentina, Canada and Australia





GABRIEL ESTEVEZ
Olive Oil Sourcing and Wholesales Director

“In recent years, following the Group’s policy and roadmap, we have been developing strong relationships with our olive oil suppliers based on social, environmental, and economic sustainability.

We have more than 500 suppliers spread across the main olive oil producing origins, who year after year become acquainted with our objectives and understand that sustainability is both present and future oriented. Guided by our motto “Feeding Futures” and driven by the respect for resources (especially water) and the environment where the olive trees are located, we will continue to rely on our approved suppliers of all sizes to continue growing, strengthening relationships around a product - from farm to the table - that is natural, healthy and sustainable.



MIGUEL COSTA
Commodities Sourcing and Wholesales Director

“At Sovena, we view supply chain sustainability as an ongoing and essential commitment. Our vision extends beyond adopting environmentally conscious practices; we are dedicated to promoting an integrated approach that also considers social and economic aspects. We believe that true sustainability can only be achieved when all these elements are carefully balanced.

Through close collaboration with our suppliers, sharing knowledge, setting ambitious targets, and implementing concrete actions, we aim to build a resilient, adaptable, and future-ready supply chain.

We acknowledge that these challenges will be significant, especially given the geopolitical situation in the main regions of origin for our oils and seeds.

However, we believe that the benefits of sustainability extend beyond the boundaries of our company and impact society as a whole. By working together to create a sustainable supply chain, we are contributing to a better, more equitable and prosperous world for future generations..



PROCESS EFFICIENTLY, IN A LOW-CARBON AND CIRCULAR WAY

To promote a sustainable food system, Sovena has aligned its internal operations with the most pressing climate challenges. Clean energy, efficient use of resources, and circular models are important pillars to fulfill the Feeding Futures mission.

OUR TARGETS AND PROGRESS

KPIs	2023 achieved accumulated	Progress compared to 2022	2023 Target
Scope 1 and 2 GHG emissions (tCO ₂ e) Development and implementation of energy efficient projects; investment in renewable energy sources.	69,970	-11%	60,000
% of electricity con-sumed from renewable sources (purchased + produced) Investment in the installation of solar energy production units for self-consumption and the acquisition of green electricity certificates	66%	+3 p.p.	100%
% of recycled PET in packaging (Sovena's brands*) Demand for recycled PET has been increasing worldwide, driven by environmental and legislative concerns, which has led to a market unbalance. Given the context and to ensure global sustainability we maintained the percentage of rPET in our key brands.	19%	-	50%

* Sovena's main olive oil and vegetable oil brands (Oliveira da Serra, Fula and Andorinha) in Portuguese, and Brazilian markets.



OUR CARBON FOOTPRINT



Emissions (tCO ₂ e)	2020	2021	2022	2023	Evolution vs. 2020 (%)
Scope 1	32,190	26,136	25,823	27,003	-16%
Scope 2	56,968	56,650	53,224	42,967	-25%
Scope 1+2	89,158	82,786	79,046	69,970	-22%
Scope 3	1,078,152	1,126,179	1,267,720	1,182,673	10%
Scope 1+2+3	1,167,310	1,208,965	1,346,766	1,252,642	7%





Switch to a more efficient and low-carbon production

To achieve decarbonization targets set in our strategy, Sovena is engaged in a two-fold effort: **reducing and replacing** by improving process efficiency integrating technological advancements and increasing consumption of renewable energy across our factories.

REDUCING / ENERGY CONSUMPTION

Our cyclical rationalization plans, that, since 2020, counted on more than 20 initiatives, maintain a focus on improving energy efficiency and reducing electricity consumption. Our best practices range from improvements in thermal and cooling systems to reforming compressed air circuits and adopting more efficient technologies. Here are some key initiatives from 2023:

BARREIRO / By initiating a new energy rationalization cycle at this plant, we anticipate savings of approximately 8% of energy consumption over the next 8 years. This is equivalent to annual savings of 509 MWh of electricity and 137k Nm³ of natural gas. The implementation of the reverse osmosis project in 2024 (contracted in 2023) is expected to save an additional 5% of annual natural gas consumption. Additionally, contributing to this target we have in place an automatic combustion control, along with ongoing initiatives to improve thermal insulation, digitalization, and the adoption of more efficient equipment.

ALMADA / In the third year of its energy consumption rationalization plan, this facility has already achieved a reduction of 669 MWh electricity and 3,835 tons of steam. In the coming years we will continue to refine the steam circuit insulation system, the digitalization process, and efficiency of the lighting systems.

BRENES / The acquisition of a new glue machine to serve two packaging lines will contribute to a remarkable 55% reduction in electricity consumption on these lines, translating to annual savings of 19 MWh. The project, scheduled for completion in 2024, is currently operating for one of the lines.

Several improvement studies are underway, including:

- flash vapor recovery to save 12.5% of the heat generated and reduce natural gas consumption
- heat exchanger system revision to save 40% of its energy consumption
- boilers burners upgrade to use biogas or hydrogen
- aérothermal or geothermal energy use to replace the air conditioning compressors.



ANDUJAR / The ongoing effort to improve the compressed air distribution network, transition to LED lighting, and replace less efficient motors is expected to reach annual savings of 85 MWh, 80 MWh and 28.5 MWh, respectively.

Also, in Andujar, the acquisition of a new glue machine for packaging lines two and three will contribute to reduce 55% of the electricity consumption on these lines, translating to annual savings of 4.5 MWh.

REDUCING / THE LOGISTIC ENVIRONMENTAL IMPACTS

Sovena strives daily to integrate increasingly flexible, efficient, and sustainable routes into its product distribution operations.

MAXIMIZING LOGISTICS EFFICIENCY / Reducing emissions and optimizing routes are central in regular meetings with our logistics suppliers, as well as with customers who have their own transportation systems.

We collaborate closely with our partners to increase operational flexibility, maximize full truck return and allow back-hauling operations.

Our ambition to achieve decarbonization directs our focus toward evolving market solutions. Together with our largest logistics providers, we are also exploring the integration of electric vehicles into our distribution routes.

Additionally, we are investigating opportunities to expand train routes, primarily used for intercontinental product shipments.

REDUCING / WATER CONSUMPTION

In higher-risk areas, Sovena continues to take action to reduce its water footprint and improve water use efficiency.

BRENES / This factory has a stringent water consumption control plan, with 30 water meters to detect anomalies in consumption.

