



ESG 2023

Environmental, Social and Governance Report
for 2023

Mehadrin Ltd





Table of Contents

Opening words by the chairman of the board and CEO.....	3	Responsible supply chain.....	26
About Mehadrin	4	Food safety and product quality	28
Company vision and values	6	Innovation and development.....	29
Mehadrin's support during the Swords of Iron War.....	7	Community relations and supporting local communities.....	31
Materiality analysis.....	8	Governance.....	32
Promoting the United Nations' Sustainable Development Goals	10	Ethics and corporate governance	33
The environment	12	Economy	39
Energy and carbon footprint	14	Business activity.....	40
Waste reduction.....	15	About the report.....	42
Water consumption management	16	GRI content index.....	43
Reducing food waste and circular economy	19		
Social	20		
Employee development and welfare.....	24		



Opening words by the chairman of the board and CEO

In light of the Iron Sword War, 2023 was a complex and difficult year, and at the same time, highlighted Mehadrin's strength and its uncompromising commitment to sustainability, society, and the environment. We are proud to present Mehadrin's second ESG report, which reflects significant work throughout 2023 despite the challenges and uncertainty that characterized it.

As a leading agricultural company in Israel, we continue to see ourselves as messengers of the land, committed to preserving it, cultivating it, and providing quality, healthy produce to our customers in Israel and around the world. This year, we also operated in harmony with nature, constantly striving to reduce negative environmental impact and promote innovative and sustainable agricultural solutions. Our commitment to leading the discourse about sustainability and social responsibility in the agricultural industry is stronger than ever.

We maintain the highest standards of ethics and transparency, believing that today's decisions will lead to a good and balanced future for future generations.

Mehadrin's people are the heart of the company's operations and the source of its strength. We thank our employees and all our partners for their trust and our shared path. We will continue to lead Mehadrin into a future of sustainability, growth, and responsibility for society, the environment, and future generations.

Sincerely,

Peer Nadir

Chairman, Mehadrin Ltd.

Tzealon Tzemah

CEO, Mehadrin Ltd.



About Mehadrin

Mehadrin is a public company founded in 1950 and is the leading agricultural company in Israel, responsible for growing, marketing and exporting avocados, citrus fruits, dates and other fruits. On the day of its founding, the company owned only 900 dunams, and in 2023 Mehadrin is recognized as the largest agricultural company in Israel with approximately 35,000 dunams cultivated. Mehadrin employs 311 permanent employees and operates on a wide national and global scale, with the company's headquarters located in Be'erot Itzhak. Mehadrin exports over 70% of its products and its annual sales amount to approximately \$350 million.

Agriculture is the core of Mehadrin. Closeness to the land and nature taught us humility, perseverance, and respect for the environment and people. We strive for precise and innovative agriculture, carried out in harmony with nature and produces natural, nutritious and healthy produce. Beyond agriculture, which is the company's main field of activity, Mehadrin operates in a number of additional sectors of activity: Cooling, water and income-producing assets.

For further information about Mehadrin and the company's history, see [the 2022 ESG Report](#).





2023 in numbers



REVENUES:

1,133 NIS million -

Of which **96%** is from agricultural produce (1,089 million)

80% export and **20%** domestic market and the industry.

AVOCADO



15% of the total export in Israel

About 15% of all avocados are sold on the local market.

CITRUS

In the 2022/2023 season, the group's market share in citrus exports from Israel was about **48%** (Compared to 51% in the previous season).

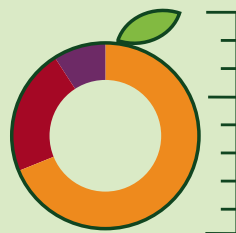
In the 2023/2024 season, which ended at the end of the second quarter of 2024, the group's share of citrus exports from Israel was **48.6%**.

As of the date of publication of the report, the group's share of citrus exports from Israel stands at **31.7%**.

Marketing to the local market in 2023 - a market share of approximately **23%** (compared to 34% last year).

About **35** thousand dunams of fruit plantations in Israel

(about 69% orchards, about 22% plantations, and about 9% uncultivated land and other)

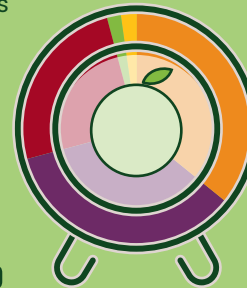


203 thousand tons of produce from various sources per year

109 thousand tons of export, **48** thousand tons for the local market and **46** thousand tons for the industry (from the company's orchards and from global purchasing).

COMPANY REVENUE DISTRIBUTION

36% citrus 2% vegetables
35% avocados 2% subtropical
25% dates



96% of the company's revenue comes from the agriculture sector

OVER **100** CUSTOMERS

Employees:
311



ACTIVE COUNTRIES:

All over Europe, North and South America, Asia and Australia



39 COUNTRIES



Company vision and values

Throughout its seventy years of operation, Mehadrin has maintained its business goals while adhering to ethical rules and corporate values. The company recognizes its social-environmental impact and promotes responsible conduct. The company maintains relationships of trust with its customers and makes users to adapt to changes and constant renewal. Mehadrin believes in profitable business management that incorporates moral, social and environmental considerations that contribute to its success.



**Health
and Safety**



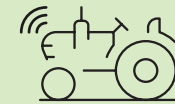
**Quality and
excellence**



**Respect for the
environment /
preservation of
environmental
values**



**Reliability
and integrity**



**Innovative
agriculture**



**Honoring
others**

For further expansion on the company's values, see [the 2022 ESG Report](#).



Mehadrin's support during the Swords of Iron War

The State of Israel experiences one of the most difficult times it has known since its founding. At the same time, Israeli society is revealing itself in one of its most beautiful hours - a time when it harnesses, all as one front, united, strong, and demonstrating mutual guarantee and social-national resilience. Mehadrin and its employees also joined in the effort and made a financial donation of 300,000 NIS¹ to the residents of the Gaza Envelope communities - Sufa, Reim and Alumim, who are agricultural partners of the company. Mehadrin has acted and continues to act to support the company's employees who joined the reserve forces or were injured in the fighting, and their families. Within this framework, vouchers for hot meals or toy packs for children were sent to the families of the recruited employees, according to the needs of each family. In addition, the company maintained continuous telephone contact with its employees, evacuees, and reservists and ensured ongoing support according to needs arising from the field. Mehadrin's commitment to standing by its employees and agricultural partners during the crisis emphasizes the values of social responsibility that constitute a central pillar of its activities. The Swords of Iron War has a significant and severe impact on the agricultural sector in Israel in general, and in the areas surrounding Gaza and

the north of the country in particular, and directly, the situation of the company, whose core business is agriculture, is negatively affected. The company is dealing with direct damage to plantations and orchards, a significant reduction in manpower and limited availability of professional workers, along with delays in the harvesting and packaging processes. Supply chain disruptions and a decline in sales. The company has approximately 4,000 dunams of plantations and orchards in the Gaza Envelope. These remained inaccessible until the end of November 2023 due to their designation as a firing zone. Once access was resumed, severe damage was discovered, including damage to irrigation systems, destruction of warehouses, uprooting of trees, entire plots where all the fruit had fallen to the ground or rotted on the tree, making it impossible to pick and market the fruit, and many other irreversible damages. In addition, limited access to areas in the north of the country has made harvesting and agricultural processing processes difficult. Despite the unprecedented challenges, the company acted with determination and professionalism to maintain functional continuity, while making rapid adjustments to the changing reality. The company's teams dealt with the restoration of the damage and ensured the maintenance of the fruit picking and



packaging processes in order to minimize the damage to the company's revenues and maintain the quality of the products. In order to help cope with the severe shortage of manpower for harvesting work, company employees volunteered to harvest in the orchards and innovative use was made of spraying drones as an alternative to manual spraying (especially for controlling the Mediterranean fly and the false apple moth). The company continues to examine the full implications of the situation, while carefully managing resources and dealing with the immediate challenges in a balanced manner. At the same time, the company works to ensure long-term business and operational resilience, out of responsibility towards its employees, customers and all stakeholders.

¹ The contribution includes the value of the days of leave that the employees contributed.



Materiality analysis

Materiality analysis is a central process in the implementation of environmental, society and corporate governance (ESG) processes in companies. Its goal is to identify the core issues that are essential to the company's activities in order to create a strategic basis for the company's activities in these areas.

As part of the process of preparing the company's first ESG report, in 2022, the company performed a full materiality analysis process. The process included, inter alia, an examination of material issues reported in the industry by peer companies, interviews with Mehadrin management and key stakeholders, an examination of stakeholder requirements

in the field, and an examination of reporting requirements in accordance with the indicators of the Global Reporting Initiative (GRI), including the Agriculture Sector Standard (GRI 13) 2022: Agriculture, Aquaculture and Fishing Sectors. The material issues identified in this process were validated for the preparation of the company's 2022 ESG report. The validation process included an up-to-date review of the issues reported in the industry by peer companies and a discussion with the company's management. The validation findings revealed that the 11 issues remained the most relevant to the company and therefore form the basis for this report and all of the company's activity in the ESG areas.

ENVIRONMENT

1. Water consumption management
2. Energy and carbon footprint
3. Waste reduction
4. Reducing food waste and circular economy

SOCIAL

5. Employee development and welfare
6. Responsible supply chain
7. Food safety and product quality
8. Innovation and development
9. Community relations and supporting local communities

GOVERNANCE

10. Ethics and corporate governance

ECONOMY

11. Business activity

The following chapters of the report will delve deeper into each of the material topics selected, and present an overview of the company's activities, its commitment to improving aspects of corporate responsibility and its achievements in these areas during the reporting year.

For further information on the materiality analysis process carried out by the company, see [the 2022 ESG Report](#).



Stakeholders

Ethical behavior vis-a-vis stakeholders



Customers We consider the needs of the customers. We make sure to provide accurate and reliable information to our customers while providing solutions for their requirements. We are attentive to the customers' wishes and provide them with a quick and efficient response. We help customers achieve their goals as much as possible.



Employees We respect our employees as partners in the journey and as those responsible for maintaining and implementing this policy. Our employees are entitled to fair consideration for their work, a listening ear at all times, opportunities for personal development and improving skills and equal opportunities regardless of gender, nationality or physical, cultural or other differences. At Mehadrin we foster a positive and supportive work environment that allows all employees to work with a sense of satisfaction and enjoyment.



Shareholders We respect the needs of shareholders. We respond to the best of our ability to shareholders' demands for profitable business results over time while maintaining a high level of ethics in accordance with our values. We report truthfully to the company's board of directors and shareholders in accordance with the law and all reporting procedures and provide all the information they require in a timely manner.



Growers We establish a mutually cooperative relationship with the growers based on fairness. Fruit and vegetable growers are essential partners in our success and we nurture our relationship with them in order to increase their benefit and that of Mehadrin from the business relationship. We ensure cooperation with growers on the basis of transparency, truthful reporting, and fairness.



General suppliers We strive for a long-term relationship with our main suppliers. We consider the needs of the suppliers and listen to requests and suggestions for new initiatives.



Authorities We comply with the requirements of the government and local authorities in Israel and everywhere in the world where we do business. We are subject to local tax regulations and provide the authorities with any information required by them regarding our activities.



Social organizations We are attentive to the needs of the community and are open to dialogue with entities that promote social goals for the development and strengthening of the community. We donate money and products and volunteer for social causes while cooperating with social organizations so that our contribution is channeled to essential goals and so that we can measure our positive impact on the community.



