



Growing  
*together*

creating  
*value*

Sustainability Report  
19/20 | **Azucarera**  
la vida sabe mejor





# Contents

---

<i>AB Sugar’s vision of sustainability</i>	<b>04</b>
<i>Statement by Juan Luis Rivero, Managing Director of Azucarera</i>	<b>06</b>
<i>Azucarera in figures</i>	<b>08</b>
<i>Ethics, integrity and transparency</i>	<b>10</b>
<i>European Green Deal</i>	<b>12</b>
<i>COVID-19: how the pandemic affected our business</i>	<b>14</b>
<i>Contribution to rural development, where every grower is unique</i>	<b>16</b>
<i>Well-being and prosperity of our communities</i>	<b>22</b>
<i>Responsible use of resources</i>	<b>34</b>
<i>Circular Azucarera</i>	<b>44</b>

---

# AB Sugar's vision of sustainability



**"AB Sugar has established a number of global commitments that motivate the companies in the Group to continue improving"**



**A**zucarera is part of the AB Sugar Group ([www.absugar.com](http://www.absugar.com)). The Group's framework for sustainability action is based on the programme "A global mind for local action", which seeks to secure long-term success, not only for the Group and Azucarera, but also for the local communities in which the company operates.

The programme establishes the global principles and priorities for the challenges that lie ahead, from a three-pronged approach of economy, society and the environment, based on three pillars.

The three pillars of sustainability are:



Rural development: grower-centric



Prosperity and well-being of our communities



Responsible use of resources

Through this adaptation of global to local, we all share a single central vision that nevertheless takes account of the particular situation in each country and territory, each having its own specific economic, social and environmental situations and issues.

AB Sugar has also established a number of global commitments to encourage Group members to continue improving up to 2030, along with all those making up our supply chain. These commitments form the foundation of our ambition and vision for the future with regard to sustainability.

They aim to:

- Contribute to the prosperity and diversity of our communities
- Provide access to objective scientific knowledge on sugar, diet and health, reaching over 25 million people around the world
- Reduce water consumption and CO<sub>2</sub> emissions by 30% throughout our supply chain and ensure that all our packaging is reusable, recyclable, biodegradable or compostable



## Did you know...?

In line with AB Sugar's commitments - of providing access to objective scientific knowledge on sugar, diet and health, reaching over 25 million people around the world - in March 2021 we launched in Spain the communication platform Making sense of sugar.

After running for more than 5 years in the UK, it is now available in Spanish, adapted to the context of our country. We invite you to visit the website [www.makingsenseofsugar.com/es/es/](http://www.makingsenseofsugar.com/es/es/) and follow the regular updates of the contents.







Each and every one of the links in the chain makes it possible for us to move forward with **strength, enthusiasm and consistency**”

**JUAN LUIS RIVERO**  
Managing Director of Azucarera

**T**his has been a turbulent year, marked largely by the world crisis caused by the COVID-19 pandemic. Right from the outset, the Azucarera team made an enormous effort to adapt to the circumstances and maintain our services to customers and growers while taking all the precautions recommended by the health authorities. Thanks to those efforts, Azucarera produced 378,350 tonnes of sugar over the year, confirming our commitment to sugar beet and its by-products as the driving force of economic development and progress in the rural environment, threatened by depopulation and rural exodus.

At Azucarera we are convinced that we can only optimise the value chain if we act responsibly, with innovation as a key tool in each of our operations and based at all times on the principles of sustainability and the circular economy. By committing to people and the environment in the management of our business, we provide economic stimulus for rural development and contribute towards economic buoyancy in the communities where we operate.

We also share many of the values of the European Green Deal and the goals of the Common Agricultural

Policy: from improving competitiveness among growers and within the food industry to actions to curb climate change, protect the environment, preserve the landscape, keep rural areas alive, protect the quality of food and health and the cross-cutting goal of knowledge and innovation. Azucarera's commitment in all these aspects is stimulus to keep working for beet and sugar and for all those who make up the value chain.

In this regard, a rational use of resources and constant investment in innovation to make our business more sustainable and improve the quality and variety of our products are still pillars of our activity. This report reflects our support for growers and Azucarera's commitment to the prosperity and well-being of the communities in which we operate.

Finally, I would like to express my sincere gratitude to our customers for trusting us and our suppliers. Each and all of the links in the chain makes it possible for us to move forward with strength, enthusiasm and consistency.

**e want to foster a culture committed to the prin-**  
*Juan Luis Rivero*





# Azucarera in figures



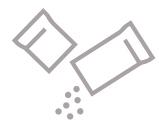
**17,589** ha  
sown with sugar beet



**378,350**  
tonnes of sugar produced



**458,000**  
tonnes of by-products



**4** sugar production  
plants



**2** logistics &  
packaging centres



**1** liquid specialties  
plant



**1** R&D and  
innovation centre



**1** beet and cane  
sugar refinery



**601**  
direct jobs  
+ 459 during the  
campaign period



**1,845**  
growers



**23%**  
women on the  
payroll



## Investment

Looking ahead and with our sights set on sustainability and continuous improvement of the company, during 2019-2020 we invested €9,486,000 in measures to enhance efficiency, plant maintenance, food safety, health and safety of our workers, and the environment, among other areas. **Over the past seven years, we have invested €87,522,000 overall.**

### PROPERTY, PLANT & EQUIPMENT INVESTMENT (€)

2013/14	15,880,000
2014/15	12,774,000
2015/16	9,873,000
2016/17	19,624,000
2017/18	11,593,000
2018/19	7,932,000
2019/20	9,486,000
<b>total</b>	<b>87,522,000</b>



**233,099,516**  
turnover



**97%**  
orders placed with  
national suppliers



**-5,100,601**  
operating loss



**11,361,000**  
total taxes paid  
by Azucarera



**728,000**  
taxes collected by  
Azucarera for the State



**10,633,000**  
direct taxes paid  
to the State

# Ethics, integrity and transparency



**W** principles of integrity, ethics and transparency. For this reason, within the ABF group we have several policies and procedures in place for our activities.



**Anti-bribery and anti-corruption:** One of the company's priority goals is to eliminate all conduct of this nature within our organisation. It is based on three sub-processes: the gifts and courtesy policy, the supplier and third party assessment policy, and the complaints channel. We also carry out full screening when we contract suppliers. All our employees receive compulsory, specific anti-bribery and anti-corruption training at least every 18 months to motivate and promote a culture of zero tolerance to such conduct.

**Money laundering:** The aim is to apply the same financial procedures as those established by the ABF Group. We make external audits to detect any possible deviations in its application.

**Human rights:** We have a '**Modern Slavery Statement**', which establishes the commitment of Group companies to eliminating any practices that might entail forms of modern slavery, such as forced labour, child labour or human trafficking. We also have a '**Complaints Policy**' that guarantees the confidentiality of anyone who reports malpractice and criminal offences within the company.

In Azucarera we also have a '**Personnel Policies Manual**', setting out the principles guiding relations between the company and its employees; the 'Code of Conduct', which adopts and guarantees compliance with the group's policies and commitments; and the Protocol against sexual and moral harassment, which promotes a working environment free from harassment and guarantees adequate procedures to deal with any incidents that may arise.

*WE HAVE DIFFERENT POLICIES TO GUARANTEE INTEGRITY, ETHICS AND TRANSPARENCY IN OUR ACTIONS*






# European Green Deal

A NEW ROADMAP  
TO MAKE THE EU'S  
ECONOMY SUSTAINABLE



In December 2019, the President of the European Commission, Ursula Von der Leyen, presented a new roadmap to make the EU's economy sustainable. This roadmap contemplates a new growth strategy to make the economy more resource-efficient and competitive, in which:

-  economic growth is decoupled from resource use
-  there are no net emissions of greenhouse gases by 2050
-  no person and no place is left behind

Azucarera has enormous potential and capacity to make an active contribution towards achieving the challenges and goals proposed:

- We have a circular economy model, with which we have achieved practically zero waste.
- We have a specific goal to reduce the greenhouse gas emissions per tonne of sugar obtained. By 2022/23, we aim to cut our global emissions to 0.279 tonnes CO<sub>2</sub> per tonne of sugar produced.
- We encourage a permanent search for improvement in the crop, so that it is more innovative, productive and profitable for growers. These initiatives are carried out by the field technicians and agricultural teams of both Azucarera and AIMCRA ([www.aimcra.es](http://www.aimcra.es)).

