

WE GROW WITH CARE

Expanding Sustainable Farming

With this report, JD Agro Cocora, states its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour and Environment.

All data relates to harvest year 1 July 2022 to 30 June 2023.

Expanding Sustainable Farming
ESG report 2024
1. edition

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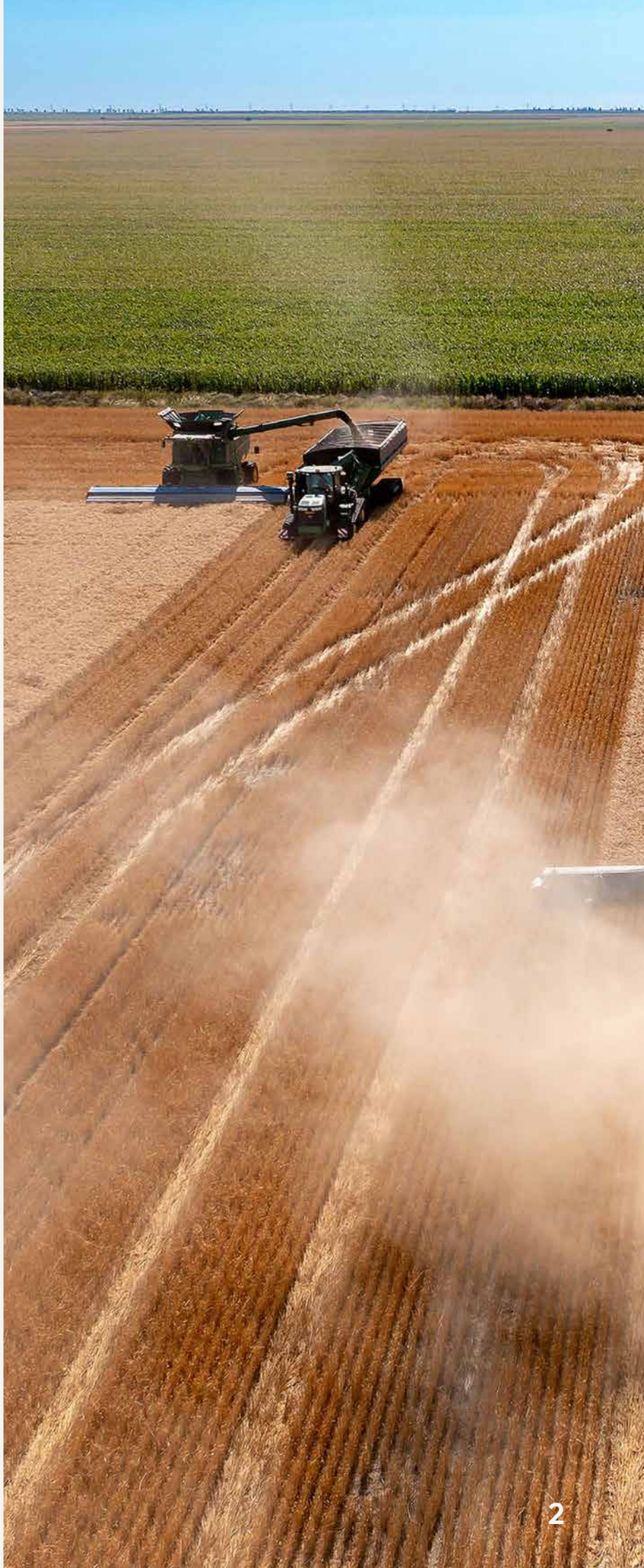
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**Adapting to
new production
methods is not
a duty, it is an
exciting journey.**





The Agro Cocora Vision

We grow with care through people and sustainability. We strive to push ourselves forward with innovation and exploration of new possibilities to reach our goal.

As large-scale farmers, we play an important part in many of the global challenges we face today. The world's population is growing, steady and unceasing. We need healthy and nutritious food in vast amounts, but we also need to protect the land producing that same food. Only then can we feed the world without damaging the environment and keep our planet safe for future generations.

We also play a significant role in our local communities. Hence, we seek to sponsor valued social development in all nearby districts. This has been a vital part of our operations since our start in 2008 and will continue to be a fundamental element of our vision.

Sustainability comes in many forms. At Agro Cocora, we work with sustainable farming through conservation agriculture, educated employees and innovative technologies to benefit both people, planet, and stakeholders.

Contents

CEO Thoughts	8
Our Farms	10
Environment	14
Conservation Agriculture	14
Water Conservation and Protection	18
Reducing Greenhouse Gas Emissions	22
Our Carbon Footprint	25
Lower Use of Pesticides	26
Other Resources	28
Biodiversity	30
Social	33
Local and Cross-Country Communities	34
Talent Cultivation, Health and Safety	37
Governance	38
Board and Management	39
Strategy	41
Risk Management	42
Anti-corruption	43
Future Goals	44



CEO Thoughts

We published our very first ESG report in June 2022 and hence, took a new step towards an even more sustainable profile.

We are curious – and have always been – about how to create a resilient, sustainable farm that operates with respect for both people, planet, and profit. We keep experimenting to obtain higher yields, more nutritious crops, and healthier soils. And we keep working on reducing and optimising the use of pesticides, fertilisers, and fuel without compromising production.

In our perspective, adapting to new and even more beneficial production methods is not a heavy obligation, it is an exciting challenge for the entire organisation.

INSTABILITY AND HIGH PURCHASE PRICES

2023 marked itself as a year with great unrest internationally. The war in Ukraine continued, and in October a new political and humanitarian crisis emerged in the Middle East.

For us at Agro Cocora, the war in neighbouring Ukraine has had the most impact, where we have been challenged by rising prices of energy and fertiliser.

Thus, low sales prices and high purchase prices left their mark on our financial result, which was also affected by challenging weather conditions.



WARM WEATHER

Last season was a warm and dry experience, following in the footsteps of several years with heat waves and droughts.

As farmers, we are used to fluctuating weather conditions. There has always been drought – and excessive rain, but in recent years, the weather has become an increasingly dominant factor.

Fortunately, our no-till system has built up great soil quality with reduced erosion and less evaporation. We keep adapting, however, to maintain resilient production. For instance, we are investing in irrigation, so we can protect the yield in warm summers.



HEALTH AND SAFETY

The health and safety of our colleagues continues to be a high priority.

Since our last report, we have increased our focus on training and safety procedures. We have also implemented a system to keep track of the few unsafe conditions and accidents we experience in order to lower the number even further.

In addition, we have applied for the GRASP certification, which specifically addresses workers' health, safety, and welfare.

NO-TILL OPTIMISATION

Our dedication towards a more sustainable production leads to many new experiments. We test new cover crops, new machines, and new procedures continuously and become wiser along the way.

The last years of severe drought have made us reconsider the value of a full no-till strategy. We still believe conservation agriculture outweighs traditional farming by far, but we are curious about how to optimise further. Hence, in 2024 we will conduct a number of tests with strip tilling.

We reached 17,450 hectares of arable land by spring 2024. I look forward to yet another exciting season with focus on sustainability, resilience, and expansion along with good yields and profitability.

Hans Poulsen
CEO

Our Farms

We started JD Agro Cocora in 2008 with 1,850 hectares in Cocora, Ialomița. Over the years we have extended the production locally, and since 2016 we extended to operate a second farm in Amzacea, Constanța. The main farm, however, is still the one in Cocora.

We operate 17,450 hectares of arable land in total, of which 10,000 hectares are in our ownership and the rest is based on lease agreements.

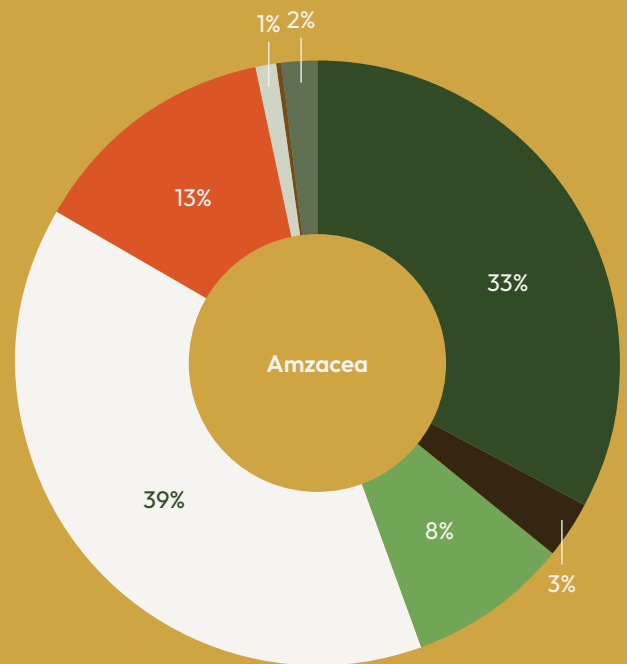
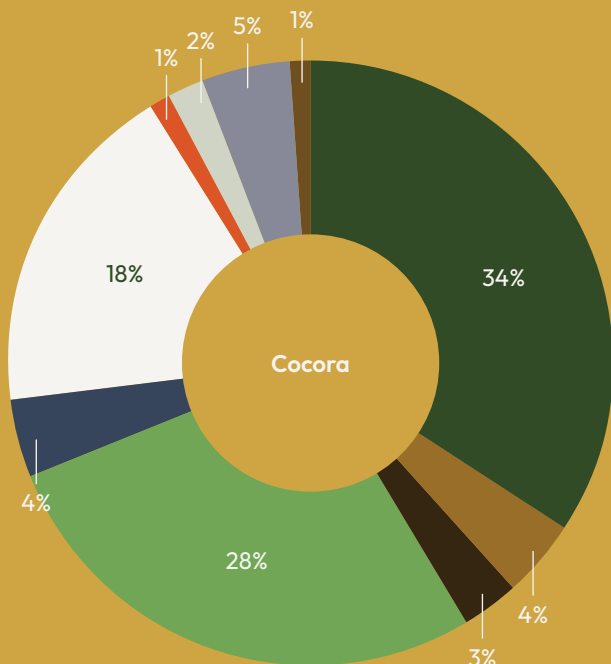
At the Amzacea farm we currently operate 5,490 hectares, after acquiring the nearby Sofrag Farm in 2023. We have no storage facilities, but deliver to a third-party silo, where we rent the needed capacity.

From the Cocora farm we operate 11,960 hectares. We have a 40,000-ton storage capacity and have plans for expansion in the future. For now, however, new silo construction is on standby.

We direct our coming investments into irrigation in order to stabilise production, before extending our storage capacity.