Environmental organizations We respect the representatives of environmental organizations and appreciate the importance of their work. We welcome any suggestion to improve our activities to protect the environment and the planet.





Competitors We maintain a fair relationship with all our competitors. We market our products while ensuring fair and ethical competition.



Promoting the UN Sustainable Development Goals

Mehadrin has adopted six goals that constitute a commitment and a call to action for our future activities and for assessing the company's impact. We believe in the central role we have in promoting healthy nutrition and environmental sustainability.

The following are the goals relevant to Mehadrin that include a challenge at the level of the company's business activity and to which our business activity may contribute:

SDG	Target	Mehadrin's activity
 Zero hunger	<p>(2.1) By 2030, end hunger and ensure access for all people, in particular the poor and those in vulnerable situations, including infants, to safe and nutritious food all year round.</p> <p>(2.4) By 2030, ensure sustainable food production systems and implement resilient agricultural practices to increase productivity and production, which help maintain ecosystems, such that strengthen the ability to adapt to climate change, extreme weather, drought, flooding and other disasters, and progressively improve soil type and quality.</p>	<p>Mehadrin incorporates advanced agricultural methods to produce quality fruit and optimizes the supply chain to ensure a stable and responsible food supply, while maintaining the principles of environmental and social sustainability. Alongside this, Mehadrin invests in agricultural education for students from developing countries, with the aim of integrating knowledge and professional tools in their countries, thereby contributing to improving nutrition systems and strengthening sustainable agriculture around the world.</p>
 Good health and well-being	<p>(3.9) By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p>	<p>This goal is the essence of Mehadrin's activities and products, which grows and markets nutritious fruits that promote maintaining a healthy lifestyle. We work consistently to reduce the use of chemicals in our products and work to maintain the health and safety of our employees, our customers, our business partners and the environment from contamination arising from our activities in the ground or water sources.</p>



Clean water and sanitation

- (6.3)** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials.
- (6.4)** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials.

Mehadrin, as an agricultural company, understands the importance and need for managing the water resource and using this resource wisely and efficiently. We use approximately 60% purified wastewater and reduce the use of fresh water. Mehadrin cooperates with Mekorot, the national water company of the State of Israel in the supply of water services and water at controlled prices to consumers. We operate in accordance with the strictest standards in order to maintain the quality of water reservoirs and wastewater treatment. The company is participating in a tender to drill five new water wells to supply water to the national grid.²



Reduced inequalities

- (10.2)** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Our staff of employees and managers consists of people with diverse backgrounds in terms of ethnicity, gender, religion, socioeconomic status, age and geographic residence. We make sure to pay salaries and benefits that contribute to reducing inequality.



Responsible consumption and production

- (12.3)** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
- (12.5)** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Mehadrin works to reduce food waste and optimize the use of resources as part of its activities. Our agricultural produce is monitored for the purpose of examining the quality of the fruit and its ripening. The fruits are classified according to quality and supplied to the juice and animal feed industries. We work to reduce agricultural waste and packaging waste by a systematic and regulated process of separating waste and recycling and reducing the use of polluting materials. We also work with our business partners to make sure that we are acting in accordance with the standards that promote environmental protection and reduction of negative environmental effects.



² The tender was postponed by the state due to the Swords of Iron War.



Environment





The environment

The environment is essential for the existence of healthy life on Earth. At Mehadrin, protecting the environment is a leading value. Our goal is to reduce the environmental impact of our operations through green agriculture and advanced technologies to streamline processes and control. The company has a strict environmental policy, and the person responsible for its implementation is the VP of Agriculture.

As part of adopting sustainable agriculture, Mehadrin invests significant efforts in the environmental aspect by implementing a variety of programs, including in the following areas: Agricultural waste management programs that increase the rate of recycling; regular inspections of irrigation water supply and groundwater; reducing energy and fuel consumption by agricultural machinery; Promotion of ethical activities related to nature and landscape. All Mehadrin crops meet standards for agricultural practices that promote issues such as sustainability and food safety, such as the Global GAP³ and standard⁴ (Tesco Nature Choice TNC). In 2023, the company began the process of certification to the international standard (Linking Environment and Farming (LEAF), which deals with ensuring environmental

quality and recognizing sustainable agricultural products. Mehadrin completed the adoption of the standard, upon receiving certification in 2024, and since then, has complied with all applicable regional and national laws and regulations to ensure that it manages the company in a manner that benefits the environment while connecting the human and animal habitats.

As part of the standard's requirements, the company worked in 2023 to establish a solid infrastructure for setting sustainable agriculture goals - high-quality and healthy agriculture that preserves natural resources and environmental quality. In 2024, the forests will be established and their goal is to support the continued existence of ecological and agricultural systems over time, while preserving water, soil, air resources, and biodiversity.

In particular, the forests are designed to improve coping with natural disasters, pests, and changes in growing needs while providing fresh and healthy agricultural produce that meets market needs; to reduce resource consumption (including sprays, fertilizer, and by-products); to manage environmental risks, and to reduce pollution and energy use through precision agriculture and a greener approach. The company's conduct according to the LEAF standard will support continued monitoring of the goals and continuous improvement in the field. As of the date of publication of the report, Mehadrin is leading a strategic process to set lateral ESG goals for 2025. The process includes an in-depth examination of ESG goals among peer companies and working together with professional managers to formulate a comprehensive work plan to achieve the goals.

³ **Global Good Agriculture Practice** - an initiative that aims to promote global adoption of safe, social and environmental agricultural methods. The initiative awards certificates for farmers who meet the standards that ensure the use of responsible farming methods. For further details, see: [Global GAP](#).

⁴ **Tesco Nature Choice** - A standard developed by the English supermarket chain Tesco to ensure that suppliers (producers and traders) of fruit and vegetables apply during Production, principles of good agricultural practice will thus ensure product safety, environmental protection and worker health. For further details, see: [Tesco](#)



Energy and carbon footprint

Mehadrin works to reduce greenhouse gas emissions resulting from its operations by monitoring energy consumption in packinghouses and refrigeration facilities, promoting renewable energy, and installing solar systems. The company calculates the carbon footprint of its products using the Life Cycle Analysis (LCA) method and according to the 2050 PAS standard.

In recent years, Mehadrin has been using drones that make spraying more accurate, as an alternative to tractors or spraying planes, thus reducing pollutant emissions. In 2023, the use of drones for spraying was intensified in order to address the shortage of manpower resulting from the "Iron Swords" war, and at the same time, the reduction of emissions from the spraying process was increased. In addition, a focused monitoring system that checks the appropriate threshold for treatment and calibration for each dunam accompanies all of the company's processing areas, ensuring that spraying instructions are given solely based on reliable monitoring findings. Furthermore, Mehadrin reduces electricity consumption in the company's buildings through economical LED lighting and the use of approximately 30% natural lighting. In accordance with the company's goals for examining collaborations in the field of renewable energy, during 2023, contacts, meetings, and tours were held with various solar energy companies. These efforts culminated in

2024 in the signing of an agreement for cooperation in the agro-voltaic field with the renewable energy company "TeraLight". As part of this collaboration, TeraLight and Mehadrin will focus on projects whose main goal is dual use - utilizing land for agricultural crops and producing green energy at the same time. As a start, it is planned to implement projects with a capacity of more than 500 megawatts, which are expected to generate annual revenues exceeding 200 million shekels. The partnership is expected to last five years, with the possibility of extension subject to mutual agreement. The projects will be carried out on Tera-Light lands in agreement with their owners for the purpose of agro-voltaic projects, as well as on agricultural lands held and managed by Mehadrin, over a total area of over 20,000 dunams.



In 2023, the use of drones for spraying was intensified to address the manpower shortage that arose following the "Swords of Iron" War.

ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS

Electricity consumption (KWh), by years:

Source	2020	2021	2022	2023
Electricity from the grid	37,106,346	36,294,769	34,770,056	34,473,910
Electricity from renewable sources	2,327,595	2,328,360	3,197,944	3,099,192
Total electricity consumption	39,433,941	38,623,129	37,968,000	37,573,102

Fuel consumption for transportation (liters), by years:

Fuel type	2020	2021	2022	2023
Gasoline	201,699	256,685	261,319	316,109
Diesel fuel	151,999	128,939	138,463	62,014
Urea	105	430	633	180
Total fuel consumption	353,803	386,054	400,415	378,603

Greenhouse gas emissions (ton CO2e)⁵, by years:

Scope ⁶	2020	2021	2022	2023
Scope 1	807	880	913	888
Scope 2	18,495	18,114	17,807	16,421
Scope 3	-	-	86	115
Total emissions	19,301	18,994	18,806	17,424

Refrigerant gas use (kg), by years:

Refrigerant gas type	2020	2021	2022	2023
R507	3,200	3,200	3,200	3,200
R22	2,800	2,800	2,800	2,800
Ammonia	34,900	34,900	28,900	28,900
Total refrigerant gases	40,900	40,900	34,900	34,900

*The data relating to the amounts of refrigerant gases are mostly unchanged between the years since they represent the capacity of the refrigeration systems and not the actual consumption. The decrease in Ammonia in 2022 was due to the reduction of area of the cooling warehouse.

For further information on the company's activities on reducing energy consumption and carbon footprint, see [the 2022 ESG Report](#).

⁵ Mehadrin calculated greenhouse gas emissions based on the accepted international standard GHG Protocol Corporate standard. Accounting and Reporting Standard.

⁶ Scope 1 includes emissions from fuel consumption, Scope 2 includes emissions from electricity consumption, Scope 3 includes emissions from business trips (flights and hotel accommodation by employees).

Waste reduction

Mehadrin responsibly manages the waste generated from its operations, including plant waste, packaging and office waste, while implementing the principles of reduction, reuse and recycling. In the packaging houses, general waste is separated from packaging that is sent for recycling or reuse, while household waste is disposed of at authorized sites. The company reduces the amount of packaging materials according to actual needs. Stations are located on the company's premises for the collection and marketing of agricultural plastic waste, which is transported to recycling plants after sorting and cleaning. The fruit is transported in reusable containers from the plantations to the packing houses. Reusable cups were distributed at the company's offices to reduce the use of disposable utensils, and shredding machines were installed to recycle paper and reduce the amount of waste. In addition, out of a commitment to reducing waste and maximizing the utilization of raw materials, Mehadrin handles pruning and plant material residues in the field, crushes pruning branches, and uses fruit that is not suitable for marketing as raw material for the juice industry or as animal feed.

Waste from packing houses (ton):

Reported figure	2022	2023
Total weight of waste removed	1,116	1,652

Packaging waste from renewable/recyclable materials (ton):

Product/Packaging Type	2020	2021	2022	2023
Polypropylene (biodegradable, recyclable plastic)	78	159	222	232
Recyclable cardboard	4,429	4,270	3,489	2,850
% of products returned (recall)	0%	0%	0%	0%

* An increase in the use of polypropylene packaging at the same time with a decrease in the use of cardboard packaging over the years is due to the expansion of contracts with customers who have the ability to recycle plastic in an adequate way.

For further information on waste reduction in the company, see [the 2022 ESG Report](#).



As of 2023, the company has

268 vehicles in use in its operations, of which 117 private vehicles, two private vehicles owned by the company, 62 forklifts, and the rest are work vehicles of various types (such as pickups and tractors).

