FARMING WITH NATURE 2018/19

INGLEBY FARMS & FORESTS APS
SLOTSGADE 1A, 4600 KØGE, DENMARK | WWW.INGLEBYFARMS.COM

This report is based on the combined worldwide data relating to harvests of the financial year from 1 July 2018 to 30 June 2019 (2018/19).

All production, fertilisers, pesticides, and water use data reflects the harvest of 2018/19, although, for some regions, these input data were applied during 2017/18.

We use quantifiable measures for production, resource use efficiency, employee health and safety, and community outreach - all to promote good governance, sustainable production and to reduce risks.

With this report, Ingleby Farms & 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 fifth 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 are also committed to sharing this information with our stakeholders.

INGLEBY FARMS & FORESTS APS //
FARMING WITH NATURE 2018/19
1. EDITION

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Front page photo: Companion cropping of hairy vetch and rye, Latvia. Photographer: Rasmus Juul Christoffersen

ABOUT

FOOD

ANIMALS

FORESTS

SOIL

WATER

ENERGY

CLIMATE

NATURE

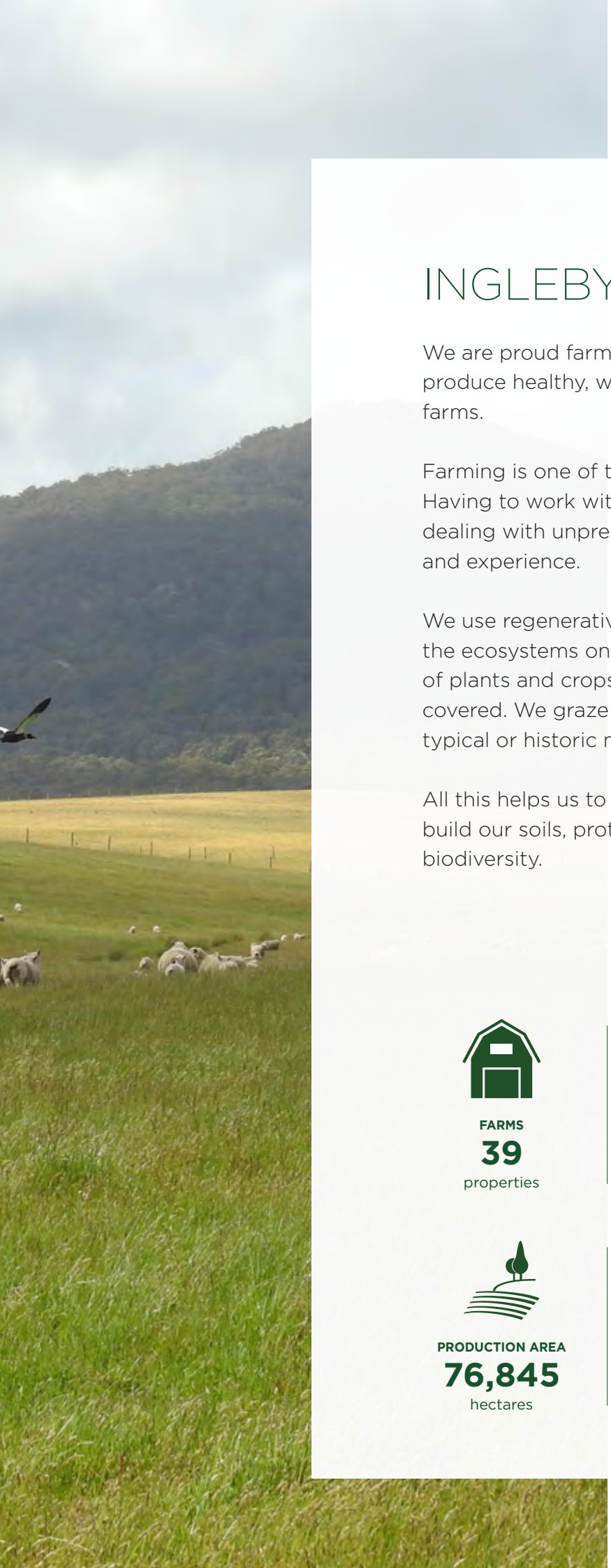
PEOPLE

TRUST

Our vision is to be world-leading sustainable farmers, where we farm to produce good, healthy food, but also to protect and enhance the environment for future generations.

ABOUT

Sheep grazing, Tasmania. Photographer: Mette Bøgeløv Erichsen



INGLEBY FARMS

We are proud farmers and food producers. Our goal is to produce healthy, wholesome food on thriving and living farms.

Farming is one of the most important jobs in the world. Having to work with soils, crops and animals while dealing with unpredictable weather and pests takes skills and experience.

We use regenerative farming principles to improve the ecosystems on our farms. We grow a wide variety of plants and crops and aim to always keep our soils covered. We graze our animals in ways that mimic their typical or historic movements in natural settings.

All this helps us to continuously improve our farms, build our soils, protect our waters and enhance the biodiversity.

FARMS
39
properties

FORESTS
3
properties

LAND AREA
100,701
hectares

PRODUCTION AREA
76,845
hectares

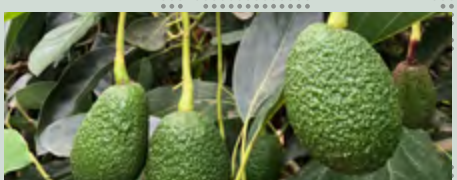
FORESTRY AREA
6,977
hectares

PROTECTED HABITATS
30,663
hectares

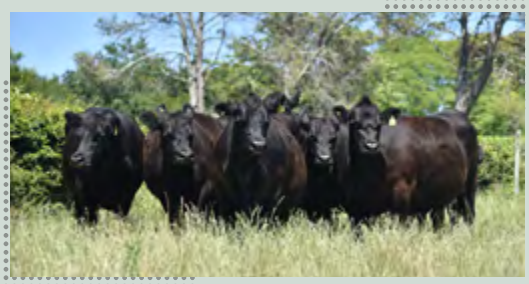
FARMS & PRODUCTIONS

We are long-term owners of land, managing pasture, arable and mixed farms in 9 countries across 4 continents. As of 30 June 2019, we manage 100,701 hectares worldwide; 76,845 hectares of farmland and 6,977 hectares of production forests.

CALIFORNIA, USA
1,825 hectares



PERU
2,017 hectares

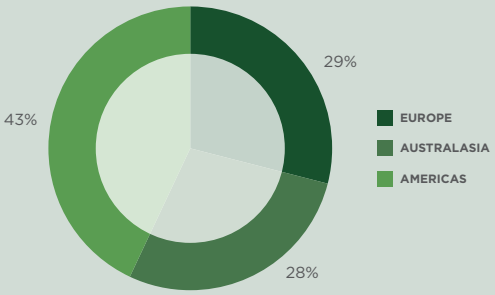


URUGUAY
27,217 hectares

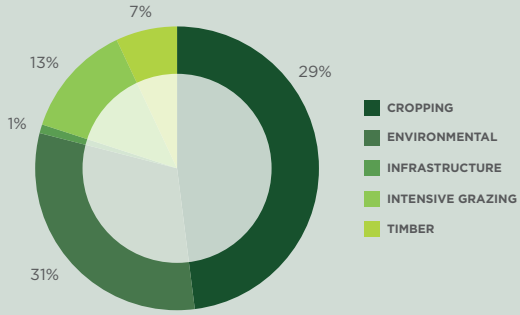
ARGENTINA
12,519 hectares

avocados · blueberries · cattle · forestry · milk · pistachios · row crops · seeds · sheep · table grapes

HECTARES BY REGION



DISTRIBUTION OF HECTARES



LATVIA & LITHUANIA
9,567 hectares

ROMANIA
19,552 hectares

NEW ZEALAND
6,735 hectares

AUSTRALIA
21,269 hectares

HIGHLIGHTS OF 2018/19

SYNTHETIC PESTICIDE-FREE

Since the early sixties, farming has become a chemical business. In a world of synthetic pesticides, we have lost our roots and much of our knowledge about holistic farming with nature.

This cannot continue. With up to 70% of all insects gone over the last 30 years in Europe, and growing weed resistance, the way we farm must change.

In November 2018, the Ingleby Board decided that Ingleby should become synthetic pesticide-free by 2030. We believe future generations will not accept any risk of residues from harmful pesticides in their food. They will want healthy, natural food - and we will be ready to provide it.

ABERDEEN ANGUS GENETICS, URUGUAY

In March, Ingleby Uruguay participated in the World Angus Secretariat 2019. The event generated a lot of interest in our Aberdeen Angus genetics. We aim to breed animals which can be raised and finished purely on grass and still produce excellent meat quality, flavour and healthy fatty acid composition.

Our animals received many favourable comments and achieved a good validation from the market.

NATIVE PLANTS NURSERY, PERU

We have created our own nursery named "Viva El Cholocal" for native Peruvian species. We produce the plants with technical assistance of the international organisation Rainforest Concern.

We currently have more than 4,600 plants from 70 different native species. We also have more than 1.2 million seeds stored in our seed bank. We donate the native plants to the local schools as well as sell them to local farmers, who have shown an interest in increasing the biodiversity on their farms.

TOWARDS ZERO ACCIDENTS

Thanks to our teams' continued focus on safety worldwide, we have reduced our number of accidents worldwide during the last four years.

Latvia and Lithuania, lead this positive trend, with zero accidents recorded in 2019.

It is a reminder to us all that achieving zero accidents is within our reach.

INGLEBY GUIDELINES 2019

We have published a new edition of our guidelines book. It is our internal operational manual and an important tool in the daily management of our farms. You can find it here:

www.inglebyfarms.com/about

THE IMPORTANCE OF DIVERSIFICATION

Last year's drought in Europe (the worst in 50 years), which affected our farms in Latvia, Lithuania and Romania, has shown the importance and value of our diversification.

With more than 40 different crops grown in 9 countries on 4 continents, Ingleby has a resilience towards the increasing effects of climate change, especially regional droughts and floods.

BLUEBERRIES, ROMANIA

We have completed the final blueberry plantings in Romania, two years ahead of our initial plan.

We now have a total of 200 hectares of blueberries in production, making us one of the largest blueberry producers in Romania.

CEO'S REVIEW

During 2018/19, we have continued our strong focus on sustainable farming, enhanced by our new goal of all Ingleby farms and forests becoming synthetic pesticide-free by 2030.

ALWAYS SAFETY FIRST

The safety and well-being of our employees is our highest priority. In 2018/19, we had no fatal accidents and thanks to our teams' continued focus on safety, we have reduced the number of accidents by 33% from 2017/18. In addition, our lost time injury frequency rate in 2018/19 was 50% below our peer benchmark. But even one accident is one too many, and we will continue focusing on health and safety in 2019/20.

NATURAL, HEALTHY FOOD

Due to the technological and industrial development driven by rapid urbanisation, it has become a trend for many food businesses to move away from the natural agricultural systems, and use the latest revelations of complex food engineering in artificial production systems. We believe there will always be a demand for natural food grown outside in the soil and under the sun. Our constant focus on healthy soils and best environmental practices will ensure production, trust and demand for healthy and nutritious food from living Ingleby farms.

SYNTHETIC PESTICIDE-FREE

In November 2018, we set a goal of becoming synthetic pesticide-free by 2030. This might seem ambitious, but we believe it will become a minimum requirement to farm sustainably by 2030.

Our teams have embraced this challenge with enthusiasm and dedication, and they are investigating new and innovative ways of farming. In many ways, our 2030 goal has revitalised Ingleby. It is not only about removing synthetic pesticides from our farms, it is also about long-lasting regenerative agriculture and horticulture principles.

Going forward, we aim to always grow seven to nine crops with maximum soil cover on each farm, as well as having green manure crops supported by companion cropping, where several crops grow in the same field at the same time. We will also only raise pasture-fed livestock. All this will support our long-term efforts of enhancing the biodiversity on our farms.

Our soils must always be covered by a crop, which enhances soil microbiology and biodiversity,

Companion crops of hairy vetch and rye, Latvia. Photographer: Rasmus Juul Christoffersen

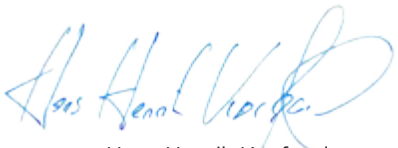
maximises CO_2 sequestration and provides climate change resilience.

NEW INGLEBY GOALS

Based on the positive responses and innovation generated by our 2030 goal, I believe we should set further ambitious goals in Ingleby. One new goal is having zero-waste by 2025. This means that every single item used in production must be compostable, reusable, or recyclable. This will need the support of our suppliers, and we will begin the work in 2020.

Another new goal is to become climate positive. Greenhouse gas emissions and climate change are topics high on the global agenda, but the currently available greenhouse gas calculations are fragmented and lack validated documentation. Today, product and service providers declare their own non-consolidated part of the calculation, causing widespread misinformation and the risk of emissions not being accounted for. The world needs a widely acknowledged framework and international rules for greenhouse gas emission calculations, which takes into account full life-cycle emissions for any product or human action.

We believe that our land use, with vast grasslands, regenerative agriculture, forests, habitats and set-asides, will help sequester more carbon than we emit, resulting in Ingleby being overall climate positive by 2030. In the coming years, we will intensify our research into life cycle carbon calculations while actively working to minimise our carbon emissions.



Hans Henrik Koefoed
Chief Executive Officer

SUSTAINABLE DEVELOPMENT

As farmers, we have an important role to play in solving some of the world's global challenges. We are aligned with the 10 universal principles on environment, human rights, labour and anti-corruption. We also support the UN Sustainable Development Goals. We have identified six SDGs that apply to our farming operations, and where we have the greatest potential for impact. These are aligned with our internal goals.

Ensure sustainable food production and implement resilient agricultural practices that increase productivity, that strengthen capacity for adaptation to climate change, and that progressively improve land and soil quality.

INCREASE IN YIELDS

We want to increase our crop production efficiency and have a goal to improve our yields by 1% per year.

BUILDING TOPSOIL

Our goal is to grow the topsoil layer by 2 mm per year. The deeper the topsoil, the larger an area for the plant roots to find water and nutrients, and the stronger the crop.

Improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials.

Increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater to address water scarcity.

Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.

WATER HABITATS

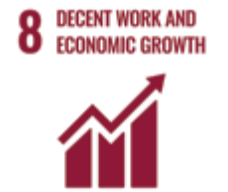
Because waterbodies enhance biodiversity, we want to have water habitats on 1% of our land.

WATER USE

We want to produce more crop per drop, and our goal is to improve our water use efficiency by 2% per year.

BUFFER STRIPS

We create non-cultivated and unsprayed buffer zones 10-metres along all major streams, rivers to diminish nutrient leaching and pesticide run-off into the water.



Achieve productive employment and decent work for all women and men, and equal pay for work of equal value.

Protect labour rights and promote safe working environments for all workers.

TRAINING

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

GENDER DIVERSITY

We are equal opportunity employers. Our goal is for the underrepresented gender to reach at least 40%. Women are currently the underrepresented gender.

INABLE
OPMENT
ALS

ENERGY USE

We want to improve our energy use efficiency by 2% per year. While supporting financial results, this will also benefit the environment and climate.

SYNTHETIC PESTICIDE-FREE

We have decided to phase out the use of synthetic pesticides on our farms and become synthetic pesticide-free by 2030.

GRASS WATERWAYS

We grow natural, native grass waterways in low parts of fields, where water runs during wet conditions. This helps reduce the water velocity and the risk of erosion.

CONTOUR CULTIVATION

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

EROSION-PRONE SLOPES

We keep erosion prone slopes under permanent grass/ plantings to avoid erosion. We either leave these areas to natural regeneration or plant them in native species.

INSECT/BEE PLANTS

We grow a mix of plants that blossom at different times of the season to provide pollen and nectar forage for bees and other insects.

CREATING HABITATS

Our goal is to convert 10% of each farm's area to natural habitats. We also avoid cultivating small field triangles and convert obsolete or low yielding areas into habitats.

SCRUFFY LOOK

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

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Achieve the sustainable management and efficient use of natural resources.

Reduce food losses along production and supply chains, including post-harvest losses.

Achieve environmentally sound management of chemicals and significantly reduce their release to air, water and soil to minimise their adverse impacts on human health and the environment.

Substantially reduce waste generation through prevention, reduction, recycling and reuse.

13 CLIMATE ACTION

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

15 LIFE ON LAND

Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems.

Implement a sustainable management of all types of forests, halt deforestation, and restore degraded forests.

Reduce the degradation of natural habitats, halt the loss of biodiversity and, protect and prevent the extinction of threatened species.

Prevent the introduction and significantly reduce the impact of invasive species.

