



**Taste the SUN**

**Communication on progress  
2018 - 2019**

## **Imprint.**

If you have any suggestions or comments about this magazine, please write to:  
[communicationcr@sanlucar.com](mailto:communicationcr@sanlucar.com)

Responsible for content:  
SanLucar Fruit S.L.U.  
Serra Llarga 24  
E-46530 Puzol (Valencia)  
Tel. +34 96 142 40 40  
Fax +34 96 142 41 58  
[office@sanlucar.com](mailto:office@sanlucar.com)

ESB 96128590

V 24 902

Valencia Trade Register

## **Further information.**

You can find extensive material about SanLucar and our Corporate Responsibility at:  
[www.sanlucar.com](http://www.sanlucar.com)

And on Facebook:  
[www.facebook.com/sanlucarfruit](http://www.facebook.com/sanlucarfruit)

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## Renewal of commitment.



Dear friends of SanLucar,  
We are proud to be publishing our Sustainability Report once again, in which we reaffirm our commitment to the 10 Principles of the Global Compact and the United Nations Sustainable Development Goals.

Our projects and activities continue to be guided by our philosophy »Taste in harmony with people and nature«. That is why we are working in a network with non-profit organizations, the Spanish Network of the Global Compact and the working group of the food sector, chambers of commerce, partners and customers. Together, we have more ideas and the strength to make a sustainable impact in all the countries where we are present.

We signed the United Nations Global Compact in 2011 and have been members of the Spanish Network of the Global Compact since 2018. The Agenda 2030 for Sustainable Development provides an important reference framework for our daily action and goals in corporate responsibility. Since 2018 we have been implementing the United Nations' Sustainable Development Goals (SDA).

In this Sustainability Report, we present the identified and relevant ODS for the SanLucar Group and a review of our contribution to and compliance with the four blocks of the Global Compact (human rights, labor standards, environment and anti-corruption). As we have been doing for 10 years, we are publishing our sustainability data with the GRI (Global Reporting Initiative) indicators, adding more subsidiaries of our Group to the reporting scope every year.

On a daily basis, we undoubtedly focus our efforts on the production of fruit and vegetables and our ability to offer them with a high standard of quality. That is why we have dedicated a chapter of this report to production. Our employees are essential and play an important role in making all our goals a reality. This has led us to a pilot project at our headquarters in Valencia to calculate the living wage using the Anker methodology, improve our suggestion box and introduce a 360° evaluation of our corporate volunteer program. In the long term, our main objectives are the in-depth revision of our Code of Ethics and the implementation of the ODS throughout the Group.

The DREAMS projects on an international level form a large part of our corporate responsibility, as they are directly aimed at our employees, their families and the entire local community where we are present. More information about our DREAMS program can be found in the DREAMS Magazine and on the [sanlucar.com/dreams](http://sanlucar.com/dreams) website.

We will continue working to achieve our goals and dreams and we hope you enjoy reading our report.

Sincerely,  
Stephan Rötzer  
*Founder and CEO of the SanLucar Group*

A handwritten signature in blue ink, consisting of several loops and a final downward stroke, representing the name Stephan Rötzer.

## Vision, mission, values and Code of Ethics.

At SanLucar, we believe that all our actions count. Therefore, both we and our employees know what our values and commitments are and we apply them in our work and decisions every day.

For SanLucar, the balance of nature is as important as dealing responsibly with it and the people who work with us. Our corporate philosophy is »Taste in harmony with people and nature«.

### Our vision:

To bring joy and well-being to the world.

### Our mission:

To provide all people with our natural, fresh and flavorful fruit and vegetables and to do so in such a way that we can be proud of it.

### Our Values:



We act in a colorful manner: we work as a team to achieve a healthy and sustainable growth.



We learn every day: only those who learn and improve every day are mature enough for SanLucar.



We get results: like our fruit trees, we give our best every day so that we can offer a good harvest.



We are innovative: we enrich each other with fresh ideas because neither we or our fruit get anywhere without freshness.



We give our best: we pursue our goals responsibly and with passion. This is the impulse that makes us thrive.

**The Code of Ethics reflects our values commitment.**

SanLucar was established in 1993 with firmly rooted values, included in our Code of Ethics, which was most recently revised in 2016.. The SanLucar Code of Ethics is based on the principles of the International Standard SA 8000 as well as the 10 Principles of the UN Global Compact and the guidelines of the ILO (International Labor Organization).

We, along with all our farmers and suppliers, are committed to the Code of Ethics, which covers issues such as child protection, equality, fair working conditions, occupational health and safety, anti-corruption and environmental protection. The next review, considering global trends in the area of sustainability and corporate responsibility, is scheduled for 2020.



GRI 102-16





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# **1. Company profile**

The SanLucar Group is a business group with headquarters in Calle Serra Llarga 24 in Puzol, Valencia, Spain. The SanLucar Group is active in the agricultural sector relating to the production, import, export and marketing of fresh fruit and vegetables. Its own brands are SanLucar, SanLucar Taste the Sun and Amoria. The SanLucar Group employs more than 3,000 people worldwide. The two founders of SanLucar, Stephan Rötzer and Jorge Peris, run the company with the help of the Leadership Team.

So that we can grow the best fruit and vegetables with our philosophy in harmony with people and nature, we need the support of various partners and interest groups. Therefore, our employees, suppliers, customers, consumers, the local communities where we produce, Non-Governmental Organizations, investors, the media and the environment are part of our activity.

GRI: 102-2 / 102-3 / 102-5 / 102-23 / 102-40

We are present in various countries in the world, both to grow and to sell our fruit and vegetables. So that we can offer premium quality, we work with farmers and partners in many countries around the world, and we cultivate our own produce in Tunisia, South Africa, Ecuador and Spain. Some of these countries are developing countries where, together with our local partners, we want not only to give people opportunities for their lives through our DREAMS program, but also to make dreams come true. With our DREAMS program (Developing Responsible Environments And Multi-cultural Societies) we focus on local projects that have direct benefits for our employees, their families and the surrounding communities, as it is often the small actions that achieve sustainable and lasting improvements in the quality of life.



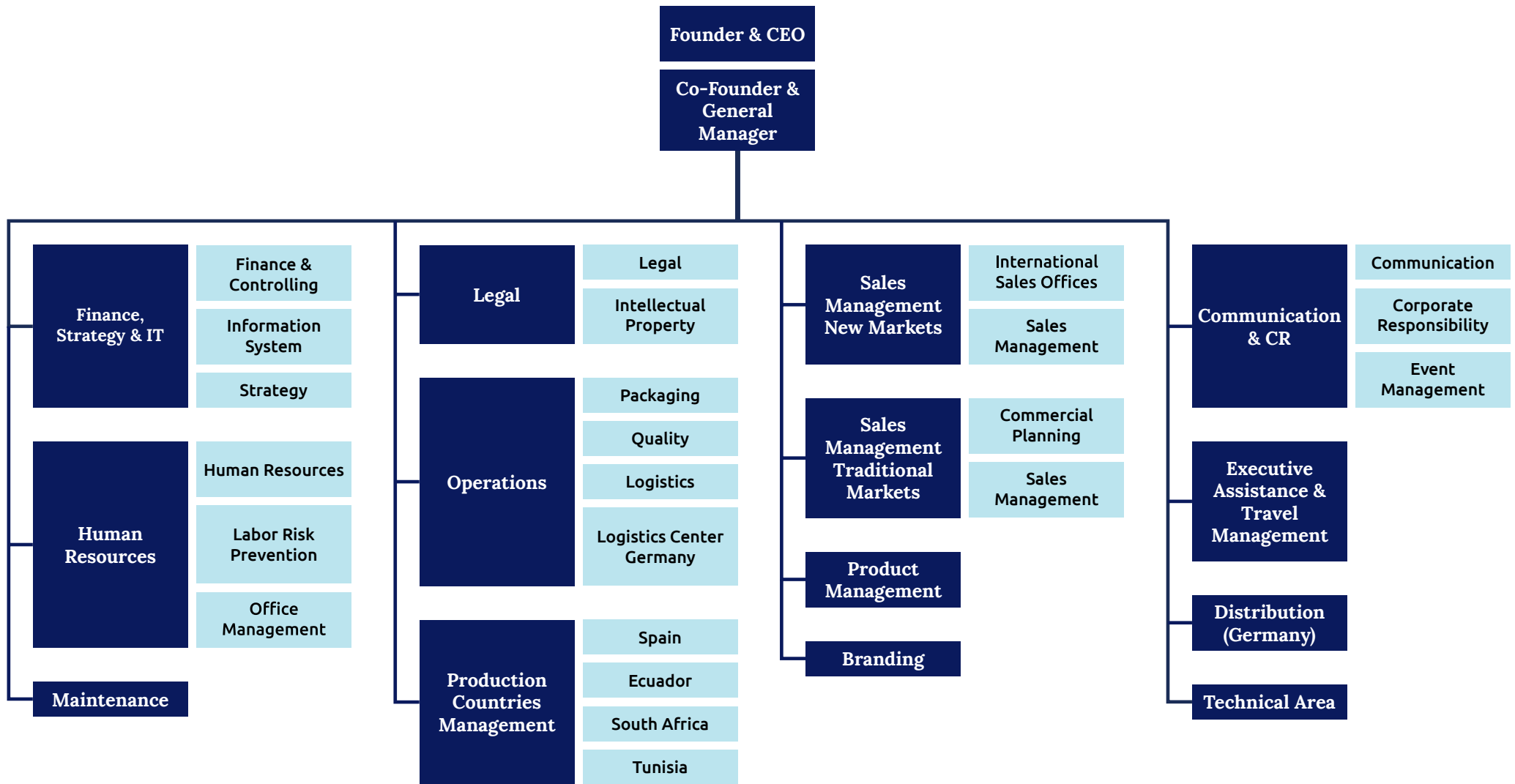
The company's annual trade volume in 2018 / 2019 is shown in the table below:

TRADE VOLUME	
<b>Turnover</b>	<b>440.598.424 €</b>
<b>EBIDTA</b>	<b>12.977.000 €</b>
<b>BAI</b>	<b>4.655.292 €</b>

GRI: 201-1



# 1.1 Organization chart of the headquarter in Spain.



GRI: 102-18

## 1.2 SanLucar Group in the world.

### Cultivation & Sales

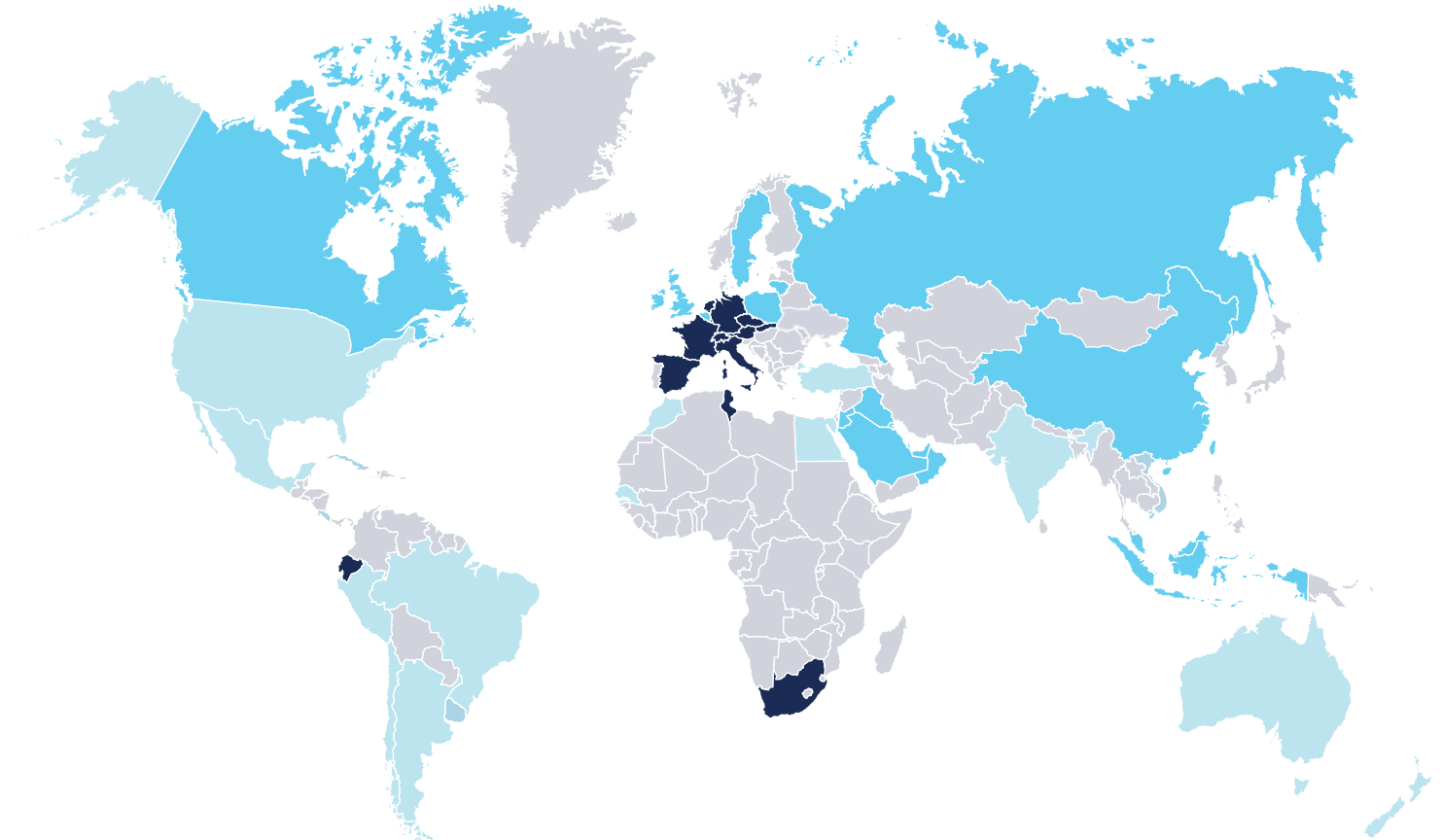
- ↑ Spain
- ↑ Germany
- ↑ Austria
- ↑ Ecuador
- ↑ Tunisia
- ↑ South Africa
- France
- Italy
- Switzerland
- The Netherlands
- Czechia
- Slovakia

### Sales

- Canada
- Russia
- China
- Indonesia
- Malaysia
- Great Britain
- Ireland
- Belgium
- Poland
- Lithuania
- Norway
- Jordan
- Saudi Arabia
- United Arab Emirates
- Omán
- Singapore
- Bahrain
- Kuwait
- Qatar
- Iraq

### Cultivation

- United States
- Mexico
- Peru
- Brazil
- Chile
- Argentina
- Uruguay
- Morocco
- Senegal
- Egypt
- Turkey
- India
- Vietnam
- Australia
- New Zealand



\*↑ Presence of The SanLucar Group's own companies

GRI: 102-4 / 102-6

This report has been prepared by the Corporate Responsibility (CR) department and approved by Senior Management. The period covered by the report is the 2018/2019 campaign (1<sup>st</sup> July 2018 – 30<sup>th</sup> June 2019). The report is based on the existing strategy. Our corporate strategy enables us to always act in harmony with people and nature in pursuing our corporate objectives and promoting the sustainable and social aspects of business. This report will be published on the website of the Global Compact (international and national) and on the corporate website of the SanLucar Group. The Progress Report is published annually.

