

INDEPENDENT SOCIO-ECONOMIC & ENVIRONMENTAL IMPACT REPORT

KILOMBERO SUGAR

KILOMBERO SUGAR COMPANY

AN ILOVO SUGAR AFRICA COMPANY



Kilombero Sugar Corporation is the largest sugar company in Tanzania, annually producing around 130 000 tons of sugar exclusively for the domestic market under the Bwana Sukari brand, more than 12 million tons of ethyl alcohol and generates 96% of its own energy requirements from renewable fuels. Illovo Sugar Africa has a 75% shareholding in the company with the remaining shares held by the Government of the United Republic of Tanzania. A significant production expansion is underway which will more than double current annual sugar production using cane largely produced by local growers.

TSH 277.79BN
TOTAL REVENUE
TSH 33.3BN FROM
ETHYL ALCOHOL

SUGAR MARKET LEADER
TOTAL ECONOMIC IMPACT

TSH 67BN
TOTAL TAXES PAID
TSH25.3BN DIRECT TAX

TSH 6.2BN
CAPITAL EXPENDITURE
FOCUS ON NEW BOREHOLES
HOT WATER TREATMENT PLANT &
ASBESTOS REPLACEMENT

TSH 419.6BN
TOTAL ECONOMIC IMPACT
18% ↑ since 2017

- ▶ **KEY THEMES:** CLIMATE CHANGE & ENVIRONMENTAL SUSTAINABILITY/ SOCIALLY CONNECTED BUSINESSES/ ECONOMIC CONTRIBUTION & PERFORMANCE EXCELLENCE
- ▶ **FOCUS ON MEETING AFFORDABILITY NEEDS OF CONSUMERS BY SELLING SUGAR IN DIFFERENT PACK SIZES**
- ▶ GOVERNANCE /COMPLIANCE FOCUSED & ETHICAL SUPPLY CHAIN

COMMUNITY CONNECTED

SOCIAL IMPACT

LOCAL ECONOMIC DEVELOPMENT

4 977
DIRECT JOBS
CREATED, SUPPORTING
24 387 LIVES

TSH 33.4BN
SPENT ON

- ▶ WAGES
- ▶ SALARIES
- ▶ BENEFITS

816 PERMANENT EMPLOYEES
17% WOMEN
15% OF MANAGEMENT



DEI: SPECIFIC FOCUS ON **ENCOURAGING WOMEN**, INTERNAL AND EXTERNAL, TO **APPLY** FOR VACANCIES
FLEXIBLE BREASTFEEDING POLICY IN PLACE

LOST TIME/ACCIDENT
FREQUENCY RATE = **0.06**
TSH 62.3M INVESTED IN SAFETY TRAINING

TSH 263.6 TO TRAIN
2 025 EMPLOYEES

8804
GROWERS OF WHICH
8 793 ARE
SMALL-SCALE
FARMERS



TSH 153BN
SPENT ON
PROCUREMENT

83% SPENT ON
LOCAL CANE AND
NON-CANE PROCUREMENT

TSH 5.9M
COMMUNITY
SPEND



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

VALUE & QUALITY-DRIVEN INDUSTRY

125 400
TONS OF SUGAR
PRODUCED,
100% SOLD
LOCALLY

40 643 MWh
GREEN ENERGY
GENERATED,
PROVIDING **96%**
OF OWN ENERGY
REQUIREMENT

DOWNSTREAM DIVERSIFICATION INTO
EXTRA NEUTRAL ALCOHOL PRODUCTION

14 874 KILOLITRES

17% ↓
IN SCOPE 1 & 2 EMISSIONS

SIGNIFICANT EXPANSION
PROGRAMME TO **DOUBLE**
SUGAR PRODUCTION LARGELY
SUPPLIED BY **LOCAL GROWERS**

SUSTAINABLE AGRICULTURE



1.28m TONS
CANE PROCESSED
WITH 53%
SUPPLIED BY GROWERS

WATER AND CARBON EMISSION
REDUCTION INITIATIVES

MOVES TO DEVELOP
MORE EFFICIENT



SEED PRODUCTION
METHODS AND TRIALING
GREEN-CANE HARVESTING



SIGNIFICANT INVESTMENTS IN
SUSTAINABLE AGRICULTURE
RESEARCH AND IMPROVEMENTS



INCLUDES MAXIMISING
EFFICIENCY OF EXISTING
IRRIGATION SYSTEMS & PILOTING
OF **DRIP IRRIGATION**



NEW PARTNERSHIP WITH
AFRICAN WILDLIFE FOUNDATION
SHARE BEST PRACTICE ABOUT
SUSTAINABLE FARMING
& **VERTICAL GROWTH**



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: Tsh / Rand 151.83 // Tsh/USD 2 453.57)