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A man in a dark blue suit, white shirt, and blue patterned tie stands with his arms crossed in an office setting. He is smiling slightly. In the background, there is a computer monitor and some office equipment.

# welc

For Agromediterránea, 2014 was a year of great changes. Changes that brought us into a new era full of challenges and opportunities of which we took advantage and that will continue to allow us to grow as a company and enrich our environment.

In 2014 these changes led to the internationalization process that has already established our presence in 14 European countries and garnered 30 major retailers as clients. We are committed to enhancing our product offer and to this end we have audited our facilities and working methods. We certify that we not only meet but even surpass the highest international standards of food safety and quality criteria. We have proudly maintained and expanded the Global G.A.P. certification in all of our farms, as well as an audit that resulted in the highest rating of our management system, according to the BRC, IFS and QS standards. We can ensure that our work is not only

aligned with our clients' needs but also with internationally recognized references.

With the renewed trust of our main client, Mercadona, we are again the associate supplier for our country's main retailer and distributor and we want to continue growing together and offering, on a daily basis, higher quality, freshness and varieties of products to the consumers. What's more, in the final stretch of last year, Agromediterránea changed owners and passed into the hands of a group of agricultural societies based in the Region of Murcia and the Valencia Community who have reaffirmed their commitment to the company, its team and its objectives, and is equally committed to developing their Levante area into the "market garden of Europe". All these changes provide stability for our organization's growth and the strengthening of our position as leading agricultural producers.

# ome

Agromediterránea's prime objective is to meet the needs of our consumers; accordingly we need to be leaders in Quality, Service, and Price; food safety and product quality and these are our top priorities. We ensure 365 days a year service, always offering the most competitive market prices.

We have all the skills and components that will allow us to fulfil our objectives and make our goals a reality. We have the best possible teams of motivated people who feel a special passion, in every sense, for their professional fields and for the fields in which they work; diligently working every day with the aim of attaining continuous improvement. Employees are a company's main asset and our commitment is to provide them with quality and stable employment.

Our suppliers are another key factor for the success of Agromediterránea. We endeavour to establish long term relationships, encouraging investment and mutual commitment. We greatly

value relations with a high level of professional ethics, seriousness and reliability. These are values we cultivate each day with our suppliers. Backed up by our outstanding facilities, technical teams respond with the latest technology to satisfy the needs of our most exigent clients. We will continually invest in technology and adapt our facilities to deal with emerging commercial demands, with the clear objective of improving effectiveness and productivity. We work every day to lead the way in supply chain control, from the field to the table. The production processes, transport and storage of our products ensure that they reach the consumer, wherever they may be, with optimum freshness and quality.

Being a successful company does not negate our social responsibilities and we always bear in mind this very sensitive aspect: Agromediterránea's social and environmental commitment. Social responsibility, in all Agromediterránea's activities, accords with our ethical principles and within a framework

of sustainable development. It is the very cornerstone of the way we work. Maintaining a balance between commercial success and social responsibility is vitally important to us. That is why we collaborate with local associations and strive for daily improvement, following the indicators of the United Nations Global Compact, in which we have participated since 2013.

Our customers, workers, suppliers, society and capital are the components for which we work every day and to whom we are committed. To each and every one, thank you for your support and for your continued effort to ensure that these times of change translate into Agromediterránea's best opportunity for success.

**Rafael Martínez Soriano**

Director General of Agromediterránea



# The Company

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**The Agromediterránea agricultural company started out in 1983, in the small town of Dolores de Pacheco in the Spanish province of Murcia. With the aspiration of always offering the best that earth can produce, Agromediterránea has become one of the largest producers and distributors of fresh greens and vegetables in Spain.**

**This reality is only possible thanks to the relationship of mutual trust between our workers, clients and suppliers.**

**Our activity is based in the Southeast of Spain, mainly in the Region of Murcia and the adjoining provinces of Albacete, Alicante, Almeria and Granada, where we work with a profound social and environmental commitment, taking advantage of a climactically privileged place and grateful for the excellent conditions that we enjoy.**



**START OF THE ACTIVITY**

1983

**CENTRAL HEADQUARTERS**

Carretera Pozo Aledo. Km. 3. 30739. Dolores de Pacheco. Murcia, Spain

**PHONE NO.**

+34 968 17 30 01

**EMAIL**

info@agromediterranea.es

**WEBSITE**

www.agromediterranea.es

**MARKET**

Vegetable production and handling, domestic and international

**RSC MEMBERSHIPS**

Organization affiliated with the Global Compact of the United Nations and Social Pact for the Environment in the Region of Murcia

**NUMBER OF EMPLOYEES**

Annual average of 1,200 employees

# THE CUSTOMER

- 01.1** MAXIMUM QUALITY AND FRESHNESS AT THE MOST COMPETITIVE PRICE
- 01.2** FOOD SAFETY, OUR TOP PRIORITY
- 01.3** FROM THE SEED TO THE TABLE: MAXIMUM CONTROL AND EFFICIENCY

# 01





**Agromediterránea aims to create relationships of mutual cooperation with customers and to treat them individually and personally, and respond to their specific needs. We adapt to satisfy the most demanding customers; complying with their specifications, suggestions and ideas; incorporating different formats and processes that are required and always within a framework of responsible processes.**

We want to continue to count on the millions of customers who rely on us every day. Customers who choose our products because they are looking for a healthy lifestyle based on good nutrition that compliments physical exercise. Our mission is to continue offering the best products, striving each day to comply with this firm commitment and with the responsibility that goes with it.

