



Sustainability Report 2022 - 2023





A letter from Ross Johnson,

It is central to our culture that everyone with whom we interact has a positive and enriching experience. From our employees and neighboring communities to our suppliers and customers from around the world, we strive to be a positive actor and to build long-lasting relationships that create value.

Our purpose is to provide people from all walks of life with the opportunity to celebrate life's extraordinary moments with our beautiful flowers, grown with care and passion. Therefore, our flowers must first and foremost be grown in a sensible and responsible manner, and our business practices must align with our philosophy and culture. To this end, we remain committed to fair and sustainable business practices that are kind to the environment, beneficial to our employees, and good for society at large, particularly our neighboring communities.

I am pleased to share that we have made significant progress toward achieving our 2030 sustainability goals, and we remain committed to furthering our leadership in growing and distributing clean, responsibly-grown flowers. Last year, we implemented the UN Sustainable Development Goals as a guideline to measure our progress. These are a collection of seventeen interlinked objectives designed to serve as a shared guideline to help organizations and individuals work together towards a more sustainable future. You can read more about this in our 2022-2023 Sustainability Report on our website at www.rosaprima.com.

I would like to thank our employees, partners, and customers for inspiring us and supporting our commitment to a more sustainable world.

Sincerely,

Ross Johnson
Founder & CEO, Rosaprima
Iconic Roses for Life's Extraordinary Moments!

About Rosaprima

Rosaprima is a company dedicated to growing the most luxurious rose varieties in the world. Since our founding in 1995, our values have remained the same: unequalled craftsmanship, sound business practices, and a belief that roses have a starring role in life's most precious moments.

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Message from our Head of Sustainability

2022 was a year of growth and reassurance in the face of enduring challenges on the tails of the COVID-19 pandemic, logistical and transportation disruptions in the global supply chain, Ecuadorian national strikes that shut down the country for weeks, general inflation and rising prices in many of our key inputs such as fertilizers and paper. Despite it all, these trials have only highlighted the remarkable human resilience, dedication and passion of the people that make up Rosaprima. Indeed, facing and rising above these challenges, has confirmed yet again, why people are our one of greatest assets.

Our team is made up of people that share our values: people that strive to find solutions and that want to grow and reach their full potential. People that believe that if something is worth doing, it is worth doing well. People that want to contribute to positive change, to create, rather than destroy. We are convinced, now more than ever, that we need to make the time to celebrate life's moments, to be in awe of the beauty all around us, to create memories. This is why our work is full of passion. We believe our flowers play an important part in helping people feel more alive and express what sometimes cannot be expressed in words.

Rosaprima has been a front-runner in the efforts to implement practices and policies that position us as a leader in sustainability and corporate responsibility in the rose industry in Ecuador. As we grow and expand, so do our efforts in finding ways to develop our sustainability.

This Environmental, Social, and Governance (ESG) report reflects our drive to continue learning and developing in our on-going pursuit of working in a more sustainable manner. It is also an expression of our intention to communicate externally the work we do on the issues that have been identified as the most pressing in our sector. The information presented here is therefore based on our practices and actions related to these issues.

There is so much that is being done at Rosaprima to be proud of, but I am also extremely excited and looking forward to all that is to come in this new year.

Cindy Johnson
Head of Sustainability

Our Approach to Sustainability

One of the basic tenets at Rosaprima is that for something to be truly beautiful, it must be beautiful on the inside, and from its very roots.

We are intimately connected to our land and our planet through our roses. What we do and how we do it directly affects our plants and our flowers. This is why our commitment to growing our flowers in an environmentally, socially and responsible manner is an irrevocable principle of our mission.

The beauty of our roses is a reflection of the attention and care put into every aspect of what we do and who we are. We want to be an agent of positive change to contribute to creating a better world not only for future generations, but for this one as well.