Producing healthy, nutritious, and wholesome food is our main priority.

FOOD

Blueberries, Romania. Photographer: Andrei Govoreanu

PROUD FARMERS AND FOOD PRODUCERS

Ingleby is all about sound, healthy food of premium quality. Our farmers work year-round to produce sustainable seeds, grains, vegetables, fruits and nuts as well as healthy animals for meat, milk and wool. From our land, we might have grown the blueberries you are snacking on, the avocado you had for lunch or the steak you will have for dinner.

In a year, we grow more than 40 different crops including cover crops and new test crops. We also raise more than 160,000 sheep and cattle.

Our food production lives up to the highest standards. We have received several certifications such as Global G.A.P., Never Ever 3 and Tesco Nurture Gold. Being able to guarantee consistent quality and sustainably produced products enables us to meet the highest requirements in the most demanding global markets.

CROPS
44
types

CROP AREA
45,455
hectares

YIELDS
245,752
tonnes

LIVESTOCK
160,651
animals

LIVESTOCK AREA
31,390
hectares

MEAT, MILK & WOOL
5,727
tonnes

GROWING FOOD

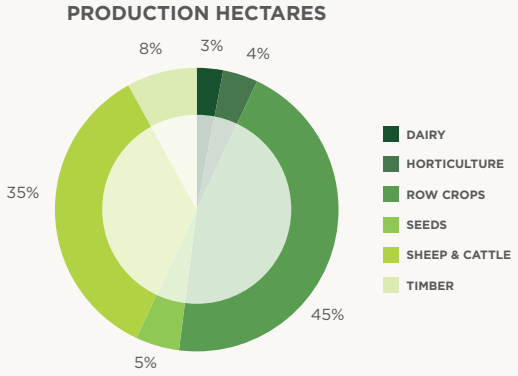
Today, there is an abundance of food in the world. However, by 2050, the world population is projected to grow to around 10 billion people, all needing to eat. To assist in solving this worldwide challenge, we have set a goal to increase our yields by 1% annually over a 10-year period, while still protecting our soils and the environment.

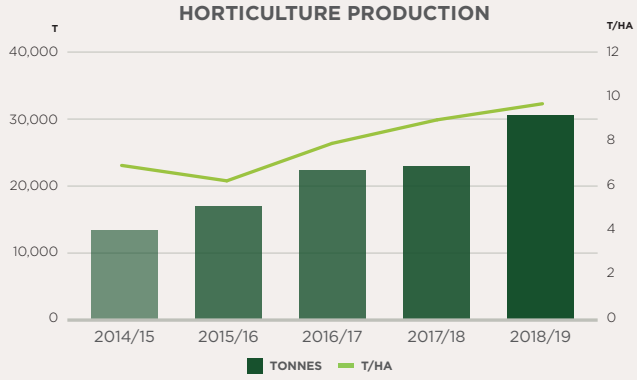
So far, we have achieved this goal. On average over the last nine years, we have achieved a 3% increase in yields. This is the result of improvements to our soils, balancing our nutrient management, rotating crops and encouraging double cropping where possible. All combined with hands-on farm management

CROP DIVERSITY

We constantly seek to improve our farming systems and diversify our crop rotations, include cover crops, as well as integrate livestock in the crop rotations.

Cover crops and increasing diversity drives a more resilient agro-ecosystem. Increased diversity will provide higher yield stability and less nitrogen fertiliser input requirements.





GOAL 2 // ZERO HUNGER

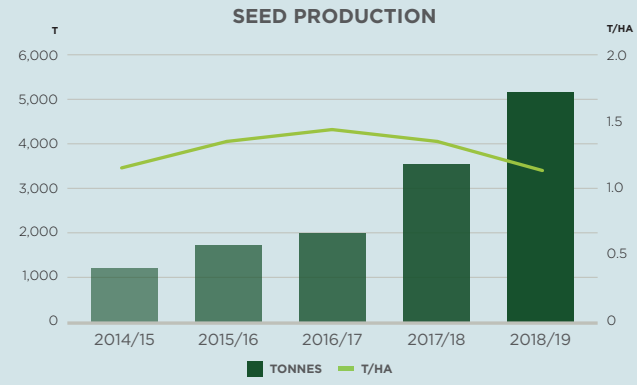
Ingleby is a substantial food producer. In 2018/19, our total crop production reached 245,752 tonnes, equaling 5.4 tonnes crop per cropping hectare.

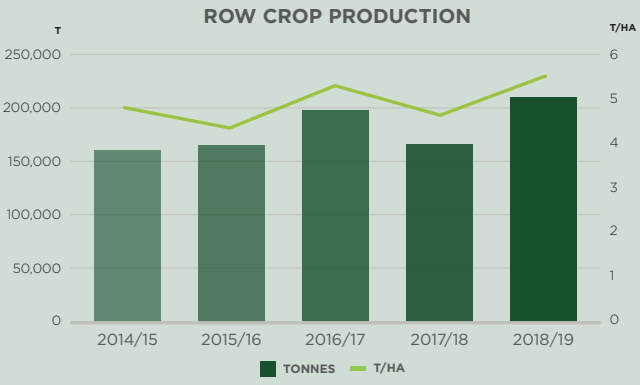
Converted into calories, our food production totals 620,000 million calories. This can feed 679,000 people for a year based on an estimated daily intake of 2,500 calories per person.

Calculated by hectares, we can feed one person for an entire year on 0.12 hectare of land equal to 1,200 m² or about 2 basketball courts.

To keep supporting the world's growing food demand, we aim to increase our production of healthy, wholesome food on our existing land. Since we started measuring, we have increased our tonnes of food produced per hectare by 3%.

We also aim to minimise food waste in every part of the food production and supply chain.





Diversity also supports beneficial organisms, and reduces the ongoing problem of increasing weed and insect resistance to pesticides.

We believe that increased crop diversity will be a key part of achieving our 2030 goal of becoming synthetic pesticide-free.

Pistachio orchard, USA. Photographer: Hans Henrik Koefoed

HORTICULTURE AREA
3,160
hectares

HORTICULTURE PRODUCTION
30,701
tonnes

HORTICULTURE CROPS
17
types

SEED AREA
4,525
hectares

SEED PRODUCTION
5,168
tonnes

SEED CROPS
16
types

ROW CROP AREA
37,770
hectares

ROW CROP PRODUCTION
209,883
tonnes

ROW CROPS
11
types

SUPERFRUITS

A healthy diet contains a lot of fresh vegetables and fruit. The body needs about 30 different vitamins, minerals and other dietary components to function. In this respect, some fruits are especially healthy because they contain a high level of nutrients. This includes avocados, table grapes and blueberries.

In superfruits, we consider the nutrients and health benefits of the fruits, and we also include the total environmental impact of the cultivation, processing and transportation. We do this because human health is closely related to the environment.

With a growing world population, who should all have access to healthy food, this puts pressure on the production systems. A pitfall is to produce high volume, low nutrient foods in agriculture systems with negative health and environmental impacts.

The EAT-Lancet Commission on Food, Planet, Health consists of world-leading scientists and aims to answer the question:
Can we feed a future population of 10 billion people a healthy diet within planetary boundaries?

Their answer is yes, but at the same time they state that it is impossible without transforming eating habits, improving food production and reducing food waste. They conclude that we need to eat less meat and sugar and much more high-quality vegetables, fruits, legumes and nuts. Key components in that transition are to produce the right foods with high densities of nutrients and create awareness about them.

On this page we describe some of the essential superfruits we produce.

AVOCADOS

Avocados are the fruits of the avocado tree (*Persea americana*).

There are many types of avocados that vary in shape and colour. We mainly grow the dark green, pebbly skinned Hass variety.

Avocados are what you could call a "superfood".
They have a high nutritional value and contain a wide variety of nutrients, including 20 different vitamins and minerals.

Avocados have become incredibly popular worldwide, due to their great flavour and rich texture as well as health properties. If you were to live only on a single source of food, avocados would be an excellent choice.

We grow avocados in Peru, where our avocado groves thrive in the mild coastal climate. In total, we have 700 hectares in production, which we harvest between March and May.

Our avocados are internationally recognised for their quality. We have obtained the Tesco Nurture Gold Standard Certification, as well as several Global G.A.P certifications.

BLUEBERRIES

Blueberries come from the blueberry bush (*Vaccinium sect. Cyanococcus*). It is a flowering shrub that produces berries with a bluish, purple hue. Blueberries are green in colour when they first appear, then change to blue as they ripen.

Blueberries are bursting with nutrients and antioxidants. Antioxidants protect your body and help combat the effect of aging and some diseases, such as cancer. Blueberries are believed to have one of the highest antioxidant levels of all fruits. They are also low in calories. This makes them an excellent addition to any healthy diet.

We grow blueberries in Peru and Romania. Both countries have excellent conditions for growing large, firm berries full of flavour. In total, we have 350 hectares in production; 200 hectares in Romania and 150 hectares in Peru. In Peru, we harvest our blueberries from August to December. In Romania our harvest is from June to late August.

Our blueberries are hand-picked and packaged with care. With our cooling facilities, we can get them from field to cooling within one hour. This is critical to maintain superior quality. We want to make sure their health properties and freshness are preserved from our farms to the stores.

TABLE GRAPES

Table grapes may be high in sugar, but they are a superfruit too, packed with health benefits.

Table grapes contain high levels of vitamins C and K, antioxidants and essential nutrients. They can benefit brain and heart health by preventing cholesterol build-up, protect your skin and benefit your eyesight.

As a snack, table grapes have few competitors. Rich in fibre, table grapes help you stay full and are a well-known pre-workout snack, as they provide an instant energy boost.

On our farms in Peru, we grow the seedless table grape varieties Crimson, Superior, Thompson and Sweet Globe, as well as the seeded Red Globe. In total, we have 280 hectares in production.

We harvest our table grapes from October to December.

NATURAL, GRASS-FED BEEF

Uruguay has excellent conditions for livestock production. Here we produce 100% grass-fed Aberdeen Angus beef. Our cattle spend all their life outside, where they graze on well-managed pastures and natural grasslands. Free from hormones and antibiotics, the good life quality of our animals results in natural, healthy and high quality beef.

ORIGINAL GENETICS

In Uruguay, we breed our own, unique Aberdeen Angus cattle. They are the result of many years of work improving our genetics, tracing back the roots of the original Aberdeen Angus bloodlines.

The original Aberdeen Angus were a robust but smaller framed animal, well adapted to grazing on natural grasslands. Compared to the modern, larger Aberdeen Angus, our animals calve easier, can be raised and fattened entirely on grass, and need less care.

We have received good responses from the markets to our genetics. By returning to the origin of the breed, we can maintain our commitment to animal welfare while producing a sustainable, high quality grass-fed beef with good nutritional properties, marbling and distinctive flavour.

CERTIFIED NATURAL MEAT

In 2015, we 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:

- Cattle are raised and kept open range for their entire lifetime
- Cattle has full and verifiable traceability
- Cattle do not receive any animal protein in their feed
- Cattle do not receive any hormones

Gauchos, cattle and natural grasslands, Uruguay. Photographer: Douglas Sibbald

NATURAL GRASSLANDS

Our farms in Uruguay sit on the Uruguayan savanna, an ecoregion in the South American Pampas, which is one of the world's most important grassland biomes. The pristine natural grasslands are a refuge for indigenous flora and fauna.

Over the centuries, the grasslands have also become important areas for beef production. The native grasses have a low, but stable forage production. We are strongly committed to the protection and preservation of these natural grasslands, and conservation is deeply integrated in our livestock production.

We give alternating areas a rest from grazing during flowering and seeding. This way, different species can recover and regenerate. We do not fertilise, spray or introduce improved forage species, regardless of the potential to increase productivity.

COWS ARE MADE TO EAT GRASS

Throughout evolution, the digestive system of a cow has been perfected to supply the animal with all it needs from grass.

When a cow eats grass, it chews the grass just enough to swallow. The unchewed grass then goes to the cow's first two stomachs, where it is stored until later. After eating its fill of grass, the cow lies down to digest it. This happens through a process called rumination, where the cow coughs up bits of the unchewed grass and then chews it again thoroughly. Once swallowed, the chewed grass then goes to the third and fourth stomachs, where it is fully digested. Rumination enables cows to chew grass completely, which improves nutrition intake and digestion.

Grass-based diets are naturally healthier for cattle, making grass-fed beef a superior meat when it comes to animal welfare.

NEVER EVER 3

Our 100% grass-fed Angus beef has also achieved the Never Ever 3 certification. As well as the requirements in the Natural Meat Certification, this certification guarantees that our cattle are free from antibiotics.

Together with full traceability, we can ensure the health and quality of our meat from start to finish.

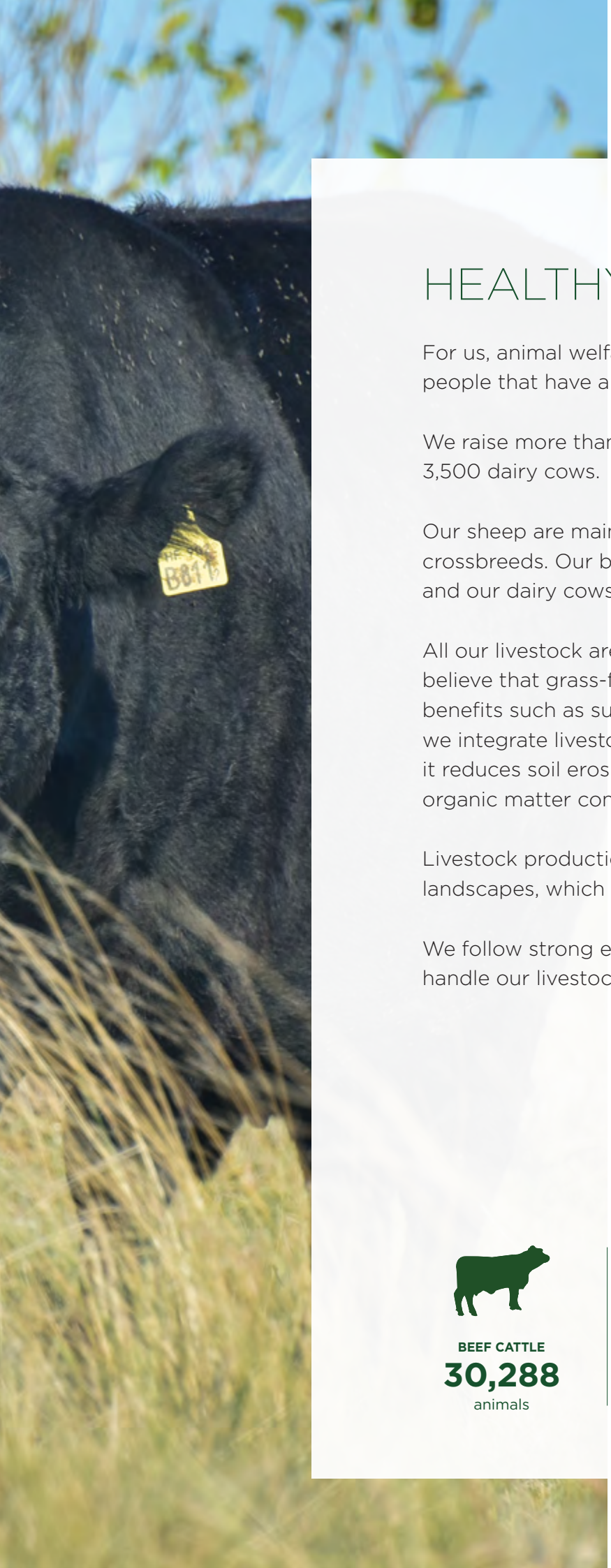
HEALTHY MEAT

Research shows that, 100% grass-fed beef contains a lower fat content and higher levels of heart-healthy fatty acids such as Omega-3 than grain-fed beef. It is also a good source of antioxidants and vitamin A and E ingredients.

ANIMALS

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

Aberdeen Angus cattle, Uruguay. Photographer: Rafael Leguísamo



HEALTHY LIVESTOCK

For us, animal welfare is always a top priority. We employ people that have a passion for caring for animals.

We raise more than 125,000 sheep, 30,000 cattle and 3,500 dairy cows.

Our sheep are mainly Perendale, Romney and Finnsheep crossbreeds. Our beef cattle are mainly Aberdeen Angus and our dairy cows are Holstein-Friesians.

All our livestock are all free-range and grass-fed. We believe that grass-fed livestock systems have multiple benefits such as superior animal welfare. Also, where we integrate livestock grazing into our crop rotations, it reduces soil erosion, improves our soil structure and organic matter content.

Livestock production also protects open grazed landscapes, which often have high biodiversity.

We follow strong ethical practices on how we treat and handle our livestock to ensure the best animal welfare.

