

2015/16

CSR REPORT

CVR NO. 35 86 80 62

INGLEBY FARMS & FORESTS APS



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THE INGLEBY WORLD

38 FARMS
AND 3
FORESTS
WORLDWIDE

As of 30 June 2016, Ingleby manages 94,796 hectares worldwide; 87,535 hectares of farmland and 7,261 hectares of production forests.



LATVIA

1,897 ha

PRODUCTION

Grains, oil seeds, grass seeds

LITHUANIA

2,822 ha

PRODUCTION

Grains, oil seeds, grass seeds



PERU

1,439 ha

PRODUCTION

Table grapes, avocados



USA

1,772 ha

PRODUCTION

Pistachios

ROMANIA

19,290 ha

PRODUCTION

Grains, oil seeds, grass seeds, beans
Timber



NEW ZEALAND

6,735 ha

PRODUCTION

Sheep, Aberdeen Angus cattle
Honey



URUGUAY

27,205 ha

PRODUCTION

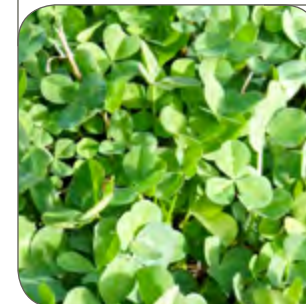
Aberdeen Angus cattle
Grains, oil seeds

AUSTRALIA

21,192 ha

PRODUCTION

Grains, oil seeds, beans, potatoes, onions, peas, grasses, white clover seeds, carrot seeds
Sheep, Aberdeen Angus cattle, milk



ARGENTINA

12,444 ha

PRODUCTION

Grains, oil seeds
Aberdeen Angus cattle





Country Manager Rafael Leguísamo with irrigated and rain-fed soya, Uruguay. Photographer: Robin Begg

Our vision is to be leading sustainable farmers worldwide, where we farm to feed the world, but also to protect and enhance the environment for future generations.

We want to combine the best practical, ethical and scientific know-how with good leadership and organisation.

We want to be better farmers.

VISION & VALUES

5 INGLEBY CORE VALUES

Our values were found by asking our teams to describe Ingleby in one word. In the end five words stood out.

SUSTAINABLE

WE BELIEVE IN SUSTAINABLE FARMING

This means protecting people, nature and profits in the long-term.

HANDS-ON

WE ARE HANDS-ON FARMERS

We spend most of our time in the fields caring for our soils, our crops and our livestock.

INNOVATIVE

WE AIM TO CONSTANTLY BE ONE STEP AHEAD

We work with leading advisers to be on the forefront of the farming technology and practices.

TRUSTWORTHY

WE RESPECT RULES AND REGULATIONS

We deliver what we promise and on time. An Ingleby product is always of the highest quality.

FAMILY

WE ARE A FAMILY OF FARMERS

Family values are an integral part of our farming operations and daily life.

INGLEBY'S CSR COMMITMENT



We aim to feed the growing population by developing increasingly efficient and environmentally sustainable farming practices.

As farmers, we are continuously working with advisers, researchers, customers and other stakeholders to find innovative solutions to optimise our agricultural production.

We want to make sure that our farming practices are sustainable and that we use our resources in an efficient way. We want to increase biodiversity and deliver healthy products to a growing world population.

Since 2010/11, we have produced internal sustainability reports for all our countries. We monitor and record our water quality, vegetation cover, biodiversity, accidents and near misses, animal health and welfare, and soil quality in terms of organic matter content, nutrient stocks, depth and structure.

We record our inputs such as fertilisers, chemicals, veterinary medicines, and so on, as well as how efficiently we use these inputs. And, of course, we measure our harvests and yields.

We quantify these indicators so that we can produce traceable, wholesome food. But just as importantly, we do it to create evidence-based feedback between how we farm, and how our farms thrive.

In September 2014, Ingleby signed the UN Global Compact Charter, and the current report serves as our second Communication on Progress Report. It covers the period from 1 July 2015 to 30 June 2016.

To our stakeholders:

We are pleased to confirm that Ingleby Farms and Forests ApS reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this our second annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to share this information with our stakeholders.

Mette Duedahl Høyer
Chief Sustainability Officer

Hans Henrik Koefoed
Chief Executive Officer

“ We believe that what gets measured, gets managed. ”



Rye, Latvia. Photographer: Hans Cogne

14 INGLEBY GOALS

Since Ingleby was founded in 1998, our never-failing vision of being the leading sustainable farmers worldwide has continuously driven the positive development of our farms. To help us achieve our vision, we have developed the 14 Ingleby goals as illustrated below.

14 Convert 10% of each farm's area to natural habitats

We avoid cultivating small field triangles, convert obsolete or low yielding areas into habitats.

4 Spend 2% of yearly working hours on training

Training is important to keep our farm teams updated and motivated. Our goal is that 2% of yearly working hours is spent on training.

3 Keep and plant solitary trees in the landscape

We keep and plant solitary trees in the landscape to let them become a general characteristic of our farms.

