Green Holding

We are Green

2021 ESG Report

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Artur Rytel

Chief Executive Officer

We are a family-run company that, based on experience gained over generations, combines traditional agriculture with modern, sustainable food production and logistics. For years we have been using nature's bounty as the foundation of our business. We are aware that we are obliged to fight for a better planet's future due to the current state of the environment and climate. Achieving a balance between the needs of people and the environment requires developing and implementing innovative methods of agriculture, food production, and related logistics.

Our mission is to provide access to healthy, fresh, and safe products. We want them to become the main component of a healthy and balanced diet.

To ensure the highest quality of our products, we apply global standards and demand the same from our suppliers. We are the leader in fresh green vegetable production in Poland. Only ethical and responsible behavior will allow us to grow in harmony with nature and respect human rights.

Currently, we are witnessing economic uncertainty and intense market changes caused by the Russian invasion of Ukraine, where one of our production facilities is located. The safety of people is our top priority. Therefore, we have provided a place to stay for a large group of employees fleeing Ukraine, and we dedicated ourselves to helping refugees.

Our values, embedded in the Green Holding Group's business strategy, include openness to change, responsibility, and entrepreneurship. I believe that with these foundations strengthened over generations, we effectively manage our operations' environmental, social and economic impact.

I am confident that we will achieve our goals together through consistency in our actions. I am grateful to everyone engaged in our Group's efforts to strive and improve.

Thank you for your interest in our ESG commitment,
Artur Rytel
Chief Executive Officer

Przemysław Januszko

Chief Operating Officer

The family DNA of the company has provided the solid foundations for our business today. Being aware of the impact of our business on the environment, society, and the economy, we have implemented an ESG strategy to guide our activities. The prioritized issues are embedded in the four pillars of our strategy: planet, product, partnerships, and people.

The main ESG tasks we accomplished in 2021 were: introducing organizational structures, setting priorities for sustainability, and determining the way forward. We have set short-term goals that we plan to achieve by 2025. The long-term goals that require more involvement are planned to be achieved by the end of 2030.

We are currently implementing solutions to reduce the consumption of water used in agricultural and production processes. We will also continue our efforts to bring recycled and recyclable packaging into circulation. We have committed to reducing greenhouse gas emissions from the processes we oversee and from the consumption of the energy we purchase by 2030.

Our priority is to ensure our products' highest quality and safety. Therefore, we find the quality control and certification of our products and facilities vital to our business. To meet the needs of our customers, we also focus on developing reliable labeling.

Along with the growth of our business, we simultaneously want to ensure safe working conditions, professional development of our employees, and a friendly and ethical work environment.

Prior to the publication of this report, we implemented a code of conduct to guide our day-to-day operations, and we have defined the rules of conduct for our suppliers.

With a defined action plan, we focus on subsequent development in line with the United Nations Sustainable Development Goals, generating a positive impact on the external environment.

I appreciate your interest in our accomplishments presented in this ESG report,
Przemysław Januszko
Chief Operating Officer

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Our Business Profile

We apply global standards while maintaining the DNA of a family company

The history of vegetable cultivation in the Rytel family dates back to the early 20th century. Cucumbers were the first vegetables grown using traditional farming methods.

Living in harmony with nature and working on the land have always been part of the family tradition, and agrotechnical experience has been passed down from generation to generation.

Artur Rytel, the owner of the Green Holding Group, represents the third generation of vegetable farmers. After assuming the owner role, he successfully combined family traditions with running a modern and responsible business.

The business idea was born from the need to tailor traditional products to individual customer requirements. Dynamic business decisions enabled Green Holding to become a leader in producing fresh, including washed, green vegetables in Poland.

From the beginning, such values as responsibility in action and awareness of using natural resources have guided our activities. We have grown while maintaining the family nature of the business by following best market practices and globally recognized standards dedicated to fresh food production.

Our Milestones

Beginning 20th century

The history of vegetable cultivation in the Rytel family dates back three generations.

1997

We began building the first Green Factory production facility in Zakroczym with the vision of producing washed ready-to-eat products.

1999

On July 31, we started producing iceberg lettuce for McDonald's at the Green Factory.

2002

We purchased a farm in Zdunowo.

2006

We opened Green Factory production facility in Zdunowo and introduced the Fit&Easy brand.

2008

We expanded our services to include logistics operations by establishing GFL.

2010

We established Primavega Vegetable Producers Group by integrating local vegetable suppliers.

2012

We merged our companies into Green Holding. We started the construction of the Green Factory production facility in Niepruszewo.

2013

We purchased our largest farm in Wróblewo.

2014

We have completed the construction of Primavega production facility in Wróblewo-Osiedle.

2015

We purchased farmlands in Kucice.

2018

We created our shared service center, the Green Business Center.

We built a greenhouse for hydroponic cultivation owned by Smart Vegetables Innovations.

We have expanded Green Factory's network of production facilities to include a production facility in Ukraine. Green Factory has become a global supplier to McDonald’s.

2021

We have expanded Green Factory's operations with two production facilities in Lithuania and Hungary.

Our 2021 key numbers

965 million
annual revenue in 2021 (PLN)

1 224
number of employees

225 million
products sold

100%
products with quality and food safety certification

7
production facilities

775.5
hectares of farmland

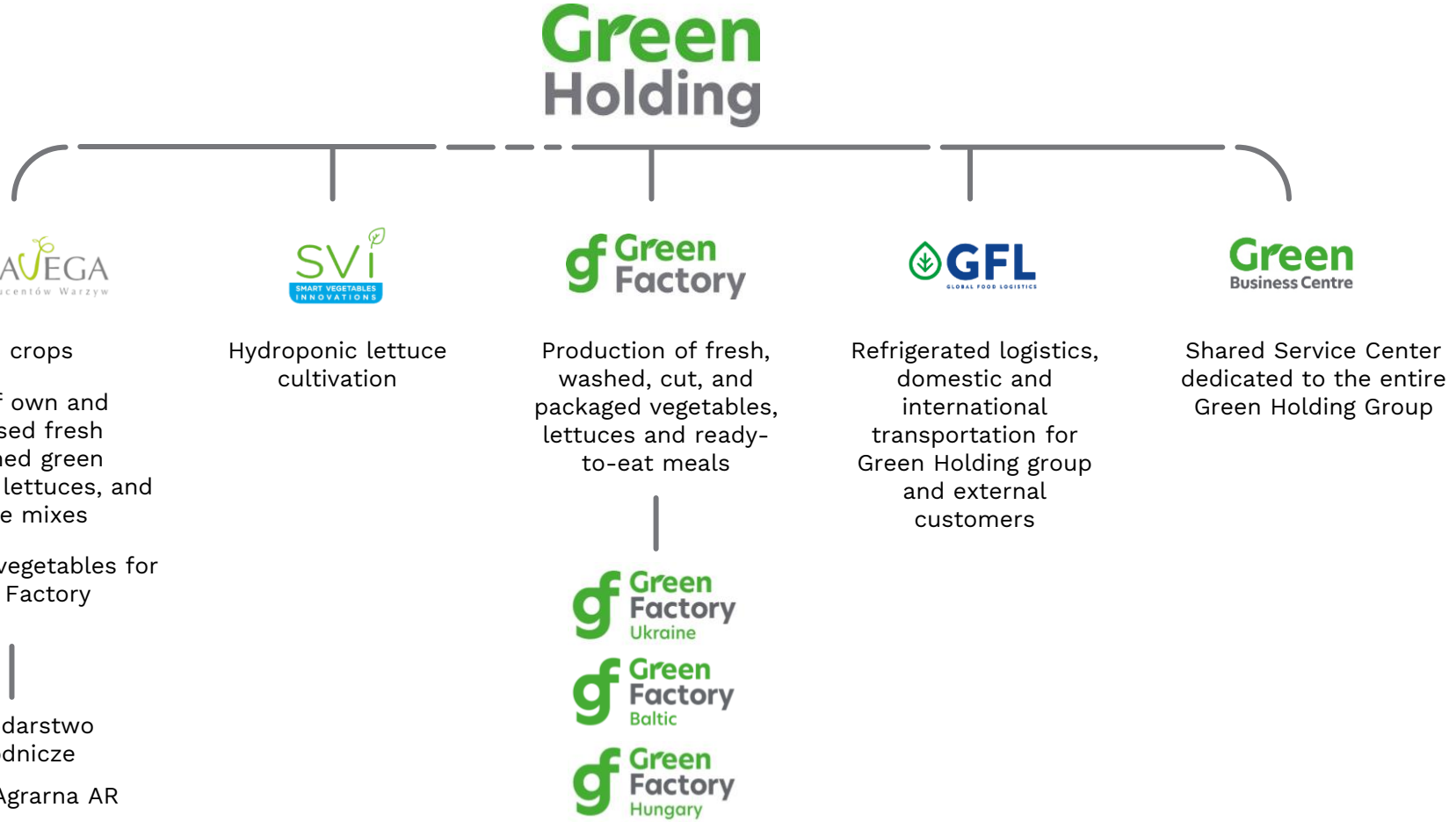
1,266
hectares of total crop area, taking into account multiple cropping

Our business includes the process of production and logistics of fresh vegetables and ready-to-eat meals

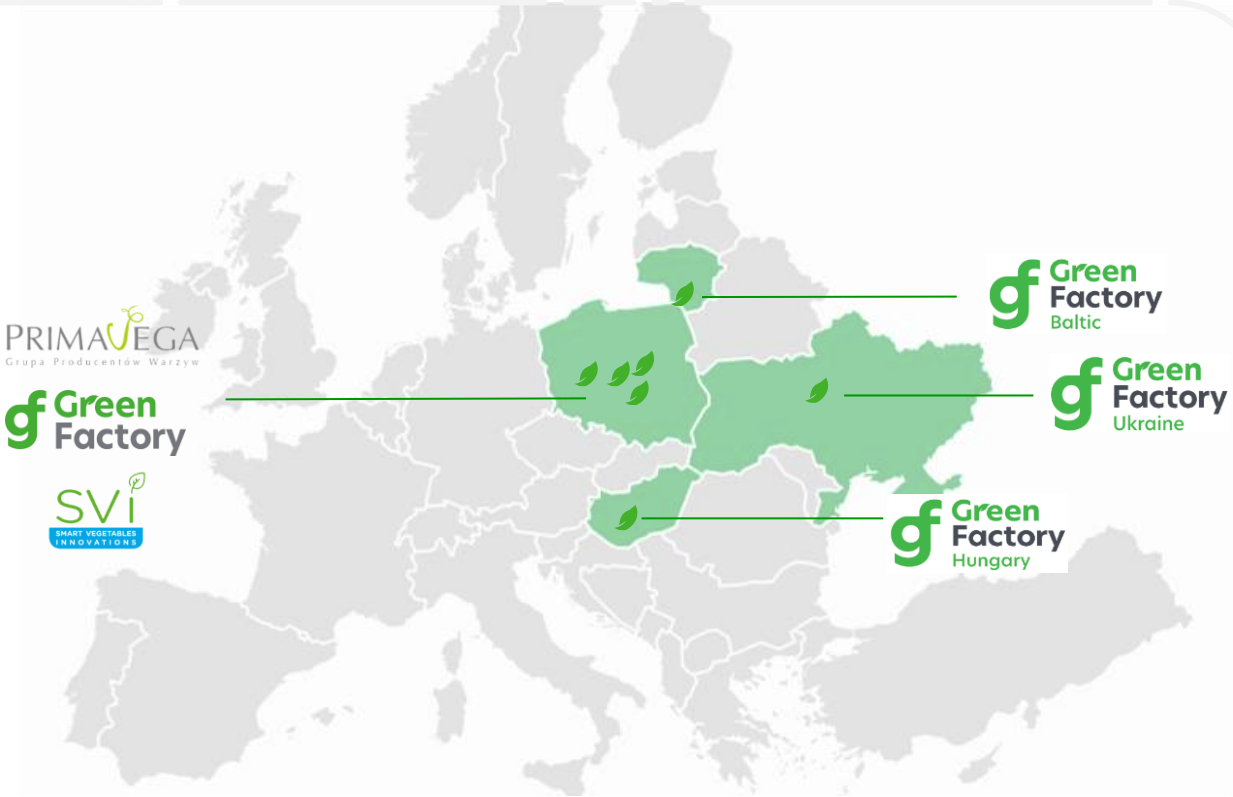
Green Holding Sp. z o.o. is the parent company of the Green Holding Group, which includes five Polish subsidiaries: Grupa Producentów Warzyw Primavega Sp. z o.o. (Primavega), Smart Vegetables Innovations Sp. z o.o. (SVI), Green Factory Sp. z o.o. (Green Factory), GFL Sp. z o.o. (GFL), and Green Business Centre Sp. z o.o. (Green Business Centre).

Green Factory has three foreign subsidiaries: Green Factory UA LLC (Ukraine), UAB Salprone (Lithuania), and K&K Family kft (Hungary). In 2023, the Lithuanian and Hungarian companies will change their names to Green Factory Baltic and Green Factory Hungary, respectively.

Primavega manages three companies: Gospodarstwo Ogrodnicze Artur Rytel, Spółka Agrarna AR Sp. z o.o., and Spółka Agrarna Plon Sp. z o.o.



Green Holding owns 7 production facilities in 4 European countries



We supply our products to customers in Poland, Lithuania, Latvia, Estonia, Czech Republic, Slovakia, Hungary, Ukraine, Germany, Austria, and Romania

Green Factory

We supply our products to customers in Poland, Lithuania, Latvia, Estonia, Czech Republic, Slovakia, Hungary, Ukraine, Germany, Austria, and Romania. Green Factory specializes in the production of fresh, washed vegetables and ready-to-eat meals. The production takes place in 5 plants located in 4 European countries. There are 2 plants in Poland - in Zdunowo and Niepruszewo. In 2019, the company purchased a plant in Ukraine. In 2021, it expanded its operations to Lithuania and Hungary.