- We have taken actions and made investments to make the Azucarera plants more competitive and contribute towards the development and economies of the regions in which we operate.
- In the summer of 2020, we joined the 'Lean and Green' platform, the leading European collaboration programme aiming to reduce emissions associated with the supply chain, in order to reach the decarbonisation targets set for 2050. The company has thus implemented an action plan to cut CO<sub>2</sub> emissions by 20% throughout distribution, from transport and storage to the sourcing of raw materials and deliveries to customers.
- The European Commission has also set the goal of halving the use of pesticides by 2030. Azucarera growers have reduced their use in recent years, within a context of increasing prohibitions and, in some cases, in situations where there are no alternatives.







# COVID-19:

*how the pandemic affected our business*

**2020 was a turbulent year marked largely by the world crisis caused by the COVID-19 pandemic.** Right from the beginning of the crisis, we pulled out all the stops to adapt our business activities to the circumstances and maintain services to customers and growers, while taking all the precautions recommended by the health authorities.

Health and safety at work are vital for Azucarera, so we displayed our resilience and adapted to the new situation, with achievements such as having all our office staff and almost 40% of the employees at our plants and supply hubs working from home, with a reasonable use of new technologies for work procedures and development of a specific protocol within the company's Business Continuity Plan. This protocol sets out three blocks of action:



**Organisation measures and reduced contact:** organising work so as to reduce the number of workers exposed, with clear, specific guidelines to avoid or reduce the frequency and type of person-to-person contact (home working, flexi-time, redistribution of shifts, changes in travel policies, meetings by video conferencing, limitation of access by external personnel, rules for the use of communal areas, etc.).



**Protective measures for highly sensitive people (HSP) and possible cases:** adopting specific measures and managing highly sensitive people and those with symptoms compatible with COVID-19.



**Hygiene measures:** providing information and the necessary resources to implement personal hygiene measures and installations (instructions on handwashing, disinfection of areas and equipment, provision of soap dispensers, personal protection equipment, etc.).

*"AZUCARERA TEAM = EFFORT+ADAPTATION+SERVICE FOR CUSTOMERS AND GROWERS+TAKING RECOMMENDED PRECAUTIONS"*



In addition, Azucarera has a protocol indicating how to act in respect of confirmed cases in which COVID-19 has been diagnosed or when an employee shows symptoms of that disease at work, with a view to controlling and curbing the spread of the virus.



# Contribution to rural development

WHERE EVERY GROWER IS UNIQUE



*One of our hallmarks is focusing our productive activity on growers. By supporting them, we are indirectly shoring up the economy, society and environment in large rural areas of Spain, which are often in precarious situations due to the risk of losing their population and the lack of economic alternatives. Beet growing and sugar production -as a local, natural food- are vital for these areas and for the sugar supply in Spain.*

**Three figures are essential for this work: Azucarera field technicians, the work done by AIMCRA (in beet research and promotion) and Agroteo (in services for growers).**





*These are the working areas we have addressed with our beet growers*

**Precision agriculture:** We have made enormous progress in precision agriculture using Big Data and remote sensing systems. This technique is very useful to offer a new approach to agricultural work and the most important aspects of crop management, such as nitrogen management, water stress, state of ripening and the sugar content of the beet.

**Instructions for programming variable sowing:** Beet growers can adjust sowing to the different conditions in their crop land.

**Irrigation recommendations:** These recommendations take into account the state of the plant and land, and use information from satellites and local weather stations to optimise the irrigation systems used.

**Fertilization of areas through a pilot project:** To establish the nitrogen curve and allow growers to adopt decisions on fertilization based on the nutritional state of the crop.

**Enhanced yield:** Pilot project aiming to develop the “sucrose curve” to enable predictions to be made on the yield of each plot.

**Boosting of solar irrigation:** We have continued to promote solar irrigation through a campaign with growers and visits to fields in which these systems have already been implemented and are fully operational.

**Efficient control of disease:** Joint projects with AIMCRA to test beet species resistant to beet leaf spot.

**Efficient use of plant protection products:** We have carried out soil analysis in areas where we detected room for improvement in the use of plant protection products, through AIMCRA and in collaboration with the Polytechnic University of Madrid.

**Training for beet growers, provided jointly with AIMCRA and Agroteo:** Jointly with AIMCRA and Agroteo, we provide training courses in pursuance of the training requirements established in the “Agri-Environment and Climate Aids”. In October, November and December, 174 growers attended the training day organised by Agroteo and valid under the Rural Development Programme (PDR).

**“Irrigation advice” and other initiatives:** Through this plan, among other actions, we send our growers weekly indications through an APP of how much water the beet needs.

**Free energy counselling:** With the aim of helping growers reduce their energy consumption. In addition, over the past year we renegotiated the rates they are charged.

**Advice on the use of nitrogen and other fertilizers:** To avoid as far as possible an excessive use of pesticides in keeping with the goals set in the European Green Deal.

**Improvement of soil quality:** We are collaborating with others in the testing of different actions to increase and improve soil microbiota. We already have an integrated production method in this regard for La Rioja and Andalusia.

**Social media:** Over the past year we continued our activity in social networks and digital channels (WhatsApp groups, Facebook, Twitter, LinkedIn, YouTube, Instagram, etc.).

**Research and services for Azucarera’s growers:** For over 50 years we have been supporting and cofinancing with our growers the work of the Research Association for Improving the Sugar Beet Crop (AIMCRA), closely cooperating with their researchers and technical staff in testing and analysing the performance of new beet varieties and products for pest control and plant disease, among other initiatives.

Azucarera also owns a stake in Agroteo along with over 1,200 beet growers who grow more than 11,400 ha of beet. This company promotes services designed to enhance the yield of the beet crop and responds to requests from growers, who obtain tangible benefits such as the absence of quotas, speedy payments for beet, permanently available assistance tailored to their needs in administrative matters and competitive prices for agricultural inputs, labour, etc. Finally, Agroteo acts as a channel for and promoter of new services with a high technological and innovation value, such as Big Data and remote detection.







## Fifth edition of the "Award to the Best Beet Grower in Andalusia"

**T**his award aims to boost beet-growing in the region and recognise the best practices of beet growers in the south.

Owing to the situation caused by the COVID-19 pandemic, this fifth edition was held with a very limited public, although the ceremony was live-streamed on internet and fulfilled its function of informing on the best practices observed in the crop year among our Andalusian growers. Let's hope we can celebrate together again in 2021!



## Initiatives adapted to the profile of each grower:



**Special promotion** of seeds recommended for their high polarisation and good technological quality.



**Advanced payment of the beet crop** of up to EUR 1,000.



**Tailored contracting options.** Beet growers in the south can choose from three contracting options the one best adapted to their fields and needs. In the north the option of booking contracts is available with special benefits and advantages.



**Zero-cost financing** of investment in energy efficiency, solar irrigation, drainage or machinery



**Dry farming in the south,** to cope with the climate challenge endured in some areas. We adapt the recommendations to the particular characteristics of the land, intervening in any factors that can be controlled.



# Well-being and prosperity

OF OUR COMMUNITIES



---

*Our commitment to the communities in which we operate focuses mainly on growers and our employees, but extends to everyone in the communities, especially in complicated years like this one. At the same time, , **Azucarera does not lose sight of its aim to supply its “community of customers” with top quality products and food safety.***



## Safety, health and welfare: always first

**"We have a Health, Safety and Welfare Policy that sets out to protect and take care of our people"**

**W**e aim to integrate prevention in all our daily operations to achieve the highest possible level of protection and welfare of people. For this purpose, we have a Health, Safety and Welfare Policy that sets out to protect and take care of our people. We do this based on goals such as constant improvement of physical and emotional well-being, reduction of injuries, forging of a prevention culture, continuous assessment of working conditions and the implementation of preventive plans and procedures to eliminate or control the risks to which our employees are exposed in their work.

