



## **SUGARIGHT CORPORATE SUSTAINABILITY STATEMENT 2022**

**“Right choices for you, right for the environment, right for your bottom line”**

As Sugaright expands its capacity to produce liquid sugar, today’s changing world demanded that we take a careful look at how our production methods would contribute to energy use and wastewater. To help our customers meet their sustainability commitments, we implemented an innovative multi-pronged production and distribution strategy.

### **SUGARIGHT SUGAR SELECTIVE SEPARATION METHOD: A REDUCED CARBON FOOTPRINT**

Sustaining the environment forms the core of our line of Sugaright liquid sugar products, available in a range of colors. No longer just “one size fits all”, food manufacturers now have an “eco-friendly” choice. Our Selective Separation process uses only a fraction of the energy of a traditional refinery and produces only minimal wastewater effluents:

#### **1. Reduced energy costs and usage by eliminating the evaporation and crystallization steps.**

Data from different refineries indicate that almost 50% of the energy in a refinery is used in the evaporation and crystallization of the liquid sugar into granulated sugar.

Sugaright has eliminated the crystallization step to significantly decrease the energy use per ton needed to refine sugar.

Energy Benchmarking of the plants in the 2011 year has established that Sugaright uses only 15% of the electricity of a traditional refinery (11 KWH/ton vs 45 KWH/ton).

#### **2. Reduced wastewater effluents by minimizing use of de-ashing columns.**

Typically, an ion-exchange decolorization plant, handling 1,000 tons of melt per day, will generate a total of 250-300 cubic meters of regeneration and rinsing effluents. Both the resulting high color and high chemical oxygen demand (COD) usually prevent straightforward disposal of process effluents.

Additionally, the evaporators and vacuum pans needed to increase sugar concentrations from 62 to 67.5 degrees Brix require a significant amount of condenser water and more energy. With the exception of our low ash product for the beverage industry, the Sugaright Selective Separation process eliminates these steps associated with extra wastewater and energy.

## **REDUCED FUEL USE AND EMISSIONS**

### **Strategically Located Micro-refineries**

To fulfill our commitment to be more environmentally and energy conscious, Sugaright micro-refineries are located in strategic regions, close to food manufacturing centers.

In 2014, Sugaright opened their newest plant in Covington, TN to supply the country's largest ice cream manufacturing facility.

In 2019, we opened a new facility in Harrisonburg to be closer to one of our major customers to minimize truck miles.

And in 2022, we moved our Ft. Worth refinery to Dallas to further minimize truck miles to a major customer.

With the supply chain and trucking issues prevalent in 2021 and 2022, this strategy has proved to be the RIGHT one for the industry.

### **Efficient Modes of Transportation**

As the US largest importer of raw sugar into the US, we are logistics experts at moving sugar by ship, rail and truck. Our expertise gives us the opportunity to use the most efficient combination of vehicles to transport bulk raw sugar and refined liquid sugar into the US and delivered to our customers. Transport by ship has the lowest energy usage per ton/km. When practical, rail is used to replace transportation by truck and trailer.

## **ONGOING REDUCTIONS IN CONSUMPTION OF ENERGY, FUEL AND WATER**

Sugaright's continued success depends upon finding new innovative ways to sustain our environment, the people in our company and communities, and our business.

Make reductions wherever practical in our consumption of energy, fuel, water and materials by:

- Building new plants that are more energy-efficient
- Reducing energy consumption in existing plants
- Minimizing water use while still maintaining the highest standards of sanitation and food safety in the industry
- Reducing fuel use and emissions through fleet modifications, training, and optimization of loads, routing, and delivery schedules

## **EMPLOY AND EXPLORE OPTIONS FOR THE REDUCTION, REUSE and RECYCLING OF MATERIALS:**

Every Sugaright plant has the goal of eliminating as much waste as possible. Depending on the geographic location, waste from the filter press can be recycled for non-food or animal use.

## **PROMOTE SUSTAINABILITY WITH CUSTOMERS, LOCAL UTILITIES AND SUPPLIERS**

In partnership, Sugaright is committed to helping its customers meet their sustainability metrics. Sugaright works closely with local utilities to find ways to minimize energy demand and usage.

Sugaright meets all federal and local requirements at our facilities both in the US and in Mexico for safe and non-discriminatory labor practices.

All Sugaright facilities have a designated safety expert to minimize on-site injuries to its employees.

### **SUPPORTING SOCIAL AND ETHICAL RESPONSIBILITY IN OUR SUPPLY CHAIN**

Sugaright has relationships with Fair Trade International, Bonsucro and Sedex to help encourage sustainable sugar milling: environmentally, economically and socially.

Fair Trade and Bonsucro were established to promote fair wages for farmers, to encourage environmentally friendly agricultural practices, and to promote economic viability.

Sugaright holds these values as important for all of our shareholders from the farmer to the end consumer.

- In 2012, Sugaright became Fair Trade Certified through FLO-CERT INTERNATIONAL and has bought and sold Fair Trade Certificates resulting in over \$3.5 Million in premium payments to small growers in Costa Rica and El Salvador.
- In 2016, Sugaright received Non-GMO Verification at our refineries.
- In 2017, Sugaright became Bonsucro Chain of Custody certified and has supplied major customers with Bonsucro certified sugar to help them meet their goals of assuring an ethically sourced supply.
- In 2021, over 25% of the liquid sugar sold by Sugaright was either Fairtrade or Bonsucro Certified.
- Due to on-going conversations with our supplier mills on the importance of Bonsucro Certification, several of them have put in the investment of time and resource to close gaps and achieve certification.

The Sugaright Director of Sustainability holds an appointed position on the Fairtrade FLOCERT Supervisory Board and an elected position on the Bonsucro Membership Council. These roles give Sugaright a voice to ensure these standards meet the needs of all of its stakeholders from farmer to mill to trader to end-user.

### **ENVIRONMENTAL, SOCIAL AND GOVERNANCE ACTIVITIES**

A Sugaright ESG Policy Handbook was published in 2021.

An Environmental Handbook, Human Rights Statement and Supplier Code of Conduct will be published in 2022.

An internal ESG committee was formed in 2022 consisting of top management in HR, Safety, Engineering and Sustainability to raise awareness of ESG issues, to identify best practices and to ensure continuous improvement.