



Caring for what cares for you

Deoleo 2021 ESG Report

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About this report

Welcome to our 2021 ESG Report, covering details of the first year's progress against our sustainability strategy and goals.

The report covers progress for the period from 1st January to 31st December 2021. Information shared has been developed in alignment with key international reporting frameworks, including the Global Reporting Initiative (GRI) 2021 Standards, [the Sustainability Accounting Standards Board (SASB)] and the Task Force on Climate-Related Financial Disclosures (TCFD). Data in this report has been assured by Deloitte in accordance with the requirements of the ISAE 3000 standard.



A word from our Chairman and CEO

At Deoleo, our vision is to care for what cares for you. It is something we have long been committed to, and something we have now formalised into a sustainability strategy that will help translate our care into actions. Throughout 2021, we set this strategy in motion, driving changes to create a more responsible, sustainable business.

Our success relies on nature's success. That means, to continue creating high-quality oils, we must work with farmers on practices that protect and restore the environment. And, to guarantee lasting progress, we must do so in ways that ensure fair livelihoods for agricultural communities. Many of our olive oil suppliers rely on traditional farming techniques – practices that have been passed down through generations of olive growers. As a company built on heritage, we see it as our responsibility to encourage techniques and cutting-edge technologies that enhance rather than replace traditional ways of working. We engage our suppliers through our Sustainability Protocol and were proud that, during 2021, over 31% of our extra virgin olive oil was sourced from suppliers certified to the protocol. Additionally, the number of mills with sustainability certifications rose by 15%, showing that our partners are as committed to responsible practices as we are.

Creating a legacy of care is about looking after our people too – championing their needs and creating spaces where diversity can flourish. Throughout 2021, we placed increased emphasis on equitable workplaces, developing an Equity Plan for our Spanish workforce that reaffirms our commitment to fair employee opportunities. Just as important is ensuring our people feel their best at work. Throughout the year we continued to prioritise employee health, notably, sponsoring COVID-19 vaccinations in India so Deoleo employees and family members could receive the vaccination at no personal cost.

Alongside these efforts, delivering quality products to our customers has remained key. From continuing to advocate for science-based olive oil standards in the US to developing blockchain pilots that enhance traceability in Europe, we are investing in developments that help consumers globally make informed choices about the products they're buying.

Our 2021 progress has been achieved against a complex backdrop of continued global uncertainty. The impacts of COVID-19 are still apparent, with companies worldwide having to transform how they operate to survive.

At Deoleo, we have taken every step possible to minimize the effects of the health crisis – and related economic instability – on our employees, our consumers and the quality of our products.

I want Deoleo to be a business that stands for the health of people, society and planet; a company that nurtures healthier futures and leads the industry as champions for sustainability. Our strategy is the roadmap that will help us get there. I am inspired by what we have achieved throughout 2021 and look forward to the next steps we take on our journey to care for what cares for you.

Ignacio Silva

CEO and Chairman, Deoleo

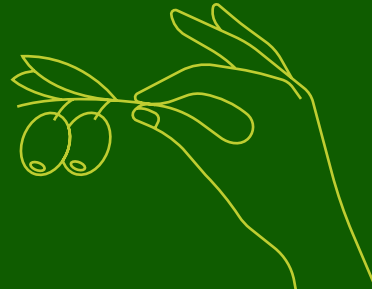
“I want Deoleo to be a business that stands for the health of people, society and planet; a company that nurtures healthier futures and leads the industry as champions for sustainability.”



Our year in review

In our 2020 report, we established our sustainability strategy and goals, expanding Deoleo's focus on caring for what cares for you. We are proud of the progress we have made in our first year to protect and nurture people, the planet and the heritage of olive oil.

To date, 60 cooperatives and mills have been certified sustainable through the Sustainability Protocol – covering more than 230,000 acres of olive groves.



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31.23% of the extra virgin olive oil we sourced came from certified suppliers

page 15

We engage with 41,000 farming families

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23.97% reduction in Scope 1 and 2 emissions

page 19

15% increase in mills with sustainability certification

page 12



29% reduction in non-hazardous waste production in manufacturing sites

page 24



Approximately 24% reduction in manufacturing water use

page 32

11 metric tons of plastic removed from the market

page 26



Nearly 1 million people reached
with information on the nutritional
value of olive oil

page 9



1.16% gender pay gap

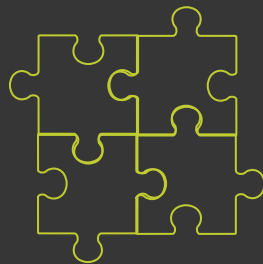
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16,570 hours of employee
training delivered

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More than 30 suppliers surveyed
for existence of cyber risk
prevention processes

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100% of employees trained
on our code of ethics

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Gold 2022 EcoVadis Rating

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We are Deoleo

Bringing our passion to life

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

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

Farming

Olives sourced from eight countries

Spain, Italy, Portugal, Greece, Tunisia, Peru, Chile, Argentina

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



Quality

12 offices globally

642 employees worldwide

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



Manufacturing

Two production facilities in Spain and Italy

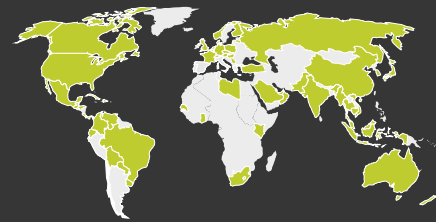
Quality and freshness are what make olive oil great, so we are diligent about protecting them from the field to the market shelf. We take care in every manufacturing decision, from production techniques used to quality parameters followed, to preserve the nutrient content of our oils.



Consumers

192.5 million litres of oil sold in 2021

40+ brands in our portfolio



● Products
sold in
73 countries



Our sustainability manifesto: Caring for what cares for you

Thinking and acting sustainably across everything we do is the key to nurturing a healthier future. Our Sustainability Manifesto outlines our commitment to achieving this.

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

Our business model: how we care for what cares for you

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

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



External drivers

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

What we rely on

- **Natural resources** including energy and water, and our key raw material, olives. We source olive oil from 323 suppliers in 2021.
- **Two factories** with machinery dedicated to processing and packaging products.
- **A global workforce** of 660+ employees.
- **Capital** invested in long-term, sustainable growth – contributing to a 6% increase in sales in 2021.
- **Strong relationships** with farmers, mills and retail customers. In 2021, we worked with 390 olive oil suppliers, co-packers and packaging suppliers
- **Intellectual property** of our unique blends.

1. Ingredient sourcing

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

3,387 farming hectares visited by Deoleo technicians

Value added



2. Our people and expertise

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

16,570 hours of employee training

Value added





3. Manufacturing and operations

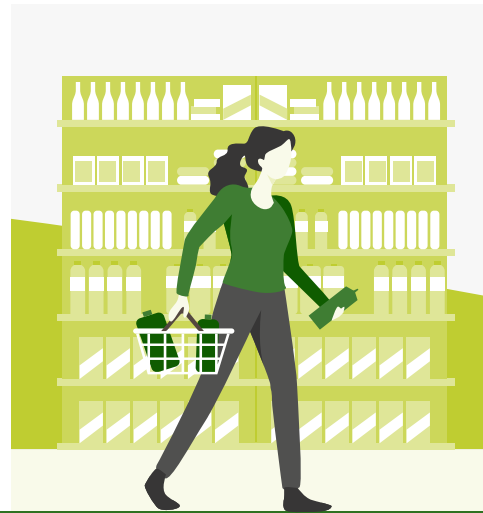
Our production facilities based in Spain and Italy are where we masterfully blend olive oils and package them for distribution. We invest in research and development to evolve our products and minimise environmental impacts.

100% of PET, glass and tins packaging is recyclable

Value added



Value eroded



5. Customers

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

192.5 million litres of olive oil sold in 73 countries



4. Transport

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

21°C average temperature while transporting our products

Value added



Value eroded



6. Consumers

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

Nearly 1 million consumers educated on olive oil benefits

Value added



Value eroded



Our sustainability strategy

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

We are committed to advancing our legacy of sustainability to nurture and protect people, the planet and the heritage of olive oil. We will achieve this through our strategy which is built on three clearly defined pillars and underpinned by conducting business responsibly. And, through our brands, we will bring this strategy to life for our consumers every day.

Our strategy has been designed to address the issues most material to our business. Read more about our materiality processes and the topics our stakeholders have identified as being most important on [page 46](#).

Our 2030 Nurturing Healthier Futures strategy



Growing together

We care for the land and the farmers who depend on it.

- Building a responsible supply chain
- Supporting farmer livelihoods

Our efforts are publicly championed by Carbonell.



Blending with love

We relentlessly pursue the highest possible standards in our operations.

- Delivering products with integrity
- Designing out waste and reducing our environmental impact

This passion is shared with consumers through our Carapelli brand.



Caring for you

We promote wellbeing for our consumers and employees.

- Enabling nutrition and good adult health
- Respecting and supporting a diverse workforce

Bertolli spearheads the delivery of this important message.



Responsible business

- Business ethics and human rights
- Accountable and inclusive governance

Our sustainability goals

	Goal	Target year	SDG
 Growing together	100% of our top-selling Extra Virgin Olive Oil brands in Spain and Italy to be certified by our Sustainability Protocol	2030	    
	100% members of our Sustainable Protocol receive training on the areas of sustainability best practices and resource management on a yearly basis	Ongoing	
 Blending with love	Improve olive oil quality standards throughout the value chain	2030	     
	Achieve zero waste certificate for our factories	2030	
	Reduce the environmental impact of our packaging	2030	
	Reduce our own carbon emissions	2030	
	Use our scale and influence to encourage our suppliers to reduce their environmental impacts	2030	
 Caring for you	Reach 150 million people, educating them on the benefits and uses of olive oil	2030	     
	Improve employee value proposition via training and career development opportunities	2030	
	Maintain a diverse workforce	Ongoing	
 Responsible business	Increase cybersecurity resilience across our business and supply chain	2022	
	Continue to ensure all employees are trained on our code of ethics, annually	Ongoing	

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Deoleo's duty of care starts in the olive grove. We help farmers develop more sustainable practices, forming partnerships to nurture responsible businesses and strengthen communities. This is how we ensure we are always **Growing together**.

Our ambition

By 2030, 100% of our top-selling extra virgin olive oil brands in Spain and Italy will be certified by our Sustainability Protocol

2021 highlights

15% increase in mills with sustainable certification (versus 2020)

3,387 hectares of farmland visited to share responsible, innovative practices

Groundwork completed for an olive grove biodiversity project with SEO BirdLife

Driving sustainability across the olive oil industry

The landscape of olive oil production is varied – from traditional olive harvesting techniques to larger scale, high- and super-high-density growing operations. Deoleo knows, to help farmers adapt to changing market conditions we must support them with equally varied, individually tailored approaches that prioritise both profitability and sustainability.

