

Caring for what
cares
for you



About this report

Welcome to our 2022 ESG Report, covering details of our second year of progress against our sustainability strategy and goals.

The report covers progress for the period from 1st January to 31st December 2022. Information shared has been developed in alignment with key international reporting frameworks, including the Global Reporting Initiative (GRI) 2021 Standards and the Task Force on Climate-Related Financial Disclosures (TCFD).

Data in this report has been assured by Deloitte in accordance with the requirements of the ISAE 3000 standard.

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A word from our Chairman and CEO



“I want Deoleo to be a business that stands for the health of people, society and planet; a company that nurtures healthier futures and leads the industry as champions for sustainability.”

This year has been one of great progress for Deoleo as we work towards achieving our ambitious sustainability goals.

Amongst a climate of global economic and geopolitical uncertainty, we have remained resilient, prioritising our capacity to withstand and recover from unpredictable external impacts on our industry. Throughout, we have continued to focus unwaveringly on our sustainability goals, updating our Sustainability Protocol and introducing a new Sustainability Steering Committee that is responsible for responding to the increased demand for ESG reporting and appointing Maria Martha Luccheti as the new Chief Sustainability Officer, to ensure executive committee involvement and prioritisation in this strategic pillar.

In a changing world, we also recognise that we must adapt our business to be able to advance. Therefore, we have made numerous, continuous improvements across our business and supply chains. Our Caring for what cares for you strategy continues our mission of bringing Mediterranean goodness to all while ensuring that we put sustainability at the heart of everything we do, with four key areas.

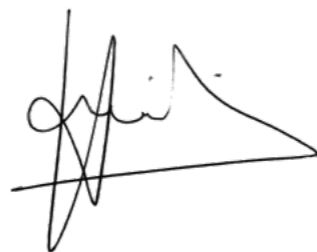
Growing together ensures that we are working together with farmers to safeguard the livelihoods and land that produce our olives – the essence of our business – through supporting sustainable agricultural and business practices. In 2022 alone, we visited 14,332 hectares of olive groves to share best practices that focus on protecting biodiversity, conserving water and conducting regenerative agriculture.

We have also committed to improving industry standards for the quality of olive oil – including our own – while protecting the environment. Through responsible stewardship of resources, rethinking packaging and partnering with our suppliers to improve their environmental performance, we promise always to be Blending with love.

Our customers deserve a healthy, balanced diet, and our olive oils contribute to that. In fact, we are dedicated to educating more people each year on the health benefits and varied uses of olive oil. But our pledge of Caring for you goes beyond those who consume our products. For our employees, we sought to improve job satisfaction, supported development, and delivered unconscious bias training. Moreover, everyone should feel safe and represented at work – that is why we make sure that our business is diverse and inclusive above all else.

Ultimately, it is vital to us that we are a Responsible business. Each of our ESG actions recognises that being a Responsible business in a changing world relies on being good to one another and good to our planet.

With a year of great achievements behind us, we are now excited to turn our gaze to the future. Our goals focus on reducing our negative impacts on the environment, supporting sustainable agricultural practices, and educating millions on the incredible health benefits of olive oil. Above all else, we are determined to direct our industry towards climate-positive actions and a community-centric approach that deeply cares for nature, our employees, our farmers and our customers.



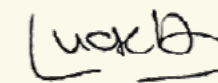
Ignacio Silva
Chairman and CEO, Deoleo

As global leaders in the olive oil industry, we have a mission: to make olive oil and the Mediterranean lifestyle accessible worldwide. We aim to reach the hearts of our consumers through exceptional products and to ensure that they receive the highest quality and enjoyment.

For us, quality and sustainability are more than just words: they are our main objectives at every stage of the production process, starting from the soil of the olive groves and continuing to the materials chosen to bottle our product. We know that a quality process is one that is sustainable and has a positive impact on our future.

Our sustainability strategy, encompassed under the motto ‘Caring for what cares for you’, is based on the firm belief that olive oil is so good for our health that it deserves the best care throughout the value chain. From tree to table, we are committed to using our leadership and expert care to create shared added value for all stakeholders.

We are a company with deep-rooted tradition and legacy, but we also look to the future, always seeking innovative ways to preserve this sector for many years to come.



Maria Martha Luchetti
Chief Marketing, Innovation & Sustainability Officer



Our year in review

At the conclusion of the second year of our new sustainability strategy, we are pleased to share the progress we continue to make.



We empowered the Sustainability Steering Committee to drive our strategy forward
Page 50

18% increase in mills with sustainability certification
Page 18



We engage with **48,625 farming families**
Page 17



44.4% of the Extra Virgin Olive Oil we sourced came from certified suppliers
Page 18

To date, **71 cooperatives and mills have been certified sustainable** through the Sustainability Protocol – covering more than **235,000 hectares** of olive groves
Page 18



We removed **6 metric tons** of plastic from the market
Page 34



We reduced our Scope 1 and 2 emissions by **66%**
Page 37



We surveyed more than **13 suppliers** on their cyber risk prevention processes

Page 51



We reached **42,254,942 people** with information on the nutritional value of olive oil

Page 43



Our gender pay gap is less than **0.5%**

Page 47



We received a **Gold EcoVadis** rating for the third consecutive year

Page 52



Our employees received **14,625 hours** of training

Page 41



We updated our **Sustainability Protocol in 2022** and created a new sustainability steering committee

Page 17

We reduced waste production by **28.38%** in manufacturing sites

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We are Deoleo

Bringing our passion to life

Our brands are steeped in a rich Mediterranean tradition that stretches back centuries.

We are on a mission to inspire everyone involved in the olive oil industry to make a positive difference every single day. As the world's number one branded olive oil company, we have a valuable opportunity to utilise our scale to encourage change, advocating to protect the heritage of olive oil and leading our industry in prioritising responsible business.

Farming

Olives sourced from eight countries: Spain, Italy, Portugal, Greece, Tunisia, Peru, Chile, Argentina

For many years, we've been building strong supplier partnerships to embed sustainable farming practices and support farming communities.



Quality

**13 offices globally
633 employees worldwide**

In Spain, our Master Blenders use their deep knowledge of global taste preferences and use this insight to maintain the flavours of our iconic blends.





Manufacturing

Two production facilities:
Spain and Italy

Quality and freshness are what make olive oil great, so we are diligent about protecting them from the field to the market shelf. We take care in every manufacturing decision, from production techniques used to quality parameters followed, to preserve the nutrient content of our oils.



Consumers

176,45 million litres of oil
sold in 2022

30+ brands in our portfolio



Our sustainability manifesto: Caring for what cares for you

Thinking and acting sustainably across everything we do is the key to fulfilling our ambition, making Mediterranean goodness available to all. Our Sustainability Manifesto outlines our commitment to achieving this.

Olive oil is at the heart of so many lives – from those who grow the olives to those who masterfully blend and bottle it, and the consumers who enjoy the benefits of good olive oil every day. It is the key ingredient in our rich history as global makers of heritage brands – brands that continue to be as authentic and relevant today thanks to our commitment to producing olive oil responsibly. Expertly. In ways that protect livelihoods, promote good health and defend our planet.



How we care for what cares for you

Our business model

Our ambition is to make Mediterranean goodness available to all. We want to go beyond being the world's number one olive oil company to being the one with the greatest positive impact.

Deoleo is present at every stage of the olive oil process – from supporting the farmers who grow the olives to communicating transparently with the consumers who enjoy our products. We are committed to creating value at every step, uplifting and empowering people around the world.

In our business model, we have identified the United Nations Sustainable Development Goals (UN SDGs) that we believe have the greatest impacts across our value chain, both positive and negative.



External factors impacting value creation

The environment in which our business operates includes a number of factors that are partially or wholly outside of our control and could have an impact on our ability to create and sustain value for our stakeholders, such as:

- Climate change and resource scarcity
- Demographic and social changes
- Technological advancement
- Supply chain disruption.

What we rely on

- **Natural resources** including energy and water and our key raw material, olives. We sourced olive oil from 318 suppliers in 2022.
- **Two factories** with machinery dedicated to processing and packaging products.
- **A global workforce** of 630+ employees.
- **18% increase in sales** in 2022.
- **Strong relationships** with farmers, mills and retail customers. In 2022, we worked with 407 olive oil suppliers, co-packers and packaging suppliers.
- **Intellectual property** of our unique blends.

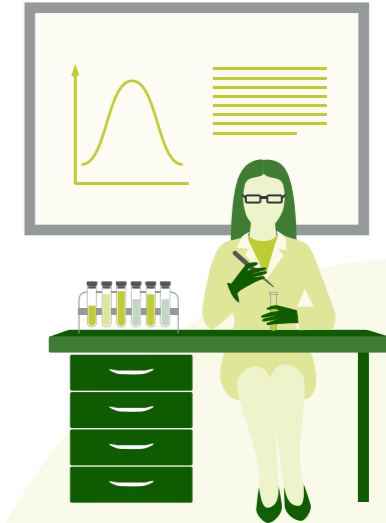


1. Ingredient sourcing

While we do not own olive groves, we foster close relationships with farmers and mills in our sourcing countries, offering training on sustainable farming practices and exploring how to maintain quality and nutritional value during oil extraction.

14,332 farming hectares visited by Deoleo technicians

SDGs: Value created and preserved



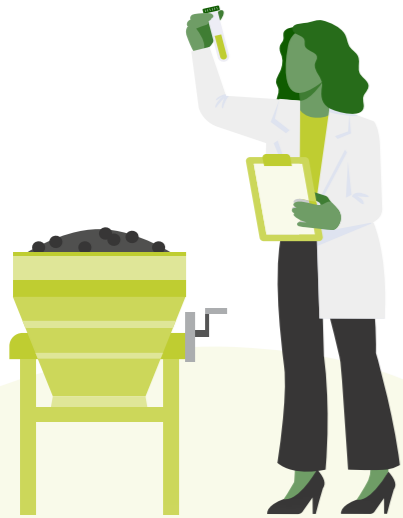
2. Our people and expertise

Our people span functions from marketing to masterblending, each bringing their passion to every bottle of olive oil we produce. Development opportunities support employee progression and build an expert workforce. Workspaces are based on mutual respect and the promotion of DEI.

14,625 hours of employee training

SDGs: Value created and preserved





3. Manufacturing and operations

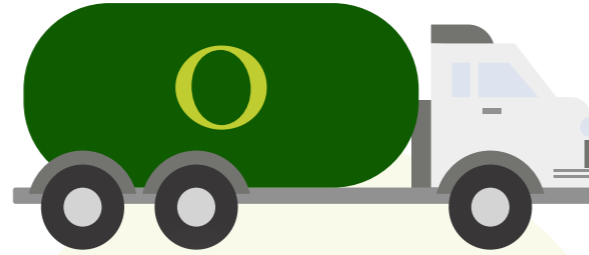
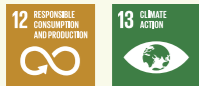
Our production facilities based in Spain and Italy are where we masterfully blend olive oils and package them for distribution. We invest in research and development to evolve our products and minimise environmental impacts.

100% of PET, glass and tins packaging is recyclable

SDGs: Value created and preserved



Value eroded



4. Transport

How we transport our products to and from manufacturing facilities is a key consideration, and we are always looking for ways to ensure they are kept safe in transit. Ambient transport conditions are monitored to guarantee preservation of quality from start to finish.

21°C average temperature while transporting our products

SDGs: Value created and preserved



Value eroded



5. Customers

We engage retail establishments around the world to market and sell our olive oils. Strong retail customer partnerships are maintained to ensure they can meet consumer needs, bringing products to people in several countries around the world.

176.45 million litres of oil sold in 67 countries



6. Consumers

Our consumers enjoy our products every day. We serve them with high-quality oil and innovative packaging solutions to protect products. And we commit to responsibly market products and communicate transparently on incorporating them into balanced diets.

More than 40 million consumers educated on olive oil benefits

SDGs: Value created and preserved



Value eroded



What matters most

In 2022, Deoleo performed a double materiality assessment to assess the impact of ESG issues – both **financially on our business** and more broadly **on the environment, society and economies**.

Materiality assessment process

Based on the findings of our desk-based research, we consolidated a short list of potentially material issues, developing definitions for each. This initial list of issues was used for scoring and discussion by internal and external stakeholders in the subsequent stages of the assessment, with whom we then conducted interviews. After consolidating the results from the stakeholder input, we plotted the issues on our materiality matrix for final discussion and approval.