CROP SELECTION, HARVEST 2024

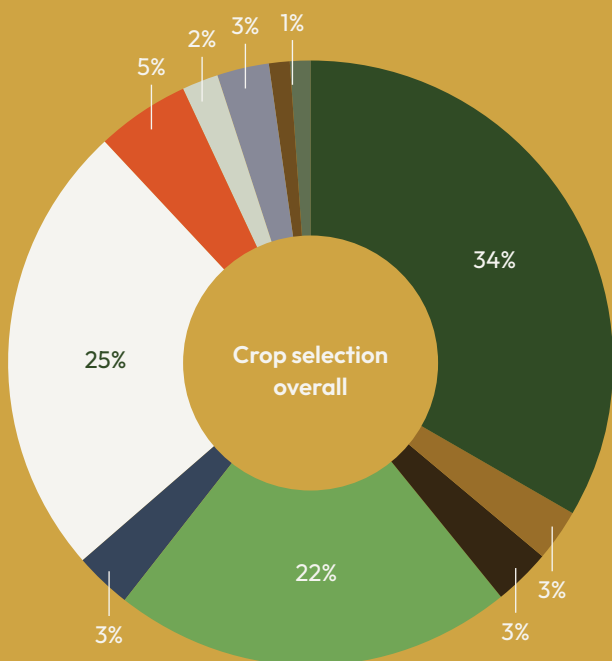
- Wheat
- Corn
- Spring barley
- Miscellaneous
- Winter rapeseed
- Irrigated corn
- Soya
- Autumn peas
- Winter barley
- Sunflower
- Irrigated soya





DEVELOPMENT

2008	2012	2016	2020	2022	2023
1,850 ha	5,250 ha	6,900 ha	14,015 ha	15,087 ha	16,975 ha



Cereals: 7,293 ha - 42%
 Corn: 4,258 ha - 24%
 Oil-seeds: 5,746 ha - 33%

We continue to experiment with various crops. In 2023, we tested spring barley for malting and achieved a positive result, taking the drought into consideration. We tested spring barley seeded in both late autumn and early spring and have increased our area for the 2024 season.

We are also testing winter peas this season, seeded in the late autumn of 2023.



STORAGE FACILITIES

To ensure high grain quality all year round, we have a tight protocol for fast drying and cooling of the grain during harvest. The protocol also includes continuous supervision of all silos to make sure we have the temperatures under control and hence, store our grains safely.

As soon as a silo is empty, we ensure both cleanliness and function. All mechanics are checked at fixed intervals, so any errors can be corrected in a timely manner. Before the coming harvest, a full review is always done, both to secure quality, to mitigate problems along the storage period, and to extend the lifetime of the storage facilities in a broader perspective.

PRODUCT QUALITY

We measure every input and output from the farm to make sure that we, both at the actual moment and over time, get the figures right and have correct data for making continuous improvement. Hence, each truck that comes and goes is registered.

We use data from the last 13 years to measure our performance from every single field, crop and variety to support both next year's choices and the overall development in longer terms.

At the same time, we measure the quality of all crops (water, protein and impurities) at harvest, when entering the farm and before storage. This ensures that the storage facilities are adjusted correctly to the actual crop and that the continuous monitoring and care, especially in the first important months, are adjusted to the crop.

In addition, we test our crops for pesticide residues when they enter the silos, to be sure we have no leftovers in the product. We also have the capability and setup to introduce new ways to measure e.g. microminerals or other nutrient factors of interest for prospective partners.

CERTIFICATIONS

In 2023, we started looking into selected certifications. The goal was to assure partners and customers of our sustainability measures, but also to enhance our knowledge about responsible farming practices.

We have now qualified for the GLOBALG.A.P. certification, which is one of the most respected and internationally recognised standards counting almost 200,000 producers around the world. Global Good Agricultural Practice (GLOBALG.A.P.) focuses on responsible agricultural practices in terms of food safety, sustainability, animal welfare, workers' health and safety, and biodiversity.

In 2024 we hope to obtain the GRASP certification, a GLOBALG.A.P. add-on product developed to assess social practices on the farms, addressing specific aspects of workers' health, safety and welfare.



Optained



In process

PARTNERSHIPS

Agro Cocora has several valuable partnerships. For instance, one with a local pig farmer, who buys our non-GMO soya in order to make a final higher value of his pork. This partnership results in lower cost and lower CO2 emissions for both parties compared to delivering the soya at the harbour in Constanta.

In 2023, we entered a tripartite agreement with two major players in the food industry, who are looking into enhancing their sustainability initiatives.

We will continue our work towards more integrated partnerships focusing on producing the right products in an increasingly sustainable way, and at the same time obtaining a better price for our products.



We are looking forward to taking a new step towards better documentation of our work environment in terms of:

- ▮ **Structured assessment** (GRASP offers a checklist to evaluate workers' well-being, ensuring systematic documentation of key aspects like health, safety, and labour rights)
- ▮ **Standardised reporting** (detailing adherence to social practices, fostering transparency, and accountability across the supply chain)
- ▮ **Continuous improvement** (GRASP encourages ongoing assessment and documentation, facilitating the tracking of progress and improvements in the work environment over time)

Environment

Our care for the environment extends to both administration and field work.

In the fields, conservation agriculture is the backbone of our sustainable development. This technique helps us reduce our diesel consumption as well as our usage of fertiliser and pesticides. In addition, conservation agriculture inhibits water evaporation, increases the number of microorganisms and soil animals, and lowers greenhouse gas emissions.

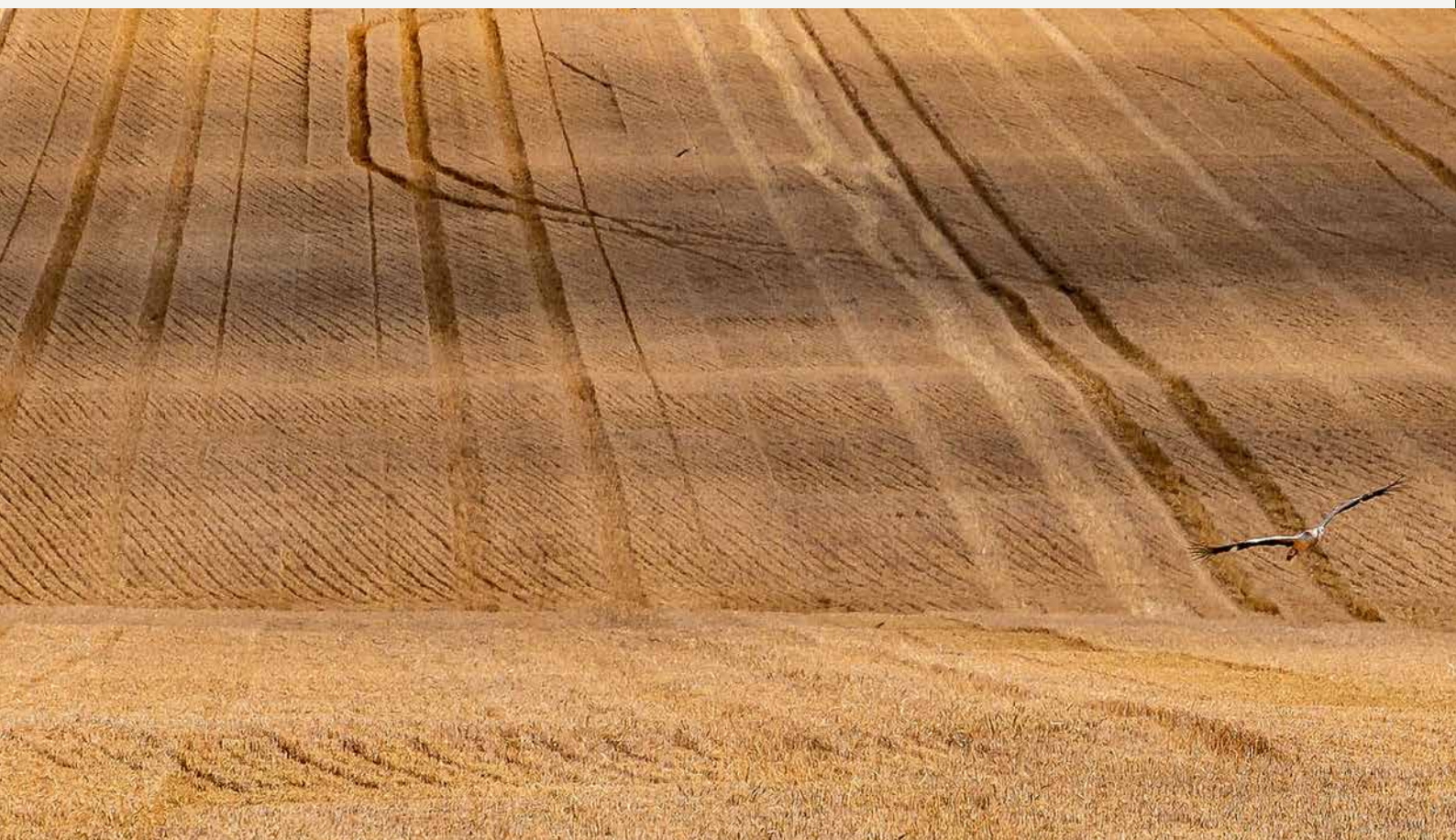
Along with our no-till practice, we focus on nature and biodiversity, for example by planting trees and shelterbelts to reduce wind speeds and improve the habitats of various animals. In 2023, we planted 36,500 plants across our fields in Cocora and Amzacea.

In our buildings, we focus on reducing energy by various power-saving initiatives such as changing all light sources to LED and adding sensors to make sure the lights are automatically switched off when not in use.

WHAT IS CONSERVATION AGRICULTURE?

Conservation agriculture is a technique for growing crops without disturbing the soil. No tillage and no ploughing. The seeds are placed directly in the untouched soil under the residue from last year's crop, and the soil is always covered with plants or plant residues.

With the help of an opening disc, the residue is moved aside, and the seed is placed into clean soil along with the fertiliser. A minimum of soil is touched, which prevents water evaporation and germination of weeds. In addition, it prevents loss of nutrients from the fertiliser.



OUR JOURNEY

We set up our first conservation agriculture fields in 2018.

Almost everything that could go wrong did go wrong in the beginning of the growing season, but at the time for harvest the yield of our first 1,200 ha conservation agriculture fields was average and only a few percent lower than our other fields.

Eager and curious to find a new way for a more sustainable and water saving production, we continued to experiment, and in 2022 all land (except new acquisitions) had been converted to conservation agriculture.