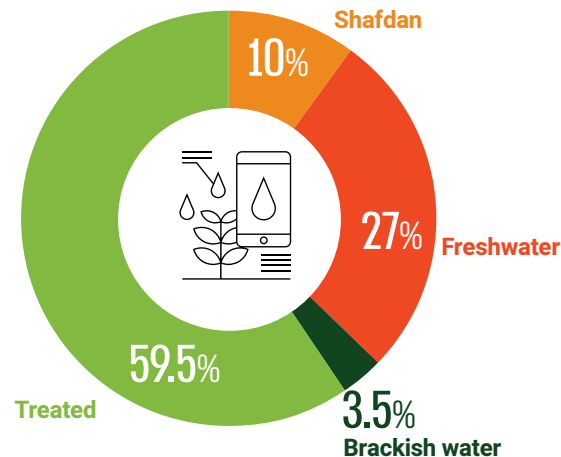


Water consumption management

Mehadrin manages its water resources responsibly, using diverse sources including private wells, external sources such as sewage plants and purified water (SHAFDAN). Each of the wells has a water measurement system installed that is used, among other things, for monthly reporting to the Water and Wastewater Authority. Mehadrin performs frequent water quality tests and meets the requirements of relevant standards such as the Inbari Committee standards for wastewater quality, the tertiary standard for wastewater treatment, and the ISO 17025 standard for water testing in an accredited laboratory. Advanced monitoring systems, such as Phytech's the SupPlant, are deployed in orchards to adapt irrigation to climatic conditions. Dedicated managers, including an agronomist specializing in irrigation, are responsible for managing irrigation and supply systems, including preventing leaks and water reductions and maintaining the integrity of the piping. In 2023, over 69% of the water consumed by Mehadrin came from purified Shafdan and treated waste water sources, with the aim of reducing the use of groundwater. Mehadrin strives to continue optimizing water use as part of its goals for sustainable agriculture.

Mehadrin provides irrigation water to its customers through its supply networks, while collaborating with the Ministry of Agriculture and Rural Development in draining and maintaining waterways in orchards.

Within this framework, a multi-year project is underway in collaboration with the Sharon District Drainage Authority, which focuses on systemic treatment to protect lands in the vicinity of the tributaries of the Poleg stream and to improve drainage infrastructure. The project addresses soil erosion challenges, which were not previously adequately addressed due to inappropriate tillage practices and the lack of regulation of waterways. As of the date of writing the report, regional regulation goals are set annually in coordination with the Drainage Authority and other parties. The collaboration, largely funded by the Ministry of Agriculture, ensures access to the orchards even during harsh winters and helps the company maintain the continuity of its operations.



For further information on water consumption management, see [the 2022 ESG Report](#).



WATER

Total water consumption (million m³), by source:

Reported figure	2020	2021	2022	2023
Freshwater	8,844	9,538	8,137	8,015
Brackish water	835	894	971	1,015
Treated wastewater	16,735	19,403	17,642	17,517
Shafdan water	3,926	4,660	4,384	2,970*
Total water consumption	30,340	34,495	31,134	29,517

* The decrease in the company's water consumption in 2023, compared to previous years, is mainly due to the reduction in the cultivated area by approximately 2,000 dunams.

Total water consumption (million m³), by type:

Reported figure	2020	2021	2022	2023	
Groundwater	Freshwater	1,470	882	946	989
	Other water types	3,195	3,365	2,888	2,845
Third party water ⁷	Drinking water	5,014	6,185	5,274	5,196
	Other water types	20,661	24,063	22,026	20,487
Total water consumption	30,340	34,495	31,134	29,517	

* Fluctuation in the company's water consumption between years is in accordance with the physiological needs of the plantations and orchards.

Total water consumption from areas defined as areas with water shortages⁸ (million m³), by years:

Reported figure	2020	2021	2022	2023	
Third party water	Freshwater	947	945	1,064	1,257
	Other water types	5,938	6,899	6,461	5,165
Total water consumption	6,885	7,844	7,525	6,422	

⁷ Third-party water - municipal water suppliers and municipal wastewater treatment sites, public or private services and other organizations involved in the supply, transport, treatment, disposal or use of water and treated wastewater.

⁸ Gan Pelach plantations located in the Negev.

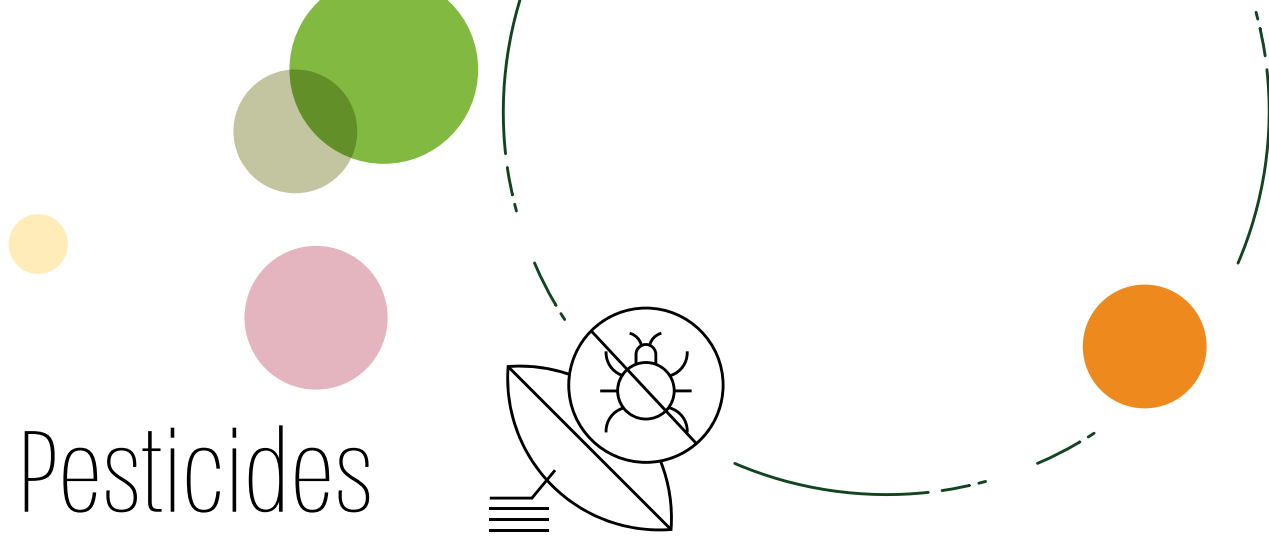


Biodiversity

Mehadrin works to reduce its impact on biodiversity and maintain the ecological balance. The company handles weeds manually as an alternative to using chemicals, performs targeted spraying through a dedicated department, and complies with the requirements of the Plant Protection Law and its regulations. In the plantations adjacent to nature reserves ('Holot Nitzanim', 'Barir' and 'Marar Hills'), Mehadrin protects the flora and fauna, avoids the use of toxic substances (Class 1-2) and operates in accordance with the guidelines of the European Union and the Ministry of Agriculture. An ecological monitoring team oversees the plantations, establishes beehives to preserve the flora, and uses signage to raise awareness of preserving biodiversity.

Mehadrin maintains a direct channel of online support for the issue of soil conservation via-a-vis external parties. The company also initiated a program to collect water in tanks next to the plantations to improve the animals' environment and conserve water resources. In addition, Mehadrin incorporates the use of tools that reduce the consumption of chemicals, for example, the use of vital fungi, cover crops, and organic materials to improve soil conditions. The company also added to the list the ingredients used in biostimulants that provide fertilizer while reducing the carbon footprint of fertilizer companies. All of the company's suppliers are required to sign a declaration to protect the environment and the landscape. By 2023, 100% of the company's agricultural input suppliers have signed this statement.

As part of adopting the LEAF standard, Mehadrin is implementing a comprehensive plan to preserve biodiversity in the plantations. A dedicated plan was developed for each plantation, focusing on preserving its unique biodiversity. The standard includes control and supervision by a certified third party and therefore assists in the implementation, monitoring and improvement of the programs.



Pesticides

Mehadrin, as a leading factor in Israeli agriculture, is reducing the use of chemical pesticides in order to improve the quality of the fruit, protect the health of its customers and employees, and reduce its negative environmental impacts. The company operates in accordance with the regulations of the Ministry of Environmental Protection and the Ministry of Agriculture, and also adjusts the use of materials according to the target standards of the exporting countries. Mehadrin reviews and approves the list of pesticides once a year, while meeting strict standards beyond local requirements regarding concentrations, application, and waiting days before harvesting. Therefore, in 2023, the company reviewed and approved the list of pesticides it uses.

The company's computer systems accurately track agricultural inputs in relation to the use of pesticides, in order to optimize and reduce the use of these substances. The company uses the Fieldin system for pest monitoring, which is based on monitoring pest thresholds and scheduling treatment, thus preventing excessive use. For example, in recent years the company has

significantly reduced spraying against the red aphid pest. Furthermore, the company is collaborating with a Luxembourg company to develop and implement green solutions for controlling this pest using pheromones. Mehadrin uses green solutions to prevent additional pests such as the false apple moth. Mehadrin both reduces the use of pesticides and toxins and encourages the growth of beneficial insects. The company invests in research and management methods to reduce the environmental impacts of pesticides. The purchasing department ensures that the pesticides and spray materials supplied comply with the guidelines of the Ministry of Health, the Ministry of Agriculture, and Mehadrin's internal guidelines.

Mehadrin both reduces the use of pesticides and toxins and encourages the growth of beneficial insects. The company invests in research and management methods to reduce the environmental impacts of pesticides.

For further information on pesticides, see [the 2022 ESG Report](#).



Risks and opportunities following climate change

Soil

Mehadrin plantations are exposed to the risk of soil erosion, which could damage crops and leach pesticides into water sources. The company invests a lot of effort in risk prevention activities, for example, planting cover crops that are resistant to erosion. Each plot undergoes careful planning by a soil and water engineer before planting. The planning includes elements of soil conservation and is subject to the instructions of the Ministry of Agriculture and/or the Soil Conservation Division and in full coordination with them. Additionally, the entire area is undergoing drainage and waterway planning to prevent soil erosion and maintain adequate access routes to the plantation in general and to the plots in particular. In 2023, approximately 135 dunams underwent these processes.

For further information on soil, see [the 2022 ESG Report](#).

The world's agriculture industry, as well as Mehadrin's plantations and its customers' plantations, are exposed to extreme climate changes/conditions, such as Hail, cold, storm, rain, drought and floods. Frequent changes in weather events and the increase in extreme climatic events lead to changes in the quantity and quality of fruit, flooding of plantations, increased water consumption in the face of decreased availability, increased risks of soil erosion and degradation, fluctuations in sowing and planting schedules, an increase in the scope and intensity of damage, the invasion of new pests, and a decrease in the packing rate. All of these may lead, among other things, to financial losses, damage to reputation, and loss of customers. In order to manage and monitor climate-related risks, Mehadrin has analyzed the climate risks relevant to the company's operations, and is taking mitigation and prevention actions accordingly.

