

# Sustainability Report

## 2020



**terra**

# About this Report

Terra is a conglomerate, established in Mauritius and operating locally and regionally. Formerly known as Harel Frères, it started out as a small sugar factory in 1838. Today Terra is one of the major players in the sugar cane sector in Mauritius, managing some 6,600 hectares of land in the northern part of the island, out of which some 6,000 are under agricultural use, the remaining part being the real estate portfolio. The Group has diversified its activities, from an essentially sugar-based company to one with interests in energy production, alcohol production and commercial distribution, and property development, along with investments in construction and financial services.

Dear Shareholder,

The Board of Directors of Terra Mauricia Ltd ('Terra') is pleased to present this Sustainability Report, which provides information relating to the sustainability performance of Terra and its subsidiaries for the year ended 31 December 2020. Developed with reference to the GRI Sustainability Reporting Standards, this report is complementary to our Annual Integrated Report, which is guided by the principles of the International Integrated Reporting Council (IIRC)'s recently revised International <IR> Framework. The material matters reviewed in this report were identified through a structured process involving Terra's executive management team and other senior managers and external stakeholders, which included a review of the business model and operating context relating to each of Terra's four clusters: Cane, Power, Brands, and Property and Leisure.

This Sustainability Report describes how our material sustainability topics are addressed and managed, and reviews our 2020 performance on our most material environmental, social and governance (ESG) impacts. The report covers the operations of the Group for the year ended 31 December 2020. The Group comprises the following entities: Terragri (Corporate), Terragri (Agriculture), Terra Milling, Novaterra (Terragri (Property)), Terragen, Sugarworld, Grays Inc., Grays Distilling, Topterra and Terrarock.

While Terra's executive management team was responsible for preparing this report, the Board has reviewed the report and believes that it provides a balanced and appropriate presentation of those matters that have, or could have, a material effect on Terra's ability to create value over time. The Board has applied its collective mind to the preparation and presentation of information in this report, which has been guided by the principles contained in the GRI Standards. The Board approved this report on 13 September 2021. This report is published in digital format on Terra's website.

Yours faithfully,

Alain Rey  
Chairman

Nicolas Maigrot  
Managing Director

## SEMSI LISTING

Since 2015, Terra has been listed on the Stock Exchange of Mauritius' Sustainability Index (SEMSI). Following Terra's excellent performance in a review exercise undertaken in August 2019 by the SEMSI Supervisory Committee, the Company remained on the Index.

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## SUPPORTING GLOBAL SUSTAINABILITY INITIATIVES

Terra is committed to supporting the attainment of the United Nations Sustainable Development Goals (SDGs). We have identified six SDGs where we are already making a positive contribution through our core business activities, and will be looking to strengthen our alignment to further enhance our contribution to national and global sustainable development objectives (see page 21). We take guidance from the GRI Standards to identify and assess our material sustainability concerns, and to prepare our annual sustainability report.

	Ensure access to water and sanitation for all.
	Ensure access to affordable, reliable, sustainable and modern energy for all.
	Promote inclusive and sustainable economic growth, employment and decent work for all.
	Build resilient infrastructure, promote sustainable industrialisation and foster innovation.
	Make cities inclusive, safe, resilient and sustainable.
	Take urgent action to combat climate change and its impacts.

| **COMMUNITY MEMBER**

2021



# Our Vision, Purpose and Values

## VISION

A vision is what we see when we look ahead. It's our view of the world as we would like it to be.

When we look to the future, we see **A World in which Development is Sustainable**, where every individual has the opportunity to succeed, without compromising the needs of the next generation, where natural resources are used responsibly and efficiently, and where the ongoing development of society and the environment is kept in balance.

## PURPOSE

A purpose defines why we are here. It's the *raison d'être* that motivates the contribution we make towards our vision.

Our purpose is to **Cultivate Resources for a Better Future**. As a diversified investment holding Group, our objective is to maintain sustainability across all sectors.

We aim to protect and enhance the resources of our natural and commercial environments, while ensuring the continuing development of the people who inhabit them.

## OUR VISION, PURPOSE AND VALUES (CONT'D)

## VALUES



**RESPECT**  
Defines the way we relate to people in our Group and community.



**TENACITY**  
Encourages us to strive towards excellence through every professional endeavour.



**INTEGRITY**  
Guides our every action.



**PASSION**  
Gives us the strength and enthusiasm to always contribute with commitment.



**INNOVATION**  
Inspires us to advance by taking the initiative.

OUR VISION, PURPOSE AND VALUES

Value We Created in 2020

CUSTOMERS

CANE

74,541 T -15%

Specialty sugars in 8 varieties



BRANDS

6,106 +4%

Direct B2B customers (Mauritius)

13,487 +11%

Regular B2C customers (Mauritius)



POWER

376 GWh -12%

Supplied to the national grid

13.1% -1%

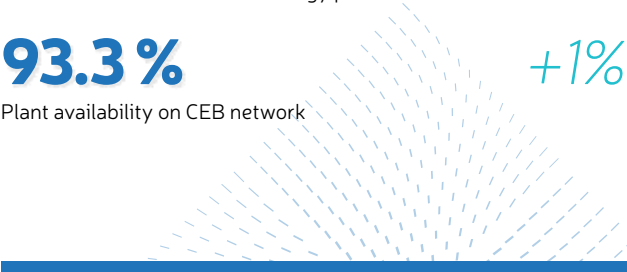
National energy mix

12.2 % -28%

Share on national renewable energy production

93.3 % +1%

Plant availability on CEB network



PROPERTY AND LEISURE

13.30 Ha

Land developed this year

16,911 -82%

Visitors to L'Aventure du Sucre



EMPLOYEES

MUR 3.6 M -54%

Invested on employee training and development

12

Additional jobs provided

MUR 965.4 M -6%

Paid in salaries, wages and other benefits

SOCIETY

MUR 2.9 M +21%

CSR sponsorship channelled through Terra Foundation

32

Projects sponsored

MUR 22.3 M -67%

Paid in taxes in Mauritius

MUR 564.3 M -13%

Paid in customs and excise duty in Mauritius

MUR 2,566.6 M -5%

Procurement spend

ENVIRONMENT

868,730 GJ -24%

Renewable energy produced (electricity and steam)

224,849 T -17%

Biogenic GHG (Scope 1) emitted

11,306 T -15%

Bagasse ash reused

394 T -19%

Non-hazardous waste recycled



# Our Business at a Glance

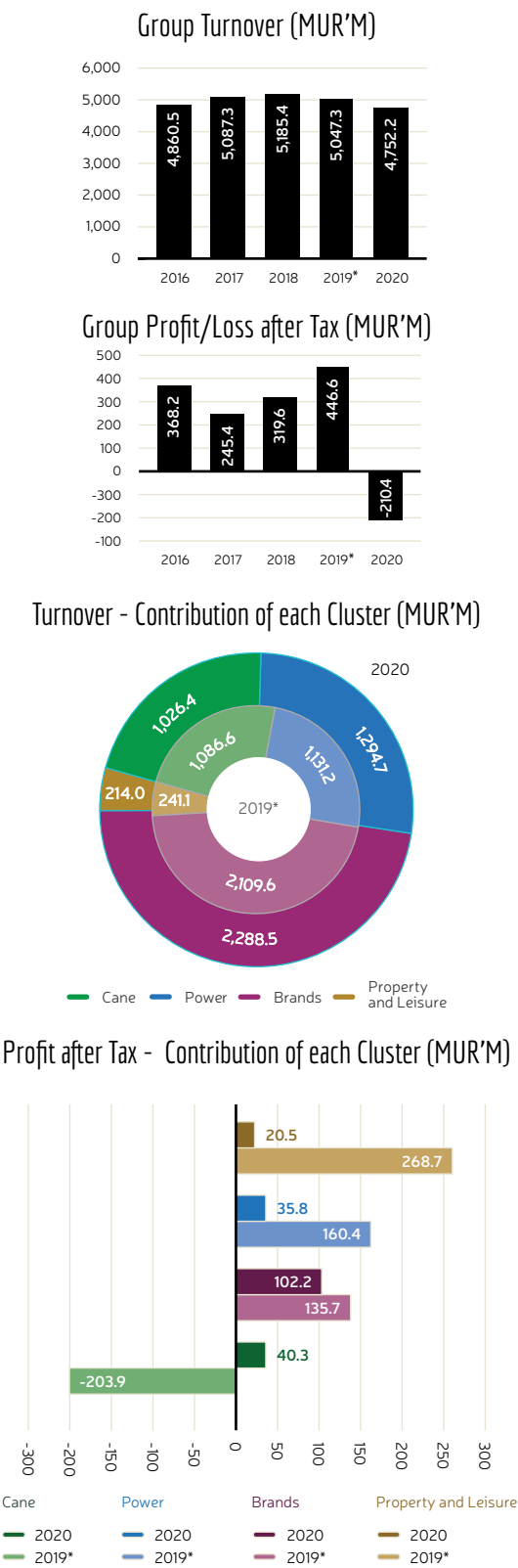
## OUR ORGANISATIONAL STRUCTURE

The Group consists of four autonomous clusters: Cane, Power, Brands, and Property and Leisure. Each cluster offers unique business know-how that sets it apart from its competitors and that provides a strong platform for value growth.

These clusters are autonomous in their decision-making processes, budgeting and reporting, as well as in the day-to-day running of their operations. The leadership team of each cluster is fully accountable for their cluster's respective performance, and is empowered to develop their own businesses and to realise international growth opportunities in line with proposals and plans approved by Terra's Board of Directors.

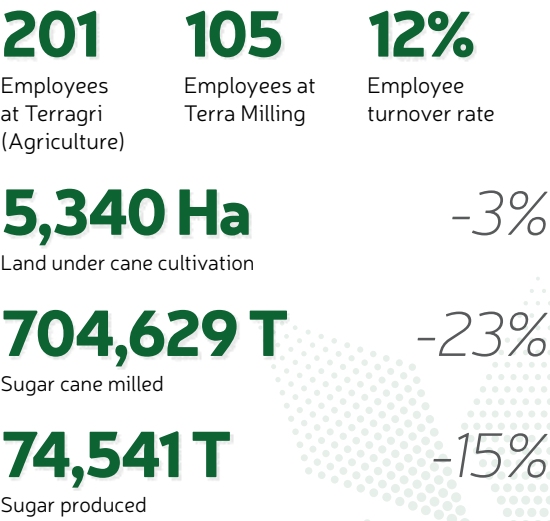
The clusters are supported by specific centralised functions aimed at developing a shared performance-based culture, and at driving operational excellence and efficiencies across the Group.