Note: More information and detailed descriptions of our DREAMS program projects and our corporate responsibility projects can be found on the website of [sanlucar.com/dreams](http://sanlucar.com/dreams)

GRI: 102-32 / 102-50 / 102-52

As the timeliness and transparency of the information we provide is of the utmost importance to us, the following list of significant changes in the governance of the Group and its companies is presented:

- Exit of Michael Brinkmann as CEO
- Closure of a branch in Hong Kong
- Incorporation of a company located in Spain, called Agrícola Uniqua S.L. and purchase of a unit

GRI 102-10





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## **2. Methodology**

## 2.1 Stakeholders.

This Progress Report is based on the stakeholder reporting methodology. The concept of stakeholders is the key to understanding Corporate Responsibility. The complexity and dynamism of the current business context has made it necessary to understand the needs of the different stakeholders and to establish a continuous dialogue and collaboration with them. Companies today must analyze the impact they generate for their stakeholders, directly and indirectly, caused by their business activity, and this leads them to develop actions that prevent, reduce or eliminate their impact and its consequences. Identifying stakeholders and their expectations and needs facilitates the comprehensive implementation of Corporate Responsibility within the business group. This will allow us to anticipate possible risks or opportunities and to establish policies, actions, tools and monitoring indicators such as those included in this report.



The organization has developed the following steps for elaborating the Progress Report: select the most relevant stakeholders, identify the most significant challenges for them and neutralize these risks or materialize the opportunities with the establishment of:

**Policies:** formal written documents that define values and communications.

**Actions/projects:** actions which help to shape the developed policies and minimize the detected risks. All actions are planned in time and designed based on the interest group to which they are addressed.

**Monitoring tools:** evaluation and control of the results obtained from the implemented actions. They provide the tools to control policy compliance and help to detect failures in the management system for subsequent improvement.

**Monitoring indicators:** qualitative data to measure the degree of implementation of the ideas (policies, actions/projects and monitoring tools).



The Progress Report is set out in terms of measuring progress: it is not a question of 100% compliance within the first year. The goal is continued progress. Signing the Progress Report is therefore an important demonstration of commitment to the Global Compact and its Principles.

The SanLucar Group uses the GRI (Global Reporting Initiative) standards as a monitoring tool. These standard came into force for the elaboration of reports or other materials published on or after 1st July, 2018.

The selection of the GRI standards that will be evaluated and captured is based on the analysis of the activity of the SanLucar Group in the different countries where it operates, as well as its social and environmental impact. In addition, the contribution of each of the indicators to the decisions to be made, the corporate strategy and the implementation of preventive and corrective measures are also considered. The indicators presented

must be directly related to the activity and of interest to the stakeholders defined by it.

For a more graphic display of the GRI indicators throughout the report, it has been decided to incorporate them within a box, thus highlighting their importance and referring to the nearest text.

Example of presentation:

GRI 102-40



In the case of not being able to obtain, due to a lack of information, the correct result or results of the 2018/2019 campaign for any of the GRI indicators, it has been decided not to include them in the Progress Report. We have imposed the requirement to use the GRI indicators since 2010, as a means of ensuring the transparency of our activities.

In this report, the following companies of the SanLucar Group were considered in relation to the results of the GRI:

Spain: SanLucar Fruit S.L.U., Agrícola Uniqua S.L.

Germany: SanLucar Vertrieb Deutschland GmbH, SanLucar Deutschland GmbH



Austria: SanLucar Obst & Gemüse Handels GmbH, SanLucar Fruit To Go GmbH, Victoria Fruit Handels GmbH

Ecuador: SanLucar Ecuador S.A., Lexkingsa, S.A., Quilziolli S.A.

South Africa: SanLucar South Africa (Pty) Ltd., SanLucar South Africa Citrus (Pty) Ltd., SanLucar De Hoek (Pty) Ltd

Tunisia: La Cinquième Saison S.A., SanLucar Flor'Alia S.A., Les Perles du Désert S.A.

GRI : 102-1 /103-2

The following companies are included in the consolidated financial statements:

Spain: SanLucar Fruit S.L.U., Agrícola Uniqua S.L., Consorcio SanLucar Group

Germany: SanLucar Vertrieb Deutschland GmbH, SanLucar Deutschland GmbH, Looking4fruit GmbH

Austria: SanLucar Obst & Gemüse Handels GmbH, Victoria Fruit Handels GmbH, SanLucar Fruit To Go GmbH

Ecuador: SanLucar Ecuador S.A., Lexkingsa, S.A., Quilziolli S.A.

France: SanLucar Fruit France S.A.R.L



The Netherlands: SanLucar Fruit Import Netherlands B.V

South Africa: SanLucar South Africa (Pty) Ltd., SanLucar South Africa Citrus (Pty) Ltd., SanLucar De Hoek (Pty) Ltd

Tunisia: La Cinquième Saison S.A., SanLucar Flor'Alia S.A., Les Perles du Désert S.A.

GRI: 102-45



## 2.2 Evaluation of the 4 blocks of the Global Compact.

To evaluate the 4 blocks of the Global Compact, we conducted an analysis of the SanLucar's challenges, risks and opportunities for each of the defined stakeholders, as well as in our value chain.

Once these were determined, we evaluated the policies, procedures, actions and projects that we carry out within the Group to minimize risks and maximize opportunities.

For the next few years, we will continue to work on them so that we can continue to improve in all of them.

In Chapter 3, Analysis, you can see the evaluation of the 4 blocks of the Global Compact for the SanLucar Group.





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### **3. Analysis of our challenges and value chain**

### 3.1 Our challenges.

The SanLucar Group has performed an analysis of its challenges, opportunities and risks, taking into account the 10 Principles of the Global Compact in each of our stakeholders.

Our stakeholders are the following: customers, employees, suppliers, environment, the local community, NGOs and public entities.

GRI 102-40

The 10 Principles of the Global Compact are derived from the United Nations declarations on human rights, labor standards, environment and anti-corruption, and have universal understanding.

At SanLucar, we have identified 7 challenges and opportunities in human rights, 8 in labor standards, 3 in environment and 2 in anti-corruption.

The challenges and opportunities we have identified, separated into the four blocks, are as follows:



GRI 102-15



## Human Rights.

In human rights, we are conducting company-wide training, starting with the headquarters in Puzol. Furthermore, we have already planned an in-depth review of our Code of Ethics to bring it in line with, to customize it with our current standards. The senior management of all our suppliers have signed the Code of Ethics and have thereby committed themselves to comply with it.

On the other hand, we maintain, continuously monitor and audit the SA8000 certification at our headquarters. As a company, we are very conscious of freedom of association and our employees have this freedom. In addition, at our headquarters, we have an employees' committee known as CIA (Inter-Area Committee; in Tunisia, we work closely with the union; and in South Africa, we also have an employees' committee (GRI 102-13).

Since we are a company in the agri-food sector, we care a lot about the right to food and that is why we opened two soup kitchens in Valencia (El Puchero and El Puchero Portuario), where we serve more than 400 people daily and more than 8000 rations per month. Finally, as a company committed to equality, in our subsidiary in South Africa, we contribute to the right to education and support children, with a free nursery and the school reinforcement that we accomplish at our farm.



The teachers at the nursery have been trained in the «Amazing Brainz» program, which stimulates and improves the learning capacity of children in their first years of life. We also have facilities for the children and young people, where we support them with extracurricular classes and access to a media library. We have invested in the CAMI teaching software, which provides academic support in languages and mathematics.

### **Labor standards.**

Regarding labor standards, we have implemented the SA8000 certification, based on the conventions of the ILO (International Labor Organization), human rights and national and international labor standards, at SanLucar Fruit, S.L. Also, SanLucar improves the labor standards regarding days off for death of 2nd degree relatives, equating it to death of 1st degree relatives. At all our subsidiaries, our employees receive the minimum wage at least. To improve on this, we are working on the implementation of the living wage calculation using the Anker methodology. In 2018/2019, we executed the draft of the instruction and procedures, and the calculation will begin in the 2019/2020 campaign in Spain.

On the other hand, as a company committed to human rights, labor standards... there is no child labor in any of our subsidiaries or at the head office; there is an occupational risk prevention committee in each of the countries where we are present, and we also have a person in charge who has to take care of the employees' working conditions and ensure that the corresponding collective agreement, which is reviewed every year, is being applied. Finally, our Code of Ethics includes non-discrimination and there-



fore we have implemented protocols for action in the event of sexual or moral harassment and are continuously monitoring it, which is reflected in this report, among others, in GRI indicators 102-8, 401-1 and 406-1.



### **Environment.**

In relation to the environment, in South Africa, we have invested in an irrigation system with probes, a weather station and software. The aim is to use the water resource in an optimal way for the needs of the citrus fruit. In Spain, we have opened our new environmentally friendly offices, where we have 300m<sup>2</sup> of vertical gardens, charging stations for electric cars, exterior structures that allow a maximum use of sunlight, presence detectors for all the LED lights to maximize energy savings, as well as sensors on the taps and cisterns to prevent losses.

Also, with the purchase of the new printers and their improved configuration, we have reduced paper consumption by approximately 30%. At our headquarters in Austria, photovoltaic panels have been installed to increase the consumption of renewable energy. In this first year, we have managed to replace approximately 10% of the energy consumed with renewable energy.



### **Anti-Corruption.**

In the area of anti-corruption, we are well aware of the challenges and opportunities that may arise. That is why we are working on a thorough revision of the SanLucar Code of Ethics, and we are also working on a comprehensive risk analysis in a multidisciplinary team, considering legal, reputational and human rights aspects.

To neutralize the risks and to make the most of the opportunities, the SanLucar Group has at its disposal policies, actions and projects, tools and monitoring indicators. The monitoring indicators for the SanLucar Group are the GRI (Global Reporting Initiative). In addition to the aforementioned action, we implement the ODS throughout the entire Group as part of our medium-term strategy.

### 3.2 Our value chain.

The SanLucar value chain covers the whole process from planting to delivery of the product to our customers' platforms. Our special feature is that we are involved in all phases of the chain, from production and packaging to storage and distribution.

The production of our fruit and vegetables lies in the hands of our master farmers and the experts on our farms. We grow in those areas where we know the weather and soil conditions are ideal for each product. We are constantly innovating together with our farmers, and have therefore been able to introduce new varieties and crops in some regions, such as grape growing in Ecuador. The innovation of new technologies and crops requires the collaboration of public entities, research centers... this can be a long process that must be considered for production.

To meet our goal of providing premium quality fruit and vegetables, we choose the varieties with the best organoleptic qualities from among



those that exist. Additionally, as a result of our innovative spirit and continuous improvement, we also participate in the varietal selection process to achieve products of an even higher quality. This process is a long road, not only because of the time it takes to find what we are looking for, but also because we then have to produce that particular variety in a small area, carry out marketing trials and finally, years later, move on to a larger scale and expand production and sales. These exclusive varieties require special control (quantity and area, quantity harvested, distribution of plants/seedlings) and this is why we involve our most trusted master farmers and our own farms in this type of sensitive project.

Once the product has been grown, it is harvested at the optimum point of ripeness, taking into account the characteristics of each product and bearing in mind the consumer should receive it with the best organoleptic characteristics and quality. Our colleagues in the Quality Department have given many training courses to our colleagues in the Sales Department to make them aware that fruit and vegetables are not inert products but alive, which means that they have to be very careful throughout the sales process. For this reason, the sales team is responsible for having up-to-date purchase and sales forecasts and for passing on the final customer orders to our producers as soon as possible.

Transparent communication with our clients before each campaign is essential for planning on the basis of a real sales program and for defining the requirements of each of our clients with regard to each product. Our Quality Department works with the Product Managers to define the final specifications per client, the producers with whom we will work in that campaign and the estimated volume that will be needed.

With all this information, the fruit and vegetables are harvested and taken



to the processing centers in their place of origin. After a careful selection, they are packaged as desired by the customer. The same product can be presented in several forms of packaging using different packaging materials. Our Packaging Department is involved in designing the packaging and coordinating the purchase of the necessary materials to make it available at the packing centers.

Once the product is packed, fast and efficient logistics are important to ensure the product arrives fresh at the customers' platforms and therefore at the supermarkets. This is the moment when the Logistics Department intervenes in the whole process. Punctual delivery, transport with the right conditions for each product, especially temperature and



compatibility, as well as continuous monitoring of the product, are key to delivering a fresh product in premium quality. This requires a very dedicated and flexible team and a knowledge of international logistics and the product.

Upon arrival at our logistics centers, a quality control is carried out by our technicians and the product is reconditioned if necessary. From our logistics centers in Ettlingen (Germany), La Vall d'Uixó (Spain) and Rotterdam (Netherlands) we serve all our customers in Europe. Destinations outside Europe are supplied directly from the countries of origin.

The customer takes care of the distribution of the goods to each supermarket individually via its platforms.

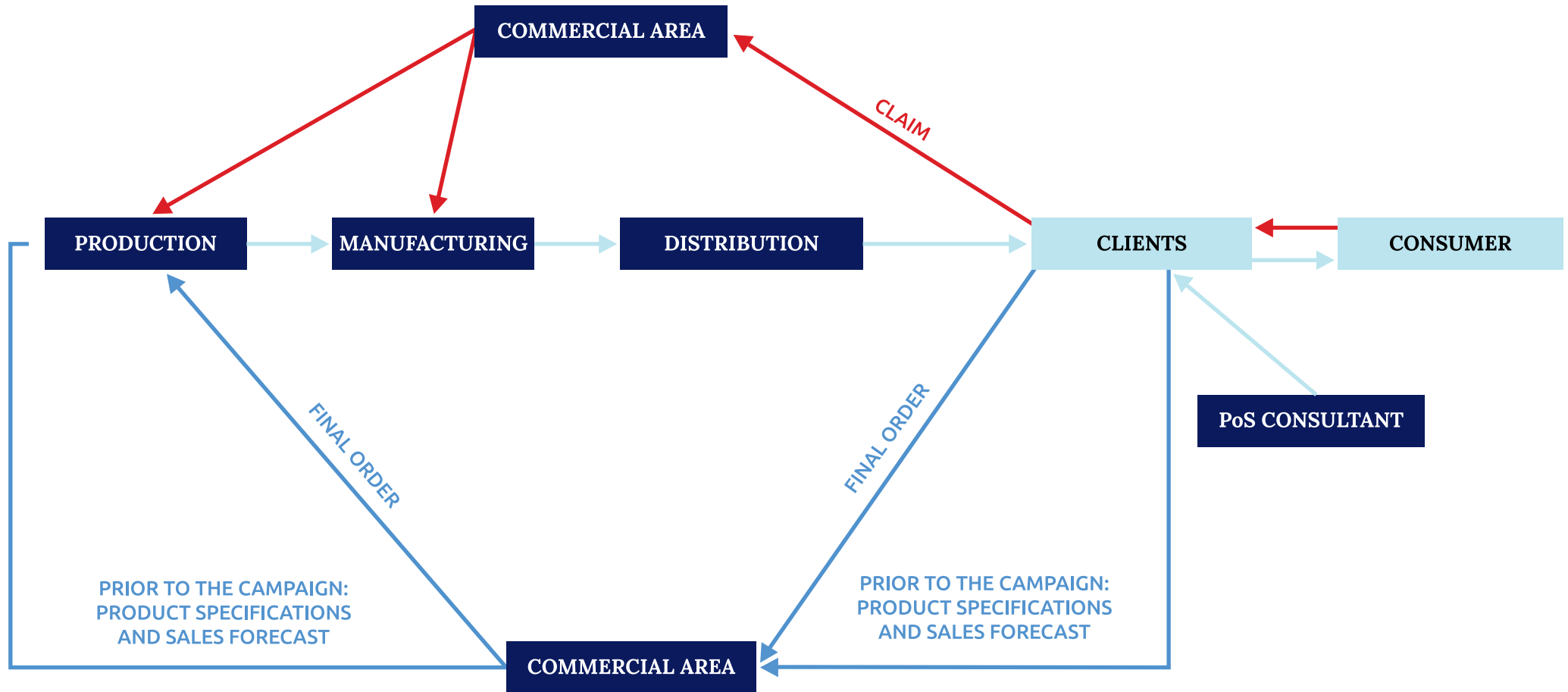


If the fruit or vegetable is found not to meet the expected quality at any point in the distribution chain, or even if the customer detects this after receiving the product, the SanLucar sales area collects all the data and passes on that complaint to the producer or supplier. All this is explained in detail in Chapter 8.