5 Establish 10 metre buffer strips along all major streams, rivers and lakes

We create non-cultivated and unsprayed buffer zones of 10 m around water bodies. These help diminish nutrient leaching and pesticide run-off into the water.

7 No mechanical soil treatment on erosion-prone slopes

We keep erosion-prone slopes under permanent grass/plantings to avoid erosion.

13 Convert 1% of each farm's area to water habitats

Because water bodies enhance biodiversity, we want water habitats on 1% of our farmland.

10 Grow a mix of insect/bee plants on the farm

We grow plants that blossom at different times of the season to ensure feed for our pollinators.

6 Plant natural, native grass waterways in erosion-prone areas

We plant belts of permanent grass in low parts of the fields, where water runs during wet conditions. The grass waterways channel excess water to larger waterways, and help reduce water velocity and the risk of erosion.

9 Promote a "scruffy" look in the open landscape

We avoid designing landscapes with manicured lawns and plantings in neat patterns. Instead we leave grass uncut and aim for a natural look. Also, we leave standing and lying dead wood, as they are important habitats.

11 Develop welcoming avenues along farm main driveways

We want to provide a welcoming atmosphere when you enter our farms. Over time an avenue develops into a characteristic landscape element.

2 Build top soil by 2 mm per year

It is our constant goal to grow the top soil layer by 2 mm per year.

12 Surround larger buildings by appropriate planting

Planting greenery around buildings contribute to the aesthetic value and create a "green touch" to our farms.

8 Contour cultivation in steep areas

To avoid erosion, we never cultivate fields straight up and down the hills. Instead we cultivate along the contours.

1 Improve annual key production and efficiency metrics by 1-2%

In a 10-year-spectrum, we want to increase our key crop production metrics by 1% per year, i.e. improving yields, as well as nutrient and water use efficiency.

FEEDING A GROWING POPULATION

We believe that good farming can both feed the world and protect the environment.

To keep up with the growing human population, we must produce more food globally over the next 50 years. As a trend over a 10-year-spectrum, we want to increase our yields per hectare by 1% per year.

In 2015/16, our total crop production reached 189,064 tonnes, equaling 4.1 tonnes crop per cropping hectare.

Our food production totals 567,000 million calories. This can feed more than 621,000 people for an entire year.

Calculated by hectares, we can feed one person for one year on 0.12 hectare of land.

