



SanLucar Corporate Responsibility Report 2011/2012

Diversity: our basis for a long-term stability

Nature is our most important partner, this is clear as daylight to everyone in SanLucar. Fruits and vegetables are natural products, cultivated by man and for man, therefore, the respect and commitment towards the human being and nature are the foundations for SanLucar, stamped in our philosophy and in the brand SanLucar.

A careful and responsible use of resources is something natural for us, as it is developing innovative packages and cultivating our products with respect for the environment and, moreover, participating in social projects in our countries of production.

At SanLucar, we want to be part of the solution and seek an active exchange with our employees, producers, partners and consumers, our stakeholders. We also include external experts and networks who work with sustainability and corporate responsibility, as it is internationally known. Thus, we made several interviews with our stakeholders about several issues, to have first-hand knowledge about what does corporate responsibility mean to them and how they apply it in their day by day.

With this report, we want to prove that corporate responsibility is lived within SanLucar and that we can compete with the best in this aspect.

We carried out a detailed study from July to September 2010 to find out which expectations our stakeholders have, what is the most important for our employees and consumers, and how and where we have an influence, directly or indirectly, on our environment and our community. With the results, we had a meeting with a group of experts at the beginning of 2012 to study and define our strategy, objectives and future activities concerning corporate responsibility.

We dedicated one chapter of this report to each stakeholder, where we explain how we strive together to achieve a fairer and more responsible society and the conservation of a healthy environment. The following subjects are included: diversity and cultural equality; the programme of international volunteering; cultivation in harmony with the environment, using auxiliary fauna; packaging innovations, like our patented Light Weight Box®; and the importance of a fair and long-term relation with our partners.

While you are reading this report, we continue to strive to reach our goals, and comply worldwide with our responsibilities at SanLucar.

Foreword from Stephan Rötzer

1 We are SanLucar

12 1.1 The brand SanLucar

12 1.2 The world SanLucar

14 1.3 With future vision

16 1.4 The structure of SanLucar

2 The Corporate Responsibility at SanLucar

20 2.1 The team of Corporate Responsibility (CR)

21 2.2 Taste in harmony with man and nature

23 2.3 The model "from inside to outside"

24 2.4 SanLucar moves!

25 We chat with Peter Kromminga, CEO of the UPJ

28 2.5 Risk Management

3 Growing together

30 3.1 What is sociocultural balance?

31 3.2 Training and development

32 3.3 Our policies of equality and diversity

34 3.4 Road safety and sustainable mobility

34 3.5 Internal communication and surveys about work climate

35 3.6 Our management system SA8000

4 Only the best growers

38 The Llusar brothers talk about their great passion

40 The secret of the Giulianos'

44 4.1 Growing confidence

45 4.2 The price of responsibility

46 4.3 The dialogue with our producers

47 We chat with José "Pepe" Saorín, Quality Technician at SanLucar

49 4.4 Our German growers perfectly complement our yearly product offer

5 Commitment to our community

52 5.1 SanLucar gets involved!

53 5.1.1 Merry Christmas to all

54 5.1.2 Commitment of SanLucar to a healthy lifestyle and sports

54 5.1.3 Commitment of SanLucar to the development of childhood and youth

54 5.1.4 Social Shops

55 5.2 Our programme of corporate volunteering

55 5.2.1 Voluntary work for the society of Valencia with ENGAGE Valencia

56 We chat with Fundar Vicepresident Juan Ángel Poyatos

59 5.2.2 Our international volunteering

60 We chat with Alan Bojanic, representative of the FAO in Chile

63 5.3 The social development at SanLucar International

64 We chat with Santiago Galán, CEO of SanLucar International

6 Our customers and consumers – our best guarantee

70 Edeka Südwest and SanLucar

71 REWE about sustainability, we chat with Tanja Dietrich-Hübner (REWE Austria)

73 6.1 Social innovation in packaging

73 6.2 Transparent quality

74 6.3 The dialogue with our customers and consumers

75 6.4 Fresh communication

76 6.4.1 The SanLucar online community

77 6.4.2 Our educational trips – bringing the farm closer to the supermarket

■ 7 Nature – our most valuable partner

80 7.1 In harmony with nature

84 We chat with Carmen Nicolás, Director of Quality and Production at SanLucar



86 7.2 Protection of the atmosphere

86 7.3 Innovative packaging

86 7.3.1 Lighter and more environmentally friendly packaging

made out of corrugated card board

87 7.3.2 Program on reduction of the use of plastics in our primary packaging

88 7.4 Green Office

■ 8 Appendix

92 GRI Table

113 Communication on Progress Report (CoP)

115 Corporate data

120 Contacts

121 Certifications

122 Glossary



A brief introduction to our CEO, Stephan Rötzer

The son of a fruit and vegetable vendor from Munich, Stephan Rötzer learned from his father how to select the freshest, tastiest and healthiest fruits. He started his working life as food vendor, then he worked as fork-lift operator, purchaser and as a manager of a citrus fruit warehouse. Stephan Rötzer speaks five languages. He uses the experience of fruits and vegetables he gained throughout the years and applies it to a business philosophy of global and international vision.

Foreword from Stephan Rötzer

Dear reader,

When I started with SanLucar, nearly 20 years ago, I could not imagine we would be where we are right now. More than 1,300 people in 30 countries make it possible for the consumer to enjoy the best and tastiest fruits and vegetables every day. These people have passion, and this is something you notice in each bite. However our world changes very quickly, and we are facing huge challenges: our population is aging; the planet is suffering; there is lack of food and potable water for everyone; younger generations are not interested in agriculture and are unmotivated towards their future; the poverty rate is increasing day by day... We cannot just sit around doing nothing, we must act!

At SanLucar we have grown without losing sight of the future we would like to have for our company, our partners and our society. Therefore, we commit ourselves and daily work together for this future. All of us believe that the quality and exceptional taste of our fruits and vegetables can only be achieved if we cultivate and act in harmony with man and nature.

These are not just simple words, the SanLucar philosophy is felt, shared and lived every day. More than 2,000 hours that our employees of Puzol spent in voluntary tasks, sometimes even during their free time, are a proof of it. They helped people living in poverty or excluded from society.

The farm we bought in Rooihogte, South Africa, is a step towards this future we foresee at SanLucar. People of 19 nationalities and several other cultures, languages and dialects make up what we know nowadays as SanLucar. Because of this, we strive for their development and work for equality of opportunities. This is a very important challenge in a country like South Africa, with such historical differences. We are spending time, money and effort on the most modern facilities, the best working conditions and social development, sooner than planting our first clementine.

There is still much to be done, daily we have to consider which is the best way to grow and produce, and prove that we are on the right track.

This report is a summary of everything we have commenced in 2011 and 2012 and, for the first time, we include a table of indicators according to the GRI (Global Reporting Initiative), besides our progress indicators respecting the ten principles of the Global Compact we signed in 2011. I hope that through reading this you come to know our world more closely, know who we are, what is behind our taste and what makes our products so special.

Stephan Rötzer





SanLucar products

1. We are SanLucar

- The brand SanLucar
- The world SanLucar
- With future vision
- The structure of SanLucar



SanLucar represents the best fruits and vegetables; it represents quality and passion for the best taste. People from all over the world work hard, day by day, to reach this aim, they fight for it and contribute in many different ways. These people are, among others, our growers, harvesters, packers, hauliers, and obviously, our colleagues in the corporate headquarters. Without them, SanLucar would not be SanLucar.

1.1 The brand SanLucar

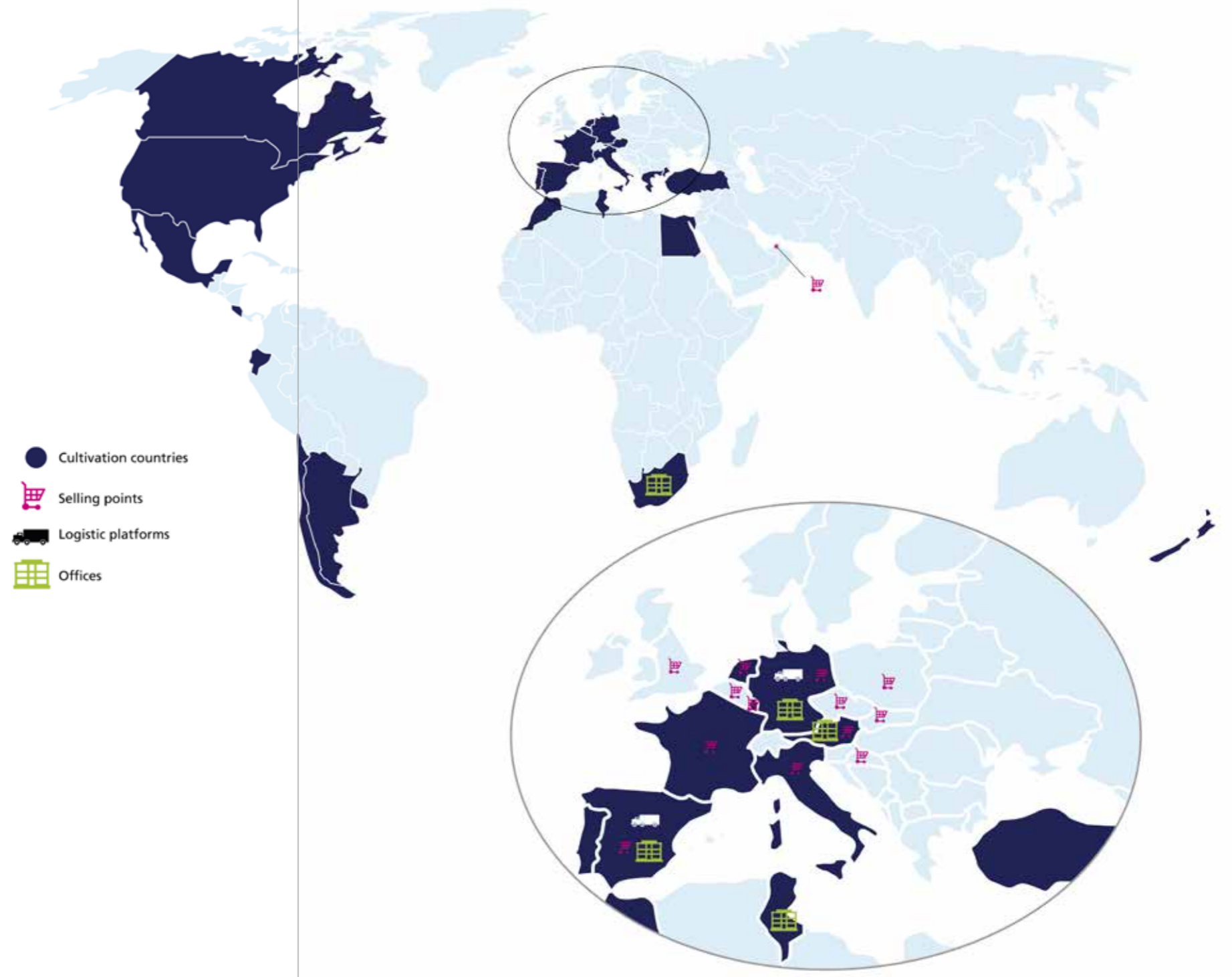
To be able to understand the brand SanLucar, we have to know its philosophy: "the taste is the most important, always in harmony with man and nature". SanLucar works worldwide with growers in more than 30 countries, who combine years of experience and traditional cultivation methods with the most modern methods and agricultural knowledge. The quality team of SanLucar supports them on site. We keep a close eye on our fruits, from the careful selection of the field and the planting of varieties, until the harvest at the perfect moment and the attentive transport to our clients in Germany and Austria. There we offer guidance through our presence when the fruit and vegetable offers is confusing. This is something that distinguishes us and our customers appreciate this every day. Anyone who chooses SanLucar fruits knows that the best taste, in harmony with man and nature, lies within.

1.2 The world SanLucar

SanLucar offers more than 100 varieties of fruits and vegetables, with the highest quality and the best taste. Our products come from more than 30 different countries and are sold in fourteen. Our main markets are Germany and Austria.

Thanks to the selection and constant quality controls of our experts all over the world, we can guarantee the highest quality of all our products.

Moreover, we use the most advanced techniques, as is happening at our logistics centre in Ettlingen, from where we distribute our products for the whole German market.



Where we produce, where we sell and where our other corporate sites are.

1.3 With future vision



At SanLucar we have a vision: offering our customers fruits and vegetables of the highest quality and the best taste, during twelve months of the year. This vision includes the necessary development of our international presence in the five continents. We grow thanks to the alliances with the best local producers, who can guarantee to us, and our customers a premium product, in addition to sustainable cultivation in all senses, that is, cultivation methods that allows us to optimize resources, a fair salary for all and a firm commitment with the local community. This vision is also a clear commitment with our customers, and to meet this commitment, SanLucar has developed a business plan for the next ten years, with the introduction of the production in several countries and, thus, covering all production seasons.

Within this entire process and expansion plan, we never forget our vision and values; they are our lighthouse and our radar. This does not mean that we are able to start applying our policy as soon as we arrive to the “new land”. This is a continuous process, full of challenges, but with a clear aim: grow in harmony with man and nature.

Our “flagship” in Tunisia

We are especially proud of our new “oasis” in Tunisia. For the last four years we have been growing tomatoes of the highest quality and taste.

The selection of the land is always the first important decision. SanLucar selects areas and lands with a special microclimate that allows us to reduce the consumption of natural resources. For example, the climate in Tunisia advantageous to production methods with nil chemical pesticide control since the little precipitations contributes to the low amount of incidents of plant diseases.

Along the same theme, we invested in the continuous improvement of our greenhouse facilities, such as our drainage water recycling system, and the heating system through recirculation of water, using the geothermic energy our oasis offers us. All this, joint to the daily effort of our local experts all over the world to understand the necessities of the plants, allows us to take the maximum advantage of the climatic conditions and the land of each geographic area, and thus get the best of the plant at each moment.

At SanLucar, we do not only invest in technology. Our most important investment, and the one we are most proud of, is in the people. Over the last four years, we invested in Tunisia in education, development, in the best working conditions, recreational facilities, social benefits, safety and work health, and of course, in rewarding effort and commitment. Our Tunisian colleagues receive a salary 30 percent higher than the local average, and all of them have doubled their salary over the last four years as an expression of their loyalty, implication, commitment and performance.

Our oasis is not an island. It is not enough to only understand our employees, we have to talk to local communities and their leaders, to understand their needs and find out how SanLucar can help.

Thus, the continuous investment in people, in the environment and in R&D has made possible that today, four years later, we are talking about a reality in Tunisia of being able to overcome challenges even the sociopolitical environment has posed in recent times.

We passed with good marks! This same growth model is the one we want to apply everywhere SanLucar is producing today and tomorrow, and keep on improving it.

In March 2012 we started a new adventure in South Africa, our second “flagship”. Our farm Rooihogte, which means “red land” in Afrikaans, has an area of 608 ha and extraordinary farming qualities. There, our colleagues from SanLucar International work restlessly together with a local team, preparing the land for the new plantations, developing the future plantations schemes (varieties, products, cultivation lines), designing irrigation facilities according to SanLucar standards, creating plots and reservoirs, planning campaigns, etc. All this is to offer our customers the tastiest citrus fruits, grapes and stone fruits, among others, for the campaign 2011/2012.

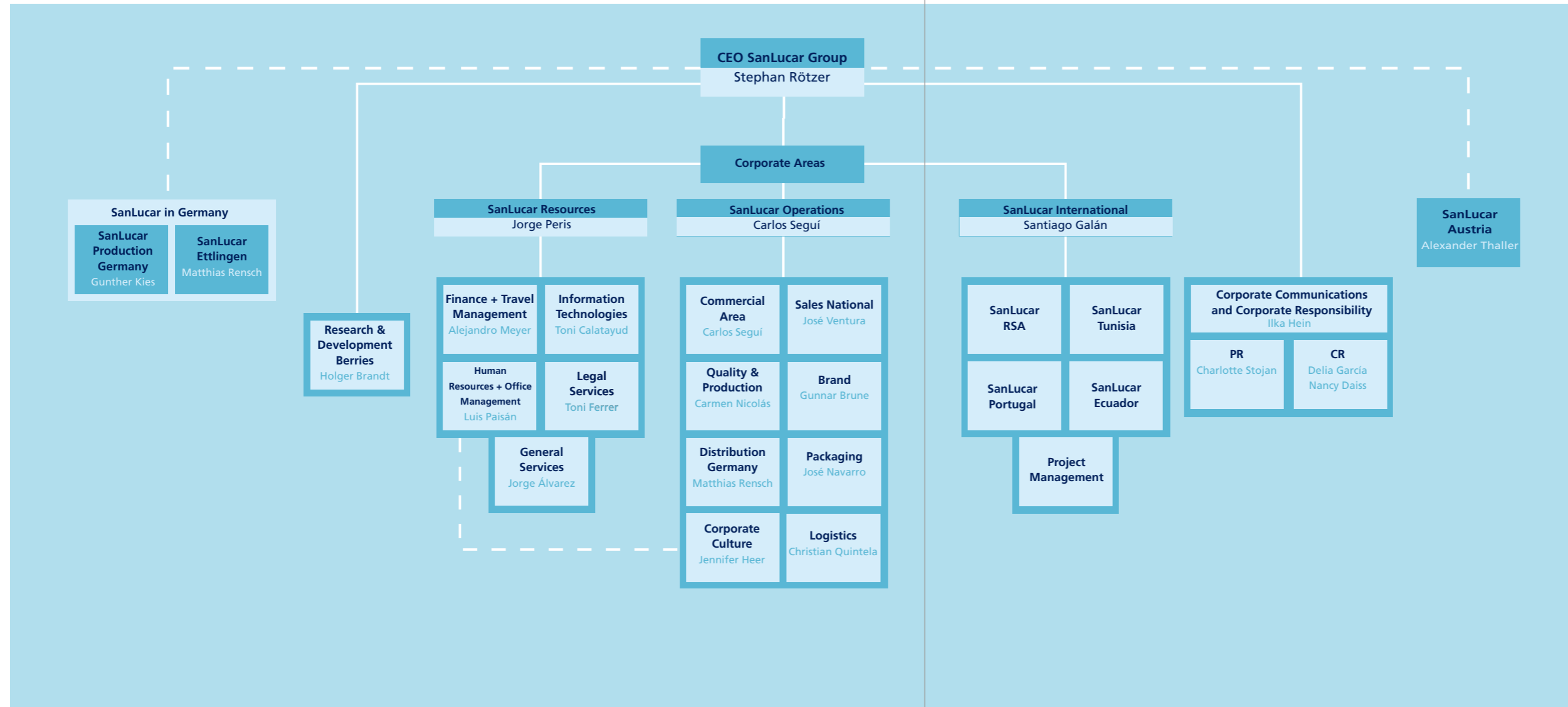
Our commitment

We want to continue advancing towards the future we desire for SanLucar, something we do every day, working with a great human resource team and a vocation: with passion for the best fruits and vegetables.

Our future vision 2020				
Area	Hectare	Tons	Employees	Products
Tunisia	4,000	100,000	20,000	tomatoes, stone fruits, citrus fruits, berries, melons and watermelons, lettuce, peppers, aubergines, courgettes
South Africa	3,000	65,000	8,000	stone fruits, citrus fruits, berries, grapes
Chile/Peru	1,500	50,000	5,000	citrus fruits, berries, stone fruits
Ecuador/Costa Rica	700	2,000	1,000	pineapples, bananas, grapes
Asia	300	1,000	1,800	citrus fruits, berries, stone fruits

1.4 The structure of SanLucar

The SanLucar headquarters in Puzol is organized by areas, direction and departments. All our subsidiaries have their own administration, human resources and sales departments, always coordinated with the team in Puzol.



SanLucar Group chart



Our producer Ulrich Gößl, the best apples of the Styria Region, in Austria

2. The Corporate Responsibility at SanLucar



- The team of Corporate Responsibility (CR)
- Taste in harmony with man and nature: shared values, lived philosophy
- The model “from inside to outside”
- SanLucar moves!
- Risk Management

The corporate responsibility and sustainability are part of our company's philosophy and are reflected in our policy, our values, our communication and our day-to-day.

2.1 The team of Corporate Responsibility (CR)

The CR team is made up of professionals from several branches. This makes it possible to consider social responsibility and sustainability at SanLucar from several points of view (see contacts in Appendix 4). They support the SanLucar team in the development of the CR programme, but they are not alone. The whole SanLucar team is part of the CR team; as we work with the same aim and share our vision of the future.

Ilka Hein, Corporate Communication, PR and CR from Germany

Ilka is an expert in Marketing, Corporate Communication, Public Relations and Corporate Responsibility, besides being a professional coach. She gives advice from Germany in the fields of which she is an expert. She is our link to the press and she knows how SanLucar works perfectly, our industry and our markets, and how to transmit our philosophy, our values and our future plans to our stakeholders. Moreover, Ilka is the head of CR in Germany, where she and our colleagues in Ettlingen have developed activities in collaboration with local entities, NGOs and all our other stakeholders.

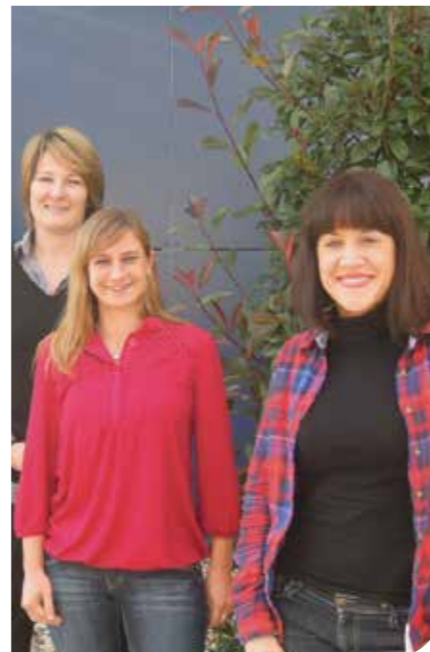
Delia García, manages our programmes for sustainable and sociocultural development from Puzol

Delia studied Environmental Sciences and has a Master in Environmental Engineering and Management and also a Master in Corporate Responsibility and Communication Processes within the company. She is a specialist in responsible management and sustainable development. She is in charge of coordinating and managing projects from Puzol, as well as facilitating internal work groups for a responsible management within SanLucar and for the communication with stakeholders.

She is responsible for the project of social development in South Africa and the corporate volunteering programme. She is member of the team for the measurement and reduction of the carbon footprint, of the committee of equality and diversity and of the committee of sustainable mobility.

Nancy Daiss, manages agroecological and regional development from Puzol

Nancy Daiss is an agronomic engineer and has a Master of Business Administration. Currently, she is finishing her Master of Agroecology. She began working at SanLucar in 2007 and since 2011 she has been a part of the CR team, contributing her knowledge to sustainable production and projects for social development. She is member of the committee for health & safety of SanLucar and of the Green Office team.



The CR team

CR is everywhere: our ambassadors

SanLucar is an international company and we need our colleagues all over the world to help us to be globally responsible. Ambassadors like Petra Kreinecker in Austria, Andrea Ceballos, Dali Chabchoub and Bochra Jourani in Tunisia, Marius Merwe and Patricia Ciscar in South Africa, Fernando Piza in Ecuador and Costa Rica or Nicolás Aguilera in Chile. All of them are our eyes, ears and hands on the field. Without them, CR in SanLucar would not be possible!



The tasks of the CR team are:

- identifying social development opportunities and for the protection of the environment in our activities and our communities;
- gathering information about social responsibility from several forums, national and international, to be updated about trends and the most innovative progresses, and be able to apply them as far as possible;
- talking to the departments and promoting the creation of work groups for the development of corporate concepts and the application of sustainability;
- supporting all departments in the development of projects, to help them accomplish their objectives regarding CR and sustainability;
- promote the dialogue with all stakeholders mentioned in this report (employees, growers, customers, consumers, NGOs, public administration, etc.), to identify collaboration opportunities and for constant improvement;
- monitoring of the advancement of CR objectives and coordinating the annual report.

