



# Corporate Social Responsibility Report 2019 · 2020

Borges Agricultural & Industrial Nuts



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## Letter from **Chairman**

Our company rose from the ground almost 125 years ago. We are a family business of more than four generations that believes in the strength and values of the Mediterranean culture. This culture for us is a way of living and seeing the world.

Since day one, we have continuously worked to achieve our ambition: **to adopt a business model that has a positive impact on consumers, customers, suppliers, employees and the community as a whole through our products.** We want to offer a healthy diet while contributing to sustainable development and creating shared value for our stakeholders.

This way of thinking defines our actions and the group's strategic decision-making. In everything we do, we always seek to promote social welfare, health, environmental balance, and economic progress in a sustainable way.

For yet another year, this report takes stock of the current situation and presents the lines of work that the group is carrying out to achieve this ambition. Every year is different, but this one has been especially difficult. Not only because of the impact of COVID-19 on health, the economy and the most sensitive communities. This year has made us all see how fragile and vulnerable we are. But we have also seen how crises

bring the best out of humanity. We have supported each other, and we have learned to appreciate what is really important. As a company, more than ever we feel a strong responsibility to help rebuild and move forward with policies and actions focused on economic and social recovery.

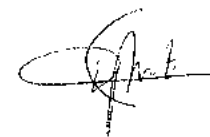
“ **More than ever, we need to focus our efforts on achieving the Sustainable Development Goals and introducing new guidelines such as the European Green Deal, promoting a sustainable, inclusive and sustained long-term model that addresses and provides solutions to major world problems such as the efficient management and use of natural resources, the promotion of a healthy life, food waste and the consequences of climate change.** ”

We will continue working on many of the policies that we had already been developing and presenting last year, with projects to promote biodiversity, the circular economy and sustainable agriculture, among many others.

In this report, we try to explain not only what we are doing, but also what we believe and where we want to go.

We envisage a fairer and more sustainable world, and we believe that to achieve it we must not forget where we have come from. We believe, as our ancestors did almost 125 years ago, that the land, family and community lead the way. We will continue working to bring the best of Mediterranean culture to the world.

**Our goal is to do good and the path is to do it well.**



**DAVID PRATS** — Executive Chairman of Borges Agricultural & Industrial Nuts.



# Zoom to **2019-2020**



### The social and economic impact of Covid-19

2020 will always be remembered for the strong social, economic and health impact of the global pandemic caused by the COVID-19 virus. These are very complicated times for everyone. However, since the beginning of the pandemic, at Borges Agricultural & Industrial Nuts, we have been aware of the need to adapt and face the situation with professionalism, serenity, collaboration and solidarity.

Naturally, we have stood by all those who most needed it, starting with the **Borges People** from all over the world and with the rest of our stakeholders: customers, consumers, suppliers, shareholders and society in general, always seeking the formula to generate shared value for them all:

- ✔ We have continued to operate to **avoid any shortage**, responding to the demands of our customers and consumers who, more than ever, needed trustworthy and guaranteed references on which to rely.
- ✔ Protocols and policies have been implemented to **minimise any risk of spreading the disease** either among our workers or among the rest of our stakeholders. By implementing, among other things, contingency plans from the onset of the pandemic, by applying strict measures of personal hygiene and disinfection, by reorganising staff schedules and applying teleworking for all workers whose work allowed it.
- ✔ Alongside this, **donations to the Food Banks** have also been reinforced to remain by all those families suffering the consequences of this pandemic first-hand.

Thanks to everyone's commitment and effort, we get through the crisis by collaborating and doing everything we can to reduce the economic, social and health impact suffered.



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Borges Agricultural  
& Industrial Nuts,  
**food as a source of  
health and pleasure**





## Borges Agricultural & Industrial Nuts, food as a source of health and pleasure

### BAIN in the world

Borges Agricultural & Industrial Nuts (hereinafter, BAIN) is a vertically integrated, Spanish and European listed company engaged in the agricultural production, processing, packaging and B2B marketing of dried fruit, and mainly walnuts, pistachios and almonds. Our vertical integration throughout the value chain gives us greater quality control in all phases of the productive process, guaranteeing traceability and food safety.

The company's mission is to **sustainably generate value for our stakeholders by producing and marketing walnuts, pistachios, almonds and other dried fruit in the best quality conditions**, through the development of a vertically integrated business and controlling the quality and traceability of our fruits from the field to our customers.

This financial year, BAIN invoiced 180.6 million euro, in a total of 62 countries. Exports accounted for 58.5% of turnover, at €105 million, reaffirming the company's international profile. Almonds were the best-selling product of the BAIN Group, accounting for 65% of the total sales, followed by walnuts, with 12%.



Present in **62 countries**



**€180,6 Million** in sales



**2.571,2 Hectareas** managed



**43,5 Thousand Tons** commercialised



**448 Employees**<sup>1</sup>



**5 Factories**



**1 Commercial** office

<sup>1</sup> Including own staff on payroll at the end of the financial year.

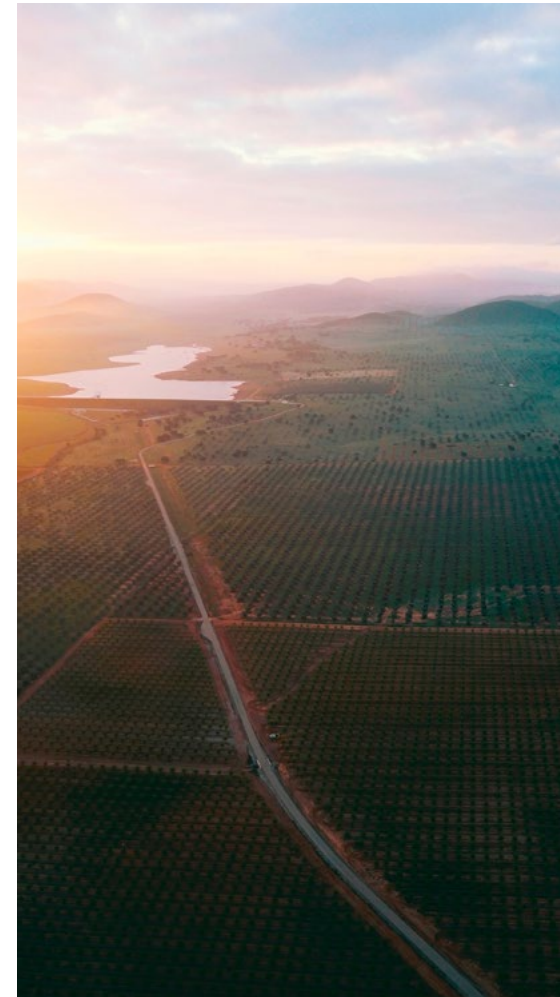
## Borges Agricultural & Industrial Nuts, food as a source of health and pleasure

### BAIN in the world

We continually develop, innovate and expand our products to **offer our customers and consumers solutions and foods that contribute to improving their health and well-being**, anticipating the needs of society and contributing to promoting changes and positive impacts.

In its activity, BAIN is characterised by operating in all phases of the value chain, from the field to the table:

1. **Procurement phase:** we manage more than 2,571.2 hectares of walnut, almond and pistachio trees from which we obtain part of the fruit we sell, which gives us excellent knowledge and vertical integration of the key raw materials.
2. **Industrial phase:** our industrial facilities are in strategic areas to allow the processing of raw materials at their optimum point.
3. **Commercial phase:** our products are sold on the B2B channel. We produce the best products for industries or sectors that use them as ingredients in their processes and we package third-party brands for some of the most prestigious companies.





## Borges Agricultural & Industrial Nuts, food as a source of health and pleasure

### Involvement in the sector and the environment

We are part of the **International Nut and Dried Fruit Council (INC)**, an international organisation that brings together producers, distributors and consumers in the dried fruit trade sector. We are also on the board of **Almendrave**, the group of almond and hazelnut exporters from Spain which, among other functions, coordinates promotion plans with the aim of consolidating the consumption of almonds and hazelnuts in traditional markets and opening up new horizons, and lead the management team of **FRUCOM**, the European federation of trade in dried fruit and other products, in order to establish the bases of EU regulation. We are currently part of the following associations:

- ✔ Agrupación de Exportadores de Almendra y Avellana de España (Almendrave)
- ✔ AINIA Instituto Tecnológico Agroalimentario
- ✔ Almond Board of California
- ✔ Asociación Agraria - Jóvenes Agricultores
- ✔ Asociación de Fruticultores de Extremadura (AFRUEX)
- ✔ Asociación Española de Descascaradores de Almendra (Descalmenbra)
- ✔ Asociación Española de Frutos Secos
- ✔ Asociación Extremeña Ganaderos del Reino
- ✔ California Walnut Board
- ✔ Confederació Empresarial de la Provincia de Tarragona (CEPTA)
- ✔ Cruz Roja Española
- ✔ D.O.P Avellana de Reus
- ✔ Federación Empresarial Comarcal Del Alto Palancia (FECAP)
- ✔ International Nut and Dried Fruit Council (INC)



## Borges Agricultural & Industrial Nuts, food as a source of health and pleasure

### Involvement in the sector and the environment

#### Market situation and current positioning after COVID-19

When a market suffers a global pandemic, it affects action in all sectors and obviously changes have also come about in the dried fruit sector, both nationally and internationally.