PRIMAVEGA Grupa Producentów Warzyw

Grupa Producentów Warzyw Primavega specializes in traditional cultivation, production and sale of fresh unwashed green vegetables, lettuces, and lettuce mixes (pre-packaged and in bulk). The company was established in 2010 to integrate the precursors and the largest producers of crisp (iceberg) lettuce, radicchio, endive, and romaine lettuce in Poland. The season of its field crops lasts from March to November. However, Primavega imports products from regular suppliers from Italy, Spain, and France during the autumn-winter season. The company has 1 production facility located in Wróblewo-Osiedle in Naruszewo municipality.

SVI SMART VEGETABLES INNOVATIONS

Smart Vegetables Innovations operates the greenhouse hydroponic cultivation of lettuces without pesticides and conducts scientific research on producing high-quality lettuces. The company has 1 production facility.

Green Holding — refrigerated logistics and shared service center

GFL is one of the market leaders in Poland in the field of logistics and refrigerated transport. Its services include domestic and international transportation, groupage-pallet deliveries, warehousing, and related services. In daily operation, it serves retail chains and wholesalers in Poland. Its main warehouses are located in Błonie, Sosnowiec, and Poznań area. A total storage area exceeds 21,500 sqm. More warehouses are planned to be opened in the Trójmiasto Metropolitan Area, Wroclaw, and Lublin.

Green Business Centre

Green Holding has its shared service center, Green Business Center, dedicated to the entire Group. The range of services includes accounting and tax, legal, IT, and fleet management.

Our value chain covers the cycle from farm to table

Own cultivation

We grow leafy vegetables, leek, and broccoli in our fields during from the spring to autumn season from March to November.

We also grow leafy vegetables and herbs year-round in a hydroponic system.

Vegetable supplies

Due to weather conditions, we import vegetables and semi-finished products from our regular suppliers in Italy, Spain, and France during the winter.

We work with certified suppliers.

Food quality and safety testing

Following the highest standards and customer requirements, we perform quality and safety testing of our own vegetables and those purchased from suppliers.

We control food quality at every stage, i.e., in production, during transportation, and on store shelves.

Food production

We have 7 production facilities in Poland and abroad.

We carry out year-round production, mainly mono-products, lettuce mixes, vegetables, and ready-to-eat meals..

Storage

We have a warehouse network that provides refrigerated conditions for vegetables and ready-to-eat products.

Refrigerated transportation

We transport end products to customers mainly by "cross-docking" while maintaining a cooling chain.

We provide transportation services with our fleet of trailers in cooperation with external subcontractors.

Delivering products to our clients and consumers

Our clients include retail chains, the HoReCa market, and food manufacturers. We deliver products under our brands and clients' own brands.

Undertaking a long-term cooperation with customers was a milestone in our business development. One of our first clients was the McDonald's restaurant chain — we have been cooperating for 20 years. Currently, our clients include the largest retail chains and HoReCa (Hotel, Restaurant, Catering, Catering/Cafe). We produce fresh food under our brands and private labels of retail chains.

* Data refers to contracts signed by all Group companies. Individual Group companies work with the same customers.

Client Relations in 2021

We have cooperated with more than **150** clients*

We have delivered our products to **80** retail chains

We produced for **33** internal brands of retail chains

We delivered products using over **817** thousand pallets

Our Brands

We own three brands offering the highest quality, full-fledged products tailored to the needs of our consumers.

The fast pace of life and the lack of time make preparing tasty, wholesome, and varied meals a challenge. The Fit&Easy brand was created for consumers who value natural products, a healthy diet based on fresh vegetables, and culinary solutions that increase the quality and pleasure of cooking.

The Pole do Popisu brand encourages consumers to explore fresh vegetables' extraordinary, diverse, and delicious world. It motivates daily discovery of the potential of vegetables and their unique compositions of flavors, textures, and aromas. It inspires culinary exploration and experimentation in the kitchen. It proves that fresh vegetables can be the basis of an enjoyable, varied, modern, and healthy diet in Polish homes.

Plant Love brand offers lettuces and herbs packaged in a pot and packaged cut lettuces from hydroponic cultivation. The lettuce has a root , so it constantly grows, keeping the product fresh. We use an environmentally friendly peat pot that can be composted. All the products are wrapped in paper.

Our Products

The Fit&Easy brand offers fresh, washed, and cut vegetables and mixes, ready to quickly prepare various meals at all times of day and for all occasions. The brand's offer also includes ready-to-eat cold and hot vegetable dishes.

The Pole do Popisu brand offers products in the ultra-fresh category — fresh, natural vegetables, unprocessed, packaged straight after harvesting, without pre-washing. Our consumer can enjoy their freshness for longer. The brand offers a wide selection of mono-products and lettuce mixes, including functional blends like Young Leaves. These are varieties with a shorter growing season characterized by high nutritional value and health-promoting effects.

The product portfolio includes lettuces and herbs, such as cilantro, parsley, mint, basil, among others. Lettuce varieties change throughout the year, reflecting the seasonality of crops.

Our Employees

The success of our company is attributed to our people. Committed employees are the value of our firm.

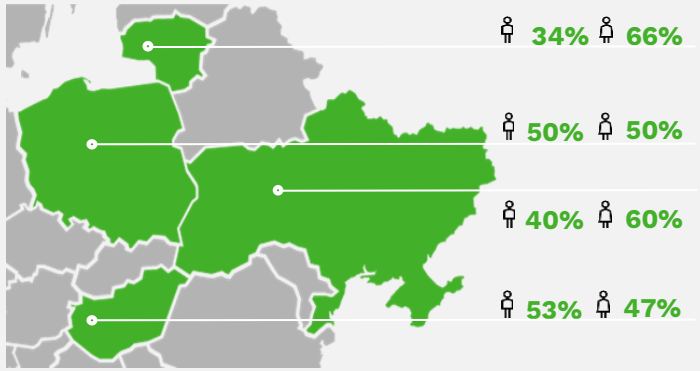
At Green Holding Group, we create jobs for more than 1,200 employees. We are diverse, with employees in 4 countries: Poland, Ukraine, Lithuania, and Hungary. In 2021, 53% of our employees were women, and 47% were men.

Our employees by gender in 2021

Women	647	53%
Men	577	47%
Employees	**1 224**	

Our employees by country of operation in 2021

Poland	881	72%
Ukraine	151	12%
Lithuania	134	11%
Hungary	58	5%
Employees	**1 224**	



In 2021, 91% of employment contracts were indefinite, and 9% were fixed-term. We allow our employees to work part-time — 7% of employees took advantage of this in 2021. We hire employees on a fixed-term contracts during the crop season from March to November. They often return to us with the arrival of the next season.

275 people provided work without being directly employed by us. They work under management contracts, B2B contracts, and agreements with employment agencies. The services include: management, consulting, IT, and work in cultivation, production, logistics, and transportation.

Employees and persons providing services for the Group by type of employment in 2021

Employment for an indefinite period	1 113	91%
Employment for a fixed period	111	9%
Employees	**1 224**	
Workers who are not employees	275	
Sum	**1 352**	

Members of the Boards of Directors of each of the Group's companies are employed under employment or management contracts. We select them, considering their key competencies for managing each company.

When hiring employees for managerial, administrative, and physical positions, we follow the principle of equality and fair treatment. We focus on the skills and experience possessed by potential candidates regardless of their gender or age.

Company boards by job type and gender (%) in 2021

	Men	Women
Boards of Directors of the companies	79%	21%

Boards of Directors by job type and age (%) in 2021

	Below 30	30-50	Over 50
Boards of the Group's companies		88%	13%

Employees by job type and gender (%) in 2021

	Men	Women
Management	65%	35%
Administration	35%	65%
Physical workers	48%	52%

Employees by job type and age (%) in 2021

	Below 30	30-50	Over 50
Management	6%	85%	9%
Administration	29%	63%	8%
Physical workers	19%	59%	22%

Our Mission
Our Values

Openness to Change, Responsibility, and Entrepreneurship are the core values guiding our daily work.

We are bold in pursuing ambitious projects and constantly look for opportunities to grow our business and improve our operations. We are honest and open-minded. We respect Human Rights and the laws of the countries in which we operate. We give our employees a chance to participate in exciting projects and provide opportunities for personal development.

We ascribe importance to respecting Human Rights. We provide a safe workplace for all employed in our offices, warehouses, and factories. In addition, we respect the prohibition of forced labor and child labor.

The principles that have evolved from years of experience and the strategic vision for developing our company are presented in Green Holding's Code of Conduct, published in 2022.

"Our mission is to provide daily access to fresh and safe products and to care for local communities and the environment."

Green Holding's Code of Conduct

The values that guide us are:

- **Openness to change**
- **Responsibility**
- **Entrepreneurship**

"We want our products to become the main nutritional component of a healthy and balanced diet."

Green Holding's Code of Conduct

Our Approach to Management

Artur Rytel (CEO), Chair of the Management Board and owner of Green Holding, is responsible for strategic management at the Holding level. Members of Green Holding's Management Board are Przemysław Januszko (COO) and Rafał Wyszomierski (CFO). The Chair and members of the Management Board oversee and make decisions on risks and opportunities in the ESG (Environmental, Social, Governance) areas. Przemysław Januszko is responsible for ESG management at the Holding level.

Green Holding Management Board

Artur Rytel Chair of the Board, CEO Owner 45 years old	The Chair of the Board of Directors, CEO, sets the direction of undertakings and strategic goals, is responsible for the Group's development and approves investments, initiatives, and research and technology projects, including projects related to sustainable development. The CEO is responsible for implementing the business strategy linked to the ESG strategy.
Przemysław Januszko Board Member, COO 45 years old	A member of the Board of Directors, the COO is responsible for logistics, procurement, communications, security, legal compliance, and corporate relations. The COO is responsible for sustainability, including the ESG strategy implementation for the Green Holding Group.
Rafał Wyszomierski Board Member, CFO 52 years old	A member of the Board of Directors and CFO, he is responsible for finance, controlling, and accounting; accountable for evaluating the profitability of investments, including investments related to sustainable development.

The role of the Board of Directors is to identify and monitor risks in areas of sustainability. The Group's structure ensures effective communication between the Board and the management of individual companies. Members of the parent company's Board of Directors are involved in ESG projects implemented in the companies. ESG issues relevant to the entire Group and to individual companies are regularly discussed at Board meetings.

The effectiveness of the companies' activities is verified based on Key Performance Indicators (KPIs) and timely achievement of targets.

To ensure consistent and regular management of ESG issues in the Group, in November 2020, the parent company employed a Senior Sustainability Manager, who is responsible for reporting the impact of activities in the ESG areas.

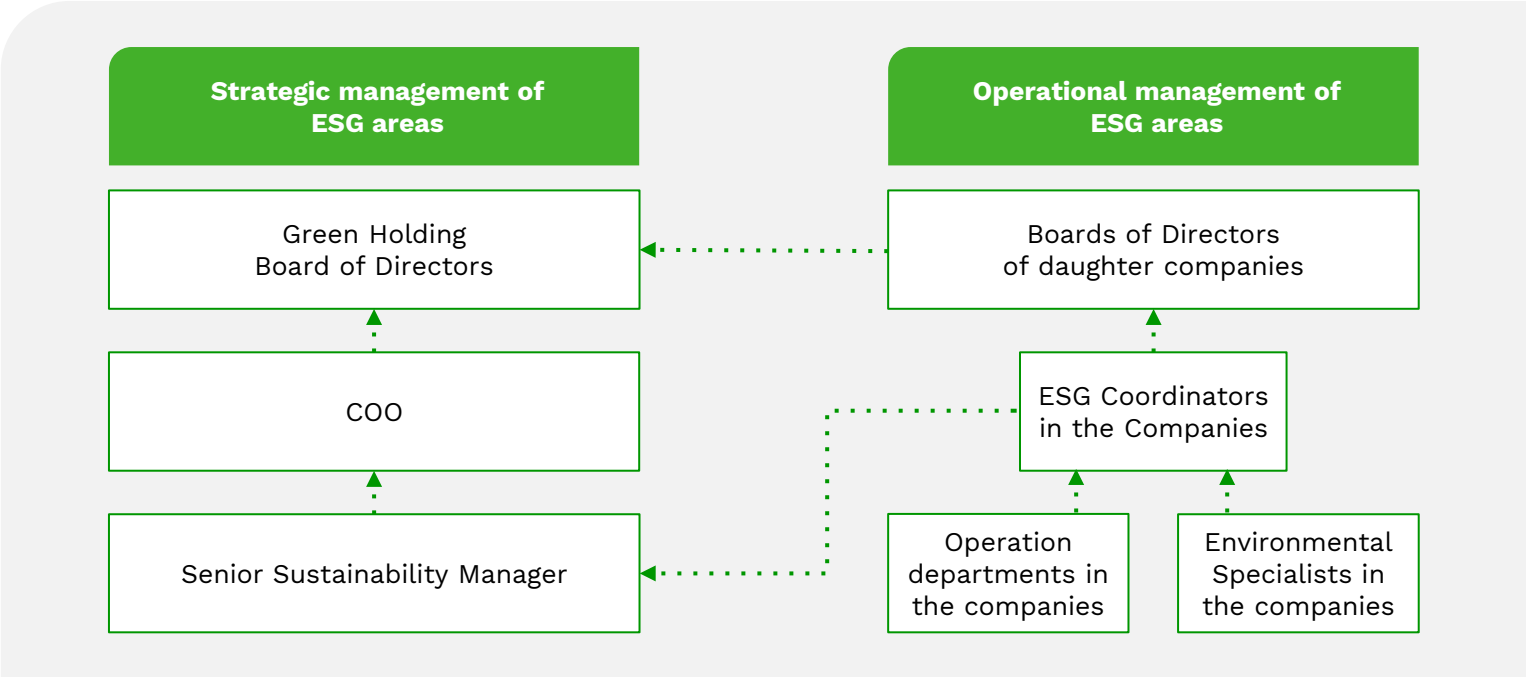
The parent company's management was involved in developing the ESG Strategy, identifying key stakeholders and relevant topics, setting strategic goals at the Holding and company levels, and monitoring the ESG report development process.