567,000

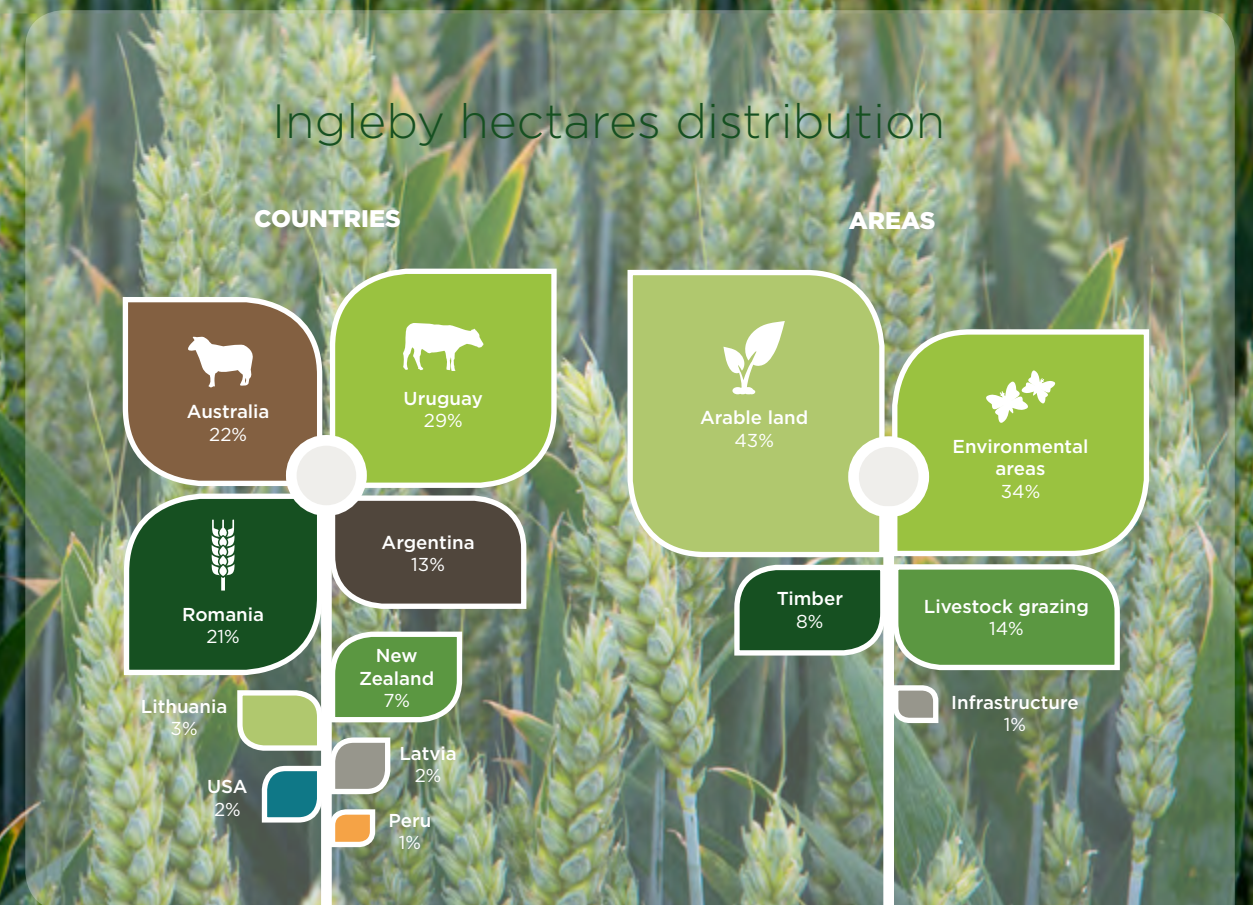
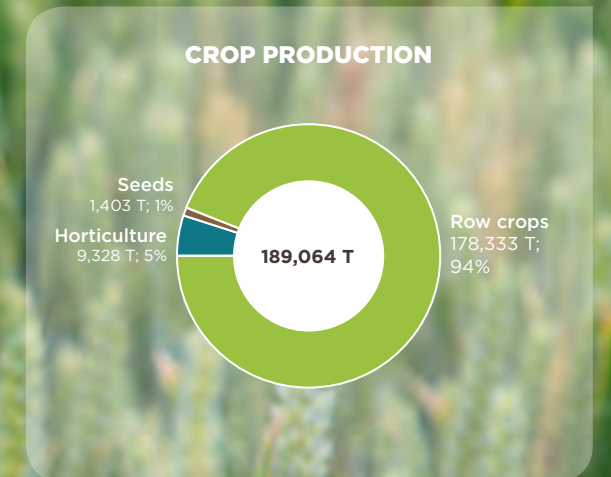
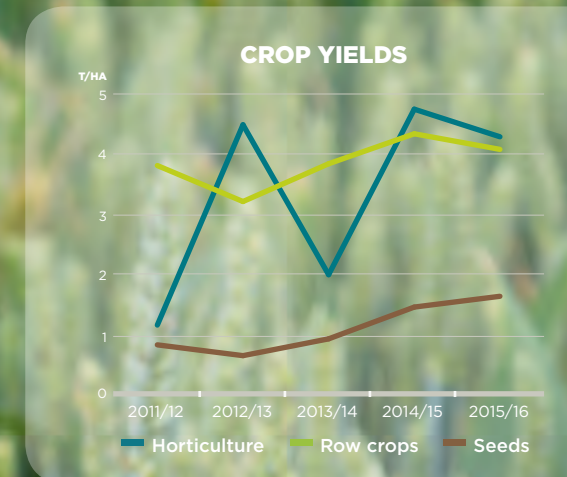
MILLION CALORIES

In a year, Ingleby produces about 567,000 million calories, provided that all crops, apart from fodder crops, lucerne and seeds are used for human consumption.

621,000

PEOPLE

In a year, Ingleby can feed more than 621,000 people, provided that our crops represent the recommended nutritional mix of carbohydrates, proteins and fats and based on an assumed 2,500 daily calorie intake.



Wheat, Romania, Photographer: Hans Cogne

Growing crops

On our farms, we grow more than 30 different crops. We promote diverse crop rotations to help build nutrients, control pests and weeds, limit erosion and to foster carbon sequestration.

Our crops

Our main row crops are wheat, corn, barley and soya. Other row crops include canola, sorghum, sunflower and rye as well as beans, fodder crops, oats, potatoes and peas.

Our seed production includes carrot, clover and grass seed.

We also produce the following horticulture crops; avocados, blueberries, broccoli, table grapes, onions, stevia and pistachio nuts.

In addition, we are testing potential new horticulture crops such as organic bananas, kiwifruit, and cacao.

CARING FOR THE SOILS

Good soil, together with our human resources, are our most important assets. As long-term land owners, our goal is to improve the quality of our soil every year. This is, however, a very slow process that is not easily recorded in an annual CSR report.

Our soil fertility status is measured in five-year intervals. It is our goal to grow the top soil layer by 2 mm a year. By 2030, we want to achieve an improvement of 30 mm. So you can say that Ingleby grows both crops and soils.

Improving our soils through good soil husbandry is key. We do this by leaving sufficient crop residues on the ground, using cover crops and minimum tillage, healthy crop rotations, and adding livestock manures where available and cost effective. We also contour plough, add nutrients to avoid depletion, use non-chemical weed controls and satellite-guided input applications.

We accept that in diversifying our crop rotations, we produce fewer calories with a potentially lower income, provided these crop rotations are more

advantageous for our farming system and soil health over the long term.

We define and monitor our soil's qualities in relation to its ability to support crop growth. We assume that by improving soil properties that contribute to improved crop production, we also contribute to the other environmental services that soils provide.