2.2 Taste in harmony with man and nature: shared values, lived philosophy

At SanLucar we believe all our acts count. Not only we, but also our partners, know which are our values and commitments, and how we try to apply them in our daily work and our decisions. Therefore, in 2011, we translated our Code of Ethics into six languages and published it on our web page <http://www.sanlucar.com/company/corporate-responsibility/> and the Web portal.

We know that we can keep on improving, therefore, SanLucar made a step forward and created the new department of corporate culture management in 2012. Its mission is transmitting the SanLucar philosophy to our colleagues, customers and growers, and assists in ensuring that it is understood even better, through educational journeys, courses or coaching sessions.

Moreover, three Spanish Paralympics Games athletes came to visit our facilities in Puzol on the 26th of April 2012. The disabled sportsmen David Casinos, Ricardo Ten and Óscar Ponce taught us that with effort, passion, team work, excellence, quality, initiative and motivation everything is possible. They told us about their personal experiences and showed us how they work with these values everyday to reach their goals.

All these performances are part of the plan for the development of people, to widen the values of SanLucar and make them real so that we all feel and live them in our day-to-day, to share and transmit them appropriately.

In this sense, our team of quality technicians transmits to our growers the concept of sustainable production, besides working with them side by side to achieve the objectives of each campaign. This collaboration is possible thanks to our production partners who express their great willingness to cooperate and the desire to improve themselves.

What are these commitments? SanLucar has a Code of Ethics, mainly based upon the principles of the international norm SA8000, a standard that SanLucar has had since 2010. SanLucar has also been certified since 2011 in the principles of the Global Compact of the United Nations. Our Code of Ethics is given to all our stakeholders as a summary of the commitments SanLucar acquires, together with partners and colleagues, and what the foundation is for taking decisions. Thus, we are able to speak about the SanLucar quality, the quality that is lived throughout the whole chain of values and which is sustainable.

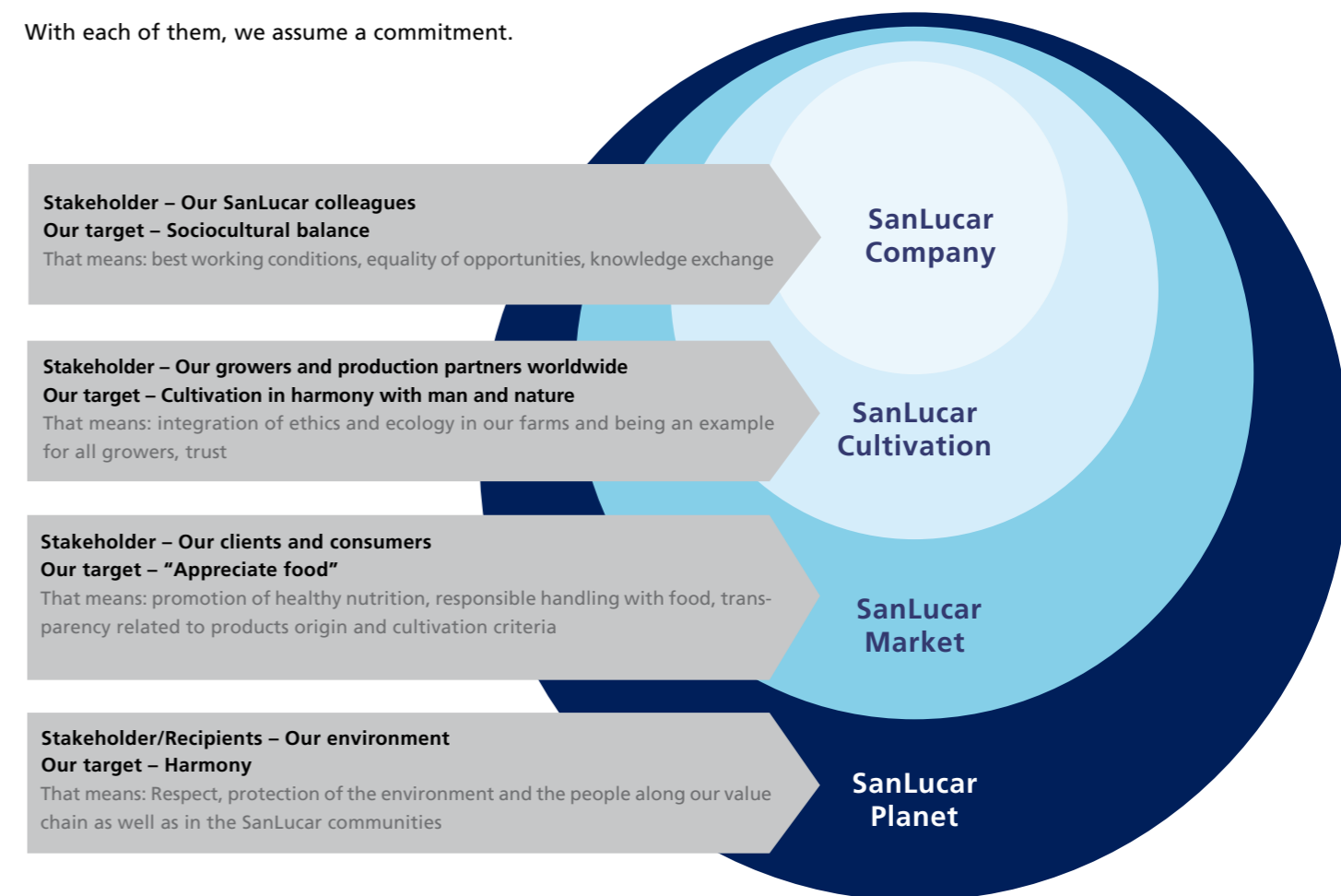
Our values	... and the day-to-day
1. Collaboration and cooperation with our partners to move towards excellence.	<ul style="list-style-type: none"> • People are at the center of everything we do. Do not consider only the grower, the product or the client, but also consider the person.
2. Active listening of our stakeholders for a better understanding of their needs.	<ul style="list-style-type: none"> • Always work with foresight – you will thereby avoid problems and you will not need to solve them.
3. Ethics and responsible management: Business Fair-Play.	<ul style="list-style-type: none"> • Search for criticism and help others become better than you.
4. Honesty and transparency.	<ul style="list-style-type: none"> • Do not accept intermediate solutions.
5. Quality: We take care down to the smallest detail throughout the entire process; pre-planting, planting, growing, harvesting, distribution and marketing.	<ul style="list-style-type: none"> • Take on responsibilities and never put your personal interests before the group's success.
6. Sustainability: Respect and protection for the environment and people, regardless of their condition or circumstances.	<ul style="list-style-type: none"> • Work only in a way that makes you happy. By doing so you create success for the company and for our collaborators.
7. Innovation for us means sustainable development and continuous learning.	<ul style="list-style-type: none"> • Work only with collaborators that have the same values.
8. Better anticipation than correction.	
9. The freshest, most natural and tastiest fruit and vegetables guaranteed throughout the year.	
10. We will share SanLucar's values with our collaborators and will pass them on to all our stakeholders.	

2.3 The model "from inside to outside"

Our CR model goes from the inside to the outside. It is based on a strategy of collaboration with all our stakeholders, who are our core points and members of the SanLucar family. Our activities are therefore for:

- our colleagues, employees of SanLucar;
- our growers and our production partners;
- our distribution partners, customers and consumers;
- our social environment and nature.

With each of them, we assume a commitment.

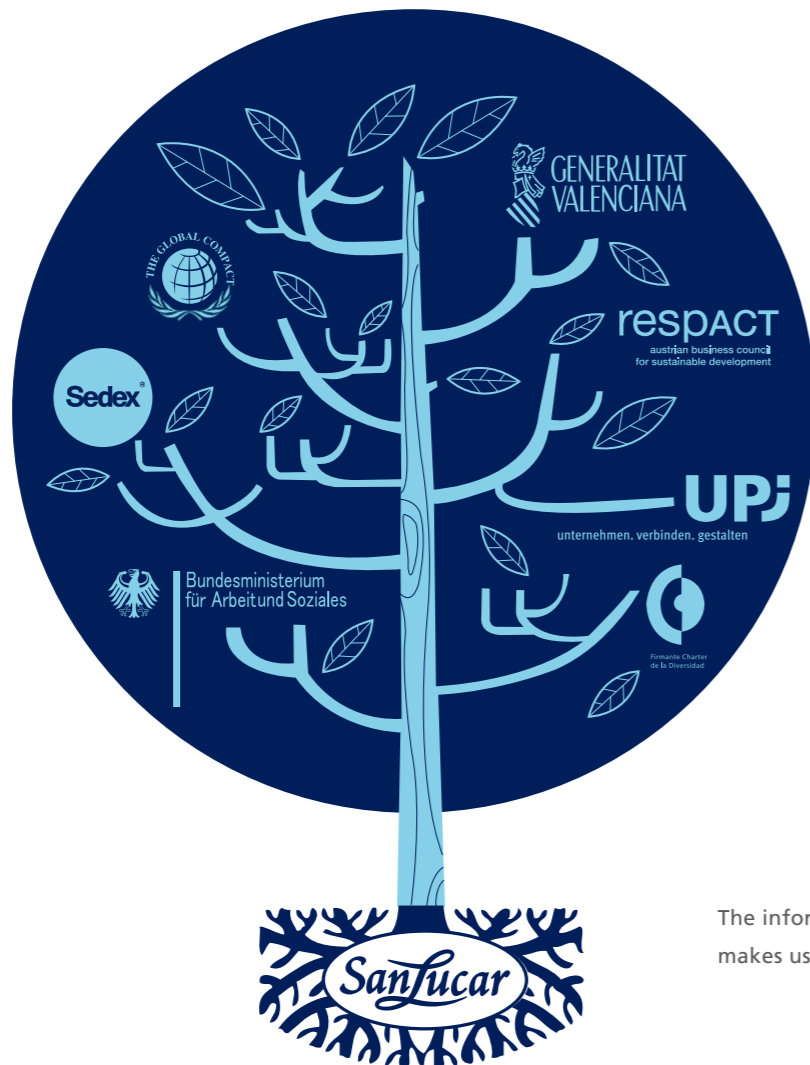


Our CR model:
"from inside to outside"

2.4 SanLucar moves!

We speak constantly with experts about new possibilities to live sustainability in our company, to gain a better knowledge about the best practices. Moreover, these conversations are very inspiring and a critical analysis of our own performances. An active exchange with networks and our stakeholders gives us the opportunity to identify problems in advance and react quickly. This means:

- **Support of responsibilities** – We support the principles of the Global Compact and the Charter of Diversity, since we believe in a fair society and a more sustainable world. Our activities are guided by these principles.
- **Networking** – We are members of the UPJ Network in Germany and the respACT in Austria. Both are networks of corporate citizenship and social responsibility of compromised companies and intermediate charitable organizations (NGOs, international organizations). The exchange with our companies allows us to check if we are on the right path.
- **Transparency** – We publish our activities in the SEDEX (the Supplier Ethical Data Exchange).
- **Performances on site** – Since 2011 we have supported the programme ENGAGE Valencia, and participated in many solidarity projects in Spain, Germany, Austria and in our countries of production worldwide.



The information exchange makes us grow healthy every day

We chat with Peter Kromminga

Peter Kromminga is the director of UPJ, the German CSR and Corporate Citizenship network. Since we have collaborated a lot with them, we were interested in talking to him about the several aspects of corporate responsibility and knowing his point of view.

Mr. Kromminga, what was the reason for the foundation of UPJ? Which needs were not satisfied?

The mission of UPJ is moving CSR forward in Germany. We see CSR as the specific contribution companies make for a sustainable development, something that can be reached through responsible actions throughout the whole chain of values and the society, collaborating with figures of the civil society, policy and administration. Thus, corporate innovations can be created and the society can grow towards the future.

What additional value does UPJ contribute to entrepreneurs?

Companies receive practical support, with information, exchange with people in charge of CSR, projects and advice. This is the additional value received by the collaboration with UPJ.

SanLucar has been part of UPJ for more than a year and a half. How do you see the progress of SanLucar during this time?

SanLucar lives its corporate values, something that can be felt when you have dealings with the company. You also feel a growing sense of professionalism. This is not that obvious for a medium-size company. SanLucar carries out the CR systematically, using a huge amount of personnel and financial resources. Values turn into a strategy.

A network of companies is an excellent platform for the exchange of experiences and to be able to investigate our own strategies. Moreover, we know cases of success, can strengthen own aspects and learn from conflicts of other enterprises. How do you think SanLucar has contributed and helped other companies with its experience?

In the UPJ network, collaborate small, medium-sized and very big companies. The common opinion is that small and medium-sized companies learn from the big ones, but this is



different at SanLucar. They have been able to contribute with their experience in many different ways, as well as the way they manage CR, how to put CR into practice, or their knowledge about the supply chain, and thus, create advantages for the members in their job and the exchange in the network. Moreover, SanLucar is a good example of how CR should be practiced, representing UPJ in the media or in events, as the International CSR-Conference, organized by the German Ministry of Employment, that took place last year in Berlin.

Let's take a look towards the future... The concept of corporate responsibility emerged in the 90's, and since then it has evolved and gained more importance. What do you think is essential to not fall behind in this constant and fast evolution?

I am sure that CSR will continue with a very dynamic development, because of the globalization and its consequences, but especially because of the financial and economic crisis we are currently going through, which results in enterprises that are under intensified for surveillance and pressure by the society, NGOs and politicians. It is therefore logical to seek support through dialogues with stakeholders and their management. This would be the best requisite to not get lost during the

progress, and be able to draw the appropriate conclusions and necessary measures for the CR strategies.

Which could be the most important future challenges concerning corporate responsibility, especially in the fruit and vegetable sector?

I am thinking about three challenges: the first, the supply chain. Transparency and proactive information of and for consumers about the origin of products and their cultivation conditions is becoming more and more important. Simply consider the TV programme "Markencheck" (Brandcheck), of the "Erstes Deutsches Fernsehen" (German First Channel), broadcasted in prime time. Secondly, related to the transparency: how important the carbon footprint of products is, and how can we reduce it? And finally, due to the strong ecological tendency in Germany, the issue "fair produced and treated products" will gain more importance, as it is happening already in Great Britain and the Netherlands.

There are companies which introduce a CR policy purely because of image reasons, without truly believing in its values. Others take profit of social responsibility as a strategic resource. Do you think that companies have really exhausted all available resources, or is there still potential?

Using CR as an advertising strategy, the so-called Green-Washing, is not that frequent anymore, at least this is my impression. Nowadays it would be too easy to reveal and be counterproductive, since our society is much more critical. The contrary happens: companies are taking CR more and more seriously. Those who have already started still have a long way to go until reaching a CR potential that contributes to the success of the company, or even integrating CR into the business model.

"TRANSPARENCY AND PROACTIVE INFORMATION OF AND FOR CONSUMERS (...) IS BECOMING MORE AND MORE IMPORTANT."

Let us talk about political conditions. Do you think that companies receive enough support from the government for the introduction of CR activities? What is your opinion on the new European CSR strategies?

I do think that government and public administrations offer opportunities. Small and medium-sized companies especially need help, because they sometimes do not have the time or resources to undertake CSR systematically and integrate it into the policies of the company. The European Commission recognized this necessity soon enough and established appropriate programmes. Most of the EU member states follow these. It is worth pointing out that the German government's CSR programme that promotes CSR in SMEs is a very important project.

I am very happy with the approach the European Commission gave to the CSR reports, since they consider CSR as constituent task, where responsibility, sustainability and solidarity have the same importance as the competitiveness of companies in the European Economic Area. In Germany terms like "Shared Value" or "Social Innovation" get lost because of the discussion about the announced duty of disclosure for some companies. From what I think, this would not be a true challenge for most of the affected companies.

You already know our different CR activities very well. Which projects do you think are the most interesting and suit our other business activities best?

In the first place, I would like to mention the activities that are being carried out in SanLucar which are very successful and very evident, like trickle irrigation, for other companies they would be "flagship projects", and absolutely not obvious. Moreover, I think it is admirable how you strive to boost innovations for the local communities in the countries where you have production.

An example would be the promotion of equal opportunities in Tunisia, through different qualification measures in the industry of cultivation, especially of tomatoes. This commitment does not only help SanLucar to find qualified people, but also the employees to progress and evolve in their job. SanLucar does not only worry about its employees, but also about their families, offering educational grants, for example.

"SANLUCAR DOES NOT ONLY WORRY ABOUT ITS EMPLOYEES, BUT ALSO ABOUT THEIR FAMILIES."

The production of fruit and vegetables has its peculiarities; you have to always be prepared for any crisis. Which are the top three topics that come to your mind?

In first place, the compliance with human rights, and how a company can carry out its production responsibly in countries where the political situation is unstable. Another point would be, especially in the food industry, the food safety. There is no company that can rule out to 100 percent that no accidents ever happened. This is proven with what is happening right now in Germany, where dioxin was found in organic eggs. Even if a company tries to do everything possible to minimize these types of risk, it should be prepared for any unforeseen event, precisely because consumers and the media are more and more critical. Finally, I would like to point out the provision of people with food. Especially enterprises in the food sector should develop business projects for people "at the base of the pyramid". An intensive exchange will be necessary, with development companies, with societies of affected countries and with other companies, for developed approaches which are useful for both sides: the people and the company.

SanLucar publishes each year a CR report. Why do you think such a report about sustainability is important?

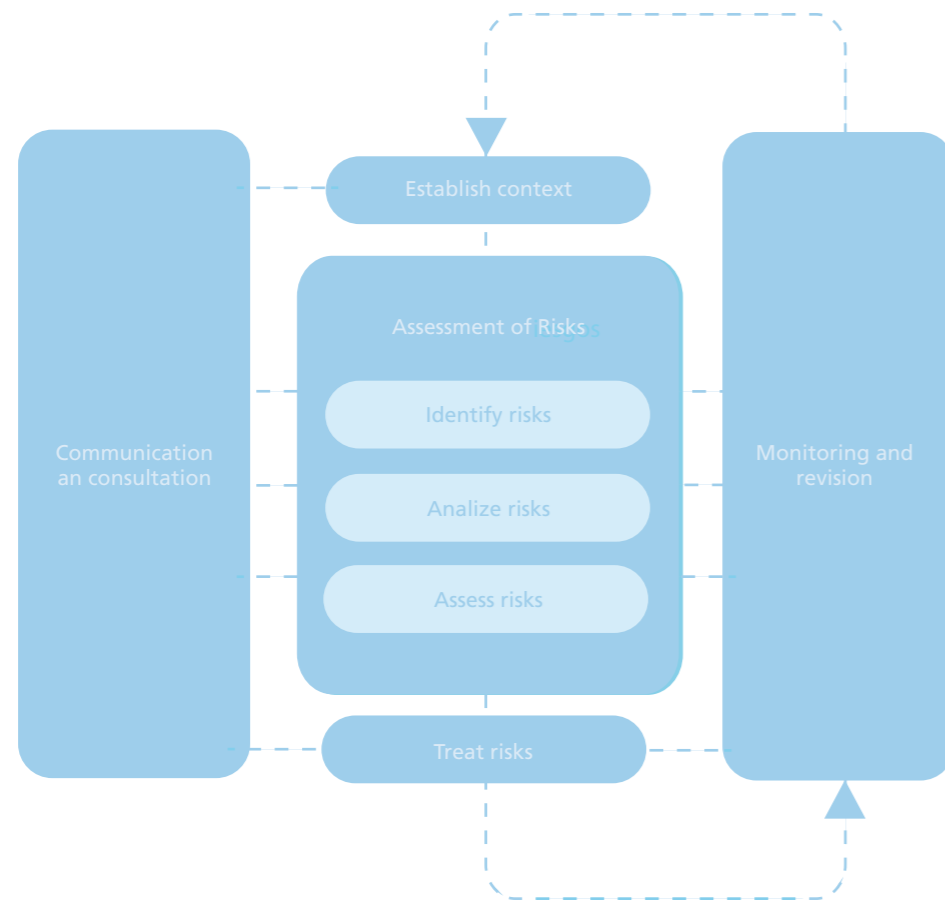
A CR report is important and almost essential for a lot of companies, since it provides transparency for external stakeholders. Besides a printed yearly report, other Internet communication channels are more important, like Blogs and social networks, since they offer current information on the one hand, and on the other hand, they make dialogue possible, something a report is not able to do because of

format reasons. SanLucar carries this out offensively and very successfully. Anyhow, in my opinion the impact it has internally is as important. During the writing of a report, a reminder is made of everything that happened regarding sustainability and responsibility. This would be the first essential step for the establishment of priorities and to be able to develop an appropriate strategy. Besides, employees are included, since they provide the necessary information for the report. The participation and collaboration of employees is, as I believe, the most important for a CR strategy to be successful, and therefore for its launching within a company.



2.5 Risk Management

It has always been important for us to analyze our business model and the way we grow, market and produce. In 2011 we went a step forward and created our Risk Management System, based on quality standards (ISO 9001, IFS, QS) and on international norms for the management of risks and crisis (ISO 31000).



Process of Risk Management

Now, SanLucar has a detailed risk plan, which includes preventive performances, a reaction plan and a 24-hours crisis committee, as well as guidelines and specific communication channels.

For the campaign 2012/2013, risks will be assessed economically and in accordance with their impact, and the system will be introduced completely. Each detected risk is an opportunity as well, analyzed by our experts. Thus we can optimize our working methods, prevent crisis and avoid negative effects.



Our technicians in Tunisia

3. Growing together



- What is sociocultural balance?
- Training and development
- Our policies of equality and diversity
- Road safety and sustainable mobility
- Internal communication and surveys about work climate
- Our management system SA8000

Our colleagues are important to us and we care about them, because without their help our activity would not be possible. We all share the same values and show each day our commitment to SanLucar, but also to our community, the society and the environment. In this sense, the SanLucans:

- understand that they make up a work team and an even bigger team: SanLucar;
- spent more than 2,000 hours in volunteering activities;
- participate in many charity events, as during Christmas (“Gifts for everyone”);
- collaborate to make projects possible that SanLucar promotes, like the Green Office;
- are the eyes of SanLucar all over the world thanks to the network of CR ambassadors.

Nearly 150 people come every day to Puzol, where our headquarters are, approximately 20 km north of Valencia, and surrounded by citrus fruit trees. Here, in a dynamic and multicultural environment, we create new varieties and packaging to surprise our consumers, plan new campaigns, manage logistics and take care that our quality standards are being fulfilled.

But this is only a small part of SanLucar. To this family we have to add 1,150 more workers who are distributed and represent us in Germany, Austria, France, Portugal, Tunisia, South Africa, Chile, Ecuador and Costa Rica. We are more than 1,300 workers with a common goal: offering the freshest and tastiest fruit and vegetables, in harmony with man and nature.

3.1 What is sociocultural balance?

At SanLucar we value the importance of the work and attitude each one of us has, and how this affects life and the results of each team member and our company. We therefore support initiative and commitment, invest in professional development, provide a safe and healthy work environment, guarantee equal opportunities for everyone and promote diversity.

Our ambition is that we all have access to the same opportunities, without taking into account gender, race, beliefs, origin or conditions. Cultural and professional diversity is supported with exchange and development programmes, like our corporate volunteering programme.

3.2 Training and development

At SanLucar, we support the abilities of our people to reach high levels of motivation and performance. Each employee shall use his whole potential. Good trained employees, with great knowledge, skills and competences are part of our policy. They are perfectly prepared to assume responsibilities and face challenges proactively.

The internal transmission of know-how is something obvious at SanLucar. Colleagues with a wide range of knowledge give internal courses about certain subjects. This way we promote communication skills as well. During the campaign 2011/2012, more than 20 training courses were carried out, in several areas; like the SA8000, HACCP, product specifications, IT programmes, packaging processes of our fruits or marketing workshops.