Our PoS consultants in Germany and Austria help tradesmen to present fruit and vegetables on the shelf in the most attractive way possible to encourage consumption of these products and advise them on the best way to handle the product. We also organize training trips for workers in the fruit and vegetable areas of supermarkets, in which they visit our farms or those of our partners so that they can gain an understanding of the challenges throughout the production process, learn more about product and pass on all of this knowledge to the consumers in the stores.

**Value chain scheme.**

The whole process described above is reflected in the following diagram:





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# 4. Product

## The quality of our projects.

Fruit and vegetables are natural products. Maintaining consistent premium quality is a challenge, as the climate is something we cannot control.

To meet this challenge, on the basis of which our Quality Department, according to which our quality department works every day to guarantee compliance with national, European and international standards in terms of traceability, food safety and labelling, and to make all the information on our products available to the customer.

In order to achieve good management and transparency, we work with an interactive computer application called PortalWEB. This portal allows our suppliers to send us information on production (certifications, field treatments, post-harvest treatments, chemical and microbiological analysis reports). At the same time, PortalWEB allows us to share and exchange information with suppliers on quality and food safety specifications. For example, the model labels, the Code of Ethics and the integrated policy of SanLucar, as well as the health and safety documentation. This allows the information to be consulted by both parties at any time.

In order to continuously uphold a high-quality standard, we have created specifications for each of our products, as well as for the different brands under which we market them. These specifications are reviewed at the beginning of each season. If necessary, they are modified and we then collaborate continuously with the farmers to comply with them.



## Monitoring of producers.

Maintaining a constantly high quality is a challenge. Fortunately, our comprehensive quality management system helps us to meet this challenge successfully.

Before starting to work with a grower, our team of agricultural engineers prepares the »producer profile« in close cooperation with the grower's technical team. In this profile, various aspects such as current certifications and the food safety of the product, including the packaging materials, must be checked. The quality and availability of the product must also be checked, as well as the control of the phytosanitary treatments, the level of technification of the warehouse and the level of qualification of the technical staff. Furthermore, issues related to working conditions and the health and safety of employees are thoroughly evaluated, bearing in mind the criteria of the International Labor Organization (ILO) and international standards in the social field. We also evaluate the specific practices they carry out to respect the environment. If minor non-conformities are detected in their profile, a corrective action plan is agreed upon and followed up. If these non-conformities are serious and the supplier does not implement the proposed corrective action plan within the defined time-frame.

One of the keys to the quality of our products is our partners, the »master growers«. They are often family businesses with a long tradition and extensive knowledge, and we have been working with many of them from the very beginning.

For growers with whom we have already established a relationship, the documentation related to their profile is reviewed on an annual basis. The profile itself is completely revised if there is a major change or every 5 years. In addition, random quality checks are carried out in situ, as well as

daily quality checks on the product load. We also carry out analyses of the products on arrival at our distribution platforms. The results of the quality controls are available in our Quality Report application for the Quality Department and for the Product Managers, to whom a daily summary is sent automatically.



## Food safety is our priority.

Food safety is our top priority. Therefore, all our processes are focus on growing tasty and healthy fruit and vegetables.

For us at SanLucar, food safety means that fruit and vegetables are sold in perfect condition, with the best organoleptic qualities, and are safe to eat. In order to ensure food safety, we have created lists of authorized products and their Maximum Residue Limits (MRLs) for each of the plant products we market. These lists take into account the applicable legislation of the country of destination and the requirements of the customers to whom the product is sent into account, which may be more restrictive than the legislation. If it is known in advance that there will be a change in the legislation or the customer requirements, we work with producers during a period of adaptation.

This requires a very thorough monitoring of both product quality and any residues, making the transition as easy and effective as possible for all parties involved. To ensure that the new criteria are met, the producers are given great support by SanLucar's quality technicians on site.

During the season, when the fruit arrives at SanLucar's intermediate platform, its quality is checked and analyzed in certified laboratories. All the producers are also required to send the analyses to the Quality Department during the campaign. If the previously established requirements are not met on the arrival of the product at the intermediate platform, the product will be returned to the supplier or all the goods will be destroyed on site, depending on the severity of the case. Furthermore, governments also carry out controls. Government agents are usually present at our intermediate platforms in Ettlingen and the Netherlands to carry out analyses. If the legal specifications are not met, fines may be imposed, the goods may be blocked and the health registration, without which the

product cannot be marketed, may even be withdrawn.

In order to meet the above criteria, it is very important to audit our growers, monitor them at all stages, carry out our own analyses and maintain an open and constant dialogue with all those involved. Thus, we can assure that all SanLucar fruit and vegetables on the markets have passed the strictest controls. We want consumers to receive our best fruit and vegetables.



## Our traceability from the field to the end customer.

The traceability of our products is one of SanLucar's principles. Our experts from the Quality, Logistics, IT and Packaging departments work together to achieve a fully transparent process. At SanLucar, we do not lose sight of our products. Overseeing every single step of the way is important to us. From the seed to the final customer, we always control the production and distribution chain. To do this, our system of identification and computerized management of the goods allows us to identify the product, quantity, producer, weight, dates of harvest, type and date of preparation.

In addition, it informs us of the date of departure of the goods, pallet number, carrier, truck registration number, intermediate platforms and end customer. In this way, we can trace the path of our fruit from seed to table.

We differentiate between three types of traceability:

**Backwards traceability:** Documentation generated in the crop by the producer and GGN registration number. The GGN (Global G.A.P. Number) with 13 digits is the identification number that is used to recognise all the participants in the production and supply line and to certify them according

to the Global G.A.P. standard.

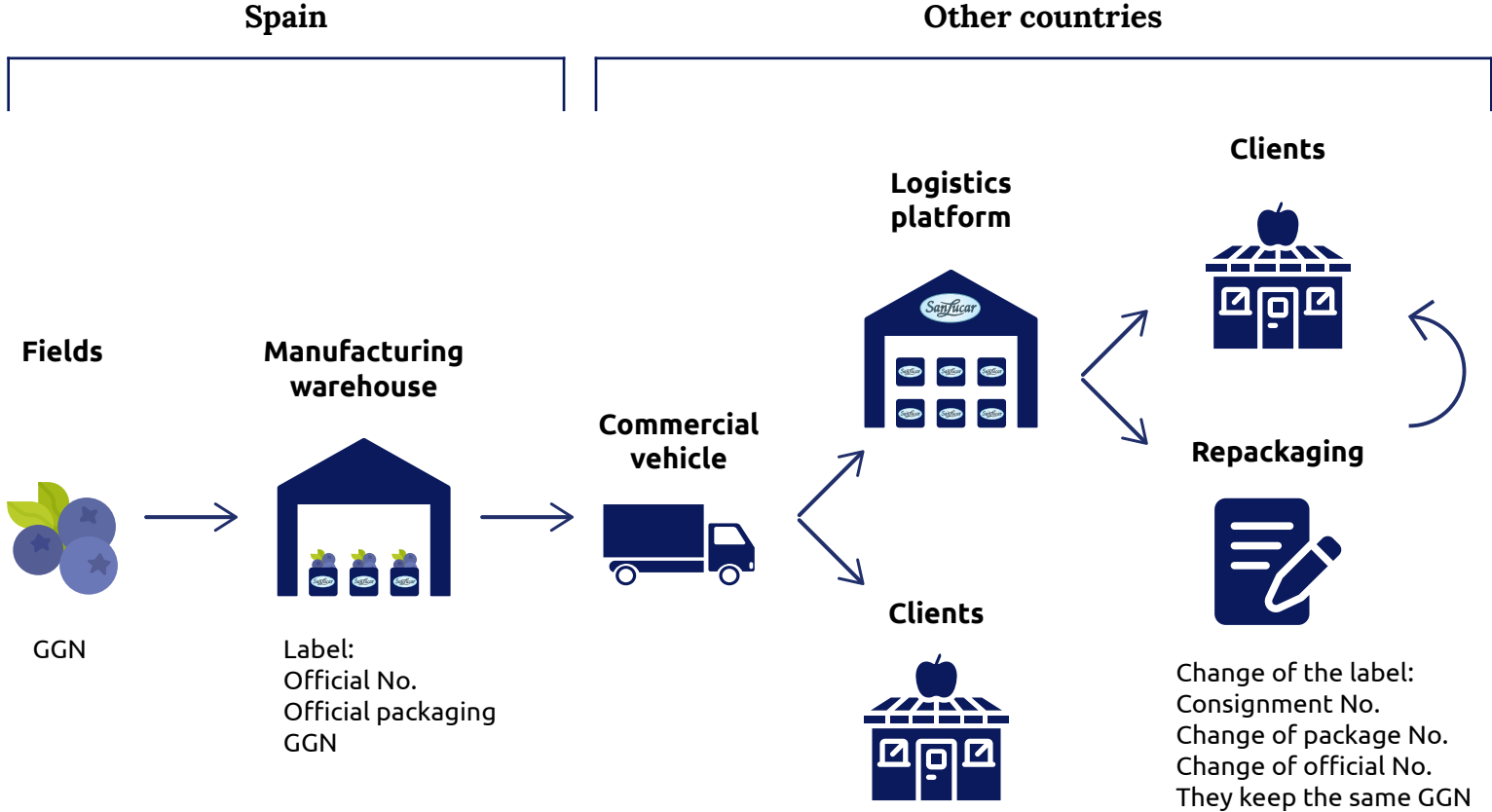
**Forward traceability:** Documentation and follow up to the final customer.

**Internal traceability:** To ensure the proper functioning of the system, through computer applications, we can track the goods at any time.

If changes in the packaging of the product are necessary, for example, 150g punnets instead of 250g punnets of blueberries, these are adjusted in our logistics centers. The process will be as follows: during the reconditioning, a shipment number is added, the lot number and the official number of each country is modified (the registration number of the packing warehouse in the country of origin is changed to that of our logistics center) and the same GGN is maintained in order to continue guaranteeing traceability to the producer.

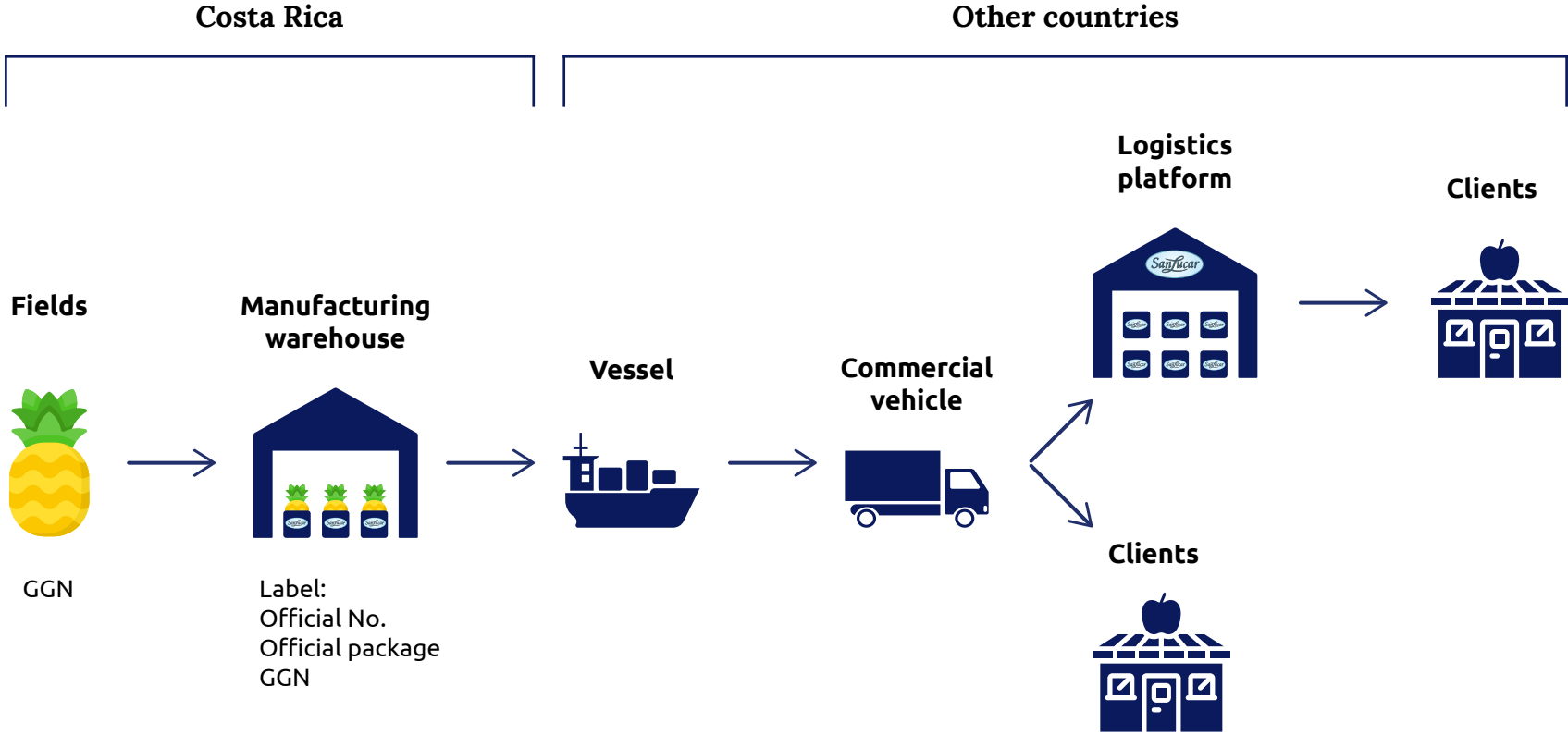


# European traceability scheme for blueberries from Spain.





# Overseas traceability scheme for pineapples from Costa Rica.



## Our certifications.

Our main objective is to achieve a balance between respect for the environment, society and economic benefit. Therefore, we set ourselves objectives in harmony with people and nature. At SanLucar, we work together with independent certification bodies and meet the requirements of internationally recognized certification criteria.

The SanLucar Group has implemented integrated management systems that guarantee maximum quality in the processes and ethical management throughout the value chain.

On the one hand, the offices and logistics centers located in Spain, Germany and Austria have implemented the IFS, QS, FSSC 22000, ISO 22000, SA8000, Global G.A.P. chain of custody standards, according to their respective needs.