All this is structured around these plans:



Occupational hazard **prevention plan** and technical and operating procedures developing it



**Healthy company plan:** physical well-being



**Development plan** for job procedures and **digitalisation** of critical procedures: digitalisation of work permits



**Preventive culture plan:** soft skills



**"WE AIM TO INTEGRATE PREVENTION IN ALL OUR OPERATIONS"**

## Management of people: social benefits and organization of working time

**N**umerous measures are available for our employees, such as: medical grants, economic disability aids, full salary payment during sick leave due to common or labour contingencies and advances against bonus pay.

To enhance flexibility at work, flexitime is in place at the head offices and for certain groups of workers in the company's other workplaces. There are also flexible times for lunch breaks at the head offices, where our employees work straight through to finish early on Fridays, in the Christmas, Easter and summer periods and on days preceding public holidays or long weekends. Straight-through shifts are worked at all our plants throughout the year between campaigns. Employees are also entitled to take a reduction in working hours, under the company's work-life balance plan 2017.

We have set up different protocols to enable employees to leave their jobs in the event of a family emergency and economic assistance for employees whose children suffer a serious disease or disability. Other initiatives in this area include summer camps for employees' children. Azucarera also recognises equal rights of its employees in marriage and common-law relationships.





Equality and diversity

In keeping with our commitment to equality, the proportion of women on the payroll has increased in recent years, as has the number of women in positions of responsibility within our company.

PERCENTAGE OF WOMEN HIRED (PERMANENT CONTRACTS)

Year	On payroll	In management positions
15/16	19	31
16/17	19	34
17/18	22	36
18/19	21	37
19/20	23	46

Equality plan / Code of conduct and personnel policy manual / Protocol for action against sexual and moral harassment / Accumulation of maternity/paternity leave with breastfeeding time and annual leave / Full pay during maternity and paternity leave and during sick leave for high-risk pregnancy / Possibility of taking shorter working hours under the work-life balance plan 2017 / ABF Women's Business Forum.



"Women currently account for 23% of the workforce, 2% more than last year, and the number of women in management positions has risen by 24%"

"WE HAVE CREATED A MIXED WORK TEAM TO CHANGE THE BUSINESS CULTURE IN GENDER EQUALITY, DIVERSITY AND INTEGRATION"



Attracting, training and developing talent



Overall, 8,316 hours of training were provided during the year"

Our employees are the cornerstone in an increasingly more globalised, changing, complex environment from the point of view of production, - so it is very important to accompany them throughout their personal and professional careers, offering training schemes and talent management programmes covering all the stages of their careers.

For this purpose:

- We invest in numerous resources through different plans and initiatives designed to promote the development of talent in the company.
- We have annual training schemes coordinated by the Human Resources area. In order to determine the training required within the company, each evaluator discusses with their evaluatee the latter's needs for training, which are indicated in the corresponding performance assessments or CMC, a six-monthly assessment tool that facilitates communication between employees and their bosses. After this analysis, the HR department studies the courses and trainers available and proposes training tailored to the needs of each employee.

Cross-cutting diversity group

The aim of this group is to retain and promote female talent and increase the participation, contribution and success of women in science, technology, engineering and mathematics (STEM). This is a commitment undertaken by the ABF Group and AB Sugar, for which we have set up a working group with mixed representatives from plants and head offices. The group meets regularly with a view to changing the business culture in gender equality, diversity and integration.





## Social action: food aid and support for the community during the pandemic



"We donated a total of 50,200 kg of sugar during the year"

**E**very year, we collaborate with NGOs, food banks and soup kitchens who have the capacity to distribute food among the needy in the areas where we operate. This action has become especially important in the pandemic as calls have multiplied from food banks and local NGOs. During the year we donated a total of 50,200 kg of sugar. Our employees also contributed with individual donations of the sugar they receive under the collective agreement.

At the toughest times of the pandemic, Azucarera and its local communities maintained intense, two-way collaboration. We donated personal protection equipment to local health centres and received from the local authorities face masks and other PPE needed at our plants. Other noteworthy actions included the cleaning of roads at the Azucarera plant in Jerez by a local beet grower and the readiness of local councils to cooperate in those tasks where necessary.



During the reporting period, our Packaging Centre in Benavente (Zamora) also continued working with ASPROSUB, a firm that manages housing and employment for people with mental problems. Within this arrangement, the workers carry out the manual packaging of specialty products. Overall, they packaged 1,401 kg of product for us.

## Our contribution to the economy, with 97% of our orders placed with local suppliers

**A**ccording to a Study by WIFOR in 2019, for every euro generated in the sugar production sector, a further 3.90 euros was obtained indirectly or induced throughout the supply chain. According to the same study, for each direct job in the industry, more than ten are created in other sectors. When applied to employment figures in Azucarera, this means that against our headcount of 1,060 permanent and temporary employees, more than 10,600 jobs outside the company are dependent on our business.



"During the year, **97% of our orders are placed with local** (national) suppliers"





## Working with our supply chain

**B**eet sugar production commences with the grower's decision to sow beet or sugar cane and ends in our customers' homes with the consumption of our ingredient, or at our farmers' facilities in the case of products used for animal feed, etc. It is a process in which we work with numerous players, with whom we engage on a daily basis.

In this regard, ABF has a code of conduct exclusively for suppliers, that must be adopted by all those who supply to Group companies. Moreover, the above-mentioned "Modern Slavery and Human Trafficking Statement 2019" establishes that all the Group companies must play a major role in the eradication of all practices that might entail modern slavery -such as forced labour, child labour or human trafficking- within their own activities, if such practices exist, or in their supply chains.

During the past year, marked by the health crisis related with the COVID-19 pandemic, the use of OLAH by carriers has been particularly important. OLAH is a mobile application set up by Azucarera for its beet growers, that enables the automation of beet deliveries without requiring physical contact. This tool can also be used to optimise routes and measure freight and collections based on the measurement of specific parameters. The application is currently being further developed to incorporate new functions for optimisation of the supply chain.

With regard to the beet sugar produced in Spain, Azucarera participates in the SAI Platform (Sustainable Agriculture Initiative Platform), an initiative within the food industry to support the sustainable development of agriculture worldwide. At present, Azucarera's beet sugar production in Andalusia, La Rioja, Castile-Leon and the Basque Country has been awarded a silver rating ("SAI SILVER").

Since 2014, the company has had a CSR plan for raw cane sugar sourcing. This plan includes a procurement policy that sets down the company's red lines and stipulates that all suppliers must pass a Due Diligence process before any agreement is signed. The due diligence examines their ethical behaviour, anti-bribery and anti-corruption policies and their identification and compliance with the ABF Code of Conduct.

In March 2019, Azucarera joined BONSUCRO, an international non-profit governance group of numerous stakeholders that promotes and certifies sustainable sugar cane. In December 2019, the company obtained certification under the chain of custody standard, and it has 23,000 tonnes of cane sugar certified with BONSUCRO credits.

Azucarera has also been a member of Iberian Fairtrade since 2014, selling bulk sugar under the Fairtrade seal for authorised processors and other packaged products for end consumers, including brown sugar and agave.



THE OLAH MOBILE APP USED BY OUR CARRIERS FACILITATES BEET DELIVERIES WITH NO PHYSICAL CONTACT





## A service committed to excellence and tailored to our customers' processes

**G**uaranteeing the quality and safety of our products is a priority. We have a Food Safety and Quality Policy included in our Food Safety and Quality Manual. This policy defines, develops and implements a system compliant with the requirements of the standards UNE-EN ISO 9001:2015 and UNE-EN ISO 22000:2005, as certified by a body accredited by ENAC. We also have IFS certification for our two packaging centres and the Guadalete plant.

All our workplaces have laboratories for physicochemical analysis certified under the quality standard ISO 9001, environmental standard ISO 14001 and the food safety standards (within GFSI) FSSC 22000 for production plants and IFS for packaging centres, along with other certifications.

Parallel to this, in the 15/16 crop year we embarked on an internal process of actions intended to produce a cultural change in these areas and raise awareness of all the aspects pertaining to food safety and quality.

