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AGROFERT, a.s. Pyšelská 2327/2, Chodov, 149 00 Prague 4 Czech Republic

Company Registration No.: 26185610

www.agrofert.cz





The year 2023 was exceptional for AGROFERT.

We celebrated 30 years on the market. Three decades ago, a company of four employees was founded to trade in fertilisers. Over three decades we have managed to build a production vertical ranging from fertilisers, seeds and other agricultural commodities and technology to quality local food.

We were able to celebrate three decades on the market by not only thanking our employees, without whom we would never have achieved this success, but also by making the largest acquisition in AGROFERT's history. The Borealis nitrogen processing division has become part of our family of companies and now operates under the LAT Nitrogen brand. Last year, we became the second largest fertiliser producer in Europe. We also developed our other divisions. Thanks to the acquisition of the TOP HOP group, we have significantly strengthened our position in the segment of hop cultivation, one of the iconic crops of Czech agriculture.

We are always conscious of the social scope of our business and our responsibility for the places and countries where we operate. As representatives of traditional industries, we approach business with respect for the environment so that others can come after us to continue our work. We are always striving to stay one step ahead, so 2023 was also a year for us to find and build alternative energy sources and prepare for new ESG requirements.

Ing. Zbyněk Průša Chairman of the Board of Directors

# Our Values

#### Sustainability

Agriculture has always been an industry handed down from generation to generation, and it has always been approached in this way. We continue to honour this today and take a sustainable approach to the other industries in which we operate.

#### Responsibility

We are responsible to the people who work for us, the places and countries where we operate and the environment from which we draw our resources. By producing food locally we are an integral part of the places and countries where we operate.

#### **Fairness**

We always act ethically, fairly and morally. We abide by laws and agreements, and we keep our word.

#### **Ecology**

It is not only in agriculture and forestry that we are in close contact with nature every day. We are aware that we only have one planet and we cannot do without its resources. Safety and minimising the environmental impact of sectors such as the chemicals industry are our priority.

#### **Tradition**

Although we use the latest technology, we recognise that we operate in traditional industries and approach them with respect and humility.



AGROFERT was established on 25 January 1993 as a company focused on fertiliser trade. At the time of its establishment, the company had 4 employees.

At present, the AGROFERT Group comprises 201 companies controlled and managed, 2 companies co-controlled and 5 companies under significant influence, while 56 companies are excluded from the consolidation.

AGROFERT Group companies are active in the fields of chemicals, agriculture and primary production, food processing, forestry and wood processing, land technology and engineering, logistics and transport, renewable resources and media. The Group's equity amounts to C7K 109 billion.

AGROFERT Group currently employs almost 32,000 people and is the largest Czech private employer. According to the latest published results of the CZECH TOP 100 ranking, AGROFERT is the fourth most important company in the Czech Republic.

AGROFERT is the largest group of companies active in the Czech and Slovak agriculture and food industry, the second largest domestic group of chemicals companies, a major European producer of nitrogen fertilisers and also the third largest domestic exporter.

In terms of investments, AGROFERT is one of the largest investors in the Czech Republic, Slovakia and Germany, and is also a significant investor in Hungary.

The business success of the AGROFERT Group companies is based on long-term, stable relationships with business partners, on the quality work of its employees, on using the skills of experts from individual fields, on the ability to respond flexibly to the changing market environment and on the maximum use of synergy effects across the areas in which the Group operates.

# AGROFERT Globally

**Entities within the Group** 

264

**Employees** 

32,000

of which

20,445 Czech Republic

**5,308** Slovakia

**3,005** Germany

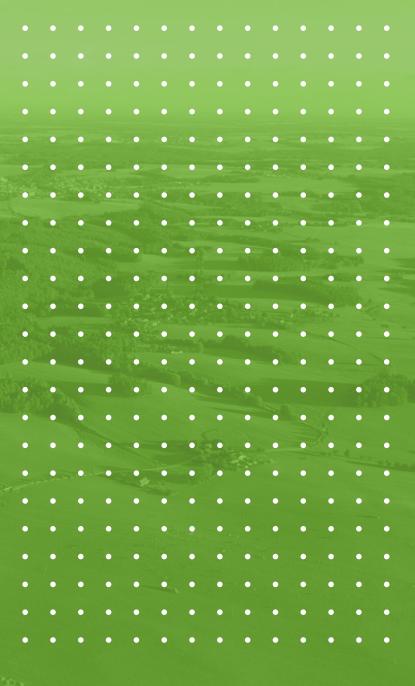
**1,324** Hungary

867 France

Franci

754 Austria

5 297 other countries



Croatia Italy **Czech Republic** Netherlands France

Poland

Spain

**Switzerland** 

**United States of America** 

# AGROFERT in Numbers

Group's total sales

211.7 Billion CZK

**Group's investments** 

12.2 Billion CZK

excl. financial investments

**Total personal costs** 

276 Billion CZK

of which salary costs

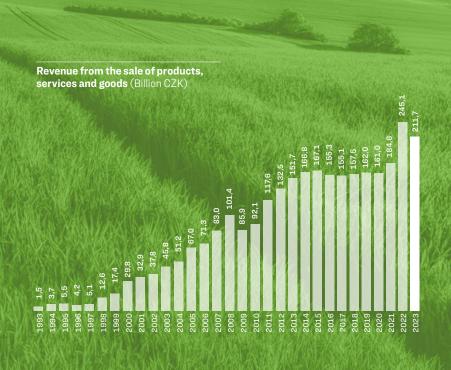
19.8 Billion CZK

of which contributions for employees

5.6 Billion CZK

of which other costs

0.9 Billion CZK



#### Share of individual segments in the Group's total sales in 2023



#### Group's total sales by individual country in 2023



Total investments 2013-2023

106.5 Billion CZK

Corporate income tax and social and health insurance contributions for the 2013–2023 period

55.7 Billion CZK

#### Share of individual segments in the Group's total personnel costs in 2023 $(\mbox{Billion}\ \mbox{CZK})$





Share of the fertiliser segment in the Group's total turnover in 2023

18%

37.5 Billion CZK

The chemicals industry accounts for more than a third of AGROFERT's sales. Fertiliser production is the largest contributor.

AGROFERT is the second largest fertiliser producer in Europe with factories in Germany, Austria, France, Slovakia and the Czech Republic and a wide distribution network.

Share of the special chemicals segment in the Group's total turnover 2023

**15**%

31.7 Billion CZK

In 2023, the divisional activities of the company Synthesia, a.s., which was completed on 1 February 2024.



#### **Fertilisers**

Fertilisers have played a key role in AGROFERT from the very beginning. Today, the Group has 11 production plants in 6 countries. Within the European Union, we are the largest producer of mineral nitrogen fertilisers with an extensive warehouse and sales network in Western, Central and Eastern Europe. We place great emphasis on research and development. We promote responsible business practises with an emphasis on ecology and reducing air, soil and water pollution.

