

Producing juice sustainably in Brazil

2018



Progress Update



Contents

Highlights	3
LDC Juice in Brazil	4
Investing in our people	6
Who are our people?	7
Health & safety in 2018	7
Training & awareness	8
Safe Harvest Program	9
Working together	9
Employee wellbeing	10
Employee benefits	11
Protecting the environment	12
Energy consumption	13
Greenhouse gas emissions	14
Water consumption	14
Waste generation	15
Green Office	15
Integrated crop management	16
Conservation in action	17
Supporting our communities	18
A child-friendly company	18
Together for the Environment	19
More highlights	19
Partnering for best practice	20
Technology for traceability	20
Rainforest Alliance	21
Programa Compartilhar: Spreading best practice	22
Sustainable Agriculture Initiative Platform (SAI Platform)	22
Sedex Members Ethical Trade Audit (SMETA)	22
Customer focus	23
Transparency on the ground	23
FairTrade	23
Other certifications	23

Louis Dreyfus Company B.V. (the "company") has made every effort to ensure accuracy of the information contained in this report. However, the company cannot guarantee the completeness and accuracy of all information contained herein. The copyright to this report and its content are, except where otherwise indicated, held by the company. Unauthorized use, reproduction or conversion is strictly prohibited.

© Produced by JeffreyGroup (São Paulo, Brazil)
© All photos Copyright Louis Dreyfus Company and Louis Dreyfus Foundation unless otherwise indicated. All rights reserved.

Credit for photography that illustrates this report:
© Photographers: Marcio Bruno / Diego Padgurschi

In 2018, we were proud to celebrate LDC's 30 years in the juice business. It was the perfect year to receive our first-ever ranking among the "150 Best Companies to Work For" in Brazil, one of the most respected Brazilian corporate work environment surveys run by Você S/A magazine and Fundação Instituto de Administração. LDC Juice was equally proud to accept the 2018 Globo Rural Award for Best Agribusiness in the food and beverage sector in the country.

During the year, we invested heavily, working closely with customers to offer more citrus specialty products, such as essential oils, dry peel, and not-from-concentrate (NFC) lemon and lime juice.

The successful conclusion of the ring-fencing process of LDC Juice was another important step forward for our business, positioning us to bring on board a strategic partner as we look to pursue our investments in the juice value chain.

In September 2018, we pioneered a project with several partners to provide full orange juice supply chain traceability, from grove to supermarket shelf in the Netherlands, using blockchain technology.

LDC also set key global targets for environmental improvements across its operations between 2018 and 2022, aiming for a 5% reduction in each of four indexes: Greenhouse gas emissions, energy and water consumption, and solid waste generation. As part of these efforts, LDC Juice signed charter agreements for a new, modern bulk transport fleet that will be operational by 2020, increasing capacity while reducing fuel consumption and emissions.

These are just some of our efforts to deliver quality products for our customers – safely, reliably and responsibly – working in accordance with best practice at every step of the juice production chain.

LDC signed the UN Global Compact in 2010, affirming our aim to align our activities with ten universally accepted principles in relation to human rights, labor, environment and anti-corruption. Our Group Code of Conduct sets high standards for our own sustainability practices, as well as for those we expect from our providers, customers, business partners and sub-contractors. This is central to the way we do business, in line with LDC's vision for a safe and sustainable future.

Our work toward a more sustainable future is structured around four pillars - People, Environment, Community, and Partners & Certification. This fifth edition of our Juice Sustainability Report outlines our efforts and progress in these key areas during 2018.

Highlights

80%

of LDC Juice
farms are now
**Rainforest
Alliance
Certified™**

**Conduct
Manual**

in place for all
raw material
suppliers

**65% of
LDC Juice
farms**

now verified as
Gold Grade
by the SAI Platform

**3 tons
of food saved**

thanks to
Programa Alimento
in our restaurants

We celebrated

30 
Years in **Juice**
in 2018

**100%
traceability**

for bottled juice end
consumers in the
Netherlands' Albert
Heijn supermarkets

**20 years
of partnership**

with Alfredo Naime
School, a key
initiative for LDC
as a child-friendly
company

LDC Juice in Brazil

In 2018, our juice business celebrated 30 years of activity in Brazil.

LDC has grown alongside the country, which has become one of the most important citrus exporters in the world.

We have built an extensive asset base and grown to employ thousands of people, whose expertise makes us a strong and trusted industry player.

38
Farms

Managed by LDC Juice, these are spread across the Citrus Belt (see map).

3
Vessels¹

Used for juice bulk transportation.

+30
Products

- Frozen Concentrate (FCOJ) and Not From Concentrate (NFC) Orange Juices
- Lemon and Acid Lime Juices
- Citrus fruit by-products, including essential oils, aromas (water and oil phases), dry peel, pulp cells and citrus pulp pellets

4
Processing Plants²

Strategically located close to the main citrus-producing areas.

2
Logistics Terminals

One in Santos (Brazil) and the other in Ghent (Belgium).

