



Sustainability

Report

2019



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Words of the Company's Board

We share to all stakeholders the ninth edition of our Sustainability Report under the guidelines of the Global Reporting Initiative (GRI), aligned with the Sustainable Development Goals (SDGs) and Global Compact Principles. Our premise is sustainable development through a responsible management strategy in looking for excellence. We also work on evaluation and measurement of the economic, environmental and social aspects. That motivate us year after year to manage, develop and invest in continuous improvement.

During 2019, our country political and economic complexity generated negative impacts on some of our businesses, however, we remained firm in our commitment to the productive and industrial development of Northern Argentina. We dedicate a great effort to consolidate our companies, diversify businesses and expand markets. The export of lemons to the United States was an important achievement. Although all the demanding requirements of that country, we could position ourselves competitively, fulfilling new markets.

Grupo Lucci's commitment is put into the development of our regional economies. We invested in 2019 more than 10 million dollars in infrastructure, research and innovation to enhance our agro-industrial activities and to provide our clients with the best solutions to fulfill their needs.

Another milestone for our history was the start-up of the Renewable Electric Power Plant, through production of Biogas generated from the treatment of citrus effluents. In this way, we have turned biogas into one more product of the industrial processing of lemon. We made the Effluent

Treatment Plant stopped being a service unit and became a productive unit delivering energy, equivalent to the consumption of between 2,500 and 3,000 households.

As part of our continued commitment with climate change, we measured Citrusvil's Carbon and Water Footprints. A complex process, transversal to our vertically integrated organization, which allowed us to take on new challenges in terms of energy efficiency and renewable energy.

This entrepreneurial spirit would not be possible without the effort and dedication of all Grupo Lucci members. The development of our human capital has a significant value and shows our commitment towards people. They are who daily contribute with their effort in our achievements. This strong human capital will let us fulfill the increasingly demanding standards of our clients, investors, regulators and community representatives.

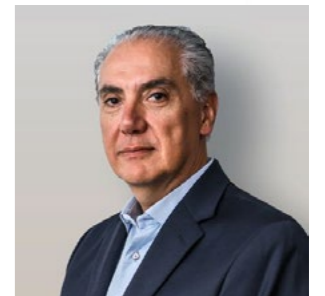
We invite you to learn about the progress in sustainability of our Business Group and help us with your contributions to continue growing responsibly.

Enjoy your reading.



A handwritten signature in black ink, appearing to read 'Pablo Lucci'.

Pablo Lucci
President Grupo Lucci

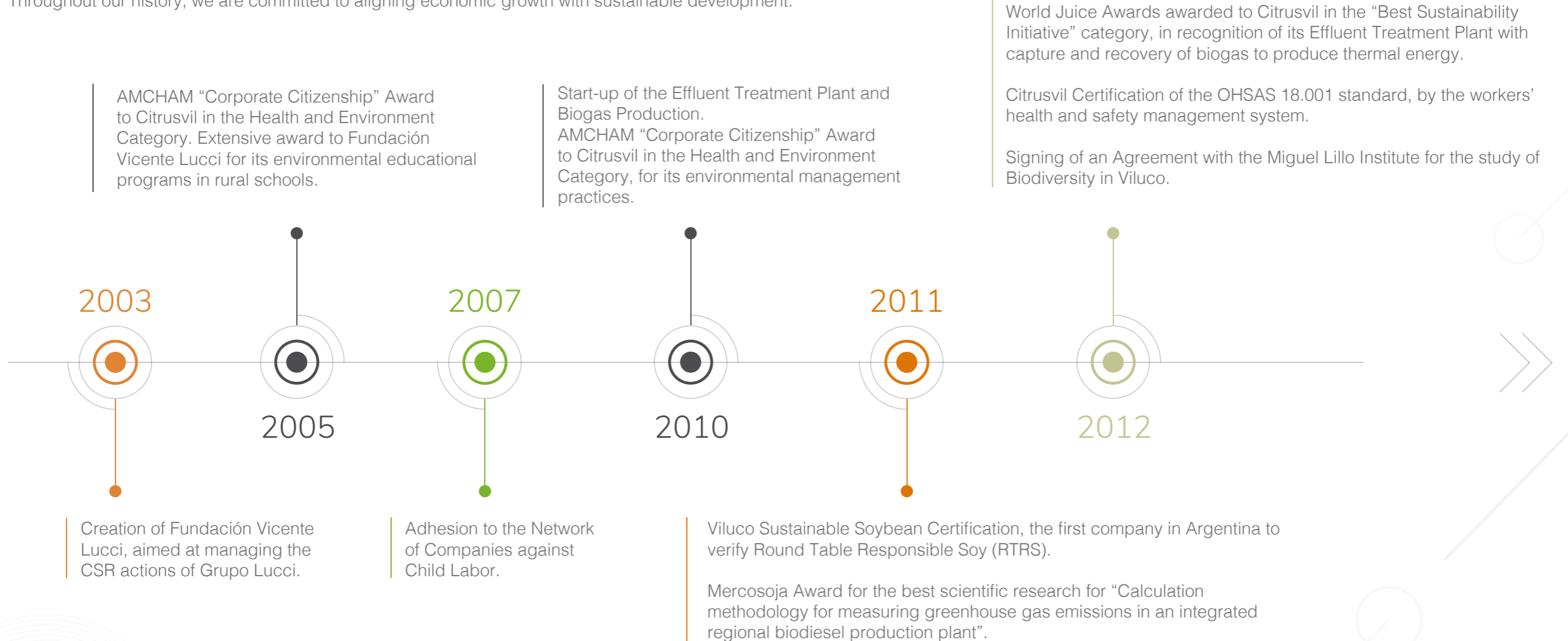


A handwritten signature in black ink, appearing to read 'Daniel Lucci'.

Daniel Lucci
Vicepresident Grupo Lucci

Committed to sustainability

Throughout our history, we are committed to aligning economic growth with sustainable development.



AMCHAM “Corporate Citizenship” Award to Citrusvil in the Sustainable Initiatives Category, for its “Citrus production system, through the rational use of renewable resources through watershed management”.

ACDE Enrique Shaw Award to Fundación Vicente Lucci for its sustained effort with initiatives to reduce social debt.

Agreement with Fundación Proyungas to work in the Protected Productive Landscape Program in Citrusvil’s lemon orchards.

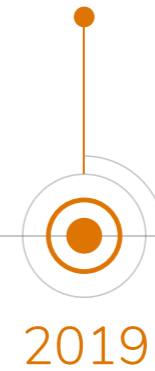
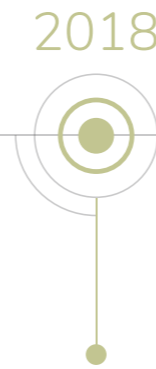
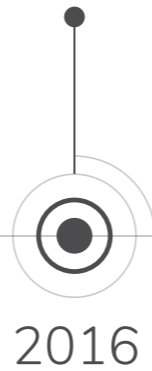
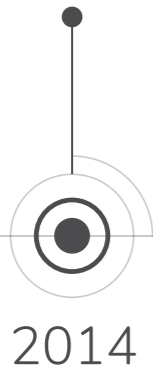
Global GAP GRASP Certification Good Social Practices in agricultural production of Citrusvil.

Start-up of the Renewable Electric Power Generation Plant from the treatment of citrus effluents. Since August 2019 we have injected into the public network a power of 3 MW.

Signing of the Union Co-responsibility Agreement that guarantees the formalization of labor relations in the region’s citrus activity.

Sedex Smeta and FSA-SAI Platform Sustainability Standards Certifications for Citrusvil.

Co-founders of the Entrepreneurial Ecosystem of Tucumán.



Adhesion to the United Nations Global Compact.

Banco Galicia- Diario La Nación Agricultural Excellence Award to Citrusvil in the Best Environmental Management category for its Effluent Treatment Plant, for the recovery of biogas.

Aliment.Ar Award to Citrusvil for agro-export excellence in the “Fruits and Vegetables” category, for our sustainable management in the preparation and export of agro food and beverages.

Creation of the Don Vicente Private Reserve.

Adhesion to the Argentine Network of Private Nature Reserves.

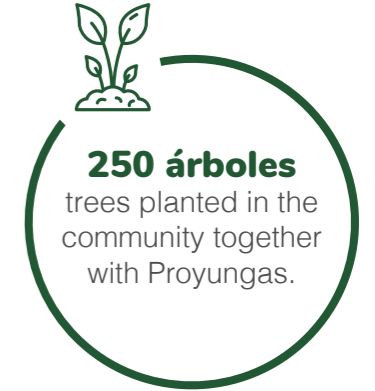
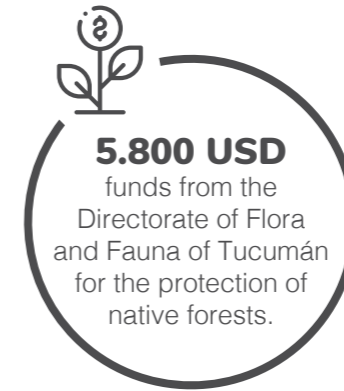
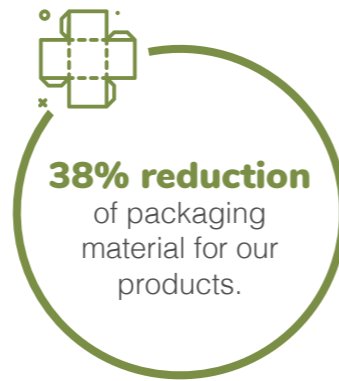
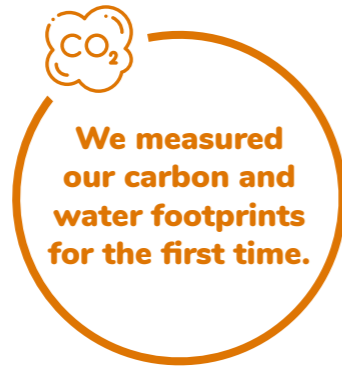
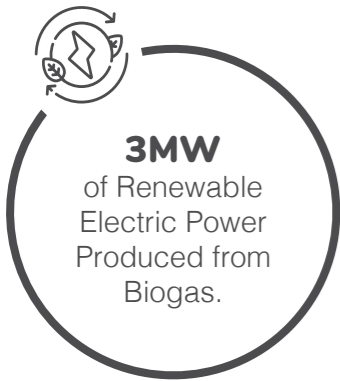
Highlights 2019 - Business performance



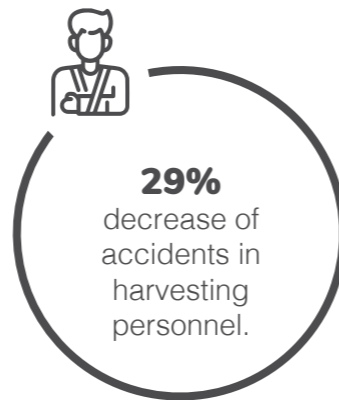
Were harvested



Highlights 2019 - Environmental performance



Highlights 2019 - Social performance





We are world pioneers in the generation of **Renewable Electric Power from the Limón Effluent**

Within the framework of the National RenovAr Program and Law 27,191 to promote the generation of electrical energy from renewable sources, in 2017 Citrusvil obtained the project to convert biogas into electricity, opening a new business unit.

Until now, the biogas produced was used for boilers supply in industrial plants, replacing fossil fuel by 20%. As a result of this new initiative, we have turned biogas into one more by-product of industrial lemon processing, which is why the Effluent Treatment Plant stopped being a service unit and became a productive unit.

The Renewable Electric Power Generation Plant is an achievement that allows us to add value to the company through the management of renewable energy, thus becoming the first citrus company in the world to produce Biogas and generate Electric Power from treatment of the effluent produced by lemon industrialization.

This project was develop with engineering and local labor and used Italian technology from the firm Fluence, and German from Finning CAT. It gives Citrusvil the opportunity to generate 3MW of power to be injected into the interconnected system through EDET Distributor and the transport company TRANSNOA, allowing to deliver an energy equivalent to the consumption of between 2,500 and 3,000 homes.



01

We are **Grupo Lucci**

1.1. Presentation

We are a professionalized family business group committed to the progress of the Northern Argentine region. We are characterized by an entrepreneurial spirit, which motivates us to continue investing in the country, always guaranteeing sustainability, transparency and integrity in our entire value chain.

We are at the forefront of sustained growth and articulated work with our stakeholders.

At Grupo Lucci we seek to grow responsibly, generating value and social capital for our clients, suppliers, employees, shareholders and the community, offering products and services of excellence, based on innovation and care for the environment.

MISSION

Produce and industrialize agricultural raw materials for the elaboration and commercialization of food and bioenergy, based on excellence, sustainability and satisfaction of our key stakeholders, achieving internationalization, growth of the Group and maximization of its benefits.

VISION

Being a business group in northern Argentina, a benchmark in primary production, agro-industry and bioenergy, with international projection.

VALUES

Reliability: we build effective and lasting relationships for the benefit of all.

Passion: we put enthusiasm and dedication in each of our actions.

Integrity: we think, say and act aligned with the company's values.

Leadership: being a reference in each activity we carry out.

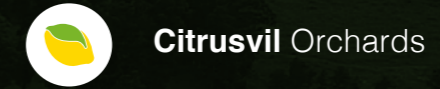
Sustainability: we seek to grow consistently and responsibly.

Commitment: we put our maximum capacities to achieve the defined objectives.

Excellence: we seek to meet the highest standards in everything we do.



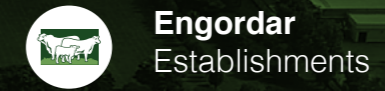
1.2 Companies and investments



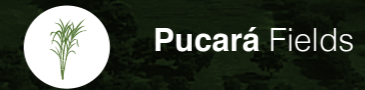
Citrusvil Orchards



Viluco Fields



Engordar Establishments



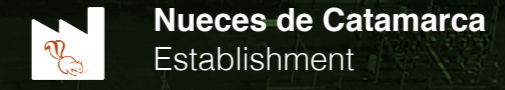
Pucar Fields



Citrusvil Industrial Complex



Viluco Industrial Complex



Nueces de Catamarca Establishment

1.2.1 Changes in the organization

Viluco's Industrial Complex closure

In April 2019, given the general situation of the Soybean Crushing Industry and the low price of Biodiesel, we decided to close Viluco Industrial Plant, located in Frías, Santiago del Estero province, for an indefinite time. The decision was in order to comply and to fully honor all obligations and commitments assumed up to that date.

Viluco's main business has been the production of Biodiesel for compulsory cutting in the domestic market. Because of the lack of clear regulation since the beginning of the promotion regime, this operation has been permanently harmed by poor categorization, incorrect quota and insufficient price. In defense of the operation, at the request of our company, judicial authority granted a precautionary measure, stabilizing the volume. However, and as it was publicly known, the Executive Power arbitrarily altered the mechanics of determining the sale price of biodiesel. It generated the unfeasibility of this operation and impacted in all sector's activities.

On the other hand, soybean grinding activity became more deficient every year in our region due to:

- » Increase in logistics costs, essential part of this activities.
- » Unique wage parities for the entire country, not considering regional disadvantages.
- » Trade war between the US and China. It meant the increasing soybeans exports and threatened the industrial and adding value in the country.



- » Removes from the 3% tariff differential that had these products in Argentina.
- » Imposition of (new) export duties.

Additionally, all systematic changes in export duties made unfeasible our business. Finally, the lack of active policies for productive development in meat production through the conversion of vegetable protein into animal throughout the Northwest, have not enabled our growth in flour sales, magnifying the importance of logistics costs. This decision generated the separation of 180 people.

Although the industrial complex remained closed throughout the year, facilities were preserved, keeping the assets for lease in good working order. Currently, the Viluco's cereals collection plants are again active. The plant in the city of Frías-Santiago del Estero now is in charge of Bunge Argentina, and the one in Río del Valle-Salta under the management of Molinos Agro.

1.2.2 2019 Investments



1.9 MM USD

Finca Ma. Victoria: New citrus production unit- 120 Ha



2.5 MM USD

Expansion of cold storage capacity and new lemon peel storage tank.



1.9 MM USD

Conditioning of new Fresh Fruit Packing-House: Ischilón Plant.



1.4 MM USD

Technological upgrade in lemon Industrial Plants.



1.3 MM USD

Irrigation equipment for Don Vicente II lemon orchard.



0.5 MM USD

Improvements for expanding capacity and efficiency in the lemon oil line.



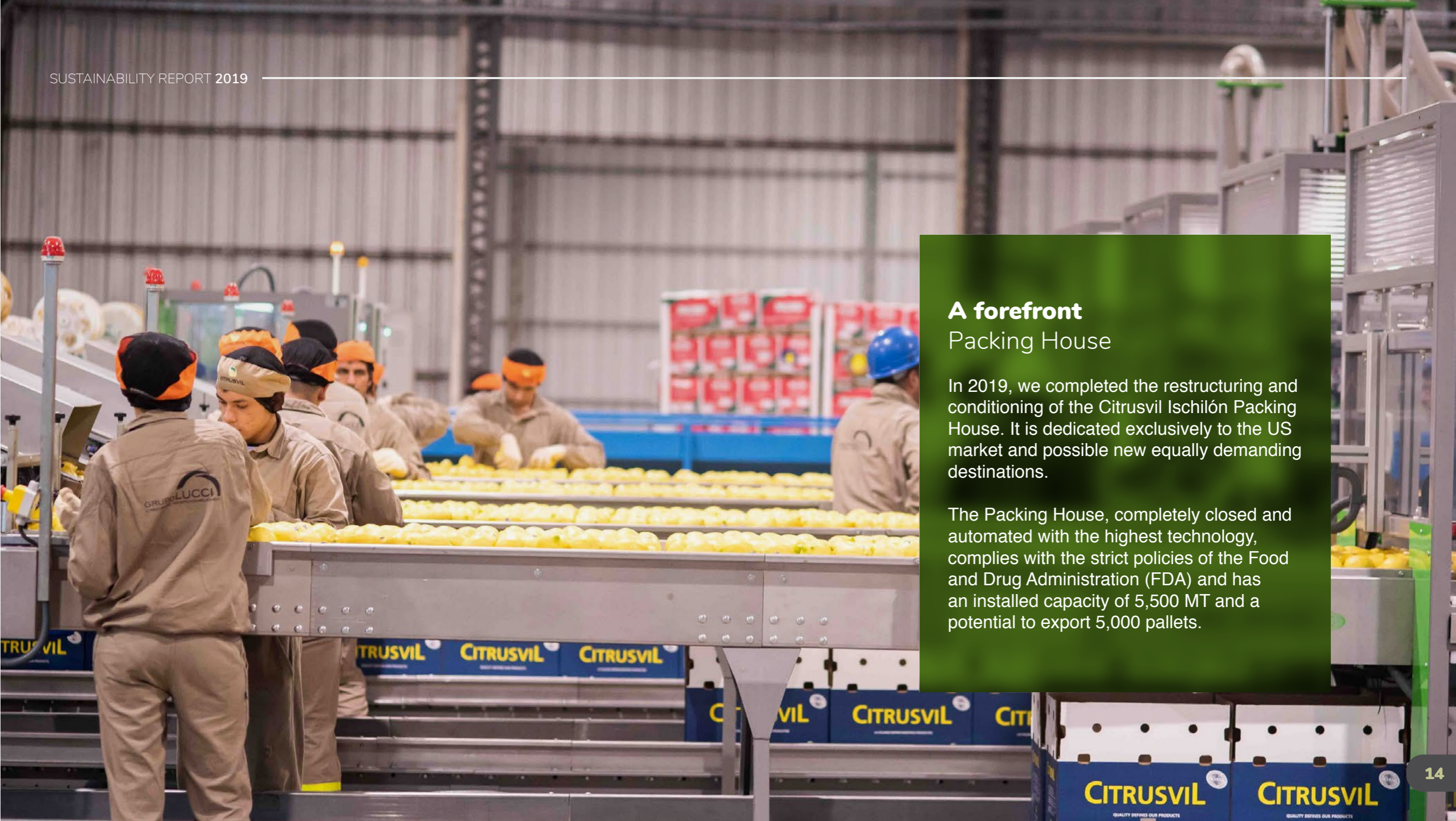
0.6 MM USD

Incorporation of new selection and drying technology for post-harvest line of walnuts.



1 MM USD

Research, Development and Innovation in citrus production.



A forefront Packing House

In 2019, we completed the restructuring and conditioning of the Citrusvil Ischilón Packing House. It is dedicated exclusively to the US market and possible new equally demanding destinations.

The Packing House, completely closed and automated with the highest technology, complies with the strict policies of the Food and Drug Administration (FDA) and has an installed capacity of 5,500 MT and a potential to export 5,000 pallets.

1.2.3 Research and Development

Innovation is one of our fundamental pillars. We constantly seek for new challenges that allow us to advance in continuous improvement, adding value to the entire production chain.

Our R&D&I team is always open to new ideas and opportunities. We work to research, develop and implement new products and applications, with the aim of expanding and consolidating the company's portfolio of tailored solutions, seeking to accompany our clients in creating tailored solutions that meet their specific requirements.

In 2019:

We invest 990,000 USD in the R&D&I department to:

- » Consolidate a liquid and gas chromatography laboratory for all production, research, development and innovation needs.
- » Start the production process of special essential oils. We achieved the concentration of valuable components. This allows us to provide specific solutions in aromas and fragrances.
- » Investigate the production of clear and cloudy juices with special specifications.
- » Provide customized solutions responding to each of our clients.
- » Carry out studies to increase the generation of renewable electrical energy from citrus or external effluents, feeding our biodigesters 12 months a year.
- » Carry out tests for the elaboration of anti-oxidant nutraceutical products, functional to human well-being and health.

In addition, we launched two new products:

Concentrated lemon oil:

Due to its highly aromatic characteristics, it is a product demanded by the flavors industry, mainly in the production of soft drinks. This product is obtained by removing the terpenes, leaving only the most aromatic components.

Lemon terpenes:

This fraction removed in the concentration process of lemon essential oil is used mainly as a flavouring additive in cleaning products. Also, to synthesize special products such as resins, paints and solvents.

1.3 Committed leadership

The leadership of Grupo Lucci is in charge of its Board of Directors, which has Operational Regulations for decision-making. Its members are elected by the Shareholders' Assembly, and have a monthly frequency of meetings. In 2019 there were no changes in its composition.



Pablo Esteban Lucci
President



Daniel Alberto Lucci
Vice President



Ricardo Laudani
Board Member



Horacio Aranguren
Board Member



Alejandro Reca
Board Member

In memory of our CEO **Ricardo Laudani**, a leader in our company who accompanied us during 6 years of management.

We remember him with great respect.

The Management team accompanies the Board of Directors in the management of our business:



Ricardo Laudani
CEO



Federico Mena
Finance and Comex
Manager



Gustavo Serrano
Shared Services
Manager



José Luis Palacio
HR Manager



Martin Grimolizzi
Supply Manager



Andrés Ende
Systems Manager

The structure of Grupo Lucci has 6 Managers who respond in a transversal way to the needs of the company, according to the activities under their responsibility. They work synergistically together with the Managers that lead each of the productive areas of the Group's companies.

We think, say and act aligned to the company's values

Our greatest challenge is the sustainability of our business units. We have implemented good Corporate Governance practices. It involves the continuous improvement of our institutional activities, which reflect our culture and are based on responsibility and transparency.

At Grupo Lucci we work to establish and formalize governance structures and processes. We generate specific work teams to prevent and solve problems, be more efficient and guarantee clarity and objectivity in our management processes.

We are characterized by an entrepreneurial spirit. We constantly work to guarantee, at all circumstances, sustainability, transparency and integrity at every link in our value chain.

Adit Committee

It is made up of external members of the Board of Directors. Its purpose is to guarantee compliance with the Grupo Lucci's policies in economic, environmental and social aspects, seeking objectivity, transparency and sustainability of the management processes.



Alejandro Reca
President



Horacio Aranguren
Board Member



Ricardo Laudani
Board Member

In 2019 we consolidated our own **Internal Audit team**, made up of 6 people, thus leaving it to be an outsourced service. Its objective is to systematize the internal control processes of the organization, through the assurance, advice and analysis of risks, contributing to the continuous improvement and sustainability of the company.

Our management strategy in Internal Audit

Our mission is to achieve the objectivity of internal control to improve the efficiency of our operations, evaluating risks and ensuring compliance with laws, regulations and principles, and always aiming at generating value in the Grupo Lucci's companies.

We seek to develop an internal control structure that reflects the transparency of our management and transmits reliability to our stakeholders. We monitor compliance with established procedures, standards and policies, and provide opportunities for improvement through the identification and treatment of relevant risks.

We work in an articulated way with different sectors, carrying out an in-depth analysis based on detected risks. These results allow us to provide tools through consulting, validating the coherence and viability of the proposed improvement plans, promoting the application of healthy practices to contribute to sustained and long-term growth.



Fabricio Ruiz
Head of Internal Audit

The Internal Audit Management Strategy is based on:



Risk
evaluation



Control
Activities



Supervision and
monitoring

of the Group's processes, operations and activities



Create a control environment



Objective vision of internal control supported by:

- » Corporate governance
- » Audit committee
- » Laws and regulations
- » Code of ethics

Outcomes

- » Adds value to the Group
- » Operations and sufficient decisions
- » Compliance with regulations, laws.

Within our Annual Internal Audit Plan we implement Process Audits. They consist of the comprehensive analysis of an area or operating unit in order to evaluate the performance of activities and controls, verifying that they are adequate and effective, and comply with policies and procedures established to achieve their objectives.

On the other hand, we incorporate the Equity Audits. Its integral function is to establish and implement methodologies and procedures for the correct administration of the patrimonial resources. The objective is to ensure the protection of the assets of the Group companies.

We also carry out Harvest Audits. The purpose is to engage and monitor external suppliers in compliance with our Good Social Practices policies. In face-to-face visits, we include control of contractors and harvesting personnel in order to mitigate the risk of labor informality and avoid child labor. In turn, we reinforced the internal control system, through training for 52 orchards heads, managers and administrators of Grupo Luccí's productive units, in order to reduce significant legal and economic risks.

In 2019 we fulfilled 100% of the Annual Audit Plan.

	2019	Citrusvil	Viluco	Engordar	Nueces de Cat.	Pucar
Process audits	56	19	13	9	8	7
Equity Audits	184	93	56	17	4	14
Lemon Harvest Audits	58	58	-	-	-	-
Total Audits	298	170	69	26	12	21
Percentage Results	100%	57%	23%	9%	4%	7%

The achievement of full compliance with internal audits allows us to structure cross-organizational strategies. Also, generate continuous improvement tools in order to fulfill greater objectivity in our organization all over our organization.