The following table presents the climate risks identified as relevant to the company's operations and the actions taken in response to them:

Climate risk	Example mitigation or prevention actions
Hail, cold, storm	<ul style="list-style-type: none"> ● The company's plantation insurance includes natural damage, which covers hail, cold and storm risks. ● Planning to install solar panels over some of the plantations and orchards to reduce hail damage during the winter months. ● Covering some of the plantations and orchards with protective nets.
Drought	<ul style="list-style-type: none"> ● Switching from using fresh water to using purified wastewater. ● Adapting the growing varieties to climatic conditions, for example, in 2023 a new growing branch of sabres was introduced, characterized by low water consumption. ● Planning to install solar panels over some of the plantations and orchards to reduce the need for irrigation (up to 20% in the summer months).
Soil erosion and its degradation	<ul style="list-style-type: none"> ● Sowing erosion-resistant cover crops to reduce soil erosion and improve the substrate for tractors. ● Designing drainage and waterways to prevent soil erosion and ensure easy access to the orchard and plots.
Increase in the scope and intensity of pests as a result of extreme climate events and temperature changes	<ul style="list-style-type: none"> ● The company's plantation insurance includes natural damage, which covers damage from pests and diseases.
Fluctuations in sowing and harvesting dates as a result of extreme climate events and temperature changes	<ul style="list-style-type: none"> ● Adjusting sowing and harvesting dates to climatic changes, for example by shortening the agricultural season, delaying citrus harvesting, shortening delivery days for avocados, and allowing for delayed harvesting in areas exposed to climatic phenomena.
Extreme temperatures / heat waves	<ul style="list-style-type: none"> ● Adapting the growing varieties to climatic conditions, for example, replacing the 'Star Ruby' grapefruit variety with the 'Rio Red' variety, which is more resistant to heat and radiation, and entering a new breeding branch of sabres that is resistant to high temperatures. ● Planning to install solar panels over some of the orchards and plantations to create a layer of protection against excessive sun exposure.

Mehadrin is considering conducting its first climate risk survey by the company's quality department in 2024-2025.

For further information on risks and opportunities due to climate change, see [the 2022 ESG Report](#).



Reducing food waste and circular economy

As part of the company's core activities, Mehadrin contributes to addressing one of the essential global challenges of our time - 'food security'. Mehadrin's fruit crops, which are part of the human food basket, originate from plantations and orchards covering an area of approximately 35,000 dunams, which produce approximately 150,000 tons of fruit per year. In 2023, Mehadrin began a collaboration with a private company in Morocco, which focuses on growing avocados by the private company's partners and purchasing avocados from additional growers in Morocco. The avocado is marketed to Europe through the joint venture "Global Farming" and Mehadrin's marketing branches. The issue of food loss in the supply chain is optimally addressed in the company through a number

of actions and processes that reduce food loss. These include fertilization and spraying to produce quality fruit, fruit picking all the fruit, and transferring fruit that is not suitable for marketing to the juice industry or animal feed. At the end of the season, fruits are picked by "Leket Israel" volunteers and donated to disadvantaged populations, as part of collaborations to reduce food loss and support nutritional security. In 2023 (season 2023/2024) the company donated a total of 202,544 kg of fruit to the following associations: Donations to Leket Israel, Chasdei Naomi, Natural Step Israel Ltd., Rabbi Glauberman hand-in-hand donations, Yad Ezra and Shlomit donations, Leshma donations, Pithon Lev and the Levin Association donations.

For further information on reducing food waste and the circular economy, see [the 2022 ESG Report](#).





Social





Employees

Mehadrin employees are the backbone of the company and are a key factor in its success. Thanks to their professionalism and commitment to excellence, they ensure product quality and promote satisfaction among customers and business partners. The company invests in the professional development of its employees, in maintaining their health and well-being, and in creating a supportive and empowering work environment. The company's policies and programs, in Israel and internationally, are designed to ensure the prosperity of employees while promoting values of caring and cooperation. As of December 31, 2023, Mehadrin employs 311 permanent employees in Israel. In addition, Mehadrin employs "seasonal" workers (mainly fruit picking and packing workers employed during the fruit picking season). The number of seasonal employees varies depending on the scope of activity in the season.

During the reporting period, approximately 358 seasonal workers were employed.

Mehadrin maintains a program for integrating workers who study agriculture in Israel (Agrostudies) and come from third world countries. The program includes tutoring and guiding the employees and their training for excellence in agriculture, in accordance with Mehadrin's standards. The program included 183 employees in 2023. Mehadrin makes sure to act in accordance with labor laws and the strictest standards regarding workers' rights, safety and health and environmental requirements.

We are audited and professionally certified in accordance with the regulatory requirements of the GLOBAL GAP Risk Assessment Social Practice (GRASP), and the packing houses and farms are certified to the Sedex Members Ethical Trade (Audit) (SMETA) social standard, which defines fair trading conditions.

NUMBER OF EMPLOYEES IN THE COMPANY:

311

Permanent Workers

358

Seasonal Workers

116

Foreign workers (from Thailand)

183

Agricultural Students (Agrostudies)



SEGMENTATION OF AGRICULTURAL STUDENTS

by country of origin



118
MALAWI



10
ZAMBIA



13
CAMBODIA



42
RWANDA



Distribution by job scope of permanent employees -

99% full-time and 1% part-time

Approximately 95% of Mehadrin employees are employed under collective labor agreements.

A collective labor agreement in the agricultural sector and a special collective agreement signed in November 2010 between Mehadrin management and the Agricultural Workers Union and the company's employee committee. The rest of the employees are employed under personal employment contracts.

Contractor workers
About 804 employees work in packaging and about 1,500 employees work in fruit picking.

Employees who went on parental leave - **3 employees**



Maintaining the rights and empowering the population of contractor workers -

Mehadrin requires contractor companies to have valid insurance and a license, a report from an accountant confirming the correctness of the employment conditions, and a commitment to a social policy to protect the rights of employees. The company performs monthly checks of the contractor's employees' pay slips, including compliance with the minimum wage, pension provisions, and overtime pay. In addition, the company implements controls to ensure the employment of veteran employees in accordance with the provisions of the law, while ensuring that their rights are protected.

In 2023, the following steps were taken to improve employee well-being and strengthen their connection to the company:

Guiding the employee throughout his personal and organizational life events: Gifts for life events (birth, bar/bat mitzvah, wedding), a grant for recruitment, a mourning kit, a gift for the holidays, and an 85% subsidy for a retirement preparation course.

Bonding and cultural activities: Toasts on holidays, departmental bonding days, and an annual event for all employees.

Work-home balance: Flexible work arrangements, reduced working hours in the summer, and a vacation policy tailored to personal events.

Improving the work environment: Renovation of buildings and upgrading working conditions in orchards, packing houses and offices.

Firgun Ba'Irgun (encouragement in the organization program): A program to strengthen organizational connectedness, in which employees and managers "promote" each other with appreciation conversations, personal letters, and personal gifts for significant contributions to the department or organization, helping others, human relations, or any other positive parameter.

Internal promotions: Creating opportunities for mobility and advancement to expand occupational experience and diversify roles.





Promoting diversity, equality and inclusion



Mehadrin and its employees reflect a wide occupational diversity, believing that diversity contributes to innovation, creativity, and equal opportunities. The company promotes diversity and prohibits discrimination or harassment based on race, gender, sexual orientation, religion, age, or any other parameter. Recruitment and promotion processes are designed to reduce unconscious biases and focus on candidates' skills. Company employees are required to sign the Code of Ethics, which defines the company's guidelines on non-discrimination, open door policy, and reporting mechanisms. These mechanisms allow for the filing of complaints regarding discrimination and non-compliance. The company has appointed an ethics official and an ethics committee, who are responsible,

among other things, for preventing discrimination and are an address for filing complaints. Additionally, at each of the company's sites, there is a physical complaint box accessible to employees. In 2023 no complaints about ethical violations were received through the complaint box.

Encouraging age diversity

We integrate employees of all ages, believing that age diversity provides value and a competitive advantage.

Encouraging diversity of underemployed and disabled populations

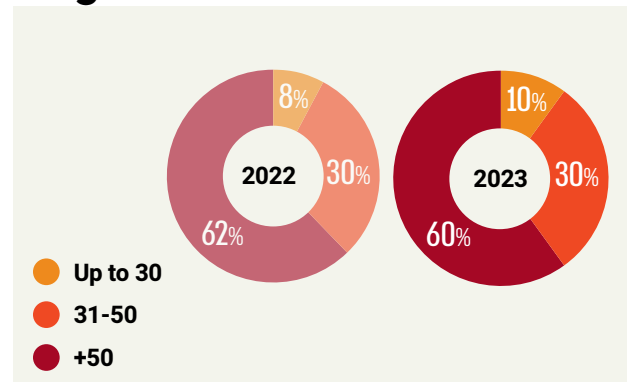
15% of the company's employees are from the Arab, Bedouin and Druze sectors. The company is working

to improve its monitoring capabilities for employees belonging to additional minority populations with the aim of expanding the scope of data on the subject, as part of its efforts to promote diversity among employees. Employees from minority populations have linguistic and cultural access to documents, information, and training.

Encouraging gender diversity

Mehadrin encourages equal gender representation throughout its workforce of employees and managers. In 2023, women accounted for approximately 50% of all company employees, approximately 27% of middle management and approximately 20% of senior management. The representation of women on the board of directors was 40%.

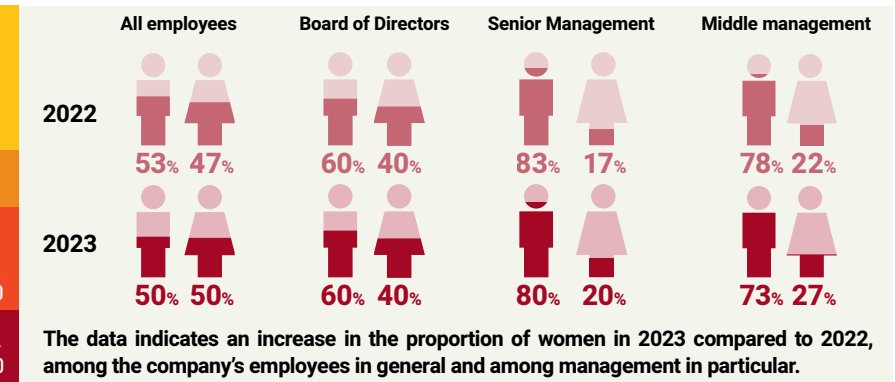
Segmentation of company employees by age



Segmentation of company employees by seniority

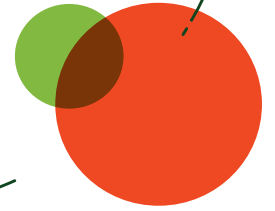
	2022	2023
Up to 5 years (Inc.)	32%	37%
5-10 years (Inc.)	17%	14%
11-20 years (Inc.)	31%	29%
21+	20%	20%

The proportion of women in Mehadrin by rank





Employee development and welfare



Recruitment and retention of employees

The company's recruitment and selection processes are carried out with the aim of identifying candidates who identify with the company's values, including the passion for beneficial agriculture, integrity and excellence. We are proud of our team, which includes the best professionals in the industry, agronomists and other specialists in the field. In 2023, approximately 65 company employees were recruited in various positions, of which 29 were women, and approximately 132 employees left, including employees who retired.

Training and education

Our annual training and education program combines learning alongside face-to-face training. In 2023, the program included mandatory topics such as safety, first aid and labor laws alongside training to develop and promote professional skills, such as courses on dealing with weeds for orchards workers. The study topics are designed according to the needs expressed by the employees through dialogue and internal organizational communication. In addition, at the end of each training, feedback is provided in order to improve the learning process.