We also started our product days. At the beginning of each campaign, the teams of several departments (Quality, Packaging, Marketing, Sales and I&D Berries) make a presentation of their most interesting and innovative projects, and are available for any comments and questions from all of us.



Internship programme at SanLucar

During these days, all SanLucans can see the packaging and taste the products. To date, there have been the Citrus Day (November 2011), the Berries Day (January and May 2012) and the Day of Stonefruits, Cherries and Grapes (June 2012).

SanLucar also supports young talent and offers complete internship programmes of four to six months for students, trainees or young professionals. Nowadays, more than 28 trainees yearly make their internship with us, mainly from German-speaking countries, but also from other European countries or worldwide. Among the universities and coordination centres with mobility programmes, like the Leonardo-da-Vinci or Erasmus, we have achieved great prestige. We have been subsidized not in vain three times by the European programme EURODISEA. Our internship includes a continuous training programme. Besides the daily work in each department, there are also language courses and the opportunity to collaborate actively in several projects, participating with ones own ideas. The high training standards are proven with the incorporation of many of our former trainees into our staff – nowadays they are employees and continue developing their career at SanLucar.

Actually, one of the main targets of the human resources department is the development of recruitment and selection programmes for the best candidates. In addition, guidelines have been worked out to be able to help and support new employees after their incorporation, providing them during their first weeks all our know-how. This OnBoarding-Programme rose with the objective to make sure that welcoming, training and consolidation in the post were successful.

3.3 Our policies of equality and diversity

At SanLucar we think that equal opportunities are not just a legal duty, but social responsibility add a competitive advantage. The principle of equal opportunities is present in each area at SanLucar, from the selection to the promotion, salary policies, training, work conditions, safety in the workplace, to the work schedule.

As another note, in a survey carried out in February 2011 about equality and diversity, 98 percent of the staff stated that diversity is a positive factor for them. Currently, there are people from 19 different nationalities working at SanLucar, and in 2011 we took the chance this richness offers us and published a monthly article about cultural diversity. Each month, a colleague explains something important for his culture and gives his vision of the world. Thus, we can learn to value the different cultures and share this cultural richness at SanLucar.

We are convinced that a greater harmonization between the necessities of the company and our employees helps with the innovation, development and engagement. This is due to the fact that since 2010 we have had a plan of equality and diversity at SanLucar and signed the Diversity Charter, with which we are completely committed to manage appropriately the cultural richness we are lucky to have. We also promote this diversity through internal communication focused on bilingualism (Spanish and German) or with the participation in language courses. During the campaign 2011/2012 more than 3,500 hours of language course were given.

Moreover, in March 2012 we launched our new online training platform SanLucar Academy. This platform helps us to manage our training programmes, which are for employees, producer or customers. Our first course is dedicated to road safety and efficient driving. More than 20 people already took this course and assessed their knowledge.

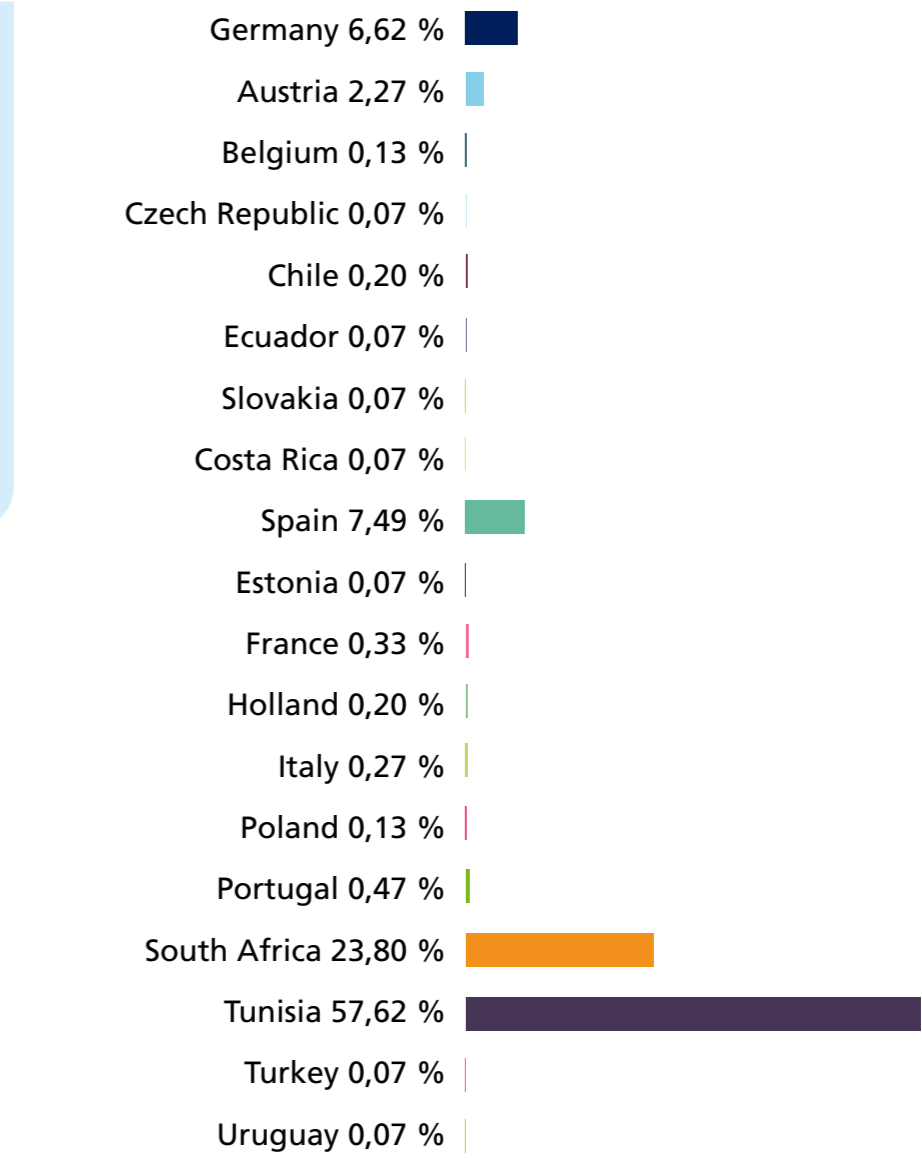


The targets of our equality and diversity plan are:

- A company committed with equal opportunities for everyone.
- Culture: mark the attitude of the whole SanLucar community positively, not allowing any type of discrimination.
- Equal opportunities for training, salaries and promotion possibilities.

The pillars of the plan are:

- Our management system SA8000.
- Our Code of Ethics in six languages in 30 countries worldwide.
- Training of the whole personnel in equality and diversity.
- The integrated policy of SanLucar includes aspects like equal opportunities for the incorporation and selection of employees, for the hiring, promotions, salary, access to training and development.
- Development of policies, protocols and specific proceedings, for example against sexual or moral harassment.
- The team for equality and diversity and the agent for equality (specific training regulated by the Ministry of Health, Social Services and Equality).
- Measure for hourly flexibility and harmonization of personal and professional life (for example, "Home-Office", in certain cases).



Proportion of employees by nationality in the SanLucar Group

- Support the promotion of women and their introduction into posts of high responsibility (IESE Master for the development of directors).
- Measures for the management of intercultural diversity (multicultural studies at SanLucar, monthly articles in LucaNova, our internal magazine).
- Same working conditions and safety measures, but adapted to specific cases (pregnant women, for example).
- Social projects with people living in risk of exclusion/discrimination (for example, women in Valencia and Ecuador).

3.4 Road safety and sustainable mobility

We care about the safety of our employees, on the road as well. Therefore, in 2012 we started our first campaign for road safety at our headquarters in Puzol. We included in this campaign a module about efficient driving, thus, besides being more careful on the road, we save fuel and reduce emissions of greenhouse gases.

Furthermore, in September 2012 we will start our new carpooling platform, because sharing cars promotes friendship and protects our environment.

3.5 Internal communication and surveys about work climate

For SanLucar it is very important to optimize organizational processes and support an active exchange between all hierarchical levels and departments. In this way we improve motivation and implication, and the evolution of a corporate culture and the information flow.

Since 2010 there has been an internal communication plan. Its objectives are progressed and checked every year.

The main internal communication platform at SanLucar is our intranet, complemented by a web page with internal news, called LucaNova, which was inaugurated in spring 2010. The content and articles of LucaNova are written by our own colleagues. It helps to give ongoing information about projects, changes or achievements that happen month after month. Moreover, at the end of each article, there is the possibility to make a comment about the subject. Since its inauguration, more than 200 articles on several topics have been written. Each month, a team of writers check the interest each article had to see which topics interest SanLucar employees the most, and what improvements have been suggested.

Another communication tool that has been introduced is an internal dictionary called Lucapedia, which also relies on the participation of the whole staff. In Lucapedia we can find explanations on certain expressions, products, etc. that are part of the SanLucar world. New recruits especially appreciate this dictionary. There is also our suggestion box, which promotes the exchange of opinions and improvement. Suggestions or claims can also be made. This tool also allows anonymous comments on more delicate issues, as the SA8000 workers representative are the only ones that can read these communications.

Finally, the survey about the work atmosphere analyzes the general satisfaction of the employees, as well as finding out improvement opportunities. At SanLucar we want happy, motivated and loyal employees. We are interested in their opinion and contributions to ensure that we all give our best.

The human resources department summarises these results on the work climate and makes improvement suggestions for those areas where necessary. The structure of the survey has only

changed slightly since 2006, this means the evolution of the main aspects can be easily seen.

The two aspects which have scored best in the survey in the last years have always been the general satisfaction at the company and the colleagues. Of especially positive value were the low average age, the multiculturalism and the variety of the staff. The training and development are also very important, which are two key aspects of the human resources policy of SanLucar. Satisfaction with superiors and human resources policy usually have a good score as well, although remuneration has had better ratings in the last years. Worth mentioning is the flexibility of the human resources policy and the open mind of management for new ideas. SanLucans have, in general, a very positive image of the company.



3.6 Our management system SA8000

The international standard SA8000 certifies management systems that fulfil certain basic principles of social responsibility. It is made up of nine components based upon the principles of the international conventions for human rights ILO (International Labour Organization), and includes also the improvement of working conditions. SanLucar has been certified according to this standard since 2010.

- Child labour
- Forced labour
- Safety and health
- Freedom of association and collective bargaining
- Discrimination
- Disciplinary means
- Working time
- Wages
- Management Systems

These components are also reflected in the policy of the enterprise (checked in 2011) and the Code of Ethics of SanLucar. A multidisciplinary team (Human Resources, CR, Quality & Production) works continuously for the improvement of the integrated management system of SanLucar and the achievement of the objectives of social responsibility.

This certification is checked every six months. The last audit took place in March 2012, and it was successfully passed.



Sebastián Morcelo from Fresaflo, Master grower of SanLucar strawberries under the Andalusian sun

4. Only the best growers



- The Llusar brothers talk about their great passion
- The secret of the Giulianos'
- Growing confidence
- The price of responsibility
- The dialogue with our producers
- Our German growers perfectly complement our yearly product offer

At SanLucar we work to conceive sustainable production systems, we get involved with our communities and work together with our partners to prevent and counteract direct or indirect consequences our behaviour might have upon communities and the ecosystem: our cultivation is in harmony with man and nature!

Actually, our most important partner in the production of the best fruit and vegetables is nature. Our philosophy is based upon its care and protection, because only if we look after our fruit during its whole life until delivering it to the customer, we can get the best taste. This attitude and its daily application is an essential requisite for all those who work with and for SanLucar, regardless of the country they are from. When it comes to choosing our producers, we only work with growers who lead their businesses with passion and the same ambition than we do.

To gain the best partners, fair play is the most important rule for us. Thus, in case any of crop loss, for example, we compensate our growers financially.

The Llusar brothers talk about their great passion

The brothers; Antonio, Jorge and Javier are the heirs of a saga that started with their grandfather in France, nearly a century ago. Thanks to them, the name Llusar has reached prestige and is recognised worldwide.

For more information, please visit: <http://www.llusar.com>

» Here in Llusar, we always insisted that quality is not the result of luck. Whether on the field or in the warehouse, we do not lose sight of our main objective: a citrus of top quality, internal as well as external. Therefore, we took the tradition and knowledge our grandparents left to us, and adapted it to the latest technologic innovations, which help us to improve our performance and

eco-efficiency. Moreover, we count on excellent professionals who support us to improve day by day. This is why it is so important to care for them, to get the best from them. To be honest, I did not know what corporate social responsibility meant, but, actually, it is something we have always applied. We are one with SanLucar, since we make a joint effort to get the best

results, campaign after campaign. These results include not only quality and saving of resources, but also caring for environment. Thus, we started in 2011 collaborating with their corporate volunteer programme.«

Jorge Llusar, Manager of Llusar



Javier and Jorge Llusar, Managers of Llusar

» Since we are children of growers, the value of the land has been instilled in to us from an early age. We were taught what the plant needs and to take care of the crops, to get the sweetest, healthiest and most golden fruits. Working on the field is not easy, but every year, harvesting our oranges and mandarins, our effort, dedication and sleepless nights are generously rewarded. Our fruit reflect the spirit of the people who saw them grown. As quality is an essential requirement for Llusar, so is the sustainability of the cultivation. We introduced, for example, anti grass mesh and humidity sensors, limiting the use of water and energy to where it is strictly necessary, is very important to us.«

Javier Llusar, Manager of Llusar

The secret of the Giulianos'

This family of growers has worked for more than 50 years on a top quality grape, always with the highest of respect for people and nature. We talked to Vito Giuliano, Manager of Giuliano. Vito is an expert of agriculture, and loves good fruit. He told us what social responsibility and sustainability mean to him, and what kind of relationship Giuliano has with SanLucar. We also talked to some experts on his team.

For more information, please visit: <http://www.giulianopugliafruit.it>

Giuliano and SanLucar have been working together for nearly 20 years. According to you, which are the foundations of this relationship of confidence?

Vito: Besides a true friendship with Stephan Rötzer, forged over the years, full of respect and mutual understanding, the foundation is sharing an innovative vision about the world of the fruit.

The project and the philosophy of SanLucar are founded on a very solid basis, like the knowledge about the sector and the importance of the values, and your company knows how to foresee changes in the fruit market. We share the very same cultivation and marketing philosophy, and we are looking towards the future together.

What is the secret that lies behind the quality of Giuliano's grapes?

Vito: There is no more secret than the daily work, the passion and the sacrifice, sometimes even of your own private life, in order to get the best quality.

At Giuliano we know that we can only get the best of the plant, if we treat it with respect, like a human being, that is born, grows, breathes, reproduces and dies. We have to talk to the plant and understand it; since it lets us know something. If we pay attention to its transformation, we can understand it and listen to what it has to tell us anytime. Therefore, the task of the expert is to talk the same language as the plant and listen to it.

The birth of a fruit is a wonder. The plant sprouts, blooms and gives us its fruit, which is its child. You have to treat the cluster like a child: you have to love and care for it until we deliver it to the customer, that's when our work finishes. That is the only way to achieve a good fruit and the taste of love.



»(...) WE INCREASED SALARIES, DESPITE THE CRISIS,«

The philosophy of SanLucar is "Taste in harmony with man and nature". What does Giuliano do to carry out this philosophy?

Vito: For us, the protection of the environment is like an obsession. We work with nature and people who work with it; therefore it is our obligation to look after both.

Respect for those who work in the fields is essential. Those people are partners for Giuliano, not just simple workers. Some of them have been working here for over 20 of 30 years now, even throughout several generations. We saw

them form a family, we laughed with them, and help them through difficult situations. Therefore, it is our responsibility to understand their necessities and support them in anything we can. This is why we increased salaries, despite the crisis, since we know that we are going through a hard time and we need them to be ok and happy. It is a mere exchange.

You have spent a lot of time in the investigation and development of a considerate cultivation and a high quality product; do you think that the future lies in the application of organic cultivation methods instead of pesticides? What alternatives are you using on your fields?

Vito: We should reduce the usage of pesticides. Each year, Giuliano is working on it, and strives to integrate our cultivations into the environment. For example, it is very important to use beneficial insects, since this helps us to reduce the damage from other insects, like the wasp. The management of pest and disease of plants requires a huge knowledge and exploitation of the natural ecosystem to optimize inputs and avoid the indiscriminate use of pesticides. As an example: our farm in Taranto is completely surrounded by natural ecosystems. There we have a minor problem with pests, since the natural fauna helps to maintain the balance of the ecosystem. This happens with grapes as well as with stone fruits.

Pier Paolo Armagno (Quality Manager at Giuliano): The company Giuliano is very involved in current developments, particularly with the Directive 2009/128/EC about the sustainable use of pesticides, developed by the PAN (national action plan for the introduction of the directive) of the Italian Ministry of Agriculture. We are already a sustainable producer, from several points of view: ecological, social, ethical, etc.. Moreover, we are protecting the native and useful wildlife through IPM (Integrated Pest Management), that is, the introduction of organic and traditional cultivation methods, respecting the "Greening" provided by the European Union of seven percent of the agricultural surface. Combining biological, physical and chemical parameters for protecting plants is, as we believe, the best way. Over the last years we participated in several investigation projects, researching the use of *Bacillus thuringiensis*, *Bacillus subtilis*, *Bauveria bassiana*, sulphur, copper and useful fauna. We consider that as well as climatic conditions, to be able to decide which is the best moment for any intervention or if it's possible to avoid them at all. There is still a lot to do and we keep working on the optimization.

»WE BELIEVE THE BEST WAY IS THE INTEGRATION OF BIOLOGICAL PEST CONTROL METHODS...«

What does Giuliano do to show its commitment to the environment? What are your environmental targets?

Vito: At Giuliano we know how important it is to care for the environment, to leave a healthy space for our children to live in. We also know that this care is the basis for a good product. Therefore, it is an investment for our future. We should not forget that Giuliano is a pioneer in this sector, since 2003 we have a system in place to manage the environment, based on European Regulation EMAS and the ISO 14001.

Each year we spend a lot of money and effort on the protection of our environment, for example, in alternative energy. Some facts: more than 30 percent of the energy our warehouses uses comes from renewable sources (photovoltaic), and soon it will be 50 percent. Furthermore, the construction structure has been built so that it is integrated in the landscape, avoiding any visual impact.

We are also worried about the creation and the treatment of residues. Therefore, the plastic we use for covers does not have any polyethylene additives, since it is harmful for plants and the environment. Instead, we use recyclable and more natural materials. We make sure that it is recycled, closing in this sense the circle of plastics.

Other residues are separated as well, to make recycling easier. Moreover, we are considering turning pruning leftovers into biomass, reducing in this way the impact of the water and leaving it flow clean.

Giuliano is participating in a pilot project together with the university Degli Studi Di Bari, for the optimization of irrigation and the use of fertilizers in our grapevines, thanks to the constant monitoring of several parameters, such as the relative humidity, temperature, rainfall and humidity of the land.

Together with our partners, we are working on environmental awareness and education, a very important part of our commitment. They have to be as convinced as we are about how important it is to respect nature. Only if our environment is healthy, we are able to grow healthy fruit of the highest quality, our main target.

»WE INVEST IN THE EDUCATION OF ALL OUR PARTNERS, EMPLOYEES AS WELL AS SUPPLIERS.«

You know the Code of Ethics of SanLucar, and in June 2012 you will be certified according to the norm SA8000. How are ethical and social principles created at Giuliano? How do you control their fulfilment?

Antonio Balacco (*Responsible of the SA8000 certification at Giuliano*): As Vito already said, at Giuliano it is essential that people enjoy their work; this is one of the commitments of the Giuliano brothers. Vito himself gets up very early in the summer to personally take care of the clusters of the Giuliano farm in Taranto, 80 km away from the headquarters. There, he treats people with familiarity and talks to them; the best way to understand their needs.

We know that this something is very difficult nowadays. This is why we, together with a group of experts, are carrying out an analysis for the sustainability of the salaries, in accordance with the family responsibilities of our partners. This allows us to set objectives SA8000 regarding salaries, and guarantee an appropriate living standard so that all our partners continue giving their best every day.

Another essential aspect for Giuliano is the security at work. We invest in the education of all our partners, employees as well as suppliers. We are always telling them that it is better to do things calmly, with care and safety. At the beginning we had to force them to put on their protective clothing, but they already understood its necessity and importance, and had already asked us for it. This is only

»WE WILL START WITH THE INTRODUCTION OF THE SA8000 AND WE WILL CONTINUE WORRYING ABOUT THE LIFE OF OUR PEOPLE.«

possible thanks to the raising of awareness over months, sometimes even years. The corporate culture has changed, a long process, but essential to get the SA8000.

Education and a continuous raise in awareness is a powerful tool for Giuliano. Regular meetings between our technicians with suppliers make the necessary exchange of experiences and a better understanding of innovations in the sector possible.

To check our system, we register the amount of incidents and measure the satisfaction of our employees with the suggestions box. Thus we can see if we are working good or not. The main indicator of the success of the system is that people want to work with us each campaign.

And looking towards the future, which are the main projects Giuliano has planned for the 2012/2013 season?

Vito: We will comply with our agenda, to guarantee the sustainability of our cultivations and the quality of the work and life of the people who help us in the fields.

Regarding the environment, we are looking forward to seeing how the projects we are currently working on will develop, like the project for the optimization of the irrigation and reduction of fertilizer use with grapes.

Concerning the social aspects, we will start with the introduction of the SA8000 and we will continue worrying about the life of our people, so that they work with a smile. We are convinced that this can be transmitted to our grapes. A small detail sometimes makes the difference.

We support the safety of our community with the project Protezione Civile A Cavallo.

Since "se non dai, non hai". (If you don't give, you won't receive).



4.1 Growing confidence

SanLucar trusts in its growers. We do not only believe that they are the best, we are sure about it. This is based upon a range of tools and processes, which give us a daily feedback about our quality.

- Certifications according to international recognized standards like ISO 9001, IFS, QS, SA8000. Since 2008 SanLucar has introduced an integrated management system that guarantees the highest quality of processes and SanLucar products, as required by the strictest regulations and technical specifications. An external company assesses and audits the system every six months.
- Certification according to Global G.A.P. in our production zones.
- All SanLucar growers have to undergo an audit to assess following aspects:
 - Confidence regarding compliance with food safety standards;
 - Quality management system and facilities;
 - Compliance with social and ethical aspects, as well as the environmental commitment of SanLucar.

With this information, the quality & production team will prepare a three-dimensional Producer Profile (quality standards, ethical behaviour and environmental sustainability). With this tool, they will be able to determine the producer's excellence grade and their commitment with SanLucar, as well as his ability to comply with our high standards.

- Different NGOs and independent institutions regularly check fruit and vegetables sold at points of sale.
- Some NGOs such as Greenpeace periodically carry out studies on the quantity and concentration of pesticide residues on fruit and vegetables. SanLucar is proud to have frequently ranked within the top in the ranking tables and on some occasions in the first ranking position (minimal quantity and concentration).
- Independent organisms, like the German consumer magazine "Öko-Test", have analyzed some SanLucar products for pesticide residues, like our strawberries in 2010, and our tomatoes from Tunisia in 2012. In both cases, we achieved the highest score in their category and gained the assessment excellent. This confirms that we are doing a great job. And to achieve it, we adapt our varieties to the climate of the production zone, which allows us to produce a very tasty product of top quality, taking advantage of natural conditions that favour the reduction of chemical pest control treatments.
- But without a doubt, our customers are the strictest. We have to strengthen their confidence day by day with the highest quality.

To verify that the specified quality is kept throughout the process, our quality technicians carry out daily controls at all points where quality can be affected, checking all the time that the high standards we require are fulfilled, to be able to

offer only the best for our customers. Furthermore, for a better monitoring of our producers and providers of packaging and logistics, we carry out yearly audits of their systems and processes. If we detect any weak points, the appropriate corrective and preventive measures can be taken, to continuously improve processes according to the standards and requirements SanLucar establishes. This continuous improvement concept of our production is essential, thus, SanLucar defines every year new improvement plans. Excellence is our target.