Engaging our stakeholders

Stakeholder insights inform our strategy and help us understand what is expected of Deoleo as a corporate citizen. As such, we maintain constant dialogues with various stakeholder groups.

Who we engage	How we engage
Communities	We partner with key community stakeholders to understand how our initiatives can best serve the most pressing local needs.
Consumers	We regularly conduct consumer research to understand evolving tastes and how we can further develop our products to address consumer preferences.
Customers	We engage retail partners regularly with information on our products and to ensure we are the supplier of choice.
Employees	Surveys conducted every two years provide insight into employee experiences at Deoleo and where we can improve. We also communicate with trade unions on agreements that support our employees.
Governments and regulators	We maintain open channels of communication with governments and regulators to understand regulations relevant to our business, including any policy changes that could impact our right to operate.
Industry and trade associations	Deoleo is a member of several trade associations to keep informed of industry developments and best practices, including: <ul style="list-style-type: none"> • AUTOCONTROL • ANIERAC • ASOLIVA • AECOC • FIAB • ASSITOL • UPA
Non-governmental organisations (NGOs)	We partner with NGOs, drawing on their expertise to develop community initiatives around the world.
Shareholders and investors	We share progress updates with shareholders via our online Investor Relations page so they can accurately assess the value of their investment.
Suppliers	We maintain strong supplier partnerships, with frequent communication and assessments to ensure our sustainability and responsible business values are upheld.

Our sustainability strategy

We aim to lead the olive oil industry by making Mediterranean goodness available to all. And we will always do so with sustainability and care at the heart of our actions.

We are committed to advancing our legacy of sustainability to nurture and protect people, the planet and the heritage of olive oil. Our Caring for what cares for you strategy has been designed to address the issues most material to our business – and through our brands, we will bring this strategy to life for our consumers every day.



Caring for you

We promote wellbeing for our consumers and employees while ensuring that everyone our business touches is respected and inspired.

- Diversity, equity and inclusion
- Health and safety
- Nutrition
- Employee retention and development



Growing together

We care about the land, nature and the farmers who depend on both while supporting farming families to thrive.

- Climate change
- Regenerative agriculture
- Responsible supply chain
- Water management
- Farmer livelihoods



Blending with love

We relentlessly pursue the highest possible standards in our operations while caring for the planet and people.

- Climate change
- Circular economy
- Packaging
- Food safety and quality
- Product transparency
- Responsible marketing and labelling
- Responsible supply chain







Responsible business

Our behaviour is defined by our respect for others.

- Human rights
- Inclusive and accountable governance
- Data privacy and security
- Business ethics

Our sustainability goals

	Goal	Target year
 Growing together	By 2030, 100% of our top-selling Extra Virgin Olive Oil brands in Spain and Italy to be certified by our Sustainability Protocol	2030
	100% of mills of our Sustainability Protocol receive training in the areas of sustainability best practices and resource management on a yearly basis	Ongoing
 Blending with love	By 2030, enable the traceability of Deoleo's main brands of Extra Virgin Olive Oil, from the mill to supermarket shelves through a verified digital system	2030
	By 2030, improve olive oil quality standards throughout the value chain	2030
	Maintained: By 2030, achieve zero-waste certificate for our factories	2030
	By 2030, reduce the environmental impact of our packaging	2030
	By 2030, reduce our own carbon emissions	2030
	By 2030, use our scale and influence to encourage our suppliers to reduce their environmental impacts	Ongoing
 Caring for you	By 2030, reach 150 million people, educating them on the benefits and uses of olive oil	2030
	By 2030, improve employee value proposition via training and career development opportunities	2030
	Maintain a diverse workforce	Ongoing
 Responsible business	Maintain and protect cybersecurity resilience across our business	2022
	Continue to ensure all employees are trained on our codes of ethics, annually	2023



Growing together

Olives are the lifeblood of our business. They depend, in turn, on the health of the soil and the wellbeing of the farmers that work the land.

Our commitment to **Growing together** is born of an understanding that the only way we can keep advancing is by supporting sustainable agricultural and business practices – ones that safeguard the future of our olive groves and the farmers that cultivate them.

Our material issues

- Climate change
- Regenerative agriculture
- Responsible supply chain
- Farmer livelihoods
- Water management

Our goals and highlights

We aim to certify that 100% of all our Extra Virgin Olive Oil comes from mills certified by our Sustainability Protocol in Spain and Italy by 2030. Between October 2021 and October 2022, we achieved 44.4%, an increase of 13.2% from 2021.

All members of our Sustainability Protocol should receive training on the areas of sustainability best practices and resource management annually, and we visited 14,332 hectares in 2022 to share these practices.

We also believe in protecting biodiversity in the places where olive farmers operate.



Farming responsibly and sustainably

Why it matters

Responsible farming has been of paramount importance to us for many years – both in terms of producing the highest quality olives and for preserving olive farming for generations to come.

As a company that prides itself on using high-quality natural ingredients, we know we have a responsibility to collaborate with farmers to make a positive economic, social and environmental impact.

Our approach

Embedding sustainable practices

We are committed to working with our farming partners to sustainably grow and harvest olives. Changes to the climate can have a hugely adverse effect on crop yield and quality – especially on land which is already depleted.

We support farmers in implementing a range of measures, including cultivating ground cover plants and reducing water use and waste where possible. We are also helping them transition away from heavy agrochemical use to preserve soil quality.

By helping farmers embed sustainable practices, we can ensure responsible sourcing and also boost their operational resilience – which, in turn preserves nature and promotes sustainability for wider social, environmental and economic progress. To further these efforts, we also invest in research and innovation, funding agricultural initiatives to design and develop tools which can transform the industry.

Our agricultural supply chain: how we purchase olive oils

1	2	3	4	5	6
Traceability in the olive groves	Harvesting	Washing and processing olives to extract oil	Oil testing and procurement	Transportation to Deoleo facilities	Masterblending to create our iconic olive oils
Farmers, oil mills and Deoleo	Farmers	Oil mills	Oil mills and Deoleo	Contracted transport providers	Deoleo
					

The Deoleo Sustainability Protocol

Our Sustainability Protocol for Extra Virgin Olive Oil (EVOO) Production was launched in 2018. Since then, it has supported more than 48,000 farmers and 71 mills.

Our vision

At Deoleo, we are proud of our long-standing heritage of olive oil production and are committed to sharing our values with those we work with. That's why we build valuable partnerships across the sector with our Protocol serving as a handbook – helping everyone we work with nurture and protect people, the planet, and the legacy of olive oil.

The Protocol takes a comprehensive approach, supporting farmers and mills across different stages of olive oil production to achieve high sustainability standards and become more environmentally, socially and financially resilient.

Our vision is to continuously increase the number of certified partners we work with, aiming for all our top-selling EVOO brands in Spain and Italy to be certified by 2030.



How the Protocol works

To become a certified partner, suppliers agree to contribute to a sustainable supply chain for extra virgin olive oil over a three-year period. This includes

gradually implementing Protocol requirements and working with Deoleo technicians to explore how the latest sustainability innovations can be adapted and applied to their practice. After three years, suppliers can renew the agreement and continue to play an important role in shaping the future of the olive oil sector.

Becoming a certified partner involves regular third-party assessments to ensure ongoing compliance with Protocol criteria. Suppliers also agree to digital traceability, which allows greater transparency both for Deoleo and the wider sector and safeguards human and labour rights. Once Sustainability Protocol success has been certified, suppliers can then display a logo which demonstrates that their olive oil is a verified sustainable product.

Providing field technician advice

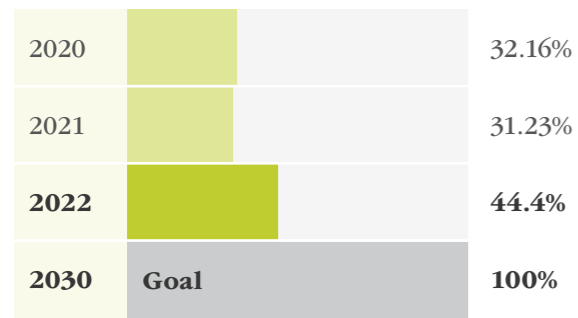
Each of our 71 certified mills is supported by one of Deoleo's two technicians, who offers specific guidance on how the Protocol requirements can be met.



Our Progress

Goal: By 2030, 100% of our top-selling Extra Virgin Olive Oil brands in Spain and Italy to be certified by our Sustainability Protocol

Total extra virgin olive oil sourced from farmers and cooperatives certified under our Sustainability Protocol (all brands)¹



While our ambition to increase our volume of certified EVOO remains unchanged, Deoleo and our partners are aware that the sector is facing yield challenges that limit availability.

A total of 71 mills in Spain, Portugal, Italy and Tunisia have been certified within the Sustainability Protocol, covering an area of influence of 235,000 hectares. In 2022, 11 new olive mills were certified – an increase of 18% on the previous year. Between October 2021 and October 2022, 44.4% of our extra virgin olive oil came from suppliers certified as sustainable – a 13.2% rise year-on-year.

Goal: 100% of mills of our Sustainability Protocol receive training in the areas of sustainability best practices and resource management on a yearly basis

All farms and mills that are members of the Protocol received training in 2022 and/or a visit by Deoleo technicians. In line with specific components of the Protocol, many individual farmers and mill operators have made changes to the way they operate over the past year.

More of our suppliers are paying closer attention to water consumption and waste – an issue that became a major concern in 2022 due to poor crop yields resulting from droughts. The overwhelming majority of our suppliers now have energy savings plans in place, and several mills have committed to carrying out measures to implement the biodiversity plans outlined in our Protocol.

What's next

In 2023, we aim to extend the Sustainability Protocol to more olive mills in the countries where Deoleo buys extra virgin olive oil, including regions outside of Europe like Latin America. Our aim is to increase the number of certified mills by at least 10%.

We have completed an updated version of the Protocol in the first quarter of 2023, and will release an external PR plan to communicate the changes to relevant stakeholders. Our technicians will present the best practices outlined by the Protocol to farmers and their families through workshops.

At the beginning of 2023, we took part in the European Commission-approved SOIL O-LIVE project, alongside 16 other entities, which has continued to be an important initiative to us. The mission of the project is to conduct a multifaceted analysis on the impact of contamination and land degradation on olive grove soil to improve the quality and safety of soil across Europe. We will continue with the training and workshops for farmers and the profiling of farmland that are central components of the project.

¹ Volume per campaign, from October 1st to September 30th each year.

What we've achieved through our Protocol since 2018

 Organisation and people	 Quality and food safety	 Water management and monitoring	 Energy efficiency management	 Soil management and conservation	 Landscape and nature conservation	 Waste and by-product management	 Agrochemical management
<p>The number of olive mills with equality plans in place rose from 2% to 23%.</p> <p>37% of cooperatives certified under the Sustainability Protocol designated a sustainability representative.</p>	<p>100% of mills now monitor the bulk temperature of the oils, which affects the oil's quality. This avoids food waste and maintains value.</p> <p>97% monitor the temperature of the oil on its release from the centrifuge.</p> <p>93% monitor the mixing/ blending time of the oils.</p>	<p>97% of mills monitor their water consumption and have a savings plan in place.</p>	<p>97% of mills have an energy savings plan and monitor energy consumption, even out of season.</p>	<p>The SOIL O-LIVE project analyses the impact of pollution and soil degradation from a biodiversity perspective.</p> <p>The Protocol calls for the conservation of organic material in soils and to reduce erosion risk.</p>	<p>Mills have committed to carrying out measures to implement our biodiversity plans.</p> <p>60% of suppliers have installed functional elements for local fauna in some of their partners' fields.</p> <p>12 training sessions were held to encourage use of vegetal cover, avoid soil erosion and preserve biodiversity.</p>	<p>26% of mills have implemented training in waste management</p> <p>9% of mills turn scrap wood from the groves into firewood</p> <p>7% of mills have composting facilities</p>	<p>The use of agrochemicals in olive groves has been reduced.</p> <p>Mills hired seven technicians to advise on chemical treatments.</p>
							

Supporting farmer livelihoods



Why it matters

Farming communities who produce olive oil face increasing challenges to their livelihoods – from the impacts of climate change to ageing rural populations and volatile markets.

As a business, Deoleo relies on these communities. Therefore, an important part of our role is to support farmer livelihoods and help olive growers understand that sustainability and economic success go hand in hand.

Our approach

We work closely with farmers to embed sustainable farming practices and use shared knowledge to develop solutions, collaborating with farmers to help them to secure their incomes, increase yields and protect the land and soil we rely on.