In our sustainability reports, we have our yearly benchmarks that tells us if we support our soil quality in a positive way. We monitor:

- > Nutrient balance for N, P, and K (primary macronutrients)
- > Nutrient use efficiency for the primary macronutrients, and
- > A number of other parameters that are either influenced by soil quality, or that affect soil quality in the long-term.

This is benchmarked against our 5-years reference soil samples. We take these at deeper soil depths than our routine soil samples for crop management decisions, and more soil properties are measured. And the locations of these sampling sites remain constant. Changes of soil properties from these sites provide information for coming generations to learn how our farms developed over time.

2 MILLI-METRES PER YEAR

We have an ambitious goal of growing the topsoil layer by 2 mm per year!



Building healthy soils

Soil is a key resource for farming and forestry. We do not always pay attention to this important "silent ally," even though 95% of all food comes from soils today.

Healthy soils are critical for Ingleby – and for global food production.

Healthy soils host over one quarter of our planet's biodiversity. They help to combat climate change by playing a key role in the carbon cycle by storing carbon.

They also provide a number of essential biological functions, such as storing and filtering water as well as filter, buffer, degrade and detoxify pollutants, including industrial and municipal run-off.

In Ingleby, we want to build healthy soils with high organic matter content, which can store large amounts of water. This is crucial for our crop production and also improves our farms' resilience to floods and droughts.

Organic matter matters!

Soil organic matter is the non-mineral part of soil consisting of microbial cells, plant residues, debris and humus. It is concentrated in topsoil and decreases with depth.

In no-till systems the top 5 - 10 cm are rich in soil organic matter. In tilled soils, soil organic matter is more evenly distributed within the plough zone, typically 15 - 30 cm deep.

Our challenge is to build up soil organic matter at levels that support good soil quality in terms of tilth, porosity, drainage, nutrient supply, and biological activity. This will help grow our topsoil layers and support our crop production.

To build soil organic matter we have to work on two sides: adding organic material and reducing losses, while at the same time managing the changes this causes in the system.

Soya and soil profile, Romania. Photographer: Ibén Bjerre Østergaard

Turning GRASS into MILK

By combining the latest dairy technology, animal welfare practices and environmental stewardship, our dairy farm in Tasmania, Clovelly Dairy, is proving that milk production can be both efficient and sustainable.

The mild climate and even-spread rainfall in Tasmania, combined with our access to irrigation water, allow our 3,500 dairy cows to graze outside 365-days a year on grass pasture. They produce around 20 million litres of milk annually.

We have two dairy parlours on the property, both are equipped with the latest technology. This enables our dairy team to manage cow productivity, health, comfort and well-being.

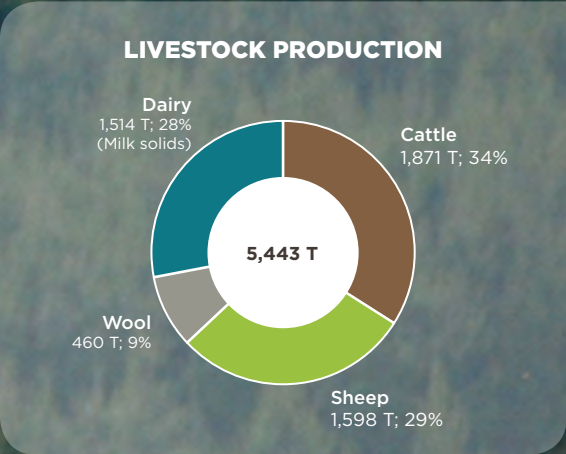
All our cows are artificially inseminated, and we use sexed semen to increase the number of heifer calves born. Bull calves cannot be used in milk production, instead we raise them on-farm for beef production.

We care for our calves in our calf-rearing facility. Here they can socialise with each other in a healthy environment, where they receive milk with the right composition and high quality.

Clovelly's effluent system is state of the art. It separates the solid and liquid waste. The liquid waste is applied back onto the pasture through our irrigation system. The solid waste is composted before it is also applied back onto the pasture to help improve the soils.



Dairy cows, Clovelly, Tasmania. Photographer: Hans Cogne



REARING HEALTHY, PRODUCTIVE ANIMALS

We raise more than 119,000 sheep, 25,000 cattle and 3,500 dairy cows per year.

In 2015/16 our total livestock production reached 5,443 tonnes, equal to 152 kg per hectare.