This policy also expresses the commitment by Azucarera management to manufacture safe products, complying



with current laws, regulations and any other requirements agreed with our customers, as well as the prerequisites established in ISO/TS 22000-1 for the latest version of FSSC 22000 certification at our sugar plants and the liquid specialties plant.

**"We are committed to guaranteeing the quality and safety of our products"**



## Scientific community and innovation

**I**nnovation is a core objective for Azucarera. Consequently, we consider it vital to step up our relations with the scientific community constantly through specific projects involving our customers and growers. Some examples of this are:



Agricultural and agronomic practices, implemented through AIMCRA and the Azucarera Agronomy department.



Actions led by the company's R&D and innovation centre and ANOVA, the Azucarera business unit created during the year with the mission of responding to new consumer and market trends, offering technical solutions through innovative, environment-friendly products with value added.



Partners: ITACYL, CETECE, IFAPA, AINIA, CARTIF, UVA, USAL, CSIC, CNTA, AENOR, CTIC-CITA and the NEIKER Institute, among others.

**"THE MISSION OF ANOVA IS TO RESPOND TO NEW CONSUMER TRENDS WITH INNOVATIVE PRODUCTS"**





# Responsible use

## OF RESOURCES



*We are aware that the development of our business requires the consumption of natural resources. Our principal environment-related goal is to achieve a responsible use of resources and minimise the negative impact of our business activities.*

***Our priorities focus on the management of energy, water and our principal raw material: sugar beet.***



## Environmental Management Policy

**T**o do all this, we have an **Environmental Management Policy**, which contemplates promotion of a responsible use of natural resources, both in our own operations and throughout the supply chain, based on the principles of sustainability and circular economy.

Our Environmental Management Policy is based on continuous improvement of the company's environmental actions, through integrated, permanent action by all Azucarera employees. It covers the establishment and monitoring of environmental goals that enable us to improve constantly, setting aside the necessary financial and operational resources for this.



"We propose permanent, integrated action **across the board**"



- Development of remedial actions to ensure that we meet our environmental goals, as required by circumstances.
- Definition, development and implementation of an Environmental Management System compliant with the requirements of the standard UNE-EN-ISO 14001:2015, with a view to reducing the company's environmental hazards.
- Development and implementation of environmental assessments and mitigation plans for material changes in plant and processes, assessing their possible environmental effects.
- Assignment of the necessary resources to maintain and improve existing environmental management systems, ensuring that they comply with the requirements of the standard ISO 14001:2015.
- Azucarera abides by the principle of precaution, ensuring that its operations proceed without risk and with the least possible impact. In 2018, we conducted a valuation analysis at each of our production plants of the environmental risks and impacts associated with our operations. A qualitative and quantitative assessment was made of all the operations at the plants, under the principle "the damaging party repairs".



## Objetivo: consumir menos agua en las fábricas

- Most of the water entering sugar plants is within the beet itself, accounting for around 75% of its composition.
- In addition to this water, which is reused for washing the beet roots, the plants use tap and mineral water and also withdraw water from rivers and wells.
- All the water used, whether from the beet or directly withdrawn, is returned to the river after being treated.



**We are determined to reduce the water consumption** in our plants by 5% per annum



**During the past year, a total of 709,859 m³ of water** was consumed at our plants, which is 7.6% less than in 2018/2019



## In the fields: seeking more efficient irrigation



*"The average water consumption by each grower was **633 m³ in the north** and **261 m³ in the south**"*



**O**ur growers manage their own irrigation water for the beet crop. The mission of the field technicians of Azucarera and AIM-CRA ([www.aimcra.es](http://www.aimcra.es)) is to help them to be more efficient and use water at the best time and in the best way to achieve optimum crop development, avoid unnecessary consumption and, consequently, reduce the cost of production of the beet.

How we help beet growers to make a more efficient use of water:

**Irrigation advice plan and other initiatives:** Sending them weekly updates via an APP on the water their beet needs. Their spray irrigation systems are also checked and relevant information and articles are published.

**"Irrigation Room":** An initiative set up to inform on the latest innovations in irrigation and energy, especially with regard to the use of photovoltaic solar energy, energy efficiency, water saving and intelligent irrigation. This initiative was suspended this year owing to the COVID.19 pandemic.

**Promotion of dry-farming crop in Andalusia:** In recent years, in response to the effects of climate change, we have promoted the development of this kind of farming in Andalusia. This entails adapting our recommendations regarding controllable factors (sowing date, seed variety, pest and disease control, use of fertilizers, etc.) to the specific local context.

We continue to promote the **"solar risk"**, the benefits of which include using renewable energy for pumping, reducing by 100% the greenhouse gas emissions associated with energy consumption, cost savings and efficient use and control of water. We also inform growers of other efficiency measures associated with "solar irrigation", such as the use of low-pressure emitters and variable frequency drives.



### Did you know...?

During the beet irrigation season in the summer months (June-September), we inform growers weekly of the irrigation that the beet needs based on the climate conditions (temperature and humidity) and the stage of crop development. As a result, the use of water is limited to that strictly required by the crop, avoiding excessive water consumption.

## Practically zero waste

**I**n 2018, Azucarera joined the Circular Economy Pact promoted by the Spanish government. That Pact aims to engage the principal economic and social agents in the country in the transition towards a new economic model. We undertake to:

- Reduce the use of non-renewable natural resources
- Promote analysis of the life cycle of our products
- Incorporate eco-design, recycling and innovation criteria in our products
- Focus on a new model of responsible consumption based on transparent reporting



*99% of the plastic we use is recyclable, but we aspire to 100%*

**9**9% of the plastic we put on the market is recyclable, although we have the firm intention to raise that percentage to 100% by 2030. Meeting this goal depends on the alternatives made available on the market to replace the typical "doypack".



# Actions taken at our plants to reduce CO<sub>2</sub> emissions

- Greenhouse gas emissions are closely linked with the energy consumption and energy efficiency of our plants.** These are some of the actions implemented in this regard:
- We have our “Factory of the Future” project, which aims, among other things, to reduce the energy consumption and seek the best operating practices for our plants.
  - We make energy audits of our workplaces to detect areas for improvement.
  - Specific actions designed to reduce energy consumption:
    - Reduction of steam consumption by employing good operating practices and enhancing control of the process
    - Improvement of electricity consumption at the plant.
  - Attendance of training courses on production processes by the employees involved in plant operation
  - Implementation of investment projects geared towards improving production processes
  - Changing of valves, installation of variable frequency drives, replacement of electrical installations
  - Updating of the distributed control systems at the plants
  - Replacement of obsolete machinery with new, more efficient models
  - We have conducted studies to assess the possibility of installing photovoltaic panels at our plants to produce electricity



## Did you know...?

In the **prevention of noise emissions** at our facilities, deviations occur occasionally at the three plants in the north: Toro, Miranda and La Bañeza. At each of these plants small investments are made every year to screen off the source of the noise. In 2020/21 we will study the problem in greater depth, analysing it jointly with an external firm to try to find a definitive solution.

With regard to **light pollution**, we have replaced the high-power luminaires in the interior and exterior of our Miranda, Toro and Jerez plants. We also have controls by time and photocells (interior and exterior) at all our workplaces, including the packaging centres (Guadalete and Benavente) to regulate efficient use of electricity, avoiding having lights on at times when this is unnecessary and limiting excessive power in artificial lighting.



# A few figures on our energy consumption

**Most of the energy we consume is natural gas used to produce steam for use in the sugar production process.** Steam is also used to generate electricity in the cogeneration plants that power our production plants.

Energy consumption		2018/2019	2019/2020
Energy	Natural gas	kWh 690,271,209	616,265,732
	Biogas	kWh 21,589,627	14,718,905
	Electricity	kWh 73,685,437	68,178,858
	Diesel	t 157	71
	Steam	t 646,555	565,675
	Wood	t 23	15



## Did you know...?

- During the campaign, electricity generation exceeds demand at the Azucarera production plants, so they are fully self-sufficient. The rest of the energy we need must be met with “imported electricity”. Self-supplied energy: 78% of demand, the remaining 18% met with imported electricity.
- During the sugar campaign, the surplus electricity generated is sold and fed into the national grid. In 2020, Azucarera sold 69,697,993 kWh of surplus electricity, equivalent to 102% of the energy consumed at our production plants.
- The steam used in the process, with which electricity is generated, is produced by heating water in mixed burner boilers. Although different types of gas can be used as fuel in this type of boilers, in addition to natural gas, we have for years been using the biogas obtained from anaerobic digestion in wastewater treatment plants.