This mission translates into commitments such as collaboration with associations like 5 al Día (5 a Day) or Más Brócoli (More Broccoli), and who are thoroughly committed to wholesome eating and the Mediterranean diet. Agromediterránea's greens and vegetables contribute to the improvement of healthy eating habits and, as a result, people's lives. Subsequently, we provide the consumers with products that are tasty, safe and of the highest quality.

Fruit and vegetables' recognized properties along with their contribution to the health of the whole family, have made them fundamental diet elements. In order to administer the body's daily requirements of vitamins, minerals and fibre, the scientific and medical community recommends, according to individual energy requirements, eating at least five servings daily of fruit and vegetables.







# 01.1

## Maximum quality and freshness at the most competitive price

Our products are selected daily at their optimum point of freshness, quality and food safety, with a working methodology focused on the continuous improvement of production processes.

To do this, we are equipped with everything necessary for obtaining the best yield from natural resources, and with proper respect for the environment:

- Active production 52 weeks, 365 days per year.
- 5,000 hectares of land in agricultural production in five provinces.
- Geographic mobility: distribution of crops according to the best climatic conditions of each season: summer farms, winter farms and even mid-altitude farms for spring and autumn.
- Department of crop programming and development.
- Department of continuous improvement.
- R&D department: Study of varietal developments, new varieties, phytosanitary measures, fertilizers, herbicides, etc.
- 12 harvest-preparation platforms, which represents a savings in costs and, above all, a breakthrough in quality (the product is not handled practically at all) and freshness (faster access directly from the farm to the distribution platforms).
- Night harvests in the summer seasons to obtain the product in as fresh a state as possible.
- 65 tractors and more than 400 implements.
- Vacuum cooler on the production floor: System that allows us to cool the product evenly by applying a vacuum (12 pallets in 30 minutes), favouring optimal conservation without losing freshness.
- Intelligent storage in the production plant: Allows minimizing the time between the entry and exit of the pallet, to thus avoid breaking the cold chain.





**We are one of Spain's 3 largest producers of lettuce, zucchini (courgette) and radish.**



# Assortment of our main products in 2014



SPINACH



CHARD

RED OAK LEAF  
LETTUCE

ICEBERG LETTUCE



LITTLE GEM



ROMAINE LETTUCE



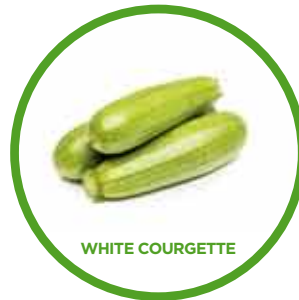
CURLY ENDIVE



SWEET CORN



GREEN COURGETTE



WHITE COURGETTE



CORIANDER



PEPPERS



MINT



BROCCOLI



GREEN CABBAGE



RADISH



SAVOY CABBAGE





## Agromediterránea's presence by countries

Spain  
Germany  
United Kingdom  
Switzerland  
Austria  
France  
Poland  
The Netherlands  
Czech Republic  
Italy  
Belgium  
Hungary  
Lithuania  
Serbia  
Romania



A man in a white lab coat is standing in a greenhouse, holding a small green leaf in his right hand and a white folder in his left. The folder has a green leaf logo and the word "GRÁNEA" printed on it. The background shows rows of green plants in the greenhouse.

## 01.2 Food Safety, our top priority

**Continuous improvement is an essential part of the philosophy of our company. In order to improve the quality and the competitiveness of our products, and with the highest possible food safety, we have for years been making significant human and financial efforts to develop strategies aimed at the management of best practices throughout the productive process.**

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- Currently, all Agromediterránea's farms are certified according to the international best practices standard Global G.A.P. Also, in 2014 we developed the *G.R.A.S.P Risk Assessment on Social Practice* module, which covers the indicators related to corporate social accountability and workers.
- This year, Agromediterránea has passed the corresponding audits and testing to obtain the most demanding international certifications in the food industry: IFS, BRC and QS, as well as various audits required by our international clients and continuous inspection of the same, having passed them all with the highest results.
- In order to further strengthen the future of our company and of our products and processes through risk assessment, a redesign of the food quality and safety system was initiated in 2014, redirecting all of our work towards the increase of value in our company in order to meet the needs of the our clients and consumers.

**GLOBAL G.A.P.**



**GLOBAL STANDARD**  
**FOR FOOD SAFETY**



- Similarly, Agromediterránea respects and adapts to the brands and individual quality standards of each of our clients.

