

# Sustainable growth

As a leading provider of specialty fertilizers and biostimulants, we recognize our responsibility to balance economic success with environmental stewardship and social commitment. By developing innovative, resource-efficient solutions, we contribute to sustainable agriculture while reducing our ecological footprint. This report reflects our commitment to transparency, innovation, and continuous improvement in the areas of environment, social, and governance.

One of our key achievements over recent years has been our progress in **reducing greenhouse gas emissions**. Through technological advancements, renewable energy, and responsible sourcing, we have made substantial reductions, not only in our own operations but also along our value chain. A significant step in this direction has been our first purchase of low-carbon ammonia in 2024 – an important move towards decarbonizing our supply chain and fostering more sustainable fertilizer production.

Beyond our emission reduction measures, sustainability is deeply embedded in our product portfolio: Our fertilizers and biostimulants are **designed with sustainable properties** that optimize nutrient use efficiency, water use efficiency, and reduce greenhouse gas emissions during their application. Our solutions help farmers grow crops more sustainably while maintaining high yields.

At COMPO EXPERT, we recognize that sustainability goes beyond environmental responsibility – it is also about people. We are committed to ensuring safety and well-being of our employees, workers in our value chain, and end-users. This means fostering a safe work environment, investing in training and development, and promoting sustainable agricultural practices that improve base of life.

This report highlights our progress, but it also reinforces our commitment to ongoing innovation and responsible business practices. We will continue to work closely with our stakeholders to drive positive change – reducing our environmental footprint, enhancing social responsibility, and ensuring long-term economic sustainability.

Together, we can build a more resilient and sustainable food chain.

Thank you for joining us on this journey.

Dr. Ingo Müller
Chief Executive Officer

Andreas Rollheiser Chief Financial Officer



# Sustainability highlights



lower greenhouse gas emissions in our production compared to base year 2018



New products with enhanced nutrient use efficiency for more sustainable fertilization



Improved customer satisfaction in Europe (NPS 49)



CO<sub>2</sub>

Now offering low-carbon products made from more sustainable raw materials

Two donation projects for communities in the Americas



2 COMPO EXPERT Sustainability Summary 2024

# Sustainability @ COMPO EXPERT

Sustainability is a **fundamental pillar** of COMPO EXPERT's corporate vision and strategy. Since 2021, it has been officially recognized as one of the company's five strategic pillars. We are dedicated to promoting sustainability while offering a comprehensive range of specialized products that create added value for our customers and contribute to a more sustainable agricultural sector.

Sustainability is deeply embedded in both, our operations and product portfolio, with a strong focus on specialty fertilizers and biostimulants that enhance agricultural productivity while minimizing environmental impact. By prioritizing resource efficiency, soil health, and plant resilience, we aim to support farmers in optimizing yields sustainably. Our commitment to innovation and customer-centricity drives us to develop cutting-edge, resource-efficient solutions that promote sustainable farming practices. By integrating circular economy principles and reducing greenhouse gas emissions, we aim to contribute to a greener, more sustainable future.

At COMPO EXPERT, we believe that aligning corporate strategy with sustainability considerations strengthens our ability to address both, current and future challenges and opportunities within the industry. By continuously evolving and adapting to global sustainability trends, we are positioned to create long-term value for our stakeholders while fostering more sustainable agriculture.

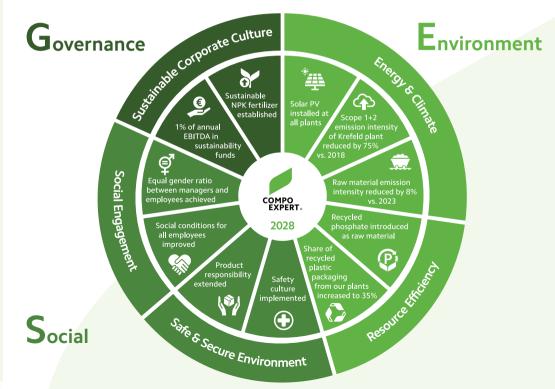
### 2028 sustainability targets

As a fundamental pillar of our corporate strategy, sustainability serves as a guiding principle in balancing economic growth with environmental responsibility and social accountability. Recognizing our role in shaping a more sustainable future, we have made a firm commitment to minimizing our environmental footprint, fostering a supportive and inclusive workplace, and upholding the highest standards of ethical governance.

To solidify our dedication to driving meaningful change, we have set ambitious sustainability targets for 2028. These goals encompass all three key sustainability areas - Environment, Social, and Governance (ESG) - as well as specific topics identified as material during our materiality assessment. By setting clear, measurable objectives, we ensure accountability and transparency in our progress toward sustainability.

Through these sustainability initiatives, COMPO EXPERT aims to lead the way in sustainable agriculture, demonstrating that economic success and environmental stewardship can go hand in hand. By proactively addressing sustainability challenges, we are committed to ensuring that our actions today help to build a resilient planet and strong communities for the future.





# Promoting environmental stewardship

At COMPO EXPERT, we recognize our responsibility to contribute to a more sustainable and climate-friendly agricultural sector. Our environmental strategy focuses on reducing the carbon footprint of food production by promoting innovative, resource-efficient fertilization solutions. By enhancing nutrient use efficiency, and minimizing emissions, we help farmers achieve higher yields with lower environmental impact. Through continuous development and collaboration, we are committed to fostering a low-carbon food chain that balances productivity with ecological responsibility.

### The road towards climate neutrality

We are committed to working with our value chain to limit climate change and minimize our own impact on the climate. With our goal to reach **net-zero by 2045**, we support the Paris agreement, which aims to limit global warming to below 1.5 °C, as well as the German and EU climate goals.