The continuous reduction of greenhouse gas emissions over the past three years has been achieved through numerous efforts to reduce the direct and indirect pollution associated with our operations. The reduction of emissions is also due to a smaller production of sugar, with a ratio of 0.42 CO<sub>2</sub>eq/t sugar.

Azucarera has reduced its total greenhouse gas emissions by 14% over the past year.

0.29 tonnes of CO<sub>2</sub> were emitted per tonne of sugar (counting only the fuel consumed in our plants).





## Sustainability of beet transport

**T**he supply of local raw material is unquestionably a value in itself in the context of sustainability, owing to the impact produced largely by its transportation. Sugar beet is a crop grown in the rural environment close to the plant.

During the sugar-beet milling campaign, around 200 lorries enter our plants every day during the sugar-beet milling campaign, which means approximately 60,000 trips a year.



*"JUST IN TRANSPORTING BEET, WE MANAGE AROUND 60,000 TRIPS A YEAR"*

- For the 2018/2019 campaign, we set a target of 15% of the total fleet of lorries being registered in 2014 or later
- We aimed to achieve an annual average increase in that target in each campaign and the results have been positive, achieving 25% in the 18/19 campaign and 32% in the campaign this year
- We have also set a target of achieving a 17% reduction in the estimated emissions from beet transport by 2022

This commitment is added to the progress made in earlier years, such as the process of monitoring fleets using GPS geolocation systems to optimise routes and waiting times in the field.

## Commitment to "green logistics" also from plant to customer

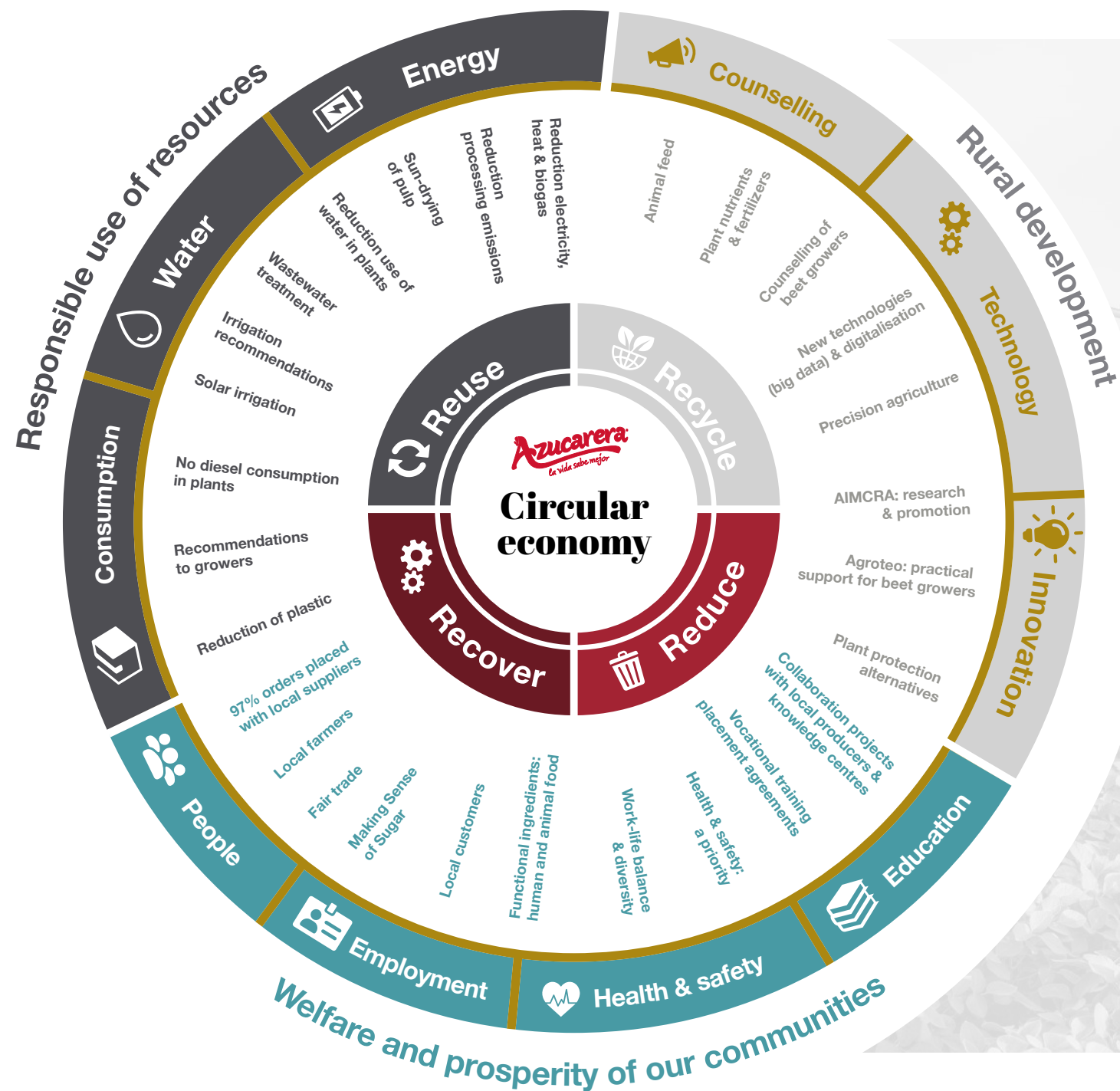


**S**ince December 2018, Azucarera has had a new model of "single operator" transport management, with which we have achieved significant operating benefits, enhanced collaborative management with our suppliers and environmental improvements.

- One of the achievements envisaged at the time was delivery digitalisation project to improve speed and cut delivery times. One year later, delivery digitalisation and the absence of paperwork are a reality.
- In the summer of 2020 we joined the "Lean & Green" platform, the largest European collaboration platform aiming to reduce the emissions associated with the supply chain to achieve the decarbonisation targets set for 2050 at the Paris Climate Summit.
- We have implemented an action plan to cut CO<sub>2</sub> emissions by 20% throughout distribution, from transport and storage to the sourcing of raw materials and deliveries to customers. Transport emissions were thus reduced from 33,728 t CO<sub>2</sub> in 2018 to 17,476 t CO<sub>2</sub> in 2019. We should mention that this reduction can be partly put down to the reduced activity of the company due to the COVID-19 crisis.



# CIRCULAR AZUCARERA



At the last Climate Summit COP25 held in Madrid, Azucarera was recognised by the #PorElClima community for its efforts and commitment to address the climate emergency. This recognition was mainly for its performance based on a circular economy model, which must be valued in the context of the future CAP and “European Green Deal”.

The main aim of the “circular” activity at our plants is to return to the field and rural environment what was obtained from them. In this regard, the technological teams at the R&D Centre within the Toro sugar plant are developing innovation projects to make the most of the by-products obtained from beet, endeavouring at all times to create commercial value and develop products that are useful for other links in the chain.

Over the years, we have increased the number of products for animal feed and plant nourishment produced at our workplaces.





**T**his is our brand for products employed for animal feed, plant applications and industrial use that the company obtains from the sugar beet or during the sugar production process.

Betalia has several divisions:



#### Betalia Feed: animal feed

Fresh products, silage and dehydrated products obtained from the beet pump and enriched molasses to form part of cattle feed, including pressed pulp, dried pulp and liquid feed such as Betamel. It also has products designed to enhance animal well-being and animal immunity, such as Betafos and Prebionat.



#### Betalia Agro: plant fertilizers and nutrients

More natural alternatives to conventional fertilizers, using and enriching the products obtained from beet in order to achieve greater strength and enhanced growth of plants and crops. The products in this range include Carbocal, Stimel and Topsoil.