We work directly with each supplier under our Sustainability Protocol ([see page 17](#)) to develop a unique and comprehensive action plan encompassing social, economic and environmental sustainability.

Helping rural communities prosper

Depopulation is a major issue in many rural areas of Europe as young people move to cities in search of jobs and better economic opportunities. By encouraging sustainable agriculture, we can help olive farms to become both more productive and more attractive as a career option for the younger generation, for whom concerns about the environment are increasingly important.

To further reduce rural depopulation, we also expect organisations and cooperatives that are part of our Sustainability Protocol to create employment opportunities for vulnerable groups and to work towards inclusive growth that benefits everyone. This year, for example, we updated our scoring systems for oil mills within our Protocol that have hired young or vulnerable people in the last three years to encourage youth employment in rural areas.

Brand spotlight: Carbonell

As a brand with a rich history in Spanish olive oil, Carbonell brings our commitment to sustainable, responsible supply chains to life.

A force for good in the countryside, Carbonell has agreements with over 96,000 farmers to cultivate their olive groves sustainability and with respect for biodiversity. As well as helping farms to thrive, Carbonell also has a mission to create local jobs and help to stem rural depopulation.

The brand is also committed to promoting the importance of sustainability to consumers with on-pack messages and digital communications.



Promoting gender equity in farming

While many of the cooperatives we work with are committed to recognising equality, progress implementing equality plans can be slow due to their size and rural location. To address this, we have increased our contact with farmers, with more frequent visits helping us to better understand their unique needs and support their efforts to bring greater diversity and inclusion to olive growing.

We have worked with the mills where our oil is pressed, helping them to introduce policies around diversity, equity and inclusion (DEI), with 14 mills now having protocols in place. Since 2018, we have increased the number of mills with sustainability certifications from one to 12, meaning nearly 23% of our mills to date are certified.

Our progress

Increasing supplier engagement

Cumulative hectares covered by technician visits

2020	8,930
2021	12,316
2022	14,333

We continue to partner with a growing number of olive farmers on responsible and innovative farming practices, and in 2022 our technicians visited 14,332.64 hectares of farm area.

Alongside this, we also staged 12 sustainable agriculture workshops, each tailored to the specific needs of farmers working in different locations and conditions. These events allow us to explain the long-term benefits of responsible agriculture and explore new ideas and solutions.

Our vision is that these workshops will also create a ripple effect in olive-growing communities and that when other farmers see the benefits of sustainable agriculture, they will start to adopt the principles on their own land, too.

What's next

We will continue to increase our engagement with suppliers as part of our long-term aim of only working with cooperatives and mills that are certified as complying with our Sustainability Protocol.

We are also exploring the importance of technology, which we believe can help traditional olive oil producers become more successful and more profitable. For instance, we are working with experts at the University of Córdoba on technology that will help us anticipate how much olive oil will be produced at the beginning of the crop year, rather than having to wait until the harvest.

Caring for nature and the planet through our supply chain

Why it matters

Olives are our key raw material and a crop that is vulnerable to the impacts of climate change.

By encouraging more sustainable practices across our agricultural supply chain, we can help to protect nature and ensure that olive oil production has a sustainable future.

Our approach

In our agricultural supply chain, we prioritise sustainable strategies that protect farmers, suppliers and the land, and which will ultimately help make regenerative agriculture the new norm for olive oil production. Through our Sustainability Protocol ([see page 17](#)), we promote practices that help to preserve biodiversity, cut the use of agrochemicals and prevent negative impacts such as soil erosion, ensuring olive groves flourish without having a negative impact on the environment.

We are helping to protect biodiversity through a range of initiatives such as encouraging the use of cover crops, reforestation with native species and creating more habitat for wildlife with nesting boxes and insect hotels. Over 60% of our suppliers who are part of the Protocol have already taken positive action to support nature in this way.

We encourage all our farms and cooperatives to work with our Deoleo field technicians, who can provide expert guidance on all aspects of growing olives, from soil analysis to leaf health. Improving the quality of the olive grove reduces the need for agrochemicals and pesticides, which is good for farmers' profits and better for the environment.

Our progress

Protecting and strengthening biodiversity

We work together with mills and cooperatives to minimise our impact on landscape and nature conservation, which should make our processes more sustainable in the long term. Our Protocol guides farms and mills to protect natural soils and preserve diversity – from implementing crop cover and conservation tillage to build soil carbon to preparing a biodiversity plan with actions to conserve animals, insects and pollinators.

Managing and reducing waste

Our efforts to improve the management of waste – and find new uses for by-products – have also met with success. In 2022, over 26% of mills that are certified by our Protocol provided training in waste management, while 7% have now developed their own composting plants. We are also developing a more circular economy for the sector by reducing waste to landfill and creating value-added products ([see page 30](#)). These include using olive pits and leaves as fuel, animal feed and as an organic soil improver.

What's next

We aim to continue to engage more partners with our Sustainability Protocol to impact even more olive groves. We are also introducing annual reviews of our suppliers' biodiversity plans and will continue to promote the hiring of field technicians and organise workshops and training days to support regenerative agriculture.



Blending with love

Deoleo's olive oils are found in kitchens and restaurants across the world. Our global reach is a reflection of the quality of ingredients and care that goes into making our produce.

Committing to always **Blending with love** involves continually assessing how we can lift our standards, and those of the industry, while ensuring our operations do minimal harm to the environment.

Our material issues

- Climate change
- Food safety and quality
- Responsible Supply Chain
- Packaging
- Circular economy
- Product transparency

Our goals and highlights

Our business depends on high quality oil. In 2022, Bertolli, Carbonell and Carapelli won a total of 38 awards for superior quality. By 2030, we aim to enable the traceability of our main brands of Extra Virgin Olive Oil through a verified digital system.

Responsible stewardship of the resources we consume is a key component of our business. Both of our factories have achieved zero-waste certificates. We are seeking to limit our impact, reducing our own carbon emissions and reducing the environmental impact of our packaging by 2030. We also aim to improve in partnership with our suppliers.



Putting food safety first

Why it matters

Food safety is always a priority consideration when we innovate, create and package our products.

In terms of food quality, we are committed to traceability – which is a key component in our belief and understanding that our oil is safe to consume.

Our approach

Food safety is of the highest importance

We are committed to the highest standards of food safety and maintain a strict policy to guide developments and actions in this area.

Continuous improvement is an important part of our food safety processes and we have introduced new visual and process inspection technology, alongside filtration systems, independent conduction system and air-conditioned cellars. Our efforts here are bolstered by unannounced facility audits and our laboratory information management system (LIMS), which tracks raw materials and final products from manufacturing to delivery. The system greatly reduces the risk of human error and guarantees the products we distribute meet our own standards as well as country-specific quality controls ([more about LIMS on page 29](#)).

Maintaining safety standards across the value chain

Activities along the entire value chain can affect our products and food hygiene. From collection and storage to bottling and point of sale, we have measures in place for each control point along a product's journey to guarantee it is safe for consumption. These include an exhaustive control plan where samples are analysed for contaminants and pesticides, and packaging and tank conditions are assessed.



At each stage we monitor our control points in the following ways.



1) We analyse every oil supply that is received by Deoleo.

For organic oils, we analyse each truck of oil for pesticides before accepting the supply.



2) We continue to ensure compliance with high standards of packaging and food safety, including the Global Food Safety Initiative (GFSI) standards.



3) Feedback informs how we develop our processes and products. All responses to our public grievance system in countries with recorded sales are collated internally and, where grievances are identified, we investigate the root causes and implement corrective actions as needed.

The copackers we work with also maintain the same quality and food safety standards during the packaging stage. We monitor their performance through a system of unannounced audits and assessments, with all our auditors trained to International Register of Certified Auditor standards.

Our progress

We are committed to the ongoing maintenance of food safety and quality for our products

In 2022, there were zero reported food safety problems. There was also a 3% drop in customer grievances when compared with 2021, largely due to changes to the caps on our bottles at brands produced at both our Alcolea and Tavarnelle facilities.

What's next

We will continue seeking ways to enhance Deoleo's food safety standards. A key aim is to establish a group of multidisciplinary auditors with accredited training to audit our plants, suppliers and collaborators. Through this, we will continue to maintain a clearer image of current efforts and areas for development.



Ensuring quality, transparency and traceability from tree to table



Why it matters

Demand for Extra Virgin Olive Oil is increasing. We believe, when it comes to olive oil, consumers should feel confident that what they see is what they get.

Alongside quality and transparency, consumers deserve science-based standards that empower them with the knowledge to make confident, informed olive oil choices. A lack of transparency – and how this affects quality assurance – is one of the most pressing issues facing the olive industry today. Consistently being open about what we do, and how we do it, is key to maintaining trust in Deoleo, in our brands and in the wider industry.

Our approach

For Deoleo, good olive oil should be trustworthy and of the highest quality. Our aim is to enable traceability from tree to table, providing total clarity about our olive oil production so consumers can feel confident that what they buy really is extra virgin. At the same time, we are committed to upholding robust standards at each operational stage, maintaining protocols that ensure we work within strict parameters for quality and sustainability.

We recognise that to enhance olive oil standards we need to look beyond our own operations to drive collective industry action. That's why we work closely with value chain partners to ensure they are just as committed to responsible, traceable products made to the highest quality. It's also why we engage peers and policymakers on efforts to collectively raise the bar for industry quality and transparency.

Our progress

Goal: By 2030, enable the traceability of Deoleo's main brands of Extra Virgin Olive Oil, from the mill to the supermarket shelves, through a verified digital system

Deoleo produced 136.76 million litres of olive oil in 2022. And for every drop of olive oil we produce, we're taking steps to enhance quality, traceability and sustainability, from tree to table. During 2021, we integrated our ISO 9000- and ISO 14000-certified management systems at quality control sites in Italy and in Córdoba and Madrid, Spain, to enhance oversight of quality and environmental impacts.

Delivering internationally acclaimed product quality

We are proud of the global recognition our products receive. It encourages us to continue innovating to raise the bar on quality and sustainability. Our continuous and devoted attention to quality was recognised in 2022 by the 19 international awards won by Carbonell, Bertolli, Carapelli and Maestros de Hojiblanca for superior quality.

 [Our latest awards](#)

In 2022, we began implementing key performance indicators (KPIs) to track our traceability efforts and the effectiveness of our transparency measures. It's part of our 2030 goal to enable traceability for our premium Extra Virgin Olive Oil brands², from mill to supermarket, through a verified digital system.

Industry partnerships for change

At Deoleo, we want to forge partnerships that drive meaningful global change and industry consensus around sourcing, producing and protecting the integrity of olive oil.

In 2019, Deoleo submitted a citizen petition in partnership with the American Olive Oil Producers Association to the US Food and Drug Administration (FDA) to adopt industry-wide, science-based standards for olive oil. In 2022, after years of work with our partners, we successfully submitted our full proposal to the FDA. Once ratified, it will increase the reliability of olive oil products through new classification and labelling rules – designed to benefit everyone by improving traceability and product quality.

To bring these standards into effect, the FDA will now commence an extensive process, including a public consultation, before issuing a final



decision. This would be the first time the federal government has adopted mandatory regulations for olive oil and would be a significant step forward towards a fairer, more transparent, more competitive sector.

What's next

We remain committed to improving quality standards and traceability. To achieve continuous improvement, we're investing in new technologies – leveraging innovative solutions like enhanced inspection equipment, new filtration systems, independent oil transportation systems and air-conditioned cellars.

We will also expand the blockchain traceability system in France and the US, followed by Canada and Italy with a larger-scale pilot test planned for 2023.

Maestros de Hojiblanca: improving product traceability with technology

Since 2021, we have been working with IBM Food Trust to create a blockchain traceability tool, helping enhance transparency and trust across the olive oil sector. In May 2022, we launched a trial of this technology in Spain with our brand, Maestros de Hojiblanca.

Using QR technology, the blockchain traceability tool allows the consumer to access unique product information in a single click. Every bottle will have an individual QR code that tells the customer everything they need to know about the product, such as the origin of olives, the date they were milled, the mix of olive varieties, and quality assurance processes. The accessibility of this information to the customer through the blockchain traceability tool gives a sense of trust to our customers.

² All SKUs sold in all countries under the brands of Carapelli and Maestros de Hojiblanca.

Responsible marketing and labelling

Why it matters

As a trusted brand that offers products that are accessible to all, we must maintain accurate and transparent ingredient lists and nutritional information.

We are committed to providing transparent details about our products, ensuring that they complement a healthy lifestyle.

Our approach

We strive to ensure compliance in every country in which we operate, aligning our labelling, marketing and advertising with relevant national regulations.

