



Environmental Policy

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File name: AGR GROUP
POLICY Environment

Given the nature of AGRANA's business – the value-added processing of agricultural raw materials in the Fruit, Starch and Sugar segments – ensuring sustainable practices is fundamental to the Group's business model.

To AGRANA, sustainability means a harmonious balance between environmental, economic and social performance in its business activities. The following three guiding principles sum up AGRANA's understanding of sustainability:

- Utilisation of almost 100% of the agricultural raw materials employed, and use of low-emission technologies in industrial processing to reduce or avoid impacts on the environment
- Respect for all stakeholders and societies where the Group operates, directly or indirectly
- Collaboration with suppliers and customers in long-term partnerships to jointly foster business models resilient to climate change

AGRANA strives to act in an economically, environmentally and socially sustainable manner along the entire value chain. In 2021 the Group committed to reducing emissions in accordance with the climate targets of the Science Based Targets initiative (SBTi).

This Environmental Policy expands on the first of AGRANA's guiding principles of sustainability. The policy covers the most significant environmental aspects of AGRANA's business activities, such as energy use, emissions, water and waste management, and provides the basis for action on these aspects at AGRANA's production sites. The second principle is addressed in AGRANA's Code of Conduct. Sustainability aspects in the upstream value chain (the third guiding principle) are covered in AGRANA's principles for the procurement of agricultural raw materials and intermediate products. On the basis of its three guiding sustainability principles, AGRANA contributes to achieving the following UN Sustainable Development Goals (SDGs):

- SDG 2 (Food security and sustainable agriculture)
- SDG 6 (Clean water and sanitation)
- SDG 12 (Responsible consumption and production)
- SDG 13 (Climate action)
- SDG 14 (Life below water)
- SDG 15 (Life on land)

Compliance with laws and regulations

The AGRANA Group, its local companies and sites comply with all relevant legal requirements and binding obligations in the environmental sphere, and AGRANA is committed to continuously improving its environmental performance.

Energy consumption and greenhouse gas emissions

As an energy-intensive processor of agricultural raw materials in our Fruit, Starch and Sugar segments, we strive to continually optimise our energy consumption and improve our energy efficiency. AGRANA is also committed to achieving CO_{2e}-neutral production by 2040.

In order to reach these goals, we are integrating an energy management system based on standards such as ISO 50001 into our existing quality management system. We ensure that the necessary financial and structural prerequisites are in place and that the binding obligations are appropriately taken into account. We also seek to acquire energy- and emission-efficient products and services that serve to improve our energy-related performance and reduce our emissions.



To implement the energy strategy, we have set the strategic goals shown below. AGRANA is committed to the overarching target of achieving CO_{2e}-neutral production by 2040. The following energy-related sub-goals are associated with this:

- Increase the share of lower-emission and renewable energy
- Improve specific energy consumption systematically and on an ongoing basis by applying the outputs of the energy management system
- Use new technologies in production processes, particularly with regard to energy savings and generation
- Recover energy from residual materials (e.g., through biogas plants, burning of straw, etc.)
- Increase self-sufficiency in energy supply through energy from renewable sources and their use in high-efficiency cogeneration plants (e.g., combustion of biogas, biomethane or biomass fuel, use of solar power, etc.)

Management of pollutant emissions

AGRANA is committed to reducing or avoiding pollutant emissions into the air, water and soil in accordance with legal requirements and as current technology permits.

Water management

Water is an important input in the production processes of the AGRANA Group. The utilisation of fresh water and the discharge of the water used in production operations is performed in a consensual and sustainable manner at all sites.

Water withdrawal

AGRANA's principles for water use:

- Reduction of water withdrawal to the minimum level that is technologically and economically viable
- Constant recirculation of water and appropriate reconditioning
- Efficient use of water contained in the processed raw materials (e.g., for washing and rinsing, as process water, etc.)
- Regular monitoring of the water risks for all AGRANA sites and identification of focused countermeasures for regions where water scarcity is an issue

Due to the differences in the raw materials and production processes used in AGRANA's three business segments, actions based on these principles must be locally adapted to fit each production site in every country.

Wastewater treatment

AGRANA ensures that all discharged water complies with local legal requirements. We work to reduce the volume of wastewater. Discharged water has either been treated in AGRANA's own wastewater treatment plants or is transferred for cleaning to municipal treatment facilities.

Circular economy and waste management

AGRANA strives to convert 100% of the agricultural raw materials it uses into marketable core and by-products. One example of by-products is fertiliser, which is returned to nature's material cycle. We regard the generation of energy from agricultural residues as the final step in a sustainable utilisation chain. This aim of completely utilising raw materials contributes to waste reduction.



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We minimise the amount of waste at our sites through the efficient use of consumables in production processes and in repairs and maintenance. We pursue a sustainable waste reduction strategy by employing more reusable packaging (such as for bulk goods) and recyclable materials for packaging and in goods-handling equipment (e.g., in pallets). Recycled packaging material is also used, while adhering to regulatory requirements for food packaging. As well, AGRANA pays particular attention to reducing food waste.

Environmental complaints procedures

All AGRANA production sites are subject to local laws and regulations on taking environmental aspects into account in operations, new construction, and facility expansions. Supplementing these norms, AGRANA has developed a policy on stakeholder engagement concerning the protection of land rights and biodiversity with regard to its production sites in order to ensure minimum standards, which in some cases exceed local legal requirements. The designated contacts at the AGRANA production sites are available to external stakeholders to take complaints by telephone, email, or (by appointment) in person; the site contacts' details can be found on the Internet. Handling complaints promptly, they seek to find individual solutions and make technical or organisational improvements as appropriate.

Complaints can also be reported through the AGRANA Group's centralised whistleblower system, a secure electronic communication platform. This system can be accessed through the AGRANA website or directly at the following web address:

<https://www.bkms-system.com/bkwebanon/report/clientInfo?cin=1Agra1&c=-1&language=eng>.

It allows the intake, investigation, processing and documentation of tips by name or anonymously; the tips are forwarded to the responsible department for resolution of every case. Reporting parties also have the option of using external reporting channels at local authorities which are published on the AGRANA website.