#### Betalia Industria: raw materials for industry

Geared towards the raw materials segment for the fermentation industry, although with a view to branching into the development of products that can be used as ingredients in sectors related with cosmetics, the pharmaceutical industry, energy and construction, among others. The products in this category are à la carte substrates for fermentation obtained directly from processing, by mixing them and/or adding other ingredients apart from stones, gravel and shives.



## Fibractive

**I**n 2017, Azucarera launched a range of products based on fructo-oligosaccharides (FOS) with FIBRACTIVE FOS 60, a syrup rich in oligosaccharides and natural sugars obtained from the beet. FIBRACTIVE FOS 60 acts as a moisturiser, facilitates the reformulation of products with a lower fat content and is an important source of fibre.







## The livestock sector and animal welfare

**P**rebionat is the animal feed product launched by Beta-lia, developed jointly with the AGM sheep farm in Olmedo (Valladolid) and backed by ITACYL (Castile-Leon Agriculture Technology Institute). Through this collaboration -which began in 2018- major progress has been made in getting to know the positive effects of an intake of natural prebiotics obtained from beet, such as fructo-oligosaccharides (FOS). The Prebionat product range (Gestación, Nacimiento y Lactancia) improves, modifies and develops the intestinal flora of mono-gastric animals and ruminants by nourishing the beneficial bacteria and expelling the pathogens. The clinical trials run on lambs and pregnant ewes have proved that Prebionat substantially improves the animals' immunity, providing a healthy, nutritional intake while increasing their medium/long-term yield.

- Since it was launched a year ago, Prebionat has been used in both Spanish macro farms and family farms and over 70,000 breeders have benefited from the results of this product.
- The group of animals receiving Prebionat grew and fattened 10% faster, consumed less milk and required fewer antibiotics for the intestinal tract.
- The milk production of the sheep fed with pressed beet pulp and Prebionat increased by up to 18%, extending the lactation period and improving their fertility.

*"THE ANIMALS RECEIVING PREBIONAT GROW AND FATTEN 10% FASTER, CONSUME LESS MILK AND NEED FEWER ANTIBIOTICS"*

## Other by-products

**A**t our high-efficiency cogeneration plants we produce energy in the form of steam and electricity. And during the treatment of process water, we produce biogas. This is all used in our plants, making us less dependent on external sources of energy.





Our response: SUSTAINABLE DEVELOPMENT GOALS




Azucarera has a role to play in its contribution to the United Nations Sustainable Development Goals (SDGs) and 2030 Agenda. Our response this year is summarised below:

	 Responsible use of resources	 Rural development	 Prosperity & well-being of communities	 Ethics and responsibility
<b>1 End poverty in all its forms everywhere</b>  Within our operations, we contribute towards the social and economic development of society and the communities in which we operate  	<ul style="list-style-type: none"><li>• We source cane sugar for refining in EPA/EBA and LDC countries</li><li>• We buy and sell fair trade sugar (Fairtrade Ibérica)</li></ul>	<ul style="list-style-type: none"><li>• Our principal raw material is beet grown close to our plants, so we contribute towards avoiding abandonment, depopulation and poverty in large rural areas in Spain</li></ul>	<ul style="list-style-type: none"><li>• 1 job within the company = 10 external jobs</li><li>• €1 generated internal = €3.90 external</li><li>• 97% orders placed with local suppliers</li><li>• We help combat poverty in the cane sugar-producing communities in EPA/EBA and LDC countries by sourcing Fairtrade sugar</li></ul>	<ul style="list-style-type: none"><li>• Fair Trade</li><li>• Sourcing raw can sugar in EPA/EBA and LDC countries</li></ul>
<b>2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture</b>  We supply safe, accessible food (and raw materials)  	<ul style="list-style-type: none"><li>• We get the most out of beet and our raw materials through innovation, science and collaborating with our customers</li><li>• Circular economy production model, applying the principles of reuse / reduction / recovery / recycling</li></ul>	<ul style="list-style-type: none"><li>• We contract the harvests of 1845 beet growers and assist them in development of the crop</li><li>• We produce raw materials for animal feed</li></ul>	<ul style="list-style-type: none"><li>• Local production of 378,350 t sugar and 458,000 t by-products</li><li>• 50,200 kg sugar donated + employee donations</li><li>• Food safety promotion and awareness actions among employees</li></ul>	<ul style="list-style-type: none"><li>• Quality certificates ISO 9001</li><li>• Food Safety Certificate (under GFSI)</li><li>• FSSC</li><li>• ISO 22000</li><li>• IFS Certificate for packaging centres</li><li>• Environmental management system, procedures &amp; policy</li><li>• Food Safety &amp; Quality System</li><li>• Audits</li><li>• ISO 14001 at plants</li><li>• Supplier monitoring report• ABF environmental policy</li></ul>
<b>3 Ensure healthy lives and promote well-being for all at all ages</b>  The health, safety and well-being of our employees and all those who work at our workplaces comes first. Our priorities this year focused on safe management of the Covid-19 pandemic  			<ul style="list-style-type: none"><li>• Management of COVID-19 health crisis: organisational, reduced contact, protection and hygiene measures</li><li>• Preventive focus on avoiding accidents and promoting good practices</li><li>• Ongoing training in safety and prevention</li><li>• Mobile application OLAH for beet carriers (to avoid physical contact)</li><li>• Feed for livestock: Prebionat (animal welfare)</li><li>• Sugar information platform www.makingsenseofsugar.com</li></ul>	<ul style="list-style-type: none"><li>• Occupational Hazard Prevention Plan &amp; Policy</li><li>• Occupational Hazard Prevention Plan &amp; technical and operating procedures for implementation, compliant with new ISO 45001</li><li>• Healthy Company Plan - physical well-being</li><li>• Task Procedure development plan and digitalisation of critical procedures</li><li>• Plan to reduce risk of burns - preventive culture</li><li>• SEDEX and SMETA certification</li><li>• ABF animal health &amp; welfare policy</li></ul>

<b>4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</b>  We use our resources for the development of the people in our value chain, since they are key for their own development and for the sustainability of the sector in the future  	<p>For growers:</p> <ul style="list-style-type: none"><li>• Plan for continuous counselling on irrigation, energy, use of fertilization and nitrogen, and soil quality</li><li>• Video conferences, online courses and publication in journals</li><li>• "Best Beet Grower in Andalusia 2020" competition (blended)</li><li>• Agroteo - online courses with 21 growers;</li><li>• RDP in-person courses for 174 growers</li><li>• AIMCRA: courses given</li></ul> <ol style="list-style-type: none"><li>1. Control of beet disease = 2 days = 51 participants</li><li>2. Technical course specialising in energy &amp; saving in irrigation</li><li>3. Technical workshop on nitrogen</li><li>4. Exchanging experiences among growers: 50 participants went from Valladolid to Leon to get to know the management of Communities or Irrigation Farmers</li><li>5. Visit to test varieties in Leon, 38 participants</li><li>6. 11 agro-environmental workshops in different locations: 462 beet growers trained</li><li>7. Plus AIMCRA digital journal, production of videos and other online training</li></ol>	<p>For employees:</p> <ul style="list-style-type: none"><li>• General Training Plan</li><li>• 8,316 hours training of employees</li><li>• Talent management programmes</li><li>• CMC tool performance and assessment of training needs</li><li>• International work experience programme</li><li>• Talent lectures</li><li>• "Mentor and mentee" programme</li><li>• Executive leadership programme</li><li>• Competencies programme</li><li>• Ongoing training on prevention and health</li></ul> <p><u>Geared towards young people:</u></p> <ul style="list-style-type: none"><li>• Dual training or curriculum placements</li><li>• Arrangements with local education establishments</li><li>• Graduate and apprentice programme</li><li>• Presence in job forums</li></ul> <p>Others:</p> <ul style="list-style-type: none"><li>• Arrangement with special needs centre ASPROSUB</li></ul>	<ul style="list-style-type: none"><li>• Code of Conduct</li><li>• Training Committee within Inter-Workplace Committee</li><li>• Complaints channel and policy</li></ul>
<b>5 Achieve gender equality and empower all women and girls</b>  We aspire to creating diverse, inclusive teams in which everyone's dignity is respected and people are valued for what they are, regardless of their race, religion, gender, age, nationality, sexual orientation or capacity. We also work to eliminate all bias, conscious or unconscious. Promoting female talent and equal opportunities are an essential part of this integration goal  		<ul style="list-style-type: none"><li>• 23% headcount are women (+2% vs 18/19) and 46% of management positions(-24% vs 18/19)</li><li>• Pay gap: women's salaries are 0.86% lower than men's</li><li>• Cross-cutting diversity group</li><li>• ABF women's business forum</li><li>• Measures to enhance work-life balance: home-working, flexibility &amp; support for families</li><li>• Communication campaign on diversity and inclusion</li><li>• Posters in all workplaces indicating main achievements in the past ten years</li><li>• Video on diversity and inclusion</li><li>• Diversity and inclusion workshop</li><li>• Plant visits to detect room for improvement</li></ul>	<ul style="list-style-type: none"><li>• Code of Conduct</li><li>• Equality Plan and equality officer</li><li>• Protocol for action against sexual and moral harassment</li></ul>