On the other hand, in the production and testing farms located in Spain, Tunisia, South Africa and Ecuador, the Global G.A.P., G.R.A.S.P., Rainforest Alliance and SMETA standards and protocols have been implemented, according to the needs of each of them. As SanLucar, it is very important for us to feel proud of making fresh, natural and tasty fruit and vegetables available to everyone and we do it with the highest standards. The result of this is the certifications that we receive.

Since we are a big family at SanLucar, we ask the same of our producers as we demand of ourselves. Therefore, our minimum requirements for working with a new producer are to have Global G.A.P. and G.R.A.S.P. and keep on working with them in order to obtain more certificates. Taking the risk of each country into consideration, we are even more demanding in the countries with higher risks.

## Social certifications.

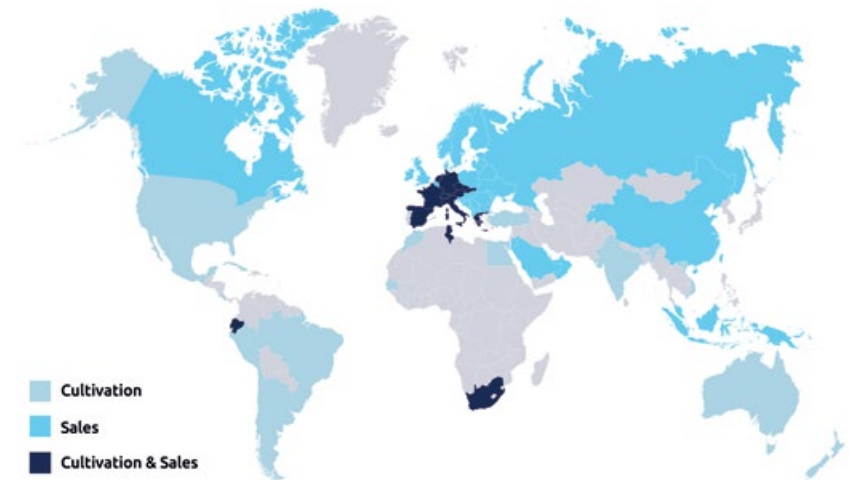
The social certifications with which the SanLucar Group is certified are based on the principles of the international conventions of the Human Rights of the ILO (International Labor Organization). These components are also reflected in the Integrated Company Policy and the SanLucar Code of Ethics. A multidisciplinary team works continuously to improve SanLucar's integrated management system, to guarantee the ethical management throughout our value chain and to achieve the objectives of social responsibility.



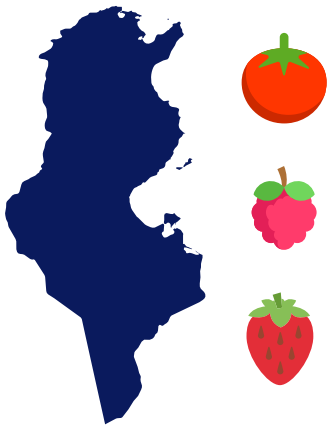
## SanLucar in the world.

SanLucar has already been around the world once. We have different subsidiaries in Spain, Germany, Austria, Benelux, Tunisia, South Africa and Ecuador, which are dedicated to logistics and distribution as well as production. We have also not forgotten our master farmers, with whom it all started in 1993, but still have a close relationship with them and develop joint projects.

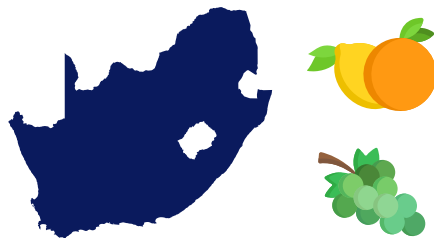
In 2008, we opened our first production subsidiary in Tunisia. We expanded into South Africa in 2011 and Ecuador in 2013.



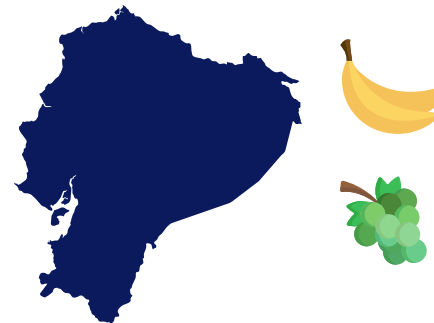
### Tunisia



### South Africa



### Ecuador



### Spain





*SanLucar*

**Taste the SUN**

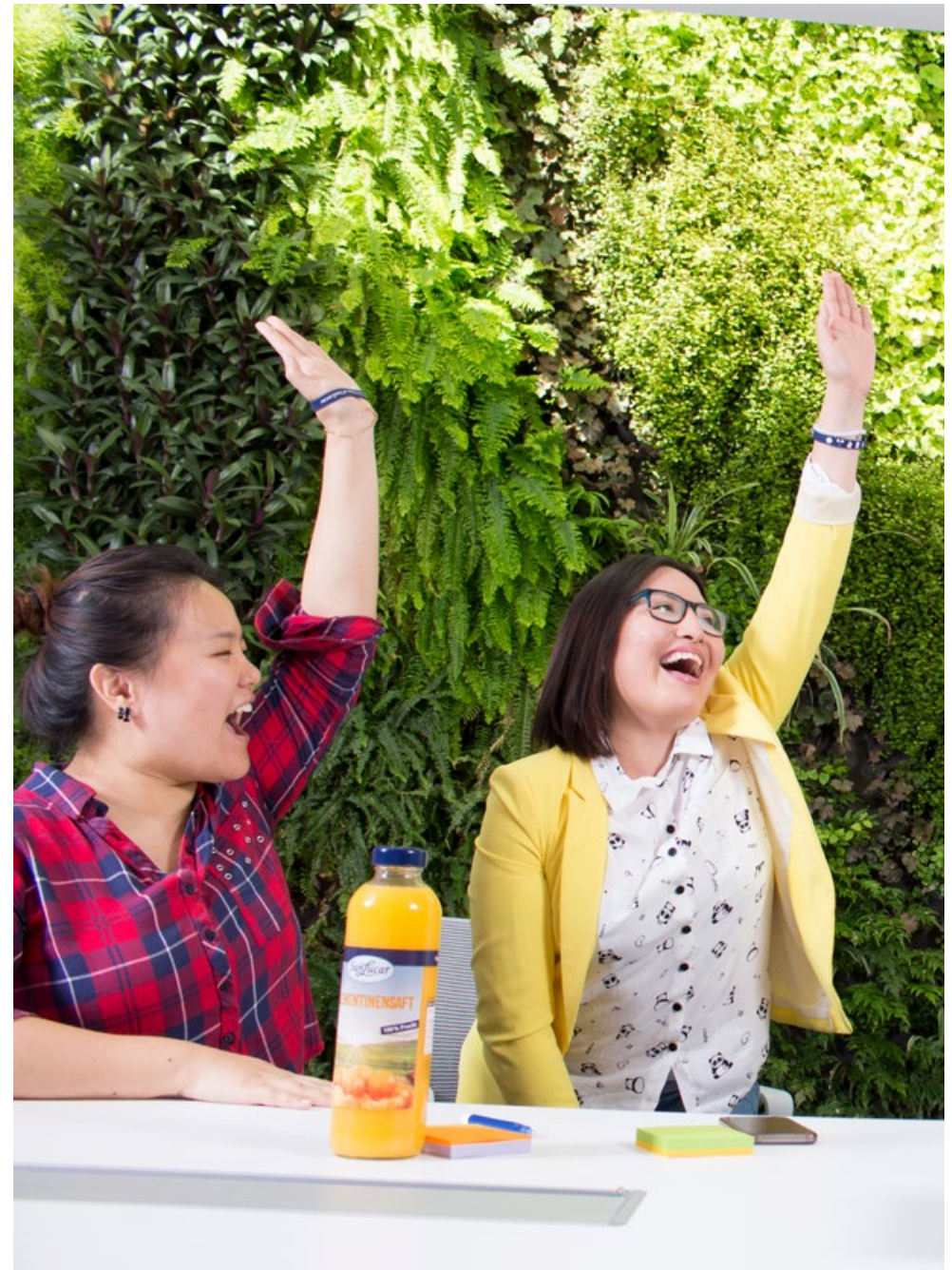
## **5. Employees**

Our employees are the interest group to which we pay particular attention, taking care of their well-being, promoting the development of their professional and interpersonal skills and improving our working environment. The cultural diversity in the company, since we are present in several countries around the world, allows us to exchange knowledge continuously and to develop intercultural skills.

The well-being of employees, their professional development, a living wage, the reconciliation of work and personal life and a safe working environment has become more important in recent years. This is reflected in different international standards, such as those of the ILO (International Labor Organization and certification standards, and in the promotion of Human Rights.

In this chapter, we present the GRI indicators related to SanLucar employees, the working conditions, the importance of their welfare, as well as some news. The innovations include the development of the calculation of the living wage by means of the Anker methodology, which will be implemented in Spain next season and then progressively extended to the whole SanLucar Group.

GRI: 103-2



## 5.1 Declaration of the non-recruitment of child labor.

The non-recruitment of child labor is part of the company's policy and its Code of Ethics. In addition, the headquarter has been certified by the international standard SA8000 since 2009, the production companies of the SanLucar Group and its fruit and vegetable suppliers have various social certifications such as Rainforest Alliance, SMETA and Global G.A.P. + G.R.A.S.P. and SIZA. All our suppliers have to sign the Code of Ethics, which commits them to complying with it in all their activities. Therefore, the objective for the SanLucar Group is to have no incidents either in its own facilities or in those of the suppliers.

To ensure compliance, we have an internal suggestion box for reporting non-compliance and implementing an action plan. For example, if a technician detects any non-compliance during a visit to suppliers or our own farms, this will be reported in the suggestion box.

No incidents have been detected in the reporting period.

GRI: 408-1



## 5.2 Supporting employees in exercising their right to collective bargaining.

The SanLucar Group supports the freedom of collective bargaining, having an employee representative and different committees in the workplace: Employees Committee, Equality Committee and Health and Safety Committee. The committees are managed autonomously by their members.

All the committee members are available to employees to convey their suggestions, complaints and protests, thus enabling employees to exercise their right to collective bargaining.

Regular meetings and negotiations with the employee representative or committees shall consider the legitimate interests of the Group and its employees. The Group has several committees for this purpose. The most important are as follows:



Employees



**Inter-Area Committee (CIA)/Employees Committee:** The objective is to improve all possible aspects of the working conditions of SanLucar employees by facilitating the dialogue between the company managers and the employees in the subsidiaries.

**Health and Safety Committee (CSS):** The CSS aims to ensure the participation of workers in all health and safety issues in accordance with the provisions of the Occupational Risk Prevention Act and the various standards implemented in our subsidiaries.

**Social Performance Team:** In February 2019, the Social Performance Team joined the previous committees at the SanLucar headquarters to guarantee the fulfillment of the requirements of the SA8000 Standard. The Social Performance Team is represented by the areas of human resources, occupational risk prevention, corporate responsibility, quality, the employee representative and production.

**Equality Committee:** The main objective of this committee is to ensure that all the company's equality policies are complied with and implemented. The Equality Committee is currently made up of members from the headquarters in Spain.



Employees

With all this, the SanLucar Group is attempting to maintain a standard of working conditions above the labor legislation of each country where the Group is present and to make several channels of collective bargaining and communication available to the employees, as well as to maintain the positive dialogue between the management and employee representatives on a regular basis.

To ensure compliance, the SanLucar Group undergoes third party audits of various social certifications, and the committees themselves meet periodically according to their statutes, and, if applicable, also with Human Resources Department and the Management.



GRI: 407-1



## 5.3 Equality and Diversity.

The SanLucar Group is especially characterized by a diverse and equal workforce. The company promotes diversity and multiculturalism, and has employees of more than 20 nationalities on an international level. This diversity is experienced through multilingual internal communication (English, German, Spanish) and multinational departments.

Diversity is an opportunity for the company to attract human talent to gain a competitive advantage and to enrich the corporate culture.

Therefore, amongst the equality and diversity measures and policies that the Group has to respect, the following actions have been initiated:

**SanLucar Groups Code of Ethics:** by virtue of this document the Group prohibits discrimination.

**SA8000 certification at the headquarters in Spain:** Our SA8000 management system has protocols for the prevention and detection of discrimination, as well as protocols of action in case of harassment.



Employees



**Periodic training:** The Corporate Responsibility Department provides training to all new recruits at least twice a year and to employees every three years at the headquarters. Training as a preventive action for raising awareness amongst employees is one of the most important anchors for having a culture of equality and diversity and no discrimination or harassment of any form.

**Equality Plan:** An Equality Plan was developed at the headquarters. Compliance with this plan is evaluated annually by the Human Resources Department. The results of this analysis are shared with the Equality Committee in order to determine improvements to the plan.

**Suggestions channel:** The organization has a suggestion box available to employees in its subsidiaries, which is only reviewed by the employee representative.



GRI: 405-1 / 406-1

## 5.4 Respect for human rights.

Ensuring respect for human rights throughout our value chain is one of the Group's priorities in terms of Corporate Responsibility. To this end, we take as a reference the Universal Declaration of Human Rights and the United Nations Guiding Principles on Human Rights, amongst others.

This commitment is reflected in our Code of Ethics, which is known and applied worldwide not only to our employees and professionals but also to our customers, suppliers, partners and other stakeholders.

This Code of Ethics reflects the Group's commitment to human rights and, consequently, makes it possible to define policies related to the elimination of discrimination in employment, the elimination of forced or compulsory labor, the effective abolition of child labour and the exercise of the rights of association, unionization and collective bargaining, in accordance with the laws in force in each country where it operates.



Employees



In addition to all this, halfway through this campaign, we have begun to hold training sessions at the headquarters in Spain in relation to human rights, carrying out a total of 4 half-hour sessions. From now on, it will be part of the annual training plan for all employees there.



GRI: 412-2

## 5.5 Living wage through Anker methodology.

At SanLucar we are committed to the well-being of our entire team. This is reflected not only in the social certifications at our different locations, but also in our commitment to the ODS 8 Decent Work and Economic Growth. In this area, we have started a project whose objective is to calculate and establish a living wage that allows the staff of SanLucar Fruit S.L.U. in each of our locations in Spain to have a life that is as economically comfortable as possible.

By living or dignified wage, we mean the remuneration a working person receives for a time and in a place that is sufficient to cover, at least, the basic needs of both the person himself and his family in order to guarantee a dignified standard of living. The elements that define a dignified standard of living include food, housing and utilities, education, medical care, transport, clothing and other essential needs.

The calculation of this salary will be made next year using the Anker methodology, which is recognized worldwide for calculating the living wage and is supported by the Global Living Wage Coalition and other organizations



Employees



such as Fair Trade and the Rainforest Alliance. Therefore, we chose to implement the living wage calculation using the ANKER methodology. This methodology is based on a realistic estimate of the cost of living for each location, since this data differs depending on where you live or work. For this, we have carried out a rigorous study and detailed analysis to ensure that the estimated data are real and solid.

We have set ourselves the objective of fully developing this project in the medium term. During the 2018/2019, campaign, we developed the instruction and procedure, identified the official sources from which we will take the expense data and, in addition, calculated the census of SanLucar's headquarters in Spain. During the campaign 2019/2020 campaign, we will start with the calculation of the living wage itself following the Anker methodology. In this way, we will get a different real cost of living for each of our offices in Spain next season.