Performance review and career development

In accordance with the connectivity survey conducted at Mehadrin in 2021 and its conclusions, a mechanism

was formulated in 2022 to conduct a dialogue about performance review and career development in the company through a survey that assesses the employees' position regarding their performance evaluation process. Company managers undergo training to optimally convey performance evaluations to their employees. In 2022, a dialogue and performance review process was completed for all members of the management forum in the company (about 50 managers). During 2023, the process

was implemented using a dedicated computer system and carried out for most of the company's permanent employees (approximately 64%). A total of approximately 200 employees underwent a performance evaluation process in 2023. The dialogue process, which includes performance reviews and career development, is planned to be implemented as a permanent process that is carried out annually, for all permanent employees. Accordingly, the company will conduct another performance evaluation

EMPLOYEE RECRUITMENT AND LEAVING OF MEHADRIN BETWEEN 2022-2023, BY AGE AND GENDER:

	2022			2023			
	Age	Women	Men	Total	Women	Men	Total
Employee added	Up to 30	7	24	31	5	11	16
	31-50	15	18	33	10	12	22
	+50	13	6	19	14	13	27
	Total	35	48	83	29	36	65
Employee left	Up to 30	6	20	26	9	6	15
	31-50	16	25	41	14	27	41
	+50	22	30	52	44	32	76
	Total	44	75	119	67	65	132

The employee turnover rate in Mehadrin is about 10%, excluding retired employees and deceased employees.



process at the beginning of 2025 and has a goal that 100% of monthly and permanent employees will pass this performance evaluation.

Employee health and safety -

The health and safety of our employees are at the forefront of our minds and we make sure to implement a strict and uncompromising policy on these issues. Mehadrin complies with all laws and regulations related to the employment of workers, including those dealing with safety and security at work. We create a safe, accident-protected, refreshing and healthy work environment for our employees - without toxins and dangers.

Mehadrin has a safety system, led by the company's safety official and safety trustees who undergo dedicated training. The company has defined a proactive safety plan designed to prevent accidents, risks and malfunctions through early identification of hazards. The safety system carries out risk surveys and regular audits in order to identify, reduce and prevent risks during operations. Accordingly, actions are taken such as carrying out trainings in the field, examining the use of personal protective equipment, marking roads and protective measures. Safety incidents are documented, investigated and examined, and if necessary, lessons are learned and implemented in accordance with the findings, with the aim of improving prevention activities. All Mehadrin employees undergo training and are required to perform safety refreshers according to their duties, upon their absorption and on an ongoing basis, in the following areas: Safety, forklifts, working at heights, first aid, cleaning and hygiene, firefighting, use of pesticides and safe driving. The training and safety procedures are conducted in the language of the employee.



By 2023, 100% of employees in the agricultural and packinghouse sectors have undergone safety training focused on their roles and areas of responsibility.

Every factory has a safety committee, which includes managers and employees of the company. The Safety Committee is responsible for implementing safety and health procedures in the company, investigating incidents, and discussing the findings of inspections that have been carried out. In 2023, the safety committee at each packinghouse met eight times. As part of the company's safety and health procedures, registration and documentation are maintained of work accidents and occupational diseases. During 2023, 44 work accidents occurred, of which 33 involved company employees (with no accident defined as serious) and 11 involved contractor employees (with one employee suffering a heart attack

and dying during work hours and one accident defined as serious). Most of the work injury cases investigated were falls and slips. One incident of occupational illness (hearing loss). Mehadrin makes sure to perform health checks of company employees according to their role, including hearing and vision tests. The company also performs noise monitoring tests in accordance with the requirements of the relevant regulations.

In 2023 100% of employees in the agricultural and packinghouse sectors have undergone safety training focused on their roles and areas of responsibility.



Responsible supply chain

Mehadrin is committed to a responsible supply chain that enables maintaining business continuity, reducing social and environmental risks, and creating value for all stakeholders.

Growers as business partners - Mehadrin collaborates with growers in plantations and orchards, providing them with knowledge, training, tools and financial support, with the goal of maximizing the potential of agricultural produce.

Packing houses - The packing houses are strictly owned by Mehadrin and equipped with the most advanced technologies and provide high yields.

Global sales and service system - fruit handling systems in direct proximity to the sales channels reduces the need for transportation and extends the product life when it reaches our customers.

Direct access to customers and markets, including with our private brands.

Global logistics system

Our logistics providers partner to streamline the supply chain, while leveraging economies of scale to achieve lower prices and availability of transportation equipment. Our global

For further information on supply chain, see [the 2022 ESG Report](#).

⁹ The scope of annual procurement includes procurement of inputs and services, excluding fruit procurement.

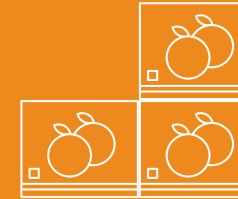
supply chain consists of 1,500 suppliers in the agricultural and other sectors, with an annual procurement volume of approximately 520,000 NIS⁹. We see great importance in promoting the Israeli economy and strengthening local economic development. About 77% of our procurement costs originate from local procurement and about 80% of our products originate from Israeli agriculture. We view suppliers as business partners and require them to comply with ethical, environmental and social standards, including signing a binding policy appendix. 100% of our agricultural produce is sourced from Global Food Safety Initiative (GFS) certified suppliers. All contractors are inspected to ensure that they have permits and employment conditions and undergo regular wage audits to ensure compliance with the law and monitor working conditions.

The table below shows the percentage of new suppliers that were inspected using social and environmental criteria between 2021-2023:

	2021	2022	2023
Percentage of new suppliers inspected using social criteria	100%	100%	100%
Percentage of new suppliers inspected using environmental criteria	50%	50%	75%

PACKING HOUSES OWNED BY THE COMPANY

High yields, advanced technologies



PARTNERSHIPS WITH GROWERS

The growers are dear and important business partners to us, within the partnerships Mehadrin presents benefits and services important to the growers



OUR ORCHARDS' GROWERS

35,000 dunams of Citrus orchards and avocado plantations which the company grows in ambition for precise, excellent, rejuvenating and healthy agriculture



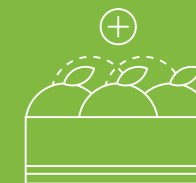
GLOBAL LOGISTICS SYSTEM

Shipment of thousands of containers of citrus fruit, avocados and dates per year in the widest global layout in the field from Israel. Cooperation and close and long-term business connection with shipping and inland transportation companies



DIRECT ACCESS TO CUSTOMERS AND MARKETS

including our brands



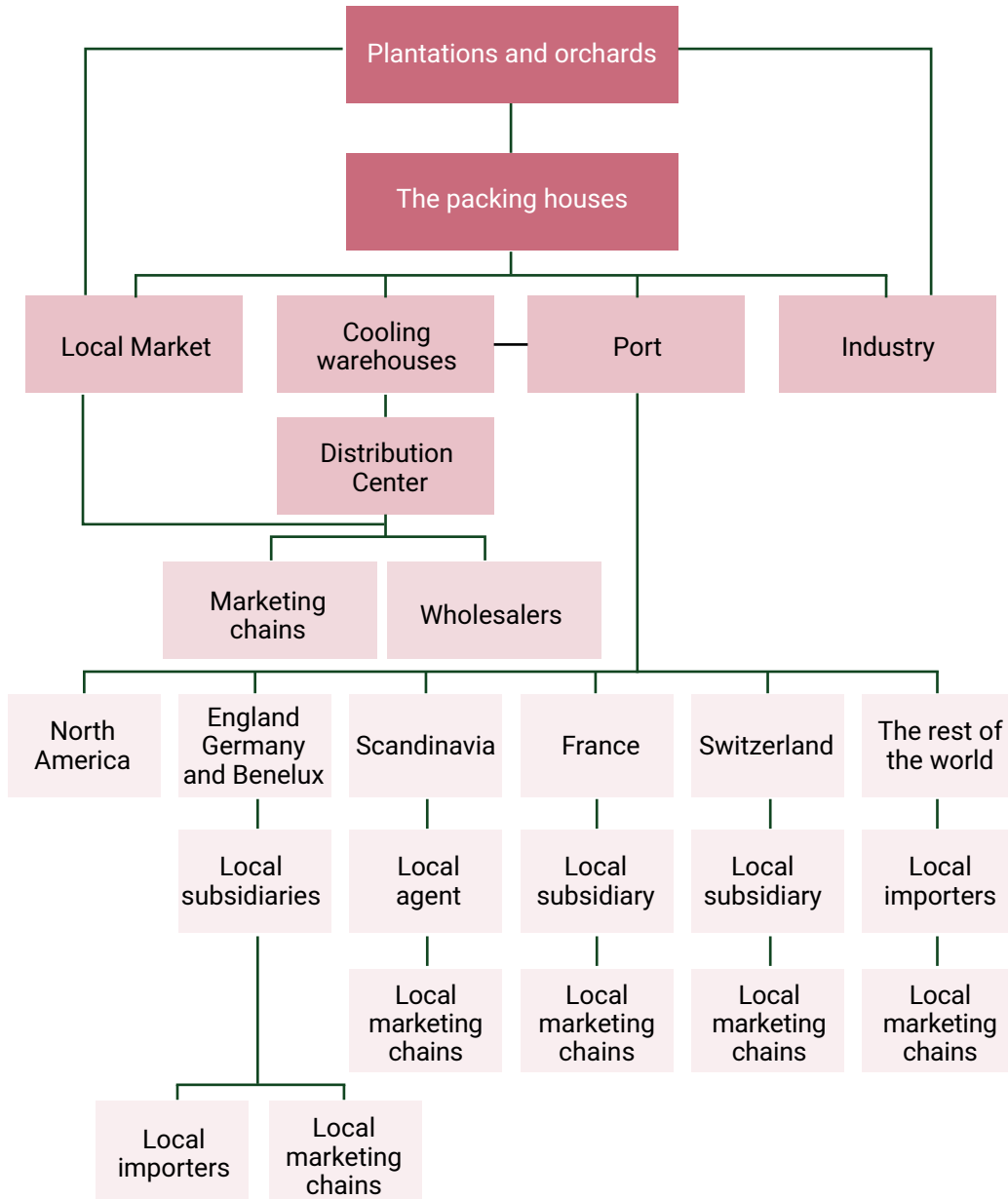
A GLOBAL SALES AND SERVICE SYSTEM

Fruit handling systems in direct proximity to sales channels





THE GROUP'S MARKETING AND DISTRIBUTION STRUCTURE





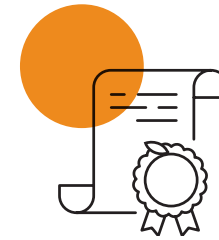
Food safety and product quality

Food quality and safety are the foundation of the company's success. Mehadrin invests significant resources in constantly improving food quality and safety. The company is committed to consumer health and operates in accordance with strict norms and standards, even beyond what is required. The company uses pesticides wisely and provides produce that is free of contaminants.

The company's agricultural activities are conducted in accordance with its certification to international standards, such as Global GAP for growing processes and BRC (Global Standard for Food Safety) for food safety. In addition, the company operates in accordance with the guidelines of the Ministry of Environmental Protection and even chooses to adopt additional stringent standards such as the English TNC standard and the American FSMA COSTCO standards. Mehadrin undergoes external audits every year to renew its permits and performs quality control and inspections of the produce of the growers it works with in accordance with the Global GAP standard. The company's quality assurance team, which includes experts in agronomy, biology, engineering, and food safety, performs strict quality controls and risk assessments according to the HACCP methodology. Only the highest quality products are packaged using advanced technologies to maintain quality and freshness.