<div>6</div> <div>Ensure availability and sustainable management of water and sanitation for all</div> <div><p>Sustainable management of water has been and is one of our traditional environmental priorities. Because we must make the most of every drop of this valuable natural resource on which our lives depend</p></div> <div></div>	<ul style="list-style-type: none"><li>• Goal: reduce water consumption in plants and reuse of water treated. In the fields, assist growers to achieve efficient use of water</li></ul> <div>In the plants:</div> <ul style="list-style-type: none"><li>• Wastewater treatment and reuse</li><li>• Total consumption: -7.6% vs 18/19</li><li>• Obtaining biogas from anaerobic treatment of wastewater</li></ul>	<ul style="list-style-type: none"><li>• Direct irrigation counselling for growers through APP</li><li>• Checking of spray irrigation systems</li><li>• Remote sensing applied to use of water</li><li>• Solar irrigation</li><li>• Promotion and ad hoc counselling on dry-farming in Andalusia</li></ul>	<ul style="list-style-type: none"><li>• Agreement with Regional Government of Andalusia on protection area "Laguna de las Quinientas"</li></ul>	<ul style="list-style-type: none"><li>• Environmental management system, procedures and policy and integrated global action</li><li>• ABF environmental policy</li></ul>
<div>7</div> <div>Ensure access to affordable, reliable, sustainable and modern energy for all</div> <div><p>Optimum energy management is a fundamental prerequisite in our sustainability strategy to progressively reduce our CO<sub>2</sub> emissions. We aim to consume less energy, more efficiently, from increasingly more sustainable sources</p></div> <div></div>	<div>In plants:</div> <ul style="list-style-type: none"><li>• Reduction of consumption of all sources of energy in the year</li><li>• Zero use of diesel as source of energy</li><li>• Reduction of total emissions by 14\$ vs 18/19</li><li>• CO<sub>2</sub> emissions per t sugar 0.29, considering only fuel consumption in plants</li><li>• Aim to reduce emissions in 2022/2023 to 0.279 t CO<sub>2</sub>/t sugar sold</li><li>• Generation of own electricity, steam &amp; heat at high-efficiency cogeneration plants in our factories. Also, green energy production (biogas)</li><li>• "Factory of the future" project</li><li>• Reduction of steam consumption through good operating practices and improved process control</li><li>• Improvement of electricity consumption at plants</li><li>• Attendance of training courses on production processes by staff involved in plant operation</li><li>• Investment projects aiming to improve production processes</li><li>• Changing of valves, installation of variable frequency drives, replacement of electrical installations</li><li>• Update of control systems distributed in plants</li><li>• Replacement of obsolete machinery with new, more efficient models</li></ul>	<div>In fields</div> <ul style="list-style-type: none"><li>• Precision agriculture</li><li>• Boosting of solar irrigation</li><li>• Informing on energy efficiency</li><li>• Counselling on energy for irrigation</li><li>• Promotion of solar irrigation and financing of investments in energy efficiency</li></ul>	<ul style="list-style-type: none"><li>• Surplus energy not consumed in plants and sold to power grid = 69,697,993 kWh</li><li>• Integral vision of chain including transport: joined "Lean &amp; Green" logistics platform</li><li>• -32% emissions in beet transport to plant</li></ul>	<ul style="list-style-type: none"><li>• Plans for efficient use of energy and reduction of emissions in fields and plants</li><li>• Energy audits</li><li>• Environmental management system, procedures and policy and integrated global action</li><li>• ABF environmental policy</li></ul>

<div>8</div> <div>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</div> <div><p>Our three sustainability pillars give full meaning to this SDG and lead to facts and figures that encourage us to continue every day</p></div> <div></div>	<ul style="list-style-type: none"><li>• Circular economy model</li><li>• Taxes paid: €11.6 million</li><li>• €9,486,000 invested during year</li><li>• €87,522,000 in past 7 years</li><li>• 378,350 tonnes sugar produced</li><li>• 458,000 tonnes by-products</li><li>• 601 direct jobs + 459 during campaign (total 1060)</li><li>• 2 logistics &amp; packaging centres</li><li>• 1 liquid specialties plant</li><li>• 1 R&amp;D centre</li><li>• 1 refinery</li></ul>	<ul style="list-style-type: none"><li>• 17,589 Ha sown with beet</li><li>• 1845 contracts with growers</li><li>• 1060 employees (permanent and temporary)</li><li>• Impact on the economy and local trade (1 plant job = 10 external jobs)</li><li>• Agroteo &amp; AIMCRA to assist growers with the crop and crop-related services</li><li>• Plant agricultural team at growers' disposal</li></ul>	<ul style="list-style-type: none"><li>• Presence in villages and towns of Castile-Leon, Andalusia, La Rioja, Basque Country and Navarre, with: 4 sugar plants, 2 logistics &amp; packaging centres, 1 R&amp;D centre, 5 crop offices, 1 liquid specialties centre</li><li>• 97% of orders placed with local suppliers</li><li>• International experience programme</li><li>• Employee training and development</li><li>• Apprentice and graduate programme</li><li>• Arrangements with education establishments for student placements</li></ul>	<ul style="list-style-type: none"><li>• Azucarera Code of Conduct</li><li>• European sugar sector code of conduct</li><li>• Supplier code of conduct</li><li>• Anti-fraud policy</li><li>• Complaints policy</li><li>• Anti-bribery and anti-corruption policy</li><li>• Anti-corruption and anti-bribery training</li><li>• Malpractice policy</li><li>• Gift &amp; invitation management procedure</li><li>• Modern Slavery Statement</li><li>• Accession to Integral Sustainability Decalogue of the Ministry of Agriculture, Fisheries and Food</li></ul>
<div>9</div> <div>Industry, innovation and infrastructure</div> <div><p>Our 5-year strategic plans include goals such as building resilient infrastructures, promoting sustainable industrialisation and encouraging innovation</p></div> <div></div>	<ul style="list-style-type: none"><li>• Full use of raw materials and production process through by-products &amp; circular economy model</li><li>• 5-year strategic plan in line with Green Deal</li><li>• Energy efficiency plans &amp; promotion of renewable energy</li><li>• Business unit specialising in innovation (ANOVA)</li></ul>	<ul style="list-style-type: none"><li>• Leaning towards agricultural innovation through "precision agriculture, remote sensing and big data" to improve responsible use and management of agricultural inputs</li><li>• R&amp;D+innovation through AIMCRA to identify alternatives to plant protection products, identify seed varieties, etc.</li><li>• Agroteo to channel innovation projects to growers</li><li>• Improvement in digitalisation of processes with growers and beet carriers</li></ul>	<ul style="list-style-type: none"><li>• Innovative by-products for livestock, industry &amp; other agricultural and horticultural uses beyond sugar</li><li>• Energy generation during campaign, sold to local grid</li><li>• Goals for streamlining &amp; sustainability of transport (Lean&amp;Green project)</li></ul>	<ul style="list-style-type: none"><li>• Circular economy model</li><li>• 5-year plans</li></ul>
<div>10</div> <div>Reduce inequality within and among countries</div> <div><p>In Spain, improving yield (and thus profitability) is a priority for Azucarera and our beet growers.</p><p>We import Fairtrade specialties and raw cane sugar from leased developed countries (LDC) or those recognised as "everything but arms" (EBA), thus contributing towards their development</p></div> <div></div>	<ul style="list-style-type: none"><li>• Purchase of raw cane sugar (for refining) from EPA-EBA &amp; LDC countries</li><li>• Purchase &amp; marketing of Fairtrade sugar (Fairtrade Ibérica)</li></ul>	<ul style="list-style-type: none"><li>• We contribute towards the agricultural sustainability of local communities as members of Bonsucro</li><li>• In Spain we offer growers tailored contracting models, seed promotion, advance payment for crops, shared crop, zero-cost financing (machinery, etc.)</li><li>• Agroteo services and counselling</li><li>• AIMCRA information to improve crop and yield</li></ul>	<ul style="list-style-type: none"><li>• Fair trade is considered a cooperation tool</li><li>• We contribute to the economic development of cane sugar-producing communities in EPA-EBA &amp; LDC countries</li><li>• Donation of 50,200 kg sugar to soup kitchens and Food Banks during the year</li></ul>	<ul style="list-style-type: none"><li>• Members of Bonsucro</li><li>• Bonsucro Supply Chain Certification</li><li>• Sellers of Fair Trade products</li></ul>