Complying with labelling standards

At Deoleo, we want to support better informed consumer choices. This means updating labelling processes to comply with local legislations and voluntarily using on-pack stamps that identify specific product features – such as Kosher or Halal – to further guide our consumers. Every label is checked against our in-house labelling guide and validated by a qualified team, with each label review being recorded before final.

Marketing and advertising products responsibly

To confirm our responsible marketing standards are upheld, all marketing materials go through our internal legal and regulatory department for validation. Additionally, we adhere to country-specific guidelines, including:

- **in Spain:** we are members of the advertising self-regulatory organisation Autocontrol
- **in Mexico:** third-party SGS checks our marketing materials
- **in France:** all communications are checked against the Autorité de régulation professionnelle de la publicité regulatory requirements
- **in the US:** external consultants Prime Label validate all new labels.

Our progress

Increasingly informative labels and greater packaging transparency

We believe it is our responsibility to share accurate information with our customers. That's why we are constantly innovating our labelling and marketing for maximum transparency.

We continue to integrate and use 360-degree inspection machines with artificial vision technology to automate label checking and improve accuracy. We have also introduced laser markers for six production lines, which eliminates the need for ink as a raw material while enhancing traceability, as the laser markings cannot be erased. Additionally, we use imaging to ensure that threading on bottle lids is correct for easy opening.



Third-party verification

In 2022, there were no incidents of non-compliance with marketing communication regulations. Two complaints were received of non-compliance of product information or labelling regulations, both of which were promptly addressed. Over the course of 2022, 544 grievances were received, of which 543 have been resolved and one was yet to be closed at year-end 2022.

In Spain, we took part in the Autocontrol Copy Advice® process – a confidential, voluntary and non-binding report on the compliance of non-broadcast advertising campaigns. Autocontrol provided positive assessments on 20 Deoleo product labels during the year, and requested nutritional modifications on only three labels, which have now been successfully changed.

Improving the packaging validation process

In 2022, we introduced two new workflows to enhance the internal packaging validation process. This included incorporating key considerations from the design phase and also involved enhancing the final packaging development phases with new steps to prevent errors.

Enhancing on-pack transparency

We started using the Laboratory Information Management System (LIMS) in 2021 to trace product quality more effectively throughout the manufacturing process. The LIMS has enabled improvements in efficiency and control, which in turn has also reduced the time taken between production phases before bottling.

The level of detail LIMS offers at each phase enables us to voluntarily share information with consumers about olive harvests, origins, and bottling through our labels – all accessible for customers via a QR code on each label.

What's next

We regularly evaluate our labelling to align with both local and global expectations and will continue to implement label updates which adhere to country-specific requirements.



Designing out waste

Why it matters

At every stage of our product journey, from olive grove to the point after a consumer has an empty olive oil bottle, there is the potential for waste.

For Deoleo, designing out waste means taking a circular approach, where resources are diverted from landfill, repurposed and reused as much as possible. As a company that relies on a natural ingredient for our products, we are passionate about our role as stewards of the environment – while simultaneously reducing our costs and extracting the maximum value from our raw materials.

Our approach

Our focus on reducing waste at every stage

Through our actions to eliminate waste and ensure the transformation of our materials into value-added products, we know we can meet our rigorous sustainability objectives. That is why, when we design waste-reduction strategies, we work closely with suppliers, as well as assessing our own practices, to identify any points along the product journey where interventions to combat waste can be made.

Waste from our own factories

We're committed to promoting circular economy models that extend the useful life of the materials we use. This commitment is reflected in our waste hierarchy, which determines where waste can be located on a range from most favourable (preventable) to least (disposable). We take a full-spectrum view of our waste management processes, continuously revisiting and reformulating our waste-reduction strategies.

The type of waste generated mostly comes from packaging, including cardboard, cans, glass, plastic and plastic film, as well as laboratory waste such as solvents. We adopt multiple practices to avoid waste from going to landfill, for example, by working with suppliers and a third party to recycle and repurpose our waste.

Deoleo operates a multipronged approach to waste reduction:

- elimination of food waste, by recovering anything rejected on the production line to ensure that the entire volume of oil can be reused
- improvement in the management of non-conforming products in packaging lines
- reduction of the material used in our packaging.

Waste water from our own factories

We are always seeking better ways to cut our waste output, and in the process reduce our production of sludge, which can release harmful emissions into the water, soil and air. We have implemented measures to reduce the quantity of water we use and improve the quality of water that we eventually return to the environment.

For example, we have a corrective strategy in place to preserve water quality, using purification processes and fat decantation – in line with current legislative requirements. Our Alcolea plant has access to groundwater and to the municipal mains network. In Tavarnelle, water is supplied by the municipal mains network. We work to ensure that neighbouring populations are not affected by water use at our facilities.

Waste reduction in our supply chain

We look at the entire value chain, working closely with partners to identify how, as a network, we can reduce waste production. This can include recycling and repurposing, in collaboration with certain material suppliers. For example, in 2021, we developed a closed loop process:

1. purchasing cardboard from one supplier
2. once used, disposing of the cardboard to another partner who manages and treats the waste
3. finally, our waste management partner sells the recycled material to our cardboard supplier for resale back to Deoleo.



A major part of our efforts to design out waste involves closely scrutinising our role in the circular economy and seeing where we can make more impactful contributions. This includes identifying how, for example, our waste – and that produced by our partners – can be turned into new products, thereby transforming material destined for landfill into usable, value-added goods.

At the olive mills, we take olive pits and leaves discarded during the production process and turn them into fuel for boilers, organic matter for soil, or animal feed. We are also studying the potential to use byproduct liquids generated during olive pressing (known as vegetation waters). These waters contain polyphenols, which are high in antioxidants and can have positive nutritional benefits. They also contain other molecules which deliver anti-hypertensive effects. Finding ways to convert this byproduct for beneficial use represents an exciting possibility in terms of both waste reduction and nutritional value recovery.

Supporting consumers to recycle

We are constantly innovating ways to encourage consumer behavioural changes when it comes to reducing overall waste. In addition to our informative product labels, which help consumers know how to correctly dispose of waste, in 2021, we transitioned from difficult-to-recycle glued paper labels on our bottles to siliconised paper – facilitating easier recycling for consumers. This process saw more of our labels returned and our aim going forward is to develop a strategy to ensure that we recover all those labels for recycling.

Our progress

All our waste-related KPIs have seen year-on-year improvements, with only 12.9% of waste from our factories sent to landfill in 2022 (2021: 28.6%), and a reduction in the total amount of waste generated in our factories by 29%.

Our activity generated 1,384.505 metric tonnes of waste in 2022. The non-hazardous waste generated by the Alcolea and Tavarnelle plants stood at 1,373.094 metric tonnes, down 28.38% versus the 1,933 metric tonnes generated in 2021. Hazardous waste totalled just 11.4 metric tonnes.

The figures above show that 90% of all waste generated by the Alcolea plant is sent to recycling centres. In addition, 87% of the total waste produced by the company was recovered, avoiding landfill disposal. We were able to achieve this through our continuous efforts to eliminate all food waste and improve our management of non-conforming product of the packaging lines.

Goal: By 2030, achieve zero waste certificate for our factories

Waste diverted from landfill, 2022 (metric tonnes)



- Non-hazardous waste to landfill: 173.9
- Non-hazardous waste diverted from landfill: 1,192
- Hazardous waste diverted from landfill: 11.4
- Hazardous waste to landfill: 6.4

In 2020, we set the goal of achieving the Residuo 0 (Zero Waste) certification for our factories by 2030. To achieve the certification, more than 90% of waste must be diverted from landfill. We are proud to have achieved this goal early for both of our factories, with our Italy facility achieving it in early 2023.

The involvement of other Deoleo departments, such as production and maintenance, was essential to achieving this objective. This further underlines how important the company-wide commitment to waste reduction is at Deoleo.

What's next

In 2023, we will be focusing on maintaining zero waste certificates for our factories, innovating across our operations to increase the percentage of waste that is recoverable. Our work with PreZero in our Alcolea plant – a third-party waste management supplier – is crucial to achieve this. PreZero supports a circular economy by collecting waste materials, sorting them, and processing recyclable materials into new products.

We will also continue our efforts to reduce as much as possible the materials used in production and build on our success in reducing the tonnage of both hazardous and non-hazardous waste from our manufacturing facilities.

Transforming our packaging

Why it matters

Our packaging maintains the safety and quality of our product from factory to consumer.

We want to ensure that our packaging fulfils these expectations without negatively impacting the planet.

As such, we take measures to ensure that as much of our packaging material as possible is sustainable and supports our circular economy approach.

Our approach

As one of the most environmentally impactful areas of our operations, packaging and the various necessary materials is one of our biggest opportunities to create meaningful change.

Our packaging department works alongside various teams at Deoleo, including innovation, marketing and commercial, to help guide our research and development to reduce generated waste and promote the circular economy. They also work alongside suppliers, national and international packaging institutions and other sectors, such as wine, to stay abreast of new developments while seeking inspiration.

The challenge is striking a balance between the non-negotiable need to maintain packaging quality and safety, the availability of sustainable packaging materials and the end product consumer appeal.

Reduce

By using fewer resources, we can reduce production costs and harness the full potential of what we source.

Reuse

We aim to reuse packaging where possible and are researching ways to maintain product quality.

Recycle

100% of our packaging is already widely recyclable.

Sustainable material use

Our packaging is primarily in the form of glass or plastic bottles and cans. Both glass and metals are infinitely recyclable, retaining their quality with each reuse. By using these materials, we increase the sustainable credentials of our packaging.

Evaluating our product life cycle

We work with our operational, sustainability and marketing teams to carry out industrial testing of materials from the initial bottle production to end-of-life recycling. We do this to identify where changes can be made across the life cycle of our products to improve our sustainability performance.

Our progress

Goal: By 2030, reduce the environmental impact of our packaging

We are increasing our use of recycled polyethylene terephthalate (rPET). rPET requires 79% less energy and 90% less water to produce than virgin plastic, resulting in a 60% reduction in CO₂ emissions.

First rPET olive oil bottle

We seek to give a second life to plastic bottles. In this context, in 2022, Bertolli released the first olive oil bottles into the US market made entirely from rPET.

Our 100% rPET products currently include Bertolli Organic 500ml & 750ml and Maestros de Hojiblanca 1 litre & 750ml. By releasing the first rPET bottle in the US, Bertolli stands out as one of our main brands that are committed to a greener future.

Packaging materials highlights

Deoleo uses a range of materials in its packaging – glass, plastic, metal and paper – as well as cardboard for the shipping of olive oil bottles to retailers. We have started developing tools to measure the degree of recyclability of packaging materials, as well as identifying where in each phase of the manufacturing and transportation processes, we can reduce our packaging footprint.

Packaging: what materials we use and how we use them (number of units, millions)

	2021	2022	Reduction
PET (bottles)	93	74.8	19.6%
Sleeves	19.1	11.6	39.3%
Cardboard (packaging)	20.4	19.4	5.10%

Global events affected supply chains for all materials in 2022, which made it harder to make substantial progress. Despite these setbacks, we achieved 3% rPET use in our packaging in 2022, largely by introducing 100% rPET bottles in our Spain and US markets. We have also been working to reduce the weight of our bottles to lower plastic consumption drastically.

We have set additional targets for incorporating more sustainable materials into our packaging, and reducing packaging weight. At the same time, we are looking at ways to reduce our consumption of materials at every stage of the journey of our oils, from primary packaging to logistics.

The packaging prevention measures we are rolling out, which are included in our 2021–2023 Corporate Prevention Plan, underwent a verification process in 2022 by KPMG. The measures verified by the auditor were the ones deployed in 2021, and the verification process concluded that 50% of the measures proposed had been already implemented successfully.

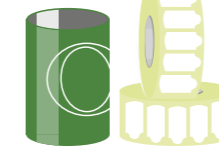
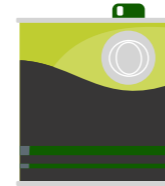
Partnering to support our packaging supply chain

Externally, we collaborate with partners who produce glass packaging in order to support them to improve their energy efficiency. In 2022, we also developed specific life cycle tools for different materials, working with the Institute of Packaging.



