

# Sustainability Report 2022

EXECUTIVE SUMMARY



**LANDES**<sup>®</sup>

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Landes presents its 4th Sustainability Report, for 2022, to its stakeholders.

What follows is an executive summary of the report prepared according to the Global Reporting Initiative Standards, GRI. The full version is available on our website [www.landes.cl](http://www.landes.cl).

We are proud of the progress we have made over the last five years, where we have worked on managing our social, environmental, and economic impacts. This has been materialized through investments, incorporating technology, alongside operational excellence. We have also made concrete commitments and actions to contribute toward global sustainable development efforts, with people at the heart.





## Our approach: we are committed to sustainability

This is Landes' fourth Sustainability Report to show how it is handling its impacts in the environmental, social, economic, and governance fields. The information includes the company's operations for the period between January 1st to December 31st, 2022, covering all activities related to the company's business cycle.

considering the version updated in 2021 and the revision of sectoral indicators for Agriculture, Aquaculture, and Fisheries.

This report was made at the end of 2022 to update the one made in 2021. For this process, the stages suggested in the GRI methodology and the OECD Due Diligence Guide for Responsible Conduct were considered.

The document, which is updated annually, is made based on the "in compliance" option of the Global Reporting Initiative (GRI) standard,

# 1. Letter from the CEO

The Chilean fishing industry, a key element for the food security of thousands of people around the world, has made great strides in sustainability. The high levels of transparency mean today we have a technologized industry, which uses onboard cameras, electronic logs, and satellite positioners, among other advances, ensuring responsible fishing. As a company, we have the challenge to further improve our positive contribution to society and the planet. And for the fishing sector, in particular, the greatest contribution we can make is to take care of the resources that the ocean gives us.

That's why at Landes we want to be part of the solutions, offering different proteins for direct and indirect human consumption, promoting

the circular economy, and improving our processes.

2022 was a good year for Landes in productive terms. As a company, we consolidated several investments made in previous years, results that show the work of a great team of more than 600 people. We are proud of what we do because it is a clear response to one of the great challenges that humanity will face in the coming years: feeding more than 10 billion people around the world. What we do has a roadmap marked with responsible action at an economic, social, and environmental level. Finally, our work in 2022 is summarized through three lines of action: Circular economy, efficiency in the automation of processes and incorporation of technologies, and gender equity.

**Andrés Fosk Belan**  
CEO

- Shareholders
- Workers
- Clients
- Consumers
- Communities
- Suppliers
- Media
- Authorities
- Regulatory bodies
- Trade union associations
- Contractors
- Artisanal Fishers

## Materiality



## Material Issues 2022



### Environmental

- Sustainable fishing
- Performance (water management, emissions, odors)
- Circular Economy
- Quality



### Social

- Employability
- Outreach
- Equity
- Human capital development



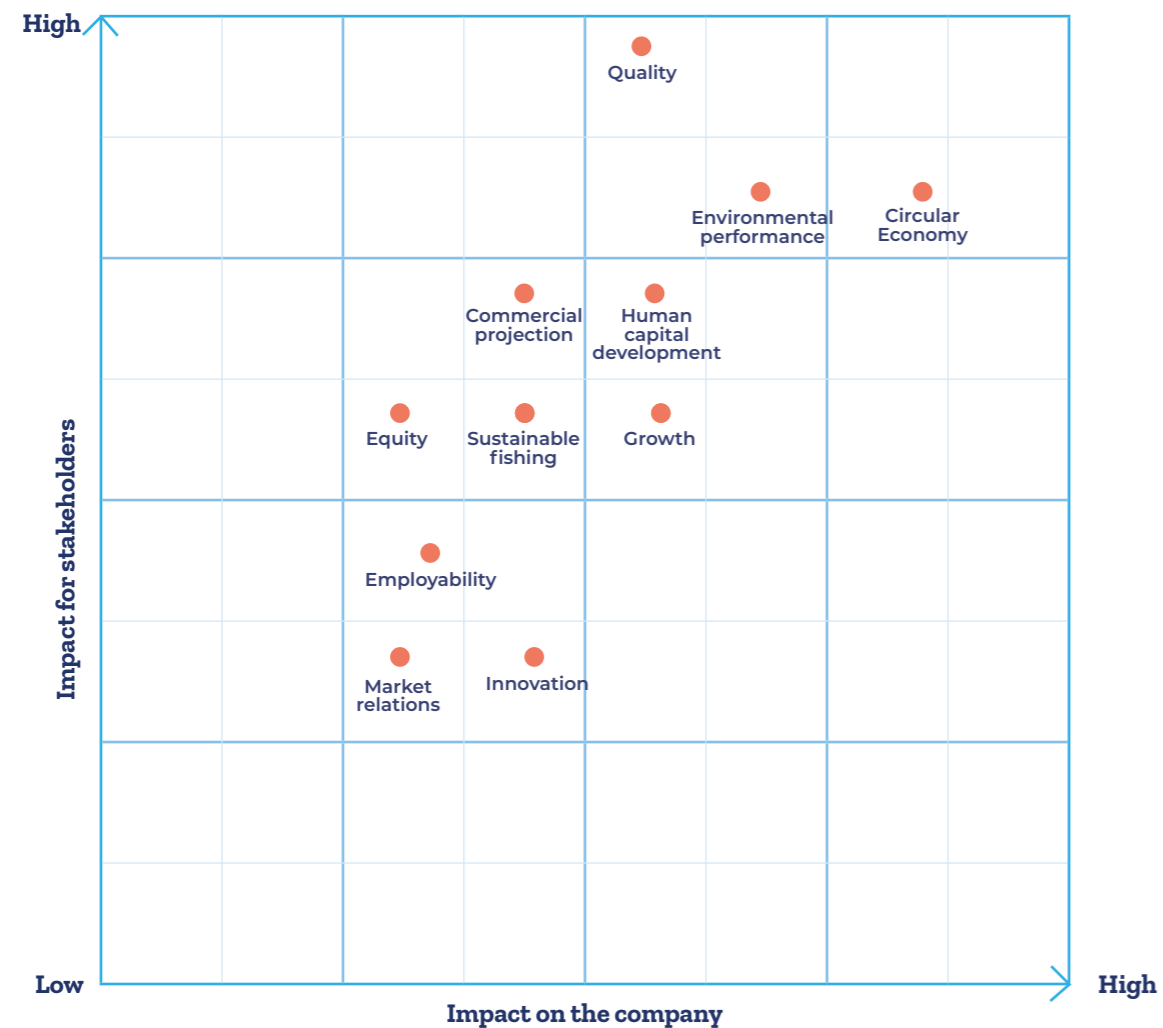
### Economic

- Growth
- Innovation
- Commercial projection

Of these, 3 issues are essential due to their relevance for the company: food safety and quality of its products, circular economy, and human capital development.

Landes' leaders participated in this process through a materiality workshop.

## Summary of material issues management



## 2. We are Landes

WE PROTECT THE FUTURE AND MOVE TOWARDS A CIRCULAR ECONOMY



We bring the best of the Chilean sea to **35** countries on four continents.



Our operation is based on corporate policies of Equity, Environmental Care, and Operational Excellence.



In 2022, we met the standards of our **115** clients



We held **48** training programs for our workers in 2022.



We buy products and services from more than **1.400** national suppliers to make our operation possible.



We made **242** donations during 2022.



We have **618** employees in our 5 production lines, and we also have 5 ships in 3 regions.



Operation and end products certified by **7** world-class standards.



**160** women were part of Landes in 2022.



**61%** of our raw materials are bought from artisanal or small-scale fishers.



**85%** of our employees are unionized.



**104** million dollars distributed to our stakeholders.

# LANDES®



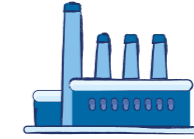
What do we do?

## 2022 results



60,000

tons of jack mackerel caught, 10% more than the previous period.



More than 32,000

tons of raw material processed in fishmeal plants.



6,700

tons of raw material processed in the hydrolysate plant.



40,000

tons of mussels processed in our Chiloe plant.

## 3 Lines of Work 2022

In 2022, the focus was concentrated on three main lines:

### CIRCULAR ECONOMY:

The company strengthened strategies to reuse, revalue, and recycle.

### EFFICIENCY:

Effective plant management for optimal performance.

### EQUITY:

For the Company, equity has no gender, and work has been done to improve the quality of life of employees, contractors, and communities. Respect for Human rights is an essential part of our work and is inserted in the Code of Ethics as the basis of all our work.