Over the last 20 years, much has changed in the field of mineral fertilisers and the range has been significantly enriched; in addition to the introduction of macro and micro nutrients, other substances have appeared in practice that move fertilisers significantly further in terms of their application. Whether they be nitrogen inhibitors, humate or zeolite fertilisers. Plant nutrition is still an essential prerequisite for achieving quantity and quality in production. It is estimated that mineral fertilisers contribute more than half of the world's food production and, given demographic trends, the demand for food will continue to grow.

It is often incorrectly stated that fertilisation contributes to environmental damage. However, if we do not fertilise, the nutrients removed during harvesting will not be returned to the soil. The limited amount of nutrients in the soil also results in reduced plant growth, which contributes to less organic matter production. This further depletes the soil and makes it more prone to erosion, and can lead to it losing its fertility. Soil fertility decline is one of the main negative impacts on the environment. Soil is one of the most difficult resources to renew and, as it also belongs to future

7000 m<sup>2</sup>
Training area for firefighters in SKW
Piesteritz

5.885 Million t

Annual fertilizer production

generations, it should be adequately protected as an important prerequisite for life on Earth.

The prudent use of modern mineral fertilisers not only allows the necessary nutrients to be added to the soil in the appropriate quantity and ratio, but also contributes to maintaining soil fertility and, while respecting good farming practises, reduces negative impacts on nature and the environment.



# of rubber carbon black Qualified chemistry, building plastics, films (PP, PO, PVC, PET), floor coverings Production of AdBlue Organic and inorganic chemistry

**Products** Fertilizers

Inorganic pigments

Processing of tar, crude benzenand production of downstream products

Rubber chemicals, production

Fertilizers Ammonia	5,885 3,600
Ammonia	3,600
	-,
Nitric acid	3,500
AdBlue	1,500
Melamine	150
Urea	1,700
Processing of the assembled tar	450
Processing of assembled benzene	145
Petrochemical fraction processing	20
TiO <sub>2</sub>	62
Processing of tar oils into heavy aromatics	36
Naphthalene	65
Phthalic anhydride	45
Esters	62
Technical foils + floor coverings	23
Chemicals for water treatment and purification	120
Manufacture of rubber carbon black (manufacture)	102
Nitrocellulose	9
Organic pigments and dyes	7































#### **Special chemicals**

An equally important segment of AGROFERT's chemical manufacture is the so-called special chemistry. The companies in this group are usually based on more than a century of history of the given chemical plant, its unique know-how and hundreds of exceptional professionals who take pride in their work. Chemistry in the AGROFERT Group doesn't just involve the great names of Czech, Slovak and German chemical history, but also the future. The chemistry segment further includes three research and development centres. Our goal is to not only be industry leaders thanks to the latest available technologies, but also to become carbon neutral by 2050.

#### Vinyl floor coverings

Fatra is a traditional Czech manufacturer of vinyl flooring – Lino Fatra, vinyl parts, floating vinyl floors, which it offers in wood, stone and carpet patterns. Special types of flooring also meet the requirements for electrostatic charge dissipation. The wide range of vinyl flooring is complemented by welding cords, skirting boards, stair edges and PVC tiling.

#### **Waterproofing membranes**

Fatrafol waterproofing membranes and accessories in the form of complete systems are designed to create coating insulation of all types of flat and pitched roofs, terraces, balconies and lower parts of buildings against the negative effects of water, radon and some chemical substances. They are also used to insulate ponds and water areas. The membranes are primarily made from PVC by rolling or multiple extrusion on modern production lines.

50 Million t

of urea produced at SKW Piesteritz since the start of production

4 Million m<sup>2</sup>

of floor coverings produced annually by Fatra

985 kWp

output of the photovoltaic power plant in Duslo



## 1000°C

is the temperature in the calcination furnace during the production of titanium white

#### **Plastic profiles**

Fatra has been manufacturing plastic profiles for more than 70 years. The in-house design and production of tools and the in-house preparation of PVC granulates enable it to flexibly respond to market demand. It operates several dozen extrusion lines, which can produce profiles in a variety of materials. Profiles can be supplied with UV stabilisation or in phthalate-free options. The produced profiles include skirting boards, tennis rails, furniture profiles, sealing profiles, protective corners, handles, container profiles and others.

#### **Foils**

Fatra Tenolan's biaxially oriented polyethylene terephthalate (BO PET) foils are extruded foils used for flexible packaging, electrical insulation and other industrial applications. Fatra Folam multilayer laminated films are primarily designed for the production of flexible packaging. Laminates are suitable for packaging food and technical products. PETAFOL APET sheets are amorphous sheets suitable for packaging, decorative and technical purposes.

#### **Titanium white**

Around 6.5 million tonnes of this essential and widespread inorganic pigment are sold worldwide every year. It has the highest opacity and brightening ability. This versatile white pigment is used in the coatings and plastics industry, paper, leather and rubber industries, enamel, ceramics, food, cosmetics, pharmaceutical, fibre and other industries.

#### **Colour pigments**

Iron pigments are produced from green rock in red, black, brown, green, yellow and orange. It is a non-toxic, water insoluble pigment in powder and granular form. It is used for pigmentation of paints, sealants, plastics, artificial leather and leatherette, rubber and paper, as well as in the production of ceramic dyes, glass and polishing products. The most widespread application is in the construction industry, in the production of precast concrete, concrete and fired roofing, coloured cements, bricks and tiles.

#### Coal tar

Tar is one of the high-volume products that Deza sells worldwide. Tar is shipped to South and North America, Asia and Africa either in tankers or containers depending on the state required by the customer. In Europe you can find our tar in Poland, Slovakia, Austria, Germany, Norway, Italy, Iceland and Montenegro.

#### Melamine

Melamine is a global product of AGROFERT. Due to its properties it is widely used in the woodworking, furniture and construction industries on surfaces requiring scratch and high temperature resistance.



## Food Industry

Employees

11,220

Companies

30

**Total investments** 

1.6 Billion CZK





In order to promote the safety of our food, we have introduced various types of controls on our farms right through the slaughtering process, the butchering of the meat, its processing and the final packaging of the products. We also regularly and rigorously check the quality, taste and consistency of our products.

#### **Cereals**

AGROFERT Group operates a total of eight mills. It is always possible to rely on high quality, modern technology and processing that is thoroughly controlled from harvest to the final product. In addition to flour, we also produce, for example, groats and flakes.

If you're looking for fresh, delicious, crunchy bread or pastries, you can choose from a wide range of bakery and dairy products offered by our renowned bakery specialists in many European countries such as Germany, Hungary, the Czech Republic and Slovakia. We produce more than 976,000 tonnes of bakery and mill products annually. We also produce deep-frozen bakery products.