In autumn 2022, we took over a new farm, Sofrag, whose fields were already cultivated and seeded for the coming season. Consequently, we added a large area with traditional farming

methods to our production, which we used as a benchmark for our no-till fields in the Amzacea farm just nearby.

After harvest in 2023, we converted the new fields to no-till. All except a few test-fields, where we want to try strip tillage, as we are unsure if we are obtaining the full potential in the autumn-seeded wheat and rapeseed by doing no-till.

We will continue to protect the soil cover and exploit the benefits of conservation agriculture through low disturbance strip tillage for better root development.

We plan to test strip tillage in the irrigation as well. Here we have better moisture, and the strip tillage helps the crops achieve a better start, so we can maximise the production under the irrigation machines.

CONSERVATION AGRICULTURE IMPLEMENTATION 2018-2023

Harvest year	2018	2020	2021	2023
Conservation agriculture/ha in all	1,219/10,659	8,550/14,015	12,837/14,537	15,030/16,975

HIGHER TEMPERATURES – LOWER YIELD

2023 was yet another warm, dry season with yields below expectations. The no-till technique proved its value once again, yielding better than tillage fields, but when we studied our wheat fields during the growing season, we found the soils hard and difficult for roots to develop.

No-till enables us to minimise the damage of these very dry years, but when three of the last four seasons have had low rainfall, not even no-till is enough. Hence, we now seek a hybrid solution with more irrigation in order to increase our yields.

We have tested irrigation in the past as well and we are members of different associations in order to optimise the use. We will start irrigation on 1,000 hectares, using water from the Danube River through an old system from the 1980s.

Depending on where we have access to water, we seek to reach 5,000 hectares of irrigated land in the coming years.

We will also change our crop rotation, since we have learned that autumn seeded crops such as wheat, barley, and rapeseed are less affected in the drought years.

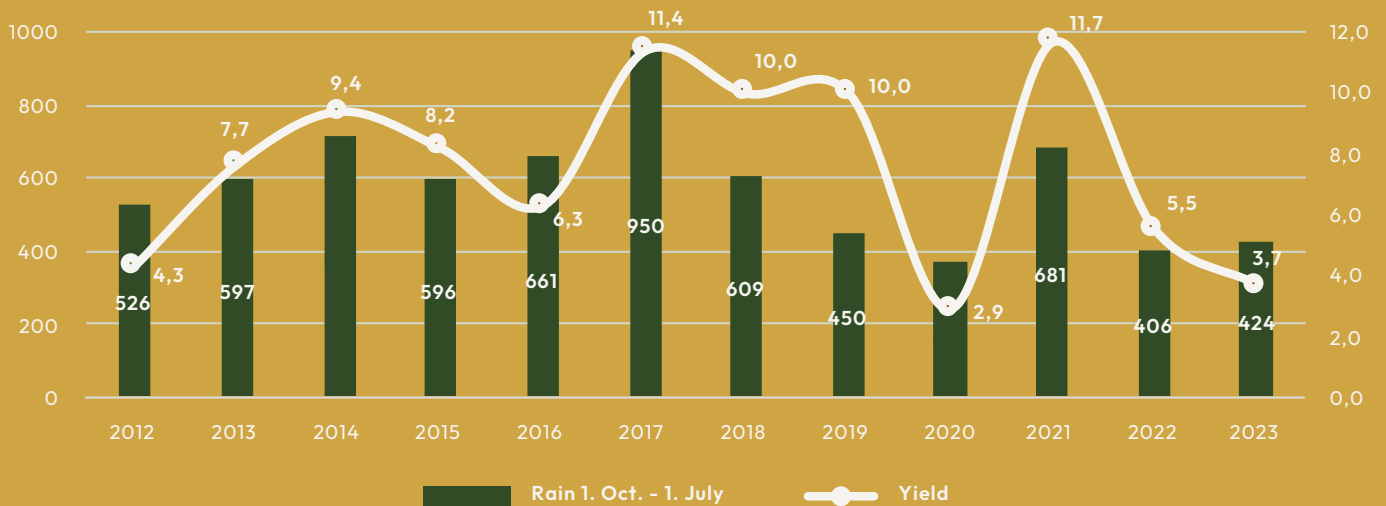
Corn and soybeans, on the other hand, are our most challenging crops in drought. They are harvested in the autumn and must fill their grains during the warm and dry period in the summer.

Hence, we will reduce the most vulnerable crops and seed more grains to minimise our risks, while still prioritising a healthy crop rotation.

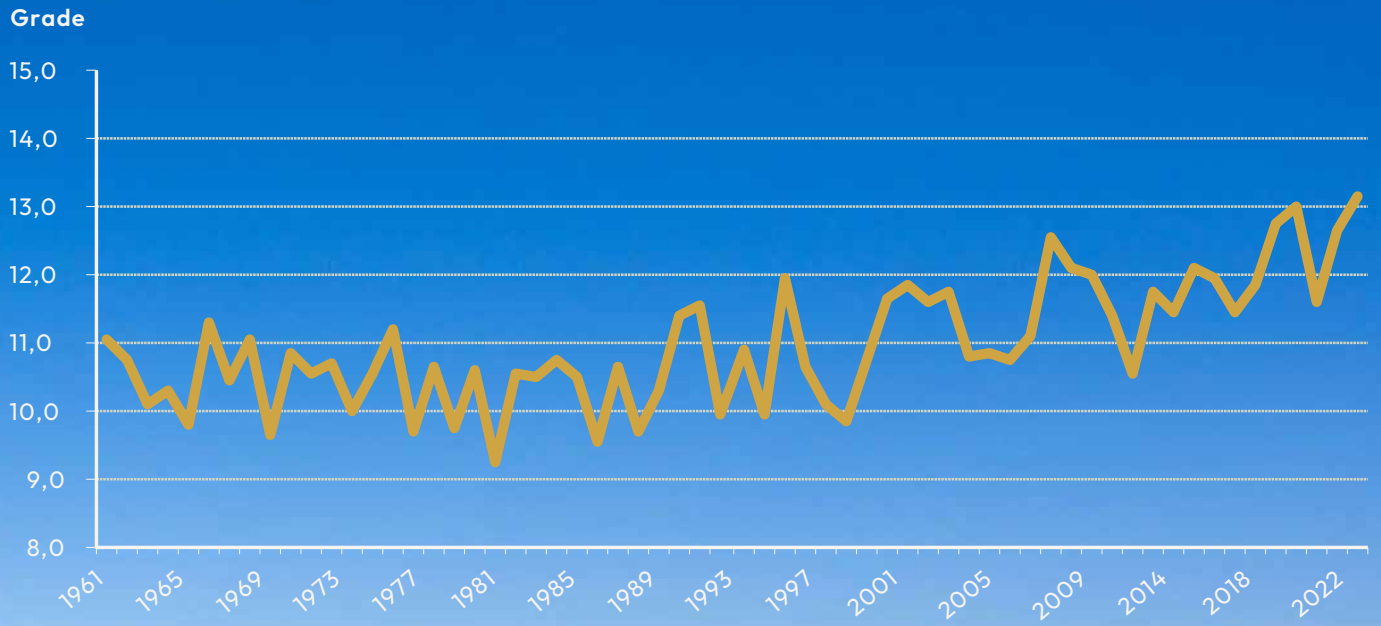


The 2019 harvest was better than in 2022 and 2023, because the soil was wetter at the beginning of the season. Additionally, the rain came later, just when the corn needed it.

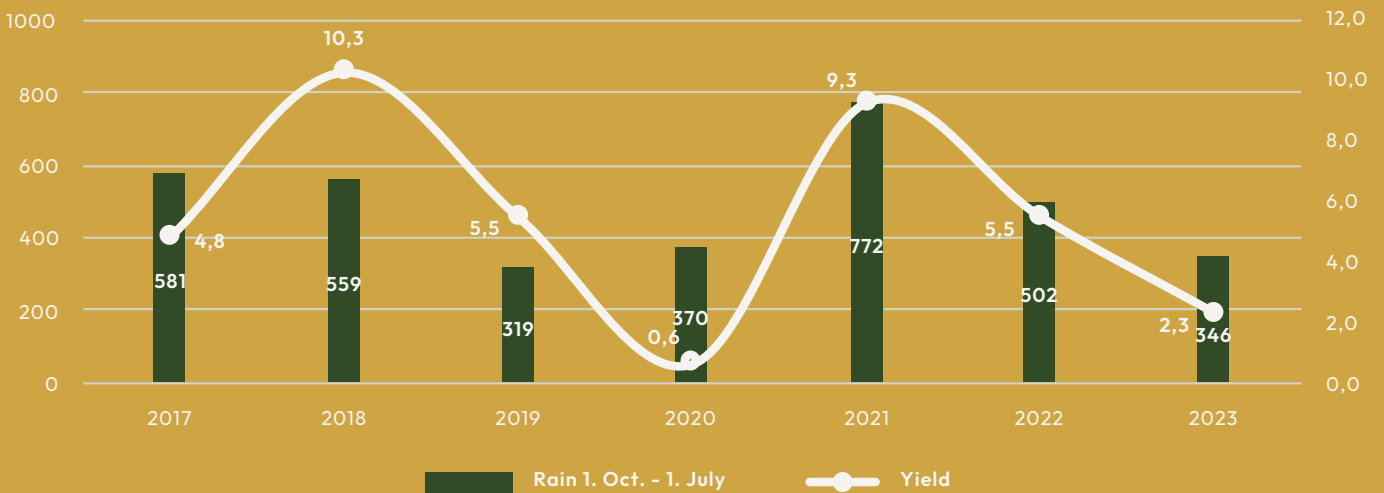
MAIZE YIELDS VS. RAIN COCORA



ANNUAL AVERAGE TEMPERATURE, COCORA AREA, 1961-2023



MAIZE YIELDS VS. RAIN AMZACEA



Water Conservation and Protection

In the no-till system we try to have as much plant material as possible covering the surface of the soil. Residue is a friend, not a foe. Hence, no straw from the harvest is removed.

The residue brings a number of benefits. First of all, it protects against evaporation of moisture from the soil, as the residue has the same effect as a straw hat – it creates shadow. The soil temperature is significantly lower under the cover, which inhibits water evaporation and protects the soil life against too high temperatures.

Secondly, it provides a much better infiltration of water when it rains, even in heavy thunderstorms, because the plant materials help prevent water runoff. At the same time, holes from worms remain open allowing water to infiltrate deeper into the soil. Undisturbed soil resembles a sponge; the soil is held together by an intricate structure of various soil particles and channels created by roots and soil organisms.

