



*SUGAR  
STARCH  
FRUIT*

The natural upgrade

Sustainability along AGRANA's value chain



## *AGRANA'S UNDERSTANDING OF SUSTAINABILITY*

Balance of economic, environmental and social responsibility

*At AGRANA, we ...*

- utilise **almost 100% of our raw materials** and **employ low-emission technologies** to protect the environment,
- **respect all our stakeholders** and the communities where we operate,
- engage in **long-term partnerships**.





## *WHY IS SUSTAINABILITY IMPORTANT?*



AGRANA takes responsibility for society and the environment



Sustainable business conduct gets more important for consumers and thus for AGRANA's customers



Legal regulations

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## AGRANA'S CORE SUBJECTS ALONG THE VALUE CHAIN



### *Sustainability Reporting:*

According to GRI, integrated in AGRANA's annual reports since 2012|13  
Audited by KPMG since 2016|17





## SUSTAINABLE DEVELOPMENT GOALS

# AGRANA'S SUSTAINABILITY MEASURES CONTRIBUTE TO A WIDE RANGE OF SDGS

- In Sept. 2015, the UN General Assembly adopted the Agenda 2030, at its heart are the:
- **Sustainable Development Goals (SDGs): 17 goals with 169 targets underneath**
- They provide a **holistic framework that requires businesses to contribute to their achievement over the next 15 years.**



Source: UN; matching of GRI-Indicators and SDGs on [www.sdgcompass.org](http://www.sdgcompass.org)



*SUPPLY CHAIN*

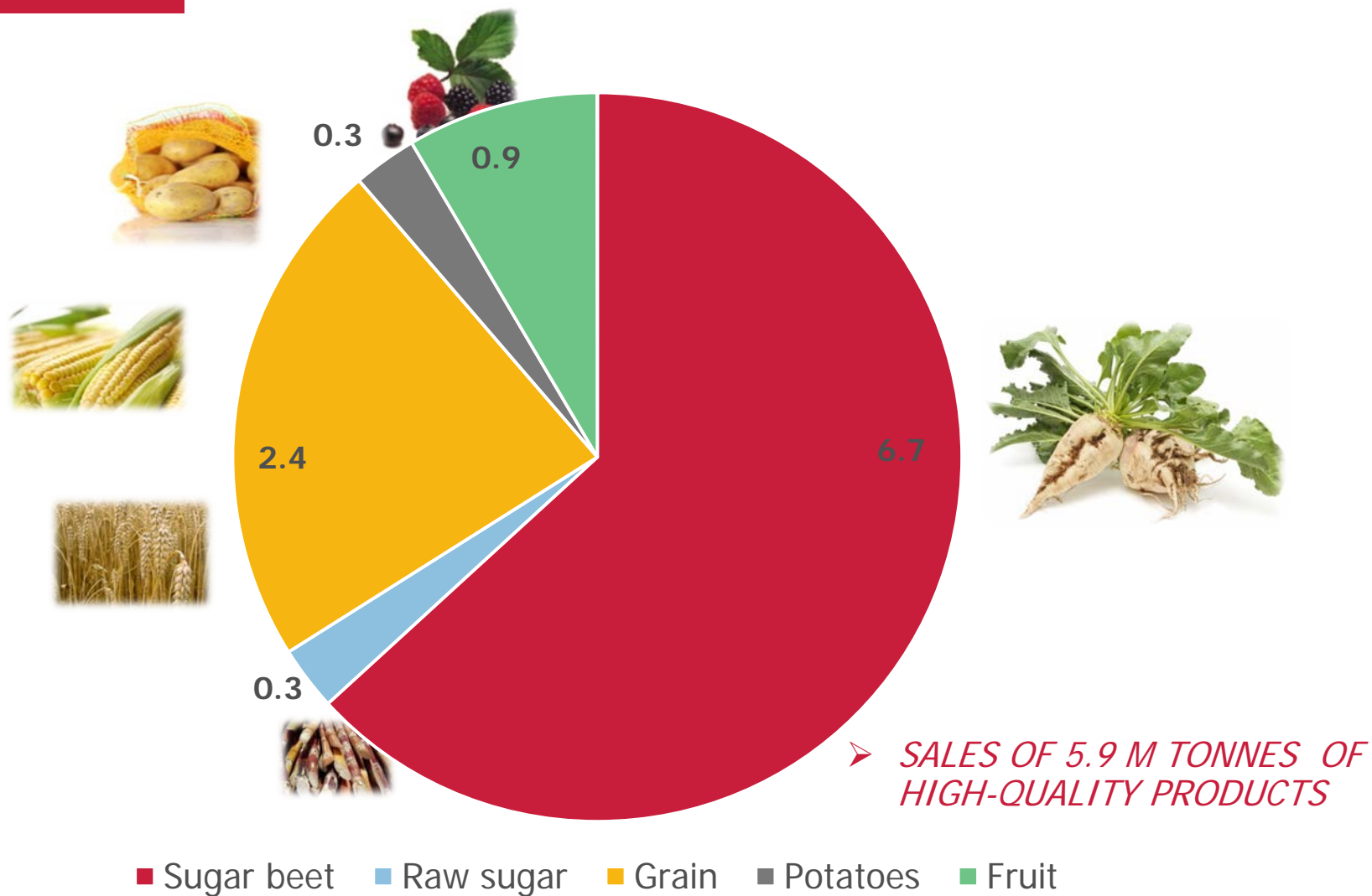
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# *ENVIRONMENTAL & SOCIAL CRITERIA IN THE SOURCING OF AGRICULTURAL RAW MATERIALS*