## Landes Talcahuano



**9 out of every 10 jack mackerel are frozen for human consumption.**

Source: Pescadores Industriales del Biobío

In the Rocuant Island sector, in Talcahuano, Biobío Region, Landes has four production plants, for products for human consumption, such as frozen jack mackerel, giant squid, hake, pomfret, and albacore. It also has protein processing plants for animal consumption and agricultural biofertilizers.

In 2022, it froze 620 tons per day thanks to investments in the frozen tunnels. The share of jack mackerel will increase for 2023 (between 10% and 15%) and due to these investments the company is ready for higher production with world-class quality standards.

Landes has consolidated the production of proteins intended for animal consumption, successfully sustainably managing mass mortalities of the salmon industry and its by-products.



## Landes Mussels



Chile is currently the world's second-largest producer of mussels and the main exporter of this product, with production concentrated in the Los Lagos Region on the island of Chiloé.

Landes Mussels is located in Dalcahue, a subsidiary of Landes that grows, extracts, and processes mussels between November and August each year.

In the last four years, the Landes Mussels team has transformed this plant into a reference at a local and national level.

### Milestones 2022

- Installation of automatic packaging line, unique in the area.
- Construction of a new maintenance workshop and a boiler room to improve processes and contribute to efficiency and the environment.





# Circular Protein



The company transforms 60,000 tons of by-products into 20,000 tons of high nutritional value proteins.

Circular Protein is a Landes company that, based on circular economy principles, seeks to reuse the by-products of the salmon industry, producing high-value proteins for animal and vegetable nutrition in Chile and the world.

90% of its production is exported to the United States and the rest is sold in Chile. The production of Circular Protein is concentrated in Talcahuano, where salmon silage hydrolysate, salmon mortality, and salmon process plant by-products (head, tail, skeletons, viscera, trimming) are processed, in addition to shrimp offcuts for fishmeal production.

2022 was a good year for Circular Protein not only because the production of proteins destined for animal consumption was consolidated, but also because it expanded its supplier portfolio to ACME Chile, a subsidiary of the ACME Smoked Fish Holding Corporation, Camanchaca, and Mowi ASA, a leader in the production of Atlantic salmon.

# Business Strategy

Landes has created new businesses given the upcoming challenges facing both the company and the fishing and aquaculture industry. Although it invests to continue growing, it is cautious about a new Fisheries and Aquaculture Law.



## People and Equity

Having a flexible culture, which manages the talent and development of people in an inclusive, diverse, and gender-neutral context.



## Circular Economy and the Environment

Taking care of the environment and managing the impacts of our operation, and of other industries, is an intrinsic part of our way of doing business.



## Excellence and Continuous Improvement

Efficient, productive, clean, safe, and environmentally friendly processes. An objective that is achieved with technology, digitalization, and process automation.



## Food Quality and Safety

Food safety involves not only supplying proteins, but also generating products that do not pose a health risk to people and animals.



## Sustainability

Everything the company does must have a social, environmental, and economic value.



## Commercial strategy

Always improving customer satisfaction and diversifying markets.



# Commercial Strategy

With the war between Russia and Ukraine, the company adjusted the offer gaining demanding customers from France, due to product quality and having the ASC certification.

Today this country is the main destination for Landes Mussels. In 2022, the local market and Africa accounted for 82% of the market for the Company.

Meanwhile, in animal consumption, after the pandemic, there was a significant increase in the demand for pet food, a situation that has continued alongside a price increase with the war generating an oil shortage and salmon byproduct values to quadruple.

For 2023, the company is looking to double the mussels supplied to Europe; grow on having an MSC certification for jack mackerel and consolidate its position as a fish oil supplier.

In 2022, the Trading business unit was created to search for new raw materials and third-party products that allow supplying more markets.

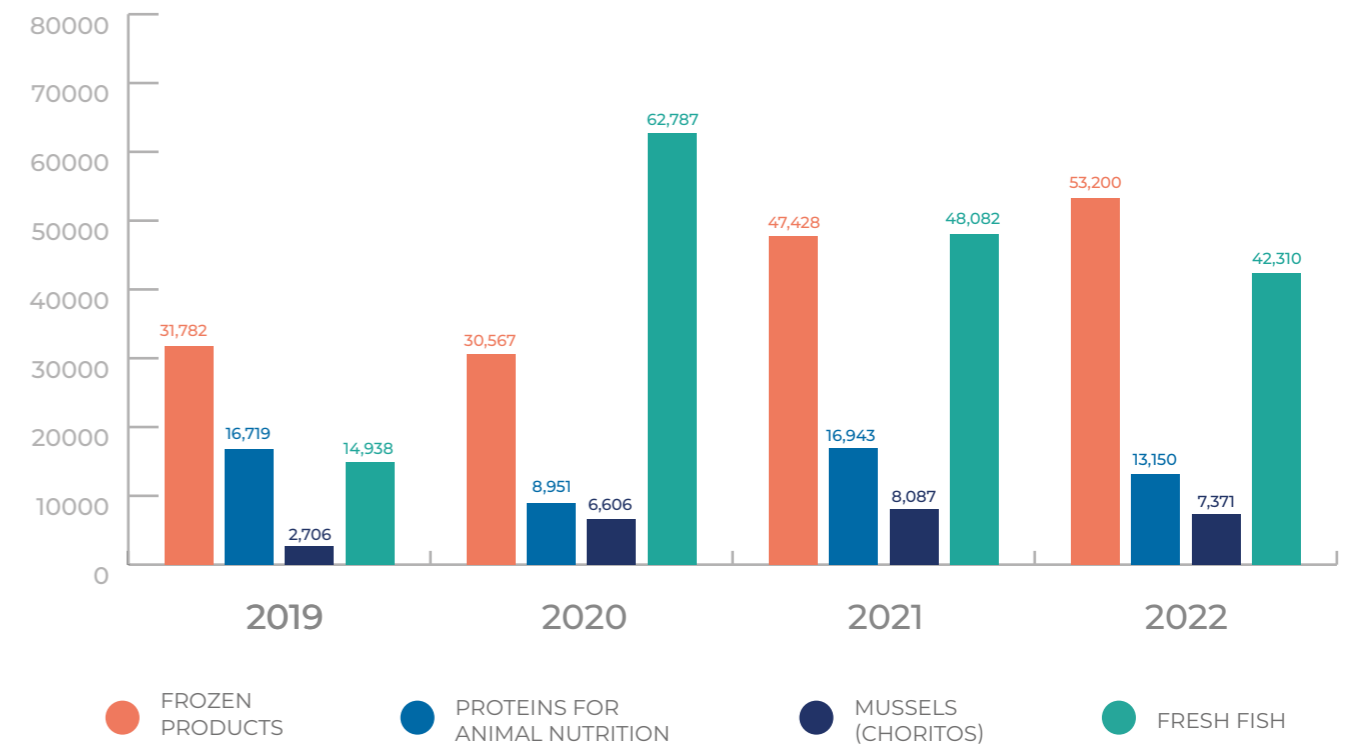
# Main indicators 2022

During the financial year, Landes increased revenues by 21% with a profit margin of US\$ 2.3 million.