4.2 The price of responsibility



In our main markets, we have to face a very aggressive price policy that makes the distributors sometimes expect concessions, which are hardly possible. Moreover, quality requirements of fruit and vegetables have increased in the last few years, affecting directly the structure of expenses for their production.

At SanLucar, we are convinced that a sustainable relationship with our producers is only possible by offering them the necessary economical foundations, which allows them to produce fruit and vegetables in accordance with our philosophy, in harmony with man and nature. We think that it is neither ethical nor sustainable to bring producers to their economic limit.

For SanLucar a fair price policy means, besides an appropriate assessment of the product and of hired services, establishing a strong relation between both parties and a commitment based on common objectives. Only this makes a fair collaboration possible, and that efforts of all are rewarded.

SanLucar establishes a link that allows rejecting any situation of imbalance, which means:

- Active listening to the needs of our partners.
- A fair and transparent price policy as well as fair and transparent conditions.
- Guarantee of fair treatment.
- Open dialogue about remuneration of products and/or services.
- Checking of production costs to set a minimum price.
- The possibility to make agreements for each campaign, update and adapt them to the current situations.
- Appropriate payment methods and instalments for each partner.
- A price defense, sometime above market value, taking into account the work of our partners.

No economic concessions will be made, without any exceptions, which reduce our quality or damage man and nature. This is applied in all our sectors and points of the value chain, from the selection of the seeds, to the management of the cultivation, until the employment of qualified staff.

We also take care that the final consumers receive the information about why our fruit taste so good and what makes them so healthy. Thus, they know the effort and work that lies behind, appreciate the value and are willing to pay a bit more, since they understand that something especially good and cared for has its price.

4.3 The dialogue with our producers

There is a team of 21 experts at SanLucar working continuously in ten different countries, and in more than 30 countries on an ad hoc basis during peak moments of campaigns. Our quality technicians are supported by technicians or service companies on site, thus we are able to assure SanLucar quality worldwide.

Together with our growers, we take care of:

- Quality controls at origin.
- Technical advice as well as development and research projects (for example new cultivation techniques, reduction of pesticides, protection of the environment, new varieties).
- Quality control at destination. They help us to get information about the arrival of our products at the customer so we can forward this data on to our producers.

Moreover, there is a Web portal available from which our customers and suppliers are able to check orders, delivery notes, invoices, specifications, quality and CR certificates, as well as the ethical homologations we do to comply with the SA8000 certification.



We chat with Jose "Pepe" Saorín, Quality Technician at SanLucar.

José Saorín has worked for 30 years as a Quality and Production Technician, and since 2010 for SanLucar.

José you have over 30 years of experience as a quality and production expert. Could you tell us what your daily tasks are as a SanLucar quality technician? What do you like the best?

The daily work as a technician is the supervision of the product quality of the several assigned producers. For example, I control the selection of fruit for SanLucar during their packing. This happens in the field, after a previous job, where I choose the plots that fulfil requirements of the quality department of SanLucar. Moreover, I help with the establishment of new technologies and give advice to producers about new cultivation methods, in order to optimize the use of resources and to get a top quality product.

I enjoy being in constant contact with people: the growers, the people in charge of platforms and the packaging personnel. The quality technician is the link that joins producers, sales agents and the customers, and we are the eyes of all departments involved in the production and marketing. This is an important, but very gratifying responsibility. As it is seeing a satisfied grower, happy because we achieved to comply with our objectives, or starting new projects. Each campaign is a new step towards excellence, something that makes us all satisfied.

What are the biggest difficulties a quality technician has in his job?

There are not those kinds of difficulties, since we choose our growers very thoroughly. They all understand our philosophy and appreciate it, something that makes our work very easy.

You work mainly in the south-east of Spain? What is characteristic of this area?

This area is very versatile; you can cultivate nearly all types of fruit and vegetables, since there is enough land and more than 240 days per year of sunshine.

In certain instances, we listen or read news about working conditions on some Spanish fields. According to your experience, what does SanLucar do to make sure that our providers take care of their workers and no violations of



any rights take place?

The criteria for the selection of a producer are very strict. We take into account ethical aspects as well as regulations for the working conditions, and we only work with those who comply with the legislation, without any excuses. Moreover, we also check if they comply with current legislation concerning human rights and working conditions, as well as if they fulfil our SanLucar requirements (SA8000 and Code of Ethics), through ethical homologations.

How did the protection of the environment progress during the last years? Are there any improvements, for example, in the reduction of water usage, since this is one of the issues consumers and society are most concerned about?

There have been innovations, obviously. On one hand, because legislation required them, and on the other hand due to the progressive environmental awareness of growers. 100 percent of the area that produces SanLucar brand in this area has localized irrigation systems, which optimize the irrigation water, compared to other systems. Moreover, all farms have humidity measuring systems to reduce the consumption of water as well.

In south-east Spain the soil is very sensitive towards the contribution of nitrate. Growers are therefore very aware and comply with the strict legislation for the reduction of nitrate in cultivations.

Water boreholes are all legal and sustainable. 60 percent of the water comes from the Tajo-Segura diversion, 20 percent from a well, and the remaining 20 percent from desalination.

»IT HAS BEEN AN ATYPICAL YEAR DUE TO THE SUDDEN TEMPERATURE CHANGES«

The best and the worst of this campaign 2011/2012. How would you sum up this year with a few words?

It has been an atypical year due to the sudden temperature changes, the intense frosts that affected us, especially our vegetable cultivations. It was very difficult to maintain our quality standards, on the field as well as in warehouses.

The work of a quality technician seems very varied, I am sure there are plenty of funny stories. Could you tell us any?

Once, controlling merchandise in cold stores, an employee came and closed the chamber and turned off the light, without noticing that I was in there. I spent about only 30 seconds inside, but it seemed like an eternity. This shows how aware employees are about saving energy, but this does not make the experience any nicer. Anyway, we had a laugh afterwards!



4.4 Our German growers perfectly complement our yearly product offer

For some years now, we have relied on German products to complete our range of products available during the whole year. We created an enterprise within the group only for this purpose. The team of SanLucar Deutschland is currently made up of three people, taking care of the production planning, quality controls and purchases and sales. For German products, our quality and sustainable standards are also applicable. Thus, all our growers have to undergo our Grower-Check during a test period. They are checked according to quality, social and environmental criteria.

We grow our products where weather conditions allow us to use a small amount of resources, to be able to offer the freshest and healthiest fruit possible. With an efficient cultivation, and shorter means of transport, we save carbon. Currently, we are focused on the cultivation of berries, cherries, tomatoes and apples in different areas of Germany. Thus, we use the natural climate for the growing and the ripening of fruits.

We search for good producers, who are willing to make real new projects together with SanLucar. We seek long-term relations, in which SanLucar provides some of the investment. A joint growth, development of projects and trials with varieties, these are the most important aspects in our collaborations.

Trying new varieties in German fields, we can support the German agriculture with our international knowledge and develop new skills. We do not only guarantee fair and stable prices, but also the strengthening of the competitiveness of our producer is part of the SanLucar philosophy. Since everything is easier in company, we also support the active exchange of knowledge between our growers and organize visits to the facilities. Thanks to these customer visits to the fields and warehouses, we create transparency in the production while we support confidence in each other.



Karl-Heinz Enzenmüller, our cherry-grower on Lake Constance



Oswaldo Ramírez, banana producer in Ecuador, with his son Víctor

5. Commitment to our community



- SanLucar gets involved!
- Our programme of corporate volunteering
- The social development at SanLucar International

Our social commitment is not only for our colleagues or collaborators, but also with the society that surrounds us, with our communities, that is, where our colleagues live with their families, where our producers live, and our customers and consumers.

At SanLucar, we have the so-called "Vitamin S", the "S" for solidarity we live and transmit. In this sense, our colleagues spend more than three percent of their time helping in social projects (corporate volunteering, charity campaigns and collaborations with several CR projects). We can therefore talk about solidarity actions in Valencia, Germany, Austria, Tunisia, Chile, South Africa and Ecuador.

5.1 SanLucar gets involved!

During the campaign 2011/2012, SanLucar has collaborated with plenty associations, foundations and NGOs, like for example AFIM (that stands for Help, Training and Integration of the handicapped), DASYC foundation, Caritas Spain, Fundar, Asindown (Association for children with down syndrome), the Centro Reto in Rafelbunyol (Spain), Global2000, Caritas Austria, Rettet das Kind Österreich (Save the Child Austria), Association Pferde Stärken, World Vision parenthoods, social markets, Österreichische Sporthilfe (Austrian Sportshelp), Landesklinikum Thermenregion Mödling (university hospital), Die Tafeln e.V. , The Homestead, FUNDAMYF (Foundation for Andean women and families). The collaboration with these organizations was different for each case, like for example donations of fruit and vegetables, monetary aid as well as we helped with the organization of activities, projects or charity campaigns.

We also work with the public administration for the social improvement of our communities. Some examples are:

- Collaboration with the Valencian Government (Ministry for Justice and Social Welfare) and with our partner Llusar for the integration of women at risk of social exclusion in the labour market.
- We work together with the South African government on projects for the improvement of accommodation conditions in Porteville (the community closest to our exploitation), where most of our workers live. Moreover, we have also the intention to offer our employees new possibilities and support them in their personal development. Therefore, we bet on internal promotions and equality of opportunities.

Merry Christmas to all!

Last Christmas, SanLucar once again showed its spirit of charity. Through the DASYC foundation, our colleagues in Puzol and the enterprise donated huge amounts of food and toys for disadvantaged families of Valencia. The Christmas campaign expanded in time and space. Everyone collaborated, our colleagues as well as our CR ambassadors (Marius in South Africa and Fernando Piza in Costa Rica and Ecuador), our customers and partners, too. From this date we have not printed Christmas cards and the money saved was also used for charity purposes.



The balance:

- 150 kg of non-perishable food, 150 kg of fresh fruit and vegetables and more than 60 kg of toys for more than 300 disadvantaged families living in "La Malvarrosa" and "El Cabanyal", two neighbourhoods of Valencia.
- Clothes and shoes for eleven children and chocolate for 40 kids of Cape Town (through The Homestead).
- Design and packaging of sports clothes for 19 children with scant economic resources living in the Pococi canton in Costa Rica (Santos de Guapiles - category 2001).
- 650 Euros worth of fruit and vegetables for "Der Tafelladen Ettlingen" in Germany (January and April).
- 650 Euros worth of fruit and vegetables for Valencian families in need, together with Caritas (January to April).

■ Commitment to a healthy lifestyle and sports

Active people who are in good shape, have a healthy attitude and diet, we know a lot about this. This is why SanLucar has frequently participated in sports activities. Among others, we organized the third Charity SanLucar Golf Tournament, where 81,300 Euros we collected. Like years before, we donated this amount to several organizations, for example, the therapeutic centre "Pferde Stärken", where therapy with horses for people with special needs is applied, and three childhood organizations of "Rettet das Kind". Thanks to our contribution, the children enjoyed a trip to the amusement park "Europa-Park", received twelve bikes, spent holidays at the beach and got a new minibus.

We also participated in a charity football game in Ebreichsdorf, a golf tournament organized by Österreichische Sporthilfe and GTM-Trophy, and in the VCM-Marathon of Vienna, donating fresh fruit. For several years now we have been working with

Österreichische Sporthilfe, supporting bright young hopes of sports, as well as top sportspeople on their hard way to their peak.

Our colleagues do not rest either: Manuel (Controlling) and Nicolás (SanLucar International-Commercial Area) represented us in the local race Gran Fons of Puçol, and Carlos (Finance) and Abel (Brand) ran the Vienna marathon on behalf of SanLucar.

■ Commitment to the development of childhood and youth

We continue this year with the four parenthoods we have with World Vision, including extraordinary donations for Christmas, as well as personal gifts for their birthdays. Furthermore, we have been in several kindergartens and in the "Kinderburgfestival Liechtenstein", a festival for children celebrated in the castle Lichtenstein, where we showed, even the smallest ones, how healthy fruit and vegetables are. Everyone, youngsters and adults, could cool down with SanLucar fruit for a small donation. All incomes went to the paediatric unit of the hospital "Landeskrankenhaus Thermenregion" in Mödling (Austria).

We also invited the three classes who won the Austrian "Anti-Smoking" school campaign to spend one day on the farm of our producer Gößl, in Steiermark. There they learnt everything about the production of apples.

SanLucar also started with a new school project in Ettlingen, where our logistic centre is. Together with the Pestalozzi primary school and the Carl-Orff special school we created a project that plans that 1,106 students will have fresh fruits once a week. Teachers of domestic science will give special

attention to teach how to eat fruit "responsibly" and that students can learn how important sustainable production is.

This project is in accordance with the vision of SanLucar, trying to get involved and covering local needs in all our countries of production. We want to include more schools in this project, to be able to support and help the community of Ettlingen.

■ Social Shops

It is very important for us that the whole society has access to healthy food. This is why we donate fresh fruit and vegetables to "Die Tafelläden" in Germany, as well as to other charity organizations in Spain.

Thanks to these donations, institutions are able to offer people in exclusion risk or with low incomes a wide range of food, for a symbolic price.

5.2 Our programme of corporate volunteering

For SanLucar volunteering is a very powerful tool of commitment and development. It allows us to transmit our values both inside and outside of our company, and it allows us to help with the improvements in our communities, with specific actions that make us grow each day.

In 2011, Fundar and the Valencian Government recognized our work collaborating with ENGAGE, and our corporate voluntary programme received the third price in the highly regarded CODESPA Awards in Spain. Already **more than 40 people** participated in our corporate voluntary programme since we launched it in 2010.



■ Voluntary work for the society of Valencia with ENGAGE Valencia

Since 2011, SanLucar is part of the European multi-programme ENGAGE-Cities, developed by Fundar (foundation for solidarity and voluntary work). From the very beginning of our collaboration, our employees invested more than 2,000 hours in voluntary activities for the "Comunidad Valenciana".

But at SanLucar we are not simply following a trend; we really get involved and find specific solutions for specific problems. In 2012, we developed a specific programme of social volunteering together with our partner Llusar, Fundar-ENGAGE and the Valencian Government, with the clear purpose of creating a positive social value in our community, using our knowledge of the sector and the commitment of the SanLucans:

- Thus, we designed and carried out a training course for the handling, classification and selection of citrus fruits. 16 women living as women refugees, due to their difficult family situations, participated. The courses were given by volunteers of the quality departments of SanLucar and Llusar. Our colleague Ramón Gargallo took a very active part in this project.
- Volunteers from our human resources department explained to these women how to find a job and keep it, and also worked on their self-esteem.
- As a result, the women received an official certificate which allows them to work in the sector, and at the same time improves their self-esteem and confidence, making their entrance into the labour market easier.

We also organized a workshop for social entrepreneurship with creative ideas. Our volunteers showed these same 15 refugee women a craft tradition with dried orange skin. Thus, they are able to make some incomes with organic handcrafted jewellery. Anyway, besides this purpose, it was also important that the development of creativity gives self-confidence, something that some of those women hardly have anymore.

This project will be introduced into a forum of social entrepreneurship (SocialNest) in 2013 and will have the opportunity to become a real business. Those women interested will receive courses in business management and languages.

We are most concerned about the development of groups in risk of exclusion, as well as caring about the environment. As a result, on 2nd of June 2012 we spent a funny and productive morning in the outdoors. We could learn how to control rivers and improve their quality, and build nesting sites for birds, improving ecosystems and reducing the risk of processional pests in the forests, similar to we do with our productions.



We chat with Juan Ángel Poyatos, Vice President of Fundar

SanLucar has been actively taking part in the programme ENGAGE for nearly two campaigns now. We participated in nearly all the voluntary lines throughout this year and a half and we are collaborating and understanding different realities from different perspectives. We even developed ad hoc voluntary programmes, using our knowledge of the sector and our network of partners. Juan Ángel Poyatos is vice president of Fundar, a foundation of Valencia in charge of the development and promotion of voluntary activities and charity and leader of the international ENGAGE project in Valencia.

Good Morning, Juan Ángel. Tell us something about Fundar and ENGAGE.

Fundar is the Foundation of Charity and Voluntary services of the Valencian region. It is a private non-profit organization in which the Ministry of Justice and Social Welfare of Valencia participates, as well as the bank Bancaja. Fundar was created in 2001, with the target to boost, promote and support volunteer programmes for people in need, and coordinate social work in Valencia.

An important field is the "Corporate Volunteering", voluntary services in enterprises, where ENGAGE comes into play, one of our main programmes to promote volunteering in companies. ENGAGE is boosted by "Business in the Community" that counts on local partners like us, to evolve volunteering projects in enterprises, so that they are able



to contribute with their experiences to solve social problems. ENGAGE is working not only in Valencia, but also in the most important European capitals, and cities all over the world, like Johannesburg, Santiago de Chile and Hong Kong.

Which are, according to your criteria, the most important pros of voluntary services for companies and for the society? Are there any cons or inconveniences?

It dynamizes teams and promotes motivation and team spirit. It allows that participants get a complete image of what surrounds them, it favours communication and the development of new skills, improves certain professional competences of the volunteers, removes barriers between departments, increases ability to improve and start new projects, supports relations of the company with its environment.

According to a Spanish study of 2010, the main problems with which companies have had to deal, regarding barriers, were the difficulties to council volunteering and working hours, internal communication and the lack of an appropriate work climate. I would add the lack of the proper education within a company to carry out such programmes strategically. And even some NGOs have reservations towards these types of voluntary programmes.

Which are the main elements for carrying out an excellent corporate volunteering programme?

The key is a tough planning of the volunteer programme, dedicating the same professionalism than to other activities of the company. Therefore, the support of the management is an indispensable factor to be successful. Moreover, it is essential that as many employees as possible know the programme and that there is a constant dialogue with them, to take their interest into account.

To reach a positive impact on the society, the company has to assess which are its strong points and where it can contribute with prospects of success. Results have to be checked at certain intervals, having as a target a constant improvement of the programme.

Furthermore, synergies and the support of the human resources department and the corporate communication department should be sought, and spent enough financial resources, since volunteering programmes require a special management and time.

What is the best way to measure results of corporate volunteering programmes?

The measurement is one of the great challenges for the growth of corporate volunteering. If we do not measure, we cannot plan or know what the impact of our actions is. For a good measurement, it is important to think about what, how and when to measure, before a programme starts. You can measure from the point of view of the beneficiaries of the programme, of the volunteers or from the point of view of the company. The achieved information can be used for improvements and suggestions.

A general measuring system for corporate volunteering programmes would make these tasks for participating companies easier. A common measuring tool would allow us to measure the impact of programme, share experiences and have availability of similar indicators to inform on results. On "voluntare.org" you can find an online standard measuring tool that helps companies to measure their programmes in four dimensions: design, inputs, execution and impact.

»IT IS ESSENTIAL THAT AS MANY EMPLOYEES AS POSSIBLE KNOW THE PROGRAMME«

Currently, there is a discussion on a European scale debating if corporate volunteering is part of the CR strategy of companies or if it is just another tool. What is your opinion?

I think that not too long ago corporate volunteering was a simple communication tool or it was only used for human resources. Nowadays, there are more and more studies about the strategic meaning that voluntary services have within a company. Actually, there are enterprises developing strategic corporate volunteering plans, and therefore, executing their programmes with an added value.

Juan Ángel, in the last years there has been a growing tendency of companies applying themselves to programmes of corporate volunteering. Where do you think this change of mind comes from?

Currently there are a lot of enterprises that want to participate in such programmes, a fact that several surveys have confirmed. Companies are realizing that potential activities like these have and want to launch their own voluntary programmes. Celebrations of last year, 2011, European year for the voluntary services, meant an important boost, but it is not just a passing fashion. This year is already proving that this phenomenon is growing stronger.

Which is the future of volunteering?

If we analyze what is happening in other countries, possible corporate volunteering tendencies could be a greater action in natural disasters or caused by men, including the participation of consumers, and in general, of third parties. More and more retired people, former employees, relatives and friends of active employees are participating in voluntary programmes of companies.

Collaborations between companies are very frequent as well, producing very important synergies to get a higher social impact, like ENGAGE.

We can see that corporate volunteering programmes are required by the employees themselves and do not emerge from unilateral decisions.

Finally, we can point out that there are more solid and long-term alliances with several NGO, to achieve specific development purposes and use technology more efficiently.

What do you think about the evolution of SanLucar concerning the development of our volunteering activities during this year and half of intense collaboration?

The evolution of SanLucar has been exemplary regarding its implication of employees, but especially because you provide very good ideas and initiatives to achieve objectives followed by ENGAGE, and because of your ability to imply other stakeholders of SanLucar, like producers and provide your know-how for the several beneficiaries you

worked with. These features are absolutely not common which makes your merit even greater.

Congratulations for your work and keep on contributing all those great initiatives!



International volunteering work at SanLucar

At SanLucar we know that our activity has influence on the living conditions of local communities, but this influence can be translated into a positive effect if it is managed appropriately and with the firm conviction that we all have rights and have to be treated with respect and kindness, independently of where we are from or who we are.

We like to talk about our Family, that

is, the team of professionals worldwide with who we share values and the way to live them day by day. We want to transmit those values to all our farms and our people and communities. Because of this, and because we think that volunteering is an opportunity of growth and personal and professional development, SanLucar offers each year between three to six grants of international voluntary cooperation.

With two consecutive announcements, already eight lucky people could live a unique experience and contribute their time, experience, effort and goodwill to the improvement of the conditions of the local communities and the ecosystems where SanLucar has a presence. On May 15th, the four grants of 2012 were published.

Ecuador

In September 2011, collaborating with the foundation "Women and Families in the Andes" (FUNDAMYF), our colleagues Lisa Ebben (Quality) and Silvia Soro (Administration) travelled to Ecuador, land of the SanLucar banana. There, they participated in a project that helped Ecuadorian Andean families to live sustainably from local cultivations. They also developed education courses for women of the villages, making special emphasis on issues like health, self-esteem and the care of the family.

South Africa

"The Homestead" is a South African local NGO that takes in children from the street and gives them the opportunity to learn and improve their situation, to return afterwards to their families or continue in the shelter and keep on learning and developing. They also work with women of the community for the creation of small businesses (social entrepreneurship). They have a small workshop of handcrafted jewellery (<http://www.ubunyebeadworks.co.za/ourpeople.htm>).

Our colleagues Jessica Peyressatre (Commercial Area) and Davinia Puchades (Finance) went to Cape Town where they helped this NGO in their work with the children and poor families. They spent their time with the children showing them how to live a healthy life and to grow with motivation and helped women to improve their incomes with a Facebook site for selling local craftwork. Our colleagues Marie Schaper (Brand) and Matthias Lozano (Finance) will be our special envoys to South Africa in 2012. They will develop and apply a plan for the production and marketing of organic craftwork made of materials from citrus fruit production, mainly orange skin. Furthermore, they will visit the farm we recently bought in Rooihogte (Western Cape Town) and take care of the children of our colleagues, carrying out leisure and free time activities, since we have kindergartens.

Chile

In July and August 2012, our colleagues Manuel Blickle (Controlling) and Patrick Rühlemann (Commercial Area) will collaborate with the FAO (Food and

Agriculture Organization of the United Nations) for the strengthening of the so-called "free-fairs" (small local markets). The final purpose is to help small traders and producers to recognize the situation of their businesses and apply improvements.





We chat with Mr. Alan Bojanic, representative of the FAO in Chile (Food and Agriculture Organization of the United Nations)

What is the FAO? What are its main activities in Chile and in the Latin American area?

The FAO is an organization of 191 member nations, besides the European Union. It is an intergovernmental organization: countries pay fees to belong to it, and their contributions depend on the resources of the country. With these funds, the organization carries out activities for the benefit of its members. The FAO does not make donations or gives loans, all its activities depend on the resources provided by the partners and other donors like financial institutions or international organizations. Thus, the FAO is not an independent organization, it answers to the necessities and demands of its member countries, it acts by express request.