BEEF CATTLE
30,288
animals

SHEEP
126,583
animals

DAIRY COWS
3,780
animals

ANIMAL WELFARE

Animal welfare considerations are becoming increasingly important for keeping and raising animals. Practices which may once have been acceptable are now being reassessed and modified according to new knowledge and changing attitudes.

We are around our animals everyday to check on their health and ensure their safety.

We follow sound livestock husbandry practices. This includes ensuring our animals receive adequate feed and have access to sufficient and clean drinking water. We use body condition scores to assess our animals and ensure they are in good health. We also regularly check teeth and hooves.

We provide shade and shelter to protect our animals from extreme weather. We also protect them from predators.

To track animal welfare, we use reproduction and mortality rates. We aim for a reproductive efficiency of 88% for cattle and 135% for sheep. We have reached the goal for calving and are approaching the goal for lambing. The mortality rate for our cattle is 3% and for sheep 5%, where our goal is to be under 2% and 4% respectively. For our dairy cows, we include other animal welfare factors too, such as body condition score.

GENETICS

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

We continuously work to improve the genetics of our animals, for animal welfare reasons and to enhance meat and wool production and quality.

We also aim to breed animals that are adapted to our environments, and that are resistant to local parasites and diseases.

VETERINARY CARE

We want to have healthy, balanced livestock production systems according to the mantra: as little treatment as possible, but as much as necessary.

We monitor our animals for signs of distress or illness. Where necessary, we use preventive measures to minimise the risk of diseases, such as vaccinations,

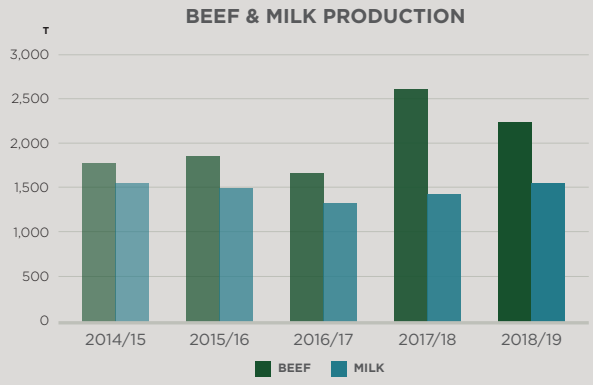
GOAL 15 // LIFE ON LAND

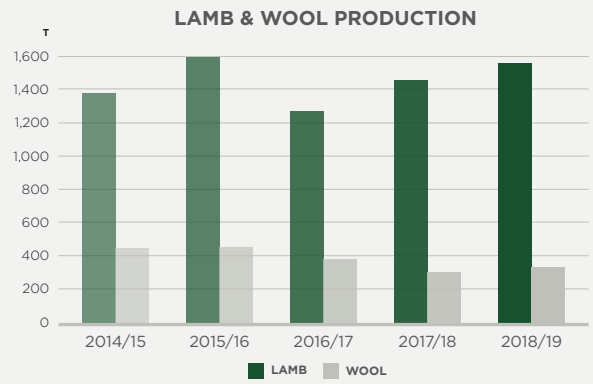
Most of our animals are raised in extensive grazing systems. By using extensive grazing of our natural grassland areas, we promote both production and the environment.

Keeping stock numbers low and allowing the vegetation to recover naturally, prevents overgrazing and exposure of the soil, which in turn prevents leaching of nutrients and erosion.

Not introducing any exotic forage species benefits indigenous invertebrates, birds and mammals specially adapted to the original vegetation.

This management system is far from producing the same quantities of beef as conventional intensively managed pastures or feedlots, but the environmental and conservational benefits are so strong that we have committed to go this way.





and internal and external parasite controls. We keep records of all our use of pharmaceuticals.

IDENTIFICATION

Tagging animals is an important part of traceability and herd management as well as required by law. We currently use ear-tagging and branding (only in Latin America) to identify our animals.

We follow the development in livestock identification and aim to always adapt methods that support the highest animal welfare.

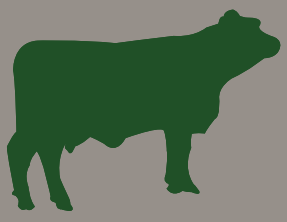
TAIL DOCKING

For our sheep, tail docking is the recommended best practice for blowfly control. We are aware of the animal welfare issues related to this procedure, and we are constantly looking for other options that are equally as efficient in ensuring our animals' health.

DAIRY GRAZING AREA
2,100
hectares

MILK PRODUCTION
1,572
tonnes

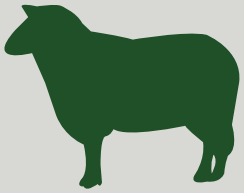
MILK YIELDS
9,873
litres/ha



CATTLE & SHEEP GRAZING AREA
32,168
hectares

BEEF PRODUCTION
2,254
tonnes (CWT)

BEEF YIELDS
74
kg/ha



LAMB PRODUCTION
1,561
tonnes (CWT)

WOOL PRODUCTION
341
tonnes

LAMB YIELDS
163
kg/ha

IMPROVED LAMBING AND WOOL

The climate in Tasmania is perfect for sheep. Our sheep can graze 365 days a year on lush, green pastures. The cooler weather, compared to mainland Australia, allows our lambs to mature slowly resulting in flavourful meat.

INTEGRATED PRODUCTION

In 2003, our Tasmanian sheep herd started with just 800 sheep. Today, we have about 25,000 ewes producing 33,000 lambs annually.

While many farmers specialise in either sheep or crops, we believe in the benefits of having both, and our sheep production is fully integrated within the cropping system. This allows us to sustainably increase productivity on our existing land.

We utilise co-products from one production to support the next, such as crop residues as feed for our sheep and animal manure as fertiliser for new crops. In integrated systems, livestock also play a key role in energy and nutrient cycling, while rotations of crops with forage legumes improve soil fertility and reduce soil erosion.

In 2018/19, we increased our production of fodder crops of chicory and clover. This is a double win - a respite for our soils while providing quality feed for our lambs.

IMPROVED LAMBING

We have a continued focus on increasing our lambing percentage and keeping the body condition score of our ewes high to help increase productivity.

Ewes and lambs, Tasmania. Photographer: Alice Mabin

In 2018/19, we increased our production of healthy lambs by 8% compared to last year.

BETTER QUALITY WOOL

Through genetic selection, we are also working to produce a finer quality wool.

Wool quality is based on the fineness of fibres, which is measured in microns. The highest quality wool is about 17 microns. Today, our sheep produce wool at 32 microns. By introducing the new genetics we should be able to reduce it to 29 microns over the next years. This can be done while maintaining the quality of the meat.

We foresee an increased interest in wool as a natural and sustainable product with multiple uses. Besides being fully biodegradable, wool is also durable, temperature regulating, odour repellent and an overall environmentally friendly product.

RAISING DAIRY CALVES

Raising male dairy calves is one of the biggest ethical dilemmas in the dairy industry. For a cow to produce milk, it needs to calve. Yet, less than 1% of Australian dairy farmers raise all the calves that result from the dairy production.

MALE CALVES

Our commitment to raising our male dairy calves is not financially viable and has added a layer of complexity to our production. However, we believe that raising all calves is not only the right thing to do – but that it may also turn into a sustainable production.

On our dairy farm, Clovelly Dairy, in Tasmania, we think differently. We are among a few dairy farms in Australia, who have a dedicated goal to raise all calves from our dairy production including all our male calves. This is a matter of pride and principle; born out of the our sustainability philosophy and our ethics of always trying to do what we believe is right.

We want to prove that raising male dairy calves can be profitable without compromising animal welfare. If we succeed, we will hopefully serve as an inspiration for other dairy farmers to follow.

CARING FOR OUR CALVES

Currently, we make a loss on each of our male dairy calves. Regardless, we raise our calves in the same way. We do not separate them by gender, so all calves receive the same care and attention.

During the busy calving season, we hand-raise about 2,850 calves, of which 1,000 are male.

Dairy calves, Tasmania. Photographer: Alice Mabin

It is a rewarding but demanding job, where our dedicated teams provide round-the-clock care.

After 21 days in calf sheds, our calves move out onto pastures, and at 85 days old they are slowly weaned. Our male calves, fit and healthy, move to another of our farms, where they spend the next 12-18 months grazing free range on pastures and fodder crops.

DAIRY BEEF

We raise the male dairy calves to be sold into the beef market. To increase the meat quality, we in-seminate our dairy cows with semen from Aberdeen Angus bulls. This way, we produce male dairy calves with an improved meat quality.

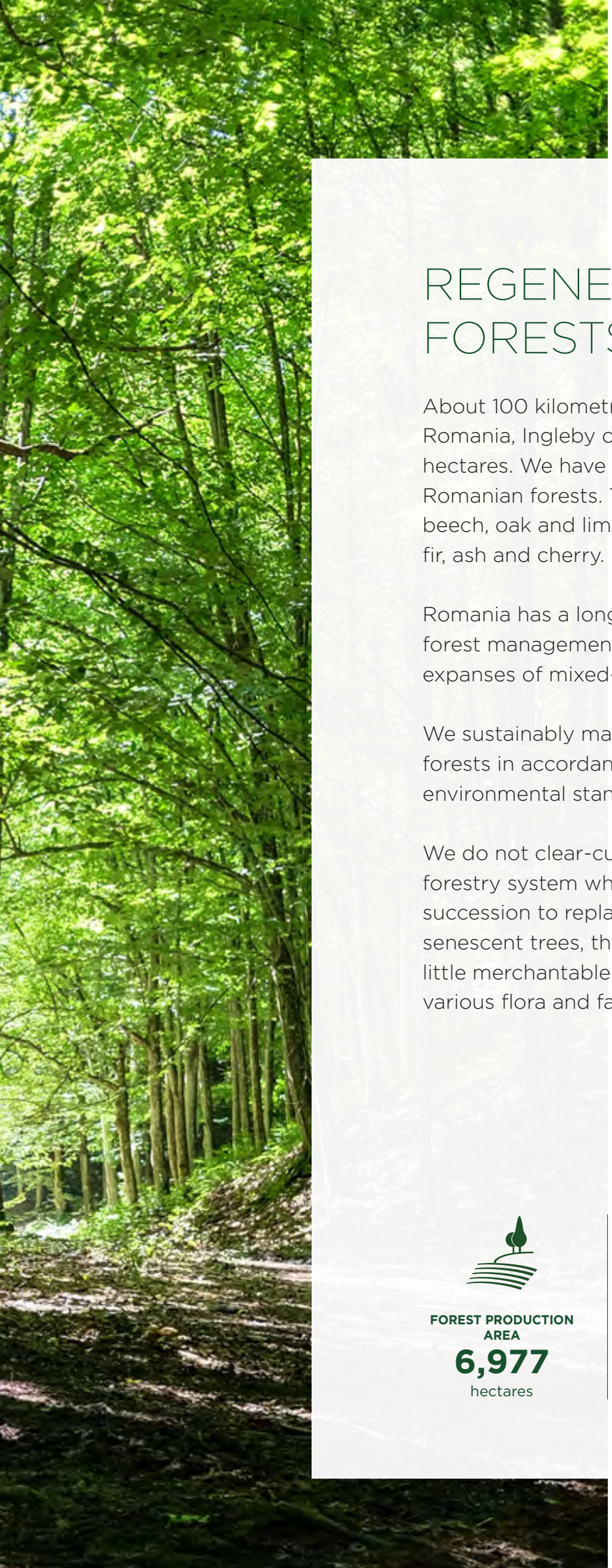
We believe that dairy beef will become more acceptable for consumers as a tender and lean alternative to traditional beef.

While we work hard on raising the quality of dairy beef, we expect consumers to be the true drivers of change. People have a growing interest in the ethical aspect of the food they consume. We hope that increased support from consumers to ethical dairy farms will turn into higher demand for dairy beef.

FORESTS

In our forests in Romania, our long-term perspective is part of the daily work. Trees may stand for up to 150 years before they are harvested.

Forest view, Romania. Photographer: Robin Begg



REGENERATING FORESTS

About 100 kilometres north-west of Bucharest in Romania, Ingleby owns three large forests totalling 7,261 hectares. We have over 19 different timber species in our Romanian forests. The dominant broad-leaf species are beech, oak and lime, but we also have hornbeam, spruce, fir, ash and cherry.

Romania has a long and proud tradition of sustainable forest management, and is home to some of the largest expanses of mixed-species forest in Europe.

We sustainably manage these natural, mixed-species forests in accordance with the highest professional and environmental standards.

We do not clear-cut, instead we use a continuous cover forestry system which uses natural regeneration and succession to replace harvested trees. We leave old senescent trees, these are often rotten and have very little merchantable value but are important habitats for various flora and fauna.

FOREST PRODUCTION AREA
6,977
hectares

ANNUAL GROWTH
56,108
cubic metres

HARVEST & THINNINGS
17,093
cubic metres

FOREST MANAGEMENT

In general, our forests in Romania are young. Almost half of the trees are between 60 and 80 years old, and we will not harvest them for another 30 to 40 years. In the mean time, our main task is to thin the forests, so that we improve the quality and species composition, and over time create more valuable and biodiverse forests.

We promote valuable trees, support ecosystems and biodiversity through progressive cuttings and natural regeneration, which maintain a favourable balance between young and mature forest. This also strengthens the stability, vitality and resilience of the forests to climate change.

We do plant a few new trees in areas where forest does not currently exist or areas where natural regeneration has been slow.

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

HARVESTING TREES

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 and 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.

WILDLIFE

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 monitor biodiversity in different ongoing projects such as the bird monitoring programme.

PROTECTED FORESTS

High in the Carpathian Mountains, you find our Siriu forest which totals 1,356 hectares. Siriu forest does not have any priority habitats, but it connects forest lower in the Buzau valley to a Natura2000 area that contains virgin old-growth forest, alpine pasture, herb fields and scrubland. The Siriu forest contains 427 hectares of land within the adjoining Natura2000 area (ROSCI 0229 SIRIU). Here we have adopted a special management plan that respects the Natura2000 ecological and social objectives.

We protect an additional 226 hectares at the top of Siriu forest, combining it with a 58 hectare Natura2000 area. The 284 hectares are steep in places, representing a difficult harvest setting and erosion risk. But the area has abundant wildlife and the opportunity to create a safe haven for nature. It is for this reason that we have removed this area from production and created a nature reserve.

To ensure that sensitive plant and animal life of a region is not disturbed, we have established ditches on access tracks to this area of forest as increased motor bike traffic is becoming a significant issue.

GOAL 15 // LIFE ON LAND

Ingleby forests are structurally heterogeneous, offering diverse ecological niches characteristic of natural forests. We use sustainable forest management principles in combination with natural regeneration to ensure healthy forests full of life.

We assess our forests on a regular basis and retire areas that do not make sense to harvest, such as small stands, broken terrain, proximity to water bodies and weak geology. Such areas often yield low returns, and the ecosystem services gained from these areas, such as erosion control, water protection and habitat preservation are more valuable to us than the timber extracted.

We also have 2,381 hectares as a designated hunting-free silent area where game has a safe haven for breeding.

ANTS

During the last year, we initiated a project to monitor the presence of ants in the forests.