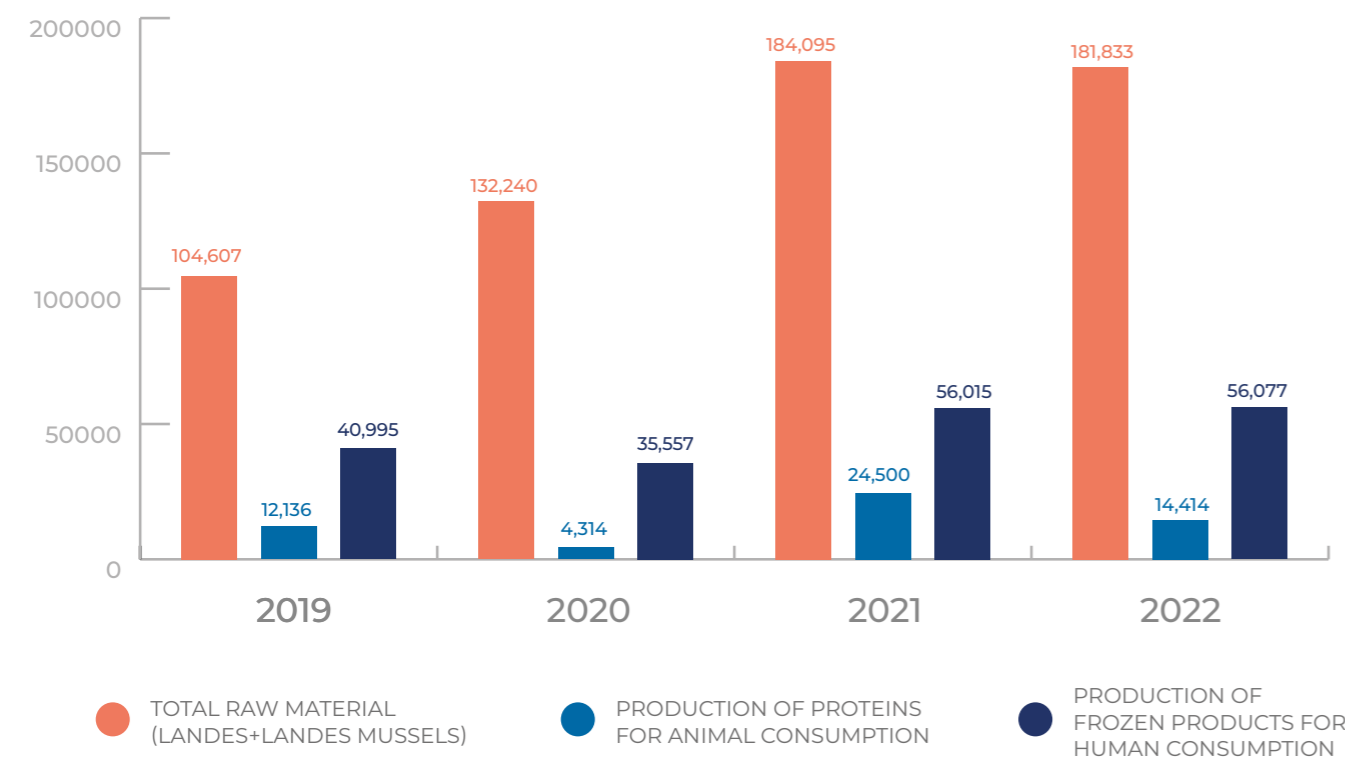
## Some items Income Statement (in thousands of US\$)

	2018	2019	2020	2021	2022
OPERATIONAL REVENUES	71,151	75,543	79,494	122,071	136,266
TOTAL CAPITALIZATION	64,363	64,363	64,363	64,363	64,363
TOTAL ASSETS	84,925	81,341	106,110	100,095	112,838
TOTAL LIABILITIES	32,944	34,061	51,979	43,825	56,320
TOTAL EQUITY	54,850	53,009	54,130	56,270	56,518
EBITDA MARGIN	9,630	6,307	7,430	13,438	8,333
OPERATING MARGIN	7,069	4,120	4,571	9,305	5,159
PROFIT MARGIN	4,073	-138	2,881	4,517	2,330

# Main products and volumes traded (in tons)



# Main activities (in tons)



# Distributed economic value (in millions of US\$)

	2019	2020	2021	2022
PAYMENTS ON GOODS AND SERVICES	48,146	70,965	92,775	104.3
PAYMENTS IN REMUNERATIONS	13.2	14.1	14.7	13.6
PAYMENTS TO SHAREHOLDERS	1.4	2.0	1.6	2.0
TAX PAYMENTS TO THE STATE	4.9	5.8	2.9	4.1
INVESTMENTS IN INFRASTRUCTURE AND EQUIPMENT	3.5	8.2	8.6	8.8

# Investments

During 2022, the company invested US\$7.8 million in equipment and infrastructure, with Talcahuano's operation accounting for 66% of the total resources.

## Investments Landes\* + Landes Mussels (in millions of US\$)

	2018	2019	2020	2021	2022
INFRASTRUCTURE	2.6	1.9	2.5	6.7	1.12
EQUIPMENT	5.4	1.6	5.7	1.4	5.86
OTHERS	0	0	0	0.5	0.80
<b>TOTAL</b>	<b>7.9</b>	<b>3.5</b>	<b>8.2</b>	<b>8.6</b>	<b>7.78</b>

\*Includes offices in Santiago, Circular Protein, and Landes Talcahuano.

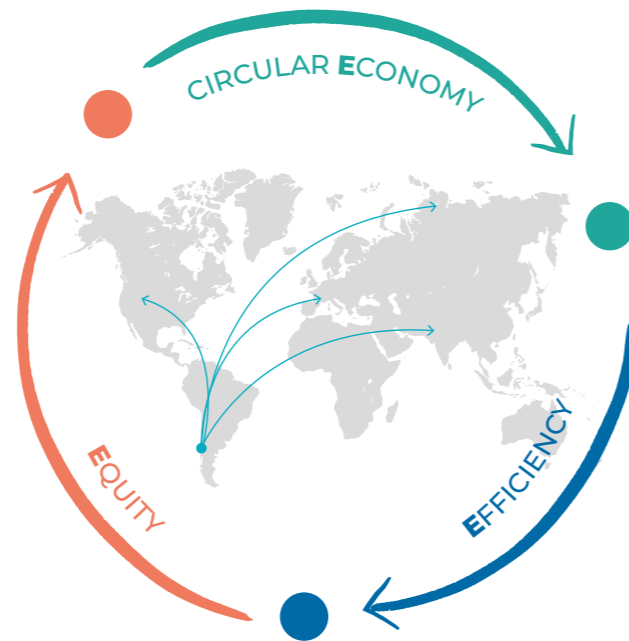
## Main investments by business area (in millions of US\$)

	2022
LANDES MUSSELS	0.8
LANDES TALCAHUANO	5.8
LANDES CIRCULAR PROTEIN	2.2



# 3. Path to Sustainable Development: commitments to face climate change

- Responsible action in fishing and aquaculture issues.
- Unrestricted legal and regulatory compliance in all processes and areas related to fisheries management that seek to maintain and/or restore fishing biomass.
- Responsible management of water, energy, and raw materials use to minimize the generation of discharges, waste, and emissions.
- Application of the highest international standards that guarantee the correct management of resources to guarantee their preservation.
- Voluntary commitment to Clean Production Agreements (CPA).
- Implementation of businesses that mitigate impacts of other industries.
- Prioritization of recycling programs and replacement of fossil fuel use by clean energy in its facilities.
- Continuous improvement of processes and elaboration of food products seeking resource efficiency and optimization.



- Active participation in national and international organizations that promote the care of maritime resources.
- Respect for human rights and decent and safe working conditions.

Landes, in all its work areas, integrates sustainability, starting from the corporate values, standards, policies, and the active participation of the Board and management.

## Updating the purpose, mission, and vision

**PURPOSE**  
What inspires us

To nourish the planet, with the best of the Chilean sea, sailing together towards sustainable development and the circular economy.

**MISSION**  
Why we do our job

To innovate every day in our activities to position ourselves as a key link in the world's food chain. We operate with the best practices, the highest environmental and marine safety and conservation standards, together with our team, local suppliers, and communities.

**VISION**  
Where we are going, what we want to achieve

To be a global reference in the preparation of marine origin proteins, recognized for having efficient fishing resource management and operational excellence.

### Values

- Respect
- Honesty
- Closeness
- Responsibility
- Passion
- Flexibility

### Policies and Standards

#### ENVIRONMENTAL

- Integrated Quality, Safety, and Environment Policy
- Sustainable Energy Management Policy

#### SOCIAL

- Employment Opportunities Policy (Landes Mussels)
- Freedom of Association Policy (Landes Mussels)
- Suppliers Code of Conduct
- Benefits policy
- Quality of Life Policy
- People Selection Policy
- Gender Equality and Reconciliation with Work, Family, and Personal Life Policy
- Sponsorships and Donations Policy

#### GOVERNANCE

- Code of Ethics
- Conflict of Interest Management Policy
- Crime Prevention Model
- Commercial Policy

↓  
Sustainable Development Goals (SDG)

↓  
Managing positive and negative impacts of all company processes with the stakeholders.

↓  
Cautionary approach that seeks to take preventive and/or protective measures to avoid harm to the environment or health.