Safety aspects in the use of pesticides

Mehadrin maintains and monitors pest control in plantations through spraying logs, laboratory samples, and pesticide residue tests. The information is managed in computerized systems in accordance with regulatory requirements and the company's environmental policy. The list of pesticides is determined under strict standards, updated by the Plant Protection Department, and approved by the Chief Agriculture Officer. The quality assurance team performs compliance tests for maximum residue levels (MRL) in collaboration with laboratories accredited to ISO 17025. With the goal of reducing the use of chemical pesticides, the company promotes biological pesticides and the use of natural materials. Within this framework, the company is working to install nesting boxes for birds of prey, place mass traps, use bee-friendly pesticides, and conduct professional monitoring to prevent pest outbreaks. In 2023, no company activity was assessed as having significant negative impacts (actual or potential) on local communities in the context of pesticides. In 2023, no non-compliance exceptions in pesticide application, product recalls from the international market, safety incidents in pesticide application or spraying, or sanctions imposed on the company following such incidents, were reported, and no product recalls were carried out for food safety reasons.



Quality Assurance

Mehadrin products undergo a series of quality tests at all stages of the supply chain, from growing and harvesting to packaging and marketing. A team of experts, including agronomists, ripening experts and quality assurance, oversees the processes and ensures compliance with the highest standards.

Mehadrin fruits are transported under controlled conditions to maintain their quality and extend their shelf life. Additionally, the fruit undergoes rigorous testing as a condition for its approval for marketing and distribution. Furthermore, the company's products carry controlled labels that specify the packaging date, processing ingredients, and nutritional values in order to maintain full transparency and ensure product quality.

In 2023, no company activity was assessed as having significant negative impacts (actual or potential) on local communities in the context of pesticides.



Innovation and development

Mehadrin sees continuous learning and improvement as the basis for its success. The company invests resources in developing creative solutions and using advanced technologies to improve efficiency, productivity, and professionalism in agricultural methods.

Sustainable resource management

The agricultural sector is based on limited natural resources. In order to protect the environment, Mehadrin works to utilize resources wisely through advanced technologies that enable efficient and optimal management of resources.



'Fieldin'



Water management

Mehadrin manages irrigation in plantations and orchards using advanced irrigation control systems (Motorola Vitalgil) connected to meteorological systems and a computerized climate system. These systems provide data on evaporation, humidity, temperature, water flow and pressure, for optimal water volume management and precise irrigation routing. In addition, they provide statistical data on irrigation and monitor faults in real time, thus enabling immediate identification and treatment. Mehadrin also uses sensors ('Fitech' VisuPlant) to monitor the condition of the soil and trees, in order to regulate irrigation according to the plant's response. These systems contribute to preventing water waste, reducing fertilizer use, and reducing costs and environmental footprint.



Dual use of the soil

Mehadrin strives for efficient utilization of its agricultural lands and is working to place solar panels over plantations and orchards to produce green electricity

(agro-voltaic), which combines agriculture with renewable energy production. The panels have many advantages, such as shading that reduces water consumption; green electricity production; protection against climate damage such as hail and solar radiation, increasing land profitability, and providing an optimal solution to the reduction of land due to population growth worldwide. In addition, Mehadrin was selected to lead three national pilots in the agro-voltaic field, under the Ministries of Energy, Agriculture, and Finance, in the Negev and central regions of the country. Furthermore, in 2023, the company began negotiations for cooperation in the agro-voltaic field with Teralight, and in 2024, a cooperation agreement was signed between the two. For further details on cooperation with Teralight, see the Environment chapter in this report.

Mehadrin manages irrigation in plantations and orchards using advanced irrigation control systems connected to meteorological systems and a computerized climate system that provide data on evaporation, humidity,



temperature, water flow and pressures, for optimal water quantity management and precise irrigation routing.

Improving productivity, safety and the quality of agricultural produce

Mehadrin has about 35,000 agricultural dunams, in which it implements advanced technologies to improve crop productivity and maintain high product safety and quality. These technologies include:

Prudent spraying

- Systems for managing and monitoring spraying in plantations and orchards ('Fieldin'), which examine variables such as the speed of the spraying vehicle, the area covered, and the number of revolutions of the spraying blower for efficient and precise use and reduction of environmental impacts and overspray.
- Use of drones for spraying and fruit picking purposes - pilots have been carried out with partial success and the company is examining the adaptation of the process to the exact needs of the plantations and orchards it owns.
- Spraying pesticides - using drones reduces the exposure of workers to contact with pesticides, and enables quick

and targeted application.

- Fruit picking - the company is exploring collaboration with a startup company in the field of fruit picking and conducting feasibility tests for avocado fruit picking, in order to streamline and improve the process.

Pollination and use of smart beehives-

Three out of four agricultural crops depend on bee pollination, but the world's bee colonies are under threat from pests, diseases and climate change. Mehadrin is collaborating with the company 'Beewise' to develop smart hives that allow for remote monitoring and care, thereby reducing hive collapse by tens of percent. These hives are based on robotics and artificial intelligence and are powered by solar energy. During 2022, Mehadrin reviewed the companies and solutions available on the market, and in the first half of 2023, the company placed approximately 170 hives located inside seven designated containers in its avocado plots in the Sharon region.

Utilization of fruit and prevention of food loss-

In 2023, Mehadrin collaborated with the startup company 'Protspec', which performs two-dimensional monitoring using a tractor equipped with dedicated equipment to photograph citrus plots at regular intervals. The technology allows for analysis of the size of the fruit and prediction of its final size using an algorithm, for optimal management of the plots. In addition, Mehadrin is participating in a European study in collaboration with the Agricultural Research Administration, to examine fruit cracking using real-time digital sensing technologies, with the aim of reducing food loss by an estimated 30% and providing healthy food to the global population. In addition, the company is exploring collaboration with a startup company in the field of avocado quality and ripening, which will allow determining the ripeness of the fruit without

destroying the fruit and without working hands, and will enable more precise and efficient fruit picking.

Resilience and coping with climate change

Climate change threatens agriculture and leads Mehadrin to produce solutions for developing varieties and methods that are resistant to these changes. In 2022, Mehadrin began a joint venture with the company 'Tsabar Orly' based on a patent for tsabar crops - local cultivation of tsabar, a fruit that contains antioxidants, reduces spraying and is characterized by low water consumption, which allows it to cope with areas where there is a water shortage. The project is for a period of ten years.

Investments in ventures and start-up companies in the field of agriculture

Innovation and investments in technology and startups are a central part of Mehadrin's ESG strategy and enable the empowerment of startups and the advancement of industry goals for a sustainable future. The company promotes knowledge development and investments in agricultural ventures, such as drones and algorithmic fruit analysis, and has invested \$2.5 million in the Nevateam fund, which invests in startups and innovations in the fields of agriculture and food.

Below are representing companies in which the company invests:

1. 'Aruga' – robotics for greenhouses – pollination, pruning, weeding.
2. 'Idit' - pollination of flowers to increase ripening of almonds and pistachios (and in the future also avocado) with innovative and efficient technology.
3. 'Clarifruit' - a system that performs a quality check of fresh produce during its transportation from the manufacturer to the wholesaler, which yields accurate assessments of the condition of the goods at various intersections.

For further information on innovation and development, see [the 2022 ESG Report](#).



Community relations and supporting local communities

Mehadrin is committed to creating a positive social impact in the communities in which it operates. Mehadrin sees investment and assistance to the local community as an important pillar in the company’s business vision, recognizing that business leadership is inextricably linked with ethical-social leadership.

Mehadrin operates on several levels in creating an investment in the community:

- Increasing employee involvement through volunteering
- Food donation - cooperation with “Leket Israel”
- Agricultural education

Employee volunteering

Mehadrin encourages its employees to take part in the effort to contribute to the community as part of the company’s corporate culture. Every year, Mehadrin engages in volunteering activities related to the company’s core areas and engagements and leverages the knowledge and professionalism of its employees in the field of agriculture for the purpose of creating value in its volunteering activities and investing in the community. During 2023, approximately 30 of the company’s employees participated in volunteer activities at a nursing home as part of “Good Deeds Day,” which included renovating the club and planting flowers in the garden. Additionally, about 30 of the company’s employees volunteered to pick grapes in one of the plantations that was damaged during the Iron Sword War. In 2023, the company’s employees volunteered 480 hours.

Food donation

Mehadrin works in long-term cooperation with the “Leket Israel” organization, which works to save food in Israel. As part of this cooperation, the organization’s volunteers come to collect fruit in the company’s plantations and orchards, and the collected fruits are transferred for donation to needy populations. This partnership helps to reduce food loss and largely supports food security in Israel. In 2023, 202,544 tons of fruit, worth NIS 324,544, were donated to non-profit organizations and public benefit companies that assist those in need and food organizations engaged in food rescue: Leket Israel, Chasdei Naomi, Natural Step Israel Ltd., Rabbi Glauberman Yad donations, Yad Ezra and Shlomit donations, Mechakon Lishma donations, Pithon Lev donations and the Levin Association.

Agricultural education

Mehadrin participates in the Agrostudies program, an international center for agricultural education in Israel for interns from developing countries, supervised by the Ministry of Foreign Affairs and the Ministry of Agriculture. Since 2010, the company has hosted agricultural students, providing them with practical and professional training and imparting knowledge in advanced agricultural methods for implementation in their countries of origin. In addition, Mehadrin provides interns with a supportive package that includes housing, salary, social conditions, economic allowances, convalescence days, and an annual grant.

In 2023, Mehadrin hosted 184 students from Zambia, Malawi, Rwanda, and Cambodia as part of the program. In total, Mehadrin hosted approximately 1,600 students as part of the program.



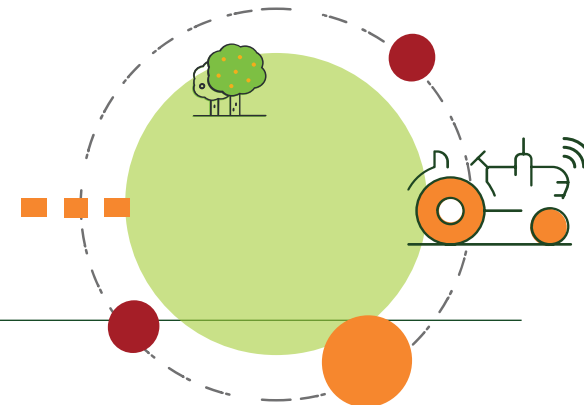
2023 DATA

Approximately **55** volunteering workers

Approximately **480** volunteering hours

203 tons of food was rescued and donated

183 agriculture students from developing countries



For further information on community relations, see [the 2022 ESG Report](#).