Finally, the residue on the surface minimises wind erosion. If the soil is left uncovered, the wind blows away the nutritious topsoil.

Based on studies by Dr. Dwayne Beck at the Dakota Lakes Research Farm, we expect to achieve minimum of 100 mm water conservation per year through a mix of less evaporation and better rainwater infiltration.

A simple overpass with a harrow can mean a loss equivalent to 15–20 mm of rainwater in increased evaporation, and that makes a great difference in a climate like ours. However, if it does not rain enough, there is obviously not the same amount of water to save in the soils.

As for natural waterways, we do not have many in our territory, but the ones we do have are better protected, when the water is absorbed instead of running off.

When we prevent the water from running off, it also reduces soil erosion from the nutrient top layer and prevents pollution from entering nearby water sources.





MINIMUM ESTIMATED YEARLY WATER SAVINGS IN MM

No tillage
(savings per trip)

15-20

Infiltration when it rains

35-150

Evaporation during the
growing season

60-130

Total savings

125-300



More Nutritious and Healthier Soil

The number of microorganisms and soil animals increases when the soil is neither ploughed nor tilled, especially earthworms grow in numbers. The earthworms are particularly important for the soil structure and the soil's ability to infiltrate surplus downpours. They pick up plant remains on the surface and drag them down into the soil for digestion. The leftovers become nutrition for the plants.

The importance of earthworms and their movement of dead organic matter is well known in relation to the circulatory cycle, but the worms and their tunnels are also valuable for the root development of our crops, because they allow the plant roots to penetrate deeper into the soil. On the way, the root can absorb valuable nutrients left from the worms.

LOWER USE OF FERTILISER DIVIDED INTO NITROGEN, PHOSPHORUS, POTASSIUM, AND SULFUR MEASURED ON ALL CROPS IN KG/HA

	Total kg/ha	Total N/ha	Total P/ha	Total S/ha
2022	420	114.59	66.16	19.76
2023	389	110.68	52.50	28.92

LOWER USE OF FERTILISER

An optimal content of essential nutrients provides healthy and cultivation-safe soil, which ensures a good nutrient supply for the crops.

A low nutrient content can cost yield and quality, while too high a content is a waste of resources and increases the risk of loss. Once you know the nutrient content of the soil, the fertiliser supply can be adjusted, so the soil's content of plant accessible nutrients reflects the needs of the crop.

We have been testing our soil since 2008 to monitor the nutrient content, but in 2023 we increased the level of accuracy by applying a more precise GPS. We tested 2,500 hectares in total and plan to increase that number in the coming years. This will help us adjust our phosphate applications to match the exact needs.

We are also conducting N-Min tests on our soils, which show the level of leftover nitrogen from last year. Based on this we can optimise our fertiliser plans and avoid using more nitrogen than needed.

In addition, we have conducted various experiments with two rented soil-sampling spades, which we hoped would bring valuable information about the soil's nutrient content (e.g. nitrogen, ammonium, plant available phosphorus, and soil organic carbon) as well as the soil type and texture plus the pH value.

Unfortunately, the results did not make us much wiser as the spades were not fully developed. We will thus continue conducting the N-Min test in the fields, while looking for new and better technologies.

LOWER USE OF FERTILISER MEASURED ON ALL CROPS IN KG/HA

Agri year	Fertilizer	Hectares	kg/ha
2016	4,324,170 kg	6,941 ha	623 kg/ha
2017	5,985,741 kg	10,220 ha	586 kg/ha
2018	6,628,168 kg	10,659 ha	622 kg/ha
2019	8,145,826 kg	12,703 ha	641 kg/ha
2020	8,180,900 kg	14,015 ha	584 kg/ha
2021	6,810,881 kg	14,631 ha	466 kg/ha

Reducing Greenhouse Gas Emissions

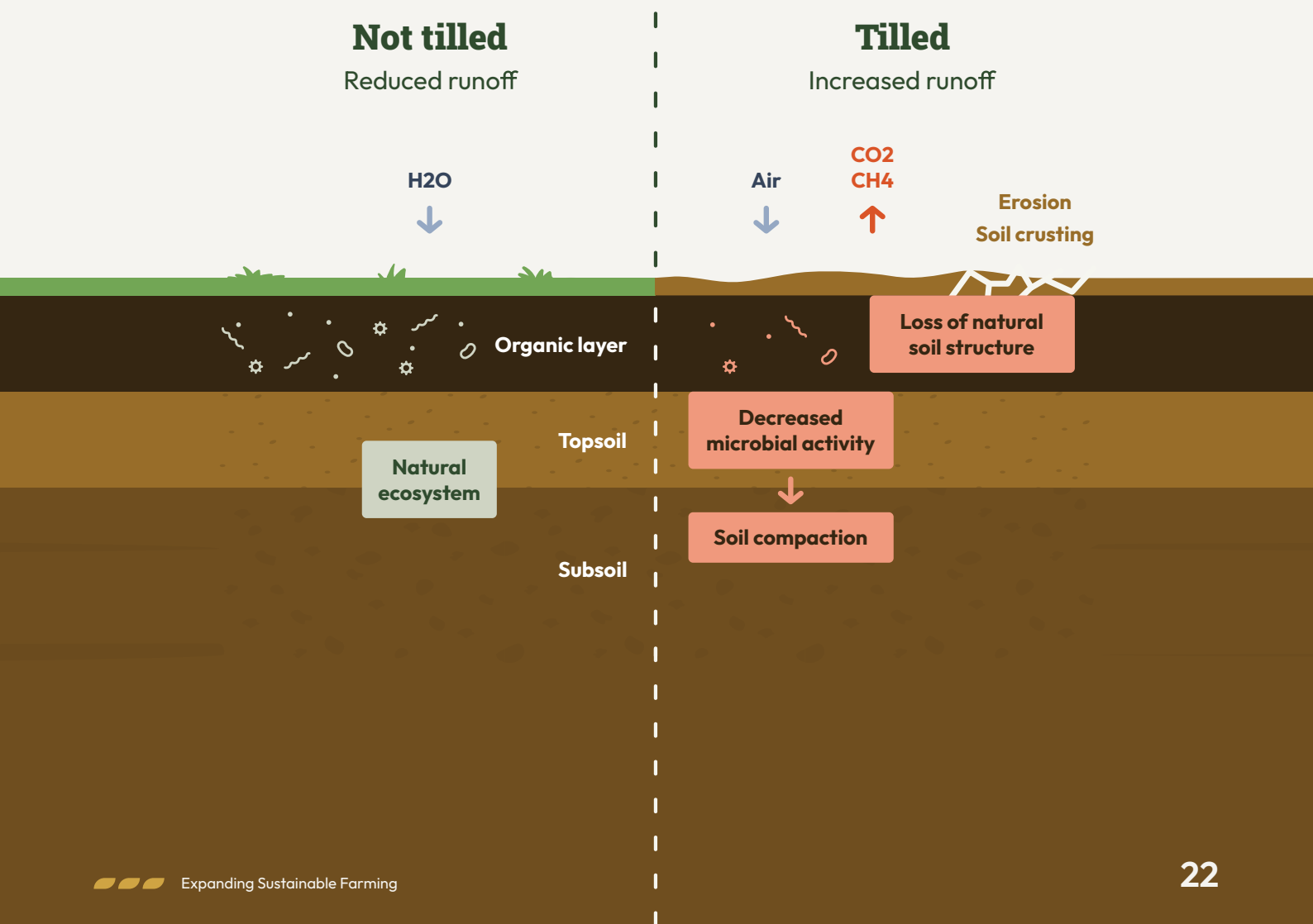
With conservation agriculture the greenhouse gas emissions are lowered due to less disturbance of the topsoil as well as straws and other plant residues being left on the ground.

Carbon is a large component of straw. When the straw is cut and left in the field, it decomposes over time. Part of the carbon is built into the soil, thereby increasing carbon storage. De-emulsion of straw in an average winter wheat will contribute to a positive climate effect equivalent to about 500 kilograms of CO2 per hectare.

Growing plants sequester carbon in the soil. Carbon is released from the plant roots as a sugar, which helps feed the

soil biology. When we refrain from using tillage, this carbon remains in the soil and increases both the carbon and soil organic matter, as well as soil biology.

Conservation agriculture helps reduce emissions in the fields, but we are curious about our overall carbon footprint. In 2025, we will present data on our net carbon balance including cars, electricity etc., based on the Cool Farm Tool.



COVER CROPS

Over the years, we have established more and more cover crops, which have taken our soil health and crop production to the next level. We have experimented with different mixes to find out what fits best into our cultivation systems in relation to how much precipitation we get, as well as how much nitrogen we can collect for our subsequent crop. Various failed experiments aside, it has been a great success. In 2023, however, the cover crops had a negative influence on our production.

In the autumn of 2022, we established cover crops, and shortly afterwards we received a significant amount of rain, which was excellent for the newly planted crops. They grew big and we were very content, but the cover crops used a lot of water to grow this much.

After the rains in the autumn, the weather became very dry, and when we planted corn in spring 2023, the soil was lacking moisture. At harvest the yield showed a difference of 4.8 tonnes per ha (cover crops vs. no cover crops before seeding), which made us reconsider our cover crop strategy.

In order to keep as much moisture as possible in the soil for future cash crops, we plan to establish a lower number of cover crops this year. We will also adjust the cover crops mixture based on the amount of water in the soil. The goal is to reap all possible advantages.

We will not continue our experiments with drone seeding as our past tests in that area were disappointing.

We have, however, experimented with seeding some companion crops together with rapeseed to lower the insect pressure and are looking forward to seeing the results at harvest 2024.

CROP ROTATION

Planting a different crop on a particular field each growing season is a useful tool in building healthy soils. It lowers the amount of weed, utilises more nutrition, and helps us prevent various soil diseases and insect pests.

In terms of weeds, a crop rotation disrupts the growth cycles and helps prevent the buildup of specific species that may develop resistance to herbicides or adapt to the no-till system. Different crops have different competitiveness against weeds, and rotating crops regularly can help manage the weed populations effectively without relying solely on herbicides.

Crop rotation is also beneficial when it comes to nutrition. By rotating crops, nutrients are utilised better, which reduces nutrient imbalances and promotes efficient nutrient cycling. Soybeans for example fix atmospheric nitrogen and contribute nitrogen to the soil, benefitting subsequent crops like corn or wheat.