The FAO is a centre of experts of all sectors: agriculture, forestry and fishing. We publish technical guidebooks and training, offering practical information. Thus, governments can achieve better results in the fight against hunger.



shares its long term experience with other countries for the elaboration of agricultural policies, as well as for the writing of efficient laws and the design of national strategies in order to reach rural development aims and the reduction of poverty.

- Offer a meeting place for countries: Regularly, there are meetings in the FAO headquarters, or in their offices all around the world, of dozens of people in charge of formulating policies, and experts of the whole world, with the purpose of forging agreements about the main questions about food and agriculture. The FAO, in its neutral position, offers the appropriate conditions for developed countries to meet with developing countries in order to reach agreements.
- Take the knowledge to the field: The FAO experts' knowledge has to stand the test of thousands of field projects all over the world. The FAO mobilizes and manages millions of dollars provided by industrial nations, development banks and other sources, to be able to guarantee that projects fulfil their intention. The FAO provides technical know-how, and is sometimes a source of finance.

»THE FAO PROVIDES TECHNICAL KNOW-HOW, AND IS SOMETIMES A SOURCE OF FINANCE.«

Activities of the FAO in Chile, Latin America and in the world covering four main spheres:

- Offer information: The FAO works like a network of knowledge that uses the experience of its personnel -agronomists, forestry engineers, fishing, livestock and nutrition experts, social scientists, economists, statisticians and other professionals- to collect, analyze and spread information that helps with the development.
- Share specialized knowledge in policy matters: The FAO

Which do you think is the greatest challenge of the FAO in Latin America and the Caribbean?

Without any doubt, this year 2012, the countries of these regions are going to strengthen their commitment for a Latin America without hunger. The FAO will confirm this initiative again during this year's regional conference. The challenge will be to develop national development plans about food and nutritional safety to fight malnutrition, which is chronic undernourishment as well as overweight or obesity. These programmes have to be developed on legislative and executive levels, as well as on the participation of the civil society and the private sector.

Another challenge is supporting the several regional initiatives that contribute to food safety of the region. This means basically supporting organizations like CELAC, CIICA, MERCOSUR, UNASUR, CARICOM, which are gaining more importance in food safety matters. This includes subjects like dynamization of intraregional food trade, food safety and harmlessness and other issues specific of the region. Besides, the south-south cooperation has to be promoted and intensified, that is that affected countries shall exchange their experiences.

A third challenge is the adaptation of agriculture to climate change. This challenge does not only affect the year 2012, but also following years. This year is marked by the Rio+20 Earth Summit. The FAO shall make policy and practical recommendations for carrying out the adaptation process to the climate change of agriculture, livestock, forestry and the fishing sectors. A strategic starting point for us is the family agriculture, which needs support to face climate change.

»NO SECTOR, ON ITS OWN, IS ABLE TO FIGHT AGAINST HUNGER«

Which are the biggest concern of the FAO, in Chile as well as internationally?

Our main concern is, worldwide, the fight against hunger and the support of rural development, to guarantee that there is enough food for everyone.

Traditional rural agriculture versus agricultural innovations? Are these concepts compatible?

More than compatible, they should be complementary, since it is in the family agriculture where the greatest development potential lies. This can only be reached if we are able to bring innovations to the field, that means if technological advanced are available for peasant, small farmers and farmers.

This is important especially when it comes to the current situation of price volatility. If we reach to increase availability of food, international prices should be more stable.

Therefore, it is essential that states recover an important role in the innovations, and thus, the neediest farmers will have access to innovation results.

Which responsibilities, do you think, do enterprises of the agriculture and food sector have against hunger and poverty?

All sectors have a huge responsibility in the fight against hunger, since it is impossible that the FAO alone fights against this pest. The only way to eradicate hunger is that all sectors, from government, enterprises, NGOs to civil societies and international organisation, join efforts and promote initiatives that seek for the progressive reduction of hunger and extreme poverty.

It is very important to know that no sector, on its own, is able to fight against hunger and extreme poverty, and that only intersectorial alliances can help change the unacceptable reality of having more than 900 million starving people all over the world.

Which is the governments role regarding food sovereignty? What responsibility should they assume?

The FAO deals with food safety, more than with sovereignty. Therefore, we think that states are responsible for the establishment of laws to guarantee an appropriate diet of their population. The FAO is completely available to help countries in the formulation and introduction of such laws. Through the "Hunger Free Latin American and the Caribbean Initiative", for example, we boost the campaign "Parliamen-

tary Fronts against Hunger”, which group legislators of the whole region motivating them to discuss and support the development of political plans concerning food safety.

FAO Chile and SanLucar are going to collaborate within the framework of the programme of international corporate volunteering. Why do you think it is important that companies of the sector get involved with the local communities they work in?

As I mentioned before, it is essential that all sectors join and contribute in favour of rural development and the eradication of hunger. This is why we consider that SanLucar is carrying out a very good task, supporting the management of the FAO in Chile.

We think that there are several ways to promote the agriculture of a country, and any other effort will be even more successful if we join forces between all sectors.



5.3 The social development at SanLucar International

One of our own main production centres is in Tunisia. There we grow several varieties of fruit and vegetables: tomatoes, melons, strawberries and raspberries. In 2012 we started also with the cultivation in South Africa, from where we will get the tastiest citrus fruits, grapes and stone fruits, among other products.

At our farms we apply our philosophy: passion for taste in harmony with man and nature. Thus, all our farms are Global G.A.P. certified, that promotes good cultivation practices of the land, to reach safe and sustainable products. And we make sure that the work with our plants is carried out with integrity, equality, safety, responsible use of natural resources, and taking into consideration work safety, as well as the best social and working conditions and a long-term development for our workers.

Moreover, we would like to start with an ambitious project in 2013, with which we want to promote the production and marketing of traditional handcrafted products of the region (like basketry and plaiting), complying with the following sustainable aspect: long-term improvement of the economic situation of the local population and a sustainable management of palm trees.



Our oasis in Tunisia



We chat with Santiago Galán, CEO of SanLucar International

Santiago Galán knows exactly what SanLucar is and what it represents. He is in charge of the development of the business on the international scale. Moreover, he participated actively in the introduction of the SA8000 management system. He knows perfectly the importance and the necessity a responsible management has, thus Santiago gets involved day-to-day in reaching it.

Santiago, 2011 was a very special year for SanLucar, since we went for a strong strategic development of the international business. Where do you see SanLucar in five, and in ten years?

I think that this international spirit is part of the DNA of SanLucar, and already in 2008 we set the foundations with our establishment in Tunisia. What we are seeing in 2011 and 2012 are the first results of the time and work many people spent there.

The work of a great team is continued, and this is why the SanLucar as we know nowadays, will be very different in five years, not to mention in ten. It is impossible to avoid changes. In five years we want to have 3,000 ha as production area, with prospects of another 5,000 ha. And approximately 5,000 people will be working at SanLucar, and in ten years maybe even 15,000!

We will be represented and producing in more than ten countries in four continents and there will be people working for the company of more than 30 nationalities.

All this will change what we currently know, but thanks to what we are right now, we will be able to face this exciting challenge.

What is the greatest challenge of SanLucar regarding its international development?

Without a doubt it is the one about finding the appropriate people and make up of the teams for the different countries and areas we would like to be in. Agricultural land or an office can be purchased from today for tomorrow, but breathing life into all of it, this can only be done by the people. Making up a well organized team, that knows and lives the values of SanLucar, requires a lot of time, and is, without any doubt, the most difficult, but also the most motivating challenge we have in front of us.



»(...) (THE CHALLENGE IS) FINDING THE APPROPRIATE PEOPLE AND MAKE UP OF THE TEAMS FOR THE DIFFERENT COUNTRIES«

The areas where SanLucar started to develop its business are Tunisia and South Africa, why do you think these countries have been chosen?

These are areas with huge agricultural traditions. Both countries are in different hemispheres, something that gives us the possibility to produce one product during twelve months per year. And above all, there are countries that welcomed us warmly. SanLucar does not only want to take land and produce, we want to introduce new agricultural development models, with an effect on the social development of all people, a development of the communities. These are not just simply words, in Tunisia they are already a tangible reality and in South Africa we are about to see the first results.

We go for the innovation of our production system, together with the involvement of all collaborators in the development. This gives us a competitive advantage if we know how to make the most of it, and will add a great value to local areas.

»EVERYTHING THE SOCIETY CLAIMED FOR, WAS ALREADY A REALITY AT SANLUCAR TUNISIA.«

Tunisia and South Africa, both countries whose recent and current history is marked by fights for more rights. How does SanLucar deal with this situation?

These are incidents we are living very closely, and as long as they are carried out with respect, we support them to 100 percent.

In Tunisia, we have been in the middle of the revolution, helping our colleagues and made means available so that their work and development were not affected. We adapted to schedules and other requirements, to show that we were supporting our team. Everything the society claimed

for, was already a reality at SanLucar Tunisia. Even so, we increased communication with the teams and are always ready to listen to them and support them, thus, there has been a positive effect. Tunisia is a well formed society that demands more participation and better social conditions, something SanLucar will always support.

South Africa is a very different case. They have the democratic foundations, but as they explain, social disparity is huge. They are probably one of the world's countries with the highest social disparity. SanLucar is already working on the equality of opportunities, starting with our own structure, where no economic difference exists for functions of the same post because of gender or race reasons. Our upcoming challenge is preparing people without white skin to face more and greater responsibilities, which would make their personal and professional development easier. The advanced steps we have made until now are already showing their first results. Everyone can see that at SanLucar we fight for equality of opportunities and no other position is accepted. Even if it takes time, I am sure we will reach it.

Another, more difficult issue is bringing this position to the communities, but if we can convince other production enterprises that with this system people work better, they feel better, and their value increases, we think that it will be established slowly, step-by-step, since there are centuries of inequality.

SanLucar has a Code of Ethics and started in 2011 a plan for equality and diversity. Can these SanLucar principles be applied in all countries?

They are 100 percent applicable and we should not deviate even one percent from this objective. This is the spirit we work with and everyone who belongs to this project knows it is going to be this way. This is a principle that leaves no room for discussion and are valid everywhere, Spain, Austria, Germany, Tunisia and South Africa.

What have been the main social projects and achievements in Tunisia until now? How was the evolution? What is planned to be done soon?

I think that the main achievement is considering our workers as people with rights and obligations. We are working restlessly upon this basis.

In almost four years now, since we bought the farm in Tu-

nesia, we provided means that are obvious for us, but were a surprise for our colleagues when we arrived there, like appropriate lavatories, modern changing rooms, dining rooms with high hygienic conditions and comfort, protection and training for the labour risk prevention system, transport to their villages to make access to the labour market easier, training grants, subsidies for the education of their children, seniority bonuses to reward the fidelity of the team, performance bonuses, salary improvements 30 percent above the average of our sector, medical services with an own nurse for monitoring, prevention and help in cases of diseases or injuries.

In fact, on the 14th of June 2012 the Prime Minister Hammedi Jebali rewarded us with a prize we are really proud of, the FIPA Award for the creation of stable employment, social development and investment and richness in the most difficult moments of Tunisia.

»SANLUCAR IS ALREADY WORKING ON THE EQUALITY OF OPPORTUNITIES«

Now we are working tirelessly on the internal training with our engineers, thus everything is carried out correctly within all teams. We want to support participation and the cohabitation with the creation of a sports zone, to organize competitions and other events, and we are going to try to boost economic development of families of the area marketing local handicrafts (basketry), searching for aesthetic packaging alternatives, taking into account social and cultural aspects of the region. To sum up, we want to continue with our principle of giving value to the people and offer opportunities to grow.

South Africa is a great challenge, with a lot of social disparities and problems like lack of safety in cities, drugs and alcohol, high accident rates, etc. How is SanLucar going to face this challenge and create a positive effect on a long-term basis?

In the former question we already talked about this disparity situation and social underdevelopment, and I repeat what I said: where we have the chance to act, we will, where not, we will try to have an influence within our possibilities.

We are going to eliminate the traffic of substances harmful for the health, since we consider our exploitation as a place to work and to learn and not as a place damaging for health and cohabitation. Thus, we will support the people of our teams in detox programmes, with the help of the authorities and local organisations. We want to work with our teams especially on their education and professional and personal development, since education is our main tool to leave no space for harmful issues. Right now, we are negotiating with local administrations to give our employees a better life quality and accommodations within their villages, favouring in this sense their integration.

These are difficult issues the majority of the civil society wants to eradicate, as well as the public administration. We think that only with the joint work of all of us, and being very close to the people, it is possible to reach this.

SanLucar has an enterprise policy which includes a sustainability and an environmental policy. How does SanLucar guarantee environmental sustainability in its business development areas?

As it happens with our Code of Ethics, these are undisputable subjects. We believe in the development of all our actions within the frame of sustainability, and we transmit these criteria on to all our partners.

Focusing on our production, we are working on water saving policies, recycling irrigation water, we work on the selection of waste for its recycling, besides that this practice is not very spread in the countries where we are establishing, we carry out audits for saving energy, and more. But the most important is that all our actions are steered towards sustainability. This is only possible if we all believe in what we transmit and our team gets involved completely in these actions.

Which three qualities help the CEO of SanLucar International to carry out a good job in the whole world?

As responsible for this area, my role is acting with the SanLucar criteria and representing the company the best way possible. This means: Be able to adapt to local culture, to understand the vision they have of the world, their behaviours. Only if we are able to understand each country and its people, we will be successful. We want to transmit our understanding of agriculture, providing avant-garde systems, sustainability and quality, as the best way of offering our customers a good job. Team work: reach out to those individuals that look at the group as the only one able to achieve results and successes, creating structures able to work with people who can lead. Communication, Quality and Excellence: finally you must be a facilitator, thus all areas at SanLucar can contribute with their knowledge to help in the improvement of each project's development.





Our Point of Sale

6. Our customers and consumers – our best guarantee



- Edeka Südwest and SanLucar
- REWE International AG about sustainability
- Social innovation in packaging
- Transparent quality
- The dialogue with our customers and consumers
- Fresh communication

Fruit and vegetable consumers demand fresh, tasty, healthy and 100 percent safe products. We, as well as our partners, are convinced that a good product depends on a responsible behaviour. Thus, SanLucar and its growers are assessed under the same criteria to guarantee the highest quality of our products. We do not only share the same vision with our producers, but also with our customers, who are the most demanding judges. They are accomplices as well, and facilitators who make sure that our philosophy and actions reach other consumers and become a decisive tool at the sales point.

Edeka Südwest and SanLucar

» Do something together! We love food and, thus, the freshest fruit and vegetables as well, like SanLucar, our partner with who we have been working with confidence and closely with for years. At SanLucar, fruit and vegetables are grown in harmony with man and nature. Aspects like environmental protection and social commitment are strongly linked to our corporate philosophy, as it happens in SanLucar. These concepts join us and make of us a good team.«

Christhard Deutscher, Director of Corporate Communication at EDEKA Handelsgesellschaft Südwest mbH.



REWE International AG about sustainability.

We chat with Tanja Dietrich-Hübner, Sustainability Manager at REWE International AG.

Since when has REWE Group committed to sustainability and corporate responsibility? Which projects and activities are being developed?

In 2008, sustainability was established as an important action field for the REWE Group. The group has been the first Austrian food enterprise in introducing sustainability in its business strategy, something that has an impact on all marketing and business sectors. The sustainable strategy has four essential aspects:

- Green products
- Energy, Climate and Environment
- Our colleagues
- Social commitment

What meaning does PRO PLANET have for your enterprise?

With PRO PLANET we label a group of conventional products that during its production, handling and use contaminate environment and society much less. All aspects of sustainability are respected during the value chain.

The objective is promoting sustainable consumption in the mass market, and offering products with an additional sustainability value, to attractive prices. To carry our PRO PLANET projects, the REWE Group works with independent experts, in Austria, for example, with GLOBAL 2000 and Caritas. Thus, we are able to offer orientation and support for all those consumers who want to help the environment with their purchase and contribute to a smaller social impact.

You spend one week of the year on the subject "sustainability". What are the objectives?

To be able to inform about the huge variety of activities and objectives concerning sustainability, every two years the REWE Group publishes a sustainability report. As Austrian leaders in the food and drugstore products sector, REWE International AG takes its responsibilities very seriously towards society and future generations, and is committed to drive the issue of sustainability forward. Such an ambitious task can only be carried out together with our partners responsible in the industry.



This means, for example, being able to offer to our customers products with an additional value respecting a healthy diet, environmental and climatic protection, biodiversity, social commitment, etc. and offer our employees preventive medical checks, special discounts in their daily purchases amongst other things. An objective for the climatic protection is, for example, reducing 30 percent of specific carbon emissions by 2015, respecting the basis year 2006.

»REWE INTERNATIONAL AG TAKES ITS RESPONSIBILITIES VERY SERIOUSLY TOWARDS SOCIETY AND FUTURE GENERATIONS«

Why do you think corporate responsibility is so important in the food sector?

The business commits itself to total transparency of products and information for customers. Thanks to the pioneering

work in the sector of organic products and the expansion of the range "Ja! Natürlich" to 1,100 products, REWE International AG has made a considerable contribution to raise awareness of consumers respecting sustainability. Sustainability in the food sector is decisive in the moment of purchase of every second customer, as studies showed, made in 2009 and 2010 for REWE International AG about food culture in Austria. In this sense, concepts like certificate of provenance, certifications, quality seal, and others are gaining more and more importance.

Where is the difference between a responsible enterprise and an enterprise that does not take corporate responsibility that seriously?

Sustainability should be incorporated into the corporate strategy and linked to specific objects. A continuous and credible communication with several groups of interests is also very important.

»SUSTAINABILITY SHOULD BE INCORPORATED INTO THE CORPORATE STRATEGY«

Which communication channels are important for establishing contact with consumers and create long-term confidence with brands like REWE and SanLucar?

Maintaining a regular communication is very important for the sustainable development of REWE International AG. This is the only way to create transparency and confidence. This is the only way for creating transparency and confidence. To know necessities and wishes of stakeholders, we keep a constant exchange with customers, employees, partners, providers and other groups. REWE International AG participates in several projects, networks and initiatives, like ARGE Gentechnik frei, a group for non genetically modified food, or respACT, an austrian platform for CSR and sustainable development, for many years now, to work together with other companies and experts for the commencement of solutions.

Which corporate responsibility activities of SanLucar attract your attention?

Besides the certification SA8000, your first sustainability report in 2011.

An enterprise can only be sustainable if it happens in harmony with the value chain. How does the REWE Group guarantee highest quality of its value chain, and how is it communicated?

In the document "Leitlinie für Nachhaltiges Wirtschaften" (Guidelines for a sustainable business), published in 2011, REWE Group explained the values it supports. This includes the whole value chain and the aim is that all REWE Group partners act sustainably where they have an influence.

What ideas and plans does REWE Group have for its future campaigns?

We want to continue with the sustainability weeks. Together with our partners, we would like to present attractive offers of sustainable products to customers of BILLA, Merkur, PENNY, BIPA, and ADEG, and thus, promote a healthier lifestyle among Austrians.



6.1 Social innovation and packaging

At SanLucar we want all our customers to have access to the best information about our products. In this sense, the packaging and CR departments have been working since 2011 in a project for the introduction of Braille in the labels of our products. This would help blind and visually impaired people in their purchases in the supermarket and to find the products at home.

To better understand the necessities of blind and visually impaired people, and thus comply with objectives of the project, we talk and collaborate with associations for visually impaired people in Germany and Austria (BSVH Blindenverein Hamburg and Blinden- und Sehbehindertenverbands Österreich), as well as with the Spanish foundation ONCE, to find out if the produced labels are legible and useful. We are also assessing other technological developments, alternatives to the Braille, which make sure that information is accessible for the blind and visually impaired.

We will start with the "Fiesta" tomato for the next campaign in Tunisia, starting in November 2012, and we will be increasing it to other products that use the same label format from that moment on.



6.2 Transparent quality

Everyday our quality department works to make all information concerning quality of our products available for the customer and to comply with European regulations on traceability and food safety. With the purpose of achieving maximum transparency, we work with a collaborative platform called Web portal. This portal allows our growers to send all their information relative to the product (production volume, traceability, field treatments, post-harvest treatments, analysis, etc.). Once the documentation is sent, it is made available for our providers to check, thus they have complete visibility of all production and quality processes of all the merchandise they receive in their platforms.



To enter the Web portal, you only need a browser with internet access, in addition to a user name and password. The URL is:
<http://extranet.sanlucar.com>

Moreover, traceability of our products is one of the principles at SanLucar, our experts for quality, logistics, IT and packaging work together to reach a transparent process. At SanLucar we never lose sight of our products, we never neglect them, from the seed until the supermarket, the production and distribution chain is always under control. Therefore, our identification and IT management system of the merchandise allows us to know at any point of the supply chain the whole history of the merchandise, being able to identify the product, volume, address of the grower and plot, sales unit, weight, date of harvest, packing date, dispatch date, pallet number, haulier, registration number of the truck, intermediate stops and address.

We distinguish three types of traceability:

- Traceability backwards: documentation and labelling to the field.
- Traceability forwards: documentation and labelling to the customer.
- Internal traceability.

To guarantee the good functioning of the system, our quality technicians check daily the correct identification of the merchandise of our producers. Thus, we are able to locate and identify each pallet whenever necessary.



6.3 The dialogue with our customers and consumers

Knowing and understanding expectations of our customers and consumers, and answering to them, is important for us, and it is the basis of our commitment for the highest quality, a quality focused on the customer. Our daily task is "to fill the consumer with enthusiasm", that is, not only complying with their expectations, but to beat them (supply guarantee, quality guarantee). Thus, we offer a product of confidence and of premium quality, but we also offer communication to improve day after day. The satisfaction and loyalty of our customers have priority at SanLucar. It is a responsible consumption of fruit and vegetables, and the best information for our consumers. Because of all of this,

our key account managers work every day together with SanLucar distributors and customers, all those people who sell our product to final consumers, informing them about innovations, giving regular training courses to the staff of supermarkets, explaining to them our philosophy, our values and sustainability.



Our KAMs and PoS Consultants

To study the satisfaction of our customers and suppliers, during the campaign 2011/2012 we introduced a SanLucar survey platform which allows us to send simultaneous satisfaction surveys to all our customers, getting detailed results by customer and comparative graphs of each question raised in the surveys. This online tool renews and makes analysis of satisfaction easier, and it allows us to optimize processes, besides establishing conclusions very quickly, something that helps us to constantly improve.

This platform also allows us to carry out a satisfaction survey of other stakeholders, like our production partners, or to carry out market studies about a certain product or new packages.

During the 2011/2012 campaign, we improved the proceeding with which we manage complaints. We made it more transparent, more efficient and faster. SanLucar created a new complaints department, in charge of this process and of getting greater satisfaction from our customers and suppliers in this process.

The quality department is in charge of analyzing received complaints, writing a monthly report, not only to document them and analyze their historic evolution, but also to assess the reasons and, if necessary, start specific improvement plans. Reports are transmitted to our commercial departments and product managers, to optimize our processes and services.

The survey platform and our complaints department are a very important

source of information we take into account to constantly improve our processes and to always offer the best service.

Our consumers can contact us as well through the comment field on our SanLucar Blog, our SanLucar Facebook Fanside and through the form on www.sanlucar.com. Our commitment with the final consumers is speed and transparency. Any doubt they might have about our products has to be solved by our professionals as soon as possible and with the rigour our customers deserve.

6.4 Fresh communication

We know that our SanLucar fruits speak for themselves, but a good marketing and communication strategy will help to understand them better. The marketing mix of SanLucar includes several communication tools that help us reach the different members of the public.

The team of key account managers with their PoS consultants in Austria and Germany have direct contact with the staff of the shop, giving them advice for selling our products. For the professional public, there is a weekly SanLucar newsletter informing about the arrival of products, innovations, evolution of campaigns and corporate news interesting for the distribution.