Crisis Committee

It was created in 2018 to deal with any crisis that may affect the normal development of the productive or commercial activities of our companies. This committee has a risk matrix and is prepared to address critical related events to financial, computer, technological, environmental and social aspects.

Chaired by our CEO, this entity is made up of permanent members from the Legal, Property Security, Hygiene and Security, Administration and Human Resources areas, and eventual members as appropriate to the crisis detected. In 2019, given the situation of the Viluco plant closing, the Crisis Committee brought together all our management to achieve an agile and effective interaction that allows the situation to be resolved expeditiously and prudently, amortizing the economic impacts and social.

In this context, the Procedures Manual was consolidated, in order to have an adequate mechanism of action and a teamwork methodology for the resolution of institutional crisis events.



Complaints Committee

Its objective is to ensure compliance with and respect for the Code of Good Social Practice, which addresses issues of:

- » Normative compliance,
- » Business integrity,
- » Responsible handling of information,
- » Good business practices,
- » Respect for the rights of people
- » Care for the community and the environment.

Members:

- » **Ricardo Laudani**, CEO of Grupo Lucci,
- » **Agustina Lucci**, Representative of the shareholder family,
- » **José Luis Palacio**, HR Manager,
- » **Fabrizio Ruiz**, Head of Internal Audit. Coordinates and administers the Complaint System.

To guarantee the ethical and transparent actions of Grupo Lucci, we have an approved and published procedure in the Loyal Complaints and Suggestions Management System. Communication channels are open to all stakeholders.

During 2019, the following were received:

- » 6 complaints: 2 resolved and 4 dismissed
- » 3 suggestions, all resolved

To date, there are no cases pending of resolution.

	Ethical behavior	Forgery documentation	Transfer of Confidential Information	Administration	Other
Complaints	1	1	2	-	2
Suggestions	-	-	-	1	2

How it works?

- 1

Enter **www.grupolucci.com.ar** or call **+54 381 4515563**, or go to Route 302 km 7, Cevil Pozo, Tucumán.

- 2

Leave us your suggestion or complaint



- 3

The evaluation committee will analyze the case and proceed



- 4

Actions will be defined to manage and resolve it



YOUR SUGGESTION OR COMPLAINT MAY BE RELATED TO:

- 

Environment



Ethics



Community



Regulations



Information

1.4 Active participation in areas for development

We are members and actively participate in the following regional and global organizations.

In 2019 we also participated as speakers in:

- » IV International Forum on Climate Change.
- » IX ARGENTINE CONGRESS OF CITRICULTURE.
- » Santo Tomás de Aquino University, Faculty of Economics and Administration, within the framework of Social Responsibility in the Master's in management and Administration.
- » Universidad Nacional del Tucumán, open talk at the Faculty of Economic Sciences.
- » GLOBAL GAP TOUR: we hosted the GLOBAL G.A.P Tour in our Don Vicente farm. Activity organized by IDEP Tucumán.
- » International Conference of Citrus & Beverages (ICBC): testimonial participation of Citrusvil as a sustainable industrial company.

¹ All Lemon sets quality parameters that commit Argentine companies to export a rigorously selected product, guaranteeing the quality of lemons for export.





02

Our **Sustainability**
Strategy

2.1 Policies for sustainable management

Our maximum aspiration is to contribute to the equitable and sustainable development of the Argentinian Northwest. That is why sustainability has become essential for our management, throughout our entire value chain.

The company's efforts in this area cover a wide range of issues. It includes direct and transparent communication with different stakeholders, health and safety care of our employees, community welfare, human and labor rights, protection of the environment and biodiversity, preservation of natural resources, among others.

These initiatives were launched many years ago, becoming an integral part of Grupo Lucci, and remain in full development through the years creating new actions to generate an ever-increasing positive impact.

All our actions are regulated by the guidelines established in:



Corporate values



Ethics Code



Sustainability Policy



Good Social Practices policy



Trust relationships with suppliers and customers, working together on continuous improvement.



Channels of dialog and direct communication with stakeholders



Health care with occupational doctors and nurses.



Prevention of accidents and occupational diseases



Requirement and control of suppliers on working conditions



Orderly working conditions: hiring of legal and local labor, freedom of association, respect for diversity and zero tolerance for child labor.



Compliance with **legal guidelines** in environmental and food safety matters.



Respect for **local biodiversity.**



Innovation in energy efficiency and minimization of environmental impact.



Thorough control of anti-corruption methods throughout the **Value Chain.**



Comprehensive management system internally and externally audited to make business transparent



Own CSR programs in coordination with rural educational institutions.



Commitment with the Network of Companies against Child Labor



Investment in Biotechnological Research and Development.



Use of **clean technologies and renewable energies.**



Measurement of our **carbon emissions**

2.1.1 Our Integrated Management System

It is based on the various management regulations implemented and its objective is to guarantee the production of innocuous, safe and legal products, without neglecting the protection of the environment and our workers.

In 2019 we took on the challenge of evaluating and certifying our sustainable management through the highest international standards of external audits.



2.1.2 A firm commitment to the eradication of child labor

At Grupo Lucci we have a sustained commitment to the rights of children and adolescents, as well as to the eradication of child labour. Our policies, programs and actions prevent any type of violation against the health, personal development and schooling of children and adolescents.

This zero-tolerance stance firmly extends to any possible child labor situation along our value chain and areas of influence.

Indoor management



Dissemination of the **Code of Ethics** and the **Code of Good Social Practices** to raise awareness among all our employees, service providers and the community.



Technological access control at Citrusvil's harvest points.



Internal audits at harvest points.



External audits such as **GLOBAL G.A.P GRASP** and **Sedex SMETA** quality standard certifications.



Outdoor management

Fundación Vicente Lucci develops alliances with educational organizations, governments, universities, the media and other companies:



Raise awareness of the problem in rural communities, taking schools as a reference unit.



Design and implementation of programs and actions focused on the **Rights of Children and Adolescents**, and the eradication of child labor.



Dissemination of communication materials adapted to different audiences.



Talks with **community leaders**.

2.2 Communication and dialogue with our stakeholders

At Grupo Lucci we understand that sustainability is built through active and direct dialogue with our stakeholders, that is why communication is an important part of our management model.

We are aware of the importance and need to establish two-way ways of contact with the different groups, in order to provide information with transparency, sharing with them our efforts to generate value.

We firmly believe that by engaging a diverse group of stakeholders in a constructive and open long-term dialogue helps us become a better company. Our environment is constantly evolving and, therefore, it is essential for us to understand the problems we face and accept suggestions in order to take the right decisions to continue moving towards our sustainability goals.

In this sense, throughout 2019 we focused on the visibility of Grupo Lucci and its companies, through the development of graphic and audiovisual pieces with a renewed image, positioning on social networks, and the launch of an updated version of our website.



We invite you to discover the new website of Grupo Lucci, where you can find information of all institutional, commercial and sustainable activities of the companies of our business group. We hope you enjoy this experience, as we did creating it for you. www.grupolucci.com.ar

We are committed to the continued participation of stakeholders as a central component of our business and management strategies. We provide a variety of formal and informal environments throughout our company's system in order to have permanent meetings

and dialogues with consumers, clients, suppliers, collaborators, communities, local governments and nationals, NGOs, media and shareholders, among others.

Employees	Shareholders	Customers	Suppliers and contractors ²
sustainability commitments			
<p>Generate a sense of belonging, value and train the HR, fundamental agents for the development of production and growth of Grupo Lucci.</p>	<p>Honor the legacy of Vicente Lucci, the founder, consolidating a diversified business group with an international presence.</p>	<p>Guarantee them quality products and services, both in Argentina and abroad, positioning us as a strategic, reliable, and sustainable supplier.</p>	<p>Build sustained and efficient business relationships with our strategic partners throughout our value chain.</p>
Unions	Communities	Government	Institutions and Organizations relating to our activity
sustainability commitments			
<p>Maintain a constant dialogue to ensure the best labor conditions for workers.</p>	<p>Improve life quality in the environments of our influence, generating social capital through the implementation of training programs and strategic institutional alliances that contribute to the sustainable and equitable development of communities.</p>	<p>Maintain reliable and transparent relations, in different jurisdictions, to enhance the regional and human development of Northern Argentina.</p>	<p>Generate strategic alliances that contribute to local development and the growth of productive activity in the region.</p>

² Within this stakeholder stands out the criticality of logistics and distribution providers, essential actors for the development and growth of Grupo Lucci.

Some of the main mechanisms and/or dialogue channels that Grupo Lucci has for the communication with its stakeholders are:



Phone service



Physical and electronic mail



Strategic meetings



Performance evaluation for collaborators



Training and participation in events



Internal Communication Campaigns



Policies, protocols and institutional codes



Suggestion and complaints channels



Materiality and customer satisfaction surveys



Sustainability Report



Institutional magazine and marketing tools



Web and social networks



Strategic Alliances



Visits to our company



Internal and external audits



Commercial Net



International Fairs and visits



CSR Programs



Supplier Attention

2.3 Grupo Lucci's Materiality Matrix

Grupo Lucci integrates into its policies and procedures the social and environmental concerns that arise from the relationship and dialogue with its stakeholders.

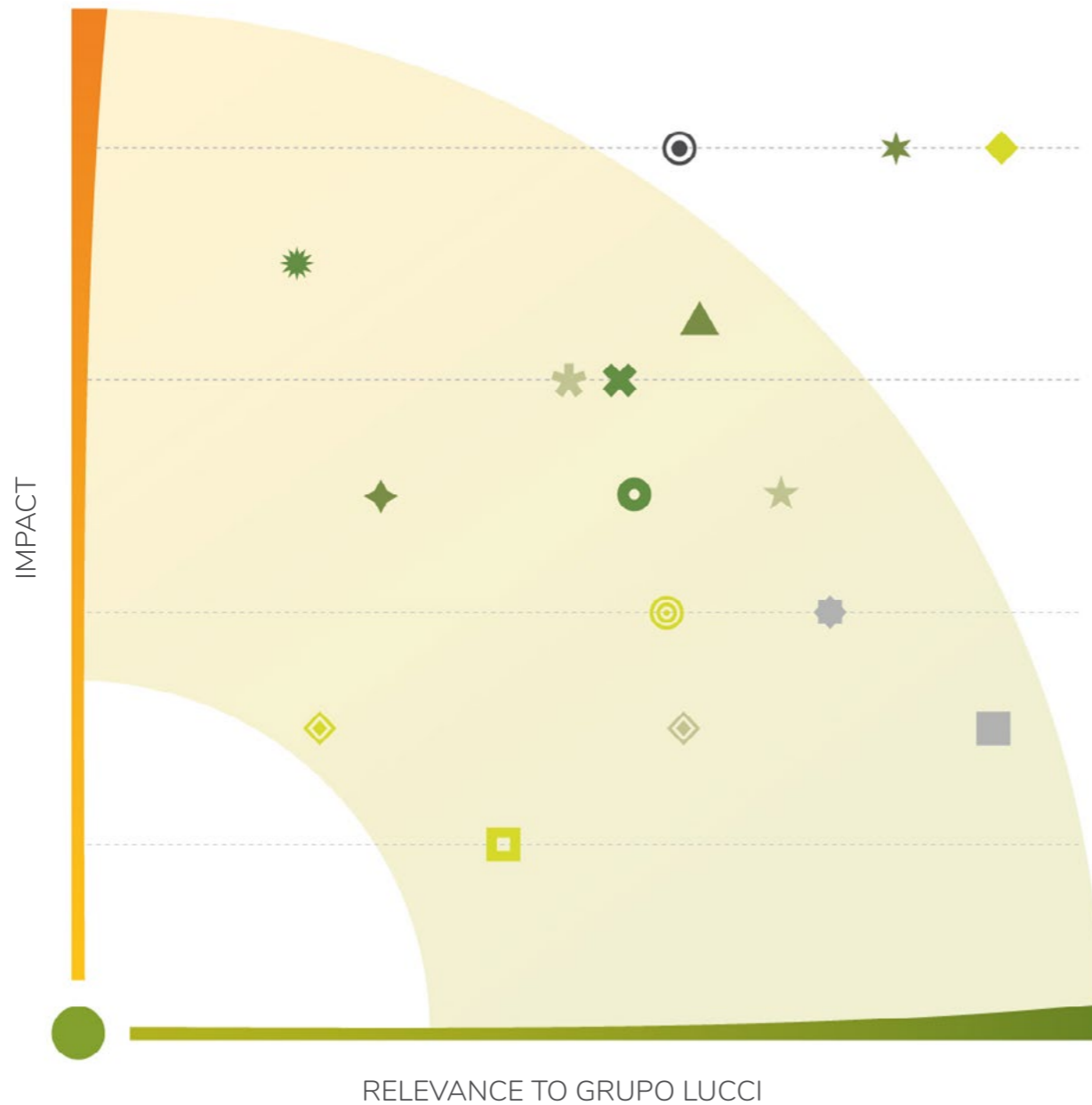
Annually, in order to prepare the Sustainability Report, we invite them to participate in a survey. The purpose is to know their opinion on the relevance of certain aspects that make the responsible management of our organization.

For the definition of the Materiality Matrix we work on:



Through the **diversification of the communication channels** implemented, in 2019 we were able to expand the scope of the survey by 60% compared to the previous period, as well as the level of participation and the number of responses obtained by the external stakeholders, which gives the matrix greater legitimacy.





- ◆ Industrial effluent treatment.
- ★ Health and safety of rural and industrial workers.
- ✱ Healthy and safe product.
- Ethics and transparency in business management.
- ◎ Efficient use of water.
- Fight against child labor.
- ▣ Good working conditions and development of employees.
- ◇ Waste management.
- ▲ Quality certifications and product labeling.
- ✕ Responsible use of agrochemicals.
- ◎ Energy efficiency.
- ✱ Use of renewable energy.
- ▣ Contribution to the local economy.
- ✱ Sustainable agriculture.
- ◆ Preservation of biodiversity.
- ✱ Protection of Human and labor Rights of temporary workers.

Our greatest commitment is to align economic growth with the sustainable development of Northern Argentina, consolidating new products with international quality standards while taking care of the environment, and contribute to the social progress of the communities in which we are present.

Following that course of action, we have also adhered to the Sustainable Development Goals proposed by the United Nations to develop our activities and ensure we leave a better planet for the generations to come.



ETHICS AND TRANSPARENCY IN BUSINESS MANAGEMENT

CONTRIBUTION TO THE LOCAL ECONOMY

FIGHT AGAINST CHILD LABOR

GOOD WORKING CONDITIONS AND DEVELOPMENT OF EMPLOYEES

PROTECTION OF HUMAN AND LABOR RIGHTS OF TEMPORARY WORKERS

HEALTH AND SAFETY OF RURAL AND INDUSTRIAL WORKERS

HEALTHY AND SAFE PRODUCT

QUALITY CERTIFICATIONS AND PRODUCT LABELING

INDUSTRIAL EFFLUENT TREATMENT

WASTE MANAGEMENT

RESPONSIBLE USE OF AGROCHEMICALS

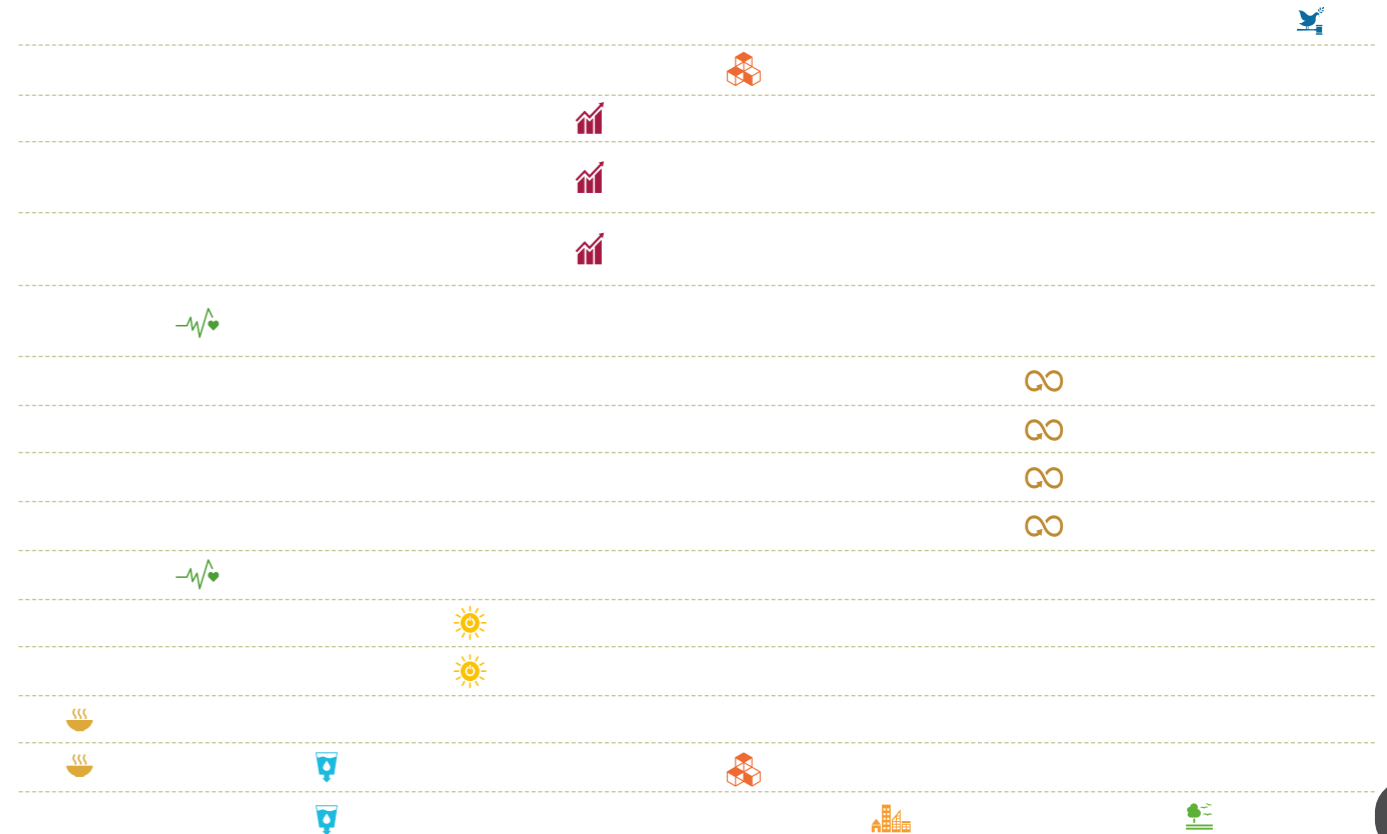
ENERGY EFFICIENCY

USE OF RENEWABLE ENERGY

SUSTAINABLE AGRICULTURE

EFFICIENT USE OF WATER

PRESERVATION OF BIODIVERSITY





03

Agro-industrial
Capital to **promote**
regional economies

3.1 Citrusvil

Established in the 1970s, Citrusvil is a pioneer industry in the southern hemisphere. It is one of the largest producers, processors and exporters of lemon and its derivatives in the world, supplying more than 50 countries.

It has more than 7,000 gross hectares of lemon orchards, which produce around 250,000 tons of fruit to supply its Industrial Plants and Packing Houses.



50 YEARS
of experience



+ 7.000 Ha
of lemon plantation



200.000
Lemon Plants produced annually



350.000 Mt
2 Industrial Plants
Capacity per season



50.000 Mt
2 Packing Houses
Capacity per season



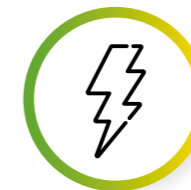
+ 50 Countries
on 5 continents, where our
products arrive



23
Production units



5.744 Ha
of preserved native forest



3 MW
Electric power generated from
biogas (since 2019)

3.1.1 Direction and Management

Citrusvil's administrative and management structure, led by our chiefs and managers, is aligned to our corporate values and policies, promoting entrepreneurship, safe job and teamwork.



Juan Altamiranda
Primary Production
Manager



José Luis Taddei
Primary Production
Chief



Jorge Arce
Harvest Manager



José Luis Velarde
Packing Production
Manager



Francisco Rotella
Fresh Fruit Sales
Manager



Alberto Galván
Plant A Industry
Chief



Marcelo Pérez
Plant B Industry
Chief



Alex Nolte
Industry Sales
Manager

3.1.2 Our Products

3.1.2.1 Fresh fruit

Our lemons are known for their excellence, high juice content and perfect ripeness. They are also distinguished for their freshness and high quality, which they maintain throughout the season. They are certified by International Standards, which guarantee their properties like Food Safety and quality

Our brands

Citrusvil offers world-class brands, meeting the requirements of the markets.

CITRUSVIL



SAN VALENTIN



La Paz



PACARA



Bravo



La Luz



Global presence: Our Markets

We supply fresh lemons, from the Southern Hemisphere to the rest of the world:

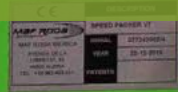


- » Canada
- » United States
- » Mexico
- » Brazil
- » Western Europe
- » Eastern Europe
- » Far and Middle East

Did you know?

Citrusvil was the main exporter of lemons of Argentina in 2019 with 25,691 MT released, representing 10.2% of total exports nationwide.

Thanks to the incorporation of the Ischilón Packaging, which has been exclusively conditioned for exporting lemons to the United States, in 2019 we managed to double the volume of fruit introduced in this market, reaching 2,000 MT. For 2020 we set the goal of shipping 6,000 MT.



3.1.2.2 Industrial products

We produce lemon by-products, intended for the Beverage, Flavour & Fragrances Industries, to be used in the production processes of juices, carbonated drinks, ice cream, pectin and dietary fibers.

We develop specific products to satisfy our client's needs:

- | | |
|---------------|---|
| Oils | <ul style="list-style-type: none"> » Essential Lemon Oil » Lemon Essence Oil » Distilled Lemon Oil » Lemon Terpenes » Folded Lemon Oil |
| Juices | <ul style="list-style-type: none"> » Cloudy concentrated juice » Clear concentrated juice » NFC juice |
| Peel | <ul style="list-style-type: none"> » Seedless peel » Peel with modified pH |
| Pulp | <ul style="list-style-type: none"> » Lemon Pulp Cells |



Global presence: Our Markets

We offer industrialized lemon products, covering all markets around the world.



Representatives Offices

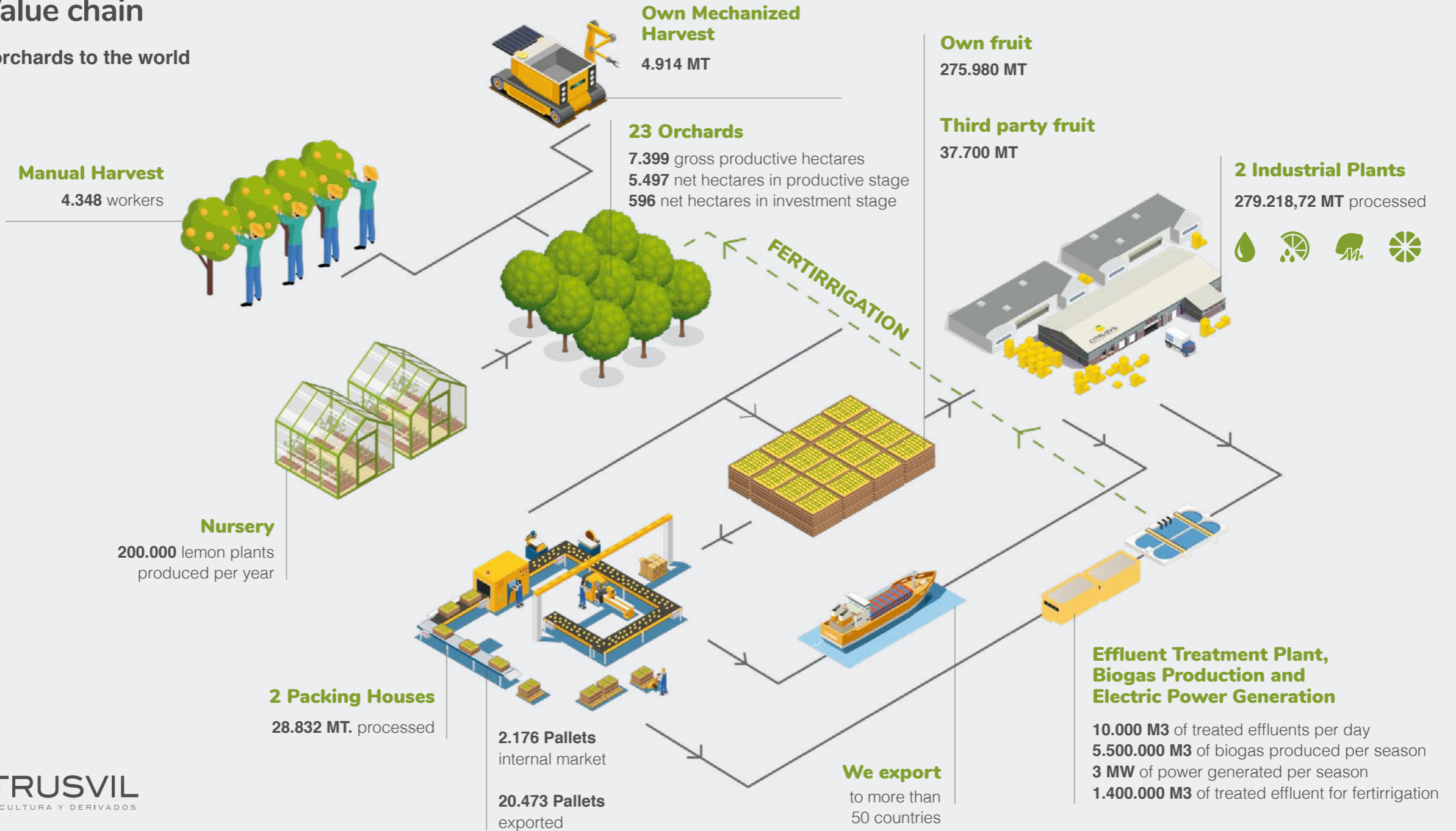
- » Auckland, New Zealand
- » Hamburg, Germany
- » Chicago, United States
- » New York, United States
- » Sidney, Australia
- » Tokyo, Japan
- » Vienna, Austria

Destination Countries

- | | |
|-----------------|---------------|
| » Australia | » Switzerland |
| » Argentina | » Canada |
| » Mexico | » Italy |
| » France | » Brazil |
| » Korea | » Germany |
| » Spain | » Holland |
| » United States | » Cyprus |
| » Japan | » Denmark |
| » China | » Costa Rica |
| » Ireland | » Poland |
| » England | » Israel |
| » Hungary | » Chile |
| » New Zealand | » Taiwan |
| » Austria | » India |

3.1.3 Value chain

From our orchards to the world



3.1.3.1 Sustainable Management System

Citrusvil has an Integrated Quality System that enables the compliance with the most demanding food safety standards in the world. We work to bring healthy and safe products, managing and controlling the quality and innocuousness of our products without neglecting the safety of workers, the protection of the environment and respect for our community.