We are working with farmers to develop more modern practices and technologies that increase productivity, enable traceability and diversify operations. At the same time, as a company committed to protecting the heritage of olive oil, we look to maintain and celebrate the traditional techniques that have been passed down through generations of olive farmers.

By **Growing together**, we're supporting the UN Sustainable Development Goals aiming for dignity, peace and prosperity for people and the planet



Farming responsibly and sustainably

Why it matters

As a company that depends on high-quality natural ingredients for our products, we have a responsibility to collaborate with farmers on safeguarding the land.

Working sustainably also helps us preserve the tradition of olive farming for generations to come.

Our approach

Encouraging more sustainable practices

Producing good olive oil depends on healthy olive groves. At Deoleo, we work closely with over 41,000 farming families, creating a network of farms that are implementing sustainable practices to protect and restore the surrounding environment. Sustainability clauses are included in contracts which, while not compulsory, we strongly encourage suppliers to align with in addition to their own requirements.

Our agricultural supply chain: how we purchase olive oils



We support farmers to minimise use of artificial agrochemicals and allow ground cover plants to flourish. This, in turn, reduces soil erosion and protects against the impacts of drought. We are also committed to promoting efficient water management, something particularly important for Deoleo as we source from several regions at risk of water scarcity.

Alongside farmer partnerships, we are also investing in agricultural technology research. By advancing farming technologies for our suppliers, we can ensure the olive oil we purchase is of the highest quality, is safe, healthy and environmentally friendly and contributes to uplifting farming communities.

Deoleo's Sustainability Protocol

In 2018, we launched our Sustainability Protocol for Extra Virgin Olive Oil Production to encourage a holistic approach to sustainability among olive growers and oil mills in line with the UN Sustainable Development Goals (SDGs).

Our Sustainability Protocol covers four areas



Social sustainability

Uplift rural areas and those at risk of depopulation through quality job creation, training opportunities and the promotion of equality.



Environmental sustainability

Reduce environmental impacts through better management approaches to water and energy use, waste disposal, soil health and biodiversity protection.



Economic sustainability

Encourage entrepreneurship and professionalisation to promote economic development throughout our supply chain.



Quality sustainability

Responsibly raise quality standards for olive oil by defending indigenous olive varieties, defining stricter specifications for extra virgin olive oil and providing educational resources.

The Protocol ensures digital traceability from grove to supermarket, protects natural spaces, uplifts agricultural communities and safeguards human and labour rights. Third-party verifiers, Intertek, work with Deoleo to identify farmers who fully integrate the protocol. Those who do can be certified sustainable, with products made using olive oil from certified suppliers displaying the Intertek sustainable quality logo.

When introducing the protocol to farmers and mills, our Sustainability Protocol Team first identifies, and then meets with, suppliers that

reach our standards. During these meetings, suppliers are shown how the protocol can benefit them, in terms of boosting operational resiliency and harnessing sustainability as a tool for social, environmental and business progress. Once onboarded, suppliers commit to following our Sustainability Protocol for a three-year period on a renewable basis. They are then assessed regularly to ensure ongoing compliance with protocol criteria.

“I believe there is a solution that has to do with sustainability – to defend the small producers, as long as they are able to modernise, digitalise and above all to diversify.”

Ignacio Silva, CEO, Deoleo



Our progress

We have set a goal that, by 2030, 100% of our top-selling extra virgin olive oil brands in Spain and Italy will be certified by the Sustainability Protocol. Between October 2020 and October 2021, 31.23% of the extra virgin olive oil we sourced came from certified suppliers. On top of this, the number of mills with sustainability certifications rose by 15% (versus 2020), indicating significant uptake in responsible practices that will boost operational resiliency for the future.

We engaged with many of our suppliers throughout the year, screening 100% of new partners against social criteria and 20% against environmental criteria. Some farms and cooperatives are also doing internal work on sustainability, which has helped us benchmark our approach and work together toward more unified goals.

Predicting the future of olive oil

Deoleo is committed to supporting small farmers, working with them to modernize and diversify some processes even as they maintain traditional cultivation techniques. It's how we will help protect the heritage of olive oil, preserve the land that farmers rely on and safeguard livelihoods in an increasingly competitive sector.



There are predictions that traditional groves will decrease from 92% of total olive grove area in 1991 to just 39% in 2041. In 2021, we engaged a consultant, Juan Vilar, to analyse the state of the olive oil industry – both as it is today and how it could change in the future against the backdrop of climate change. The resulting report highlighted the exacerbating impacts of evolving farming techniques – including water management and a shift more intensive groves – for issues such as desertification and biodiversity loss. Additionally, it noted the role traditional, rain-fed olive groves can play in combatting these issues. For Deoleo, to preserve our industry, the promotion of traditional production and sustainability must go hand in hand.

What's next

To date, 60 cooperatives and mills across Spain, Portugal and Italy have been certified sustainable through the Sustainability Protocol – covering more than 230,000 acres of olive groves. We aim to expand beyond Europe in 2022, as well as continue to onboard more European suppliers. We will increase training opportunities to ensure 100% of Sustainability Protocol members receive training on areas of sustainability best practices and resource management annually.

Supporting farmer livelihoods

Why it matters

In the areas where Deoleo's Sustainability Protocol is implemented, olive production represents between 50% and 90% of local employment.

However, today farming communities are increasingly impacted by challenges such as climate change, ageing populations, and volatile markets and prices for produce. As a business that relies on these communities, we take seriously our responsibility to safeguard rural livelihoods and support economic development among farmers today and for generations to come.



Our approach

Supporting global commitments to sustainable agriculture

Since 2019, we have been a signatory of the Spanish Network of the UN Global Compact – an international voluntary initiative promoting business sustainability in the private sector. Through our participation, we are enhancing our support for the SDGs, particularly those relevant to agricultural sustainability and economic empowerment.

Helping rural communities prosper

As more people move to cities in search of economic opportunities, rural areas are coming under increased pressure from

depopulation. By encouraging sustainable agriculture and helping farmers access resources they need, we are actively boosting economic development in traditional farming communities. Deoleo technicians work with suppliers on how to responsibly manage olive groves and oil mills, connecting them with the resources and strategic partners they need to create thriving businesses.

To combat rural depopulation, we expect any organisation that adheres to our Sustainability Protocol to uphold measures that support sustainable economic growth and create decent employment for vulnerable groups. Additionally, we expect cooperatives and other groups we partner with to work towards inclusive growth that benefits all people equally.

Promoting gender equity in farming

A key part of protecting farmer livelihoods is ensuring labour rights and inclusive growth opportunities are upheld throughout our supply chain. Many of the cooperatives we work with are committed to recognising equality and taking action, and – in some cases – have developed equality plans. However, because they are often small companies with limited reach in rural areas, progress can be slow. We work closely with our cooperatives, helping them implement gender equality strategies and measure progress.

We are now developing our processes further, visiting these partners and speaking with farmers to better understand their unique needs. Using this information, we can then formulate actions and resources to address those requirements.

Our progress

Increasing supplier engagement

We continue to partner with increasing numbers of olive farmers on responsible and innovative farming practices. Throughout 2021, our technicians visited 3,387 hectares, bringing the total to over 12,300 hectares since our farmer outreach efforts began.

Throughout the year, we hosted 13 sustainable agriculture workshops, adapting each to the relevant location, to explore and reaffirm the long-term benefits to farmers of responsible agriculture. Our hope is that these workshops will create a ripple effect in olive-growing communities – when others see the benefits of sustainable agriculture, they will be encouraged to adopt the same principles on their own land.

Continued partnerships during COVID-19

Over the course of the COVID-19 pandemic, we have seen global rates of olive oil consumption rise by 4.2%. As a result, our supply requirements have increased, in turn strengthening partnerships with suppliers. While restrictions meant we were not able to visit as many farmers as anticipated, we are proud to have contributed significantly to local communities through donating, volunteering and investments.

What's next

In pursuit of increasingly equal opportunities, we plan to include a clause in our contracts which encourages youth employment in rural communities. This way, we can boost engagement with the heritage of olive oil and secure future prosperity in farming communities.

Engaging suppliers through Carbonell

As a brand with a rich history in Spanish olive oil, Carbonell brings to life our commitment to sustainable, responsible supply chains through on-pack communications and digital content. To achieve progress on the ground, Carbonell is also:

- working closely with supply chain partners
- encouraging responsible farming practices
- supporting farming families to thrive.



Caring for nature and the planet through our supply chain

Why it matters

Environmental impacts can occur throughout the value chain.

If we are to build a fully sustainable business – one that protects biodiversity and promotes environmental resiliency – we must ensure the suppliers we partner with are as committed to caring for the planet as we are.

Our approach

Protecting biodiversity and soil health

A vital component of farming sustainably is cultivating crops in ways that protect local nature. We offer farmers and mills clear guidelines for boosting local flora and fauna, including:

- restoration of roads, boundaries, banks, ditches and gullies
- construction of infrastructure such as nesting boxes, perches and water holes

- planting of large, isolated trees
- placement of water access points for local animals
- construction of stone walls used by birds for nesting
- decreased use of insecticides
- prevention of old olive tree removal and replacement
- actions for the proliferation of insects including nesting sites and herbaceous cover restoration
- planting of species that provide refuge for native fauna
- no night harvesting.

Homogenisation of olive grove landscapes can result in a 30% loss of species compared to groves where plant diversity is encouraged, and ground cover is managed and preserved. Our Sustainability Protocol ([see page 14](#)) sets clear requirements for how olive oil suppliers should tailor farming practices to protect nature, including steps to boost biodiversity.

Through the Protocol, we promote soil maintenance plans designed to encourage long-term soil fertility, reduce erosion and degradation risks, and ensure biodiversity and indigenous species are protected. They also highlight the key role healthy soils can play in climate action, as vital sinks for carbon emissions.

Promoting supply chain waste reduction

We work with partners across the supply chain to identify how, together, we can reduce waste production and achieve a more circular economy for materials, such as recovering waste cardboard for reuse.

Regular audits of raw and auxiliary materials help track progress and identify areas for improvements, for example in oil mills where by-products, such as olive pits and leaves, can quickly accumulate. To reduce waste to landfill, we encourage processes for transforming these materials into value-added products such as fuel for boilers, organic matter for soil and animal feed.

Our progress

Partnering to prevent biodiversity loss

In 2020, we signed up in support of an olive grove biodiversity pilot project run by conservation charity, SEO BirdLife. The initiative aims to halt biodiversity loss by implementing an olive growing model that champions species

restoration and preservation. As well as investing financially in the programme, we are currently piloting the model on four farms in the Extremadura region in Spain.

During 2021, we finalised the characterisation phase of the selected olive groves. We also initiated discussions with the farmers on measures to be implemented in each grove and drafted land custody agreements to be signed by participants. We want these farms to serve as an example to the wider agricultural sector, encouraging more farmers to implement sustainable measures on their land.