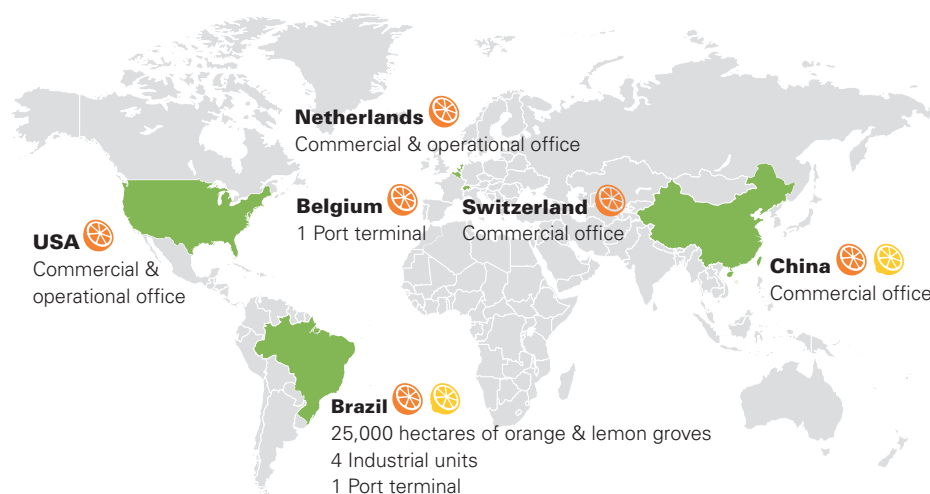
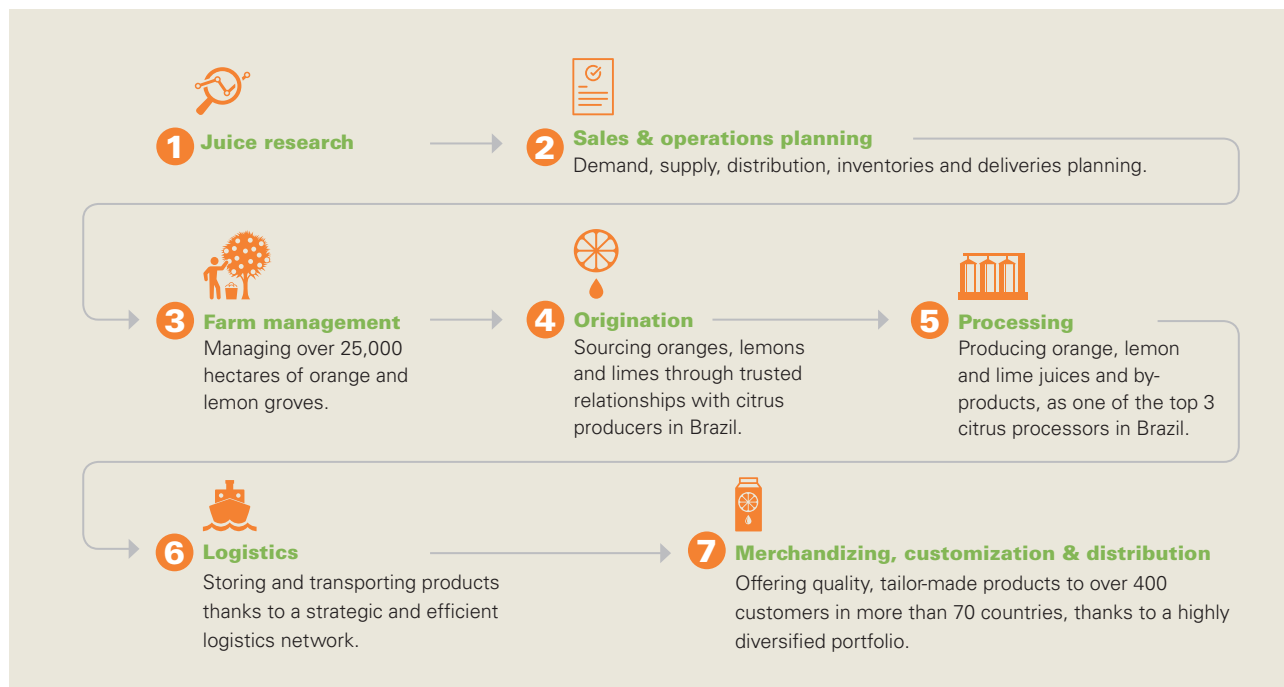
¹ In 2018 we signed charter agreements for a new bulk transport fleet of sustainable vessels that will be operational by 2020.

² As of January 2019, LDC is operating 3 processing plants, following discontinued operations at our Engenheiro Coelho facility.

Our value chain

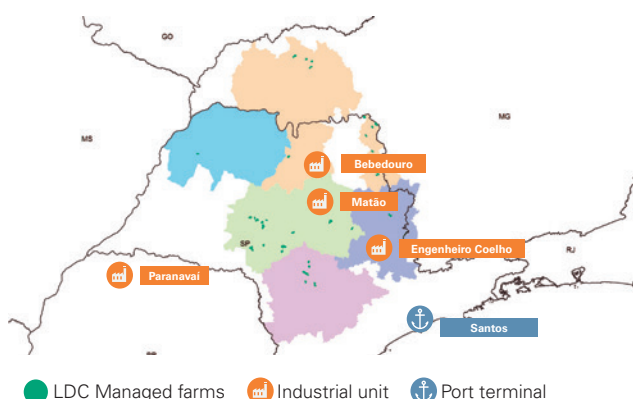
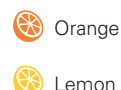
LDC Juice processes, transports, stores and delivers juice and its by-products from sustainably grown oranges, lemons and limes.

We are one of the 3 largest producers and merchandizers of juice worldwide, offering traceability throughout our value chain.



LDC Juice operational assets

Our diversified geographic footprint gives us the capacity to offer a wide range of juice qualities and reliable delivery via an efficient logistics network.



The Citrus Belt

Located in the states of São Paulo and parts of Minas Gerais, Brazil's Citrus Belt is the most important orange production region in the country. Matão and Bebedouro, where our processing units are located, are the two most important centers for the Brazilian juice sector.

Technology in action

LDC Juice works with an online map of Brazil's entire Citrus Belt, allowing our teams to identify growers and groves through GIS (Geographic Information System) and satellite imaging. Providing detailed information (e.g. tree density, variety and age, irrigation areas, etc.), this technology facilitates analyses, forecasts and ultimately better decision-making.



Investing in our people

We believe our people are our most precious and important resource. Only with them can we fulfill our purpose to create fair and sustainable value. As a result, investing in and ensuring their safety and wellbeing is a top priority.

We employ thousands of people at peak harvest season, each one of them on our payroll – we do not outsource farming, picking or industrial processing.

As a global industry leader, LDC recognizes its responsibility to act as a driver for positive change, leading by example. Our own policies and standards therefore often go beyond laws and regulations, as in LDC's Group Code of Conduct, which sets out the ethical principles and behaviors that we expect all our employees to comply with, and which is aligned with our core company values.

This is so important that we make sure every employee understands and accepts our Code of Conduct as part of their training when they join the company. We also have a dedicated, confidential helpline they can use to express any concerns regarding ethics.