HACCP



GLOBALG.A.P.
GRASP



ISO 9001



ISO 14001



SISTEMA DE
GESTIÓN
OSHAS -18001:2007



UKOSHER

We continue validating our responsible business practices, meeting the needs of our most demanding customers:



Citrusvil was audited under the SMETA format of SEDEX (Sedex Members Ethical Trade Audit), a high-quality methodology that verifies all aspects of responsible business practices, covering four main areas: Work, Health and Safety, Environment and Business Ethics. We had an excellent performance without deviation observations in any of the areas.



We certify FSA SAI, a new protocol within the requirements of our industry and fresh fruit customers, with the objective of guaranteeing the obtaining of sustainably produced agricultural raw materials. We achieved the highest score in the Agricultural Sustainability Assessment (FSA): GOLD.

GLOBALG.A.P.
The Global Partnership for Good Agricultural Practice



We recertify the Global GAP and Global GAP GRASP protocols, both at the Cevil Pozo Packing House and at Citrusvil orchards. For the first time we included Ischilón Packing House in the evaluation of these standards, which allowed us to demonstrate, once again, our commitment to product quality and safety, care for the environment and workers welfare.



Ischilón Packing House received the “Alimentos Argentinos” label. It distinguishes foods made in our country that comply with strict quality protocols, adding value and highlighting their differentiated quality. Our two Packing Houses are now able to bring the best Argentine product to the world.



The Ischilón Packing House added HACCP certification (Hazard Analysis and Critical Control Points), in order to validate and guarantee food safety and innocuousness in the fresh fruit pre-selection and packing processes. HACCP management systems are an essential requirement in the United States and some European countries, at all levels of the food chain.

We comply with the highest standards of Quality and Food Safety, satisfying the demands of our customers. We work in a transversal, efficient and orderly manner throughout our value chain, positioning ourselves as a reliable, responsible and sustainable supplier recognized in the world.

All certification procedures are coordinated by the Quality Assurance Department. Its actions include:

- » Prior inductions to the production campaign
- » Training and qualifications for all employees on quality, safety, environment and sustainability issues.
- » Internal audits in the different Group establishments, to assess the maintenance of the implemented systems.

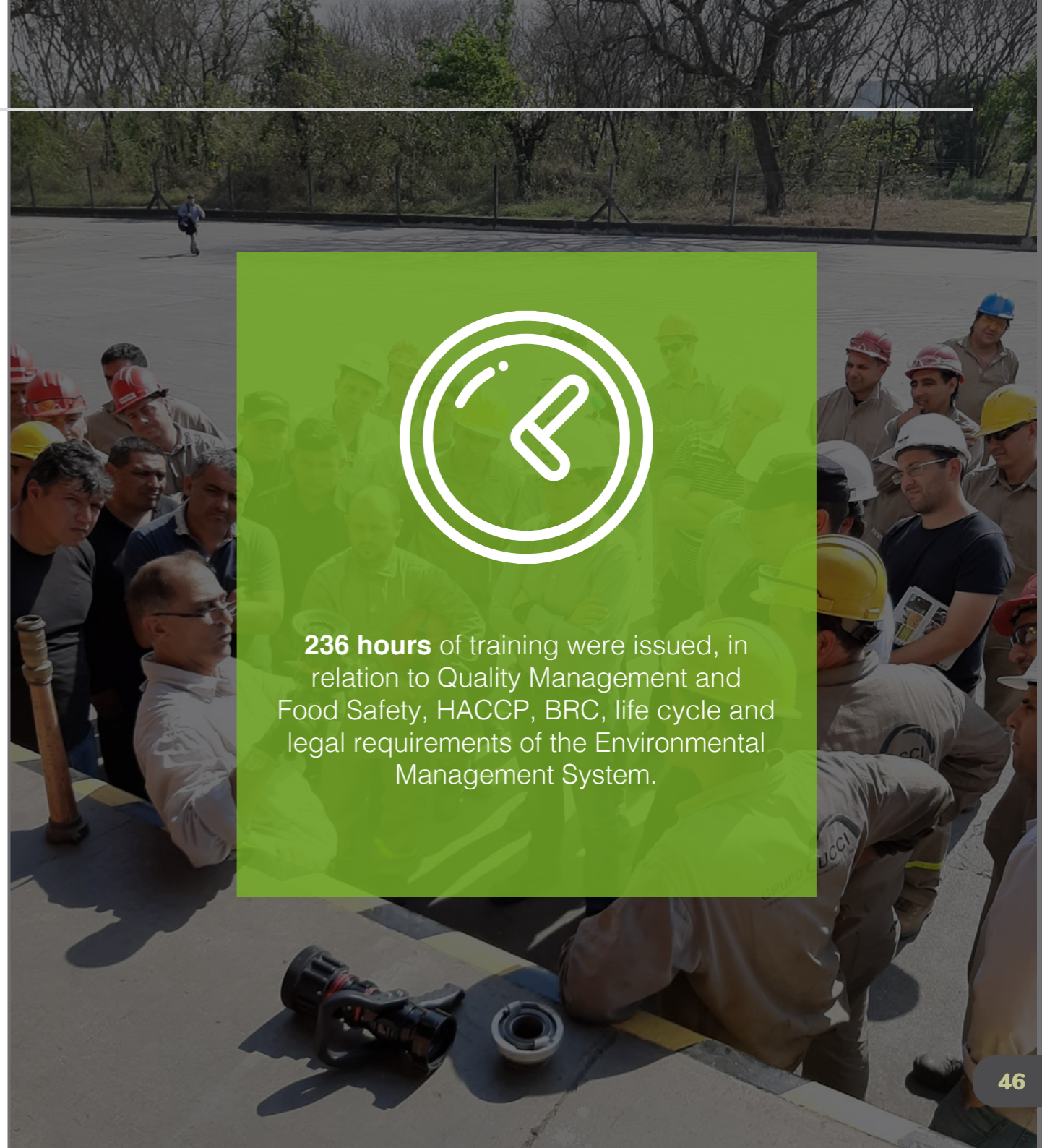
In 2019:



909 workers received the induction before the season started



460 workers were trained during harvest



236 hours of training were issued, in relation to Quality Management and Food Safety, HACCP, BRC, life cycle and legal requirements of the Environmental Management System.

3.1.3.2 Clients

Citrusvil is recognized worldwide as a reliable, responsible and sustainable supplier of raw materials, guaranteeing its clients healthy and safe products.

Our commitment to carry out sustainable management in our production chain, largely responds to the need of our buyers to meet the goal of ensuring the supply of safe and quality raw materials, through sustainable suppliers.

In order to show the origin of our products and the conditions in which they are produced, we also open our doors to our clients who, through audits, seek to ensure compliance with Good Agricultural and Social Practices, as well as the preservation of the environment and its biodiversity.

These tools bring us the necessary information to work together with our clients to identify opportunities that impulse the improvement of our value chain.

Satisfaction survey

Every year, after the end of the productive season, we analyze our performance and opportunities for improvement. The opinion of our clients is of utmost importance. That is why we carry out a satisfaction survey on aspects related to products quality and care, as well as administrative management, among others.

Through these questionnaires, we seek not only to delve into the profile and behavior of our customers, but also to analyze the experience of buyers and consumers, from there to develop new marketing strategies and improve products and service quality of support, to increase their satisfaction while we perfect our value chain.

Encuestas de clientes	2018	2019
Empaque	7	30
Industria	8	15

In 2019 we set out to increase our customers' responses, and we managed to achieve a level of participation more than 3 times higher in Packing, and almost double in Industry.

A company worthy of imitation

Unilever promotes sustainable agriculture, expecting the implementation of Good Productive, Social and Environmental Practices from its entire supply chain. Within the framework of its Sustainable Life Plan, Citrusvil was audited in the compliance with its Sustainable Agriculture code, evaluating responsible production in our industry and field processes, addressing the following topics:

- » Good Agricultural Practices: Responsible use of agrochemicals and fertilizers, and water care.
- » Good Social Practices: Health and welfare of workers, freedom of association, zero tolerance for child labor.
- » Preservation of biodiversity: No deforestation, care of natural resources, treatment of effluents.

“In Citrusvil enhances the degree of professionalism and technical knowledge in each sector, as well as the high level of control over each of the activities, worthy of imitation by other companies”

Tomás Pueta

Auditor of the certifier hired by Unilever.

We supply responsibly

In order to demonstrate the sustainable management of our production processes, we were reassessed on the guiding principles for suppliers and the human rights policies of Coca Cola (SGP and HRP), one of our main clients. Our company was approved for the next three years, being classified as “green” (zero deviations) before full compliance with the requirements.

In 2019 we received 8 audits from our international clients:

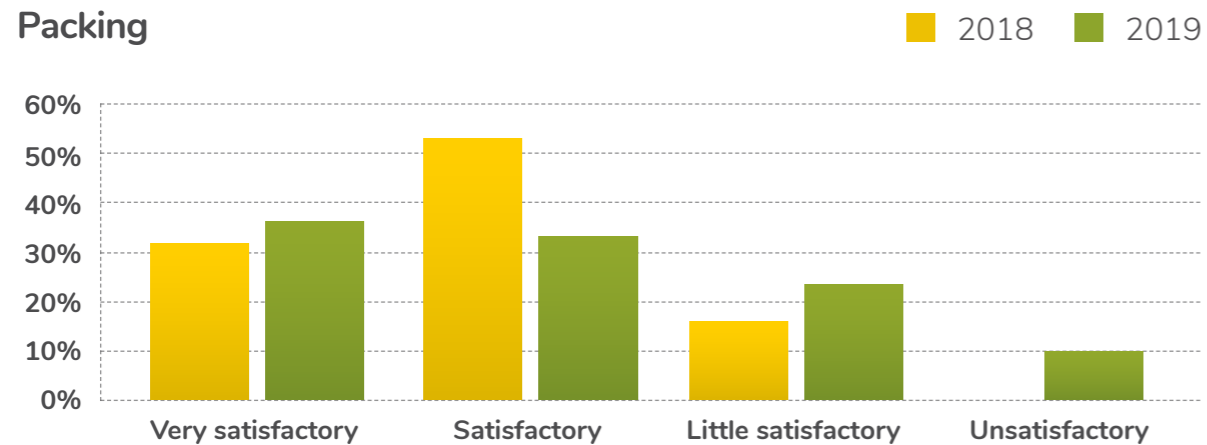
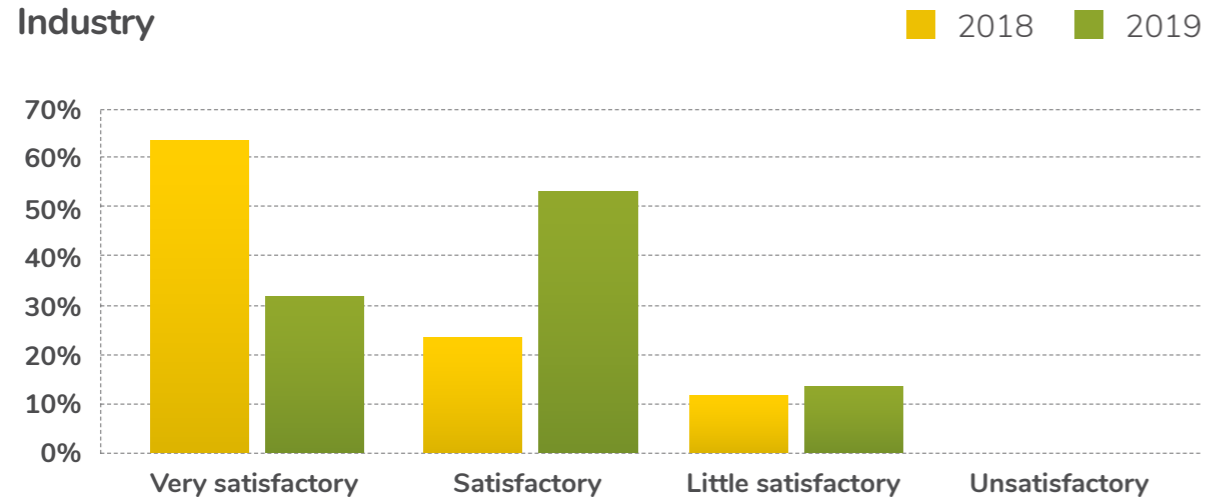


Customer audits evaluated our implemented Quality and Safety Management System based on international safety standards such as BRC / FSSC 22000.

In all cases, the results were positive. Our clients highlighted the order and cleanliness of our facilities, the maintenance of productive industries, the investments made in environmental protection and our commitment to continuous improvement.

Customer satisfaction survey

Customer satisfaction represents the degree of conformity experienced by them after the purchase. This tool allows us to assess their perception year after year.



2019 was a difficult year for Argentine citriculture due to inclement weather and the global oversupply, so the production results were below expectations, inevitably being reflected in the responses of our clients.

3.1.3.3 Suppliers

Each year, at the end of the campaign, we carry out performance evaluations to our suppliers to assess their performance in terms of delivery times, quality, presentation and after-sales service.

In 2019 we evaluated our 39 critical input suppliers. All of them met the requirements satisfactorily according to the evaluation procedure. In addition, 12 of them qualified in category "A", that is, suppliers with a certified or implemented Quality or Environmental Management System.

We managed to increase in our citrus operations the volume of lemons certified under **GlobalGAP, GlobalGAP GRASP, or Sedex standards**, from 83% in 2018, to 97.8% in 2019.

GLOBALG.A.P.
The Global Partnership for Good Agricultural Practice



GLOBALG.A.P.
GRASP



3.1.3.4 Contractors

More than 5,000 workers participate in our production processes, mainly between the months of March and September, when the harvest takes place.

Our contractors have a long trajectory related to our company, and a strong commitment to our **Code of Good Social Practices**.

We work with 15 contractor companies.

	Cultural Tasks		Harvest	Packing ³	
	Field	Nursery		Cevil Pozo	Ischilon
Men	340	60	6.776	32	66
Women	0	0	502	0	12

Cultural Tasks

Cultural field tasks include pruning, pulverization, fertilizing, sowing and planting, among others.

With field workers, training is carried out in:

- » Health and Safety
- » First aid
- » Machinery maintenance
- » Satellite tracking of pulverization machines

Harvest

The highest concentration of temporary staff is involved in lemon harvesting tasks, which is 100% outsourced. The training focuses on the safety of workers in terms of accident prevention, first aid, heat stroke, manipulation of work tools, among others.

Packing

Their tasks correspond to packers, machine operators, chemical products operators, stevedores, traceability and dispatch operators, among others.

Training on the identification and detection of fruit diseases were provided to operators with specific functions.



³ At the Cevil Pozo Packing House, the packing task is carried out with Citrusvil personnel, while at Ischilón it is contracted personnel.

3.1.3.5 Harvesters

Harvest Contractors are indispensable for lemon harvesting tasks. This work is 100% outsourced, and these contractors are who provide the workforce needed, ensuring their proper registration and care, to carry out the harvest tasks to supply the Packing and the Industry.

At Citrusvil we work with 6 contractor companies, with an average of 10 years old of service.

Recruited harvesters

2019		4.348
2018		4.563
2017		4.559
2016		4.414
2015		3.302
2014		2.849

502 women were part of the harvest in 2019.

Access control in lemon orchards

Harvesting tasks are considered high-risk jobs in relation to informality, child labor and forced labor, due to the large volume of people who operate in the orchards each season and the high level of rotation in each campaign. That is why we focus primarily on the education and training of labor providers, about the importance for our company of the proper registration of all contracted persons, who must have the corresponding legal authorization to work in our lemon orchards.

In this sense, also having an inspection process has become a fundamental objective for Citrusvil, which is why we set out to develop and incorporate, in addition to random internal and external audits, a digital identity control system to implement at the entrances to the productive unites.

audits, a digital identity control system to implement at the entrances to the productive unites. In the 2019 campaign, we tested the new portable devices for registering harvesting personnel, which allow for exhaustive control of work authorizations and income to fields, in addition to optimizing our extensive database and streamlining the process of identity verification of staff, minimizing the risk of informality and preventing child labor.

These devices perform the reading of the identification card. It have an RFID (radio frequency identification) system and must be presented daily when entering the fields. This procedure is carried out at the beginning of the day and on all the harvesting fronts, thus obtaining the actual number of people who harvest each day.

So far, we have only registered presentism but, from the next harvest, we will begin to charge productivity and make the corresponding settlements.

Audits

Our Annual Internal Audit Plan includes reviews in our own fields and those of third parties. In 2019, the number of audits carried out on contractors increased, reaching a total of 3,767 workers.

Among the inconsistencies found there were specific cases of unregistered personnel, that is, without early discharge from AFIP. In these circumstances, the situation was reversed immediately, and in the event of recidivism, sanctions were applied to the contractor.



	March	April	May	June	July	August	Total	Presence 2019	Presence 2018
Audits	2	5	14	19	11	7	58	45%	39%
Harvest days	8	20	28	26	27	21	130		

Guild Co-responsibility

Legal and decent work is a fundamental and outstanding axis in our company, that is why in 2019 we were one of the promoters of the Guild Co-responsibility Convention, which aim is to transparent the industrial relations of citriculture in Northwestern Argentina and to ensure compliance by contractors with optimal and legal working conditions.

This system allows contracting companies to pay a substitute fee for dues and contributions to harvest workers, thus guaranteeing the registration and payment of these concepts.

Through this agreement we achieved the almost total decrease in unregistered employment in the activity.

3.1.3.6 Responsible environmental management

We work in the responsible management of natural resources and in the minimization of the impacts, real or potential, that our activity performs on the environment.

3.1.3.6.1 Soil care

We respect and protect the land that provides us with our raw material, fundamental to the operation of the company. Ensuring the long-term supply of high-quality raw material is essential to the success of our business.

Now a days sustainable and responsible sourcing is more important than ever. This challenge is contemplated in Citrusvil's supply strategy, through which we seek to guarantee the safety of our products, at the same time that we take care of natural resources while we increase our own fruit production, prioritizing as well the provision of suppliers that comply with the highest environmental and social standards.


Soil is a resource serving production and, therefore, is essential for the sustainable development of crops. Good soil management also ensures its long-term fertility and contributes to higher yields and profitability. That is why at Citrusvil we carry out good management practices for it, in order to maintain or improve its quality, avoiding erosion and alteration of its characteristics.

- » Implementation of service crops during rest periods, to avoid soil erosion and incorporate nutrients into it.
- » Planning and systematization of the plantation, to define the improvement tasks in water conduction and prevent future soil erosion.
- » Fertilization and fertirrigation thoroughly monitored, managing to maintain the balance of the physical, chemical and biological characteristics of the soil, without altering its state.
- » Incorporation of the pruning remains to the soil as a contribution of nutrients.
- » Maintenance of green coverage between the trails. It contributes to slowing down the water, minimizing the possibilities of erosion.

3.1.3.6.2 Responsible use of our materials

We are aware that every action counts to continue operating sustainably. Our concern for the use of resources is constant, so we promote among our employees the taking of actions to reduce the consumption of them.

PACKING SUPPLIES	2019		2018	
	Weight (Tn)	Tn supplies/Tn packed Fruit	Weight (Tn)	Tn supplies/Tn packed Fruit
Boxes and Plateau	1188,53	0,041	2198,38	0,0675
Pallets	520,515	0,018	535,34	0,0164
Sulfite paper	5,58	0,00019	5,98	0,00018
Wax	35	0,0012	40	0,0012
Sodium hypochlorite	70,32	0.0024	49	0,0015
Sodium bicarbonate	22,52	0.00078	15	0,00046



We reduced the volume of packaging material (boxes and plateau) used per packaged product by 38% compared to 2018. This was possible due to the agreement with customers for the use of wooden bins, which have larger capacity than cardboard boxes.



INDUSTRY SUPPLIES	2019		2018	
	Weight (Tn)	Tn supplies/Tn processed fruit	Weight (Tn)	Tn supplies/Tn processed fruit
Cans, drums, buckets and bags (Plastic)	217,1	0,00077	268,02	0,00088
Drums (metal)	1243,63	0,0044	1439	0,0047
Sodium carbonate	94,47	0,00035	129,25	0,00042
Caustic soda	180,485	0,00065	249,1	0,0007
Filtering soil	56,40	0,0002	27,22	0,0001



The 16.6% reduction in the use of sodium carbonate per ton of processed fruit was due to a change in customer requirements regarding the characteristics of the Dehydrated Peel product.

3.1.3.6.3 Solid waste management

We go for a world without waste minimizing the environmental impact.

We develop a waste management program, through which we seek to significantly reduce the generation of waste in our production processes, carrying out waste treatment practices, such as:

- » Devices for waste segregation
- » Training in the proper classification of waste
- » Special treatment of hazardous waste
- » Specific treatment of organic waste through composting

100% of the non-hazardous waste generated in our industrial plants is separated in specific containers for each material (plastic, cardboard and wood) and is disposed through recyclers, generating a revaluation of it and minimizing the environmental impact.

Non-hazardous waste

4



Wood



Plastics



Paperboard

	Wood	Plastics	Paperboard
2015	80	89,2	113,3
2016	68,1	135,9	106,9
2017	75,5	78,7	114,9
2018	124,6	119,6	77,01
2019	111,3	85,26	64,93

4 The reduction of the volume of materials sent to recycle by 18.7% compared to 2018, responds to the decrease in milling in the 2019 campaign due to inclement weather.

	Dangerous residues	2019	2018
		Tons	
Y1	Clinical waste resulting from medical care	0,17	0,09
Y8	Oil waste	5,43	3,5
Y12	Waste resulting from the use of colorants, inks, lacquers or varnishes	0,18	0,6
Y29	Mercury compounds resulting from the disposal of fluorescent tubes	0,04	0,68
Y31	Lead / lead compounds resulting from the disposal of batteries	0,7	4,16
Y34	Acidic solutions, or acids in solid form, resulting from the disposal of batteries	2,6	0,26
Y48	Materials and / or elements contaminated by contact with a dangerous substance	4,78	3,9
RAEE	Waste resulting from the disposal of electronic scrap	0,8	0,56

- » The Y29 current residues are the result of the change of LED luminaire that was carried out in the Citrusvil production units
- » The volume of RAEE disposed is the result of the 5S methodology campaigns implemented



Metodología 5s

In our 5S Program, we carried out the classification and reconditioning of electronic equipment and materials that could be reused internally or donated to rural schools through Fundación Vicente Lucci. Obsolete or non-repairable equipment were inventoried, weighed and referred to the Quality and Environment department for final disposal as electronic waste.

In 2019, 3.080KG of electronic waste were safely disposed of.

Plastic Recycling

A large part of our operations and supplies require plastic containers, in some cases of large size, such as fruit bins and grain silo bags.

With no reliable plastic processors in the areas of our operations, we decided to turn this problem into an environmental opportunity, thus beginning with the technical and economic analysis for the installation of our own Plastic Waste Treatment Plant.

We put in place investments sized to recycle more than 110,000 kilograms of plastics per year, from discards during the Group's operations.

US\$ 134,000 investment (in equipment, accessories, electrical repowering of Finca El Corte, among others)



US\$70.000

Direct investment
(in equipment,
accessories, etc.)



US\$64.000

Indirect investment
(electrical repowering of
Finca El Corte)

In 2019 the purchase and acquisition of the equipment was carried out, with its installation pending in 2020. The start-up of the operation of this recycling plant is planned for the beginning of the harvest, turning this waste into plastic pellets ready for commercialization in any related industry.

3.2 Viluco

Innovación agrícola y producción sustentable

Agricultural innovation and sustainable production
It is a company dedicated to agriculture. It works adding value to Argentine primary production by cultivating soybeans, corn, wheat, sorghum, cotton and legumes. Its activity is developed on 31,200 gross productive hectares distributed in 12 own fields located in the Northwest of Argentina.



Pablo Cianci
General Manager



Ramiro Aznar
Primary Production
Manager

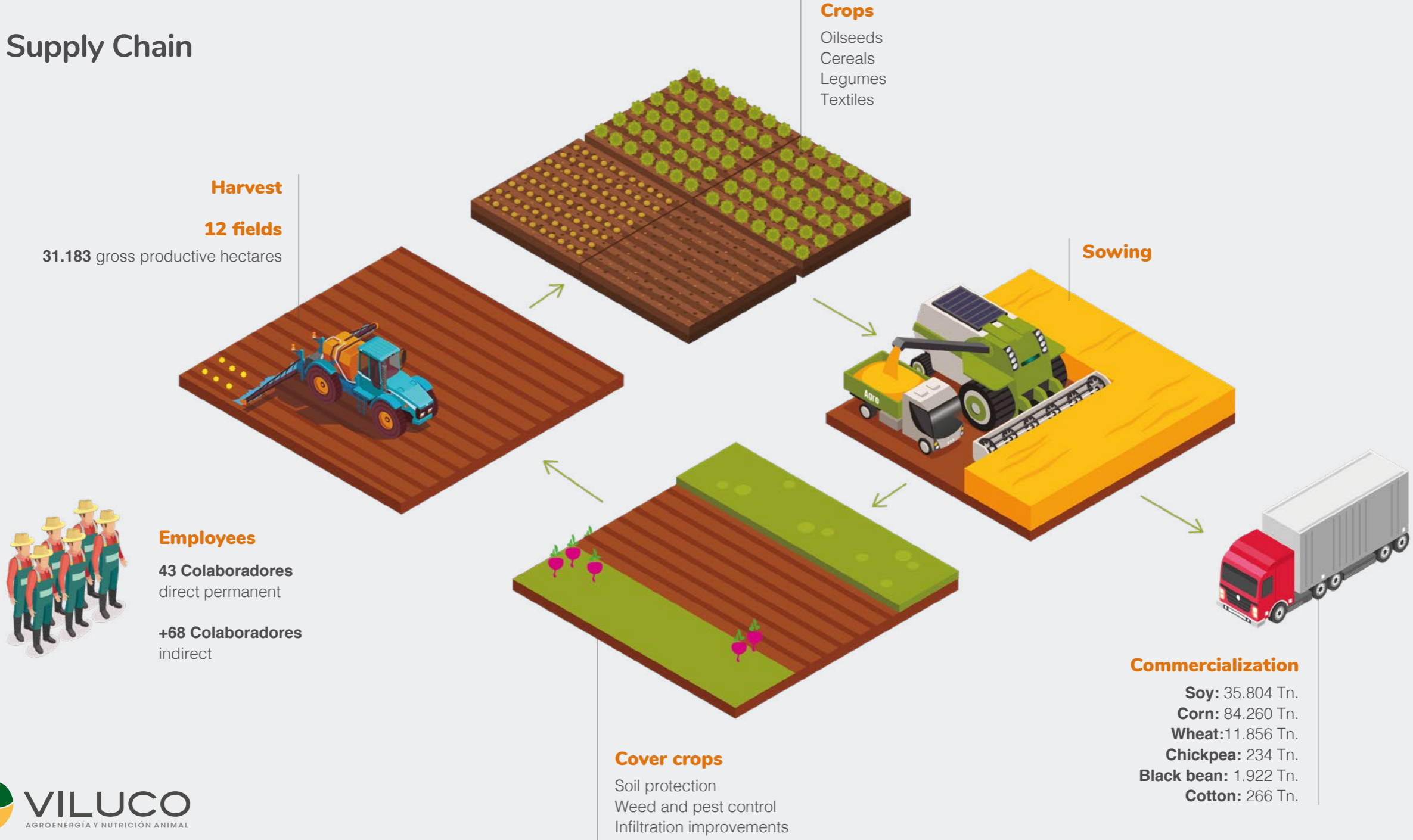


3.2.1 Our firm presence in the Argentine Northwest

We work a total of 31.200 gross productive hectares distributed in 12 own fields located in the provinces of Tucumán, Catamarca, Salta and Santiago del Estero.