## *PROCESSING OF 10.6 M TONNES OF AGRICULTURAL RAW MATERIALS*



*in mio. tonnes*

*incl. 100% of the volumes of the Joint Ventures HUNGRANA and STUDEN*



# ENGAGEMENT IN THE UPSTREAM VALUE CHAIN

## *Social criteria in procurement*

- Reference on **AGRANA Code of Conduct** in Terms & Conditions as well as individual contracts

## *Environmental criteria in procurement*

- Reference on **AGRANA Principles for the procurement of agricultural raw materials and intermediate products** (incl. the AGRANA Code of Conduct) in Terms & Conditions as well as individual contracts



### GENERAL PRINCIPLES FOR THE PROCUREMENT OF AGRICULTURAL RAW MATERIALS AND INTERMEDIATE PRODUCTS

Due to its business activities, adding value to agricultural raw materials in the Sugar, Starch and Fruit segments, efforts to ensure sustainability represent an important part of AGRANA's business model.

AGRANA considers sustainability to be a balance between economic, environmental and social aspects in the context of its commercial operations. The following three principles summarise AGRANA's understanding of sustainability:

- The utilisation of almost 100% of the agricultural raw materials employed and the use of low-emission technologies in processing in order to mitigate impacts on the environment
- Respect of all stakeholders and societies in which the company operates
- Aiming for long-term partnerships with customers and suppliers

AGRANA aims to act economically, environmentally and socially sustainably along the entire product value chain, which also includes the procurement of agricultural raw materials and intermediate products.

For AGRANA, compliance with the following principles represents a precondition for the conclusion of supply contracts for agricultural raw materials and intermediate products.

#### 1. Compliance with legal requirements

Every procurement procedure is subject to compliance with all relevant legal requirements and regulations.

AGRANA reserves the right to demand stricter requirements in those cases in which the company does not regard the legal basis as being adequate.

#### 2. Compliance with social standards

AGRANA expects its suppliers to comply with **AGRANA's Code of Conduct** in which minimum social standards are defined. Suppliers are also required to ensure compliance with these minimum requirements when dealing with sub-suppliers.

#### 3. Good Agricultural Practices (GAP)

Irrespective of the procurement model, AGRANA strives to rely exclusively on agricultural raw materials and intermediate products grown according to GAP.

As evidence of compliance with the requirements of GAP, AGRANA accepts farming procedures based on EU Cross Compliance Regulations and/or certifications according to international standards such as Global GAP, Rainforest Alliance, International Sustainability Carbon Certification (ISCC), Bonsucro or other equivalent standards.

#### Procurement of agricultural raw materials from contractual growers:

AGRANA pays particular attention to ensuring that its growers maintain soil health and fertility. Water management, the appropriate use of fertilisers as well as plant protection agents, erosion protection and biodiversity are directly related to this and make a vital contribution to the long-term sustainability of agricultural production.





*ENVIRONMENTAL AND SOCIAL CRITERIA IN THE  
SOURCING OF AGRICULTURAL RAW MATERIALS*

## ***SUSTAINABLE AGRICULTURE INITIATIVE (SAI)***

- **SAI is an initiative of stakeholders of the food industry,** founded in 2002 by Nestlé, Unilever and Danone.
- **SAI develops principles and practices of sustainable agriculture**
- **SAI's 2 major tools to document sustainable environmental and social practices in the agricultural value chain**
  - **Farm Sustainability Assessment (FSA)**
  - **Benchmarking Tool for international certification standards & national legislation**
- **AGRANA has been a member of SAI since 2014.**  
**AGRANA is the only member that uses the FSA-questionnaire for several different crops worldwide to assesses its suppliers!**



### **Farm Sustainability Assessment (FSA) & Benchmarking Tool**

- **FSA is a questionnaire (applicable worldwide), that enables agricultural producers to assess the status of their operations in terms of environmentally and socially sustainable production (112 questions on farm management, soil and nutrient management as well as plant protection).**
- **The benchmarking tool compares requirements of internat. certification standards with the requirements of the FSA-questionnaire**



## *ORGANISATION FSA SELF ASSESSMENT AT AGRANA*

**Online  
Questionnaire**

**15 general  
questions**

**112 questions on  
sustainable farm  
management**

**Results**

- **AGRANA Raw Material Information System (RIS)**
- Since 2015, AGRANA contract growers participate on a voluntary basis
- **In 2017, the completion of the FSA became mandatory for randomly selected contract growers and external audits have been carried out** (according to the SAI FSA implementation Framework).
- Local languages (German, Hungarian, Romanian, Czech, Slovakian)
- Information about owner and site
- 3 levels: elementary, basic, advanced
- Topics: Environment, Social Issues, Farm Management
- Gold, Silver, Bronze, not-yet-Bronze



# *SAI FSA RESULTS*

## *SUGAR BEET , POTATOES, AND APPLES FROM CONTRACT FARMING*

Raw material	Country	Consolidated results per Segment/Division and raw material category
Sugar beet	Austria	In AGRANA's Sugar segment, selected growers of sugar beet from all growing regions (AT, CZ, SK, HU, RO) participated in the mandatory FSA-self-assessment and external audits according to SAI-rules. Therefore, based on SAI-rules, AGRANA Sugar is allowed to claim <b>Gold and Silver for more than 75% of supplying farms.</b>
	Czech Rep.	
	Slovakia	
	Hungary	
	Romania	
Potatoes	Austria	In AGRANA's Starch segment, selected Austrian contract growers of potatoes participated in the mandatory FSA-self-assessment and external audits according to SAI-rules. Therefore, based on SAI-rules, AGRANA Starch is allowed to claim <b>Gold and Silver for more than 75% of supplying farms.</b>
Appels	Hungary	Selected Hungarian suppliers of resistant apple sorts ("re-sorts") participated in the mandatory FSA-self-assessment and external audits according to SAI-rules. Therefore, based on SAI-rules, Austria Juice is allowed to claim <b>Silver for the vast majority of its Hungarian re-sorts-suppliers, for several even Gold.</b>