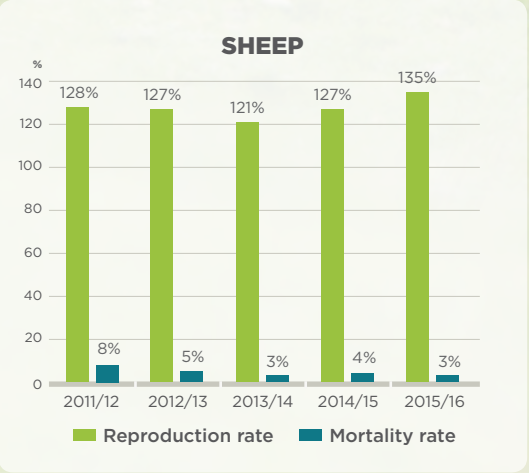
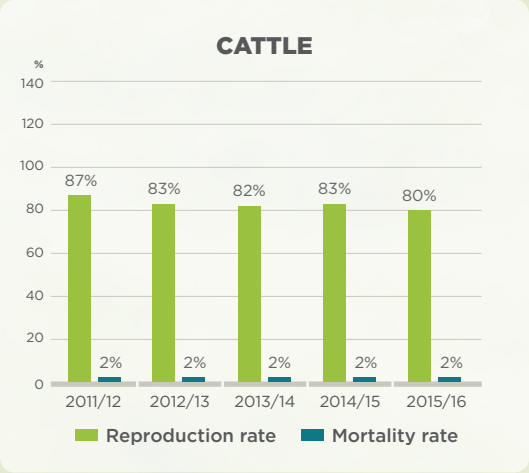
We care for all our animals' health and comfort in how they are fed, housed, kept occupied, medicated, handled and transported.

All our pastoral and dairy livestock are free-range and grass-fed.

We aim for balanced breeding that supports the health, feed efficiency, and welfare of our animals.

We use reproduction and mortality rates as measurable key indicators of animal welfare. We aim for a reproductive efficiency of 88% for calving and 135% for lambing by 2018/19. For our dairy cows, we include other factors, such as body condition score and disease incidence in the herd.

We monitor our use of pharmaceuticals to ensure healthy, balanced livestock production systems according to the mantra: as little treatment as possible, but as much as necessary.



Cattle and sheep, New Zealand. Photographer: Øjvind E. Krabbe

NEVER EVER 3

“Argentina and Uruguay have excellent conditions for livestock production. Our Aberdeen Angus cattle spend all their life outside, where they graze on pasture and natural grasslands.”

1
**NO ANIMAL
ORIGIN
PROTEIN IN
THE FEED**

2
**HORMONE
FREE**

3
**ANTIBIOTIC
FREE**

In 2015/16, Ingleby Uruguay entered the Natural Meat Certification Programme, which is bestowed by the INAC (Uruguay National Institute of Meat) and recognised by the USDA. This programme certifies that our beef is produced under the following statements:

- > Livestock are raised and kept open range all their lifetime
- > Cattle source is verified and has full traceability
- > No animal protein content is used in the feed
- > No hormones are added to the feed

In addition, we trace all the calves that, for medical reasons, we have to treat with antibiotics (less than 2% of our entire offspring).

Starting in the spring of 2017, we will sell the remaining calves as finished steers certified as antibiotic-free grass-fed Aberdeen Angus beef. This will be added to our existing natural meat certification programme, allowing our cattle to obtain the Never Ever 3 claim.

Aberdeen Angus cattle, Uruguay. Photograph: Robin Begg

CLIMATE & RESOURCE USE

Agriculture is highly dependent on climatic conditions. Changes in temperatures or precipitation could make it more difficult to grow crops and raise animals in the same ways and places as we have done in the past. Therefore, it is vital we are able to adapt to climate change.

At the same time, agriculture produces and releases significant amounts of greenhouse gases such as CO₂, methane, and nitrous oxide

that contribute to climate change. As farmers and managers of large surface areas, we have a direct effect on climate change if altering land cover, which can change the Earth's ability to absorb or reflect heat and light.

Also, the primary use of water in the world is for food production, accounting for at least 70% of all fresh water withdrawals.

Goals & Actions

We are aware of the consequences climate change can pose on us as farmers, and the effect we have on greenhouse gas emissions. We therefore follow an ethic of cautious consumption of energy, fertilisers, water and other inputs, and methods of applying them that avoid negative environmental consequences.

As a trend over a 10-year spectrum, we want to improve our energy efficiency by 2% per year and fertiliser use efficiency and water use efficiency by 1% per year.

We aim for green sources of energy. We choose environmental and social strategies that also enhance yields, soil productivity, animal production and animal health.

We aim for increasing efficiency in using the fertilisers added. The higher the uptake of fertiliser in our crops, the less fertiliser is lost that can cause build-up of nitrates or eutrophication in the aqueous environment. At the same time, we reduce the amount of unused nitrogen that volatilises in the form of the nitrous oxide, N₂O, a powerful greenhouse gas.

We use water efficiently and cleanly. Our goal is to produce more 'crop per drop', to avoid unnecessary water-use and recycle water where possible. For this reason, we invest in state of the art irrigation systems that are highly efficient and help conserve water.

On each farm, we monitor weather conditions on a daily basis that provide a long-term weather database to help deal with changing and highly variable climates.

We pursue alternative energy sources according to their regional suitability and their aesthetic qualities. When we can, we cooperate with neighbouring farms or communities to produce renewable energy.

We monitor our energy use to help us progress into more efficient and environmentally sound systems of production.

CO₂ emissions are calculated from the energy used: electricity, diesel, gasoline, propane and natural gas. We also include emissions from agricultural inputs such as fertilisers and pesticides. We do not include biological sources, e.g. emissions from livestock, nor do we include carbon sinks like sequestration in our forests, plantations and natural grasses.