In 2018, our people recognized these efforts and more in a survey run by the Brazilian Human Resources magazine "Você S/A" with Fundação Instituto de Administração foundation, which ranked LDC as one of the "150 Best Companies to Work For" in Brazil.

Who are our people?

In 2018, the total number of LDC Juice employees decreased by 9%, due to 30% smaller orange crops compared to 2017.

Permanent and seasonal employee breakdown by gender

	2017 total	2018 total	Female	Male
Permanent contracts	3,156	3,061	623	2,438
Seasonal contracts	5,653	4,941	1,445	3,496
Total	8,809	8,002	2,068	5,934

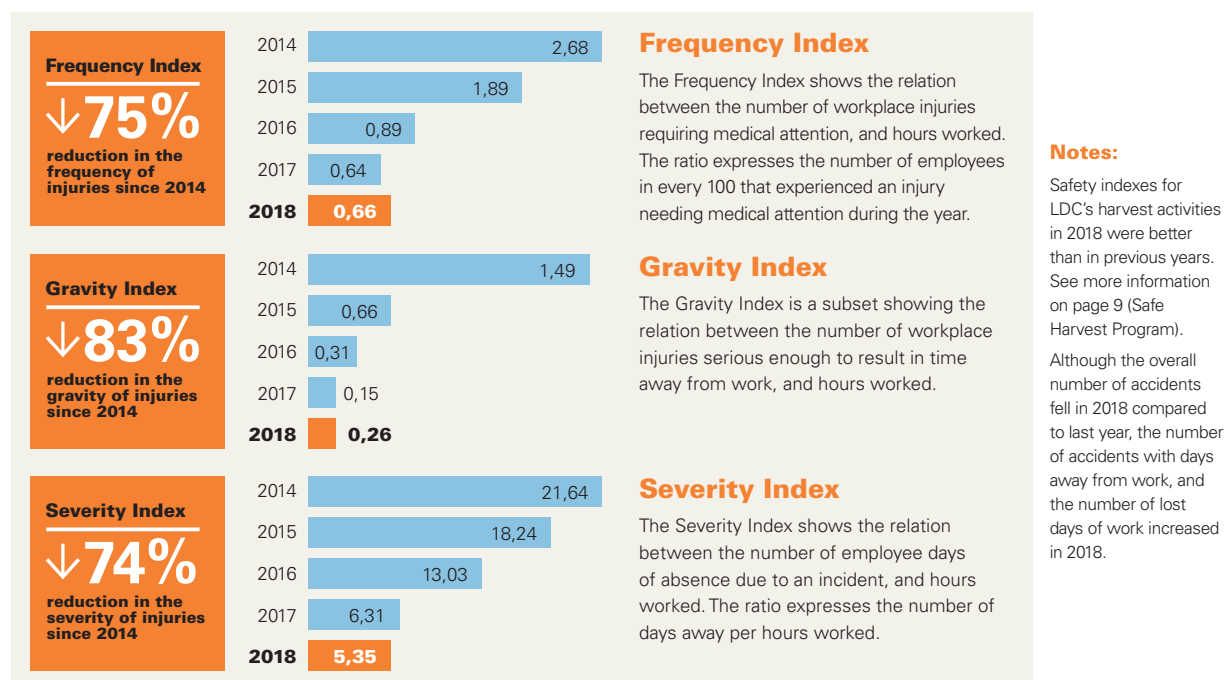
Employee breakdown by gender & seniority

	2017 total	2018 total	Female	Male
Managers	24	38	8	30
Supervisors / technicians	119	108	11	97
Others employees	3,013	2,915	604	2,311
Seasonal workers	5,653	4,941	1,445	3,496
Total	8,809	8,002	2,068	5,934

Health & safety in 2018

We take the safety of our employees very seriously, making every effort to ensure that they can travel to and from work, and perform their professional duties, in safety.

Although our safety indexes have varied, we have kept accident rates very low and we continually work to improve these rates year after year, in particular through ongoing training for our teams.



At LDC, we believe that all incidents and accidents are preventable, and therefore that we can continue to improve on our safety performance.

This is the essence of our collective "Commitment to Zero," which expresses our common goal to ensure that no harm comes to our people, environment or the communities we touch.

We will continue to make every possible effort to make this goal a reality, wherever we operate in the world.

1,600
training
sessions in
2018

Training & awareness

As an employer of thousands of people around the world, LDC recognizes its responsibility to continuously train its teams, both to support their professional growth and to ensure their safety.

That's why we invest heavily in training programs to develop our employees, helping them to achieve their full potential, and to ensure they are trained and equipped to protect themselves, aiming to create a safer and healthier work environment.

In Brazil, we held over 1,600 training sessions (up from 1,400 in 2017), including:

SGQA (Agricultural Quality Management System)

Over 3,100 employees were trained through more than 370 training sessions (compared to 330 in 2017).

SGQI (Industrial Quality Management System)

In 2018, we fully implemented the system with 169 trainings involving 1,239 employees.

Not From Concentrate (NFC) Field Day and NFC Workshop

This event has been run since 2016, with initiatives aiming to improve the quality of fruit used to produce NFC juices. The event brings together harvest, plant fruit reception and origination employees to discuss improvement opportunities in their processes.



In 2018, as a complementary strategy, we held a NFC Workshop focused on our industrial processing teams and activities (from raw material to distribution).



Agricultural technical meetings

Some 500 employee technicians and coordinators (up from 250 in 2017) participated in these training sessions, learning about best practices in agriculture, pest and diseases control, Rainforest Alliance standards, and various leadership themes for people managers.



SIPAT (Work Accident Prevention Internal Week)

Over 1,400 participants (down from 1,800 in 2017) took part in this initiative, with reduced participation mostly due to a smaller crop in 2018, which resulted in a 9% drop in the number of employees compared to the previous year. Among other subjects, lectures covered safe behaviours, individual protective equipment, inclusion of people with disabilities, financial education and several themes related to health, such as oral hygiene and prevention of dengue, cancer, HIV, Hepatitis B and C, syphilis and other diseases.