The meeting point with our consumers is the sales point, especially cared for is the presentation of our products the way they deserve. With special information posters and leaflets, we provide inspiration and information about our products. The packaging has a special role in the presentation of our products. We use packages which respect the environment, something that gives an additional value to our products. Many of our packages have a recipe on the back side with ideas of how to cook these products. Every two months SanLucar publishes a magazine called SanLucar Magazine, where our products play the leading role: recipes, advice, facts about our fruit and vegetables.



Together with all of these activities, SanLucar also does radio campaigns, articles in magazines, events, sponsorships, promotions and competitions. The team of public relations is in charge of contacting through communication means and carrying out market research with focus groups of consumers, to understand better their purchase motivations.



The SanLucar online community

For SanLucar, the online communication is an excellent opportunity to have a closer contact with the community of the consumers of our products.

The corporate web page, www.sanlucar.com, offers for each stakeholder a specific communication channel and the most relevant information. Thus, the consumer can search the nearest supermarket that sells our products, people interested in working with us can upload their résumé and send it directly to our human resources department, growers can check our quality and sustainability requirements, and clients can find out something about our production areas and our master growers. Moreover, the former SanLucar Blog, written exclusively by the SanLucars, has been integrated completely into the new web page, offering a closer and more personal vision of the enterprise since 2009. SanLucar is also in contact with its customers and consumers through Facebook. It is an interactive communication tool where both parties can share information,

queries, complaints and experiences with SanLucar. Furthermore, it is also perfect for getting feedback on new projects and to promote our products at the right time. With more than 8,000 fans, the SanLucar Facebook Fansite is an essential means to be in contact with our community.

This is not the only social network where SanLucar is present. We started a project called "Fruity Facts" on Twitter (<http://twitter.com/fruityfacts>), which informs on facts or unexpected data of fruit and vegetables of SanLucar. Obviously, SanLucar has its own YouTube channel with all our videos (<http://www.youtube.com/user/SanLucar2009>).



Our educational trips – bringing the farm closer to the supermarket



Our commercial department has excellent professionals who work with passion and a wide knowledge about fruit and vegetables and about its cultivation. They can and have to transmit what they know to their customers, since only if we know the product very well, are we able to offer it and inform our customers appropriately. Therefore, at SanLucar we invest in continuous and specialized training of the staff at the sales point.

During the year, we travel several times with different groups of fruit and vegetables sales agents to the different cultivation areas, in order to introduce them to the secrets of producing the best fruit and vegetables, as our grapes of Southern Italy, the clementines of Spain or the apples from Austria. These trips are an excellent training tool for the employees of the shops. They are also a way to instil our philosophy and values into our partners and create links between producers and the staff at the sales point.

Since 2005, more than 1,000 Austrian and German supermarket employees have visited our producers.

During the campaign 2011/2012, we made the following training trips:

When	Who	Where
12. - 16.07.2011	Fresaflo (ES)	Köln, Ettlingen, München
19. - 21.07.2011	Merkur (AT)	Giuliano, Bari
17. - 20.08.2011	Doego (DE)	Giuliano, Bari
17. - 19.10.2011	Rewe Richrath (DE)	Gößl, Steiermark
19. - 21.10.2011	Scheck-In (DE)	Gößl, Steiermark
13. - 15.11.2011	Merkur (AT)	Llugar, Castellón/Valencia
20. - 22.11.2011	Dornseifer (DE)	Llugar, Castellón/Valencia
27. - 29.11.2011	Billa (AT)	Llugar, Castellón/Valencia
15. - 17.03.2012	Wasgau (DE)	Fresaflo, Huelva
20. - 22.04.2012	Edeka (DE)	Fresaflo, Huelva
20. - 22.05.2012	Adeg (AT)	Fresaflo, Huelva

We are sure that this internal coaching method is an important contribution for the sale of fruit and vegetables, since the vendors themselves, accordingly motivated and trained, are the best for informing final consumers about the food. The feedback we received is very positive and shows us that we are on the good path:

»I saw the pictures of the plantations, and some of our promoters are already explaining to customers and partners the added value SanLucar has to offer. A very successful programme!«

Christian Deisenroth (Wasgau)

»We are sure that this trip will motivate all participants to get involved in our test even more.«

Bernhard Schnitzer (Edeka test markets)

»Such an interesting programme, well-planned, for all the public, with professionals, where no incidents happen only deserves all respect and praises, and it represents perfectly the SanLucar philosophy.«

Roland Bartel (REWE International AG, group leader Category Management Fruit & Vegetables ADEG)



José Luis Jiménez, vegetable's grower in Almería

7. Nature – our most valuable partner



- In harmony with nature
- Protection of the atmosphere
- Innovative packaging
- Green Office

To SanLucar, ecological sustainability is not only an advertising slogan. Since the company was founded, a respectful balance with nature has been our utmost priority. Our growing areas are chosen with a focus on both perfect growing conditions as well as the possibility to cultivate our products with minimal resources. For SanLucar, nature is an indispensable partner that we respect and care for throughout the entire lifecycle of our fruit. Only with this perspective are we able to obtain fruit and vegetables with the quality and taste that we would like to serve our customers.

7.1 In harmony with nature

Use of new technologies to save resources (eco efficiency), realization of sustainable agricultural methodologies and measures for saving ecosystems as well as the recycling concept play an essential role in implementing our environmental policy.



Nature in our value chain

Every part of our planet is characterized through specific climate zones and soil properties, which influence plant development, energy consumption and nutritional requirements. Therefore, the selection of cultivable land is an essential requirement for an ecologically and economically sustainable production. This approach is the only way to conserve natural resources and reduce the use of chemical substances in agriculture. Production at SanLucar incorporates the plant requirements in a natural way. We look for synergies with nature and show respect for our environment.

The entire process from the selection of varieties to the quality control requires an enormous effort that can only be handled by true experts. These experts are our growers in collaboration with our technicians, who know the operation of nature.

To support our obligations to sustainability, we have currently developed a number of actions along our value chain:

1. Water: Minimization of water consumption

- Our growing areas are cultivated with intelligent irrigation systems, which reduce water consumption:
 - Treatment and reusage of drainage water
 - Drip irrigation on our fields
 - Use of rain water through reservoirs
- Our fields are equipped with humidity sensors to optimize irrigation and fertilization to reduce eluviations as much as possible.
- Climate data management helps us to optimize irrigation (e.g. at Giuliano).
- On our cultivated areas for citrus fruits we laid out mats, which avoid growth of weeds. Simultaneously, water evaporation is reduced and hence the percentage of wetlands is increased. Moisture and heat improve the development of the root system and reduce water and fertilizer consumption. Efficiency is improved by approximately 20 percent.



2. Soil: Preserve structure and soil life

- Practices are applied that do not require tillage. In this way, soil structure is preserved and erosion is minimized.
- Soil texture is respected. In this manner, negative impacts on rain water are diminished.
- Organic material that is produced in the course of pruning the plants is shredded and distributed on the ground. This mulch increases the proportion of organic material and improves the soil structure.

3. Emissions: Reduction of greenhouse gases

- We calculate the CO₂ footprint of our products to enhance our knowledge on the impacts of our activities and improve our processes. Only this way can we find targeted solutions. At the moment, we are calculating the CO₂ footprint of our lemons grown in Murcia in collaboration with a consulting firm specialized in this area. Our goal is to reduce the CO₂ emissions directly along our value chain or initiate compensation projects in the countries we grow our fruit and vegetables.
- Innovation in packaging: our Light Weight Box®, which is made out of corrugated paper, is lighter and more environmentally friendly.

4. Energy: Reduction of energy consumption and usage of renewable energy

- Tunisia: in the campaign of 2011/2012 an energy audit was implemented to target measures for improvement e.g. usage of geothermal energy as a natural source of energy.
- Spain: educating the workforce on how to drive more efficiently with the goal of reducing fuel consumption. In September 2012 we start our online car sharing platform: Carpooling.
- Innovation in packaging: reduction of packaging weight and volume so that the number of boxes per truck could be increased and hence achieve savings in fuel consumption.
- Growing citrus fruits: gradual renewal of our vehicle fleet to reduce fuel consumption.

5. Protection of cultures

- We continuously diminish the use of agricultural pesticides by reducing the number of treatments per field and abolish the application of products, which are particularly harmful to the environment.
- Through a targeted application and limited number of treatments, the usage can be reduced by up to 30 percent, with little to no residues on the final product.
- R&D: A lemon test field in Murcia which is produced according to a protocol developed by SanLucar that aims to grow lemons with "Zero-Residues". The test field has already existed since 2009 and was expanded after positive results of the campaigns 2009/2010 and 2010/2011. The goal of this protocol is to avoid the application of chemical substances. The only case where the application of these substances is permitted is in case of a massive pest infestation.
- "Zero-Residues": During the campaign 2011/2012, we expanded the test field according to the "Zero-Residues" protocol without reducing external quality compared to traditional production methods. To make sure that our products contain "Zero-Residues", we base our approach on the following:
 - We analyze output curves for the individual substances to track the legally permitted usage of plant protectants for citrus fruits. Only if there is a threat of high crop loss, we use plant treatment as a remedy, but only the minimum necessary amount. All treatments are tracked and controlled so that they do not have any negative effects on quality. This is not only a necessary requirement for an intact yield, but also helps our growers.
 - We use biotechnical control methods: traps for coupling disruption, organic products, pruning, irrigation and fertilization and release of beneficial organisms for pest control.



- R&D: We carry out experiments in our own fields. We test biological products to reduce the usage of chemical substances even further.

6. Recycling: Waste prevention and waste management

- By-products or waste that we produce is recycled and disposed of by authorized companies.
- We preserve the environment through a better understanding of the consequences of our office activities (waste separation and recycling, measures to reduce paper and energy consumption).

7. Protection of biodiversity

- With our „Zero-Residue“ projects as well as through reducing the treatment with chemical substances we protect the biodiversity of our ecosystems. In nature, one can find many useful insects that help to control vermin. Vermin transmit plant diseases and threaten the quality of production or even the entire harvest.
- A well-planned production system respects the natural fauna, environment, health of workers, the local communities and the final consumer. Above all it capitalizes on the application of useful insects. Only if it is clear that those insects are not able to control pest infestation, do we deploy alternative products in very limited amounts. They only target vermin and volatilize the course of the plant's growth phase.



We chat with Carmen Nicolás, Director of Quality and Production at SanLucar

What does quality mean to SanLucar in general and for you as Director of Quality and Production in particular?

Quality means absolute satisfaction of every single customer. It is based on numerous factors, for instance excellent quality with regard to taste of our products, freshness guarantee, a diversified external appearance and packaging which preserves the product's quality as well as enhances the product's presentation at the point of sale. Care for the environment and societal aspects in the entire product cycle also play a major role, beginning with plantation and spanning as far as the sale of the final product.

How does a SanLucar product differentiate itself from others? What distinguishes us from our competitors?

We differentiate ourselves through the development and selection of varieties at the point of harvest. It is a selection of exclusive external quality and an exceptional product presentation.

How does SanLucar manage the control of its value chain?

Our technical experts control each step of our value chain. We are not satisfied with a positive outcome at the end of the value chain, we demand an "OK" from ourselves at each step and phase. Therefore we invest a lot of time and power and establish controls so that the safety of our products can be assured.

»WE HAVE BUILT A TRUSTING RELATIONSHIP WITH OUR GROWERS.«

There are companies in our industry that act as "policemen" along their value chain. Others rely on trust and good relationships. What is SanLucar's and its quality technicians' approach to assure best products with highest quality guarantee?



Our growers have been our partners for a long time. We have to maintain our excellent relationship to be able to achieve what we think is right; this means that we have to comply with our quality standards. We have built a trusting relationship with our growers. We assist them in all occasions instead of controlling them.

2011 was a difficult year for agriculture. For example, what did the the EHEC alarm mean for your quality department?

The EHEC alarm in Germany was an opportunity for us to prove the absolute reliability of our control system. In less than four days we provided analyses and documentation of traceability to our customers. In this way we were able to guarantee that our entire product range was perfectly fine from a food security perspective at each step of the value chain. This was a major effort as we are talking about 80 products from 400 growers in 35 countries.

SanLucar focuses on innovation without forgetting about tradition. What does that mean from your perspective?

We are innovative in improving the plant material, product life or with regard to product characteristics. The same applies to growing methods that are more environmentally friendly and simultaneously increase the security of supply. But at the same time we focus on a thorough harvest, meaning

waiting for the right time to harvest and a system without extensive use of technology.

What were the most important projects of the quality department in the campaign 2011/2012?

The introduction of a proprietary SanLucar quality seal, the company certification, the "Zero-Residues" project which will be expanded across the whole range of citrus fruits and the CO₂ footprint project.

And looking towards the future, which projects are planned for the next campaign?

We want to develop and introduce a seedless lemon into the market. Moreover, we would like to establish a test field for all of our berries. There we do not only want to grow our new varieties but also try out new cultivation techniques. The goal is to optimize the production method, the reduction of necessary analyses and efficiency increase. Additionally we would like to test an extendible roof to improve on the factor of climate protection. Good weather conditions can be exploited; in case of bad weather the plantation can be protected.



7.2 Protection of the atmosphere

Apart from improvement on our growing fields and innovative measures with regard to packaging, the atmosphere needs to be protected. This requires optimization in our logistics system.

Our logistics center in Ettlingen, which we opened in 2011, allows us to improve the control over the usage of trucks. Today, the contractor delivers an extensive amount of pallets from the same grower. This reduces the number of locations at which the carrier needs to unload along the route. Moreover, groupage transport is avoided and a better controlled transportation system can be deployed. Furthermore, the cooling system in Ettlingen does not use any fluorinated cooling liquids, but water. This brings major environmental advantages, as water

compared to fluorinated cooling liquid has a minor impact on global warming and a minor decomposition effect on ozone.

SanLucar is currently working on a pilot project to calculate the CO₂ footprint compensation based on common standards (PAS 2050) with the example of lemons.

7.3 Innovative packaging

SanLucar has an own department with packaging specialists, who focus exclusively on innovation and development of SanLucar's packaging. They are true experts when it comes to packaging material and its production.

As we have an obligation towards the environment, our projects focus is on the reduction of our environmental footprint to reduce the environmental impact of our worldwide production.

Lighter and more environmentally friendly packaging made out of corrugated card board

SanLucar's Light Weight Box® preserves resources because it:

- is 5 to 15 percent lighter. It is extracted from first class birch wood paper that is very stable despite its lightness.
- is made out of PEFC certified wood, which originates from woods in Sweden, where paper pulp is produced. This way we contribute to our forests being cultivated sustainably.
- needs fewer natural resources. The Light Weight Box® has the same volumetric capacity as traditional boxes, but weighs considerably less. In this way we can both reduce the amount of raw material necessary as well as the amount of waste per box.
- needs less chemical substances. For labeling the Light Weight Box®, we only use one type of color to keep the impact on the environment to a minimum.
- reduce the CO₂ emissions. As the box is lighter, the CO₂ emissions produced during transport are minimized.



If one solely considers the direct emissions during transport, we save 3.7 mg CO₂ per box. This data might seem irrelevant, but if we only think about the one single campaign on citrus fruit from Spain, the 3.7 mg converts itself into 14,195 kg CO₂. This number gives us an idea on what we can accomplish with a yearly consumption of eleven million boxes per year.

The Light Weight Box® is introduced step-by-step. In 2014, it should reach a 75 percent share of all boxes used by SanLucar. This translates into approximately 8.5 million boxes.

Program on reduction of the use of plastics in our primary packaging

In our next campaign we start our program on reducing the consumption of fossil raw material. Packaging elements like plastic frames are going to be replaced with 100 percent recyclable and compostable corrugated card board.

With an average consumption of eight million plastic boxes per year, we can estimate a saving of plastic material of 200 tons. Our goal is to reach 85 percent of this amount.

One aspect we should always bear in mind is: exceptional packaging quality is necessary to be able to protect the products and preserve outstanding quality on the way from fields of production to the final consumer.



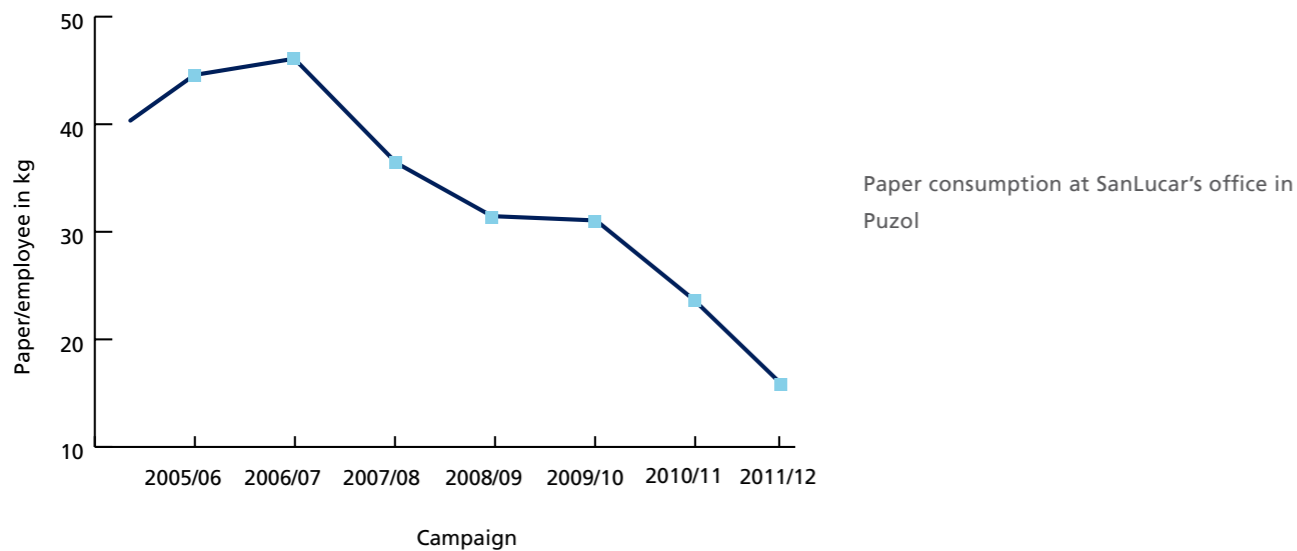
7.4 Green Office

In 2011, the departments office management, information technologies, maintenance and corporate responsibility initiated the project "Green Office" with the intention of establishing a "Green Office" by 2015. To achieve this we defined five major goals:

1. Goal: Reduction of paper consumption

Since 2008, SanLucar has reduced its paper consumption continuously. This is attributed mostly to the introduction of new technology in the IT area. Almost every work station is equipped with two screens to facilitate the working without paper print outs. Incoming and outgoing faxes are no longer automatically printed but are saved in the AX system directly.

The result is positive: since the beginning of the campaign 2006/2007 we have reduced the paper consumption by 56 percent per employee!



Nonetheless, at the end of the week we still remove 80 sheets of paper as waste from the printers. Our goal is that only what is absolutely necessary is printed while also assuring that there is no waste produced in the printers. That is why we will change system settings at each computer during the months of July and August, selecting double-sided printing and safe printing as standard.

2. Goal: Increase in recycling share

On 5th of June 2011 (world environment day) we officially started to separate our waste. For this purpose we placed the necessary bins at various locations in the office: Containers and bins in different colors and shapes. In this way the SanLucar

employees can separate packaging out of plastic, card board and glass, organic waste, printing paper and used batteries.

SanLucar in collaboration with the integrated waste management providers like "Ecopilas" arrange recycling of these wastes according to specification. Since the relocation of our distribution platform to Vall d'Uixó, we started recycling all warehouse material: carton, wood, plastic, tapes etc. are separated and picked up by a recycling firm.

3. Goal: Environmental office material

We gradually exchange our office material with ECO-LINES products from various producers or environmentally compatible alternatives.

Additionally we are working towards a reduction of toner consumption and other technical material (DVD, CD).

4. Goal: Minimizing energy consumption

We also consider the environmental impact when utilising our air conditioning and heating. Thus, the lowest temperature in our office is 25° C during the warmest time of the year and 21° C in the winter season. During the times when the external temperature is moderate, we use natural ventilation.

Moreover, through optimization of our system infrastructure (IT), we could also save a lot of energy. The extension of the device lifecycle and the procurement of more efficient devices permitted us exponential energy savings.

Furthermore, SanLucar also fosters the energy saving behavior, for example by switching off computers and screens in case one leaves their work station for more than three hours, by exploiting energy saving mechanisms and of course: the last one to leave the office turns off the lights!

Ultimately, when carrying out future modernization projects, we will rely on latest office technology and a bioclimatic architecture (lighting by sector, motion detector etc.).

5. Goal: Support an environmental culture

All the "Green Office" projects are based on raising awareness in the workforce for protecting the environment. SanLucar's employees understand that even small daily gestures concerning environmental protection can have a valuable impact on our future generations.

With conferences, presentations, banners and internal articles we work towards spreading this culture across all SanLucar employees and to raise awareness through this action.





8. Appendix



• GRI Table	92
• Communication on Progress Report (CoP)	113
• Corporate data	115
• Contacts	120
• Certifications	121
• Glossary	122

Appendix 1. GRI Table

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
General Indicators			
Executive Board	1.1.	Statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	Foreword from Stephan Rötzer, founder and holder of SanLucar.
Executive Board	1.2	Description of key impacts, risks, and opportunities.	SanLucar already has a risk management system, which analyses and alleviates risks of the company. Risks exist related to commercialization, legal risks, image risks as well as country specific risks (e.g. political risks). Behind every risk is a chance for constant improvement of the management. See Chapter 2.5
Executive Board	2.1	Name of the organization.	SanLucar Fruit, S.L, corresponding to Grupo Consolidado SanLucar Fruit S.L. (consolidated group)
Brand	2.2	Primary brands, products, and/or services.	Brand SanLucar Other brands: Sunnyboy, Sunnyberries, ClemenRed Chapter 1
Human Resources	2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Chapter 1.3
Human Resources	2.4	Location of organization's headquarters.	Serra Llarga 24, 46530 Puzol
Resources Area, Quality & Production and Commercial Area	2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Chapter 1.2
Legal Services	2.6	Nature of ownership and legal form.	SanLucar Fruit S.L.
Commercial Area	2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Chapter 1 and 6

Human Resources and Finance	2.8	Scale of the reporting organization and quantity of products or services provided.	Chapter 1 and 3 Appendix 3
Executive Board	2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Restructuring of the department and areas of SanLucar, purchase of the production facilities in South Africa in March 2012 and the movement of our warehouse from Puzol to Vall d'Uixó (Castellón) in May 2012.
All departments	2.10	Awards received in the reporting period.	FIPA Award 2012 Tunisia, Appreciation from ENGAGE and the third place in the Codespa Award.
CR	3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	Campaign 2011/2012 (tax year from July 2011 to June 2012)
	3.2	Date of most recent previous report (if any).	Publication in September 2011
	3.3	Reporting cycle (annual, biennial, etc.).	Per annual campaign
	3.4	Contact point for questions regarding the report or its contents.	Appendix 4
	3.5	Process for defining report content.	Foreword Diversity: our basis for long-term stability
	3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	SanLucar Fruit S.L, SanLucar Deutschland GmbH, SanLucar Import GmbH, SanLucar Vertrieb, SanLucar Obst und Gemüse Handels GmbH, SanLucar Portugal Sociedade Unipessoal LDA, La Cinquième Saison SA
	3.7	State any specific limitations on the scope or boundary of the report.	There are activities which SanLucar Fruit S.L. has just accomplished and applicable indicators.
	3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	The information of this report was principally related to SanLucar Fruit S.L, SanLucar Deutschland GmbH, SanLucar Import GmbH, SanLucar Vertrieb, SanLucar Obst und Gemüse Handels GmbH, SanLucar Portugal Sociedade Unipessoal LDA and La Cinquième Saison SA.