What's next

We have created biodiversity plans with suppliers. Throughout 2021, these plans, and related commitments, were reviewed with participating groups and mills. Actions detailed by the plans have included sustainability initiatives, such as reforestation with native flora, installing nesting boxes and insect hotels and providing farmers with supplementary training sessions. We will continue to work with suppliers to action these biodiversity plans going forward.

Quality is more than just a nice-to-have for Deoleo: it is a core tenet of who we are as a business. **Blending with love** guides how we collaborate to improve industry standards, how we innovate to reduce the impact of operations and packaging, and how we ensure every drop is made with integrity.

Our ambition

By 2030, improve olive oil quality standards throughout the value chain

2021 highlights

39 international awards won by Bertolli, Carbonell and Carapelli for superior quality

Launched a trial project utilising blockchain technology to enhance traceability

23.97% reduction in Scope 1 and 2 emissions (versus 2020)

By **Blending with love**, we're supporting the UN Sustainable Development Goals aiming for dignity, peace and prosperity for people and the planet

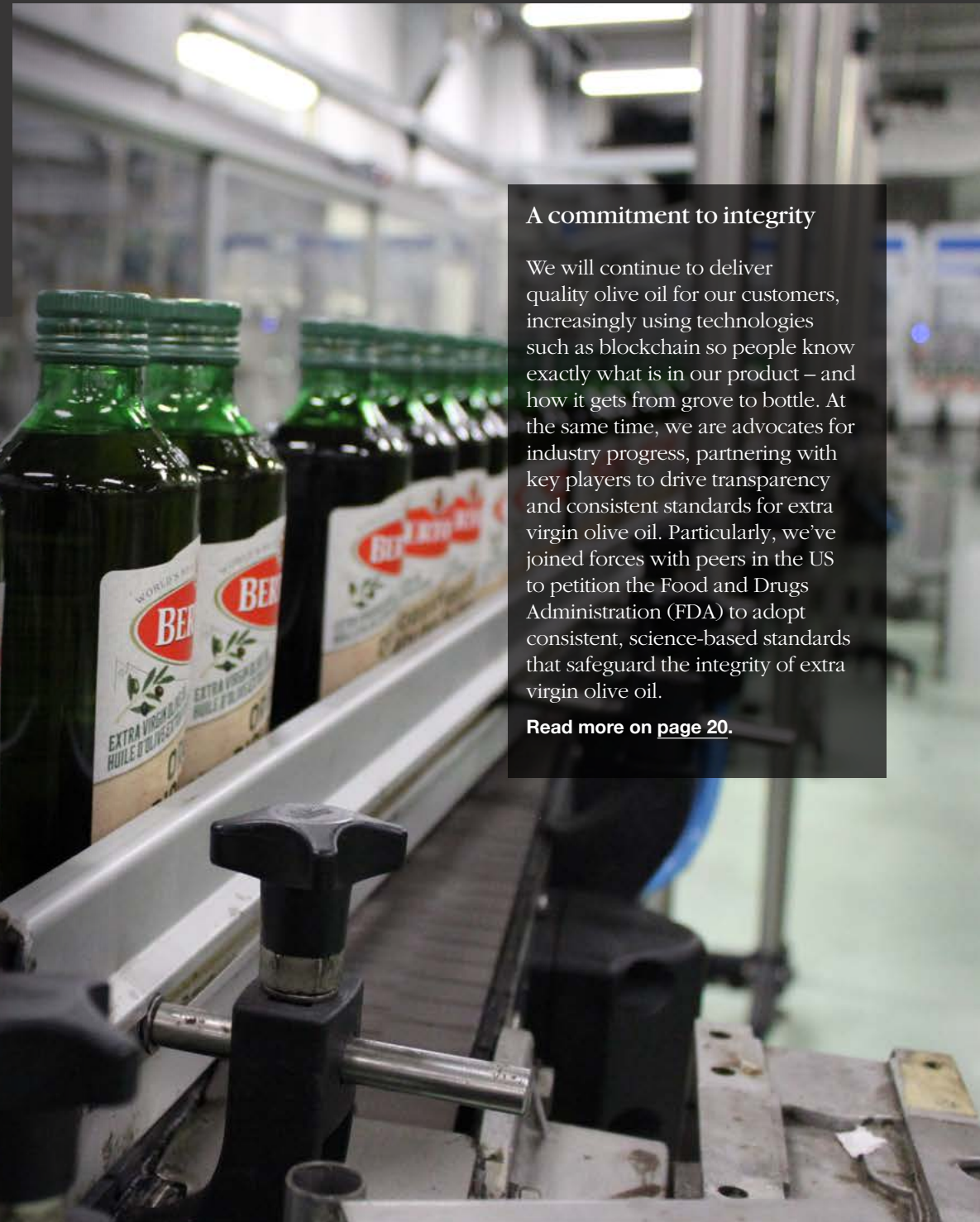


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A commitment to integrity

We will continue to deliver quality olive oil for our customers, increasingly using technologies such as blockchain so people know exactly what is in our product – and how it gets from grove to bottle. At the same time, we are advocates for industry progress, partnering with key players to drive transparency and consistent standards for extra virgin olive oil. Particularly, we've joined forces with peers in the US to petition the Food and Drugs Administration (FDA) to adopt consistent, science-based standards that safeguard the integrity of extra virgin olive oil.

Read more on [page 20](#).



Action for olive oil quality standards

Why it matters

Demand for extra virgin olive oil is increasing. At the same time, in certain industry segments, rates of fraudulent extra virgin olive oil production¹ are also rising.

We believe consumers deserve science-based mandatory olive oil standards that empower them with the knowledge to make confident, informed choices for a healthier diet.



Our approach

We are committed to upholding our own robust quality standards at each operational stage and maintain protocols that ensure we work within strict parameters. We are also investing in increasingly sophisticated technologies to monitor production from start to finish, ensuring products always meet internal quality requirements.

Deoleo's suppliers and copackers are expected to maintain the same quality standards as we do. 100% of copackers and most raw material providers are audited by IRCA² auditors. Additionally, we perform our own assessments of suppliers and work closely with them to target continuous improvements.

Our progress

An integrated management system

To improve oversight, in 2021 we integrated our ISO 9000- and ISO 14000-certified management systems at quality control sites in Cordoba and Madrid, Spain, and Italy. By bringing together quality and environmental management, our teams can gain a more comprehensive view of our impacts and processes.

Automating the quality control process

Creating our products is a multi-step journey – from the moment the olives are harvested to the point final goods reach retail establishments. To ensure quality is maintained throughout, we have implemented a Laboratory Information Management System (LIMS). Using the system, we can track raw materials and final products, identifying any manufacturing errors to enable timely corrective actions.

The LIMS software automates the product quality approval process, mitigating human error risks. For the first time in 2021, we also used the system to automate tracing of materials used in our packaging, confirming these too meet Deoleo standards. By harnessing technologies and increasingly computerised processes, we can guarantee the products we distribute meet our own standards as well as country-specific quality controls.

Award-winning products

We are proud when our passion for delivering the highest quality olive oils that complement healthy lifestyles is externally recognised. In 2021, three of our brands – Bertolli, Carbonell and Carapelli – collectively won awards in 39 international olive oil competitions, a true testament to their superior properties and quality.

What's next

Calling for industry consensus

Olive oil quality is impacted by activities along the value chain – how it is collected, cared for at the source, bottled, stored and protected right up to point of sale. As such, protecting the integrity of extra virgin olive oil products requires that every player in our industry works to the same standards. In 2019, we submitted a citizen petition in partnership with the American Olive Oil Producers Association (AOOPA) to the US Food and Drug Administration (FDA) to adopt industry-wide, science-based standards for olive oil. Since then, we have been working to close the gap between our citizen petition and that of the North American Olive Oil Association, and to raise the bar for extra virgin olive oil. It is something we will maintain as we progress on our ambition to fight for improved olive oil quality standards throughout the value chain by 2030.

¹ Emerging trends in olive oil fraud and possible countermeasures (2021) [Food Control Journal](#)

² International Register of Certified Auditors

Ensuring transparency and traceability from tree to table

Why it matters

When it comes to olive oil, consumers should feel confident that what they see is what they get.

Today, a lack of transparency – and the impact this can have on quality assurance – is one of the key issues faced by the olive industry. Remaining open about what we do and how we do it is key to maintaining trust in our brands and the Deoleo name.

Our approach

We are committed to traceability from tree to table, offering total clarity about how we produce our olive oil and confidence that what consumers buy really is extra virgin. And we are working closely with value chain partners to ensure they are just as committed to responsible, sustainable and traceable products.

At the same time, we target sourcing activities that enhance the sustainability credentials of our products. Where our olive oils are certified sustainable by Intertek, we share this information with consumers through an on-pack logo.



Promoting open communication through Carapelli

Carapelli is a brand built on heritage, expertise and quality. Through a new, dedicated communication platform launching first in France in 2022, Carapelli will engage consumers on quality and expertise, leveraging traceability as a way of showcasing the standards we uphold for every product in the Deoleo portfolio.



Recording every step of the journey

Our externally assured traceability process guarantees stakeholder expectations are met by maintaining detailed records of where raw materials come from and how they are processed. The process enhances collaboration with suppliers, providing a platform for farming cooperatives and mills to share important data with Deoleo. In return, we provide information, resources and tools that enhance their own traceability efforts.

A digital platform enables parties to upload and store information in a transparent, robust and immutable form. We are currently using it to collect information from suppliers covered by our Sustainability Protocol, with an aim to expand it until all extra virgin olive oil suppliers are included.

Our progress

Blockchain traceability

We produce around 80 million litres of extra virgin olive oil annually. Recording every step represents a significant challenge, so we are looking to leverage blockchain technology to support traceability.

During 2021, we worked with IBM Food Trust to develop a traceability tool. Starting in May 2022, we have launched a trial of the technology in Spain with our Maestros de Hojiblanca brand. Working with blockchain technology partners, we will follow the journey from tree to bottle, passing this insight on to consumers and boosting trust in our brands.

What's next

Actioning and expanding blockchain

We are currently establishing key performance indicators (KPIs) to guide annual efforts towards achieving our 2030 goal to enable traceability for our major extra virgin olive oil brands from mill to supermarket shelves through a verified digital system by 2030. These KPIs will be applied from 2022 onwards.

Putting food safety first

Why it matters

Alongside quality and transparency, food safety is always a priority consideration in how we innovate, create and package our products.

Rigorous standards keep consumers safe which, in turn, protects our reputation and ability to continue creating world-leading olive oils.

Our approach

Certified for safety

We are committed to the highest standards of food safety and maintain a strict policy to guide developments and actions in this area. Our facilities are certified to relevant standards for food safety and quality management, including the Global Food Safety Initiative (GFSI) and ISO 9001: 2015. Additionally, as packaging is key to keeping products safe during transportation and before use, we ensure ours aligns with the latest industry requirements.