The phases of confinement promoted consumption at home and at the same time a focus on healthy products, which obviously included dried fruit participating in the value chain of healthy products.

Furthermore, with the reasoning above we have also seen changes in the **supply preferences of proximity products**. With this demand, raw materials of local, provincial or national origin have strengthened their differentiation over other raw materials from distant countries. For this reason, it has encouraged the demand for the "KMO" differential factor. In this section, we find all those raw materials that our company grows in the peninsula, such as almonds, pistachios and walnuts.

The aim is therefore to promote the commercialisation of local products, combating the factors that promote climate change and thus offering differential factors that promote the value chain and which therefore affect consumers' purchase decision chain.

Regarding new policies, in the European sphere the **European Green Deal** was presented this year as the roadmap that aims over time to provide the EU with a sustainable economy, free of GHG emissions, circular and inclusive and which contemplates specific policies that appeal directly to our business and our sector, such as the **"Farm to Fork"** strategy and the Biodiversity Plan 2030. These will directly influence the evolution of the food industry sector, both for producers and consumers, and will lead us to set specific objectives for the fulfilment of the purposes and commitments contained in the pact. Many of the current lines of work established by the company are focused in this direction, such as the **commitment to almond varieties that are even more sustainable in unsaturated fats promoted in the PALM Project** or the **use of precision agriculture techniques** to reduce the impacts in the agricultural phase.



# Social Responsibility **in every decision**



## Social Responsibility, in every decision

### Contribution to Agenda 2030

On 25 September 2015, world leaders at the United Nations General Assembly approved “**The 2030 Agenda for Sustainable Development**”, a Global Action Plan made up of the 17 **Sustainable Development Goals (SDGs)** that calls for collaboration between the different economic and social players to achieve the sustainable development of the planet and society in a context of peace and prosperity.

Within this framework, and in line with our commitment to carry out our activity in a responsible manner, the Group has identified those objectives on which we have a greater impact and can therefore make a larger contribution.



**SDG 8 “Decent work and economic growth”** covers the different actions we carry out to guarantee our professionals’ well-being, working from respect for labour rights, and ensuring compliance with Human Rights throughout our value chain, and thus we can move forward towards fair, sustainable and inclusive growth.

**SDG 12 “Responsible production and consumption”** leads us to manage our entire value chain, from the production of raw materials on our farms or the relationship with our supply chain, to the transportation, logistics, manufacturing, and commercialisation of our products, as well as the innovation and design of new launches, under criteria of sustainability and taking into account and reducing their impact.

**SDG 17 “Partnerships to achieve the goals”** is more than an objective, it is the method to achieve the remaining SDGs. It is the attitude and the way in which we have to develop our activity, creating alliances and with our stakeholders.

Although these are the 3 main goals that will define our strategy, indirectly we also play an active role in achieving other goals through our activity. For example, Goal 15 (Life of terrestrial ecosystems) to which we contribute through biodiversity preservation plans on our farms, or Goal 7 (Affordable and non-polluting energy) with the use of renewable energy in our production centres and plantations.



## Social Responsibility, in every decision

### Analysis of materiality and discussion with stakeholders

To know our stakeholders' expectations, periodic materiality analyses are made in which a participatory process is carried out with them, to learn about material or relevant matters related to sustainability derived from the development of our activity.

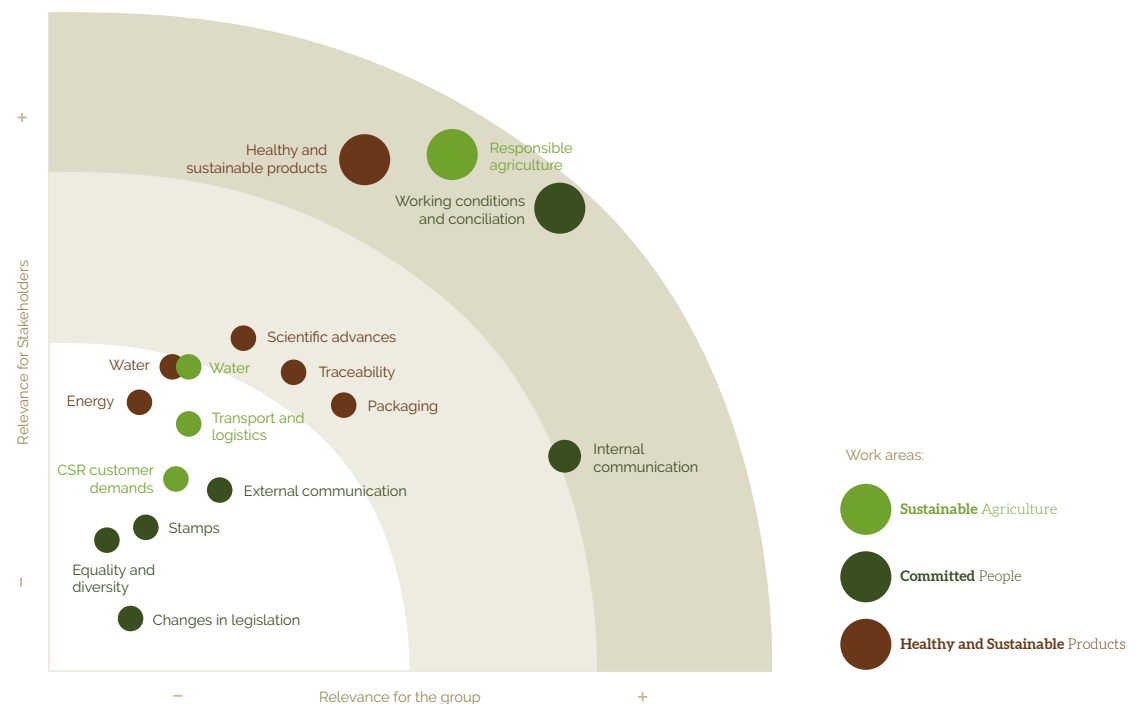
The latest analysis made in 2018 and which is still in force, has helped us define the CSR Strategic Plan and allows us to understand the **expectations, needs and key issues identified by our stakeholders**. The consultation involved all the stakeholders such as the workers, suppliers, shareholders, customers, consumers, administration and management of the company.

After a process of identification, participation and consultation, we finally achieved the materiality map that follows. **To work on it, we grouped the material issues of the resulting matrix into three major strategic pillars** that will be the basis of our CSR Strategic Plan, which will be explained in the next section. Each of the three pillars covers the different phases and processes of our value chain.

Most material issues have a direct or indirect impact on practically all phases of our value chain (sustainable improvements in the field will therefore lead to more sustainable products). For this reason, as the different

material issues are transversal in different areas and phases, to manage them correctly, we focus and manage them from the pillar where they have the most impact, thus assigning leadership in a specific area and setting targets for the development of short, medium and long term solutions.

For example, all industrial and process issues such as energy management, traceability or packaging are integrated into the pillar of **Healthy and Sustainable Products**, the issues related to working conditions and work-life balance are managed from the pillar of **Committed People**, and those linked with transport and logistics in **Responsible Agriculture**, as part of the supply chain.



## Social Responsibility, in every decision

### CSR strategic plan

The CSR Strategic Plan is the tool that allows us to advance towards the mission and vision of the company. This has been prepared on the results of dialogue with our stakeholders, through the materiality analysis and is structured around 3 pillars: **Responsible Agriculture**, **Committed People** and **Healthy and Sustainable Products**.



#### 1. Responsible Agriculture

This first pillar includes the management of our own farms, as well as collaboration with suppliers in the agricultural sector, and external services that affect other points in the Group's supply chain, such as transport and logistics, to guarantee that **raw materials are purchased and supplied under sustainable criteria**.