Safety Day 2018

Safety Day is a global initiative that takes place each year across LDC worldwide, to emphasize the importance of safety in the daily lives and work of our employees.

With a campaign theme "Our Safety is my priority," the event once again brought together employees from processing plants, farms and logistic terminals. In addition to key messages from management relating to safety performance and priorities, the day also recognized top-performing sites in matters of safety, and included a number of interactive activities to reinforce safe and healthy behaviors.

Safety Dialogues

In an effort to make safety a day-to-day topic of conversation, LDC Juice runs Safety Dialogues meetings with its industry and farm teams to reinforce safety procedures and best practices. A weekly review of safety procedures was also implemented at our farms, aiming to raise further awareness among local teams and engage them in identifying opportunities to improve work practices.

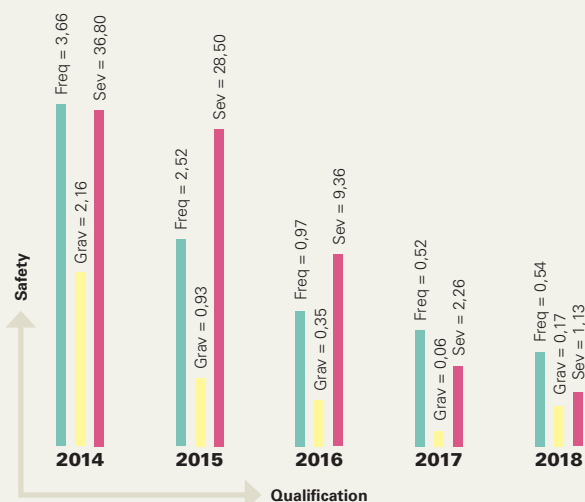
Beyond these, employees at our industrial sites and port terminal were involved in special celebration weeks such as Environment Week, Quality Week and Workers Week, to raise awareness and recognize successes and achievements.

Safe Harvest Program

Conducted since 2014, the Safe Harvest Program was run for the 5th year in 2018. Aiming to improve productivity and safety indexes across LDC Juice operations, more than 50 actions were implemented during the year to promote better working conditions for our fruit pickers, some of which are outlined here:

- We initiated the Safe Farm Program to include all other processes taking place at our farms in addition to fruit picking, such as maintenance, transportation, inspections, cultivation and office activities;
- Another initiative this year reduced to almost zero the occurrence of foot twists due to armadillo holes at our farms. Before the harvest team goes out, one of its members undertakes a corrective mapping of holes on the grove alleys, helping to prevent injuries;
- Another important action was the “3 in 1” training sessions, in which employees carry out a weekly review of harvest safety procedures and inspect the area, actively looking for potential hazards (wild animals, pot-holes, obstacles, etc.);
- 90 harvest managers were retained based on their performance (up from 79 in 2017). During off-season, they were trained in management and safety practices.

Safety indexes on harvest activities



90
harvest
managers
retained based
on performance

Focus areas

The Safe Harvest Program is based on four areas of focus:

- **Pickers and picking team leaders:** ensuring they return the following year
- **Operations:** analyzing methodologies, materials and equipment
- **Farm management structure:** defining responsibilities for SHE and harvest managers
- **SHE management system:** training and developing all employees

Working together

Recognizing that people are the foundation of our success, our management system is designed to help increase their engagement and productivity.

2018 Highlights

- **Innovation Committee:** in place since 2010, this group encourages employees to share ideas that could solve problems and improve and facilitate their activities. 109 ideas were presented and implemented during the year (compared to 38 in 2017¹), including 16 related to saving or recycling water.
- **Coffee with the Manager:** this monthly initiative to facilitate dialogue between managers and employees saw the participation of about 700 employees in 2018, at our industrial sites and port terminal.

¹Rectification: Our 2017 sustainability report wrongly reported the number of ideas implemented through the Innovation Committee as 13. The correct number is 38, as stated here.



Shuttle buses equipped with TVs allow LDC to provide harvest teams with information on accident prevention, health tips and good harvest practices during travel to and from their workplace.



Employee wellbeing

Besides adhering to all current labor regulations, we go beyond these to ensure our people enjoy a safe and healthy work environment.

For example, in 2018 LDC distributed self-application anaphylaxis medicine at all our farms. The initiative included communication on the proper medical protocol to our doctors, mapping allergic employees and identifying them with armbands, as well as training for the medical team, supervisors and individuals suffering from allergies, on how to administer the medicine.

Besides this new initiative, we continued to work on previous commitments:

- All seasonal pickers are trained to the same standard as permanent employees in matters of safety, quality and certification, ensuring that they understand the importance and impact of their activities on the global juice value chain.
- Every employee (at both farms and industrial sites) is given personal safety equipment, and we make every effort to ensure they always use it.
- All transportation is handled by fully qualified drivers, and vehicles are equipped with proper seating and seatbelts.
- Transportation, water, shade, sanitary facilities and eating areas are available at every site.
- Cabin tractors are now used for 75% of spray activities (up from 50% in 2017), during which employees are required to wear protective clothing and gear at all times, while we continue to invest in cabins for our remaining tractors.
- Pay is set above the Brazilian legal minimum wage, with bonuses linked to performance and safety targets.

2,700
employees
vaccinated

Health campaigns

In 2018, LDC organized a free H1N1 fever vaccination campaign for permanent employees, benefitting over 2,700 individuals.

The company held awareness activities on health topics:



Yellow September, focused on suicide prevention with recommendations and communication about support channels;



Pink October, sharing information about breast cancer and offering free mammography to female employees or spouses;



Blue November, reinforcing information about prostate cancer prevention;



Red December, focused on the prevention of AIDS and other sexually transmitted diseases.

Employee benefits

We offer our employees attractive benefits, addressing specific needs and going beyond legal requirements.