Addressing consumer feedback

Feedback informs how we develop our processes and products. We maintain a public grievance mechanism system to gather insights on consumer satisfaction. Responses in all countries with recorded sales are collated internally and, where grievances are identified, we conduct in-depth analyses and implement corrective actions as needed.

Our progress

Going above and beyond for safety

In 2021, we underwent a series of surprise audits to review the accuracy of our labelling information and ensure we were maintaining the level of excellence we expect. We passed all these unannounced checks, indicating no process changes were required.

Thanks to our ongoing commitment to quality, safety and accuracy, the number of consumer and customer grievances throughout 2021 decreased by 30%, compared to 2020 numbers.

Certified food safety experts

In 2020, 12 members of our Quality department took the Lead Auditor Training Course on Food Safety Management Systems Certification – a course accredited by the world-renowned IRCA. Of the 12, 10 received certification as Lead Auditors in 2021, equipping them with the skills and knowledge needed to audit all food safety management systems.

Enhancing transport conditions

Distribution conditions are key to keeping our olive oil safe and up to Deoleo standards. As well as daylight and oxygen exposure, high temperatures can cause olive oil to deteriorate. In 2021, we implemented even stricter temperature controls for containers transporting our products across Australia, Japan, South America and the USA. This included installing a thermal insulator to the inside of containers to protect against temperature and humidity damage. Between July and August, products were also covered with a thermal blanket for extra protection.



Gauges were used to test the impact of these measures on our products and were placed in containers on an ad hoc basis to monitor temperatures. As a result, container temperatures were measured at around 27°C on average, with a maximum temperature drop of 21°C achieved when both the insulator and thermal blanket were used.

We also established a process for guaranteeing production temperatures all the way to our retailers. This way, we can provide them with assurance that what we deliver has been handled with the utmost care.

What's next

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

Designing out waste

Why it matters

For Deoleo, designing out waste means optimising processes and operations to use materials efficiently – taking a circular approach where resources are diverted from landfill, repurposed and reused as much as possible.

As demand and production continue to grow, so too do resource use and waste creation. As a company that relies on a natural ingredient for our products, we are passionate about our role as stewards of the environment. It makes business sense too as, by using fewer resources and finding the value in waste materials, we can reduce costs and harness the full potential of what we source.

Our approach

We are committed to promoting a circular economy model in our manufacturing processes – innovating how we do things to ensure we harness the full useful life of what we source. In line with this, we have created a hierarchy of waste management solutions, ranging from prevention as the most favourable option to disposal as the least.



Streamlining our processes

We aim to achieve the Hacia Residuo 0 (Towards Zero Waste) certification in both of our factories – by 2023 in Alcolea, Spain and 2025 in Tavarnelle, Italy. To reach these ambitious targets, we are taking a dual approach to waste reduction:

- eliminate food waste by repurposing by-products in increasingly innovative ways (see page 18) and recovering products rejected in the production line for reuse
- improve management of products in our packaging lines that do not meet our internal quality standards.

As part of the olive oil production process, we use diatomite³ and cellulose to filter the liquid for impurities while retaining moisture. Although both substances are widely available in the environment, we are exploring how we can replace this approach with one that uses fewer resources while maintaining the quality of our oils.

Embracing sustainability, together

Realising our zero-waste vision will require a collective effort and we engage employees across Deoleo through onsite waste reduction initiatives. Our employees can play a key role in achieving a circular system for materials, helping us drive a sustainability mindset from the ground up.

We connect with partners throughout our wider value chain on efforts too. In partnership with certain material suppliers, we participate in schemes to drive down on-site waste through finding ways to recycle and repurpose it.

³ Also known as diatomaceous earth, a naturally occurring powder made from the sediment of fossilised water algae.

Our progress

In 2021, we focused on reducing the amount of waste we generate and enhancing segregation of different waste streams. For example, a new oil filtration system has already reduced our use of diatomite by 38%. Additionally, by changing to recyclable siliconised paper for label support, we reduced overall paper waste by 97%. At our Alcolea site, approximately 88% of waste was sent for recycling.

We continue to work towards zero waste certification for both manufacturing facilities, where about 90% of all waste is recoverable. To align efforts across the two sites, we integrated an auditing and centralisation process to measure and control various environmental impacts, including those related to waste. In 2021, 28.6% of waste created across our factories was sent to landfill.

Waste production in Deoleo manufacturing facilities (tons)

Hazardous waste

2020 | 26.55

2021 | 17.81

Non-hazardous⁴

2020 | 2,127

2021 | 1,933

Closing the loop on cardboard

Deoleo uses cardboard in some of our packaging. If not managed properly at end-of-life, much of this material could end up in landfill. To combat this, we worked with our suppliers to develop an alternative, closed loop process. First, we purchase cardboard from one partner. Once this material has been used, it is disposed of through a second partner who manages and treats it. To complete the loop, our waste management partner sells this recycled material to our cardboard supplier for resale back to Deoleo.

What's next

Moving forward, we will continue to build on our achievements to date. We are exploring additional routes for minimising waste production and improving our segregation and recovery processes to ensure we can divert as many materials as possible from landfill.



⁴ Alcolea, Spain and Tavarnelle, Italy.

Transforming our packaging

Why it matters

Packaging is essential for keeping our products safe and ensuring they retain their quality all the way from factory to table.

However, we believe this should not come at the planet's expense and are committed to evolving our packaging for circularity – using fewer resources, increasing sustainable material content and reducing our overall environmental footprint.

Our approach

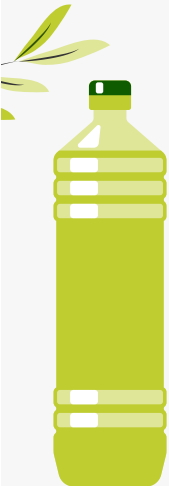
We package our oils with care, using glass and plastic bottles, metal cans and cardboard boxes for shipping products to retailers.



Received Ecoembes certification for packaging with higher recycled material content and lower associated carbon footprint

Packaging: what materials we use and how we use them

PET
93
million units



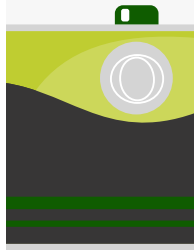
Plastic caps
117.6
million units



Glass bottles
73.1
million units



Cans
16.2
million units



Aluminium caps
65.6
million units



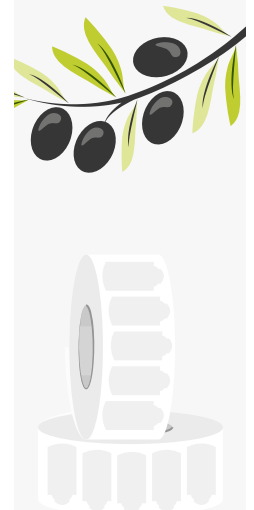
Cardboard
20.4
million units



Sleeves
19.1
million units



Labels
322.5
million units



Packaging with lower impact

By 2030, we want to have reduced the environmental impact of our packaging. We are researching ways to decrease volume and weight while retaining structural integrity. At the same time, we are looking to incorporate higher volumes of recycled and sustainable materials and for opportunities to reuse materials.



Reduce

By using fewer resources and finding value in the packaging we use, we can reduce production costs and harness the full potential of what we source.



Reuse

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



Recycle

100% of our packaging is already widely recyclable.



Sustainable material use

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

Our progress

In our Italian factory, we launched a pilot to explore the feasibility of replacing two-litre glass bottles with rPET plastic.

In Spain, our membership with packaging recycling non-profit Ecoembes provides us with access to a data-sharing platform. Through this, we can explore tried-and-tested opportunities for streamlining packaging. As a result, we have already been able to standardise the inclusion of recycled material in various bottles. Additionally, to ensure we comply with Spanish Packaging and Packaging Waste Law, we have aligned with Ecoembes' 2021–2023 Corporate Prevention Plan, which encourages participants to support a more circular economy for packaging.

Throughout 2021, we enhanced the recyclability of our packaging. All our packaging uses paper labels while label rolls are made of 100% recyclable plastic. In our wider supply chain, our glass bottle suppliers in Italy have improved their furnaces to better accommodate the recycling process. Today, 38% of their research and development budget is dedicated to improving the energy efficiency of glass melting processes. This includes updating some bottle-forming machines to optimise heat exchange. The supplier is also updating some lubrication processes, reducing mould lubrication requirements and, where possible, automating this step. This has the dual benefit of protecting occupational health for employees as well as reducing environmental impact.

<0.5% recycled material in PET packaging

20–30% recycled material in cans or tins

60% recycled material in dark glass bottles

Encouraging consumer recycling

When packaging reaches its end-of-life, we encourage consumers to dispose of it responsibly through on-pack guidance. Today, most of our product labels include collection and recycling symbols to help consumers identify the correct route for disposal. To further our efforts, we are now applying ecodesign principles, designing for optimised resource use throughout production, the use phase, repair and reuse and end-of-life. This includes working to reduce the amount of plastic we use to create our bottles without compromising their structure.

What's next

By 2025, we aim for total PET consumption to include 25% rPET consumption. We will develop packaging projects throughout 2022 that increasingly harness rPET. Additionally, we will complete a review of our existing packaging materials, identifying other opportunities for improvement such as reducing the weight of PET packaging. We will also evaluate costs and benefits related to switching to more sustainable options.

We recognise the potential financial implications of sourcing materials that are sustainable but less widely available. By maintaining cross-department discussions on resourcing decisions, we can reach packaging solutions that are both responsible and economical for the long term. To embed this commitment and packaging best practices throughout our wider value chain, we will develop and share a Packaging Protocol with key suppliers.

Taking climate action

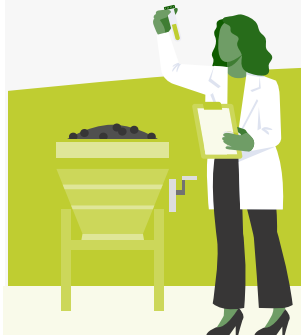
Why it matters

Climate change is one of the most pressing environmental and social issues of today. Globally, people are already experiencing the impacts, whether through increasing temperatures, more erratic weather events or the growing scarcity of vital natural resources. As a globally present company, we recognise the potential impact our activities can have on climate changes – but also the opportunity we have to influence change and drive progress.

On the other side, as a business that relies on a natural ingredient, we understand the risk a changing climate poses to our supply chain and business continuity. As a result, we will evolve how we do things to safeguard our business and the planet for the future.

To better understand the effects of climate change on our business, and to enhance disclosures, we are looking for ways to increasingly align our reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Acting across our value chain

	Farming	Manufacturing	Transporting	Consuming
Impact on climate change	Certain regions are under increasing threat from extreme weather events, like drought. Poor land management can also exacerbate risk of droughts.	The manufacturing process requires high energy input, with emissions and waste as an output. These outputs contribute to our carbon footprint.	Transporting our goods from farms to manufacturing and from factories to retailers all contribute to global emissions.	We all have an impact on climate change, through the food we eat, the energy we use and how we live our lives.
Ways we're mitigating our impacts	Sustainable agriculture practices, like intercropping, support healthy soils, which absorb CO ₂ and reduce risk of erosion.	By 2030, we're aiming to achieve zero waste across our factories and working to reduce our own carbon emissions.		We are passionate about using our product labels to educate consumers on how to responsibly dispose of our packaging.
				