Governance





Ethics and corporate governance

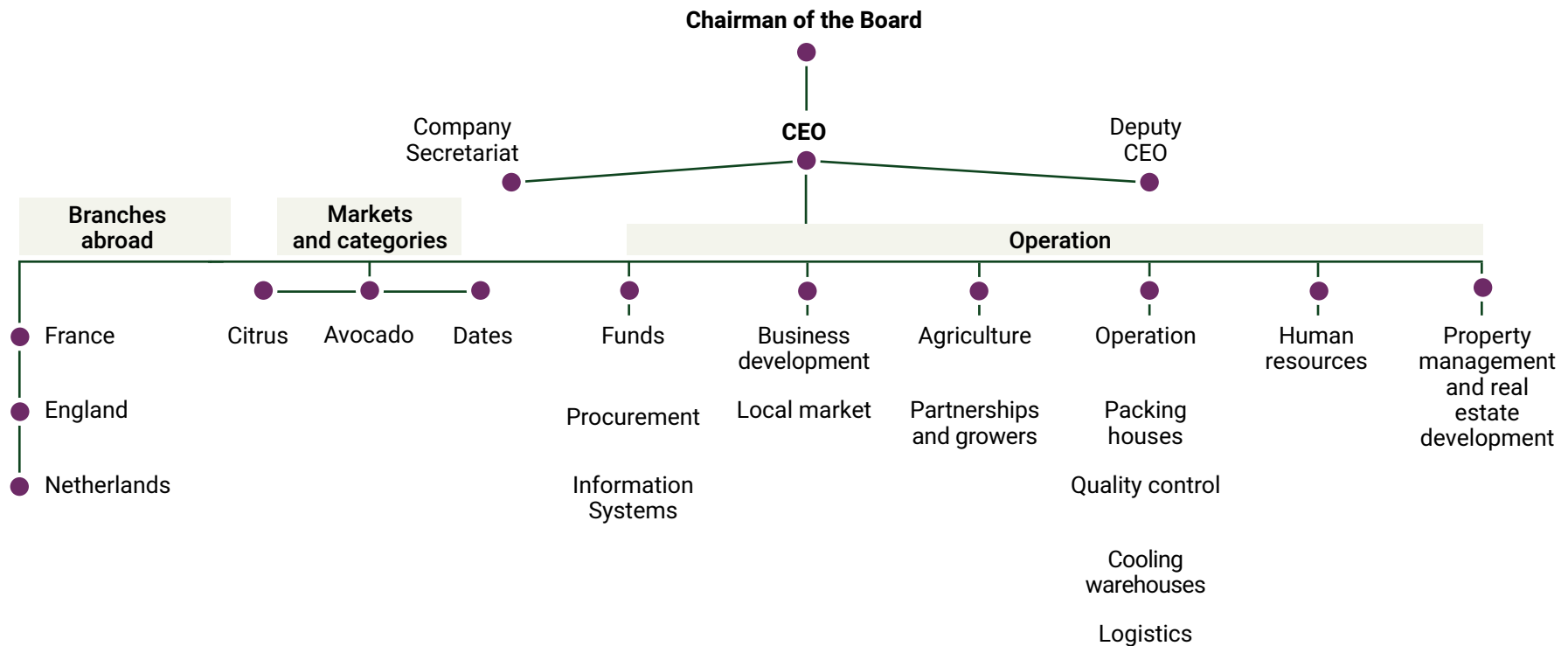
Mehadrin is a public company traded on the Tel Aviv Stock Exchange. The company is a global company with activities in both the local and the international markets. The company has many stakeholders, including employees, customers, growers and suppliers, investors and regulators.

As part of the company's activities in the agriculture and food industries, Mehadrin is subject to relevant regulation. The company makes sure to operate properly and comply with the requirements of regulation, legislation and standards in the countries in which it operates and conducts its business.



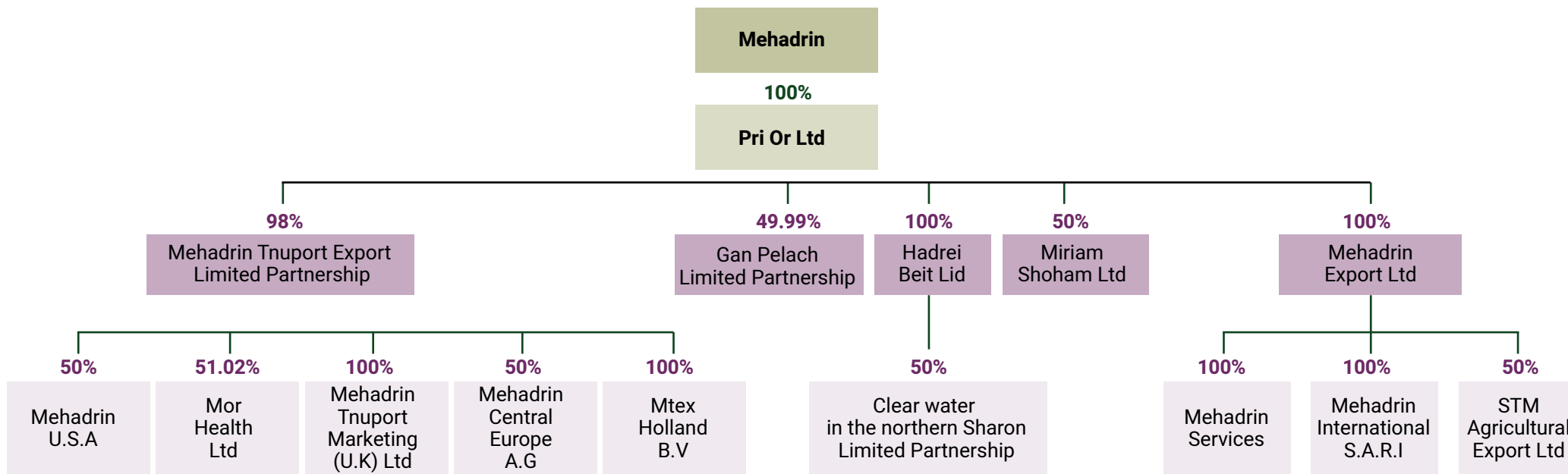


Mehadrin's organizational structure





Holdings structure¹⁰



¹⁰ Holding structure updated as of March 2024



Code of ethics

The approach of managing business out of a commitment to ethics has guided the company since its foundation. Mehadrin sees the utmost importance in proper and ethical conduct in the company and outside it, without compromise, at any time and in any situation.

In 2023-2024, the ethical principles that guide the company's business activities were updated and validated before the company's employees and the entities with which Mehadrin partners in the course of its business. The Code of Ethics was last updated in September 2024 and approved by the Company's Ethics Committee. The code reflects the moral and ethical guidelines that guide the company's work in its business activities. The ethical code outlines the conduct of the company's employees and managers, so that the conduct and decision-making in various areas is based, inter alia, on the company's values and moral and ethical judgment.

Mehadrin makes sure to act in accordance with the values and ethical principles formulated within the framework of the company's Code of Ethics, and the company's employees are expected to implement it in their daily work. The ethical code is published to all employees once a year and is accessible in a shared folder of the employees in the company and in the packing houses, in a variety of languages (Hebrew, Arabic, English, Russian, Amharic and Thai). The code of ethics is communicated upon admission and on an ongoing basis. In addition, a mandatory manual on the Code of Ethics has been prepared, which will be



distributed to employees in the future.

Mehadrin's Code of Ethics expresses its principles towards its business partners - customers, suppliers, shareholders and the general public, and serves as a basis for sound, reliable and transparent business relationships. Mehadrin is committed to providing a safe and respectful environment for employees, inter alia in accordance with the provisions of the Israeli law for the prevention of sexual harassment. All company employees are obliged to act according to the sexual harassment regulations adopted by the company and communicated to its employees in five languages (Hebrew, English, Amharic, Russian and Arabic). Once a year training is held using a dedicated courseware on the subject. The company has a sexual harassment supervisor

and company appointed representatives in every packing house who undergo dedicated training. There is a reporting mechanism publicized to the company's employees and an inquiry box on each of the company's sites. In 2023, no complaints about discrimination based on sexual or other grounds were received in the company.

Mehadrin's Code of Ethics expresses its principles towards its business partners - customers, suppliers, shareholders and the general public, and serves as a basis for sound, reliable and transparent business relationships.



Ethics Committee

Mehadrin has an ethics committee consisting of nine managers from all company departments, headed by the company secretary in charge of ethics. The committee is responsible, among other things, for implementing the code of ethics, training employees, updating the code, handling inquiries about violations, and ensuring a response to each inquiry. In 2023, no ethics complaints were received.

Reporting mechanisms

Mehadrin advocates maximum reporting and transparency and encourages reporting of cases of violations or complaints. The company has an “open door” policy and an anonymous inquiry box disclosed to all employees. The report can be made in a variety of accessible ways (written, oral or by e-mail) including an option to report

Between 2021-2023, there were no significant cases of non-compliance with laws and regulations in which fines or non-monetary sanctions were received.



anonymously. The company encourages its employees to consult their supervisors, senior managers or the legal advisor in case of doubt. All reports are investigated as soon as possible and dealt with within a reasonable time, by the ethics committee in charge of the subject in the company. Between 2021-2023, there were no significant cases of non-compliance with laws and regulations in which fines or non-monetary sanctions were received.

Reliable reporting and corporate governance

Mehadrin makes sure to act in accordance with the reporting rules and the principles of corporate governance that refer to the management’s work vis-a-vis the board of directors, its committees, shareholders and stakeholders, while establishing control, monitoring transparency and reporting mechanisms. The company has control and supervision mechanisms, external and internal, which ensure compliance with the provisions of the law and regulation in all areas of the company’s activity.

Mehadrin is obliged to fully comply with the provisions of the laws relevant to a public company as well as guidelines and procedures that the company has adopted regarding the limitation of the use of inside information. Every transaction, commitment or contracting of the company requires receiving appropriate approvals in accordance with the company’s procedures. Company employees are obligated to maintain discretion and confidentiality and to use the authority and responsibilities granted to them in a consistent and reasonable manner. The company is committed to its shareholders and the public for transparency, proper disclosure, and compliance with reporting requirements.

Mehadrin maintains an internal enforcement program in

the field of securities which was updated in March 2022.

Absence of conflict of interest and prohibition of bribery and corruption

In accordance with the company’s policy, every employee must avoid any relations, connections or activities that conflict with or perceived to conflict with the interests of the company, as well as to avoid giving preferential treatment to a person or body that promotes his personal benefit or the benefit of friends or associates. In addition, every employee must refrain from using company property, inside information or his position in the company for the purpose of obtaining personal benefit that is not related to his work or the express and exclusive interest of the company.

Mehadrin has a strict policy against giving bribes or favors. This policy, which is communicated to employees and suppliers, requires reporting any violation to the supervisor. Mehadrin requires its suppliers to comply with its policy against bribery and corruption. The company conducts an annual inspection to examine suppliers’ compliance with the policy and decides on the continuation of the contract based on the results of the inspection.

Composition and activity of the board of directors

Mehadrin’s board of directors is responsible for determining the company’s strategy and policy. The board of directors supervises the company’s activities in order to ensure that the company will work to achieve its goals and enhance its profits, while strictly observing the provisions of the law. The board of directors is responsible, inter alia, for approving the periodic financial statements and quarterly reports, actions



and transactions that require approval, dividend distribution, issuing shares and securities, summoning general and special meetings, approving transactions that are not within the authority of the CEO. The board of directors discusses issues of corporate governance, internal audit reports, risk surveys, compensation for office holders, administrative enforcement and other issues in the field of sustainability and corporate responsibility, including environmental and other issues. The company's board of directors consists of nine members, with 40% of the board members being women.

Below are the current board members:

Director's name	Position
Peer Nadir	Chairman of the Board
Hanna Hollander	An external director with financial accounting expertise
Michel Ben Weiss	External director with financial accounting expertise
Osnat Hillel Fine	Independent director
Erez Ehud	Director with financial accounting expertise
Idan Wells	Director
Tamir Poliker	Director with financial accounting expertise
Yair Neuman	Director with financial accounting expertise
Liora Prat Levin	Director
Sapir Baron Danoch	Director with financial accounting expertise

* The list is updated as of the date of publication of the report.

