



SUSTAINABILITY REPORT

2014

(update 2013)

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SUSTAINABILITY REPORT



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THE SUSTAINABILITY OF AZUCARERA, IN FIGURES

Economic highlights	543 m€ Economic value generated 47 m€ Taxes	541 m€ Turnover 18 m€ Taxes collected for the government	2,3 m€ Other revenue 29 m€ Taxes paid to the government
Our people	948 Direct employees	3.700 Growers	0,5 % Turnover
Our product	610.000 t Sugar (approx.)	254.390 t Pulp	83.362 t Molasses
In the field	89 t beet/day Northern Spain	1.908.127 t Beet	87 t beet/ha Southern Spain
Facilities	2 Head offices	1 R+D+I Centre	6 Production and supply centres
Logistics operations	60.000 Product transport	70.870 Beet transport	10.121 Shipping
Environment	1,25 kgCO₂eq/kg sugar Carbon Footprint	100 % Self-generation of energy in factories	
Commitment to the community	33.000 kg sugar Donated by Azucarera	2.100 kg sugar Donated by employees	

Chapter

1

MANAGING DIRECTOR'S STATEMENT

SUSTAINABILITY REPORT AZUCARERA 2014

MANAGING DIRECTOR'S STATEMENT

Dear all,

The beet sugar sector in general, and Azucarera in particular, is currently at one of the most critical times in its recent history. In addition to the global trends which increasingly affect the evolution of the sector, there are other factors peculiar to the redefinition of the sector. The scenario is marked by the end of the production quota system in Europe, and, on a local level, the new Interprofessional Agreement, which structures the relationship between the industry and the commodity producers for the next five years, bringing numerous challenges and opportunities.

Our management principles and relationship with the environment are still the pillars of our organisation's medium-term development. While creating value for shareholders, we have undertaken to the main players affected by our business that we will guarantee the sustainability and competitiveness of the sector.

Agricultural efficiency, more competitive industry and cooperation with growers are priority goals, as reflected in the recent signing of the Interprofessional Agreement in December 2014. For the next five years, beet-growing will be backed by a stability unmatched for any other crop in this country. Limits are established for yield, beet quality and transport to secure an essential profitability guarantee and thus uphold agricultural sustainability.

Respect for the environment and responsible management of resources are still at the forefront of business activity at our production centres. Our contribution to the buoyancy of the communities in which we operate is confirmed by indicators that reflect the economic activity we promote. Moreover, the ongoing debates on our product in scientific and legislative circles and public opinion show that people are aware of the importance of reliable information for our customers and consumers. Finally, looking after our employees and their safety is at the heart of the Azucarera mission, as the company considers them a vital source of value, essential for building the future of an ambitious project.

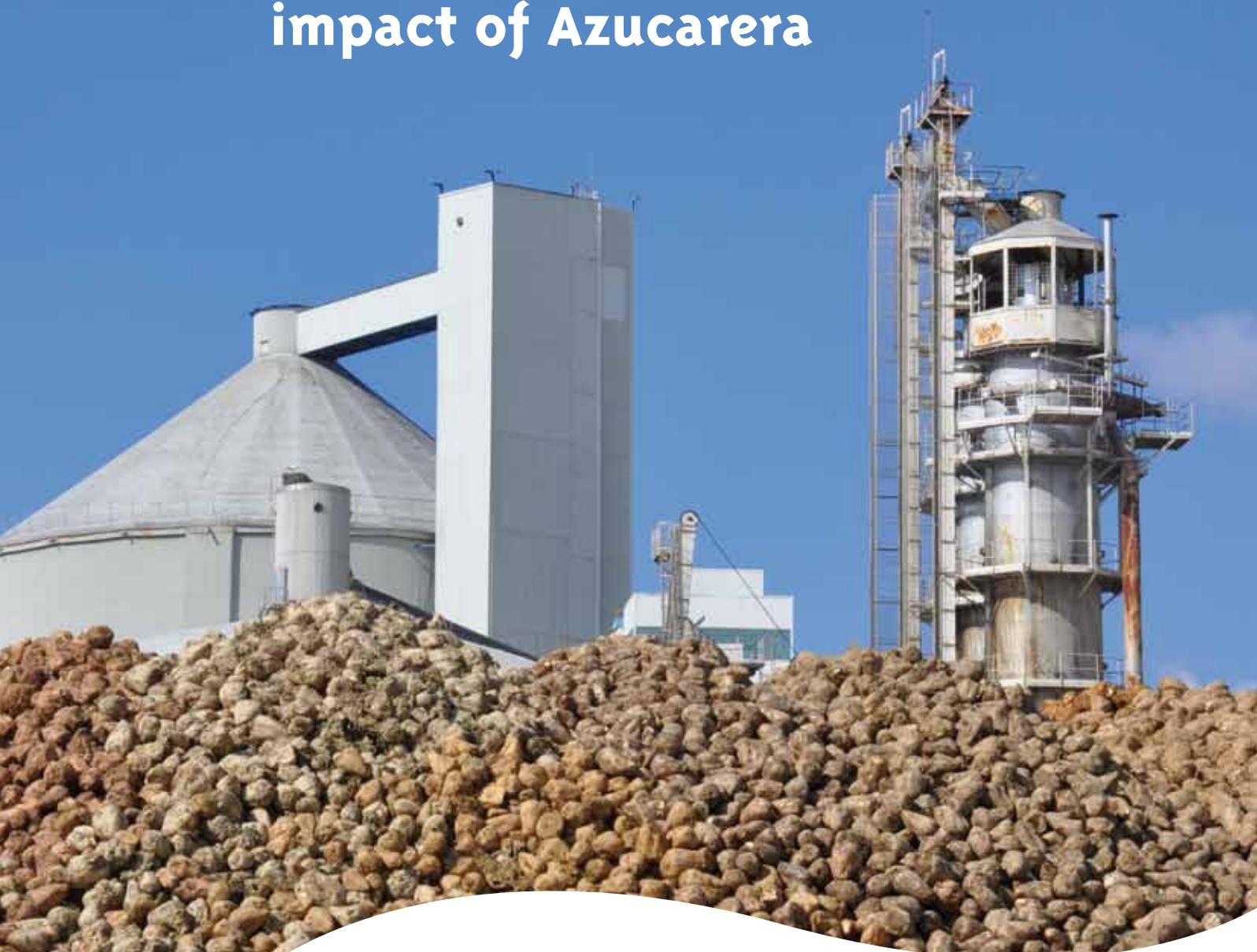
The definition of a proposal that is in keeping with the expectations of these stakeholders, from the point of view of both business and the conduct required to achieve our goals, is an important challenge and our performance will be judged according to our success in this.