### VALUE CREATION CHAIN

# Landes' Contribution to the Sustainable Development Goals



**Ending hunger, achieving food security, and improving nutrition.**

**INITIATIVES**

The company provides food to neighboring communities, mostly children and older adults, with the Biobío Industrial Fishers Sea Food Bank. Together with other fishing companies, 10,000 rations were delivered to 16 shelters and 300 people from the Biobío Region in the winter months. And at a consolidated level, since its launch in 2020, this initiative has worked with 72 shelters and 898,000 rations in 50 localities.

We sell products in our sales room at preferential prices.



**Guaranteeing a healthy life and promoting well-being for the community at all ages.**

**INITIATIVES**

84 beneficiaries of ophthalmological operations.  
346 vaccinated against the flu.

50 beneficiaries of adult preventive medicine exam (EMPA).

174 fourth doses of COVID-19 vaccine.

34 beneficiaries of Mobile Mammography Clinic.



**Making inclusive, safe, resilient, and sustainable cities.**

**INITIATIVES**

Member of the San Vicente and Libertad Gaete Tripartite Panels, alongside local authorities, neighborhood groups, and neighboring companies to strengthen environmental actions.

Participation in the Irade Sustainability Circle.

Recovery of spaces for the community and cleaning of surrounding beaches.



**Ensuring sustainable consumption and production methods.**

**INITIATIVES**

Continuity of the Trident plan.

Promoting research and development (R&D).

Action on recycling the operation's and network's waste. Ecosite kept for the plant's neighbors to recycle in Talcahuano.

Promoting recycling in the community Ecohearts (Ecocorazones).



**Guarantee an inclusive, equitable, quality education and promote learning opportunities.**

**INITIATIVES**

Landes Presente Program.

School supplies grants.

Provision of shoes to employees' children.

Participation in the business advisory committee of the Juan Antonio Ríos Industrial High School.

Landes participates in the "AChild Our Commitment" program of the municipality of Talcahuano.



**Achieve gender equality and empower all women and girls.**

**INITIATIVES**

Landes participates in the Sernameg Gender Equity Best Practices Program and forms an alliance with the Talcahuano-Hualpén Women's Center.

Landes participates in public and private panels of organizations and companies for gender equality.

Creation of Gender Equality and Reconciliation Policy.

Adherence to 13 Principles of Gender Equity of Industrial Biobío Fishers.

Landes Mussels creates Labor Inclusion Committee. Landes has a diversity and inclusion committee.



**Adopt urgent measures to combat climate change and its effects.**

**INITIATIVES**

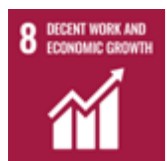
With the design of a carbon footprint and water footprint measurement standard, as well as with the results obtained through the respective measurements, measures can be adopted within each company and the sector in general to combat climate change and its effects.



**Conserve and sustainably use the oceans, seas, and marine resources.**

**INITIATIVES**

By generating awareness of waste management, using new materials in production processes, and collaborative work between industry and communities, it will be possible to have better tools to conserve and sustainably use the oceans, seas, and marine resources.



**To promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.**

**INITIATIVES**

Hiring of 40 people on an indefinite contract who provided services by worksite in Landes Mussels.

Manual of Best Practices in the Management of Industrial Fishing Contractors.

Creation of a Contractors Committee to support the implementation of best practices.



**To build resilient infrastructure, promote sustainable industrialization, and foster innovation.**

**INITIATIVES**

"Clean Production Agreement" with the salmon industry to hold circular economy workshops, to have information that allows the industry to plan, design, and build resilient infrastructures, promote sustainable industrialization, and foster innovation.



**Revitalize the global partnership for sustainable development.**

**INITIATIVES**

Landes maintains an active action articulation policy with the different public and private actors and has committed its participation in technical panels and trade and business groups to promote and develop actions with clear objectives and measurable impacts, including the management of odors derived from its processes.



# 4. Quality and Food Safety

## Safety Culture

The company has a culture of food quality and excellence as the basis of all its work, from the value chain of the products it obtains directly from the sea, processes, and sells, to the end customer.

We have a Quality, Safety, and Environmental Care Policy, national and international certifications, and internal and external standards for management systems.

Standard	Landes Talcahuano	Date obtained	Landes Mussels	Date obtained	Circular Protein	Date obtained
	✓	2000	✓	2018	✓	2004
					✓	2012
			✓	2018		
			✓	2018		
	✓	2019				
			✓	2019		
			✓	2022		



## Landes Talcahuano: Quality in our DNA

2022 meant the operational consolidation of the Quality area, especially of Circular Protein, a subsidiary of Landes, 90% of whose products go to the United States. To comply with the United States' new Food Safety Modernization Act (FSMA), 15 people from the Quality team in Talcahuano qualified as PCQI, i.e., they are all trained to take responsibility for the controls that are carried out in the plant.

In 2022, Landes invested \$250 million to renew its laboratory at the Talcahuano plant, to obtain, in the mid-term, accreditation of the ISO 17025 standard, which introduces a series of technical requirements

## Landes Mussels: certification to suppliers

Landes Mussels and its farms comply with all the regulations and requirements set by the General Fisheries and Aquaculture Law and valuable work has been done to certify small producers, from whom 90% of the raw material that the plant processes are bought, under the ASC international standard.





# 5. Technology and Operational Excellence

## Implementation of New ERP

At the beginning of 2022, the company began working with a new world-class ERP, Dynamics 365 from Microsoft, which was implemented in conjunction with the Administration and Finance Area. The process required a major training program for our employees and an important change in the way we work.

## Fresh Service - Support Desk

To provide a high level of service to the company's internal users, the Technology and Information Systems departments implemented a case management platform to meet user requirements in a timely and documented manner.

## Operational Excellence

In 2022, the implementation of the Lean Management – TPM model began in Landes' operations, a methodology based on 3 fundamental pillars:

- Safety and training of personnel.
- Efficiency of Processes.
- Focused improvement projects.

## Centralization of reporting

The implementation of Dynamics 365 and other Microsoft platforms has made it possible to generate our first fully automated reports in PowerBI, Microsoft's data analysis service aimed at providing interactive visualizations and business intelligence capabilities with a friendly interface.

## Connectivity Improvements

In 2022, Starlink was implemented, a satellite internet technology that made it possible to deliver connection for the first time to the farms located on islands in the Los Lagos Region, geographical areas that until then were incommunicado.



OPERATIONAL  
**EXCELLENCE**  
LANDES ●●●●●

# 6. Strategic People Management

At Landes, we are convinced that our main asset is people. Therefore, we work every day to improve the well-being of all those who work in our company. People management intensified in 2021 when the Corporate Affairs Area became the Corporate Affairs and People Management Area, with a focus on well-being, culture development and talent management, training, and selection. The area complements its work with the Sustainability department, which leads community work and the relationship with neighbors, channeling their concerns and contributing to their development.

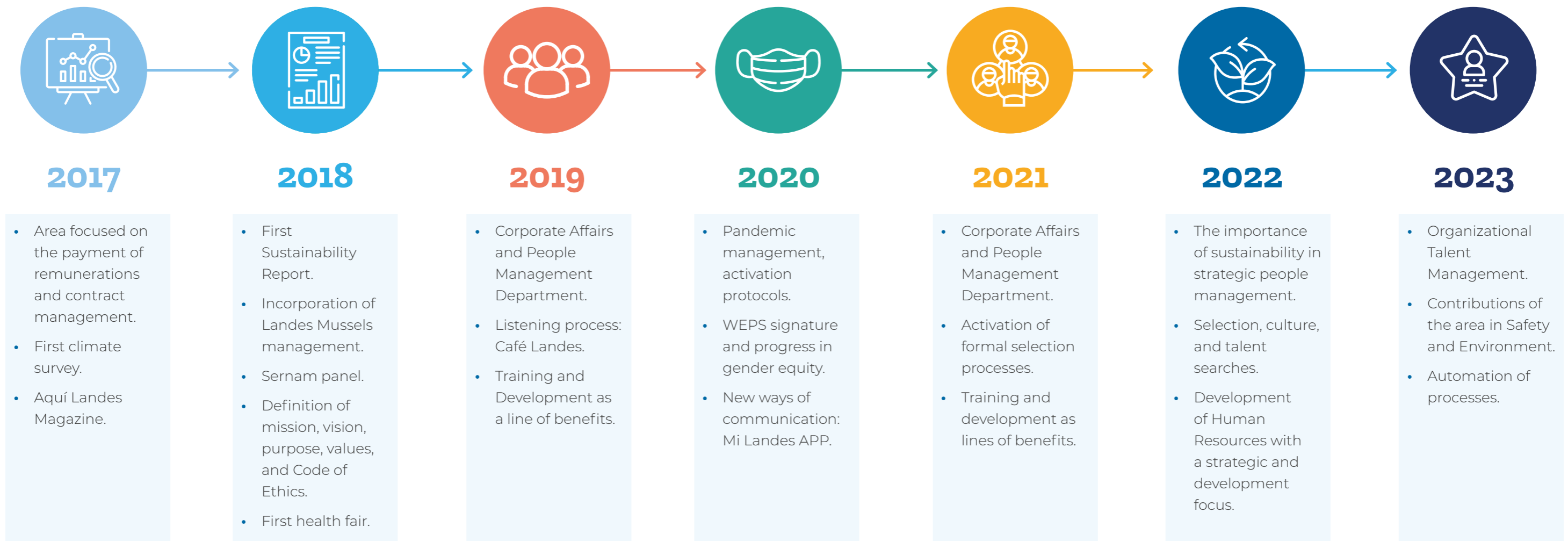
This unit also participates in the permanent relationship with the company's seven trade unions.