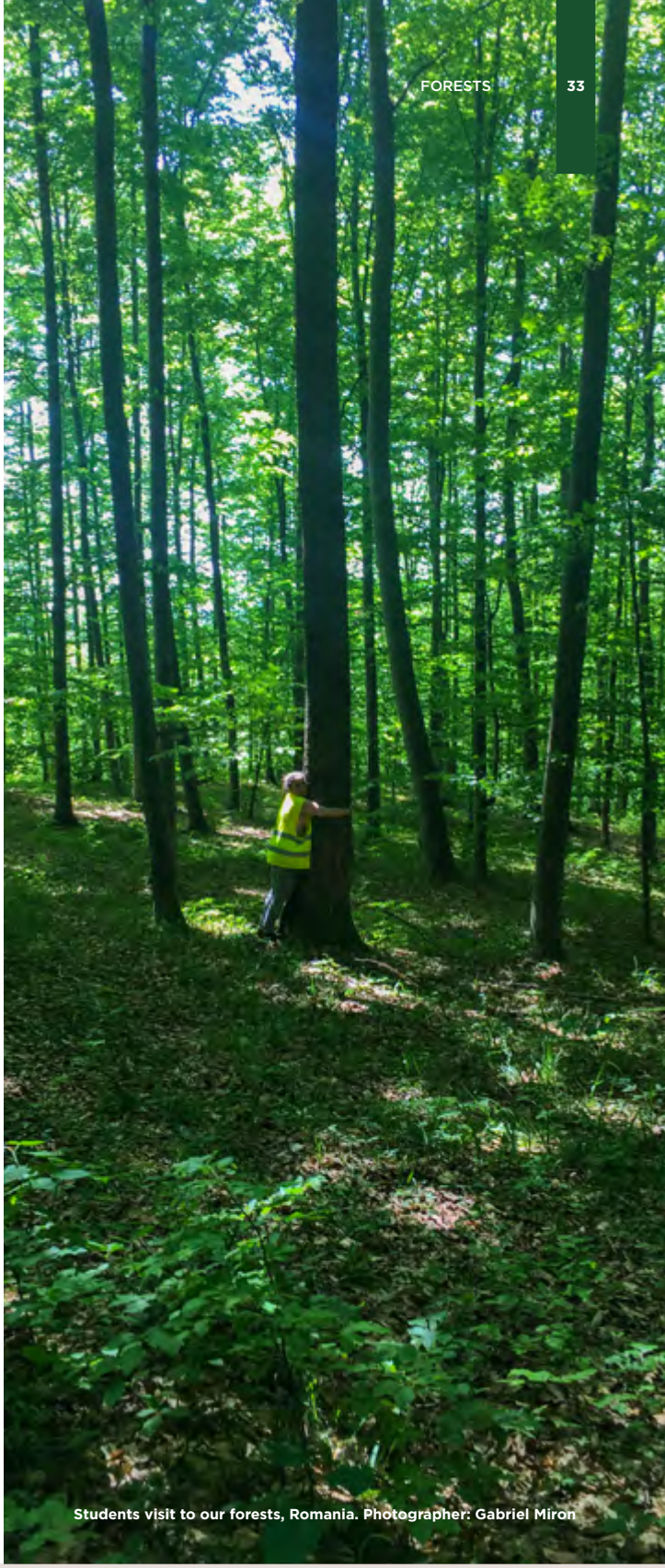
Red wood ants are important to the overall health of a forest. They provide essential ecosystem services, such as dispersing seed, maintaining neutral soil acidity, providing pollination services, recycling nutrients and biological pest control.

The presence of dead-wood, a sizable food source and enough solar radiation reaching the forest floor are essential for a stable population of red wood ants. It is believed that a healthy forest should have at least four ant colonies per hectare.

BUILDING RELATIONSHIPS

We continuously try to build good relationship with the local communities neighbouring our forests. 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.

Our forest team is also working closely with the forestry faculty at the Transilvania University of Brașov as well as international universities. In 2018/19, 18 students from all over the world visited our forests.



Students visit to our forests, Romania. Photographer: Gabriel Miron

AVERAGE AGE CLASS OF TREES
74
years

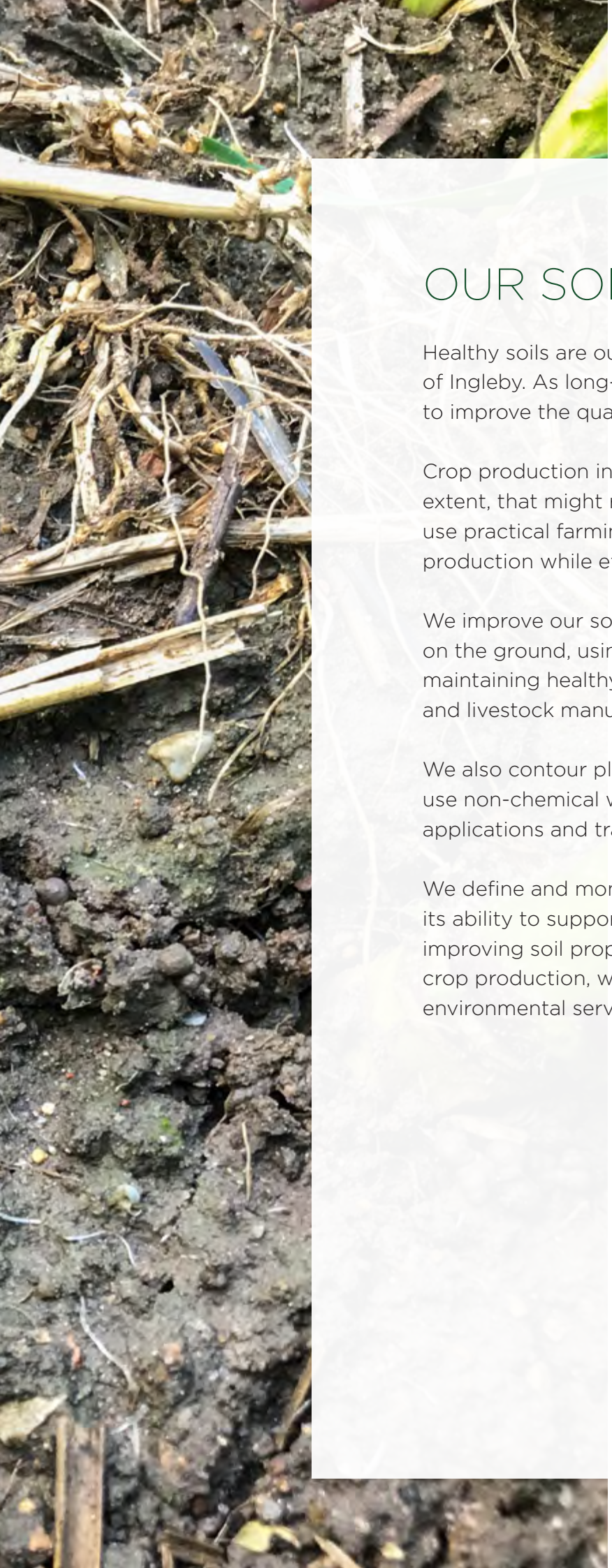
TOTAL FOREST AREA
7,261
hectares

PROTECTED AREA
1,071
hectares

SOIL

We want to build healthy soils with high organic matter content.

Soil and cover crops, Latvia. Photographer: Jeppe Støchkel Jeppesen



OUR SOIL, OUR SOUL

Healthy soils are our most important resource. The soul of Ingleby. As long-term land owners, we constantly work to improve the quality of our soils.

Crop production involves soil disturbance to some extent, that might result in soil erosion. Therefore, we use practical farming approaches that support crop production while effectively protecting the soils.

We improve our soils by leaving sufficient crop residues on the ground, using cover crops and minimum tillage, maintaining healthy crop rotations, and adding compost and livestock manures where available and cost effective.

We also contour plough, add nutrients to avoid depletion, use non-chemical weed controls, satellite-guided input applications and tractor-wheel path tracking.

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.

SOIL ORGANIC MATTER

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. 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.

Soils with a high organic matter content can also store large amounts of water. This is crucial for our crop production and improves our farms' resilience to floods and droughts.

BUILDING HEALTHY SOILS

We have a constant goal to build healthy soils on our farms, and part of this is to grow the topsoil layer by 2 mm per year.

Crops respond positively to soil with good structure, and high water holding capacity. The better and deeper the topsoil, the larger an area for the plant roots to find water and nutrients, and the stronger the crop.

To measure how our soils are developing, we take reference soil samples from representative areas of the farms every five years. The locations of these sampling sites remain constant. We analyse the soil samples for all key soil properties that determine soil quality. We combine these results with those from our annual crop nutrient balances and leaf nutrient analyses. This allows us to understand how our farming practices affect soil quality and how to better manage our soils.

EARTHWORMS

In 2018/19, we began to count the number of earthworms present in our soils as a quick measure of soil health that we can easily track over time.

GOAL 2 // ZERO HUNGER

Soil is a key resource for farming. About 95% of all food comes from soils. Healthy, fertile soils can increase biodiversity and crop production.

We make annual assessments of our soils' quality. We combine it with other ways to track soil health, such as reference soil sampling, measuring nutrient balances and earthworm counts.

To protect and improve our soils, we aim for minimal soil treatment to reduce potential erosion. We diversify our crops and add cover crops that help build soil organic matter. We add lime to increase soil pH and nutrient availability.

GOAL 13 // CLIMATE

Healthy soils are capable of more than just producing food. They help combat climate change by storing carbon, since plants absorb CO_2 as they grow and then push extra carbon into the earth through their roots. They also provide essential biological functions, such as storing and filtering water as well as degrading and detoxifying pollutants.

Typical farming techniques, including tillage and leaving the soil bare between crops, releases carbon. It is estimated that farmed soils around the world have lost 50-70% of the carbon they once contained. However, increasing the world's soil carbon content by just 2% would offset all global greenhouse gas emissions.

We have adapted principles from regenerative agriculture, such as minimum tillage and using cover crops or companion cropping to always keep our soils covered. By protecting our soils and covering our fields with live and dead organic material, we help to remove CO_2 from the atmosphere.

Earthworm population density is directly affected by soil properties and management practices. Therefore, year-to-year comparisons of earthworm numbers will be another indicator of how our environmental and management decisions are effecting our soil health.

SOIL SENSORS

We use soil sensors to track real time moisture content. This allows us to respond instantly to changes in soil moisture and vary irrigation according to the needs of the crop – minimising water use and providing optimised growing conditions.

SOIL MAPS

On some of our farms, we use electromagnetic pulse technology and radiometry to create detailed soil maps. Based on these maps we use variable rate technology to optimise sowing density, crop nutrition, crop protection, soil amelioration and irrigation.

AVOIDING SOIL EROSION

To avoid erosion, we never cultivate fields straight up and down the slopes. Instead, we cultivate along the contours. We keep erosion prone slopes under permanent cover. These areas are left for natural regeneration, or planted in native species.

We have implemented contour terraces to manage water runoff and reduce soil erosion.

We plant waterways in permanent grass in low parts of fields where water runs during wet conditions. These grass waterways collect and channel runoff water to a specific outlet. They also reduce water velocity and absorb destructive energy that causes soil erosion and gully formations.

Soil after four years of improvements (left) compared to the starting point (right), Peru. Photographer: Hans Henrik Koef

REGENERATIVE AGRICULTURE

Regenerative agriculture is the practice of carefully conserving and increasing nutrients in the soil, while maintaining a high yield and preserving biodiversity. It can help store significant amounts of carbon in the soil, protect against erosion, and reduce the need for fertilisers and pesticides.

The objective of regenerative agriculture is to increase the number of microbiological organisms, worms, and the level of nutrients in the soil, thus reducing the need for mechanical and chemical assistance. It is about working with nature not against it.

There are five main principles to regenerative agriculture:
1. Limited soil disturbance
2. Covering the soil
3. Diversification
4. Living roots
5. Integrating animals

We already use these practices to some degree on our farms, and incorporating them further into our production will be a main part in our strategy to reach our goal of becoming synthetic-pesticide free by 2030.

LIMITED SOIL DISTURBANCE

No-tillage agriculture is a breeding ground for rich and diverse biological soils.

Tillage affects soil structure, aeration, temperature and water content. As the soil is constantly being torn apart, it affects the living organisms in the soil that help create natural soil fertility. This in turn affects the rate of decomposition and nitrogen mineralisation.

The less the soil is cultivated, the more earthworms and beneficial insects, such as ground beetles, spiders and other macrofauna will thrive. Earthworms play a crucial role in terrestrial ecosystems: They recycle organic material by digesting organic matter and thereby enriching the soil. Earthworms loosen, aerate, and improve the drainage of the soil by burrowing and channelling.

The crop residues left on the soil are favourite habitats for beetles and millipedes, springtails and mites. A rich and diverse fauna will increase the level of “natural pest control” and help us in our goal to become synthetic-pesticide free.

COVERING THE SOIL

We mimic what nature does. We always cover bare soil to protect the soil from wind and water erosion. By doing this we keep the moisture content in the soil, decreasing the risk of drought, and maintaining the soil temperature. All part of obtaining healthy soils.

By covering the fields most of the year with live and dead organic material, we also remove carbon from the atmosphere. This is one of the reasons why cover crops are one of the pillars in regenerative agriculture.

DIVERSIFICATION

Diversification is key in keeping soils healthy. It is all about using a variety of crops that compliments each other by having different attributes. It can be


Trial with mixed cover crops, Lithuania. Photographer: Jeppe Støchkel Jeppesen


Rasmus Juul Christoffersen with oil radish cover crop, Lithuania
Photographer: Katrine Hellesøe

crops with different root types (shallow roots, deep roots, and tap roots). Some crops are high-carbon, some are low-carbon, some are legumes. Each of them contributes to the soil's nutrients and physical properties, thereby maintaining soil health.

There is growing evidence that different cover crops have the ability to make nutrients available to plants. It may therefore be possible to reduce the need for fertilisers when compared to conventional farming methods.

LIVING ROOTS

This principle is about having living roots in the soil. Soils are most productive when soil microbes have access to living plant materials. A living root provides a food source for beneficial bacteria and promotes the symbiotic relationship between plant roots and mycorrhizal fungi. It also helps to reduce soil erosion.

INTEGRATING ANIMALS

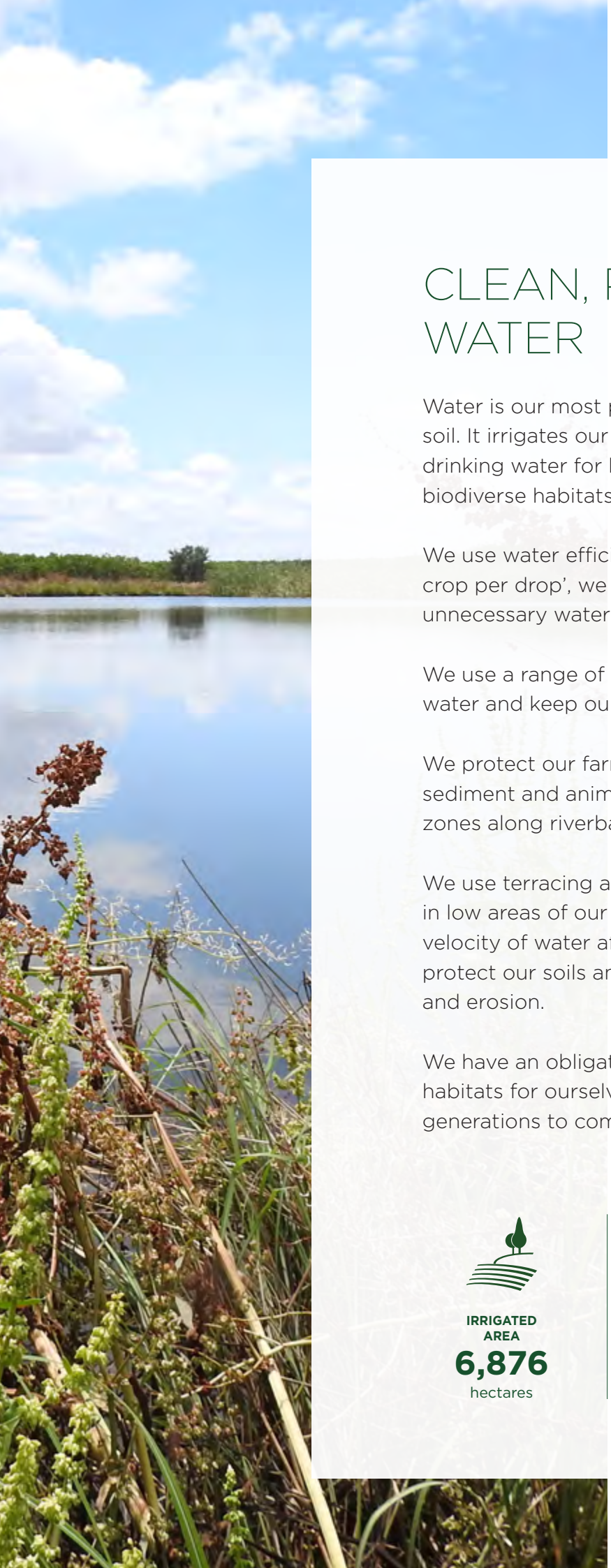
Integrating animals is the fifth principle to healthier soils. When grazing is well managed, animals can help with carbon sequestration. They can help plants grow faster. As more grass is grown, more organic matter is available to recycle into the soil for feeding microbes. This captures and holds more water and nutrients, growing more and larger plants that can gather more sunlight for the photosynthesis process, and sinking more carbon back into the ground.


Root of oil radish, Lithuania
Photographer: Rasmus Juul Christoffersen

We use our water responsibly, and try to produce more crop per drop.

WATER

Water habitat, USA. Photographer: Mette Bøgeløv Erichsen



CLEAN, PLENTIFUL WATER

Water is our most precious natural resource apart from soil. It irrigates our crops and pastures, provides fresh drinking water for livestock, and supports the most biodiverse habitats on our farms.

We use water efficiently and cleanly. To produce 'more crop per drop', we use the best irrigation systems, avoid unnecessary water-use, and recycle water where possible.