For further expansion on ethics, see [the 2022 ESG Report](#).

The company's board of directors committees include a financial statement (balance sheet) audit committee and an audit and compensation committee. These committees are comprised exclusively of external and independent directors. The table below describes the meetings of the Board of Directors committees between the years 2022-2023:

Name of the committee	2022		2023	
	Number of meetings	Attendance rate	Number of meetings	Attendance rate
Audit and Compensation Committee	9	88%	9	100%
Committee for the Examination of Financial Statements (Balance Sheet)	4	100%	6	83%

According to the company's articles of association, the directors are obliged to report any situation of conflict of interest, including their signature on a director's statement every year. In addition, according to the company's articles of association, any appointed director may be re-elected at the annual meeting.





Economy





Economy

Mehadrin Ltd. was incorporated in Israel on March 27, 1950 and in 1963 the company was listed on the Tel Aviv Stock Exchange and became a public company. During 2023, Delek Group Ltd. acquired all of the holdings of Discount Investments Ltd. (the previous controlling shareholder) and even increased its holdings through a tender offer. As of the publication date of the report, the controlling shareholder in Mehadrin is the Delek Group, which owns approximately 54% of the company's shares.

Business activity

Mehadrin's business activities are mainly in the field of agriculture and marketing and include the processing and maintenance of citrus and avocado plantations and orchards, packaging and marketing of fruit in Israel and abroad, exporting and marketing of vegetables, as well as the treatment and processing of other fruits. Mehadrin's activities are carried out through subsidiaries, branches abroad and business partners under its management. Mehadrin operates in the field of agriculture, cultivating and maintaining orchards and fruit plantations, through the companies Pri Or and Gan Pelach; in the field of fruit packaging and marketing in Israel and abroad, through Mehadrin Thunport Export (M.T.I); in the field of fruit treatment and processing (mango, pomegranate, or) through the Miriam Shoham company, and in the field of vegetable export through the S.T.M. company. In addition, Mehadrin markets agricultural produce through its companies abroad [see detailed holding structure on page 35].

Three additional areas included in Mehadrin's activities.

Refrigeration sector - Mehadrin manages and operates approximately 24,000 square meters of refrigeration space (owned and rented) and provides cooling warehouses services for fruits, vegetables, dairy products and frozen products, using refrigeration facilities throughout the country.

Water sector - Mehadrin provides irrigation water from its wells and external water sources to orchards and other customers. The company operates in the field through the companies Hadari Beit Lid Ltd., and Clear Waters Ltd.

Real estate sector - the company operates to maintain and manage areas and buildings and rents them to third parties, including dry storage space. The company appointed an acting CEO in the real estate sector to examine the development and expansion of this sector.

The company's business activities are inherently affected by various external factors such as fluctuations in land productivity and changes in the global market. In order to reduce exposure to these and other factors, Mehadrin works continuously to manage risks and hedge risks as much as possible.

Mehadrin has a business continuity mechanism in which the computer systems are backed up on the site of an outside



Financial performance of Mehadrin in 2023

(in thousands of NIS)¹¹:

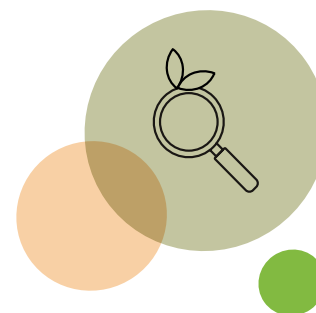
	2022	2023
Sales turnover	1,020,659	1,133,365
(Loss) gross	(84,693)	(11,645)
Increase in the value of real estate for investment	1,100	600
Labor wage and attachments	147,825	139,266
Other net income (expenses)	36,693	(117,041)
Dividend Distribution	0	0
Administrative and general expenses	(29,498)	(30,688)
Operational (loss)	(76,398)	(158,774)
Financing expenses net	(12,228)	(12,534)
Share (in losses) of held companies	(5,186)	(3,115)
Income (expenses) Income taxes	7,471	19,925
Total economic value distributed by the company	950,822	1,295,726
(Loss) per year	(86,341)	(154,498)

¹¹ The data in the Company's audited financial statements are the effective data.

The total monetary value of the financial assistance received by the organization from each government during the reporting period and grants (in thousands of NIS):

	2022	2023	
Pri Or	Transport and crushing	274,700	327,900
	Soil conservation	553,569	-
	Total	828,269	327,900
Mehadrin	Transport and crushing	102,000	125,850
	Sales promotion	387,000	-
	Soil conservation	60,222	50,875
	Total	549,222	176,725
Total for both companies	1,377,491	504,625	

company in a protected environment. Once a year, proper checks are performed by users, and the information systems team checks the correctness of information synchronization every day. During 2023 Mehadrin examined the transfer of the entire server environment to host servers in survivable and protected facilities, with a survivable backed up solution. Mehadrin management decided to advance the venture in 2024. To this end, proposals were received from several companies, from which the appropriate supplier will be selected to carry out the project. Mehadrin's active information systems will be replaced by an ERP system (Priority). Mehadrin began formulating the needs and locating a supplier that specializes in the field of agriculture, for a system that will include modules for finance, export, procurement, local market, cooling warehouses, quality assurance and more. As part of formulating a strategy for growth and development in the coming years, Mehadrin is working to grow in new markets, increase global activity, transition to advanced technologies, and adapt the company's organizational structure to the strategy. In addition, the company works to maximize the real estate potential of its lands and the lands under its care.



For further information on the company's business activities, see [the 2022 ESG Report](#).



Information security and cyber

Mehadrin attaches utmost importance to maintaining a high level of service, while maintaining the quality and availability of products for customers. In order to enable tracking and information management of various transactions, we rely on information systems, as we constantly strive to meet a high and innovative implementation standard of applications, hardware, and cybersecurity.

Cybersecurity is a central part of the company's internal controls, including risk assessment, penetration inspections, and monitoring of breaches by external parties. The issue is reported to the board of directors, which discusses risks, controls, and updates, and formulates a work plan on the issue. In addition, the company's employees undergo information security training. Mehadrin worked to upgrade its ERP systems, but the process was halted at this stage due to the war period in Israel.

For further information on information security and cybersecurity, see [the 2022 ESG Report](#).



About the report

This is the second annual ESG report of Mehadrin, a public company issued to the public in 1963, and presents the company's activities on environmental, social and corporate governance (ESG) issues.

The report relates to the Mehadrin Group Ltd. and the company's activities in Israel. Throughout the report, references to "Mehadrin", "we", "us", "the Company" refer to the legal entity Mehadrin Ltd.

This report and the information contained therein has been reported with reference to the requirements of the reporting framework of the Global Reporting Initiative (GRI) for the period January 1, 2023 to December 31, 2023, including the sector standard GRI 13: Agriculture, Aquaculture, and Fishing.

The report was prepared with the assistance of the consulting firm KPMG Somekh Chaikin. For questions regarding this report or the company's activities in the field of environmental, society and corporate governance, please contact Ms. Amalia Ofir, Company Secretary and Head of ESG, by email at Amalia@mehadrin.co.il.



Content Index

Universal Standards (with reference)

GRI 1: Foundation 2021

Disclosure	Response
Statement of use	This report was prepared in accordance with the GRI standards for the period between 01.01.2023 and 31.12.2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI 2: General Disclosures 2021

Disclosure No.	Disclosure	Page/ Response	Disclosure No.	Disclosure	Page/ Response
2-1	Name of the individuals	3	2-15	Conflicts of interests	37
2-2	Entities within the organization that report on sustainability	4	2-16	Communication of critical concerns	37
2-3	Reporting period, frequency and contact point	4	2-17	Collective knowledge of the highest governance body	37
2-4	Restatements of information	8	2-18	Evaluating the performance of the highest governance body	37
2-5	External assurance	The report has not undergone an external assurance	2-19	Compensation Policy	37
2-6	Activities, value chain and other business relationships	4,6,26	2-20	Salary determination process	37
2-7	Employees	21	2-21	Annual Total Compensation Ratio	40
2-8	The report has not undergone an external assurance	21	2-22	Sustainable Development Statement, Strategy	3
2-9	Corporate governance structure and composition	34, 35, 37	2-23	Commitment Policy	36
2-10	Nomination and selection of the highest governance body	37	2-24	Implementing a commitment policy	26, 33, 36
2-11	Chairman of the highest governance body	37	2-25	Processes to remediate negative impacts	17
2-12	The role of the highest governance body in overseeing the management of impacts	37	2-26	Mechanisms for seeking advice and raising concerns	37
2-13	Delegation of responsibility for impact management	37	2-27	Compliance with laws and regulations	33
2-14	The role of the highest governance body in sustainability reporting	37	2-28	Membership associations	19
			2-29	Approach to stakeholder engagement	9
			2-30	Collective bargaining agreements	21



GRI 3: Material Topics 2021

Disclosure No.	Disclosure	Page/ Response
3-1	Process to determine material topics	8
3-2	List of material topics	8
3-3	Management of material topics	8

Diplomat's Material Topics

Disclosure No.	Disclosure	Page/ Response
Energy and greenhouse gas emissions		
3-3	Management of material topics	14
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	14
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	14
305-2	Energy indirect (Scope 2) GHG emissions	14
Waste, reducing food waste and circular economy		
3-3	Management of material topics	15
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	15
301-2	Recycled input materials used	15
301-3	Reclaimed products and their packaging materials	15
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	15
306-2	Management of significant waste-related impacts	15
306-3	Waste generated	15
306-5	Waste directed to disposal	15
Water and sewage		
3-3	Management of material topics	16

Disclosure No.	Disclosure	Page/ Response
GRI 303: Water and Effluents 2016		
303-1	Interactions with water as a shared resource	16
303-2	Management of water discharge-related impacts	16
303-3	Water pumping	16
303-4 (d)	Water discharge	16
303-5	Water consumption	16
Biological mechanism		
3-3	Management of material topics	17
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	17
304-2	Significant impacts of activities, products and services on biodiversity	17
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	17, 26
308-2	Negative environmental impacts in the supply chain and actions taken	17
Employees		
3-3	Management of material topics	21
GRI 201: Economic Performance 2016		
201-3	Defined benefit plan obligations and other retirement plans	21



Disclosure No.	Disclosure	Page/ Response
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	24
GRI 403: Occupational Health and Safety 2016		
403-1	Occupational health and safety management system	25
403-10	Work-related ill health	25
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	24
404-3	Percentage of employees receiving regular performance and career development reviews	24
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	23
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	36
Responsible supply chain		
3-3	Management of material topics	26
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	26
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	17, 26
GRI 409: Forced and Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	21, 26
Food quality and safety		
3-3	Management of material topics	28
GRI 403: Occupational Health and Safety 2016		
403-1	Occupational health and safety management system	28

Disclosure No.	Disclosure	Page/ Response
403-2	Hazard identification, risk assessment and incident investigation	28
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	28
Innovation and development		
3-3	Management of material topics	29
Community relations and supporting local communities		
3-3	Management of material topics	31
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	31
203-2	Significant indirect economic impacts	31
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	31
Ethics and corporate governance		
3-3	Management of material topics	33
GRI 201: Economic Performance 2016		
201-4	Financial assistance received from government	40
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	33
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of corporate governance bodies and employees	23
Business activity		
3-3	Management of material topics	40
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	40
201-2	Financial implications and other risks and opportunities due to climate change	18