Finding real alternatives

Type	Plastic bottles		Plastic packaging (lids and caps)		Bottles	Cans	Cardboard	Labels and sleeves	
Innovation	Recycled PET (rPET) is now used in bottle production, with various products for the US and Spanish markets sold in packaging formats with 100% post-consumer rPET.		Deoleo is rolling out a series of products to reduce the consumption of resources in its packaging, including optimising the weight of its plastic packaging, cutting the weight of several formats by 10%, which will generate a total reduction in consumption over the next 12 months of approximately 110 tonnes of plastic.		Once the product has been consumed, the bottle can be recycled an unlimited number of times. Our dark glass bottles are made of approximately 60% recycled glass.	The raw materials used in cans can be reused as many times as the cans are discarded, to produce either new cans or other components used to serve other industries, including construction, the automotive sector, domestic appliances, electronics and decoration. Our cans are made of 20–30% recycled materials.	We developed a closed loop process to offer cardboard packaging disposed of by one partner to a second partner. This process is now a waste standard in place at all our facilities.	Glued labels have been replaced by self-adhesive labels with built-in glue, which has reduced the amount of contaminated plastic.	
Material	PET	Pet Preforms	Plastic lids	Plastic caps	Glass	Metal	Cardboard	Labels	Sleeves
Quantity used (million units)	74.8	14	30.8	114.8	70.1	15.9	19.36	319	11.6



What's next

Our target for 2023 is twofold: we aim to reduce the use of plastics in our packaging in all markets we are present in, as well as to raise the proportion of rPET used in our packaging materials to 11%.

We are working on improving recyclability across every aspect of the business, and in the coming year, we intend to complete an environmental impact analysis of our current materials to see where additional transformations can be made.

Additionally, we are aiming to reduce the volumes of raw materials used in packaging production through a series of projects with a calculated potential annual savings of 111 tonnes of PET.

By the end of 2023, our Packaging Protocol will be ready for implementation, and will be shared with our 62 suppliers as part of our efforts to drive change across the entire value chain.

Taking climate action

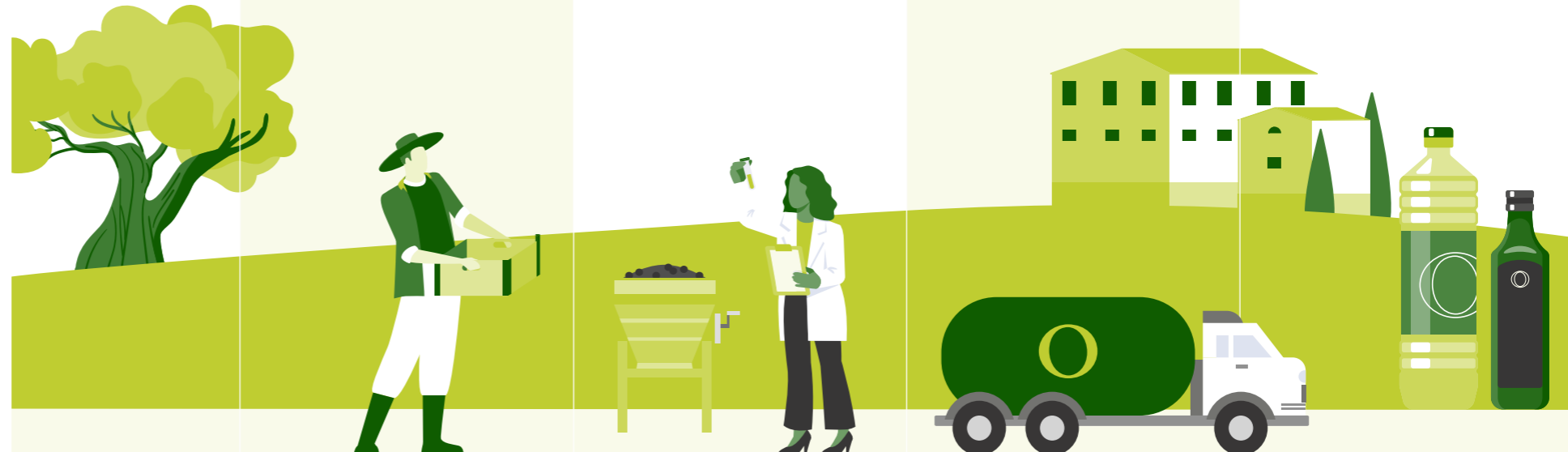
Why it matters

Our products rely on raw materials that depend on a stable climate. At the same time, our world is getting warmer. We need to move quickly.

Our dependence on the natural world means we are constantly exploring how to adapt and innovate to meet this challenge. At each stage of our product journey, we are experimenting with methods to mitigate our impact and determining how to maintain our high quality standards while sharply reducing carbon emissions and wastage of materials.

We have recognised that we need to be more transparent in how we report on our impact and are guided in our reporting by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

	Farming	Manufacturing	Transporting	Consuming
Impact on climate change	Our suppliers operate in regions that are under increasing threat from extreme weather events. Poor land management can also exacerbate risk of droughts.	The manufacturing process is one area where our climate impact risks are medium. It requires energy input, with emissions and waste as an output.	Carbon emissions are generated when transporting our goods from farms to manufacturing and from factories to retailers.	We know that consumption of our products also impacts the climate, in terms of the use of raw materials in creating and packaging our products.
Climate change mitigation	Paying close attention to water use and wastage can limit the worst effects of drought. Agricultural practices, like intercropping, meanwhile, help soil absorb CO ₂ .	We set a goal of achieving zero waste in our factories by 2030. We have already achieved that in two factories.	We are installing charging ports in our factories and updating our fleet with the goal of 30% of our fleet being covered by eco-labelled vehicles by 2026.	Our product labels hold great potential to educate consumers on how they can responsibly dispose of our products, and we are passionate about communicating this clearly.
Climate change adaptation	We felt the effects of drought on our business in 2022. This is one of several extreme weather events that may impact us going forward.	Changes in regulations related to emissions, energy and resource use all have the potential to impact our right to operate.	Reducing energy consumption or switching to renewable sources represents an opportunity to lower the carbon emissions associated with transportation.	We all have an impact on climate change, through the food we eat, the energy we use and the way we live our lives.



Our approach

Governance

All our activity around climate-related risks and opportunities is overseen by our Nomination and Remuneration Committee. This activity is furthermore governed by our internal environmental management plan that takes into account the impact of our plant activity. This dynamic document is amended continuously in line with the latest advice on best practice around climate-mitigating strategies.

Strategy

Climate change holds the potential to impact our business in a number of ways. Droughts and forest fires can lower the quality and volume of the olives supplied to our plants, while water scarcity affects our production processes.

We conduct energy consumption audits and viability studies so we can inform our emission decisions and optimise our systems. We also monitor other climate-related risks, including bacterial disease, rising energy costs and the impact of regulatory changes, that we adapt our processes to on a regular basis – all with a view to developing greater resilience as environmental and economic conditions change.

Decarbonising our business

While managing identified risks is a priority, we also look for opportunities to contribute to impactful climate action over the medium to long term. This enables us to both reduce the environmental impact of our business activities and mitigate climate-related risks that may impact Deoleo's business resilience.

We have developed ways, for instance, of working with suppliers to turn waste from their mills into energy. Within our own operations, we are focusing on strategies for reducing water use in our production processes and switching to forms of transportation that use renewable energy, all of which will generate financial savings in the long term.

Emissions in packaging

In 2023, we started measuring our emissions for greater transparency. We calculate the environmental footprint of extra virgin olive oil bottled in PET or glass containers in order to report to consumers on sustainable resource use and on the role of olive groves in the fight against climate change.

Looking at the impact of packaging on our emissions, we have introduced changes in production models to promote enhanced efficiency of packaging production processes, reducing the chances of unwarranted emissions. We have also reduced the weight of our packaging found in the market. Read more on [page 34](#).

Water scarcity	Droughts in Europe intensified, with 2022 recorded as the sixth driest year in Spain since records began.
Forest fires	Emissions from fires increased across the world last year and, over the summer period in Spain, they were the highest in 20 years. Fires also reduce the total arable land, which results in lower quality and fewer crops.
Biodiversity loss	Homogenisation of olive grove landscapes can result in a 30% loss of species. Biodiversity declines in our sourcing areas could impact grove productivity, and thus Deoleo's raw material supply.
Soil degradation	Poor land management practices and a changing climate increase the already present threat of soil erosion in many olive-farming areas Deoleo sources from.
Changing weather conditions	As the 2022 drought demonstrated, changing weather can impact heavily on crop production. It can also increase the risk of bacterial outbreak in our cooling towers, giving rise to increased risk of product contamination. Legionella outbreaks have been identified as a specific risk.
Regulatory changes	Changes in regulations related to emissions, energy and resource use all have the potential to impact Deoleo's right to operate. In some areas, such as water use, we have gone beyond the requirements set out by regulators.
Increased energy costs	Energy costs rose dramatically in 2022. Our action plan in place at our two processing plants aims to reduce energy consumption, in part by transitioning to renewables. That both reduces our energy costs and the environmental impact of consumption.
Carbon storage	When farmed regeneratively, olive groves have the potential to act as carbon sinks. Working with farmers on soil protection techniques provides us with an opportunity to continue sourcing olive oil while contributing to global efforts to reduce the amount of CO ₂ entering the atmosphere.
On-site energy reductions	Our efforts to switch to renewables, such as electric vehicles and our repurposing of waste as energy, demonstrate our efforts to lower the carbon emissions associated with on-site manufacturing and transportation.

Risk management

We have carried out a thorough analysis of our organisation to identify the main climate-related risks:

- legislative and regulatory changes
- increased energy cost
- legionella outbreaks in cooling towers.

Our environmental protection commitment has been specifically set to assess the impact of plant activity, packaging and product distribution. When scoping a new project that may impact the environment, we carry out, wherever feasible, an impact assessment. We also maintain extensive insurance cover to remedy any environmental damage that may result despite protection measures.

We have implemented ISO 14001-certified environmental management systems at our two production facilities in Spain and Italy. At the same time, we also require suppliers to have their own corresponding systems in place and manage their effluents and waste responsibly for us to accredit them. We help them embed environmental responsibility in their operations through the Sustainability Protocol and the specific Code of Conduct for Suppliers. Upon accreditation, supplier performance assessment becomes a continuous process.

Our progress

In 2022, we continued to make progress against our goal to gradually reduce GHG emissions in the short, medium and long term.

Goal: By 2030, reduce our own carbon emissions

We have long been working on tracking and reducing our emissions from natural gas consumption (Scope 1) – the only fossil fuel used in our production process – the consumption of thermal-generated power in our plants, and electricity use emissions (Scope 2) at our Italy and Spain facilities. Between 2021 and 2022, we have already reduced Scope 1 and 2 emissions by 66%.

We are committing to reducing our Scope 1 and 2 emissions by 2030 in a longer-term effort to reach net zero by 2050. We'll be exploring science-based targets and a roadmap for how to achieve these ambitions.

For more information about our progress towards reducing our energy consumption, [see page 38](#).

Our total Scope 1 and 2 emissions fell by 66% in 2022 compared to 2021.

Greenhouse gas emissions (tCO₂eq)

	2020	2021	2022	Reduction from 2021 to 2022
Scope 1 Emissions resulting from our direct operations, such as our own facilities and vehicles.	821	837	486	42%
Scope 2 Emissions generated by companies that supply us, such as energy providers.	3,359	2,714	712	74%
Total	4,180	3,551	1,198	66%

What's next

In the immediate term, we are investing in energy consumption audits and in production models to promote enhanced efficiency.

We will start to measure our Scope 3 greenhouse gas emissions in 2023. Scope 3 emissions are generated by assets not controlled by us, such as those generated through agriculture and milling. These metrics will give insight into the climate impact of our entire value chain and enable us to target points where reductions can be made. We

plan to measure 15 categories in total, starting with the five categories most relevant to Deoleo's operations.

In terms of packaging, Deoleo's Environmental Product Declaration (EPD) for extra virgin olive oil packaged at Alcolea will also be published in early 2023.

Driving energy transitions

Why it matters

Progressively reducing our greenhouse gas emissions requires continually rethinking fundamental aspects of our business to see where and how transformative change can happen.

Installing modern and efficient technology in our production processes and harnessing renewable energy sources all contribute to minimising our climate impact and ensuring that the way we power operations is sustainable.

Our approach

Reducing our consumption of non-renewable energy is a core goal. By 2030, we expect that our factories will be powered by 15% renewable energy generated on site.

At the same time, we are continually innovating ways to lower our direct emissions. We are also transitioning to using electric vehicles for internal transport of our products, updating our fleet and installing charging points.

On-site renewable energy generation

In 2022, we succeeded in cutting the use of natural gas in our manufacturing facilities by 44% and reducing thermal energy consumption in our production centres by 5%. Additionally, all the energy purchased in our factories was from renewable sources.