We use a range of nature-based solutions to conserve water and keep our rivers clean.

We protect our farm waters from fertilisers, chemicals, sediment and animal waste by creating unfarmed buffer zones along riverbanks and lakes.

We use terracing along slopes, and keep grass waterways in low areas of our cropland. In this way, we slow the velocity of water after rainfall, and at the same time protect our soils and waters by reducing sedimentation and erosion.

We have an obligation to protect waters and water habitats for ourselves, our neighbours, and future generations to come.

IRRIGATED AREA
6,876
hectares

WATER APPLIED
39,880
megalitres

WATER USE EFFICIENCY
16.2
yield/mm

SUSTAINABLE IRRIGATION

We irrigate 14% of our arable area, or 6,876 hectares. Irrigation stabilises and increases our yields, enables more crop rotations per year, builds resilience to climate change, and helps increase our fertiliser-use efficiency.

In 2018/19, we used 39,880 megalitres of water in our irrigated production. We irrigate crops in the US (pistachios), Tasmania (annual crops and dairy pasture), Argentina and Uruguay (annual crops), Peru and Romania (horticultural crops).

We never allow our water use to exceed the annual renewable supply of water, whether from surface water or groundwater sources. We also ensure that the water used for irrigation never exceeds withdrawal amounts that would have negative impacts on aquatic and terrestrial ecosystems, wildlife and biodiversity.

In some cases, irrigated fields can have a positive impact on the wildlife through effects on availability of forage and feed, and ponds used for water storage with improved habitats along the boundaries.

WATER HABITATS

Because water bodies enhance biodiversity, we want water habitats on 1% of our farmland. Optimal water habitats should have summer holding water, surrounding vegetation, trees for nesting, and natural borders. So far, 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 construct ponds and wetlands to reach our goal on a farm level.

PROTECTING FARM WATERS

To avoid water pollution, we use best management practices when applying fertilisers and agrochemicals in our crop production.

We also protect our farm waters from fertilisers, chemicals, sediment and animal waste by creating non-cultivated and unsprayed buffer zones of 10 metres around water bodies. These prevent nutrient leaching and sediment loss – protecting and enhancing water quality, and farmland from erosion.

Where necessary, we fence off farm waters to prevent livestock access. Grazing animals can destroy the grass and riparian vegetation along the banks, leaving them susceptible to erosion. This also reduces faecal contamination and eutrophication.

Water losses from irrigated systems should not pollute ground or surface waters with fertilisers, agrochemicals or salts. Water quality should be maintained or improved.

CLIMATE CHANGES

We constantly adapt and improve our water and drainage infrastructure and develop more robust, diversified crop rotations, to ensure our farms are resilient towards future climate changes.

GOAL 6 // CLEAN WATER AND SANITATION

Agriculture depends on water. The primary use of water in the world is for food production, accounting for at least 70% of all fresh water withdrawals. Currently, only 17% of all global cropland is irrigated, but this accounts for 40% of the total value of global crop production.

To improve our water use efficiency, we "harvest" water in our landscapes and store it in dams to be used for irrigating our crops in times of need. We are aware of the trade-offs irrigation creates between crop yields and water and energy use. This is why we invest in state-of-the-art irrigation systems that are highly efficient and help improve both water and electricity use efficiency.

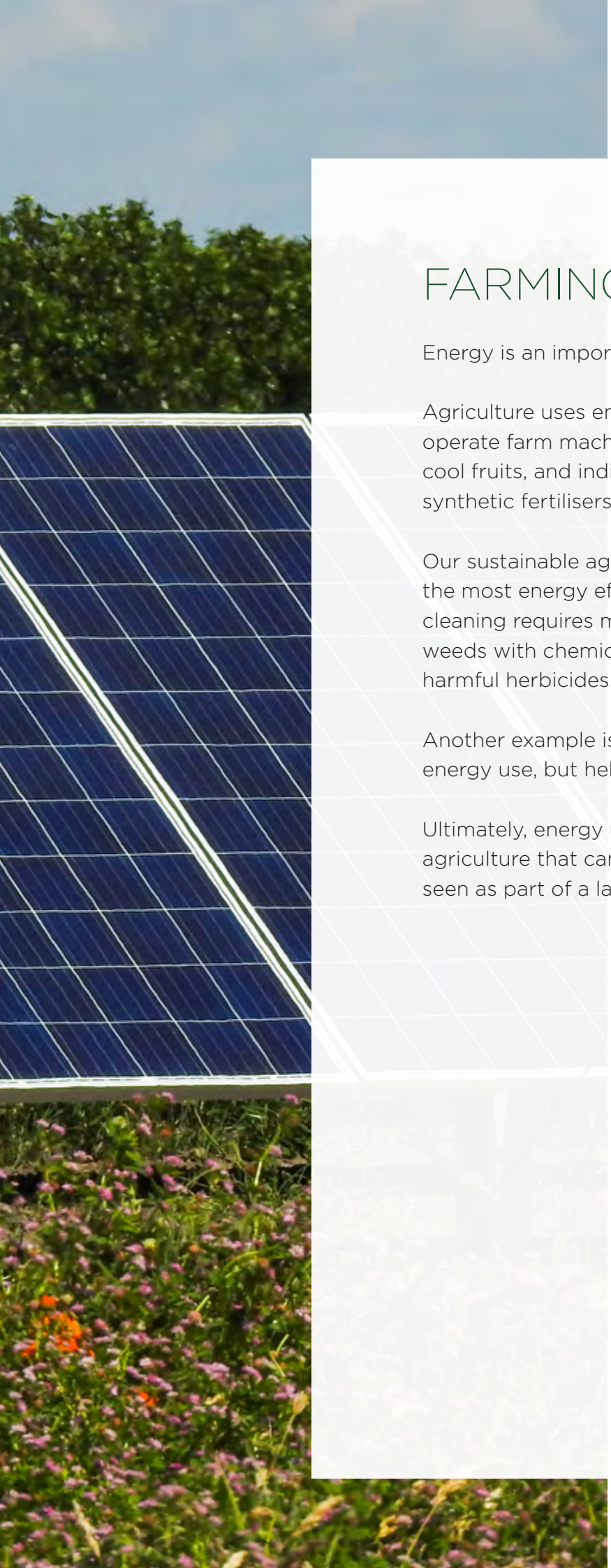
Rivers, streams, ponds and wetlands are highly important features of our farmland. We have 2.2% our total land area in waterbodies. We aspire to maintain and improve the conditions of all water habitats on our land. Waterbody ecosystems are fragile. We therefore have management practices in place to eliminate or minimise the effect that farming has on waterbodies and improve their overall health. We never deplete natural water sources.

Irrigated corn, Uruguay. Photographer: Øjvind E. Krabbe

ENERGY

Energy use and efficiency are aspects of agriculture that cannot stand alone

Solar power panels, USA. Photographer: Mette Bøgeløv Erichsen



FARMING ENERGY

Energy is an important input to agricultural production.

Agriculture uses energy directly as fuel or electricity to operate farm machinery and equipment, to dry grains, cool fruits, and indirectly such as in the production of synthetic fertilisers.

Our sustainable agricultural principles may not always be the most energy efficient. As an example, mechanical row cleaning requires more diesel use than simply spraying weeds with chemicals, but it reduces our need for harmful herbicides.

Another example is irrigation, which also requires high-energy use, but helps us to conserve water.

Ultimately, energy use and efficiency are aspects of agriculture that cannot stand alone and always should be seen as part of a larger, holistic farming system.

RENEWABLE ENERGY

Where locally available and where it makes sense, we use renewable energy. Approximately 44% of our electricity comes from renewable energy, such as solar power and hydro-electricity used on our farms.

In some of the countries we farm, the national energy grids are based purely on renewable energy sources. For example, most of the electricity used in Tasmania and Uruguay comes from hydropower.

ENERGY USE

We monitor our energy use to help us progress into more efficient and environmentally sound systems of production. In 2018/19 we used a total of 242,796 gigajoules (GJ) of energy. This amounts to 2.90 GJ/ha and means that we produce 1.04 tonnes of produce per GJ.

In terms of GJ of energy spent directly on our farms, the majority is in the form of diesel at 59% followed by natural gas at 21% and electricity at 17%.

Diesel use is traditionally high in cropping systems, but we aim to reduce this by reducing tillage, incorporating more pastures into rotations and upgrading old diesel-powered drying systems.

ENERGY USE EFFICIENCY

We want to increase our energy use efficiency by 2% per year. While supporting financial results, this will also benefit the environment and climate.

However, our energy efficiency has been decreasing by 5% per year as an average over the last nine years due to our focus on soil improvements, major construction and developments, increased irrigation as well as costs of drying grain.

In Peru, our production is still relatively low as our plants are still young. Once our plants reach maturity and full production, our energy efficiency will improve.

In 2018/19, we processed our pistachios in our new processing facilities for the first time. This extensive operation was fuelled by natural gas and is the major reason behind our increase in natural gas use as shown in the graph below.

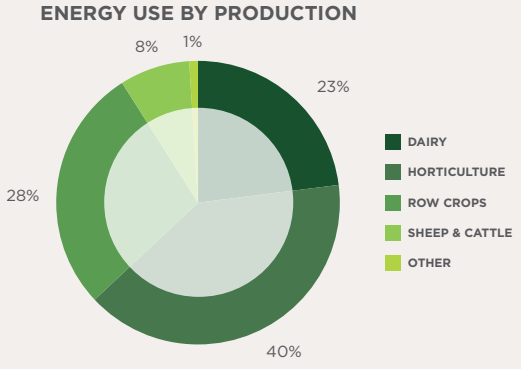
GOAL 12 // RESPONSIBLE CONSUMPTION AND PRODUCTION

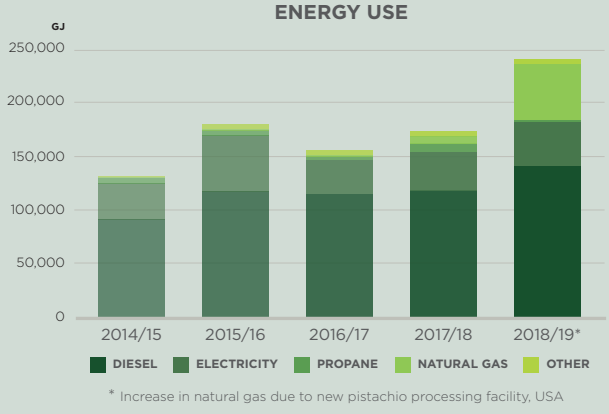
In Ingleby, we follow a cautious consumption of all natural resources, and to this end, we aim to achieve an efficient use of energy.

Our goal is to increase our energy use efficiency by 2% per year. Due to necessary and sustainable developments of our farms, land and productions, we are not on track with this goal. However, once we have implemented all developments, we should see a decrease in energy use, and an increase in our energy use efficiency.

Irrigation is particularly energy expensive, responsible for 66% of our global use of electricity. We will work towards minimising the energy put into our irrigation systems to improve both water and electricity use efficiency.

We believe agriculture and forestry can contribute to sustainable energy production. Ingleby supports joint neighbour projects to reduce energy waste and to produce soil based energy.

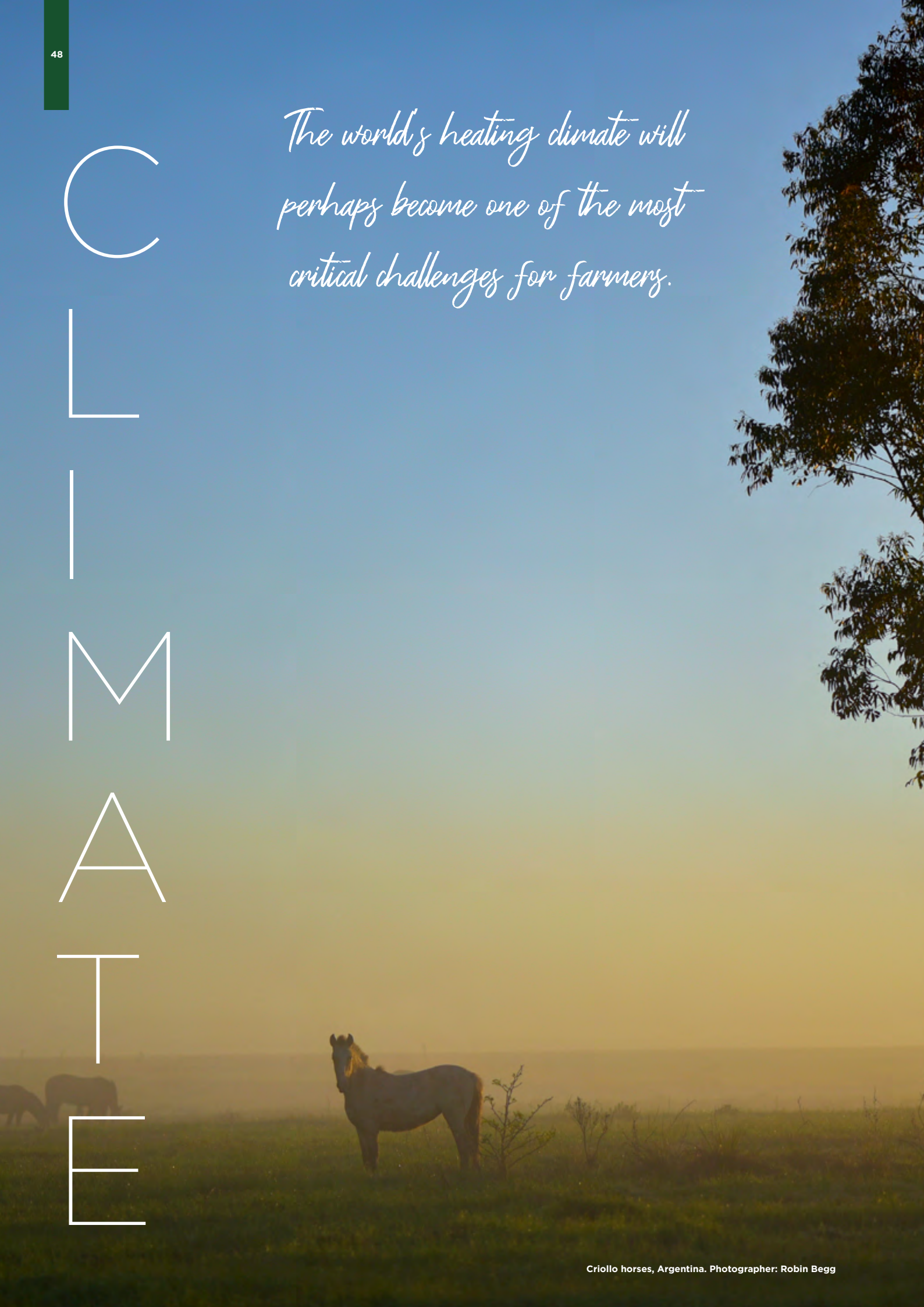




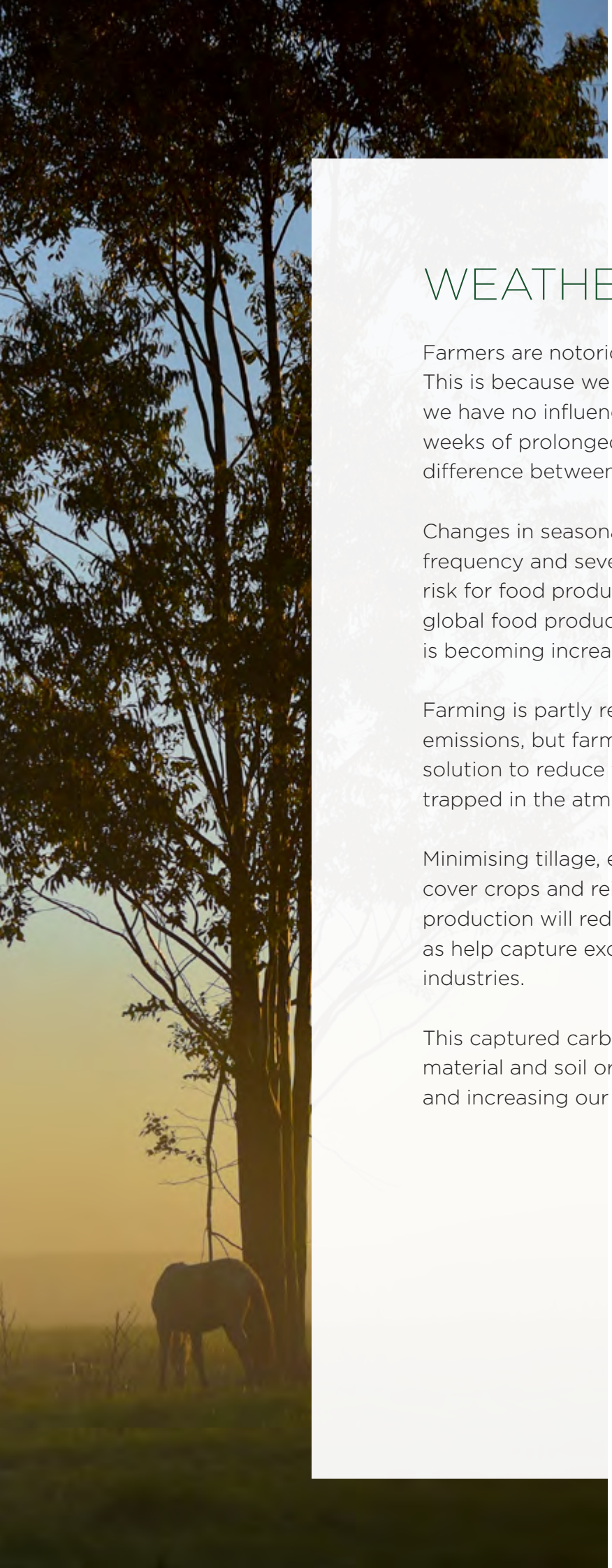
Processing pistachio nuts, USA. Photographer: Hans Henrik Koefoed

CLIMATE

The world's heating climate will perhaps become one of the most critical challenges for farmers.