A feasibility study is in progress to replace the cooling towers with Drycooler and Adiabatic systems, which could contribute to reducing water consumption in the industrial process.

ANDUJAR / As a good practice, treated water from the wastewater treatment plant is used for irrigating gardens and cleaning the outside areas of the factory.

ALMADA / Due to the proximity to the Tagus River, a study for the application of a Water Desalination Unit in this facility has started, foreseeing an 80% reduction in municipal potable water consumption.

REDUCING / AIR POLLUTANTS

To comply with emissions regulations, Sovena's best industrial practice is to continuously improve its processes and invest in anticipating legal requirements.

ALMADA / By optimizing the extraction process, we anticipate a 29% reduction in diffuse VOC emissions.





ANDUJAR / The Integrated Environmental Authorization is under review to set new emission limits for 2024. In terms of COVs, our extraction plant is designed to meet the new requirements, and the filters installed at the boiler combustion gas exits have already been adjusted accordingly.

REDUCING / WASTE RECOVERY

For many years, Sovena has been focused on reducing waste production by valorizing the by-products of its processes and looking for new solutions. Alongside other initiatives, we have been extending the scope of application of neutralization sludge to animal feed and redirecting refining by-products to the cosmetics industry.

89%

of waste produced was given a second life

99%

of waste produced is not hazardous

-5%

total waste generated, compared with 2022

Constant commitment to operational quality.

Sovena reached the second position in the 11th edition of the Benchmarking Supply Chain 2023, a study carried out by GS1. This study aims to assess the efficiency of large consumption suppliers in the order-to-cash flow process, covering key aspects such as delivery times, planning, administrative management, reaction capacity, and collaboration.

REPLACING / PHOTOVOLTAIC PROJECTS

We remain committed to further expanding renewable electricity in Sovena's energy matrix. Over the last few years, we invested more than € 2,3 Million in the installation of photovoltaic panels in some of our key factories and farms, and plan to extend these projects to our factories in Rome (USA), Modesto (USA), and Centazzi (Portugal).

Installation year	Brenes 2021	Plasencia 2022	Barreiro 2022	Nutrifarms 2017-2023	Total
Number of panels	3,470	460	1,600	2,330	7,860
Power capacity (kWp)	1,400	250	864	964	3,478
Production in 2023 (MWh)	1,474	228	1,376	234	3,314
Electricity demand fulfilled in 2023 per site (%)	13%	20%	20%	4%	
CO ₂ avoided in 2023 (tCO ₂ e)	303	47	238	40	

ALMADA / We signed a Power Purchase Agreement (PPA) for a 15-year term with a fixed price for the purchase of energy from photovoltaic production. Through this agreement, Sovena has secured a power capacity of 5,700 MWh, enabling us to offset over 14% of the electricity demand of our Almada facility and prevent more than 1,000 tCO₂e emissions per year. The project is scheduled to start in the last quarter of 2024.





REPLACING / BIOMASS

Sovena has also integrated thermal energy produced from biomass into our energy portfolio through our own process by-products, such as the use of olive pits and sunflower husks as feed for boilers. In 2023, the energy mix to meet our steam demand in our industrial processes was produced by:

Andujar	1 biomass boiler	51% biomass / 49% natural gas
Brenes	1 biomass boiler	55% biomass / 45% natural gas
Marmelo Mill	3 biomass boilers	100% biomass

ANDUJAR & BRENES / We completed the installation of the olive stone dryer, which will enhance the management of by-products from own mills, maximize raw material access and optimize biomass boiler usage.

With a capacity of 4.000 kg/h, this investment was made in 2023 and will be in operation at the beginning of 2024.

REPLACING / PURCHASING RENEWABLE ELECTRICITY

In 2023, we maintained our commitment to purchase electricity from renewable energy sources to meet all Sovena's needs in 100% Portugal and Brenes (Spain). For other operations in Spain, USA, and Brazil, we continue to explore the possibility of extending this measure.

REPLACING / ELECTRIC FLEET

Since 2020, Sovena has been investing in infrastructure for electric vehicle charging. Currently, we have eight charging points spread across three facilities (Algés, Brenes and Marmelo Mill). By 2024, Sovena plans to install additional thirteen points, expanding the network to two more facilities (Barreiro and Almada).

We have enhanced our Fleet Policy by mandating the use of hybrid cars in Portugal.



LINA DIONÍSIO
Industrial Oilseeds Director

“Over the past three years, we have set a series of significant environmental objectives that have required us to become increasingly efficient from an industrial standpoint. For the next three-year cycle, our ambition remains the same. We will consolidate established practices, reduce waste, adopt clean technologies, encourage sustainable practices, and minimize the use of non-renewable resources.”





Think circular

At Sovena, we continuously seek solutions to improve the impact of our operations. Enhancing our packaging processes is not only environmentally sustainable but also a good business practice. We prioritize extending the materials life cycle, enhancing recyclability, minimizing waste, and discovering value-added solutions.

CIRCULARITY IN OUR PACKAGING

Over the years, Sovena has invested in improving the performance of its packaging. Since the beginning of the Feeding Futures strategy, we have achieved several milestones related to recyclability, including reducing plastic use, incorporating recycled plastic, eliminating black capsules, reducing pigments and ink on labels and boxes, and transitioning to mono-material packaging. During 2023, we remained committed to further improving the outcomes of these measures.

LESS PLASTIC IN OUR BOTTLES / We continued testing to reduce the weight of packaging. In 2024, we will conduct concept demonstration tests in our factories for different products. Our Biomimicry project is also in development to create the most efficient packaging in our portfolio (19g).

MORE RECYCLED PLASTIC IN OUR BOTTLES / Since 2019, Sovena has been transitioning from virgin plastic (PET) to recycled PET (rPET) in our product packaging. This year, packaging changes, mainly in Spain, contributed to an overall increase of 38% rPET incorporation into the market, compared to 2022. Furthermore, all our Spanish clients' brands and Fontasol packaging have transitioned from zero to 30% rPET incorporation, while Fontoliva and Flor de Olivo have increased from 20% to 30% rPET incorporation.

In 2024, we plan to introduce the first 100% rPet packaging for one of Oliveira da Serra's products.

Client and Sovena brands	2020	2021	2022	2023
rPet (Kg)	71,427	307,037	374,887	518,582

LESS GLUE AND PLASTIC ON LABELS / The new glue machines installed in Brenes and Andujar features a dot application technology, reducing glue consumption by 40%.