We were unable to reduce our electricity consumption for several reasons, some beyond our control –for example, the exceptionally hot summer required us to use more energy for cooling purposes. In addition, we installed a new production line for manufacturing our PET bottles, which raised our emissions in the short term – though will be a source of greater reductions in future.

We are also exploring and implementing new renewable energy sources. For example, the photovoltaic panels installed in our Spanish factory should provide us with 680 kWp of electricity (10%) in 2023.

Increasing our eco-labelled fleet vehicles

To help us achieve this, we have also explored ways to reduce the number of vehicles required, such as by manufacturing bottles for oil in-house. For every 350,000 PET bottles that we produce in our factory in Spain, we save a total of 13 distribution journeys, thereby reducing our CO₂ emissions by approximately 1.2 tonnes each year.

Annual energy consumption in manufacturing facilities (MWh)

2020	4,031	12,919	16,950
2021	4,109	10,437	14,546
2022	2,665	11,758	14,423

■ Natural gas
■ Electricity

What's next

As such, in 2023 we aim to assess the impact of our entire supply chain, including Scope 3 emissions, starting by measuring five of the 15 most relevant categories for our supply chain – for example, those produced as a result of our products being consumed. With that assessment, we can begin to target nodes in the supply chain and value chain that we can influence.

We continue to progress our Scope 1 emissions reductions, meanwhile, we will be installing a more efficient boiler.

Water stewardship

Why it matters

Deoleo believes that water is a precious natural resource which we must use responsibly.

The success of our business, as well as the health of our communities and ecosystems, relies on water. We therefore take a range of measures to mitigate water waste or pollution, and to ensure a clean and reliable supply.

Our approach

We focus on continually controlling the amount of water we consume, as well as improving the quality of our wastewater.

Our factory in Spain has access to groundwater and to the municipal mains network. In our Italian factory, water is supplied by the municipal mains network. We work to ensure that neighbouring populations are not affected by the consumption of water at our facilities. As such, the approach we take to responsible management of water pivots on two strategies:

- our focus on **prevention** aims to prevent inefficient use of water and reduce the level of pollutants that could potentially leach into the water supply from fields or oil mills
- we focus on **correction** to preserve water quality. Through various measures across our operations, we can mitigate risk of the pollution of our water supplies. This includes water purification processes to ensure that any water we return to source is clean and that fat decantation is in compliance with current legislation.

Our suppliers of raw materials – principally the farmers who grow the olive trees – play a key role in our efforts to enhance our water management processes. Deoleo's Sustainability Protocol, currently followed by 71 cooperatives and oil mills, helps suppliers adhere to clear water management criteria, such as clear objectives to reduce water consumption and keeping records of water usage, thus ensuring responsible water use.

Our progress

We closely monitor water consumption across our operations

We have strict processes in place to control water use in our facilities, with weekly monitoring. This means that if consumption levels look high, we can react quickly.

Despite using nearly 25% less water in 2021 compared with 2020, the drought in Europe in 2022 meant that we were unable to continue our downward trend. However, we were able to keep our use to significantly lower levels than 2020, thanks to the responsible water management measures we have introduced since then.

More than 50% of the water used in our Alcolea, Spain, facility is a result of a recent addition of a plastic bottle supplier within the factory, which uses our water supply for the refrigeration process. As a result, this has indirectly increased the factory's water consumption, which is included in our operational water use. That said, by providing space for our supplier to produce the bottles on site, we are cutting transportation miles, which has a positive environmental impact.

In 2023, we hope to return to the downward trend in water use achieved in 2021.

Water consumption and discharge in our manufacturing facilities³ (m³)

2020	63,449	10,948
2021	48,453	2,839
2022	52,668	2,658

■ Water consumption
■ Discharge of purified wastewater

³ Both of our factories (Alcolea, Spain and Tavarnelle, Italy).

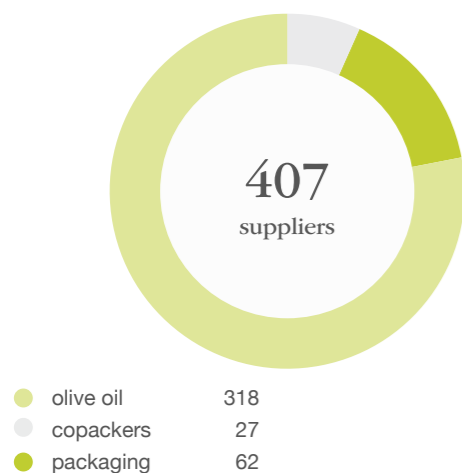
Supplier environmental performance

Why it matters

As a company reliant on a sourcing network that spans the globe, we can only ever be as sustainable as our suppliers.

That is why we work closely and continuously with our 407 raw material and packaging suppliers around the world to identify opportunities to reduce their emissions, enhance their sustainability performance, and minimise their environmental footprint.

Deoleo suppliers by type, 2022



Our approach

Our Sustainability Protocol outlines the ways that we work with our Extra Virgin Olive Oil suppliers (more on page 17). The Protocol can be used as a guide by farms and mills to implement more sustainable agricultural practices and shift their operations to reduce their environmental impact.

We carefully select our suppliers, choosing to partner with those who share our principles of excellence and our vision of a more sustainable future. For example, we help our main copackers to be more sustainable by sharing our Protocol and goals with them. We strive to build long-term relationships with these suppliers and support them to become more environmentally conscious and responsible in their operations.

We take a collaborative approach when it comes to assessing the environmental performance of a supplier and work with them to help us understand their strategy and their actions towards reducing their carbon footprint.

All suppliers who could potentially have an impact on the environment are expected to meet the requirements of our own ISO 14001-certified environmental management systems.

By sustainably managing the crops that supply our raw material and striving to achieve net zero emissions across the value chain, we are working to improve the environmental performance of Deoleo and all its suppliers.

Our progress

Goal: By 2030, use our scale and influence to encourage our suppliers to reduce their environmental impacts

We have updated our supplier guidelines to include additional safety and environmental criteria, and we are starting to expand our provider rating to encompass more ESG issues. By doing that, we can get closer towards production processes which promote a circular economy model.

2022 Highlights

- 26.1% mills have trained workers in waste management
- 60.6% certified suppliers have installed animal protection measures
- 18% increase of sustainable suppliers

What's next

For 2023, we want to further understand the environmental impact of each link in our supply chain and, in turn, quantify the climate impact of our overall supplier network. In addition to this, we will continue to innovate ways to make our products and packaging even more sustainable. We are planning to audit all our major suppliers from 2024 onwards.

As part of our ongoing efforts to broaden our approach to tackling climate change, we are integrating our entire supply chain into our emissions and waste-reduction strategies. We are planning to work with more sites to increase the number of certified oil mills. At the same time, we will work closely with third-party distributors of our raw materials and products to ensure transportation is efficient and sustainable.



Caring for you

We are confident that our olive oils contribute to a healthy and balanced diet, and we always seek ways to educate people about their benefits.

But **Caring for you** is about more than just our consumers. We feel a strong duty to ensure we are as attentive to the people who work for us as we are to the people who enjoy our products. Everyone counts.

Our material issues

- Nutrition
- Diversity, Equity and Inclusion
- Health and safety
- Employee retention and development

Our goals and highlights

To support healthy and balanced diets, we continued to educate consumers on the benefits and uses of olive oil. Our wider aim is to reach 150 million people by 2030.

We also seek to improve the value proposition for our employees through training and career development opportunities: We delivered 14,625 hours of training in 2022. Additionally, it is important to us that our workforce is diverse, representative and inclusive; our workforce is currently 38.23% diverse.



Enabling nutrition and good health

Why it matters

At Deoleo, we are passionate about sharing the health benefits of olive oil so consumers know how to enjoy olive oil as part of a nutritious, balanced lifestyle.

The benefits of olive oil

Improved memory and cognition; protects against Alzheimer's disease⁴

Reduces cardiovascular disease and coronary heart disease risks⁶

Prevents wrinkles and skin issues like xerosis and pruritus⁵

Contributes to maintaining normal cholesterol levels⁷

Helps prevent and manage type 2 diabetes⁸

Our approach

Sharing benefits with consumers

We aim to engage consumers through on-pack and online information, as well as targeted marketing campaigns.

Across the various global markets where our products are sold, we actively support relevant awarding bodies focused on health benefits. One example is the Stiftung Warentest seal displayed on bottles in Germany, assuring customers that our products have been assessed and approved.

To help our consumers get the best out of the different varieties of oil and their uses, we include information on our packaging in the Netherlands and Latin America, in online articles and recipes, and in television advertisements that have aired in Canada and Germany.

Product nutrition and quality transparency

We are committed to transparent product information. That's why, even when not required by legislation or industry regulations, we display nutritional values on all our packaging, including QR codes for full traceability. This information is constantly reviewed and adjusted to reflect changes in harvest or olive origin, so that our consumers are getting the most reliable and valuable information possible.

Read more about this in [Ensuring quality transparency and traceability](#).

Building understanding through research

As part of our commitment to further understanding the various qualities, benefits and cultural significance of olive oil, we continue to finance the non-profit foundation Isituto Nutrizionale Carapelli (Carapelli Institute of Nutrition) in Italy. The foundation's research focuses on nutrition and health benefits and technological and analytical innovation in production.

To advance our efforts, we are also active members of the SENSOLIVE-OIL Operation Group in Spain to enhance classification of olive oils. Through this group, Deoleo is involved in sensory evaluations and contributes to the advancement of novel techniques for analysing unstable compounds that affect the characteristics of various types of olive oils.



⁴ Aging Cell; ⁵ Olives and Olive Oil in Health and Disease prevention; ⁶ American College of Cardiology; ⁷ Nutrients; ⁸ Nutrition and diabetes.

Our progress

Goal: By 2030, reach 150 million people, educating them on the benefits and uses of olive oil

We are strong advocates of the use of olive oil as part of a healthy lifestyle, and it is our goal to share that with a global audience by 2030 through a range of platforms and campaigns. In 2022, we reached 42,254,942 people with information on the nutritional value of olive oil.

Adapting to evolving customer demand

At Deoleo, we cater to a global customer base, offering a range of country-specific products that address local preferences. For example, where requested, we adapt our products to suit Halal and Kosher requirements.

We're also expanding our offering to continue meeting consumer needs. During 2022, in Italy, we launched Dolceforno, our first seed oil specifically for cake preparation. In India, we launched Figaro Extra Light – a versatile oil which can withstand the high temperatures of deep frying but is also high in monounsaturated fats, helping reduce blood cholesterol⁹.

The health benefits of olive oil go beyond just what we get from eating it, which is why, in India, we launched Figaro Baby – a natural olive oil-based massage oil for babies enriched with vitamin E to nourish babies' skin.

Exploring the link between olive oil and wellbeing

Our Nutrition and Sustainability Project has promoted the scientific development of olive oil in countries where funding is limited since 2021.

In June 2022, we participated in the 3rd International Conference on Food Bioactives and Health, where Professor Francesco Visioli lectured on Extra Virgin Olive Oil's proven health-promoting properties.

At a further event in October 2022, Spazio Nutrizione, Professor Visoli presented the results of the CORDIOPREV study, which demonstrates the role of Extra Virgin Olive Oil in the secondary prevention of cardiovascular diseases.

What's next

In 2023, we will engage suppliers on the benefits of sustainable agricultural practices – for the quality of the olive oil, the preservation of nature and for their long-term prosperity.

Promoting olive oil to support healthy living

Bertolli aims to drive consumer education, sharing healthy living messages to an extended audience by leveraging our existing communication platforms as well as through social media partnerships and a television campaign.

During 2022, the brand also supported our social media campaign involving carefully selected influencers discussing the health and wellbeing benefits of olive oil while spotlighting various Bertolli products.



⁹ Source: MedlinePlus.

Keeping our people safe and healthy

Why it matters

At Deoleo, the health and safety of our employees is non-negotiable.

For people to thrive, they need to feel protected, comfortable and that their wellbeing is a priority. This is why we're committed to creating safe, supportive workspaces.

Our approach

We approach employee care holistically, taking steps to support both physical wellbeing and mental health.

Meeting global safety standards

We have a responsibility to comply with national and international safety standards wherever we operate. Alongside our global health and safety policy, we maintain regional occupational prevention plans.

Internally, our dedicated Health, Safety and Environment (HSE) director oversees all company operations. All new starters receive training on relevant regulations and occupational risk prevention, with annual refresher training for all employees.