The purpose of making this calculation individually for each of the company's workplaces is to adapt the calculation of this data to the reality of SanLucar as much as possible and to try not to fall into errors of estimation such as, for example, considering the average size of household in Spain to correspond to the reality for our staff.

We have decided to take the expense data provided by the National Institute of Statistics of Spain in the survey of family budgets in order to have realistic data for the costs, since they are differentiated by province and year and the rent data for the province where the work center is located.

The costs that we will include in the calculation of the living wage are the following:

#### **Nutrition**



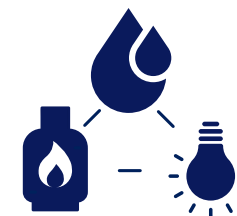
#### **Home**



#### **Clothes**



#### **Utilities**



#### **Transport**



#### **Education**



#### **Health**



## 5.6 Suggestion box.

The complaints and suggestions box was born from the need to establish an anonymous internal communication channel through which both suggestions and complaints about any issue or concern at SanLucar could be sent. Any communication made through this channel is received directly and only by the employee representative and must be treated confidentially, impartially and without reprisals, regardless of the subject and whether it has been made anonymously or by an identified person.

The physical suggestion box is checked on a weekly basis by the employee representative in order to address complaints as soon as possible according to established procedure.

With the growth of the SanLucar headquarters in Spain, the need for this service to be accessible by computer has become apparent. To facilitate access, we have created an online mailbox with a direct link from the home page of the SanLucar browser.

The online mailbox is located on an external page to SanLucar that guarantees anonymity and has also generated a QR code that gives direct access to the online mailbox with any smartphone to send the desired notification to the mailbox completely anonymously or identified by the sender.

GRI: 102-17



## 5.7 Family conciliation and flexible schedules.

At the SanLucar Group, we believe that our employees should achieve a good balance between their professional and private life. At our headquarters in Spain, we have established the necessary mechanisms to facilitate this balance, such as being able to have one free afternoon a week, flexibility in arriving at and leaving work the company or adjusting the length and format of vacations to personal needs.

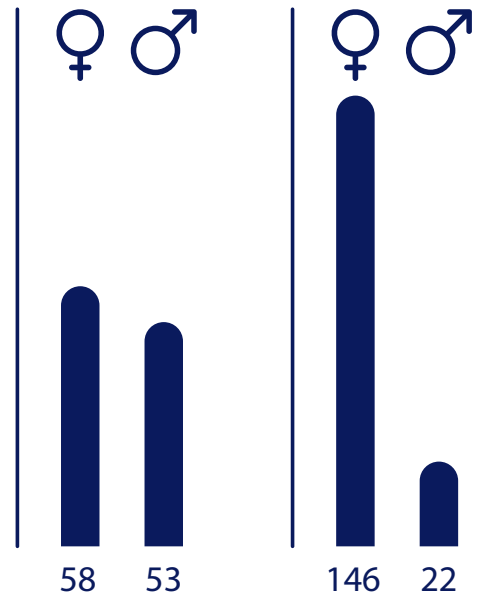
In order to guarantee that the balance is real, it has become a top priority at the headquarters to offer all the employees the option and the technology for working from home and to reconcile work and family life in that way.

The remainder of the companies comply with the local labor regulations and try to improve them wherever possible

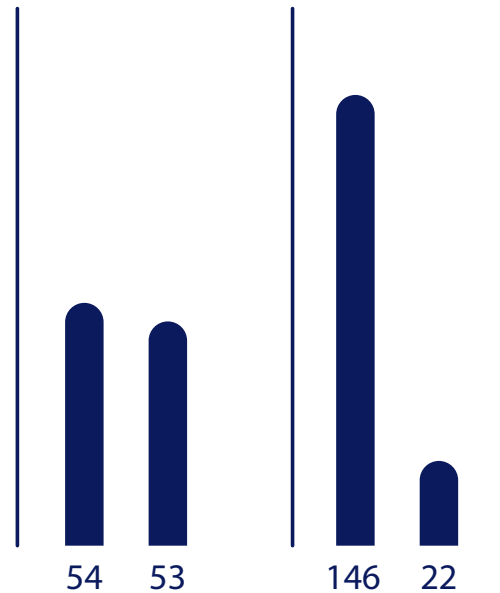


GRI: 401-3

2017 - 2018      2018 - 2019



Total No. of employees who took parental leave



Total No. of employees who returned after parental leave.

*\*In both campaigns, 100% of the employees who were supposed to rejoin, they did.*

## 5.8 Training as a means of improving employee professionalism.

The success of the SanLucar Group depends essentially on the preparation and professionalism of its employees. In this sense, the SanLucar Group seeks to attract, retain and develop the right people, who demonstrate, besides their professional skills, the following competences:

- Customer orientation
- People orientation
- Achievement orientation
- Leadership
- Impact
- Self-confidence

The SanLucar Group develops the abilities of all employees in order to create high levels of motivation and performance and to enable them to reach their full potential. The policy is to have well-prepared employees, who are well trained in their responsibilities and have a high product knowledge.

In each of the subsidiaries, annual training plans are carried out for employees, adapted to their respective needs, because we believe in personal and professional development, as well as continuous learning.



GRI: 404-1



*In order to calculate the total hours of training, the total number of participants in the same session has been added up and multiplied by the number of hours to obtain the total number of hours for each of the training sessions.*

*The percentage indicates the hours for each training session as a percentage of the SanLucar Group's total training hours.*

	Professional category							
	Senior executives	Directors	Managers	Comercial & technical staff	Clerical staff	Farm workers	Total	% Total
Training in machinery and hazardous substances			8	18		238	<b>264</b>	<b>1,14 %</b>
Job-related training	62	179	326	857	293	129	<b>1.846</b>	<b>8,00 %</b>
Policies, protocols and certifications (CR)	1		61	268	91	379	<b>800</b>	<b>3,47 %</b>
Human health, diseases and hygiene	9	24	56	76	44	931	<b>1.139</b>	<b>4,94 %</b>
Health and occupational safety	6	46	78	234	409	1.466	<b>2.238</b>	<b>9,70 %</b>
Professional and personal skills	118	427	479	4.267	99		<b>5.389</b>	<b>23,36 %</b>
Computer tools and applications		33	54	173	114		<b>374</b>	<b>1,62 %</b>
Environmental topics		8	2	2	2	600	<b>614</b>	<b>2,66 %</b>
Languages	152	773	1.241	4.367	3.874		<b>10.406</b>	<b>45,11 %</b>



## 5.8.1 Opportunities for talented young people.

SanLucar promotes the education and employability of young people through various programs, such as the scholarship program, collaborations with universities in Valencia and Tunisia, and collaboration with the School of Business Training in Spain.

In Germany, we have been involved in dual training for many years and in Spain, we have started collaboration with the German Business School FEDA Madrid and the German Chamber of Commerce for Spain (AHK). This is a pioneering project in Spain in which we are training future professionals in the management of wholesale and foreign trade. Our first dual apprenticeship started in September 2017 within the commercial area as an initial experience and our head office in Valencia will become a vocational training school from September 2019. The advantages are on both sides: the trainees benefit from the combination of theory and practice instead of learning only abstract theory, and companies train their future employees according to their own needs because the goal is for the apprentices to join the company after graduation as professionals.

In cooperation with Tunisian universities, we give young students the option of carrying out their final projects at our farms in the North and South of Tunisia. The students have the possibility of gaining first hand knowledge of the practice and developing a real case research project. Since the beginning of the program, at the start of 2019, we have supported nine students. Furthermore, we offer the best talents the possibility of joining SanLucar after their graduation. For the next campaign, we are in contact with different educational institutions and non-profit organizations to expand our program in Tunisia.



## 5.9 Occupational health and safety.

As far as the occupational health and safety at work is concerned, the companies of the SanLucar Group have a department or employees responsible for the prevention of risks at work in their companies. In order to guarantee the correct application of the prevention measures to the different groups of employees, the following measures have been implemented:

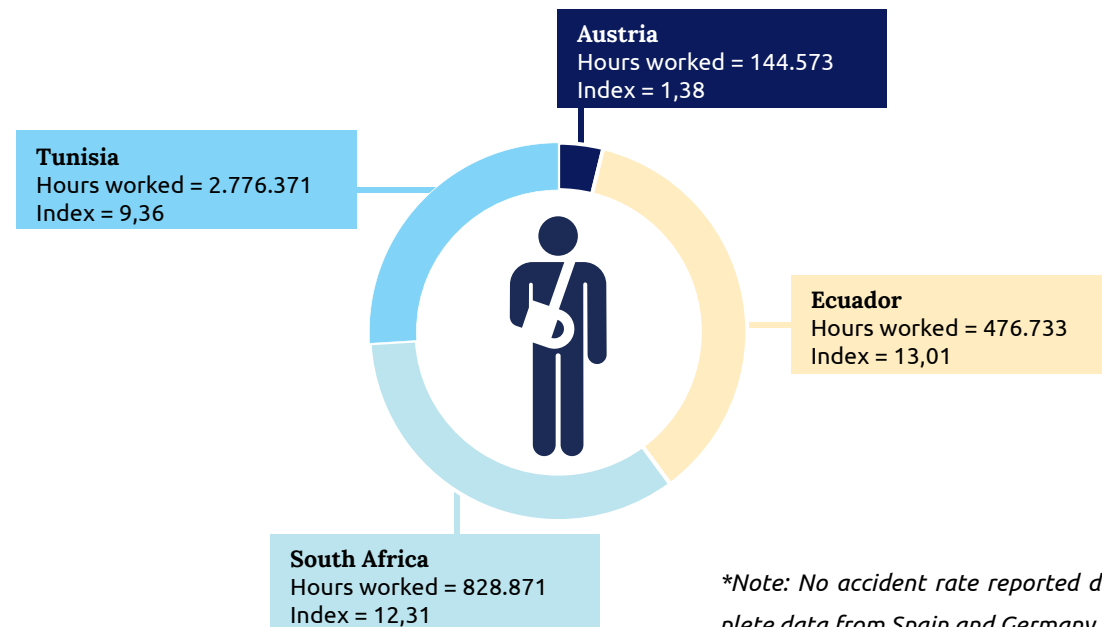
- All our companies have a Health and Safety policy, which is adapted to the activity carried out in the respective company.
- We keep statistics on accidents and their causes that allow us to update and improve our preventive measures.
- The production subsidiaries also have a corporate doctor or nurse.
- The marketing subsidiaries, where the main activity is carried out in offices and logistics centres, are associated with external occupational risk prevention companies.

The health and safety of our employees is a top priority. The Health and Safety committees in the workplaces help to improve preventive measures and their management, as well as to reduce risks. Medical examinations are an essential part of ensuring the health of employees and are carried out according to the jobs and the risk involved.

Preventive measures, continuous occupational risk assessments of each job, the provision of personal protective equipment and regular training for all employees have a common goal: to keep the accident rate as low as possible. To this end, it is essential to have an effective Occupational Health and Safety Management System in all companies.



GRI:403-2



*\*Note: No accident rate reported due to incomplete data from Spain and Germany*

## 5.10 Compensation.

The average total compensation per employee was 34.386,12 €.

Result of the calculation of the Group's average pay factors :

♂	Senior executives	Directors	Managers	Comercial & technical staff	Clerical staff	Farm workers	Total
<30 years				0,43	0,39	0,12	<b>0,31</b>
31-50 years	3,60	2,21	1,33	0,59	0,34	0,12	<b>1,36</b>
>50 years	2,26	3,10	1,91	0,62	0,40	0,10	<b>1,40</b>
<b>Total</b>	<b>2,93</b>	<b>2,65</b>	<b>1,62</b>	<b>0,54</b>	<b>0,37</b>	<b>0,11</b>	<b>1,02</b>

♀	Senior executives	Directors	Managers	Comercial & technical staff	Clerical staff	Farm workers	Total
<30 years				0,42	0,44	0,06	<b>0,31</b>
31-50 years	2,78	1,95	0,99	0,57	0,38	0,11	<b>1,13</b>
>50 years			1,59	0,83	0,33	0,07	<b>0,70</b>
<b>Total</b>	<b>2,78</b>	<b>1,95</b>	<b>1,29</b>	<b>0,61</b>	<b>0,38</b>	<b>0,08</b>	<b>0,71</b>

### Salary Gap

♀/♂	Senior executives	Directors	Managers	Comercial & technical staff	Clerical staff	Farm workers	Total
<30 years				0,98	1,13	0,52	<b>0,88</b>
31-50 years	0,77	0,88	0,74	0,94	1,11	0,90	<b>0,99</b>
>50 years			0,83	1,34	0,82	0,74	<b>0,97</b>
<b>Total</b>	<b>0,77</b>	<b>0,88</b>	<b>0,79</b>	<b>1,10</b>	<b>1,02</b>	<b>0,72</b>	<b>0,95</b>

## 5.11 Employee information.

The rate of staff turnover is determined by the number of employees who are hired, new hires and terminations of employment (voluntary departures and terminations). It is the result of the total new hires and new entrants divided by the number of employees.


This division multiplied by 100 is used to express the turnover as a percentage (%).

*The tables below show the number of employees at the end of the 2018/2019 campaign, broken down by gender in each of the subsidiaries, as well as a comparative table of the turnover rate for the 2017-2018 and 2018-2019 campaigns.*

*The data shown in the table is the number of employees at the end of the campaign by gender and type of contract. This data, as well as the ups and downs, is used to calculate the turnover rate, which is shown below in comparison with the last campaign and broken down by gender.*

GRI 102-8 / 401-1


### Germany

N° employees	Contract type	N° employees
♂		♀
60	Permanent	23
1	Part-time	6
10	Temporal	1

### Turnover rate

2017 - 2018		2018 - 2019	
♂	♀	♂	♀
19 %	22 %	3 %	7 %

### Austria

N° employees	Contract type	N° employees
♂		♀
51	Permanent	28
1	Part-time	5
0	Temporal	0

### Turnover rate

2017 - 2018		2018 - 2019	
♂	♀	♂	♀
7 %	5 %	8 %	12 %

### Ecuador

N° employees	Contract type	N° employees
♂	📄	♀
112	Permanent	13
24	Part-time	6
92	Temporal	28

Turnover rate			
2017 - 2018		2018 - 2019	
♂	♀	♂	♀
3 %	14 %	3 %	12 %

### Spain

N° employees	Contract type	N° employees
♂	📄	♀
139	Permanent	124
2	Part-time	2
117	Temporal	16

Turnover rate			
2017 - 2018		2018 - 2019	
♂	♀	♂	♀
5 %	3 %	5 %	4 %

### South Afrika

N° employees	Contract type	N° employees
♂	📄	♀
339	Permanent	338
36	Part-time	21
24	Temporal	48

Turnover rate			
2017 - 2018		2018 - 2019	
♂	♀	♂	♀
2 %	0 %	4 %	8 %

### Tunisia

N° employees	Contract type	N° employees
♂	📄	♀
139	Permanent	159
0	Part-time	0
140	Temporal	1250

Turnover rate			
2017 - 2018		2018 - 2019	
♂	♀	♂	♀
18 %	20 %	4 %	3 %

\*Note: in the case of Tunisia, the difference in the turnover rate is so great due to a difference in the collection of data for the calculation.

## 5.12 Corporate volunteering and cultural exchange.

The SanLucar corporate volunteer and cultural exchange program started as a pilot project in 2010, in collaboration with local organizations or associations in South Africa, Ecuador and Chile. Our employees supported the projects carried out by the organizations as volunteers.