Agromediterránea evaluates all products in accordance with current rules and regulations, at every stage of their life cycle, ensuring that there is no risk to people's health and safety. For this we have our own laboratory equipped with the most advanced technologies and accredited at international level by the ENAC standard in the UNE 17025 standard.



In 2014, the lab included in its scope of accreditation the multi-residue analysis by liquid chromatography with triple quadrupole detector and the dithiocarbamates analysis by UV/VIs. These are included in the existing multi-residue analysis by gas chromatography-mass. This resulted in an increase of 5 times the number of active substances and the increase of matrices included in the scope of accreditation. The number of samples analysed in 2014 was 1,800 units, and the forecast is to increase this number by a factor between two and three, while at the same time including new matrices to analyse.

Likewise, during all phases of planting, harvesting, transport, handling, storage and optimal preservation, all of our products comply with the conditions that are laid down in regulations, their technical specifications are also adhered to in order to preserve freshness and ensure that there is no risk to the health and safety of our consumers. The Quality Control Department is of vital importance in this self-evaluation of products to ensure that they comply with our internal requirements and the specifications of our clients.







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# 01.3

## From the seed to table: maximum control and efficiency

**Agromediterránea has everything in place to ensure that the entire process, from the nursery beds to our consumers' homes, is integrated in a meticulous and simultaneously effective organization. Control of the entire production and commercial process is our main competitive advantage and it is vital to ensure that a product is safe, fresh and of the highest quality.**

### Nursery

Our 10-hectare nursery area, distributed in three separate sites with an output capacity of 200 million plants, allows us to provide an efficient and continuous service to all our farms, as well as carry out exhaustive quality control starting with the reception of the seed, controlling temperatures, and irrigation in proper doses and measurements. Technology and care combine to create a solid foundation on which to obtain the best product.

### Farms

A cultivation area of 5,000 hectares in 18 farms distributed in 5 Spanish provinces (Murcia, Almería, Granada, Alicante and Albacete) ensures agricultural production 365 days a year. We take advantage of our optimum climate at all times and seasons, and provide continuous service to our customers with the maximum guarantee of freshness and food safety.

120 hectares of multispan and multitunnel greenhouses have also been built according to crop condition, thus ensuring the supply of various products.





**Our latest generation cutting-edge harvesting machines enable us to harvest and package the product directly on the farm, keeping us one step ahead in terms of quality and freshness, as this is completed on-site and can then be moved directly to the distribution platforms.**





## Production Plant

We have the agricultural sector's most modern automated installations. With more than 15,000 m<sup>2</sup>, our production facility is equipped with pallet trucks, robots, transfer carts, automatic binding and labelling machines as well as a storage capacity of 50,000 m<sup>3</sup> and 5,500 pallets. With more than 100 pallets of flow/hour and powerful control and identification systems, we reduce costs and improve the control of both packaging and product quality. The facilities are located on a completely urbanized plot of 64,000 m<sup>2</sup>, and their design is based on 4 fundamental concepts:

- Food Safety and Quality.
- Elimination of worker-strain to attain safe and ergonomic work environments.
- Environment and social commitment.
- Competitiveness.

This modern infrastructure at the plant, in terms of packaging lines and storage, allows us to cater for our clients' individual demands, incorporating the products into the refrigeration chain as swiftly as possible. Real-time control of product stocks and the automatic identification systems of the same guarantee total control and reliability throughout the entire process.







## Fleet of trucks

The company's own fleet of more than 50 refrigerated trucks allow us to offer a safer and more efficient service directly from the field and the production plant to the customer.

A white refrigerated truck is shown from the side. The word "TERRÁNEA" is printed in large, bold, dark green letters on the side of the truck. To the right of the text is a large green leaf logo. The truck is parked on a paved surface, and the background is a clear blue sky.

**TERRÁNEA**

# THE WORKER

**02.1** CODE OF ETHICS AND RESPONSIBLE CONDUCT

**02.2** TRAINING AND DEVELOPMENT

# 02

**Agromediterránea's team of 1,200 workers are distributed in teams carrying out their different specialized activities. Following the philosophy of continuous improvement and increased productivity every worker is essential for achieving maximum efficiency in the processes of production, management and marketing. For this reason, one most important strategy is to empower professionalism and the continuous development of all the people who are part of the company.**

The approach to our employees involves taking steps to ensure good labour practices, respect for human rights and implementing adequate measures for contracted companies and partners.

Agromediterránea defends equality from a global perspective, strictly ensuring non-discrimination. Good professional practices involve safeguarding equal opportunities for persons with a different race, sex,

nationality, disability or personal belief. It is the company's duty to always ensure that every person who works in the company will be treated respectfully, regardless of their title and position.

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## 02.1

# Code of Ethics and Responsible Conduct

To ensure internal social responsibility, Agromediterránea adheres to a code of ethics and responsible conduct; there is a document that sets out the standards of conduct for the company with regard to its workers and ensures compliance with good professional practices. Created as a frame of reference for everyday work, a series of principles define the form of our working methods and business culture, and that aim at ongoing

improvement in responsible management. The document contains the values we have identified with since we began over thirty years ago, adapting them to the new needs of the environment and of people. This Code is a way of being consistent with these values and commitments, always seeking excellence and competitiveness in our management.