In addition, crop rotation interrupts the life cycles of pests and pathogens, which reduces their prevalence in the long term and minimising the need for chemical interventions. Previously, we have conducted a rotation consisting of 33% cereals, 33% corn, and 33% oilseeds, but for the future, we will aim for 50% cereals, 25% corn, and 25% oilseeds, because cereal tends to be more resilient in dry years.

OUR COVER CROP MIX IS CHOSEN BASED ON THE FOLLOWING:

- Nitrogen fixating crops e.g. clover, peas, vetch, and soya
- Making phosphorus (P) available for our next crop
- Biological aid for utility animals/bacteria
- Combating pressure damage
- Biological control of pests



Our Carbon Footprint



When our actions are converted into CO2 equivalents, the carbon footprint in 2021 was reduced with approximately 25,380 tons CO2-eq compared to 2020.

In 2022, we obtained 11,913 tons saving. Far less than the year before, but also expected due to the lower yield.

We are proud of our CO2 savings, but not fully satisfied. Hence, the work continues.

Previously, we have seen a full no-till implementation as the road to further reduction, but considering the successive years of drought, we have now altered our expectations.

We still value conservation agriculture highly and will not go full-scale tillage. Instead, we plan to run a number of strip-tillage tests, where only a small part of the soil is cultivated.



Lower Use of Pesticides

Our chemical consumption and yield are constantly checked and followed. We comply with all rules for pesticides and use far less than permitted by law.

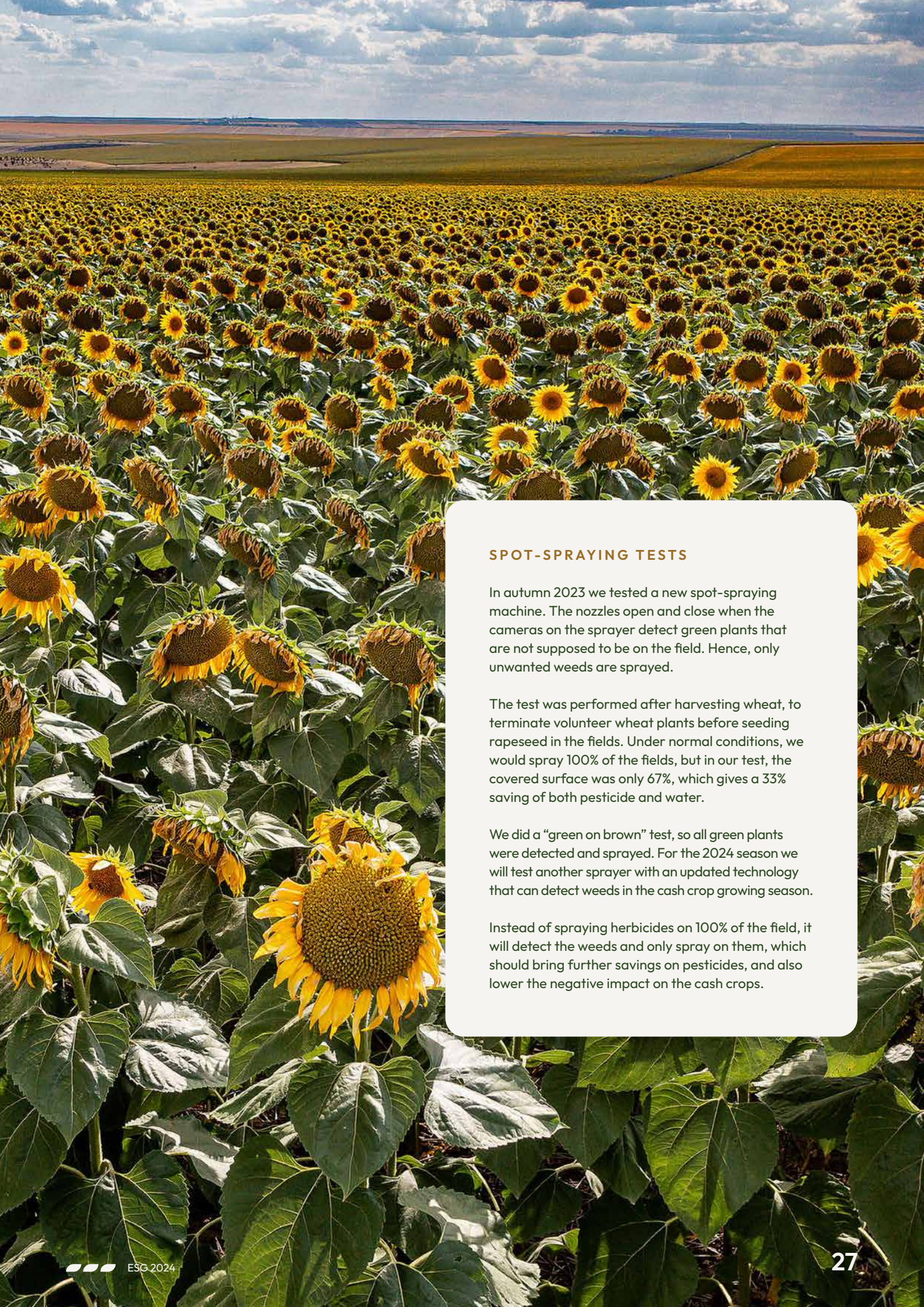
Over the years we have reduced the use of pesticides both by targeted crop rotation, variety selection, and the use of precision technology.

In addition, the no-till practice leads to a reduced need and thereby consumption of herbicide and over time also insecticide. When we leave the soil undisrupted, we refrain from provoking already buried weed-seeds to start germination. Therefore, we see fewer needs for pesticides in long-term conservation agriculture fields, which has become more and more visible over the years.

We are in the process of collecting data on this and look forward to presenting the exact numbers in 2024. When we have established a baseline, we will be able to make a specific goal for our future use of pesticides.

We aim to lower the consumption even more – without compromising the yield.





SPOT-SPRAYING TESTS

In autumn 2023 we tested a new spot-spraying machine. The nozzles open and close when the cameras on the sprayer detect green plants that are not supposed to be on the field. Hence, only unwanted weeds are sprayed.

The test was performed after harvesting wheat, to terminate volunteer wheat plants before seeding rapeseed in the fields. Under normal conditions, we would spray 100% of the fields, but in our test, the covered surface was only 67%, which gives a 33% saving of both pesticide and water.

We did a “green on brown” test, so all green plants were detected and sprayed. For the 2024 season we will test another sprayer with an updated technology that can detect weeds in the cash crop growing season.

Instead of spraying herbicides on 100% of the field, it will detect the weeds and only spray on them, which should bring further savings on pesticides, and also lower the negative impact on the cash crops.

Other Resources

ENERGY

The main part of our electricity consumption comes from our storage facilities. Over the years we have made various efforts to reduce the use of energy for cooling down the grain without compromising the quality. For instance, we have acquired temperature and humidity sensors that start the fans when needed and make sure only cool, dry air is blown in.

The electrical motors in our silos are from 2009. Even though they have been well maintained since the beginning, we plan to conduct an extended energy check of our storage facilities, including an energy optimising report. Due to the difficult

2023 season the plans have not yet been implemented, but we continue to search the market for potential optimisations.

In our farm buildings, we have already reduced our use of energy. In 2023 we changed 104 light bulbs to LED, which equals a 26,031 kg savings of CO2 emissions per year. In total, we expect 460,824 kg of savings over the lifespan of the new LED-bulbs.

Our plans for solar panels have been paused for the moment, but once we start our silo-project, the solar panels will follow.

FUEL

We have had a substantial reduction in fuel per hectare going from conventional farming to conservation agriculture. If we go ahead with our plans of strip-tillage, however, we might see an increase in our field work fuel consumption next year.

Fortunately, there are many ways to keep lowering the numbers. In 2023, for instance, we invested in new headers that lower the fuel consumption while harvesting wheat and barley. The so-called stripper headers increase the efficiency of the combines and bring savings of approximately 8-10 litres fuel per hectare.

In 2021 we placed an order for three electrical cars, and by July 2023 the new cars had replaced three older diesel cars. Later, we changed some of our field cars to more fuel-efficient models, which have lowered our consumption significantly.

We are looking forward to presenting data on our electricity consumption in our coming report.

2022 Fuel Consumption - Cars

Farm	Litres of fuel pr. year
Amzacea	59.364
Cocora	104.927
Total	164.291

2023 Fuel Consumption - Cars

Farm	Litres of fuel pr. year
Amzacea	44.083
Cocora	80.370
Total	124.453

2016

73.9 Fuel, L/ha

2018

64.8 Fuel, L/ha

2020

49.3 Fuel, L/ha

2021

47.2 Fuel, L/ha

2022

47.2 Fuel, L/ha

2023

43.1 Fuel, L/ha

WASTE MANAGEMENT

All big-bags, plastic containers, waste oil, spray cans etc. are collected in containers and picked up by local authorities.

We have oil-waste filters at all washing places, and the water itself goes into collecting ponds, where we continuously measure the quality to make sure it is okay for onsite percolation and use around the farms.

RECYCLE

We make great efforts to ensure the right care for our equipment to keep it correctly maintained at all times. Our cars and trucks follow a strict service plan, but more importantly, we do a full-scale check for the main machines (combines, tractors, planters, and sprayers) before a new season begins.

In that way, we prevent potential breakdowns in peak periods and increase the chance of making the equipment last as long as possible. We also need to have a high standard for selling for reuse when the time comes. Since our start, we have sold all our old machinery, so it can be used at another farm.



Biodiversity

We learned a lot about biodiversity in 2023. Conducting our very first comprehensive assessment, we gathered new information on species, habitats, and various future opportunities.

We also achieved our goal of establishing shelter belts, which bring several benefits:

- Better conditions for wildlife and insects for the benefit of nature in general as well as our crops
- Safe corridors where wildlife can move undisturbed along field boundaries
- Reduced wind speed in the fields, leading to less evaporation

We planted 36,500 plants in total across our fields in Cocora and Amzacea; a mix of native species such as oak, acacia, robinia, and acer. The tall trees block the wind and create shade, while the lower fruit bushes serve as feed and protection for various species.

PROTECTED AREAS AND ENDANGERED SPECIES

Our farms are surrounded by protected areas such as the Credița Fossil Site, Lake Vederosa, Brațul Borcea, and Balta Tătaru. Some of them are Natura 2000 zones; a number of areas protecting Europe's most valuable and threatened species and habitats.

Many of the endangered species in the nearby protected areas can use our lands for breeding and feeding. For instance, the European ground squirrel, the European roller, the white stork, and the red-footed falcon.