**Pilot projects of FSA-use at contract growers of fruit for fruit preparation in:** Mexico, Morocco, Poland, Ukraine.



## *CONTRACT GROWING @AGRANA*

- **Individual contract between each farmer and AGRANA**
- **Long-term partnership** – many of the farmers have been AGRANA suppliers for several decades
- **Dense network of AGRANA-agronomists** (agricultural consultants)
- **Extensive range of annual qualification and training programmes**
- **Active communication and dialogue** through different channels (e.g. personal visits of agronomists, events like BetaExpo, field visits, raw material information system RIS, pest warnings by SMS...)







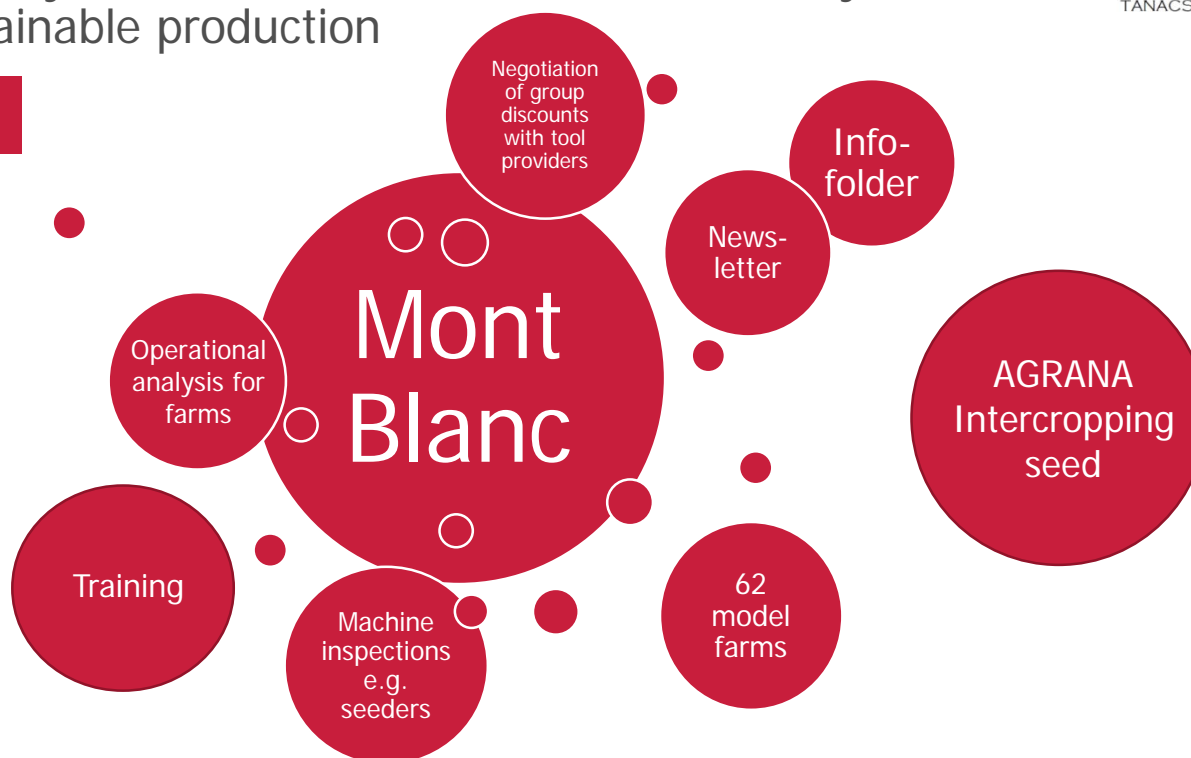
## ***„MONT BLANC“ PROGRAMME***

### ***TARGET***

- ✓ Increase the sugar yield per hectare by 10% to 20% by 2017 (depending on current yields per hectare in each country) – accomplished in most countries
- Higher yields by more efficient, more environmentally-friendly/sustainable production



### ***MEASURES***





## *BETAEXPO – AGRANA'S SERVICE TO SUSTAINABILITY IN THE SUPPLY CHAIN*

- **Agronomist services to train contract growers in all AGRANA business segments**
- **BETAEXPO** - Austria's largest field of demonstration plantings of AGRANA's raw materials
  - **Knowledge on good agricultural practices, communication, supplier contacts**
  - **2 annual dates:**  
June (focus on good agricultural practices)  
September („family day“)
- **Presentation of the winners (contract farmers, suppliers, service providers) of the annual AGRANA Sustainability Award**





## *THE AGRANA SUSTAINABILITY AWARD 2017*

### *Why ...*

- Awarded to AGRANA contract growers and partners **in recognition of especially sustainable farming practices**
- **Best practice examples** to encourage other suppliers and partners to do the same/improve practices

### *Award in 5 categories...*

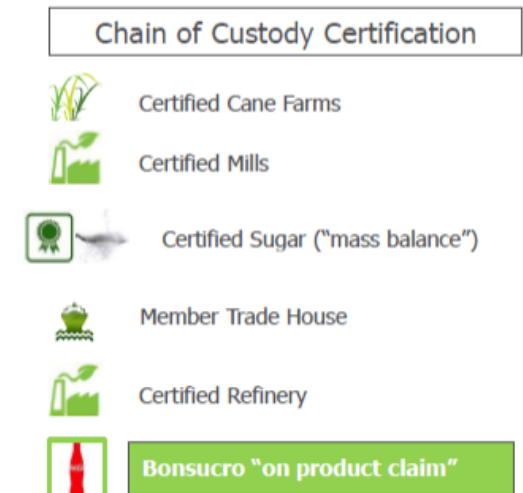
- The AGRANA Sustainability Award 2017 was presented in 5 raw material categories (sugar beet, potatoes, corn, fruit, apples)