A lot has changed since then. Now the projects are our own initiatives, which we develop in the countries where we have our own production farms: Ecuador, South Africa and Tunisia etc. are part of our DREAMS program. The activities are carried out with the partners in the destination country, as well as with the local community, thus benefiting the volunteer, the partners who are with them, and the local community. The activities are defined in collaboration with those responsible for RC and social development and with the volunteers themselves, considering local needs. The projects are aimed at children, young people or adults focused on educational, recreational, environmental, sports and creative activities.

Every year, the company calls for 5 volunteers amongst its employees at the locations in Spain, Germany and the Netherlands. The program is 100% financed by the company, and the participating employee continues to be paid during the four weeks of the volunteer program.



Employees



The selection process is exhaustive: there is an interview with the candidates to evaluate their personal interests and how they can be integrated in the projects of the different countries, their personal motivation, their CV, their seniority and commitment to the company, their own proposals for projects, their command of the language of the destination country. Of all the candidates, two will be able to go to Ecuador, two to South Africa and one to Tunisia.

Until now, only employees from the European headquarters could participate, since the volunteer work was carried out at the production farms, although this will change for future campaigns and the colleagues from the farms will be able to spend time in the European headquarters to improve the program.

When all the participants return each year, we celebrate the Volunteering Day, on which they tell their colleagues about their experience with total sincerity and encourage them to participate. The bottom line is always positive and the phrase that is repeated the most is everything they have learned, and that they got to know themselves better as a person. They tell us the same impressions of the farms.

Until the 2018/2019 campaign, a total of 30 employees participated.

### 5.12.1 360° Feedback helps us improve.

In this campaign, we aim to improve the program's feedback system. When returning from the program, the volunteer and his supervisor in the destination country were always consulted for feedback, as were the beneficiaries of the program (local community, colleagues who have received training from the volunteer, etc.).

All the questionnaires that we have used before have been reviewed and the questions have been updated, creating a system in which most of the objective questions with a numerical scale are customised to each stakeholder. With this, we have managed to evaluate the same question from the 3 points of interest, as well as to collect the personal feelings in each case. This enables each volunteer and the general program itself to be evaluated, looking for global and specific improvements for each one.





Taste the SUN

# 6. Community



## 6.1 Fulfilling dreams with our DREAMS program.

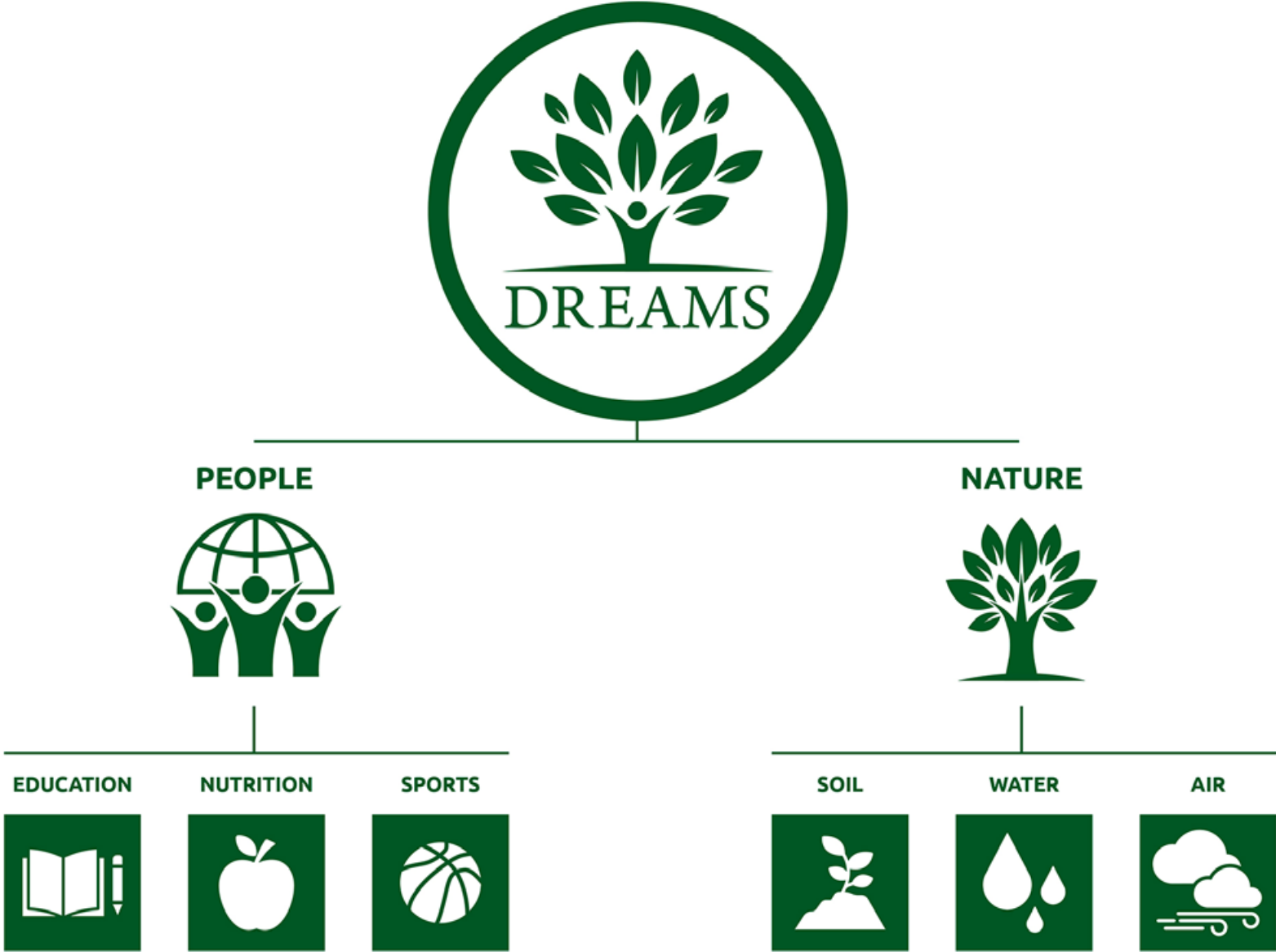
With our DREAMS program (Developing Responsible Environments And Multicultural Societies = developing responsible and multicultural societies), we focus on local projects that have direct benefits for our employees, their families and all neighbors of the community. It is often the small actions that achieve a sustainable and lasting improvement in the quality of life. In Ecuador, for example, more than 400 children enjoy playing at our DREAMS Sports School.

In Valencia, we feed hundreds of people every day at two soup kitchens. In South Africa, we focus on caring for children in our nursery. In Tunisia and Costa Rica, we help rural schools to improve the conditions of their facilities. We develop our numerous DREAMS projects at an international level, always with the active support of our partners and friends. It is becoming increasingly clear to us: great things can be achieved with little gestures.

With our DREAMS program, we are fulfilling dreams. The definition of our fields of action goes back to 2018. Since then, we have focused on the following themes: education, nutrition, sport and protection of the environment.



Our fields of action for the DREAMS program.



In recent years, we have developed projects in seven countries (Spain, Germany, Austria, South Africa, Tunisia, Ecuador and Costa Rica). Corporate Responsibility Department from the head office, along with the person in charge in each country, monitors the projects. To understand what the needs of the people in the different countries are, we talk directly with them and determine our actions and projects together. Our objective is to develop and implement joint projects and to strengthen the community, meaning to make them an active part of our projects so that they feel noticed. We are convinced that this methods will successfully ensure the sustainability of the projects in the long run.



GRI: 102-12 / 413-1



We are committed to the Objectives of Sustainable Development (ODS) of the United Nations and we also aspire to promote and contribute to the ODS with our projects.

To achieve the objectives, the 17 alliances of the ODS play an important role in almost all our social projects. Collaboration and alliances with others are more important than ever in the development of projects, whether these take the form of donations of food for our two soup kitchens, cooperation with a local sports club or a school renovation in collaboration with a producer or government entities. In all countries, we work hand in hand with local institutions to achieve the objectives; we are committed to networking.

We have different projects and would like to present some of them below.



*The right to food.  
A healthy and balanced diet.*

**The social canteen »El Puchero« in Valencia Spain in collaboration with the association Coordinadora Solidaria:**

The first »El Puchero« soup kitchen was founded in 2013 on the initiative of Stephan Rötzer, owner of SanLucar, and in cooperation with the La Casa Grande. In April 2018 and thanks to the collaboration of the association Coordinadora Solidaria of the Port of Valencia, the second soup kitchen »El Puchero Portuario« was opened. Thus, we offer a free food service in take-away format, for low-income individuals and families at risk of social exclusion in Valencia. More than 400 people receive a daily meal consisting of a nutritious main course and a slice of fruit. Additionally, we deliver other products such as bread, milk and sausage from the donors so they can prepare breakfast and dinner at home together with their family. The take-away format allows us to keep the dynamics of meals in the family, as well as promoting family conciliation.

Our regular donors:





The social workers help everyone who uses the service with formalities. They actively listen to problems and give advice.

The ultimate goal of El Puchero is more than just a hot dish. We want to help people to integrate into working life, which is why we have offered 11 courses with experts from Human Resources as well as courses from other fields such as health and family planning.

El Puchero is not simply a soup kitchen, but rather a place where we support families with school materials at the beginning of the school year. In the 2018/2019 campaign, we delivered 51 school kits. Santa Claus also visits El Puchero once a year at our Christmas party for the children and gives presents to each each of them.

## A permaculture garden in South Africa:

About 200 people live on our South African citrus farm, Rooihogte. As the nearest town is half an hour away, we have implemented a permaculture garden.

The philosophy behind the concept of permaculture is to work with nature and not against it. The term permaculture signifies permanent agriculture: through natural processes, an self-sustaining ecosystem is created, providing fresh and healthy food for the community.

The Rooihogte permaculture garden was founded in 2017. It is managed by the farm community, along with an expert in permaculture. The fruit plantation also has chickens that form an important part that form an important part of it.

The first fresh products are always for the nursery and the other products are sold in the community store.

It was possible to put the project into practice thanks to the contributions from the German Förderverein Träume werden wahr e.V.





*We care about health and well-being through sport.*

### Cooperation with »Kinder & Jugend ARCHE Karlsruhe« Germany

Kinder & Jugend ARCHE Karlsruhe is a non-profit association for the support of children and young people with emotional and financial needs. SanLucar provided a financial donation to support the purchase of protective mats for the new climbing wall. Now children don't have to be afraid of falling and can climb without any worries.



### Therapy Center »PFERDE STÄRKEN« Austria:

Our general manager in Austria and his wife have organized charity golf tournaments. These have enabled them to raise a large financial donation, which was used to support the construction of the therapy center "KINDER STÄRKEN". Here children on the autism spectrum are lovingly cared for. They work with horse therapy and therapeutic turning. The center currently supports more than 60 families.

## DREAMS Sports School in Pueblo Viejo Ecuador:

Founded in 2016, the DREAMS Sports School is a collaboration with the Cantonal Sports League of Pueblo Viejo and the Town Hall. The project consists of providing boys and girls between the ages of 4 and 16 with soccer and basketball classes for free. There are currently 400 children training in soccer and basketball at the DREAMS Sports School. The training includes an hour of play with professional coaches three times a week. It is not only a sports school, but also offers a place for talks on nutrition and drug use and for conducting environmental workshops. It is a project with a fundamental objective that includes sport, leisure and healthy living, education and values. The project has been able to help students to get off drugs, increase their self-esteem and find a different meaning to life and the future.



### Our race RUN4DREAMS:

In 2017, the first RUN4DREAMS race was organized in Pueblo Viejo, Ecuador, with a total of 80 runners. The sports competition was repeated in 2018. The idea behind it: have fun, enjoy the exercise and, of course, do something good for your health. Our goal is to bring the RUN4DREAMS race to South Africa and Tunisia by 2020.





*We contribute to children's education.*

### **New classroom for La Legua School in Costa Rica:**

Education is one of the main anchors of our DREAMS program. Together with our pineapple producer Fruver, we supported the renovation of the La Legua school in Costa Rica, which is currently attended by approximately 72 students. 40% of the students are children of employees of the pineapple factory. In 2018, we built a multipurpose classroom where the children now have English and music classes. We continue to support the school in the future.



### **Reforms in the schools of Tunisia:**

Since 2017, we have been renovating schools in the El Hamma region in southern Tunisia, the community near our tomato farm. The project consists of a collaboration with the Tunisian government for three years, concluding the first phase in 2020. So far, the exterior installations and the playgrounds have been renewed, the classrooms painted and new tables, chairs and drinking water dispensers purchased for seven schools. Once the first three-year phase of the project is finished, its follow-up will be evaluated during the next three years.

## The Speelskool nursery in South Africa:

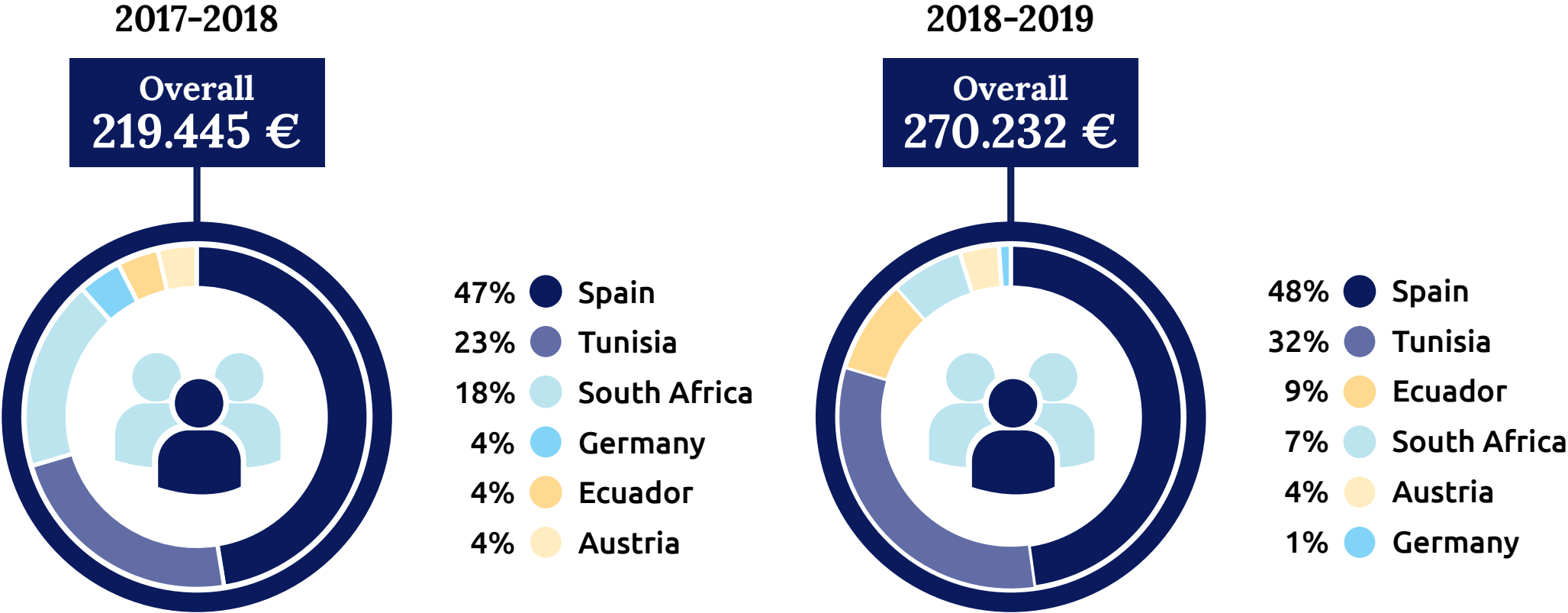
In South Africa, we already take care of the little ones. While the parents are working, our nursery teachers look after the children of Rooihogte in our Speelskool nursery. Here you can play, sing and dance. At noon, there is healthy food served with fresh vegetables from our own permaculture field and our crops. The teachers of the nursery have received training in the »Amazing Brainz« program that stimulates and improves the learning capacity in the first years of the children´s life.