Juan Luis Rivero
Managing Director

Chapter

2

The social and economic impact of Azucarera



“We promote the development of the communities in which we operate, helping to preserve the rural environment”

THE SOCIAL AND ECONOMIC IMPACT OF AZUCARERA

Sugar extraction and the industrial activity performed by Azucarera is a key factor in the economic and social development of many parts of Spain.

Azucarera is committed to creating a sustainable, competitive business. It works with around 3,700 growers and has five production, packaging, supply and R+D+I centres in Castile-Leon and Andalusia. The production centres in northern Spain also receive raw material from La Rioja, the Basque Country and Navarre.

Azucarera uses 100% of its principal raw material, sugar beet. On the one hand, it supplies different types of sugar in formats adapted to the diversity of its customers and consumers. On the other, through constant innovation, the company sells natural co-products deriving from the sugar extraction process and used for animal feeds and plant food. These co-products include pressed beet pulp (a natural feedstuff rich in fibre and vitamins for animals), Carbocal® (an ecological fertiliser which improves the quality of the soil and plant nutrition) and Carbocal Plus® (an excellent aid for growing mushrooms).



Azucarera's contribution in figures

During the crop year 2013/2014 Azucarera generated an economic value of EUR 542 million.

One of the main items was the purchase of raw material from growers for over EUR 254 million.

Azucarera also pays several taxes, which totalled EUR 46.7 million in 2013/2014.

AZUCARERA IN FIGURES		2013 / 2014
Economic value generated		542.937.601
Turnover		540.620.577
Other revenues		2.317.024
Economic value distributed		570.728.002
Wages, salaries and other welfare benefits		65.837.462
Raw material (beet & raw sugar) (*)		254.581.383
Processing costs		87.941.699
Other costs		78.444.119
Finance expense		5.019.859
Dividends		50.000.000
Taxes		28.903.481
Economic value reinvested		-12.508.962
Investments		15.281.440
Retained earnings		-44.324.402
Depreciation		16.534.000

(*) Includes customs duties

Figures in euros

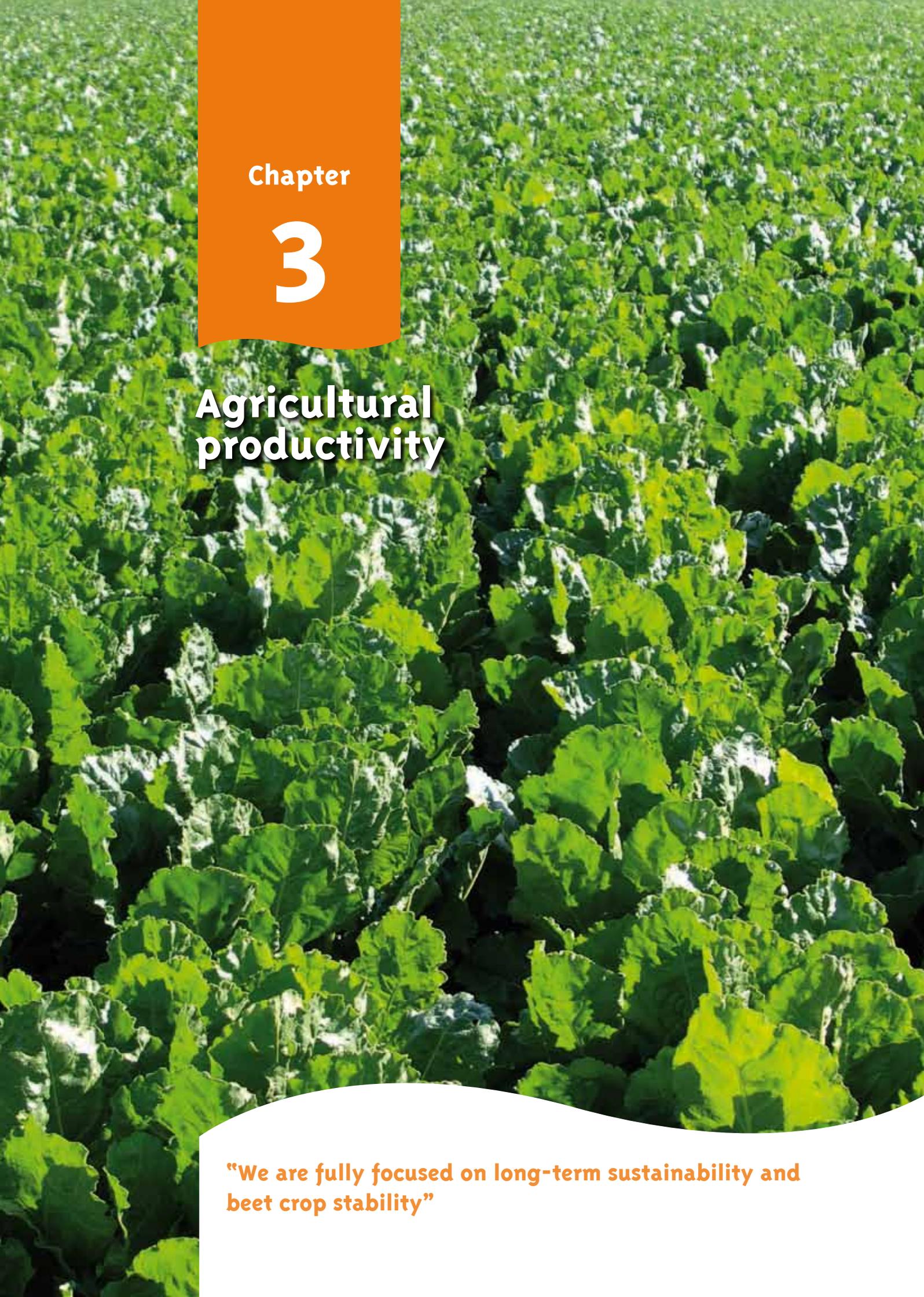
TAXES PAID BY AZUCARERA		2013 / 2014
Taxes paid to central and local governments		28.903.481
Corporate income tax		2.403.481
Local taxes		1.240.000
Customs duty and other taxes		25.260.000
Taxes collected for the government		17.765.000
Personal income tax		13.377.000
Net VAT charged		3.323.000
Tax on dividends		1.065.000
Total tax paid		46.668.481

(*) Includes customs duties

Figures in euros

We should point out that the total sugar production figures dropped in the 2013/2014 crop year owing to the smaller yield in the northern region. This was in turn due to the fact that sowing was delayed by two months as a result of rainfall, which meant that the conditions for development of the crop were not ideal.