The Board of Directors of the parent company Green Holding carries a management role over the entire Group. It is appointed under the Board of Directors' Appointment Resolutions.

Each of the Group's subsidiaries has its Board of Directors. Following the Group's structure, decisions regarding the nomination and election of members of the top management body are made by members of the parent company's Board of Directors.

No maximum term of office for members of the Boards of Directors has been set. The remuneration of members of the Boards of Directors is regulated in the management contracts or remuneration regulations of individual companies.

To counteract conflict of interest, we include non-compete provisions in management contracts. Persons serving as members of the Board of Directors or assuming managerial positions must sign a declaration stating that they do not perform management functions in companies that do not comprise the Green Holding Group.



Our Dialogue with Stakeholders

Engaging in dialogue with stakeholders is essential for us to identify challenges in areas of sustainability, prioritize our activities, develop sustainable solutions, and pursue common goals. We maintain relationships with our key stakeholders using diverse channels.

Green Holding's management: meetings with employees, company events, newsletter

Employees and people who provide services for the companies: employee meetings, company events, newsletter

Job candidates and future employees: job listings, job fairs

Clients: meetings, quotations, audits

Suppliers: meetings, bidding, audits

Consumers: social media, our brand websites, flyers and brochures, hotline

Research institutions: collaboration with our plants

Media and news agencies: press releases, media interviews, social media

Competitors: reporting, websites

Local communities: press releases, media interviews, social media, charity events

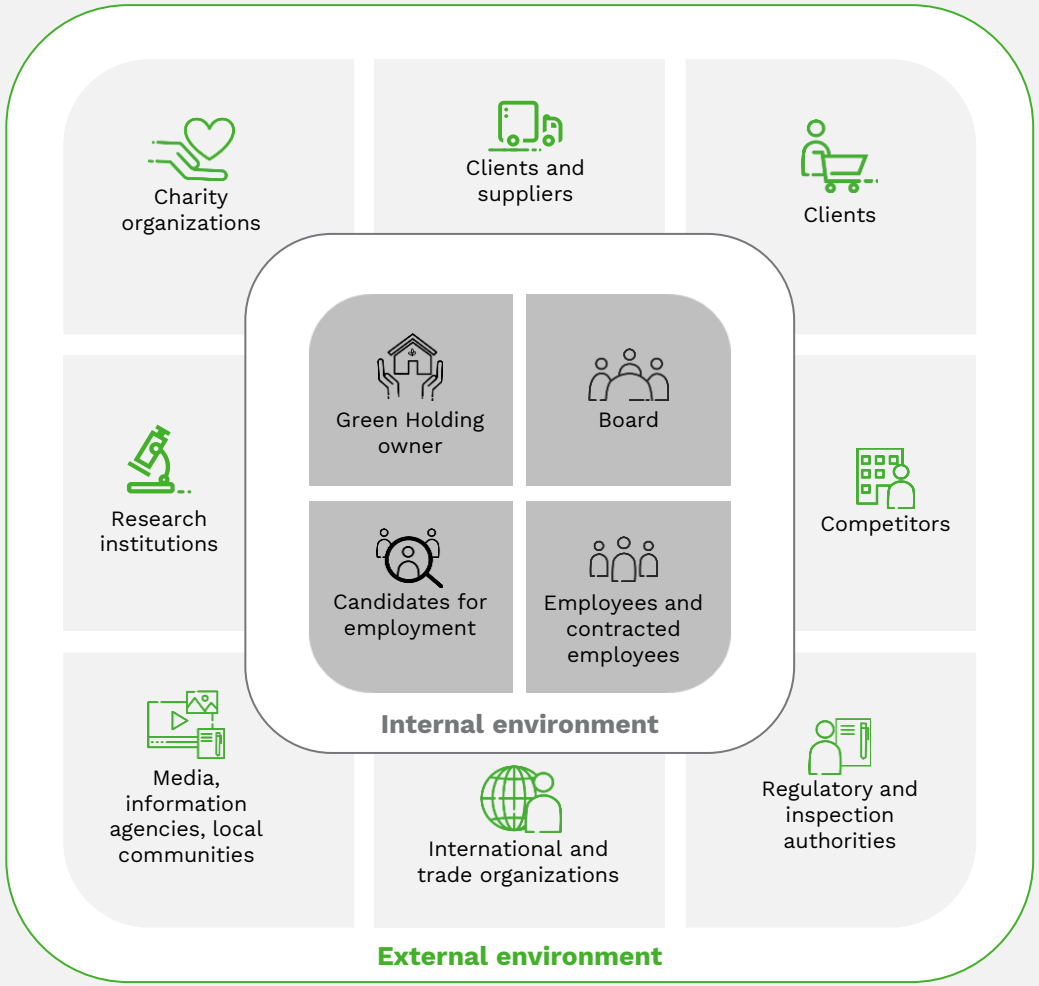
Charitable foundations: charity events

Regulatory and inspection authorities: reporting, audits

Industry organizations: conferences, panel discussions

This report represents a new channel of communication with our stakeholders.

Our Key Stakeholders



Our Impact in the Value Chain

As part of identifying our operations' impact on the internal and external environment, we conducted a materiality analysis of areas that affect our Group or are affected by our Group.

The materiality analysis of ESG areas was a multi-step process that included a review of current market practices and consumer expectations, dialogue with key stakeholders, and the application of the GRI (Global Reporting Initiative) Global Non-Financial Reporting Standards guidelines. Members of Green Holding's Board of Directors and executives of Group companies participated in the process.

As part of our dialogue with employees and key customers, we conducted a survey to identify areas of importance and impact our operations generate.

Green Holding's Board of Directors and designated specialists participated in a workshop summarizing materiality analysis. It was presented on an impact map divided into low, medium, and high-impact areas. This map identifies the relevant areas of our business. It provides the basis for setting the direction of our activities, managing them effectively, and structuring them within our ESG strategy.

Our Impact on the Environment, Society, and the Economy

Our agricultural, manufacturing, and logistics operations significantly impact the planet through the intensive use of natural resources necessary to produce and deliver our products and services.

We use resources to irrigate our crops, prepare ready-to-eat products, and perform other operational activities. Drought and the increasing deficit of water in Poland are caused by climate change and the high demand for water by industry. Therefore, we are taking measures to reduce water consumption in agriculture and production.

We contribute to generating global greenhouse gas emissions due to the energy required to maintain our buildings, conduct operations, provide the cold chain, and transport products.

We generate waste that, if not properly managed, can pose a soil and air pollution risk.

Agricultural cultivation that does not take into account good agricultural practices results in the loss of biodiversity and the depletion of soil, which can take up to twenty years to regenerate.

Our approach to product management affects the quality and safety of food and the health of our consumers. Inefficient crop and production management and mismatched packaging use can result in food waste. The main elements that eliminate the potential negative impact are the cultivation practices and production standards we apply. During the fall and winter seasons, we rely on the raw materials of our suppliers. By placing requirements on our suppliers, we significantly influence the operation of the supply chain.

We significantly impact creating an ethical culture based on principles consistent with the company's values. Implemented policies and regulations eliminate the risk of such phenomena as bullying, corruption, discrimination, and lack of respect for human rights.

As an employer, we impact the well-being of our employees and those who provide services to the Group. The areas, where we have significant influence, include job security, professional development, and work atmosphere.

We want to ensure that our activities do not negatively impact our local communities, as we aim to contribute to the sustainable development of the places where we operate. As a food manufacturer, we have the opportunity to create a positive impact on healthy and environmentally friendly eating habits.

In determining the impact of our operations, we are governed by the following 9 of the 17 global Sustainable Development Goals (SDGs) of the United Nations.

We are Green
Our Business Impact Management Strategy

Our mission is to provide daily access to fresh and safe products and to care for local communities and the environment. We want our products to become the main nutritional component of a healthy and balanced diet.

We are aware of the impact of our business on the environment, society, and the economy, so we have implemented an ESG strategy that sets the direction for our sustainability efforts.

The "We Are Green" strategy is based on four pillars: We Care for the Planet, We Care for the Product, We Care for Partnerships, We Care for People, which considers activities relevant to our key stakeholders and us.

As a part of our strategy for each pillar, we have set key performance indicators and defined strategic goals for 2025 and 2030. The strategic objectives include the companies that were selected based on their impact analysis.

Our goals for taking care of the planet include selected companies based on an analysis of the materiality of their impact. Therefore, due to their specificity, some of the goals apply only to selected companies of the Group.

"We are Green" strategy considers our impact throughout the value chain. Within the pillars, we have identified 12 areas, which we have described in the following sections of this report.

As a part of the first pillar, "We Care for the Planet," we have implemented agricultural practices, production processes, and logistics that minimize negative environmental and human impact.

Product stewardship ensuring the highest food standards, product credibility, and practices to prevent food waste, is reflected in the second pillar, "We Care For the Product."

As an embodiment of the third pillar, "We Care for Partnerships," we have implemented activities that build an ethical culture for our organization and the supply chain.

"We Care for People" responds to the needs and expectations of our employees and consumers and is reflected in our social and charitable activities.

2

We Care for the Planet

We apply regenerative farming solutions

Our Objectives

We will continue to develop crops that meet the objectives of regenerative farming

Target for Primavega and SVI

We will reduce mineral fertilizer use by 5%

Our objective by 2025
Target for Primavega
Reduction in tons used per hectare of field crops

We will start organic farming on 45 hectares

Our target by 2024
Target for Primavega

We cultivate 1,266 hectares in fields covering an area of 775.5 hectares

We start planting in our fields as early as March or April and grow vegetables until November. It is possible thanks to the creation of planting plans adapted to weather and soil conditions. In field crops implemented by Primavega, we use double yielding wherever possible.

In the case of hydroponic crops implemented by SVI, we cultivate year-round, which means an average yield of seven times. Therefore, although our cultivation fields covered an area of 775.5 hectares in 2021, our total cultivation area was 1,266 hectares.

We want to have an impact on improving the environment and the climate

We believe that a good crop product results from clean soil and water environment and adequate air quality. Stable meteorological conditions are also crucial to ensure continuous production. Environmental pollution and climate change pose a massive threat to our business, so we prioritize taking measures to eliminate the adverse effects.

1,181 hectares in fields covering an area of 774 hectares

85 hectares of hydroponic cultivation on 1.5 hectares of land

Our preliminary action is to increase production efficiency while reducing negative environmental and climate impacts. Our goal is to improve agricultural practices that meet the tenets of regenerative agriculture.

To reduce our environmental impact, we plan to reduce the amount of crop protection products and mineral fertilizers we have used to date. As part of our strategy, we are committed to reducing our use of mineral fertilizers by 5% by 2025.

In addition, we have set aside 45 hectares of our fields for organic farming, which requires using natural substances. By 2025, we will obtain BIO certification for these crops.

We implement a range of solutions to maintain a balance between crop productivity and the needs of nature

We use agricultural practices that affect the preservation of biodiversity and the retention of carbon dioxide in the soil. Our measures include the use of intercropping, which reduces the use of fertilizers and thus reduces greenhouse gas emissions. Intercropping also optimizes the number of bacteria and fungi.

We strive to maximize crop yields and reduce the area of our crops through proper field management and intercropping.

We do not recognize the conversion of forest land to farmland. To provide migration paths for wildlife, most of our farmland is unfenced.

We study microbiological soil conditions

In cooperation with the Institute of Horticulture in Skierniewice, we conduct research work to develop methods for plant protection.

In 2021, we performed research to precisely analyze microbiological conditions in the soil, including soil organisms living in areas where plant protection products are used.

The research showed the presence of more soil organisms than in previous years. It indicates that the methods we use positively affect biodiversity and that the amounts of fertilizers and pesticides are safe for the environment. The study was conducted in the fields that have the most significant impact on biodiversity.

We use drones to monitor our crops

In 2021, we covered about 80 hectares of our field crops with innovative drone monitoring.

The purpose of the monitoring was to obtain information on field water management and plant health, including the degree of crop greening, crop vegetation rate, weed infestation rate, pest identification, and expected crop yield.

This innovative method has enabled us to adjust the amount of fertilizers, pesticides, and water used. So far, we have conducted tests on spinach and iceberg lettuce crops.

We use fertilizers and plant protection products carefully

We have introduced several control mechanisms to regularly verify the state of the water and soil environment. We make decisions on the type and amount of fertilizers and plant protection products used based on the results of these inspections.

We determine the amounts of fertilizers used based on studies of soil and the amount of nitrates in plants. In our crops, we use mineral fertilizers and Primacomp organic soil improver, which we produce. Due to the negative environmental and climate impact, we do not use fertilizers with slow-release nitrogen.

We produce an organic soil improver – PrimaKomp

In 2021, we completed the certification of the mushroom substrate we produce, "PrimaKomp," which we use as an improver for our field crops.

PrimaKomp is a natural improver produced from twice-sterilized mushroom substrate. Our product increases the amount of organic matter in the soil, causes its rapid regeneration, and provides a medium for beneficial bacteria and fungi, which positively affects soil biodiversity.

In 2021, our total fertilizer consumption was 927 tons — we used 98% on field crops and 2% on hydroponic crops.

Mineral fertilizer consumption in Primavega in 2021

908 tons of total consumption in field crops
0.8 tons per hectare of field crops

In 2021, our pesticide consumption was 9.6 tons. This consumption applies to field crops only, as we do not use pesticides in hydroponic crops.

We use a state-of-the-art spraying system with an auxiliary air jet to reduce the amount of pesticides used. It reduces the amount of pesticides used by about 30% while maintaining the same effectiveness of the applied product.

In addition, we have undertaken trials of planting with biodegradable film, which prevents weeds. The film itself decomposes within one year.

About 25% of the crop protection products used for our field crops were formulas used in organic farming.