## Corporate Affairs and People Management Area Development Organizational Paradigm

33

34



The company's new businesses and constant reinvestment have allowed recovering the jobs that had been lost due to crises such as the giant squid law in 2022, which led to 618 workers being made redundant.



**Internal Mobility and Promotion**

We have objective criteria to facilitate internal mobility and promotion.



**Inclusion, Equal Rights, and Gender Equity**

At Landes, we do not discriminate against candidates by race, gender, age, nationality, sexual orientation, or disability, among others.



**Local Hiring**

We prioritize hiring people who reside in the communities near our company.



**Transparency**

We guarantee all candidates the utmost confidentiality of their data and results.



**Meritocracy**

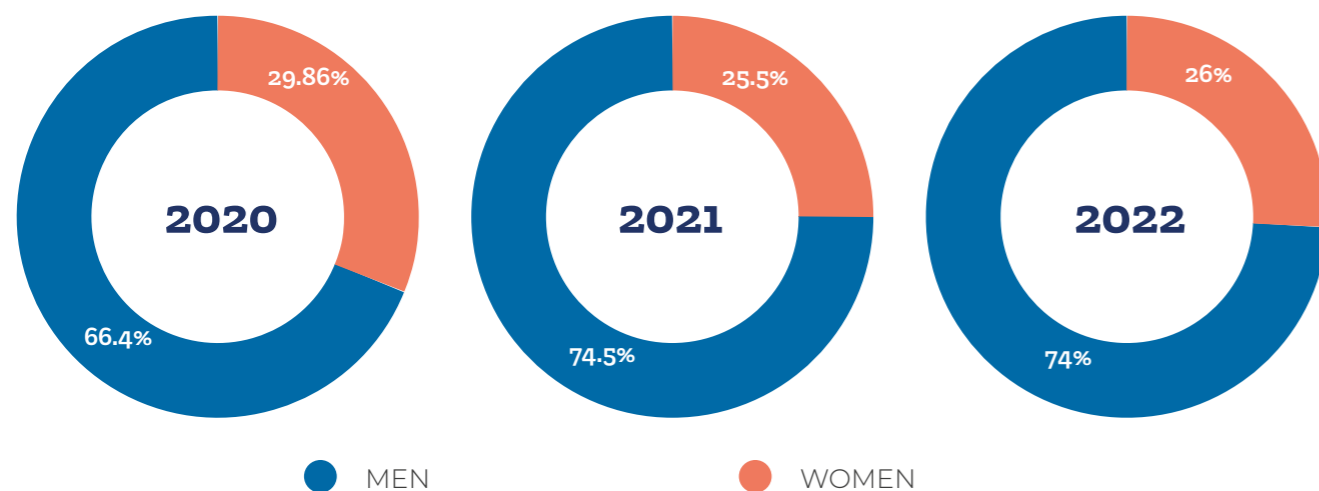
The basic requirements of the position and objective merit criteria are met.



**Talent Attraction**

We ensure the search for the best candidate.

**Evolution in staff percentage by gender**



**We work on Unconscious bias.**

**We care about using inclusive language.**



**LANDES.**

**Join our Team**

**WE NEED**

**an Electrical Maintenance Operator**  
Talcahuano Plant

**If you are interested:** Send us your CV to [reclutamiento@landes.cl](mailto:reclutamiento@landes.cl)  
**Subject:** Electrician Application

- Technical Studies in Electrical Maintenance or similar.
- 3 years' experience in maintenance roles
- Availability

**You can be part of our team!**

FOLLOW US:   

**We encourage the use of social networks.**

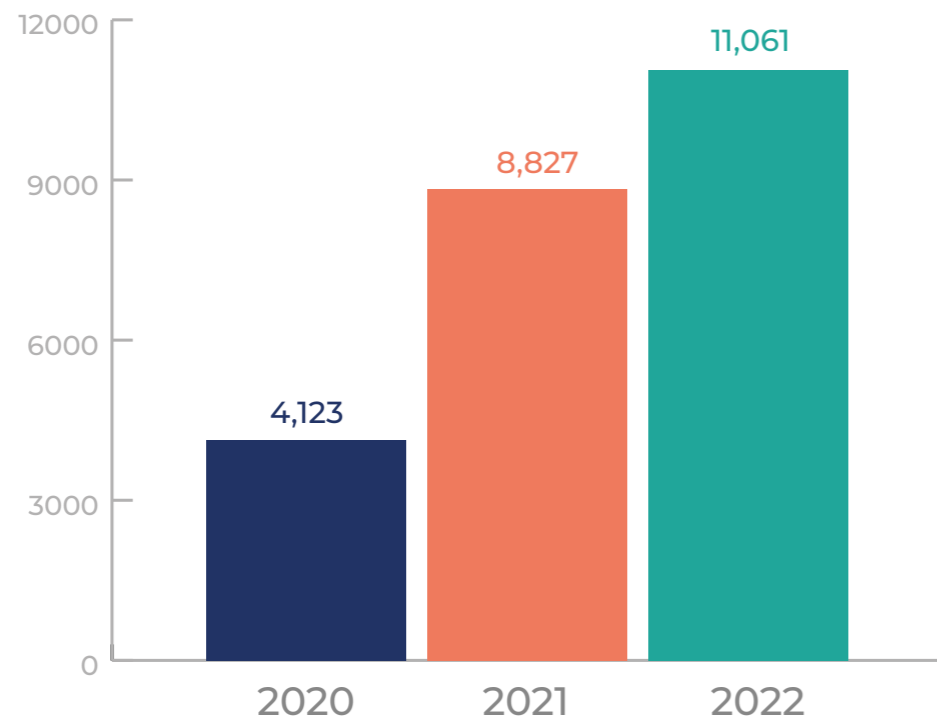
# Training and Development

During 2022, our teams were provided with technical training tools to develop their labor skills and incorporate value into the trades related to the work of the industrial and mussel fishing processes.

More than \$100 million and 11,061 hours of training were allocated through state benefits and company contributions. Safety and quality were the most important themes.

Education is fundamental to the development of each individual. That is why the company supports the dream of employees to complete their school education through the Landes Presente program, which includes those who wish to finish their school education with volunteers, who become tutors, willing to help them in this challenge.