## *SUSTAIN. SUGAR FROM RAW SUGAR REFINING*

- AGRANA Zucker GmbH joined Bonsucro in July 2014
- **Bonsucro is an NPO dedicated to sustainable practices in the production of sugar cane and processing of sugar from cane)**
- **Certification of the raw sugar refinery Brcko | BiH according to the Bonsucro 'Chain of Custody' standard**
- **'Chain of Custody' encompasses the right to display the Bonsucro logo on consumer/final products**



Chain of Custody Certification ensures physical Bonsucro sugar inside the bottle and allows the Bonsucro logo on every bottle.





## *ENGAGEMENT IN THE UPSTREAM VALUE CHAIN*

- Only **customer specific sourcing of raw materials**; in 2016|17, 13% of fruits processed were sustainability certified (e.g. to organic standards, RFA, or customer specific standards)
- **Established network of AGRANA agronomists provide consulting to AGRANA's contract farmers**
  - Support for the certification of **Mexican contract farms (strawberries and blackberries)** acc. to **Rainforest Alliance**
  - Support for the **certification of bananas, mangos and guava** from contract farmers in **Fiji** to the **Australian Organic Certification (ACO)** and „wild organic harvest“ respectively





ENVIRONMENTAL AND SOCIAL CRITERIA IN THE  
SOURCING OF AGRICULTURAL RAW MATERIALS

## *SUSTAIN. BEERY SUPPLY IN MEXICO*

- AGRANA fruit preparations and first transformation plant in Jacona|Michoacan|Mexico
- **Decision to improve sustainability in the straw- and blackberry supply chain incl. the certification of suppliers acc. to Rainforest Alliance**
  - 3-year project (August 2013-2016) subsidised by the Austrian Development Agency (ADA)
  - Voluntary participation of originally **20 strawberry** (135ha) and **7 blackberry farms** (50ha); Autumn 2014 **inclusion of a mango producer** (150ha, 240 employees)
  - In total, **more than 2,000 employees of AGRANA suppliers benefited (65% women)**
- **Certification is continued by AGRANA; new raspberry and soursop suppliers have been RFA-certified in 2017**



### **Project- motivation**

- **Customers ever more interested in the sustainability along the value chain**
- **Improvement of sustainability/** quality and quantity of sustainable berries
- **Win-win-win situation** for AGRANA, its suppliers and their employees, as well as the community of Jacona|Michoacan



## *SUSTAIN. BEERY SUPPLY IN MEXICO*



### **AGRANA supports the participating farms with trainings regarding**

- **Sustain. Agricultural Practices**  
(e.g. irrigation, fertilisation, pesticide use, water- and waste management ) in cooperation with the agricultural institute of the University of Chapingo
- **Work place safety measures**  
(e.g. correct use of protective equipment, training of 56 first-aiders) in cooperation with the local Red Cross



### **AGRANA offers financial and management-support**

- **Installation of 28 mobile sanitary facilities** for hygiene- & health purposes
- **Planting of 5,000 trees and other plants as a natural protection against erosion and to foster biodiversity**
- AGRANA tries to foster the compliance with legal social regulations (e.g. payments to social security, pension system etc.) at its suppliers





*ENVIRONMENTAL AND SOCIAL CRITERIA IN THE  
SOURCING OF AGRICULTURAL RAW MATERIALS*

## *SUSTAIN. FRUIT SUPPLY FIJI*

- AGRANA first transformation plant Fiji in Sigatoka|Levu
- **Improvement of sustainability and long-term profitability of the supply chain of bananas** (grown on community land) and „wild-harvest“ mangos, and guavas certified acc. to the Australian Organic (ACO)
- 3-year project (Nov. 2014 - Oct. 2017) subsidised by the Austrian Development Agency (ADA)
- **Target 2017: 400 AGRANA suppliers** (banana, guava and mango) ACO/Fairtrade certified



### **Project- motivation**

- **Demand for organic banana-puree** and long-term profitability of AGRANA's Fiji-plant
- **184 new, certified fruit suppliers**
- Sustainable source of income for the farmers
- Farmers could use the AGRANA investments in infrastructure to also supply the local market





## *SUSTAIN. FRUIT SUPPLY FIJI*

### **AGRANA provides management and financial support:**

- **Awareness building in the communities** to integrate additional villages/farmers
- **AGRANA workshops to train farmers/pickers in agricultural practices** acc. to ACO and Fairtrade standards
  - Ecological treatment of banana plants and plantation layout to increase harvest quality and quantity
  - Conservation of the ecosystem through sustainable harvesting
- **Construction of fruit collection points in the communities** (cyclone and flood-resistant structures)
- **Provision of agricultural and transport equipment**
- **2016: Commissioning of a banana nursery** to be able to meet the requirement for high-quality, virus-free banana seedlings for replanting, a small biological laboratory for banana propagation was set up next to the new production hall



AGRANA Fiji propagation laboratory



## *INTEGRATED PLANTATION PROJECT FOR APPLES IN HUNGARY (FRUIT JUICE CONCENTRATES)*

- **Implementation of a sustainable and state-of-the-art apple growing system** taking into consideration sustainability aspects and traceability of the product
- In cooperation with the Dresden Pillnitz breeding institute, so called **RESISTANT apple sorts** („Re-sorts“) were identified as best choice to be cultivated under the given climatic conditions to reach the strategic targets.
- Development of a **cooperation model between AUSTRIA JUICE and Hungarian farmers in order to encourage the farmers to plant these re-varieties.**