About 25% of the pesticides we use are formulations approved for organic farming

With multiple yields and pesticide-free hydroponic farming, in 2021 we used pesticides on 65% of our total crop area

Thanks to the innovative spraying method, we have reduced the amount of pesticides used by about 30%

All of our fields have 4-meter buffer zones to prevent the transfer of pesticides to sensitive areas

We carry out innovative hydroponic cultivation

Hydroponic cultivation, otherwise known as water culture, is the modern soilless cultivation of plants, which is an alternative to land cultivation. Our production takes place on aqueous media in greenhouse facilities that provide controlled conditions at each stage of plant growth. The entire plant-growing process takes place under one roof. It does not depend on weather conditions or sowing or harvesting seasons.

Our innovative cultivation methods were developed by the SVI company in cooperation with the Horticultural Institute in Skierniewice and research and technical support from Polish natural science universities. This cooperation allows us to conduct in-depth research to improve production technology and create new food products with much better physical and chemical properties, including, among other things, more durable leaf tissue structure and fuller coloration. Thanks to the limited use of mineral fertilizers, the products contain a reduced amount of nitrates and nitrites.

From 1.5 hectares of hydroponic cultivation, we obtain a yield equivalent to 85 hectares of field crops

In hydroponic cultivation, we make efficient use of the cultivation area. Vegetables are planted closer together; there is no need to leave gaps to allow machinery to pass.

We do not use plant protection products

Due to the specific nature of hydroponic crops, we do not apply pesticides.

We use less water

We use less water in hydroponic crops than in field crops. We use an average of 15 liters of water for 1 kilogram of hydroponic crops compared to 240 liters for 1 kilogram of field crops. We use closed-loop water system.

We grow all year round, regardless of weather conditions

We use a 12-fold yield all year round.

We consciously use natural resources

Our Objectives

Reduce the amount of water used for irrigation by 5%

Our target by 2025
Target for Primavega and SVI
Reduction in m³ per hectare of crops

We will reduce the amount of abstracted water used in production processes by 5%

Our target by 2025
Target for Primavega and Green Factory
Reduction in m³ per 1,000 products sold

Water is a fundamental element of our business

We are aware of the role that access to clean water plays for the environment, for humans, and for our business. Rational management of its consumption is a priority for us. We understand that our activities are associated with high water demand. As a part of our strategy, we have committed ourselves to reduce water intake.

We use water primarily to irrigate our crops, in production processes to wash our products, and also for other activities that form the basis of our operations.

In 2021, our total water withdrawal, which is also our total water consumption, was 841,686 m³. 93% of the water we used came from our potable groundwater withdrawal, with the remaining water sources being potable water supply networks (6.5%) and surface water (0.5%).

The total amount of water withdrawn and used for field irrigation was 418,569 m³, accounting for 50% of total withdrawals. On the other hand, the total amount of abstracted water used for production accounted for 45% of the total intake, at 377,510 m3.

Water withdrawal by source (m³) in 2021

Ground water	781,320	93%
Water supply network	56,177	6.5%
Surface water	4,190	0.5%
Sum	**841,686**	

Water consumption by use (m³) in 2021

Water used for irrigation	418,569	50%
Water used in manufacturing processes	377,510	45%
Water used for other processes	45,608	5%
Sum	**841,686**	

The water we withdraw is used for the irrigation of fields and hydroponic crops

In 2021, the amount of water withdrawn for irrigation was 322 m³ per hectare of our total crop area.

Our goal by 2025 is to reduce the amount of water withdrawn for irrigation by 5% per hectare of crops compared to 2021. We plan to achieve it by implementing several innovative solutions. In 2021, as a part of our efforts to reduce abstraction and thus reduce our negative impact on disposable groundwater resources, we took measures related to increasing water use efficiency in irrigation processes and implementing water reuse solutions.

In 2021, the area of crops with water-efficient irrigation systems that eliminate inefficient water use was 544 hectares, accounting for 70% of our total crop area.

The irrigation system for our field crops is based primarily on the drip method

Drip irrigation tapes, used as part of drip irrigation, allow precise application of water directly to the place where the plant grows, thus optimizing the amount of water used. The exceptions are spinach, arugula, and broccoli crops, which require sprinklers due to their peculiarities.

Reducing water withdrawal is also possible by introducing solutions for water reuse

A closed-loop water system has been implemented in the SVI greenhouse, which has been equipped with a surface water storage tank.

This water comes from precipitation.Its amount in 2021 was 4,190 m³, which accounts for 14% of the total water intake used to irrigate hydroponic crops.

Water from the surface water storage tank mixed with abstracted underground water is used to irrigate crops in the greenhouse.

The NFT (Nutrient Film Technique) gutter system optimizes the amount of water used for irrigation, taking only the necessary amount. Unused water goes into a reservoir and can be reused to irrigate subsequent batches of plants. The amount of closed-loop water used in the SVI accounts for about 40% of the water withdrawn. These figures are an estimate, as it was impossible to calculate actual closed-loop water consumption due to the lack of metering in 2021.

In 2021, we conducted pilot projects involving the use of specialized technologies that enable crop monitoring, including water management

The monitoring included the use of specialized drones (see page 27 for more information) and a scanner, used, among other things, to verify soil structure, including irrigation, and the water requirements of plants.

The information obtained allowed us to reduce water withdrawal by adjusting irrigation to actual demand.

In 2021, we covered 100% of our crop area with a system that monitors soil moisture and crop irrigation.

We strive to reuse water for production purposes

Water withdrawn for production purposes comes mainly from the company's intakes and is used at all Green Factory and Primavega production facilities. The exception is the Green Factory plant in Hungary, which draws water from the water supply network.

In 2021, we took 2m³ of water for every thousand products we produced. In our strategy, we declared a reduction in the amount of water withdrawn and used for production processes by 5% for every thousand products compared to 2021. We are implementing solutions to reduce water consumption and reuse water to achieve this goal.

Reusing water for washing vegetables is not possible without purifying it.

Nonetheless, as part of our manufacturing operations, we aim to reduce water consumption by optimizing our operational processes.

In 2021, the Green Factory plant in Niepruszewo undertook a reduction initiative by implementing an automatic water exchange system for cooling the tunnel line. We will continue implementing this solution in the following years at the Group's other production facilities.

We reduce greenhouse gas emissions

Our Objectives

We will reduce greenhouse gas emissions by 30%
resulting from the processes we oversee (Scope 1) and the consumption of the energy we purchase (Scope 2)

Our target by 2030
Reduction of Mg CO_2 emissions per 1 million PLN revenue calculated using the market-based method

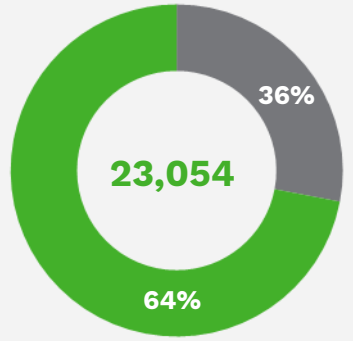
We are aware of the impact of our industry on climate change and the impact that climate change may have on our operations

In 2021, to control and reduce our greenhouse gas emissions, we began calculating the greenhouse gas (GHG) emissions generated by the processes we oversee (Scope 1) and the consumption of the energy we purchase (Scope 2).

The emissions we generated presented in Scope 1 in 2021 came mainly from fuel consumption in mobile and stationary sources. Scope 2 emissions, on the other hand, only came from the consumption of our purchased electricity.

Our goal by 2030 is to reduce Scope 1 and Scope 2 greenhouse gas emissions by 30%. We are currently in the process of implementing and planning initiatives to reduce electricity and fuel consumption. We have presented these initiatives on pages 37-41 of this report.

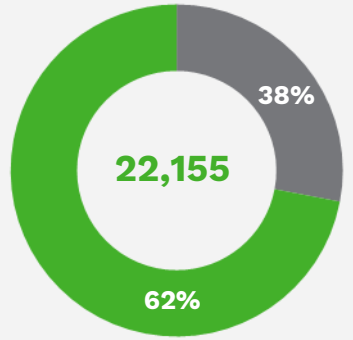
GHG emissions in scopes 1 and 2 (Mg CO_2) in 2021



Location-based method

Scope 1
8,393

Scope 2
14,662



Metoda market based

Scope 1
8,393

Scope 2
13,762

GHG emission intensity in Scope 1 and 2 in 2021

Location-based method

24 Mg CO_2 / **1 million PLN**

Market-based method

23 Mg CO_2 / **1 million PLN**

GHG emissions by source (Mg CO_2) in 2021

Scope 1

Combustion in mobile sources	3,679	44%
Refrigerants	2,280	27%
Combustion in stationary sources	1,675	20%
Agricultural sources	759	9%
Sum	**8,393**	

Scope 2

Location-based method

Electricity	14,662	100%

Market-based method

Electricity	13,762	100%

Greenhouse gas emissions by component (CO_2e) in 2021 (market-based method)

Carbon dioxide	19,069	86%
HFCs	2,280	10%
Nitrous oxide	795	4%
Methane	11	0.05%
Sum	**22,155**	

Mobile sources mainly include agricultural machines, commercial and passenger vehicles, and forklifts. Mobile sources use diesel, gasoline, and LPG.

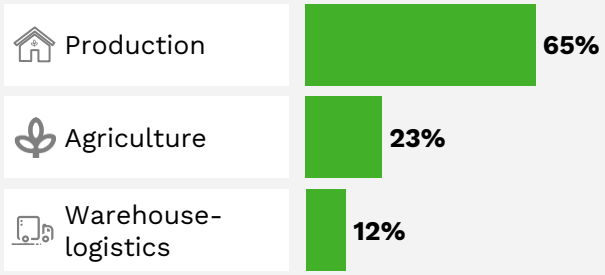
Stationary sources primarily include powering building maintenance facilities, heating boilers, and generators. Stationary sources use natural gas, LNG, coal, and small amounts of gasoline, diesel, and fuel oil.

Refrigerants include refrigeration equipment and the use of refrigerants applied.

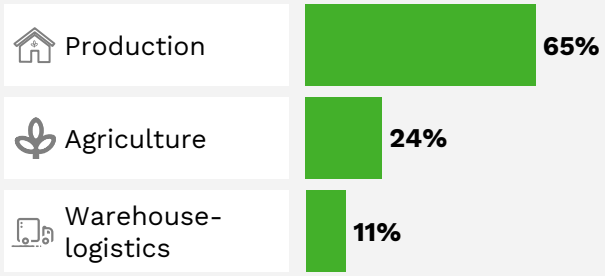
Agricultural sources include agricultural soils and the application of nitrogen fertilizer.

GHG emissions (Scope 1 and 2) by type of activity in 2021

Location-based method

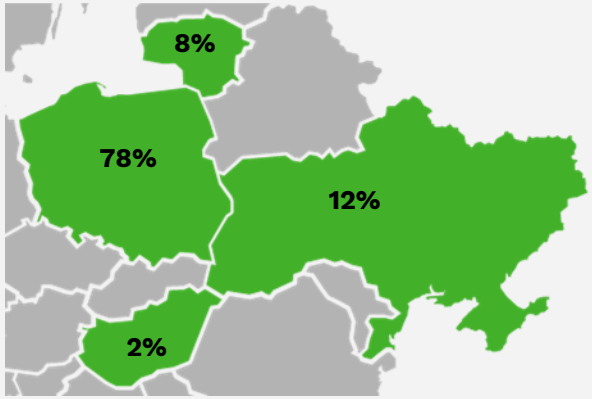


Market-based method

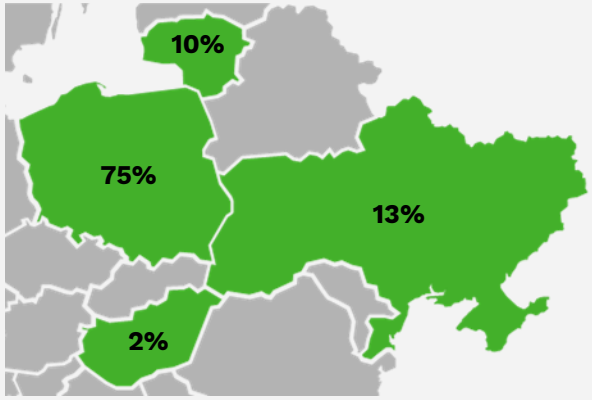


GHG emissions (Scope 1 and 2) by country of operation in 2021

Location-based method



Market-based method



Greenhouse gas calculations were developed in accordance with the requirements of the Greenhouse Gas Protocol, according to the current revised version: 'A Corporate Accounting and Reporting Standard revised edition, GHG Protocol Scope 2 Guidance Amendment to the GHG Protocol Corporate Standard'.

The scope of emissions reporting includes Scope 1 direct emissions from the combustion of fuels in the companies' own or supervised power generation sources, including combustion in stationary sources, i.e., natural gas and fuel oil heating boilers, and combustion in mobile sources of vehicles used by the companies (LPG, gasoline, diesel), as well as Scope 2 indirect emissions from the generation of purchased electricity consumed.

Data on fuel use are derived from a compilation of fuel card reports and invoices. Other data was estimated based on energy, fertilizer, and refrigerant consumption.

We perform transportation services primarily in cooperation with third-party subcontractors who provide transportation for us using their vehicles. We classify emissions resulting from transportation services delivered by third-party suppliers as Scope 3 emissions. In Scope 1, we have included emissions from transportation by vehicles owned by the companies comprising the Group.

The breakdown of emissions by type of activity used takes into account the following activities: production (washing and food production, refrigeration, administrative activities), agriculture (field crops, including agricultural machinery trips and hydroponic crops), and warehousing and logistics (warehousing and transportation, which we perform using Group-owned vehicles).

Our primary sources of energy are electricity and fuels

In 2021, our total energy consumption was 173,661 GJ, of which 49% was electricity consumption, and 51% came from fuel combustion in mobile and stationary sources. These are also the primary sources of greenhouse gas emissions in Scopes 1 and 2.

We are implementing initiatives to reduce energy consumption in response to climate and environmental challenges and the need to reduce greenhouse gas emissions. We have also committed to increasing the share of energy from renewable sources.

