

INDEPENDENT SOCIO-ECONOMIC & ENVIRONMENTAL IMPACT REPORT

ILLOVO SUGAR MALAWI



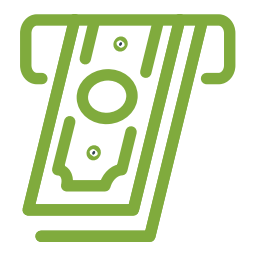
AN ILLOVO SUGAR AFRICA COMPANY



Illovo Sugar (Malawi) plc is one of two sugar producers operating in the country, in which Illovo Sugar Africa has a 76% share. Under the Illovo "Trusted Quality" brand, the company annually supplies nearly 70% of its total sugar sales to domestic consumers and industrial markets, with the balance exported to regional African markets and to EU and USA markets. Illovo Malawi is listed on the Malawi Stock Exchange. Combined with cane delivered by small-scale growers, the company annually produces about 280 000 tons of sugar and generates 96% of its own energy requirements from renewable fuels.



K163.26BN
TOTAL REVENUE
FROM SUGAR



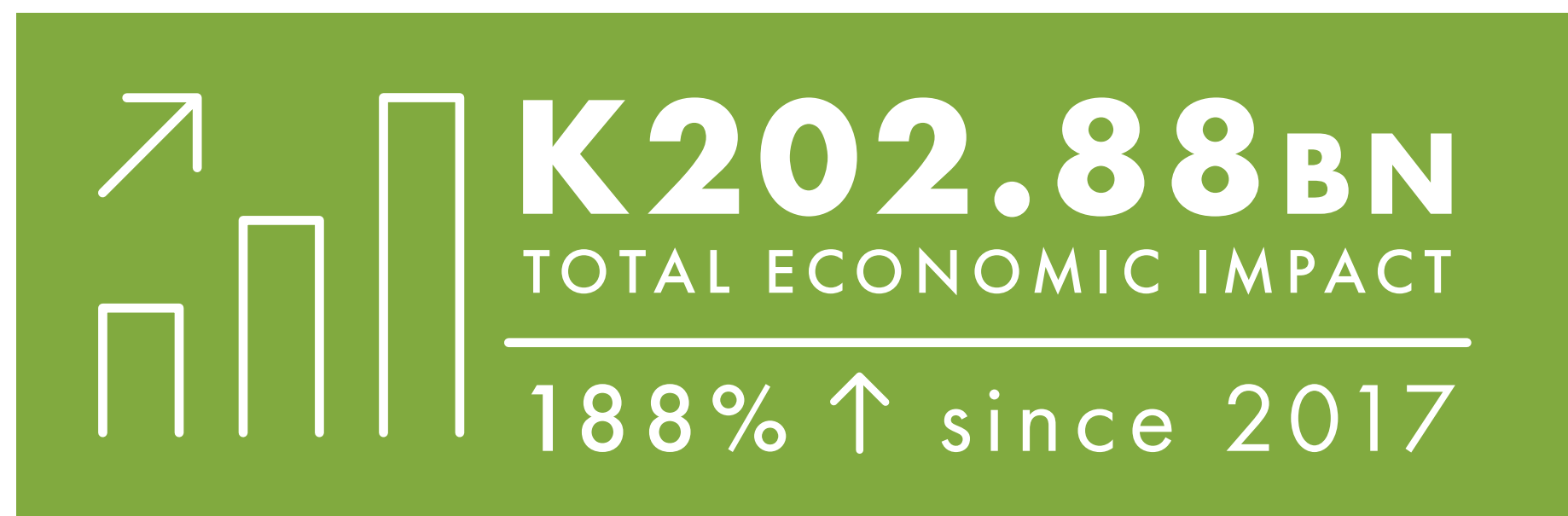
K4.5M
CAPITAL EXPENDITURE



K16.8BN
TOTAL TAXES PAID

K5.9BN DIRECT TAX

SUGAR MARKET LEADER TOTAL ECONOMIC IMPACT



- ▶ **KEY THEMES:** CLIMATE CHANGE & ENVIRONMENTAL SUSTAINABILITY/ SOCIALLY CONNECTED BUSINESSES/ ECONOMIC CONTRIBUTION & PERFORMANCE EXCELLENCE
- ▶ GOVERNANCE/COMPLIANCE FOCUSED & ETHICAL SUPPLY CHAIN
- ▶ "ROUTE TO MARKET" FOCUS ON MAKING SUGAR AVAILABLE TO HOUSEHOLDS ACROSS GEOGRAPHIC LOCATIONS AND INCOME LEVELS