Outcome

Fertiliser and pesticide use

Ingleby's use of inorganic fertiliser increases over time due to increasing hectares, and because we are intensifying some of our crop production systems and adding more high-value products.

Our total fertiliser use is approximately 57 kg Nitrogen per production hectare. Our Nitrogen use efficiency reached 42 kg of crop produce per kg Nitrogen used.

Water use

We irrigate 13% of our arable area, or 5,653 hectares. We irrigate crops in the US (pistachios), Tasmania (annual crops and dairy pasture), Uruguay (annual crops) and Peru (horticultural crops). We do this to ensure higher and more stable yields and to increase fertiliser-use efficiency.

Energy use

In 2015/16 we have used 170,300 GJ in total on all our farms. This equals 2.0 GJ used per hectare, and also a production of 1.1 tonnes output per GJ.

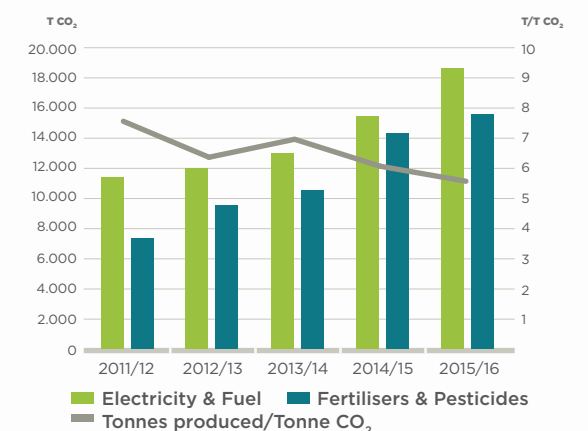
Soil improvements in Romania, major land development in Peru, expanding dairy production in Tasmania as well as increased irrigation in Tasmania, Peru, the US and Uruguay all contribute to the energy use. Irrigation pumping especially requires a large amount of energy. Once the development has stabilised, we aim to achieve higher energy efficiency.

We put up solar panels where it makes sense. In the US, we have just completed the construction of a solar power plant. We expect the plant will deliver 2.3 million kWh/year.

Approximately 2.3% of our electricity used is derived from renewable sources.



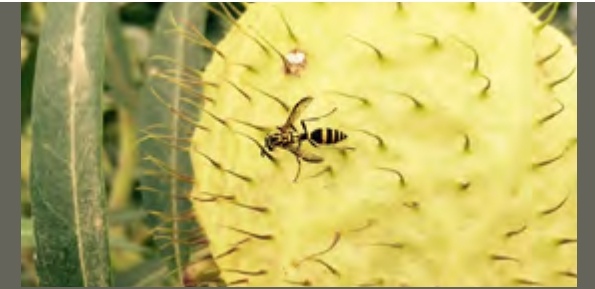
GREENHOUSE GAS EMISSIONS



“Not all insects in agriculture are pests. The use of insects as natural predators in crops is an age-old approach to reducing chemical use and boosting on-farm ecosystems.”

Lacewing (*Ceraeochrysa cincta*). Source: Shutterstock

Biologically diverse farms are better equipped to promote natural biological control. As well as breeding and releasing insects on our farm in Peru, we are also planting selected multipurpose shrubs and plants to encourage more types of wild beneficial insects to the area.



Beneficial insects

We began the beneficial insect programme in Peru in 2014 with the goal of producing and exporting high quality fruit with zero chemical residues. It has since developed into a successful alternative solution to traditional insecticides.

A local entomologist helped us make an inventory of the insects on our farm and in the surrounding natural forest. He found more than 30 species that are helpful as predators of pests and pollination agents for our fruits. These insects includes wasps, beetles, spiders, flies and lady bugs.

From them we began by breeding lacewings (*Ceraeochrysa cincta*), a voracious predator of white-fly larvae and eggs. White-flies are a significant problem in agriculture, as they carry and spread plant diseases as well as feed on plant tissue.

We are currently rearing and releasing 1,000,000 lacewing eggs each month among our avocado and table grape plants. We hope to double this number by next year and to include more beneficial insect species in our breeding programme.

ENVIRONMENT

A living farm landscape is crucial to every aspect of agriculture. While we are efficient farmers, we are also stewards of vast tracts of land.

We promote environmental responsibility, and we encourage the development of environmentally friendly technologies.

Goals & Actions

We aim for varied landscapes. Our goal is that 10% of each farm's area is in natural habitats by 2018/19. We have also decided to allocate 1% of each farm's area to water bodies by 2018/19.

We protect and encourage native, diverse, threatened, and ecologically important species as well as their habitats and ecosystems. We actively promote biodiversity on non-agricultural land.

We do not clear any forests for farming purposes.

We monitor birds as indicators of biodiversity. Evidence suggests that a network of sites selected as important for birds will capture a general biodiversity status and that birds are

useful indicators of species richness. Changes in bird populations provide a useful indication of broader environmental change.