Energy Sources (GJ)* in 2021

Purchased electricity	85,244	49%
Fuels combusted in mobile sources	56,619	33%
Fuels burned in stationary sources	31,798	18%
Total energy consumption	**173,661**	

** The data is derived from the internal records of Group companies. The conversion rate and calorific value were adopted based on the DEFRA (2021) database.*

Sources of GHG emissions in Scopes 1 and 2 (%) in 2021

Location-based method

Electricity	64%
Combustion in mobile sources	16%
Refrigerants	10%
Combustion in stationary sources	7%
Agricultural sources	3%

Market-based method

Electricity	62%
Combustion in mobile sources	17%
Refrigerants	10%
Combustion in stationary sources	8%
Agricultural sources	3%

Our Objectives

We will reduce the amount of electric energy use by 10%

Our target by 2025
Reduction in MWh per 1 million PLN revenue

We will use 20% of electric energy from our own renewable sources

Our target by 2025

We invest in renewable energy sources

In 2021, 56% of the electricity we purchased was certified by the company Tauron Sprzedaż sp. z o.o., confirming that the electricity participates in the Green Energy Sales Guarantee system and comes entirely from renewable sources. Unfortunately, this purchase is not covered by the Guarantees of Origin, so we do not consider it renewable source energy. For this reason, we also did not include it in the calculation of Scope 2 GHG emissions.

We plan to increase the share of renewable electricity through investments in our own renewable energy sources. We plan to install photovoltaic panels at all of our production facilities.

As part of our operations, a significant share of our total energy consumption is the electricity required for the production of refrigeration, in particular

Our production processes are carried out in cool conditions, so the consumption of electricity for the production of refrigeration accounts for a significant share of total energy consumption. Total electricity consumption in 2021 was 23,679 MWh. The electricity consumption intensity ratio was 25 MWh per 1 million PLN revenue.

Electricity consumption intensity index

25 MWh / **1 million** PLN revenue

Our priority is to optimize electric energy consumption

In 2021, we implemented several measures at our production facilities and warehouses that comprise another step toward reducing electric energy consumption.

ZWe reduce heat losses by using automatic gates

668% of our gates had automatic gate opening and closing systems in cooling zones to stop the cold.

We automatically control the temperature

84% of the cold rooms in our plants have been equipped with electronic temperature control and monitoring system.

We use energy-efficient cooling units

The Green Factory plant in Niepruszewo has replaced its chillers with more energy-efficient ones; we have reduced monthly electric energy consumption by 40 MWh.

We use LED lighting

We have replaced the lighting with energy-efficient lighting. The share of LED lighting in all Green Factory and SVI plants and GFL warehouses was 79%.

We apply for building certification

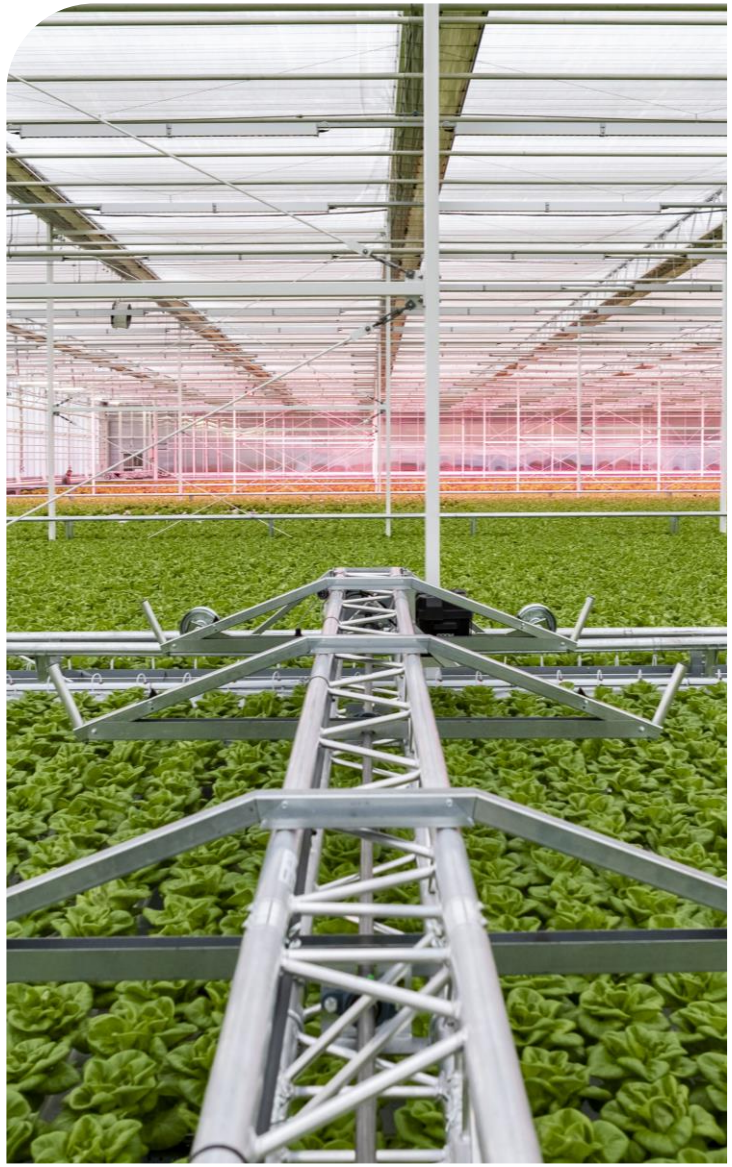
33% of the warehouse space leased by our GFL company was BREEAM certified.

We designate different cold zones

To reduce the electric energy used to store products, we have designated different cool zones with temperatures matching our products; in temporarily unused chambers, we have implemented a procedure of turning off cooling and lighting.

We recover heat

We have reduced gas consumption for heating purposes and preparation of domestic hot water through the use of heat recovery from compressors.



Our Objectives

We will reduce fuel consumption in agricultural vehicles by 10%

Our target by 2025
Target for Primavega
Reduction refers to the amount of fuel consumption in GJ per hectare of crops

We will have 10% low- and zero-emission passenger cars

Our target by 2025

100% of vehicles operated by third-party carriers will have EURO 5 and 6 combustion standards

Our target by 2025
Target for GFL

Our Group's fuel consumption accounts for 51% of total energy consumption and includes mainly mobile combustion sources

Fuel consumption in mobile sources mainly includes agricultural machinery, commercial and passenger vehicles, and forklifts. Mobile sources consume diesel, gasoline, and LPG. In 2021, diesel consumption accounted for the largest share of total fuel consumption at 41%. We use diesel fuel primarily to power our agricultural machinery.

Fuel consumption at stationary sources primarily includes powering building maintenance facilities, including heating boilers and generators. Stationary sources primarily consume natural gas and fuel oil, LNG, and coal. Natural gas, whose consumption in 2021 accounted for 30% of total fuel consumption, is mainly used to power heating boilers.

We are changing our passenger car fleet

We currently have 8 trucks and 139 vehicles up to 3.5 tons, including 2 hybrid cars and 1 plug-in hybrid car. These account for a 2% share of the total number of passenger cars.

In 2021, we began preparing infrastructure and parking spaces for charging electric cars and installed an electric car charger.

Type of fuel in mobile and stationary sources (GJ)*

Diesel	**35,834**	**41%**
Natural gas	**26,637**	**30%**
Gasoline	**17,887**	**20%**
Heating oil	**3,184**	**3%**
LNG	**2,543**	**3%**
LPG	**1,820**	**2%**
Coal	**512**	**1%**
Total fuel consumption	**88,417**	

* Data comes from internal records of all Green Holding companies. Conversion rate and heating value assumed based on DEFRA factors (2021) database.

Our goal is to increase the share of electric and hybrid cars in the total number of passenger cars to 10% by 2025. In 2021, we signed a contract to purchase 30 hybrid cars.

In 2021, we installed a cogeneration plant that simultaneously produces heat and electricity during a single process

With cogeneration, we will use primary energy much more efficiently than conventional generation. We will use less fuel to generate identical amounts of electricity and heat than in separate production.

The cogeneration unit has been installed at the Green Factory plant in Zdunowo, and we plan to put it into operation in 2023.

Electricity generated by the cogeneration unit will power the Green Factory plant and SVI. In generating electricity in this unit, waste heat will be generated. It will be transferred to heat the greenhouse owned by SVI. Currently, natural gas is used to heat the greenhouse. As a result of the operation of the cogeneration unit, we will completely eliminate this consumption.

We aim to reduce fuel consumption in our agricultural operations

In 2021, the fuel consumption of agricultural vehicles was 15,207 GJ, or 13 GJ per hectare of our total field area. For agricultural purposes, we use tractors, agricultural vehicles, telescopic loaders, harvesting machines, and sprinklers. We currently own 54 agricultural machines, including 40 tractors.

Our goal is to reduce fuel consumption in agricultural vehicles by 10% by 2025. To this end, we are implementing initiatives aimed at reducing the number of trips, which can reduce the amount of fuel consumed and emissions into the air or the ground.

Fuel consumption in agricultural vehicles
in Primavega in 2021

15,207 GJ of total consumption
13 GJ per hectare of field crops

We implement precision farming solutions

These solutions reduce the amount of fuel used by adjusting vehicle routes so that fertilization or pesticide application is tailored to the actual needs of the crop. For more information, see page 27 of this report.

We monitor machine performance using GPS

100% of our agricultural vehicles have been equipped with a GPS system dedicated to agricultural operations. It enables control of travel routes and monitoring of machinery performance, including fuel consumption.

We use the crop aggregation method

The method reduces the number of kilometers traveled by agricultural machinery.

In cooperation with our business partners, we implement solutions that lead to reducing fuel consumption

Proper conditions, especially the temperature during transport, are crucial in ensuring the quality of the goods we deliver. The storage and transportation of our products are the responsibility of GFL. Its activities include domestic and international transportation for Primavega, Green Factory, and external customers.

Since the business model of our logistics and transportation services provided by GFL involves third-party carriers, we set fuel reduction targets for ourselves and our suppliers.

We are aware of the impact that fuel and refrigerant consumption in transportation have on the climate and the environment, so we have taken several initiatives to support our business partners in reducing this impact.

We focus on communication

We are currently working on re-implementing the TMS (Transport Management System) to improve the efficiency of planning, quality of deliveries made, electronic communication with the customer, and to increase the efficiency of the transmission of information regarding delivery status and advancements.

We are streamlining transportation planning processes

In 2021, we started re-implementing the TMS system, improving the transport planning process, which will reduce the number of kilometers traveled.

The system will be equipped with Here maps, which have a route suggestion option, which enables the minimization of costs and affects the reduction of route length. In addition, the new version of the system will allow rapid response in the event of critical transport situations, particularly regarding returns.

We are eliminating empty runs

In 2020, we initiated the Reverse Logistic project to seek business partners to collaborate on scheduling unloading, loading, and eliminating empty runs. We are currently in the process of optimizing our warehouse grid, which includes additional warehouses located in Gdańsk Metropolitan Area, Wroclaw, and Lublin. Expanding the current warehouse grid will further reduce empty runs.

87% of vehicles operated by third-party carriers follow EURO 5 and 6 combustion standards

We have introduced a criterion whereby vehicles adapted to transporting our goods must meet minimum requirements, including EURO 5 and 6 combustion standards, guaranteeing lower emissions. In 2021, as many as 87% of vehicles operated by third-party followed EURO 5 and 6 combustion standards. Our goal by 2025 is to increase this proportion to 100%.

We implement the principles of a closed loop economy

Our Objectives

We will reduce the weight of plastic packaging by 5%

Our goal by 2025
Target for Green Factory
Applies to our brands

We will reduce to zero the number of single-use boxes used to transport raw materials

Our target by 2030
Target for Primavega and Green Factory
Refers to transportation from regular suppliers

We will reduce to zero the number of single-use pallets used to transport raw materials

Our target by 2030
Target for Primavega
Applies to transportation from regular suppliers

We responsibly manage the waste we generate and take measures to facilitate the recovery of our packaging

The foundation of our waste management activities is to comply with legal requirements. However, we undertake several additional initiatives related to implementing closed-loop solutions.

We believe that reducing the consumption of environmental resources begins with the responsible selection of materials used in production. Therefore, we optimize the quantity and quality of the resources we use and look for solutions that facilitate their proper management.

Placing our products' quality, safety, and freshness as our goal, we prioritize searching for the best packaging solutions and minimizing their negative impact on the environment. Therefore, our strategy includes the following objectives: reducing the weight of the packaging we use and reducing single-use packaging used to transport raw materials.

In 2021, as much as 96% of the resources we used were renewable

In 2021, we used a total of 55,732 tons of renewable materials for production. Plant-based materials accounted for the largest share, i.e., 82%. Other materials included cardboard packaging, wood, dairy products, meat and fish, and semi-finished food products such as dressings for ready-to-eat meals.

In 2021, we used a total of 2,431 tons of non-renewable materials, which accounted for 4% of all materials we used. Plastics accounted for the largest share, having only a 2% share of all materials. The remaining non-renewable materials were fertilizers, irrigation tapes, and pesticides used in crop operations.

The weight of recycled plastics was 625 tons, accounting for 53% of the plastics used and 1% of all materials used.

Amount of Materials Consumed by Type (t) in 2021

Renewable materials*

Raw materials of plant origin	45,801	82.2%
Cardboard	6,905	12.4%
Wood	1,110	2%
Intermediate food products	1,090	1.9%
Dairy	412	0.8%
Meat and fish	398	0.7%
Paper	16	0.1%
Sum	**55,732**	

Non-renewable materials*

Plastics	1,187	49%
Fertilizers	927	38%
Irrigation tapes	248	10%
Chemicals	58	2%
Pesticides	10	0.4%
Sum	**2,430**	

* Renewable material is material derived from abundant resources that can be rapidly replenished by natural processes e.g., wood, fish, forest, and agricultural resources. Non-renewable material is derived from exhaustible resources that cannot be replenished by short natural processes, e.g. minerals, metals, plastics. Definition based on GRI standard and Organisation for Economic Co-operation and Development (OECD), Resource Productivity in the G8 and the OECD - A report in the Framework of the Kobe 3R Action Plan.