We have identified the species that are present all year long, as well as those stopping by for wintering or breeding and rearing season. We aim to conduct yearly reports on population numbers as well, so we can detect future changes in populations and contribute to maintaining a favourable conservation status for many of the species.

Our biodiversity assessment has been developed in collaboration with:

- Mihai Enescu, Ph.D in Forestry, University of Bucharest
- Matei-Ionut Dragomir, Ph.D in Biology, independent consultant

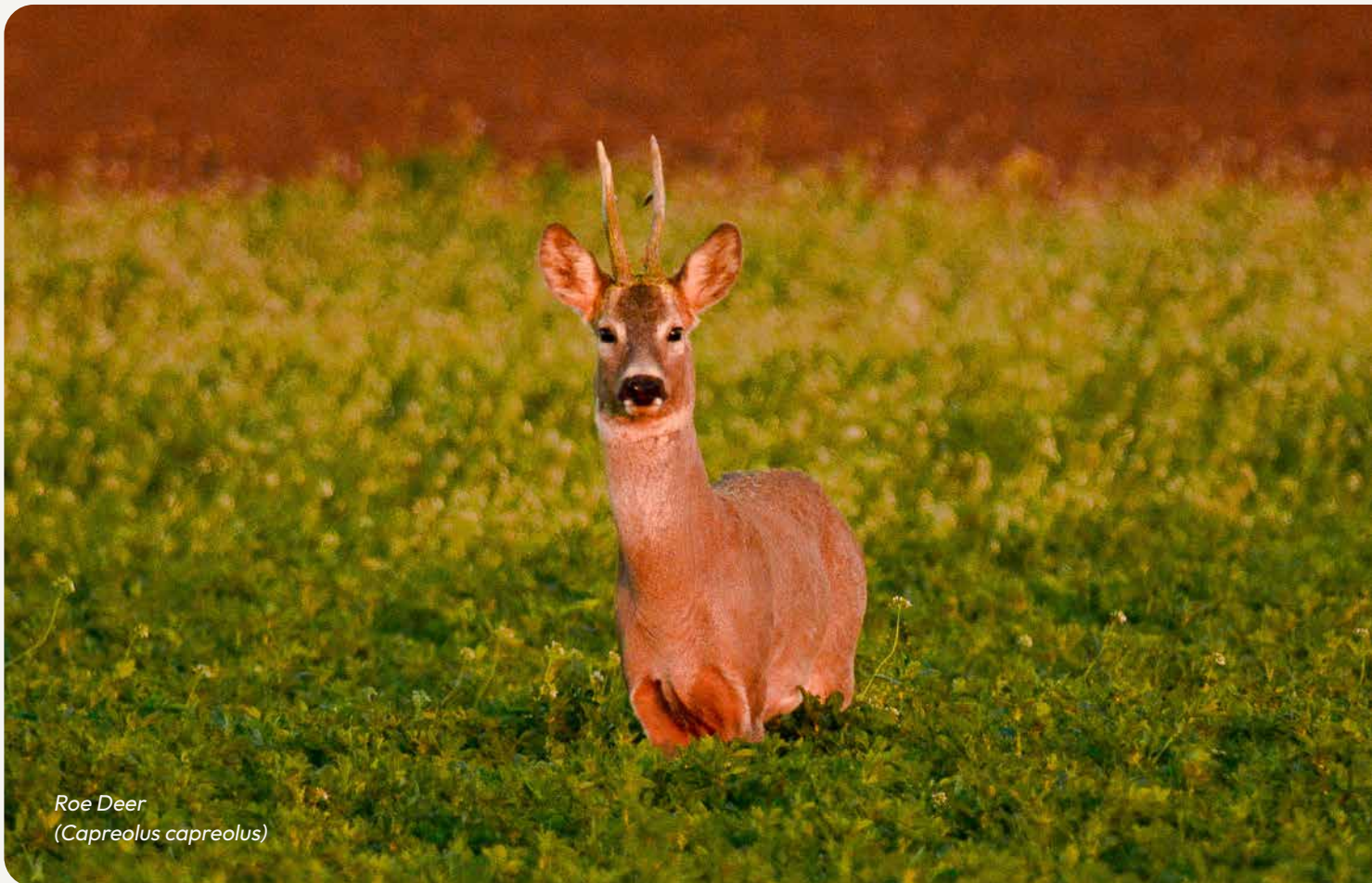
*European bee-eaters
(Merops apiaster)*




European ground squirrel
(*Spermophilus citellus*)



Common buzzard
(*Buteo Buteo*)



Roe Deer
(*Capreolus capreolus*)

A vibrant field of red flowers, possibly cornflowers, with green foliage and a clear blue sky in the background. The flowers are in various stages of bloom, with some in sharp focus and others blurred in the background.

*Dumbrăveni
– a biodiversity
hotspot close to
our farms*

ACTIONS

Based on our biodiversity report from November 2023, we have established a number of potential actions.

Besides monitoring the wildlife development in and around our fields, we will start identifying and mapping more biodiversity hotspots – regions that contain a high level of species diversity or species that are only found in a few places around the farm.

We will also establish some small patches of uncultivated land that can be used as stepping stones for the wildlife, allowing the animals to move between large areas of cultivated land.

In addition, we will place a number of nest boxes and perch poles in our fields. The goal is to create better habitats for selected species, in particular natural predators to control mice.

A perch pole is a tall, human-made structure that provides a vantage point for predatory birds where natural perches do not exist. Many species of raptors hunt from these perches or simply use them to rest.



Social

By funding various projects in our nearby communities, we all grow together. People from these communities are essential to the development of our company, and we are essential to local development and prosperity.

We also look further away. For instance, to the current war in Ukraine where thousands of refugees have left the country.

In general, our main focus lies on children, the elderly, health, education and agriculture. We support various health clinics, schools and parks with refurbishments. We sponsor several football teams and contribute to local agricultural knowledge sharing.

Internally, we remain focused on keep developing all employees, distancing ourselves from a strict no-mistake-culture, and enhance dialogue-based leadership in both day-to-day work and longer-term problem solving.

Local and Cross-Country Communities

We have carried out several CSR projects during the past 15 years, primarily in the local communities of Ialomita and Constanta.

In 2022 we supported refugees from the war in Ukraine, and furthermore we started a collaboration with SOS Children's Villages to support their social projects related to children left without parents, or children growing up in difficult environments.

We continued to provide financial support to SOS Children's Villages in 2023, along with various other NGOs. One of our goals is to help prevent abandonment of children in our local communities.

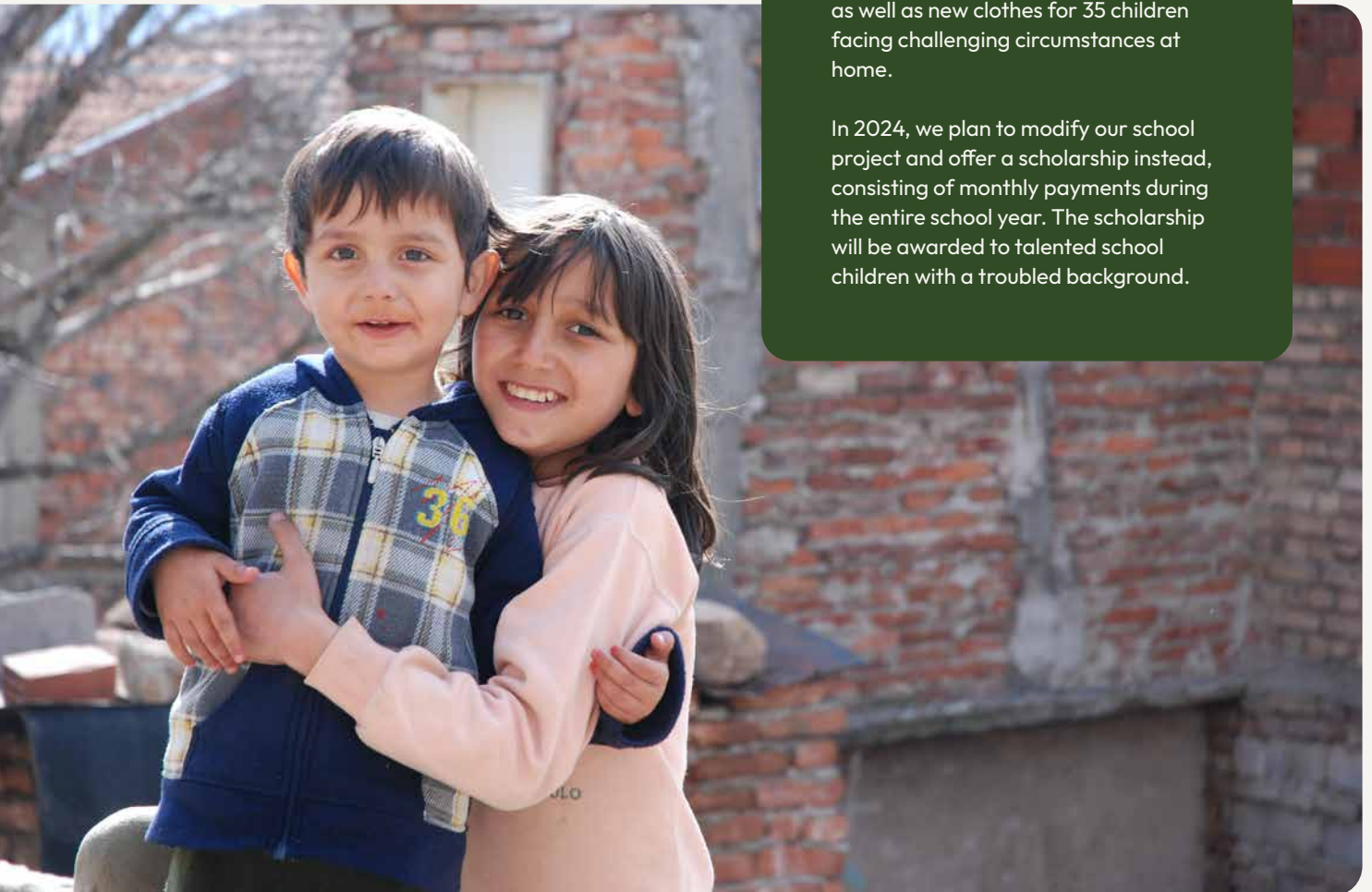
BACK-TO-SCHOOL

For the last seven years we have run a back-to-school project, where we have helped young pupils with new schoolbags equipped with pencil case, notebook, drawing notebook, coloured pencils, and watercolours with paintbrush.

A project that has been greatly appreciated by the principals, teachers, children, and mayors.