We also have facilities for children and teens where we support them with after-school classes and access to a media library. We have invested in the CAMI teaching software, which provides academic support in languages and math.



## 6.2 Investment in the social development of the community.

The graph below shows the investment in the social development of the SanLucar Group community.



GRI 203-1

### 6.3 Working in alliances benefits everyone.

At SanLucar, we are convinced that working in alliances and networks helps to achieve the objectives and benefits for all parties involved. The sum of the interacting parts is better than the sum of the parts alone. That is why we have a commitment to the ODS 17 Alliances to achieve the objectives and why institutions, organizations, non-profit organizations, public entities, chambers of commerce, universities and the local community are collaborating in our DREAMS projects.

Each party brings its own knowledge and skills to together achieve a common goal that we have previously defined. It would often be difficult to achieve a result individually. In alliances, we add more ideas, effort and knowledge.



The community, employees and their families are our primary allies. They are the ones who know what the real needs are and how we can improve the quality of life, give a positive perspective on the future and achieve local development. Therefore, before we start a project, we share it with them, and we are always open to ideas and suggestions. Once the ideas are defined, we search and contact potential partners with the goal of creating a win-win situation for everyone. Our collaborations are long lasting, why we can ensure the developed projects are also sustainable in the long term.

We are members of the Spanish Network of the Global Compact and of PJU e.V. in Germany in order to maintain an exchange with other companies. We participate in webinars and conferences to share our experiences and projects, where dialogue is an inspiration for all.



GRI: 413-1

## 6.4 Involvement of the local community in the volunteer program.

We are very aware that our volunteer program (explained in more detail in Chapter 5) generates an impact on the local community in which, our partners spend time. For this reason, in our 360° evaluation we asked all the volunteers, their mentors and also local beneficiaries about the activities that have been carried out, how the volunteer was integrated... with the aim of identifying what the real impact has been in the community and detecting areas of improvement for the coming years, as well as considering all perspectives during their stay.



In this evaluation, there are questions with a numerical scale, with which we can objectively evaluate the progress in comparison with previous years, but there are also open questions, which provide us with a large amount of information, enabling us to continue to improve every year. For the next campaign, we are working on improving the 360° evaluation, as well as the preparation and follow-up for each volunteer.

GRI: 413-1



**Taste the SUN**

## **7. Environment**

## 7.1 Sustainable agricultural management.

All our farmers are certified by the international standard Global G.A.P., which ensures the implementation and application of Good Agricultural Practices in the fields. In this way, we ensure an environmentally oriented production, through a responsible and sustainable management and methods. The main objective of the Good Agricultural Practices is to generate less waste, optimize the use of water, energy, fertilizers and phytosanitary treatments, as well as preserve the soil and biodiversity.

Sustainable agricultural management must ensure global food security while promoting healthy ecosystems and supporting the sustainable management of soil, water and natural resources.



Integrated pest and disease control is a key aspect of the sustainable agricultural management of SanLucar and its farmers. This includes the use of biological control with beneficial insects or other methods applied in organic farming, and a continuous evaluation of the level of pests and diseases in the field so that decisions can be made based on data and the application of environmentally friendly phytosanitary treatments. Our goal is to use as few phytosanitary treatments as possible on our crops.

We manage the use of optimized and efficient resources, such as fertilizer application based on a soil and leaf analysis, to consider the real need of the plants and the availability of nutrients in the soil. Sustainable fertilizer management preserves the structure and fertility of the soil and prevents soil and groundwater contamination.



Water is becoming a scarce resource and needs the application of sustainable practices in the long term. We are investing in new technologies to be ready for the future, for example with our smart probe system in our fields in South Africa, which we explain in more detail in Section 5 of this chapter. The use of legal and government-regulated water sources is an indispensable criterion for SanLucar.

We are annually evaluating, using the GRI indicators, the energy consumption of renewable and non-renewable sources, the water consumption and the type and amount of waste generated by the subsidiaries of the SanLucar Group. The results are detailed in sections 3 and 4 of this chapter.



GRI 303-1



## 7.2 Our packaging.

We want to offer everyone the most natural, fresh and tasty fruit and vegetables, and in a way we can be proud of. This also includes the packaging of our products.

The packaging has a crucial role. It is protecting a product as delicate as the fruit and vegetables and contributes to preserving all its properties and freshness, and it is also an important sales tool because of the added value it brings to the product. It makes it easy to locate on the supermarket shelf, gives the consumer detailed information about the fruit he or she is buying, and helps to preserve it at home.

The consumer is becoming increasingly aware of sustainability issues; it is not only important where the product comes from and how it has been grown, but also what material is used for the packaging.



In this way, sustainability is becoming more and more important in today's market. As far as the packaging is concerned, the challenge will be to know how to listen to this new demand from the end consumer and at the same time continue applying all our know-how to determine the best packaging. In summary, it is a question of combining technology and sustainability.

In the first quarter of 2019, we began a collaboration with the Technological Institute of Packaging (ITENE), with which we have signed a collaboration agreement to review our packaging and determine which of our containers need a change of materials or a redesign. The objective of the »Food-Reduwaste« project is to contribute to the overall reduction of food waste by developing packaging that improves conservation and extends the shelf life of foods such as fruit, vegetables, fresh meat, nuts, snacks or cereals, amongst others. It is composed of two phases: the first »Packaging Diagnosis« and the second »Tutoring in the support with the realization of a road map for the sustainability project«. We are currently completing the initial phase.



Last season, we sold 60% of our citrus fruits individually in boxes. Our bananas have always been sold without additional packaging and, in general, we already offer more than 70% of our fruit without packaging as bulk fruit.

In the last 5 years, we have saved a total of 677,375 kg of plastic. The quality and freshness of our fruit, as well as the taste, is our main priority. We have done several tests with sustainable materials and found that certain fruits stay fresher with plastic, so we have not been able to completely eliminate plastics so far. We have also started using recycled plastic, i.e. plastic that was already in circulation.

More than 90% of the grapes are packed in our natural bag made of an FSC certified raw material. The natural bag replaces the plastic or cardboard trays and has enabled us to save 164,940 kg of plastic in the last five years. In addition, we sell our packaged tomatoes in cardboard trays instead of plastic trays, which has enabled us to save 436,455 kg of plastic in the last




five years. Our avocado packaging is completely without plastic. It is made of cardboard and the banner that holds the fruit in the tray is made of paper. Since its launch in 2018, we have already saved 784 kg of plastic with the cardboard packaging. Furthermore, our bins are 100% recyclable, the berry tubs are made of up to 80% recycled materials and our grape bags have a well-studied balance between their micron age and their weight. At our headquarter in Ettlingen we have a heat-sealing machine since 2019. Due to the thin heat-sealed plastic film, we have saved 71,110 kg of material compared to the previous plastic lid.




At SanLucar, we have always been sensitive to the use of materials that allow the best performance of the container with the least possible material. Our definition of packaging should be global with a sustainable approach, adapting to any market.



## 7.3 Water and electricity expenditure by country.



	<i>m<sup>3</sup>/year</i>	<i>kW/year</i>	<i>m<sup>3</sup>/year</i>
<b>2017 - 2018</b>			
<b>Spain</b>	3.585 - (0,4%)	519.189 - (12%)	3.585 - (5,6%)
<b>Germany</b>	14.406 - (1,7%)	1.246.628 - (29%)	1.890 - (3%)
<b>Austria</b>	1.215 - (0,1%)	1.531.000 - (36%)	1.215 - (1,9%)
<b>Ecuador</b>	313.608 - (37,4%)	44.559 - (1%)	56.955 - (89,5%)
<b>Tunisia</b>	506.118 - (60,3%)	907.545 - (21%)	Data not available
<b>Total</b>	<b>838.932</b>	<b>4.248.921</b>	<b>63.645</b>

	<i>m<sup>3</sup>/year</i>	<i>kW/year</i>	<i>m<sup>3</sup>/year</i>
<b>2018 - 2019</b>			
<b>Spain</b>	5.923 - (0,8%)	875.748 - (16%)	9.347 - (8,7%)
<b>Germany</b>	2.310 - (0,3%)	1.399.393 - (26%)	2.310 - (2,1%)
<b>Austria</b>	1.650 - (0,2%)	1.546.201 - (28%)	1.650 - (1,5%)
<b>Ecuador</b>	393.888 - (52,5%)	151.104 - (3%)	5.696 - (5,3%)
<b>Tunisia</b>	346.693 - (46,2%)	1.498.099 - (27%)	88.900 - (82,4%)
<b>Total</b>	<b>750.464</b>	<b>5.470.545</b>	<b>107.902</b>

Extraction of water by source



Energy consumption within the organization



Spill of water








## 7.4 Waste management.








GRI 306 -2

### Tunisia



				
				
Empty chemical containers			1.117 kg	
Empty paint buckets	19 kg			
Fluorescent tubes				108 kg
Used oil		520 kg	20 kg	
Batteries		75 kg	4 kg	3 kg

				
				
Plastic		25.042 kg	600 kg	
Paper and cardboard			83.801 kg	
Wood	4.126 kg			
Metal				3.000 kg



Hazardous waste



Recycling



Reuse



Incineration



Non-hazardous waste



Storage



Recovery







Compost







Other

## Ecuador







			
			
Empty chemical containers	4.749 kg	70 kg	
Plastics with chemicals	5.883 kg		
Energy saving lamps			7 kg
Medical waste			5 kg
Batteries	16 kg		




			
			
Plastic		44 kg	
Paper and cardboard	15 kg	2.065 kg	
Restos orgánicos			19.411 kg
Glass			65 kg

-  Hazardous waste
-  Recycling
-  Reuse
-  Incineration
-  Non-hazardous waste
-  Storage
-  Recovery
-  Compost
-  Other

## Austria

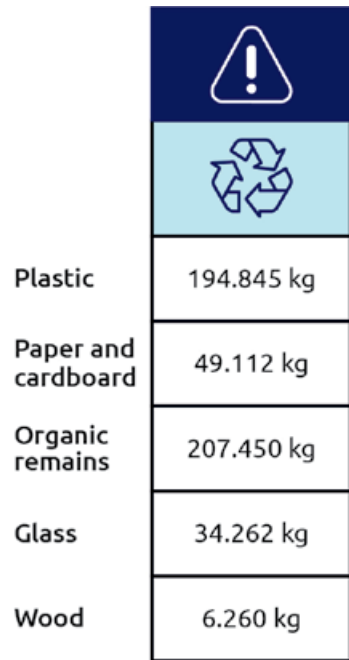


			
			
Empty chemical containers		5 kg	
Plastics with chemicals	100 kg		
Fluorescent tubes			2 kg
Batteries			1 kg

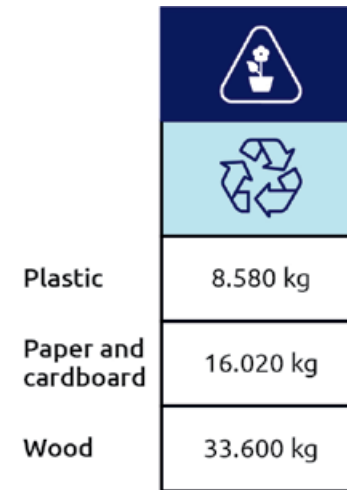
		
		
Paper and cardboard	185.450 kg	
Organic remains		188.000 kg
Glass	100 kg	
Wood	49.000 kg	

-  Hazardous waste
-  Recycling
-  Reuse
-  Incineration
-  Non-hazardous waste
-  Storage
-  Recovery
-  Compost
-  Other

## Germany



## Spain



Hazardous waste



Recycling



Reuse



Incineration



Non-hazardous waste



Storage



Recovery



Compost



Other

## 7.5 Smart irrigation system in South Africa.

The water deficit situation is solved through a combination of measures that regulate water demand and future water supplies. A comprehensive solution is needed that combines these measures in order to achieve sustainable water management.

In South Africa, water is a very precious commodity, even more so considering the problems caused in 2018-2019 by the great drought that hit the country. At SanLucar, we have always paid special attention to water as a natural resource. This led us to the decision to install an intelligent system to calculate the optimal amount of water on our citrus farm before the great drought. The objective was to achieve water savings while maintaining the same quality and volume of production. The system consists of 25 subway probes that measure the humidity and temperature of the soil at different depths, since the roots reach different depths depending on the age of the trees. With this information updated in



real time, the data regarding the evapotranspiration of the trees and the meteorological forecast, a computer tool shows us the water content in the soil and when the next irrigation will be necessary so that the plants never lack water.

All this means that we know the precise area where we need to water the plant and how much water is sufficient for them to have the optimal conditions. The new system makes our daily work easier and saves resources.

With this system, we have already been able to save 50% of our water consumption. In this way, we can ensure that all our plants have exactly the right amount of water at all times. Water is one of the most important resources for us.







Taste the SUN

## 8. Collaborators and final customers

## 8.1 Evaluation of suppliers.

Our headquarters in Spain, Valencia, Spain maintain the SA8000 certification. Thus, we are committed to applying the requirements of the standard to all our suppliers. To this end, we have established our own internal protocols that help us to monitor and evaluate our suppliers.

In order to fulfill our mission of serving fresh and tasty fruit all 12 months of the year, it is necessary to have suppliers in different areas of the world, so that we can cover all production windows throughout the year.

We apply the highest standards not only in the selection of our fruit and vegetables, but also in the selection of our suppliers. For all the fruit and vegetable suppliers we work with, we check in advance whether they satisfactorily meet all the quality, social, health and safety and environmental



criteria, using our »producer profile«. This profile is a questionnaire filled out by our technicians in collaboration with our suppliers, taking the different aspects mentioned above into consideration. The questionnaire follows the SA8000 scheme. If the supplier has any other social or environmental certification, just marking it in the profile is deemed as a favorable answer to many questions. With this, we aim to have a procedure that is as agile and flexible as possible as long as the SanLucar standards are met.

In addition to the profile of the producer, all our suppliers are committed to working in compliance with our Code of Ethics, this point being included in the supply contract.



In this way, we ensure that producers meet the criteria of corporate and legal responsibility and therefore act in accordance with our corporate philosophy »In harmony with people and nature«.

Our commitment is not limited to fruit and vegetable suppliers, but all SanLucar suppliers have to sign our Code of Ethics and commit themselves to respect it and work according to it on a daily basis.

We are aware that we still have a long way to go on this path. Considering the multitude of countries where we have suppliers, we have defined our next objective as conducting a human rights risk analysis for the most significant countries in our value chain, in addition to updating our producer profile to adapt it to the growing network of producers worldwide. At the same time, we will increase the monitoring of our suppliers and collaborators who carry out work at our sites by means of a specific risk analysis

and defined measures based on their evaluation. To achieve this objective, multidisciplinary work teams will be formed from the different areas involved in the process.