In the case of our sprays, we have replaced plastic sleeves by lithography, a method that directly prints the label onto the package. This initiative is expected to save approximately 1,300 kg of plastic per year, across the Oliveira da Serra, Fula and Andorinha brands.



BLACK CAPSULES ELIMINATION IN SOVENA KEY BRANDS / In 2023 we completed the elimination of the black pigment from all Sovena brand dispensers. Millions of products were switched to other colors, in a process aimed at facilitating the packaging recycling process.



COMMUNICATING RECYCLABILITY TO CONSUMERS / We have begun communicating our Recyclass A certification on the labels of our Oliveira da Serra 750mL and 1.5L bottles. By providing this information, we aim to empower consumers to contribute to a closed-loop plastic recycling system, as these packaging materials pose no recyclability issues.

DIGITALIZING PACKAGING / EcoX joined Sociedade Ponto Verde’s RE-Source innovation program and it is currently collaborating with a UK start-up on packaging’s digital transformation. Our goal is to promote packaging reuse through positive feedback, making it more accessible and digital.

IMPROVING OUR SECONDARY PACKAGING

In secondary packaging, we have also made significant improvements over these three years to reduce the amount of cardboard and ink used in box printing. Here are the most significant measures implemented this year:

LESS CARDBOARD / To decrease cardboard usage, we explored the elimination of internal separators in our vinegar distribution boxes. We plan to implement this measure in 2024, aiming to reduce 6 tons of cardboard per year.

LESS INK IN THE PACKAGING / At our Brenes factory, we upgraded our cardboard box printing equipment to a more efficient model, resulting in approximately 30% less ink consumption.

SUSTAINABLE SOURCED WOOD / We achieved an 82% consumption of FSC certified cardboard this year, marking an 11p.p. increase from 2022. We remain committed to using sustainable sourced wood in all our product boxes. Additionally, 100% of our wood pallets are also FSC certified and are continuously reused through a pooling service in our logistic operations.

STAINLESS STEEL SOLUTIONS / Since 2019, we have avoided the use of plastic in bulk transportation between factories (non-reusable PVC unicubes) by using returnable stainless-steel deposits, which can be washed and reused.





CIRCULARITY IN SOVENA CULTURE

The implementation of all circularity measures must be accompanied by a strong employee culture. In 2023, alongside common recycling initiatives, we repurposed old uniforms into cloth bags and distributed them to employees at the facilities in Almada, Barreiro and Centazzi, taking the opportunity to make them aware of the importance of behaviors that promote the circularity of all resources.

ADD-VALUE FOR USED COOKING OILS

EcoX company gives a second life to used cooking oils by using them as raw material to produce 100% biodegradable detergents. In 2023, we launched seven new products, with plans for three more in 2024. We anticipate that the four current R&D projects in our pipeline will contribute to the consolidation of our portfolio already in 2024.

8,000
liters of used cooking
oils upcycled

55
tons of biodegradable
liquid soaps marketed

65,000
single-use packaging
avoided by bulk sale model

5 billion
liters of water
protected from
contamination

8.5 t CO₂e
avoided



NUNO SANTOS
Chief Commercial Officer

“Climate change is a topic that affects us all, especially those directly involved in the production and marketing of food. In recent years, Sovena has made great strides in optimizing energy efficiency, increasing the use of biomass and solar energy for self-consumption, and utilizing recycled PET. The challenge for the future is to coordinate efforts among all stakeholders in the supply chain to achieve the decarbonization goals necessary for a healthy life on our planet. Sovena is committed to participating and leading our partners in this unique challenge that lies ahead in the near future.





FOSTER EMPLOYEE DEVELOPMENT AND CONNECTION

We have been driven by our commitment to ensure the development and well-being of all those working at Sovena because we believe that only looking at People as one and unique, we can foster better engagement and fulfilment.

OUR TARGETS AND PROGRESS

KPIs	2023 achieved accumulated	Progress compared to 2022	2023 Target
efr Certification for Portugal (pilot) efr certification was obtained in 2022 and re-newed in 2023.	100%	-	100% (2022)
% increase in total training hours Between 2020 and 2023 we have made significant investment in training, starting by sharing Sovena knowledge. Initiatives such as Sovena Day, Sovena Get in Touch and many other examples have contributed to this achievement.	160%	+43 p.p.	15%
% of employees with access to the Employee Assistance Program In 2023, all employees were covered by the program (except the most recent units in Angola and Colombia)	100%	+ 40 p.p.	100%



PEOPLE AT THE HEART

The efr certification has enabled us to analyze and improve our internal processes in alignment with the 5 efr areas: Quality of Work, Family support, Personal and Professional development, Flexibility and Equal opportunities. It also reinforced our ongoing communication and consultation channel with employees. The renewal of the efr certification in Portugal in 2023 highlights the significance of these efforts.

47

Conciliation measures for work-life balance

58

Participation of managers in the session on diversity and inclusion

11

Awsveness sessioning on efr in Barreiro and Palença, Portugal

3

efr certificated managers

Kick-off for efr certification in Centazzi, with an audit planned for end of cycle in 2025

New measures in 2023

- Procedure for purchasing Sovena products > provides access to Sovena products at a dis-counted rate below retail price
- Publicizing internal opportunities > involves an internal selection procedure

Some of the most valued measures in 2023

- Health Insurance
- Partial remote work policy
- Procedure for purchasing Sovend products
- Meal space and coffee Spot
- Employee Assistance Program
- Childcare vouchers
- FAM scholarships
- Corporate events (Christmas Event, Sovena Family Day)

After a year of implementing the efr, consultation with employees revealed that some of the greatest benefits include increased access to information regarding employee benefits and improvements resulting from employees suggestion.



We consider conciliation a fundamental element for continuing feeding the future of a positive working environment.

FIRST SOVENA FAMILY DAY IN PORTUGAL / Over 200 employees and their families, from our various locations in Portugal had the opportunity to experience a day totally dedicated to them. The day included visits to Lagar do Marmelo in Ferreira do Alentejo, activities for children, giving a deep sense of pride in being part of Sovena Family.

SOVENA GET IN TOUCH / Through these meetings, we can gain better insights into our various business areas. After covering the main areas in the last two years, given the success of this initiative, in 2023 were held four sessions dedicated to Business Areas, Sustainability, Procurement, Corporate Quality and Centazzi facility.