### **Benefits of Re-Sorts**

- **60-80 % less pesticide use than regular varieties**
- Less environmental impact
- Secured traceability
- Close cooperation with farmers enables the use of SAI's FAS questionnaire





*AGRANA PRODUCTION*

# *ENERGY- & ENVIRONMENTAL ASPECTS IN AGRANA PRODUCTION*





*ENVIRONMENTAL AND ENERGY ASPECTS OF PRODUCTION*

## ***EFFICIENT USE OF RESOURCES***

### ***Efficient use of agricultural raw materials***

#### **98.6 – 99.9% use of agricultural raw materials**

AGRANA's high utilisation rate reflects:

- The efficient use of raw materials
- as well as its technological innovativeness and product development capabilities.
- **Efficient use of raw materials is an economic imperative and a way of practicing corporate social responsibility**
- **Reduction of waste**

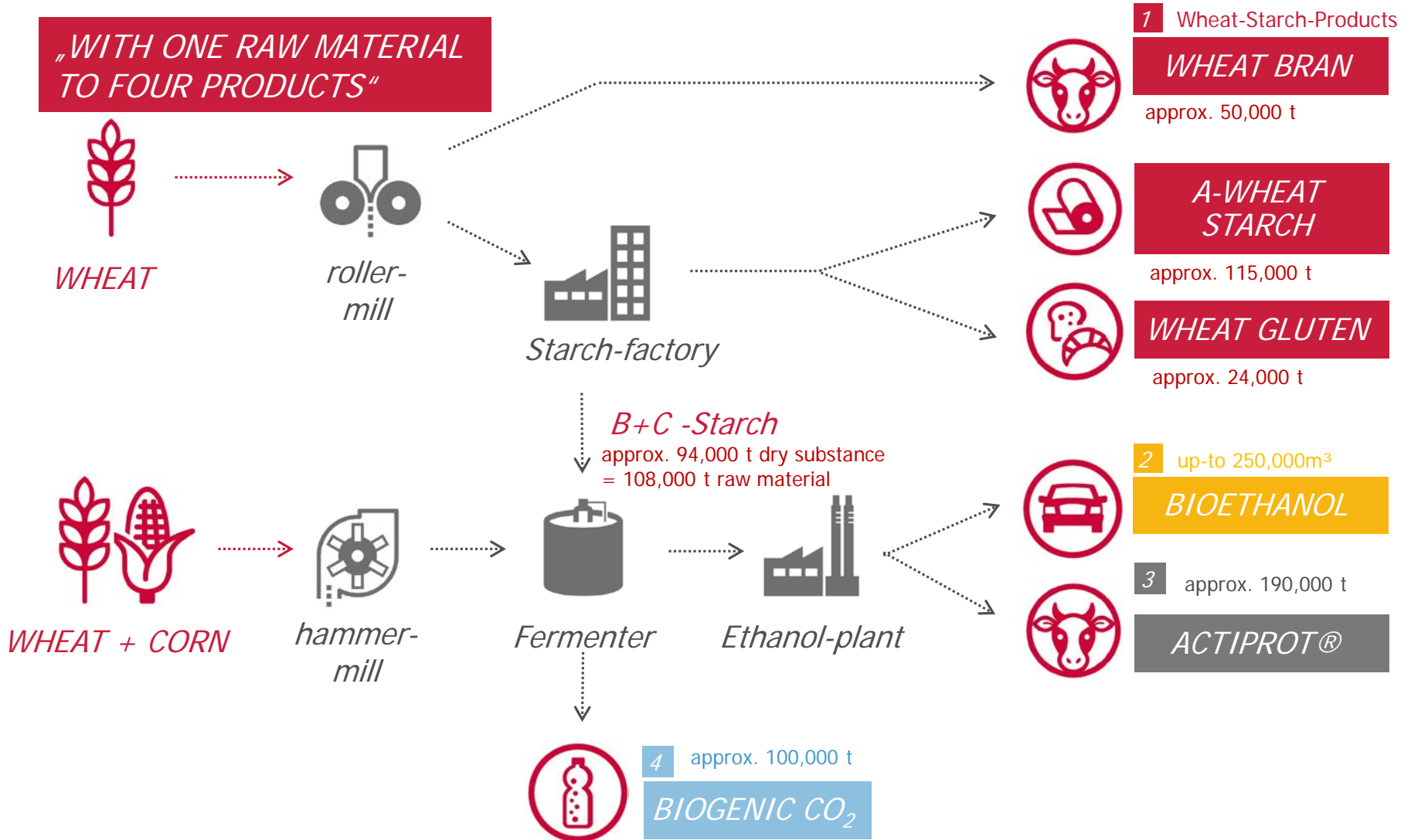






# 100% UTILISATION OF RAW MATERIALS

„WITH ONE RAW MATERIAL  
TO FOUR PRODUCTS“







## ENVIRONMENTAL AND ENERGY ASPECTS OF PRODUCTION

# WASTE

### Waste by disposal method

**2016 | 17**

*Tonnes, except percent*

	Segment SUGAR	Segment STARCH	Segment FRUIT
Waste disposed	75,049	22,056	23,038
Waste per tonne of product	2.8%	1.6%	2.7%

### Waste disposed, by disposal method

Composting	1,529	16,684	0
Energy recovery	486	2,316	899
Reuse	14,699	24	1,985
Recycling	6,126	507	9,170
Landfill	39,279	23	10,950
Other	12,930	2,502	33