Criollo horses, Argentina. Photographer: Robin Begg



WEATHER MATTERS

Farmers are notorious for complaining about the weather. This is because we can be heavily affected by situations we have no influence over. Something as simple as a few weeks of prolonged drought or rain can easily be the difference between profit and loss.

Changes in seasonal weather patterns and the increased frequency and severity of extreme weather events is a risk for food production – both for Ingleby as well as global food production. Adapting to a changing climate is becoming increasingly important.

Farming is partly responsible for rising greenhouse gas emissions, but farmers can also be a key part of the solution to reduce the amount of greenhouse gases trapped in the atmosphere.

Minimising tillage, expanding crop rotations, planting cover crops and reintegrating livestock into crop production will reduce our climate footprint as well as help capture excess carbon generated by other industries.

This captured carbon can then be converted to plant material and soil organic matter, improving soil health and increasing our ability to produce food.

GREENHOUSE GAS

Modern agriculture, food production and distribution are major contributors of greenhouse gases. Agriculture is directly responsible for 14% of total greenhouse gas emissions. Much of this is attributed to use of synthetic fertilisers and pesticides, intensive livestock production and soil disturbance.

We only graze our livestock free-range on healthy pastures. We never clear vegetation to create pastures. Instead, we plant trees and bushes that store carbon. We also build soil carbon through minimum-till and no-till practices, ploughing less than 5% of our land.

In 2018/19 we emitted 40,631 tonnes of CO_2 equivalent across all our farms. This equals 0.5 tonnes of CO_2/ha or 6.2 tonnes produced per tonne of CO_2.

We monitor and calculate our CO_2 emissions from our use of electricity, diesel, gasoline, propane and natural gas. We also include emissions from agricultural inputs such as fertilisers and pesticides. Currently, we do not measure biological sources from our livestock or ploughing. Nor do we include carbon sinks such as our forests, plantations and natural grasslands. But from peer-reviewed studies we know, that greenhouse gas emissions from grass-fed livestock systems are lower than in feedlot systems.

MITIGATING CLIMATE CHANGE

On each farm we monitor weather conditions, to help analyse and deal with the changing and highly variable climate on a daily basis, but also in the long term.

We mitigate the effects of changes in climate through increasing investments in erosion control measures as well as irrigation and drainage to mitigate the effect of dry and wet years.

We also address climate change through more robust, diversified crop rotations, as well as diversification over regions and productions. Our in-house world production knowledge gives us several options to change productions from one hub to another, even over countries.

We will most likely see radical changes in the crops we grow and our production patterns. So diversification and the ability to adapt are vital elements in mitigating the effects of climate change.

GOAL 13 // CLIMATE ACTION

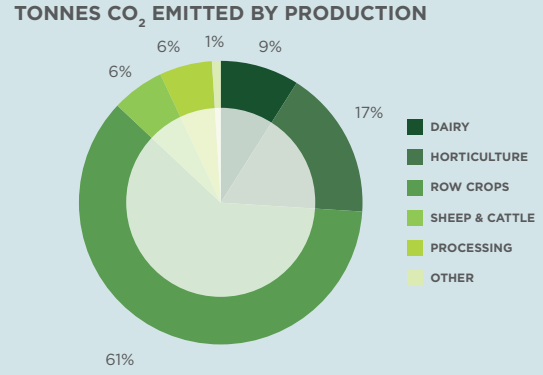
As farmers, we are dependent on the weather for the optimal growth of our crops and pastures. We take several actions to help combat climate change and mitigate its effects. Our overall goal is to become climate positive by 2030.

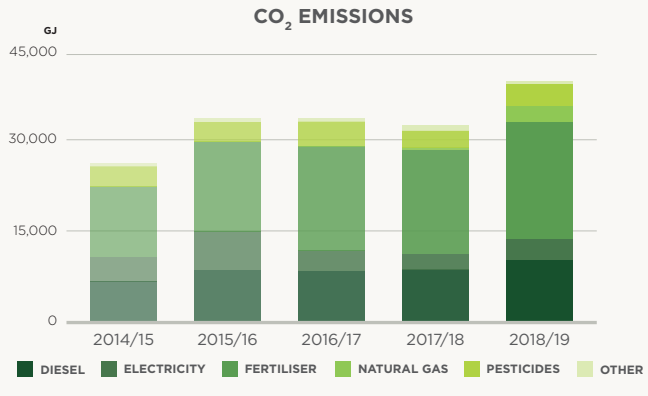
We maintain fertile and well-structured soils with optimum amounts of air, water, nutrients and biological activity. Healthy soils sequester carbon and reduce greenhouse gas emissions.

We use a variety of crops and cover crops. It is crucial that our soils are always covered by some sort of green cover.

We only raise free-range and pasture-fed livestock. We also increasingly integrate livestock into our crop production.

We constantly optimise our resource use. We want to improve our energy efficiency as well as fertiliser and water use efficiency, thus reducing our carbon footprint.





Companion crop trial of peas and barley, Latvia. Photographer: Rasmus Juul Christoffersen

GRASS-FED BEEF FOR A BETTER CLIMATE

Livestock farming is often associated with high resource intensity, a high carbon footprint and a negative impact on biodiversity. However, well-managed grazing systems where livestock graze on pasture and natural grasslands can be an effective tool in nature conservation while serving as a carbon sink. Grass-fed beef production can therefore help mitigate climate change.

REGENERATIVE GRAZING

We have about 18,000 hectares with wild, natural grasslands that we manage through regenerative grazing.

Regenerative grazing is not a new invention. It mirrors how our ancestors used grassland for extensive grazing. Extensively grazed pastures accumulate organic matter and, as a result, serve as carbon sinks rather than carbon sources.

Keeping stock numbers low and allowing the vegetation to recover naturally, prevents overgrazing and exposure of the soil, which in turn prevents leaching of nutrients and erosion.

Not introducing any exotic forage species benefits indigenous invertebrates, birds and mammals specially adapted to the original vegetation.

Regenerative grazing does not compromise beef production output, as long as you have efficient pasture management with optimal stocking rates and grazing rotations.

Gauchos herding Aberdeen Angus cattle, Uruguay. Photographer: Robin Begg

ABSORBING CARBON

Grasslands absorb and store carbon with the growth of the plants and associated microbiology. Grazing cattle also allows the carbon to return to the soil through manure, and thereby help offsetting green-house gas emissions.

This is why a well-managed pasture system is among the most practical and cost-effective options to mitigate climate change while ensuring high-quality beef production and good animal welfare.

IMPROVED BIODIVERSITY

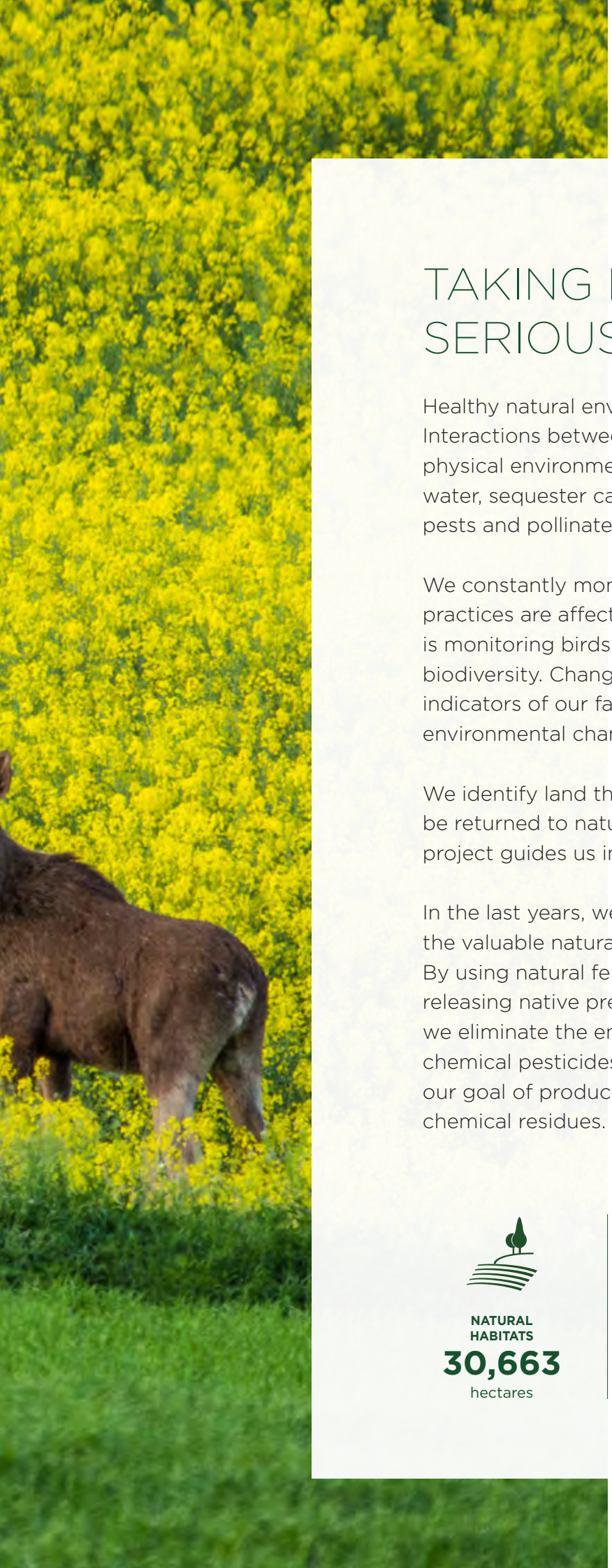
Besides building carbon in the soils, livestock grazing on natural grasslands also contributes to improved biodiversity and is a vital part of Ingleby's holistic approach to farming.

Stimulated by the grazing cattle, we leave these grasslands to regenerate naturally. We do not seed, spray, fertilise or improve our natural grasslands in any way. This helps protect them and make them a haven for native biodiversity.

NATURE

Far from being conquerors of nature, we are stewards of the land. We want to farm with nature.

Elk in canola, Latvia. Photographer: Amandas Naudžius



TAKING NATURE SERIOUSLY

Healthy natural environments support healthy farms. Interactions between biological communities and their physical environments build soils, cycle nutrients and water, sequester carbon, purify water and air, mitigate pests and pollinate crops.

We constantly monitor and assess if our farming practices are affecting our environments. One example is monitoring birds on our farms as indicators of biodiversity. Changes in bird populations are useful indicators of our farms as habitats, but also of broader environmental changes.

We identify land that is unsuitable for production and can be returned to natural habitat. Our Farming with Nature project guides us in this process.

In the last years, we have focused on how to better use the valuable natural resources present in our ecosystems. By using natural fertilisers and biocides as well as releasing native predatory insects to manage pests, we eliminate the environmental and economic cost of chemical pesticides. These practices also help us achieve our goal of producing high quality products with zero chemical residues.

NATURAL HABITATS
30,663
hectares

PORTION OF LAND IN NATURAL HABITATS
30%
percent

PORTION OF LAND IN WATER BODIES
2%
percent

NATURAL HABITATS

As managers of large tracts of land, lack of biodiversity and natural habitats is a risk because of their benefits to production. Our goal is that 10% of each of our farms' total area should be in natural habitats. We have reached this goal at global level, but not at farm level.

We currently protect 30%, or 30,663 hectares of our land as conservation easements or nature reserves. Some of this cannot be farmed: geological formations, steep slopes and gullies. But most we deliberately protect from farming: wetlands, river fronts and lake sides, wild grasslands, wildwoods and native bush.

We constantly work to identify land that is unsuitable for production and can be returned to natural habitats.

NATURAL GRASSLANDS

Included in our environmental hectares are 17,057 hectares of natural grasslands in Uruguay and 1,511 hectares in Argentina. Our grasslands belong to the Rio de la Plata Grasslands; a main complex of grassland ecosystems in South America, with outstanding biodiversity.

Thousands of species of vascular plants, including more than 550 types of grass, are described across

GOAL 15 // LIFE ON LAND

With farms spread over nine countries and four continents, Ingleby is responsible for managing a diverse variety of landscapes and the complex ecosystems they contain.

The world is currently experiencing its sixth mass extinction, bought about by humanity, with over one million species threatened with extinction. Globally, the number of wild animals has halved in the last 40 years with an additional 35-50% of terrestrial species expected to disappear over the next 30-years. In Germany, a study found that 70% of all flying insects have disappeared. A similar number is likely in other countries as well.

This is threatening the very biodiversity, ecosystems and biosphere that humanity relies upon for survival.

Healthy ecosystems provide services necessary for successful agriculture such as nutrient cycling, water purification, primary production etc., and help build resilience to climate change.

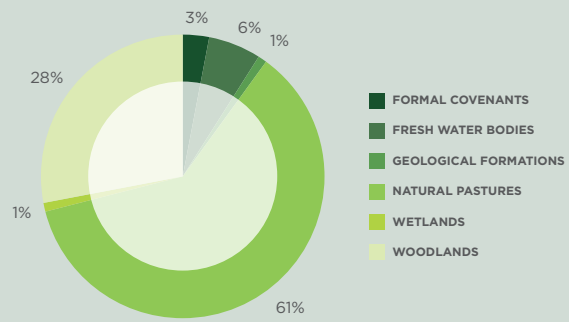
As effective farmers and long-term stewards of the land, we believe in farming in harmony with nature.

Protecting and enhancing biodiversity on-farm provides benefits to production, builds resilience to climate change, and ensures sustainable use of natural resources and land. In Ingleby, we have both formally protected areas, which are those with a land title covenant, and placed other areas under our own special Ingleby protection.

In essence, we farm with nature, not against it.

Protected native bush, New Zealand. Photographer: Mette Bøgeløv Erichsen

ECOSYSTEMS & NON-CULTIVATED AREAS



these areas. There are also about 450-500 bird species and nearly one hundred mammal species, including the Pampas deer (*Ozotoceros bezoarticus*), the most threatened mammal species of the region.

We protect these grasslands from applied lime, pesticides or fertilisers, and we do not plant pasture species or plough. Cattle grazing the land are an integral part of its conservation.

PROTECTED AREAS

In New Zealand, we legally protect 885 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 Peru, we internally protect a 40 hectare area of tropical dry forest containing near threatened Algarrobo trees (*Prosopis alba*). These dry forests are also the main habitat for the two endangered bird species: Peruvian Plantcutter (*Phytotoma raimondii*) and Rufous Flycatcher (*Myiarchus semirufus*).

In Romania, we protect 427 hectares of forest under the NATURA 2000 scheme, where logging is permitted at a reduced cut with special precautions to protect flora and fauna. We internally protect another 226 hectares of forest to create a safe haven for wildlife such as bears, wolves and lynx. A further 2,831 hectares are a designated “silent area” where hunting is prohibited. We never make clear cuts.

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.

In Victoria, we internally protect 40 hectares of fossilised lava rivers which extend across our farm. These basalt stony barriers and the immediate surrounding grassland are a key habitat for the endangered Corangamite Water Skink (*Eulamprus tympanum marnieae*), Golden Sun Moth (*Synemon plana*) and an endangered vegetation community, Native Temperate Grasslands of the Victorian Volcanic Plains.

BIRD MONITORING

We have been monitoring birds on our farms since 2011. Many birds feed on invertebrates, amphibians, reptiles and small mammals. Most of these are dependent on the climate, landscape and land management practices. Therefore, the abundance and diversity of birds can be used as a broad indicator of biodiversity, while changes in the number of birds and species richness provide an insight into broader environmental change.