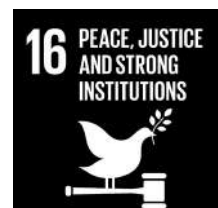
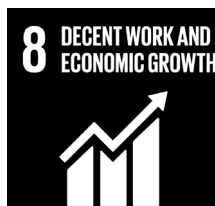
Rosaprima laid its roots in 1995 in an area that was a vast expanse of cattle grazing land with not much else on it, especially in terms of biodiversity, and at a time when the cattle industry could no longer

sustain itself. This decline gave way to the shrinking of the already scarce job opportunities for people in the surrounding areas.

From the very beginning we knew we could and would contribute to a positive change. Our vision was to transform this land into a productive rose farm that would provide decent work with good wages and employment benefits for women and men. We would grow the most beautiful roses, but would do so applying sustainable agricultural practices and upholding and respecting the rights of all people with whom we come across.

Over the years, we have learned and grown from our experiences, and our approach to sustainability is still grounded in the idea of contributing to positive change, and on our values of respect towards people and the environment. This is complemented with our own knowledge and research to define our key areas of influence, always observing and listening to our stakeholders.

Although our work touches on all the United Nations Sustainable Development Goals (UN SDGs), our priority issues relate primarily to the following SDGs:





2022 at a Glance

3+ million

gallons of water saved

1,000+

rubber boots
recycled

200+

tons of plastic
recycled

100%

of Rosaprima employees
earn above living wage

1,600+

gender-balanced workforce
(43% women - 57% men)

1+ million

nutritional meals provided
for workers at a symbolic
cost

10,500+

visits to our medical facilities

1,500+

people vaccinated against
COVID-19

500

people received flu shots

15

breastfeeding mothers
used our lactation rooms

50+

staff training courses



Environmental

Caring for our environment is an integral part of our business. We are bound to our land and our natural resources in our very essence as our roses depend on it. Our operations are under a continuous process of improvement aimed at maximum efficiency and reducing our overall environmental impact.



Climate Change

For years we have been tweaking our practices to reduce our carbon emissions in every aspect. This includes everything from the architecture in our facilities that enhances natural light through a unique design that reduces the need for artificial light, to the use of state of the art drip irrigation systems that measure the exact amount of water and nutrients each plant needs, therefore reducing unnecessary waste.

Last year we continued to expand our skyline zip cable that connects our greenhouses to our post-harvest facilities speeding the transfer of roses and saving millions of gallons of water a year.

We also pressed ahead with improving our packaging, redesigning our boxes to use space

more efficiently. This redesign also allowed us to bolster our (plastic-free) no sleeve roses trials. We are looking forward to offer more customers the option to take part in these trials in 2023.

The year 2023 will be an important year in measuring our carbon emissions as we move forward in identifying opportunities to take action to manage the climate crisis. Measuring Scope 1 (our direct emissions) according to the Greenhouse Gas Protocol is our main objective for the year 2023 regarding Climate Action. This will lead to further optimization of our all resource use.

This initiative supports:





Integrated Pest Management

Integrated Pest Management means using a combination of practices that drastically reduces the use of chemical pesticides. The philosophy behind our integrated pest management is to first maintain a healthy balance of the different insects that live in our farm, preventing any one insect becoming a pest. This strategy uses a combination of practices including repelling insects with natural methods such as planting mint on the rose beds, or using chili, pepper or garlic.

We also use plants such as lavender to lure insects outside, by planting them in the exterior of the greenhouses. Other methods include the use of special fungi and bacteria to help keep the rose plants healthy and strong without needing additional chemical pesticides.

To complement these methods we have also

implemented a Pest and Disease Monitoring System that identifies any organisms affecting the plants. We are then able to take corrective action immediately thanks to the accuracy of the data provided.

As a Rainforest Alliance certified farm, we follow the guidelines on pesticide use set by the Sustainable Agriculture Network (SAN). Pesticides classified as Highly Hazardous Pesticides according to the FAO/WHO are strictly forbidden on our farm.