Governance

Overall responsibility for assessing risks and opportunities related to climate change sits with the Appointments and Remuneration Committee. Our climate-related activities are coordinated by an internal environmental management plan, which is continuously updated to reflect the latest advice.

Our strategy for climate-related risks, opportunities and impacts

Although Deoleo doesn't own any mills or farms, the impacts of climate change on agriculture – for example, increased likelihood of droughts – pose risks to our suppliers. This, in turn, can impact our business, as we rely on a constant supply of high-quality olives. Additionally, we have identified regulatory changes, rising energy costs and heightened risk of bacterial outbreak in cooling towers as the main climate-related risks to our business.

While managing identified risks is a priority, we also look for opportunities to contribute to impactful climate action. Throughout our agricultural supply chain, we have identified a significant opportunity to reduce emissions through carbon storage, harnessing the soil and trees on suppliers' olive groves as carbon sinks. Within our own operations, we are reducing reliance on energy to lower our footprint, something which will also translate into financial savings.

Climate-related risks and opportunities



Water scarcity

Increasingly scarce water supplies will impact olive production, with knock-on effects for Deoleo's sourcing practices.



Biodiversity loss

Homogenisation of olive grove landscapes can result in a 30% loss of species. Biodiversity declines in our sourcing areas could impact grove productivity, and thus Deoleo's raw material supply.



Soil degradation

Poor land management practices and a changing climate increase the already present threat of soil erosion in many olive farming areas Deoleo sources from.



Changing weather conditions

Increasingly extreme and changeable weather conditions may result in more unpredictable olive harvests in our supply chain.

Changes in local climate can also increase the risk of bacterial outbreak in our cooling towers, giving rise to increased risk of product contamination.



Regulatory changes

Changes in regulations related to emissions, energy and resource use all have the potential to impact Deoleo's right to operate.



Increased energy costs

Rising energy costs have the potential to financially impact our business. However, it also creates an opportunity to seek alternative sources – such as renewables – and to target reduced energy use through operational efficiencies.



Carbon storage

When farmed regeneratively, olive groves have the potential to act as carbon sinks. Working with farmers on soil protection techniques provides us with an opportunity to continue sourcing olive oil while contributing global efforts to reduce the amount of CO₂ entering the atmosphere.



On-site energy reductions

Reducing energy consumption or switching to renewable sources represents an opportunity to lower the carbon emissions associated with on-site transportation.

Risk management

Climate-related risks and opportunities are identified, assessed and monitored as part of our overall environmental management system. Our response to physical climate-related risks is guided by the precautionary principle. Through this principle, where circumstances permit, impact assessment criteria are applied ahead of new projects that could have environmental impacts. Additionally, we maintain extensive insurance cover to remedy any environmental damage that may result despite protection measures.

We have committed to gradually and constantly reducing our emissions in the short, medium and long term – minimising our contribution to global warming trends and, thus, the risks to our business. By targeting a steady, prolonged emission reduction and transition to more renewable energy sources, we can help mitigate associated transition risks to Deoleo. We are also reducing water withdrawals annually and developing processes to maintain local water quality.

Metrics and goals

Our greenhouse gas emissions progress

We track several metrics that help us understand our overall impact, including Scope 1 (direct) and 2 (indirect) emissions and our annual energy consumption. Read more on [page 31](#).

Most of our emissions – approximately 72% in 2021 – are Scope 2, meaning they are emitted by utility companies that supply our energy. Deoleo's Scope 1 emissions result from our direct operations, for example our own facilities and vehicles.

Our target is to reduce carbon emissions, and we're taking action to achieve this goal. Among other efforts, we are investing in low-carbon technologies in manufacturing operations, evolving our production models for enhanced efficiency and reducing the weight of packaging we place on the market. We are also taking steps to calculate the environmental footprint of extra virgin olive oil when bottled in glass versus plastic. During 2021, thanks to our ongoing commitment, we reduced Scope 1 and 2 emissions by 1,002 tonnes of CO₂e versus 2020.

Greenhouse gas emissions (tonnes of CO₂e)⁵

2020	821	3,359	4,180
2021	885	2,293	3,178

■ Scope 1 (direct) ■ Scope 2 (indirect)



⁵ Emission figures apply only to our manufacturing facilities in Alcolea, Spain and Tavarnelle, Italy. The emissions factor used to calculate GHG emissions was as follows: for Scope 1, those established by DEFRA 2020; for Scope 2, those designated by the Ministry of Ecological Transition for 2019.

Driving energy transitions

Why it matters

Reducing our environmental and climate change impacts requires rethinking how we power operations. Decreasing energy consumption while harnessing alternative, renewable sources to meet remaining demand presents an opportunity to minimise our greenhouse gas (GHG) emissions.

Our approach

We strive to operate more efficiently and have set a 5% reduction target for thermal energy consumption in production centres. At the same time, we are transitioning to more energy-efficient technologies, such as LED lighting. We perform regular energy consumption audits and viability studies to understand what we are doing well and where we can improve. To support our efforts going forward, we have set a target that, by 2030, our factories will be powered by 15% renewable energy generated on-site. And, by 2026, 30% of our fleet will be covered by eco-labelled vehicles.



We are also looking at energy requirements more broadly, including ensuring all our facilities maintain environmental management systems in line with the ISO 14001 standard. Our focus extends to considerations such as finding lower energy ways to create our packaging, supported by ecodesign standards. Read more about our packaging efforts on [page 26](#).

Our progress

We're continually researching ways to power our operations more efficiently. For example, by replacing lighting in our offices with more efficient LED lights, there was a substantial decrease in consumption compared to 2020. At both of our factories, we improved the energy efficiency of the heating systems by 67% and introduced LED lights, which reduced associated costs by 50%.

In our Tavarnelle site, Italy, we have installed

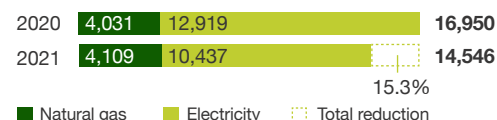
new, more energy-efficient air compressors for packaging production. We have made operational changes to streamline our processes, marking our bottles with laser ink, which reduces overall energy usage.

Between 2020 and 2021, we reduced energy consumption by just over 15%. And, in 2021, we confirmed with our energy supplier that we want to purchase 100% of our energy from renewable sources.

What's next

To optimise energy use at our factories, we aim to upgrade our boiler/furnaces in 2022. Also in 2022, we will fit our Alcolea plant with photovoltaic panels to generate clean energy for the facility – aiming to generate between 6% and 8% of the site's electricity consumption.

Annual energy consumption in manufacturing facilities⁶ (MWh)



6 Alcolea, Spain and Tavarnelle, Italy.

Water stewardship

Why it matters

Every living thing relies on water to survive yet, as the impacts of climate change become increasingly apparent, so too will the risk of water scarcity.

As a responsible corporate citizen, we have a duty to maintain the quality of local water resources, minimising withdrawals and ensuring we return wastewater to the source as clean as possible.

Our approach

Sourcing water

Our Alcolea plant sources both groundwater and water from the municipal mains network, while Tavarnelle is supplied solely by the municipal mains network. We want to ensure our operations have as little impact on neighbouring populations as possible and work continuously to ensure we are responsibly withdrawing and consuming local water resources.



Reducing our water impact

We are researching increasingly innovative ways to reduce water use and mitigate any potential environmental impacts of wastewater discharges. For example, we have fitted our refrigerators with water optimisation systems, which reduces the volume required to keep them cool.

Two strategies support our water management efforts:

Prevention

Reduce consumption, volume and pollutant load in both the field and oil mills

Correction

Preserve water quality by transforming potentially water-polluting operations, including introducing purification processes and fat decantation in compliance with current legislation

Our progress

Monitoring water consumption is critical if we are to be effective in reducing it year on year. We track the volume of water consumed in our manufacturing sites and, in 2021, reduced consumption by approximately 23%. This significant saving was achieved primarily through optimising processes to decrease the water requirements of our cooling towers.

Water consumption in our manufacturing facilities⁷ (m³)



Discharge of purified wastewater in our manufacturing facilities⁷ (m³)



⁷ Both of our factories (Alcolea, Spain and Tavarnelle, Italy).

⁸ Increase in discharge of wastewater due to a leak in 2020.

Supplier environmental performance

Why it matters

Reducing our own environmental impact is crucial.

However, we also have a sourcing network that stretches across the world – a complex system of 392 raw material and packaging suppliers and copackers. Addressing the environmental performance of our supply chain is therefore just as critical as our own.

Our approach

We have set a 2030 ambition to use our scale and influence to encourage suppliers to reduce their environmental impacts. One way we will achieve this is by certifying businesses that comply with our Sustainability Protocol ([see page 14](#)).

Engaging with farmers

We often receive proposals from farmers hoping to have their olives considered for our high-quality olive oils. We like to visit these suppliers to understand how the farms or cooperatives work and to discuss what they can offer us. During the pandemic, when face-to-face visits were limited, we found alternative ways to engage with new suppliers.

Our quality department follows a sustainable production protocol to ensure suppliers align with economic, environmental and social standards. Suppliers that meet these standards are supported with audits and advised on how to continuously improve. For mills that fall short of our standards, Deoleo engages a group of trainers and advisers to collectively target improvements.

Partnerships built on trust and shared values

To deliver products of the highest quality, we must connect with partners who share our principles of excellence and our business vision; partners with whom we can build long-term relationships based on trust. When exploring new supplier partnerships – particularly with farmers, associations and cooperatives across Greece, Italy, Portugal and Spain – we expect a shared respect for human and labour rights, and the environment.

Our Sustainability Protocol includes a basic environmental plan which applies to all businesses we work with that have an environmental impact. We take a collaborative approach to assessing a supplier's environmental performance, contacting our partners to understand how they are decreasing their carbon footprint. Wherever the activities of our subcontractors could have an impact on the environment, we expect them to meet the requirements of our own ISO 14001-certified environmental management systems.

For information on how Deoleo ensures social standards, including those related to human rights, are upheld throughout the value chain, ([see page 45](#)).

Our progress

This year, 20% of new suppliers were screened using environmental criteria⁹. Additionally, we increased the number of sustainable suppliers by 15% in 2021, with several of our partners taking steps to reduce their environmental footprint, including:

- having carried out a carbon footprint analysis of their operations, our logistics operator in Spain now investing in wind farms to source renewable energy
- in Italy, our logistics operator investing in electric trucks to reduce emissions.

What's next

In 2022, we will create KPIs to help us track suppliers' environmental performance. Having achieved a 15% increase in sustainable farmers in 2021, we aim to maintain this level of progress each year going forward.