Benefits	Urban		Rural		Observations
	Permanent	Seasonal	Permanent	Pickers	
Life Insurance	•	•	•	•	Offered to all employees
Healthcare	•	•	•		For all urban permanent and urban seasonal workers and for some rural permanent administrative functions (co-participation plan), including dependents (spouse and children until 21 years old, or 24 if at college)
Dental Assistance Plan	•	•	•		For all urban permanent and seasonal workers and for some rural permanent administrative functions, including families
Meal Ticket	•	•			Only for Santos Terminal employees, when requested in exchange for food stamps
Food Stamps	•	•	•		Provided to all urban employees and to permanent rural employees.
Restaurant	•	•			Restaurants in factories and port terminal open to employees with LDC contributing to costs
Transport	•	•	•	•	Charter bus at industrial plants of Bebedouro, Engenheiro Coelho, Matão and all farms
Transportation Voucher	•	•			Provided at Paranavaí plant and Santos Terminal (no charter transport)
Drugstore Assistance Plan	•	•			Agreement with drugstores to facilitate the purchase of medication
Private Pension Plan	•		•		Optional for all permanent employees





Protecting the environment

Aligned with our vision to work toward a safe and sustainable future, our juice production operations are inherently sustainable in that no part of the fruit is wasted in our processes – any residues from the production of fruit juice are used as ingredients in other food, feed, chemical and cosmetic products.

Going further in our effort to improve our environmental footprint, we have set 5% reduction goals by 2022, for each of our 4 environmental KPIs:

- Greenhouse gas (GHG) emissions
- Energy consumption
- Water consumption
- Waste generation

Overall, increases in our energy consumption and GHG emissions indexes were due to smaller crops in 2018 compared to 2017, while water consumption increased at our farms due to a very dry season in Brazil requiring longer irrigation periods.

On the other hand, waste sent to landfill saw a very significant decrease thanks to a concerted effort by our plants to reduce and recycle waste, and to change waste disposal mechanisms for more environmentally-friendly alternatives.

Energy consumption

Fuel Type	2017	2018
Wood chips (MT)	174,627	206,308
Sugarcane bagasse (MT)	296,747	203,480
Diesel – Generators (L)	4,420	4,381
Diesel – Machinery (L)	182,849	131,205
LPG – Machinery (MT)	48	65
LPG – Process (MT)	451	480
Natural gas (Nm3)	72 million	8.7 million
Energy consumption (kWh)	122 million	119 million

MT: metric tons / L: liters / kWh: kilowatt hours / Nm3: Normal cubic meters

From now on, energy consumption KPIs are aligned with LDC global standards and reported as follows:

KPI (kWh / ton of processed fruit)	2017	2018
Electrical Power Consumption – Industry	37,44	40,49
Electrical Power Consumption – Agriculture	8,96	9,30
Total	30,91	34,24





Greenhouse gas emissions

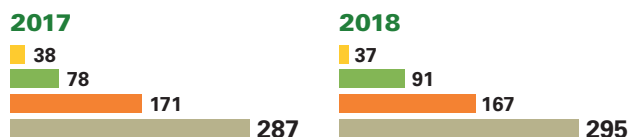
Despite smaller orange crops in 2018, overall emissions remained essentially flat compared to 2017, due to the use of the same amount of inputs, fertilizers and equipment, no matter the crop size.

From now on, Greenhouse gas (GHG) KPIs are aligned with LDC's global standards and reported as follows:

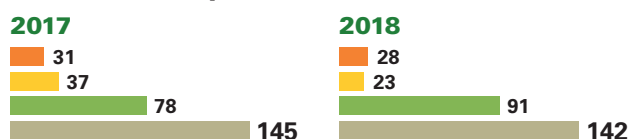
KPI (ton of CO ₂ / ton of processed fruit)	2017	2018
GHG – Industry	186,22	190,82
GHG – Agriculture	10,73	14,25
Total	146,02	155,43

The table for GHG KPIs relates to scope 1 emissions (direct emissions from owned or controlled sources only). Not From Concentrate (NFC) and Frozen Concentrate (FCOJ) total footprint refer to scope 3 emissions (resulting from company activities but from sources not owned or controlled by the company). Targets for GHG emissions relate to scope 1 emissions only.

NFC Total Footprint



FCOJ Total Footprint



grams equivalent in CO₂ per liter of orange juice at 11.5°Brix



Water consumption

Water consumption (m³)	2017	2018
Industry	4,407,860	4,634,493
Agriculture	2,353,783	3,216,992

In industry

Higher NFC production volumes in 2018 required the extraction of more water from natural sources for cleaning. On the other hand, we continue to recycle the water generated during concentration processes for FCOJ production, for cleaning and production purposes at our sites.

2018 Highlights

Matão: we invested in improvements at our effluent treatment plant toward the preservation of water and to ensure ongoing compliance with all legal requirements. These will be fully operational in 2019, with a corresponding positive impact on water consumption expected next year.

Bebedouro: a new CIP (cleaning in process) system was installed to recover the sodium hydroxide used in the plant's processing activities, reducing dispersion in soils during fertirrigation.

Paranavaí: a brand-new effluent treatment plant was built in 2018, representing an investment of over US\$1,3 million.

Targeting continuous improvement

Through our Innovation Committee initiative, employees receive recognition for suggesting ideas that enhance our operations across a number of areas. In 2018, we implemented several employee-led initiatives related to water consumption, such as the installation of a system to collect rainwater from the roof of our dry-peel lines, saving 800m³ of water in Bebedouro, and a system to collect water from the cooling tower using pipes, saving water and helping to keep the work environment clean in Paranavaí.

In agriculture

The increase in water consumption in our farms was mainly due to a greater period of drought in the first half of the year, which demanded more irrigation to keep the trees productive.