## Hours of training



Hours of training by plant 2022



8,783

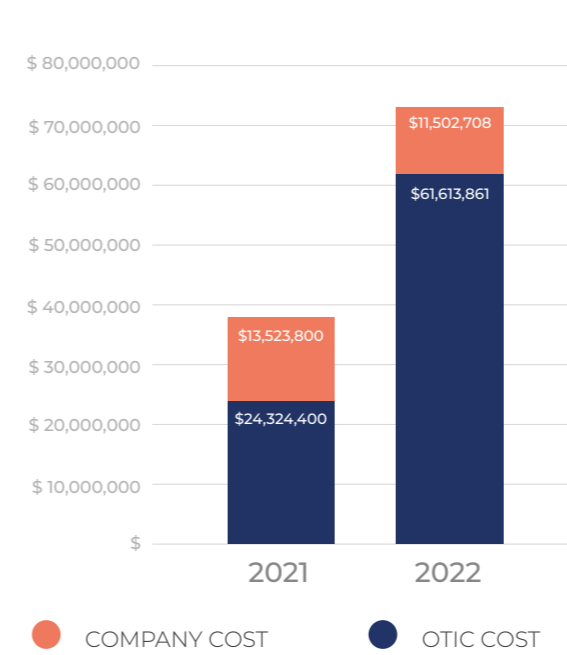
Landes Talcahuano



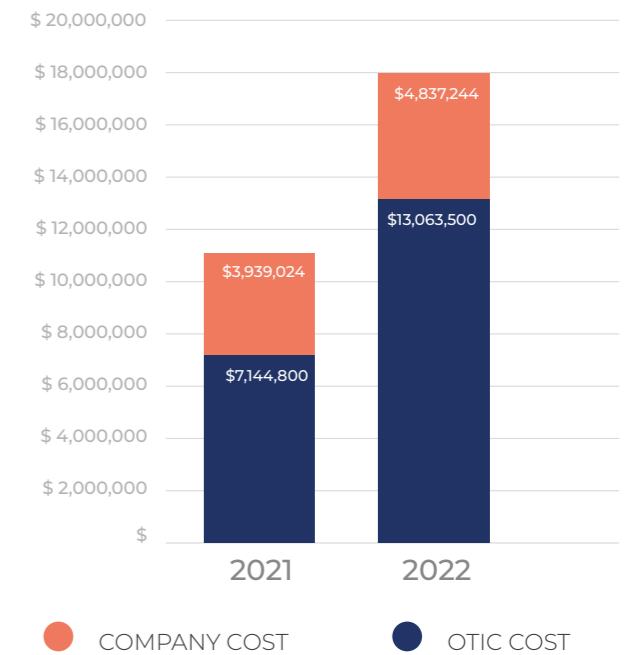
2,278

Landes Mussels

## Training costs - Landes Talcahuano

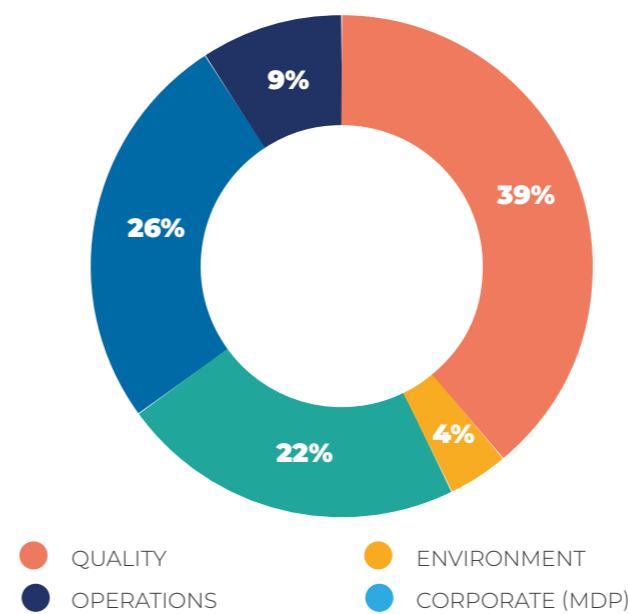


## Training costs - Landes Mussels

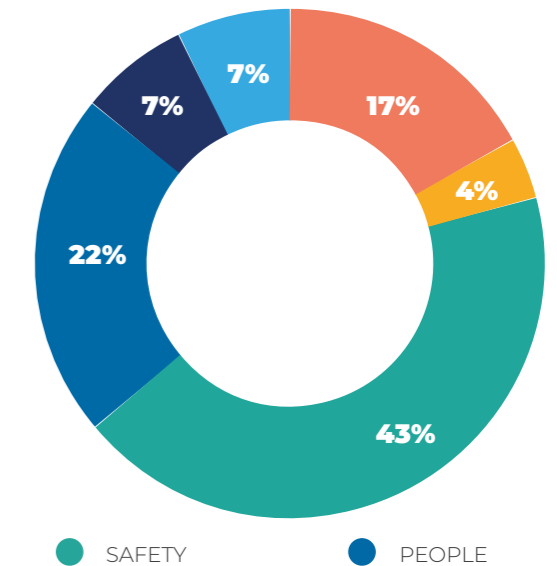


In 2022, Landes allocated \$22 million in technical and university study grants.

## Landes Mussels training subjects (% out of a total of 23 courses)



## Landes Talcahuano training subjects (% out of a total of 46 courses)

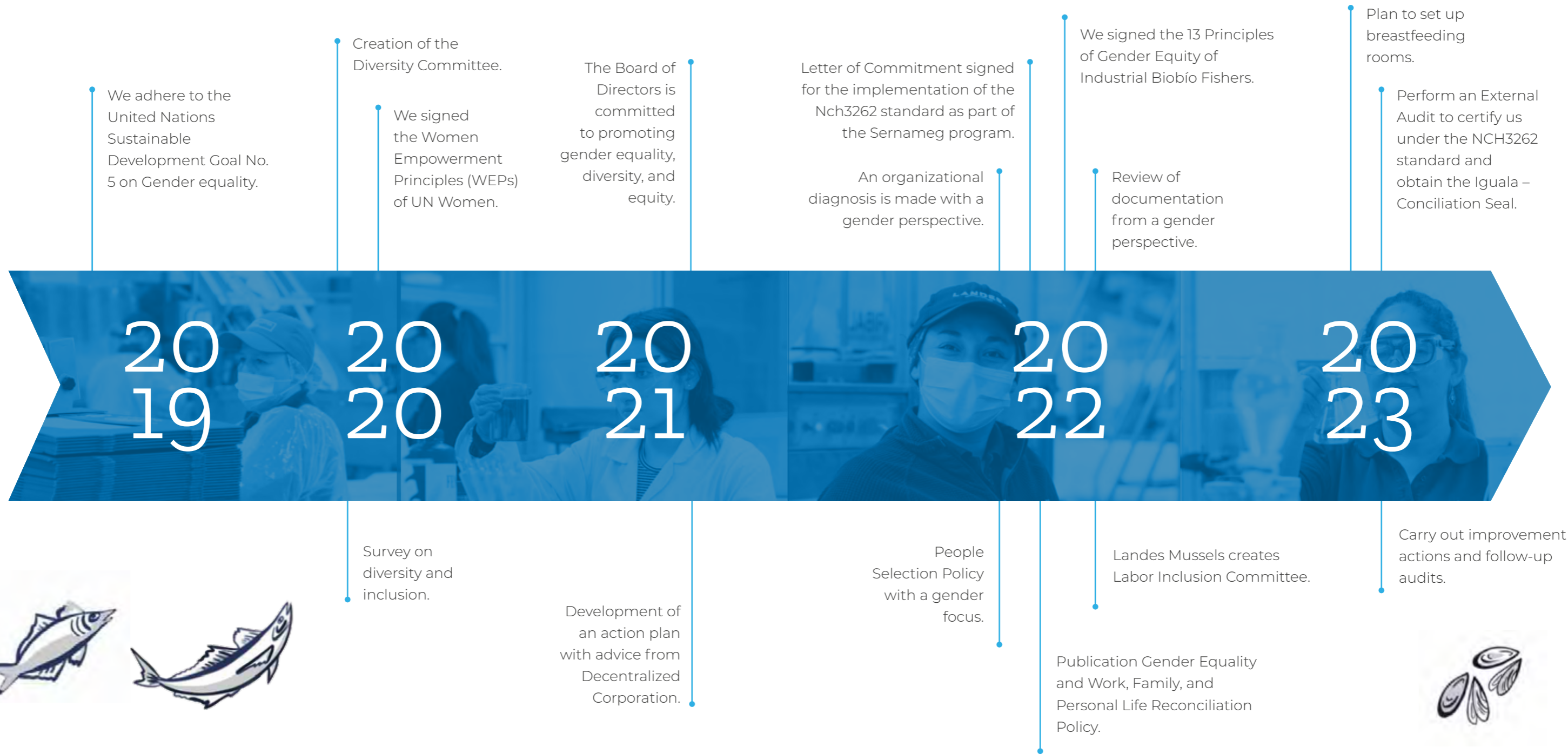


# Gender Equity, Diversity, and Inclusion

At Landes, 26% of the workforce is female and the company has embarked on a cultural change throughout the organization (Board, management, leaders, and area managers and operators) to break down barriers and make Landes a more inclusive and equitable company.

In the 2022 Climate Study, we had an increase of 17 percentage points in the gender equity dimension, driven by all the work done since 2019. We have also strengthened the complaints channel and conducted training and awareness-raising talks.

For 2023, the goal is to be certified under the gender equality and work-family-life balance management system (NCh 3262 Standard); raise awareness among all employees, and increase the incorporation of women to our workforce.