Supporting employees in the workplace and beyond

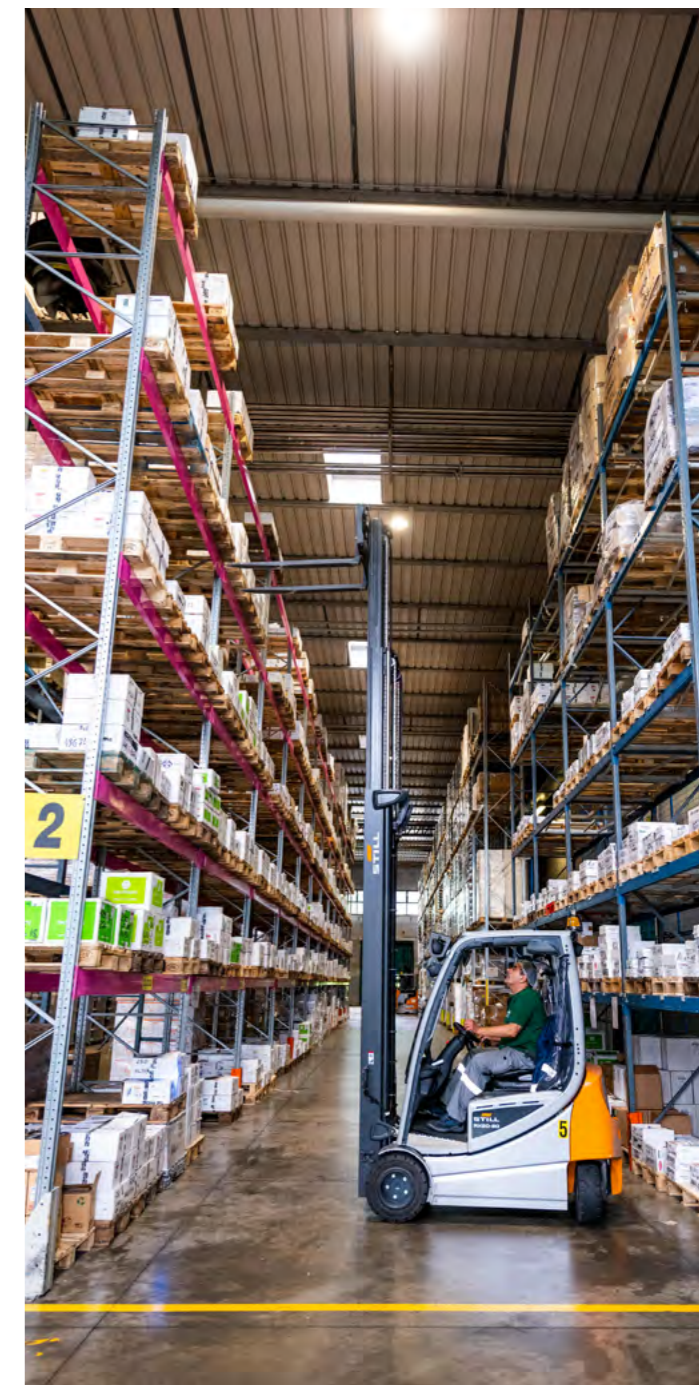
Work-life balance is key to wellbeing. In order to adapt ourselves to new needs and lifestyles, but also to preserve a sense of belonging and team spirit, we work on initiatives to improve wellbeing and to be an increasingly competitive, modern and flexible company. To make this happen, we offer options such as:

- **hybrid work**
 - additionally, in our Spanish headquarters, women in their last trimester of pregnancy can choose to work 100% remotely
- **flexible** entry and exit hours
- **additional medical coverage** in our annual health check-ups for men and women¹⁰
- healthy **birthday breakfasts**
- **extended parental leave** options¹¹
- dedicated services for accessing **psychological care resources** in certain markets.¹²

¹⁰ Offered in Spain.

¹¹ Offered in the US.

¹² Currently available to employees in Spain and India.



Our progress

Continuous improvement and enhancing our health and safety culture

Ensuring employee health and safety is an ongoing endeavour. We record safety data for the regions where most employees work – primarily Spain and Italy, but also India and the US.

Throughout 2022, we were proud to have reduced on-site accidents from seven (2021) to five across Italy and Spain – with none reported for India or the US.

Health and safety performance (Spain and Italy operations)¹³

	2021	2022
Total number of accidents	7	5
Occupational diseases	0	0
Fatalities from work-related injury	0	0

Throughout 2022, we took various steps to enhance safety, including aligning to ISO 45001 standards, a certification that recognises Deoleo's commitment to incident prevention.

¹³ Data from Spain and Italy.

We introduced various initiatives to support employee health, such as our efforts in Spain, where we launched a physiotherapy service and evaluated ergonomic and noise conditions at packaging plants. We also updated risk-assessment processes for all jobs.

Promoting workplace health and wellbeing

During 2022, a Health, Safety and Wellbeing Committee was created to increase vigilance at our workplaces and launch new initiatives to promote a safe and healthy working environment.

Among the initiatives already in place, we offer free fresh fruit in our offices in Spain and Italy, stock vending machines with more healthy options, and have breast-feeding rooms available for mothers at work.

Safety training

Employees receive regular safety training. In 2022, employees in Spain received 548 hours of Occupational Health and Safety training; people across our other sites completed 468 hours of similar training. We also delivered job-specific trainings to drive awareness of role-related risks, such as working at height and forklift driving. We additionally held an internal training day in April for all our operators to reinforce a preventative culture towards workplace accidents.

What's next

Keeping people safe, healthy and happy will always be a priority. We aim to build on our 2022 achievements, providing further training and moving closer towards a culture of individual safety.



Respecting and supporting a diverse workforce

Why it matters

We believe a diverse team is the foundation for innovation – bringing together a range of perspectives to drive progress and development.

Serving markets globally requires a workforce which reflects the diversity of our customers and communities. We are constantly working to increase equitable representation in our workforce and to support our people through inclusive employee experiences – so all our people feel confident to contribute to Deoleo's future success.

Our approach

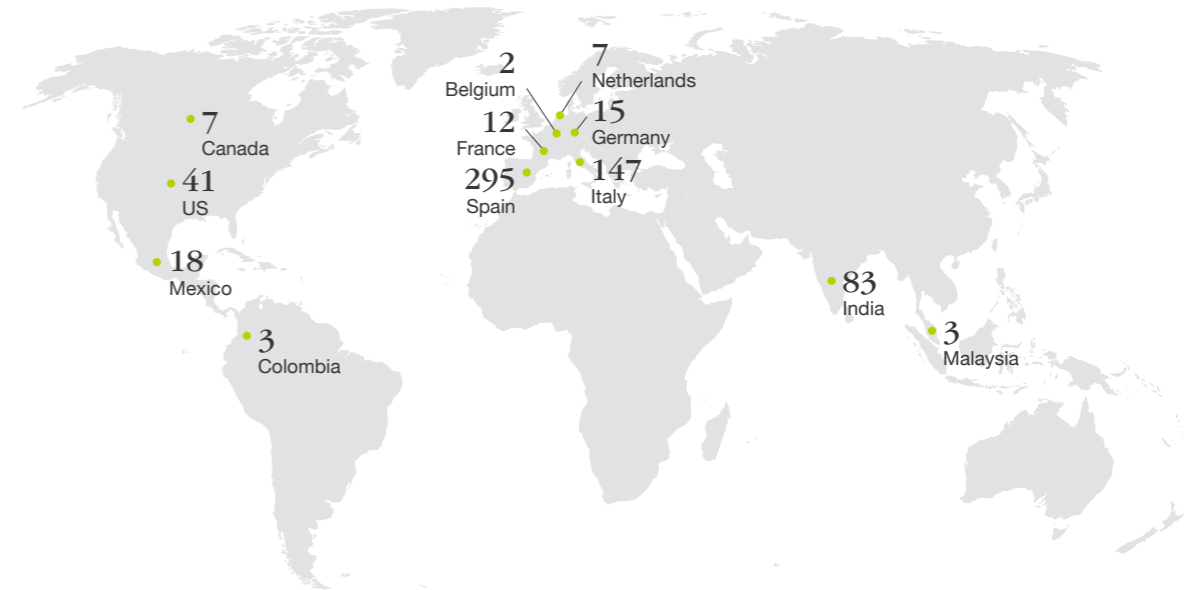
Embedding diversity, equity and inclusion

We strive to maintain a representative workforce, embedding diversity, equity and inclusion (DEI) at all levels of our business – from adopting a zero-tolerance policy to ensuring a diverse workforce, equal pay and inclusive opportunities.

The following principles guide our approach to people management:

- a safe and healthy working environment
- creation of an inclusive culture
- Human Resources (HR) processes built on respect for human rights, freedom of association and recognition of the right to collective bargaining
- objective criteria for promotion and mobility
- selection and recruitment based on equal opportunity.

Number of employees globally



Our approach to promoting equal opportunities, anti-discrimination and diversity is formally laid out in our Diversity Charter Certificate, including how we:

- raise awareness of the principles of equal opportunities and respect for diversity
- build a diverse and inclusive workforce
- include diversity in our HR policies
- foster a good work-life balance
- recognise diversity in customers, suppliers and business partners
- communicate these commitments and our progress to stakeholders.

The Deoleo Equality Plan

Throughout 2022, we worked with workers' representatives in Spain to develop and sign a four-year Equality Plan, outlining our commitment to equal opportunities for all Deoleo employees. The Plan covers improved hiring and working conditions, training and promotions, and building infrastructure that supports a good work-life balance for employees. The Plan, which is due to be reviewed in 2025, will be consistently reflected upon and updated.

No space for discrimination

Through our Code of Conduct, we outline a zero-tolerance policy for discrimination related to gender, race, ideology, religion, culture, nationality, marital status, age, sexual orientation or any other aspect. Employees are encouraged to report any grievances or instances of harassment via our whistleblowing platform.

Supporting people of varying abilities

We are nurturing diverse talent internally and seeking to work with organisations who share our commitment to hiring people who are differently abled. To this end, we have set a goal for 2% of our workforce to be people with disabilities by 2026.

Spain, Italy, India and the US all have legal requirements around hiring people with disabilities – requirements Deoleo consistently complies with. In fact, with most of our workforce based in these four countries, 89.5% of Deoleo employees are covered by these legal requirements. And, to support employees with disabilities, our facilities in Italy and Spain have been designed for full accessibility.

Closing the pay gap

People should be fairly compensated for the work they do. This is why, as standard, we offer entry salaries above national minimum wage or the minimum set by applicable collective agreements.

We are proud to report that Deoleo has closed our gender pay gap – an achievement that contributed to our gold EcoVadis rating for the third year running.

Investing in the people behind the products

We know nurturing current and future talent is key to developing an increasingly innovative and sustainable business.

Our talent management cycle creates opportunities for training and career development and helps identify and address learning gaps. It supports development of a global talent pipeline for senior leadership and management, including analysis of gender representation and pay gap.

Our appraisal system facilitates better communication between employees and managers. Our ‘You Make Deoleo’ intranet, accessible to all employees, brings together development resources in one place: from company news to open vacancies, key people processes and the Deoleo Learning Academy.

Our progress

Goal: By 2030, improve employee value proposition via training and career development opportunities

We want to encourage people to be their best at work by providing equal development opportunities, new trainings and tailor-made content based on employee feedback. We believe that employees must take a proactive part in their own development, which is why we prioritise employee engagement and measure engagement levels across the company.

Our global workforce demographics

Gender diversity

2021	63%	37%
2022	62%	38%

- Male employees
- Female employees

Female representation

2021	37%	40%
2022	38%	37%

- Whole organisation
- Senior management roles (excluding Board of Directors)

Disability representation

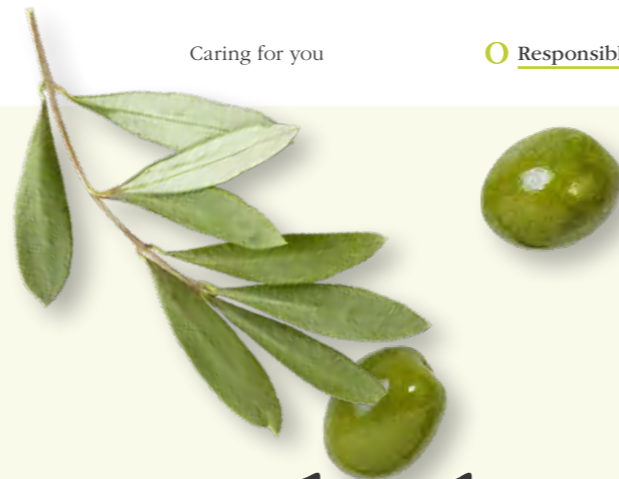
	2021	2022
Employees with disabilities	4	4

What's next

We aspire to take our Equality Plan to the next level, further developing the following areas:

- selection and contracting measures
- increased female representation
- salary equity
- work–life balance
- sexual harassment prevention
- international expansion of our diversity, equity, inclusion and belonging (DEI&B) plan.