We protect our farm waters from fertilisers, chemicals, sediment and animal waste by creating unfarmed buffer strips.

We plant thousands of trees on our farms, primarily native species in the open landscape. We plant gardens, hedges, headlands, alley trees, copses and orchards. We also stimulate natural revegetation. When planting, we promote native plant species that pollinators feed on to achieve a continuous supply of feed.

We map all Ingleby areas, including protected habitats and non-cultivated areas in our Ingleby Geographic Information System, INGIS.



34 %
OF
OUR
LAND

is protected as conservation easements or nature reserves.

Victorian Volcanic Plain, Australia. Photographer: Laura Froman Lindeskov

Outcome

Habitats and ecosystems

We have reached our goal for 10% natural habitats at a world level, but not on farm level. We constantly work to achieve this.

We protect 34% or 32,131 hectares of our land. We distinguish between Ingleby protected and formal protection areas. Formal protection areas are those with a land title covenant, whereas Ingleby protected means we internally decide to map and protect an area. Some of this land cannot be farmed, such as geological formations, steep slopes and gullies. But most, we deliberately protect from farming, such as wetlands, river fronts and lake sides, wild grasslands, wild woods and native bush. Local conservationists help us care for these set-asides.

Included in the environmental hectares are 16,617 hectares of natural grasslands in Uruguay and 1,244 hectares in Argentina. We protect these from applied lime or fertilisers, and we do not plant grass seeds or plough. Cattle grazing the land are an integral part of its conservation.

On our farms, we have identified three Critically Endangered species and plant communities:

- > Temperate Grass-lands of the Victorian Volcanic Plain
- > Golden Sun Moth (*Synemon plana*)
- > Long-tailed bat (*Chalinolobus tuberculatus*).

Also identified are 11 Endangered and 14 Vulnerable species.

Over the years, we have planted more than 1.2 million trees on our farms.

We do not hunt on our farms and forests. In Romania, we cannot control the hunting rights. However, we have negotiated with local hunting bodies for 2,831 hectares of our forests to be protected as a "silent area" where hunting is prohibited.

Water bodies

2.2% of our total land area is in water bodies, defined as rivers, streams, springs, ponds, artificial canals and ditches as well as artificial water reservoirs. We currently construct ponds and wetlands to reach the goal on a farm level.

Formal protection areas

In New Zealand, we legally protect 910 hectares of temperate, virgin native bush under an Open Space Covenant with the Queen Elizabeth II

Trust (QEII). QEII covenants protect areas in perpetuity.

In Romania, 418 hectares of our forests in Romania are under Protection Class 2A, which defines areas where only thinning is permitted. Another 427 hectares are under the NATURA 2000 scheme, where logging is permitted, but we take special precautions for flora and fauna.

In Tasmania, we protect 21 hectares under the Nature Conservation Act 2002, primarily to protect the endangered Shiny Grasstree (*Xanthorrhoea bracteata*). We have also placed a land title covenant on 40 hectares of endangered natural coastal vegetation.

Natural regeneration

About 100 kilometres north-west of Bucharest, Ingleby owns three large forests totalling 7,261 hectares. The dominant broad-leaf species are beech, oak and lime, but we also have hornbeam, spruce, fir, ash and cherry.

Almost half of the trees are 60-80 years. Because the forests are rather young, our main task is to thin the forests, so we can improve the quality and species composition over time.

We promote natural regeneration in our forests. Through natural regeneration our existing trees reproduce themselves and develop into a natural community based on the site conditions. When the trees reach the harvesting age, we reduce the density of the forest so the next generation of trees can grow.

We do not use intensive harvesting and we never make clear cuts. We only remove the mature trees in a stand once it is 100% populated with new young trees (this process takes about 30 years).

We protect very large old trees, that are usually rotten inside. They are of prime importance for specialised forest flora and fauna and help enhance the biodiversity of our forests.

In general, we follow the FSC principles for responsible forest management.

Our forests are situated in one of the most spectacular and wildlife-rich areas of Romania. This region is renowned for its isolated wilderness and sightings of large mammals, such wild boars, brown bears, grey wolves, wild cats, red deer and lynx are common. Sometimes we also see Carpathian chamois on the neighbouring sunny mountain slopes.

We have built a good relationship with the local communities. We focus on environmental educational projects. We hope that these projects will teach the local communities to respect and care for our forests as much as we do.



Beech forest, Romania. Photographer: Øyvind E. Krabbe

“Planting trees for bees is important to sustain a bee population throughout the year, especially in the months when there is less flowering.”

Trees

Bees

\$

Honey

Insect pollination is essential for many Ingleby crops worldwide, including clover, canola, sunflower, avocado, carrot seed and blueberries. Yet, bee populations are threatened by loss of floral diversity, rising monoculture cropping, pesticide use, and mite infestations.

On Ingleby's farms in New Zealand, we have planted more than 560,000 trees over the past several years to limit erosion, but also to provide feed for bees. Most of these are native manuka trees (*Leptospermum scoparium*), but we have also planted

a mixture of native specimen and shrub species for varied sources of bee feed throughout the year.