# 02.2

## Training and Development

**Close to €200,000 of investment in training**

**5,500 hours of training**

Good Agricultural Practices apply not only to products but also to people. Therefore, we developed the voluntary **GRASP module: GLOBALG.A.P. Risk Assessment for Social Practices**, developed in order to assess social practices in exploitation, addressing specific issues related to the health, safety and welfare of workers.



### Technical training

One of Agromediterránea's primary responsibilities is the training and development of its workers. Aiming to enrich and add value to the great team that comprises Agromediterránea, many educational activities took place in 2014 that responded to the needs identified in work areas.

To this end, various **"Food Defence"** courses related to safety and the prevention of food risks were given to a good part of the staff, from the field as well as from the warehouse and central offices.

Also, several courses on **"Good agricultural and handling practices"** were imparted for handlers in all involved departments, with the aim of providing our customers with safe products of the highest quality.

Consistent with the protection of workers, training has been provided for selected personnel in **"Standards of performance in security incidents"** as part of the Prevention Plan, as well as **"Correction of repetitive movement"** and **"Training for preventive activity"** for our most important asset - people.

### Skills training

At Agromediterránea we consider to be vitally important the people's talent or training as well as their attitude towards their work, the team and the organization, thus the need for continuous effort in skills training. In this regard, the **"Skills program for field personnel"** was launched during 2014, for nearly 100 people from different departments and categories (farm managers, technical coordinators, area coordinators, supervisors, crew coordinators...). It reinforced subjects such as: a positive attitude, skill development, team work, monitoring and evaluation.





## Specific programs for field personnel

Professionals from the field are the most numerous in the Agromediterránea workforce. Every year, the company develops ongoing training programs that are tailored to specific needs. During 2014, training programs were developed in **“Basic Pesticide Applicator”, “First Aid”, “Hygiene and Food Safety”** and **“Basic training in the prevention of occupational hazards”**.

## The challenge of internationalisation

The start of Agromediterránea's internationalization strategy has been a major challenge for the entire workforce, from the relationship with customers in different countries to working with new standards, formats, raw materials, supplies...

Agromediterránea strengthened **language** training in 2014, especially for workers in contact with international clients or suppliers, as well as for the management team.

Likewise, a **“Customer Service and Public Relations”** course was provided, aimed at standardizing the team's communication style and interpersonal skills, promoting the culture of excellent treatment, telephone service procedures and techniques, excellence in customer service, development of competence in knowing how to listen and how to be assertive.

Total employees:  
**1,192**

CT Indefinite	95,66%
CT Temporary	4,34%
Over 55 years of age	3,41%
Under 35 years of age	37,29%
Between 35 and 55 years of age	59,30%

# THE SUPP LIER

03

**The base of Agromediterránea's business relationships with suppliers is set in the values of honesty, fairness, kindness and a high level of ethics. A fruitful business relationship is based on good relations with suppliers.**

## **Regular suppliers**

At Agromediterránea, depending on the type of product or supply provided to the Company, we divide our suppliers into three broad categories:

- **Suppliers of raw materials:** own agricultural production on farms that are owned or leased, legally protected agricultural producers and auctions, grain exchanges and other farmers that are not legally protected.
- **Suppliers of auxiliary materials:** the field (fertilizers, insecticides, etc.) and stores (plastics, boxes, strapping, production materials, etc.)
- **Suppliers of services and other provisions:** suppliers of fuel for trucks, repair and maintenance, electricity, transport, independent professional services, insurance premiums, waste management, leases and royalties, telephone, etc.

## **Support for our internationalization process**

In terms of supplier management, internationalization was, without a doubt, the biggest challenge that we faced in 2014. Exporting our products to the main European supermarkets signified a substantial expansion of our references and, as a result, the need to venture into the supplier market, sourcing the materials needed to meet our customers' specific requirements in terms of packaging, wrapping and labelling.

Besides expanding our range of suppliers to obtain these new materials; in response to the increase in demand that began in October with the launch of the export campaign, we have also improved our infrastructure in order to ensure reliable service.



## Due to the launch of our international business, acquisition of cardboard boxes increased by 340%, going from 280,000 to 950,000.

To this end, we carried out the following investments and contracting:

- **Rental of a 1,000 square meter tent.**  
The flow of packaging both in terms of purchase as well as rental grew in such a way that we had to use this auxiliary warehouse to regulate the transit of the same, without creating bottlenecks in the main facility.
- **Expansion of the fleet of rental forklifts and pallet trucks.**  
To move all these packages, we had to expand the fleet of machinery, increasing its number by 12 units, including forklifts, electric pallet trucks and stackers.
- **Installation of three cardboard box assembly machines.**  
The emergence of cardboard packaging has been another of the challenges that we had to overcome. Thousands of packages of this material

have had to be provided to the production centres every day without causing a collapse of the warehouses. A JIT (just in time) provisioning system was implemented to this end, supported by the three cardboard box assembly machines, which enabled us to attend orders for boxes from one day to the next without accumulating surpluses.