3.2 Supply Chain



3.2.2.1 Our products

We produce different types of annual crops, depending on the agro-ecological zone where we are, to achieve better production efficiency

Verano

Invierno



35.804 Tn
de Soy



84.260 Tn
de Corn



2.828 Tn
de Sorghum



1.922 Tn
de Black bean



266 Tn
de Cotton



11.856 Tn
de Wheat



234 Tn
de Chickpea



Soy, Corn, Wheat
and Chickpea
(domestic market)



Black bean: 90% internal
market, 10% external (Brazil
and Colombia)



Cotton: 100% export
(Vietnam 25%, Pakistan 41%
and Thailand 34%)



Rye, vetch , melilotus, forage
radish (service crops)

3.2.2.2 Contractors

We work with 8 contractor companies that carry out the tasks of fertilization, sowing, harvesting and spraying.

On average, the age of these companies with the organization is 14 years, maintaining a relationship of more than 20 years with some of them. We seek to retain contractors by generating long-term relationships and engaging in the technological improvements required by the new agriculture.

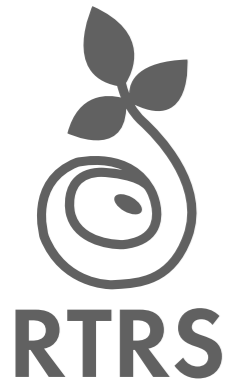
80% of contractors are local

We control that each contractor complies with the required training plan:

- » Operation of agricultural machinery
- » Manual handling of loads
- » Heat stroke and heat stress
- » Safe operation of tractors
- » Handling of agrochemicals
- » First aid
- » Types of fire and use of fire extinguishers
- » How to act in case of accidents



3.2.3 Certifications



We were the first company in Argentina to certify the Round Table Responsible Soy (RTRS) standard related to sustainable Soy production.

During 2020 we will recertify RTRS in soy production and we will extend the certification to our Corn production.

This certification is oriented towards compliance with

- » Laws and regulations
- » Good agricultural and business practices
- » Optimal working conditions
- » Good relationship with the community
- » Responsible Environmental Management

Strategic Alliances

We accompany the Arcor Group in its Sustainable Corn Production and Certified Sustainable Sourcing Project. With this initiative, the incorporation of sustainable practices in corn producers is promoted through a certification program under the SAI-FSA standard, which encourages innovative agricultural practices, in line with the highest sustainability standards, and continuous improvement in management.



- » November 2019: the stage I of the program was implemented, with the creation of a Group of Producers in which Viluco was selected for its recognized path in the implementation of sustainability systems, along with 2 producers in the province of Tucumán and 5 in the province of Córdoba.
- » December 2019: the implementation stage of the Management System was carried out. It consisted in the definition of the objective, the formal communication of the SAI-FSA requirements to producers, the implementation of the self-evaluation (of all the producers included in the group), and the definition of continuous improvement or action plans. In this stage, Arcor verified the degree of development of good agricultural practices and the sustainable management of Viluco, as well as the solidity of the management system that will allow it to face stage III.

During 2020 we will certify the FSA-SAI sustainable agriculture program for our Corn production.

3.2.4 Good Practices for sustainable agriculture

At Grupo Lucci we consider that Good Agricultural Practices constitute a strategic instrument to adequately address the challenges of quantitative and qualitative growth in the demand for agro-industrial products.

Committed to the sustainable and productive development of the region, we have been working on the management of a long-term Sustainable Production System. It implies the implementation of specific actions that promote the balance between productivity, profitability and care for the environment.

Crops at the service of production

We focus on finding solutions to prevent possible problems in the health of the ecosystem. We implement strategies linked to conservation agriculture.

Service crops, or also known as cover crops, consists of sowing alternative species, applied specifically to produce eco-systemic services. They are sowed with the aim of protecting the soil against water erosion, reducing its compaction and improving its fertility, stimulating nitrogen fixation, and controlling weeds and pests, while at the same time increasing biodiversity in production systems.

In our company we understand that it is a convenient investment. It minimize the environmental impact, ensures a higher yield on



the main crop and reduces the use of herbicides and the cost that these imply.



Campaign 2018-2019 = 28% savings in herbicides.

The New Agriculture

In recent years, selective spraying technology has significantly improved efficiency over weed control and fertilizer application. Innovation in cultural tasks today allows us to make economically and environmentally appropriate decisions to produce our crops.

As resistant and recurrent, weed control during fallow poses the challenge of being efficient, while being sustainable. In this context, we have incorporated the Directed Spray System, better known as WEEDIT, whose technology consists of infrared LED sensors that detect chlorophyll fluorescence, allowing variable, specific and concentrated dosing to be apply only on plants. This system helps us reduce water consumption and product drift, being able to save between 40% and 70% of agrochemicals in each application, thus minimizing the environmental impact and production costs.



**Campaign 2018-2019 = 43%
reduction in consumption of
agrochemicals per hectare**



**Campaign 2019-2020 = 60%
reduction of inputs per hectare**



In 2019 campaign, we also started with the differential application of fertilizers in a specific site that, from the collection and management of information, it allows us to recognize and identify variations in soil type, texture, color and productivity, within plots.

According to different analyzes of soils and fertility variables, we determine the zones of sufficiency and need for fertilizers, and through which the differential application is prescribed for each zone in particular. It makes us achieve a greater efficiency in the use of resources because of the better distribution of the product, reduction of losses of nutrients due to excessive application and savings, and cost savings.

3.2.3 Organizational changes

Business Synergy: Viluco Agro-Engordar

After analyzing the possibilities of productive growth and value addition for Viluco-Agro and Engordar, which already shared productive establishments, in 2019 we carried out the unification of the agro-livestock sector through technical, productive, commercial, operational and administrative synergy between both companies.

This joint allows us to complement and intensify the agro-livestock activities. This joint commercial development bring new business possibilities, advances of the production of agricultural specialties and in the meat chain, and the acquisition of new establishments, among other advantages.

A new diversification projects

In October 2019 we signed a three-year agreement with Vines S.R.L. to produce and commercialize together 3,000 hectares of legumes. Vines S.R.L. is a company with a long history in the production of these foods, so they will contribute with their productive and commercial know-how. From Viluco we will put our lands at the service of production and in the first campaign we will sow Alubia beans varieties, such as dark, cranberry and light red kidney bean, in addition to the black bean sowed every year.

This agreement is an important step to:

- » Expand our product portfolio, privileging those that best suit the different environments of our production areas;
- » Generate products with higher added value, with brand differentiation possibilities.
- » -Develop export markets.
- »

3.3 Engordar

Protagonists of the Argentine productive potential

It is a livestock company dedicated to the productive activities of breeding, pasture rebreeding and lotfeeding. With a production destined for the Argentine domestic market, it has 34,000 cattle heads in rotation and a capacity to enclose 12,000 animals in two fattening cycles per year. Its production is distributed in five agricultural-livestock establishments and two feed-lots, located along 32,000 gross productive hectares in Tucumán, Santiago del Estero and Catamarca.

The company marked a sustained commercial and productive growth in the last decade, positioning itself as a regionally recognized supplier for its cattle of excellent genetic quality and high butcher yield.



Pablo Cianci
General Manager



Daniel Navarro
Livestock Farm
Manager

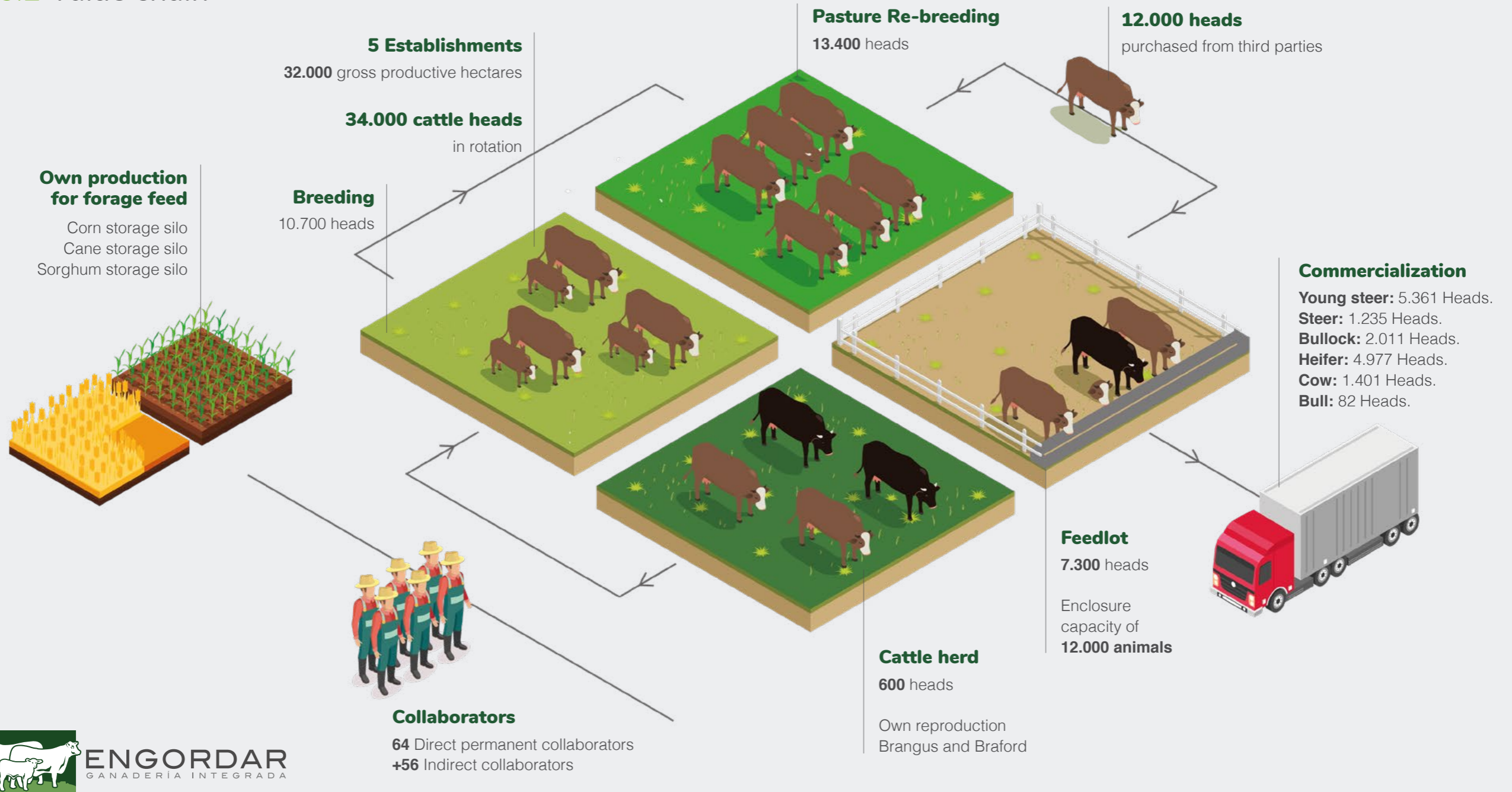


3.3.1 We are present in regional development

We have 32,000 gross productive hectares located in three provinces of the Argentine Northwest (Tucumán, Santiago del Estero and Catamarca). We have five agricultural-livestock establishments and two feedlots, which operate in an integrated and joint manner. The destination of our production is the domestic market, mainly the provinces of Tucumán, Catamarca and northern Córdoba.



3.3.2 Value chain



3.3.2.1 We develop a quality product

The business provides the local market for live cattle with high quality standards and butcher yield. It is the result of an intensive dedication from the birth of the animals to the end of their productive life.

Our professionals attend and take care of each of the growth stages, covering all quality aspects valued by customers and consumers, such as safety and nutrition, achieving excellent organoleptic qualities -a suitable color, greater tenderness and an optimal level of marbling-, and an ideal degree of completion.

All livestock production is carried out under the pastoral and Feed Lot modality. 40% of the production is done in a Feed Lot production system. The remaining 60% is a pastoral production system.



Sustained commercial growth

In recent years, Engordar has become one of the Group companies with the highest commercial growth. Its evolution is directly proportional to the productive increase, generated by a bigger volume of cattle for sale and the weight per head sold.

2016		12.905 heads		228 Kg of meat per head
2017		13.865 heads		247 Kg of meat per head
2018		15.213 heads		234 Kg of meat per head
2019		15.500 heads		238 Kg of meat per head

According to our strategic productive and commercial planning, Engordar managed to add new productively important categories to its sales listings. Is the case of the not castrated young bull (MEJ –Macho Entero Joven), which year after year has been taking greater relevance until it doubled its annual sales from 2017 to 2018.

A distinguished aspect of the company is the diversity of livestock consumption categories that it can develop in the same establishment. This let us cover the different needs of the market and the specific requirements of customers from a single distribution point.

» **2017:** 938 MEJ | **2018:** 1.760 MEJ | **2019:** 1.814 MEJ

	2018			2019		
Categories	Heads	Total kg.	Kg./Head.	Heads	Total kg.	Kg./Head.
Young Steer	6.421	2.566.487	400	5.444	2.312.172	425
Steer	725	330.588	456	1.235	526.512	426
Light Heifer	3.412	1.160.080	340	3.638	1.315.370	362
Heavy Heifer	1.450	520.989	359	1.357	608.713	449
Cows	1.304	648.826	498	1.401	746.695	533
Bulls	140	107.431	767	82	66.770	814
Young Bulls	1.761	803.103	456	1.929	942.139	488
Sales	15.213	6.137.504	403	15.086	6.518.371	432
Variation % years 2018 / 2019:				-1%	+6%	+7%

In 2019 there was a significant improvement in growth of 6% in total kilograms and 7% in average weight. It was generated by the production of more categories of greater weight, improving the production of kilograms of meat per head.



3.3.2.2 Sustainable practices

Responsible management with people

The management and efficiency of our project is developed with trained and permanently consolidating work teams. It is vitally important to count with committed collaborators that are convinced of their performance at work. Therefore, we keep our professionals in permanent training and updating, while we carry out exchanges with CREA Groups and institutions such as INTA. The development of the business must be accompanied by the development of our staff. That is why their education, throughout the organization chart, strengthens the growth of the company.

Contractors

We work with 12 contractors for tasks as Chopping, Veterinary Services, Field work, Cattel Freight, Electrical or Mechanical Repairs. On average, they have 8 years accompanying our organization. Their participation involves 97 workers; 2 of them are women.

We guide them with our policies and facilitate training in health, safety and child labor prevention topics.

Good Livestock Practices

In all our establishments, we align with the approach of good livestock practices. We consider that both environmental and natural resources care are essential for the sustainable generation of value, as well as to improve productivity and working conditions.

They lead to better practices in establishments, and help us ensure:

- » Food safety
- » Workers welfare
- » Sustainable management of the environment
- » Animal care

Pasture sustainability

Our Pasture System seeks balance and efficiency in plant production, thus generating fodder for animal feed. For this balance to be established, we must achieve a correct implantation of the pasture, which begins with the sowing and its initial multiplication. After establishing the plants (fixation to the ground and number of plants per meter), we look for the ideal moment for grazing, in order to try to attack the soil as little as possible with the 8 hour-a- day animal consumption.

- 1** - Cutting height: Up to the growth meristems in order to allow a rapid regrowth.
- 2** - Grazing pressure: Number of heads per hectare and permanence time, so as not to generate overgrazing.
- 3** - Mechanical cleaning cuts: For an even regrowth and weed control.
- 4** - Generation of Cover: All vegetal rest generated by the use of the pasture, serves as ground cover, providing nutrients and improving the economy of water in the soil.
- 5** - Closure: In the rest periods, the pasture can sprout, grow and multiply, all in favor of the best implantation and productivity.
- 6** - Productive design: The size of the paddocks, location and the number of drinking points, rationalizes grazing and therefore, the potential damage of the pastoral system.

All these 6 aspects are essential to maintain a healthy, nutritious and highly productive pasture over time.

Responsible management of veterinary waste

In compliance with Law 24,051 on Hazardous Waste, we treat clinical waste according to the best existing practices for this type of waste, resulting from medical care provided for animal health.

We train our personnel and we carry out an adequate treatment and classification of this waste in the livestock establishment. Finally, with qualified companies, we guarantee the treatment and its final disposal.

Animal welfare

We gather in each animal the best genetic combination, providing it, through a complete sanitary plan, quality forage resources (pasture, grain, industrial by-products) and professional management throughout the process.

We have Animal Welfare Policies applied in the stages of dehorning, castration and stripping.

The use of antibiotics is only in case of respiratory and/or digestive infections, or eventual puncture wounds. In some cases, antibiotic and anti-inflammatory are used to reduce the pain and discomfort.

In vitamin mineral supplementation, with the premixes in the Feed Lot, monensin is used to correct acidosis problems; Growth promoters are not used in any case, nor at any stage.

We address animal welfare aspects in processes related to:

- » Transport of animals
- » Repair and Adjustment of Installations
- » Mineral Vitamin supplementation
- » Selection of Biotypes
- » Balanced Nutrition
- » Natural Shades

In addition, two years ago we sought to impose specimens of MEJ. Is a fat young bull not exposed to the suffering of being castrated. It requires significant commercial activity to convince customers about this animal. We currently sell 1,750 steers of this type, which represents 22.18% of total sold in 2019.



Quality feeding

In order to achieve the uniformity of cattle (in weight, biotypes and butcher conformation), Engordar plans the feeding of cattle. We provide animals with a balanced nutrition throughout their productive life according to their requirements of each stage. In this way, we achieve meat with optimal compositional condition (lean-fat ratio), palatability (adequate color, greater tenderness and good flavor) and marbling.

It is essential for us to provide animals a diet with all the necessary nutrients to complete the growth and development of its tissues, contributing to the economically and nutritionally convenient for the livestock establishment.

Consequently, an average of 62% of meat yield has been achieved over live animal. This performance is two points more than the competition (amount of kg of meat for each animal slaughtered).

The company seeks food innovation and carries out the preparation of corn silos, sorghum and unconventional crops such as sugar cane. The silo is the base of Feed Lot diet and, therefore, the key for the growth in meat production. That is the importance of producing more and better silos at a lower cost.

Engordar works on the innovation of products of animal nutrition. This is the way to achieve excellence in meats and the best quality of life for livestock.



3.4 Nueces de Catamarca

Purity and freshness from origin

It is a company dedicated to the farming of Chandler walnut trees, and the production, packing, commercialization and export of walnuts in shell. From its establishment located in the valleys of Catamarca, at 1,150 masl, it offers the world a Premium quality product, which stands out for its high performance in pulp, optimal size and color. It has 215 gross hectares of walnut plantations, of which 65% are currently productive.



Juan Altamiranda
Primary Production
Manager



César Tello
Primary Production
Chief

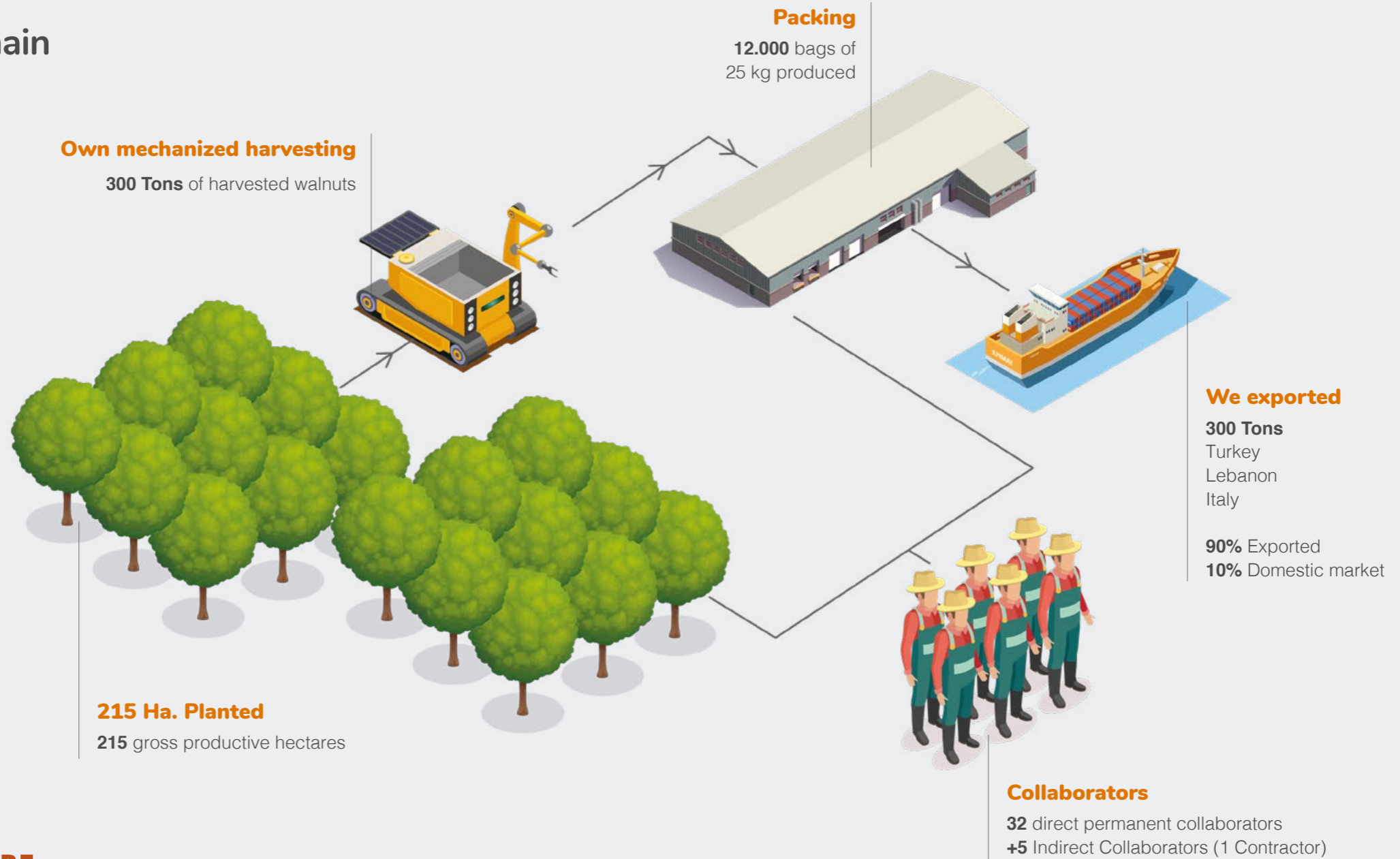


3.4.1 Our roots in Norwest Argentina, our market in the world

We are in the heights of the Catamarca Valleys, at 1,150 meters above sea level. Its strategic geographical location allows us to anticipate the harvest (mid-March) and, therefore, anticipating arrival in international markets.



3.4.2 Value Chain



3.4.2.1 Premium quality walnuts

We offer a premium quality product, internationally recognized. The quality of our walnut in shell is characterized by its freshness and natural flavor, its high performance in pulp, optimal color conditions (extra light, light and amber) and size.

Variety	Chandler
Origin	Argentina
Useful life	12 months from the harvest date
Use intended	Suitable for direct consumption or raw material for processed products



3.4.2.2 Production process

Plantation

We own more than 200 hectares with CHANDLER variety walnut trees. Our plants come from certified nurseries, a fundamental characteristic that, together with sustainable productive management, allows us to achieve high standards in productivity and quality.

Our harvesting process takes place between March and April. The strategic location of our establishment allows us to bring forward the beginning of the harvest and, therefore, achieve an early arrival on the markets.

Harvest

The harvest is carried out in a 100% mechanized way. The process is equipped with high technology. It includes vibrating machines, sweepers and pickers, which provides us with greater coverage, speed and quality.

Packing

Our Packing Plant has state-of-the-art technology, suitable to carry out the proper processing of the product, covering from washing, hulling, and drying, to an exhaustive selection of nuts. Modern and strict control systems allow us to deliver to our customers a product with structurally complete and healthy shells, protected from insect damage, free of foreign materials, and with the highest quality that the market demands.



3.4.2.3 Sustainable practices

Good Agricultural Practices (GAP)

At our walnut establishment, we use this approach to agriculture, which uses local and international knowledge to develop sustainable agricultural production practices that result in safe and healthy food products. A BPA approach leads to the improvement of practices on the field, especially related to:

- » Food safety
- » Worker welfare
- » Sustainable environmental management

2019 Highlights:

- » 300 tons produced; a volume similar to 2018 due to the adverse climatic conditions of abundant rains during the flowering period.
- » Reduction of harvest times from 60 to 25 days.
- » Investments of USD 400,000 for the incorporation of new technologies in the post-harvest line.
- » New markets in Turkey. Arrival in Lebanon, Dubai and Italy.
- » Improvement in the quality of walnuts, with high performance in pulp, and optimal size and color.
- » New packaging of 25 kilograms.
- » Positioning as suppliers of premium quality nuts.