#### **Dairy**

With a history dating back to 1939, the dairy division of the AGROFERT Group comprises two top players on the Czech market. The portfolio of our companies consists of consumer goods under the Olma and Tatra brands including milk, yoghurt, desserts and beverages, as well as commodities such as UHT milk, butter and condensed and powdered milk.

23,000 rolls per hour on a single production line in Penam

#### Pork and beef

Meat products from AGROFERT Group companies are among the most traditional in Europe and are renowned for their high standards. The very first products were introduced in 1917 under our most famous brand, Kostelecké uzeniny. Our brands are also renowned for producing traditional sausages, hams and salamis that meet the strictest requirements for high quality ingredients, taste and variety.

We operate our own farms and have the largest slaughterhouses with a capacity of over half a million pigs and more than 50,000 cattle. We are also a major trader of live animals, meat and meat products.



#### **Poultry**

We produce a wide range of poultry products in the five state-of-the-art processing plants of Vodňanská drůbež and Hyza. The entire range of our portfolio is sourced exclusively from meat from local farms with strict veterinary supervision. We carefully control the hatching and growth of chickens, their feeding and breeding to the final processing of meat. We process more than 80 million chickens a year. The meat is exported to many countries in Europe. We guarantee the origin, quality and hygienic processing of all our poultry products. Products such as hams and sausages from poultry meat are also produced in our plant. We also produce frozen chicken meals.



Products Processing of fresh poultry and red meat and eggs  Manufacture of sausages and meat
and red meat and eggs
Manufacture of sausages and most
preparations and products
Buying and selling meat
Milling production
Bakery production  – fresh and frozen products
Dairy production
Production of edible rapeseed and sunflower oils

Slaughter (pcs/year)	CZ	SK	HU	DE
Cattle	27.5 K	-	-	-
Pigs	474 K	-	-	-
Poultry	63 M	26 M	_	-
Production (t/year)	CZ	SK	HU	DE
Pork	31 K	-	_	-
Beef	7 K	-	-	-
Poultry	75 K	34 K	-	-
Meat products	70 K	9,6 K	_	-
Mills	199 K	91 K	_	-
Bakeries	169 K	31 K	21 K	465 K
Dairy production	234 K	_	-	-
Edible oils	29 K	_	145 K	-





































Employees

6,683

Companies

135

**Total investments** 

3.0 Billion CZK





#### Agricultural supply and purchasing

They form an ingenious and sophisticated system that provides farmers with all the services they need. Their main activity is the purchase, post-harvest processing, storage and sale of plant commodities. At the same time they provide all the necessary inputs for agricultural primary production including fertilisers, seeds, feed, plant protection products, fuel, agricultural machinery and service and laboratory analysis.

#### **Primary production**

Parent companies oversee more than 100 primary production subsidiaries farming about 150,000 hectares of land. In addition to the main crops such as grains, maize and rapeseed, hops are grown in some areas, while in others poppy or soyabean are grown. In livestock production, the quality of our primary products is at the top European level, whether it be pork, beef or dairy. We also breed poultry and operate hatcheries. Our companies are committed to protecting the environment, including soil, water resources, air and the surrounding landscape. Digital technology plays an important role in all our efforts.

#### **Seeds**

Oseva Bzenec is a Czech producer and seller of agricultural seeds. For more than 25 years it has been supplying high quality certified seeds to entities in the Czech Republic as well as in 22 other European countries. The excellent quality of our products is ensured by six seed cleaning plants in the Czech Republic and Slovakia. All seeds are bred using traditional methods without the use of GMOs.

#### **Feed**

AFEED is one of the most important producers of compound feed in the Czech Republic. Its main focus is the production and sale of compound feed and premixes for livestock breeding. It specialises in the latest methods in livestock nutrition and technological innovations in production.

### Technologies for livestock production

Farmtec develops technologies for livestock. Continuous modernisation in livestock production has led to significant improvements in animal welfare. This is mainly due to the construction of new modern stables for cattle, pigs, poultry, sheep and goats. Naturally, these feature sophisticated ventilation systems that ensure that the air in the stables or halls is always clean. An indispensable product are vitalimeters - special collars for cows that can be used to monitor movement activity. from which the health status of each animal can be read. One of Farmtec's crowning achievements. however, is the installation of modern round milking parlours, which have undergone considerable modernisation in recent years. Milking today is fully automated and everything is completely programmed - from the milking machine being placed on the animal's teats to automatic final cleaning after each milking. In addition to this, the company is also building biogas plants. These make it possible to generate electricity from livestock residues all year round, regardless of the weather.





Products and services
Fertilizers
Agricultural commodities
Agrochemicals
Seeds
Feed and feed materials
Plant production
Production and processing of hops
Fuel incl. B30/B100
Fields
Cattle breeding stations (meat and milk)

(meat and milk)
Pig breeding stations
Poultry breeding stations (meat and eggs)
Conception and design of technological investments in agriculture, general supplies including financing,

Manufacture of technology for poultry, pig and cattle breeding, including milking parlours

installation, operational consulting

Today we farm on about (ha)	CZ	SK	HU	HR
Agricultural land	126.3 K	19.6 K	4.6 K	0.35 K
Of which hop plant	755			
We breed about (pcs) per year				
Poultry	32.6 M	9.3 M		
Pigs	456 K		11.6 K	3.2 K
Cattle	33.6 K	5.0 K		1 K
Of which dairy cows	13.1 K	2.5 K		
Hatching eggs (pcs/year)	52 M			
Milk production (litres/year)	141.5 M	25.7 M		
Hop production (t/year)	914			

Storage capacity (t)	CZ	SK	DE	HU	HR	PL
Solid fertilizers	315 K	116 K	25 K	113K	20 K	
Liquid fertilizers	135 K	36 K	3 K	55 K		
Plant commodities	2.9 M	760 K	72 K	174 K	122 K	22 K
Compound feed production (t/year)	751 K	106 K			2 K	
Seed production (t/year)	30 K	10.5 K			4.5 K	
Hop granules – sales (t/year)	720					
Pesticides – sales (Mil. CZK/year)	2 K	1K	3	1.5K	270	2



and service





































NITT!

Employees

1,217

Companies

14

**Total investments** 

11 Billion CZK

The segment's share of the Group's total turnover in 2023

5%

10 Billion CZK

Agrotec is the largest specialist in ground equipment in the AGROFERT Group.

The basis of its activity is the sale and servicing of agricultural equipment. It offers and services CNH Industrial equipment with the brands New Holland, Case IH, Steyr, Iveco and Case CE.

The aim is to have a portfolio of services and products structured in such a way that allows the company to serve customers comprehensively, small and large, in the field, on farms, orchards and vineyards, in the transport and company fleet throughout the entire life cycle of the machine.

#### **Agricultural machinery**

Agrotec has two divisions and five subsidiaries dedicated to the agricultural equipment segment. which supply the Central European market with prestigious brands from a number of the world's leading manufacturers of agricultural equipment. Its portfolio includes tractors, seed drills, sprayers. loaders, mulchers, cultivation machines, harvesters and many more.