# 7. Environment

## Carbon Footprint Measurement

Knowing the Carbon Footprint allows companies and people to become aware of what they contribute to global warming, detect areas of higher greenhouse gas emissions, and propose corrective measures.

This footprint measurement covers Scopes 1, 2, and 3:

### Scope 1 Emissions

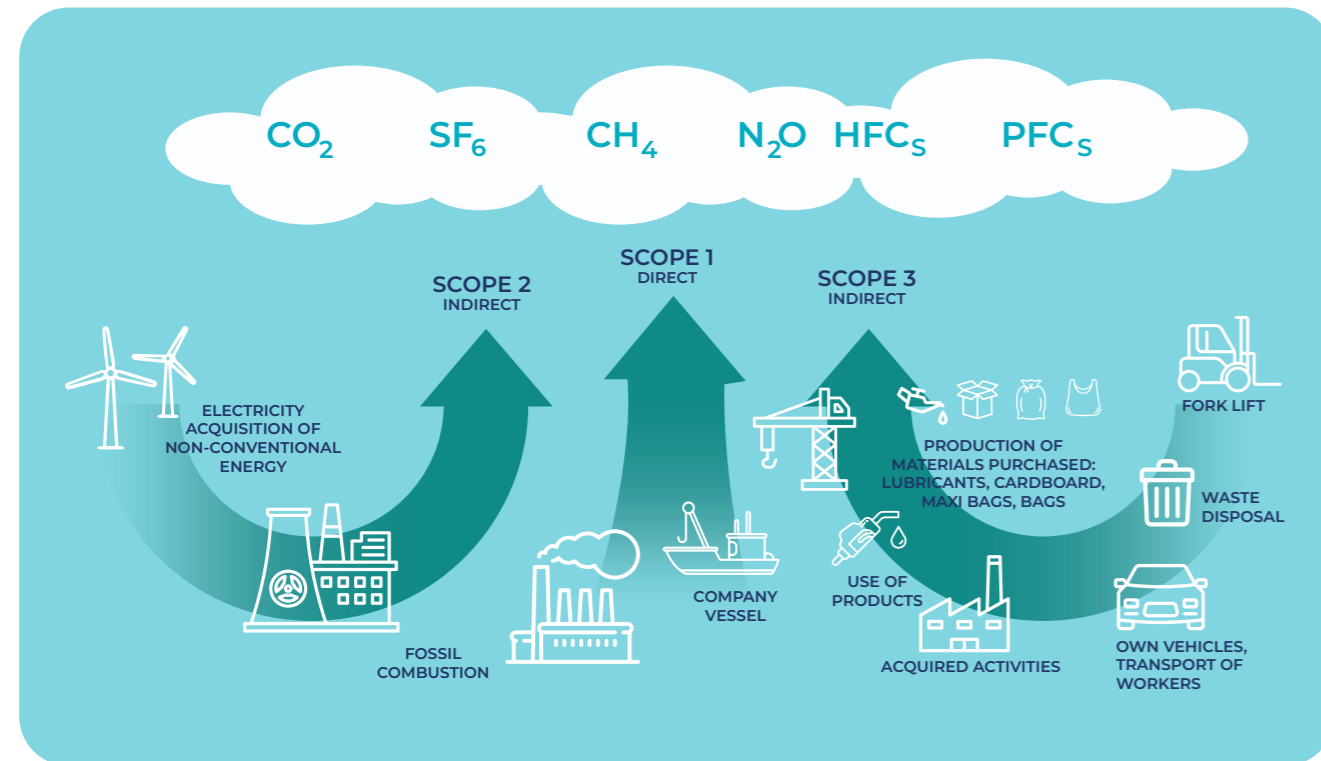
This considers direct emissions that come from sources that are owned or controlled by the company, such as, for example, the consumption of fossil fuels in fixed and/or mobile sources.

### Scope 3 Emissions

These come from a company's value chain and are not under the company's control, for example, employee movements or use of products.

### Scope 2 Emissions

This covers indirect emissions from the generation of electricity, steam, heating, and cooling purchased and consumed by the company.



Source: Own elaboration.

## Total GHG Emissions Landes Mussels 2022 (Unit tCO<sub>2</sub>e)

	2021	2022
Scope 1	4,111	7,304
Scope 2	476	1,308
Scope 3	3,229	2,647
<b>Total Emissions</b>	<b>7,815</b>	<b>11,259</b>

	2021	to	2022
tCO <sub>2</sub> e/Prod	tCO <sub>2</sub> e/MP	tCO <sub>2</sub> e/Prod	tCO <sub>2</sub> e/MP
0.929	0.198	0.930	0.278

## Circular economy and waste revaluation

In waste management, the Company ensures the hiring of suppliers with technical expertise in this area for recycling, reuse, and revaluation, as well as for disposal in landfills.

In 2023, Landes will participate together with Industrial Biobío Fishers in the delivery of information to build a regional recycling database.

## Environmental milestones 2022

Implementation of nine commitments that were assumed as part of the Clean Production Agreement (CPA) for the salmon sector (signed in 2022), following an alliance between SalmonChile and the Sustainability and Climate Change Agency. This CPA focuses on mitigating the impact of climate change and promoting the Circular Economy.

These commitments were:

- Appointing a person in charge of implementing the CPA
- Mapping stakeholders
- Defining a communication plan
- Carrying out training and adherence activities on Greenhouse Gases, waste, and Circular Economy.

With this CPA, the company contributes more to the following SDGs:



## Wetland Protection

Landes participates, along with other actors of the commune, in the Talcahuano Climate Environmental Governance Table, which in 2022 signed five major goals to mitigate and/or compensate for the impact of climate change around the protection of biodiversity and wetlands. It should be noted that the company has not impacted the biodiversity of the nearby environment.

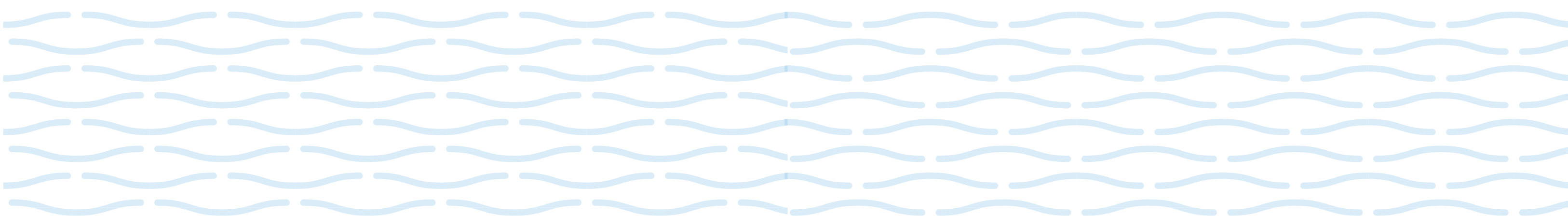
This panel promotes the development and environmental improvement of the surroundings with an environmental agenda that includes 34 actions for the next two years. The first milestone was the delivery to the municipality of Talcahuano of more than 4,000 m2 of landscaping of native trees and low-water-requirement species located on the rear perimeter of the plant, in front of the El Morro canal.

## Energy Efficiency

Landes constantly reviews its processes looking for alternatives that reduce the consumption of energy from fossil fuels in plants, offices, and vessels.

A very important aspect of emissions management was the publication of a Sustainable Energy Management Policy based on 10 work lines.

In 2022, the fishmeal plant located in Talcahuano, a commune classified by the environmental authority as a saturated zone, decreased its emissions by converting its three Fuel Oil N°6 boilers to Liquefied Petroleum Gas (LPG).