2020 Challenges:

- » Produce between 500Tn and 600Tn of walnuts in shell.
- » Align our Good Agricultural Practices system with the aim of certifying our production under the Global GAP standard.
- » Implement software for the traceability system of the fruit in order to guarantee the safety and food quality of the product.
- » Make new investments in the field such as incorporating a new sweeper to streamline the harvesting system.
- » Implement a new spraying system with turbines at height (Jacto Valencia), to achieve greater coverage and control of plant diseases.
- » Incorporate new technology to automate the filling, weighing and sewing processes in the bagging line.

3.5 Pucar

Committed to sugar cane sustainable production

It is a company dedicated to the production of sugarcane and the commercialization of sugars. The company exploits, on three fields located in Tucumn and Salta, a total of 2,930 gross hectares planted. We develop comprehensive production processes, certifying quality and responsible practices. We adhere to the environmental management protocol by harvesting and managing RAC (crop agricultural residue) without the use of fire.



Juan Altamiranda
Primary Production
Manager



Daro Tapia
Field Chief

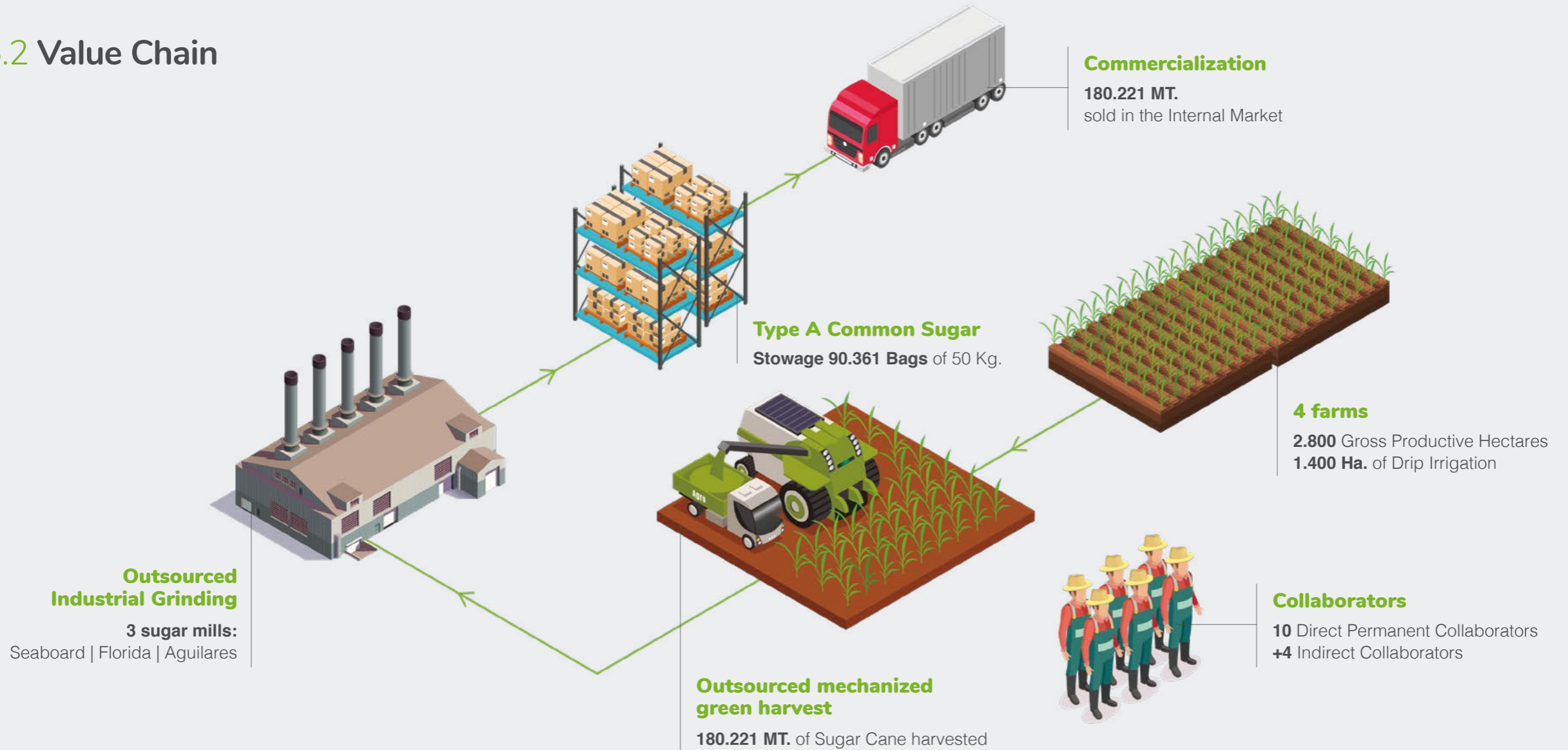


3.5.1 Primary production of guaranteed quality

We work in three farms with a total of 2,929 hectares, distributed in the provinces of Tucumán and Salta.



3.5.2 Value Chain



Processes and certified quality

El Pucará manages its production in a safe, responsible and sustainable manner. Our plantations are certified by GLOBAL G.A.P. standard. It shows our commitment to quality, safety and environmental care. This internationally recognized standard demands productive efficiency to improve business performance. Also, help us to reduce waste with in order to safe and sustainable production.

GLOBALG.A.P.

The Global Partnership for Good Agricultural Practice

Production without the use of fire

We adhere to the environmental management protocol for sugarcane crops. It was developed by institutions and producers from Tucumán, and it seeks to prevent potential accidental or intentional burning, guaranteeing that the harvesting process is carried out in green and the cane waste management is carried out without the use of fire.

Good agricultural practices (GAP)

This set of practices applicable in field cultivation results in safe and healthy food products, while respecting environmental, economic and social sustainability. In all our establishments we are aligned with this approach. We consider environmental, improve productivity and respect labor conditions. The GAP lead to an improvement of the practices in the establishments and help us to guarantee:

- » Food safety
- » Worker welfare
- » Sustainable environmental management

In 2019:

- » 180,221 MT of cane harvested
- » 90,361 bags of sugar produced and commercialized, equivalent to 4,518 MT of sugar.
- » 100% goes to the local market



04

We Preserve
Natural Resources

4.1 Measurement of Carbon and Water Footprints

Priority axes of our sustainability strategy: Climate change and Water Resources

The efficient and responsible use of the resources used in our company is part of our Sustainability Strategy. That is why we decided to reinforce our commitment to CO₂ emissions, with the aim of taking actions to mitigate climate change. In 2019, we carried out, for the first time, measurements of the Carbon Footprint and the Water Footprint of the different stages of the Citrusvil production chain and its main products. These tools make it possible to consolidate the most relevant consumption indicators, which will allow us to manage our resources efficiently and with the seriousness that defines us.

Our trajectory positions us as a leader and pioneer in sustainable production, with innovation in the generation of renewable energies being the reflection of the environmental commitment we have. One of the great milestones for our company was the start-up of the Effluent Treatment Plant in 2009. Its operation allowed us to manage savings of up to 20% in natural gas, an essential resource for our industrial processes, and the one with the greatest impact on our carbon footprint.

Another of the most outstanding events of the company was the implementation of our Light Reconversion Program. Since 2016, we have set out to reduce the company's electricity consumption by replacing the conventional luminaire with LED technology, with a projection of achieving a reduction of the installed power in lighting by 55% and the consumption of electrical energy by 50%.

In 2019 we completed the installation of 80% of LED lamps in Citrusvil facilities, projecting towards 2020 to complete 100% of the proposed objective, which in the future will reflect a significant impact on the economic saving of electrical energy, with a consequent positive environmental effect.



We quantify CO2 emissions throughout our value chain

The measurement of the Carbon Footprint was carried out under the guidelines of the GHG Protocol and the guidelines of the Intergovernmental Panel on Climate Change (IPCC), as well as the International voluntary standards ISO 14044 and ISO 14067, with the focus of Life Cycle Analysis.

The activities considered for the quantification of the **Carbon Footprint** are:

	ACTIVITY	DESCRIPTION	CONSUMPTION-2019		EMISSIONS-2019	
			VALUE	UNIT	VALUE	UNIT
NURSERY	Fertilizer consumption	Nitrogen fertilizers	10,06	Tons	6,769	Tons CO2 equivalent
ORCHARDS	Fuel consumption in machinery for cultural tasks	Own orchards	882.874	Ls. diesel	2358,38	Tons CO2 equivalent
		Third-party orchards	154.987,61	Ls. diesel	413,99	Tons CO2 equivalent
	Nitrogen fertilizer consumption	Own orchards	2.473	Tons	6.071,65	Tons CO2 equivalent
		Third-party orchards	434,13	Tons	1.065,87	Tons CO2 equivalent
	Electric power consumption	Water extraction pumps for irrigation	3.228.671	kWh	1.455,16	Tons CO2 equivalent
FRUIT TRANSPORTATION TO PLANTS	Fuel consumption	Own fruit	113.327,29	Ls. diesel	302,73	Tons CO2 equivalent
		Third-party fruit	15.067,26	Ls. diesel	40,31	Tons CO2 equivalent

	ACTIVIDAD	DESCRIPCIÓN	CONSUMO-2019		EMISIONES-2019	
			VALOR	UNIDAD	VALOR	UNIDAD
PACKING 2 FRESH FRUIT PACKING HOUSES	Electric power consumption	Cevil Pozo Plant	830.031	kWh	374,08	Tons CO2 equivalent
		Ischilón Plant	333.976	kWh	150,53	Tons CO2 equivalent
	Natural Gas Consumption	Cevil Pozo Plant	109.319	m³	259,887	Tons CO2 equivalent
	Liquefied petroleum gas consumption	Cevil Pozo Plant	113.218,86	Ls. LPG	178,16	Tons CO2 equivalent
		Ischilón Plant	64.993	Ls. LPG	102,29	Tons CO2 equivalent
INDUSTRY 2 PRODUCTION PLANTS	Electric power consumption	Plant A	11.387.332	kWh	5.132,26	Tons CO2 equivalent
		Plant B (includes nursery's consumption)	10.462.780	kWh	4.715,58	Tons CO2 equivalent
	Natural Gas Consumption	Plant A	6.235.638	m³	14.824,25	Tons CO2 equivalent
		Plant B	4.645.351	m³	11.043,51	Tons CO2 equivalent
	Liquefied petroleum gas consumption	Plant A	22.698,14	Ls. LPG	35,72	Tons CO2 equivalent
		Plant B	43.612,58	Ls. LPG	68,65	Tons CO2 equivalent
EFFLUENT TREATMENT PLANT	Electric power consumption	Electric Power for the operation of the Effluent Treatment Plant	769.665	kWh	346,90	Tons CO2 equivalent

The measurement of CO2 emissions was carried out throughout our production chain. This process meant a very learning experience, which involved all our nursery, orchards, packing plants, industrial plants and the effluent treatment plant teams, as well as those responsible for the different work teams linked to our sustainable management.



At Citrusvil, we show our commitment by delivering results

Aligned with the Sustainable Development Goals, with regard to the need for urgent actions to fight climate change and its effects, we obtained the following result of the Carbon Footprint of our activity during 2019:

Carbon footprint of the activity of Citrusvil 2019

48.946,68 tons of CO2 equivalent

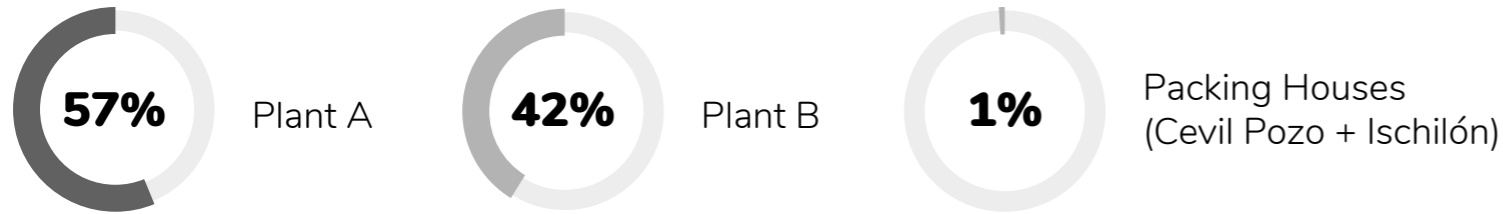
Citrusvil Carbon Emissions from the main activities



The greatest impacts on the Carbon Footprint are generated by the consumption of natural gas and electric energy, which take place mainly in industrial processes.

Emissions from natural gas consumption

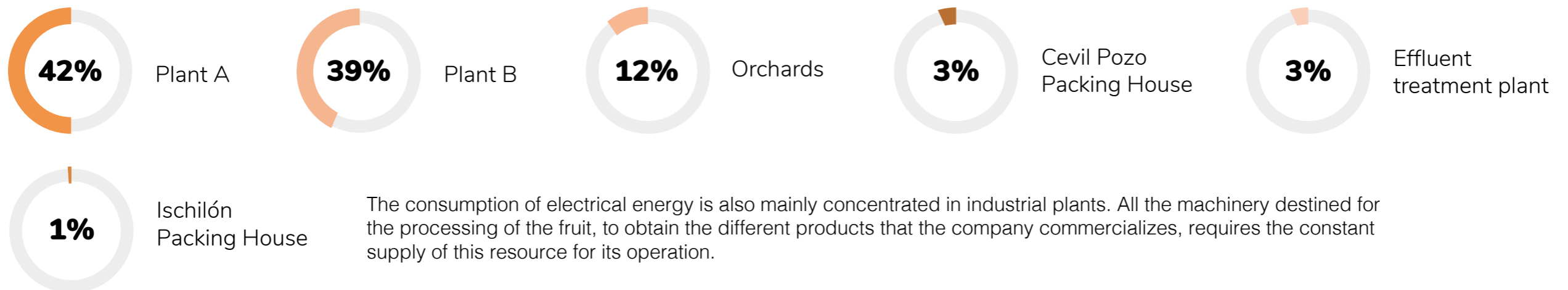
53% of the natural gas consumed is distributed in Citrusvil fruit processing plants:



In lemon processing, the highest consumption of natural gas is concentrated in industrial plants. It is mainly intended for the operation of furnaces in which the dehydration of the peel is carried out, a necessary process to achieve the optimal conditions required for the commercialization of this product.

Emissions from electric energy consumption

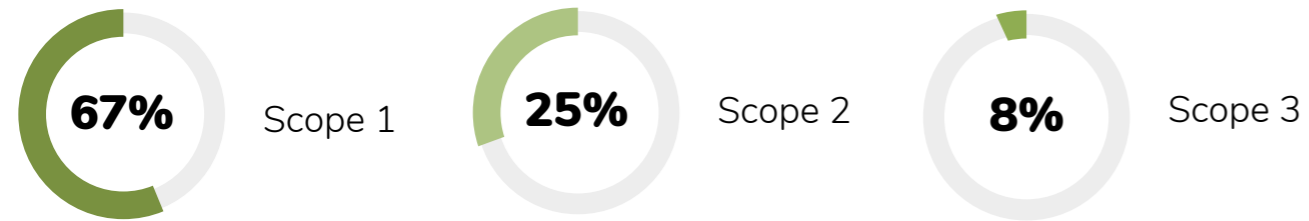
25% of the electrical energy consumed is distributed in the different stages of the Citrusvil production chain:



The consumption of electrical energy is also mainly concentrated in industrial plants. All the machinery destined for the processing of the fruit, to obtain the different products that the company commercializes, requires the constant supply of this resource for its operation.

Citrusvil carbon footprint by scope:

We were able to collect and systematize all the exhaustive information required to define the Scope 1 and 2 emissions values, and partially Scope 3, related to Citrusvil emissions in the 2019 activity.



In this exercise, we addressed emissions from the three scopes. We were able to identify that the largest proportion corresponds to scope 1 emissions, that is, those that we can directly manage with reduction strategies such as: use of fertilizers, gas oil, natural gas, electric power and LPG, demonstrating that the use of these resources affects not only production costs but also the environment.

- Scope 1** (direct emissions into sources owned or controlled by the company)
- Scope 2** (emissions from the generation of electricity acquired and consumed by the company)
- Scope 3** (indirect emissions, as a result of the company's activities but occurring in sources that are not owned or controlled by the company).



2019 carbon footprint of our products:



Fresh fruit 74,33 Kg

Kg of CO2 equivalent / ton of fresh lemon packed



Juice 807,00 Kg

Kg of CO2 equivalent / ton of juice



Oil 54,05 Kg

Kg of CO2 equivalent / ton of oil



Lemon peel 1.993,52 Kg

Kg of CO2 equivalent / ton of peel

It can be seen as a result of the analysis on each product, with the corresponding assignments, that the dehydrated peel is the one that has the most associated impact, because the use of natural gas to obtain it is greater.

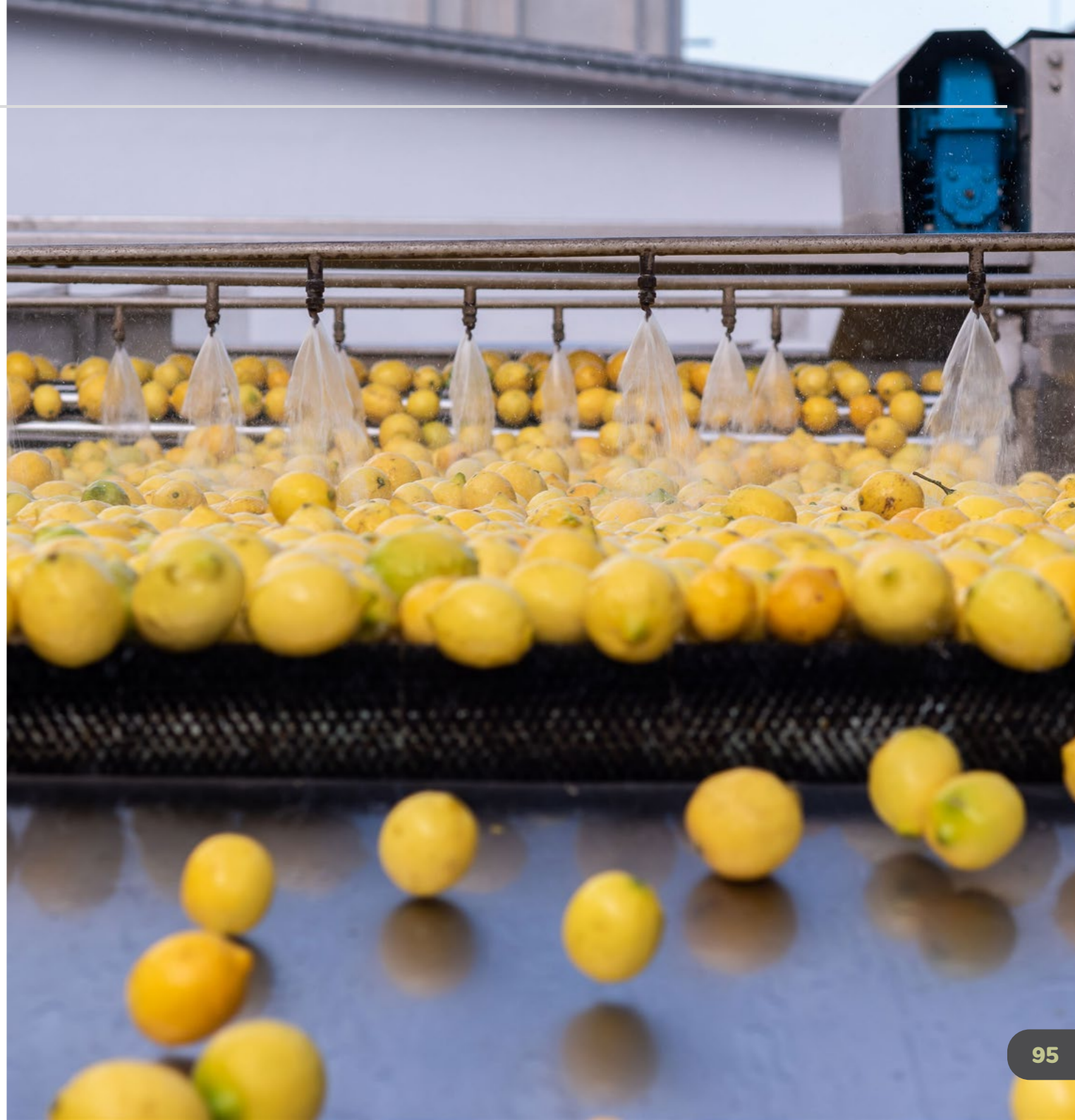


Water footprint

Water is a critical resource for our productive activity. That is why the responsible use of it not only benefits our business but all our communities.

Regarding the Water Footprint, we use the methodology described in the international voluntary standards ISO 14044 and ISO 14046 (Requirements and guidelines for the Water Footprint) to calculate the water footprint due to scarcity.

We were able to survey direct consumption in all production facilities, thus obtaining the water consumption related to the activity of Citrusvil 2019, as well as the volume used for the production of our main products: fresh lemon, juice, lemon oil and peel.



Activities considered for the quantification of the Citrusvil Water Footprint

	ACTIVITY	DESCRIPTION	CONSUMPTION-2019	
			VALUE	UNIT
Own ORCHARDS	Irrigation	Water consumption for irrigation in citrus plantation	4.821.600	m ³
	Use of water for applications	Water consumption for spraying and fertilizer application	171.456	m ³
PACKAGING 2 FRESH FRUIT PACKING HOUSES	Cevil Pozo Plant	Water consumption in fruit washing equipment	34.750,9	m ³
	Ischilón Plant		7.680	m ³
INDUSTRY 2 PRODUCTION PLANT	Plant A	Water consumption in industrial equipment for the production of oil, concentrated juice and peel. It also includes the consumption of water for irrigation in Nursery and Effluent Treatment Plant facilities.	609.111,1	m ³
	Plant B, Nursery and Effluent Treatment Plant		608.247	m ³

In 2019 the highest percentage of water consumed came from the irrigation of our plantations. This value can be partially controlled by our management, as much of this water requirement depends on the climatic conditions of each year.

Opportunities for improvement are given by the efficiency in the use of this resource both on orchards and in industry.

The use of water is present throughout our value chain

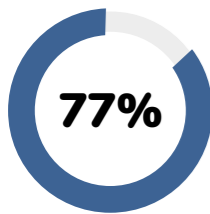
Water is needed for agricultural management. Approximately 40% of Citrusvil's planted area has a drip irrigation system; water is also essential in the processing of our products. But above all it is a shared resource: clean and adequate drinking water is vital to our management and to the communities in which we are present.

2019 citrusvil water footprint

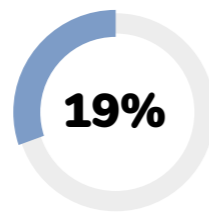
6.252.845 m³

The basis of our work in water management lies in the comprehensive strategy of managing this resource in all instances of our production chain.

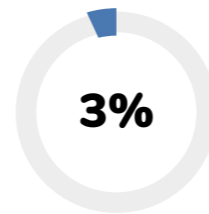
Citrusvil Water Consumption by Activity



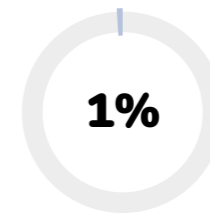
Water consumption for irrigation



Consumption of industrial Plants (includes Nursery)



Water consumption for phytosanitary applications on plantations



Water consumption in Packing Houses

2019 Citrusvil Water Footprint assigned by product:

Water is an essential element of our business, from cultivation up to our finished products, through the entire supply chain. The measurement of our Water Footprint will enable its management reordering and care, as well as the investment in measurement tools to make the use of water more efficient in our operations.

Once the water consumptions for each sector of the production chain were identified, various methodologies were used to assign this consumption value to the main products:



Fresh Fruit 20,1 m³/Ton.
of packed fresh lemon



Oil 60,21 m³/Ton.
of oil



Juice 134,19 m³/Ton.
of juice



Lemon Peel 273,13 m³/Ton.
of peel

From this analysis, it can be observed that the products dehydrated peel and concentrated lemon juice are those that imply the highest water consumption per ton of product.

Results and challenges of the measurement of our Carbon Footprint

Since 2009 we have been implementing renewable energy strategies, that have been the key to carbon footprint measurement, reflecting a significant impact on the reduction of CO2 emissions in the company.

Use of biogas in industrial plants

Citrusvil was the first citrus industry in the world to develop a liquid treatment system originated from its production processes, approved as a Clean Development Mechanism by the United Nations. Our Effluent Treatment Plant has been in operation since 2009 and allows biogas to be generated through its biodigesters. This fuel was used from the beginning to produce steam in industrial boilers, thus avoiding the emission of methane gas into the atmosphere, whose greenhouse effect is greater than that of CO2. In 2019 we managed to replace 14.4% of the Natural Gas required for its operation, avoiding with it the emission of 3,762.38 tons of CO2 equivalent.

Light Reconversion Project

Since 2016 our Light Reconversion Plan has been implemented, adding actions to our sustainability strategy. The main objective is energy savings in the company, with a 55% decrease in the installed power in lighting and a 50% reduction in electrical energy consumption. The strategy was based on replacing the conventional luminaire of all the building units with LED technology lamps.

Throughout 2019 we progressed with this ambitious task. We achieved 80% of the Plan for Citrusvil, with 1,850 lamps installed out of a total of 2,300, which are expected to be completed in 2020. With reductions in energy consumption for lighting achieved within the 2019 period, we avoid 266.93 tons of CO2 equivalent. With the reductions in energy consumption for lighting achieved within the 2019 period, we avoided 266.93 tons of CO2 equivalent.

Clean energy and sustainable production

With the purpose of clean energy and sustainable production to promote sustainability and achieve cleaner production, Citrusvil established a strategic partnership, which will take effect from the mid-2020s, to supply itself with electricity from renewable sources. This clean energy, in this case of wind origin, will allow to cover 30% of the annual electricity demand from 2021, thus comfortably exceeding the commitment established by law 27,191 for wholesale consumers in Argentina

The results obtained and the tool developed for the calculation constitute the basis for the identification of improvement opportunities in the company. Also, to manage our activity in an increasingly efficient way considering resources care and environmental protection, fundamental pillars of our sustainability strategy.

Our Carbon Sink

Capture of CO₂ on our farms

Trees, agricultural crops and vegetation in general, due to their photosynthetic capacity, capture CO₂ from the atmosphere and store it, acting as well as CO₂ sinks. In this way, crops play an important role in mitigating climate change.

In 2019, together with the ProYungas Foundation, we calculated the carbon stock present in the 107 hectares of citrus plantations of our Don Vicente orchard. The study used a random sampling technique, weighted by the age of the plantation and the associated area, of a non-destructive nature.

Suggested IPCC methodologies were followed to determine biomass and subsequent carbon calculation, because there is no reliable accurate information available on carbon sequestration by citrus plantations.