## TERRA MAURICIA LTD

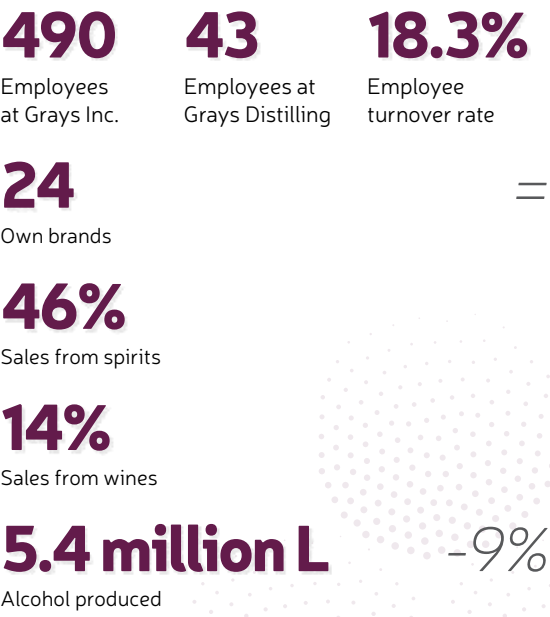


\*The 2019 figures have been restated.

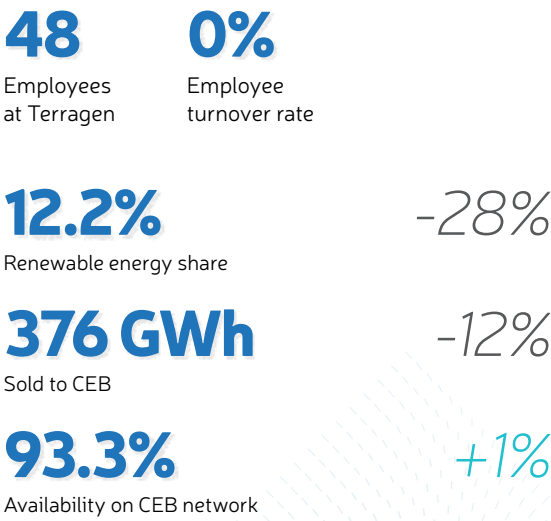
## CANE



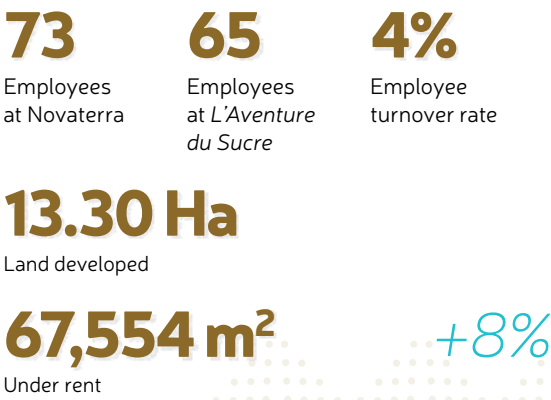
## BRANDS



## POWER



## PROPERTY AND LEISURE









# Chairman's Message

*A warm welcome to readers of the Terra Sustainability Report 2020. I am once again pleased to introduce this annual sustainability publication, which forms a key part of the Terra Group's integrated reporting suite.*

Ever since starting as a small sugar factory in 1838, the Terra Group has continued to create and share value for its many different stakeholders and for Mauritius. This success reflects Terra's longstanding appreciation for the social and environmental drivers of the business, and the concomitant efforts across the Group to continually invest in employees, protect the natural environment, and support host communities.

As Chairman, my role is to ensure that the Board provides the necessary oversight of the Group's activities, and that the executive team is doing the best it can with the resources entrusted to it, to continue to provide value for all its stakeholders in a responsible and ethical manner. The Board Charter was reviewed and updated recently, to improve our compliance with the Code of Corporate Governance for Mauritius; the results of our most recent Board evaluation indicate that our performance as a Board is improving.

Sustainability considerations continue to feature in the Board's discussions, and we deliberate often on the social and environmental aspects of decisions we make. Covid-19 has demonstrated the potentially devastating impact an unforeseen social risk can have on business, while the ongoing drought and more frequent flash floods, have highlighted that climate change is an emerging risk.

This was a challenging year for the business, where the onset of the Covid-19 pandemic and lockdown measures had a negative financial impact on almost all of our clusters. It is a relief to be able to report that our employees and their families have remained safe and that our Group has proven to be resilient in the face of such change and uncertainty.

The biggest highlight has surely been our human management successes, which have kept our people safe and underscored 'care' as an important aspect of our organisational culture. Secondly, the hard work in the fields and at factory-level, to adapt to new ways of working and drive the success of cost-cutting initiatives, has paid back, adding to the Group's sustainability. While we move towards leaner operating models, and look to reconfigure the Group's sustainability approach, we continue to engage our stakeholders, monitor our impacts, and drive social and environmental improvements in our operations where possible. This year, the Terra Foundation celebrated 10 years of community action, at a time when their sponsorship of community initiatives, particularly Covid-19 food relief, has been critical.

While the current drought led to reduced production of cane straw and *bagasse* in our Cane cluster, our Power cluster continued to generate renewable energy from this biomass, for export to the national grid. The Group successfully signed a new five-year contract with the Central Electricity Board (CEB), which includes the continued provision of renewable energy from biomass, and we presented a plan to Government with the aim of increasing this renewable energy contribution in future. It is our hope that we can build on these discussions with Government in the forthcoming year, towards expanding our renewable energy capacity and further strengthening our contribution to national decarbonisation.

I encourage you, as one of Terra's stakeholders, to review this report and to give us frank feedback, both on the nature of the Group's performance and the quality of our disclosure. Being held to account on our performance plays an important role in motivating us to strengthen our efforts going forward, and to ensure that we deliver on our commitments to transparency and accountability.

**Alain Rey**  
Chairman of the Board  
13 September 2021



CHAIRMAN'S MESSAGE



# Managing Director’s Message

*Our robust performance this year, enabled by the steadfast commitment and agility of our staff in responding to the Covid-19 pandemic, has highlighted the resilience of the Terra Group.*

Terra’s strong balance sheet allowed us to withstand the economic shocks resulting from the Covid-19 crisis. We managed to post operational profits as a Group, thanks to the resilient activities in our Cane and Power clusters, as well as our investment in the Swan Group. Following good profit the year before, our Net Profit after Tax declined by 147% (from restated profits of MUR 446.6 million in 2019 to losses of MUR 210.4 million in 2020) and the result attributable to the equity holders of the Company decreased by 182% (from restated profits of MUR 328.7 million in 2019 to losses of MUR 268.9 million in 2020).

The onset of Covid-19 and the continued movement of the Group towards leaner operating models, has necessitated a reconfiguration of how sustainability management is approached at Terra. Towards the end of 2020, the Group Sustainability function was brought under our HR Department. The aim of this new approach is to drive sustainability performance at a cluster-level. This will require renewed internal engagement to better elaborate appropriate structures and identify key objectives and projects for each cluster as from 2021.

These internal structural shifts do not alter our commitment to delivering strong sustainability performance and I am pleased to report another year of generally positive performance in occupational health and safety, employee wellbeing, environmental stewardship and community engagement. This positive performance in managing our material environmental, social and governance (ESG) impacts, together with generating substantial value for our stakeholders through our core business activities, has enabled us to continue to make a positive contribution to Mauritius’ developmental priorities and the UN Sustainable Development Goals.



## Investing in employees

Terra’s ability to create value depends ultimately on the health, wellbeing and productivity of our employees. From a people perspective, our focus in recent years on strengthening teams and improving efficiency, has helped us navigate the Covid-19 crisis. While several HR projects originally planned for 2020 were put on hold, there was a strong focus on communications to inform and reassure our workforce, as well as on the effective use of digital technologies to enable new ways of working. Several training and learning activities continued, despite disruptions. We ran follow-up coaching workshops on innovation and intrapreneurship for 19 employees at the supervisory level, as part of our ongoing partnership with the African Leadership College (ALC) Leadership Programme, and we undertook training on performance management coaching, with an eye towards implementing a more continuous appraisal approach from 2021 onwards.

We also made progress with our Culture and Engagement Journey. We developed a culture index to track and measure both ‘enabling’ and ‘disabling’ employee behaviours, with the plan to monitor these more closely from 2021. With a view to enabling cultural renewal across the Group, we have worked on embedding newly defined organisational values for our agriculture and property clusters, which will be instrumental in driving the unique cultural shifts targeted at these entities. A trust survey piloted in our Cane cluster indicated that trust is growing amongst colleagues. This is something we are looking to build on across the Group.



# Managing Director's Message (cont'd)



## Occupational health and safety

Covid-19 was the dominant health and safety concern this year, with the top priority across all clusters being to protect employees and to learn from the crisis towards strengthening our health and safety culture. A key challenge was the associated increase in anxiety and stress amongst our employees, which we addressed through concerted communications efforts to create awareness, provide information, and build supportive team relationships. Clear communications were complemented by rigorous social-distancing and hygiene protocols, “work at home” arrangements, and response procedures in the case of an infection. It is pleasing to report that there were no employee or contractor fatalities this year, and outside of Covid-19 concerns, we achieved a general decline in the number of lost-day injuries. With some postponement of planned projects, we nonetheless continued to implement various health and safety initiatives across the Group, making good progress towards achieving specific objectives in each cluster. Across all clusters, refresher training took place in response to specific incidents and upgrades were made to safety equipment where required. Fire safety compliance was improved across all clusters generally, and last year’s focus on fire preparedness at Terragri held true, as fire in fields remained a key safety risk for the entity this year. Terragen successfully transitioned to the ISO 45001 health and safety management system, with Terra Milling now targeting certification in 2021. Scheduled health and safety risk assessments took place at Terra Milling and Novaterra, outlining areas for improvement.

## Environmental stewardship

All of Terra’s business activities depend on the availability and quality of natural resources, including land, water, soil, sugar cane, biomass and coal. With landholdings and agriculture at the core of our business model, ensuring ecological functioning is central to our value proposition; protecting the environment is thus a strategic imperative. Towards preserving natural resources and enhancing the efficiency of our operations, our business model inherently applies ‘circular economy’ principles, using wastes and by-products of one part of the business as raw material inputs for other parts. Significantly less water was used for irrigation by Terragri this year, primarily due to water-use restrictions relating to the ongoing drought conditions on the island. Reducing water consumption remains a strong focus in the Cane cluster, with progress being made towards precision irrigation and an extension of the irrigation network for using treated effluent. While we continue to pursue decarbonisation through the gradual replacement of coal with renewable biomass, the combustion of cane straw and bagasse declined this year due to drought-related declines in cane production. Progress was, however, made on developing eucalyptus as an additional source of renewable biomass. Overall, 35% of Terragen’s greenhouse gas (GHG) emissions this year are accounted as biogenic (captured again from the regrowth of cultivated biomass).