The main strategic objectives that will continue to be worked on in the coming years in this block are the following:

✔ **Make agriculture compatible with the preservation of biodiversity.** We believe that it is entirely compatible and necessary to bring the two practices together: agronomic management and the protection and preservation of the environment. We are thus establishing action plans to improve and promote biodiversity on farms and their surroundings like, for example, through the planting of green roofs or aromatic plants, and the installation of beehives that facilitate pollination, as well as other practices such as reforestation or fallow areas on farms.

✔ **Reduce impacts on the supply chain.** To do this, we integrate processes that help us manage the natural resources of greatest impact on our activity (water, soil and energy), reduce food waste throughout the supply chain and obtain ever more sustainable products. To reduce these impacts, we integrate precision agriculture techniques into our day-to-day life that help us effectively manage natural resources, such as the plant water status.

✔ **Assess our suppliers based on ESG criteria.** We want to know and manage all those Environmental, Social and Good Governance risks that may arise from our supply chain. Apart from demanding compliance with our codes of conduct, it is also vital to identify both risks and opportunities to establish integrated alliances within our chain, in order to jointly build a more responsible supply chain.

✔ **Define, disseminate and comply with codes of conduct and sustainable procurement policies.** Our knowledge of the land and our experience of so many years working it gives us tools to spread this knowledge among our suppliers. We want to collaboratively build plans and guidelines that help us reduce these impacts and also help our suppliers to promote biodiversity on their own farms, while helping them manage resources more effectively.

## Social Responsibility, in every decision

### CSR strategic plan



#### 2. Committed People

This block deals with the management of the most human and social part of the company. The relationship with our workers, our people, our collaborators, our shareholders and our communities. We guarantee the well-being and development of the professionals who are part of BAIN, each day ensuring equality, diversity and **fair working conditions**. We also contribute to the development of the communities where we work and, in general, with the world in which we live, since we understand that **sustainable development is only possible if we move forward in collaboration with our stakeholders**.

In this sense, the main strategic objectives that guide our actions and attitude in this area are the following:

✔ **Defend Human Rights throughout our value chain.** As described in our Code of Ethics and in our Compliance Policy, we will defend and work to ensure that no human right is violated by any internal or external collaborator of the company. To do this, we reinforce and establish plans in equality and business ethics, among others.

✔ **Ensure quality, decent, inclusive and safe employment.** Promoting the professional development and talent management of workers through training plans, internal promotions and the implementation of contingency plans to ensure the health and safety of the workforce, especially in these times of health crisis.

✔ **Strengthen internal and external communication through effective channels and communications.** It is important for us to work to maintain fluid and two-way communication with all our agents and stakeholders. We strive to understand communication not as an informative tool but as a tool for active listening, participation, coherence and growth among our Borges People.

✔ **Generate a positive social impact and contribute to community development.** It is vital for the development of our community and our

surroundings. For many years we have collaborated with local and territorial entities in promoting sports, health and culture. We also support, and integrate to the extent of our possibilities, different entities that work to assist the needs of the most vulnerable people and groups in society.

✔ **Integrate ethics and good conduct in decision-making.** This is our main mission and objective as a Group, that there is no decision in our day-to-day life in which ethical behaviour, conduct and positive impact on the environment have not been taken into account.

## Social Responsibility, in every decision

### CSR strategic plan



### 3. Healthy and Sustainable Products

Aware of the influence we have on our customers and consumers, we are responsible for promoting a **healthy lifestyle** through our products, which must be characterised as sustainable in every way from their recyclability to their nutritional benefits. In this sense, within this pillar we manage both the nutritional and healthy policy with our products, and the way in which they are made and processed in our production centres, our environmental, energy and waste management.

To do this, we work to implement policies and processes that lead us to achieve major strategic objectives:

- ✔ **Continuously apply nutritional improvements to our products and promote good eating habits through them.** Our permanent commitment to research, quality and traceability allow us to establish a solid foundation to continue offering and expanding our range of products with healthier proposals through innovation.
- ✔ **Go from a linear to a circular view of production.** Understanding a circular vision in the most comprehensive way possible, continuously

investigating to reuse the by-products we generate, implementing energy-efficiency projects that contribute to reducing the environmental impact in our centres, minimising and correctly managing the waste generated and promoting the use of renewable energy in our production centres.

- ✔ **Reduce food waste throughout the value chain.** This is a common challenge for the entire food industry and throughout the value chain. By applying efficiency protocols in the production process, it will help to avoid wasting food during the manufacturing or packaging phases.



## Social Responsibility, in every decision

### CSR strategic plan

#### Responsible Agriculture



We want to contribute to the sustainable development of our supply chain

##### Cross-cutting sustainable practices

Promotion of responsible practices that we carry out on our farms, also throughout the supply chain.

##### Strategic Alliances

We want to innovate in partnership with our suppliers to develop more sustainable solutions.

Pesticide **Residue Free for Walnuts**

**282 ha.** certified with GLOBAL GAP

**Biodiversity** Action Plan

[Read more >](#)

#### Committed People



We guarantee the well-being and development of our people, the communities where we work and the world in which we live

##### Professional development

We promote development through career plans and promotion systems for all Borges People.

##### Positive impact

We seek to promote sustainable development by advancing with our stakeholders and generating a positive impact for them and the entire community.

Contingency plans against **COVID-19**

3rd **Equality Plan**

[Read more >](#)

#### Healthy and Sustainable Products



We want to offer a healthy and sustainable diet

##### Innovate to advance

Continuous improvement of the nutritional benefits of our products and of the processes that are derived through innovation and collaboration with customers and stakeholders.

##### Healthy lifestyle

We promote responsible and healthy consumption through our products

**90%** renewable electrical energy

**-36%** CO2 emissions. B1 Waste transport

Investing in **innovation**

[Read more >](#)



# Responsible Agriculture





## Responsible Agriculture

The first of the three great strategic pillars. The main lines of work are developed below within this first area, which includes **everything related to the supply of our raw materials**, what happens before our product is processed and reaches our production centres.

Years of experience and knowledge of the land have allowed us to create our own view of how we understand and see the future, thus allowing us to apply continuous improvements in our activities to guarantee the purchase and supply of sustainably produced raw materials.

As has already been said, one of the main pillars of the Borges Agricultural & Industrial Nuts agricultural project involves the application of responsible and sustainable criteria in our daily activities. We therefore add to and take on the goals of the **United Nations Food and Agriculture Organisation** when defining the direction and the challenges the sector should follow:

- ✔ **Sustainable agriculture must ensure global food security and at the same time promote healthy ecosystems and support the sustainable management of land, water and natural resources.**
- ✔ **In being sustainable, agriculture must meet the needs of present and future generations of its products and services, while ensuring profitability, environmental health and social and economic equity.**
- ✔ **Environmental protection, system resilience and resource efficiency must necessarily be improved to achieve the global transition to sustainable food and agriculture.**



# Responsible Agriculture

## Summary of the year



The **Biodiversity Action Plan** has been drawn up for the Mas de Colom farm, which will also serve as an example for the rest of the Group's farms and third-party collaborating farms.



We are continuing with the process of **certifying the farms with the Global GAP seal**, this year also for the Palheta farm (69.4 ha).



**Composting tests** have been made with the remains of tree processes in the same soil of the farms to increase its quality.



Work has been done to achieve a **product with zero pesticide waste** for walnut trees, with the expectation of also achieving it for almond plantations next year, while its certification through an external body is being studied.



We have released almost **200 tons of almond pruning** remains to produce cellulose.