Our manuka trees provide pollen, which is harvested by our bees to produce the highly valued manuka honey. Manuka honey is known for its unique antibacterial properties.

In 2015/16 we were able to produce 15 tonnes of manuka honey from our bees. So keeping bees is a win-win situation for us as farmers and the environment as a whole.

LABOUR, GENDER & HUMAN RIGHTS

In agriculture, we operate in environments that often involves potentially hazardous situations. Especially handling livestock and large machinery poses risks.

Thus, farming calls for professional employees, who never compromise on health and safety, and who thrive on challenges and responsibilities.

Goals & Actions

To ensure a good work environment, we support internationally recognised labour standards and human rights, as well as offer continuous training and development. We fulfil our legal obligations and offer reasonable terms on pay, pension, sick leave, holidays and notice periods.

We uphold the freedom of association and the effective recognition of the right to collective bargaining. We do not use any form of forced and compulsory labour, and we do not use child labour. We are not complicit in any human rights abuses.

We encourage family farming with families living on our farm.

In many countries, farming is a male dominated profession. However, we are equal opportunity employers, and we want to create equal and fair working atmospheres welcome to all. We oppose all forms of discrimination, and recruit employees regardless of colour, race, gender, nationality, religion, sexual orientation or other personal diversity indicators. We monitor the gender ratio and our goal is to increase the proportion of the underrepresented gender so it reaches at least 40% by 2025. Women are currently underrepresented.

For the senior management team and the Board of Directors, it is our goal to always achieve gender diversity.

We actively search for female candidates, who want a career in farming or forestry. To ensure a robust pipeline of talent for management positions, we offer training to both female and male employees and we encourage and support

women to increase their qualifications and apply for management jobs.

We encourage our teams to acquire new skills. We monitor how much training our employees receive. Our goal is to have 2% of the annual working hours spent on training by 2016/17.

We focus on creating a working environment where safety has the highest priority. Our jobs are always changing with the seasons and we must be aware of these changing and sometimes dangerous situations. We want safe and healthy workplaces and follow up on all accidents and near misses on the farms to promote a culture of no accidents.

Outcome

As of 30 June 2016, we have 1,969 full-time employees worldwide of more than 15 different nationalities. The majority are employed in Peru.

31% of our total employees are women and 20% of our senior management team are women. Our Board of Directors includes members from both genders.

In 2015/16, we had a total of 95 minor accidents on our farm and no fatalities.

We continuously analyse where accidents occur. As a result, we have phased out 80% of our All Terrain Vehicles (ATVs) due to the related risks. The remainder of our ATVs are kept for defined purposes and are speed limited.

31 % OF OUR TEAM MEMBERS

are female. On a senior management level, women account for 20%.



Blueberry picking, Peru. Photographer: Hans Cogne

Focusing on **LEADERSHIP**

Ingleby is a growing company in a changing and highly competitive world. We operate in 10 different countries worldwide. But we pride ourselves on being good neighbours and role-models in our local communities.

Our sustainable agricultural and forestry practices are often new to our employees and contractors. Our markets are volatile and changing weather conditions make it difficult to plan results.

Our leaders mostly work with smaller groups of employees with different educational levels. And to be an Ingleby farm or forest manager is a demanding and sometimes lonely job.

With this background, in 2015/16 we have initiated worldwide leadership training. This will provide our leaders with the necessary skills and qualifications to undertake the future challenges in our growing organisation.

Our goal is to develop our organisation by constantly promoting positive and constructive relationships.

We want a flat and responsible management style. We believe in delegating responsibility to ensure that all our team members are thriving and take pride in their work.

Leadership training for Ingleby Europe at Krenkerup Estate, Denmark. Photographer: Esben Pors Eriksen

ANTI-CORRUPTION

We are committed to conducting our business with honesty and integrity, and we expect all our teams to maintain high standards.

However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct.

Goals & Actions

We strive to do business in a honest and ethical manner worldwide, and we work against corruption in all its forms, including extortion and bribery.

We abide by our Ethical Policy, Anti-Money Laundering & Anti-Corruption Policy and Supplier's Code of Conduct. Together, these constitute our Code of Business Conduct.

We require our employees, customers, suppliers and all other business partners to comply with the expectations and standards of the Ingleby Code of Business Conduct.

Our Ethical Policy is based on our business values and legal compliance.

All our employees must sign the Ethical Policy as an attachment to their employment agreement.

We also have a Whistleblowing Policy. We encourage all team members and business partners to report any suspected breaches of our Code of Business Conduct. This includes violations of the law, suspected unethical conduct, financial and legal compliance or human rights abuse. We investigate all submissions thoroughly, take appropriate actions and report any breaches to the Ingleby Board of Directors. We ensure there is no retaliation against people who report whistleblowing concerns.

We operate with zero tolerance towards breaches of our Code of Business Conduct.

Outcome

We monitor our compliance each year in the country sustainability reports. The continuous focus on compliance ensures that everyone knows it has high priority within Ingleby.

During the year, we have been forced to dismiss four employees that for different reasons did not comply with our Code of Business Conduct.

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