## Supporting neighbouring communities

The Terra Group continues to support neighbouring communities through the corporate social responsibility (CSR) programme administered by Terra Foundation. This builds on the significant social contribution the Group makes through the provision of direct and indirect employment, the development of skills, and its contribution to the national tax base. Following Government’s approval of our list of long-term projects, we were able to continue investing 50% of our CSR funds towards NGOs and projects with which we have a history. The balance of these funds were paid to the National Social Inclusion Foundation for redistribution to other local projects and NGOs. The Terra Foundation celebrated its 10<sup>th</sup> year in 2020, in a context where the fallout from Covid-19 created critical situations for many vulnerable families. A special emergency fund was created by the Group to respond to this crisis and ensure support of the neediest in the northern region. The Foundation networked with other partners to distribute food, masks and sanitiser, and to provide access to medical assistance. Aside from these special activities, the Foundation maintained partnerships with 16 NGOs, sponsoring a total of 32 projects. The focus remained on key needs in the northern region, relating to education and training, poverty alleviation, health care, sports, and heritage and culture.

The Group’s sustainability performance – and strong commitment to disclosure in accordance with the IIRC’s International <IR> Framework and GRI’s Sustainability Reporting Standards – continues to be externally recognised, as evidenced by Terra’s listing on the Sustainability Index (SEMSI) of the Mauritian Stock Exchange since 2015.

Maintaining transparency and delivering strong ESG performance, remains an important Group objective and a key part of our commitment to creating value for our stakeholders over the short, medium and long term.

Nicolas Maigrot  
Managing Director  
13 September 2021



MANAGING DIRECTOR'S MESSAGE



# Our Sustainability Approach

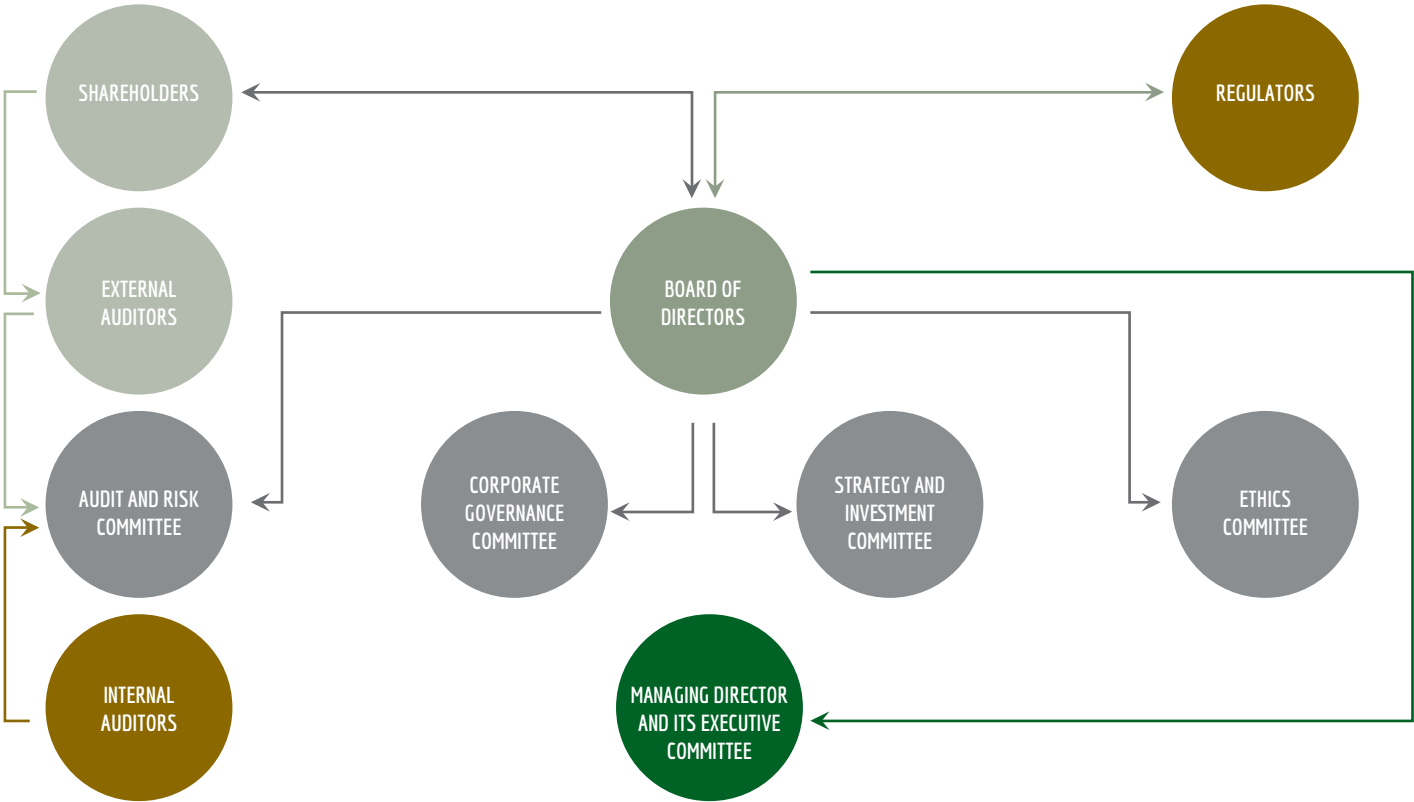
*This section briefly describes Terra’s sustainability structures and approach, and reviews the key performance and outlook of Group-level activities relating to the management of employee, environment, and community concerns.*

## SUSTAINABILITY GOVERNANCE

Terra understands its responsibility to effectively manage its impact on our people, the environment and communities. To a large degree, this sensitivity in approach comes naturally to Terra, as evidenced in the closed-loop resource flows of our business model (see pages 10, 11 and 22).

This report is published with the full support of Terra’s Board of Directors (see page 2). The Board of Directors maintains good governance practice at Terra by ensuring compliance with all applicable legal requirements, including the Companies Act and the Code of Corporate Governance. The Board also assumes ultimate responsibility for the effective management of environmental and social sustainability concerns. In exercising this oversight, the Board delegates responsibility for overseeing the management of certain sustainability issues to the appropriate Board Committee. Terra’s corporate governance structure is shown below, and the focus areas of the Board Committees are provided on pages 97 to 99 of the Annual Integrated Report 2020.

## TERRA’S CORPORATE GOVERNANCE STRUCTURE



## SUSTAINABILITY MANAGEMENT

Although each of Terra’s clusters is completely autonomous in its decision-making processes, budgeting and reporting – with each leadership team individually accountable for its cluster’s respective performance – strategic guidance and support services are provided at Group-level for the management of employee, environment, and community concerns.

At Group level, a sustainability platform and five-year sustainability framework was previously articulated to provide the overarching support and guidance needed to ensure that best practice was followed at the operational level. In 2020, Covid-19 and the movement of the Group towards leaner operating models, has necessitated a reconfiguration of how sustainability is approached at Terra. While the sustainability platform and framework, developed in 2018 and 2019 respectively, are still in place, they have not yet been fully entrenched and are now under review.

Towards the end of the year, the Group Sustainability function was brought under Terra’s Corporate Human Resources (HR) Department. This HR team, managed by the Group HR Manager under the direction of Terra’s Managing Director and supported by the HR teams at Grays Inc. and Terragri, provides the Group’s strategic guidance on HR issues. The new approach is to drive sustainability performance at a cluster-level by identifying key objectives specific to each cluster. This requires us to critically look at all aspects of our operations across the business units and to engage with our internal stakeholders, including at the executive level, to identify highly-material sustainability projects to be rolled out from 2021.

Sustainability performance at each of our entities is currently managed through dedicated Health, Safety, Environment and Quality (HSEQ) employees at the cluster level. We will reinforce the HSEQ positions at cluster level, engage with the General Managers to identify a few targeted sustainability projects, and ensure better alignment with the United Nations Sustainable Development Goals (SDGs). This will continue to be supported by the implementation of HSEQ management systems where applicable, and our integrated and sustainability reporting processes.

Terra Foundation operates under the management of its own Board of Directors, and has an operational CSR Committee to promote community development and implement actions.

## OUTLOOK

In 2021, our Group-level focus will be on the following priority areas:

- Clarifying the reconfiguration of our sustainability structures and approach.
- Strengthening the integration of the SDGs into our approach and projects.
- Identifying key cluster-level sustainability projects to be rolled-out from 2021.



# Our Sustainability Approach (cont'd)

## MATERIAL SUSTAINABILITY CONCERNS

From mid-2018 to 2019, Terra conducted a materiality assessment to better understand and direct our sustainability imperatives. The assessment was informed by the GRI Standards and involved an intensive series of meetings with internal stakeholders, to identify the key sustainability topics relevant to the business model of each of our business units. Sustainability topics both common to the Group and specific to each entity were identified and have since been mapped and monitored, towards better informing our actions and plans. Our efforts to progress sustainability management at Terra, and the impact of our actions in these key areas, is ongoing. Our key sustainability concerns, those topics most material to our business, are outlined in the table below.

MATERIAL SUSTAINABILITY TOPICS - COMMON TO ALL BUSINESS UNITS

Environment	Social
Raw materials management	Occupational health and safety
Energy management	Training and education
Water management	Labour/management relations
Effluent management	Local communities
Waste management	Social impacts of operations
Carbon footprint	Raw materials sourcing
Raw materials sourcing	Supplier's social responsibility
Supplier's environmental responsibility	

MATERIAL SUSTAINABILITY TOPICS – SPECIFIC

Cluster	Entity	Environment	Social
Cane	Terragri (Agriculture)	Climate change impacts on agriculture	Food safety
	Terra Milling	-	Food safety
Power	Terragen	(See common topics listed above)	(See common topics listed above)
Brands	Grays Inc.	Packaging life cycle management	Food safety
			Food waste management
			Product health and nutrition
			Pharmaceutical products supply chain integrity
	Grays Distilling	(See common topics listed above)	Responsible drinking and marketing
Property and Leisure	Novaterra	Management of tenant sustainability impacts	-
		Climate change adaptation	-
	L'Aventure du Sucre	Packaging life cycle management	Food safety
			Nutritional content
			Food waste management
Other	Topterra	(See common topics listed above)	Customer safety
			(See common topics listed above)
	Terrarock	(See common topics listed above)	(See common topics listed above)

## CONTRIBUTING TO THE UN SDGs

Through our core business and Group functions we are making a significant contribution to national and global sustainable development objectives. The UN Sustainable Development Goals (SDGs) represent a global consensus on the key challenges facing society globally, and provide a compass for sustainable value creation that is both globally and locally applicable. The SDGs set a clear long-term agenda for harnessing the power of peace, collaboration, technology and innovation towards ending poverty and inequality, protecting Earth's natural systems, and forging trust, prosperity and wellness for all by 2030.