**150.28 new hectares** have been planted on the Palheta C farm (Portugal).

## Responsible Agriculture



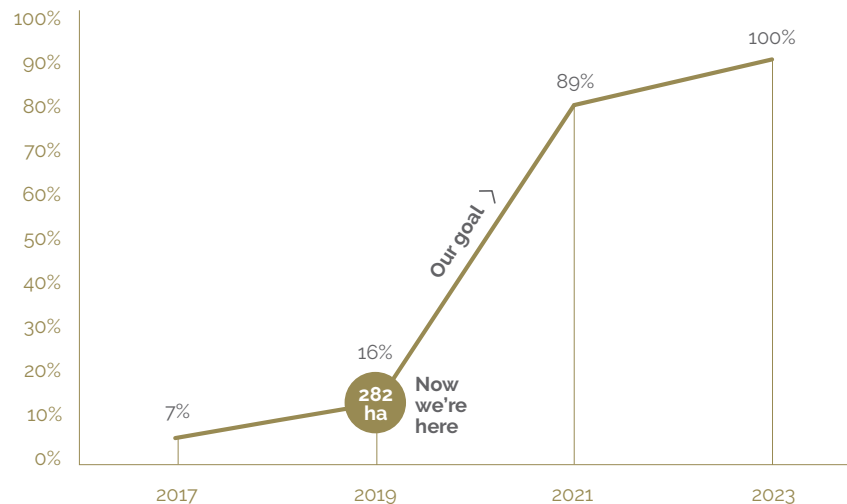
### A comprehensive view of soil, water, and agricultural practices

This year, continuing with the purpose already begun in the previous year, **we have expanded the farms certified with the Global GAP international standard**, which accredits good agricultural practices, thus adding 69.4 ha. from the Palheta farm. With these, there are already a total of 282 hectares governed by this certification: El Carqui (Granada), Cantillana (Badajoz) and Palheta A (Portugal).

Alongside this, we are working on the certification process for the farms of Machados (Portugal), Cuartillo (Badajoz), Casarente (Badajoz) and Benavides (Badajoz), which are expected to be completed during the next financial year and will represent a total of **788 hectares certified, 43% of the total hectares** owned by the Group.

Another notable advance this year is the fact that we are now in a position to prove that **our walnut production in Spain is pesticide-free** (less than 0.01mg/g) and we are working to achieve this as well for the production of almonds in the next few years

Total of owned farms certified with Global GAP



## Responsible Agriculture



### PALM Project

**The PALM Project, more than 1,500 hectares turned towards the production of (even more) sustainable and healthy almonds.**

In order to optimise sustainable production in an efficient way, we have to invest in species and varieties genetically adapted at the local level, offering a greater probability of withstanding the extreme droughts and inclement weather caused by global warming. These are the main characteristics of the varieties of almond trees in our PALM project:

- ✔ We are focusing on **Mediterranean almond varieties**, to give greater backing to the proximity product.
- ✔ Almond varieties with a higher **content of unsaturated fats** and especially oleic acid, thus providing society with an even healthier product.
- ✔ More resistant varieties, as they have a hard shell, causing a lower **incidence of pests** and a lower risk of microbiological contamination in harvesting.
- ✔ **Zero pesticides waste** product





Harvesting Pizarro Nuts

## Responsible Agriculture



### Preservation of biodiversity

The degradation and destruction of ecosystems, the overuse of natural resources, invasive alien species, climate change and pollution are, according to experts, the main drivers of the loss of biodiversity, an **essential component for sustainable agri-food systems** and that plays an important role for the development of the agri-food sector. At BAIN we promote different projects and initiatives to contribute to the preservation of our environment and its habitats.

### Development of the Biodiversity Action Plan

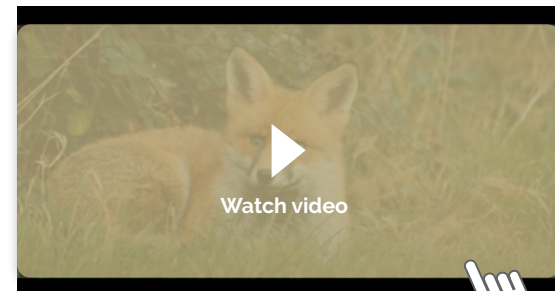
This year, together with the Fundación Global Nature, the **Biodiversity Action Plan was drawn up on the Mas de Colom farm**, a farm also characterised by being within the ZEPA 2000 area.

Through the Plan, we will manage to **preserve and increase biodiversity** on this farm by implementing practices that contribute to carbon sequestration, to the reduction of erosion and to the mitigation of climate change.



Among many other initiatives that will be developed in the following year is the implantation of **plant covers** that control the loss of fertile soil and control pests in a natural way, as well as the **planting of more than 3,000 linear metres of trees and bushes** where the ecosystem fauna can find food and which also help to sequester atmospheric carbon. Its implementation will not only benefit the biodiversity of the environment, but also give farms better agronomic performance (better soils, greater biological control, etc.). Actions associated with the company's social commitment are also contemplated, such as training and workshops for workers and the community in general.

We know that the agri-food sector can make a decisive contribution to biodiversity conservation. This is why this Action Plan not only serves for the Mas de Colom farm, but is also an example and reflection of how we understand that the sector in general should promote biodiversity at the field level by integrating it into their daily practices.







Cover crops between pistachios on  
Mas de Colom farm (Lleida)



FELIX  
FINKBEINER

Launching of Action Plan for  
Biodiversity, with the participation  
of the activist, ecologist and  
founder of the international  
organization in defense of  
environment "Plant for the Planet"

Felix Finkbeiner



### Preservation of biodiversity

#### Other environmental measures in the agricultural division

Apart from this outstanding project, the Group also has **138 hectares dedicated to environmental measures** (reforestation, fallow, conservation of ZEPA areas, meadows, pastures) on different farms in Granada, Lleida and Portugal. Reforestation practices are developed in these, for example, as is the case of El Carquí (Granada) with 77.6 hectares or fallow areas in Lleida (almost 25 hectares) that **help in the conservation of agricultural birds**, the group of birds most threatened in Europe.

Finally, we should also highlight the 19.7 hectares of pasture in Machados and 7.65 hectares of Holm oak in Palheta that will be used for environmental compensation. This is a unique ecosystem typical of the Iberian Peninsula that integrates Holm oaks, cork oaks and grass. Pasture regulates water cycles and soil fertility, enhances biodiversity, and also plays a fundamental role in mitigating climate change thanks to its carbon dioxide fixation. Thirty to forty tons of equivalent CO<sub>2</sub> are fixed in one hectare of pasture alone.

## Responsible Agriculture

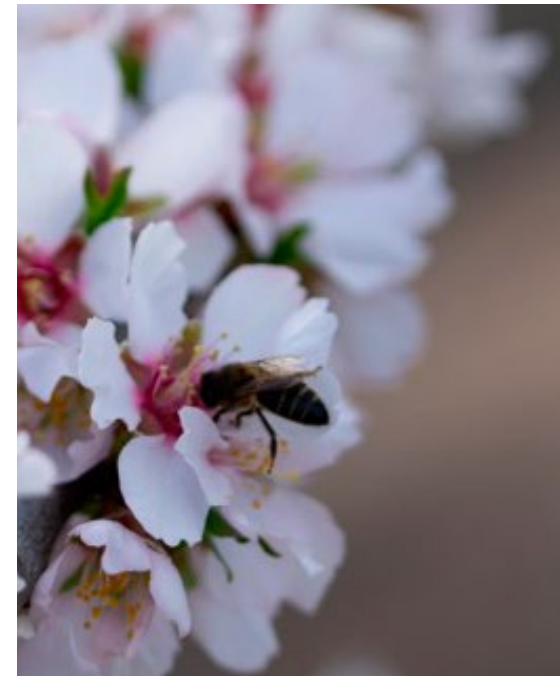
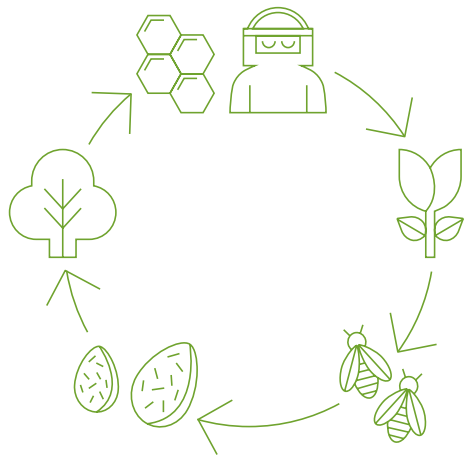


### Preservation of biodiversity

#### And the bees, our best ally

We cannot forget this special relationship between our activity and bees (whose population **has decreased by 37%** in Europe in recent years). Bees and almond trees form a virtuous circle and establish an almost symbiotic relationship, since they drag pollen from one flower to another and contribute to increasing the production of almond tree plantations.

The almond tree flower is one of the first flowers of spring and is characterised by a high pollen content, which contributes very significantly to the reproduction and multiplication of the hive. When we put out the hives, they may contain 35,000 to 40,000 bees and a few days after the almond tree pollination is over, the hive population **can reach the figure of 60,000 bees**. When we manage to have all the almond tree area of the PALM Project in production, we will reach a **population of almost 180 million bees**.