SOVENA DAYS / In 2023, we organized the first Sovena Day in Monteolivo, Spain, welcoming 40 employees, from different areas and locations in the country. Within an informal atmosphere, this initiative provided employees the opportunity to acquire knowledge and insights into other business areas, facilities, teams, or processes they don't engage with on a daily basis.
[Dia Sovena España \(youtube.com\)](https://www.youtube.com/watch?v=...)

SOVENA TALKS / In September, at our headquarter offices, we conducted the Knowledge Month to cover key topics of interest to our people. These sessions included:

- Discover olive oil: 6 sessions, 79 attendees in total, led by the Olive Oil Sourcing Team
- Discover the world of commodities: 62 attendees, led by the Commodities Sourcing Team
- Sustainability: 62 attendees, led by Sustainability team
- Personal finance management: 38 attendees, facilitated by PULSO
- How to optimize my IRS: 42 attendees, facilitated by PULSO
- Reducing energy consumption: 50 attendees, conducted by ADENE
- Cancer prevention awareness session: 35 attendees, organized by Liga Portuguesa Contra o Cancro

DIVERSITY AND INCLUSION INSIDE / As part of the dissemination of our Code of Ethics and Conduct, we have been addressing topics of diversity, equity, and inclusion, through awareness sessions across all our operations. These sessions cover critical issues such as: Human Rights, Equality and Non-Discrimination, Harassment, Fair Business Practices, Information Security and available communication/complaint channels.

20 training sessions, 300 employees, 250 hours



SCHOLARSHIPS FOR THE FUTURE / The Amélia de Mello Foundation Scholarships aim to provide financial support to our employees or their children who aspire to pursue higher academic degrees within the Sovena Group companies in Portugal and Spain. This year, we expanded our support, granting a total of 14 Bachelor’s scholarships and 1 Master’s scholarship, 6 more than in 2022.

2023 was also a year of intensive work on the connection with schools, universities, and other institutions to keep Sovena close to communities and future talent. We have been present in Job Fairs, signed collaboration protocols, developed digital engagement campaigns, and support educational programs such as the Valorização do Ensino Profissional, in collaboration with Amélia de Mello Foundation. For more information in this topic: [Engage and energize the local ecosystem.](#)

WELL-BEING FOR ALL

EMPLOYEE ASSISTANCE PROGRAM / In addition to Portugal and USA, the program is now available in Spain, offering assistance and guidance to employees and their families in legal, social, financial, and psycho-emotional areas. Alongside disseminating the program through informative sessions, we conducted awareness-raising workshops on topics of interest to employees, such as cancer prevention and screening, energy consumption at home, family budget management, and financial literacy.

100% employees covered by the program

(Not considering 2023 for the team in Angola and Colombia considering that this target was established in 2021)

SPORT EVENTS / We continue to support sport initiatives that involve employees, providing opportunities for networking, relationship-building, and enhancing health and well-being. In 2023, we sponsor the participation in the Barreiro Night Run 2023, the EDP Lisbon Half Marathon / Vodafone 10K and the Carrera Popular 2023 Ayuntamiento de Brenes, with more than 55 employees/athletes.



JOÃO GUERREIRO
People & Culture Director

“As we celebrate a new cycle of sustainability, we keep committed to “Foster employee development and connection”. At Sovena, we have longstanding and profound human and social roots. Therefore, with renewed ambition, we will continue in the next three-year cycle to care for the development of our employees, their families and the communities around us. Our People are the future of Sovena. Through our sustainability strategy, we aim to ensure that Sovena will be the future of our People. It is with pride in Being Sovena, that we will follow our journey towards an increasingly sustainable world.





ENGAGE AND ENERGISE THE LOCAL ECOSYSTEM

To address depopulation and mitigate unfavorable socio-economic conditions we promote and support initiatives, in partnership with other organizations, that foster local dynamics in the communities where Sovena operates.

OUR TARGETS AND PROGRESS

KPIs	2023 achieved accumulated	Progress compared to 2022	2023 Target
Number of municipalities covered by projects in rural areas (Portugal + Spain)	6	+1	4
Bringing Sovena close to our communities is key and with ProMov we increased our network of partnerships to one additional location, Evora.			
Number of social businesses accelerated by the Revoa Project	-	-	7
In 2022, Revoa changed its approach and directed its financial support towards a single social project: Gastronomía Periférica. In 2023, 340 students were trained as gastronomy professionals with an unprecedented specialization in olive oils.			
Number of farmers using Oleoprecision app	190	+22	500
Oleoprecisión project ended in 2022. Although the number of application users did not reach the target we expected, over 500 farmers participated in the face-to-face sessions aimed at disseminating new techniques.			



PARTNERSHIPS FOR THE FUTURE

RESKILLING / We are engaged in a program focused on reskilling both young people and adults in critical skills, thereby enhancing their qualifications and increasing their chances of integration into partner companies. For this purpose, we have established a collaboration protocol with Instituto de Emprego e Formação Profissional (IEFP) and the Business Roundtable Portugal (BRP) under the PRO_MOV Program.

In 2023, as part of Agriculture Lab initiative, Nutrifarms participated as trainer and internship host company for the Specialized Agricultural Operator in the Vine and Olive Grove course.

The program resulted in the integration of three employees from PRO_MOV.

VALUING PROFESSIONAL EDUCATION / In collaboration with Amélia de Mello Foundation, we participated in the Professional Education Enhancement Program for the second year. Networking with partnering schools in communities from Almada, Barreiro, and Alentejo provides valuable support to these areas where we operate. **On behalf of this program, we awarded 10 merit awards to the best students and offered nine internships, with one intern given the opportunity to join our workforce.**

In addition, we organized the first edition of the **Innovation & Entrepreneurship Contest**. This challenge tasked students with developing innovative and sustainable ideas aligned with the 17 Sustainable Development Goals. In total, 42

teams submitted projects, with 10 finalists selected to present their ideas to a multidisciplinary jury. The two winning projects address waste oil recycling and water conservation, and *received a prize of €1,500.*

SOCIAL AND ENVIRONMENTAL IMPACT / In 2023 Sovena joined the Amélia de Mello Foundation, the José de Mello Group and Casa do Impacto of Santa Casa da Misericórdia de Lisboa (SCML) in designing and launching the Impact Journey program. This initiative aims to bring young people closer to opportunities in the impact ecosystem, understanding the entrepreneurial process, promoting innovation, and developing solutions linked to the United Nations Sustainable Development Goals. Targeting individuals aged 18 to 30, and following them through the various stages of ideation, testing and startup, the program aims to inspire participants to find solutions in four key areas: Agro-industry, Water, Education and Prevention, and Lifestyles.