Alongside Terra's values – respect, tenacity, integrity, passion and innovation – we operate our business in support of the SDGs. As part of our materiality assessment, we analysed where our business activities and our social and environmental initiatives are most strongly aligned with the SDG targets. Through this process, we identified six priority SDGs where we already make a positive contribution, and where we will be looking to strengthen our alignment and enhance our impact from 2021 onwards. This is a key objective as we reconfigure the Group's approach to sustainability and shape key initiatives at the cluster level. Our priority SDGs are listed below, including a brief outline of our current actions in these areas.



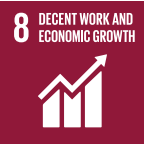
### ENSURE ACCESS TO WATER AND SANITATION FOR ALL

Given the water-stressed nature of Mauritius, Terra has ongoing initiatives across our operations to reduce or optimise water consumption. The discharge of effluent is closely managed to prevent pollution, and we dispose of our hazardous waste at a designated facility.



### ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY

Terragen provides Mauritius with access to affordable and reliable cleaner energy. The aim is to increase the share of renewable energy in the national mix. Solar energy is being investigated across our clusters, as an alternative supply for operations.



### PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, EMPLOYMENT AND DECENT WORK FOR ALL

Terra actively contributes to the Mauritian economy, and provides employment and decent jobs to a diverse population. We have ongoing initiatives that prioritise the health and safety of our employees. Diversification and innovation is a key drive across our operations.



### MAKE CITIES INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

Novaterra actively drives inclusive and sustainable urbanisation in Mauritius, through the development of smart cities, affordable housing, stormwater infrastructure and green public spaces.



### ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

Closed-loop resource flows are an inherent part of Terra's business model. By-products of biomass, molasses, vinasse, mudcake, rock and effluent are re-circulated as inputs across our clusters. Terragri minimises resource use through precision agriculture. Various non-hazardous wastes are recycled.



### TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

The Power cluster has a significant impact on this goal. It is continually improving its energy efficiency and reducing its CO<sub>2</sub> emissions, and investigating opportunities to use other biomass as energy sources.

# Protecting our Environment

*Terra has deep roots in the land and soil of Mauritius. Harnessing the productive qualities of landholdings on the island is what enables the Group to create value for stakeholders.*

Ensuring the ecological functioning of the island is central to our value proposition, and thus 'protecting our environment' is a strategic imperative. With agricultural activity at the core of our business model, all our activities across the Group's clusters depend ultimately on the availability and quality of natural resources, including land, water, soil, sugar cane, biomass and coal.

Terra has channelled this appreciation of natural capital into growing a business that leads by example when it comes to innovating closed-loop resource flows for sugar production. The Group's business model inherently reflects the principles of a circular economy (see pages 10 and 11). Looking ahead, as the Group HR department works to redefine the Group's sustainability approach and objectives, a key imperative will be to refine sustainability oversight at cluster-level, to further champion

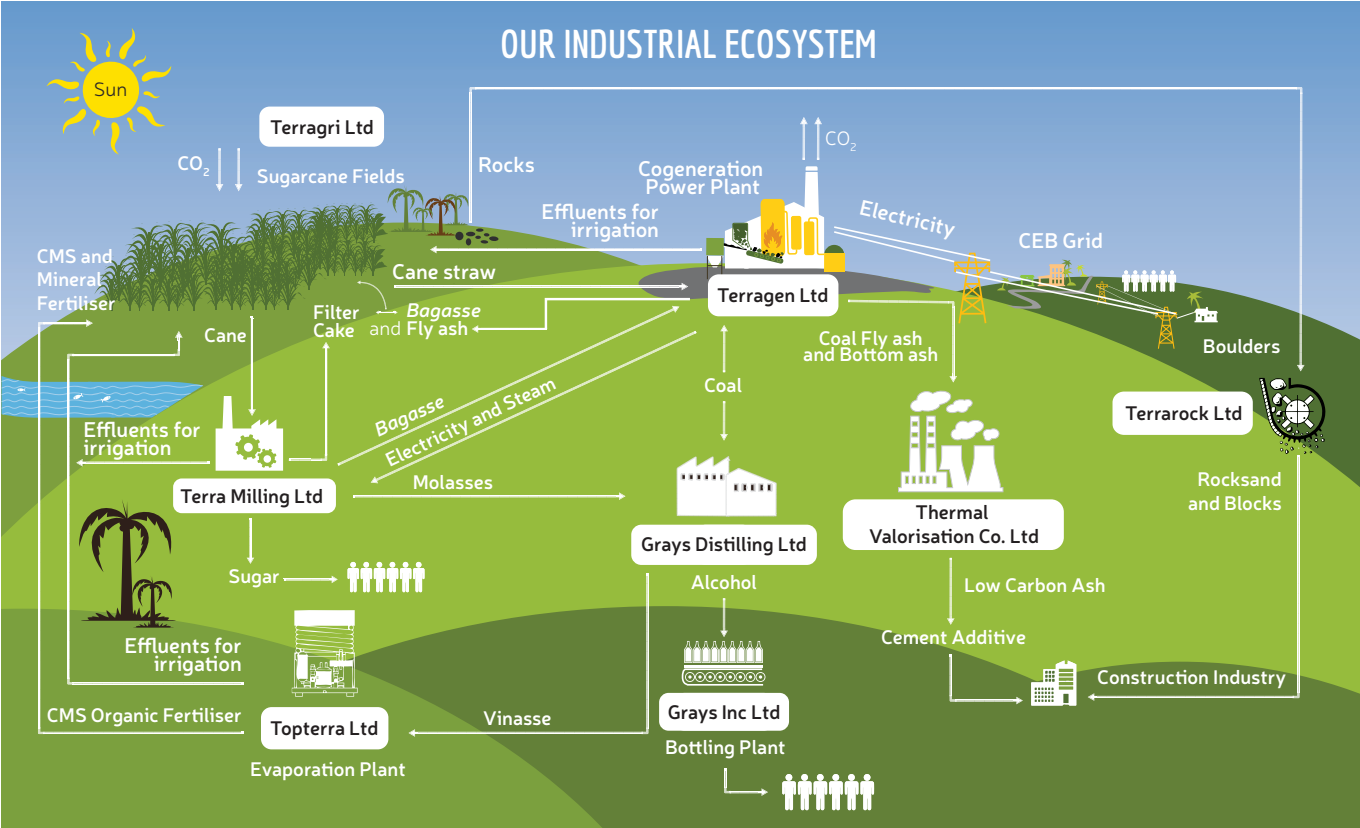
operational efficiency, and to ensure the effective monitoring of our environmental impact and performance.

It was disappointing, however, that during 2020, Terragen recorded five cases of non-compliance with legal requirements for the quality of effluent discharged to the environment. Two exceedances were recorded for total suspended solids (TSS) and three for the presence of oil/grease. These incidents are being taken seriously. Management is investigating the non-conformity in accordance with the Group's QSE policy, with responsive action and surveillance in progress. We continue to work with industry associations and governmental authorities to assist us in managing our environmental footprint and in remaining accountable for our transgressions.

## PROMOTING A CIRCULAR ECONOMY

As Terra's business model depends heavily on the use of natural materials and resources, how we manage and re-cycle the flow of these resources in a circular fashion across our business units in our industrial ecosystem, is a fundamental aspect of how we improve the resource efficiency of our operations and strengthen environmental performance across the Group.

The diagram below helps to contextualise our 2020 environmental performance by illustrating the key circular resource flows we drive and maintain across the Group on an ongoing basis.



## OUR 2020 ENVIRONMENTAL PERFORMANCE

### TERRAGRI

CMS AND MINERAL FERTILIZER FROM TOPTERRA 20,820 T (+35%)	FILTER CAKE FROM TERRA MILLING 6,552 T (+51%)	BAGASSE FLY ASH FROM TERRAGEN 11,306 T (-15%)	TREATED EFFLUENT FROM TERRA MILLING AND TERRAGEN 536,430 m³ (+3%)
TOTAL WATER CONSUMPTION 1,622,443 m³ (-68%)	HAZARDOUS WASTE RECYCLED 23.6 T (-43%)		

### TERRA MILLING

SUGAR CANE FROM TERRAGRI 704,629 T (-23%)	RENEWABLE ENERGY FROM TERRAGEN 503,634 GJ (-23%)	TOTAL WATER CONSUMPTION 506,015 m³ (-0.67%)	NON-HAZARDOUS WASTE RECYCLED 222 T (-16%)
----------------------------------------------	-----------------------------------------------------	------------------------------------------------	----------------------------------------------

### TERRAGEN

CANE STRAW FROM TERRAGRI 4,171 T (-57%)	BAGASSE FROM TERRA MILLING 259,850 T (-17%)	TOTAL WATER CONSUMPTION 1,494,788 m³ (-2%)	RENEWABLE ENERGY CONSUMPTION 49,572 GJ (-9%)
GHG EMISSIONS (SCOPE 1) OF CO <sub>2</sub> e 646,563 T (-3%)	BAGASSE FLY ASH 11,306 T (-15%)	COAL ASH SENT TO THERMAL VALORISATION 7,140 T (+14%)	

### GRAYS DISTILLING

MOLASSES FROM TERRA MILLING 23,784 T (-1%)
-----------------------------------------------

### GRAYS INC.

ALCOHOL FROM GRAYS DISTILLING 746 m³ (+2%)	NON-HAZARDOUS WASTE RECYCLED 172.1 T (+147%)
-----------------------------------------------	-------------------------------------------------

### TOPTERRA

VINASSE FROM GRAYS DISTILLING 40,927 m³ (+2%)
--------------------------------------------------

### TERRAROCK

BOULDERS 303,217 T (-20%)
------------------------------

For more information on these figures and the environmental performance of each of our entities, see the operational reviews focused on each cluster from page 34.