World sugar prices have plummeted since the 2012/2013 season, dragging down selling prices and local profits, even though production volumes and activity levels of the sugar industries were maintained.



Chapter

3

Agricultural productivity

**“We are fully focused on long-term sustainability and
beet crop stability”**



AGRICULTURAL PRODUCTIVITY

At present, over 3,700 growers contract their production with Azucarera. Their crop generates 300,000 days' pay and is one of the main sources of local revenue in large areas of Castile-Leon, Andalusia, La Rioja, the Basque Country and Navarre.

Knowledge transfer and collaboration between the industry and growers, commitment to crop efficiency and sustainability, rational use of water resources and inputs and enhanced energy efficiency in agriculture are all fundamental aspects of our support for the future sustainability of the sector.

The professionalism of the growers and technical support from Azucarera to inform them of the innovations and improved crop techniques have been and still are essential to achieve success in this sector.

Much of the necessary support has been given by AIMCRA, the Association for Research and Improvement of Sugar Beet, a private, non-profit, interprofessional association with joint management and financing in equal proportions by beet growers and Azucarera. AIMCRA aims to make beet-growing more competitive through research, development and innovation initiatives, establishing a number of lines of action to support growers' work based on the conclusions of those initiatives.

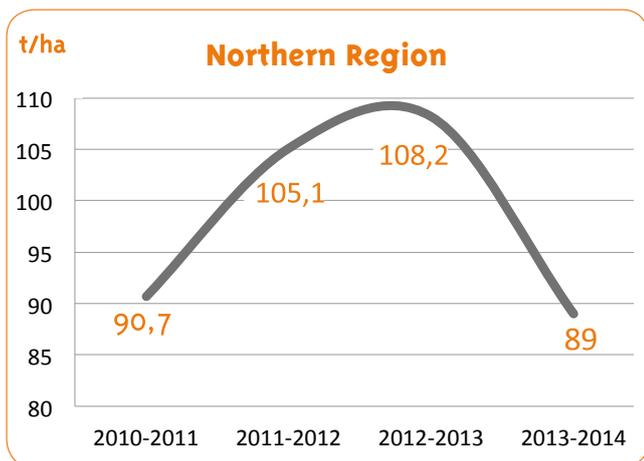
In its commitment to continue enhancing in crop quality and productivity with a view to achieving optimum supplies for its factories and promote solid commercial relationships between industry and growers, in December 2014 Azucarera signed a Master Interprofessional Agreement with the growers' organisations to provide stability for the next 5 years (2015-2020).



Crop efficiency

On a global level, the yield in the northern region dropped 18% for the 2013/2014 campaign, to 89 tonnes per hectare. This was due to the considerable delay in sowing, almost two months later than the previous year, in turn due to the longer period of rain in winter. As a result, the crop could not follow its normal cycle, which would have continued the growth trend of recent years.

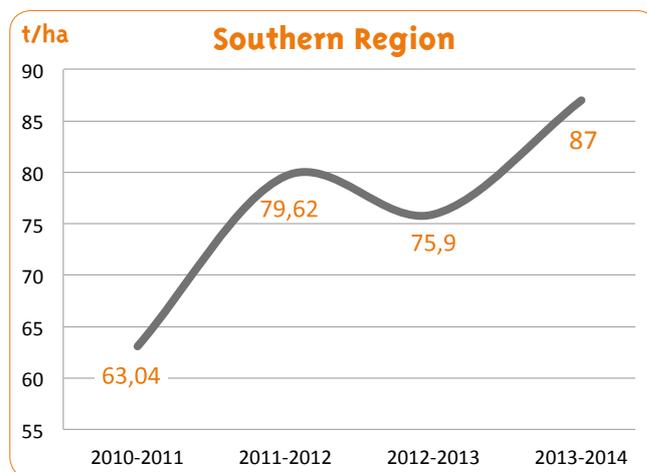
Evolution of yield in northern region (t/ha) in 2013/14 crop year



The use of nitrogen was reduced by 2% year on year in 2013-14 year

The average production in the southern region was 87 t/ha, and over 90 t/ha in plots with irrigation. This was a year-on-year improvement of over 10 t/ha. Key factors in this success was the favourable climate and adequate crop management.

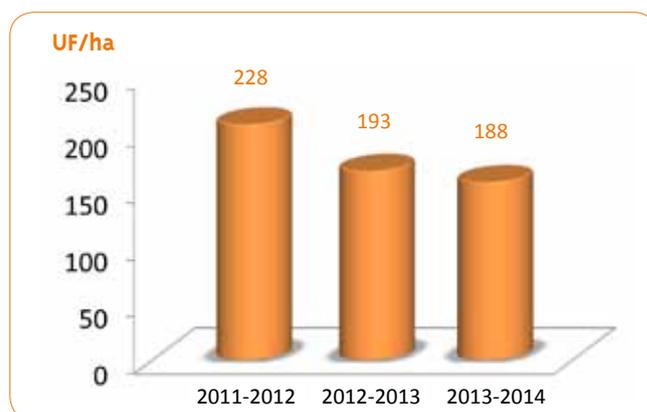
Evolution of yield in the southern region (t/ha) in 2013/14 crop year



Reduction of inputs: "Produce more with less"

The use of inputs⁽¹⁾ continues to fall as a result of the efforts made to secure a correct, optimised use of fertilisers and adapt to the new policies that the company has implemented in recent months regarding environmental sustainability.