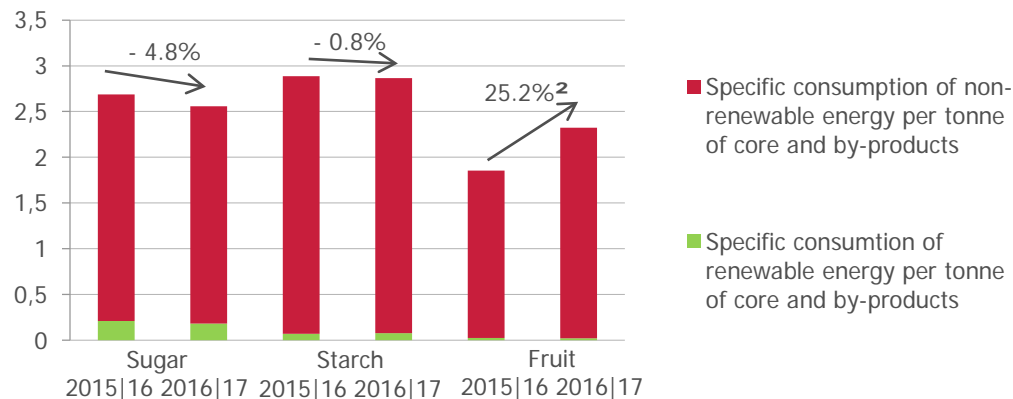


## ENERGY USE & EMISSIONS

### ENERGY

#### Average specific direct energy consumption at AGRANA plants<sup>1</sup>

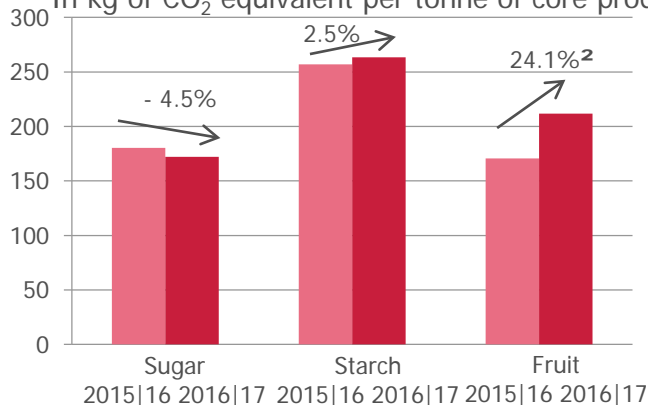
In gigajoules (GJ) per tonne of core and by-products combined



### EMISSIONS

#### Average specific emissions (from direct and indirect energy use) at AGRANA plants<sup>1</sup>

In kg of CO<sub>2</sub> equivalent per tonne of core product or by-products



<sup>1</sup> Organisational reporting boundaries see [www.agrana.com/sustainability](http://www.agrana.com/sustainability)

<sup>2</sup> Caused by the first inclusion of the Chinese fruit juice concentrate site into the reporting scope in 2016 | 17

### TARGETS 2020 | 21

#### Sugar (baseline 2013 | 14):

- 5% reduction of direct energy consumption / tonne of core- & by-products

#### Starch (baseline 2013 | 14):

- 50 GWh reduction of energy consumption

#### Fruit:

- 6.8% reduction of total energy consumption / tonne of fruit preparation (baseline 2013|14)
- Hold energy use per tonne of fruit juice concentrate & by-products constant at 2014|15 baseline



## *HIGHLIGHTS IM ENERGIE- & UMWELTBEREICH*

- **Energy efficiency measures are AGRANA's economic, environmental and social priority**
- As from 2015|16 **introduction of energy-management-systems** (certification to **ISO 50001** in many production plants)
- **Low temperature dryers** installed at the Tulln & Leopoldsdorf site, both Austria, **have saved more than 100,000 tonnes CO<sub>2</sub>equ** since their installation in 2011|12
- **Target: energy-self-sufficient in terms of figures of the sugar plant Kaposvár | HU**
  - The Kaposvár sugar plant generated about 30 million cubic metres of biogas from beet pulp in the 2016|17 financial year. This would have been sufficient for the site:
    - to cover 80% of its primary energy requirement for the 2016|17 beet campaign, or
    - 60% of its total primary energy needs for beet processing and the refining of raw sugar





## WATER & EFFLUENT

- AGRANA frequently **uses the water contained in the agricultural raw materials** in its processes
- The water is cleaned and reused time and again
- **On-site or external waste water treatment** plants ensure that the effluent produced is treated in an environmentally sensitive way in accordance with local thresholds.

### *Water used in production (average; per segment)*

**2016 | 17**  
*m<sup>3</sup> per tonne of  
core- & by-product*

**Segment  
SUGAR**

**Segment  
STARCH**

**Segment  
FRUIT**

1.61

3.93

4.28

### *Effluent (average; per segment)*

**2016 | 17**  
*m<sup>3</sup> per tonne of  
core- & by-product*

**Segment  
SUGAR**

**Segment  
STARCH**

**Segment  
FRUIT**

2.78

4.65

4.08

## TARGETS 2020 | 21

### Sugar (baseline 2013 | 14):

- ✓ 5% reduction of water use / tonne of core- & by-products

### Fruit (baseline 2014 | 15):

- 5% reduction of water use / tonne of fruit juice concentrate & by-products



## *BIODIVERSITY @ AGRANA*

Biodiversity is important especially in the agricultural supply chain. AGRANA also carries out some projects at its business locations to protect or increase species diversity.