## OUTLOOK

- In 2021, our focus will be on the following priority areas:
- In our Cane cluster, we will continue with extensions to Terragri's irrigation network for treated effluent, and implement a new process for treated effluent at Terra Milling.
  - In our Power cluster, we will continue to pursue discussions with the CEB and other involved ministries to extend the share of renewable energy in Terragen's production mix from 27% to 40%, with a competitive price per kWh, and advance the planting of eucalyptus as an alternative source of renewable biomass.
  - In our Brands cluster, we will endeavour to secure the QSE certification of Grays Inc. and Grays Distilling, and continue with efforts to reduce water and energy consumption.
  - In our Property and Leisure cluster, we will ensure the effective implementation of environmental measures for the Beau Plan Smart City development utilising Internet of Things (IoT) and other smart city technologies.
  - At Group-level, we will maintain discussions with the local authority towards establishing a long-term relationship for integrated waste management, and continue engagements with CEB and CWA towards optimising resource use.



# Investing in our People

*Having the right technical and leadership skills, diversity of experience, and a strong performance-oriented culture, is fundamental to Terra’s ability to generate value.*

Terra’s Corporate Human Resources (HR) Department, supported by the HR teams at Grays and Terragri, provides the Group’s strategic guidance on HR issues, as well as various shared and value-added services, such as customised training and development programmes, HR efficiency matrices, and remuneration and benefit policies.

We were very focused this year on handling the Covid-19 crisis (see page 25). The Group HR took the lead in creating Terra’s Covid-19 protocol with the assistance of operational HR managers. A key challenge at the outset of the pandemic was the associated anxiety and stress amongst our employees. Calls from HR personnel, continuous engagement with General Managers, and regular communications from the Managing Director, provided the needed reassurance to our workforce to ensure their resilience. Effective use of technologies enabled certain teams to work from home, creating new innovative ways of working. The work we started a few years ago to improve efficiencies and strengthen teams, significantly helped us during this Covid-19 transition. Several HR projects planned for 2020 were put on hold and we will resume focus on these in 2021.

ENTITY	Headcount as at 31 December 2020
Terragri Ltd (Corporate)	34
Terragri Ltd (Property)	73
Terragri Ltd (Agriculture)	201
Terra Milling Ltd	105
Terragen Management Ltd	48
Grays Inc. Ltd	526
Grays Distilling Ltd	44
Sugarworld Ltd	65
Terra Finance Ltd	2
Terrarock Ltd	43
Total	1,144

# RESPONDING TO COVID-19

The global lockdowns triggered by the Covid-19 pandemic, as from February 2020, have had a devastating impact on the world economy.

Mauritius went into lockdown in March 2020 until 01 June 2020, with severe restrictions in public spaces, including food stores and supermarkets. Borders remained closed, but the Government of Mauritius announced the phased easing of travel restrictions from 01 October 2020, with borders opening to Mauritian nationals, residents and to tourists travelling for long stays, subject to a 14-day quarantine before entering the territory. Mauritius had been considered ‘Covid-19 safe’ since 26 April 2020, where there have been no locally transmitted cases. This was achieved in part by the necessary and restrictive measures taken by the Government, including limiting international travel and enforcing public health and social distancing measures. The impact on the economy has been significant, with Mauritius experiencing a 14% decline in GDP in 2020, alongside a rise in unemployment and a depreciation of the MUR against main currencies. The tourism sector was particularly impacted, with international arrivals down 78%. The low level of savings in Mauritius, in a context of rising unemployment, has had a considerable negative impact on demand. Despite all restrictive measures taken by the Government, a local case was detected on 05 March 2021, followed by an increase in cases. This has led to a second national lockdown as of 10 March up to 30 April 2021. A vaccination programme, which started in the first quarter of 2021, is on-going and at least half of the population is now fully vaccinated, while the first phase of the reopening of borders has started on 15 July 2021.

# IMPLICATIONS FOR VALUE

The move to a lockdown at the start of the Covid-19 crisis essentially happened overnight and our workforce had to adapt to the new situation rapidly. Production, activities and sales were initially halted across our operational and agricultural sites. Over time we applied for and received work access permits for those parts of the business considered essential services. This included: agricultural activities and sugar milling in our Cane cluster; distribution of pharmaceutical products, detergents, food and, at a later stage, alcohol-based gels, in our Brands cluster; electricity generation and distribution in our Power cluster; and asset management in our Property and Leisure cluster. While the performance of our Property and Leisure and Brands clusters, as well as some of our Associate investment portfolio, has been challenged by internal border closures and quarantine measures, the Cane and Power clusters have remained more resilient. For more information on the impacts of Covid-19 on the activities and performance of each cluster, please see the operational reviews in our Integrated Report 2020.

# OUR STRATEGIC RESPONSE

Covid-19 has been the dominant health and safety concern across all our clusters, with our primary focus being the protection and support of our staff, while ensuring business continuity and providing additional support to vulnerable communities impacted by the crisis.

- We established a Covid-19 committee, comprising General Managers, Communications, HR and IT teams, to prepare for the lockdown measures; daily operational management meetings ensured strategic decisions and response action plans were aligned.
  - We were agile in accommodating our administrative and office-based staff to work from home through technology enablement and virtual private networks (VPN), which included the provision of laptops and PCs. New and innovative ways of working emerged, combined with regular communications with teams via these technologies, leading to a more resilient workforce.
  - We took all precautions in alignment with Government protocols and regulations. We implemented stringent health and safety standards across all our operations, including: the development of a stage 1-4 protocol for preparedness planning; multiple training sessions, posters and videos; distributing personal protective equipment (PPE), introducing social distancing requirements and organising the workforce into separate teams; and sanitisation of the working environment. This ensured no Covid-19 infections were recorded within our activities.
- We secured isolation rooms in each cluster for any potential cases and launched internal communications campaigns to clarify Terra’s measures and protocol and to keep the morale of employees high.
  - We built on our existing digital platforms by identifying gaps in processes and continuing to roll out wide-scale digitalisation. Cyber-security measures ensured adequate controls in place.
  - We identified efficiencies in our local supplier engagement through better use of technology, and we established newsletters for our customers and employees. We are currently developing an SMS system for all employees with no email addresses.
  - We adapted strategies to continue with sales and deliveries with a limited workforce during the lockdown period, including the rapid deployment of an e-commerce website in our Brands cluster.
  - We supported our partner NGOs and communities through a Terra Covid Solidarity Fund and through the provision of essential food packs and PPE.

# Investing in our People (cont'd)

## FOSTERING A PERFORMANCE-BASED CULTURE

Our Culture and Engagement Journey in our agriculture and property clusters continued in 2020. We embedded in the respective operations the values defined for each cluster in the previous year, and we continued to co-create the desired working cultures. For Terragri (Agriculture) this has meant moving from a purely results and efficiency focused culture with traditional approaches to agriculture, towards becoming a more caring and learning organisation. For Novaterra, as a new and fast-growing cluster, the corporate culture journey is more focused on learning and results. We will also be rolling this out in our Brands cluster in 2021, starting with several coaching sessions with leadership teams.

We have seen improvements in interactions between colleagues from Terragri (Agriculture) and Terra Milling, as well as improvements in communication within clusters. In 2020, we developed a culture index to track and measure the cultural

behaviours, both enabling and disabling, and we will continue to monitor this every four to six months. This year, we conducted a trust survey in the Cane cluster, using the Lencioni model, and observed overall increased levels of trust amongst colleagues. In our Power cluster, we delivered training on performance management, moving towards a coaching approach. We will continue to develop the corporate culture around trust through training and development in 2021. We will also be rolling out our employee survey, conducted every two years, to assess levels of employee engagement.

To further support performance in 2021, we plan to progress towards more continuous performance management processes rather than one-off assessments. We will also be participating in a remuneration survey, as we do every two years, for both executives and staff. Our objective is to use the survey results to monitor and strengthen our remuneration policies and ensure they are aligned with market ranges.

## LEARNING AND DEVELOPMENT

We formulate our annual training plan by conducting a training needs analysis in each cluster; economies of scale are achieved by running some Group learning programmes for all clusters with similar requirements. We continued our collaboration this year with the African Leadership College (ALC) on co-creating a Leadership Programme that focuses on 'intrapreneurship' and innovation, and we ran follow-up coaching workshops for 19 employees at the supervisory level. We will be maintaining our efforts to build a strong leadership bench by identifying key needs for our executive and leadership teams and developing appropriate programmes. As part of our focus on becoming more efficient, we continued with our KAIZEN process in the Cane cluster and continued to improve on our performance management initiatives. In 2021, we will roll-out a new Performance Management System in the Cane cluster, with all staff trained on coaching skills to run an effective performance conversation. We will also roll-out a new service through our Training Centre, which aims to provide excellent training services, optimising the Human Resource Development Council (HRDC) refunds and delivering improved return on investment for all trainings undertaken. Investing in the learning and development of our employees will remain a key strategic focus.

## HEALTH AND SAFETY

The Group has a continuous improvement approach to providing a healthy and safe working environment for all its employees, sub-contractors and visitors. In 2020, Covid-19 was the dominant health and safety concern. The top priority across all clusters was to protect employees and their families from infection, and to learn from the crisis to strengthen the health and safety culture across Terra. The Group Covid-19 response strategy is detailed on page 25, with the impact on each cluster outlined in their respective section. Our focus was to ensure we did not put any of our employees at risk; wherever possible we had dedicated teams working from home.

### Total recordable injury rate (TRIR)

COMMENTS											FORMULA				
Incidents were not recorded in previous annual reports as same was not required. Same shall be recorded as from July 2021. Thus, to calculate some data, accident data used to calculate Lost Time Incident rate was taken.											TNI*1,000,000/THW				
BRANDS			PROPERTY AND LEISURE				CANE				POWER				
2019	2018	2017	2020	2019*	2018	2017	2020	2019	2018	2017	2020	2019	2018	2017	
25.8	21.0	21.1	6.4	18.3	29.6	10.1	19.5	41.5	30.2	27.0	19.9	9.9	0.0	9.6	

### Lost time incident rate (LTIR)

COMMENTS											FORMULA				
Number of injuries with lost day > 24h recorded in previous reports was used as TNA.											TNA*1,000,000/THW				
BRANDS			PROPERTY AND LEISURE				CANE				POWER				
2019	2018	2017	2020	2019*	2018	2017	2020	2019	2018	2017	2020	2019	2018	2017	
31.4	21.0	21.1	6.5	18.3	29.6	10.1	17.1	41.5	30.2	27.0	19.9	9.9	0.0	9.6	

### Severity rate

COMMENTS

FORMULA

Data has been taken from previous annual reports as same calculations used to be made. Only exception was that coefficient used to be 1,000 instead of 200,000. So Lost Day Rate calculated previously was multiplied by 200 (Lost Day rate x 200).