<div>11 Make cities and human settlements inclusive, safe, resilient and sustainable</div> <div>Our plants are set in urban and rural areas, with which we want to live in harmony and as "good neighbours"</div> <div></div>	<ul style="list-style-type: none"><li>• Wastewater treatment</li><li>• Recycling and reuse of waste</li><li>• Energy efficiency plans</li><li>• Compliance with environmental criteria in beet crop</li></ul>		<ul style="list-style-type: none"><li>• III Award Best Beet Grower Andalusia</li><li>• Cooperation with local NGOs and associations</li><li>• Safety comes first at our workplaces, for our employees and anyone who visits us</li><li>• Management of Covid-19 crisis with local community (donation PPEs, specific collaborations)</li><li>• 97% orders placed with local suppliers</li></ul>	<ul style="list-style-type: none"><li>• Included in previous SDGs</li></ul>
<div>12 Ensure sustainable consumption and production patterns</div> <div>Sustainable production and consumption involve doing more and better with less. It also involves decoupling economic growth from environmental degradation, increasing the efficiency of resources and promoting sustainable lifestyles</div> <div></div>	<ul style="list-style-type: none"><li>• Circular economy: sugar + Betalia + Fibractive + Prebionat + electricity + heat + steam + biogas</li><li>• Zero waste from beet and sugar</li><li>• "Almost zero" waste in general (more than 99% of waste is recycled)</li><li>• Reduction of water consumption in plants</li><li>• Efficient energy management</li><li>• Use and promotion of renewable energies</li><li>• Optimisation of packaging</li><li>• Zero fossil fuels</li><li>• Purchase &amp; marketing of Fairtrade products</li></ul>	<ul style="list-style-type: none"><li>• "True Potential" good agricultural practices programme</li><li>• Precision agriculture for more efficient management of fertilizers, nitrogen and water</li><li>• Activities organised by AIMCRA &amp; Agroteo to secure sustainable beet production by growers (see earlier SDGs)</li></ul>	<ul style="list-style-type: none"><li>• Food safety</li><li>• High quality standards</li><li>• Sugar production in Spain</li></ul>	<ul style="list-style-type: none"><li>• Quality, food safety &amp; environment certifications</li><li>• Ecovadis Platform</li><li>• SAI Silver certificate</li><li>• Bonsucro: supply chain certification</li><li>• Members of Autocontrol de la Publicidad (Advertising Self-regulation Association)</li><li>• Signatories of PAOS Code (regulating advertising to prevent obesity &amp; promote health)</li></ul>
<div>13 Take urgent action to combat climate change and its impacts</div> <div>Sugar beet is one of the crops with the greatest capacity for atmospheric CO<sub>2</sub> (carbon dioxide) fixation, so by maintaining it, we contribute directly to the mitigation of climate change. Nevertheless, we must still urgently address and overcome many challenges in this and other contexts</div> <div></div>	<ul style="list-style-type: none"><li>• Reduction of CO<sub>2</sub> emissions in processing and growing</li><li>• "Factory of the future" project</li><li>• Techniques to reduce particles emitted in plants</li><li>• Sun-drying of pulp</li><li>• Recycling of packaging</li><li>• Improve emissions reduction in transport</li></ul>	<ul style="list-style-type: none"><li>• Rotation of beet crop is beneficial to combat climate change</li><li>• We promote and provide counselling for dry-farming in Andalusia</li><li>• Jointly with AIMCRA we develop varieties resistant to drought, plagues and Disease, different crop cycles and combined stress</li><li>• We work on the integrated management of plagues &amp; control of disease (AIMCRA + field technicians + NEIKER or ITACYL)</li><li>• We train and inform growers on irrigation, fertilization and use of plant protection products</li><li>• We use the new technologies to help reduce the use of plant protection products &amp; nitrogen and manage water efficiently</li></ul>		<ul style="list-style-type: none"><li>• Environmental management policy and integrated, permanent, constant global action by Azucarera team</li><li>• Environmental assessments and mitigation plans</li><li>• Environmental management system</li><li>• Circular Economy Pact</li><li>• ABF environmental policy</li></ul>
<div>14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development</div> <div></div> <div></div>				

<div>15 Sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss</div> <div>We believe precision agriculture and the new techniques of genetic engineering will be key to enabling the beet growers to improve in the environmental goals concerning land management</div> <div></div>		<ul style="list-style-type: none"><li>• Beet has major environmental benefits in rotation:</li><li>• Principal precision agriculture actions:<ol style="list-style-type: none"><li>1. Programming of variable seed drill to adjust sowing to the different conditions of the land</li><li>2. Irrigation recommendations considering the state of the plant and land and using information from satellites &amp; local weather stations to optimise the irrigation systems used</li><li>3. Different recommendations for productive and non-productive areas to establish the nitrogen curve and thus facilitate decision-making on fertilization depending on the nutritional state of the crop at any time.</li><li>4. Recommendations to improve yield, aiming to develop the sucrose curve to make predictions on the yield of each plot, to adjust the crop accordingly</li></ol></li></ul>		<ul style="list-style-type: none"><li>• Accession to Integral Sustainability Decalogue of the Ministry of Agriculture, Fisheries and Food</li><li>• ABF environmental policy</li></ul>
<div>16 Promote fair, peaceful and inclusive societies</div> <div>The global community needs cooperation more than ever to overcome the crisis in which we are immersed. At Azucarera we have continued playing our role, adapting to the situation to keep our people safe, while guaranteeing the supplies of sugar and by-products</div> <div></div>				<ul style="list-style-type: none"><li>• Azucarera Code of Conduct</li><li>• Anti-corruption and anti-bribery policies</li><li>• Anti-harassment policies</li><li>• Modern Slavery Statement</li></ul>
<div>17 Revitalize the Global Partnership for Sustainable Development</div> <div>In order for a development programme to be implemented satisfactorily, inclusive associations (on a global, regional, national and local level) must be established on principles and values, with shared vision and goals, focusing primarily on people and the planet</div> <div></div>		<p>Our principal alliances in the field are conducted through</p> <ul style="list-style-type: none"><li>• AIMCRA</li><li>• Agroteo</li></ul>	<ul style="list-style-type: none"><li>• Alliances and arrangements with technological centres and scientific institutions: AIMCRA, NEIKER, ITACYL, CETECE, WSRO, ISA, AINIA, CNTA, PTF4LS, PRL Innovación, AUSAPE, AEM</li><li>• Presence in associations: CEFS, FIAB, AECOC, AGFAE, VITARTIS, ACOGEN, PFP, EUBA, AUTOCONTROL, ASSUC, AEC, GAS INDUSTRIAL, CAEM, BONSUCRO, SAI</li></ul>	