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Beekeepers on Machados farm (Portugal)

## Responsible Agriculture



### Management of natural resources

Proper management of natural resources such as sun and water is vital to reduce the environmental impacts on our value chain. We explain the daily management in the plantations and the developments and lines of work implemented.

### Soil management

Retaining CO<sub>2</sub> in the soil and combating erosion and land degradation is critical for a sustainable agriculture that aims to preserve a scarce commodity like land for future generations. At BAIN we work to add to this with different measures that are already common practice in our daily management:

- ✔ **Minimum tillage in all our plantations.**
- ✔ **Planting of vegetation to increase the content of organic matter in the surface layer of the soil, to favour biodiversity and minimise compacting problems.**

- ✔ **We provide organic amendments to increase the organic matter content in the soil, which allow us to improve its structure.**
- ✔ **We make calcium carbonate amendments to improve the soil structure and avoid problems associated with acid soils, in order to facilitate water infiltration and percolation to help reduce erosion and efficiency in water use.**
- ✔ **We carry out levelling, water outlets, drainage and cleaning of drains to direct, channel and collect run-off waters and to minimise erosion and/or asphyxiation problems that can be produced by episodes of rain when the rainfall is greater than the water-saturated soil or soils' infiltration capacity.**

In parallel, this year composting tests were also carried out to increase the quality of the soil, as detailed in the section on Circular Economy and Waste Management.



## Responsible Agriculture



### Management of natural resources

#### Water management

Sustainable agriculture implies responsible, integrated management of water resources, which means that plantation water efficiency is key. Being aware of this resource's direct implication on our activity, we work continuously to improve water efficiency.

In this sense, all the almond plantations of the PALM Project have the **latest technology in localised irrigation** and we use very low-flow drips to adjust it to the land's infiltration capacity. In the rest of the Group's farms, especially the older, we are also progressively turning the irrigation system towards more efficient localised methods.

Another resource that helps to minimise this impact are the techniques that **precision agriculture** offers us. This can play a relevant role in the fight against climate change and in reducing our environmental impacts, to the extent that it allows us to be more efficient in the use of resources. With regard to water, last year we started using **leaf turgor sensors** to monitor the water status of plants, a pioneering practice in Spain in the almond tree sector and one which allows us to optimise the irrigation dose.

Following this same commitment, BAIN joined the **Plataforma EsAgua** last year, a Spanish network of entities committed to reducing their water footprint. Membership includes the commitment to calculate the water footprint of all our plantations, starting with the El Carqui farm (Granada)\*.



\* Currently halted due to the exceptional situation resulting from COVID-19 and which will be resumed later.

## Responsible Agriculture



### Transition and energy efficiency

Renewable energy sources help mitigate the impact of agricultural activity on issues such as the pumping of water for irrigation. In this sense, we continue working to incorporate renewable energies or more sustainable sources in our farms.

During the 2019 harvest, for the first time we validated the process of **sun-dried almonds** at the Cantillana farm (Badajoz). A completely natural process and without the use of fossil fuels in the drying process that consists of preparing the lanes, shaking the almonds to make them fall to the ground and cordoning them in the centre of the lane to let them dry directly in the sun and be collected after a few days. This process allows us to completely eliminate the use of energy in this phase.

In this same area, for years we have been working on different processes using energy that comes from renewable sources in the processing industry of Benavides (Badajoz) and El Carqui (Granada) where we dry our nut and pistachio production using **biomass** largely from our own farms (walnut shell, almond shell, etc.).

In parallel, we also continue to analyse the installation of our **first photovoltaic solar farm** to meet the energy needs of the pumping of water for irrigation on the El Carqui farm (Granada).

These initiatives are intended to improve energy efficiency, reduce our impact and to help us be self-sufficient in energy consumption.

Other examples of the use of renewable energy in our production centres are detailed in the section on Healthy and Sustainable Products, where we describe how our product is processed and made.

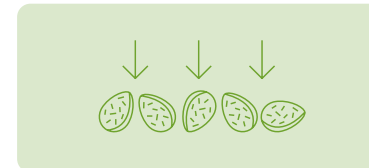
### Sun-dried Almonds



Prepare lanes



Shake the almonds



Fall to the ground



Cordoning in the centre



Dry in the sun



## Responsible Agriculture



### Circular economy and waste management

To guarantee an efficient and sustainable productive model, we have to be able to transform the linear economy model based on extraction, manufacture, use and elimination, towards a circular economy capable of preserving the value of the resources we generate for as long as possible.

At BAIN we continually research to find sustainable alternatives in the agronomic phase, giving a **new use to the by-products** we generate and turning them into new resources, both for internal use in the process itself and for third-party industries and sectors.

In line with this practice, this year we highlight the agreement reached with ENCE, the company through which we **have offloaded almost 200 tons of pruning waste for subsequent manufacture of cellulose**, a natural, renewable and recyclable fibre. We have also started to carry out **composting tests** on the waste generated during almond harvesting, such as the peel and leaves, as an application to organically amend the soil.

Apart from these two ongoing projects, in our daily activity we also see different examples of by-product generation, such as:

- ✔ **The decomposition in the soil of the leaves from the trees, the grass from the mowing process or the remnants of the weeding which are turned back into the soil as organic matter.**
- ✔ **The use of nut shells (pistachio, walnut, almond) as biomass for our own industrial processes, such as boilers.**

These practices will bring us closer to closing the circle in our agricultural activity.



Tons of pruning waste for subsequent manufacture of cellulose

## Responsible Agriculture



### Relationship with the supply chain and customers

To achieve sustainable development, it is crucial to establish alliances with all the players involved in the supply chain, to move forward hand in hand with suppliers, contractors and collaborators, such as carriers and farmers, and to set the same course. We have cooperated in the closest possible way with them for years, helping farmers manage their farm in the most efficient way, reducing their impact and preserving the environment.

The **BAIN Pistachio Project** is a win-win vertical co-operation project between BAIN and the pistachio farmers in the area, in which we transfer experience and provide advice on the productive part of the crop, with the aim of improving farming income, economically and socially stimulating the territory and creating synergies throughout the food chain. We already have 174 hectares adhered and **in 2022 we expect to reach 500, with more than 50 adhered producers** from the provinces of Huesca, Lleida and Tarragona

Each year we are submitted to and successfully pass different customer audits, both specific to customer codes of conduct audited by third parties in ethical (**SMETA**), environmental and quality matters, which allow us to guarantee our customers a responsible supply chain while giving us a way to enjoy continual improvement.

In order to promote a responsible and ethical management model with collaborators and customers and ensure their good behaviour, our contracts include clauses relating to knowledge and application of the Group's **Code of Ethics** and the **Criminal Compliance Policy**. To go one step further, we are also planning a process alongside this for next year, to begin to see and assess the risks and opportunities in our suppliers' environmental, social and good governance areas. To know what policies or practices they carry out to contribute to and develop their activity under sustainable and responsible criteria and to detect the synergies in which we can cooperate.





As a result of the experience acquired over 33 years in our farms in Badajoz and Guadix (Granada) in irrigated pistachio cultivation, we are in charge of disseminating and advising on the design and management of plantations to the producers associated with the project



# Committed People





# Committed People

The second great strategic pillar: Committed people. Honesty and responsibility must define our attitude throughout our entire value chain: how we interact with our employees, how we support local communities and what positive impact we have on them. This represents the materialisation of our values.

We work to guarantee the well-being and **development of the professionals who are part of BAIN**, each day ensuring equality, diversity and fair working conditions, as well as contributing to the communities around us. Especially also, in times of uncertainty like now, where it is more necessary than ever to guarantee workers' safety and the progress of society.

This block considers the main work areas resulting from the analysis of materiality, such as working conditions and conciliation, equality and diversity, internal and external communication and generally all those efforts that contribute to defending the Human Rights of all Borges People and their community.

## Summary of the year



Implementation of **contin-gency plans** and maximum preventive measures during COVID-19.



Renewal of the **SMETA Audit** for the BAIN Reus centre.



Launch of the internal and external communication campaign **Committed by Nature** to explain the goals and expectations in the area of sustainability.



MC MUTUAL has acknowledged BAIN in its commitment to the prevention of occupational risks for the **reduction of accident rates** in the previous 3 years.



2,674 hours of training and €20,156 invested in **training and professional development plans**.