Units of fertilisers/ha

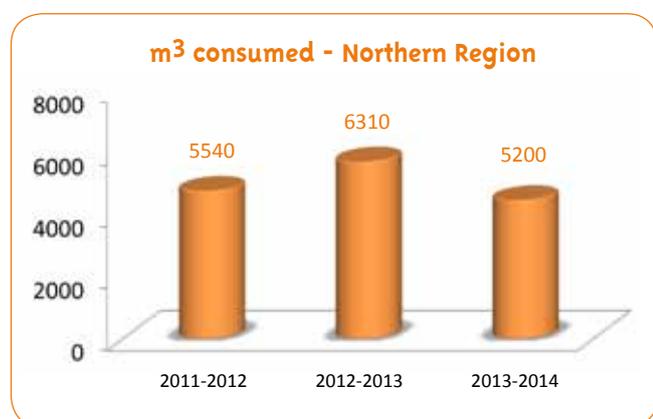


1. Measured in "units of fertilisers" or UF

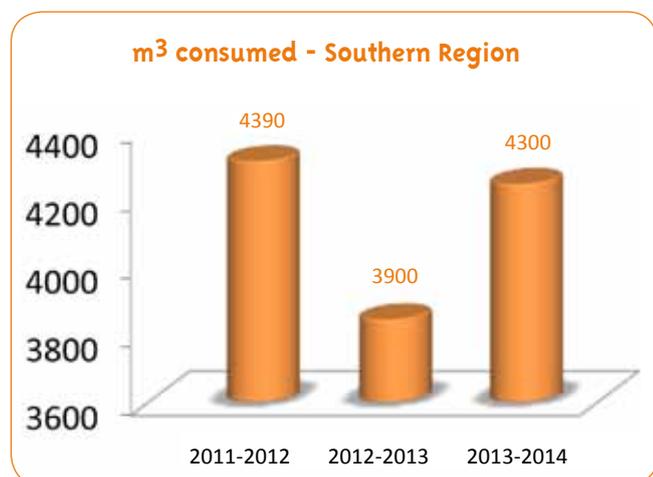
More efficient use of water

Azucarera continues making huge efforts to secure a more efficient use of water in irrigation by beet growers. The main channels of action are:

- 1 Inspection of irrigation installations
- 2 Irrigation recommendations to growers
- 3 Awareness workshops and publications



The quantity of water used in the north was reduced by 17% year on year partly due to the late sowing, which postponed the commencement of irrigation. It was also due to the greater optimisation and efficiency in recent years in the use of water by growers.



The 2013/2014 campaign in the south needed 10% more water than in the 2012/2013 campaign, mainly because the latter was shorter and the final irrigations were not made, thus considerably reducing the overall quantity of water used. In addition, the spring was slightly drier than normal in 2013/2014.

Plan 2020

Plan 2014, begun by Azucarera and coordinated by AIMCRA in 2008, ended after the conclusion of the 2013/2014 campaign. Plan 2020 followed on, contemplating different agricultural actions to secure the sustainability of sugar beet up to 2020.

The main goal of Plan 2020 is to enhance beet yield at a reasonable cost, in sustainable environmental conditions, endeavouring to achieve greater convenience for growers at the same time.

Certain measures contemplated in the Plan have been implemented in recent months and will continue to be developed along with others which have not yet commenced, including:

Those related with increasing production:

- ▶ **Personal technical counselling for growers by field technicians:** Just as Plan 2014, the new Plan 2020 contemplates specialist counselling by qualified technicians of Azucarera, tailored to suit the needs of each grower, with a view to enhancing crop efficiency and increasing yield.
- ▶ **Training and publication of new crop techniques:** For example, improved drainage and the Solar Irrigation project.
- ▶ **Receipt of whole beet at La Bañeza and Guadalete (not topped):** The beet plant consists of three parts: leaves, top and root.

The top is the top of the root, where the leaves grow from. It has a lower sucrose content than the rest of the root, so was previously discarded during harvesting. The La Bañeza (Leon) and Guadalete (Jerez de la Frontera) factories have now reached an agreement with growers to harvest and deliver the beet whole, including the top. This generates a profit for both parties.

Those related with cost-cutting and crop convenience:

- ▶ **Solar Irrigation Project:** AIMCRA, among others, has collaborated in this project. By installing solar panels it has managed to cut the cost of irrigation by 80% and entirely eliminate CO₂ emissions. Azucarera has participated, and continues to do so, in the publicising of this system, as part of its aim to publicise and promote the most efficient crop techniques.

The project offers an opportunity to multiply energy savings, promote a more efficient use of water and make growers' work easier.

- ▶ **Counselling on Integrated Pest Management (IPM):** In 2014, counselling on *Integrated Pest Management* was made compulsory. That counselling is still included in Plan 2020, making the necessary tools available for growers to keep computer records of all actions taken in respect of plant health.

This is intended also to lower the doses applied, thereby minimising any damage caused through their use without jeopardising the efficiency of treatment.

- ▶ **Expansion and improvement of digging, loading and transport modules:** The digging, loading and transport modules are the most efficient way of supplying factories. They consist of coordinating jointly the harvesting, loading and transport of beet to the factory by a group of growers in the same geographic area. Each module is managed by an Azucarera field technician, who establishes the order for doing each task according to the preferences and needs of growers and the factory. The modules guarantee an optimised use of machinery (harvesters and cleaners) and lorries, since the needs are estimated in



advance, at the beginning of the campaign, according to the beet production and daily quota to be delivered to the factory. Both the service companies and the growers obtain benefits from this organisation so new modules are created and more beet area is managed in this way every year.

- ▶ **Counselling on fertilisation:** The company will continue to insist on a rational use of fertilisers and correct fertilisation recommendation after a soil analysis. The reduction of nitrates is becoming especially important and in turn considerably reduces costs for growers.

The purpose of these actions is to achieve a profitable, sustainable beet crop with a future beyond the quota-free market in 2017.



Signing of the Interprofessional Agreement in December 2014

Master Interprofessional Agreement 2015-2020

In December 2014, Azucarera and the growers' organisations signed the Master Interprofessional Agreement 2015-2020 for beet.

The new Interprofessional Agreement offers a framework of stability for professional growers supporting a sustainable beet crop.

It also establishes an undertaking by Azucarera and the agricultural organisations to continue improving productivity and crop quality, optimise supplies for sugar factories and foster a sound, long-lasting commercial relationship between the industry and growers.

The Agreement also contemplates maintaining priority contracting for long-standing beet growers, even beyond 2017, and incorporates new approaches, including joint investment by the sector in R&D, considering this crucial to achieve the environmental goals and the agricultural and industrial competitiveness pursued by the sector.

The new Interprofessional Agreement offers a framework of stability for professional growers supporting a sustainable beet crop.

A close-up photograph of a dragonfly perched on a green plant stem. The dragonfly has a blue and green body and transparent wings. The background is a clear blue sky. The plant stem has several small green buds.