In 2023, we bought school supplies as well as new clothes for 35 children facing challenging circumstances at home.

In 2024, we plan to modify our school project and offer a scholarship instead, consisting of monthly payments during the entire school year. The scholarship will be awarded to talented school children with a troubled background.





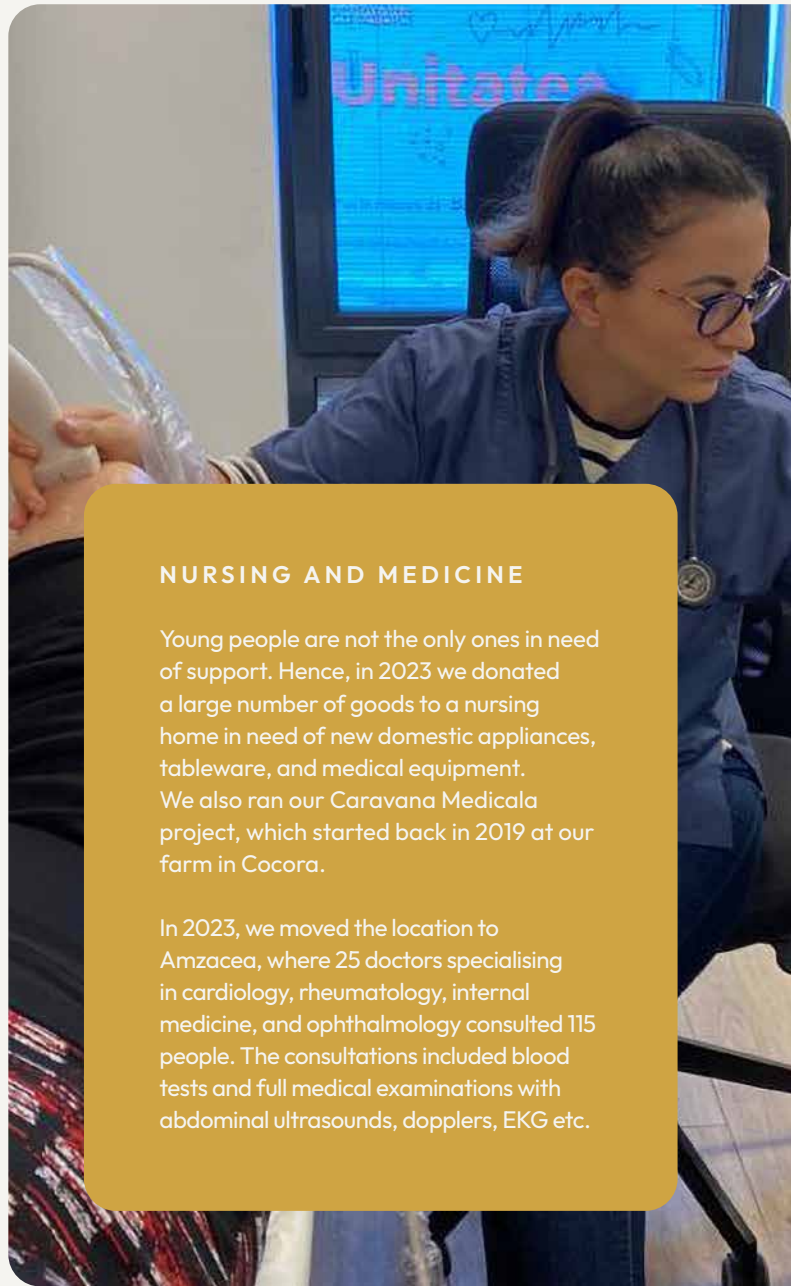
PLAYGROUND RENOVATION

A safe and welcoming playground brings joy and laughter. In 2023, we renovated a worn-down playground in Milosesti and enjoyed watching the children explore their new grounds.

FOOTBALL

It is important for the young generations to practice sports, both to help maintain a healthy lifestyle and to play and have fun with good teammates.

Over the years, we have thus sponsored various youth football teams. In 2023, we sponsored the local team Voința Reviga.



NURSING AND MEDICINE

Young people are not the only ones in need of support. Hence, in 2023 we donated a large number of goods to a nursing home in need of new domestic appliances, tableware, and medical equipment. We also ran our Caravana Medicală project, which started back in 2019 at our farm in Cocora.

In 2023, we moved the location to Amzacea, where 25 doctors specialising in cardiology, rheumatology, internal medicine, and ophthalmology consulted 115 people. The consultations included blood tests and full medical examinations with abdominal ultrasounds, dopplers, EKG etc.

OPEN FIELD DAYS

Over the years, we have gathered significant knowledge on how to run a profitable and more sustainable arable production in Romania. Some things we have learned from local farmers, but most we have learned by studying foreign production methods and adapting them to local conditions.

Every few years, we share our knowledge at our local event 'Open days in the field'. More than 300 visitors usually stop by for a day full of inspiration, knowledge sharing, and networking.

We look forward to repeating the success in 2024.



66 EMPLOYEES IN TOTAL

40 in Cocora

19 in Amzacea

7 in Bucharest



Talent Cultivation, Health and Safety

Our most important asset is our employees. We value each team member and work hard to ensure a high level of safety as well as employee satisfaction and personal development.

Over the last years, we have focused on leadership and management development. Leadership capability and capacity are fundamental qualities for positive development and management of employees, but also risk management.

We inspire and motivate to take on responsibility, and we distance ourselves from a strict no-mistake-culture. That approach has been very successful so far, and hence, we have evolved a strong organisation both in terms of daily operations and potential emergencies.

COMPANY CULTURE AND VALUES

At Agro Cocora, we have a transparent and open-minded culture, where we continuously exert ourselves to inform all employees about different day-to-day actions, but also about longer-term choices and strategies. Along with that, we acknowledge any comments and other points of view as part of a forward moving process. New, well-argued ideas are welcome and easily implemented, if believed to contribute positively to any of our goals.

We value teamwork and see our entire organisation as a chain that is only as strong as its weakest link. Therefore helpfulness, accountability, honesty, and equality for all individuals are particularly important values for us.

- 🌱 **We are innovative and want to drive change**
- 🌱 **We cultivate our fields with respect for people and planet**
- 🌱 **We are proud of making a difference both locally and nationally**

HEALTH AND SAFETY

The health and safety of our staff continues to be a high priority. Since 2010, all employees have had a yearly health-check along with private health insurance.

In terms of creating a safe workplace, we have made a number of efforts to prevent accidents and improve safety through training and dialogue. We also offer first aid courses for all our employees.

In cases where we have had accidents or near misses, we have followed up and improved immediately. We have also established a safety-committee that keeps track of unsafe actions, near-miss accidents, and actual accidents, so we can follow our progress in a more data-based way.

In addition, we have applied for the GRASP certification, which will bring even better documentation of the workers' health, safety, and welfare.



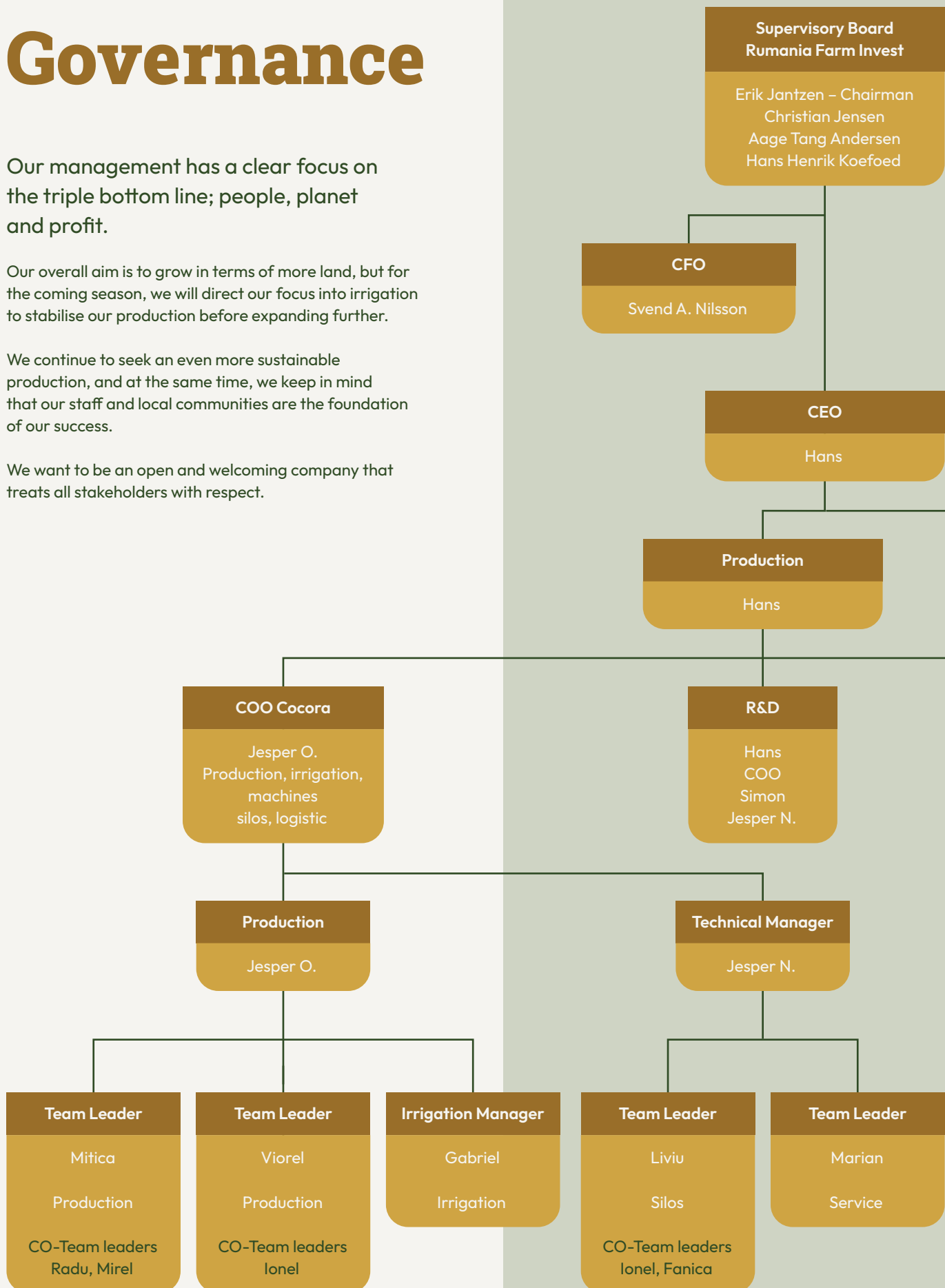
Governance

Our management has a clear focus on the triple bottom line; people, planet and profit.