WDL\*200,000/THW

BRANDS				PROPERTY AND LEISURE				CANE				POWER			
2019	2018	2017	2020	2019*	2018	2017	2020	2019	2018	2017	2020	2019	2018	2017	
28.9	26.0	32.0	15.6	18.0	6.0	4.0	32.7	56.8	49.7	65.1	55.6	27.6	0.0	76.6	

\* Inclusive of temporary employees

**TNI:** Total number of incidents. | **THW:** Total hours worked. | **TNA:** Total number of accidents. | **WDL:** Workdays lost.

For more detail on employee information, please see Annexure 1.



# Investing in our People (cont'd)

## PROTECTING LABOUR RIGHTS

Terra continues to ensure that all its employees are adequately remunerated and provided with a respectful working environment free from inappropriate or unprofessional behaviour, including any form of harassment or discrimination.

We recognise the right of every employee to freedom of association. In our Cane cluster, 96% of workers are unionised across six different unions. In our Brands cluster, 24% of workers are unionised at Grays Distilling, and in our Property and Leisure cluster, 26% of workers are unionised at Novaterra.

The collective bargaining process takes place every three years in the Cane cluster, and in 2020 we received a compulsory request, now allowed with the revised Employment Relations Act 2019, to resume collective bargaining processes in 2021. The cluster will lead the re-negotiation of a collective agreement that will apply to all workers who are current or former sugar industry employees across the Group. The sugar industry employees are also regulated by remuneration orders that set the minimum wages and conditions of employment for various categories of workers. Negotiations with relevant trade unions began in February 2021, and we hope that a satisfactory outcome will be reached timeously in the year ahead.

In 2020, the fallout from Covid-19 threatened employment across Mauritius and impacted the performance of our businesses.

The pandemic has been particularly challenging for leisure companies, where many retrenchments have been recorded and the risk of labour dispute has been high. To manage these risks, we maintained employee salaries across the Group with support from the Government's wage assistance scheme, and ensured clear and consistent communication with all our employees regarding any developments potentially affecting them. Our managers have remained accessible and have constantly been in touch with their teams.

The major legislative development for 2020 was the national introduction of the "*Contribution Sociale Généralisée*" and the abolishment of the National Pensions Fund. This has led to an increase in pension contributions for all workers within the sugar industry. Other miscellaneous amendments relating to Covid-19 and finance were made to the Workers' Rights Act (2019). These were factored into our human capital management processes, and awareness workshops relating to these developments were conducted with managers.

No labour relation challenges, incidents or cases of non-compliance were recorded across the Group in 2020. The outlook for 2021 will remain on the forthcoming collective bargaining negotiations with the sugar industry non-agricultural and agricultural workers trade unions.

## OUTLOOK

- In 2021, our focus will be on the following priority areas:
- In our Cane cluster, we will develop OKR's (Objectives and Key Results) to be more people-oriented in line with our culture of being a caring and learning organisation, and our journey of being a trusted organisation. We will complete collective bargaining agreement negotiations with the various unions. We will further develop our health and safety culture, introducing reporting at the Board level, and instil a health and safety culture among contractors through education and monitoring.
  - In our Brands cluster, we will continue to identify more opportunities to optimise manpower structures and processes in order to further improve cost efficiencies. We will place more emphasis on health and safety, with an additional employee appointed to oversee this.

- In our Power cluster, we will implement further measures to further improve the health and safety performance for our employees and contractors, and we will adopt a more coaching type of approach to performance review.
- In our Property and Leisure cluster and in the opening of our retail centre, the Mahogany Shopping Promenade, we will place attention on any new health and safety risks, bringing in experts where needed to support our Health and Safety Officer.
- At a Group level we plan on continuing on our culture and engagement work in specific clusters and strengthening our performance management by moving more towards a performance-oriented culture and mindset. We will be launching a new e-learning platform to implement a learning culture and continue to strengthen our teams.

# Supporting our Communities

In addition to the significant social value created by the Group through providing employment, upskilling our workforce, and contributing to the national tax base, Terra also provides focused support to neighbouring communities.

Our Corporate Social Responsibility (CSR) programme, coordinated through Terra Foundation, aligns with the Government's CSR guidelines promoting community development at regional and national levels. Following government approval of the Foundation's long-term community projects, we were able to continue investing 50% of our CSR funds towards local NGOs and projects with which we have a history. The balance of these funds was paid to the National Social Inclusion Foundation (NSIF) for redistribution to other nationally-approved projects and NGOs, as is required by the Mauritius Revenue Authority (MRA).

Terra Foundation's primary focus has remained on the geographical areas around Terra's Beau Plan and Belle Vue operations, with 88% of our funds being allocated to projects here in the northern region. Going forward, we aim to allocate more resources towards ensuring that the local communities directly adjacent to the Beau Plan Smart City, are fully able to tap into the benefits associated with the development.

## PROVIDING COVID-19 SUPPORT

Following the implementation of the lockdown in Mauritius in March 2020, the suddenness of the confinement led to critical situations for many vulnerable families, with many losing their jobs, particularly in the hotel industry. Terra responded by creating a special emergency fund to support the neediest in the northern region. In addition to distributing 206 emergency food packs, the foundation also organised a Terra 'Stay Safe Operation' and donated foot-pedal sanitising stations to two NGOs caring for people requiring medical assistance. A further five sanitising stations were donated to the SSRN Hospital (one of the biggest hospitals in Mauritius) and 7,000 masks and 16 gallons of sanitizing solution were distributed to 11 NGOs. With many NGOs not able to afford to offer the usual Christmas parties and activities for their significantly impacted constituencies, Terra Foundation sponsored tickets for a Christmas show, including food and beverages for 245 children and 28 adults connected to these NGOs.

## OUR 2020 PERFORMANCE

In 2020, Terra Foundation maintained partnerships with 16 NGOs and sponsored a total of 32 projects. Twenty-eight of these projects, equating to 88% of our funding, were delivered in the northern region. With a budget of MUR 2.9 million (net of administrative expenses), the Foundation reached a total of 1,452 beneficiaries. Our key focus remained on education and training, poverty alleviation, health care, sports, and culture and heritage.

## MEASURING IMPACT

A review of the CSR programme is conducted annually to assess the efforts of our partner NGOs and evaluate the reach of their projects. For the foundation's 10-year anniversary this year, a special assessment of the major projects was completed through reviewing, and creating, a collage of video presentations and testimonials received directly from NGOs and beneficiaries. Short video-clips have been produced for 6 NGOs, to showcase how our sponsorship and support over the years has helped.

## OUTLOOK

Our focus will remain on our immediate neighbourhoods to increase interaction with our community stakeholders and to further promote the integration of the community in Beau Plan Smart City. We will look to implement the social needs survey, which was postponed this year due to Covid-19, and we will initiate a renewed focus on our employee volunteering initiatives. We plan to enhance the support we provide to our partner NGOs by enabling in-kind assistance, in addition to project delivery support, through matching employee skills to NGO needs. We will continue to support NGOs to remain resilient in the face of deepening Covid-19 related hardship.

# Supporting our Communities (cont'd)

## MAJOR INITIATIVES SPONSORED

### EDUCATION AND TRAINING

- Sponsoring two remedial classes and other projects targeted to vulnerable students in the largest ZEP (priority education zone) school of the island.
- Sponsoring vocational training for a vulnerable youth.
- Supporting visually impaired children.
- Continuing our support for an NGO that works with autistic students.
- Providing daily meal support to disabled students.
- Supporting two schools in the North in the delivery of the programme 'Les Amis de Zippy' that develops children's skills in coping with emotions, difficult situations and violence.

### POVERTY ALLEVIATION

- Supporting the monitoring of youth falling out of the mainstream educational system and enabling integration through the Cycling Academy and a sports coach.
- Supporting the work of an NGO delivering an empowerment and monitoring programme for vulnerable children living in a pocket of poverty including daily meals, trainings and other recreational activities.
- Supporting an NGO monitoring and empowering ten vulnerable families.

### HEALTH CARE

- Assisting vulnerable children and adults suffering from Type 1 diabetes with access to quality health services and sponsoring therapy activities to improve the daily management of their disease.

### SPORTS

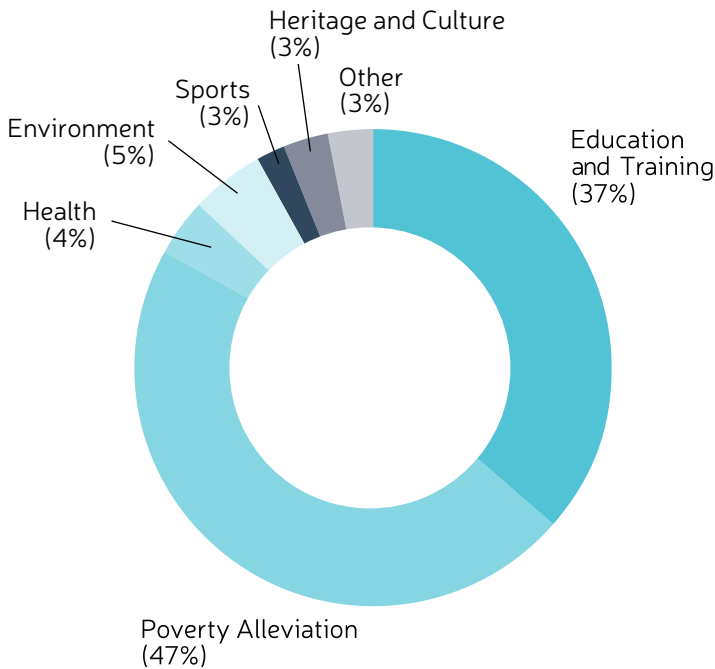
- Covering transport costs for vulnerable children attending football training sessions.

### HERITAGE AND CULTURE

- Sponsoring the participation of adolescents and adults of four NGOs of the region in a cultural and music festival including various workshops.

For more detail on organisations and projects sponsored, please see Annexure 2.

Sponsorship by areas of intervention



## TERRA FOUNDATION CELEBRATES 10 YEARS!

Terra Foundation celebrated its 10<sup>th</sup> year in 2020, and marked the occasion by reviewing the significant reach of the CSR programme, achieved together with local NGO partners. Between 2009-2019, Terra Foundation has donated a total of MUR 79 million to 263 projects, with MUR 41 million allocated to 133 projects in the northern region of Mauritius. Through these projects, the Group was able to reach 33,220 children and youth, and 60,131 adults in total, as direct and indirect beneficiaries.