## Committed People

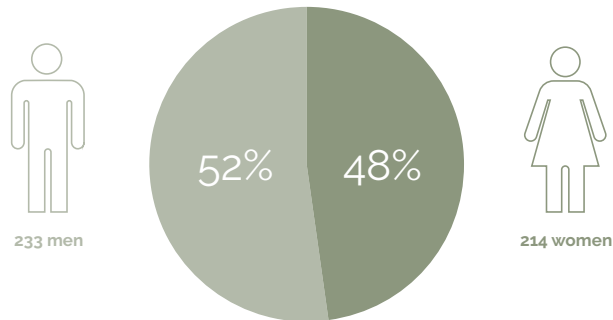


### Borges People

In the BAIN Group, most of the workforce is made up of people who hold positions in the dried fruit processing and packaging plants, as well as field workers who manage our agricultural plantations, a large part of whom are on temporary contracts.

#### Number of people working in the company at the close of the tax year:

- ✓ 447 workers
- ✓ 214 women (48%)
- ✓ 233 men (52%)



## Committed People



### Worker health and safety

The last months included in this report have been especially marked by the great impact of COVID-19, which has required unprecedented adaptation, speed and professionalism in the area of Risk Prevention. In this sense, BAIN has always applied **all the measures and contingency plans to protect the health of the workers**, to reorganise timetables, perform temperature checks at the entrances, and to apply teleworking for all office personnel, among others.

In parallel, the company also continues to strengthen its strategic commitment to health and safety since the previous year it already achieved the **ISO 45001 certification** that certifies the Occupational Health and Safety Management System. We have an established preventive culture and we work constantly in search of continuous improvement in its implementation.

This year, Borges Agricultural & Industrial Nuts has also been recognised by MC MUTUAL, at the 18th Edition of the MC MUTUAL "Antonio Baró" awards for the Prevention of Occupational Risks, which recognise companies, people and institutions that stand out for protecting people's safety and health in the workplace. BAIN was recognised for its work during 2016, 2017 and 2018 in which the accident rate, frequency and incidence were significantly reduced.

### The path to a healthy company



For yet another year, we are still active with the **Borges Te Cuida** healthy company programme, with initiatives to encourage and promote the health and well-being of the company's workers through various actions. This year we particularly highlight the specific **ergonomic training** on site. With face-to-face sessions for office staff on how to improve body and back posture, information and specific workshops, we have also had a physiotherapist at the factory who has given ergonomic advice to all staff on the line in the development of their daily operations.

This action comes in addition to those already implemented the previous year in this programme, such as the Smoke-free Company, Healthy Breakfasts or Walks, or those already long established such as the well-known **Borges Red Day**, a blood donation marathon open to workers of the company and carried out each year since 2009.



BAIN recognized in the MC MUTUAL "Antonio Baró" awards

## Committed People



### Work and personal reconciliation

Among the measures to ensure decent work is the management of the work-life balance and organisation of working time since it has a significant influence on the well-being of our workers. From here and with the aim of promoting the reconciliation of work, personal and family life, in addition to ensuring compliance with legal measures according to current legislation, at Borges Agricultural & Industrial Nuts we go further by offering our team the following measures:

- ✔ Leave to accompany direct relatives on medical visits.
- ✔ Short working day on Fridays and days before public holidays for administration and technical personnel.
- ✔ Flexible hours for administration and technical staff.
- ✔ Total telework for administration and technical personnel during the time of the COVID-19 pandemic.
- ✔ Deadline for the start of meetings, to prevent them from lingering in the afternoons.
- ✔ Extension of maternity leave with 9 days more than those established by law.

Some of these measures are closely related to the promotion of family co-responsibility, an aspect promoted for several years by the Equality Commission.

In this year, the following were registered:

- ✔ **22 permissions to reduce working hours for child/parent care.**
- ✔ **1 leave of absence for child/parent care.**

One part closely linked to conciliation are our **“Little Borges People”**, the workers' children who already represent one more part of this team. This year very especially, they demonstrated this during the (adapted) celebration of the 10th edition of Borges Little People. The state of alarm forced us to change to a remote format where the children made drawings and illustrations to hang in the work centres, giving encouragement and optimism at the most difficult times of the pandemic.





## Committed People



### Professional development

We promote the professional development of our team through annual Career Plans and Training Plans, with the aim of increasing their knowledge and skills. This year, 50 training actions were carried out at BAIN, with a total of 2,674 hours and at an investment of €20,156, among which 295 women and 145 men participated.

We actively participate in the **Dual Professional Training Programme**, where we bring newly graduated students into the different departments of the company to retain talent and enhance their professional development. We thus work to reduce the gap between academic training and professional training, so contributing to the employability of young talents.

### Human rights, equality and diversity

Defending Human Rights throughout the value chain is essential to guarantee the well-being of the Group's workers, as well as for the sustainable development of the communities in which we operate and of society in general. Within this strategic and management framework, for years we have strived to ensure that **human rights are respected in all Group facilities and among our employees.**

To this end, this year BAIN once again renewed the **SMETA Audit**, an international benchmark audit that assesses respect for Human Rights and the company's ethical compliance, among other aspects.

In terms of **Equality and Diversity**, since 2010 BAIN has held the Distinction of Equality in the Company granted by the Ministry of Equal Opportunities and the Women's Institute, which guarantees the implementation of Equality policies and actions. Along the same lines, we also have an **Equality Plan and Committee** that ensure equal opportunities and non-discrimination from a gender perspective, as well as protocols for the prevention of moral and sexual harassment.

In this financial year, we continued to disseminate the "Selection without Biases Guide" among the persons responsible for the selection processes to guarantee that the selection procedures are equal and to eliminate any type of unconscious discrimination and/or biases, and we also collaborated as a speaker company at the Equality Plans conference organised by the Business Confederation of the Province of Tarragona (CEPTA).



## Committed People



### Social impact and community

Within the framework of our activity and in line with our commitment to sustainable development, we collaborate closely with local communities, the territory and society to generate a positive impact on all of them.

Along these lines and with the aim of contributing to decent work, **we employ groups at risk of social exclusion**, integrating them into our day-to-day processes through the outsourcing of services. We collaborate, for example, with **Taller Baix Camp**, the **SIFU Group** and **Broccoli** with the contracting of people in the production centres, and the **Tropomi Foundation** in the printing of the corporate magazine. This year, the SIFU Group recognised Borges Agricultural & Industrial Nuts for these 7 years of cooperation.

From a more collaborative perspective, we also participate very closely with local and territorial entities to promote sport, health and culture. This year especially, donations to Food Banks were also reinforced to meet the needs and demands of society in times of uncertainty.



BAIN receives recognition from the SIFU Group as a socially responsible company

## Committed People



### Communication and participation

A fundamental tool to maintain a fluid, efficient, transparent and close contact and, above all, one that responds to its own objective of reaching, being heard and being understood in what aims to be effective communication. Below we describe two examples of internal and external communication channels:

- ✔ **Workers:** apart from the traditional communication channels (email, notice board, etc.) we have tools to facilitate internal communication such as a Welcome Plan, a manual for newcomers, the Suggestions Box, the corporate intranet, the Gente Borges magazine and the Open Doors Policy, which aims to make interpersonal relationships between the staff and the organisation more flexible.
- ✔ **Shareholders:** all relevant information is passed through the BAIN website to help shareholders in their decision-making. Audiovisual and photographic content on the evolution of our plantations, as well as other CSR initiatives, is also permanently updated.

In this financial year, the Committed by Nature campaign was launched, aimed at explaining both internally and externally the sustainable practices that the company is carrying out, through informative videos, newsletters or websites where users can gain information.

## Committed People



### Commitment against corruption and bribery

At Borges Agricultural & Industrial Nuts, the commitment to prevent crimes related to corruption and bribery is part of the company's business culture. In this sense, the company's **Code of Ethics** includes the provision that all people who are part of the Group and those of the stakeholders to whom the Code is applicable, must act based on the ethical principles and values that it fosters and must avoid and prevent any action of corruption, bribery, fraud and that affects free competition.

In line with what our Code of Ethics establishes, after an evaluation process of the criminal risks that could affect the company, we have developed the **Criminal Compliance Policy**, which includes, among other aspects, the risks related to business corruption.

In this same area, we also have a **Crime Prevention and Response Manual**, a document that includes the procedures, measures and controls in place on this matter in the company and which details the functions and composition of the Criminal Risk Prevention Body. These functions include the management of the complaints that may be received in the Criminal

Compliance Complaints Channel ([canal-denuncias@borges-bain.com](mailto:canal-denuncias@borges-bain.com)). Internally, we have also promoted different communication and training processes on anti-corruption policies and procedures for the company's governing bodies, as well as training on the Compliance Programme for all workers.