Our overall aim is to grow in terms of more land, but for the coming season, we will direct our focus into irrigation to stabilise our production before expanding further.

We continue to seek an even more sustainable production, and at the same time, we keep in mind that our staff and local communities are the foundation of our success.

We want to be an open and welcoming company that treats all stakeholders with respect.



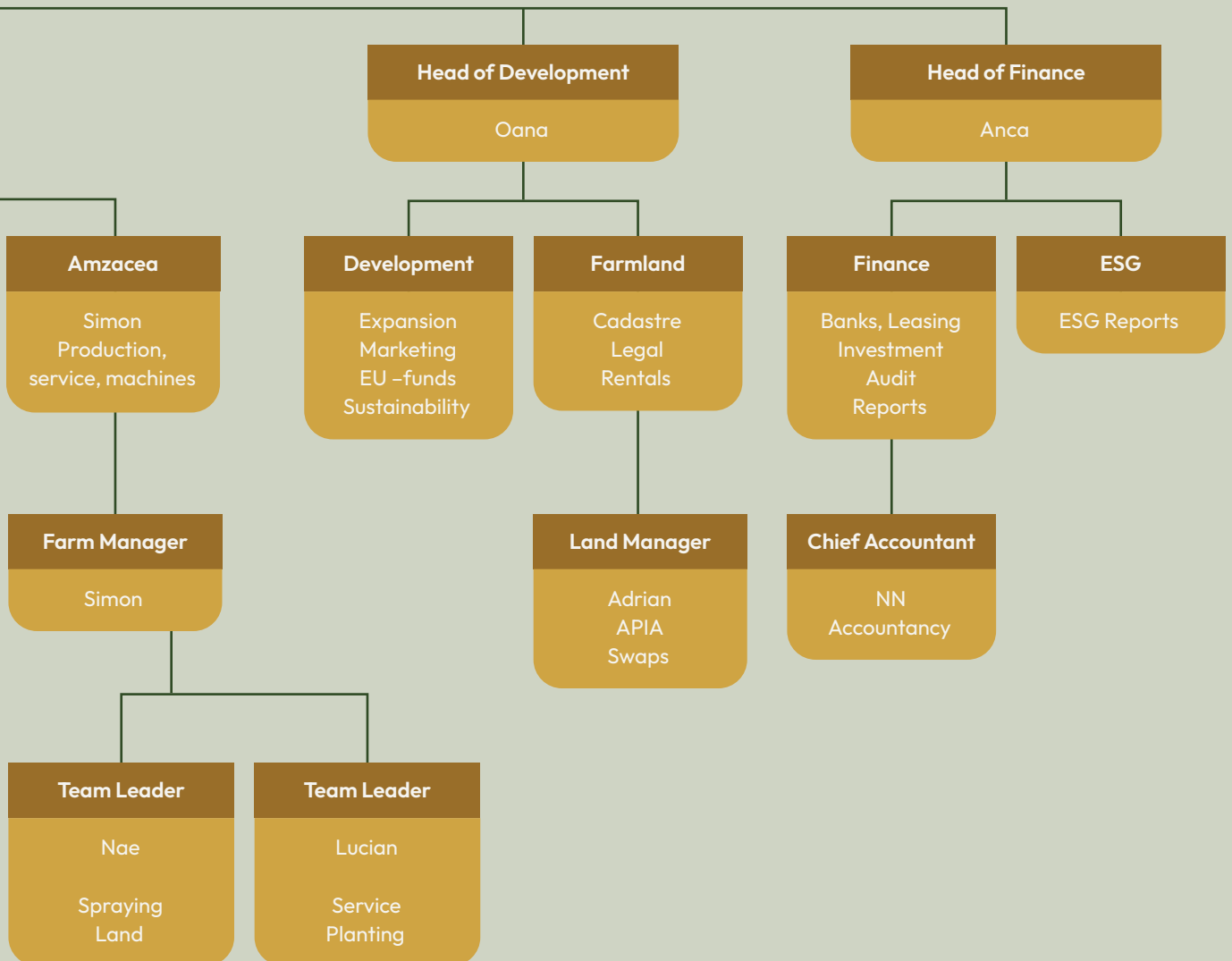
BOARD AND MANAGEMENT

We have focused on developing the organisation since the very beginning to ensure the capability to handle everyday operations and stay ahead with sustainable innovation.

As a result, we have a highly professional and stable organisation filled with skilled employees, including a new service manager, an irrigation manager, and new team leaders at each farm.

Due to our significant growth the past years, we have also created a new position, COO, as the main responsible for the production in Cocora, which is the largest of the two farms. The new COO started working for us in spring 2024 and will, among other things, focus on the new irrigation plans.

We created a full contingency-plan in 2023 and will of course update with new information as we have changed part of the management group.





TRADING CODEX

Best-in-class is also a part of our trading codex. When you are dealing with us, a word is a word. When we agree on something, we do not compromise, neither nor in terms of quality, quantity or our code of conduct.

We offer fast and transparent transactions, carefully handled by our team of professionals, and we guarantee payments on time.

Strategy

Our overall aim has always been to grow in terms of more land, both by acquisition and lease, without compromising on people or planet.

In 2024, however, we will focus on irrigation and consolidation, and thus revise our former strategic action plans.

We still strive to stay best-in-class and will keep optimising every step of our production. We will also continue to establish benchmarks on possible key point indicators and seek new knowledge before making up our own decisions and implementing change.



People



Planet



Profit

Risk Management



Risk management has been an important part of our strategy for years. We perform annual risk analyses and have recently implemented a new simulation in order to obtain more details.

Our primary focus is climate risk in terms of drought, which we will further accommodate by enhancing our irrigation.

We also remain focused on composing crop rotations with minimal risk.

In addition, we keep a close eye on the input and output prices, which have been increasingly volatile over the last years. With the instability in nearby Ukraine, inputs such as fertiliser and pesticides have become more volatile and even a matter of availability. We take this risk profoundly serious and keep track of the situation at daily basis.

The inputs for harvest 2024 are secured, but as a natural consequence of the current supply situation, we have to work on future plans and act at the same time to prevent or mitigate the impact of critical events. Both our resource procurement strategy and our trade strategy in general are being revised.

Risk management also concerns employer and partnership branding.

In 2023 we improved our website with new photos and more information. We have also hired a professional marketing agency to handle our social media and help brand ourselves more clearly.



Anti-corruption

We do not accept corruption and comply with all rules and laws. In the beginning of 2024, we established the following anti-corruption policy:

At JD Agro Cocora, integrity is at the core of everything we do. We believe in conducting business ethically, honestly, and transparently. That's why we have implemented a robust anti-corruption policy that underscores our zero-tolerance approach towards corruption in any form.

Our policy prohibits bribery, kickbacks, conflicts of interest, and any other unethical behavior. We are committed to complying with all anti-corruption laws and regulations applicable to our operations, both domestically and internationally.

We encourage our employees, partners, and stakeholders to speak up and report any suspected instances of corruption through our confidential reporting channels. We believe that transparency and accountability are essential in maintaining trust and upholding our reputation as a responsible corporate citizen.

By adhering to our anti-corruption policy, we demonstrate our unwavering commitment to ethical business practices and contribute to a fair and sustainable business environment for all.

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Future Goals

We strive to continuously optimise our production. That calls for an innovative mindset, as most known production methods and solutions have needed an Agro Cocora twist in order for us to reach our goals.

This ability to innovate and push well-known technologies, production methods and choices of crop has helped bring us to the results we see today. As an example, there have been yearly trips to France to investigate and discuss varieties for next season's crop. There have also been a number of study trips around the world to areas with temperate continental climate as ours, to learn about conservation agriculture and farming from some of the best farmers in the world.

In addition, we participate in international conferences, such as NoTill On The Plains (USA) and Groundswell (UK).

Among our latest initiatives, these are among those we are most proud of:

- Creating our very first biodiversity report
- Hiring our very first internal sustainability manager
- A new way to harvest wheat with no straws through the machine, which lowers fuel consumption and reduces the wear and tear on the machines

FUTURE GOALS

- Risk minimise, to withstand the volatility that weather and prices can bring
- Develop irrigation on the surfaces where we have access to water
- Lower our inputs by using the latest technology
- Continue expanding, but we will target more strategic purchases
- Continue supporting our local communities

UN SUSTAINABLE DEVELOPMENT GOALS (SDG)

Actions within the ESG-framework 2024/2025.

Overall aim	Indicator	Action
Environment SDG goal 2, 3, 12, 13, 15	Conservation agriculture	Continue improving the no-till system while testing strip-tillage and irrigation to lower our risk in years with drought
	Pesticides	Continue reducing the use of synthetic pesticides by experimenting with our new spot-sprayer.
	Synthetic fertiliser	Optimise the use of synthetic fertiliser. In our last report, we stated a goal of a 10 % reduction, which we have now concluded will be difficult without compromising the yield. Hence, our new focus is to optimise the fertiliser usage, not necessarily reducing it further.
	Cover crop	Experiment with fewer cover crops to in order to keep moisture in the ground.
	Biodiversity	Yearly reports including wildlife development in and around our fields. Establishing nest boxes and perching poles. Choose concrete action points and future goals.
Social SDG goals 1, 2, 4, 5, 8, 15	Talent cultivation	Continued education in conservation agriculture for all Field Managers and Team Leaders through the association Danish Farmers Abroad.
	Accidents	Continue our new way of counting accidents to get a more data-based approach.
	Communities, youth	Scholarships for local pupils with a troubled background.
	Communities, youth	Support various NGO's offering educational summer camps. Cooperate with representatives of local communities, mayors, and priests as well as the SOS Children's Villages in Ialomita to identify the most important future actions.
	Communities, renovation	Restoration of various medical clinics.
	Communities, sport	Sponsorship of local football team as in 2023.
	Local farmers	Support and engage with local farmers, e.g. by holding the event 'Open days in the field' in 2024.
Governance SDG goal 4, 15, 16, 17	Inspiration	Create a global networking group for farmers to share experiences (will be established during the 2024 season).
	Partnerships	Continue to work towards more integrated partnerships, taking into consideration, however, that many food companies haven't set their sustainability goals yet.
	Contingency plan	Will be updated due to recent changes in management
	Risk analysis	Lower our risk significantly by changing our crop rotation and investing in irrigation.

UN SUSTAINABLE DEVELOPMENT GOALS (SDG)

Actions within the ESG-framework 2024/2025.





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