Chapter

4

Environmental sustainability and energy

“Energy efficiency and responsible consumption of resources in factories, together with enhanced productivity of growers and development of a sustainable crop are the cornerstone of our environmental strategy”

ENVIRONMENTAL SUSTAINABILITY AND ENERGY

Azucarera endeavours to minimise the environmental impact produced by its operations, with policies promoting the efficient utilisation of natural resources.

Biodiversity

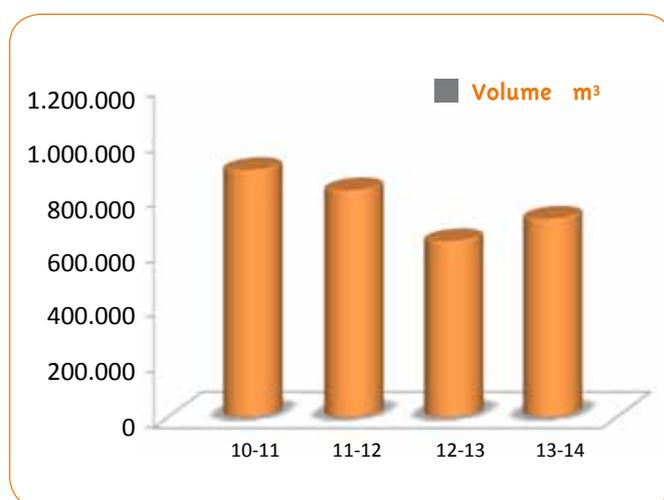
Sugar beet is a crop with an annual harvest. After that period, other crops such as legumes, protein crops, oleaginous plants and, above all, cereals must be sown in the same field for the following 4 years. This is what is known as crop rotation, which ensures improved yield, especially when compared with the cereal crop for two consecutive years. In turn, plots which have been used to grow sugar beet have a lower level of pests and disease for the next crop, so it helps to minimise the quantities of pesticides used. Another important feature is the contribution of organic matter and nutrients by the beet leaves left in the field after harvesting. Those nutrients are gradually mineralised in the soil and benefit subsequent crops, thus reducing the quantity of fertilisers used.

Unlike larger, more densely-growing crops, the plant coverage provided by sugar beet makes an ideal breeding ground for small animals such as field mice, shrews and hares, and certain birds that build their nests on the ground and tend to breed before the beet entirely covers the ground, such as stone curlews, larks and lapwings.



Encouraging a responsible use of water at production centres

Aware of the challenges worldwide arising from the scarcity and quality of water, Azucarera promotes a responsible use of this natural resource in all its processes.



► Factory water consumption increased year on year in 2013/2014, due to two factors:

- ✓ Bad weather, which meant the campaign had to be completed in two phases at La Bañeza. This increased water consumption, since the factory was cleaned after the first stoppage. The process had to be repeated at the end of the campaign.

- ✓ Breakdown at the Toro water treatment plant, requiring additional cleaning and maintenance with the consequent increase in water consumption.

► Although on the other hand:

- ✓ We still have efficient, optimised consumption within the factory, thanks to recirculation and recycling in the water circuit.

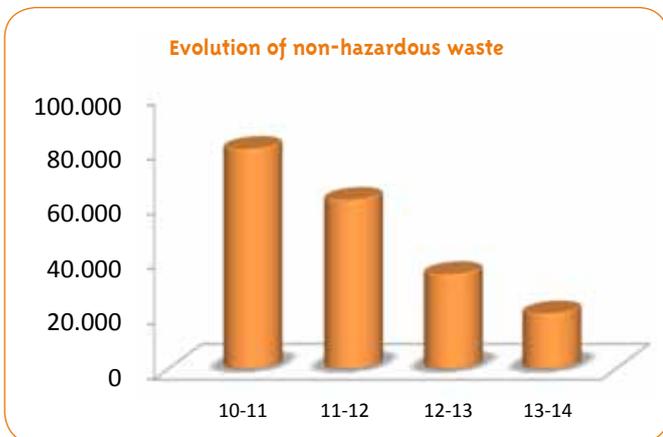
- ✓ Azucarera has also set up a working group ("Improvement Team") to optimise water consumption in its processes.

Optimised waste management

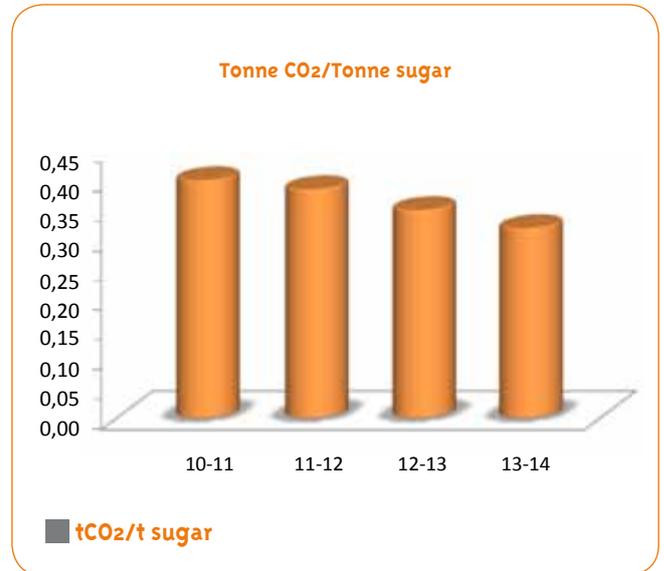
Azucarera bases its waste management on the principles of prevention, reduction, re-use and recycling, attempting to minimise waste generation and find a way of recovering its properties. Continuous research in this field and the plant origin of the product have made it possible to use practically 100% of the beet and minimise the waste generation.

► Non-hazardous waste

Over the previous three campaigns a clear downward trend had been observed in the generation of non-hazardous waste. This trend was confirmed in the 2013/2014 campaign with a 36% reduction in comparison with the previous campaign and 71% when compared with the 2010/2011 crop year.