- **Construction of two new docks for loading and unloading trucks.**  
Such movements of materials required new entry and exit routes in our facilities, for which two docks with adaptable ramps were built.
- **Construction of a module office for labelling**  
Another item which saw dramatic growth has been the labels for export. Just as with the other references for this market, this has signified an expansion in the area of infrastructure and suppliers.

**In the last quarter of 2014 we prepared almost 6 million labels for export.**

In 2014 we created an exclusive department for labelling, and we trained specialists who could reliably meet the marking and coding requirements of any kind of format.

Rental of two desktop printers, going from eight to ten machines operating at full shift.







**More than 70 regular suppliers of different goods and services**

**Purchases from suppliers amounting to 16 million Euros**

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## **Agricultural supplies**

Besides the purchase of materials to incorporate into our preparations, all the strictly agricultural provisions grew in parallel with the cultivation of all the new references and the increase in volume of existing ones. Agromediterránea worked during 2014 with more than 70 different suppliers of goods and services, mainly being agricultural products such as seeds, fertilizers, plant protection, substrates, irrigation equipment and plastics for agriculture.

The purchase of supplies, such as fuel and electricity to maintain the activity in our farms and production centres, was also a very important economic component, remaining unchanged at more than 3 million Euros.

Overall, the amount of purchases from suppliers exceeded 16 million Euros, 95% of the purchases corresponding to national suppliers and the rest were international.



## We bought 800 million seeds in 2014

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### Seeds for our business

In order to stock up on seeds, essential for our activity, we engage in medium to long-term and stable programs with 19 premier trading houses with locations as diverse as the Netherlands, the United States, Japan and Spain, and production in both hemispheres.

We are in favour of fostering a partnership association with our suppliers, i.e. close collaboration and cooperation with them, creating strategic and therefore mutually beneficial alliances.

The necessary products could not be lacking for germination of these seeds in our seedbeds in the provinces of Albacete, Granada and Murcia:

#### **Baltic white peat**

This peat is extracted mainly from bogs in Estonia and Latvia. Peat formation is the first stage of the natural process by which vegetation is converted to coal. It is formed as a result of the decomposition and partial coalification of vegetation in the acidic water of marshes and wetlands; Agromediterránea being one of the largest importers.

#### **Vermiculite**

A mineral formed by silicates of iron and magnesium, which retains moisture and nutrients for the plant to assimilate in its initial phase.

### Fertilizers and deficiency contributions for the plants

In their various stages of growth, by an amount of EUR 2.6 million. Outstanding due to its volume:

#### **5,200,000 kilos and/or litres of top dressing**

With a base of mainly Nitrogen, Phosphorus, Potassium and Calcium. Raw materials originating in countries such as Algeria, Morocco, China, Russia and Belorussia.

Phytosanitary treatments also, to protect them from pests and fungi. 230,000 kilolitres









# THE SO CIETY

- 04.1** RESPECT FOR THE ENVIRONMENT
- 04.2** UNIVERSITY ENVIRONMENT
- 04.3** CONSUMERS
- 04.4** CORPORATE RELATIONS
- 04.5** OTHER ACTIVITIES

# 04

**Agromediterránea's concept is that of a global and responsible business with a strong belief in commitment to our environment, investing in growing together with the communities in which we are present, reinforcing the links with them and promoting respect for human rights within its sphere of influence.**

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Agromediterránea is an active player in society, not a mere spectator. With this principle we become involved in the projects in which we participate, because we believe in them and have an interest in supporting their duration, thus focusing the investment in our community from a perspective of contribution to the development of the societies in which we operate.

The best way to meet these expectations is by establishing close collaboration between the company and society, while maintaining a continuous and fluid dialogue with their interest groups and promoting actions that contribute to the advancement of the people. We carry out our commitment in collaboration with governments, NGOs, and other social agents in social action projects and activities related to social development and environmental conservation.

In accordance with this premise, and additional to the effort to offer tasty and nutritionally-balanced products as a socially responsible company, Agromediterránea is also committed to those who are most disadvantaged and who do not have their basic needs covered.

Since its inception, Agromediterránea has incorporated the values of corporate social responsibility into its work methods, so that they are naturally integrated in the company's strategy, culture and organization.

Agromediterránea has belonged to the United Nations Global Compact for responsible business management since 2013. We support and promote the 10 principles of the Compact which concern fundamental rights of individuals, labour rights, environment and good corporate governance. These criteria are integrated into our strategy and working methods, and we commit ourselves to continuous improvement in these areas through indicators and specific plans.