From now on, water consumption KPIs are aligned with LDC's global standards and reported as follows:

KPI (m³ / ton of processed fruit)	2017	2018
Water Consumption - Industry	1,45	1,63
Water Consumption - Agriculture	2,60	4,51
Total	1,71	2,21





Waste generation

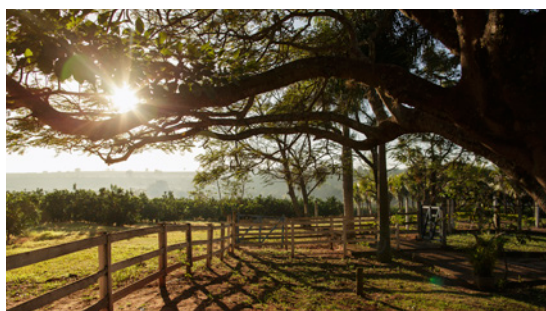
Industrial waste (MT)	2017	2018
General waste	610	345
Hazardous waste	19	28
Medical waste	0,06	0
Reused organic waste	15,412	42,603
Recycled waste	138	116
Metal recycled waste	432	548
Agricultural waste (MT)	2017	2018
Waste in general	180	203

2018 saw a reduction in waste generation, mostly due to good practices implemented in our industrial activities, such as increased recycling efforts.

Lower production volumes also led to lower organic waste generation levels, compared to 2017.

From now on, waste generation KPIs are aligned with LDC's global standards and reported as follows:

KPI (kg / ton of processed fruit)	2017	2018
Solid waste sent to landfill - Industry	0,201	0,121
Solid waste sent to landfill - Agriculture	0,199	0,284
Total	0,200	0,153



Programa Alimento (Nutrition Program)

As part of our mission to help ensure food security and sustainability for future generations, LDC implemented "Programa Alimento", an initiative aiming to reduce food waste at our plant refectories.

Focused on raising awareness among employees, the program encourages our people to pick up food in quantities that they will actually eat. In 2018, we achieved a reduction of approximately 3 tons of food (20% in Bebedouro and 50% in Matão) that, in previous years, would have gone to waste.



Green Office

Launched in 2017, the Green Office initiative continued to promote actions to reduce LDC's environmental impact in 2018.



600

native trees were planted at Matão site to compensate CO₂ emissions

Operational time adjustments in air conditioning at our main offices helped save

7MWh

in electricity

We avoided using
2 million

plastic cups across all LDC operations

Plants

were placed in our São Paulo offices, for a greener environment and healthier air

370 kg

of paper were sent to recycling, following a housekeeping initiative at our main offices

Our offices achieved a

23%

reduction in paper consumption



Integrated crop management

Our oranges and lemons are not labelled organic crops, and without crop protection products we would lose fruit, particularly in years with high incidence of plant disease. Nevertheless, we strive to uphold responsible agricultural practices in our citrus cultivation activities, such as:

- Sensible use of phytosanitary products, selecting products that abide by the Maximum Residue Limit, using them only when needed and in line with LDC's Integrated Pest Management Plan.
- Daily analyses and machinery adjustments, ensuring that we use only the necessary amount of crop protection products and that we avoid wasting water.
- Rigorous use of the ProMIP app, launched in 2017 to collect and share data from pest inspectors, allowing our teams to gauge the real need for spraying to control pests in specific areas, thus avoiding unnecessary use of crop protection products.





9,100
hectares
of conservation
areas

Conservation in action

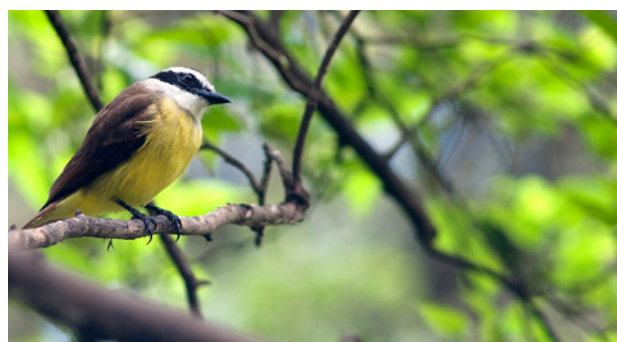
Accepting our responsibility for preserving wildlife and biodiversity around our operations and facilities, we take great care to ensure we comply with Brazilian laws on environmental and habitat preservation, sometimes going beyond legal requirements.

Biodiversity Protection and Conservation Plans

Developed to balance economic and social development with environmental preservation, our Biodiversity Protection and Conservation Plans are vital tools for the conservation of native vegetation areas (legal reserves and Permanent Preservation Areas), and help us to evaluate our use of natural resources such as soil, water and air.

In 2018 we increased the areas mapped using these plans, as follows:

- Conservation areas are mapped at 29 out of 38 farms;
- Approximately 9,100 hectares of conservation areas are mapped in total. This represents an average of 300 hectares (the equivalent of some 430 football fields) of native forest area at each farm;
- 80% of these areas are mapped for medium or advanced conservation, which entails great benefits to local wildlife, such as feeding and breeding sites for birds and mammals, among others.



Our Biodiversity Protection and Conservation plans also include studies on environmental connections between forest areas inside and outside farms. The greater the level of interconnectedness, the greater the probability of survival for the fauna and flora in the area. Encouraging ecological corridors allows greater genetic variation among animals and plants in the region, and contributes to the preservation of species.

The plans also include actions related to soil conservation, fire prevention, environmental training for employees, greenhouse gas monitoring, invasive species control and traffic reduction close to preservation areas.

Supporting our communities

As a global leader in our industry, we believe that playing an active role in the local communities close to our operations and assets is part of our responsibility as a sustainable company. In addition to generating incomes and economic activity as an important employer in Brazil, we also support social projects and initiatives aiming to make a positive impact on local communities and livelihoods.

A child-friendly company



Protecting children from exploitation as child labor and supporting initiatives working to give children in need access to education, are part of our global sustainability commitments and efforts.

LDC is recognized as a child-friendly company by Fundação Abrinq, an organization working to defend the rights of children and adolescents in Brazil, for our work with Alfredo Naime School. Since 1998, we have helped the school to

move from part-time to full-time education, and to extend its curriculum to cover subjects like mathematics, IT, writing and literacy, gardening, sports, music, dance and environmental stewardship.

We celebrated the 20th anniversary of our partnership with the school in 2018, with an exhibition of historical photographs, visits to our Bebedouro facility for children, and a musical concert presented by the students.





Together for the Environment

LDC Juice proudly contributes to raising awareness about the environment among younger generations through its “Together for the Environment” program, which encourages elementary school pupils to implement environmentally-friendly practices through interactive activities that can be easily replicated at home with their families.