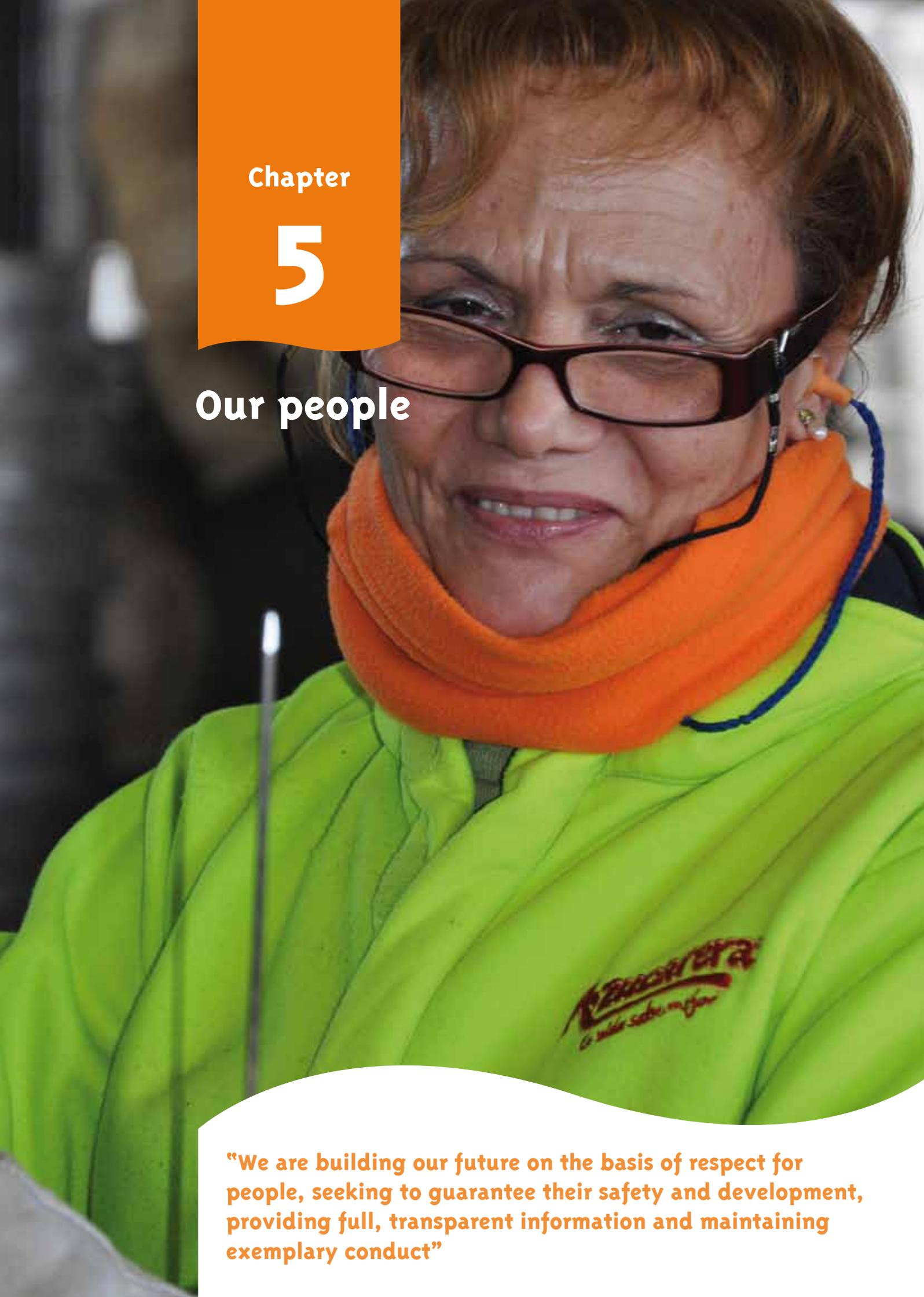
Energy indicators



Following the trend of the past four years, CO₂ emissions were reduced in the 2013/2014 campaign, thanks to Azucarera's strive to increase the energy efficiency of our factories and optimise fuel consumption.

Apart from these commitments, the solar pulp-drying project has also had a positive impact on the reduction of emissions. During the 2013/2014 campaign the dryers at Guadalete were shut down for the entire campaign and in Toro only one dryer was operating.

All the electricity consumed by Azucarera in 2014 was produced from renewable sources and was, therefore, "green".



Chapter

5

Our people

“We are building our future on the basis of respect for people, seeking to guarantee their safety and development, providing full, transparent information and maintaining exemplary conduct”

OUR PEOPLE

At Azucarera we undertake to encourage and promote everything related with our employees' health and safety, career development, equal opportunities and other rights and benefits recognised within the company.

AZUCARERA WORKFORCE 2014

Permanent employees	805	85%
Temporary employees	99	10 %
Seasonal employees	44	5%
TOTAL	948	100%

Health and safety

The accident rate has been declining since 2009, with an 86% reduction also in the accident severity rate over the same period. During the 2013/2014 crop year, Azucarera maintained its leadership in the sector in the year-on-year occupational injury rate, with results five points lower than the sector average.

Campaign	Injury rate
2013-2014	5,6
2012-2013	3,3
2011-2012	3,5 ¹

However, the year-on-year injury rate with sick leave of own employees rose slightly from 3.3 to 5.6, since during 2013/2014 personnel was hired directly by Azucarera for industrial cleaning, an activity

previously outsourced, inverting the distribution of injuries between employees and subcontracted workers.

Azucarera has achieved an excellent acceptance of the risk notification system implemented in the previous year. With an active participation rate in the communication of risk exposure of 87%, employees have proved to have a high degree of awareness and commitment to health and safety at work.

Azucarera has measures in place to enhance the balance of employment quality with the health of its employees and their relatives including especially the possibility of changing jobs for health reasons, medical grants for employees and their relatives, as well as economic aids for disability of the employee or relatives with a serious disease or disability. It also guarantees full salary in situations of disability, leave due to risk during pregnancy or maternity/paternity leave.

Equal opportunities

Azucarera is firmly committed to equal opportunities in the training, development and professional careers of its workers, taking into account at all times their individual skills and abilities. The company has developed an Equality Plan to ensure that this goal is achieved.

The following measures are contemplated in this plan, among others:

- Collaboration agreements with special training centres for professional practices.

Azucarera currently has agreements with over 30 educational establishments.

- It also considers alumni from these centres who have done internships or work experience in the company in its selection processes to fill vacancies.

In recent years, Azucarera has made progress in another of its key policies, diversity in its workforce and positions of responsibility, in a traditionally male sector.

Evolution of diversity in Azucarera in the past four years:

	2010	2014
% women in the workforce	10,8%	16,53%
% women in executive positions	0 (July 2012)	28,75%

Career development

Azucarera continues making an enormous effort to guarantee development of the talent and skills of its employees, not only to attract the best but also to encourage them to subsequently develop their maximum potential within the company.