14% of the materials we used in 2021 were used for product packaging

85% of our packaging is cardboard boxes, which we use to pack products ready for transport

We place prints on boxes according to customers' requirements and adjust the parameters of cartons according to their individual preferences, expected maximum load, and packaging conditions. For our brands, we use only gray cartons.

We reduce the weight of cardboard packaging by implementing solutions that ensure 100% pallet filling by matching the cardboard's dimensions to the pallet's size.

100% of the cartons we use are recyclable. All of them are made of recycled raw material (so-called testliner). We only use cartons with FSC (Forest Stewardship Council) certification, which guarantees that they have been produced responsibly.

In 2021, we began replacing shipping cartons with reusable boxes. To date, we have reduced the number of cardboard boxes used by 630,000 pieces (about 200 tons).

15% of our total packaging is plastic packaging

We use plastics for packaging and protecting products. We use BOPP, PE, PET, OP/PE films, rPET trays, and plastic containers for packing ready-to-eat lunchbox meals.

We seek innovative packaging solutions to reduce our environmental footprint, including those made from recycled and reusable materials. We use only recyclable laminate film and, where possible, have replaced laminate duo film with mono-material. When selecting plastic packaging, for our brands, we define the technical requirements individually for each product. When choosing packaging, we pay attention to the reusability of the packaging material and its thickness. By 2025, we are committed to a 5% reduction in the weight of plastic packaging for our brands.

Due to our customers' requirements for their brands, we have limited influence on the technical parameters of the packaging they use.

We aim to reduce the thickness of plastic packaging

Currently, all films used for packaging lettuce are 30 microns. For other products, we use films between 25 and 40 microns.

In the future, we would like to reduce the grammage of the packaging film to 20 microns. Currently, our available materials and technological processes do not allow such possibilities.

We strive to work together to create new sustainable solutions for the production and packaging

Green Factory is a member of the Natureef association, which brings together Polish leaders in the packaging, chemical, and food production industries. The association aims to create access to a broad knowledge and contact base, creating opportunities for information exchange to jointly develop new products and services.

We are increasing the proportion of recycled materials

We use rPET plastic trays. We make sure that they have a high percentage of recyclate, which is now as high as 80%.

We use fully recyclable packaging

We make sure that the PET trays we use are fully recyclable.

We plan to replace the non-recyclable laminate used in films with a recyclable monolaminate at all of our production facilities.

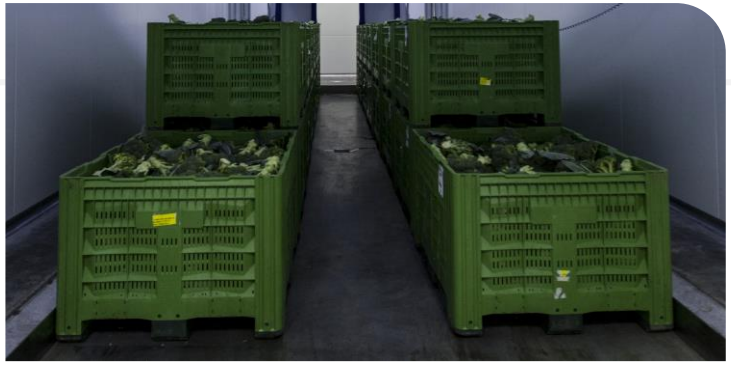
We are working on introducing foil packaging with a new graphic design made with water-based ink, which will make it completely recyclable.

We will pack lettuces and herbs at SVI in plastic bags made of Green PE, made from sugar cane.

We are working to introduce a system of rotating crates and reusable pallets

We use the crates we receive from suppliers to pack our products, then return them so they can be reused for transportation purposes.

By 2030, we plan to eliminate the single-use crates and pallets used to transport raw materials from regular suppliers. Introducing reusable crates implies close cooperation and involvement of our suppliers and customers.



We currently use reusable folding boxes under the Euro Pool system and reusable containers supplied under the IFCO system. We use CHEP pallet rental, which has so far contributed to preventing 25.4 tons of CO_2 emissions.

In 2021, we used:

1,753,268 boxes, 82% thereof are reusable boxes

580,874 pallets, 81% thereof are reusable pallets

We care about proper waste management

The waste we generate primarily includes non-hazardous waste, which accounted for nearly 100% of all waste in 2021. The share of hazardous waste was only 0.01%.

The largest share, 76%, of the waste we generate, is food waste. It is produced during the quality control of delivered raw materials and their processing at an early production stage. Packaging waste, which accounted for 23% of all generated waste in 2021, includes plastics, cardboard, paper, and other packaging materials. Our goal is to increase the recycling of packaging waste by 10%. Currently, some of the plastic waste, due to contamination, is incinerated. We are looking for a service provider that will be responsible for used packaging washing process, enabling us to increase the share of recyclable waste.

Amount of waste generated (tons) **in 2021**

According to Type

Food waste	5,801	76%
Paper and cardboard	1,183	15%
Remaining packaging	288	4%
Plastics	278	4%
Remaining waste	103	1%
Sum	**7,653**	

According to the manner of processing

Transferred to biogas facility	2,853	37%
Recycled	1.655	22%
Transferred to a composting facility	1,565	20%
Transferred to landfills składowiska	1,458	19%
Combustion without energy recovery	79	1%
Re-used	23	0.3%
Combustion with energy recovery	17	0.2%
Other forms of processing	2	0.1%
Suma	**7 653**	

In 2021, 80% of all waste was transferred for recycling

In 2021, 5,801 tons of the waste we generated was food waste. Of this, 2,853 tons of waste went to biogas plants and another 1,565 tons to composting plants, which accounted for 57% of all waste.

We transferred 1,655 tons of waste to recycling, 23 tons to reuse, and 17 tons to incineration with energy recovery.

In 2021, we diverted 1,470 tons to landfills, which accounted for 19% of our waste.

As part of extending the life of materials, we reuse them or transfer them to third parties for further use

Agrowoven fabric, which we use on farm fields, is given to farmers for reuse as a full-value product.

Used irrigation tapes are sold to third-party buyers, who process them into pellets. Disposable boxes and pallets are sold to local producers and farmers. We resell damaged disposable pallets to a pallet manufacturer for repair and reuse.

3

We Care for the Product

We ensure food quality and safety

Our Objectives

We will continue GlobalG.A.P. certification for 100% of our products

Target for Primavega and SVI

We will continue GlobalG.A.P. or GlobalG.A.P+ Add-on (leafy vegetables) certification for 100% of the raw materials we buy

Target for Primavega, Green Factory and SVI
Applicable to purchases from regular suppliers

100% of our plants will be Food Safety Certified

Our goal by 2025
Target for Primavega, Green Factory and SVI

Our priority is to ensure the highest quality and safety of food

A safe and quality product is wholesome, safe to eat, maintains freshness, and meets customer expectations. Responsible crop management obliges us to certify all the vegetables we use, both our own and those purchased from third-party suppliers.

Regular quality control enables us to take immediate actions. That's why we carry out the quality assessment, following legal requirements and the principles derived from quality and safety management systems for production and products.

We inspect the quality of our vegetables already at the stage of plant growth and before cutting. In addition, we inspect all vegetables and products before they reach our customers and store shelves.

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The areas controlled include:

- Inspections of our raw materials and those purchased from our regular suppliers
- Inspections on production lines (so-called in-process inspections)
- Inspections of the final product, which we perform before transportation
- Inspections during the transportation of products
- Quality inspections on store shelves

Laboratory inspections

Raw material quality control includes microbiological and laboratory testing for pesticides, nitrates, chlorates, and heavy metals. Laboratory tests are performed through an accredited external laboratory. Testing is carried out randomly, and the frequency of testing is related to a risk assessment that considers preventive measures against final, chemical, and biological hazards.

By legal requirements, we require all suppliers of raw materials to provide laboratory test results on the content of pesticides, nitrates, chlorates, heavy metals, and microbiology of raw materials.

In the case of spot purchases, made from suppliers with whom we do not have permanent contracts, the raw material does not have laboratory tests performed. In such situations, we independently order laboratory tests for each such delivery.

We carry out quality inspections at our suppliers

During the autumn-winter period, we conduct quality inspections directly at the plants of our leading suppliers in Italy and Spain. As a part of our control activities abroad, we have implemented a dedicated application for the Quality Department. It enables internal and customer communication to monitor the quality of goods, control the shipment, and receive constant weather reports.

We regularly carry out product inspections on store shelves

Once a quarter, we inspect the quality of our products on store shelves in hypermarkets and medium and small stores. The first inspections of products on store shelves were carried out in November 2021.

Among other things, the inspections assess the temperature maintained, the weight of the product, and quality maintenance. Thanks to the assessments, we have identified a problem in keeping temperatures low in refrigerators in small and medium-sized stores, which results in a shortened shelf life of products.

We are currently working to implement quality control of products on store shelves abroad.

We regularly monitor customer and consumer complaints. The customer complaint rate remains at 0.01%. The consumer complaint rate for Green Factory and Primavega averaged 0.2% in 2021.

Our certifications apply to crop cultivation, production, food storage and transportation

Our production facilities (except for the plant in Ukraine) are certified by IFS Food or BRCGS, international food safety standards for retail suppliers, wholesalers, and food manufacturers.

All the vegetables we grow are GLOBALG.A.P. luv or GlobalG.A.P.+Add on (leafy vegetables) certified to ensure Good Agricultural Practice.

All raw materials purchased from our regular suppliers are GLOBALG.A.P certified.

Our crops are certified by GLOBALG.A.P. or GlobalG.A.P.+Add on (leafy vegetables) to confirm good agricultural practices. As part of the certificate, we carry out laboratory tests using the sampling method, including microbiology, fisicochemical tests, and testing for pesticide and heavy metal content in our raw materials. We also require appropriate certificates from our regular raw material suppliers.

We have a BIO certification for the cultivation of lamb's lettuce and arugula, which confirms that no pesticides are used during cultivation and ensures the transport and handling of organic food.

Our Primavega plant is certified to ISO 14001:2015, ISO 22000:2018 and the International Food Standard (IFS Food), while Green Factory's foreign plants have IFS Food (Hungary) and BRCGS Global Standard for Food Safety (Lithuania).

The Green Factory plant in Poland meets the Supplier Quality Management System (SQMS) requirements, ensuring an effective management system to deliver safe and high-quality products and operations, following McDonald’s highest supply chain standards.

GFL is certified by BIO and IFS Logistics. It warrants that the stored and transported products are controlled to maintain refrigeration conditions and preserve food quality, safety, and packaging.


Certyfikat Zatwierdzenia

LRQA France SAS

Grupa Producentów Warzyw Primavega sp. z o.o.

IFS Food Version 7, October 2020


CERTIFICADO

kiwa

GLOBALG.A.P.

CERTYFIKAT

GOSPODARSTWO OGRODNICZE ARTUR RYTEL ZDUNOWO 48

09-142, ZAŁUSKI, POLSKA

GLOBALG.A.P. wer. 5.3_21 Luty 2020


RINA

CERTIFICATE No. GDO/19/466

JSC SALPRONE

BRC - GLOBAL STANDARD FOR FOOD SAFETY - EDITION 8

GRADE AA Audit type: Announced


Certyfikat Zatwierdzenia

Grupa Producentów Warzyw Primavega sp. z o.o.

ISO 22000:2018

We provide reliable information about the product

Our Objective

We will improve the labeling of our own products to encourage healthy eating practices

Target for Primavega, Green Factory and SVI

We focus on providing consumers with reliable information about our products

On the labels and packaging of our brands' products, we communicate the most important information about the products we offer, i.e., the name, the weight, nutritional value, the name of the firm marketing the product, and the expiration date. We do not place expiration dates only on unwashed and potted products in accordance with current regulations.

Some of our packaging includes a nutritional list, which goes beyond current legal requirements. We also introduce labeling for packaging management, including recyclability symbols, a symbol for the type of material to be recycled, and a reminder of cleanliness.

Proper product labeling can prompt customers to choose healthier foods

We are currently in the process of adapting symbols to changing legal requirements and market trends. We will adjust our labeling to the guidelines of the European Commission's planned revision of the regulation on providing food information to consumers to unify the FOP (Front of Pack) labeling system.

In the future, we plan to introduce labeling that considers the overall nutritional value system for food products on the packaging of our products. Such labeling will make it easier for consumers to choose food products desirable for their daily diets.

We counter food waste

Our Objectives

We will extend the shelf life of our products by 10%

Our goal by 2030
Target for Green Factory

We will continue to use packaging to ensure freshness and adjust the amount of product to meet customer needs

Target for Primavega, Green Factory and SVI

As food producer, it is our responsibility to take measures to prevent food waste

Even at the cultivation stage, we ensure that vegetables remain fresh for as long as possible. In case of bad weather conditions, we launch additional washing, sorting, and processing processes. They prevent the waste of a batch of raw material that might not meet the quality requirements expected by customers. We maintain a continuous refrigeration line while transporting and storing products and raw materials. We aim to extend shelf life by as much as 10% by 2025, taking care of quality.

We are constantly looking for packaging that ensures freshness and is tailored to the needs of our consumers

We package our products in functional open-close packaging that maintains the freshness of the products. We also offer single-use or family-pack products that offer portions tailored to the needs of our consumers.

Family pack

Open-Close

Duo Pack

Thanks to our cooperation with food banks, we donate our products to those in greatest need

As part of the activities of Primavega and Green Factory companies, we cooperate with the Food Bank in Ciechanów, a non-governmental organization that donates food to those in need. The donated goods include full-value products that customers have returned due to damaged transport packaging or delayed delivery. After a positive quality assessment, the returned goods are transferred to the Food Bank.

If the Food Bank is unable to collect the products, we provide our transportation. We hand over the products for disposal only if they do not meet the 3-4 days shelf life criterion.