Students visit LDC Juice farms, where they learn about agricultural activities and recycling, and help plant native seedlings. Each child receives an illustrated booklet with tips and information on responsible consumption and recycling, as well as the orange juice production process. Students also take home a participation certificate, a t-shirt and a special gift: a ‘magic seed’ that sprouts the word ‘nature’ when it grows and blooms.

Visiting 25 farms in 20 locations across São Paulo and Minas Gerais states, more than 1,200 children participated in the program in 2018 – 10 times the number of participants in its first year in 2014.

More highlights

Beyond these two key initiatives, LDC supports local communities in several other ways, with a few highlights outlined here.

Educandário Santo Antonio de Bebedouro

We supply school uniforms and financial support to this school, which in addition to its curriculum offers extracurricular activities for some 275 children per year, including sports, IT, dance and theatre.

Good Gymkhana

This internal competition between departments aims to collect a maximum of non-perishable food products for donation to local charities and social aid institutions, among them day care centers and retirement homes. In 2018 again, donations went beyond food to include clothes, blankets, personal hygiene and cleaning products, and Christmas packages with toys, clothes and shoes.

Site visits for students

We welcomed two groups of students from local academic institutions to our Bebedouro unit:

- Nutrition students finishing their studies at Unifafibe center (at Bebedouro University) visited the restaurant where we produce 480 meals every day.
- Nursing students from Senac’s (national commercial school) unit in Barretos learned about the work at our Bebedouro facility’s clinic, where approximately 15 people are accommodated daily, for specific or routine examinations.

Family days

This program allows employees to invite their families to their workplace, and we welcomed some 300 visitors during the year to our Bebedouro, Matão, Engenheiro Coelho, Paranavai and Santos facilities.



Working with the Louis Dreyfus Foundation

LDC encourages its people to be proactive in their support for local communities wherever we operate, identifying ways in which LDC can have a positive impact. In Brazil, 4 projects suggested by LDC employees are run in partnership with the Louis Dreyfus Foundation (Instituto Louis Dreyfus in Brazil) today, involving and led by LDC employees on a voluntary basis.

One such project is related to agroforestry systems in Itatinga, a rural city in São Paulo state. The project supports smallholder farmers in the vicinity of one of our citrus farms to increase their productivity and diversify their crops, aiming ultimately to improve their livelihoods.

Partnering for best practice

2018 saw substantial progress in this area, with positive steps on certification and new or continuing partnerships, as part of our commitment toward ever more sustainable practices in our own activities and beyond.

Technology for traceability

LDC Juice teamed up with customer Refresco, the largest independent bottler of beverages for retailers worldwide, and Dutch supermarket Albert Heijn, to make the supply chain of orange juice to consumers in the Netherlands fully transparent, using blockchain technology.

Via a QR code featured on the orange juice packaging, consumers can follow the entire journey of their preferred orange juice, from groves managed by LDC Juice and certified by the Rainforest Alliance in Brazil, through LDC's pressing, shipping and processing operations, to bottling activities by Refresco and distribution by Albert Heijn.

LDC's high standards for food quality, safety and sustainability are recorded at each step of the process, so that consumers can be certain that our oranges are produced with respect for people, communities and the environment.

The possibility to trace the journey of their product, from grove to supermarket shelf, helps consumers understand LDC's sustainable juice value chain and make an informed purchase decision.

Rainforest Alliance

Our juice operations are Rainforest Alliance Certified™ across two dimensions:

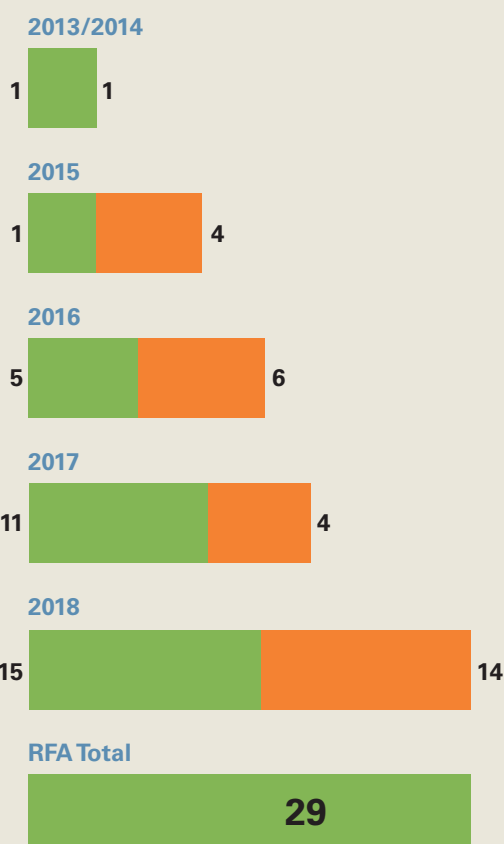
Farm-level certification

14 new farms were certified in 2018, as planned: Graúna, Porangaba, Santa Maria, Água Vermelha, Angola, Lagoa Azul, Santa Eliza, Campos Novos, Paraíso, Santa Madalena, São Luís, Bonin, São Pedro do Paraíso and Serrinha. This brings the total number of certified farms to 29 – almost twice as many as in 2017 – which represents 80% of farms managed by LDC.

Chain of custody certification

This dimension helps to ensure the traceability of production from Rainforest Alliance Certified™ farms. Our Matão plant and Santos terminal in Brazil, and our destination terminal in Ghent, Belgium, were certified in 2015, and our plant in Bebedouro, Brazil in 2016.

Expansion of Rainforest Alliance Certified™ farms in the last 5 years:



Benefits of certification

- A dedicated Group Administrator ensures that our sites constantly meet certification standard requirements
- A formalized process for working with neighboring communities
- Expansion of our Environmental Education program, helping to promote environmental responsibility through training, farm tours and seedling planting
- A resource management plan to reduce water and electricity consumption, manage solid waste and reduce the use of crop protection products with potentially toxic effects. Certified farms can only use a strict list of products considered safe for the environment.