“Circular Foods”, “2Gether” and “Nó” were the winner projects which address industrial food waste, women’s health care and personalized solutions for integrating young people into the labour market.

Each of the three winning projects received a prize of € 5,000, awarded by the Amélia de Mello Foundation. Following an inspiring and immersive trip to entrepreneurial ecosystem of the London School of Economics, the awarded teams began their year-long incubation journey at Casa do Impacto, benefiting from the entire surrounding ecosystem, including tailored mentoring for each project’s needs.



ATTENDING TO LOCAL NEEDS

“COOKING UP” SOCIAL INNOVATION WITH OLIVE OIL

In 2023, the Revoa project, which is focused on food safety and is funded entirely by the profits from the Andorinha Extra Virgin Olive Oil Revoa Project in Brazil, invested in the social enterprise Gastronomia Periférica.

Gastronomia Periférica aims to provide annual free training to 340 students in gastronomy with a specialization in olive oil, over a six month period, with an additional three months under organizational oversight. This initiative targets individuals from marginalized peripheries throughout Brazil, with the goal of addressing inequalities in access to knowledge and employment opportunities.

ATMOSPHERIC ODOR MONITORING PROGRAM | Between 2021 and 2023, Sovena conducted its second Atmospheric Odor Monitoring Program and this one had a new module to identify the presence of hydrogen sulphide (H2S) in the air. Out of 12 locations analyzed, no offensive levels were detected for the surrounding population. This voluntary initiative is part of Sovena’s ongoing efforts to examine the odor impacts of the Almada factory on the neighboring community and to implement measures to mitigate them. The project began in 2015, in collaboration with the Air Quality specialist team from NOVA School of Science and Technology of Universidade Nova de Lisboa.

FESTIVAL TERRAS SEM SOMBRA / For the fifth time, we hosted the Ferreira do Alentejo concert of the Terras sem Sombra Festival at the Lagar do Marmelo. This edition of the festival was dedicated to Music, Heritage and Biodiversity.

TREE OF LIGHTS CEREMONY, ROME TWIGS / Sovena USA made a donation to the annual Christmas tree lighting ceremony at Rome Health Hospital. This annual event, hosted by the Rome Twigs, aims to raise funds for the hospital’s resources and research.

FOOD DONATIONS / In 2023, Sovena expanded its support in the food sector by continuing its long-standing partnerships with organizations such as the Food Bank in Portugal, Caritas and the Gota de Leche Foundation in Spain. Furthermore, we continued our donations of olive oil and cooking oil to various social solidarity institutions in Portugal, Spain, Brazil, and the USA.



TOMÁS ALMEIDA
Sovena USA Managing Director

“ I believe that we are at a critical moment when it comes to accelerating our ambition to act in an increasingly sustainable manner, not because we have legal targets to meet, but because our two main stakeholders demand it: Customers and Consumers. Consumers’ preferences are increasingly influenced by the efforts we make to ensure sustainability for the planet, but above all, the demands of customers (especially in the USA) require us to raise our standards with regard to this issue, leading us to constantly review our business and sustainability strategy.





ENCOURAGE INFORMED FOOD CHOICES AND DIVERSE DIETS

We advocate for varied and nutritious dietary choices through educational initiatives while upholding the excellence of our products.

OUR TARGETS AND PROGRESS

KPIs	2023 achieved accumulated	Progress compared to 2022	2023 Target
% of employees with access to the Nutrition Program <small>Leveraged by our Employee Assistance Program and various partnerships we conducted nutrition campaigns and some additional initiatives.</small>	100%	+55 p.p.	100%
Number of contacted professionals in the Nutri-tionists and Doctors program in Brazil <small>In 2022, we surpassed this goal. During 2023 the program was put on hold.</small>	1,385	-	1,376

PROMOTING A VARIED DIET THROUGH PORTFOLIO DIVERSIFICATION

With our **Centazzi's portfolio**, we aim to offer consumers a diverse range of healthy alternatives, including breakfast cereals, rice and corn crackers, vegetable proteins, seeds, and dried fruits, some with organic options available. Our **avocado oil production in Colombia**, operating on a circular economy model as previously mentioned in this document, further enhances the diversity of our vegetable oil offerings.

DIFFERENT FORMATS OF SHARING INFORMATION ON PRODUCTS

MARMELO MILL REVISITED / We have completely redesigned our mill visits with a primary focus on sharing information about olive oil origin and production process, particularly highlighting circular economy. This comprises practices such as composting the twigs and leaves, using olive pits as an energy source, and composting olive pomace to produce organic fertilizer. Our renewed visits offer immersive sensory experiences, interactive exhibitions, and advanced technology-driven interactions. Moreover, they can be tailored to diverse audiences.

5,806
Number of visitors to the Marmelo Mill in 2023

56 (38 from Alentejo)
Number of visiting schools to the Marmelo Mill in 2023





CASA ANDORINHA / Serving as a food hub for consumer education and a platform for sharing sustainable production practices related to olive oil, Casa Andorinha has attracted a significant number of visitors (3,200 visitors in 16 days), setting records for both sales and restaurant attendance. This project exemplifies the success of combining brand experience with educational initiatives. Located in São Paulo, Brazil, Casa Andorinha prioritized accessibility by welcoming individuals with disabilities to participate in an immersive experience focused on olive oil education.

ANDORINHA’S NEW DIGITAL MASCOT / Andorinha redesigned and presented the new Dorinha, a virtual ambassador mascot and spokesperson for its olive oil brand across social media channels. This strategic move aims to offer consumers a more accessible, updated, and educational experience, simplifying communication and advocating for a high-quality diet.

CAMPAIGNS AIMING TO CHANGE HABITS

OLIVEIRA DA SERRA / CHOOSING THE GOOD MAKES ALL THE DIFFERENCE / This is the slogan created for Oliveira da Serra’s new sustainability campaign, focusing particularly on environmental and social aspects. The campaign was designed to encourage Portuguese consumers to make better and impactful choices in their everyday lives fostering closer connections with them by promoting mindful decisions that benefit both the environment and society.