⁹ We did not have common environmental criteria in 2021. However, in raw material (Sustainable Protocol providers) and packaging categories, our requirements for new providers include environmental aspects.

Our commitment to **Caring for you** extends beyond the olive groves, to the people who make our products possible and to those who enjoy them. We focus on clear communication to educate people about the benefits of olive oil, enabling them to make the best choices to live healthy, balanced lives.

Our ambition

By 2030, reach 150 million people, educating them to improve everyday home cooking and the benefits of olive oil

2021 highlights

Automated label-checking processes to enhance quality and accuracy

Launched a Nutrition and Sustainability Project to drive olive oil research

37% female representation across the business

By **Caring for you**, we're supporting the UN Sustainable Development Goals aiming for dignity, peace and prosperity for people and the planet

- 35 Enabling nutrition and good health
- 37 Responsible marketing and labelling
- 39 Keeping our people safe and healthy
- 40 Respecting and supporting a diverse workforce

Sharing the value of good oil

We believe quality olive oil has a key role to play in healthy lifestyles. Research has shown that olive oil can support heart health, brain function and a higher metabolism among other things. To drive understanding on the benefits of olive oil, we invest in research through the Instituto Nutrizionale Carapelli.

At the same time, we understand that to deliver optimum benefits to consumers, olive oil must be at its highest quality. It's why we state honest use-by dates, so consumers enjoy our products at their freshest, and why we will continue investing in processes and advocating for standards that protect the integrity of extra virgin olive oil.

Read more on page 35.



Enabling nutrition and good health

Why it matters

When it comes to nutritional value, not all fats and oils are equal.

From reducing the risk of heart disease to helping prevent diabetes, the benefits of olive oil are well documented. That's why Deoleo is passionate about promoting olive oil as part of a healthy lifestyle.

The benefits of olive oil

Improved memory and cognition; protects against Alzheimer's disease¹

Reduces cardiovascular disease and coronary heart disease risks⁵

Prevents wrinkles and skin issues like xerosis and pruritus²

Contributes to maintaining normal cholesterol levels³

Helps prevent and manage type 2 diabetes⁴

Our approach

Educating consumers

We harness a range of communication channels to engage with consumers, from on-pack information to digital platforms and marketing materials. It's how we will reach 150 million people by 2030, educating them to improve everyday home cooking and to share the benefits of olive oil.

We actively support awarding bodies that focus on health benefits, featuring relevant accolades prominently on our packaging. For example, in Germany, our bottles display the **Stiftung Warentest** seal, indicating that our products have been investigated and approved by this independent and renowned consumer organisation.

On-pack nutrition information

We provide nutritional values for products on our packaging, even when not required by legislation or industry regulations. To ensure the information we offer is as valuable and reliable as possible, we review it continuously and adjust details as necessary to reflect changes in harvest or olive origin.

Building understanding through research

The Istituto Nutrizionale Carapelli (Carapelli Institute of Nutrition) is a non-profit foundation based in Italy and financed by Deoleo. Through it we support scientific research into olive oil, aiming to increase understanding of its qualities, benefits and cultural significance. The Institute is currently conducting research in two main areas:

- technological and analytical innovation in production
- nutrition and health benefits of olive oil.

In Spain, we are one of several organisations supporting the SENSOLIVE-OIL Operational Group, a multi-stakeholder project established to enhance classification of virgin olive oils. The aim of the initiative – which we have supported since 2019 – is to identify technologies and classification models that can complement human test panels in evaluating oils. As a supporter, Deoleo has participated in sensory analyses and is helping develop methods for analysing volatile composites that influence the qualities of different olive oils.

¹ Source: [Aging Cell](#)

² Source: [Olives and Olive Oil in Health and Disease prevention](#)

³ Source: [Nutrients](#)

⁴ Source: [Nutrition and Diabetes](#)

⁵ Source: [American College of Cardiology](#)

Our progress

A deeper knowledge of olive oil

Throughout 2021, we continued to invest in studies that expand our own knowledge of olive oil.

In October 2021, Spazio Nutrizione (Nutrition Space) was again hosted in Milan. As a long-time partner of the event, the Carapelli Institute took part in two key activities:

- A roundtable on the values and limiting factors of the Nutri-Score system in supporting a European goal to combat obesity and related diseases. During the discussion, the need to develop and promote an alternative labelling system that disseminates more robust nutritional information was highlighted.
- A lecture given by Professor Riccardi on 'The importance of extra virgin olive oil in the prevention and treatment diabetes'. In the talk he presented findings of his extensive research – partially funded by the Carapelli Institute – on the role of olive oil in preventing and treating diabetes and related health complications.

What's next

In 2021, we launched a Nutrition and Sustainability Project, with a goal to promote scientific development of olive oil in countries where research funding is limited. The Scientific Committee of the Carapelli Institute will award

four scholarships, each worth €6,000, to student projects on enhancing the sustainability of olive oil and human health. The selection process will focus on proposals from Algeria, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Syria and Tunisia, with applications to be accepted in the first quarter of 2022.



Bertolli: championing good eating and good living

The Bertolli brand will bring to life our ambition to educate 150 million consumers about the benefits of olive oil by 2030. By utilising our existing communication platforms and enhancing our reach through a television campaign and social media partnerships, Bertolli will share the wellbeing and healthy life message.

Bertolli will support our upcoming 2022 social media campaign to boost consumer engagement and education. Through it, carefully selected influencers will discuss the health and wellbeing benefits of our olive oil, creating opportunities to spotlight each product in the Bertolli range.

Responsible marketing and labelling

Why it matters

Ensuring ingredient lists and nutritional information are accurate and transparent is key to building an honest company and offering products that are accessible to all.

We are dedicated to giving consumers clear product information, instilling confidence that our olive oils complement a healthy lifestyle.

Our approach

Operating across several countries, our labelling, marketing and advertising are subject to varying regulations. We strive to achieve the highest standards in all our materials, ensuring compliance in every market.

Complying with labelling standards

We are committed to maintaining the strictest levels of labelling transparency. We regularly update processes to comply with local legislation and requirements at a minimum, for example, displaying Guideline Daily Amounts where legislated. To support better informed consumer choices, we voluntarily add stamps that identify specific product features, such as which are kosher.

All labels are validated by a qualified team and checked against our in-house labelling guide. Final label approval is provided through a D-sign platform, which records all review and approval processes.

Marketing and advertising products responsibly

To ensure responsible marketing globally, we run all materials past our internal legal and regulatory department for validation. We also maintain standards that guide efforts on a country-by-country basis. For example:

- **In Spain:** we hold full Autocontrol membership, drawing on their expertise to align materials with advertising ethics
- **In Mexico:** marketing materials are externally checked by SGR
- **In France:** communications are checked against regulatory requirements by the Autorité de Régulation Professionnelle de la Publicité (ARPP)
- **In the US:** new labels are validated by external consultants, Prime Label



We are proud to have been awarded a certificate of Corporate Social Responsibility by Autocontrol

Our progress

Verified responsible marketing

In 2021, no incidents of non-compliance with marketing communications regulations were identified globally. Throughout the year, Autocontrol advised and supervised 11 Deoleo advertisements – 10 of which received

positive assessments. The remaining one received a recommendation for change. These assessments are part of Autocontrol Technical Office's Copy Advice® process – a confidential, voluntary and non-binding report on the compliance of non-broadcast advertising campaigns.

Increasingly informative labels

In 2021, six instances of non-compliance with product information or labelling regulations were detected worldwide. Where issues were found, we acted to correct the situation and prevent future occurrences. Going beyond regulatory requirements, we also updated labelling in Brazil and Mexico to incorporate more organic certifications.

Enhancing on-pack transparency

Through many of our labels we now voluntarily share information with consumers about olive harvests and origins, and where the oil was bottled. This has been made possible only through the LIMS software we introduced in 2021 to trace product quality throughout the manufacturing process ([see page 20](#)).



Automating the label-checking process

In pursuit of increasingly accurate labelling, in 2021, we installed 360-degree inspection machines to automate label checking. Using artificial vision technology, the machines review everything from on-label information to the quality of permanent laser-marked labels on packaging. We have introduced laser markers for six of our production lines. The update

eliminates our need for ink as a raw material and mitigates any potential related pollution issues. It also supports traceability as, unlike ink labels, laser markers cannot be erased from packaging.

We have also started the process of verifying our bottle lids using the inspection machines. In two of our glass lines, where caps are made from aluminium using a set mould, imaging verifies that the threading on bottle caps is correct, ensuring bottles can be opened correctly.

What's next

We are continually looking to evolve our labelling, ensuring it aligns with local and global expectations. Going forward, we will continue to implement label updates to comply with all relevant legal requirements by country.

Keeping our people safe and healthy

Why it matters

For Deoleo, the health and safety of our employees is vital.

People can only perform to the best of their ability when they feel supported, protected and comfortable in the workplace. While this has always been clear to us, it has become increasingly important during the COVID-19 pandemic.

Our approach

We take a comprehensive approach to caring for our employees, focusing on protecting both their physical wellbeing and mental health. This has remained a priority throughout 2021.

Meeting global safety standards

We have a responsibility to comply with several national and international safety standards. We maintain an internal global health and safety policy, as well as regional occupational prevention plans, both accessible by employees.

Oversight of employee health and safety sits with a dedicated Health, Safety and Environment (HSE) director. To create a culture of shared safety ownership, all new hires complete training on health and safety regulations and occupational risk prevention, with refresher training issued to employees annually.

Caring for employees at work and home

The right work-life balance is key to mental wellbeing, and we are dedicated to creating work patterns that complement employees' personal lives. We provide flexible work options, including paid leave due to illness and death of close relatives as well as leave to attend medical appointments. Single parents, those with sole custody of children and employees who are carers are also offered schedule flexibility to fit around responsibilities. And, to support employees' mental and emotional health, in Spain and India we have established dedicated services for accessing psychological care resources.

Our progress

Year-on-year progress⁶

No workplace accidents were reported for India or the US in 2020 or 2021.

	2020	2021
Total number of accidents	4	7
- Frequency	4.89	8.15
- Severity	0.06	0.15
Occupational diseases	0	0
Fatalities (from work-related injury)	0	0



Safety training

Keeping everyone at Deoleo safe requires collaboration. To engage employees in efforts, we provide regular occupational health and safety lessons. In 2021, 1,383 hours of training were delivered to employees in Italy and our Spanish head office.

Our COVID-19 response

In light of the ongoing COVID-19 pandemic, we have updated our processes, balancing production requirements with employee wellbeing. Throughout 2021, we maintained robust control, security and safety measures – certified by external experts, SGS – which enabled us to continue operating normally. Our efforts have included:

- limiting office capacity
- disinfecting common areas
- creating team bubbles
- delivery of face masks and antibacterial gel.

We established a dedicated committee at the onset of the pandemic. This group was tasked with creating contingency plans and pre-emptive actions to mitigate business discontinuity risks. Throughout 2021, the committee monitored the measures detailed above to ensure ongoing safety.