Food donated to food banks in 2021 **90 tons**

4

We Care for Partnerships

We act ethically

Our Objectives

We will train all employees on ethical principles

Our goal by 2025

We will implement a whistleblowing tool

Our goal by 2025

Our priority is to ensure an ethical organizational culture

In 2022, prior to the publication of this report, we implemented the Green Holding Code of Conduct, the principles of which apply to all Group employees. It is crucial for us that our employees know the principles of ethical conduct and follow them in their work, so our goal by 2025 is to train 100% of employed employees on the Code of Conduct. The training process will begin in 2022.

Following Green Holding's Code of Conduct, we ensure that employees have a sense of inclusion regardless of gender, age, disability, race, religion, nationality, political beliefs, ethnicity, religion, sexual orientation, and type of employment. We do not accept discrimination and unfair treatment towards our employees and job applicants considering, among other things, employment, training, compensation, and promotion. We have zero tolerance for practices that violate fundamental human rights, and we respect the prohibition of forced labor and child labor. We have zero tolerance for bullying in the workplace.

Green Holding Code of Conduct

The principles outlined in the code serve as our guidelines in everything we do and apply to all employees employed by the Holding companies. Our code of conduct defines ethical and moral principles through which we contribute to the organization's ethical culture.

Our Seven Rules

- Respect in the workplace
- Quality and responsible production
- Ethics in operations
- Counteracting conflict of interest
- Confidentiality and protection of personal data
- Information technology security
- Sustainability

Our approach to handling violations is based on a "here and now" approach

Anti-harassment provisions are included in Green Holding's Code of Conduct, work regulations, procedures, and anti-bullying policies at the individual company level.

Our employees are prohibited from accepting or offering any benefits such as, but not limited to, cash, gifts to family members, business opportunities, entertainment expenses, meals, travel, political and charitable donations to obtain an unfair competitive advantage, or other benefits. The organization's anti-corruption policies and procedures have been communicated to all Board members and employees.

Primavega, Green Factory, and SVI are certified by GRASP (GLOBALG.A.P. Risk Assessment on Social Practices) to ensure compliance with international and national labor laws. It is used to assess risks and social practices in the production area. The Green Factory Company is certified by McDonald's Supplier Workplace Accountability (SWA), which confirms fair and ethical labor standards.

The Group's companies have solutions for employees to report irregularities, mainly in the form of meetings, communication with employees, and the presence of complaint boxes in employee cafeterias.

All nonconformities and violations related to negative impacts on our stakeholders are reported to the units responsible for each area of operations. Unit managers must deliver all reports to management, which analyzes the materiality of the incident and, if necessary, initiates corrective procedures.

In 2021, no incidents of violations and abuse were reported. We did not experience any non-compliance with regulations or voluntary codes regarding product and service health and safety. We did not identify cases of discriminatory and anti-competitive behavior.

In 2021, we recorded 2 cases of law violations, with a total monetary value of about PLN 9,000.

We aim to implement an anonymous whistleblowing tool in all Group companies by 2025. The opportunity will be available to employees and external stakeholders, and the questionnaire will be available online.

"We are bold in pursuing ambitious ventures, and we are constantly looking for opportunities to grow our business and improve our operations. We are honest and open-minded. We respect Human Rights. We respect the laws of the countries in which we operate. We give our employees a chance to participate in interesting projects and we provide the opportunity for personal development."

Green Holding's Code of Conduct

We require ethical behavior throughout the supply chain

**99% of our suppliers have received a full suite of certifications (GlobalG.A.P., IFS, BRC).
When a supplier does not have the required certification, we audit it for product contamination, among other things.**

Our Objectives

We will implement supplier assessment

Our goal by 2025
Target for Primavega and Green Factory
Applies to long-term suppliers

We will require our suppliers to comply with Green Holding's Supplier Code of Conduct

Our Target by 2030
Target for Primavega and Green Factory
Applies to long-term suppliers

Long-term supply planning and maintaining constant, well-selected suppliers are our priorities

Our sourcing process is based on cooperation with regular suppliers of raw materials, such as leafy vegetables, tomatoes, cherry tomatoes, cucumbers, apples, carrots (yellow, orange), cabbage (white, red), and semi-finished products used mainly in the production of lunchboxes.

To ensure the fluidity of supply, we use our crops in the summer. In the winter, we cooperate with the largest producers in the Polish and European markets. Climate change, resulting in extreme rains, floods, and high temperatures, poses an ever-increasing risk of supply chain disruptions; therefore, in emergency situations, we make spot purchases. These cover up to 10% of all raw material purchases.

Due to weather conditions, all raw ingredients are purchased from suppliers in Spain, Italy, and France during the winter season. Our pilot project to implement plastic tunnels aims to extend the cultivation period and partially move away from raw materials purchased abroad. The tunnels will be able to provide an extended production season for cut lettuces, such as arugula and spinach.

A priority group of our suppliers comprise vegetable producers. Suppliers who export their raw materials and purchase from their external suppliers are also a key group. In such cases, any supplier that uses outside suppliers is responsible for verifying them.

Regular suppliers are verified against the requirements of the Global G.A.P. certification. The requirements for our suppliers also include many laboratory tests (including pesticide residues, microbiological, fiscal, and heavy metals tests) and appropriate product specifications (including firmness and color). In consultation with the commercial department, we conduct an annual assessment of suppliers according to the classifications included in the procedure. Audits are conducted according to the size of the suppliers.

In the case of suppliers from Spain and Italy, we conduct quality audits of raw materials, directly in the fields and plants, throughout the winter period. Ongoing auditing of suppliers of leafy raw materials is aimed at ensuring the high quality of raw materials and deepening dialogue with suppliers. The quality department is also responsible for auditing all new suppliers.

We want to ensure that our business partnerships are based on a foundation that provides an ethical, transparent, and sustainable supply chain

We comply with applicable laws, regulations, and ethical standards and expect the same from our suppliers. Therefore, we ensure that our suppliers are guided by principles consistent with Green Holding's values.

Prior to the publication of this report, we implemented a Supplier Code of Conduct applicable to all regular suppliers for which the amount of purchases exceeds €100,000.

Our goal is that by 2025, the Supplier Code of Conduct will be signed by all regular suppliers.

We guarantee the right to audit a supplier before or during the course of cooperation.

Raising management standards at the operational level in areas of sustainability is a key part of our business and an expectation of our regular suppliers

We are currently working on introducing a rating to give credibility to suppliers' ESG activities. We plan to monitor the share of regular suppliers who have met the Ecovadis survey requirements. This measure will allow us to verify that they meet ethical and environmental standards to maintain an ethical and sustainable supply chain. The supplier will be required to obtain a designated minimum rating, enabling them to enter into cooperation. In case of receiving a lower rating, Green Holding will not enter into a business relation. The plan is to implement the assessment by 2025.

Green Holding Supplier Code of Conduct

Green Holding's Supplier Code of Conduct sets forth the principles of proper supplier behavior consistent with our firm's mission and values.

Our requirements for suppliers

- Respect for human rights
- Maintaining quality and safety at work
- Taking measures to protect the environment
- Taking measures for sustainability, especially in terms of packaging, carbon footprint, water consumption reduction, and elimination of chemicals harmful to humans and the environment
- Ethical conduct in accordance with applicable laws

5

We Care for People

We support the professional development of employees

Our Objectives

We will reduce employee turnover

Our goal by 2025
Applies to permanent employees

We will conduct an employee satisfaction survey at all Group companies

Our goal by 2025

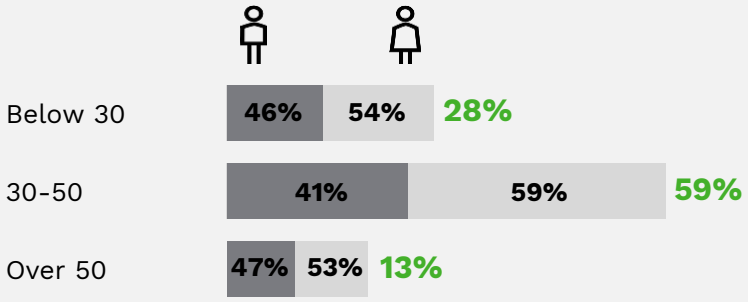
We believe that our company's success depends on the ability to develop and use the potential of our employees

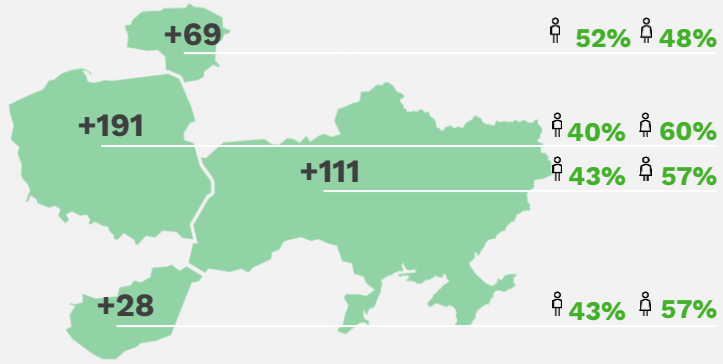
We promote teamwork, in which colleagues share both successes and failures. We strive to create an atmosphere based on mutual respect, openness, and communication. We care about our employees, as their commitment to work translates into the development of our Group.

Due to the development of the Holding companies, we are seeing high employment growth. Another critical factor affecting employee turnover is the seasonality of fieldwork. Our goal is to reduce the turnover of permanent employees by 2025. We want to achieve this goal by taking measures that provide safe and friendly working conditions that encourage professional development and the long-term employment.

Turnover rate in 2021	**28%**
Average length of service of those employed	**3 years**

New hires by age, gender and region of employment in 2021





Men Women

In accordance with the remuneration policy: we conduct verification of employees' salaries, we introduce remuneration increases, have a bonus system, and implement measures to retain key positions. The wage and salary issues are regulated at the level of individual companies. We monitor key performance indicators, such as the accuracy of recruitment. Working conditions of hired employees are regulated based on remuneration regulations. To date, there have been no collective bargaining agreements in Group companies.

"My job is meaningful, and it is not an ordinary job."

That was the motto that the majority of employees used to describe their motivation to stay long-term at their workplace.

We want our employees to stay with us long-term, so we survey their job satisfaction levels.

In 2021, we conducted our first employee satisfaction survey at Green Factory, in which 229 employees, or 59% of all employees, participated. The survey was based on the Great Place to Work survey. By 2030, we plan to conduct employee satisfaction surveys at all Group companies.

Through the survey, we identified our strengths in the employee area, including issues such as safe working conditions, the equipment needed to do the job, and the ability to get a day off in an emergency.

We also identified areas for improvement — employee training and development, performance celebration and integration, employee appreciation, social support, and cooperation.

To respond to the expectations of our employees, among other things, we have implemented training plans, organized joint activities, and introduced a year-round system of the so-called "recognition cards," where each employee has the opportunity to nominate a co-worker for displaying attitudes that embody the company's values.

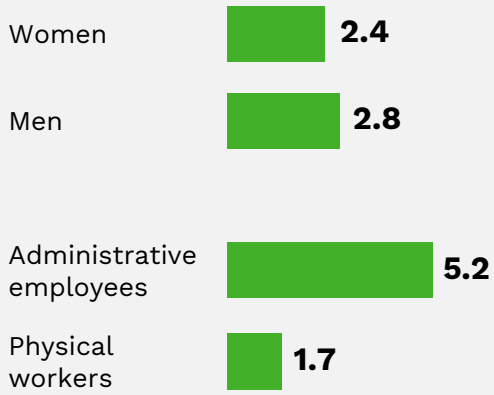
We implement employee initiatives to meet the expectations and needs of our employees

In 2021, we implemented employee initiatives in well-being, integration, outreach, and raising environmental awareness. The initiatives are mainly created in consultation between employees, management, and HR representatives at the individual company level.

In support of our foreign employees from Ukraine, Green Factory has prepared a handbook in Ukrainian containing information on traffic regulations, travel rules, medical care, the nearest store locations, and other necessary information. If necessary, we are also ready to prepare resources in another language.

As part of Green Factory's activities, we publish a newsletter dedicated to all employees working in Poland and abroad, presenting news from the company's life. The newsletter is published every two months in Polish, English, and Ukrainian in print and online. In 2022, the newsletter will be supplemented with a series of publications called "Ecology at Work" to build employee environmental awareness. In addition, GFL has its monthly magazine, "Njuseler," containing information related to the firm's activities, the results of competitions, the firm's strategic plans, interviews with employees, and environmental topics. Every three months, the newsletter presents the CEO's take on business and strategic issues every three months.

Average number of training hours for our employees in 2021



Management Academy

Green Factory and GFL run the Management Academy, aiming to develop managerial skills in 60 participants.

We want to create a workplace that fosters the development of our employees' skills

training, labor law training, and health and safety training in accordance with work regulations and legal requirements. Responding to the expectations and needs of our employees in 2021, we also offered additional training in building environmental awareness, and conducted coaching training in cooperation with the University of Łódź dedicated to managers. We enabled employees to access the eTutor and Tutlo platforms for learning English. In collaboration with an external firm, Green Factory and GFL organized a Management Academy.

In 2021, the average number of training hours per employee was 2.3, with women averaging 2.4 hours and men 2.8 hours.

In 2021, Primavega's employees had the opportunity to participate voluntarily in the annual evaluation and goal-setting process. In the future, we plan to implement a formal annual evaluation process for employees throughout the Group.

We raise employees' environmental awareness

As part of the pro-environmental activities, GFL regularly organizes educational campaigns, including a series of internal meetings on implementing green employee initiatives in water-saving, electricity-saving, and waste collection.

We provide safe working conditions

Our occupational health and safety (OHS) management systems comply with legal requirements in the countries of our operations

Workplaces possess an occupational health and safety management system that complies with occupational health and safety policies, procedures, and instructions defined at the company level with reference to national regulations.

Each company's health and safety specialists are required to continuously control and monitor working conditions and improve the system based on the evaluation. Inspecting working conditions follows the requirements set by the management system.