FULA / READY TO TASTE! / Launched in late 2022, this campaign focuses on food diversity, creativity, and experimentation, challenging Fula users beyond the everyday meals. In 2023, Fula’s brand positioning adopted a new motto, “Risk it beyond the usual recipes”. Through social media and with the support of an influencer, the brand encouraged consumers to share their experiments. Winners had the opportunity to attend the workshop “Take risks beyond the routine with Fula”.

INCREASING THE LIFE SPAN OF COOKING OILS

PROMOTING USED COOKING OIL RECYCLING / Through the “Reciclar traz futuro” initiative, we collected 35 tons of used cooking oil from 92 oil containers distributed across 73 locations. In 2024 we expect to add 58 more containers in new locations, which makes a total of 150 Fula containers distributed across the country.

Throughout the year, we raised awareness about the importance of recycling used cooking oil by offering funnels to ease the recycling process at home. These funnels were given in our clients’ stores, through ecommerce, and during events. We distributed a total of 22.000 funnels in 2023.

Additionally, we promote the used cooking oils recycling practice on Fula’s website, such as how to prepare oil for recycling and where to find [oil containers](#).





TAKING THE BRANDS CLOSER TO CONSUMERS

FULA WITH THE CHILDREN AT THE PANDA FESTIVAL / For the past 13 years, Fula has been supporting the Panda Festival, hosted by Canal Panda, a Portuguese children’s programming tv channel, bringing together children and their families. For our vegetal oil brand, this event provides an opportunity to get closer to younger families and further promote food diversification.

OLIVEIRA DA SERRA WITH D.A.M.A / Oliveira da Serra had an unprecedented promotion on a musical tour. At our mill in Alentejo, D.A.M.A., a well-known Portuguese band, promoted olive oil as part of a healthy diet amongst students from local schools.

FULA AND OLIVEIRA DA SERRA AT CONTINENTE FOOD FESTIVAL / At one of Portugal’s biggest festival with more than 500.000 participants, our key Portuguese brands keep its presence, addressing relevant topics such as healthy diets, the use of olive oil, food waste, and the importance of recycling used cooking oil.

ANDORINHA AT THE TASTE BRASÍLIA TASTE S. PAULO AND RIO GASTRONOMIA / Our olive oil brand consistently participates in significant food festivals in Brazil. Through interactive displays and tastings, we effectively engage visitors, showcasing the diverse flavors and exceptional qualities of our olive oils. More than 200,000 participants.



LOARA COSTA
Marketing & Trade Marketing Director

“Sovena remains committed to rebuilding the food cycle by establishing practices that bring consumers closer to the land. Knowing the origin of food, recognizing what it is made of, and its benefits is essential for a changing world. But we cannot stop there. The value of food, and its role in people’s lives, will continue to evolve in the coming years. Whether it’s driven by increasingly informed and interested consumers or by socio-environmental needs. Looking ahead, I see Sovena even more concerned with its role in people’s well-being and the longevity of the planet, and how to accelerate the next steps in food.

ANDORINHA – NEW REFERENCE IN 250ML / To promote olive oil access to as many people as possible in Brazil, Andorinha has launched a 250ml reference.

BRAZILIAN ANDORINHA OLIVE OIL “BUY LOCAL, EAT LOCAL” / In 2023 we launched the 3rd edition of Andorinha olive oil of Brazilian origin, promoting small producers and valorising national products.





SPREADING ROOTS TOWARDS THE FUTURE

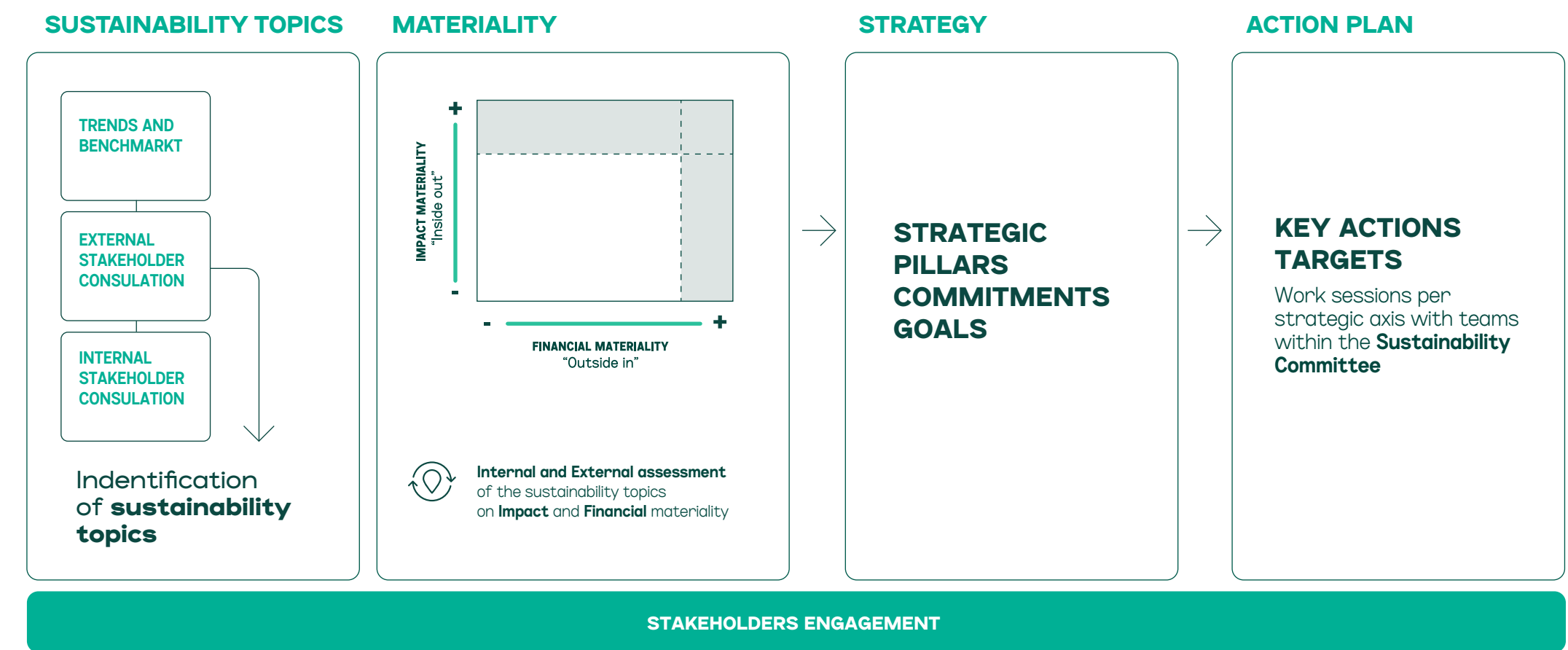


LOOKING AHEAD TO A NEW STRATEGIC CYCLE

Feeding Futures gains new life through internal open conversations and engagement with external stakeholders. Our goal is to ensure that we are addressing the current and upcoming challenges on which we can potentially have a greater impact.