How we gained certification

Our farms are assessed against strict criteria using the Rainforest Alliance's Sustainable Agriculture Standards across:

- Effective planning and management
- Biodiversity conservation
- Natural resource conservation
- Improved livelihoods and human wellbeing





COMPARTILHAR

Programa Compartilhar: Spreading best practice

Partnering for best practice is a way to enhance the sustainability of our entire value chain by sharing sustainable methods of production with our stakeholders, and ensuring their alignment with our own policies and with technical and legal requirements for the sector.

These are the goals of “Programa Compartilhar”, an initiative to engage third-party suppliers in this sense.

A wide variety of subjects are addressed during program meetings, which in 2018 included new technologies, greening control and Rainforest Alliance Certification™. Around 120 people took part in the meetings we conducted, including 78 fruit suppliers who represent 70% of our fruit supply from third parties.

Compared to participation levels in last year’s program, 2018 saw a 7,5% increase for the two first meetings, and a 45% increase for the third one.

Conduct Manual

In 2018, LDC launched a dedicated Conduct Manual for all raw material suppliers in Brazil, setting out our guidelines regarding employment practices, occupational health and safety, environmental protection, as well as business ethics regarding issues such as anti-corruption, traceability or conflicts of interest. Starting in March, the document was shared alongside commercial contracts with all new and existing LDC Juice suppliers. We also reinforced the Conduct Manual principles at Programa Compartilhar meetings.



Sustainable Agriculture Initiative Platform (SAI Platform)

Our farms are validated using the SAI Platform’s Farm Sustainability Assessment tool, which compares existing codes, schemes and legislation as part of one global standard. This helps farmers and food and beverage companies to produce, source and sell sustainably grown agricultural products.

In 2018, 22 farms managed by LDC were validated by an external certification agency as SAI Platform Gold Grade, in recognition of LDC Juice efforts in sustainability.



Sedex Members Ethical Trade Audit (SMETA)

As part of our business ethics and commitment to social responsibility, LDC Juice has been a voluntary member of Supplier Ethical Data Exchange (Sedex) since 2010, committed until 2018 to the SMETA 4-Pillar Audit Report in its 5.0 version, which compiles best practice in labor standards, health and safety, environment and business ethics.

Both LDC Juice terminals (Santos and Ghent) and three of our processing plants (Bebedouro, Matão and Paranavaí) are audited under this scheme.

In 2018, we also committed to the adoption in 2019 of SMETA 6.0, a new version of the audit that includes requirements relating to:

- Universal Rights (covering United Nations Guiding Principles on Business and Human Rights)
- Responsible recruitment (covering transparent recruitment practices, including migration, agency and other recruitment practices)
- Workplace impact measurement (using a set of common industry indicators to measure human rights improvements in the workplace)



Customer focus

Our 30 years of experience in juice has allowed us to build up expert knowledge of citrus juices and specialty products, and to create an extensive customer network around the world.

Aiming to be as proactive and responsible as possible in going beyond the needs of our customers, we:

- Offer logistic and R&D services, tailor-made products and relevant insights on market developments, all at competitive prices.
- Leverage our Key Account Management program to define the needs and requirements of strategic clients, in order to offer optimal product development, logistics, finance and sustainability solutions.
- Sell to over 70 countries, continually proving ourselves a reliable supplier to all our customers.
- Make strategic investments to meet customer expectations and address new trends and developments in the industry, such as increasing demand for NFC juice and specialty citrus products.
- Encourage our people to embed the highest standards of quality in all their activities, through training and initiatives related to compliance with quality and hygiene norms for all the products that we produce (see our "People" chapter for more examples).

Transparency on the ground

In August 2018, LDC welcomed a group of customers, retailers, producers, associations, NGOs and experts from the European Union's fruit juice industry association AIJN, to discuss sustainability in the sector as part of a visit to one of our farms and to our Bebedouro plant, during which the delegation made a close inspection of our operations.

Organized by a task force of LDC teams, in collaboration with Brazil's national association of citrus juice exporters CitrusBr, the visit resulted in positive feedback on our programs, as well as on our transparency in sharing information.

FairTrade

LDC Juice works successfully with the FairTrade certification program, with a focus on assessing smallholder producers against key criteria relating to labor and environmental standards.

FairTrade certification allows farmers to command a premium, which is then invested in projects to further enhance social, economic and environmental development.

Certified smallholder producers deliver their FairTrade-certified fruits to LDC's Paranavaí juice plant.

Other certifications

Besides meeting the quality requirements of our clients around the world, we go further in our commitment to food safety and quality management, aiming for best-in-class industry standards that are reflected in our considerable list of certifications.

SQF Food Safety Code for Manufacturing, Edition 8

Food Safety Management System (Recognized by GFSI): Matão, Bebedouro, Paranavaí and Santos

SGF (Sure Global Fair)

Food Safety, Authenticity, Hygiene, Sustainability, Traceability and Labeling: Matão, Bebedouro, Paranavaí, Santos and Ghent

ISO series

ISO series certification takes into account organizational context, the needs and expectations of workers and other interested parties, risks and opportunities, and leadership (especially top management) commitment to and accountability for management system effectiveness.

- ISO 9001:2015
Quality Management System: Santos, Ghent and Rotterdam
- ISO 14001:2015
Environmental Management System: Santos
- OSHAS 18001:2007
Occupational Health and Safety Assessment Services: Santos

LDC is working to upgrade from OSHAS 18001:2007 to ISO 45001:2018 by 2021

FSSC 22000 4.1

Food safety management system certification scheme: Ghent

Halal Certificate

In 2018, LDC followed certification updates required by the Islamic community with worldwide recognition, including normative standards as follows:

- Malaysian Standard (Malaysia) MS 1900, MS 1500, MS 2300
- LPPOM MUI (Indonesia): HAS 23000, HAS 23201
- Singapore Standard (Singapura): MUIS-HC-S001; MUIS-HC-S002
- GCC Standardization Organization: GSO 2055-2, GSO 2055-1
- United Arab Emirates - ESMA: UAE.S 2055-2, UAE.S 2055-1; UAE.S 2055-44

Kosher Certificate

Required by the Jewish community, including Passover product lines.