	3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	The calculation of the indicators based on our management system and the protocol of the Global Reporting Initiative.
	3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatements (e.g. mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	Is not given, because it is the first year of using the GRI method in our CR Report.
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	
	3.12	Table identifying the location of the Standard Disclosures in the report.	Content of the CR Report and table in appendix.
	3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	The CR Report was verified by us. The application level A of the report had been explained by the company itself.
Resources Area	4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	SanLucar developed their own strategic plan in which all company objectives are defined. The executive board consists of Stephan Rötzer, Carlos Seguí, Jorge Peris, Santiago Galán and Jaime Olleros (external consultant). The executive board meets at least once a year and assumes information and adversary activities.

	4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	Stephan Rötzer is CEO, founder and holder of SanLucar.
	4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	See Indicator 4.1 See Appendix 3 of the CR Report – Data of employees and Assembly of the executive and management board
CR	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	The employees in the head office have a lot of mechanism: Platform for suggestion SA8000, human resources, CIA and an employee representation. In all other companies we are still in the introductory phase.
Resources Area	4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Not exist. But it will be considered in the coming strategic plan.
	4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	This aspect will be considered in the strategic plan, on which we are currently working.
	4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	
CR	4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Chapter 2.2 Since 2011 SanLucar has an integrated policy, which includes aspects from the area of human resources, quality, environment and sustainability.

Resources Area	4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Annual preparation and authorization of the CR Report. The CEO has approved the corporate policy and has constantly monitored the integrated management system.
	4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	This aspect will be considered in the strategic plan, on which we are currently working.
Risk Committee	4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Chapter 2.5 Risk Management The integrated management system of SanLucar defined the mechanism for excellent management through forecast of risks and their continuous improvement.
CR	4.12	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Signing of the Global Compact Signing of the Charter of Diversity Chapter 2.4 and 5
CR and Resources	4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	Chapter 2.4 -> SanLucar act! Chapter 5.1 -> SanLucar is actively involved!
CR	4.14	List of stakeholder groups engaged by the organization.	In July 2010 SanLucar carried out a stakeholder analysis, which was verified and improved in a joint workshop with UPJ. We put all protocols of the stakeholder dialog into the archives and integrated it in our management system SA8000.
	4.15	Basis for identification and selection of stakeholders with whom to engage.	See Foreword and Chapter 2.3
	4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	See Indicator 4.17

	4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Chapter 2.3 -> The Model "From the inside to the outside" Chapter 4 -> Stakeholder: Employees Chapter 5 -> Stakeholder: Growers Chapter 6 -> Stakeholder: local Community Chapter 7 -> Stakeholder: Customers and Consumers Chapter 8 -> Stakeholder: Environment
--	------	---	--

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Economic Indicators			
Finance	EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	See Appendix 3
CR	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Measurement of our products' carbon footprint, starting with our lemons. Climate or meteorological changes including the following risks: thunderstorms, ambient temperature, water availability, health and production related impact on employees. All these risks are included in our risk management system.
Human Resources	EC3	Coverage of the organization's defined benefit plan obligations.	Pension plan, extra payments for continuing academic education, medical insurance and other social advantages for employees. See Chapter 3 and 5.3
Finance and Legal Services	EC4	Significant financial assistance received from government.	Public institutions/subsidies. From Ministry of Health, Ministry of Social Affairs and Secretary of State for Equality and the introduction of an equality plan -> 7.740 Euros From VEX (Valencian Institute for Export) and from the Ministry of Agriculture, Fisheries and Food to support the export and the introduction of an international brand -> 90.430.72 Euros
Human Resources	EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	The wage of SanLucar is orientated on the salary scales from collective agreements. If these do not exist, we are orientated by usual job dependend salaries in the respective country. To gain qualified employees, SanLucar often surpasses these salaries.

Resources Area and SanLucar International	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<p>The company has fixed quality specifications for fruit and vegetables; the products' purchase occurs in 34 different countries from suppliers which are homologated by our criteria. A supplier just gets a contract, if he complies with our criteria and can guarantee the delivery with our quality standards.</p> <p>The purchasing of materials to the continuation of the business activity and the production is made in the respective country, taking into account the price-performance ratio.</p> <p>The local purchase has priority, if the material is available for a rational price. This is laid down in the company's policy.</p>
Human Resources	EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	<p>SanLucar always gives preference to local contracts and promotes cultural exchanges.</p> <p>All managers are contracted locally.</p> <p>Chapter 3 – Grow together</p>
Resources Area and SanLucar International	EC8	Development and impact of infrastructure investments and services provided primarily for the public benefit through commercial, in kind, or pro bono engagement.	<p>See Appendix 3 and Chapter 5</p> <p>More than 4% of our investments in Tunisia were part of the responsible investment. The investments for the improvements of the infrastructure, the social services for the employees and the local community were achieved as a part of SanLucar's social policy.</p>
Resources Area	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	<p>SanLucar develops a business plan for each production project that includes economic impacts.</p> <p>With our risk management system we measure the economic consequences and do an approach towards the indirect economic impact.</p> <p>Positive:</p> <ul style="list-style-type: none"> - Job creation in the region - Foreign investments - Export (receiving of foreign currency) - Corporate tax <p>Negative:</p> <p>If we discover negative effects we use measures to convert them into indirect positive effects.</p>

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Environmental Indicators			
Packaging and Commercial Area	EN1	Materials used by weight or volume.	See Appendix 3
	EN2	Percentage of materials used that are recycled input materials.	See Appendix 3 The materials which are supplied directly to supermarkets are recycled by valid local systems. The material which is supplied directly to the consumer (ca. 20%) is largely recycled. This showed a study about the consumption in Germany and Austria (our main markets).
Finance and responsible in the headquarters and subsidiaries	EN3	Direct energy consumption by primary energy source.	<p>SanLucar Fruit: 427.159 kWh SanLucar Austria: 430.003,76 kWh Site Ettlingen: electric energy 427.440 kWh and gas 25.543 m³ (1st January 2012 to 30th June 2012)</p> <p>Tunisia: 0,7 tons oil/year (for the canteen) and 2.353 tons CO₂/year (used for cultivation)</p> <p>Up to now a company inventory of greenhouse gas emissions was not carried out.</p>
	EN4	Indirect energy consumption by primary source.	
	EN16	Total direct and indirect greenhouse gas emissions by weight.	
	EN17	Total direct and indirect greenhouse gas emissions by weight.	
All departments	EN5	Energy saved due to conservation and efficiency improvements.	The first audit about energy saving in Tunisia was undertaken in 2011.
	EN6	Initiatives to provide energy efficiency or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	See Chapter 7 - Nature - our most valuable partner

Resources Area and Logistics	EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	<p>SanLucar prefers the use of telephone and video conferences to save costs and travel, so we can reduce the global carbon footprint.</p> <p>SanLucar's travel policy says that the colleagues have to communicate with each other and travel together if they have common meetings or travel routes. For this reason we introduce the internet site "carpooling" this year. All employees are informed about local and regional public transport and we generally prefer the train instead of using a plane. If it is still necessary to fly, we try to do it with the fewest possible stops. We consider the accommodation and restaurants which are close to the event and in advance we inform our colleagues about the local situation to avoid unnecessary movements.</p> <p>Through our carpooling system we will reduce our emission in the displacement to work.</p> <p>For the transportation of our goods we look for transport services, which have initiatives of energy consumption.</p> <p>See Chapter 7</p>
Finance and responsables in the headquarters and subsidiaries	EN8	Total water withdrawal by source.	<p>Water consumption: SanLucar Fruit S.L.: 2.618 m³ Site Ettlingen: 559 m³ (1st January 2012 to 30th June 2012) Tunisia:101.185 m³/year (mainly for irrigation)</p> <p>See Chapter 7</p>
Quality & Production and SanLucar International	EN9	Water sources significantly affected by extraction of water.	<p>In Tunisia we have made a study about the environmental impact. The study shows appropriate conditions to ensure sustainability like the usage of the groundwater.</p> <p>Not applicable for other countries or activities.</p>
	EN10	Percentage and total volume of water recycled and reused.	<p>30% of the water from our automatic watering device in Tunisia consists of recycled water (drainage water). The utilization area has 21 hectare (50% of the total area).</p> <p>Many of our growers also use rainwater which is gathered through a special water collecting systems from the greenhouse roofs to the watering devices.</p>

	EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	<p>Our farm in Portugal which is dedicated mainly to the trials of new varieties, is located in the south-west nature park "Parque Natural do Sudoeste Alentejano e Costa Vicentina" with an area of 110km. It consists of an area of 74,415 hectares from which 56,953 hectares are land surface. In the whole park there is a mixture of Mediterranean, Atlantic and African plants. There are about 750 kinds. 100 of them are endemic, very rare and hard to find. Twelve of them can only be found in that area. In the whole park area there are species which are considered as vulnerable and others which are protected in Europe.</p> <p>The farm lies on 22 hectares and is located in Herdade da Bica, 7630-736 Zambujeeira do Mar, Portugal. This zone is traditionally used for agriculture. To protect the environment our local team of engineers takes care that the environmental effects are reduced to a minimum.</p>
CR	EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	<p>SanLucar is not a threat to the species at the red list of IUCN (International Union for Conservation of Nature) and other national lists. Our activities are in accordance with the standard of Global G.A.P. Furthermore we have additional procedures to ensure minimal impacts with the main attention on the protected habits.</p> <p>See Indicator EN11 and EN13 See Chapter 7.1</p>
	EN13	Habitats protected or restored.	<p>See Chapter 7.1 and the interview with Giuliano.</p> <p>Our partner Giuliano works with an environmental organisation on the recovery and the cleaning of a mountain range in Conversano.</p>
	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	
	EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	

Quality & Production, CR, Information Technologies, Commercial Area and Logistics	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<p>SanLucar measured the CO₂ footprint of his lemons from Murcia and will prove the amount of CO₂ per gram during the next campaign.</p> <p>In 2011 SanLucar started to implement a logistic control system, which analyzes the kilometres driven.</p> <p>Furthermore, SanLucar analyzes how many plane kilometres were used. Our travel agency has registered all kilometres since March 2011.</p> <p>See Chapter 3.4 and 7</p>
Quality & Production, CR and responsables in the headquarters and subsidiaries	EN19	Emissions of ozone-depleting substances by weight.	<p>SanLucar renewed in this campaign the old cold storages, which use R22, against new ones, which use NH₃ (liquid ammonia). This is a liquid, which requires more preventive controls concerning the safety of the employees. But the impacts on the environment are lower concerning the ozone layer and the greenhouse effect.</p> <p>We will give more information about the NH₃ consumption in the next report.</p>
	EN20	NOx, SOx and other significant air emissions by type and weight.	<p>Our activities are in general natural and not industrial. Therefore, our contribution to NOx and SOx is relatively low.</p> <p>Our cooling system in the logistic centre in Ettlingen is running with water and salt. Our forwarders signed our environmental commitment (included in the Code of Ethics).</p>
Resources Area (administrative Data), Quality & Production and SL International (data of production)	EN21	Total water discharge by quality and destination.	<p>The waste water of our office buildings is directed into the municipal sewerage network.</p> <p>The dosage and concentration of fertilisers are adapted in accordance to the needs of the plant, the ground and the climatic conditions to avoid an overdose. SanLucar has measures to minimize the ground water (Global G.A.P.).</p> <p>The surface of the warehouses is sealed and accrued to avoid the seepage into the nature soil. Data about the volume of waste water does not exist.</p>
	EN22	Total weight of waste by type and disposal method.	<p>SanLucar separates waste in all subsidiaries. Since March 2012, when the warehouse moved from Puzol to Vall d'Uixó, a recycling service was entrusted to separate cartons, wood, bands and edge protections. The information about the weight of the waste in Vall d'Uixó will be accumulated in the next report.</p> <p>In Tunisia storage areas were built for carton, plastic and wood that we sell to an authorised recycling company. The plastic of the greenhouses will be collected by a recycling company if our stock area is complete. The wood palets are reused.</p> <p>See Chapter 7</p>

Quality & Production	EN23	Total number and volume of significant spills.	Nothing was accidentally spilt.
CR	EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	<p>The empty toner cartridges and the WEEE (Waste of Electrical and Electronic Equipment) which accrues in the central office are properly disposed of in accordance with the current environmental laws.</p> <p>Used batteries are collected by the "Fundación para la Gestión Medioambiental de Pilas" (Foundation of environmental management of batteries), which guarantees a correct disposal in line with the current laws.</p> <p>Waste from pesticide packaging is always managed by an authorized waste manager from a local authorized company.</p> <p>SanLucar does not carry out any maintenance of vehicle fleets and does not use any treatments which produce dangerous waste.</p> <p>The olive oil of SanLucar is the only product which requires processing. The olive pomades is converted into energy (biomass).</p>
	EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	See EN12 and EN13
Quality & Production, CR, Packaging and Logistics	EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<p>Chapter 7</p> <p>For example:</p> <ul style="list-style-type: none"> • A lemon's carbon footprint is measured. • The packaging is innovated. • The quantity of used pesticides is reduced and we are just using environmental friendly ones. • With the help of mulches the moisture can be maintained in the ground. Tensiometer controls the level of humidity and regulates the availability of water. We save 20% of water. <p>The use of calibrated equipment reduces the drift to 30% during the treatment.</p>
Packaging and Commercial Area	EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	<p>See EN2 and Appendix 3</p> <p>We cannot know, whether the end consumers recycles our packaging or not. But we know, that our supplied markets have an integrated waste and recycling system.</p> <p>We recycle all waste in our warehouses in Vall d'Uixó and our logistic centre in Ettlingen.</p> <p>See Chapter 7.3</p>
Legal services	EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	There was no detection of any non-fulfilment of laws or regulations. We were not sanctioned.

Logistics and Human Resources (headquarters and subsidiaries)	EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	<p>SanLucar do not have their own vehicle fleet to transport our products. We work with forwarders which are managed by the logistics department. This department works constantly to reduce environmental pollution due to transportation. The goods of SanLucar are transported by: plane (0.25%), ship (19.41%) and truck (80.34%).</p> <p>The logistic, controlling and IT departments work together for calculating automatically the emissions of the transport routes to optimize them. All of our forwarders sign our Code of Ethics.</p> <p>We work on a new Internet site for carpooling in Spain. This platform allows measuring the impact of the way from our home to the workplace and helps to reduce fuel consumption and greenhouse gas emissions.</p> <p>In Tunisia we offer our employees a bus service.</p> <p>We measured the carbon footprint of our lemons, including also the transport to Ettlingen.</p>
Finance	EN30	Total environmental protection expenditures and investments by type.	See Appendix 3

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Indicators for labour standards			
Human Resources (headquarters and subsidiaries)	LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	See Appendix 3
	LA2	Total number and rate of new employee hired and employee turnover by age group, gender, and region.	<p>The average fluctuation rate in:</p> <p>headquarters in Spain: 3%</p> <p>office in Austria: 6.25%</p> <p>office in Germany: 24% (because of restructuring)</p> <p>Fluctuation rate = notice of withdrawal/number of employees*100</p>
	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	<p>Everybody gets the same social security. 80% of employees have a fixed contract.</p> <p>See Chapter 3</p>
	LA15	Return to work and retention rates after parental leave, by gender.	<p>Complete reemployment, in some cases part-time and home office.</p> <p>Therefore 100%</p> <p>See Chapter 3</p>

	LA4	Percentage of employees covered by collective bargaining agreements.	100% If a collective agreement does not exist, the work constitution act or the local labour legislation is applied.
	LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	<p>Specified in the collective agreement or the local labour legislation.</p> <p>Notice period regarding the Spanish collective agreement:</p> <ul style="list-style-type: none"> - manager/middle management 60 days - technicians 30 days - administrative employees/workers 15 days
Human Resources (headquarters and subsidiaries)	LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	<p>Establishment of security and health committee of SanLucar Fruit in February 2010. The committee consists of 8 people, which represented through 4 employees (not leading position) and 4 of middle and high management level for the office in Puzol and the warehouse in Vall d'Uixó. There have been 4 meetings last year.</p> <p>At the end of the year 2012 we plan the establishment of a safety and health committee in Tunisia.</p> <p>In Austria one person is responsible for safety and health. It consists of a plan of work safety and health measures as well as three people with first aid education.</p> <p>In Germany we plan the establishment of a safety and health committee in 2013. At the moment one person is responsible for these tasks.</p>
Human Resources (headquarters and subsidiaries)	LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region and by gender.	<p>The absence rate (all days of non working/days of working*employees) are currently not measured. The next CR Report will provide more details.</p> <p>Spain: Accidents without notification of sickness 7; accidents with notification of sickness 2.</p> <p>Austria: There were no accidents and incidents.</p> <p>Germany: Absentee days: men 40 and women 45.</p> <p>Tunisia: 933 Failure days through notification of sickness.</p>

Safety & Health Committee and CR	LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<p>Anti-smoking-campaign in Austria. Donation of blood campaign and medical examination in Puzol. Nurse and a medical prevention team in Tunisia. Information meeting about sexually transmitted diseases in Ecuador (international voluntary program). Training of hygiene and manipulation of groceries.</p> <p>Number of programs for prevention of working risks</p> <p>In Spain:</p> <ul style="list-style-type: none"> • Office safety 71 • Working with danger of explosion 4 • Grocery manipulator 1 • Security in maintenance positions 1 • Security in quality positions 1 • Correct use of protection clothing 6 <p>In Austria:</p> <ul style="list-style-type: none"> • 16 hours IFS/HACCP • 48 hours first aid education <p>Campaigns for the prevention of sexually transmitted diseases in South Africa are previewed.</p>
Human Resources and Safety & Health Committee	LA9	Health and safety topics covered in formal agreements with trade unions.	See LA6
Human Resources	LA10	Average hours of training per year per employee by gender, and by employee category.	35 hours of training per employee and year, regardless of gender. Two women attend the training of specific abilities in the campaign 2011/2012 that represented a total of 638 hours.
	LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<p>Chapter 3 and 5.2</p> <p>Training program Austria: 29 English lessons</p> <p>Training program Spain:</p> <ul style="list-style-type: none"> • 638 hours: Manager Coaching, Master of Agroecology • 3,493 language lessons
	LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	100%, regardless of gender The benefit system of SanLucar is managed online with a new computer program.

	LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	See Indicator 4.3 and Chapter 3.3 and Appendix 3
	LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	The salary of men and women is equal in the different categories of staff with the same responsibility as well as determined through the collective agreement and the labour law. These are established in the Code of Ethics and are applied to the corporate policy. See Chapter 3.3

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Indicators of human rights			
Legal Services	HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	80% of supplier contracts for goods and services. Since 2010 SanLucar's set of clauses in the supplier contracts, required that a supplier does not violate these principles in our Code of Ethics. See Chapter 4.2 and 6.6
Quality & Production	HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	<p>See Chapter 4.1</p> <p>100%</p> <p>The audit of homologation for our growers, carriers and intermediate platforms includes ethic, environment and quality aspects. The signed contract of our partners also includes a clause of observance to our Code of Ethics. This Code of Ethics is based on the international SA8000 standard and the principles of the Global Compact.</p>

Human Resources	HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	90% are trained – 26 hours of training in the last campaign. Training for aspects of SA8000, to 100% by the employees of SanLucar Fruit. We already started with the introductory phase of SA8000 in SanLucar Deutschland GmbH, SanLucar Import GmbH, SanLucar Vertrieb, SanLucar Obst und Gemüse Handels GmbH.
Quality & Production	HR4	Total number of incidents of discrimination and corrective actions taken.	There were no incidents reported with regards to discrimination, child labour, urgent or obligatory work. All of these are monitoring indicators of SA8000. See HR2 SanLucar signed the Global Compact in 2011 and has been certified by SA8000 since March 2010. All supplier contracts include a liability clause to comply with the principles of the Global Compact and the Code of Ethics of SanLucar.
	HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or a significant risk, and actions taken to support these rights.	Our identification and review process for ethical risks are defined through our integrated system, taking account of SA8000, ISO 9001 and IFS.
	HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Furthermore, the "Ethical Risk" is included in our risk management system.
	HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	
SanLucar International	HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Tunisia: 16 South Africa: 12 It is an external company that also gets training about our Code of Ethics.
Legal Services	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	SanLucar International has just set up administrative activities in cities and developed agro-projects in rural areas, which are assigned for agricultural production. It exists no incidents.

Risk Committee	HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	See HR1 Our risk management system includes the "Ethical Risk"
Legal Services	HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	There were no complaints and claims in response to human rights.

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Social Indicators			
SanLucar International and CR	SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	See Chapter 5 Politics for local attitude and activities with the community.
SanLucar International and Risk Committee	SO9	Operations with significant potential or actual negative impacts on local communities.	There are no negative effects in the local community identified. Moreover, through our activities a positive influence is observed.
	SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	
Risk Committee	SO2	Prozentsatz und Anzahl der Geschäftseinheiten, die auf Korruptionsrisiken hin untersucht wurden.	Signing of the Global Compact and the Code of Ethics. We analyse the manipulation risk with the application of our risk management system. See Chapter 2.5
SA8000 Committee	SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	All staff know the Code of Ethics from SanLucar (Point 10 are the anti-corruption measures). In the next campaign we start training for our risk management system and emphasize the important risks for our company. Just 13% of SanLucar Fruit and 1.5% of the SanLucar Group were trained (Risk Committee and the holder of the risks).
Legal Services	SO4	Actions taken in response to incidents of corruption.	No incidents of corruption.
CR	SO5	Public policy positions and participation in public policy development and lobbying.	This year SanLucar has participated in: • International CSR-Conference in Berlin • Presentation of the program: Participation of young people against climate change. Organized from the university EARTH and the government of Costa Rica. SanLucar signed the Global Compact and the Charter of Diversity.

Finance (headquarters and subsidiaries)	SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	There were no contributions of this type.
Legal Services	SO7	Total number of legal actions for anticompetitive behavior and monopoly practices and their outcomes.	There were no anticompetitive behaviour and monopoly practices.
	SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	There were no fines and sanctions of this type.

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
Product-related Indicators			
Quality & Production	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<p>100% ISO 9001, QS, IFS, APPCC, Global G.A.P.</p> <p>Program to reduce pesticides: The prime and constant goal is reducing the number and concentration of pesticide residues. We analyzed the residues of the last campaign and looked for alternatives with our technicians and just select the best growers. These are some applied measures to reach our "Zero-Residues" product goal.</p> <p>Reducing the consequences: The use of products of organic origin, sustainable production measures, resistant varieties and fields are selected regarding low pest pressure. We are committed to use integrated and sustainable pest control for health aspects and environmental reasons.</p> <p>It gives records of residue deducted to verify the constant improvement and to make corrective measures at any time. This program is applied to all products from Chile, Spanish strawberries and citrus fruits like the Italian grapes (34.48% of SanLucar products in the case of the sales volume in the campaign 2011/2012).</p>
	PR2	Total number of incidents of noncompliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	<p>It has not happened, nor any breaches.</p> <p>Our preventive system: Selection and unblocking of the parcels, which comply with specifications to 100%. So that health and safety are guaranteed. We already select our products in the field accomplishing our standards and specifications. The table of parcels with the information are available for all clients on our Web portal.</p>

	PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	<p>We maintain the labelling specification of SanLucar, which is based on the legislation of: Commission implementing regulation (EU) N° 543/2011 of 7 June for fruit and vegetable marketing, regulation (EU) n° 1169/2011 of the European Parliament and the council of 25 October 2011 on the provision of food information to consumers, and various norms of the United Nations Economic Commission for Europe (UNECE).</p> <p>We save specific information through our traceability system (see Chapter 6.2).</p> <p>Is used on products to 100%.</p>
	PR4	Total number of incidents of noncompliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcome.	<p>It has not happened. There are no breaches.</p> <p>Prevention system and checkpoints between all processes.</p> <p>See Chapter 6.2</p>
	PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	See Chapter 6.3
Corporate Communication and Brand	PR6	Programs for adherence to law, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	<p>SanLucar sells fruit and vegetables, a healthy and not forbidden product.</p> <p>SanLucar has a responsible marketing, which is based on international and own standards. Our marketing stimulates our consumers to eat healthy food and as a result develops creative ideas (for example with new recipes).</p>
	PR7	Total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	In the campaign 2011/2012 we received an official notification for our confusing advertising with the product "Vitamin-C Bomben". We defined the procedure to be followed in the next campaign.
Information Technologies	PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	<p>Data privacy statement (LOPD-Ley de Protección de Datos).</p> <p>Mechanism for our Web portal was implemented.</p> <p>SL Technologies subjected to an external audit.</p>
Legal Services	PR9	Monetary value of significant fines for non-compliance with law and regulations concerning the provision and use of products and services.	It has not happened. There are no breaches.