Our production site in Krefeld (Germany) is responsible for >95% of COMPO EXPERT's direct greenhouse gas (GHG) emissions. In 2024, we have therefore developed a detailed **transformation plan** for the site to evaluate the required technological and structural changes and to avoid lock-in effects.

Considering the vast GHG emission reduction we have accomplished in recent years, we are **well on track** to achieve our mid-term and long-term GHG reduction goals.

### Emissions along the value chain

GHG emissions along the value chain are one cornerstone of our sustainability efforts, as they account for 98% of COMPO EXPERT's total GHG emissions.

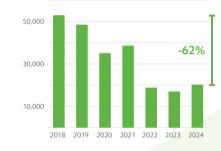
**Raw materials** are the largest source of our value chain emissions. The main nutrients N, P, and K all require energy-intensive processes during their production, extraction, and processing. In 2024, we have started to shift the main source of nitrogen, ammonia, from conventional to a **low-carbon** variety, saving over 60% of greenhouse gas emissions. Additional raw materials will follow in the near future.

The second largest contribution to COMPO EXPERT's GHG emissions occurs during the **utilization phase** of our fertilizers, primarily due to the release of N<sub>2</sub>O, a potent greenhouse gas, during agricultural use. Our **NovaTec®** product line with N-stabilization technology reduces these emissions by 44%.

The **transportation** of raw materials and finished products also significantly contributes to COMPO EXPERT's total carbon footprint. To mitigate these emissions, we are exploring and implementing more **efficient logistics** strategies, such as optimizing transport routes, increasing load efficiency, and leveraging lower-emission alternatives like rail or maritime shipping when feasible.



# COMPO EXPERT's production-related GHG emissions (Scope 1+2) [t $CO_2e$ ]





# OWN PRODUCTION VALUE CHAIN 98% VALUE CHAIN 98%



# Renewable energy use

Fertilizers are stored in large warehoused to protect them against moisture and UV radiation. In 2023 we have started to utilize the roof areas of these warehouses by **installing photovoltaic** systems, first at our plant in La Vall d'Uixó (Spain) and later in 2024 at our Deinze (Belgium) logistics center, with a cumulative power of around 700 kWp. To supplement our self-generated renewable energy, we purchase **100% renewable electricity** for our production sites.

# Circular packaging

Wherever possible, our first approach is to forego packaging altogether and ship or sell our products in bulk. But in cases where packaging is required, we continuously decrease the amount of virgin materials used. Since mid 2023, all newly commissioned non-composite bags for products from our Krefeld, La Vall d'Uixó, and Deinze sites contain at least 30% recycled material.

# Sustainable product application

COMPO EXPERT's product portfolio is designed with sustainability in mind, offering a range of **innovative solutions** that support efficient resource use, enhance soil health, and reduce environmental impacts. Many of our products have special properties that lead to enhanced **nutrient use efficiency**, water use efficiency, or reduced greenhouse gas emissions during their application.





# Enhancing social sustainability

At COMPO EXPERT, we understand the importance of fostering social engagement to create a thriving and inclusive community. Our commitment to social responsibility focuses on empowering our employees, workers along the value chain, and end-users. With a total of **770 employees worldwide**, we value the sense of togetherness within our team. We strive to create an environment where everyone enjoys their work and feels secure about their future. In Germany, for example, we participate in **sports events** such as obstacle runs or relay marathons, which further strengthens our team spirit and camaraderie.

### **Customer events**

For our customers, we provide **seminars** that include expert presentations on relevant topics and interactive sessions. These trainings allow customers to gain valuable insights and ask questions directly to our specialists. For example, in 2024, we hosted a turf seminar at the Olympiastadion in Berlin with 170 participants. The core theme of the seminar was "Ecosystem Services of Green Spaces – Importance, Promotion, and Preservation".

Additionally, we are represented at various **trade fairs**, where we showcase our latest innovations and engage with a broader audience. In 2024, we exhibited at the 25th International GaLaBau trade fair in Nuremberg, which has established itself as the leading trade fair for the green industry with over 66,000 professional visitors. At the event, we presented our new products: TerraPlus BodenAktivator, Vitanica K. and Vitanica CA.

### Customer feedback

Feedback is crucial to us to continuously improve customer satisfaction and strengthen the relationships with our clients. We gain valuable insights from seminars and trade fairs and regularly conduct customer satisfaction surveys via the Net Promoter Score. In 2024, we conducted surveys in our European markets which lead to a satisfaction score of 49. Major strenghts, our customer mentioned, were our product quality, customer service and the highly appreciated brand image of COMPO EXPERT.

### Donations

As part of our commitment to sustainability, COMPO EXPERT has established several donation projects to support communities in need. One of these initiatives is the "COMPO EXPERT Nourishing Lives" program, launched by COMPO EXPERT Brasil in early 2024. Through this program, one percent of the revenue from our biological products Vitanica® RZ, Vitanica® Bug, and Vitanica® Duo is donated to the ChildFund Foundation. COMPO EXPERT Chile has set up a donation program, also relating to sales of Vitanica® RZ. The donation is made to a school in the poorest area of Santiago de Chile, contributing to the education of young people, enabling them to escape poverty and support their families. These partnerships reflect our dedication to supporting communities and investing in the future of children. By contributing to meaningful social projects, we aim to create a lasting positive impact beyond plant health.











We appreciate your interest in our sustainability journey, and invite you to explore our full <u>Sustainability Report</u> on our website. www.compo-expert.com

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