# 04.1 Respect for the environment

**Our environmental management policies are based on a series of basic principles, such as:**

- The increasingly **extended tendency to use organic fertilizers.**
- **Crop protection:** Lines of action with integrated pest control (products that do not adversely affect the environment, or the auxiliary flora and fauna); and the release of pest predators (minimizing the use of pesticides).
- **Recovery of water:** In all the farms we have collection systems for irrigation water: it is collected in a reservoir, and through the pump system the water is transferred to a repository which is also prepared for the collection of rain water. An entire system of pipes in the greenhouses collect rain water through downspouts and piping and transport it to the below ground level repository.
- **Preparation in the field:** We are carrying out a simultaneous harvest and preparation strategy in the field of crops such as broccoli, cabbage, little gem, oak leaf, romaine lettuce, iceberg lettuce and zucchini. This new way of working ensures a fresher product, as well as savings in shipping and handling, and helps to save fuel and resources.







## **Conservation of biodiversity and protected sites**

**In the farm environments where we develop our production we devote special care to all the areas considered protected sites.**

### **Plant and animal species**

The existing vegetation bordering our farms is among the elements to be preserved, and mainly the tree and shrub species as they serve as a support and provide many animals with sustenance and shelter.

Maintenance of the terraces, as well as unique individual areas, mainly of woodland, that exist in zones of agriculture land, with particular attention to traditional varieties within the compass of each of our farms, both in the Mediterranean Basin, Sierra Maria Natural Park and the Cabo de Gata – Níjar Regional Park.

The different isolated wooded areas on each farm are all preserved and maintained.

### **Historical and cultural interest (archaeology):**

There is an archaeological site located on our farm on the municipality boundary of Moratalla with a surface area of approximately 1 hectare. This site corresponds to a time between the Bronze Age and the Late Roman period with a great number of Iberian remains.



# 04.2

## University environment

### CSR Chair of the University of Murcia

As a sign of our commitment to Corporate Social Responsibility (CSR), and in order to receive ongoing advice and participate in best business practices in this area, Agromediterránea is a sponsoring company of the CSR Chair at the University of Murcia (UMU), directed by Professor Longinos Marín.

Thanks to the Agreement signed in 2010 between the University of Murcia and the Department of Education, Employment and Training in the Region of Murcia, the Chair has the support of organizations and companies such as Agromediterránea for the promotion of research on all issues related to CSR. The Chair has the following objectives:

- The advancement of research on CSR issues.
- The promotion of the active involvement of universities, organizations and society as a whole in the advancement of CSR policies.
- The dissemination, information and awareness of CSR among companies, institutions and society.
- The promotion of education and training in CSR between organizations, universities and any other interested parties.
- The generation of knowledge, the sharing of experiences and good practices between companies in the area of CSR.
- The stimulus of companies and universities to develop and communicate their CSR policies.



### Members of the Region of Murcia's University-Business Foundation

Agromediterránea is a member of the Region of Murcia's University-Business Foundation, an entity created in 1988 to be a "connecting link between the University and business". Among the objectives of the Foundation these stand out: to encourage and develop shared knowledge, dialogue and cooperation between the University and business to promote entrepreneurship, growth and economic development in both the Region of Murcia and within our wider social context.

Likewise, Agromediterránea collaborates with the ENAE Business School, the leading business school in south-eastern Spain, belonging to the Region of Murcia's University-Business Foundation.



# 04.3

## Consumers

### Promotion of habits for healthy living

#### +Brócoli

In our quest to promote healthy lifestyle habits among consumers and society in general, Agromediterránea is a member of the "+Brócoli" ("More Broccoli") association. The entity, whose main purpose is promoting the consumption of broccoli, brings together farmers, traders, researchers, nutritionists, restorers and all those related entities and persons interested in spreading the healthy, nutritious and tasty benefits that this cruciferous vegetable offers. Agromediterranea holds the presidency of the association since 2012.



#### 5 al Día

In Agromediterranea we encourage actions to promote "5 a day", comprising companies, institutions and individuals who take charge of their message and to achieve the improvement of our society's eating habits by collaborating and reporting the health benefits of eating 5 servings daily of fresh fruits and vegetables.





## 04.4

# Corporate relations

As an innovative company that is involved with its environment, Agromediterránea is an active member of the main business associations in the Region of Murcia. Among them, the **Regional Confederation of Business Organizations of Murcia (CROEM)** and the **Association of Fruit and Vegetable Producers-Exporters of the Region of Murcia (PROEXPORT)**.



## 04.5

# Other activities

### Donations to the disadvantaged

In our actions to support disadvantaged groups, Agromediterránea makes regular donations of products to different associations. Among others, an agreement was signed in April 2014 in **collaboration with the Caritas Diocese of Cartagena**, establishing a stable relationship of collaboration between the company and this charity association.

This collaboration agreement issues from the contribution of horticultural products that Agromediterránea has made since 2012 to the Caritas Diocese of Cartagena.

The agreement was formalized after the visit to the logistics centre of the Caritas Food Warehouse in Murcia. That warehouse handles the distribution of resources for people in need or at risk of social exclusion, distributing contributions from companies to its various parish centres.

A new framework of cooperation and dialogue between both organizations was established through this agreement.