Starting in Spain, we hope to eventually expand our Equality Plan globally.



Responsible business

Our sense of responsibility is far-reaching – from the land our olive trees grow on to the farmers, our employees, and our consumers.

We hold dear to our values of honesty and integrity, and we continually seek ways to steer the industry in a positive, climate- and community-conscious direction. Being a **Responsible business** is about recognising the mutual dependency we all have on one another, and on our planet.

Our material issues

- Business ethics
- Human rights
- Data privacy and security
- Inclusive and accountable governance

Our goals and highlights

We have been building our cybersecurity resilience across our business, providing cybersecurity training for our employees and prioritising security across the business. We continue to increase cybersecurity resilience across our business and supply chain.

Ethics and human rights remain a priority for our business, as reflected in our 73% score from EcoVadis. In this regard, during 2022, no human rights breaches or grievances were reported.



Accountable and inclusive governance

Why it matters

As a business, we have a responsibility to operate in a manner that is respectful of all people and with the smallest environmental impact possible.

A strong governance framework that incorporates varied viewpoints forms the foundation on which we're building a sustainable business and enduring growth.

Our approach

Our governance structure and leadership strategy guide us in remaining transparent and on track to achieve our goals. We regularly assess our Board of Directors to assure it is as effective as possible. This includes reviewing training, pay and independent member inclusion to ensure the very best leadership.

We publish annual Directors' Remuneration and Corporate Governance reports, which can be found in the investors' section of our website.

Our governance structure

Board of Directors

Deoleo's Board of Directors is charged with overseeing and approving our ESG strategy and progress against it. A priority for our Board is to assure Deoleo upholds sustainability best practices.

CEO and President

Audit and Control Committee

Oversees all audit processes and risk management systems. The committee is responsible for guaranteeing the reliability and integrity of our non-financial information, compliance with legal requirements, and observance of our Code of Conduct and corporate governance rules.

Nomination, Remuneration and Sustainability Committee

Supervises, coordinates and monitors all activities related to CSR policies. It is responsible for setting Board gender representation goals and remuneration and incentive policies.

The committee also evaluates our corporate governance system and environmental and social policy, to ensure they both promote corporate interests and account for the legitimate interests of our stakeholders.



Deoleo Executive Leadership Team (left to right)

Carlos Sánchez, *Chief Operations Officer*
 Rafael Pérez, *Chief Quality Officer*
 Ignacio Silva, *Chairman & CEO*
 Maria Martha Luchetti, *Chief Marketing, Innovation and Sustainability Officer*
 Juan Molerés, *Chief People Officer*
 Miguel Guzmán, *Chief Sales Officer*

Our progress

In our pursuit of increased representation of women, as a listed company, Deoleo was also included in the IBEX Gender Equality Index as of 2022. This is the first BME index measuring the presence of women in leadership positions at Spanish companies and is informed by data published annually by the CNMV (Spanish National Stock Market Commission).

Two female directors also joined Deoleo's Board. In addition, Mariu Luchetti was welcomed as a new Chief Marketing and Sustainability Officer (CMSO) to lead Deoleo's sustainability efforts.

Continue to drive sustainability improvements and integrate ESG into our business annually

We are constantly seeking to embed ESG across all levels of our business as we work towards a more sustainable future for our company. In 2022, we again received an EcoVadis Gold rating, putting Deoleo in the top 3% of companies rated. We are identifying what we can do to take our company's sustainability management systems, policies and reporting to the next level.

Sustainability Steering Committee

Our Sustainability Steering Committee (Sustainability SteerCo) is made up of both Comex members and additional executives. It comprises almost a dozen experts from a range of areas, including quality, operations, communications, marketing, legal, finance, HR and auditing. It focuses on issues relating to sustainability, compliance and monitoring.

The Sustainability SteerCo's responsibilities include supporting the adoption of our Sustainability Protocol. It also advocates for eco-friendly packaging, seeks to minimise our environmental impacts, anticipates legislative changes and secures media coverage. It meets quarterly and reports directly to the CEO.

What's next

Moving forward, we will continue to enhance our governance structure, reviewing goals, KPIs and processes to identify areas for growth and improvement. ESG will remain a priority subject at Board meetings, ensuring sustainability stays a focus for our business.



Business ethics

Why it matters

Acting ethically is an imperative for Deoleo, helping us maintain our right to operate while ensuring consumer trust and building robust partnerships with suppliers.

Ethical business practices demonstrate that we are a trustworthy and accountable organisation.

Our approach

Embedding ethical practices

Building an ethical business requires everyone at Deoleo to work together to deliver against the same standards. Our Code of Conduct ensures all activities align with our corporate values:

- honesty and responsibility
- enjoyment and passion
- leadership and courage
- adaptability and consistency.

A dedicated Ethics Channel enabled employees to confidentially report Code non-compliances; all reports are received without retaliation.

Safeguarding against corruption

Deoleo does not tolerate bribery or corruption, providing various tools to mitigate risks during third-party interactions. Our anti-corruption policy outlines mandatory guidelines, while our Code of Conduct covers Deoleo's stance on gifts and courtesies, ethical recruitment and supplier selection. All employees must follow our compliance verification programme, which shares best practices for acting with integrity and mitigating corruption.

Protecting personal data

Our internal Data Protection Body, consisting of legal and IT employees, serves as the primary contact for personal data protection. Employees can access our Privacy Manual and Personal Data Activity Registry for compliance guidance.

Developing an ethical supply chain

Each supplier we work with is expected to uphold Deoleo's Code of Conduct for Suppliers, with a focus on sustainability, ethics and human rights. During selection, all suppliers undergo a detailed accreditation process to ensure alignment with our requirements. Once selected, they are assessed regularly to assure ongoing compliance.

Our progress

Goal: By 2022, increase cybersecurity resilience across our business and supply chain

We are committed to enhancing our cybersecurity culture across the company. In 2022, we made notable progress against our cybersecurity goals, including training all data controllers on GDPR guidelines. We also launched a training tool to support our data protection and cybersecurity efforts, while surveying critical and important suppliers on their analysis of cyber risk. Finally, we completed a cross-company rollout of our Security Tips to share key information with employees.

To enhance cybersecurity at Deoleo, we established several goals:

- train 100% of data managers on information security
- train 100% of employees on cybersecurity, with cybersecurity training to be included in the global employee onboarding process
- survey 100% of suppliers for cyber risk analyses.

Maintaining ethical standards

Since 2021, we have included Deoleo subsidiaries in our anti-corruption policy, and across 2022 there were no reports of harassment through our Ethics Channel. Deoleo was also not sanctioned for any non-compliances with human rights issues.

What's next

In 2023, we will continue to launch Security Tips regarding data protection for our employees and introduce new trainings, expanding the focus to suppliers in IT, Legal, Communication, Audit and Logistics too.

Additionally, we are currently updating our whistleblowing policies and processes in line with evolving EU regulations. This will cover both changes to our Code of Ethics and grievance reporting systems.

Human rights risks, monitoring and grievances

Why it matters

People want to support businesses that care – businesses that set and align with robust ethical standards.

When we respect people and their human rights, we help create a sustainable business that is better placed to nurture healthier futures on a global scale.

Our approach

Respecting human and labour rights is a non-negotiable principle for Deoleo, and one that we uphold across direct operations and throughout our value chain. Our expectations are detailed clearly in our Code of Conduct.

We continue to endorse the United Nations Global Compact (UNGC), publicly stating our support for global alignment on human rights, labour, environment and anti-corruption principles.

Protecting human rights in our operations

We are committed to safeguarding the rights of our people and achieving a society free from human rights abuses. We maintain a zero-tolerance policy for intimidation, discrimination, harassment, threats or physical/legal assaults against human rights defenders in our operations.

The processes and protocols Deoleo follows ensure human rights are protected and validated internally. Employees can raise any concerns through a dedicated whistleblowing channel, helping us monitor and address grievances.

Protecting human rights in our supply chain

Deoleo only engages with suppliers that comply with relevant human and labour rights laws.

Prior to working with Deoleo, suppliers are assessed on their existing human rights protection measures. If selected to work with Deoleo, suppliers must adhere to our standards and policies, and make a declaration of their respect for human rights.

This is part of our ethical procurement practices, which exceed relevant regulatory requirements and allow us to track human rights risks throughout our supply chain. By carrying out periodic audits, we support suppliers in achieving continuous improvement.

Our quality department aligns with our Sustainability Protocol (see [page 17](#)), which covers our expectation that suppliers protect human rights. Our latest Sustainability Protocol includes various human rights criteria that suppliers must meet, such as:

- plans for the prevention of occupational hazards
- policies regarding consumer health protection, provision of safe and healthy work environments and respect for human rights
- social benefits for employees
- demonstrable work towards gender equality, including a signed agreement
- an Equality Committee and Equality Plan.

Our progress

We have long been committed to human rights and are now taking clear actions to embed the topic into our business policy.

In 2022, as a recognition of our work in this area, Deoleo was awarded the EcoVadis Gold Rating for the third year running, scoring a total of 73%. This result places Deoleo in the top 3% of companies assessed by EcoVadis globally.

Deoleo is also proud to share that we received zero human rights grievance reports in 2022.

What's next

In 2023, we will publish our updated Sustainability Protocol, which includes further human rights requirements, extending to our main co-packers and providers of auxiliary materials.

Independent Limited Assurance Report

Deloitte.


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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT

To the Shareholders of Deoleo, S.A.,

We have performed the verification, with a scope of limited assurance, of certain indicators included in the ESG Report for the year ended 31 December 2022 ("the ESG Report") of Deoleo S.A. ("Deoleo") and subsidiaries ("the Group").

Our review work was confined solely to the verification of the indicators for 2022 identified by the symbol  in the "GRI Content Index 2022" included in the accompanying ESG Report.

Responsibilities of the Directors and of Management

The preparation and content of the ESG Report are the responsibility of the directors of Deoleo. The ESG Report was prepared taking as reference the Sustainability Reporting Standards of the Global Reporting Initiative (GRI standards), as well as other criteria described as indicated for each matter in the "GRI Content Index 2022".

These responsibilities also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the ESG Report to be free from material misstatement, whether due to fraud or error.

The directors and management of Deoleo are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the ESG Report is obtained.

Our Independence and Quality Management


We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

De o me, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.653, seccion 2ª, folio 188, hoja 2ª-3414, inscripción 9ª. C.I.F.: B-75104485.
Domicilio social: Plaza Pico de Picoasso, 1, Torre Picoasso, 28020, Madrid

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed, which relates solely to the indicators identified by the symbol  in the "GRI Content Index 2022" included in the ESG Report. We conducted our work in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is also substantially lower.

Our work consisted of submitting inquiries to management of Deoleo and to the various units of the Group that participated in the preparation of the ESG Report, reviewing the processes used to compile and validate the indicators subject to our included in the ESG Report and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with client personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.
- Analysis of the processes used to compile and validate the data presented in the ESG Report for 2022 relating to the indicators subject to our review.
- Review of the information relating to risks and the policies and management approach applied in relation to the material matters presented in the ESG Report for 2022 to the extent that they affect the indicators subject to our review.
- Verification, by means of sample-based tests, of the information relating to the indicators subject to our review included in the ESG Report for 2022 and the appropriate compilation thereof based on the data furnished by the information sources.
- Obtainment of a representation letter from the directors and management.

Conclusion

Our conclusion relates solely to the information subject to review specified in the "Our Responsibility" section of this report. Based on the procedures performed in our verification and the evidence we have obtained, considering the information provided for each indicator reviewed in the "GRI Content Index 2022", nothing has come to our attention that causes us to believe that the indicators subject to our review contained in the ESG Report for the year ended 31 December 2022 of Deoleo, S.A. and subsidiaries were not prepared, in all material respects, taking as reference the GRI standards.

DELOITTE, S.L.



Angel Garcia Arauna

18 September 2023



Get in touch

Preparing this report offers a valuable opportunity for us to assess and improve our progress and performance. We rely on your feedback to continue to do so.

Email us at communications@deoleo.com

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