Overall process

This new cycle includes extended roadmap, spanning from materiality assessment to strategy design, and the definition of goals and targets. Overall, there has been a notable increase in stakeholder participation and a collective vision, both from the Sustainability Committee and top management.



Sustainability topics identification	Materiality assessment	Strategy design and action plan
Mapping impacts, risks and opportunities, through sector trends and benchmark	Internal and external stakeholders' consultation	Definition of the strategic pillars, commitments and goals
	Assess material impacts, risks and opportunities based on the principle of double materiality	

Building upon on this key working process, we are anticipating the response to the Corporate Sustainability Reporting Directive by fulfilling one of its requirements: assessing the double materiality of sustainability issues, encompassing impacts, risks, and opportunities.





SUSTAINABILITY TOPICS IDENTIFICATION

During 2023, we conducted a comprehensive assessment of our sustainability topics, relying on a desk review, trends and benchmark, on internal and external interviews, and focus groups to explore the relevance of each aspect.

Engaging both internal and external stakeholders is crucial for identifying material issues that can inform our strategy. By understanding the impact of these issues on our stakeholders and our business, we can determine the strategic focus of Sovena in a more comprehensive and informed manner.

We actively engaged employees, clients, suppliers, and business partners, seeking their insights on the most relevant impacts, risks, and opportunities for Sovena. External stakeholder discussions delved into industry trends and opportunities for innovation and collaboration on sustainability topics. Additionally, input from NGOs, experts, and key opinion leaders was considered.

We would like to thank all the involved stakeholders

MAIN INSIGHTS FROM OUR STAKEHOLDER CONSULTATION

Main expectations:

- Continue efforts towards decarbonization and natural resources use efficiency
- Stay committed to employee well-being
- Enhance sustainability culture in all areas of the organization
- Increase collaboration with the agricultural and industrial communities where Sovena operates
- Improve traceability and promote sustainable production practices throughout the supply chain

Main risks identified:

- Impact of climate change and associated costs of CO₂ emissions
- Water scarcity
- Labor shortages
- Human rights concerns within the supply chain
- Supply chain volatility, pressures and demands
- Shifting consumer habits
- Regulatory pressures



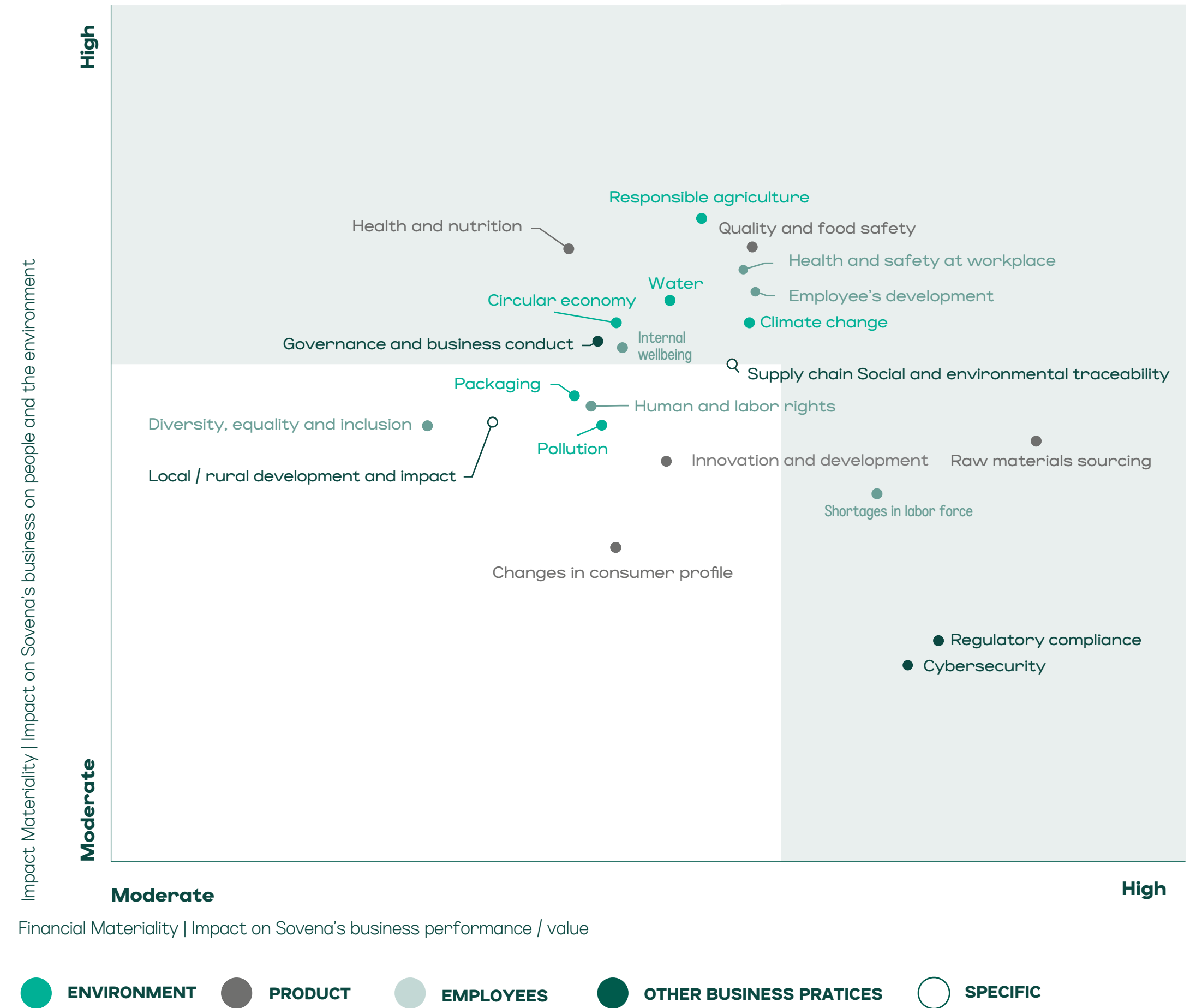
MATERIALITY ASSESSMENT

The materiality assessment enables us to identify and prioritize our most significant issues, refine our understanding of key challenges and strategically address them.