In 2014, Agromediterránea donated over 25,000 kilos of vegetables and 45,000 pieces of mixed lettuce to the Caritas Diocese of Cartagena, which is responsible for the distribution of these foods to their health centres in the Murcia region, contributing to the maintenance of people in need.





## **Over 25,000 kilos of vegetables and 45,000 pieces of lettuce donated to Caritas in 2014**

Furthermore, during the last year Agromediterránea promoted and contributed to the development of other collaborative activities with society, such as:

- Educational visits to the Agromediterránea facilities and farms for universities, institutes, housewives, retirees.
- Participation in and sponsorship of fairs, congresses and conferences for the dissemination of good agricultural practices, efficient work methods and habits for healthy living.
- Sponsorship of local festivities and sports events.



# THE CAPI TAL

05





**Agromediterránea has a business history of more than 30 years in the agricultural sector. Its commitment during all this time has always been to offer the best product with excellent service for the customer and consumer, and being increasingly competitive in order to ensure the sustainability of the business and the environment in which it operates.**

The company has always been committed to constant investment in human and material resources, infrastructure, new agricultural techniques and business management, as well as in the development of training programs. Dynamism is essential in order to continue growing nationally and for opening the company up to new international markets.

Social responsibility in every sphere of action, in accordance with our ethical principles and in the framework of sustainable development, is the cornerstone of our working methods. The balance between business success and social responsibility is particularly important to us.





## **Some figures from 2014**

In 2014 Agromediterránea achieved a turnover of € 60,201.000. The company sold a total of 114.7 million units of product, which meant a volume of 73,772 tons of production.

The products that have sold the most have been romaine lettuce, little gem, iceberg lettuce and green zucchini, positioning us among the main domestic producers of these vegetables.

Agromediterránea is one of the largest producers in Spain of: lettuce, zucchini, and radish.

**115 Million units of greens and vegetables sold in 2014**

**Nearly 74,000 tons of production**

**Top 5 producer in Spain of: lettuce, zucchini, and radish**





# Production numbers

TOP 5

- 40 million units of romaine lettuce
- 40 million units of little gem lettuce hearts
- 20 million units of iceberg lettuce
- 15.5 million kg of green zucchini 15,500,000 units, one of the largest producers in Spain
- 5.2 million kg of broccoli
- 2.5 million units of red oak leaf lettuce
- 2.5 million kg of white cabbage
- 2.4 million kg of white zucchini
- 2 million units of sweet corn
- 1 million kg of radish
- 1 million kg of peppers
- 1 million kg of spinach
- 800,000 kg of savoy cabbage
- 650,000 kg of chard
- 400,000 units of curly endive
- 150,000 kg of mint
- 80,000 kg of coriander

## Internationalization strategy

During 2014 Agromediterránea decided to invest in new horizons and initiated an internationalization strategy. Our export activity began in the last quarter of the year, at the same time as the winter campaign.

By the end of 2014 Agromediterránea had obtained 30 clients in 14 countries.

The internationalization strategy has led the company to invest in diversifying its range of services, and adapting product offerings to the needs of its international clients. The aim is to become the trusted provider of the leading distributors and supermarkets in Europe.

## Change of ownership

On 1 November 2014 there was a change of company ownership. Agromediterránea was acquired by a group of seven agricultural companies with a long tradition in the sector in the Region of Murcia and Valencia. In this way, with the new ownership, Agromediterránea maintains its structure and organization of producers of fruit and vegetables (OPFH for its Spanish initials) and has renewed its condition as horticultural associate supplier for Mercadona.

The new management team of the company is led by Rafael Martínez Soriano, expert in the agricultural sector with 20 years of experience in the food industry.





# TOP 5



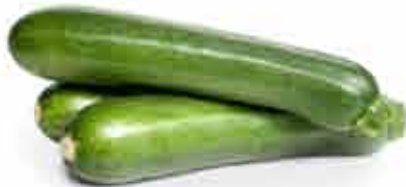
**Romaine lettuce**  
**40,000,000 units**



**Little Gem lettuce**  
**40,000,000 units**



**Iceberg lettuce**  
**20,000,000 units**



**Green zucchini**  
**15,500,000 kg**  
**One of the largest producers in Spain**



**Broccoli**  
**5,275,000 kg**



Red oak  
leaf lettuce  
2,500,000 units

White  
cabbage  
2,500,000 kg

White  
zucchini  
2,400,000 kg

Sweet corn  
2,000,000 units

Radish  
1,000,000 kg

Peppers  
1,000,000 kg

Spinach  
1,000,000 kg

Savoy  
cabbage  
800,000 kg

Chard  
650,000 kg

Curly endive  
400,000 units

Mint  
150,000 kg

Coriander  
80,000 kg



We export our  
products to more  
than 14 countries

114.7 million  
units of product  
sold (2014)



# Annex

## Renewal of Commitment to the Global Compact 2014

Agromediterránea has belonged to the United Nations Global Compact since 2013. This report certifies that during 2014 Agromediterránea worked in different areas and with different interest groups in order to establish goals and areas for improvement that will allow us to align our strategy and operations with the ten principles of responsible corporate governance that are universally accepted and held by the Global Compact. One year later we renewed our commitment to continue working in this direction and strengthen our indicators in the four subjects covered by the Compact: human rights, labour standards, environment and anti-corruption.