**Construction technology** 

The youngest segment, logically complementing the product range. Services in the field of construction equipment are provided by the subsidiary Agrotec servis, which is the exclusive importer and dealer of the complete range of CASE Construction construction machines.

Passenger cars

Traditional Škoda and Jeep brands, as well as the dynamic Kia brand - this is the basis of the range in the passenger car category. But it's not just about selling cars. Agrotec takes care of its customers in a comprehensive way, offering financing and professional servicing with the latest diagnostic technology, body and paint technology, tyre service and car wash. Seven days a week, fifty-two weeks a year.

**27**%

of defects are resolved remotely thanks to telematics

service technicians





Since 1993 Agrotec has also offered a fleet of commercial vehicles and trucks - it is the largest Iveco dealer in the Czech Republic and Slovakia, and also offers Fiat Professional commercial vehicles and Astra special equipment. It supplies customers with classic and special bodies, such as fire and municipal vehicles. And, of course, there is a quality service network that covers the entire territory in which Agrotec provides its services.





Technical Services



Financial Services































#### **Products and services**

Agricultural machinery

NEW HOLLAND AGRICULTURE, CASE IH AGRICULTURE, STEYR, AMAZONE, PÖTTINGER, PICHON, TEHNOS, SIP, MACDON, STRAUTMANN, BEDNÁŘ, FLIEGL, LINDSAY, SUMO, DONDI, ZDT, MOLČÍK

Trucks and passenger cars

IVECO, FIAT PROFESSIONAL, ŠKODA, KIA, Jeep

Construction machinery

NEW HOLLAND CONSTRUCTION, CASE CONSTRUCTION

Services and sales of new and used machinery, warranty and post-warranty service, spare parts, monitoring of machines, financing and leasing of machines

- Number one in tractor sales in the Czech Republic
- · Number two in sales of harvesters in the Czech Republic
- NThe largest IVECO dealer in the Czech Republic























































## Forestry and Wood Processing

**Employees** 

847

Companies

2

**Total investments** 

136.5 Million CZK



The segment's share of the Group's total turnover in 2023

2%

4.5 Billion CZK

The AGROFERT Group not only creates and manages forests, but also manages to harvest, process and transform timber into products. Our forestry and processing activities begin with planting new seedlings and end with the creation of planks, pallets and veneers. Two sister companies are involved: Uniles takes care of the forest and Wotan Forest takes care of

wood processing.

AGROFERT conducts its forest business with due care. Our mission is to balance the various functions that the forest has, from landscape, water management, soil protection, climate and recreation to economic ones.

#### **Seedlings**

Our automatic seed coating production line can sow up to 80,000 seeds per day. Just insert the wrapper. The machine automatically loads the substrate, and another machine plants the intended seed. The prepared seed is transported from the line to a seed nursery while being watered. Once the seeds become viable seedlings, they are planted in the forest.

#### **Pallets**

One of the key products of the AGROFERT Group are pallets. Their purpose is broad, from the automotive industry to the toy or pharmaceutical industry to the chemicals industry. The basis of their production is perfect production coordination – the individual components of each pallet must be assembled according to a predetermined procedure, which is also helped by an automatic palletising line.

#### Veneers and plywood

Another significant part of the AGROFERT Group's production consists of products for the joinery and construction industry – veneers and plywood. One four-metre cut of a 44 cm diameter log can produce 52 m of veneer with a thickness of 2 mm. The plywood is then made from three to thirteen sheets of veneer stacked in a modern press.



1 Million m<sup>3</sup>
annual timber volume



# Products and services Harvesting and wood processing Reforestation Protection of cultures Rearing of forest stands Production of planting material Care of public greenery Timber production

Timber harvesting (m³/year)	1,000 K
Timber cutting (m³/year)	261 K
Plywood production (m <sup>3</sup> /year)	33 K
Seedlings (pcs/year)	16,157 K
Of which produced seedlings (pcs/year)	9,328 K
Pallet production (pcs/year)	2,599 K

**81** pcs

nails are needed to produce one pallet

80°C

is the temperature in the steaming pit where the wood is plasticised





## Renewable Sources and Fuels

Employees

194

Companies

4

**Total investments** 

76.5 Million CZK

The segment's share of the Group's total turnover in 2023

**5**%

10.1 Billion CZK

The AGROFERT Group offers a complete portfolio of fully certified sustainable bioliquids as an alternative to fossil motor fuels, reducing their carbon footprint. We produce biofuels in three of our own plants and are the largest producer of biofuels in the Czech Republic. Our bioliquids are also successfully exported owing to their premium quality.

CZ

Renewable Sources

The basic raw material is responsibly and sustainably grown rapeseed, which we process at Preol both as raw material for the production of bio-based ingredients and, above all, we produce rapeseed meal as feed and also edible rapeseed oil of the highest quality.

At Primagra we can produce so-called advanced biofuels from waste oils. We supply motor fuels to agriculture and operate our own fuel stations. We are a licensed electricity and natural gas trader and are also a major European player in the AdBlue market.

#### Rapeseed

We use 100 percent of the rapeseed produced in AGROFERT. We grow it, we process it as an ingredient in animal feed, we press it into edible oil and we make it into a bio-ingredient for diesel. Our company Preol is the most modern plant in Central and Eastern Europe. 475,000 tonnes of rapeseed are processed here annually.

475 kt
of rapeseed are
processed annually
by Preol

#### **Bioethanol**

In addition to rapeseed, we can also process maize incredibly well. Ethanol Energy, in which we are one of two shareholders, can process maize into low-emission bioethanol, and as a by-product we produce dried bulk corn stover, brewer's spent grain or syrup and maize oil. These are intermediate products that can be used partly for feed with high nutritional value, partly as feed-stock for biogas plants and partly as valuable raw material for the production of other biofuels from oils. Ethanol Energy processes 500 tonnes

of raw material per day, which produces 99.7% anhydrous bioethanol. The annual production is 76,000 m<sup>3</sup>.

#### Used cooking oil as a valuable raw material

Second-generation biofuels, or advanced biofuels, are produced by our company Primagra. They can produce high-quality biofuel from used cooking oil.





Pro	du	icts	and	services
гιч	Juu	IGLO	anu	301 11003

Fuel for the agrarian and non-agrarian sectors

Liquid biofuels (FAME, vegetable oils, glycerine, bioethanol, technical alcohols)

DDGS

Energy raw materials

Solid biomass (pellets, granules)

Biogas production and cogeneration of electricity

Production capacity	kt/year
FAME	189
Canola scraps	286
Rapeseed	475
Bioethanol	76
Pressed oils	193
Glycerin	14
DDGS	49

#### **AdBlue**

By producing AdBlue, AGROFERT contributes to more than just minimising emissions from internal combustion engines throughout Europe. It is a solution of urea in demineralised water. GreenChem is a major player in the European AdBlue market.