From these field measurements and detailed calculations, the value of the **annual absorption rate** for our plantations was obtained. This value is 16.90 tons of CO₂ / Ha per year. Considering the 6,093 net hectares planted with citrus that are owned by Citrusvil, we estimate a capture of **102,971.7 tons of CO₂ on our orchards.**



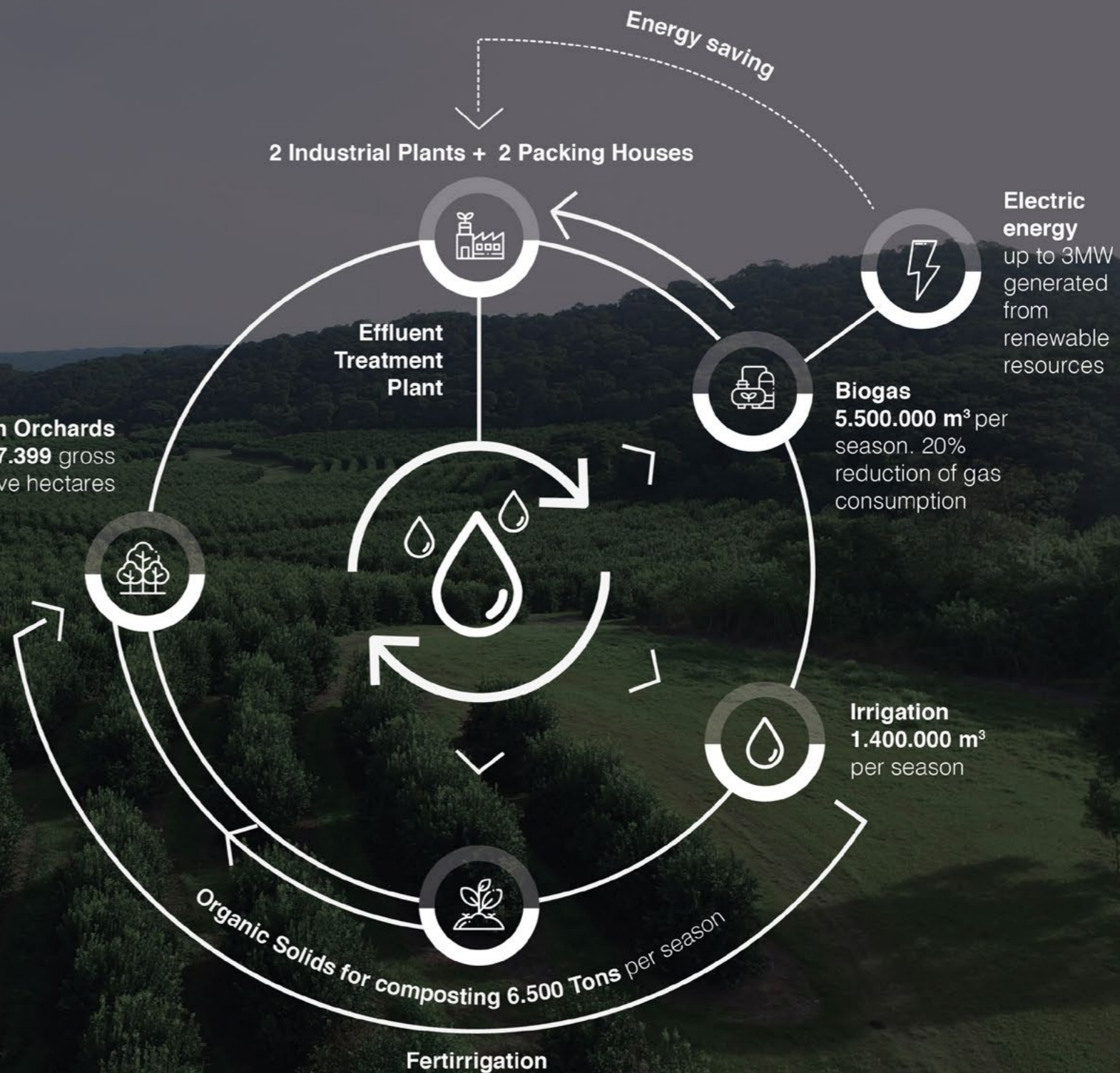
4.2 At the forefront with our Circular Productive System

Citrusvil was the first citrus grower in the world to produce biogas and electric energy from its effluents.

The Zero Effluent Program objective is to prevent the industrial effluent from dumping into any natural or public domain water source. All the effluent generated by our industrial and packing plants is diverted to the treatment plant, to be fully exploited.

To obtain its products, Citrusvil consumes around 4m³ of water for each ton of processed fruit, consequently generating around 10,000m³ of effluent per day. It is diverted to the treatment plant for further processing and final disposal.

Lemon Orchards
7.399 gross productive hectares



Pretreatment (primary treatment)

The solids found in the effluents generated by the industrial and packaging plants are retained by grids and sieves before entering the biodigesters.

Approximately 50 tons of solid waste is retained and sent to the composting beach to be used as nutrients on our farms.

Biodigestion (secondary treatment)

The plant has 3 anaerobic biodigesters in series where the removal of organic matter occurs, and the generation of biogas is then conducted to the electric power generation plant.

From the treatment of 100% of the generated effluent, 5,500,000 m³ of biogas is produced per season, enough to generate 3MW of electric power.

Post-treatment (tertiary treatment)

After anaerobic digestion, the effluent continues the treatment in 9 aerobic lagoons. Finally, is used in the fertigation of 600 Hectares of its own farms. In 2019, 1,474,311 m³ of treated water were applied in some of our fields, reducing the use of fertilizers.

Due to the seasonal nature of Citrusvil's biogas production and energy consumption, added to the electricity prices handled by the wholesale market, we initially used this biofuel to produce steam in the boilers, reducing fossil fuel consumption by 14.4% this year.

Since 2019, we began to derive biogas to generate electricity during the harvest. Now the challenge is to feed the biodigesters also in the inter-harvest in order to operate throughout the year.



In this way, we have turned biogas into one more by-product of lemon industrialization, now becoming the Effluent Treatment Plant a productive unit, instead of a service unit.

4.3 We protect habitats

Citrusvil's properties are in an ecotone region between the Yungas ecoregion and nearby flatland production areas. They make up a landscape where the cultivated hectares coexist with patches of remaining forests and in contact with large areas of native forests located on upper slopes, corresponding to the Selva Montana and Montane Forest of Yungas.

Since 2016 we have been working in partnership with the **ProYungas Foundation** in the **Protected Productive Landscape Program**. Its purpose is to reconcile the conservation of biodiversity and its habitat with agricultural production in territories of high environmental value.

Citrusvil has 23 production units, of which 7,399 hectares are preserved as native forests, and 7,640 are plantations that produce 275,000 tons of lemon per season.

2016: We carried out the Land Management Plan to:

- » Know the landscape context where our productive activities are develop.
- » Analyze the wild environment and transformed areas.
- » Categorize each of our farms.

2017: We carried out the Zoning of the three properties categorized as "High environmental valuation". They are a total of 6,147Ha. 68% of that surface remains as a natural environment and 32% are transformed environments.



High environmental value orchards

6.147

hectares in these 3 orchards

68%

natural environment

32%

productive areas

Natural environments preserved for each field

68% of the natural environments of the three orchards are distributed as follows:

Don Vicente



Ischilón



La Cruz

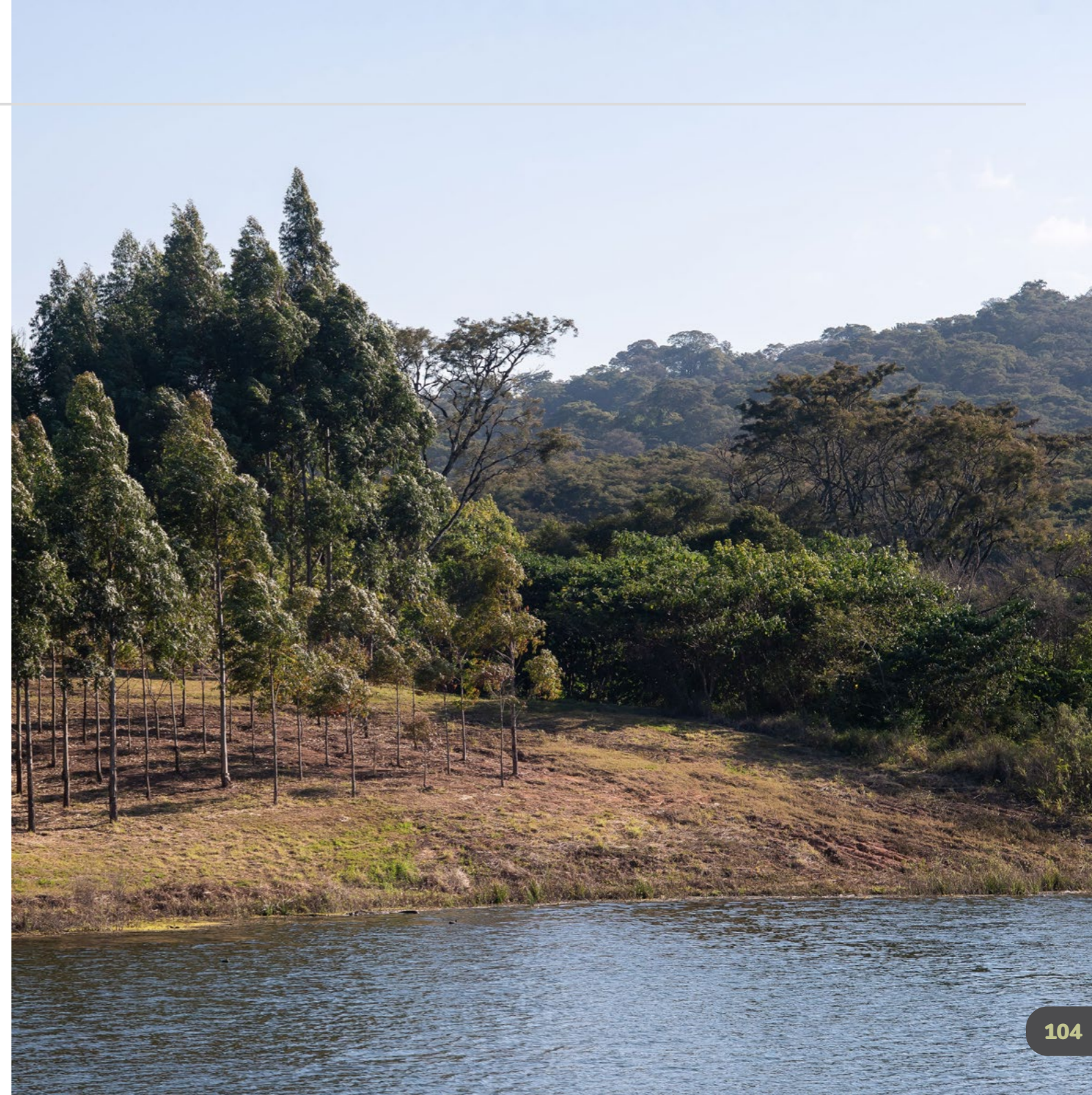


These results allowed us to define the creation of our Private Nature Reserve in Don Vicente, since the highest percentage of natural environments that we have are located there.

We incorporated new surfaces

In 2019 we started the second stage of the project together with Proyungas. The objective is to update the surface of the Citrusvil fields after the incorporation of new areas. From this survey, 209 Hectares of preserved native forests were added.

The conservation of native forest areas and our citrus production areas constitute carbon sinks (natural deposits), with which we contribute to offset the emissions generated in industrial processes and, in this way, contribute to the mitigation of climate change.



Don Vicente Private Nature Reserve

The Don Vicente field, also named El Cajon, is in the Burruyacu department, north of the province of Tucumán. It comprises an area of 3,151 hectares, with 75% of its surface consisting of natural environments:

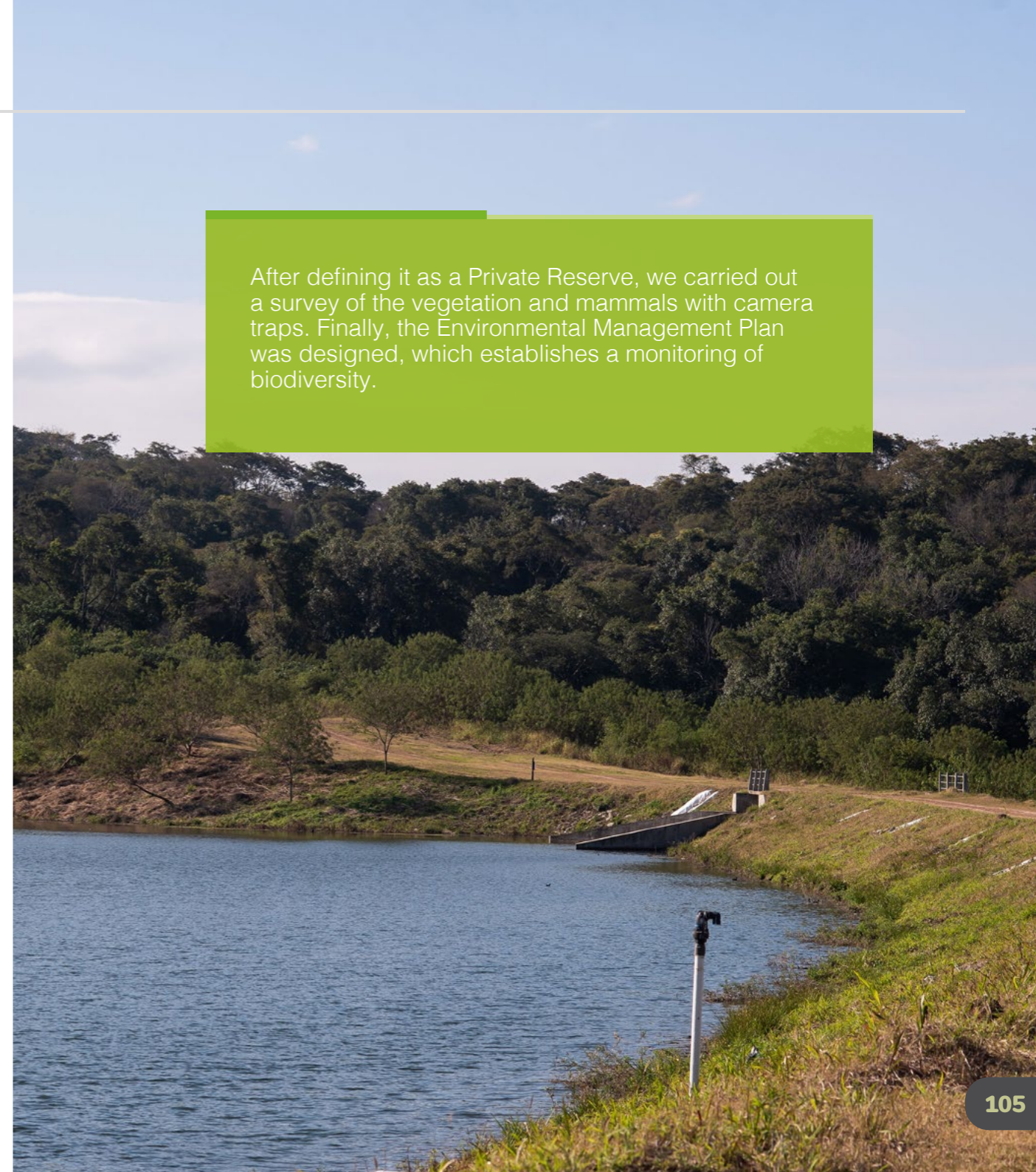
Yungas	Riparian Forest	Citrus plantations	Forest plantations	Dam
2.350	36	713	15	37

From these data, we identified this farm as the property with the largest area of native forests. We decided to create a protected environment under the requirements of the Argentine Network of Private Nature Reserves.

The Don Vicente Private Nature Reserve has an area of 1,411Ha. Its forest is classified as Category 1 according to the Territorial Ordinance of Native Forests (OTBN) of the province. It means is not allow the change of use, nor a productive management of the area.



After defining it as a Private Reserve, we carried out a survey of the vegetation and mammals with camera traps. Finally, the Environmental Management Plan was designed, which establishes a monitoring of biodiversity.



In order to achieve a strict level of conservation, two priority lines of action were defined:

Research and Monitoring

- » Monitoring of biodiversity with a frequency no greater than 3 years.
- » Survey of mammals with camera traps and bird registration as indicators of conservation status.
- » Survey of vegetation.



Control and Monitoring

- » Restriction of access to areas of greater risk.
- » Complaints to the corresponding enforcement authorities.
- » Protocol of action against events with environmental damage.
- » Training for field staff.
- » Strategic link with local actors: municipalities, provincial government and neighbors to promote conservation.



We honor our commitments

Within the guidelines of the Protected Productive Landscape Program, we continue with various actions to reinforce our commitment and sustainable management. Relevant initiatives in 2019:

Reforestation

With the aim of reforesting and generating social prominence and environmental awareness in the community, we planted trees of native species in rural schools and on our farms.

In 2019, from the Vicente Lucci Foundation, we work with the Proyungas Foundation to promote the importance of planting and caring for children, as well as our collaborators. We planted 250 trees of native species in community schools, in the Barrio Aeropuerto, on the El Carmen field and on the outer perimeter of Citrusvil.

Social-environmental characterization in new citrus orchards

The purpose is to identify the types of environments present in these spaces and determine the uses of their soils, whether they are wild spaces or for production and infrastructure.



Training our collaborators on the protection of biodiversity

We are convinced of the need to involve our collaborators in the care of natural environments, aligned with the commitments made by the company for the care of biodiversity.

Placement of Signage

So that all personnel who visit the facilities know the flora and fauna of the reserve and the main actions for preservation.

New agreement for the protection of biodiversity

In 2019, with the advice of the Proyungas Foundation and within the framework established by National Law 26,331 on Environmental Protection of Native Forests; Provincial Law 8.304, Decree 1550/09 and Resolution 22 of Directorate of Flora, Wild Fauna and Soils. We signed the agreement with the **Directorate of Flora, Wild Fauna and Soils of the Province of Tucumán** to execute the Don Vicente Reserve Biodiversity Conservation Plan.

Carbon Stock Assessment. Through a forest inventory, the amount of carbon stored in the native forests of the Don Vicente Reserve, one of the farms with the largest area of native forest, will be evaluated. This estimate will be relevant in relation to the company's carbon footprint and its compensation strategies.





05

We develop
human capital

5.1 We promote development and well-being of our human capital

At Grupo Lucci we believe that our people are the most valuable resource. We promote an environment of continuous learning with a strong focus on excellence, innovation and continuous improvement.

We are convinced that the individual contribution of our collaborators is the basis of our value proposition to our clients (internal and external) and our corporate identity. We promote teamwork to support our daily actions, sustained by our values of reliability, commitment, integrity and excellence. In 2019 we worked on the generation of collaborative environments, promoting more connection between the areas in order to reach the best performance of the organization.

Our challenge was to lead a process of cultural change based on the organizational redesign of leadership, management by objectives and innovation. This process led us to rethink the way in which we understand our work and its impact on the community and on everyday interrelationships.

We work on two order axes:

- » Organizational redesign
- » Management by Objectives



Organizational redesign

At first, this process led us to have each team meet with its internal and external costumers to relieve their expectations, needs and frequent problems.

These meetings allowed us to review our current management and put together the Value Proposals that express the commitments that each team must face to put their customers at the center of the processes.

Management by Objectives

Another milestone that marked our challenges for 2019 was moving forward with the implementation of a methodology for Management by Objectives (MBO), focused on the participation of each collaborator and the construction from bottom to top of critical goals.

The central axes were to work in the ability to execute in a focused way and in the individual report towards the team. This stage allowed us to put the individual contribution to achieve excellence at Grupo Lucci.

Within this process, we have implemented the role of MBO leader. This leader is a person from a different sector than the one that finally accompanies, monitors and facilitates the achievement of objectives. 22 collaborators were part of this process, and provided contributions from the interdisciplinary and improvements in the interrelationship of the teams.

2019 highlights



1.354 members

Increased of training hours



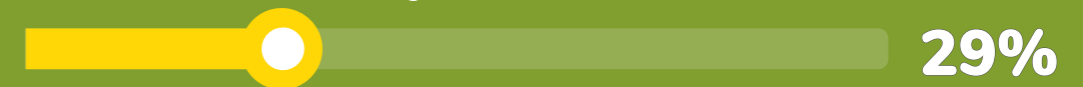
Retention for fathers and mothers



Members under collective labour agreement



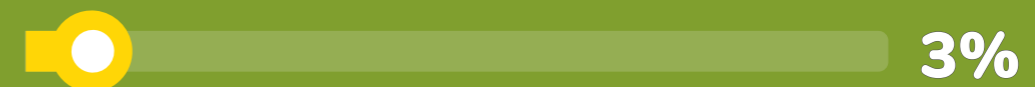
Decreased accidents among harvest staff



Decreased of accidents on the way to work



Turnover rate



5.2 Our People: Characteristics of our members

Convinced that our employees are the engine of the company's growth, we promote values of respect for decent work in all its forms, encouraging the development and well-being of their work teams.

Grupo Lucci employs around 1,300 direct collaborators in the region, providing a space for local potentialities towards a growth with a vision for the future.

Evolution of our staff since 2017

	2019	2018	2017
Women	53	64	67
Men	1.301	1.535	1.434
Total	1.354	1.599	1.501

Distribution of our staff in 2019 by hierarchical levels

	Women	Men
Directors and Managers	-	17
Supervisors and Chiefs	7	88
Analysts and Administratives	24	127
Operators	22	1076

The decrease of the endowment in 2019 is related to the closure of the Viluco Industrial Plant in Frias, Santiago del Estero.



5.3 Good labor practices

At Grupo Lucci freedom of association is part of our values and good labor practices. We have a permanent dialogue with the different unions represented in the activities of the group. It means a better work performance based on the good coexistence between Unions and Grupo Lucci.

Guilds and Unions

- » Union of Food Industries Workers (STIA)
- » Argentine Union of Rural Workers and Dockers (UATRE)
- » Construction Workers Union (UOCRA)
- » Federation of Workers of the Oilseed Industrial Complex, Cotton Ginners and the Like of the Argentine Republic (F.T.C.I.O.D.Y.A.R.A.).
- » Union Receivers of Grains and Annexes (URGARA)
- » Construction Workers Union (UOCRA)
- » Argentine Union of Rural Workers and Longshoremen (UATRE) - National Commission of Agrarian Work

Performance evaluation:

Working in the development of our collaborators is always a priority for our Group. That's why we added some cultural values to the evaluation like the commitment with the 5S's and Internal and External Audits results (for chiefs and managers).

The 5S's philosophy is a methodology promoted by Grupo Lucci for years and that is being gradually implemented in its different operations. This year we wanted to give this method the importance that it deserves, by adding it formally to the management of our collaborators.

By 2020 our focus will be on the feedback process and team management.



5.4 We promote training for growth and innovation.

In 2019 we increased training hours for our collaborators by 4% with more internal education. With the conviction that “there is no better teacher than a colleague with experience”, we strengthened this transmission ability through training of trainers activities with an external consultant.

Another of our organizational objectives was to work to establish innovation as a cultural pillar, which we think of as a central process in our aspiration to be a sustainable company through our continuous improvement.

That is why we launched an internal survey to find out how we are positioned in this process and also identify strengths and opportunities for improvement to generate a sustainable program. 100 people from different levels and companies of our Group participated in the survey.

The design of survey results

The results positioned us as a company with an innovative will. We carried out with the Consultant **INNOVIS**, workshops and two activities for innovation using agile and gamified methodologies.

In 2020 we will work to form the **Innovation Committee** that allows us to promote and facilitate ongoing and appropriate awareness and training application of concepts, methods and innovation tools to democratize the process and strengthen the culture.

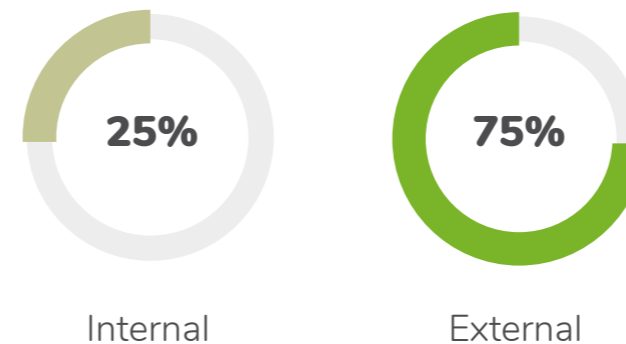
Total hours of training received by Grupo Lucci collaborators

■ 2017 ■ 2018 ■ 2019



We are committed to strengthening our learning management by promoting internal training.