The company has started up two projects to achieve this objective:



Creating My Career (CMC)

Azucarera implemented the tool “Creating My Career” in 2012/2013, through which it aims to stimulate and/or boost employees’ autonomy and responsibility for their own career development. From the employee to the company. This system entails horizontal dialogue regarding their contribution, desire to learn and exploration of skills to make it easier for employees to talk about what, how and how long they are to spend on those duties, all geared towards meeting the goals set by the company and the employees themselves.

- ▷ The CMC process is conducted annually and in 2014, after its second year of development, 50% of the employees have been monitored through performance assessments. The company aims to have 100% of the Azucarera employees included in this assessment by the beginning of the 2015/2016 season, after receiving the appropriate training.

My Career

“My Career” is a programme designed to attract talent to the company, stimulate employees in a motivating, challenging environment to help them develop their maximum potential within Azucarera. The company provides the means and the candidates their effort and interest.

Within My Career there are different programmes, which were successfully developed in 2013/2014:

- ▷ The **Graduate Scheme and Talent Programme**, geared towards the recruitment of high potential candidates. Profiles are chosen with outstanding academic records to work in different areas of the organisation, with a view to acquiring a broad expertise and competence in a variety of disciplines..
- ▷ The **Apprentice and ILU Programmes**, for recruitment, training and the development of technical skills in order to perform factory operator and maintenance technician duties. This programme commenced in 2013/2014 with 18 apprentices.

Training schemes

The training schemes include in-person and distance (e-learning or correspondence) courses. New employees are assigned a mentor to support them and monitor their progress.

In 2013/2014 the company worked on the development of an internal training scheme, which will be applied as from 2014/2015. The aim of this scheme is to boost the knowledge and skills of Azucarera employees and enhance efficiency in its services.

ENTITIES WITH WHICH WE COLLABORATE

Business Schools	3 establishments	EAE Business School, EOI (School of Industrial Organisation) and AENOR
Foundations	5 establishments	FGULEM (Leon University and Business Foundation), Don Bosco Project Foundation, Burgos University Foundation, Salamanca University Foundation and Tomillo Foundation
Universities	6 establishments	University of Cadiz, University of Salamanca, University of Valladolid, University of Leon, University of the Basque Country and Universidad Francisco de Vitoria
Technological institutes, secondary schools and technical colleges	17 establishments	IES Miranda, Universidad Laboral de Zamora, IES Simón de Colonia, IES Salesianos de Cádiz, IES Río Duero (Zamora), IES Ramón y Cajal (Valladolid), IES León Felipe (Benavente), IES La Granja (Jerez), IES Fuentes Nuevas (Ponferrada), IES Fray Luis de León (Salamanca), IES Mendizabala (Vitoria), IES Manuel Lora Tamayo (Jerez), IES La Merced (Valladolid), CIFP (Leon), CIFP Juan Herra (Valladolid) and IES SAFA (El Puerto de Santamaría)

EVOLUTION OF BUDGET AND NUMBER OF PARTICIPANTS

Period	Investment in training	Participants
2010-2011	362.088 €	1.835
2011-2012	428.400 €	3.573
2012-2013	453.105 €	4.317
2013-2014	202.146 €	2.502

Professional Experience Programme (IEP)

► In 2013/2014 Azucarera laid the foundations with the authorities and technical colleges near our factories to embark on dual training schemes as from next year.

► Azucarera also has a “Professional Experience Programme” (IEP), developed to offer participants the opportunity to acquire international experience, thereby furthering their personal development and career opportunities.

The initiative is designed to increase and strengthen their working and international management expertise, through AB Sugar (the Group’s subsidiary in the UK), and help them to further their personal development and career opportunities.

The same programme offers employees the opportunity to participate in geographical mobility programmes. The group offers the vacancies best suited to each applicant, based on their profiles.

During 2014, four Azucarera employees were transferred to the United Kingdom, South Africa and China through the IEP. Moreover, three employees from AB Sugar worked at the Azucarera facilities in Spain during the year.



Chapter

6

Nutrition and consumers

“Prevention and education are recognised as the most effective ways of fighting the epidemic of obesity”
Dr Carmen Gómez Candela, Head of Nutrition Unit, La Paz Hospital, Madrid

NUTRITION AND CONSUMERS

Azucarera is aware of the importance of offering consumers safe, quality food and providing them with sufficient information to enable them to make responsible decisions based on scientific evidence regarding sugar.

Support for IEDAR (Institute of Documentary Studies on Sugar and Beet)

Azucarera continues to contribute to the Institute of Documentary Studies on Sugar and Beet (IEDAR), which it has supported since it was set up in 1986 at the initiative of the Spanish beet-sugar sector (www.iedar.es). The Institute monitors scientific evidence, which enables it to offer information and generate content of interest to its different target publics.

IEDAR considers it essential to support and inform on the work done by researchers on sugar, promoting new scientific initiatives and informing the public on their conclusions.

The healthy world of Thomas Sugar

The causes of obesity are complex and cover a large number of factors, particularly including eating and exercise habits, which are developed at an early age. Correct habits must be encouraged right from infancy in order to ensure healthy adults in the future.

Within this framework, prevention and education are recognised as the most effective ways to fight the epidemic of obesity.

With this vision, IEDAR has developed a recreational-educational initiative consisting of an on-line tool for 9 year olds, published by SM, leaders in educational publications in Spain. The contents were supervised by the IEDAR Scientific Committee, headed by Dr Gómez-Candela, head of the Nutrition Unit of La Paz Hospital in Madrid.

Under the title 'The healthy world of Thomas Sugar', children can learn while playing on their computers, tablets and smartphones on a platform that teaches them about nutrition and the world of sugar. The contents are educational, designed to encourage a balanced diet, exercise and healthy habits.



Find out more at http://www.iedar.es/Tomas_Sugar_Site/index.html



From left to right: Carmen Gómez Candela, Chief of Nutrition Hospital La Paz, Alipio Gutiérrez, President of ANIS, Angel Gil, President of FINUT (Latin American Nutrition Foundation), Isabel Vasserot, director of IEDAR.

Boost for sugar from agriculture

The Master Interprofessional Agreement 2015-2020 signed between Azucarera and the growers' organisations renew the support of the latter for sugar as a food. The document highlights the role played by *sugar in the diet* and its important value as a nutrient and natural ingredient with numerous technological functions in the food industry apart from contributing sweetness.

FIAB-ANIS-IEDAR Seminar "Sugar under debate"

Sugar is one of the most widely debated foods in the public opinion, in which the media have an important role providing end consumers with true, confirmed information.