- **Bees:** AGRANA placed 10 bee-hives at each of its sites in Austria
- **Bat Conservation Project:** in close cooperation with starch-potato-suppliers at AGRANA's Gmünd|Lower Austria site to protect and foster local bat population
- **Renaturation of the grounds of the combined wheat starch and bioethanol plant in Pischelsdorf | Lower Austria** to a more natural state
- **Protection of birds:**
  - **Return of the grounds of AGRANA's former sugar plant in Hohenau a.d. March | Lower Austria** to a more natural state as a staging area for water birds and waders
  - **Little owl-project** around the site of Austria Juice GmbH in the Mostviertel|Lower Austria







*EMPLOYEES*

# *LABOUR PRACTICES & HUMAN RIGHTS AT AGRANA*





# EMPLOYEES & WORKPLACE SAFETY

## EMPLOYEES – AGRANA Group 2016/17

Definitions and reporting boundaries <http://www.agrana.com/en/career/careers-at-agrana/key-figures-employees/>

### NON PERMANENT STAFF

Total	1,350
Female	59.3 %

### PERMANENT STAFF

Total	6,551	Blue-collar	4,138	White-collar	2,413
Female	29.4 %	Blue-collar female	20.2 %	White-collar female	45.2 %

### MANAGERS

Total	445
Female	25.5 %

### OF WHICH EXECUTIVE LEADERSHIP

Total	33
Female	15.2 %

## WORKPLACE SAFETY – AGRANA Group 2016/17

Definitions and reporting boundaries <http://www.agrana.com/en/career/careers-at-agrana/key-figures-employees/>

	<b>Injury rate</b> =(accidents/100 employees p.a.)	<b>Lost day rate</b> =(lost days/100 employees p.a.)	<b>Absentee rate</b> = (missed hours due to accidents and sickness/100 employees p.a.)
Total	2.5	32.5	4,921.1
Female	1.8	23.9	5,039.3
Male	2.9	36.5	4,866.1

- In the 2016|17 financial year, one fatal accident occurred in the AGRANA Group.
- In the 2016|17 financial year there were eight accidents of AGRANA contractors. For organisational reasons, these are not included in the AGRANA workplace safety data such as the injury rate, lost day rate and absentee rate.



*LABOR PRACTICES AND HUMAN RIGHTS  
PRODUCT RESPONSIBILITY AND SUSTAINABLE PRODUCTS*

## ***ASSESSMENTS & AUDITS OF SOCIAL CRITERIA AT AGRANA AND ITS SUPPLIERS***

- AGRANA Beteiligungs-AG has been a **SEDEX** (Supplier Ethical Data Exchange) member since 2009
- All AGRANA sites complete the **SEDEX self-assessment once a year.**
- **More than 60% of AGRANA sites also have a valid external audit based on their self-assessment**
- **Audit reports are available to SEDEX-members on the website of the organisation**
- **The fruit preparation division uses SEDEX also for the social assessment of its fruit suppliers.**





*SUSTAINABLE PRODUCTS*

# *PRODUCT RESPONSIBILITY*





## PRODUCT RESPONSIBILITY AND SUSTAINABLE PRODUCTS

# MEMBERSHIPS IN MAJOR INITIATIVES

Initiative	Member companies	since	Initiative aim and other members
SAI (Sustainable Agriculture Initiative)	AGRANA Beteiligungs-AG*	July 2014	<ul style="list-style-type: none"> <li><b>Aim:</b> Develop guidelines for and implement sustainable agriculture practices</li> <li><b>Members:</b> food and beverage industry</li> </ul>
SEDEX	AGRANA Beteiligungs-AG*	2009	<ul style="list-style-type: none"> <li><b>Aim:</b> Promote sustainable social and environmental practices along the value chain</li> <li><b>Members:</b> about 36,000 companies worldwide</li> </ul>
Ecovadis	AGRANA Zucker GmbH AGRANA Stärke GmbH AUSTRIA JUICE GmbH Segment Frucht – einige Gesellschaften	2013	<ul style="list-style-type: none"> <li><b>Aim:</b> Supplier assessment on environmental and social criteria along their entire value chain</li> <li><b>Members:</b> about 120 large global companies in a wide range of industries</li> </ul>
Bonsucro	AGRANA Zucker GmbH	July 2014	<ul style="list-style-type: none"> <li><b>Aim:</b> Improve the sustainability of sugar cane production and of sugar manufacturing from sugar cane</li> <li><b>Members:</b> producers, resellers, processors</li> </ul>
Arge Gentechnik frei (Platform GMO-Free)	AGRANA Zucker GmbH AGRANA Stärke GmbH	2010	<ul style="list-style-type: none"> <li><b>Aim:</b> Promote and safeguard Austrian GMO-free agriculture and food production</li> <li><b>Members:</b> businesses along the entire food value chain, including many retailers</li> </ul>
Initiative Donau Soja (Danube Soya Initiative)	AGRANA Stärke GmbH	April 2013	<ul style="list-style-type: none"> <li><b>Aim:</b> Sustainable, GMO-free soya production in the Danube region (focus on animal feed)</li> <li><b>Members:</b> entire value chain, NGOs, etc.</li> </ul>

\*AGRANA Beteiligungs-AG, representing all AGRANA-Group companies.