Appendix 2. Communication on Progress Report (CoP)

Area of responsibility	Indicators		Results of the campaign 2011/2012 or pages in the CR Report
	Code	Definition	
SanLucar Indicators			
Quality & Production	SL1	Percentage of the suppliers and sub-contractors who were audited to the ethical and environmental standards from SanLucar.	100% of our growers were audited in ethical standards. 100% of our forwarders, intermediate platforms and other service providers were audited for ethical and environmental standards. <1% of the growers were audited in our new developed grower profile (quality, ethics, environment) which starts in the campaign 2011/2012. Our goal is to audit 100% of the growers, which have worked with us more than three years, with the grower profil until the end of the campaign 2012/2013.
	SL2	Percentage of activities which fulfilled international best practice approaches. Parts of the SanLucar activities, which fulfilled the international excellence standards (provided for the integrated management system).	100% The corporate certification project starts during the campaign 2011/2012 with the following aims: <ul style="list-style-type: none"> • Improvement of the certification process of the actual management system of SanLucar. • Certification of all processes in the newly established farms which are based on the structure extension in the production areas since campaign 2011/2012. • In March 2012, SanLucar Vertrieb was affiliated to the IFS certification and gave the starting point for their own corporate certification. • In September 2012, we will have completed the certification of ISO 9001 in SanLucar Fruit S.L., SanLucar Vertrieb, SanLucar Deutschland GmbH and SanLucar Fruit Import GmbH. Apart from SanLucar Fruit S.L., all others have been certified for the first time in a cooperative certification process. • In April 2013 we will have completed the certification of the IFS Norm in in SanLucar Fruit S.L., SanLucar Vertrieb, SanLucar Deutschland GmbH and SanLucar Fruit Import GmbH. The last two have been certified for the first time in a cooperative certification process.
	SL3	Countries where SanLucar developed social projects.	4 (Spain, Austria, Tunisia, Costa Rica)
CR	SL3	Countries where SanLucar developed social projects.	4 (Spain, Austria, Tunisia, Costa Rica)

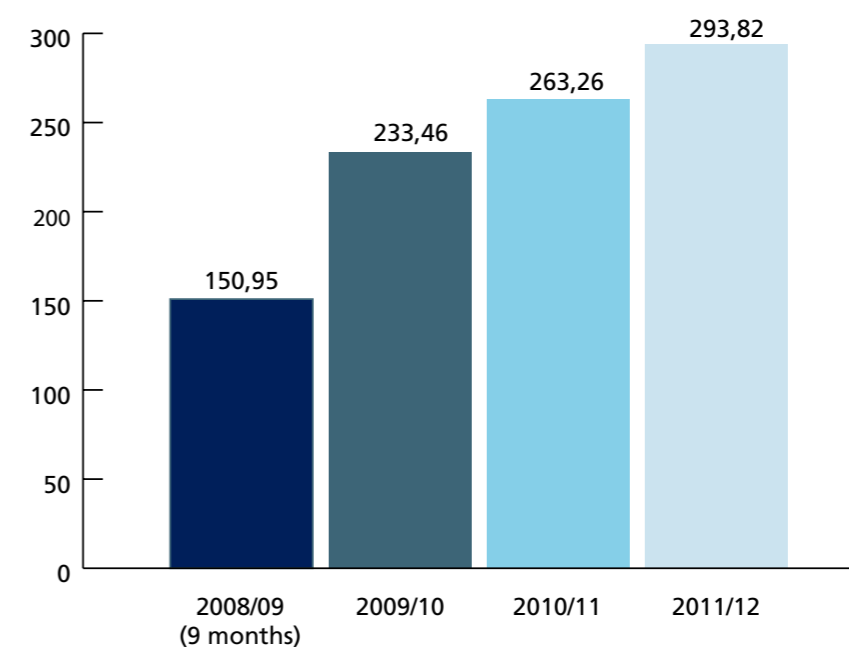
Principles of Global Compact		Progress	
Nr.	Principle	Projects and appropriate Initiatives	Relevant Indicators
Human Rights			
1	Businesses should support and respect the protection of internationally proclaimed human rights.	In this case the progress exists on the assumption that everybody has the same rights. For this, our Code of Ethics is translated into six languages and specific programs for countries where we do business (e.g. Tunisia).	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, LA4, LA6, LA7, LA8, LA9, LA13, LA14, EC5, HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9, SO5, PR1, PR2
2	Businesses should make sure they are not complicit in human rights abuse	SanLucar has a Code of Ethics which is applied to all levels, an integrated management system which is also based on the norm SA8000 and a worldwide network of CR Ambassadors. Furthermore, SanLucar carries out an ethical homologation to all suppliers and has a grower profile with three levels (quality, ethics, environment).	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9, SO5
Labour			
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	SanLucar has a Code of Ethics which is applied to all levels, an integrated management system which is also based on the norm SA8000 and a worldwide network of CR Ambassadors.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, LA4, LA5, HR1, HR2, HR3, HR5, SO5
4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	Furthermore, SanLucar carries out an ethical homologation to all suppliers and has a grower profile with three levels (quality, ethics, environment).	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, HR1, HR2, HR3, HR7, SO5
5	Businesses should uphold the effective abolition of child labour.	SanLucar has an equality plan and an equality committee with a representative (Stefanie Müller) who is assembling regularly with the management board and the employee representatives to avoid sexism and all other forms of discrimination.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, HR1, HR2, HR3, HR6, SO5
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	In Tunisia we pay a school bonus in order that the children of our employees can go to school and the wages are higher than the national average. Furthermore we work on the economical development of the community with concrete projects, like the promotion of traditional craftsmanship.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, EC7, LA2, LA13, LA14, HR1, HR2, HR3, HR4, SO5

Environment			
7	Businesses should support a precautionary approach to environmental challenges.	The risks of environmental problems have been identified with the risk management as well as preventive measures defined (assessment of environmental aspects and impacts).	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13, EN18, EN26, EN30, EC2, LA4, EN26, EN30, SO5
8	Businesses should undertake initiatives to promote greater environmental responsibility.	A better environmental practice and the spread of our environmental policy is the best way to promote environmental responsibility between employees, customers, growers and suppliers. Continuously sensitising through internal communication and trainings of the key persons.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8, EN9, EN10, EN11, EN12, EN13, EN14, EN15, EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24, EN25, EN26, EN27, EN28, EN29, EN30, SO5, PR3, PR4
9	Businesses should encourage the development and diffusion of environmentally friendly technology.	A commitment of SanLucar with the growers is to know and promote the best technology. Sharing knowledge and supporting the implementation, wherever necessary.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, EN2, EN5, EN6, EN7, EN10, EN18, EN26, EN27, EN30, SO5
Anti-Corruption			
10	Businesses should work against corruption in all its forms, including extortion and bribery.	SanLucar has a Code of Ethics which is applied to all levels, an integrated management system which is also based on the norm SA8000 and a worldwide network of CR Ambassadors. Furthermore, SanLucar carries out an ethical homologation to all suppliers and has a grower profile with three levels (quality, ethics, environment). We carry out a detailed assessment before we start working together with new partners, whereby we always act with our values and principles.	4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, SO2, SO3, SO4, SO5, SO6

Appendix 3. Corporate data

Financial profile

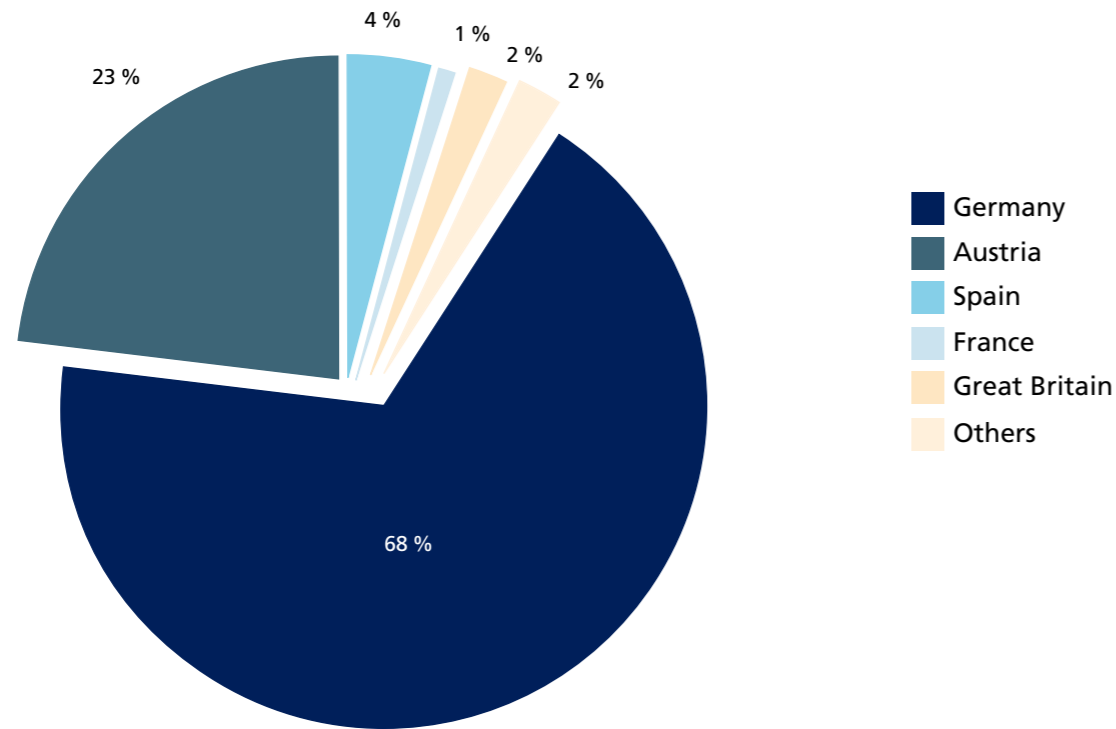
Sales development in Million Euros



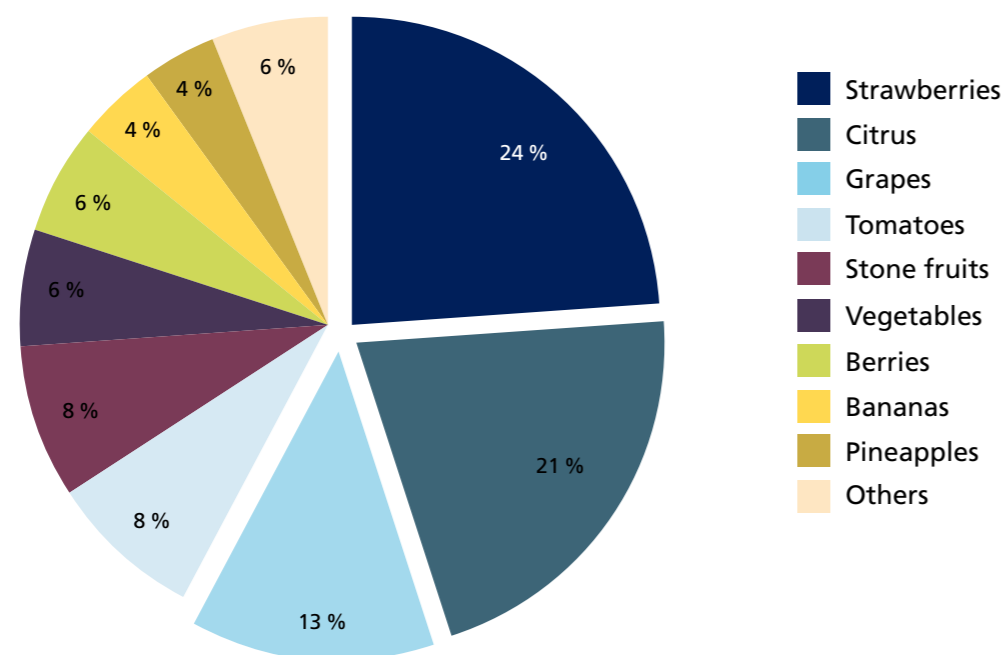
Corporate Responsibility Investment (Society and Environment) in Euro		
Company	Since campaign 2008/2009	2011/2012
SanLucar Fruit S.L.		177,056.69
La Cinquième Saison SA	2,180,000	780,000
SanLucar South Africa Citrus (Pty) Ltd*		40,000
Other investments (Corporate citizenship in Austria)		50,000
Total		1,047,056.69

* Corporate activities since April 2012.

**Distribution of sales by countries
Campaign 2011/2012**



**Distribution of sales by products
Campaign 2011/2012**



Employees

Number of employees (consolidated data)				
Professional status	Men	Women	Total	Quota of women
Executive	5	0	5	0.00%
Directors	9	5	14	35.71%
Manager	28	17	45	37.78%
Admin. staff	17	66	83	79.52%
Technicians	82	47	129	36.43%
Commercial/Sales staff	16	27	43	62.79%
Warehouse staff	373	782	1155	67.71%
Total	530	944	1474	64.04%

Spain			
Professional status	Average number of employees		
	Men	Women	Total
Executive	3	0	3
Directors	6	2	8
Manager	8	12	20
Admin. staff	5	38	43
Technicians	42	34	76
Commercial/Sales staff	5	9	14
Warehouse staff	2	1	3
Total	71	96	167

Portugal			
Professional status	Average number of employees		
	Men	Women	Total
Executive			0
Directors			0
Manager	1		1
Admin. staff		1	1
Technicians	1	1	2
Commercial/Sales staff			0
Warehouse staff	2	1	3
Total	4	3	7

Austria			
Professional status	Average number of employees		
	Men	Women	Total
Executive			0
Directors	1		1
Manager			0
Admin. staff	4	3	7
Technicians			0
Commercial/Sales staff	3	4	7
Warehouse staff	17	0	17
Total	25	7	32

Germany			
Professional status	Average number of employees		
	Men	Women	Total
Executive	1	0	1
Directors	2	0	2
Manager	4	0	4
Admin. staff	1	9	10
Technicians	14	4	18
Commercial/Sales staff	6	8	14
Warehouse staff	1	0	1
Total	29	21	50

Tunisia			
Professional status	Average number of employees		
	Men	Women	Total
Executive	1*		1
Directors		2	2
Manager	12	3	15
Admin. staff	6	12	18
Technicians	20	8	28
Commercial/Sales staff	1	6	7
Warehouse staff	198	594	792
Total	238	625	863

South Africa			
Professional status	Average number of employees		
	Men	Women	Total
Executive	1*		0
Directors		1	1
Manager	3	2	5
Admin. staff	1	3	4
Technicians	5		5
Commercial/Sales staff	1		1
Warehouse staff	153	186	339
Total	163	192	355

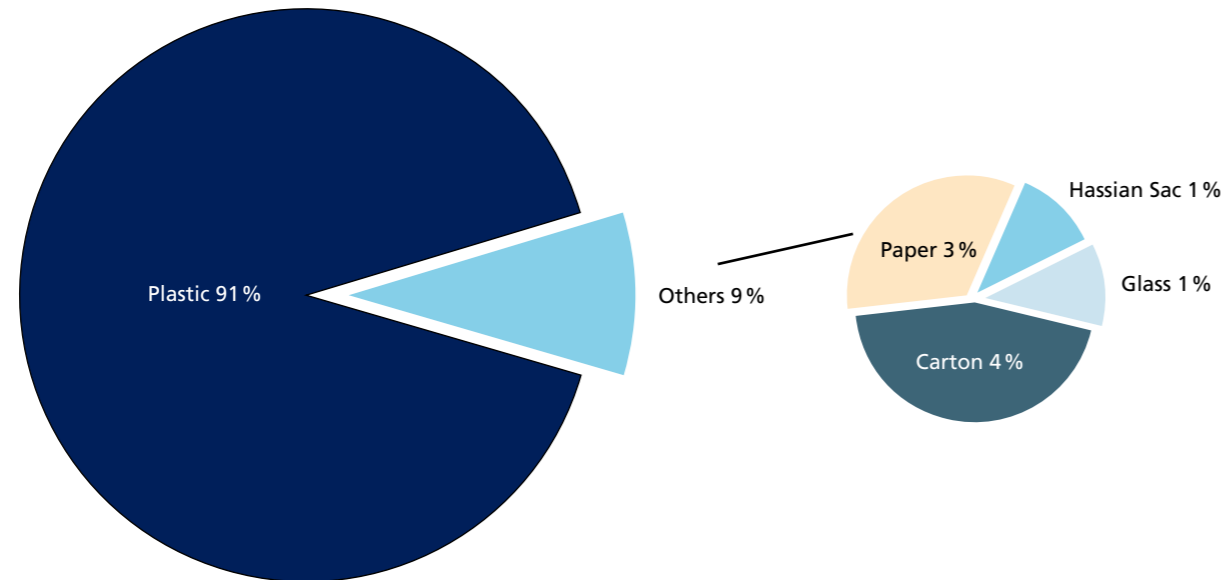
■ Packaging material used:

MATERIAL	WEIGHT (KG)
TRANSPORT PACKAGING	3,218,530
WOOD	1,090,151
PLASTIC	709,263
CARTON	688,070
PAPER	127,506
HASSIAN SAC	9,527
GLASS	7,095
WICKER	537
STRAW	503
CORK	36
NET	27
Total	5,851,245

DESTINATION OF THE MATERIALS	CONSUMER	SUPERMARKET	Total
CARTON (box)	366,968	4,599,627	4,966,595
PREPACK (Packaging which goes to the consumers)	781,989	102,661	884,650
Total	1,148,957	4,702,288	5,851,244

* Same person in charge in Tunisia and South Africa.

Materials which goes to the consumers (prepack)



Appendix 4. Contacts

Ilka Hein

Head of Communication, PR and CR
Office Germany
Ilka speaks German and English
Mobile: +49 170 913 6882
E-Mail: ilka.hein@sanlucar.com

Delia Garcia

Corporate Responsibility Manager
Office Spain/International
Delia speaks Spanish, English, German
and Portuguese
Phone: +34 961 42 40 40 | Extn. 2192
Mobile: +34 648 039 692
Fax: +34 961 424 247
E-Mail: delia.garcia@sanlucar.com

Nancy Daiss

Corporate Responsibility Project
Developer
Office Spain/International
Nancy speaks German, Spanish, English
and French
Phone: +34 961 42 40 40 | Extn. 2258
Mobile: +34 618 902 836
Fax: +34 961 424 238
E-Mail: nancy.daiss@sanlucar.com

Appendix 5. Certifications

Certifications: SA8000, ISO 9001, IFS, QS



Appendix 6. Glossary

Corporate Social Responsibility

The European Commission published a new definition of CSR as: “[...] the responsibility of enterprises for their impact on society. To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders with the aim of:

- maximising the creation of shared value for their owners/shareholders and for their other stakeholders and society at large;
- identifying, preventing and mitigating their possible adverse impacts.”

Stakeholder

Stakeholders are various internal and external interest groups of a company which are influenced directly or indirectly by the corporate activities. The relationship is often reciprocal, so that stakeholders can also exert an influence on the company.

Stakeholders of SanLucar are employees, growers and suppliers, clients and costumers as well as the local communities.

GRI Indicators (Global Reporting Initiative)

GRI creates a reporting framework for sustainability reporting through globally applicable guidelines. The reporting framework includes a guide that sets out the principles and indicators that organizations can use to measure and communicate their economic, environmental and social performance.

www.globalreporting.com

Global Compact

The Global Compact consists of ten principles covering the areas of the declaration of human rights, the core labour conventions of the International Labour Organization (ILO) and the Rio Declaration (in the field of environmental protection) as well as the UN Convention against corruption. Companies which signed the Global Compact recognize the need to follow these principles:

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technology.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

www.unglobalcompact.com

SA8000

The Social Accountability Standard SA8000 was launched in 1997 and is based on the International Human Right Conventions and the recommendation of the International Labour Organization (ILO). The main objective is to improve the worker conditions worldwide, especially in supplier companies in developing countries. Representatives of NGOs, workers, trade unions and companies of all sectors were involved in developing the standard.

The standard is based on a number of existing international human rights` standards including the Conventions of the International Labour Organization (ILO), the United Nations`Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. The compatibility of existing management system such as ISO 9001 (quality management) and ISO 14001 series were also considered in the devolping process of SA8000.

SA8000 is composed of 9 requirements:

- Child labour is not permitted
- Forced labour is not permitted
- Health and safety have to be assured
- Freedom to organize and collective bargaining have to be guaranteed
- Discrimination is not permitted
- Disciplinary practices are not permitted
- Working hours shall not exceed 48 hrs a week, with a maximum of 12 hrs overtime
- Remuneration shall be sufficient
- Management systems shall guarantee that the requirements are effectively satisfied.

UPJ

UPJ is a network of committed companies and charitable intermediary organizations in Germany. Organizations like companies, public administration and charitable organizations support each other in developing and implementing your corporate citizenship and corporate responsibility activities. <http://www.upj.de/>

BEE – Black Economic Empowerment

Black Economic Empowerment was introduced as a legal measure by the South African Government in January 2004 and is an instrument of policy for equality. The main objective of the program was to strengthen the opportunity for equality in the labour market through the promotion of education, the creation of property, filling management positions, socio-economic development and public procurement from in organizations from previously disadvantaged communities (Black, Coloured, Indian/Asian).

KAM (Key Account Manager)

The main task of a key account manager is the management of the customer relationship which is a key success factor for every company. The KAM has to gain a thorough understanding of key customers and represents their interests in the company.

■ HACCP (Hazard Analysis and Critical Control Points)

HACCP is a systematic preventive system to ensure the safety of food. The concept includes process and product specific measurements for the protection of the health of the consumers.

■ IFS (International Food Standard)

IFS is a common internationally accepted audit standard for foodstuffs of the German and French retail trade which was created to introduce integrated assessment criterias for all producers with own brands.

■ GLOBAL G.A.P.

GLOBAL G.A.P. is a private sector organization that sets voluntary standards for the certification of agricultural products around the world. The certification contains key reference standards for Good Agricultural Practice, whereby the certification is based on the consumer requirements for agricultural production.

■ QS (Quality and Security)

The "QS Qualität und Sicherheit GmbH" created a system for certified quality assurance from production to marketing. The QS is a cross stage system that ensures the quality and origin of the entire supply chain and involves the production, processing and marketing of foodstuffs. There for each firm will be controlled periodically for compliance with the specific criteria for production, transport, storage and hygiene.

■ Traceability

Under the regulation (EU) 178/2002 traceability means, that: "the ability to trace and follow a food, feed, food-producing animal or substance intended to be, or expected to be incorporated into a food or feed, through all stages of production, processing and distribution."



© All rights reserved. No part, content or images of this report may be reproduced, stored in a retrieval system, or transmitted in any form, or by any means without the written permission of SanLucar Group.

The information of this report belongs to the activity period comprehended between July 1st 2011, and June 30th 2012.

To facilitate the reading of this report, the masculine form of the pronoun has been used in some sentences. We note that all statements apply equally to women and men.

Contact:

SanLucar Fruit, S.L. | Serra Llarga, 24 | 46530 Puzol | Valencia | Spain
E-Mail: CR-Team@sanlucar.com

Follow us in:



This report has been self-verified regarding the standard GRI, in its version 3.1.
We have self-declared our reporting to be Application Level A.