In order to provide in-depth information on the peculiarities of this carbohydrate and make journalists aware of the importance of handling information with scientific rigor, in 2014 the Spanish Federation of Food and Drink Industries (FIAB), in collaboration with the National Association of Health

Reporters (ANIS) and backed by industry through IEDAR, organised a seminar with journalists to make them aware of the importance of what they put across to the public opinion on nutrition and, more specifically, on sugar.

Know about sugar

In an effort to help clarify the debate on sugar, a brochure was published in 2014 on the major issues most commonly related with sugar and nutrition. It is available on the company's website (http://azucarera.es/descubre_alimentacion.php) and at the company's offices and factories as informative publications for visits.

PAOS Code

In 2013 Azucarera signed the PAOS Code on self-regulation of advertising to children to secure responsible communication of food aimed at minors. Since then it has complied rigorously with this Code, as confirmed by the Monitoring Committee of *Autocontrol de la Publicidad* (Advertising Self-Regulatory Organisation) on 17 June 2014 after its annual monitoring.

Chapter

7

Commitment and relations with communities



“We promote the development of the communities in which we operate, helping to preserve the rural environment”

■ COMMITMENT AND RELATIONS WITH COMMUNITIES

Supporting the community is a key aspect in the Azucarera policies and actions. From this perspective and aware of the role of its business on a local level and in the area, the main lines of action taken over the past year consisted of:

- ▷ *Starting up the project “Azucarera Communities”, which aims to set up a permanent channel of communication with different interlocutors in the locations in which the company operates*
- ▷ *Providing food aid to the most needy through sugar donations*
- ▷ *Contributing to local projects related with the promotion of physical exercise and the values associated with sport and the encouragement of healthy lifestyles, especially projects for children and young people.*

Azucarera Communities

Concerns are expressed by and to communities through dialogue and listening. The ‘Azucarera Communities’ project was set up in 2013 with this aim in mind, creating a network of contacts with representatives of the local society.

Food aid and other donations

Sugar donations

The food aid provided by Azucarera consists of supplying sugar, a staple product in the household diet and one of those in greatest demand by families visiting soup kitchens or institutions which distribute food aid in the different geographical regions in which Azucarera is present.

During 2013/2014, Azucarera donated 33 tonnes of sugar, a large proportion of which went to the food banks (Barcelona, Zamora, Valladolid, Madrid and Seville), Cáritas (La Bañeza, Benavente, Miranda, Toro, Jerez and Montmeló), the Red Cross (Miranda), different religious organisations (the Sisters of the Poor in Vitoria, the Clarissan Sisters in Soria, the Carmelite Sisters in Valladolid, the Saint Vincent Paul Confederation, etc.), soup kitchens and NGOs (Madre Coraje, Alternativa en Marcha, etc.).

Another example of the local aid provided by Azucarera, also in the south, is its contribution to the

Hermanidad de la Coronación de Jerez, a historically and socially important institution in the city, which has been in existence for 400 years. To celebrate its anniversary, Azucarera sent 400 kg of sugar, which was distributed among 70 destitute families. The sugar was handed over at the Celebration to Commemorate the Anniversary of the Sisterhood, presided by the Mayoress of Jerez.

Solidarity by Azucarera employees

Azucarera, acting as a vehicle and channel of connection with different food banks and NGOs, offers its employees the possibility of voluntarily donating to the needy the sugar they receive regularly under their collective agreement. In 2013/2014 the food banks of Madrid, Barcelona and Zamora received around 2 tonnes of sugar thanks to the solidarity of Azucarera employees.

A sum of two thousand euros was also donated to Cáritas-La Bañeza at the request of employees who, in their commitment to society, preferred to make that donation instead of receiving the prizes obtained within the Continuous Improvement programme.

Other donations

Major donations were made during the period to the Madre Coraje Association, operating in Jerez de la Frontera and Madrid, which was supplied with computers from our offices, furniture, equipment and work clothes, which the Association sends to the needy in Peru.

Projects supporting the promotion of healthy lifestyles

Azucarera is aware of the importance of promoting physical exercise to prevent numerous chronic non-communicable diseases associated with sedentary lifestyles. Accordingly, it develops actions to promote physical activity.

In 2014 the company sponsored again the 'VII Hope Race', organised by the Spanish Cancer Association and held each spring in La Bañeza. This initiative, based on the promotion of healthy habits and sport, is intended to make people aware of cancer prevention and request the public health system to assign resources and budget to cancer research.

The 'I Bicycle Day in Toro' was held in June 2014, organised by the Toro Sports Department. Azucarera supported the initiative by supplying the provisions for the participants, almost 300 aged 6-60.



Visit by pupils from the Asta Regia Secondary School in Jerez



In keeping with the promotion of these habits, **Truvia** (the calorie-free natural sweetener obtained from stevia and marketed by Azucarera) sponsored several sports events:

- ▷ The Women's Race: eight races in eight cities (Madrid, Barcelona, Valencia, Seville, Malaga, Zaragoza, Vitoria and Gijon) to support breast cancer research;
- ▷ The Sportswoman Fair: a specific event to promote physical exercise among women, with a participation of 45,000 women;
- ▷ Sampling at gymnasiums and yoga centres: at 13 establishments in Madrid.

Azucarera has also set up an **internal promotion sports plan**, providing its employees with online tools and agreements to facilitate sport. Within the company's intranet, employees can use the section 'We count on you' [*Contamos contigo*], with numerous offers to sign up for Sports Camps, outdoor activities, sports schools, equipment for different sports, etc. The sports activities offered in the programme are available for both employees and their families.

Other social support and integration actions

The Azucarera factories are open for the residents in the villages or towns in which they are located and any other groups that may wish to visit. In the last two years these factories have received a large number of visits, for which specific programmes have been prepared, according to the profile of each group.

Numerous secondary school pupils have visited the Azucarera workplaces. The Guadalete factory in Jerez received the largest number of visits, promoted by the educational authorities and the town council. In total, some 400 pupils visited our facilities in 16 visits. Apart from an explanation of how the factory works, all these visits included training activities to promote healthy lifestyles and information on sugar as an ingredient/nutrient.

(1) El País, Friday, 23 January 2014
http://economia.elpais.com/economia/2014/01/23/empleo/1390510305_428280.html

(2) Cáritas: Study "Exclusion and social development: analysis and prospects 2012"
http://www.caritas.es/publicaciones_compra.aspx?Id=4314&



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