SIGNIFICANT SPECIES

We are in the process of identifying and registering all significant species found on our farms. We use the International Union for Conservation of Nature (IUCN) Red List classification system for assessing the conservation status and to provide continuity across regions.

This will allow us to prioritise our conservation efforts and help us improve the quality of habitats available for these and other significant species on our farms.

The Black-and-white Monjita (*Xolmis dominicanus*) is an example of a significant species that we had listed as possibly present on our farms in Uruguay. We identified it during our bird monitoring in 2019 and we have now added it to our priority species list, representing an environmental treasure. We found the Black-and-white Monjita in the same natural grassland habitat as another priority species; the Chestnut Seedeater (*Sporophila cinnamomea*). To ensure both species thrive, we exclude cattle from this area during their breeding period from September to January.

PLANTING TREES

So far, we have planted more than 1.2 million trees on our farms. We only use locally-sourced native species.

Increasingly, we rely on natural revegetation and leave the planting to nature's own course. Sometimes it takes longer, but the result is often better.

POLLINATORS

With declining bee populations worldwide, it is more important than ever to protect not only the honey bees, but also our native pollinators.

We are therefore planting areas with a diverse range native trees and flowers to provide a stable year-round source of feed for bees and other pollinators.

NATURAL PEST MANAGEMENT

We are always looking for natural ways of dealing with pests.

Predatory birds

On our pistachio farm in California, Burrel Ranch, we have a pest problem with rodents, especially pocket gophers (*Thomomys bottae*). They eat the roots of the pistachio trees, severely damaging or killing them.

To resolve this issue we have implemented a natural pest management strategy, focusing on improving the living conditions for natural predators feeding on rodents, primarily predatory birds. We have put up nest boxes for barn owl (*Tyto alba*) as well as raptor perches for birds of prey to rest and scout for prey.

We band and monitor the barn owls. Since we introduced the nesting boxes, we have increased the number of banded birds from 44 in 2003 to 209 in 2019. At the same time, we have dramatically reduced our use of rodenticide.

Beneficial insects

We increasingly use beneficial insects to combat pests on our farms. Paired with regular, extensive monitoring, we are able to detect the presence of pests and act before they become a threat to our crops.

We only use beneficial insect species found locally to prevent invasive species from entering our ecosystems.

Since 2014, our laboratory in Peru has been researching and producing a variety of beneficial organisms to lead the transition to a synthetic-pesticide free production. Currently, the beneficial insects programme is focused on breeding green lacewing (*Chrysoperla sp.*). This insect helps us control five different insect pests in our avocado, table grape and blueberry crops. In avocados alone, we have reduced our synthetic insecticide applications for white fly from ten times to once a year.

Our goal is to produce and sustain populations of beneficial organisms at a scale that allows us to protect our crops from pests year round.

Nematodes

We recently began producing nematodes in Peru. With over 25,000 species, nematodes are incredibly diverse.

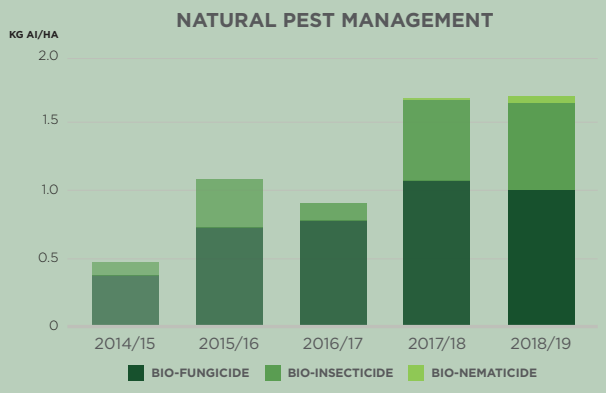
Our laboratory produces the nematode *Heterorhabditis bacteriophora*. These are very efficient control agents for several soil borne larvae attacking our blueberry and stevia crops. They travel to the soil through a solution released into our irrigation systems. Attracted to pheromones present in the larvae, they are quick and deadly predators capable of showing results in two to four days.

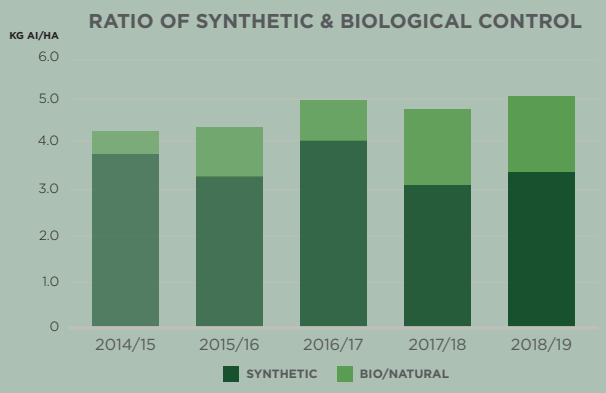
BIOCIDES AND NATURAL FERTILISERS

We complement our natural pest management programme with the use of biocides and natural fertilisers. All of these will help us reach our goal of becoming synthetic pesticide-free by 2030.

In Peru, our inventory of biocides covers almost 50 natural products. For example, we effectively use garlic, soybean oil and cinnamon extract for insect control, while we use sulfur, capsicum and knotweed extracts as fungus control.

Native plant species are our best allies. From our valuable “Choloque” trees we produce an agricultural detergent for the control of spider mites based on the saponin active ingredient.





Barn owl chick (*Tyto alba*), USA. Photographer: Mette Bøgeløv Erichsen

FARMING WITH NATURE INITIATIVE

We have always encouraged wildlife presence on our farms, protected remnant habitats and significant species, and restored degraded land. To us, working with nature is the greatest benefit of being farmers.

ABOUT THE INITIATIVE

As farmers, we rely on healthy natural ecosystems to support healthy, productive farms. To ensure that the actions we take to increase biodiversity and restore ecosystems on our farms are of mutual benefit to the farming operation, we have in 2018 started the "Farming with Nature" initiative.

We cannot return the rural landscape to its natural, pre-human state and still produce food to feed the increasing global population. However, maximising the amounts of natural and semi-natural habitats within the rural landscape is pivotal in halting biodiversity loss, sequestering carbon and reversing land degradation.

Farming with Nature aims to balance conservation and production, encouraging natural regeneration and small changes to the landscape that increase the quality and health of the local ecosystem without affecting productivity.

We want our farms to be part of the larger landscape, and ensure connectivity between landscape elements. All with minimal human interference so that nature may take its own course.

WHAT WE DO

We retire unsuitable land from production, allowing it to return to a natural state. Our policy is that a minimum of 10% of each farm's land area must be covered by natural habitat and 1% with waterbodies.

But small reserves on their own are not enough. The remaining productive land, not specifically set aside as habitat for nature, must be as diverse and wildlife

Landscape mosaic, Latvia. Photographer: Tom McPherson

friendly as possibly, allowing wildlife free movement throughout the landscape.

LONG-TERM PERSPECTIVE

It is a long-term initiative that uses landscape tools such as beetle banks, water body creation, uncultivated buffers, solitary trees etc. to increase the area, diversity and quality of natural/semi-natural habitats on our farms. This helps ensure successful feeding and breeding of a diverse biodiversity – building healthy populations, and enhancing ecosystem functionality.

We will roll-out Farming with Nature on all our farms worldwide over the coming years. In the mean time, we are constantly assessing each of our farms for ways to further enhance the natural environment and improve biodiversity.

LATVIA & LITHUANIA

Farming with Nature has been refined on our farms in Latvia and Lithuania. Here, we have used landscape tools throughout the farms. An action that is already bearing fruit. In our 2019 bird monitoring we have noticed increased abundance and diversity of birds in areas where we have used the landscape tools.

We have also identified ten significant environmental, cultural and recreational sites totalling 265 hectares. For each of these sites, we have created a detailed management plan and placed them under an internal covenant that protects them in perpetuity.

Habitats woven throughout the productive landscape balance conservation and production; improving biodiversity, connectivity and ecosystem services without effecting productivity.

ROMANIA

Farming with Nature is well underway in Romania. After an initial visit and assessment of our three farms in January 2019, we determined that Tormac, being the most homogenous landscape required the most work.

Our projects on Tormac aim to diversify the landscape using uncultivated buffers around semi natural waterways, planting diverse flowering and fruiting shelterbelts and establishing more waterbodies.

We have also planned an agroforestry project. We will plant rows of trees in the fields to improve conditions for our crops by altering the local climate as well as increase the area of semi-natural habitats.

Our other farms, Green Gate and Campo D'Oro, have a diverse landscape mosaic, which we are protecting with the use of six privately protected areas covering 347 hectares across the two farms.

POLLINATORS AND TREES FOR BEES

Pollination is essential for many agricultural crops. Not only because it leads to seeds or fruit but pollinators can also affect the quality of the produce. This is why we want to increase the number of bees and other pollinators on our farms.

TREES FOR BEES NEW ZEALAND

In New Zealand, we are the platinum sponsor of the project: Producing Abundant Bee Pollinators For Sustainable Farming, run by Trees for Bees. This is an organisation dedicated to solving the problems of malnutrition and starvation in bees for agricultural and horticultural production in New Zealand.

PUKETITI

The Mangaorongo River winds through our farm Puketiti Station. To prevent stock access, we have fenced off a buffer zone to each side of the river.

In collaboration with Trees for Bees, we have planted this buffer zone in riparian plantings, which include bee forage species, thereby enhancing the environmental benefits of this area. The flowering plants help support beehives outside of the manuka flowering season as well as provide a steady source of forage for native pollinators and bumble bees on our farm.

MATAHIIA & KATOA

In collaboration with Trees for Bees, we have planted shelterbelts, dust screens, paddock shade plantings and riparian zones on our farms Matahiia and Katoa Stations. The species are handpicked to ensure the availability of bee forage throughout the season for both wild and managed pollinators.

Beekeepers participating in the project have already benefitted from the new plantings. Their bees can now find forage year round. Also, sites that had not previously been used for over-wintering can now support as many as 24 hives.

We are hopeful our efforts will also help increase wild pollinator numbers to the benefit of wild flowering plants and pollinator-dependent crops.

This is a clear example of how our vision of farming with nature can benefit both farmers, beekeepers, wild pollinators and crop production by working with local organisations and letting nature work for us.

Fenced riparian planting after 2 years, New Zealand.
Photographer: Hans Henrik Koefoed

IMPORTANCE OF POLLINATORS

Animal pollinators ensure the transfer of pollen between the male and female parts of flowers to enable fertilisation and reproduction.

The importance of animal pollinators to food production cannot be overstated. According to a report prepared by The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) crops dependent on pollinators account for 75% of the world's food crops and represent 35% of global crop production volume.

Pollinator-dependent crops include many fruit, vegetable, seed, nut and oil crops, which supply major proportions of minerals, vitamins and micronutrients, essential in the human diet. Furthermore, nearly 90% of wild flowering plants depend on animal pollination.

Fenced Trees for Bees riparian planting after 1 year, New Zealand.
Photographer: Angus McPherson

WILD POLLINATORS

Wild pollinators are declining in occurrence and diversity on a global level. International Union for the Conservation of Nature (IUCN) red list assessments show that often more than 40% of bee species are threatened.

This is in part due to change in land use and intensified agriculture, resulting in less areas with season wide natural bee forage. Another reason is the increased use of synthetic insecticides.

Large fields of monoculture crops, flowering only for a short period, does not provide sufficient pollen and nectar to sustain neither wild pollinators leading to a decrease in wild pollinator populations.

Farmers often make use of managed bees to ensure a high number of pollinators are available to pollinate their crops at the time of flowering. However, wild pollinators also help with crop pollination even when managed bees are present in high abundance. In general, a diverse community of pollinators provide more effective and stable crop pollination than any single species.

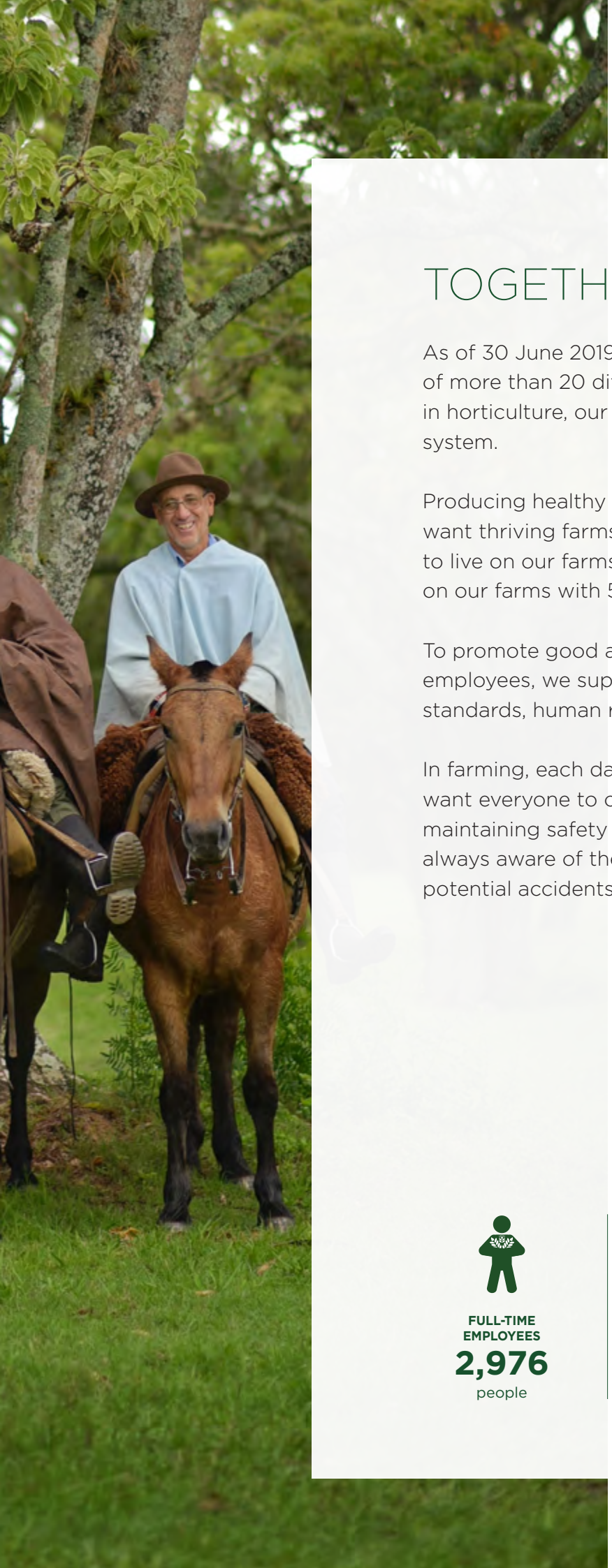
This is why we plant trees for bees and phase out the use of synthetic insecticides on our farms.

Fenced riparian planting directly after planting, New Zealand.
Photographer: Angus McPherson

PEOPLE

We believe that respectful, wholesome and aspirational workplaces not only attracts people with similar values, but retain them.

Gauchos. From left: Raúl Escudero, Adrian Protacio, Walter Llanes, Pablo Britos, Uruguay. Photographer: Robin Begg



TOGETHER WE GROW

As of 30 June 2019, we have 2,976 employees worldwide of more than 20 different nationalities. 88% are employed in horticulture, our most labour intensive production system.

Producing healthy food sustainably is a way of living. We want thriving farms full of life, and we encourage families to live on our farms. In 2018/19, 119 of our employees lived on our farms with 56 children.

To promote good and safe work environments for our employees, we support internationally recognised labour standards, human rights, and offer continuous training.

In farming, each day brings new challenges, and we want everyone to come home safe after work. Therefore, maintaining safety on our farms is our first priority. Being always aware of the risks is the best tool to prevent potential accidents.

FULL-TIME EMPLOYEES
2,976
people

REDUCTION IN ACCIDENTS
33%
less

GENDER EQUALITY
30%
women

HEALTH & SAFETY

The safety and wellbeing of our employees is our main priority. Farming is a hazardous profession. Our farm teams work with large machinery, vehicles, chemicals and livestock. They are exposed to bad weather, noise and dust.

Providing safe work environments for our teams is one of our most important responsibilities. Our overall goal in Ingleby is a zero-harm work culture. Realistically, we know that this is difficult to achieve.

Along with standard first aid, our employees learn how to correctly interact with animals, handle heavy loads, tools and equipment as well as how to manage stress, heat or harassment. We also mandate our farm managers to hold daily or weekly safety briefings with their teams.

Our teams report on accidents but also on near misses. We continuously monitor and analyse the data to know where we should invest further in safety.