In India, where problems with vaccine rollouts existed, we sponsored vaccinations for Deoleo personnel at no extra cost to them. Through the initiative, we paid for both our employees and their family members to receive the vaccine.

What's next

We have always been committed to keeping our people safe, healthy and happy; the measures we implemented throughout 2021 create a blueprint for further steps in 2022. Additionally, to promote a culture of individual safety, we will offer job-specific training throughout 2022 to ensure people are aware of the risks related to their role.

Respecting and supporting a diverse workforce

Why it matters

As a global business, we want our workforce to reflect the variety of our customers and local communities.

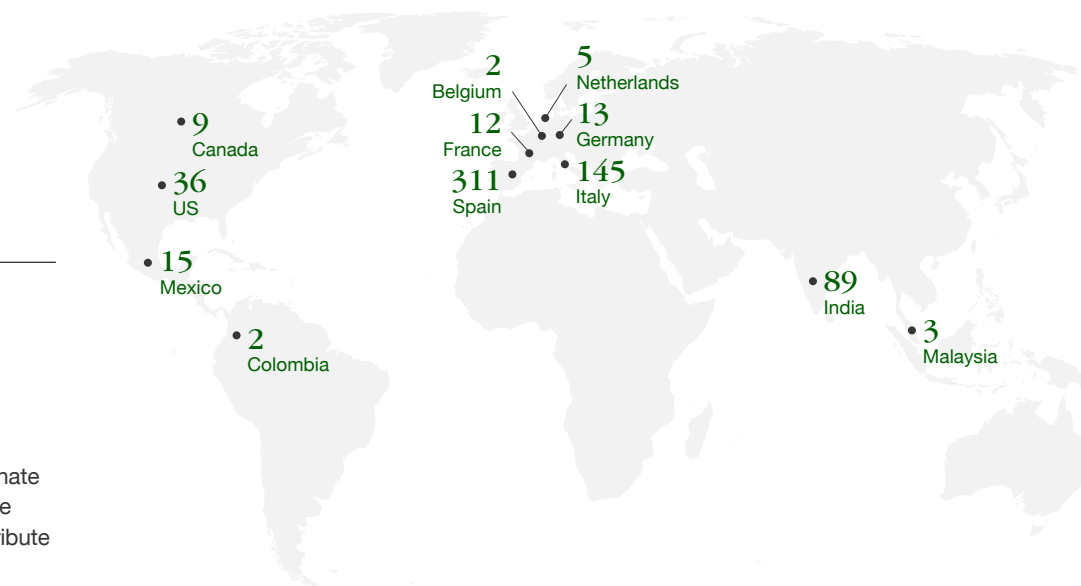
Diverse perspectives unlock innovative product developments, and we are passionate about creating valuable, inclusive employee experiences that empower people to contribute to Deoleo's future success.

Our approach

A zero-tolerance policy

Deoleo's Code of Conduct outlines our zero-tolerance policy for discrimination related to gender, race, ideology, religion, culture, nationality, marital status, age, sexual orientation or any other aspect. A whistleblowing platform allows employees to report grievances or instances of harassment.

Number of employees globally



Creating diverse, inclusive workspaces

We are embedding diversity, equality and inclusion (DEI) at every level of our business. To support this, we maintain people management policies guided by the following principles:

- selection and recruitment based on equal opportunity
- promotion and mobility based on objective criteria

- reconciliation of personal and working life so people can develop their full potential
- a safe and healthy working environment
- Human Resources processes based on respect for personal rights, freedom of association and recognition of the right to collective bargaining
- creation of an inclusive culture.

Our Diversity Charter Certificate

Our stance on equal opportunities and anti-discrimination laws is formalised through our Diversity Charter Certificate. It outlines how we promote diversity, including:

- raising awareness of the principles of equal opportunities and respect for diversity
- building a diverse and inclusive workforce
- including diversity in our HR policies
- fostering a good work-life balance
- recognising diversity in customers, suppliers and business partners
- conveying these commitments to, and instilling them in, all stakeholders.

Read about how we are supporting a better work-life balance on [page 41](#).

Supporting people of varying abilities

Our facilities in Spain, Italy, India and the US already meet legal requirements for hiring people with disabilities. To continually nurture diverse talent, we aim to ensure people with disabilities make up 2% of our workforce by 2026. We seek to work with organisations that hire people of different abilities to promote a similar commitment throughout our industry.

Closing the pay gap

We believe in compensating people fairly for the work they do and, as standard, offer entry salaries above national minimum wage, or the minimum set by applicable collective agreements. Where salaries are defined through collective agreements, base salary for all positions within the same job category is decided solely on seniority or performance. Globally, Deoleo's average salary is €51,534, with a gender pay gap of just 1.16%.

Offering opportunities to grow

To help people be their best at work, we are committed to providing equal development opportunities. Every year, we create and launch new trainings, tailoring content to address feedback gathered through an internal appraisal process. Three targets help guide these efforts:

- by 2025, provide DEI training for 100% of employees
- by 2026, 100% of industrial employees to receive training for career development
- by 2026, 100% of non-industrial employees to receive training for career development.

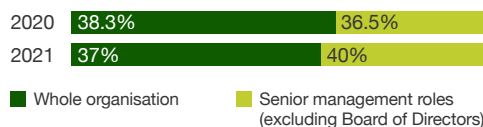
Our progress

Our global workforce demographics

Gender diversity



Female representation



Disability representation



The Deoleo Equality Plan

During 2021, we partnered with workers' representatives in Spain to develop and sign an Equality Plan. The plan details our commitment to equal opportunities for every employee at Deoleo. This includes enhancing hiring and working conditions, training and promotions, and creating structures that support balance between personal, family and work life.

Nurturing career progression

In total, 16,570 hours of training were delivered to 614 employees throughout 2021 – approximately 27 hours per person. While

easing of global COVID-19 restrictions has allowed for more in-person sessions, most training was still offered online, with around 90% delivered virtually. This has enabled the expansion of language training, with countries like Mexico, Colombia and Italy delivering 7,932 hours of English, Italian and Spanish classes – up from 696 hours in 2020. And, thanks to the online format of the training, 500 people from across our global workforce were able to access nine new Master Classes – in three languages – on Deoleo's production processes, products and raw materials.

We are committed to helping our people achieve their career goals, and this includes supporting internal mobility. We are proud that, in 2021, 33.33% of job vacancies were filled internally – up from 30.16% in 2020.

What's next

As we move forward, we will harness our Equality Plan to develop efforts in several areas, including:

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

While we are focusing on implementing the Plan in Spain first, we will eventually expand it to apply globally.

Nurturing current and future talent

To continue developing an innovative, sustainable business we must invest in the people who make our products possible. During 2021, we developed a new talent management cycle to address gaps, promote career opportunities and enable succession planning. We have identified key talent worldwide, creating a pipeline for senior leadership and management positions. Our analysis included investigating gender representation and the pay gap that still exists to enhance progress against our gender goals.

To enhance the experience for current employees, we have introduced an appraisals system that facilitates conversations between employees and managers and promotes development and career planning. A new 'You Make Deoleo' intranet portal brings together company news and development resources in one space. Here, employees can explore open vacancies, review key people processes and explore the new Deoleo Learning Academy – a resource 277 employees used in 2021.

Behind everything we do is a commitment to being a **Responsible business** – to doing things in an honest, ethical manner and staying accountable for our actions. We harness our reach for good, raising the industry bar for sustainable practices and accountable, inclusive governance.

2021 highlights

Introduced a new policy to ensure Board members meet the needs of the Board

Received a score of 70 from EcoVadis for labour and human rights

Expanded our anti-corruption policy to Deoleo subsidiaries

By being a **Responsible business**, we're supporting the UN Sustainable Development Goals aiming for dignity, peace and prosperity for people and the planet



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Accountable and inclusive governance

Why it matters

As a business, we have a responsibility to carry out activities in ways that are respectful of all people and that leave the smallest environmental footprint possible.

Underpinning this is a robust governance structure that reflects diverse perspectives and contributes to the long-term development of a more sustainable business.

Our approach

Our governance structure and leadership strategy guide us in remaining transparent and on track to achieve our goals. We regularly review our Board of Directors, including monitoring training, pay and inclusion of independent members, to ensure we maintain the very best leadership.

Our governance structure

Board of Directors	
CEO and President	
Audit and Control Committee	Nomination and Remuneration Committee

The responsibility of our Board

Deoleo's Board of Directors is charged with overseeing and approving our Corporate Social Responsibility (CSR) strategy and progress against it.

The Audit and Control Committee has oversight of both internal and external audit processes as well as our risk management systems. They are responsible for ensuring the reliability and integrity of financial information, compliance with legal requirements and observance of our Code of Conduct and corporate governance rules.

Our Nomination and Remuneration Committee supervises, coordinates and monitors all CSR policy-related activities. The committee has responsibility for setting Board gender representation goals as well as determining remuneration and incentive policies. We publish annual Directors' Remuneration and Corporate Governance reports, which can be found on [our website](#).

Our progress

Throughout 2021, we reviewed several of our key corporate governance policies, including our Corporate Social Responsibility Policy. Through this review, we have ensured it applies to, and is complied with, in all territories where we operate and by all employees regardless of their role.

Our Board of Directors also approved a policy to ensure the selection, appointment and removal of directors is based on a prior analysis of the needs of the Board. During the year, we appointed two new female directors were appointed to the Board, supporting our commitment to expand diverse representation.

What's next

Going forward, ESG will remain a key discussion topic at Board meetings, ensuring sustainability stays a focus for our business.



Deoleo Executive Leadership Team

Luis Villalba, *Chief Financial Officer*
 Carlos Sanchez, *Chief Operations Officer*
 Rafael Pérez, *Chief Quality Officer*
 Ignacio Silva, *Chairman & CEO*
 Mariu Luchetti, *Chief Marketing and Innovation Officer*
 Juan Moleres, *Chief People Officer*
 Miguel Guzman, *Chief Sales Officer*

Business ethics

Why it matters

Acting in an ethical manner is key – not only to maintain the right to operate, but to preserve consumer trust and strong supplier partnerships.

Ethical business practices enhance our reputation and show people we are an honest, responsible company.

Our approach

Embedding ethical practices

To build an ethical business, everyone at Deoleo must work to the same standards. Our **Code of Conduct** ensures all activities align with our corporate values:

- Honesty and responsibility
- Enjoyment and passion
- Leadership and courage
- Adaptability and consistency

A dedicated Ethics Channel ensures everyone feels confident upholding standards and provides a route for confidentially reporting Code non-compliances. A strict protocol guarantees all reports are received without retaliation.

Safeguarding against corruption

We do not tolerate bribery or corruption and maintain several tools to mitigate risks during third party interactions. Our anti-corruption policy details mandatory guidelines while our stance on gifts and courtesies, ethical recruitment and supplier selection is outlined in the Code of Conduct. All employees must follow our compliance verification programme, which shares best practices for acting with integrity and mitigating corruption risks.