COMMUNITY CONNECTED

SOCIAL IMPACT

LOCAL ECONOMIC DEVELOPMENT



19 809 DIRECT JOBS
CREATED, SUPPORTING
104 994 LIVES

K28.6BN
SPENT ON

- ▶ WAGES
- ▶ SALARIES
- ▶ BENEFITS



5 799 PERMANENT EMPLOYEES
6% WOMEN
16% OF MANAGEMENT

DEI POLICY GENDER FOCUSED -
WOMEN IN LEADERSHIP FORUM
LAUNCHED TO ADVANCE SENIOR
REPRESENTATION

LOST TIME/ACCIDENT
FREQUENCY RATE = **0.06**
K56.1M INVESTED IN SAFETY TRAINING

K333M TO TRAIN
2 993 EMPLOYEES



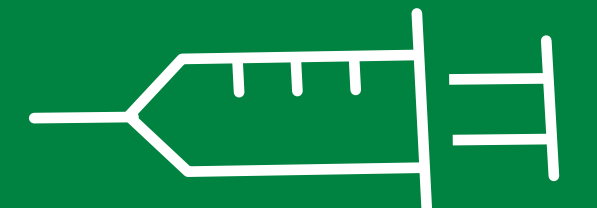
8 583
MOSTLY
SMALL-SCALE
FARMERS



K140.8BN
SPENT ON
PROCUREMENT

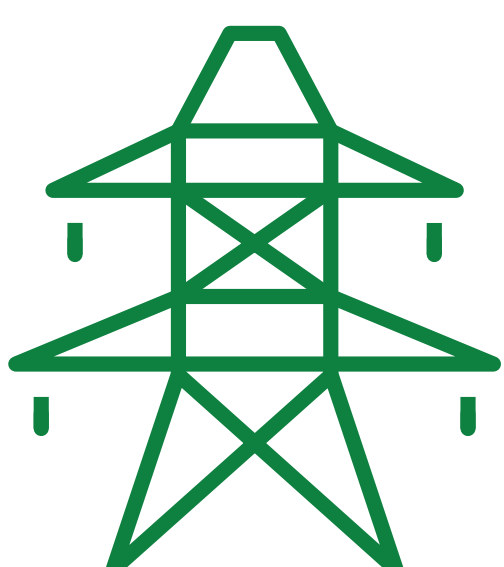
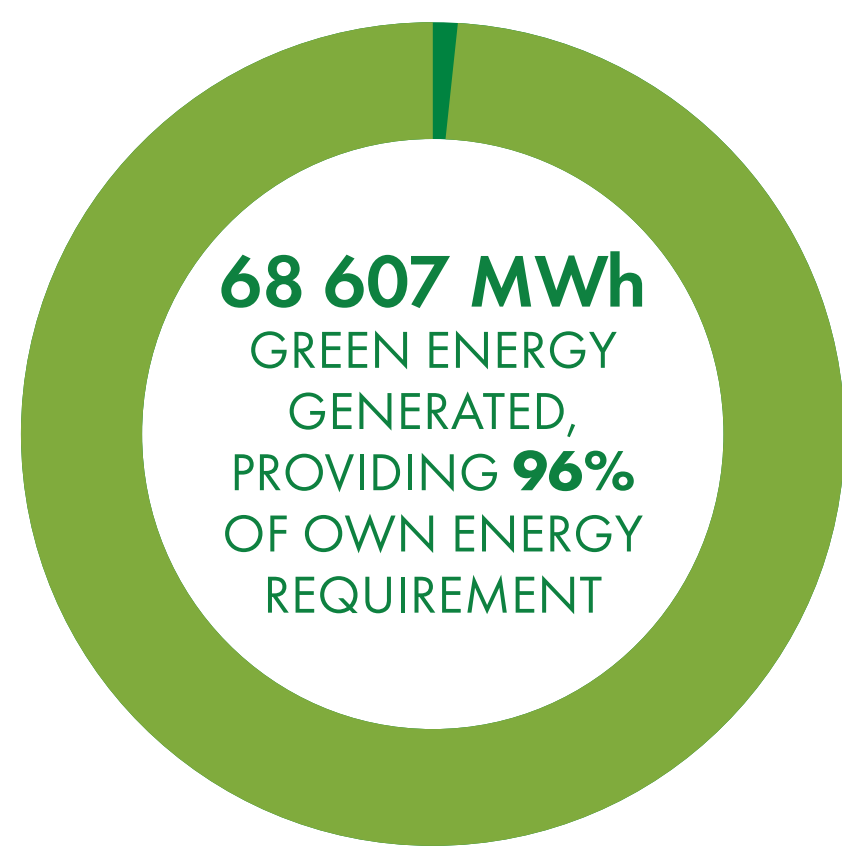
87% SPENT ON
LOCAL CANE AND
NON-CANE PROCUREMENT

K1.7BN
COMMUNITY
SPEND



8 126 COVID-19
VACCINES
ADMINISTERED TO
EMPLOYEES & DEPENDENTS
UNDER VOLUNTARY
GROUP PROGRAMME

VALUE & QUALITY-DRIVEN INDUSTRY



▶ SYSTEM IN PLACE TO
MONITOR AND REPORT
SCOPE 1, 2 & 3 EMISSIONS

SUSTAINABLE AGRICULTURE



2.4M TONS
CANE PROCESSED
WITH 23%
SUPPLIED BY GROWERS

WATER EFFICIENCY & ENERGY SAVING PROJECTS



ILLOVO PARTNERS GOVT.
IN **SHIRE VALLEY**
TRANSFORMATION PROJECT
TO DELIVER GRAVITY-FED
IRRIGATION WATER TO
43 000HA
OF LAND EARMARKED FOR NEW & EXISTING
AGRICULTURAL DEVELOPMENT

SUSTAINABLE FARMING SYSTEMS



MAJORITY OF
3-YEAR CAPEX
PROVISION OF **K12.8BN**
SPENT ON MORE
WATER-EFFICIENT
DRIP IRRIGATION



FOCUS ON
CROP ROTATION, FALLOWING
WITH COVER-CROPS, IRRIGATION
IMPROVEMENTS &
GREEN CANE HARVESTING

6 112 GROWERS
EDUCATED ON
SUSTAINABLE AGRICULTURE
THROUGH **GROWER**
DEVELOPMENT PROGRAMMES



Source: Independent Socio-Economic and Environmental Impact Assessment conducted by Corporate Citizenship part of SLR for Illovo Sugar Africa for the financial year ended 31 August 2021. (Average Exchange Rates FY'21: MWK/Rand: 47.87 // MWK/USD 773.58)