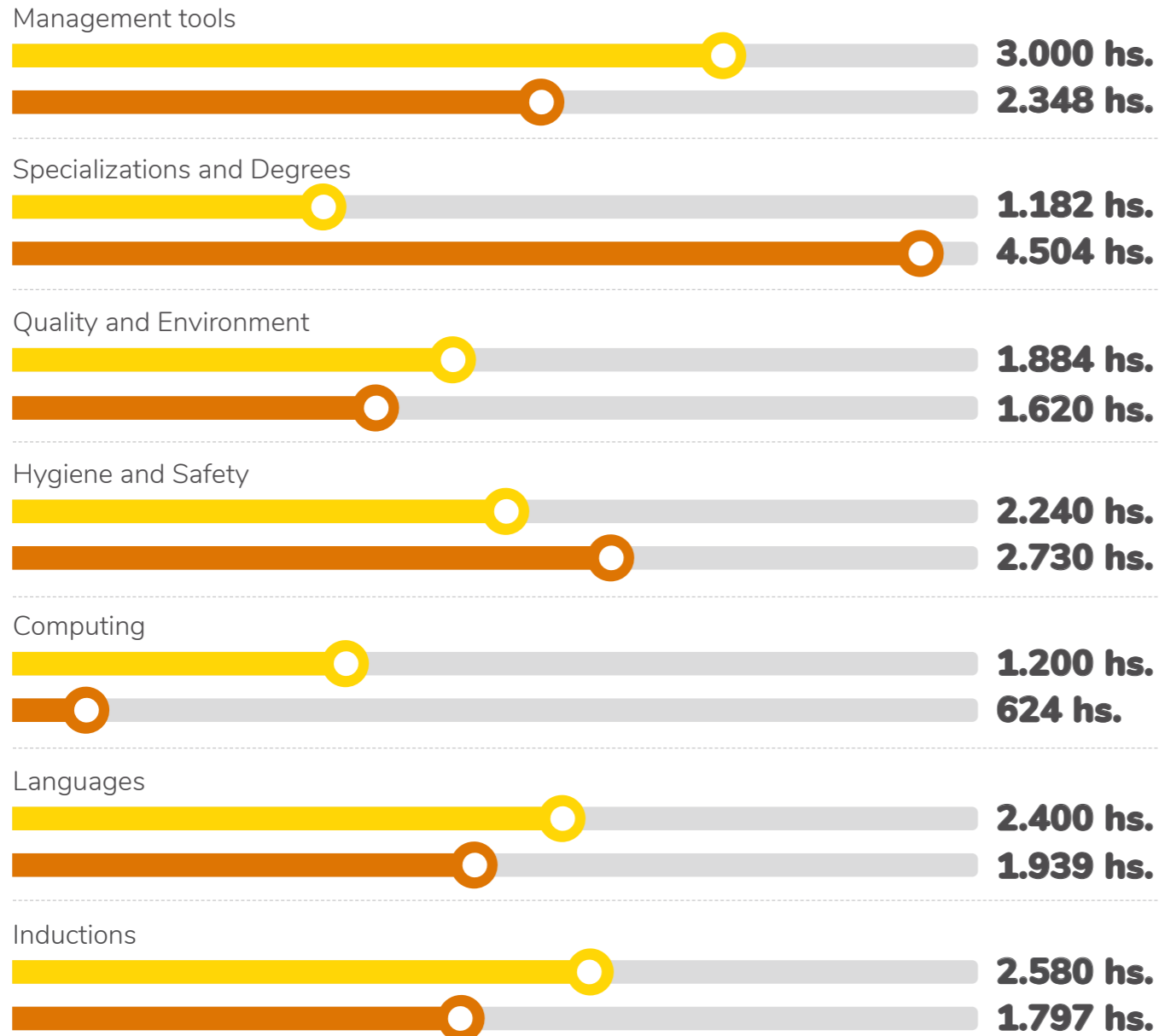
Training modality



We increased by 27% the number of hours of internal training in relation to external training.

Training topics

■ 2018 ■ 2019

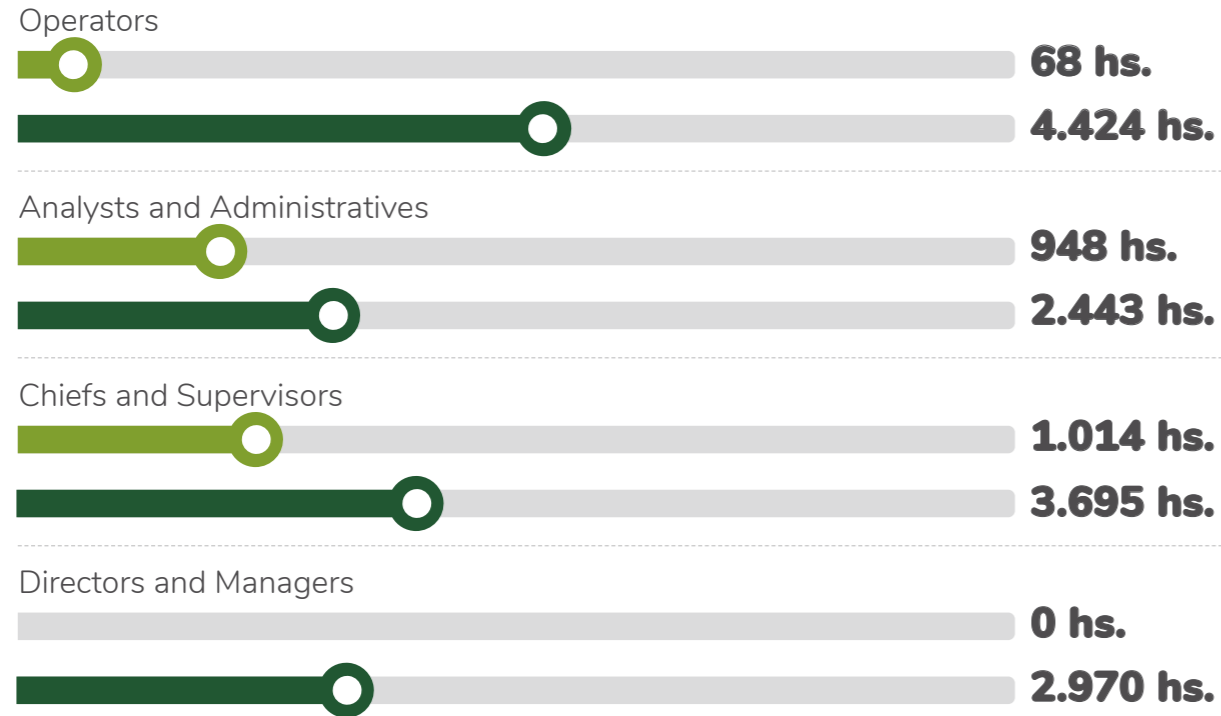


Our Focus

We focused on management skills for our team management and specific training for our future leaders in technical and management issues associated with our business. We also improved training in languages, computing, quality, environment and safety issues.

Training hours by **job category**

■ Mujeres ■ Hombres



We have a Performance Management Program, as part of our internal development pillars for our out-of-agreement collaborators. In 2019 we incorporated the 5S Methodology as a competence to evaluate.

311 collaborators were evaluated in 2019.

In the context of our Organizational Redesign Project, and to sustain the future challenges of our business, we presented the methodology based on the definition of replacement cadres and development plans, to be implemented in 2020.



5.5 Health and safety: an essential value

One priority aspect for Grupo Lucci is the health and safety care of all workers in all our companies.

In 2019 Citrusvil was recognized for its commitment to accident prevention. The insurance company Galeno ART gave a recognition to Citrusvil, and its Area of Hygiene and Safety, for the effort and work in accident prevention, thanks to which a significant decrease in accident levels was achieved.

Our Hygiene and Safety team is dedicated to the implementation of measures, the measurement of accident rates and the development of activities necessary for the prevention of occupational diseases and accidents arising from work. Its activities include:

- » Staff training and induction in income.
- » Delivery of personal protection elements.
- » Communication campaigns for staff awareness and information
- » Simulation of evacuation, fire and spill of chemical products

They also work on identifying the main risks in the different operations of Grupo Lucci. Among the riskiest tasks are:

- » Use of ammonia,
- » Noise within the industry and packing plants,
- » Possibility of collision with forklifts and trucks, especially within the Packing House.
- » Risks of trapping in machinery
- » In field areas, fall from height, blows with tools and objects, and trapping with the gimbal of tractors.

Part of the task of our Department of Safety and Hygiene is to eliminate, mitigate or decrease the probability that the organization's employees will be affected by these various risks to which they are exposed. In this way, training is provided to:

- » Defensive vehicle driving
- » Training of the emergency response brigade in firefighting, use of autonomous breathing equipment and emergency response with ammonia
- » Forklift drivers
- » Electric risk
- » Safe handling of chemical products
- » Stokers (Boilers operators)
- » First aid



We launched the Zero accidents Campaign

Our policies and constant training and awareness of Grupo Lucci’s employees, have an impact on results. Our accident rates have been decreasing thanks to the different prevention programs. We implemented a communication campaign in all our companies, using different tools to raise awareness among our collaborators, evidencing the reduction of accidents and the strengthening the preventive management of risk situations.

We work for Road Safety

To avoid accidents and work preventively in road safety, in addition to training and campaigns, we also dedicate efforts to:

- » Formulate our own vehicle safety manual.
- » Conditioning our fleet of 56 vehicles with high visibility reflective elements, satellite tracking, speed control and time restriction of use.
- » All personnel who enter our company, regardless of the work they do, receive Road Safety training on entry.
- » Training and delivery of a reflective vest to all personnel who move on a motorcycle, with the possibility of sanction for those who do not use these devices.

2019 results

We decreased the level of road accidents in our fleet of 56 vehicles by 13% compared to 2018, and we reduced its fuel consumption by almost a 30%, thanks to monitoring and prevention tasks.

Type	2018	2019	Target %	Final outcome %
Accidents on the way to work	37	26	-5%	-30%

The graph shows that the decrease of in the way to work accidents was 30% over 2018. It is a fundamental premise for the company to reach our strategic objective of healthy and injury-free work environments, while ensuring that our employees return home safe at the end of each workday.

We consolidated the 5S Methodology

In pursuit of the excellence of Grupo Lucci's organizational culture, we enhance the 5S methodology. It involves the understanding and implementation of a teamwork philosophy and spirit, and methods that seek the commitment and participation of the staff of each level of the organization. The objective is to work as a team and achieve a cultural change over time.

Thanks to the implementation of this discipline, we have achieved a differential value that today distinguishes us between other companies in the sector and the region.

At Grupo Lucci we are convinced that the 5S method is an essential tool to improve the quality of life, productivity and the environment of our organization.

The implementation of this system offers numerous benefits, such as energy and time savings, input costs minimizing, and increasing of availability of physical space. It also improves quality and safety of products and services, as well as the work environment, increases the useful life of equipment and work tools, and reduces risks of accidents and health, above all.

- » 2012: The organization achieves certification under the OHSAS 18001: 2007 standard.
- » 2016: We began to work with the 5S Methodology in all fields of the group companies. This includes internal audits and the involvement of 181 members.
- » 2016-2018: The first 3 "S" are implemented (Sort, Order, Clean)
- » 2019: We consolidate the remaining 2 "S" (Standardize and Discipline)

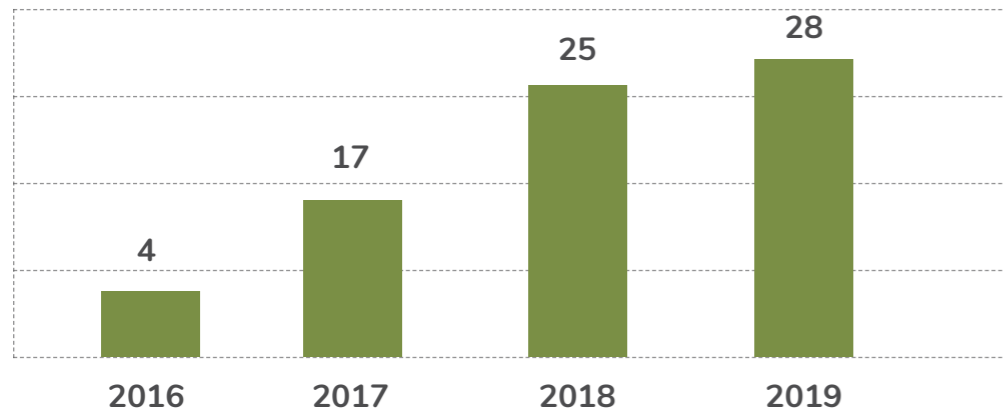
In 2019 we strengthened the implementation of 5S Methodology as a cultural philosophy of Grupo Lucci.



Our results of the 5S implementation:

- » 315 hours of training in the methodology.
- » 3.080 kg of e-waste safety disposed
- » 226 reams of paper less than in 2018
- » 60 building parts carried out in different sectors
- » 50 signs installed
- » 43 internal audits in orchards, administration, industries and packings.

5S internal audits in orchards



Average of 5S Methodology compliance in 2019

	Deposits	Offices
Citrusvil	90,30%	87,90%
Viluco	72,20%	82,60%
El Pucará y Engordar	89%	88%



Other initiatives in 2019:

- » We expanded the fire protection system in the new facilities of Plant B (cold stores and peel storage).
- » We renewed all the preventive and informative signs in all business units, managing to reduce visual contamination in the different areas and implementing a current and homogeneous communication mark.
- » We expanded the emergency brigade, integrated by more than 50 volunteer collaborators, including patrimony security personnel. The trainings included topics related to Fire, Respiratory Protection, manipulation of LPG and ammonia, among other issues.
- » We complied with the simulation schedule, carrying out 42 drills for Industrial Plants, Packing Houses and fields throughout the group.

We involve contractors

The health and safety of contractors is an important value for our organization. We implement different types of controls to achieve compliance with all Hygiene and Safety requirements.

All personnel from contractors, that come to work in our industrial facilities, receive an induction on industrial risks and prevention measures during their activities in our facilities.

- » **250 industrial plant employees of contractors were trained in 2019.**

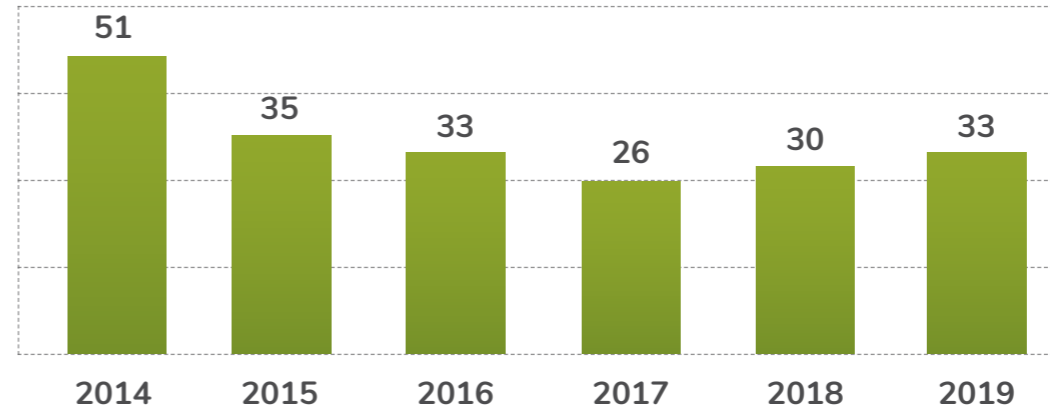
Issues cover:

- » Manual loading lifting
- » Operation of agricultural machinery
- » Use of personal protection elements
- » Hazards identification and risk assessment in workplace
- » Use of fire extinguishers and types of fire
- » Order and cleanliness
- » Procedures in case of accident
- » Risks of harvesting work
- » Heat strokes
- » First aid
- » Order and cleanliness, 5s



We focus on creating safe processes, systems and environments for our collaborators.

This responsibility guide us every day to generate a preventive culture in order to comply with obligations and foster personal commitment, with the ultimate goal of allowing us all to return healthy and safe to our homes.



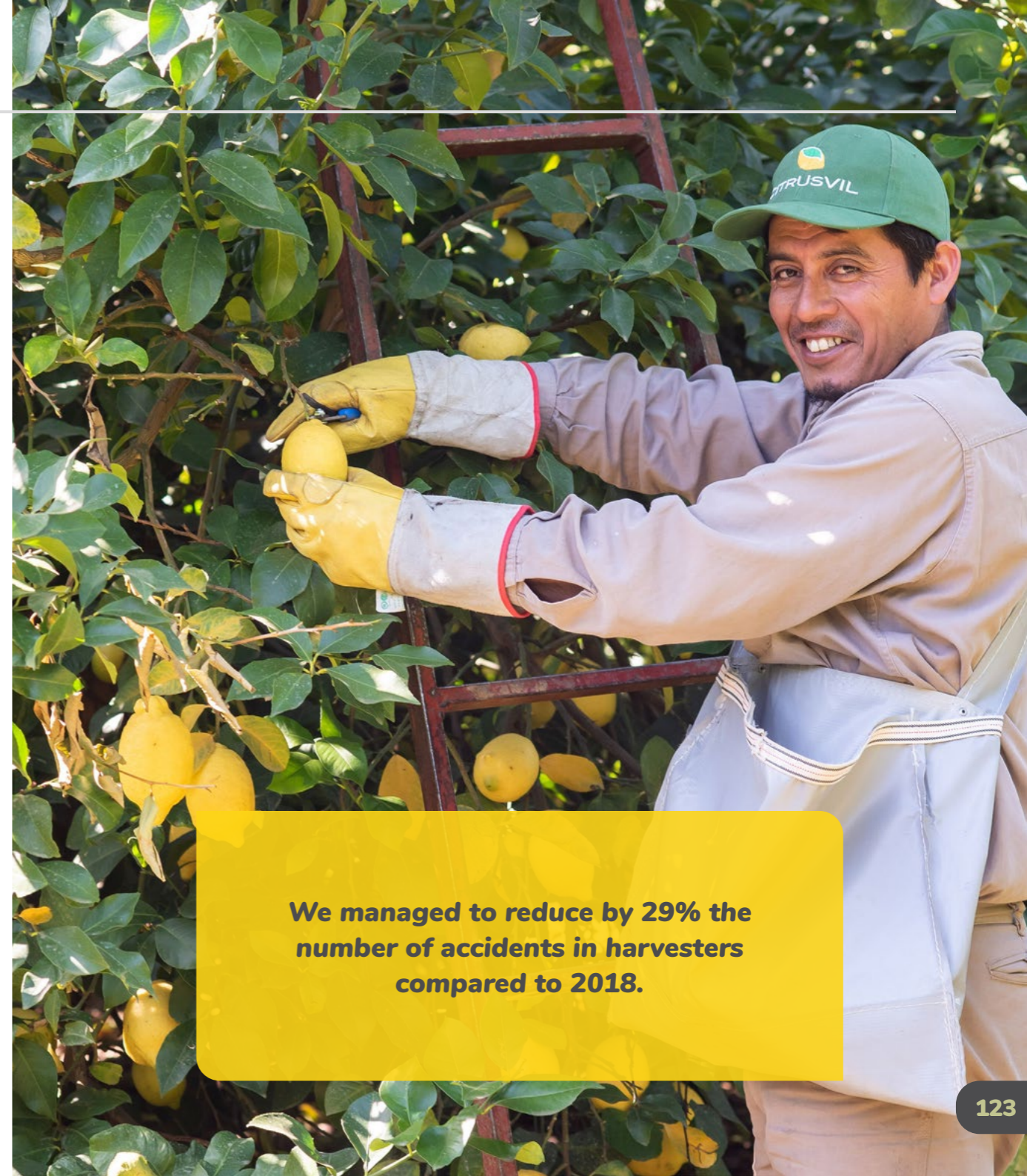
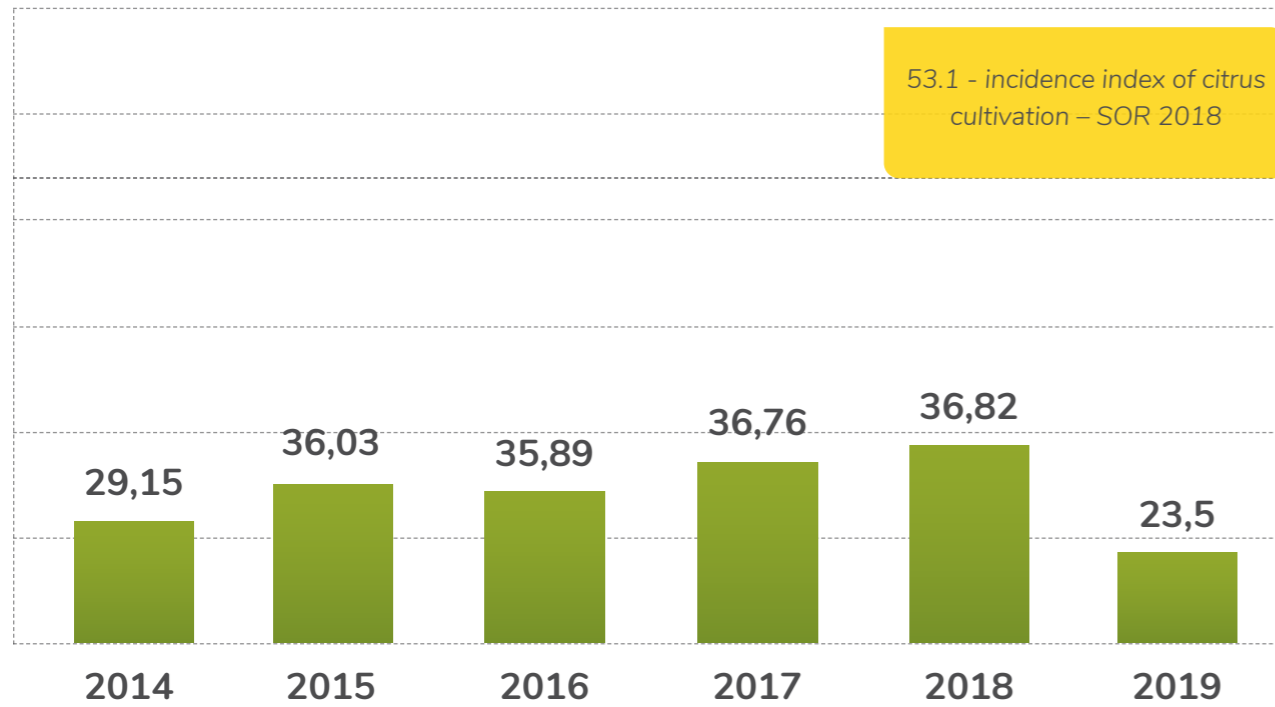
Company incidence index ¹	Activity incidence index at national level	Activity according to regulator's classification	Difference to the average of national activity
49,45	78,9	Manufacturing industries	-37,33%
45,45	113,4	Cattle breeding	-59,90%
31,25	98,8	Nut and dried fruit cultivation	-68,37%



Viluco and El Pucará did not register accidents in the organization's own personnel during 2019.

¹ Defined as established by Superintendency of Occupational Risks [(number of cases reported: accidents at work, occupational diseases, accidents on the way to work and re-entry, with at least one day of time off work)/Covered workers] *1.000

Incidence index- Harvesters



We managed to reduce by 29% the number of accidents in harvesters compared to 2018.



06

We Generate
Social Capital

6.1 We promote education and development of Regional Economies

For 16 years, the purpose of **Vicente Lucci Foundation** has been to empower rural communities in Northwestern Argentina, through programs and actions focus on strengthening the integral development of children, youth and adults.



We work in the provinces of Tucumán, Salta, Santiago del Estero and Catamarca, with rural communities of our influence, where our temporary workers and harvesters mostly come from.

Our Board of Directors is integrated by the following persons:



Daniel Alberto Lucci
President



Pablo Esteban Lucci
Secretary



Pablo Daniel Cianci
Treasurer

Our guidelines are based on:

- » Grupo Lucci values and sustainability policies.
- » The 10 principles of the **United Nations Global Compact**
- » **Network of companies against child labor**, belonging to the National Commission for the Eradication of Child Labor (**CONAETI**)
- » The United Nations **Sustainable Development Goals (SDGs)**
- » Advice from international cooperation agencies such as the **International Labor Organization** and **UNICEF**

6.2 2019 Highlights



We invested \$2.047.400,00
in programs and actions with communities.



22 schools
received support for their technological development, through the donation of 85 computer equipments.



9.091 people
benefited.



55 employees
of Grupo Lucci participated as volunteers in the different programs.



270 teachers
were trained.



69 rural entrepreneurs
participated in the Regional Livestock Entrepreneur Program.



245 students
participated as volunteers in their professionalizing practices of teacher training.



250 trees
planted under the "Sowing Life" Project with Proyungas Foundation.



6.3 Scholarship program

Since 2011, in alliance with the BBVA Bank and the school of Barrio Aeropuerto (located on the outskirts of the city of Banda del Río Salí, Tucumán), more than 100 high school students, in a situation of economic vulnerability and risk of school dropout, received a scholarship in order to finish their studies.



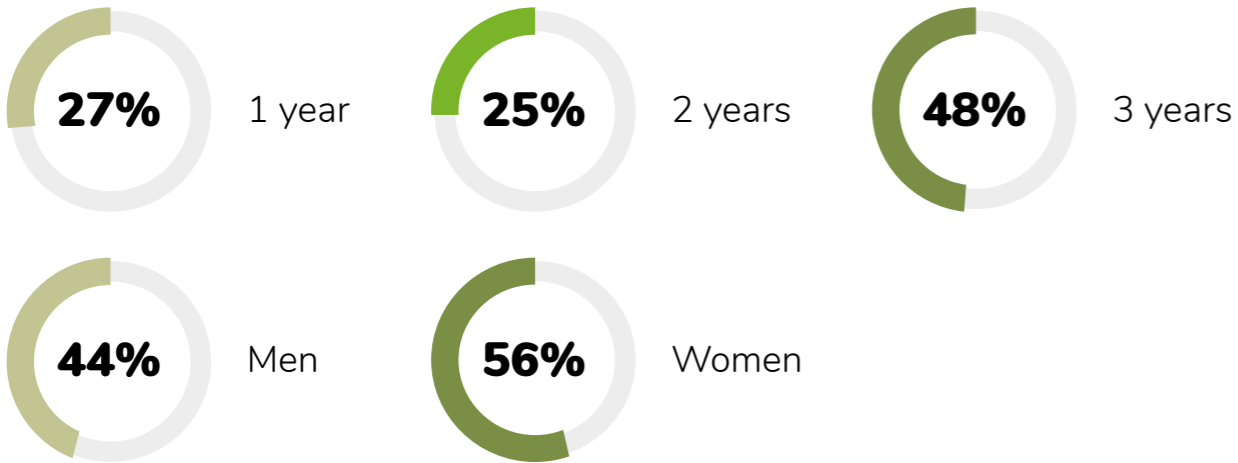
The objective of this program is to promote the incorporation of skills, competences and knowledge of financial concepts that allow the youths to acquire values associated with money good use, management and saving, promoting their integration into society and facilitating their permanence in the educational system.

From Fundación Vicente Lucci we complement the scope of this program with workshops on job prospects. They include topics such as resume writing, job interviews, entrepreneurship, among others, to prepare youngsters for the future.



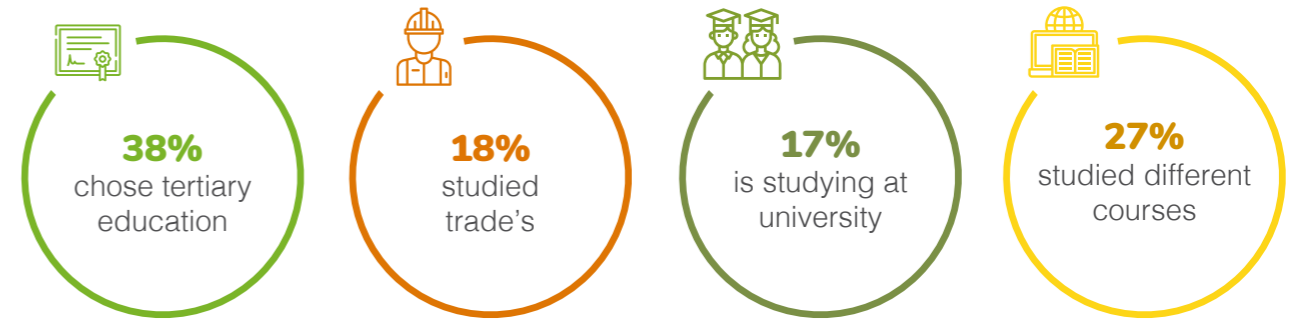
After almost 9 years of implementation, we carried out a research to learn about the performance of former fellows once they graduate from high school. Out of a total of 100 beneficiaries, we could survey 91 youths between 19 and 25 years old, who answered about their current situation after their experience as fellows.