This initiative supports:





Resources Management



Water

Water is one of our most valued resources. We are fortunate to receive the pristine waters from the Cayambe volcano, but also use rainwater that has been harvested and kept in our four reservoirs which together hold 51,000m³ of water. Over the years, we have carefully streamlined operations to use water in the most efficient way possible, always aiming at reducing any waste of water.

At Rosaprima we do not use sprinkler water irrigation for our roses. Instead, we use a cutting edge drip irrigation system. Each plant receives water in the exact dose it needs to thrive, therefore reducing any excess. We have also put in place a skyline zip cable system that has itself helped us save over 3 million gallons of water every year.



This initiative supports:





Waste

All waste generated at Rosaprima is carefully managed. It is essential to first have a clear understanding of the waste that is being produced. An inventory of waste produced is carried out in order to identify and classify each stream for its appropriate treatment. The treatment includes the 3R's of waste management: Reduce, Reuse, Recycle.

Composting

100% of the organic waste from our greenhouses and post-harvest area is composted. The composted material produced is then reincorporated into the soil of our farm, aiding in the fertilization and improvement of efficient micro-organisms in the ground.



This initiative supports:





Social



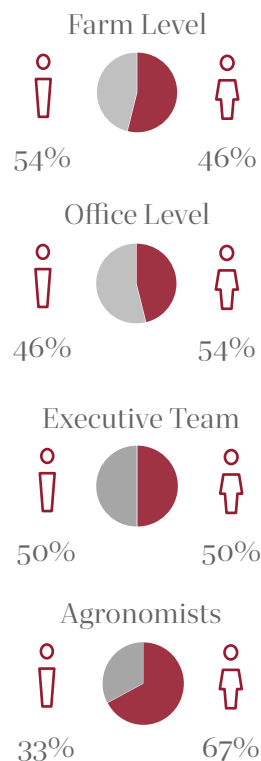
Women in Rosaprima

Rosaprima is committed to equal opportunities and gender equity. Our workforce is made up of over 600 women. They represent over 40% of Rosaprima's total number of employees- an important fact that has been the trend from the very beginning. At the farm level, women make up 46% of the workforce while at the head offices women comprise 54% of the team members.

At the executive level, our team is split down the middle: 50% men, 50% women. We are proud that women and men share in the work that makes Rosaprima what it is. We are especially proud of our Executive Team's gender composition of 50% women and 50% men guiding us into the future. This is especially important as we are well above the global average for women in senior management roles, which in 2022 grew to 32%.

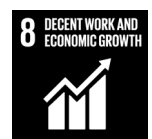
Women at Rosaprima also hold another 40% of managerial roles, and in the traditionally male-dominated field of agriculture, an impressive 67% of Rosaprima's are women. Women are encouraged to develop themselves at Rosaprima. Our Internal Workplace Regulation sets out norms that are meant to support and empower women in their careers. Trainings, flexibility with remote-work options where possible, paid maternity leave and lactation rooms for nursing mothers are some of the structural provisions that make Rosaprima an attractive place to work for so many women.

Gender Composition



Additionally, Rosaprima carries out capacity-building trainings and information sessions on a regular basis for women and all its employees. The year 2023 will see an important push to contribute to women empowerment in the workplace.

This initiative supports:







Lactation Facilities

Rosaprima has created five lactation rooms across the premises for nursing mothers to be able to pump breast-milk during their work shifts. These rooms are private and hygienic and include comfortable chairs, a washbasin and a mini refrigerator for storing milk. New mothers received a breastfeeding kit when they re-joined work with a personal breast pump and sterilized receptacles to save the milk. In the year 2022, fifteen women used the lactation facilities for an average of five months.

This initiative supports:



Health Care

Workers and their families can access check-ups, follow-ups, family planning, and health education through the medical services provided at the free Rosaprima health clinic. Rosaprima employs a two physicians and 4 nurses who are regularly available at the farm. In the year 2022, over 10,500 visits to the health clinic were registered. There were also over 6,000 COVID-19 vaccines administered, and 500 Flu shots given. The physician also assists patients at the local hospital in non-work related situations such as emergencies, surgeries and childbirths.