This assessment involves evaluating the extent to which our business activities currently or potentially **impact people and the planet**. It also involved identifying the **risks and opportunities** that have the greatest potential to affect our financial performance.

As a tool informing our strategic priorities, we focus on addressing the issues with the highest materiality and where we have the greatest capacity for action and change.

The Sustainability Committee, the company's Directors and the CEO evaluated the identified topics with a double materiality approach (impact and financial).





Our double materiality assessment indicates that the primary **impacts, risks, and opportunities** center around the following areas:

- Responsible agriculture, climate change, water management, and circular economy: focusing on both our direct operations and those of our supply chain
- Quality and food safety of our raw materials and products, as well as the health and nutrition of our products and informed consumer choices
- Ensure labour rights, health and safety, employee development and internal wellbeing
- Governance and business conduct, regulatory compliance, and cybersecurity
- Social and environmental traceability within our supply chain.

STRATEGIC PILLARS, COMMITMENTS, AND GOALS

Following our materiality approach, we strive to consolidate our purpose of Feeding Futures for a Planet that Prospers and People that Thrive and came up with a more focused Strategy for the coming years. As a mobilizing agent within our value chain, we aim to ensure our business’s prosperity, strengthening our foundations, while promoting an efficient and circular food production, enabling our employees’ and surrounding communities’ development, and enhancing suppliers’ responsible practices and consumer’s informed choices.

Below this purpose we identify **four key enablers for action**, our foundations:

- Quality and Food Safety
- Safe Workplace
- Business Integrity
- Innovation and Development

... and **three strategic pillars**

- Efficient and circular food production
- Professional development and well-being
- Responsible value chain



Purpose

FEEDING FUTURES | FOR A PLANET THAT PROSPERS AND FOR PEOPLE THAT THRIVE

Ambition 2030

Ensure business's prosperity, strengthening our foundations, while promoting an efficient and circular food production, enabling our employees' and surrounding communities' development, and enhancing suppliers' responsible practices and consumer's informed choices.

Strategic pillars 2023-2026

Efficient and circular food production

Professional development and well-being

Responsible value chain

Commitments

Decarbonize our activities by reducing fossil fuel consumption, improving process efficiency, energy transition, and technological innovation

Promote the preservation and efficient management of natural resources

Foster an inclusive and balanced approach to all dimensions of employees' life within the organization

Develop and value people through upskilling and reskilling in connection with local communities

Foster sustainable raw-material access and responsible environmental and social practices across the supply chain

Promote awareness for informed choices and the adoption of healthy and sustainable diets

Goals

By 2030

-10% reduction in GHG emissions (scope 1 and 2) until 2026 and 25% until 2030 (baseline 2023)

7 industrial plants with self-consumed renewable electricity from on/off-site production

Conclusion of 8 R&D projects developed in partnership for deepening knowledge and finding solutions to decarbonization / circularity challenges

By 2026

30% reduction in water consumption from third party suppliers

Efficient management of water, soil and biodiversity resources according to best practices for all existing and new farms

By 2030

Water and Energy Management System across all industrial plants

By 2026

Definition and implementation of an inclusion-oriented program in Portugal and Spain

By 2030

efr certification in 5 geographies

By 2026

6 courses in an upskilling/reskilling program (ext.)

60 participants in upskilling/reskilling executive programs (int.)

+90% leadership positions trained in sustainability

180 students participating in Education Programs

By 2026

Foster discussion of key sustainability topics through the promotion of annual events, reaching +400 people per year

By 2030

Monitoring program covering 90% of top suppliers according to environmental and social criteria

By 2026

(PT) + 12,000 visitors to Lagar do Marmelo

(BR) + 1,200 people supported by the Revoa project

(USA) Promote consumer awareness about the benefits of olive oil and active participation and support in relevant annual community events

Foundations

Key enablers for action / Our way of working

Quality and Food Safety

Safe Workplace

Business Integrity

Innovation and Development





ABOUT THE REPORT

The 2023 Sustainability Report published by Nutrinveste, for Sovena Group and Nutrifarms, referred to in the report as Sovena (see GRI 2-1), presents its contribution towards more sustainable development. The report details the economic, environmental, and social impacts of its activities, selected through a materiality process, with inputs from key stakeholders and an update on the progress of implementing our sustainability strategy.

Scope

The report covers activities over which Sovena has operational control:

- **Portugal:** Sovena Oilseeds Portugal (Almada), Sovena Consumer Goods Portugal (Barreiro), Biocolza, headquarters (Algés), Centazzi*
- **Spain:** Sovena Oilseeds Spain (Andújar), Sovena Spain (Brenes and Plasencia), Monteolivo and San Pedro mills, Agropro (50%)

- Sovena USA, Sovena Brazil, Sovena MENA (Tunisia), Sovena Angola*, Sovena Colombia*
- Nutrifarms (Portugal, Spain and Morocco)

This report meets the requirements stipulated in the Spanish Law 11/2018 of 28 December 2018 on the disclosure of Non-Financial and diversity information. This applies to: Sovena Oilseeds Spain (Andújar), Sovena Spain (Brenes and Plasencia) and Agropro.

For the Global Reporting Initiative (GRI) disclosure, “local” refers to the country where each operation is located.

Period and Structure

Sovena has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2023.

The Content index required under Law 11/2018 and Global Reporting Initiative, which is available [here](#), is an integral part of this document. It also includes sector specific indicators identified in the Food Processing Sector Disclosures of GRI.

The content of this report considers the GRI reporting principles (Stakeholder inclusiveness, Sustainability context, Materiality and Completeness) and it aims to meet the requirements of the Reporting Principles for defining report quality (Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness).

The report is aligned with the spirit and principles of the Sustainable Development Goals.

Previous reports are available online [here](#).

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 PROPERTY: Sovena
 DEPARTMENT: Sustainability
 CONSULTANTS: Sair da Casca – Consultoria em Desenvolvimento Sustentável
 ART DIRECTION AND PRODUCTION: Born
 DATE OF PUBLICATION: June 2024
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* Excluding environmental indicators, for which the monitoring systems are being set.