#### **Green energy**

The Group operates several of its own biogas plants, which mainly process waste from livestock operations and convert it into valuable energy. As part of the Group's efforts to reduce the carbon footprint of its individual companies, new energy sources are being built to generate electricity from renewable sources, be it photovoltaics or additional biogas plants.

29.7 Million m<sup>3</sup> is the annual production of biogas



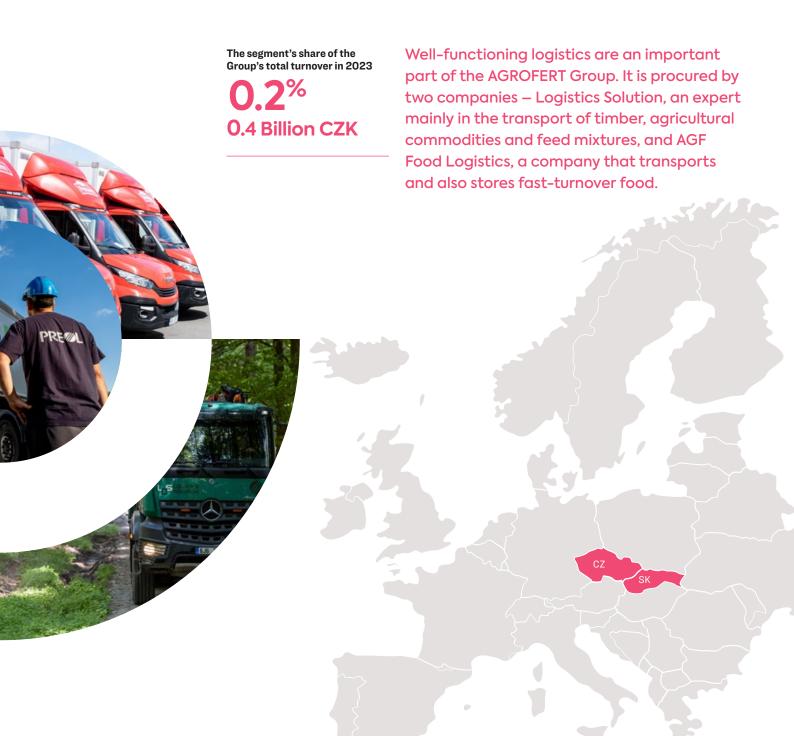








Logistics 39



40 Logistics

A separate unit is Penam, which mainly specialises in the transport of the baked goods it produces.

## Transport of timber, agricultural commodities and compound feed

Logistics Solution transports millions of tonnes of goods annually in the Czech Republic and in the nearby border region, covering twenty million kilometres. Reliable and on time. They can rely on quality drivers, a modern fleet with all the necessary technologies and a perfectly functioning dispatching system. Special trucks with a hydraulic arm and cleats instead of tarps go into the forest to the removal sites. Each one holds about thirty-five cubic meters of wood. The feed is transported by trucks with residue-free auger and pressurised air discharge systems. For agricultural commodities, wood chips, sawdust and fertilisers, there are tipping or sliding floor trailers.

Transport of fresh food

In AGROFERT, transport of fresh food, especially meat and milk is taken care of by AGF Food Logistics, which specialises in the transport and distribution of fresh goods in both chilled and frozen mode, and is further certified for the transport of food of animal origin in temperature-controlled mode. A network of depots and dozens of trucks ensure that stores across the country are stocked with fresh goods. These are always loaded into the depot at night to go to the central warehouses of the chains and specific stores during the day.

23.7 Million kilometres covered

#### Transport of bakery products

Baked goods need to reach the shelves in a super fresh state. This is one of the reasons why the manufacturer of the bakery products, Penam, handles their transport itself. Bakery product logistics is related to both bakeries and mills, and both have their own specificities. Flour is transported in tankers, while box vehicles are suitable for baked goods. These are delivered two to three times a day. Hundreds of vehicles, thousands of shops and millions of fresh baked goods that customers can't imagine a day without.



Logistics 41



#### Services

Transport of agricultural commodities and bulk materials, fresh and frozen food, roundwood and wood waste and animals

Transportation	
Loose materials	180 K m³/year
Agricultural commodities	1.4 M t/year
Wood	2 M m³/year
Feed mixtures	771 K t/yearyear
Food	139.7 K t/year
Transport by rail	38 K t/year

220,700 transports performed per year

35 m<sup>3</sup>
of wood is loaded
by means of
a hydraulic hand
to 1 truck in 1/2 hour



42 Media

## Media

Employees

1,303

Companies

13

**Total investments** 

67.6 Million CZK



Media 43

The segment's share of the Group's total turnover in 2023

2%

4.3 Billion CZK

The youngest segment of the AGROFERT Group brings products from all areas of the media market in the Czech Republic and Slovakia (press, internet, TV, radio) and e-commerce together. We also offer services in OOH advertising, newspaper and magazine printing, virtual operator and event organisation.

In 2023, divestment activities began, which was completed on February 1, 2024.



mediální skupina **mafra** 

mafra digital

mafra slovakia

mafraprint.

**™**COMW∧RE

## We are responsible

The amount that has been donated since the beginning of the AGROFERT Foundation

740.9 Million CZK

Support for volunteer firefighters AGROFERT Foundation in 2023

14 4 Million CZK

Support of social projects and projects to help children

2 05 Million CZK

# We are responsible to the places where we operate

Corporate philanthropy is carried out by AGROFERT companies through the AGROFERT Foundation. The main task of the foundation is to distribute money to the needy. It primarily focuses on support for children, social projects, regions, health and general individual requests. The main purpose of our assistance is to lend a helping hand to people when they are trying to get their lives back on track. For the year 2023, the Foundation distributed CZK 86 million in donations.

86.1 Million CZK
were distributed among the needy by AGROFERT
Foundation in 2023



Single parents were also a priority topic in 2023. In 2023 single parents received a total of CZK 9 733 488.

#### **Single Parent Support Fund**

This fund is a unique project of the AGROFERT Foundation aimed at supporting single parents, i.e., those mums and dads who raise their children all alone. The fund supports single parents living in a household with one or more children, and foster families can also apply. The aim of the fund is to help active mothers and fathers in their efforts to find a way out of their difficult life situation and return the family to normal.

#### **Fund for General Individual Aid**

The AGROFERT Foundation mainly helps those who, despite an obvious handicap (physical, mental or social), battle on and try to lead a full life. Despite this, they find themselves in a situation where they need help. The fund covers contributions for health and educational aids, relief and assistance services, rehabilitation stays and aids or contributions for education of children and people who study / want to study despite their disability.