Number of years with scholarship



87% of the beneficiaries believe that the scholarship allowed them to project themselves in the future and acquire greater strengths.

69% studied or are still studying:



52% are currently with a decent job or with their own entrepreneurship related with their studies, or at least already had a first job experience.

6% is unemployed. Some of them can't find a job or, in the case of some women, they are housewives and dedicate to take care of their family.



“Our goal, as a financial institution, is to promote a positive social change, which is why we promote in young people the value of educating themselves intellectually and developing professionally.”

María Martha Deleonardis, Deputy Manager of Responsible Business of BBVA in Argentina

“I’m very grateful for the opportunity, they help me financially and morally. This is the 3rd year that I receive the scholarship and I have achieved many goals with effort; it encouraged me to be better with a clearer vision for the future. My brother received the scholarship in 2011, and it allowed him to develop his educational performance, is currently a biology teacher and is practicing”.

Álvaro Tomás Sosa – 16-year-old scholarship student from Barrio Aeropuerto high school

“Our school is grateful and proud to be benefited with the program, it managed to change the quality of life of the youths, since 70% of the scholarship graduates managed to get a formal job, study a trade, and / or a tertiary career, even some young scholars continued to study a university career”.

**Principal of Barrio Aeropuerto High School:
Enrique Lemme**



6.4 Livestock Entrepreneur Project

Since 2017 we have been promoting the development of rural entrepreneurs in Northern Argentina, within the livestock field, promoting the sustainable and equitable development of regional economies.

This Program arises as a response to the problems of employment and productive development in rural communities, but also to the enormous regional deficit in the production and supply of animals for family consumption. This lack forces bringing animals from other provinces, generating an excessive increase in prices, directly affecting family economies. ²



In 2019, the Regional Livestock Entrepreneur Program was recognized as finalist, in the Business and Sustainable Communities category, of the Transformers Award promoted by RedAmérica. Our Program stood out against 92 applications from 13 Latin American countries, for its contribution to the development of communities, through the construction of more sustainable and equitable environments.

“We want to express our appreciation to you for the Regional Livestock Entrepreneur initiative. In this scenario of good experiences, you have very good reasons to celebrate this recognition and feel proud of the path you have taken to contribute to the sustainable development of communities”

Margareth Florez Executive Director of RedEAmerica.

Allied Institutions

- » General Directorate for Institutional Relations. Chair of Entrepreneurship. Universidad Nacional Santo Tomás de Aquino, Tucumán
- » SENASA
- » National Institute of Agricultural Technology (INTA)
- » Secretariat of MIPYME and Employment, Ministry of Productive Development of Tucumán
- » Undersecretary for Agricultural Affairs and Food, Ministry of Productive Development of Tucumán
- » Ministry of agro-industry, Albigasta Region
- » Directorate of the interior Community and Social Affairs, Interior Ministry of Tucumán
- » La Cocha Municipality
- » La Cocha Agrotechnical School
- » La Cocha Institute of Higher Education
- » Secretariat of Family Agriculture of the Ministry of Agriculture, Livestock and Fishing
- » Artificial Pig Insemination Center
- » Nación Bank: Nación Emprende
- » Ecogranjas
- » School of Economics, Universidad Nacional de Tucumán

² According to the NOA Strategic Value Network Competitiveness Analysis carried out by Grupo Los Grobo in December 2016.

	2019	2018	2017
Trained producers	69	180 (35% Women)	45
Institutions Involved	14	13	10
Training days	10	20	16
Hours of training	40	80	64
High impact days	1	3	2
Municipalities	1	2	2
Provinces reached	1	2	1

During 2020, La Cocha Municipality will prepare its Productive Development Plan. It will take the Regional Livestock Entrepreneur Program as the initial pillar of the production chain. Its objective is to professionalize the animal management and promote artificial pig insemination.

In addition, we signed different agreements with some universities, such as Santiago del Estero, to promote the exchange between producers, teachers, students and the community, Foster knowledge in production and added value, such as salting and charcuterie, in order to become regional benchmarks of pig production.



6.5 Educating in Values Program

Through this Program we seek to strengthen educational, social and labor integration. We respond to the needs posed, through our own educational programs and strategic alliances, reaching school institutions with materials for teachers, children and adolescents, in order to generate new opportunities.

We also cover aspects related with children's rights, prevention of child labor, care for the environment, responsibility in school and self-esteem, among other issues.

All its workshops involve members of Grupo Lucci as volunteers, together with teachers and students, within the framework of their professional practices.

In 2019, 480 workshops were held in 40 schools in communities of Tucumán, Salta, Santiago del Estero and Catamarca, reaching 7,411 children and young boys and girls.



6.6 Rural technological inclusion

Since 2018, together with Grupo Lucci Systems area, we have been recycling and reconditioning disused computers and printers of the company. All devices are donated to schools of the communities in our areas of influence, achieving the dual purpose of reducing the digital gap in rural areas, while mitigating the environmental impact of electronic waste generated in our organization.

In a comprehensive work with the beneficiary institutions, with access to new technologies it is possible to respond to different educational needs, enhancing integration and technological knowledge, understanding education and information as tools of great cultural value, and social and labour inclusion.



22 schools



85 computers



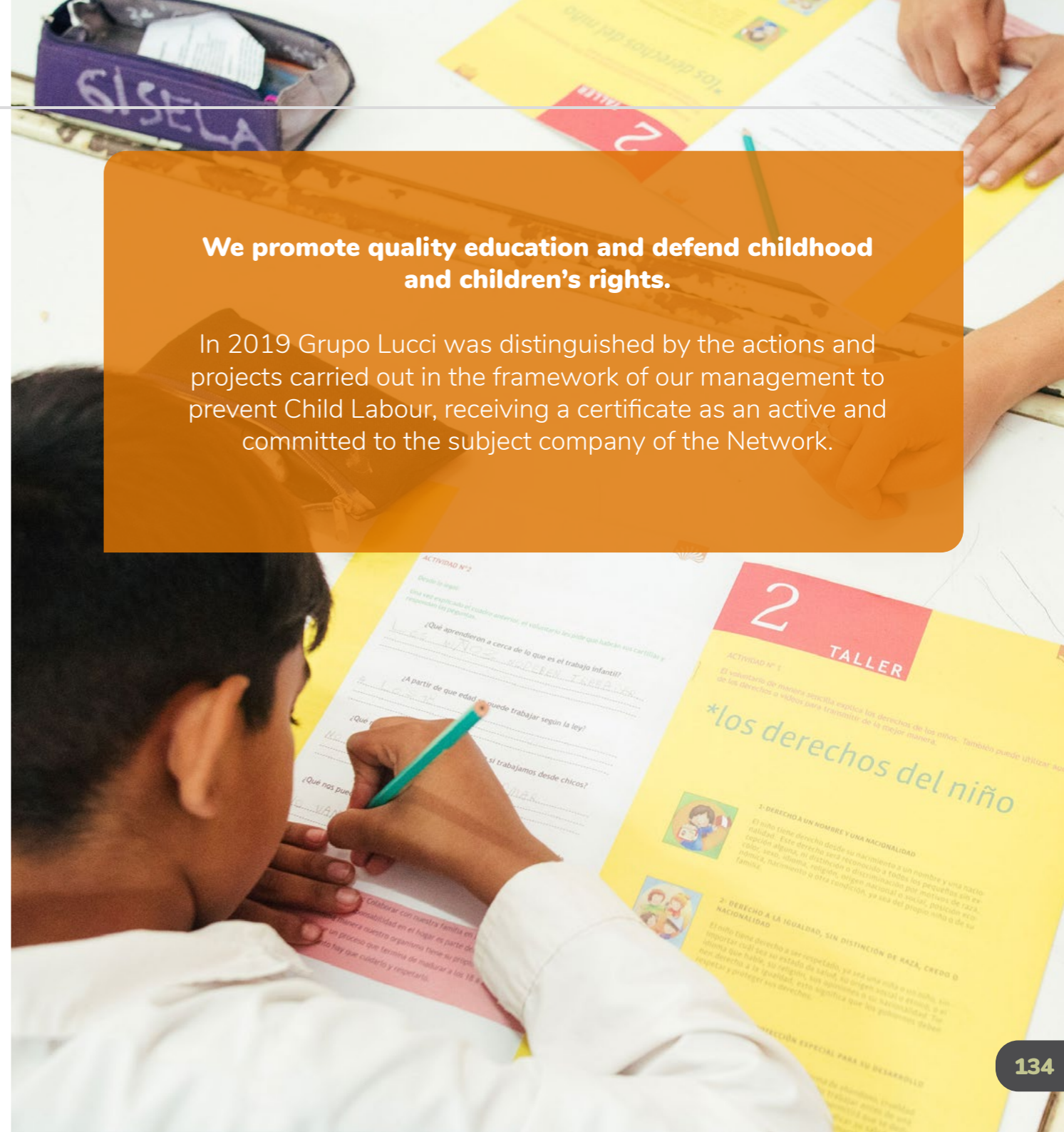
22 printers



6.7 Child labor prevention campaign

Based on our commitment to Zero Tolerance to child labor, in addition to efforts throughout our value chain, we work in communities to discourage any type of activity that threatens health, personal development and / or schooling of children and adolescents.

In 2019 we implemented a campaign to prevent child labor, generated within the framework of the actions carried out by the Network of Companies Against Child Labour (belonging to the National Commission for the Eradication of Child Labor –CONAETI-), to prevent and eradicate this problem.



We promote quality education and defend childhood and children's rights.

In 2019 Grupo Lucci was distinguished by the actions and projects carried out in the framework of our management to prevent Child Labour, receiving a certificate as an active and committed to the subject company of the Network.

6.8 New initiatives in 2019: Support for employment and entrepreneurship

We are part of the 15 founders of the Tucumán Entrepreneurial Ecosystem, the local chapter of an international initiative that promotes youth entrepreneurship all over the world. In this framework, we held the first Global Entrepreneur Week.



In addition, we made use of the mechanisms provided by the Fiscal Credit. We accompanied the Cultural Foundation of the North in a training program for unemployed people between 18 and 25 years.



320 youths participated in this first edition.

Activity	Place	Total trained
Customer Support	Famaillá	55
Arc welder	Famaillá	25
Seller	Leales	30
Citrus packer	BRS	80
Electrical installer	BRS	110
Industrial electricity	Ranchillos	20

GRI standards	ISO 26.000	Principles of the Global Compact	Page
GENERAL DISCLOSURES			
102-1 Name of the organization			9
102-2 Activities, brands, products, and services			11; 43; 61-62; 70-71; 78-79; 84-85
102-3 Location of headquarters			Route 302 Km 7 - Cevil Pozo, province of Tucumán. It also has offices in the City of Buenos Aires located at Carlos Pellegrini 1163, P.3 Of.A.
102-4 Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.			11; 43; 61-62; 70-71; 78-79; 84-85
102-5 Ownership and legal form			The companies of the Grupo Lucci belong to the Lucci family
102-6 Markets served	6.3.10; 6.4.1-6.4.2; 6.4.3; 6.4.4; 6.4.5; 6.8.5; 7.8		11; 43; 61-62; 70-71; 78-79; 84-85
102-7 Scale of the organization			6; 7
102-8 Information on employees and other workers			110-123; 51-53; 64
102-9 Supply chain			11; 43; 61-62; 70-71; 78-79; 84-85
102-10 Significant changes to the organization and its supply chain			8
102-11 Precautionary Principle or approach			16-22
102-12 External initiatives			23
102-13 Membership of associations			23

102-14 Statement from senior decision-maker	4.7; 6.2; 7.4.2		2
102-15 Key impacts, risks, and opportunities			2; 8; 12
102-16 Values, principles, standards, and norms of behavior	4.4; 6.6.3	Principle 10	10
102-17 Mechanisms for advice and concerns about ethics			22
102-18 Governance structure	6.2; 7.4.3; 7.7.5		16-22
102-19 Delegating authority			
102-20 Executive-level responsibility for economic, environmental, and social topics			
102-21 Consulting stakeholders on economic, environmental, and social topics			32-34
102-22 Composition of the highest governance body and its committees			
102-23 Chair of the highest governance body			The Chairman of the Board does not occupy another executive position.
102-24 Nominating and selecting the highest governance body			The appointment and selection processes are carried out through the Shareholders' Meeting. The criteria are established by the shareholders.
102-25 Conflicts of interest			16-22
102-26 Role of highest governance body in setting purpose, values, and strategy			
102-27 Collective knowledge of highest governance body			
102-28 Evaluating the highest governance body's performance			

102-29 Identifying and managing economic, environmental, and social impacts	6.2; 7.4.3; 7.7.5		The function of the Board of Directors in the identification and management of economic, environmental and social issues is to request from each relevant sector information on issues that have implications; if they were not previously treated in the monthly meetings that each sector has with the Board of Directors.	
102-30 Effectiveness of risk management processes			22	
102-31 Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.			On a monthly basis, the Board meets with the different areas.	
102-32 Highest governance body's role in sustainability reporting			The contents of the Sustainability Report are validated by the Board of Directors.	
102-35 Remuneration policies		Principle 3		We have external consultants to work on remuneration issues in the organization. In 2019 we carried out an administration by objectives exercise within the framework of the Organizational Redesign process, to advance in 2020 with a variable remuneration policy for hierarchical positions, which integrates business objectives, individual performance and the management of its work team.
102-36 Process for determining remuneration				
102-37 Stakeholders' involvement in remuneration				
102-38 Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country				The ratio between the total annual remuneration of the median of the workforce and one of the top managers is 549%.
102-39 Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country				The annual increase in the organization's highest-paid person was 45% versus 46% organization average
102-40 List of stakeholder groups	5.3	Principle 3	32-34	
102-41 Collective bargaining agreements			113	
102-42 Identifying and selecting stakeholders			32-34	

102-43 Approach to stakeholder engagement	5.3		32-34
102-44 Key topics and concerns raised			
102-45 Entities included in the consolidated financial statements	5.2;7.3.2; 7.3.3; 7.3.4; 5.3; 7.5.3; 7.6.2		10
102-46 Defining report content and topic Boundaries			32-34
102-47 List of material topics			32-34
102-48 Restatements of information			There were no restatements.
102-49 Changes in reporting			Since 2018, we have prepared the Sustainability Report according to the GRI Standards.
102-50 Reporting period			This is the 9th Sustainability Report covering the period from January 1st, 2019 to December 31, 2019.
102-51 Date of most recent report			Sustainability Report 2018
102-52 Reporting cycle			Annual
102-53 Contact point for questions regarding the report			comunicacion@grupolucci.com.ar
102-54 Claims of reporting in accordance with the GRI Standards			This Report has been prepared in accordance with the Comprehensive option of the GRI Standards and its correspondence with the Principles of the ISO 26,000 Standard. They also respond to the Principles of the Global Compact, being our Communication for Progress (COP)

ECONOMIC ASPECTS			
201-Economic Performace			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		22; 25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
201-1 Direct economic value generated and distributed			
201-2 Financial implications and other risks and opportunities due to climate change			8; 89-94
201-3 Defined benefit plan obligations and other retirement plans			The organization does not have this type of benefits.
201-4 Financial assistance received from government			By counting Citrusvil products with the “Argentine Food” Seal, we have obtained reimbursements for exports. It is worth clarifying that achieving this seal means complying with demanding external audits that certify the quality in the production of products exported to different destinations around the world.
202- Market Presence			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 3	The salary in the initial remuneration category, for both men and women of the Lucci Group companies, is 40% above the living and mobile minimum wage.
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	6.3.7; 6.3.10; 6.4.3; 6.4.4; 6.8.1-6.8.2		

202-2 Proportion of senior management hired from the local community	6.4.3; 6.8.1-6.8.2; 6.8.5; 6.8.7		82% of the Directors belong to the provinces where Grupo LUCCI carries out its operations.
203- Indirect Economic Impacts			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		22; 25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
203-1 Infrastructure investments and services supported	6.3.9; 6.6.6; 6.6.7; 6.7.8; 6.8.1-6.8.2; 6.8.5; 6.8.7; 6.8.9		2; 6-8; 13-15
203-2 Significant indirect economic impacts			
204- Procurement Practices			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		22; 25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
204-1 Proportion of spending on local suppliers			6
205- Anti-corruption			
103-1 Explanation of the material topic and its Boundary	6.6.1-6.6.2; 6.6.3; 6.6.6	Principle 10	22; 25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			

205-1 Operations assessed for risks related to corruption	6.6.1-6.6.2; 6.6.3	Principle 10	100% of the operations have been evaluated in this regard. Includes all establishments belonging to the Lucci Group companies
205-2 Communication and training about anti-corruption policies and procedures	6.6.1-6.6.2; 6.6.3; 6.6.6		19-21; 22
205-3 Confirmed incidents of corruption and actions taken	6.6.1-6.6.2; 6.6.3		
206- Anti-competitive Behavior			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		No such actions were recorded in the period.
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			
ENVIRONMENTAL ASPECTS			
301- Materials			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 8	
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
301-1 Materials used by weight or volume			55-59
301-2 Recycled input materials used			

301-3 Reclaimed products and their packaging materials	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 8	Due to the food safety requirements of the products, and also because they are export products, no materials or production inputs are reused.		
302- Energy					
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 9	25-27; 32-34; 88-89		
103-2 The management approach and its components					
103-3 Evaluation of the management approach					
302-1 Energy consumption within the organization			8; 89-94		
302-2 Energy consumption outside of the organization					
302-3 Energy intensity					
302-4 Reduction of energy consumption					
302-5 Reductions in energy requirements of products and services				Does not apply	
303- Water					
103-1 Explanation of the material topic and its Boundary			6.5.4	Principle 7	25-27; 32-34;
103-2 The management approach and its components					
103-3 Evaluation of the management approach					
303-1 Water extraction by source	95-98				

303-2 Water sources significantly affected by water extraction	6.5.4	Principle 7	95-98
303-3 Recycled and reused water		Principle 8	
304- Biodiversity			
103-1 Explanation of the material topic and its Boundary	6.5	Principle 7	25-27; 32-34;
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			103-108
304-2 Significant impacts of activities, products, and services on biodiversity			
304-3 Habitats protected or restored			
304-4 Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk			
305- Emissions			
103-1 Explanation of the material topic and its Boundary	6.5.3;6.5.4; 6.5.5; 6.5.6	Principle 8	25-27; 32-34; 88-89
103-2 The management approach and its components			
103-3 Evaluation of the management approach			

305-1 Direct (Scope 1) GHG emissions	6.5.3;6.5.4; 6.5.5; 6.5.6	Principle 8	89-94
305-2 Energy indirect (Scope 2) GHG emissions			
305-3 Other indirect (Scope 3) GHG emissions			
305-4 GHG emissions intensity			
305-5 Reduction of GHG emissions			
305-6 Emissions of ozone-depleting substances (ODS)			
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions			NOx emissions were considered in the process of calculating the Carbon Footprint of the most relevant activities of Citrusvil. They were expressed as CO2 equivalent, as determined by the methodology.
306- Effluents and Waste			
103-1 Explanation of the material topic and its Boundary	6.5.3; 6.5.4	Principle 7	25-27; 32-34; 101
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
306-1 Water discharge by quality and destination			101-102
306-2 Waste by type and disposal method	6.5.3		57-59; 75
306-3 Significant spills			Grupo Lucci had no cases of significant spills in any of its activities within the analysis period.

306-4 Weight of waste transported, imported, exported or treated that is considered dangerous under Annexes I, II, III and VIII of the Basel Convention, and percentage of waste transported internationally	6.5.3	Principle 7	Lucci Group does not export any type of waste.
306-5 Water bodies affected by water discharges and/or runoff			101-102
307- Environmental Compliance			
103-1 Explanation of the material topic and its Boundary	4.6		25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
307- 1 Non-compliance with environmental laws and regulations			There were no non-compliances.
308- Supplier Environmental Assessment			
103-1 Explanation of the material topic and its Boundary	6.3.5; 6.6.6; 7.3.1	Principle 8	25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
308-1 New suppliers that were screened using environmental criteria			50
308-2 Negative environmental impacts in the supply chain and actions taken			There were no significant negative impacts

SOCIAL ASPECTS			
401- Employment			
103-1 Explanation of the material topic and its Boundary	6.4.3; 6.4.4; 6.8.7	Principle 3	25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
401-1 New employee hires and employee turnover			111-112
"401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees"			We have benefits related to special licenses such as birthday, gifts for special occasions, discount cards and commercial benefits, insurance, medical services and discounts with educational entities for undergraduate and graduate careers.
401-3 Parental leave			111
402- Labor/Management Relations			
103-1 Explanation of the material topic and its Boundary	6.4.3	Principle 3	The changes are agreed with the employees involved. Notification is made at least 30 days in advance.
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
402-1 Minimum notice periods regarding operational changes			

403- Occupational Health and Safety			
103-1 Explanation of the material topic and its Boundary	6.4.6; 6.8.8	Principle 3	25-27; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
403-1 Representation of workers in formal worker-company health and safety committees			117-123
403-3 Workers with high incidence or high risk of diseases related to their activity			
403-4 Health and safety issues covered in formal agreements with unions	All the companies that make up the Lucci Group comply with National Law 19,587 and its regulatory decree 351. Consequently, all agreements related to health and safety are covered.		
404- Training and Education			
103-1 Explanation of the material topic and its Boundary	6.4.7; 6.8.5	Principle 6	25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
404-1 Average hours of training per year per employee	6.4.7		113-116
404-2 Programs for upgrading employee skills and transition assistance programs	6.4.7; 6.8.5		
404-3 Percentage of employees receiving regular performance and career development reviews	6.4.7		

405- Diversity and Equal Opportunity			
103-1 Explanation of the material topic and its Boundary	6.2.3; 6.3.7; 6.3.10; 6.4.3; 6.4.4	Principle 6	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
405-1 Diversity of governance bodies and employees	6.2.3; 6.3.7; 6.3.10; 6.4.3		16-17; 112
405-2 Ratio of basic salary and remuneration of women to men	6.3.7; 6.3.10; 6.4.3; 6.4.4		“In operational positions there is no difference in wages between men and women. We do not have information about the rest of the organization”
406-Non-discrimination			
103-1 Explanation of the material topic and its Boundary	6.3.6; 6.3.7; 6.3.10; 6.4.3	Principle 6	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
406-1 Incidents of discrimination and corrective actions taken			There were no cases of discrimination in any of the group companies.
407- Freedom of association and collective bargaining			
103-1 Explanation of the material topic and its Boundary	6.3.3; 6.3.4; 6.3.5; 6.3.8; 6.3.10; 6.4.5; 6.6.6	Principle 3	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	6.3.3; 6.3.4; 6.3.5; 6.3.8; 6.3.10; 6.4.5; 6.6.6	Principle 3	50-53; 113
408- Child Labor			
103-1 Explanation of the material topic and its Boundary	6.3.3; 6.3.4; 6.3.5; 6.3.7; 6.3.10; 6.6.6; 6.8.4	Principle 5	22; 25-26; 28; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
408-1 Operations and suppliers at significant risk for incidents of child labor			50-53
409- Forced or compulsory labor			
103-1 Explanation of the material topic and its Boundary	6.3.3; 6.3.4; 6.3.5; 6.3.10; 6.6.6	Principle 4	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor			50-53
410- Security practices			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 2	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			

410-1 Security personnel trained in human rights policies or procedures	6.3.4/6	Principle 2	Grupo LUCCI directly hires the security personnel required to care for its facilities. In 2019 there were 50 people. All have received training on Human Rights and Child Labor, among other topics specific to their task.
411- Rights of indigenous peoples			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 2	This indicator does not apply to any operating location of the Lucci Group.
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
411-1 Incidents of violations involving indigenous peoples rights	6.3.4/8; 6.6.7; 6.8.3		
412- Human rights assessment			
103-1 Explanation of the material topic and its Boundary	6.3.3; 6.3.4; 6.3.5	Principle 2	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
412-1 Operations that have been subject to human rights reviews or impact assessments			The matter has not yet been addressed by the organization.
412-2 Employee training on human rights policies or procedures	6.3.5		19-20
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	6.3.3; 6.3.5; 6.6.6		48

413- Local communities			
103-1 Explanation of the material topic and its Boundary	6.3.9; 6.5.1-6.5.2; 6.5.3; 6.8	Principle 2	25-26; 28; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
413-1 Operations with local community engagement, impact assessments, and development programs			125-135
413-2 Operations with significant actual and potential negative impacts on local communities	6.3.9; 6.5.3; 6.8		
414- Supplier social assessment			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5	Principle 2	22; 25-26; 32-34
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
414-1 New suppliers screened using social criteria	6.3.5; 6.6.1-6.6.2; 6.6.6; 6.8.1-6.8.2; 7.3.1		There were no such incidents
414-2 Negative social impacts in supply chain and actions taken			
415- Public policy			
103-1 Explanation of the material topic and its Boundary	6.6.1-6.6.2; 6.6.4	Principle 10	Lucci Group does not make financial contributions to political parties
103-2 The management approach and its components			

103-3 Evaluation of the management approach	6.6.1-6.6.2; 6.6.4	Principle 10	Lucci Group does not make financial contributions to political parties
415-1 Political contributions			
416- Customer health and safety			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		There were no such incidents
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	4.6; 6.7.1-6.7.2; 6.7.4; 6.7.5; 6.8.8		
417- Marketing and labeling			
103-1 Explanation of the material topic and its Boundary	6; 7.3.1; 7.4.3; 7.7.3; 7.7.5		There were no such incidents
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
417-2 Incidents of non-compliance concerning product and service information and labeling	4.6; 6.7.1-6.7.2; 6.7.6		
417-3 Incidents of non-compliance concerning marketing communications	4.6; 6.7.1-6.7.2; 6.7.3; 6.7.4; 6.7.5; 6.7.9		

418- Customer privacy			
103-1 Explanation of the material topic and its Boundary	6.7.1-6.7.2; 6.7.7	Principle 1	There were no complaints about the violation of privacy and the leakage of customer data.
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			
419- Socioeconomic compliance			
103-1 Explanation of the material topic and its Boundary	6.3.6; 6.6.1-6.6.2; 6.8.1-6.8.2		There were no such incidents
103-2 The management approach and its components			
103-3 Evaluation of the management approach			
419-1 Non-compliance with laws and regulations in the social and economic area			



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