The foundation has donated MUR 15.6 million, across 15 projects, to construction and social housing projects on the island, and supported 240 Terra employees to volunteer their time in support of various community initiatives. Rodrigues Island has been an important focus for the foundation over the past 10 years. Since 2009, Terra has directed MUR 7.9 million to the Island, in support of 19 projects, and reaching more than 4,000 children and 1,368 adults. A focal point has been the annual educational tour of Mauritius attended by students from Rodrigues. A total of MUR 1.8 million has been donated in sponsorship of 65 educational tours, involving 14 schools and NGOs, and reaching 2,177 children and 1,178 adults.





# TERRA'S RAPID RESPONSE TO THE MV WAKASHIO OIL SPILL

On the 25 July 2020, a Japanese bulk carrier vessel, the MV Wakashio, ran aground on an offshore coral reef, south of Mauritius. The ship proceeded to break apart, leaking some 1,000 tonnes of oil into the ocean.

Word of the incident and the risk posed to the coast of Mauritius spread across the island, and NGOs in the South of the island called for assistance in containing the spill. Local scientists approached Terra for help, describing a possible solution, where cane straw and *bagasse* can be sewn into an absorbent floating boom that is effective at containing the oil.

Nicolas Maigrot, the Group's Managing Director, responded quickly by giving the green light for Terra to actively assist in organising a community response to the crisis. Through the activation of Terra Foundation's stakeholder network, and coordinating with organisations responding in the South, a crisis committee self-organised from across the network. With Terra actively represented by Emeric Vigier de Latour and Edwidge Gufflet, the crisis committee shaped the emergence of a citizen collective in the North of the island, and soon the effort cascaded into a vibrant community-wide response effort.

The Creative Park of the Beau Plan Smart City was made fully available as the base of operations. Terragen donated 32 tonnes of cane straw, complemented by nylon mesh from Attitude Hotels and sewing needles from resident artisan Patrick Mavros, to enable manufacture of the biomass booms.

Volunteers rapidly began to arrive in groups at the Creative Park, and by 10 a.m. on the first official day of operations, there were 500 people producing booms together in a diverse and spirited community production line.

Over the next seven days, more than 2,500 volunteers arrived at the Creative Park to contribute in the collective effort, enabling the manufacture of 11km of floating boom to help contain the oil spill.

More than 50 companies enabled their staff to volunteer, including the Terra Group and Attitude Hotels. Volunteers arrived from local government departments, NGOs, tenants at the Creative Park and members of surrounding communities. Attitude Hotels and a host of other local companies made a massive effort to provide food and beverages to the hard-working volunteers.

The Creative Park also became a collection point for public donations of protective equipment for front-line workers at the oil spill. All donations were transported to critical areas of the spill, along with the daily dispatch of the cane straw bales.

This incredible initiative illustrates the value of local craft and underscores the tremendous power of civil society when responding in solidarity to a crisis. The collective community experience highlights the great potential for transformation when diverse people come together in a common struggle.

Terra's stakeholder relationships are strengthened through this experience and it has injected new life into the idea of the Creative Park as a home for local craft and artisans.

More of this story can be seen on Terra's Facebook page, with some international coverage here. (<https://fb.watch/3QBlsy9Gtt/>)





# Cane

Our purpose is to be a global player in growing cane and manufacturing sugar, with a particular focus on specialty sugars.

## PROTECTING OUR ENVIRONMENT

### GROWING A SUSTAINABLE RESOURCE

Sugar cane is a valuable resource that contributes both to the economy of Mauritius and its national sustainable development imperatives. We actively manage our environmental impacts in the cluster and participate as a key node in Terra's industrial ecosystem, where various by-products and wastes are recirculated as inputs across the Group in a 'circular economy' approach that drives resource efficiency and reduces environmental impact (see page 22).

We have been investing in the research and development of organic sugar cane production, with the goal of contributing to the Mauritius Chamber of Agriculture's vision for 1,500 hectares of land to be converted to organic cane. In 2019, we identified 175 hectares to be converted to organic sugar cane over the next three years, and in 2020 we ran our first trials on 55 hectares and made our first organic harvest. As expected, we experienced an initial 35% drop in yield with the move away from chemical feeds, but this will likely stabilise after three to five years. Trials will continue in 2021.

The effective carbon dioxide absorption rate of sugar cane makes the crop a valuable source of renewable biomass to produce renewable energy on the island. Carbon dioxide emissions from sugar cane combustion and ethanol fermentation are considered zero, because the CO<sub>2</sub> emitted through these processes is taken-up again from the air during sugar cane growth. We grow sugar cane on 5,340 hectares of land owned by Terragri (Agriculture).

### RAW MATERIALS

Optimising the efficiency of equipment at Terragri is a priority towards reducing our fuel consumption. We have prioritised the purchase of fuel-efficient machines and have redesigned our fields to enhance the efficiency of their operation. In 2020, diesel consumption for Agriculture was down to 898 m<sup>3</sup> from 1,085 m<sup>3</sup> in 2019. This decline is primarily a result of decreased land under cultivation and lower sugar cane yields.

Chemical inputs to our sugar cane production include the application of herbicide sprays and synthetic granular fertilisers. We have made significant improvements in reducing the use of these chemical inputs in recent years. In 2020, our use of chemical herbicide was at its lowest since 2013 and our use of synthetic fertiliser was at its lowest since 2014.

The decline in herbicide quantities can be attributed to our replacement of *Atrazine* – a herbicide that has now been banned – with *Diclosulam* and *Mesotrione*, which are applied at lower rates. Other management measures include using cover crops and a green cane sheet mulch or "thrash blanket" to suppress weed and vine growth. Our use of drone-technology has facilitated better seed bank management and more timely weed control by enhancing the monitoring and evaluation of cover crops and enabling spot application of herbicide. The fallout from Covid-19 also had an impact, with the application of herbicides in fields being suspended during the national lockdown from March 2020 to June 2020.

We apply granular fertilisers during the planting of sugar cane and in those cane fields where agricultural operations are still done manually. The decline in fertiliser use is partly explained by the fact that we have abandoned sugar cane cultivation in several of our manual fields. Management measures to reduce fertiliser use include planting leguminous inter- and cover-crops to naturally fix nitrogen in the soil, and applying poultry manure as a nitrogen rich soil additive at planting. Our liquid fertiliser blend includes Concentrated Molasses Stillage (CMS) as an organic input from Topterra, and filtered mudcake from Terra Milling, which is applied as a source of soil organic matter. Trials using digital precision agriculture tools will begin in 2021 through which we aim to decrease fertiliser use by a further 20%.

This year, Terra Milling received 704,629 tonnes of sugar cane from Terragri. The production of sugar cane declined this year, due to the negative impact of ongoing drought conditions. This year, 735 tonnes of Lime and 311 tonnes of Caustic Soda (50%) were used to process the sugar cane. The consumption of these chemical inputs at the mill depends significantly on annual fluctuations in the pH, chemical composition and sucrose content of the sugar cane juice. We closely monitor the consumption and dosage of these chemical inputs and continue to drive automation towards enhancing resource efficiency.

DIRECT RENEWABLE MATERIALS		2020	2019	2018
Terragri (Agriculture)	Organic fertilisers (CMS), tonnes	18,738	13,917	14,117
	Filtered mudcake (scum), tonnes	6,552	4,328	4,346
Terra Milling	Sugar cane, tonnes	704,729	918,923	751,122
	Lime, tonnes	735	821	763
	Caustic Soda (50%), tonnes	311	282	325
DIRECT NON-RENEWABLE MATERIALS		2020	2019	2018
Terragri (Agriculture)	Liquid mineral fertilisers, tonnes	2,082	1,546	1,569
	Solid fertilisers, tonnes	365	457	1,043



Cane (cont'd)

PROTECTING OUR ENVIRONMENT (CONT'D)

WATER AND EFFLUENT

The quantity of water supplied to Terragri is controlled by the Irrigation Authority. Due to ongoing drought conditions, there has been a reduction in water allocations to Terra from 20,000 to 3,000 m³/day. Terragri complies with these water-use restrictions, and as a result, significantly less water was used by Agriculture for irrigation in 2020. Irrigation of our sugar cane fields is done with different systems (such as pivots and drip), with the volume of water used differing according to the capacities of the system. With the help of digital software CanePro, we are developing the capability for precision irrigation to enhance the water efficiency of our agricultural operations.

Water consumption at Terra Milling was slightly higher this year, due to several pipe leakages and the higher proportion of specialty sugars produced, which require a longer liquidation process. All water leakages have been repaired and new water networks installed to diminish underground water loss. New piping has also been installed to recover cooling water from our crystallizers and our spray pond was refurbished to limit the amount of additional raw water needed on a daily basis. Other new circuits are being planned to recover water from the few remaining points where it is lost as effluent.

While water-use practices that generate effluent at Terra Milling are closely monitored and limited as far as possible, we still work to ensure that effluent can be efficiently reused. Wastewater produced at the mill is separated into clean water, which is reused internally, and contaminated effluent which is treated for reuse by Terragri as irrigation water. In 2020, all effluent from Terra Milling and Terragen was used by Terragri for irrigation (526,430 m³ this year, up from 509,400 m³ in 2019). Since 2019, we have been extending the irrigation network for treated effluent to expand the area we can reach with this water, and to reduce any potential accumulation of contaminants in the soil.

We currently use a two-stage system for treating effluent, which involves screening the effluent for solids and then settling the water in stabilisation ponds. A new treatment process is being developed in 2021, where a key focus is to reduce the presence of residual oil and grease. The majority of the effluent generated is condensate water, which is already clean but at a high temperature. The cost to cool this condensate for use in irrigation is currently very high, and so we are exploring ways to re-engineer our piping systems to facilitate alternative ways of reusing this heated water.

WATER CONSUMPTION, [M³]	SOURCE OF WATER WITHDRAWAL	2020	2019	2018
Terragri (Agriculture)	Surface water	1,622,443	5,051,600	4,957,518
	Effluent used for irrigation	526,430	509,400	850,000
Terra Milling	Surface water	506,015	509,413	392,482

ENERGY AND CLIMATE CHANGE

With the aim of improving the energy efficiency of Terragri’s field operations, we are advancing our uptake of digital solutions, including drones, software and artificial intelligence, to drive efficiencies in our harvesting, soil preparation and maintenance activities. At Terra Milling, progress was made in the automation of the boiling house and evaporators department, with smart sensors installed to control the steam inlet. We will undertake an energy audit in 2021 to assess the efficiency of steam traps in the crop department.

Total energy consumption at Terra Milling decreased from 1,024,583 GJ in 2019 to 946,398 GJ in 2020, primarily as a result of decreased sugar production. Similarly, the share of renewable energy consumed by Terra Milling from Terragen, declined from 651,432 GJ in 2019 to 517,883 GJ as a result of drought-related declines in Terragri’s production of renewable biomass. During the crop season, Terragri supplies Terragen with cane straw, and Terra Milling supplies Terragen with *bagasse*, both used in the production of renewable energy. Terragri further supports the supply of renewable biomass to Terragen, by supplying marginal lands on which trial of Eucalyptus as an alternative source of biomass is underway.