46 We are

### Scholarship fund for university and high school students

The Foundation offers talented and driven students the support they need to achieve their academic dreams. It awards scholarships to young people who want to achieve specific goals in their lives and are looking for an academic experience that will enrich them intellectually and help them to achieve the best academic level possible. It also offers scholarships to current students who want to continue their studies but face financial obstacles during their studies. The Foundation is now expanding its scholarship fund to include special support for students in the training programme in child and adolescent psychiatry.

#### **Firefighters Fund**

The AGROFERT Foundation Firefighters Fund is a special programme that focuses on supporting volunteer fire brigades, their members and projects related to fire and accident protection. This Fund provides the financing, equipment and training needed for effective and safe volunteer firefighting. The aim is to improve preparedness and responsiveness to local and regional emergencies and to increase public safety.

We financially supported the renovation and expansion of the special school in Zápolí, which falls under the Diakonia ČCE. Thanks to this renovation and expansion, the school is now able to accommodate an additional 30 students with

various types of disabilities.

Z8

That's how many non-profit organisations supporting home hospice care for children and adults the Foundation helped in 2023.

Thanks to the AGROFERT Foundation, fire-fighters from Brandýs nad Labem received new emergency helmets.



291
of fire-fighting organisations supported by the Foundation through the Fire-fighters' Fund



## We are a good neighbour

We naturally undertake to support the environment in which we do business. Most of our companies have been associated with the region in which they do business for decades. We are a long-term partner of cultural, sporting and charitable activities.

We support local schools, clubs and traditional events that bring the local community to life. After all, who else but the company that employs tens, hundreds, sometimes even thousands of local residents should know where to lend a helping hand.



We support more than sixty sports clubs in the places where we operate; from footballers, hockey players, tennis players and volleyball players to car racers, archers and bodybuilders. Every year, we sponsor dozens of sporting events for amateur athletes, children and the general public. Our sports clubs have produced celebrities who are known to the whole sporting world, but thousands of children and adults alike play sports here just for fun.

By investing in the local community, Croatian Agronom builds trust and loyalty among residents, fostering long-term relationships and a sense of belonging

## We are responsible to the countries where we operate

We are part of a community of Europe's leading companies. We pride ourselves on fair and ethical business practices that always respect the laws of the country where we do business and the European Union. AGROFERT always fulfils its obligations and commitments. In 2023, we paid a total of CZK 6.8 billion in taxes and levies into the public finances of the countries where we operate.

At home in the Czech Republic, we paid a total of CZK 4.3 billion in taxes and levies.

#### We put the money we earn back into the development of our companies

Over the last 10 years, we have invested nearly CZK 112 billion in the development of our companies. Last year, we implemented more than 90 large investment projects with a value of more than CZK 20 million. Among the largest, the construction of a new storage tank at the ammonia warehouse in the Slovak chemical plant Duslo, the modernisation of the slaughterhouse in the Vodňany poultry plant and the construction of a packing plant with an integrated storage hall for 600 kg big bags of fertiliser deserve mention.

#### Investments in 2023\*



6 7 Billion CZK



2.0 Billion CZK



1 7 Billion CZK



**910** Million CZK



547 Million CZK



334 Million CZK



Other countries

110 Million CZK

\*without financial investments

#### 244 Million CZK

#### VODŇANSKÁ DRŮBEŽ

Modernisation of the slaughterhouse



#### 294 Million CZK

#### **DUSLO**

New NT ammonia storage tank



#### 125 Million CZK

#### ZZN PELHŘIMOV

New warehouse for commodities in Bošilec



#### **Billion CZK**

Agriculture and Primary Production

**Billion CZK** 

**Machinery and Technology** 

**Billion CZK** 

**Food Industry** 

12.2

**Billion** 

Investments in 2023

**Billion CZK** 

**Chemical Industry** 



#### 61 Million CZK

#### AGROFERT POLSKA

Unique drying technology and storage capacity expansion

76.5 Million CZK

Renewable Sources and Fuels

82 Million CZK

#### LIPRA PORK

Construction of photovoltaic power plant



136.5 Million CZK

Forestry and Wood Processing

181.5 Million CZK

Logistics

67.6 Million CZK

Media

50 We are responsible

## Responsibility to the planet

Our business is based on responsible management of natural resources. The history of some of our companies goes back more than a century, and we do business knowing that the generations after us will live and work on this planet.

Without good quality soil, sufficient clean water and a favourable environment, we could not grow crops in the fields, keep animals in stables or produce food. A healthy forest gives us timber for our forestry and timber industry, and we need other raw materials for our chemicals and other industries. We value these natural resources, and our respect for them is part of every decision we make.

211 Million CZK
LAT NITROGEN
LZMEL Waste

Water Hydrolysis



142 Million CZK

DUSLO

Tertiary reduction
system



38 Million CZK
PREOL
BIOCHAR
- chaff pyrolysis



2.17 Billion CZK we invested in the ecology of our operations in 2023

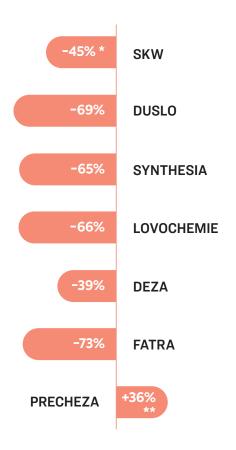
## An environmentally responsible approach in line with EU objectives

Environmental responsibility is an integral part of AGROFERT's long-term strategy. AGROFERT's ambition is to make every effort to achieve the European Union's official goal of becoming a climate-neutral continent by 2050. The Group is active in the chemicals, food processing, agricultural, forestry and timber, media, technology and logistics sectors. In order for the 2050 climate neutral-

ity ambition to be achieved, the technologies that will enable climate neutrality need to be in place in these sectors. The implementation of these technologies must always be economically rational.

AGROFERT is currently focusing on setting sub-targets for sustainability by 2030 to help achieve this ambition. AGROFERT is in the early stages of formulating decarbonisation visions that will form part of the Group's sustainability strategy.

## Reduction of CO<sub>2</sub> emissions in selected Group companies in 1990–2022



<sup>\*)</sup> Comparison with 1989, data for 1990 not available. The company had lower than normal operating activity in 2022 due to poorer natural gas availability.

The Group's climate change mitigation plan will be published in full in the 2025 Sustainability Report.

The main areas of interest, which reflect the Group's core business activities, include air protection, water protection and water conservation, proper care of agricultural land and forestry and the continuous improvement of livestock welfare

All of the Group's chemicals companies are reducing their greenhouse gas emissions per tonne of product so that many of them will achieve a 55% reduction in total emissions (the EU target) well before 2030. The following table provides an overview of the changes in GHG emissions by manufacturing company.