Developing an ethical supply chain

We work with approximately 390 suppliers, all of whom are expected to uphold Deoleo's standards as outlined in our **Code of Conduct for Suppliers**. Suppliers undergo a detailed accreditation process during selection to ensure alignment with our requirements – with a focus on sustainability, ethics and human rights. If selected, suppliers are assessed regularly to confirm ongoing compliance.

Protecting personal data

Our Data Protection Body – an internal team of legal and IT employees – acts as a first point of contact for matters related to personal data protection. Our Privacy Manual and Registry of Personal Data Activities are available to all employees and provide guidance on complying with relevant regulations.

We have set several goals to drive cybersecurity at Deoleo.

- By 2022, increase cybersecurity resilience across our business supply chain
- Train 100% of data managers on information security
- Train 100% of employees on cybersecurity, with cybersecurity training to be included in the global employee onboarding process
- Survey 100% of suppliers for cyber risk analyses

Our progress

To target increasingly ethical operations, in February 2021 we updated our anti-corruption policy to include Deoleo subsidiaries. During the year we received no reports of harassment through our Ethics Channel. Additionally, the Deoleo Group was not sanctioned for any non-compliances with human rights issues.

What's next

Expectations and processes can be set from the top but, to achieve real progress, employees must be engaged in monitoring issues as well. While our Ethics Channel already offers a way to share concerns without fear of backlash, in 2022 we will be introducing new processes to ensure complete anonymity of reports.



Human rights risks, monitoring and grievances

Why it matters

People want to support businesses that care – that set standards and align their actions with them.

By respecting people and their human rights, we can create a more sustainable business and nurture healthier futures on a global scale.

Our approach

We are dedicated to upholding human and labour rights in both our direct operations and throughout the wider impact journey – in fact, this is a non-negotiable principle for Deoleo. Our expectations are detailed clearly in our Code of Conduct. Externally, we have endorsed the United Nations Global Compact (UNGC), signalling our support for global alignment on human rights, labour, environment and anti-corruption principles.

Protecting human rights in our operations

Deoleo works continuously to safeguard the rights of our people and achieve a society free of human rights abuses. We maintain a zero-tolerance policy for intimidation, discrimination, harassment, threats or physical/legal assaults against human rights defenders in relation to the Company's operations. A dedicated whistleblowing channel allows employees to alert us to any concerns and supports monitoring of in-house grievances. The processes and protocols Deoleo follows ensure human rights are protected and validated by our homologations department.

Protecting human rights in our supply chain

Our ethical procurement practices, which exceed regulatory requirements, allow us to track human rights risks throughout our supply chain. Prior to working with Deoleo, suppliers undergo an accreditation process during which information on their existing measures to protect human rights is gathered. If selected, suppliers must adhere to our own standards and policies. Every raw material supplier approved to work with Deoleo must make a declaration of their respect for human rights.



EcoVadis score of 70 for labour and human rights

Additionally, we will only engage with suppliers that comply with relevant current laws around human and labour rights.

Deoleo's quality department aligns with our **Sustainability Protocol**, which covers our expectation that suppliers protect human rights. Periodic audits then support suppliers to achieve continuous improvement. Read more about the process on [page 33](#).

What's next

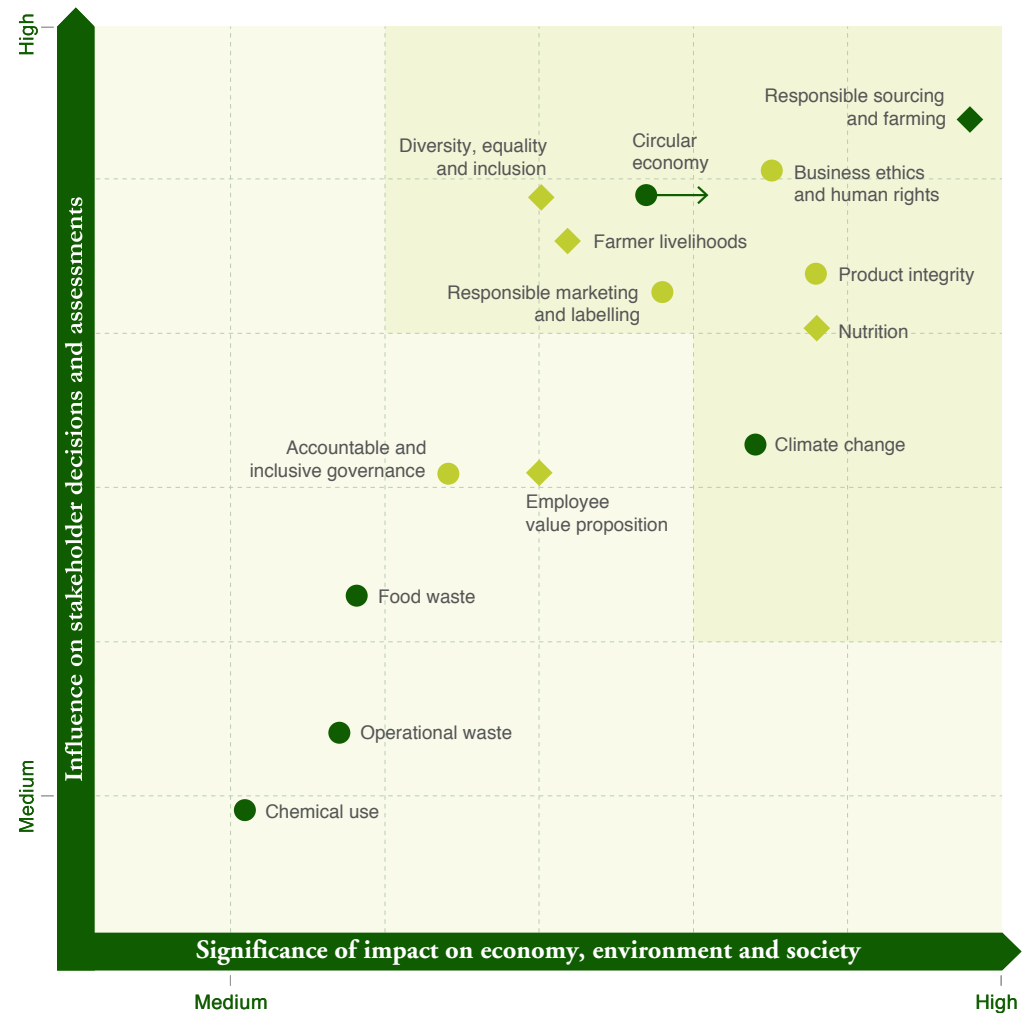
Moving forward, we are working to expand the reach of our Sustainability Protocol. Working with new olive suppliers, we are currently exploring how we can collaborate on implementing the protocol and ensuring a wider network of farmers meet our expectations.

What matters most

We completed our materiality assessment in March 2021 to identify the environmental, social, governance and economic issues most important to our business.

Research was conducted externally, including interviews with internal and external experts, following which surveys were sent to and completed by over 300 stakeholders. These included partners, buyers, investors, employees, consumers and suppliers.

The insights we gained informed a preliminary materiality matrix, which was discussed internally to rank issues based on importance. A final matrix, displaying our most important issues and those that influence stakeholder decisions, was then validated by external stakeholders.



● Governance and ethics

◆ Social

● Environment

◆ Supply chain and sourcing

→ Issue of growing impact

Engaging our stakeholders

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

In July 2021, our Board of Directors approved a new body for communicating with stakeholders, investors and proxy advisors on financial, non-financial and corporate information.



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

Independent assurance statement



Deloitte SL
Paseo Pío Baroja 11
Torre Pallas
28010 Madrid
España
Tel: +34 915 14 56 00
www.deloitte.es

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

INDEPENDENT ASSURANCE REPORT ON THE 2021 ESG REPORT OF DEOLEO

To the Shareholders of Deoleo, S.A.,

We have performed the review, with a scope of limited assurance, of the 2021 ESG Report for the year ended 31 December 2021 of Deoleo S.A. and Subsidiaries (Deoleo or the Company), the scope of which is defined in the GRI disclosures, in the Appendix of the 2021 ESG Report.

Responsibilities of the Global Corporate Communications Department of Deoleo

The preparation and content of the 2021 ESG Report, as well as its content, are the responsibility of the Global Corporate Communications Department, which is also responsible for coordinating the system for collecting the information reported by the corporate departments and business units.

The 2021 ESG Report was prepared in accordance the Sustainability Reporting Standards of Global Reporting Initiative (GRI-SRS) in its core option. This responsibility also includes the design, implementation, and maintenance of such internal control as is determined to be necessary to enable the 2021 ESG Report to be free from material misstatement, whether due to fraud or error.

The Global Corporate Communications Department is also responsible for defining, implementing, adapting, and maintaining the management systems from which the information necessary for the preparation of the 2021 ESG Report is obtained.

Our Independence and Quality Control

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

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed.

This report has been prepared in the interest of the Company in accordance with the terms and conditions of our Engagement Letter.

We conducted our review in accordance with the requirements established in International Standard on Assurance Engagements 3000 Revised currently in force, Assurance Engagements other than Audits or Reviews of Historical Financial Information (NIEA 3000 Revised), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements on regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance provided is also lower. This report cannot be understood as an audit report.

Our work consisted in requesting information from Management and the various units of the Company that participated in the preparation of the 2021 ESG Report, reviewing the processes used to compile and validate the information presented in the 2021 ESG Report and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with the Company's personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.
- Analysis of the scope, relevance and completeness of the contents included in the 2021 ESG Report based on the materiality analysis performed by the Company.
- Analysis of the adaptation of the contents of the 2021 ESG Report to those required by the GRI-SRS standards in its core option.
- Analysis of the processes used to compile and validate the data presented in the 2021 ESG Report.
- Verification, by means of sample-based review tests, of the non-financial information relating to the contents included in the 2021 ESG Report, and the appropriate compilation thereof based on the data furnished by the Company's information sources.
- Obtainment of a representation letter from the Global Corporate Communications Department.

Conclusion

The GRI disclosures, in the Appendix of the 2021 ESG Report, details the contents reviewed, the limitations to the scope of the review and identifies those that do not cover all the aspects recommended by GRI-SRS. As a result of the procedures carried out and the evidence obtained, except for the aspects identified in the in the GRI disclosures, in the Appendix of the 2021 ESG Report, no matter has come to our attention that causes us to believe that the 2021 ESG Report of Deoleo S.A. and Subsidiaries for the year ended 31 December 2021 was not prepared, in all material aspects, in accordance with the GRI-SRS guidelines in its core option, including the reliability and suitability of the contents reviewed.

DELOITTE, S.L.



Fernando García Beato

June 27th, 2022

Get in touch

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

Email us at communications@deoleo.com

www.deoleo.com