## Landes Talcahuano Energy consumption in liters

Fuel consumption fixed sources (in liters)	2020	2021	2022
LPG	76,432	395,853	2,593,788
Diesel	40,200	267,500	434,960
Fuel Oil	580,403	2,355,042	1,157,844
Fuel consumption mobile sources (in liters)			
LPG	12,089	61,278	66,417
Diesel	2,133,406	3,946,475	2,388,775

## Landes Mussels Energy consumption in liters

Fuel consumption fixed sources (in liters)	2020	2021	2022
LPG	821,274	1,115,132	1,137,065
Diesel	4,766	27,225	30,934
Fuel Oil	1,330	1,405	650
Fuel consumption mobile source (in liters)			
LPG	6,2	31,1	23,017
Diesel	1,749,4	3,236,1	-
<b>Electricity consumption (kWh/year)</b>	3,149,716	3,576,572	3,348,626

## Landes Talcahuano Energy Consumption (kWh/year)

	2021	2022
Renewable energy consumed	4,819,915	18,964,091
Non-renewable energy consumed	14,060,220	192,194*
<b>Total energy consumed</b>	<b>18,880,135</b>	<b>19,156,285</b>

\*Consumption in industrial fleet in San Vicente





# 8. Community Relations

## Work lines

- To maintain a permanent agenda of outreach and collaboration with nearby neighborhood organizations.
- To deploy social contribution programs that benefit the inhabitants of sectors close to the plants, in sensitive areas for the quality of life and/or socio-economic development of those communities.
- Recognition to neighborhood leaders for their work with the communities.

## Public Affairs

In 2022, the company actively participated in the Fisheries Dialogues conducted by the Undersecretariat of Fisheries, to gather information to draft a new Fisheries Law. Through the unions, employees were able to raise their concerns and proposals for legal discussion with parliamentarians and authorities.

## Milestones Talcahuano

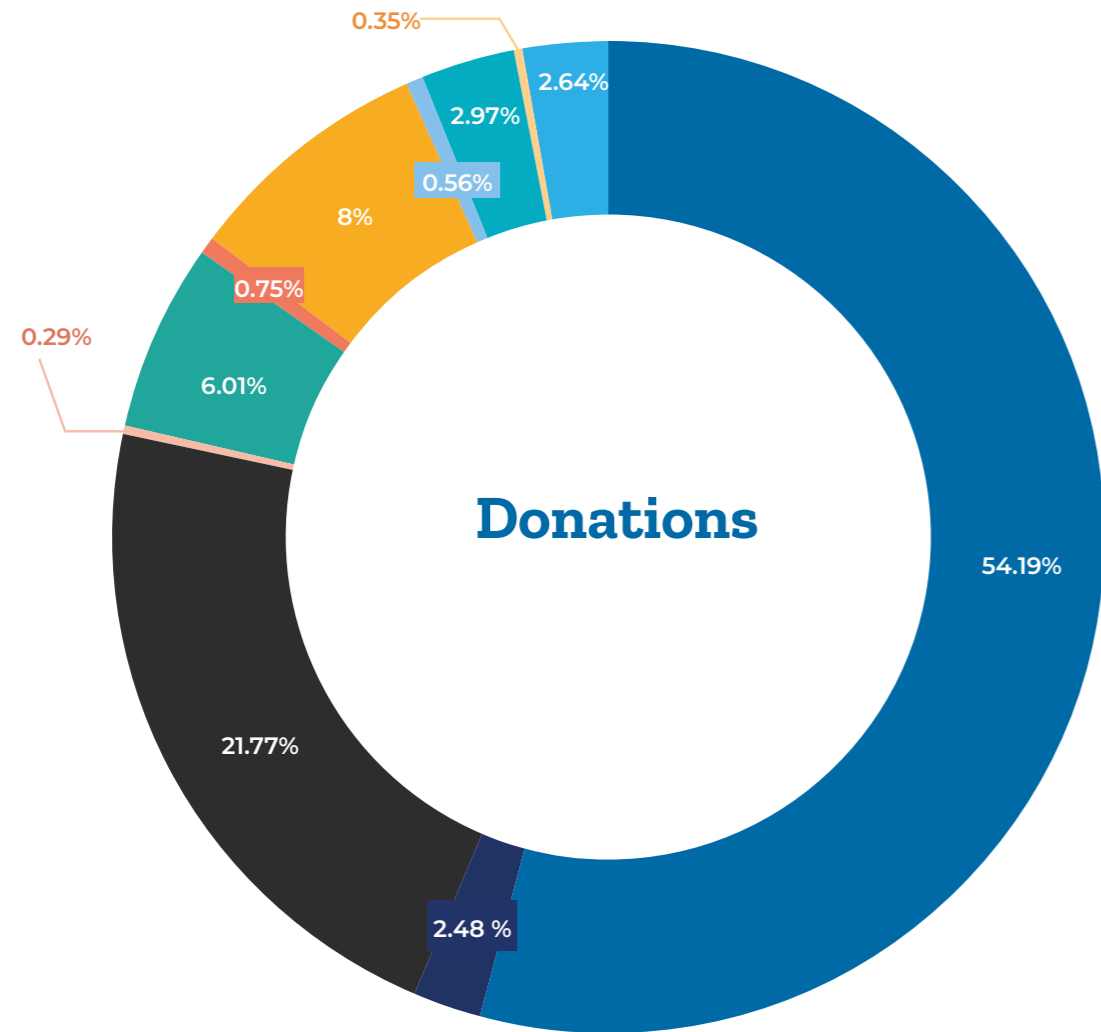
- Implementation of the program "Libertad and Gaete Start-up" with Cidere Biobío.
- Strengthening the projects of neighborhood councils.
- Participation in improving the environment.
- Employment opportunities increased for residents of Talcahuano.
- Landes joined the business advisory committee of the Juan Antonio Ríos Industrial High School, in Talcahuano.

## Milestones Mussels

- Work with rural schools near the farms.
- Certification under the SMETA standard to support ethical and responsible business practices.
- Participation in the reconstruction of the Camilo Henríquez neighborhood in Castro as a result of a fire.



# Donations



- SEA FOOD BANK
- WORKERS
- BEACH CLEANING
- NEIGHBORHOOD GROUPS ACTIVITIES
- SPORTS
- FIREFIGHTERS
- HOUSING RECONSTRUCTION
- EDUCATION
- OTHERS
- TRIPARTITE PANELS
- INDIGENOUS COMMUNITIES

# Beach cleaning program

Improving the environment of our communities is a priority objective for Landes, which is why we lead beach clean-ups in the areas where we operate. Activities are carried out supported by volunteers from

the company, who come regularly to clean the coastal edge and educate the population about the importance of environmental care. In Chiloe, these clean-ups are carried out every 15 days.



# Odor management

For a decade, the company has invested in systems to minimize these impacts, through the reduction of odors and carrying out preventive maintenance. In addition to the scrubber system –a technology that, by washing with ozone and seawater, minimizes the emission of annoying odors by more than 90%– two UV plants have been added that work through a photolytic oxidation system to

reduce the smell of the LIWs plant, wells, and coolers.

When the neighbors notice a situation, the complaints procedure for bothersome odors is activated, which coordinates the work of all the areas involved in the production to give appropriate answers to those possibly affected.

# Supplier development: Strategic partners

## Supply in tons - Landes Talcahuano

	2019	2020	2021	2022
Own	45,994	53,798	55,812	71,308
Third parties	43,849	54,201	96,086	110,525
TOTAL	89,943	108,000	151,898	181,833

## Supply in tons - Landes Mussels

	2019	2020	2021	2022
Own	2,680	2,387	5,180	3,596
Third parties	12,073	21,853	27,016	29,996
TOTAL	14,753	24,240	32,197	33,592



# 9. Corporate Governance

As Landes is a family-owned company, the interests of the two owning families are represented proportionally in the governance bodies. Therefore, there are no conflicts of interest.

**Lidia Finkelstein Lew,**  
Chairperson

**Eduardo Fosk Abrahamson,**  
Director

**Eduardo Bohorodzaner Tider,**  
Vice-Chair

**Andrés Fosk Belan,**  
Director

**Jonathan Bohorodzaner Finkelstein,**  
Secretary

In 2019, the Statutes of Landes were updated, determining the obligations and powers of the Board and establishing functions in sustainability management.



## Risk management

The company has a risk matrix that allows it to distinguish and determine the threats to which it is exposed. In this analysis there are control policies that are a series of specific procedures focused on certain positions and roles within

the company that seek to prevent crimes contained in Law 20.393, which establishes and regulates the criminal responsibility of the legal entity, from being committed.

- Sponsorships and donations policy
- Procedure for relationships with public officials
- Investment procedure
- Procurement, Hiring, and Evaluation of Suppliers Procedure
- Complaints Procedure
- Complaints Investigation Procedure
- Petty cash procedure
- Funds to be rendered procedure
- Supplier payment procedure
- Remunerations payment procedure
- People selection policy
- Commercial and customer protection policy
- Conflict of Interest Identification and Management Policy
- Suppliers, Contractors, and Consultants Due Diligence Procedure

**LANDES**<sup>®</sup>