This initiative supports:





Education



Education is an important issue at Rosaprima. Over the years, there have been many initiatives that have addressed specific gaps or needs ranging from adult literacy programs, children's day-care centers and even the funding for the construction of the first Municipal School in the city of Cayambe.

This year, the main highlight of our work regarding education has been our “Brilliant Minds” program. The program aims at incentivizing the children of Rosaprima employees to be the best in their class. The brightest and most dedicated students are honored with a special tribute at the farm where they are awarded a monetary prize and a set of school-supplies. This year, our Brilliant Minds students received their own digital tablets to support their continuing education through online interactions as schools were closed due to the pandemic. The ceremony is a moment of great pride and joy for everyone attending, and in 2022 it was especially festive as it was held during our Christmas celebrations at the farm.



This initiative supports:



Community Relations



Rosaprima has built strong relations with the neighboring communities over the past 27 years. As a growing company in the region, we have been able to provide decent employment opportunities for many people from the neighboring communities. This gives the relationship a deeper layer, as many of our employees are also our neighbors.

Rosaprima maintains on-going projects and initiatives developed with the communities, from investment in education, to supporting the community centers with their needs. This year, we invested in a multi-community project of improving road infrastructure. Road infrastructure was identified as a priority area for several communities to work on as the access is often difficult due to deteriorated road conditions. Many of the access roads into these communities are dirt roads, or cobblestone that were laid decades ago.

2022, although a better year regarding the pandemic, was still difficult for children and adolescents in Ecuador as they waited for their schools to be reopened for the first time after two years of restrictions due to COVID-19. To support their learning while at home and improve their nutritional intake, Rosaprima, together with other farms in the area, provided weekly fruit kits with 20 different fruit products for each child of one of our closest neighboring communities.

This initiative supports:







Governance

Good governance is the starting point of any successful business. It is central to building trust with all our stakeholders, and it is what has allowed us to establish our reputation as a leader in luxury roses over our 27 years since our founding.

Rosaprima is committed to good, sound, responsible business practices that follow National and International laws, norms, and regulations, but that also align with our core values.

Rosaprima's values are based on respect towards all people and nature. These values inherently extend to our corporate culture and govern our actions and all our operations. We do not take these values for granted, and to ensure we maintain, uphold and promote them, we find opportunities to reinforce these principles regularly.

From the hiring process itself, and through every level at Rosaprima, we safeguard integrity, professionalism, trust and a high ethical standard in all our people and throughout all our activities.

These guiding principles are clearly set in our shared values and our main internal policies. They are also discussed and strengthened through trainings and programs, and are continuously reinforced through Rosaprima's leadership with their actions, by modeling behavior and coaching colleagues.



Rosaprima's Executive Team

Great leaders lead by example. Rosaprima's Executive Team, whose members all have risen up the ranks in-house, is made up of 6 knowledgeable, experienced, and highly ethical professionals. They are responsible for mapping out and advancing Rosaprima's strategic business priorities and setting the standards that guide every department. The leadership team is currently made up of 50% women and 50% men.

The following internal policies and statements articulate Rosaprima's core values and ethical standards while providing a clear guide on what is expected of employees at all times, particularly when conducting business. These are imparted through the induction process, and then regularly throughout the year using programs aimed at reinforcing Rosaprima's work culture:

1. Human Rights Policy
2. Internal Workplace Regulation
3. Code of Ethics

This initiative supports:





Rosaprima's Shared Values

1

Human Ingenuity

2

Highly Collaborative

3

Winning Spirit

4

Passion for Beauty



Human Rights Policy

At Rosaprima we believe that Human Rights are inherent to our humanity. As a company that is centered on respect towards all people and nature, we are committed to upholding Human Rights across all our operations and all we do.