## *GMO-FREE PRODUCTS*

- **1998:** First crops of GMO-free certified maize contracted by the AGRANA starch plant Aschach| Upper Austria
- 2002: Opening of the AGRANA PCR-laboratory in Aschach
- **2011:** First certification of GMO-free sugar from Austrian beet
- **2018:** GMO-free certification for approx. 100,000t of contracted speciality maizes; ( plus organic certification for approx. 38,000t)
- **AGRANA supports the Austrian corn seed propagation sector**



### **GMO-free: The whole value chain is monitored**

- Seed sampling (only Austrian origin) of each single lot
- Field samples
- Sampling at the storage at the contracting farmers
- Sampling at the storage at the AGRANA factory
- Daily collective samples tested via PCR analyses
- ELISA (anti body based) tests of each delivery



*COMPLIANCE AND BUSINESS CONDUCT*

## *AGRANA VALUES*

### *THE MOST IMPORTANT DOCUMENTS*

- AGRANA Vision & Mission
- AGRANA Code of Conduct
- AGRANA Competition Compliance Guideline
- AGRANA Quality Vision & Mission
- AGRANA Principles for the Procurement of Agricultural Raw Materials and Intermediate Products
- AGRANA Quality Vision & Mission
- AGRANA Environmental Policy
- AGRANA Guideline on Responsible Marketing





## SUSTAINABLE DEVELOPMENT GOALS (SDGS)

# REFERENCES TO THE SDGS IN AGRANA'S POLICIES



### AGRANA'S THREE GUIDING SUSTAINABILITY PRINCIPLES

Utilisation of almost 100% of raw materials and use of low-emission technologies to protect the environment



Respect all our stakeholders and the societies in which we operate



Engage in long-term partnerships with suppliers and customers



### AGRANA'S POLICIES RELEVANT IN THE FIELD OF SUSTAINABILITY

Vision & Mission



Code of Conduct



Competition Compliance Guideline



Quality Vision & Mission



Principles for the procurement of agricultural raw materials and intermediate products



Environmental Policy



Guideline responsible marketing





## *ORGANISATIONAL STRUCTURE*

- Compliance Office lead by a Compliance Officer
- Tasks Compliance Officer: development and implementation of internal policies, providing support in compliance matters, conducting of compliance trainings, documenting of cases of non-compliance
- Compliance Board (Ethics Committee) including: Compliance Officer, General Secretary, Internal Audit department (IA), Legal department

## *INTERNAL AUDITS ON CORRUPTION*

- IA verifies the compliance with laws, regulations and internal policies
  - In the 2016|17 business year, IA audited 17 of the 51 AGRANA sites within the GRI reporting boundaries (see [www.agrana.com/sustainability](http://www.agrana.com/sustainability)) including regarding corruption and fraud
  - No significant misconduct found
-



# *SUSTAINABILITY ALONG AGRANA'S VALUE CHAIN- ONLINE TOOL*

<http://www.agrana.com/en/sustainability/>



VALUE CHAIN

CHOOSE A SEGMENT



DE  
EN

**AGRANA Value Chain:**

Sustainability in all business segments

SUGAR



STARCH



FRUIT



GRI STANDARD & REPORTING BOUNDARIES





*SUGAR SEGMENT*

## *SUSTAINABILITY HIGHLIGHTS*

### **„Mont Blanc“**

Up to 20% increase in sugar yield per hectare by 2017 (baseline 2012)-accomplished in most countries ✓




**Intercropping** increases biodiversity

### **2017 SAI FSA:**

Sustainability performance evaluated by **FSA assessments and external audits of sugar beet farmers confirm Gold & Silver level for more than 75% of farms.**



**Chain of Custody**  certified sugar from raw sugar refining

**40 % of sugar beet** are delivered by 

**100% utilisation of raw materials**

**ISO 50001** certification of all AGRANA-sites


**5% reduction in direct energy use** per tonne of product\* by 2020|21

**5% reduction in water used** ✓ per tonne of product\* by 2020|21



**> 100,000 tonnes of CO<sub>2</sub> saved** due to low temperature dryers (since 2011|12)

The Kaposvár factory will operate largely **autonomously in terms of energy supply in the future**

**Social-/ SMETAudits** at all sites 

**Repurposing of settling ponds** at the Hohenau site as **staging area for water birds**

**10 bee-hives** at each **Austrian site** 

**Sustain. Reporting**



\*core & by-products



STARCH SEGMENT

## SUSTAINABILITY HIGHLIGHTS

**2017 SAI FSA:** Sustainability performance evaluated by **FSA assessments and external audits of Austrian potato farmers confirm Gold & Silver level for more than 75% of farms.**



**One raw material makes four products'**  
100% utilisation of raw materials in Pischelsdorf | Lower Austria

**Use of low-emission energy sources**  
97.5% natural gas, remainder biogas

**No fresh water needed**  
any more for the production of bioethanol at the Pischelsdorf site

**Social-/ SMETAudits** at all Austrian sites



**ISO 50001 certification** of all Austrian production sites

**Reduction of energy use by 50 GWh by 2020|21**



**GOLD Status**  
**ecoVadis**  
SUSTAINABLE SUPPLY MANAGEMENT



**10 bee-hives at each Austrian site**



**Sustainability Reporting**



**Bat conservation project** to protect local bat species in Gmünd | Lower Austria



## FRUIT SEGMENT

# SUSTAINABILITY HIGHLIGHTS

### 2017 SAI FSA:



FSA-assessments & external audits of **Hungarian apple contract growers** confirm **Silver-status** for all farms, some even achieved **Gold**.

**Pilot-use of FSA-assessments** at contract growers of fruit in Mexico, Morocco and the Ukraine



### Sustainable fruit farming



Certification of straw-, black- and raspberry, as well as mango and soursop farms in Mexico

### Organic banana & wild-harvest fruits from Fiji

Certified to



### Low emission energy sources 84% natural gas

### ISO 50001 Certification of 78% of fruit juice concentrate plants

### 6.8 % reduction of energy consumption per tonne of product by 2020|21 (baseline 2013|14)



### Social-/ SMETAudits at many sites worldwide



### Sustainability Reporting





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