### The 10 Principles of the United Nations Global Compact

The 10 Principles of the Global Compact are based on Universal Declarations and Conventions applied in four areas: Human Rights, Environment, Labour Standards and Anti-corruption.

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights.

**Principle 2:** Businesses should make sure they are not complicit in human rights abuses.

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

**Principle 4:** Businesses should uphold the elimination of all forms of forced or compulsory labour.

**Principle 5:** Businesses should uphold the effective abolition of child labour.

**Principle 6:** Business should uphold the elimination of discrimination in employment and occupation.

**Principle 7:** Businesses should support a precautionary approach to environmental challenges.

**Principle 8:** Businesses should undertake initiatives to promote greater environmental responsibility.

**Principle 9:** Businesses should encourage the development and diffusion of environmentally friendly technologies.

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.



Dolores de Pacheco (Murcia), 10 de Junio de 2015

Es para Agromediterránea Hortofrutícola, S.L. un importante hito poder presentar esta Memoria de RSC 2014, que resume los principales avances logrados por la compañía en su firme apuesta por los valores que rigen la RSC y, por consiguiente, con los principios del Pacto Mundial. Por tanto, declaramos nuestro máximo interés en mantener el compromiso y renovación con las actividades promovidas por el Global Compact.

Tal y como se describe en el documento, durante el año 2014 se ha profundizado e intensificado el diálogo con los grupos de interés, implantando políticas en beneficio de una mayor satisfacción de nuestros "jefes" (clientes), colaboradores, comunidad, proveedores y accionistas. Todas estas políticas se describen en esta Memoria de RSC 2014 y se corresponden con los 10 principios del Pacto Mundial que la compañía suscribió en 2013. En este sentido, el cambio accionarial producido a lo largo de 2014, con la entrada en el capital del Grupo Alimentario Citrus, ha supuesto un impulso definitivo a la alineación estratégica de la compañía con los principios de dirección y gestión responsable.

En definitiva, en Agromediterránea Hortofrutícola, S.L. se promoverá la implantación de políticas de RSC y en particular el desarrollo de los diez principios vinculados a los derechos humanos, derechos laborales, medio ambiente y lucha contra la corrupción planteada por la red española del Pacto Mundial.

Atentamente,



Rafael Martínez Soriano

Director General de Agromediterránea

Informe de Progreso Pacto Mundial 2014

**agromediterránea s.l.**  
OPFH 834  
Ctra. POZO ALADO, Km. 3  
30720 DOLORS DE PACHECO (Murcia)  
t - 96850290

## INFORME DE VERIFICACION

Junio 2015

La Cátedra de RSC ha realizado a petición de Agromediterránea Hortofrutícola, S.L. la verificación independiente del Documento "Memoria de RSC de Agromediterránea Hortofrutícola, S.L. 2014". El alcance de la verificación incluye el texto y datos contenidos en el documento de referencia, no incluyendo la información y/o datos referenciados y no introducidos en el documento.

La información contenida en el documento y su elaboración es responsabilidad de Agromediterránea Hortofrutícola, S.L. La Cátedra de RSC actúa como verificador independiente, comprobando la adecuación de los contenidos del mismo. El contenido del informe y las opiniones vertidas son responsabilidad única de Agromediterránea Hortofrutícola, S.L.

Para verificar la Memoria se ha entrevistado al personal responsable de la obtención y preparación de los datos. No se pone de manifiesto ningún error o ausencia significativa en la revisión de los indicadores GRI incluidos en el informe. Se destacan como puntos fuertes del informe el esfuerzo en la compilación de la información, considerando la envergadura de la organización y los cambios accionariales producidos en la compañía a lo largo de 2014. Destaca la excelencia en la prestación del servicio al cliente y su gestión medioambiental.

Sobre la base de esta verificación, se considera que el Documento "Memoria de RSC de Agromediterránea Hortofrutícola, S.L. 2014" contiene información y datos fiables que representan de manera coherente actividades y resultados para el periodo reflejado, y ha sido elaborado siguiendo los principios de la Guía para la Elaboración de Memorias de Sostenibilidad GRI (G4) del Global Reporting Initiative (GRI) a nivel esencial. Por último, Agromediterránea Hortofrutícola, S.L. dispone, en general, de sistemas de gestión para identificar y responder a los impactos sociales, económicos y medioambientales de sus actividades, incluyendo la identificación y respuesta a los puntos de vista de las partes interesadas.



Longinos Marín  
GRI Certified Training Program  
Director de la Cátedra de RSC de la Universidad de Murcia.

**CORPORATE  
SOCIAL  
RESPONSIBILITY**

**REPORT  
2014**