Rosaprima's Policy on Human Rights is based on the following principles:

Universality: Human Rights are considered a prerogative to all human beings no matter their nationality, age, sex, sexual orientation, religion or preferences.

Interdependence: Human Rights are interdependent and interrelated. No one right can be fulfilled if another one is neglected.

Indivisibility: All Human rights stem from the need to protect the dignity of every human being. All human rights have equal status, and cannot be positioned in a hierarchical order.

Progressiveness: The protection and guarantee of Human Rights must constantly evolve and become better and greater in every moment.

All of Rosaprima's internal policies are based on our Policy on Human Rights.



Internal Workplace Regulation

Our internal workplace regulation is aimed at having a clear, transparent, and easily available point of reference with regards to Rosaprima's internal operational structure. It outlines definitions, rights and obligations, and all issues that govern employee contracts, including hiring procedures, compensation schemes, working days and hours, holidays, sanctions, and dismissals, among others.

Rosaprima is a company that offers equal opportunities to all people, regardless of gender, gender identity, sexual orientation, race, religion, disability or age. We follow comprehensive hiring, promoting, and compensation guidelines that assess candidates on the basis of skills and experience, and we aim to help to bridge the gender gap in all areas of our operations.

Rosaprima supports:





Code of Ethics

Our Code of Ethics outlines the standards, responsibilities and expectations we aspire our team members to uphold when working at Rosaprima. We strive to support our team members to be and do the best they can in every situation and to reach their goals and full potential. It starts with providing an inclusive, safe and fair workplace with the highest ethical standards and integrity.

Rosaprima's Ethics and Professional Conduct Committee developed the Code of Ethics to provide clear guidance of the standards that apply to all our employees in order to support and maintain Rosaprima's core values. The Code of Ethics is introduced during employees' induction phase, and then throughout the year via programs and training to encourage strong ethical thinking and integrity.

Some of the issues our Code of Ethics address include:

Child Labor: We adhere to all rules and regulation and child labor is strictly forbidden.

Legal Business: Rosaprima does not have any relations, business or otherwise, with countries, companies or people that are unable to provide

proof of the legality of their business or that are sanctioned by the U.S. Department of State or Ecuadorian regulatory entities.

Bribery and corruption: We strongly condemn any form of bribery and corruption and are fully compliant with all anti-corruption laws and regulations of where we operate.

Safe Working Environment: We foster safe, diverse and inclusive workplaces.

Discrimination: Rosaprima does not tolerate any discrimination or harassment of any kind.

Rosaprima has built its team over its 27 years of existence by treating each other with respect, courtesy and fairness and encouraging goodwill and solidarity. The issues covered in our Code of Ethics are integral to Rosaprima.

Transgressions of these standards are taken very seriously and are subject to an investigation and appropriate sanctions.

Rosaprima supports:





Top 2022 Social and Environmental Initiatives



Waste Management: The special and hazardous waste generated was properly disposed through certified managers to ensure its proper final disposal.

Infraestructure: Material for paving and the construction of a paving stone machine were donated to contribute to road development of the neighborhood.

Education: Computers and tablets were donated to contribute to the development of education for low-income families.

Mental Health: Supporting “Flower Movement Awareness” campaign, staff and patients from hospitals, family child care home and nursing homes were visited and flowers were delivered to contribute to mental health cause.

Health: All collaborators received the COVID-19 vaccination and flu shots.

Social: During Christmas holidays orphaned and underprivileged children participated in Rosaprima’s usual Christmas celebrations.

Security: Community alarms were donated to prevent insecurity of the surrounding neighborhoods.



Thank you for your interest in our very first ESG report. We hope this helps you better understand the value of our work in the bigger picture of our interconnectedness in the world. We also hope this report serves as a stepping-stone to jump further into our journey in our sustainability efforts.

Please get in touch with us at sustainability@rosaprima.com if you have any questions, comments, suggestions or feedback.

We love hearing from you!



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rosaprima





www.rosaprima.com