#### Responsible use of resources

We value our planet, and when dealing with each input we evaluate whether it is really necessary. Thanks to innovation, we reduce the energy and raw material intensity of our production. The AGROFERT Group's food companies have long been systematically focusing on food packaging materials with the lowest possible environmental impact. They fulfil the general trend of reducing plastic consumption. This primary concerns reducing the weight of plastic packaging for both meat and dairy products. An example is the Olma dairy plant, which in 2023 reduced the plastic packaging (cups) weight of its best-selling Florian and Klasik yoghurts. In 2023, Mlékárna Hlinsko worked intensively on energy saving projects with the aim of using the heat from exhaust vapours, purification of condensation wastewater and its reuse for technology rinsing. The main benefits of these steps are expected to manifest in future periods.

<sup>\*\*)</sup> The increase is due to a 2.5x increase in titanium white production capacity compared to 1990. In accordance with the best available techniques, the production of white gypsum by neutralising waste sulphuric acid with limestone (currently the largest source of  $\rm CO_2$  emissions) has been carried out since 1995 and the production of ferrous sulphate monohydrate by steam drying since 2015.



GreenChem AdBlue4you (with Oerlemans Plastics B.V.) is not only helping carriers across Europe to reduce emissions from their vehicles, but also won second place in the non-food sustainability category at the Packaging Awards 2023 organised by VerpakkingsManagement. The judges praised the solution that provides at least 80% recycled plastic (PCR) and adhesive-free labels.

**6,896** ha farms managed in organic agriculture

16.2 Million trees planted in 2023

The Group's plans for the coming years include a further reduction of the environmental footprint in line with AGROFERT's strategic plans and EU commitments, increasing energy savings and, last but not least, reducing the amount of waste produced, including its subsequent recycling. The Group's companies across segments are investing in renewable energy sources, particularly PV. They are also looking for strategic partnerships across their production chains.

#### Responsible agriculture

We regularly rotate a wide range of crops in the fields. In addition to purely cash and fodder crops, we also grow a number of improvement crops for our needs, for example, in the form of intercrops or biogas crops. Digital technology is an invaluable tool for us. A range of software tools in conjunction with GPS navigation, satellite imagery, soil analysis and other data inputs can effectively design the dosage and precise application of fertilisers and

crop protection products. In this way, we are gradually reducing the amount of agrochemicals we use and thus the environmental impact of agricultural production. Elements of precision farming are common practice for us. We have also started the implementation of a central software solution from CleverFarm for all our operations. The comprehensiveness of the system allows us to monitor various parameters from tractor driving on specific plots to entering agro registration records for the needs of the agronomist and legislation to tracing the validity of the lease agreement.

As part of efficient energy management, AGRO-FERT Group companies also use their facilities to produce electricity from renewable sources. The total installed capacity of photovoltaic power plants reached 1,500 kWp in 2023. A further 7,500 kWp is planned to come on-line during 2024. For the next period, the Group's companies have a further 16,000 kWp of renewable solar energy projects in the pipeline. The installed capacity



LAT Nitrogen, Europe's leading supplier of nitrogen-based products nitrogen for the fertilizer markets and industrial chemicals markets, which has become part of the family AGROFERT in 2023, has developed packaging for its fertiliser products containing 30% recycled material (PCR).

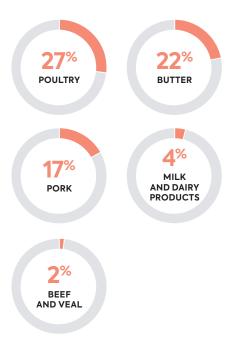


AGROFERT is currently running the Clever project to streamline and optimise work on the farm.

of the biogas plants operated by AGROFERT farms currently exceeds 7,300 kW. Capacity growth is also envisaged here, with AGROFERT Group considering projects with a total installed capacity of more than 15,000 kW.

We have invested more than CZK 100 million over 10 years in precision farming that, for example, allows us to use less fertiliser in a better targeted way. At the same time we are expanding the number of hectares we farm under the environmentally sustainable farming scheme each year. By the end of 2023, it was already 6,896 hectares. We are planning a further increase in 2024. We had our first eco-scheme farm already in 2011.

Share of AGROFERT in the annual production of the Czech Republic



#### We contribute to food security

As one of the largest agricultural and food groups in Central Europe, we consider it part of our social responsibility to contribute to ensuring the highest possible food self-sufficiency in the countries where we produce food. We are proud of the fact that, for example, we cover almost 30% of poultry meat production in the Czech Republic. Thanks to the vertical integration of our production, not only in the poultry meat sector, we are able to guarantee the quality and origin of our food. We know exactly what we feed our animals, what our sausages are made of, what is used to bake our bread, and how our yoghurt and butter are made. Meat from animals on our farms, or flour from grain in our fields, does not need to travel halfway across Europe to our factories, which would create an unnecessary carbon footprint.

The AGROFERT Group's food companies are constantly investing in the modernisation and sustainability of their operations. This is reflected in the efficiency and accountability of their operations as well as in the quality of their products. In 2023, for example, the customers of Penam bakeries took a liking to Buchtičky naruby, which won the Consumer's Choice 2023 award, or Ovesný chlebík, which received the label 'Česká chuťovka 2023'. Penam also fulfilled the conditions of the 'Responsible Company' project organised by Ekokom Prague, and is thus a certified company in this project. Kostelecké uzeniny has been awarded for the eighth time as the MOST TRUSTWORTHY BRAND of consumers in the meat and sausages category. Vodňanská drůbež was this year, in the 15th edition of the competition, awarded the Good Domestic Product Label 'Česká chuťovka 2023' for its sous vide chicken breasts, duck sausages 70% meat and its duck meat pâté.

54 We are responsible

## We are responsible to our employees

Over its 30-year history, AGROFERT has become one of the largest Czech private employers. Our success each day is the result of 32,000 employees working together in 21 countries on 3 continents.

This is a large commitment for us, and it is our long-term goal to support our employees in their professional and private lives. The fact that our companies regularly place well in the prestigious Employer of the Year competition is proof that we are on the right track.



Three generations of Mikulášek family worked together in Brno at the truck branch in Dornych until recently. Alois, Radek and Adam, grandfather, son and grandson.

## We promote diversity, equality and inclusion in the workplace

The sectors in which we operate, such as the chemicals industry or agriculture, are inherently more physically demanding jobs, which is why there is a higher percentage of men than women in our Group. But this is not an obstacle to us in our effort to offer equal opportunities and fair pay to all. We care about the diversity of the environment because it brings inspiration and stimulation. It is not uncommon for three generations of the same family to be employed by us at the same time.

## Connecting the emerging generation with traditional crafts

As one of the largest employers, we not only see our responsibility towards our existing employees, but also for the development of the professions we employ. In cooperation with more than a hundred secondary, higher and primary schools, we strive to popularise and develop traditional professions.

Long-term collaborations mainly take place in the chemicals, agricultural, food and renewable energy sectors, which reflect AGROFERT's core business

1.097 Billion CZK spent on employee benefits only in 2023



In cooperation with ZZN Polabí and the Secondary School of Agriculture in Čáslav we organised the inaugural year of the Young Farmer competition, so far only regional. However, we hope to be able to build on the success of Young Chemist and make Young Farmer a national competition.