In light of current regulations, each company conducts risk assessments for existing workplaces to eliminate hazards and minimize risks. Health and safety specialists manage workplace safety and conduct risk assessments. Risk assessment analysis is carried out with reference to national laws. The frequency of risk assessment is adapted to the needs of the company.

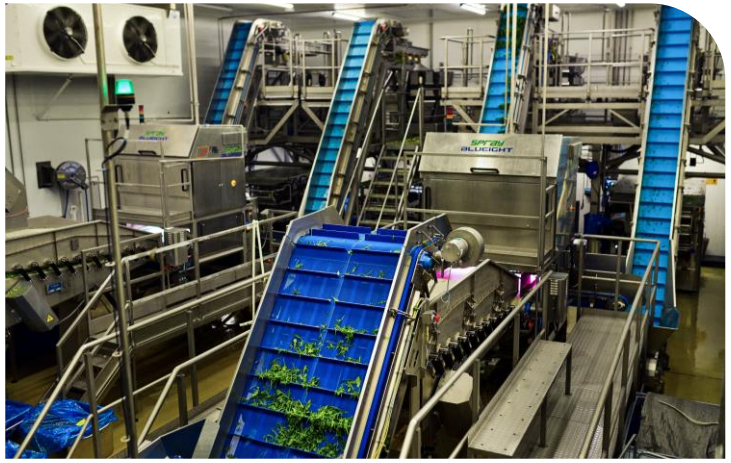
When work-related hazards and dangerous situations arise, employees report them directly to the health and safety specialist, department head, or supervisor. Corrective action is taken after the health and safety specialist makes a decision. Within the framework of national data protection laws, we maintain the confidentiality of employee health information.

In 2021, the occupational health and safety management system covered all employees and those not directly employed by the Holding companies.

All subcontractors performing work for Green Holding companies were subjected to an internal audit for occupational health and safety. We require familiarization with occupational safety rules by all persons who perform work for the Group without being directly employed. For example, drivers whom a GFL company does not directly employ are required to attend occupational health and safety training and implementation training after signing a contract with a subcontractor. Due to legal requirements, drivers must present a bill of health, which allows them to transport food.

Training in occupational safety and health includes mandatory initial training, job training, quality training, and training on legal requirements in the area of security. All employees are informed about the compulsory observance of safety rules. In the event of changes to the occupational safety and health regulations, employees are immediately notified of the change directly by the occupational safety and health specialist, manager, or supervisor. There are no formal employee health and safety committees at Green Holding Group.

We provide reimbursable initial, periodic, and follow-up examinations performed in the event of prolonged absence and offer basic insurance. We offer private medical care to employees and conduct training and campaigns among employees to promote health.



In 2022, Green Factory plans to implement a series of Health Days when employees can voluntarily have a basic medical examination performed by an external firm. It is planned that Health Days will be a repetitive event held once a year. The event is dedicated to all employees, including those not directly employed by the company.

In 2021, the accident rate was 1.1.The rate was 2.9 for those working for the Holding companies and not in direct employment. No fatal accidents or occupational diseases were recorded.

In accordance with the Code of Conduct, all accidents and cases of hazardous or potentially hazardous activities must be reported immediately to the relevant departments of the company.

The accident rate was calculated based on the number of accidents during work divided by the estimated number of hours worked and multiplied by the standardized rate of hours worked (1 million). The number of hours worked was calculated based on monitored data and statistics published by the Organization for Economic Cooperation and Development (OECD).

Number of employee accidents and accident rate in 2021

	Number of accidents	Accident index
Serious accidents	**2**	**1.1**
Other accidents at work	**9**	**5**

Number of accidents of people performing work for the Group and accident rate in 2021

	Number of accidents	Accident index
Serious accidents	**0**	**0**
Other accidents at work	**3**	**2.9**

We change eating habits

Our Objective

We will implement the workshop series "In the Green Land"

Our goal by 2030
Target applies to Green Holding

Healthy eating habits positively affect people's health, and the formation of nutritional awareness is the key to success

In cooperation with the Biedronka store chain, we organized of a series of educational and culinary workshops called "Green Land" dedicated to elementary school students. The workshops were open to all public and private schools in our selected cities. They were conduced by the qualified nutritionists from the Institute of Health and Nutrition. Participants prepared smoothies, salads, and healthy power balls.

We organized 1,531 workshops for 31,000 children in 530 schools. The project started in 2016, but was halted in 2021 due to the COVID-19 outbreak.

In the coming years, we plan to continue the series of workshops under a new label — "In the Green Land." The workshops will continue to impart valuable knowledge on healthy eating to children.

Workshop objectives

- to promote **a healthy lifestyle**
- to promote **a balanced diet**
- to promote **fresh vegetables** in everyday children's diet
- **to expand children's and parents' knowledge** about the advantages of a balanced diet
- **to expand children's abilities** to prepare healthy meals and snacks

We support charitable work

We support charitable activities and initiate philanthropic activities

We support the charity of our employees, who participate in activities to help those in need. We focus on the needs of local communities in the areas where we operate.

In 2021, selected companies engaged in, among other things: organizing a collection to help those in need, participating in the Noble Gift action, supporting an animal shelter, and donating to healthcare institutions in the fight against the ongoing COVID-19 epidemic.

The GFL company collaborates with the local Labor Office to activate the local community.

In 2021, Primavega co-sponsored a ceremony to rename a local school in Kucice by purchasing a new school shield and auctioning off services such as a tractor ride.

We support the Ronald McDonald Foundation

The owner of Green Holding, Artur Rytel, serves as a Council Member of the Ronald McDonald Foundation. This charitable organization implements programs focusing on children and the family "so the family can stay together."

Our support includes making donations, as well as taking part in organized charity events. As the Green Factory, we have been financing a family room at the Ronald McDonald House for families of children undergoing long-term hospitalization. As a part of the Foundation, we participate in charity auctions, e.g., we bid on paintings. We also donate our products for the events, such as family picnics.

We support local farmers

In support of local farmers who do not have suitable tools, we perform agricultural services for a fee by providing machinery for plowing, sowing, leveling fields (leveling stagnant water, improving water management), and disking.

We support Ukraine

Since the beginning of the war, we have hosted nearly 80 mothers with 40 children. We have provided them with places to stay, guaranteed school assistance, organized excursions for the children, and held a Children's Day celebration.

Since March 2022, we have already organized approx. 25 shipments — to Kiev, Lviv, Makarov (Buch), and Vinnytsia. We buy products with the support of funds donated by the Board of Directors and the company's employees. We have shipped a total of about 700 pallets of necessities. We focus on sourcing high-demand products, such as long-term food, hygiene products, essential medical equipment and medicines, clothing, and footwear.

We work with our business partners and suppliers who provide product donations. We organize trucks and send them to those in need in Ukraine. Together with our partners, we have donated a school bus to Ukraine.

6

Our Approach to Reporting

We are ready to address your questions about the information presented in this report.

Shall you have any questions, do not hesitate to contact our Sustainability Manager.

Małgorzata Pietrzyk-Żarska

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This report contains non-financial information on the Green Holding Group (in the report referred to as "Green Holding Group," "Green Holding," "Holding," and "we") — the parent company Green Holding Sp. z o.o., based in Zdunowo, and eleven subsidiaries located in Poland, Ukraine, Lithuania, and Hungary. The report covers the period from January 1 to December 31, 2021.

The information disclosed in the report was prepared in accordance with the Global Reporting Initiative (GRI) international standard for non-financial reporting, the version published in 2021. It is the first non-financial report published by the Green Holding Group.

The report discloses data of Green Holding Sp. z o.o., Green Factory Sp. z o.o., Grupa Producentów Warzyw Primavega Sp z.o.o., Gospodarstwo Ogrodnicze Artur Rytel, Spółka Agrarna AR Sp. z o.o., Spółka Agrarna Plon Sp. z o.o., Smart Vegetables Innovations Sp. z o.o., GFL Sp. z o.o., Green Business Centre Sp. z.o.o., Green Factory UA LLC, UAB Salprone, K&K Family kft. The strategic goals and figures disclosed include those identified by the company and based on assessing the materiality of ESG areas. Any exclusions regarding the disclosure of figures are enlisted in the index of GRI indicators presented in the last pages of the report.

The report has not been externally verified.

Date of publication: November 21, 2022

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GRI 2-8	Workers who are not employees	15, 16	
GRI 2-9	Governance structure and composition	18	
GRI 2-10	Nomination and selection of the highest governance body	19	
GRI 2-11	Chair of the highest governance body	18	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	19	
GRI 2-13	Delegation of responsibility for managing impacts	19	
GRI 2-14	Role of the highest governance body in sustainability reporting	19	
GRI 2-15	Communication of critical concerns	19	
GRI 2-16	Komunikacja kwestii krytycznych	19	
GRI 2-17	Collective knowledge of the highest governance body	19	
GRI 2-18	Evaluation of the performance of the highest governance body	19	
GRI 2-19	Remuneration policies	19	
GRI 2-20	Process to determine remuneration	19, 60	
GRI 2-21	Annual total compensation ratio	-	Ratio was not disclosed due to confidentiality of information

GRI	Disclosure	Page	Comment
GRI 2-22	Statement on sustainable development strategy	3, 4	
GRI 2-23	Policy commitments	17, 54, 55, 57	
GRI 2-24	Embedding policy commitments	54, 55, 57	
GRI 2-25	Processes to remediate negative impacts	22, 23, 24	
GRI 2-26	Mechanisms for seeking advice and raising concerns	55	
GRI 2-27	Compliance with laws and regulations	55	
GRI 2-28	Membership associations	-	Companies do not have a significant function in trade associations
GRI 2-29	Approach to stakeholder engagement	20	
GRI 2-30	Collective bargaining agreements	-	There are no collective labor agreements in the Group
GRI 3-1	Process to determine material topics	21, 22, 23, 24	
GRI 3-2	List of material topics	21, 22, 23, 24	
GRI 3-3	Management of material topics	25-65	
Material topics			
GRI 201-1	Bezpośrednia Direct economic value generated and distributed	-	The analysis performed did not show the relevance of the topic
GRI 201-2	Financial implications and other risks and opportunities due to climate change	-	The analysis performed did not show the relevance of the topic
GRI 203-1	Infrastructure investments and services supported	-	The analysis performed did not show the relevance of the topic
GRI 203-2	Significant indirect economic impacts	-	The analysis performed did not show the relevance of the topic
GRI 205-2	Communication and training about anti-corruption policies and procedures	54, 55	
GRI 205-3	Confirmed incidents of corruption and actions taken	54, 55	
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	The analysis performed did not show the relevance of the topic
GRI 301-1	Materials used by weight or volume	43	
GRI 301-2	Recycled input materials used	43	

GRI	Disclosure	Page	Comment
GRI 302-1	Energy consumption within the organization	36, 37, 39	
GRI 302-3	Energy intensity	37	
GRI 303-1	Interactions with water as a shared resource	30, 31, 32	
GRI 303-2	Management of water discharge-related impacts	-	The group discharges water that was used for washing vegetables, i.e. not contaminated. The analysis performed did not show the relevance of the subject.
GRI 303-3	Water withdrawal	30, 31, 32	
GRI 303-4	Water discharge	-	The group discharges water that was used for washing vegetables, i.e. not contaminated. The analysis performed did not show the relevance of the subject.
GRI 303-5	Water consumption	30, 31, 32	
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	The Group does not operate in protected areas. The Smoszewo farm leased by Spółka Agrarna Plon Sp. z o.o. is located in a Natura 2000 area, but it is not used.
GRI 304-2	Significant impacts of activities, products and services on biodiversity	27	
GRI 304-3	Habitats protected or restored	-	The Group does not operated in the protected areas
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	The Group does not operated in the protected areas
GRI 305-1	Direct (Scope 1) GHG emissions	33, 34, 35	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	33, 34, 35	
GRI 305-3	Other indirect (Scope 3) GHG emissions	-	The Group has not calculated Scope 3 emissions for 2021
GRI 305-4	GHG emissions intensity	33, 34, 35	
GRI 305-5	Reduction of GHG emissions	-	The Group has calculated emissions for 2021 for the first time

GRI	Disclosure	Page	Comment
GRI 305-6	Emissions of ozone-depleting substances (ODS)	33, 34, 35	
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	33, 34, 35	
GRI 306-1	Waste generation and significant waste-related impacts	46	
GRI 306-2	Management of significant waste-related impacts	46	
GRI 306-3	Waste generated	46	
GRI 306-4	Waste diverted from disposal	46	
GRI 306-5	Waste directed to disposal	46	
GRI 401-1	New employee hires and employee turnover	59	The employee turnover rate was calculated based on the total number of employees who left the firm divided by the total number of employees employed. The indicator does not include temporary and agency workers.
GRI 403-1	Occupational health and safety management system	62	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	62	
GRI 403-3	Occupational health services	62	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	63	
GRI 403-5	Worker training on occupational health and safety	63	
GRI 403-6	Promotion of worker health	63	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	63	
GRI 403-8	Workers covered by an occupational health and safety management system	63	
GRI 403-9	Work-related injuries	63	
GRI 403-10	Work-related ill health	63	

GRI	Disclosure	Page	Comment
GRI 404-1	Average hours of training per year per employee	61	
GRI 405-1	Diversity of governance bodies and employees	15, 16	
GRI 405-2	Ratio of basic salary and remuneration of women to men	-	The analysis performed did not show the relevance of the topic
GRI 406-1	Incidents of discrimination and corrective actions taken	55	
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	The analysis performed did not show the relevance of the topic
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	-	The analysis performed did not show the relevance of the topic
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	The analysis performed did not show the relevance of the topic
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	-	The analysis performed did not show the relevance of the topic
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	-	The analysis performed did not show the relevance of the topic
GRI 415-1	Political contributions	-	The analysis performed did not show the relevance of the topic
GRI 416-1	Assessment of the health and safety impacts of product and service categories	48, 49, 50	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	55