In the financial year 2019/2020, the on-line training process was launched to all BAIN subsidiaries to enable all employees who have email to complete their training.

As of the date of issuance of this Report, of the 117 BAIN employees to whom the invitation to take the course was sent, a total of 92 have completed it, representing a **fulfilment rate of 78.63%**.

Work is currently being done on the development of refresher courses on Compliance for BAIN employees who completed the first general training course more than a year ago.





# Healthy and Sustainable Products





# Healthy and Sustainable Products

In this third large block of Healthy and Sustainable Products, we develop the processes and lines of work that contemplate everything related from the time the raw material arrives at our production centres, to when it is made, packaged and finally distributed to customers and consumers.

To offer a healthy lifestyle, the final product does not only need to have clear healthy and nutritional benefits for the consumer, but the same criteria **must have been followed in its process, seeking sustainability, energy and operational efficiency throughout the production process.** It must be considered how this product was produced, through what environmental management, and how the generated waste was minimised and treated, among others. We want to offer healthy and sustainable products that improve social and environmental benefit and promote of good habits with proper nutrition.

Following the materiality map, in this block we also deal with issues related to energy management, water, scientific advances, traceability and packaging.



## Summary of the year



Continuous commitment to **ecological products and proximity** products.



**100% renewable electric energy** since January 2020 in BAIN's main production centres, accounting for approximately 90% of the total consumed.



**35% reduction in CO2 emissions**, in the general management of waste and 25% in plastics management, compared to 2018.



Machinery renewal with **more efficient equipment**, through the installation of evaporative air conditioning instead of traditional air conditioning equipment.



A new almond dryer has been installed in the Borges-2 centre that integrates a hot air recirculation system that **reuses up to 70%**.



**Recovery of 99%** of the waste generated in the production centre.

## Healthy and Sustainable products



### Commitment to quality and innovation

The most demanding certifications, as well as the experience and professional capacity of our employees, allow us to offer the highest quality standards and product traceability.

We renew our commitment every day to all the products we pack being submitted to the most rigorous controls and to guaranteeing that they meet the highest quality standards. Our **Food Defence Plan** also guarantees health and food safety.



<sup>1</sup><https://sinalmendraamarga.es/>

**Innovation management** allows us to develop products and processes to be pioneers in our sector and anticipate the future needs of our consumers. We therefore invest considerably in investigating, innovating and improving processes. The main ongoing projects are aimed at obtaining:

- ✔ **Improvements to the drying / dehydration processes**
- ✔ **Improvements to the steam production processes**
- ✔ **Reuse of by-products**
- ✔ **Development of new industrial packs**

Borges Agricultural & Industrial Nuts is currently part of a sectoral project led by Almendrave, **to detect, eliminate and eradicate bitter almonds from the Spanish market**, by developing systems that can be used on an agronomic, productive and industrial scale. The ultimate impact on the sector is to increase the added value of the national almond sector (from producer to consumer), and for it to offer a product of the highest possible quality throughout the value and distribution chain.

In terms of innovation, last year we presented **the new almond paste**, a new product resulting from the work of the R&D department. This is a product made 100% with almonds; in other words, no other ingredients or additives are added since the unsaturated fat content of the nut itself gives the paste a fluid texture at room temperature. With these new references, Borges will expand its product range with the objective of focusing the company around the Mediterranean world and a range of healthier products. This year we have continued to invest in this line and part of the BAIN-B2 factory has been adapted to produce a new line of almond paste.



## Healthy and Sustainable products



### Environmental management in our industrial processes and facilities

The BAIN Reus centre currently has the **ISO 14001** standard valid until 2021, a system that we have been maintaining since 2000.

As we announced last year, this year **we have fulfilled the objective of improving our waste management system** by installing a new, more efficient static compactor in the BAIN-Borges 1 centre that would allow us to reduce the number of waste transfers and, therefore, the CO2 emissions associated with its transport. As a result, the following reductions have been recorded:

- ✔ **35% reduction in CO2 emissions in waste management compared to 2018**
- ✔ **25% reduction in CO2 emissions in the management of plastic compared to 2018**

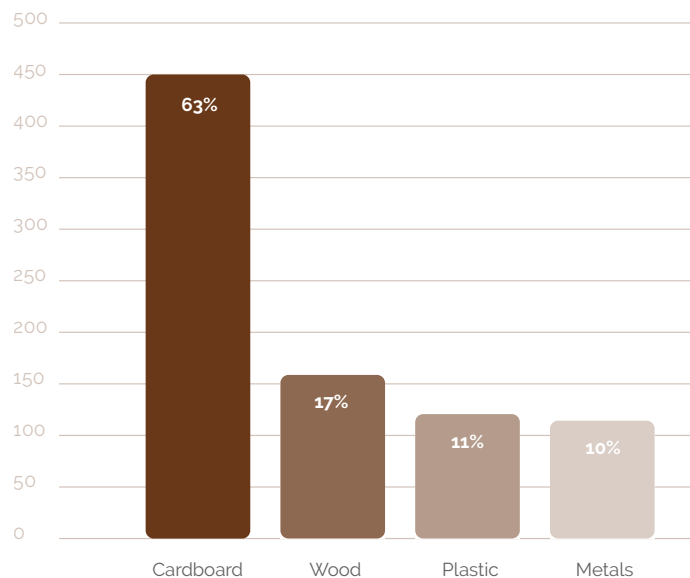
A project is also under way to improve the management and storage of almond peel, thus contributing to better management.

Regarding packaging, during this financial year tests continued to improve the characteristics of the products through recyclable films, thus contributing to

improving product recyclability. The FSC certificate is also maintained in cardboard packaging used in the industrial division. In parallel, projects aimed at a circular economy, by-product optimisation and energy improvement have also been implemented, as described in this report.



### Detail of recycled material (T)





## Healthy and Sustainable products



### Transition, energy efficiency and natural resources

Since the beginning of 2020, the **electrical energy** contracted in BAIN's main production centres has **come from energy from 100% renewable sources**, which will entail a significant reduction in CO2 emissions for next year. These are the BAIN B-1 (Reus), BAIN B-2 (Reus), BAIN Altura and BAIN Extremadura centres, that account for 90% of the electrical energy of the BAIN company.

In terms of energy efficiency, this year we also highlight the installation of a new almond dryer at the BAIN B-2 centre, which includes a hot air recirculation system with **up to 70% reuse**, and the installation of evaporated air conditioning equipment in the place of the traditional units.

We also continue to continuously implement systems to improve efficiency, such as a new energy consumption control system to obtain KPI values and to be able to relate energy consumption to production, as a basis for improving the plant's energy efficiency.

All these projects significantly contribute to reducing the impacts that we have in the production phase, reduce pollution and bring us closer to a **more efficient, circular and sustainable model over time**.



## Healthy and Sustainable products



### Transition, energy efficiency and natural resources

#### Upcoming projects

Starting next year, a change in technology will be applied to the internal transport equipment (forklifts, pallet trucks, etc.) used in the BAIN B-1 and BAIN-2 centres. These will change from lead to lithium and are expected to **reduce electricity consumption and its associated environmental impact by up to 50%**.

Among other planned future objectives that will significantly contribute to improving energy efficiency, we also highlight:

- ✔ **Reduction of diesel consumption by eliminating diesel trucks.**
- ✔ **Improvements in roof insulation that will lead to energy savings.**
- ✔ **The continuous upgrade of lighting to LED.**
- ✔ **The change of the refrigeration system in the cold rooms.**
- ✔ **Reduction of the volume of purifier sludge at BAIN B-2.**

#### Electricity consumption table

	Consumption per tax year 19-20 (Mwh)
Electricity consumption by activity and Industrial use*	8.150
Electricity consumption by Agricultural activity**	2.445

\*This includes the production centres of Reus Borges - B1, Borges - B2 and BAIN Altura

\*\*Electricity consumption associated with agricultural use is mainly related to pumping of water from wells, canals or rivers linked to irrigation. The consumption of the walnut and pistachio processing industry in BAIN Extremadura and BAIN Andalucía is also included. It includes the companies of BAIN Extremadura, BAIN Andalucía, BSJ2- Amendoas de Moura, BSJ- Frutos secos de Moura, Palheta I, Palheta II, Mas de Colom.

## Healthy and Sustainable products



### Transition, energy efficiency and natural resources

#### Natural Gas consumption table

The consumption of this resource is essential in the BAIN B 2 production centre in Reus, where it is used as fuel in the steam boiler associated with the main almond peeling process.