15,000 users are being trained using e-learning

activities. Our most important partner universities include the Czech University of Agriculture in Prague, Mendel University in Brno, University of Pardubice, University of Chemistry and Technology in Prague, Masaryk University in Brno and the Slovak University of Agriculture in Nitra.

In 2023 AGROFERT launched a brand new project, the Young Farmer Competition, with the aim of popularising agriculture. By partnering the traditional Young Chemist competition, AGROFERT supports the interest of pupils in the field of chemistry. Teachers are supported through the ,Učme chemii atraktivně' competition. These competitions confirm long-term cooperation with secondary schools, which include the Pardubice Chemical High School, the Chrudim Agricultural High School, the Poděbrady High School of Agriculture and the Čáslav High School of Agriculture.

#### Innovation in tradition: developing traditional industry and sharing knowledge

We spread awareness of traditional professions and crafts, as well as modern progressive fields of our enterprises by participating in trade fairs, exhibitions, open days and field days. They not only serve as a place where field trials are held to introduce the latest trends in the field to the agricultural community, but also as a place for schools and the general public to learn about current agricultural production.

The linking of traditional industries with stateof-the-art technologies is also reflected in the research institutions that are part of selected AGROFERT companies. For example, more than 60 employees of the German company SKW Stickstoffwerke Piesteritz GmbH work in chemical research, agricultural applications research and analysis. The facility in Cunnersdorf is internationally renowned in the field of agricultural applications research, LAT Nitrogen Group cooperates on field trials with independent institutions and service providers in Austria. Germany, France, Hungary, Romania and Bulgaria. The combination of product, application knowhow and digital tools contributes to sustainable crop production, For LAT Nitrogen, 2023 was the year of the development phase of the N-Pilot digital farming tool, a hand-held, portable sensor that detects the nutritional status of plants by measuring chlorophyll content and biomass.

In the segment of AGROFERT Group companies focused on food production, research and development primarily concentrates on technological development. All food production facilities have

their own laboratories. The individual companies of the Group that fall into this segment are also long-term initiators of cooperation with universities. The partner and cooperating institutions have long included Mendel University in Brno, the Czech University of Agriculture in Prague, the University of South Bohemia in České Budějovice and the Slovak University of Agriculture in Nitra. A number of AGROFERT employees also presented their sectoral knowledge and skills in 2023 while teaching courses at the above-mentioned universities.

The work with our employees doesn't end with recruitment. AGROFERT is a sought-after employer, so it is not uncommon for entire generations within the same family to work for the Group, or for an employee to spend their entire professional life with us. We recognise that our success is based on our people. We value their work and stay in touch with many of them even once they leave or retire. Many of our companies have programmes for the elderly and organise regular events for them.

## Compliance Programme and Tell Us ethics line dedicated to legal and ethical conduct

The AGROFERT Group is committed to ensuring that legal regulations, ethics, morality and fair business practices are observed at all times in the day-to-day activities of Group companies. AGROFERT already adopted a Compliance Programme in 2011, which includes a Code of Ethics containing the Group's basic principles, values and rules. As part of the measures to help detect and eliminate illegal or unethical behaviour, an ethics line called Tell Us has been set up to enable (anonymous) reporting of detected breaches of the

Code of Ethics. The ethics line is not only intended for AGROFERT employees, but also for business partners and other persons, who can report violations of the Group's approved rules of ethical conduct. All reports are thoroughly investigated, and corrective action is taken if violations are found. You can also use the line for a non-binding consultation on questions of proper compliance procedures or ethical violations. Each Group company has a designated Compliance Officer.

#### Non-corrupt business

AGROFERT, a.s., is the first Czech company to obtain a certificate of anti-corruption resistance – Fraud and Corruption Resistance Profile – awarded by the internationally recognised Norwegian certification company Det Norske Veritas.

The quality management systems are structured organisationally and departmentally and linked across the Group by a documentation system. The certifications of AGROFERT, a.s. are supported and linked to the certifications of the Group's holdings in the following areas:

- HSN EN ISO 9001
- HSN EN ISO 14001, PEFC
- EN ISO 50001
- HACCP, IFS, BRC, HSN EN ISO 22000
- GMP+, FSA
- Non-GMO
- ISCC EU, ISCC PLUS
- EN ISO 45001









## The parent company AGROFERT, a.s., is certified and evaluated according to the following standards:

- ČSN EN ISO 9001:2016 in the field of Purchase, storage and sale of agricultural crops, cereals, oilseeds, legumes, feed, agrochemicals, pesticides, seeds, mordants, fertilizers, including consulting
- ČSN EN ISO 14001:2016 in the field of Purchase, sale and supply of fertilizers, pesticides and seeds and related consulting activities (Agrochemia Slovak organisational unit)
- GMP+ FSA
- ISCC EU











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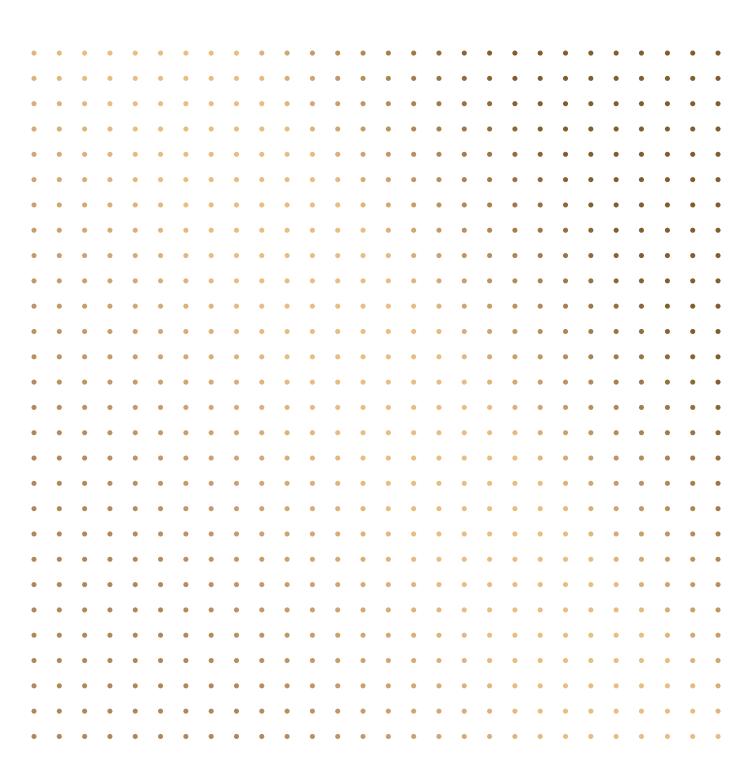
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