The number of accidents and near misses worldwide is declining year by year. In 2018/19, we saw a 33% reduction in accidents from 72 in 2017/18 to 48. This is due to improvements in Australia and Peru, the countries with the highest safety risks given their work with livestock and horticulture, respectively. In 2019/20 we will continue our increased focus on health and safety at all levels in the organisation.

But even one accident is one too many, and we will continue focusing on health and safety in 2019/20.

We have also begun researching the long-term effects of our different types of farm work that our employees carry out on a regular basis. This way we can hopefully prevent future health issues.

LABOUR STANDARDS & HUMAN RIGHTS

We support and respect internationally recognised labour standards and human rights. We fulfil our legal obligations and offer reasonable terms on pay, pension, sick leave, holidays and notice periods. We do not use any form of forced or compulsory labour, and we do not use child labour. We uphold the freedom of association and the right to collective bargaining.

GOAL 8 // DECENT WORK AND ECONOMIC GROWTH

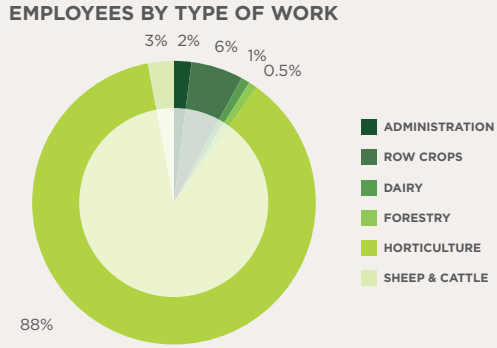
We believe that respectful, wholesome and aspirational workplaces not only attract people with similar values, but retain them.

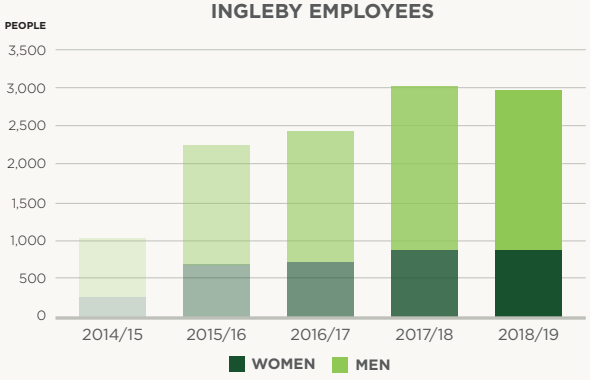
We employ most of our employees from our local communities, and how we manage our lands and behave have a high local impact.

We offer productive employment as well and reasonable terms on pay, pension, parental leave, sick leave, holidays and notice periods. We are equal opportunity employers.

We protect labour rights and promote safe and secure working environments for all our employees. We do not use child labour or any type of forced labour, and we demand the same of our suppliers.

We encourage our teams to constantly acquire new skills. We help develop careers and treat people fairly.





Our main risks related to human rights are found within our supply chains. To mitigate these, we have in 2018/19 asked all new suppliers to sign and adhere to our Supplier's Code of Conduct, which includes our expectations and minimum standards for labour and human rights.

Again in 2018/19, we have not experienced any human rights violations on our farms or to our Supplier's Code of Conduct.

EQUAL OPPORTUNITIES

We oppose all forms of discrimination, and recruit employees regardless of age, race, gender, nationality, religion, sexual orientation or other personal diversity indicators. We are equal opportunity employers, and we want to create equal and fair working atmospheres welcome to all.

We monitor the gender ratio of our teams. Our target is for the underrepresented gender to reach at least 40% by 2025 at all levels in the organisation. Women are currently the underrepresented gender, making up 30% of our total employees, 27% of our senior management and 29% of the Board of Directors.

Through recruitment and career development, we focus on attracting and retaining female employees and executives, who wish to pursue careers in farming or forestry.

We always consider both female and male candidates when there are open positions on our Board, but we also base our decision on professional qualifications. In 2018/19, we added a male candidate to our Board since he was best suited for the position and our upcoming challenges. Hence, we did not meet our target in the reporting year.

TRAINING & TEAM DEVELOPMENT

Skilled and motivated people are the backbone of any successful organisation. Investing in developing healthy soils, plants and animals would mean little without the same level of priority for our people.

This is why one of our core goals is for our employees to spend at least 2% of their work hours or about one week annually on training. Our full-time employees currently spend 1.3% of their work hours on training. We will therefore continue to encourage and assist our employees in acquiring new skills in the next year.

Awareness of our farms' environments is a field where we aim to increase the amount of training for our teams. Adopting the principles of regenerative agriculture requires a sound understanding of the wider ecosystems, from the micro- to macro-biology of the soils to the health and diversity of life in our waterways, forests and skies.

Ingleby may farm all around the world, but we do not let this stop us bringing people together. Our horticulture, cropping and livestock teams get the opportunity to visit each other's operations. For instance this year, everyone involved in grass seed production visited our farms in Tasmania and New Zealand to gain knowledge and inspiration. Each year, we also host seminars around the world with the aim of sharing and building knowledge across teams and countries. These seminars have been an outstanding success so far.

Spanish is the native language for most of our employees, while English is our main language spoken across the different countries. We hope to be inclusive to all, which is why we encourage and support anyone interested to learn English or Spanish. Some of our farms organise group English lessons for the whole teams during the off-seasons.

Farm team, Western Australia. Photographer: Peter Nixon

CARING FOR OUR LOCAL COMMUNITIES

We are local farmers, and we do our best to be trustworthy, honest and hardworking neighbours.

Where we can, we take part in our local communities. In particular, we want to interact with the young generation – the future decision makers – and seed their interest in farming and environmental protection.

Every year, we invite schools, neighbours, families and friends to events and open days on our farms, where we hope to inspire a new generation of young farmers by introducing them to crops, animals and machinery. This helps build a bridge to our local communities as well as allow us to introduce more people to our farming practices.

We also support the local schools near our farms by providing schoolbags and stationary, supplying internet, donating computers, printers, and books.

Focusing on higher education opportunities, we sponsor four university scholarships per year, as well as donate to agriculture training schools and provide sheep for shearing training.

We work with local NGOs, municipalities or councils to promote sustainability and protect the local environment. This is why we support local organisations dedicated to planting and protecting trees, such as Trees for Bees in New Zealand. We have also started hosting and promoting clean-up days to collect litter in the countryside. We are long-time supporters of a wildlife rehabilitation programme in California, which has been an immense success.

We also support rural fire brigades, local sports clubs, town halls, disabled youth organisations, helicopter rescue, and help with drought or flood relief efforts.

Providing schoolbags, Peru

SCHOOLS

We want to support the local schools in our communities. We assist in building school playgrounds, plant trees in school yards, and help rebuild old school buildings.

For the last four years in Peru, we have supported children from 32 local schools with schoolbags packed with different utensils such as crayons. For this purpose, we donate more than 1,200 schoolbags annually.

Last year, our Peruvian team also began a tree planting project with the schools. We donate local native trees, and plant them with the help of the children. We also teach the children about biodiversity, environmental awareness and waste management.

In Uruguay and Argentina, we aim to educate children about the environment and sustainability. This is done primarily by donating posters picturing local native birds to our local schools with the help of NGOs and conservation specialists. The posters are an excellent way to raise awareness about the environment and create school discussions on local wildlife.

In Tasmania, we invite local schools to visit our dairy operation during the calving season. Although it is a very busy period, it is also a great opportunity to show what we do and how we care for the animals. School children of different ages learn about how milk is produced, and get to experience the animals. They often ask if they can help with the cows, and we hold simplified sessions where children over 14 years old can participate. For those over 16, we also offer apprenticeships.


Open Farm day, Romania

CLEAN UP DAYS

In March 2019, our teams in Latvia and Lithuania organised a clean up day on our farms and surrounding environment. Although the fields seemed clean, our teams still managed to collect over one tonne of waste each. Going forward, we will carry out clean up days every spring in Latvia and Lithuania.

In Romania, we facilitate discussions and action groups on recycling and why and how to keep local areas clean.

Projects such as the clean up days are essential to us. We want to lead by example and underline our commitment to the environment. We hope to inspire others to have a clean and lush country side.


Clean up day, Lithuania

OPEN FARM DAYS

We have open doors days on several farms each year, welcoming neighbours, local business partners and schools to visit our farms and learn more about our way of farming.

During 2018/19, more than 100 children visited our farms in Romania on our open farm days. These are annual events that we began in collaboration with local schools to establish good relationships with our communities. We are the only farm in the area doing this, so there is a great interest. Next year in Romania, we have three open farm days, one family day and a blueberry picking day planned.

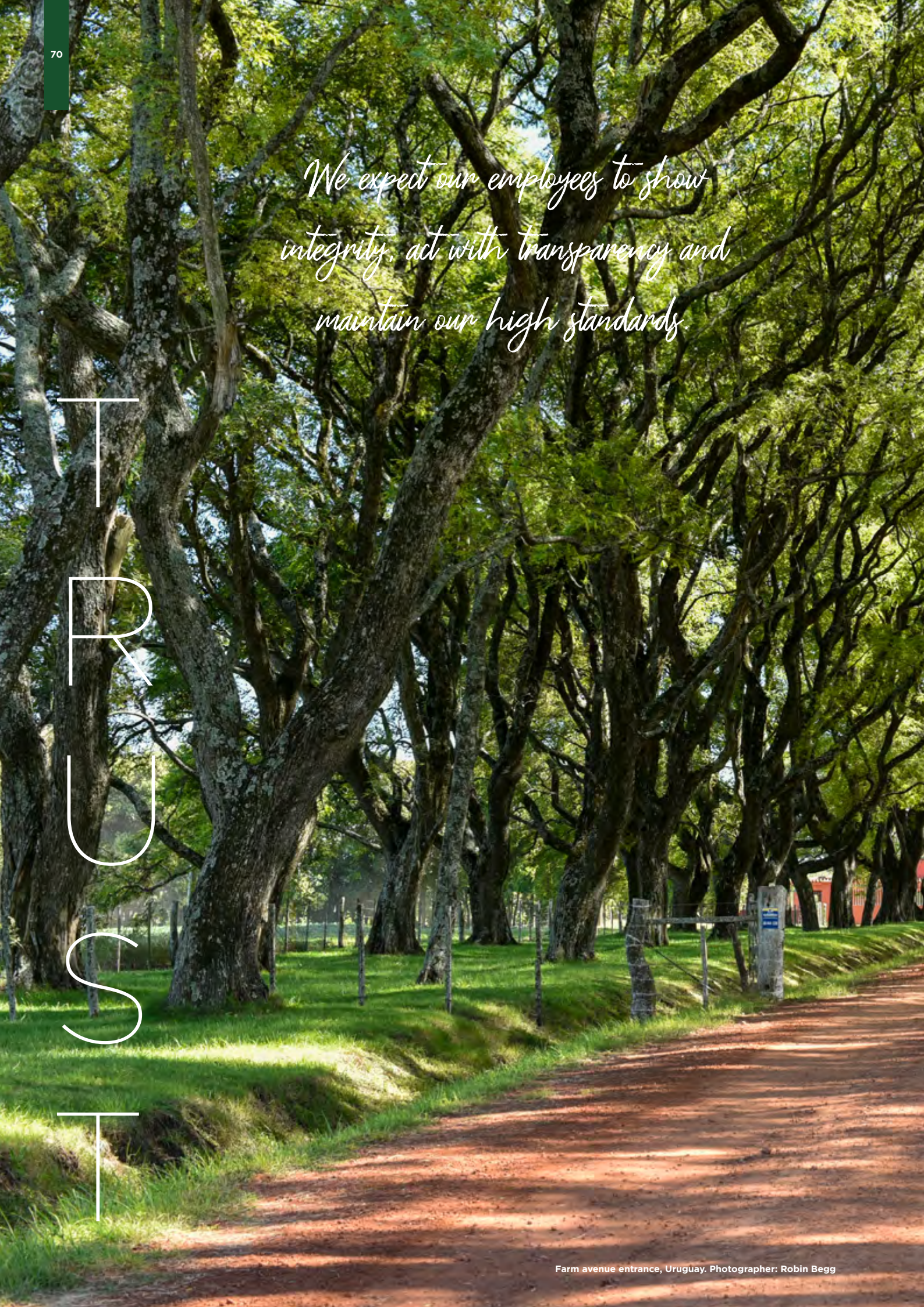
We also arrange open farm days for families and business contacts, as well as arrange teaching days for local schools in Latvia and Lithuania. Children learn better through practical experience, so we try to coordinate the content of their visits with their teachers to fit their syllabus at school. During their visits we teach them about biology, and they get to see, smell and touch the plants at the same time.

A significant benefit of the open farm days is building relationships with our neighbours, who are also mostly farmers. We aim to inspire them with our ideas and approaches to sustainable farming and show that it is possible to produce high quality crops, be profitable and still protect the environment.

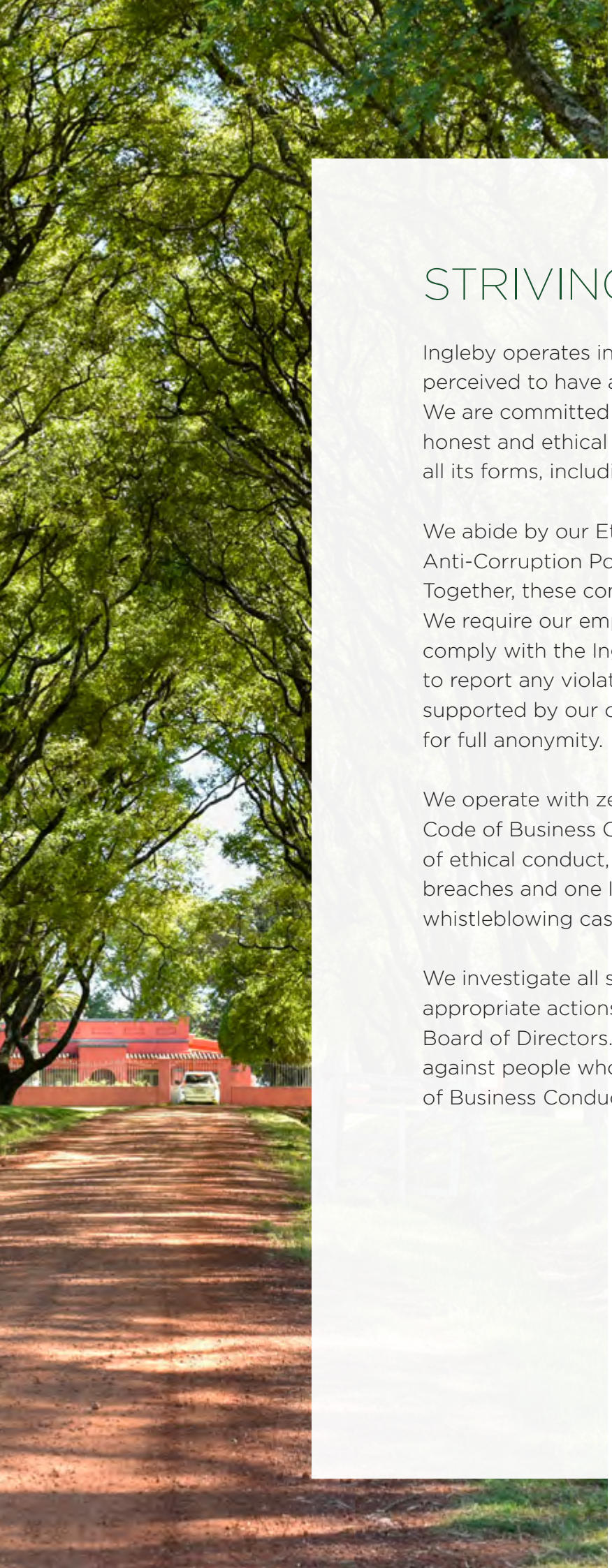

Open Farm day, Latvia

TRUST

We expect our employees to show integrity, act with transparency and maintain our high standards.



Farm avenue entrance, Uruguay. Photographer: Robin Begg



STRIVING TO DO RIGHT

Ingleby operates in many countries, of which some are perceived to have a medium to high risk of corruption. We are committed to conducting our business in an honest and ethical manner. 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 and business partners to comply with the Ingleby Code of Business Conduct and to report any violations or suspected breaches. This is supported by our online whistleblower system allowing for full anonymity.

We operate with zero tolerance towards breaches of our Code of Business Conduct. In 2018/19, we had one breach of ethical conduct, two production and sustainability breaches and one IT security breach as well as three whistleblowing cases.

We investigate all submissions thoroughly, take appropriate actions and report any breaches to the Board of Directors. We ensure there is no retaliation against people who report alleged breaches of the Code of Business Conduct.

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