	BAIN B-1	BAIN B-2	Total
Natural gas consumption (Mwh)	3.425	14.785	18.210,00

#### Water consumption

Water is an important resource for both industrial and agricultural activity. In our Reus production plants, the water comes from the municipal network and is especially important in these factories since it is used directly in the almond peeling process. There follows the evolution of the consumption of this resource in recent years.

	Consumo por ejercicio fiscal 19-20 (Mwh)
Water consumption by activity and Industrial use*	58.247
Water consumption by Agricultural activity (watering and associated centre) **	6.822.651

\*This includes the production centres of Reus Borges - B1 Borges - B2

\*\*Water consumption increases in previous years due, among other factors, to the growth phase or replanted plots in which the plantations are located. Consumption is associated with agricultural use for the irrigation of farms between Spain and Portugal. The consumption of the walnut and pistachio processing industry in BAIN Extremadura and BAIN Andalucía is also included. It includes the companies of BAIN Extremadura, BAIN Andalucía, BSJ2-Amendoas de Moura, BSJ- Frutos secos de Moura, Palheta I, Palheta II, Mas de Colom.



## Healthy and Sustainable products



### Transition, energy efficiency and natural resources

#### Greenhouse effect gas emissions table

(Direct GEG emissions (scope 1) 1	2019 (equivalent tons of CO2)
<b>Reus Production Centre (Borges B-1 and Borges B-2)</b>	
GEG emissions associated with fossil fuel consumption	3.330,38
GEG emissions associated with fossil fuel consumption in transport	46,37
GEG emissions associated with the reloading of fluorated gases	784,32
<b>Castellón Production Centre (BAIN Altura)</b>	
GEG emissions associated with fossil fuel consumption	0
GEG emissions associated with fossil fuel consumption in transport	23,23
GEG emissions associated with the reloading of fluorated gases	0

Indirect GEG emissions (scope 2)1	2019 (equivalent tons of CO2)
<b>Reus Production Centre (Borges B-1 and Borges B-2)</b>	
GEG emissions associated with electricity consumption	1.926,12 
<b>Castellón Production Centre (BAIN Altura)</b>	
GEG emissions associated with electricity consumption	290,23 
<b>Other indirect GEG emissions (scope 3)1</b>	
<b>Reus Production Centre (Borges B-1 and Borges B-2)</b>	
Other GEG emissions associated with transport	2.761,05
Other GEG emissions associated with waste management	271,83
Other GEG emissions associated with water consumption	22,78
<b>Castellón Production Centre (BAIN Altura)</b>	
Other GEG emissions associated with transport	113,91
Other GEG emissions associated with water consumption	0,92

 Next year it will be renewable energy (zero emissions)

## Healthy and Sustainable products



### Circular economy and waste management

On the way to a more circular model, at the production level we continuously work to make a correct and better management of the waste generated and research for the reuse of the by-products.

#### Waste management

In terms of waste management, in this financial year, changes in the planning of waste collection with the adjustment of transports have enabled a notable reduction in these transports and therefore a reduction in the emissions generated at the final destination, as detailed in the Transition and Energy Efficiency section. Their internal management has also continued to be optimised through new characterisations of inert waste to improve management, as well as operational improvements to machinery.

By types, **95% of the waste generated is non-hazardous**. Only a percentage of under 0.5% is hazardous or special waste from laboratories, workshops and other auxiliary operations. This waste is sent to collection and transfer centres and is subsequently mainly reused after being submitted to solvent regeneration methods or special container recycling.

How is the rest of the waste from the industrial process reused?

**99.4% of the waste is selected and segregated, promoting its recovery** before other disposal operations.

- ✔ **The oil consumed in producing the fried dried fruit is accumulated in storage until it is removed and subsequently recovered as a raw material in the manufacture of biodiesel fuel.**
- ✔ **The sludge from the sewage treatment plants is used to make compost for agricultural applications.**
- ✔ **The mixture of general waste is managed as a Solid Recovered Fuel and is used as an energy source for other companies. This achieves an energy recovery of a waste that is mostly eliminated via landfill.**
- ✔ **Cardboard, plastic, wood and glass waste from containers and packaging is segregated internally in our plants to allow the manager and recycling companies to recover it.**



## Healthy and Sustainable products



### Circular economy and waste management

#### Type of waste (T)

	BAIN B-1	BAIN B-2	Total
Non-hazardous waste*	897,403	914,91	1.812,31
Hazardous waste**	5,336	6,75	12,09

\* Non-hazardous waste derived from the main activity: cardboard, plastic, glass, pallets, scrap, oils, purifier sludge, refinery land, general waste and others.

\*\* Hazardous waste derived from auxiliary activities: laboratory, workshop, cleaning, etc.

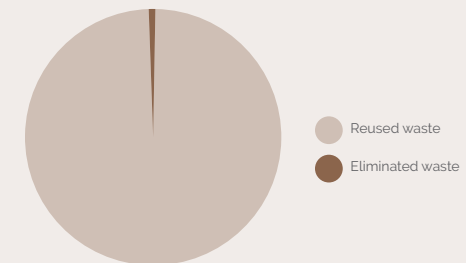
#### External waste management

Type	BAIN B-1	BAIN B-2	Total
Reuse* (T)	899,21	916,44	1.815,65
	99,61%	99,43%	99,52%
Elimination** (T)	3,533	5,22	8,75
	0,39%	0,57%	0,48%

\* Recycling of the material and/or recovery for the manufacture of new products, composting, etc.

\*\* Treatment in a controlled landfill, incineration, etc.

Practically 100% of the waste generated in the main production centers of the Group is considered non-hazardous waste and is selected and segregated internally, enhancing its recovery, compared to other disposal operations.



All waste from our main work centres is managed through authorised carriers and managers.

## Healthy and Sustainable products



### Circular economy and waste management

#### Reuse of by-products

The nature of the activity itself means that during the production process different by-products are generated (shell, peel, etc.) that are mainly destined for companies and third-party sectors such as biomass or cosmetics, as well as for internal use in self-consumption in some production centres for certain boilers.

In this sense, we particularly highlight the **15,000 tons/year of almond husk** generated in our own plants and which are mainly used for biomass, and the **1,500 tons/year of almond peel** mainly destined for animal consumption, through our authorised waste manager.



# Next steps

## Responsible Agriculture



- ✓ GAP Global Certification for the Machados, Cuartillo, Casarente and Benavides farms.
- ✓ Calculation of the water footprint on the El Carquí farm and progressive installation of an efficient and localised irrigation system in our plantations.
- ✓ Zero pesticide waste product for our almond plantations and certification for walnut plantations.
- ✓ Collaborative projects with suppliers to apply sustainable practices in their plantations and evaluation of the supply chain under ESG criteria.
- ✓ Implementation of the Biodiversity Action Plan on the Mas de Colom farm and participation in the Agricultural Biodiversity Observatory.

## Committed People



- ✓ Promotion of training plans and career plans to contribute to the personal development of all workers.
- ✓ Specific training for our professionals in the field of biodiversity and preservation of the environment with agricultural practice.
- ✓ Economic and social revitalisation of the territory through projects and collaborations such as the Pistachio Project.
- ✓ Compliance refresher courses for BAIN employees.

## Healthy and Sustainable Products



- ✓ Continuous improvement of our products from a nutritional point of view and development of new, stressing their healthy benefits and prioritising healthy fats.
- ✓ Projects for the reuse of by-products such as almond peel or organic remains during the process.
- ✓ Implementation of projects to contribute to greater energy efficiency (facility insulation, LED lighting, consumption control, etc.)
- ✓ Electrification of the group's fleet of forklift trucks.







## About **this report**

The purpose of this 2019-2020 Corporate Social Responsibility report (1 June 2019 to 31 May 2020) is to inform the stakeholders of the company's non-financial management policies, as well as the main lines of work and initiatives developed in these areas during this financial year.

This Corporate Social Responsibility report is published each year and has not been externally verified. In preparing this publication, which includes quantitative and qualitative numbers and data, information on policies, actions and performance provided in previous Borges Agricultural & Industrial Nuts Sustainability reports has been taken as a reference.

Likewise, different sources of information were taken into consideration, including stakeholders and international organisations. We launched different communication channels to find out the priority of the workers (a group of strategic interest to the Group), who help to determine the materiality of the topics presented and identify those that are most relevant to them.

Any query related to this report can be referred to [rse@borges-big.com](mailto:rse@borges-big.com).



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