

Enviromental Sustainability and Biodiversity Policy

1. INTRODUCTION

This Environmental Sustainability and Biodiversity Policy formalizes and embodies Four Drops's position in relation to its vision of achieving a world in balance, where all impacts generated by our value chain will be below the limits that nature can assume, and where our responsibility integrates the environmental and social challenges in the ecosystems and communities in which we operate.

1.1. Purpose of the policy

The purpose of this Policy is to establish the principles and commitments of Four Drops in the area of the conservation and regeneration of ecosystems.

Through this Environmental Sustainability Policy, Four Drops undertakes to:

1. Maintain a preventative approach that benefits the environment and biodiversity and adopt effective measures to prevent the degradation thereof, in line with the 6 Goals of the European Taxonomy and the United Nations' Sustainable Development Goals.

- Mitigation of climate change.
- Adaptation to climate change.
- Protection of water and marine resources.
- Transition to a circular economy.
- Prevention and control of pollution .
- Protection and restoration of biodiversity and ecosystems.

2. Encourage initiatives that promote greater environmental responsibility and favor the development and spread of environmentally friendly technologies.

3. Comply with the environmental legislation applicable to its activities and the entire value chain.

1.2. Scope of application

This Policy applies to all Four Drops employees, subsidiaries and business partners.

The scope of the Environmental Sustainability Policy encompasses all the companies that make up or will make up Four Drops and will be adopted for all

actions related to the supply or purchase of agriculture resources.

This policy will be the minimum basis on which the companies belonging to the group may introduce, depending on regional needs and realities, greater requirements, demands, conditions, commitments, or any other principle, as long as this is approved by management and does not violate national or international legislation.

1.3. Related regulations

This Policy is linked to the following internal regulations, in which the principles set forth therein are examined in detail:

- Human Rights Policy
- Code of Conduct
- Supplier Code
- ESG Risks Assessment Program

2. PRINCIPLES UNDERPINNING FOUR DROPS'S ENVIRONMENTAL SUSTAINABILITY POLICY

FOUR DROPS's commitment to Environmental Sustainability and Biodiversity involves the definition, development, and implementation of an ENVIRONMENTAL SUSTAINABILITY POLICY in order to:

1. Contribute to the fulfillment of the Sustainable Development Goals set by the United Nations, particularly the following: SDG 6: Clean water and sanitation, SDG 7: Affordable and clean energy, SDG 11: Sustainable cities and communities, SDG 12: Responsible consumption and production, SDG 13: Climate action, SDG 14: Life below water, SDG 15: Life on land, SDG 17: Partnerships for the goals.

2. Respect, conserve and protect the diversity of wildlife and natural ecosystems in the company's operations and in the value chain, carrying out processes to avoid negative impacts in the areas where the company operates. And restore degraded ecosystems, including those that are vital for food security and the food supply, contributing to the maintenance of ocean health and marine resources as a common good of society and an increased capacity to absorb and store carbon, such as forests and wetlands.

3. Analyze the risks and opportunities of climate change throughout the value chain.

4. Address climate change and bolster resilience to climate-related risks.

5. Protect and sustainably use water and prevent and control pollution.

6. Promote waste and packaging circularity.

7. Form a network of suppliers that meet the environmental sustainability requirements, in line with FOUR DROPS's values and guidelines.

8. Imbue and spread FOUR DROPS's values to our suppliers by supporting and facilitating the application of continuous improvement processes.

The following Principles are those that govern our actions IN ENVIRONMENTAL AND BIODIVERSITY MATTERS:

I. The incorporation of climate change mitigation and adaptation into the corporate culture, integrating it as a key pillar of the company's strategy.

II. The protection of the environment, the conservation of its resources and the maintenance of biodiversity through the adoption of the ecosystem principle.

III. The rational management and exploitation of resources, applying scientific knowledge, reliable data, and the precautionary principle.

IV. The purchase of AGRICULTURE RAW MATERIAL made of materials that are completely free of any relation to deforestation.

V. The purchase of forest-derived products, such as office paper and packaging cardboard, which have a high content of recycled material and/or post-consumer waste. In cases where it is not possible to purchase highly recycled materials, or when these are not available, Four Drops will prioritize the purchase of forest-derived products that come from sustainably managed plantations or forests with recognized environmental certifications. These certifications include, but are not limited to, FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification), ensuring that forestry practices meet the highest standards of responsibility and sustainability.

VI. The minimization of waste generation and the promotion of the reuse, recycling and recovery of materials at all stages of our operations, as part of

our commitment to a circular economy.

VII. The adaptation of technologies and practices that reduce water pollution and the release of polluting products into the marine environment, ensuring the health of aquatic ecosystems and biodiversity.

VIII. The implementation of CO2 emissions offsets through reforestation projects.

IX. The implementation of certified environmental management systems in the production centers.

X. Investment in more sustainable and less carbon-intensive technologies and progressively introducing them in the company's activities and facilities.

XI. The establishment of criteria for energy efficiency, the use of renewable energies, reduction of emissions and resilience to climate disasters in the company's buildings and facilities.

XII. The training of employees, suppliers and other stakeholders in the fight against climate change, in order to empower them in their positions and raise their awareness of the phenomenon.

XIII. The promotion of sustainable mobility for employees, suppliers and in the distribution of products and services, in order to reduce emissions caused by land, air and sea transportation.

XIV. The introduction of circular economy criteria in the company's activities, using natural resources and raw materials efficiently, utilizing recycled materials, promoting reuse, and reducing and recovering waste.

3. IMPLEMENTATION OF AND UPDATES TO THIS POLICY

FOUR DROPS will conduct due diligence processes regarding environmental sustainability and biodiversity matters wherever our activities are carried out and wherever we can, from all perspectives, throughout our value chain and on a regular basis, in order to proactively identify risks and impacts and take appropriate measures to prevent and mitigate any environmental issues while promoting ecosystem conservation and community development.

FOUR DROPS is committed to allocating specific resources to ensure the

effective implementation of the Environmental Sustainability Policy.

The Environmental Sustainability Policy shall be made available to all the Company's stakeholders, whether internal or external, and shall be duly communicated. In addition, FOUR DROPS provide shall training and promote awareness activities for implementation throughout the organization and among its key stakeholders, including suppliers.

4. DOCUMENT MANAGEMENT AND CONTROL

4.1 Signatures, approvals and revisions

This policy was issued and approved by the the CEO of FOUR DROPS on December 20th, 2024.

The policy will be reviewed and updated as appropriate, in order to adapt it to any changes that may arise in the business model or in the context in which the Group operates, ensuring its effective implementation at all times.