GRI: 407-1, 408-1, 409-1, 414-1



## 8.2 Management of complaints.

At SanLucar we are committed to the quality of our product. Our mission is to bring the freshest fruit and vegetables to the consumer in a way we can be proud of.

In addition, we value the satisfaction of our customers above everything else. It is as a result of this attitude that our complaints system was created: an agile, transparent and effective procedure for both customers and suppliers. We must not forget that fruit and vegetables are alive, and that they are a short-lived product, so the more information we have the better.

The customer complaint procedure consists of different phases: the communication from the customer to SanLucar and the subsequent communication from SanLucar to the suppliers.



The customer sends the complaint to the commercial contact at SanLucar. The commercial management team enters all the information received, attaching the evidence transmitted by the customer, in the system, thus generating a claim classified as »pending«.

However, the customer's sales representative who has sent the complaint is responsible for accepting or rejecting it after studying the reasons, type and quantity. We have included the commercial staff in this process, so that they are involved in the sale and aftersales of our products. The commercials assess the claim, and it goes to the state of »in progress«.

This step concludes the initial phase.



In the second phase, the Product Manager evaluates each claim and decides whether and what percentage of the claim is passed on to the provider. The reason for the percentage claimed being reduced or for the decision being made not to pass the claim on to the supplier even though the claim has been accepted is very simple: working side by side with the producers. There are situations in the campaign in which, despite offering their best selves, the fruit has defects or alterations that do not comply with the clients' quality specifications. At SanLucar, we are aware that agriculture is influenced by many external factors such as climate, disease and pest pressure and the behavior of the plant, amongst others. Therefore, a decision is sometimes made not to pass the claims on to the producers, who are doing their best work.

The Quality Department intervenes by giving its expert technical opinion, if necessary, once the claim has been approved by the Product Manager.

Claims are discounted directly at the time of agreement with the supplier in question. There are other types of claims that are not related to the product quality, but to the loss of a pallet, the breakage of a pallet during transport or similar causes. In this case, we talk to the Logistics Depart-

ment and the claim is passed on to the logistics service provider.

Now we have one last case: when the complaint is not made by the customer but comes from the quality control carried out in one of the SanLucar logistics platforms. The procedure followed is as stated: when the merchandise arrives at our warehouse, the corresponding quality technician carries out a quality control and uploads the result together with the necessary photos to the Quality Report program, rating the quality of the product with a color code (green if the quality of the fruit is adequate, red if the percentage of defects exceeds the tolerance for our brand, yellow if the tolerance is not exceeded). The reasons for the complaint in this case may relate to the quality, labelling or packaging.

Back Office managers create a complaint in the system when the quality report indicates that the product exceeds the acceptable tolerances of our quality specifications. In this case, the Product Manager decides how to handle this type of complaint. The proper and punctual management of complaints, customer satisfaction and collaboration with suppliers are key to a premium brand.



### 8.3 Promotions and tasting at the point of sale.

The meeting place with our consumers is the point of sale, where we carefully present our products in a special way, as they deserve.

Our Distribution and Brand departments organize several promotions and product tastings with our SanLucar brand on the German and Austrian market throughout the year.

Regarding promotions, our collaborations with children's films at children stand out. Thus, from November to December 2018, we collaborated with the film Grinch on the gyrosacs of our oranges and in March 2019, we collaborated with the film Asterix: the secret of the magic potion in the strawberry, pineapple and banana containers. We also promote our products in the supermarkets according to the season, for example in January 2019 the variety of citrus fruits for natural juice and from August to October the return to school with our tasty grapes. Both film and product promotions include giveaways that can range from fruit storage contain-



Collaborators and final customers



ers to family trips.

Our brand department ensures that the promotions are communicated at the point of sale, on the SanLucar website and on social networks. We are lucky enough to sell fruit and vegetables that are healthy within themselves and are recommended to be eaten several times a day. Even so, children are not always motivated to eat them. Through the promotions with the heroes of their favorite movies, we want to awaken their interest in eating fruit and vegetables.

The best way to get to know the taste of our products and prove their quality is to try them. That's why, together with our partners, we are offering tasting sessions at the point of sale in supermarkets in Germany and Austria where we sell our SanLucar brand. Tasting sessions are organized throughout the year with seasonal products available in the supermarkets. The aim is that the customer can taste the different products and get to know the taste and quality of the SanLucar brand. If you like the product, you can buy it directly. When promoting pineapples, we also teach an expert how to cut a pineapple in the best possible way.

## 8.4 Bringing CR closer to our partners.

We invest in a long-term cooperation with our partners. Training trips to our producers' fields are the best way to get to know the product and to convey to the partners what is behind our philosophy, »In harmony with people and nature«. During these trips, customers learn everything about SanLucar cultivation and also get to know the farms and the people working on them. Getting to know the cultivation of the products up close adds value to the knowledge about the world of fruit and vegetables. In this case the experience of a trip to the countries of origin of our products. We also invite partners to meet and participate in our DREAMS projects. Several joint projects have already been initiated as a result of this experience.

Our goal is to make as many partners as possible aware of the DREAMS program and our commitment to corporate responsibility. The communication channels are the specialized press such as food sector magazines, our web page and social networks such as Facebook and LinkedIn, as well as a newsletter for B2B partners.



*Collaborators and final customers*



For the Fruit Logistica fair, which takes place every February in Berlin, we also publish an annual magazine that talks about our DREAMS projects and our CR commitment. The DREAMS Magazine is available in a physical and digital format at the fair and can also be downloaded from the website [www.sanlucar.com](http://www.sanlucar.com).

For many years, we have organised a SanLucar party during the Fruit Logistica Fair, to which we invite our partners and closest suppliers. The guests contribute to the party with a symbolic amount, which will be fully donated to the social DREAMS projects that the SanLucar Group implements across the world. In the interests of transparency, we communicate the projects and actions to which the collected money will go both before and after the event.

The communication of our social and environmental projects within the strategy of corporate responsibility is currently focused on B2B partners. The communication of corporate responsibility towards the final customer is considered an opportunity to convey the SanLucar Group's commitment to sustainability and corporate responsibility. Therefore, a space has been created on the website that is dedicated to the DREAMS projects.



**Taste the SUN**

## **9. Next steps**



## Status of commitments Progress Report 2018/2019

Action	Objectives to achieve	Scheduled date
Evaluation and monitoring of fruit and vegetable suppliers	Procedure analysis with an interdepartmental working group. Definition of improvements. Implementation of the pilot project.	June 2020
Calculation of living wage according to the Anker methodology	Anker methodology implemented for Spain.	June 2020
Human rights risk management	Identification of human rights-based risks for the group, considering the value chain.	June 2020
Collaboration with ITENE	Phase 2 of the collaboration project with ITENE for more sustainable packaging.	December 2020
Revision of the Code of Ethics	Review and updating of the Group's Code of Ethics.	January 2021
Stakeholder mapping and dialogue	Identification of priority stakeholders for the Group and evaluation parameters.	June 2021
Analysis of materiality	Development of surveys and planning of meetings for the analysis of materiality.	June 2021
Equality Plan	Creation of a new evaluation of the current plan.	June 2021

## Annex - GRI/ODS/Global Compact Tables.

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
102-1			Name of organization	SanLucar Group is the name of the company group, whose parent company is Mamaritz S.L.U. The report is created by SanLucar Fruit S.L.U. <b>See Chapter 2.1</b>
102-2			Activities, brands, products and services	At SanLucar we are dedicated to the import, export and marketing of different fruits and vegetables, from different origins to multiple destinations.
102-3			Location of headquarters	Headquarters: Serra Llarga 24, 46530 Puzol (Valencia, Spain) <b>See Chapter 1</b>
102-4			Location of operations	<b>See Chapter 1.2</b>
102-5			Ownership and legal form	<b>See Chapter 1</b>
102-6			Markets served	<b>See Chapter 1.2</b>
102-8	8 10	1,2,3,4,5,6 ,10	Information about employees and other workers	<b>See Chapter 5.10</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
102-10			Significant changes in the organization and its supply chain	<b>See Chapter 1.2</b>
102-12		1,2	External initiatives	<b>See Chapter 6.1</b>
102-13			Memberships in associations	Spanish Network of the Global Compact, PJU e.V. Netzwerk für Corporate Citizenship und CSR, AEBE (Association of Banana Exporters in Ecuador).
102-14			Declaration of senior executives responsible for taking decisions	<b>See renewal of commitment</b>
102-15			Description of the main impacts, risks and opportunities	<b>See Chapter 3</b>
102-161	6		Description of the values, principles, standards and norms of conduct of the organization	<b>See mission, vision, values and Code of Ethics</b>
102-17			Advisory mechanisms and ethical concerns	<b>See Chapter 5.5</b>
102-18			Governance structure	<b>See Chapter 1.1</b>
102-23	16		President of the highest governing body	<b>See Chapter 1</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
102-32			Role of the highest governing body in the elaboration	<b>See Chapter 1.2</b>
102-40			List of stakeholders	<b>See Chapter 3.1</b>
102-41	8	1,2,3,4,5,6	Collective bargaining agreements	Labor code application of each country, considering the sector applicable to the company's activity, with its rules and requirements.
102-44			Key issues and concerns mentioned	The CIA (Inter-Area Committee) received the following issues and concerns: staff turnover, possibility of a day care center, availability of bicycle parking.
102-45			Entities included in the consolidated financial statements	<b>See Chapter 2.1</b>
102-50			Report period	1st July, 2018 - 30th June, 2019
102-51			Date of last report	March 2019 (1st July, 2017 - 30th June, 2018)
102-52			Reporting cycle	Annual
102-53			Contact for questions about the report	communicationcr@sanlucar.com
103-2		1,2,4,5,6,7,9	The management approach and its components	<b>See Chapters 2.1 and 5</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
201-1	2 5 7 8 9	1,2,3,4,5, 6,7,8,9	Direct economic value generated and distributed	<b>See Chapter 1</b>
203-1	11 2 5 7 9	1,2,3,4,5, 6,7,8,9	Investments in infrastructure and supported services	<b>See Chapter 6.2</b>
204-1	1 8	1,2,3,4,5,6	Proportion of spending on local suppliers	<b>Spain: 72%, Germany: 20%, Austria: 26.4%, Tunisia: 70%, South Africa: 100%, Ecuador: 100%</b>
205-2	16	1,2,3,4,5,6, ,10	Communication and training on anti-corruption policies and procedures	No company of the Sanlucar Group has registered corruption cases.
302-1	13 12 7 8	1,2,3,4,5,6, ,7,8,9	Energy consumption within the organization	<b>See Chapter 7.3</b>
303-1	6	1,2,7,8,9	Water extraction by source	<b>See Chapters 7.1 and 7.3</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
304-1	15 14 6	1,2,7,8,9	Owned, leased or managed operations centers located within or adjacent to protected areas or areas of high biodiversity value	None of our production areas are located in protected areas
306-1	12 14 6	1,2,7,8,9	Water discharge according to its quality and destination	<b>See Chapter 7.3</b>
306-2	12 3 6	1,2,3,4,5,6 ,7,8,9,10	Waste by type and disposal method	<b>See Chapter 7.2</b>
308-1		7,8,9	New suppliers that have passed evaluation and selection filters according to the criteria	100%
401-1	10 5 8	1,2,3,4,5,6 ,10	New employee recruitment and staff turnover	<b>See Chapter 5.10</b>
401-2	3 5 8	1,2,3,4,5,6 ,10	Benefits for full-time employees that are not given to part-time or temporary employees	In all countries, the same defined benefits apply, regardless of whether the contract is full-time or part-time

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
401-3	5 8	1,2,3,4,5,6	Parental Leave	<b>See Chapter 5.6</b>
403-1	81	,2,3,4,5,6	Employee representation on formal employee-employer health and safety committees	<b>See Chapters 5.2 and 5.8</b>
403-2	3 8	1,2,3,4,5,6 ,10	Types of accident and accident frequency rates, occupational diseases, lost days, absenteeism and number of deaths due to occupational accidents or diseases	<b>See Chapter 5.8</b>
404-1	4 5 8	1,2,3,4,5,6	Average hours of training per year per employee	<b>See Chapter 5.7</b>
405-1	5 8	1,2,3,4,5,6	Diversity in governing bodies and employees	<b>See Chapter 5.3</b>
406-1	16 5 8	1,2,3,4,5,6 ,10	Cases of discrimination and corrective action taken	There were no cases in any of the affiliates, <b>See Chapter 5.3</b>
407-1	8	1,2,3,4,5,6	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk	<b>See Chapters 5.2 and 8.1</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
408-1	16 8	1,2,3,4,5,6 ,10	Operations and suppliers with significant child labor risks	<b>See Chapters 5.1 and 8.1</b>
409-1	81	,2,3,4,5,6	Operations and suppliers with significant risk of forced or compulsory labour	<b>See Chapter 8.1</b>
410-1	16	1,2,3,4,5,6 ,10	Security personnel trained in human rights policies or procedures	There was no training in countries where there is security personnel.
411-1	2	1,2,7,8,9	Cases of violations of the rights of indigenous peoples	The organization does not operate in regions where are indigenous peoples.
412-1		1,2,4	Operations under review or human rights impact assessments	There are currently no human rights reviews, but we are in the process of implementation for the upcoming campaigns.



GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
412-2		Employee training in policies or procedures relating to human rights	<p>The total number of hours - during the reporting period - dedicated to training in policies or procedures on human rights and relevant human rights issues for operations.</p> <p>The percentage of employees who - during the reporting period - received training in policies or procedures relating to human rights and aspects of human rights relevant to operations.</p>	<b>See Chapter 5.4</b>

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
413-1		8,9	Operations with local community participation, impact assessments and development programs.	<p><b>Spain:</b> Solidarity kitchen El Puchero in the city of Valencia</p> <p><b>Ecuador:</b> DREAMS sports school in the Puebloviejo community</p> <p><b>Germany:</b> Collaboration with Kinder und Jugend Arche Karlsruhe e. V.</p> <p><b>Austria:</b> Cooperation with the association Pferde Stärken</p> <p><b>Tunisia:</b> School Improvement Program with the Tunisian government in El Hamma. Collaboration with the following associations for people with disabilities UTAIM, AGIM, ATAS.</p> <p><b>See Chapters 6.1, 6.3 and 6.4</b></p>
414-1	16 8 5	1,2,3,4,5,6 ,10	New suppliers that have passed selection filters according to social criteria	<b>See Chapter 8.1</b>
416-2		1	Cases of non-compliance relating to the health and safety impacts of product and service categories	There has been no non-compliance

GRI Standards	ODS	Global Compact Principles	Definition of GRI Standards	Results 2018 - 2019
417-1	12	7,8,9	Requirements for information and labelling of products and services	100% of the products are subject to the information requirements. Regulated, amongst other things, by the EU 543/2011 or UNECE 2011 and EU 1169/ 2011 labelling standard and specifications. In addition to the IFS, QS, ISO9001 and the current legislation.
417-3	16	1,2,3,4,5,6,10	Communications-related cases of non-compliance Marketing	There has been no violation.
419-1	16	1,2,3,4,5,6,10	Non-compliance with laws and regulations in the social and economic fields	There has been no violation.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.





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