TERRA MILLING ENERGY CONSUMPTION		2020	2019	2018	2017
Renewable energy – bagasse and cane trash (GJ)	Electricity consumed	55,102	52,439	45,896	57,146
	Steam consumed	448,532	598,993	522,139	628,053
Non-renewable energy – Coal (GJ)	Electricity consumed	26,260	40,677	37,107	29,088
	Steam consumed	389,987	332,474	285,579	221,427

WASTE MANAGEMENT

Both Terragri and Terra Milling prioritise the reduction, reuse and recycling of all waste generated by their operations. Where disposal is currently unavoidable, waste is directed to registered disposal facilities. Terragri ensures that empty herbicide containers are rinsed of chemical residues before being sent for recycling or disposal. Terragri has also initiated paperless procurement processes with their suppliers. Both entities continue to engage with the Mauritius Chamber of Agriculture and the Food and Agricultural Research and Extension Institute with the aim of solving integrated waste management challenges.

WASTE GENERATION	CATEGORY	WASTE TYPE	QUANTITY	DISPOSAL METHOD
Terragri (Agriculture)	Hazardous	Used tyres, tonnes	8.3 (- 55%)	Recycling
	Hazardous	Used oil, m³	15.3 (+13%)	Recycling
Terra Milling	Non-hazardous	Organic waste, tonnes	478 (+ 7%)	Landfill
	Non-hazardous	Filtered mud cake (scum), tonnes	20,932 (- 25%)	Reuse (Terragri)
	Non-hazardous	Scrap metal, tonnes	222 (- 16%)	Recycling

## INVESTING IN OUR PEOPLE

### SUPPLYING HIGH-QUALITY SPECIALTY SUGARS

Terra Milling is known for producing high quality specialty sugars, and our participation in global food quality and safety initiatives helps us maintain this performance. Our adoption of the BRC Global Standard in 2007 has helped to ensure that we maintain and enhance food safety management throughout our operations. As a Sedex Supplier (B) member, Terra Milling ensures that high standards of business ethics are upheld and that compliance with labour laws, health and safety requirements, and environmental regulations is maintained. A code of conduct is currently being developed to guide relationships with suppliers.

The Mauritius Sugar Syndicate (MSS) facilitates communication between Terra Milling and its customers. Regular actions taken together with MSS include frequent meetings with MSS sales coordinators to ensure effective sugar transport and storage, the reduction of warehousing time, planning customer audits on site, and responding to customer queries on product food safety measures. In 2020, we have been closely involved in sugar production planning to better balance shipping demands with the availability of warehousing space. We are also participating more actively in marketing engagements with customers, as MSS drives new marketing efforts towards increasing sales of specialty sugars significantly by 2025.

Customer feedback helps Terra Milling to continually improve its processes and we measure customer satisfaction through monitoring the number and nature of complaints and compliments received. We received only three complaints in 2020, including concern over the presence of fines in our sugar. Generally, it was encouraging to get positive feedback from customers regarding reduced lump formation in Fine Castor Sugar, better product quality and consistency, and more open communication.

## EMPLOYEE TRAINING AND DEVELOPMENT

Training in 2020 was disrupted by Covid-19, but continued nonetheless with a focus on strengthening leadership, progressing our culture change journey towards a caring and learning organisation, and building a resilient cluster, based around mutual trust in response to the crisis. As a result, we have seen improvements in interactions and communication between colleagues from Terragri (Agriculture) and Terra Milling. Supporting this observation, a trust survey based on the Lencioni Model piloted in the cluster this year, found an overall increase in levels of trust amongst colleagues. A leadership management retreat organised in 2020 has also helped improve communication and increase trust between Heads of Department. In 2021, we will continue with our culture journey, conduct job specific training with the Regional Training Centre, and launch internal performance conversations towards revising our performance management mechanism.

## EMPLOYEE WELLBEING, HEALTH AND SAFETY

Terra Milling remained compliant with the Occupational Health and Safety Act (2005) and successfully completed the scheduled health and safety risk assessment. With the addition of a dedicated Health and Safety Officer, we made good progress in implementing the ISO 45001 health and safety management system. With slight delays this year due to Covid-19, certification to the standard is now targeted for 2021. Other key actions included the installation of a lifeline to the Over Head Travelling Crane (OHTC) platform, setting-up a gas metering system for working safely in confined spaces, and conducting eye check-ups for all workshop employees. No severe injuries or incidents were reported at the sugar mill during the year. In Agriculture, fire in fields remained a key safety risk, reaffirming efforts made in 2019 to train employees and develop a safe system of work for firefighting. Two major injuries were reported in the year: one employee was admitted to hospital following a wasp bite, and another employee sustained a femur fracture in a road accident. Following the road accident, defensive driving trainings were conducted with all drivers and operators to refresh safety practices, and a safety checklist was introduced for Bell Loaders. Electrical safety in the workshop was also upgraded by installing Residual Current Devices on electrical panels and emergency switches along the whole workshop.





# Power

Our purpose is to supply reliable and low-cost electricity to the country, be available on the CEB grid, and consolidate our position as a major player in the production of renewable energy.

## PROTECTING OUR ENVIRONMENT

### PROMOTING RENEWABLE ENERGY

Terragen supplies electricity to the Central Electricity Board (CEB) for distribution to the national grid, and is one of the most cost-effective suppliers of electricity in Mauritius. In 2020, Terragen produced 13.1% of total electricity consumed in Mauritius. With the sugar industry already a key contributor to the Mauritian economy, Terra has enhanced value creation from sugar on the island through its diversified business model, which drives an industrial ecosystem that efficiently re-circulates by-products and wastes to generate additional sugar-derived products such as energy, alcohol and organic fertilisers (see page 22). By taking all the *bagasse* produced by Terra Milling and part of the sugar cane straw left in the cane fields in the north of the island, Terragen is able to produce renewable energy, which in 2020 amounted to 12.2% of national renewable energy production.

Terragen is committed to gradually decarbonising the energy mix of the Group and contributing to national decarbonisation by shifting from coal to biomass. With the price and production of sugar declining in recent years, the value of sugar cane as a source of biomass for renewable energy production presents an opportunity to sustain the value of the sugar cane industry as a whole, as well as enhance the industry’s contribution to national sustainable development goals. During the negotiations held with CEB in 2020, through which Terragen secured a revised five-year energy supply contract, further discussions were held with the CEB and other involved ministries around strengthening Terragen’s renewable energy contribution. Expanding renewable energy production is a key strategy of the power plant with an initial outlook to extend the share of renewable energy in Terragen’s production mix from 27% to 40% with a competitive price per kWh. We intend to continue these discussions in 2021 and hope for a mutually beneficial outcome.

## WATER AND EFFLUENT

Water consumption is closely monitored and managed at Terragen. Water meters are installed throughout the plant and are monitored daily with controls in place to respond to prescribed water-use limits. Water is recirculated and reused within the plant, and water-use intensity and total water consumption figures are recorded and monitored to facilitate better management. Total water consumption decreased this year to 1,494,788 m³ (down from 1,522,596 m³ in 2019) due to the overall decrease in energy production. Our water-use efficiency also declined slightly to 3.7 m³/MWh (3.4 m³/MWh in 2019), due to pipe leakages, low load during lockdown, and the turbine breakdown in December 2020.

In addition to the progress we have made in recent years, where we have reduced our water consumption by 9.5% since 2018, we aim to make further improvements from 2021. The operation of PURATE™ technology and the installation of a new dosing station at our neutralisation pit this year, as well as the repair of pipes and the use of alternative water-treatment chemicals, are expected to yield efficiency improvements and reduce chemical concentrations in the effluent we discharge.

Recirculating and reusing water within the plant reduces the volume of effluent generated. All effluent generated is treated and passed to Terragri to use for irrigation. In 2020, we generated 1.8% less effluent due to our decreased energy output and the lower associated water use. We test and monitor our effluent water regularly in respect of pH, conductivity, temperature and turbidity. The Water Management Authority (WMA) conducts monthly tests in respect of effluent standards, and the *Laboratoire International de Bio Analyse* (LIBA) conducts quarterly tests in respect of irrigation standards. Although water discharged quality performances are satisfactory, Terragen recorded five cases of non-compliance with legal requirements for the quality of effluent discharged into the environment. Two exceedances were recorded for Total Suspended Solids (TSS) and three for the presence of oil and grease. Management is investigating the non-conformity in accordance with the Group’s QSE policy, with action and surveillance in progress.

WATER CONSUMPTION (M³)	2020	2019	2018	2017
Terragen	1,494,788	1,522,596	1,578,574	1,698,912

## ENERGY AND CLIMATE CHANGE

Energy consumption at Terragen is optimised through the efficient use of auxiliary equipment, which is shut down whenever possible. Alternative options for improving energy efficiency are currently being investigated with the assistance of an external consultant. A project to reduce the moisture content of *bagasse* prior to combustion has been identified as a promising option. Terragen’s energy consumption decreased from 53,667 MWh in 2019 to 53,175 MWh in 2020.

ENERGY CONSUMPTION WITHIN TERRAGEN		2020	2019	2018	2017
Renewable energy – Bagasse and cane straw (GJ)	Electricity production	405,949	542,854	472,147	519,364
	Electricity supplied to Terra Milling	55,102	52,439	45,896	57,146
	Steam supplied to Terra Milling	462,781	598,993	522,139	628,053
	Electricity sold to CEB	301,275	428,313	371,702	401,799
	Electricity consumption within Terragen	49,572	62,103	43,294	60,419
Non-renewable energy – Coal (GJ)	Electricity production	1,221,442	1,279,762	1,319,800	1,303,775
	Electricity supplied to Terra Milling	26,259	40,677	37,107	29,088
	Steam supplied to Terra Milling	402,256	332,474	285,579	221,427
	Electricity sold to CEB	1,053,324	1,107,985	1,142,525	1,137,000
	Electricity consumption within Terragen	141,859	131,100	151,420	137,688

Power (cont'd)

PROTECTING OUR ENVIRONMENT (CONT'D)

ENERGY AND CLIMATE CHANGE (CONT'D)

Terragen maintained the production of renewable energy in 2020, through the combustion of cane straw and *bagasse*, with further progress made on developing Eucalyptus as an additional source of renewable biomass. Waste wood chips will also be explored as an alternative source of biomass from 2021. Terragen planted 7.5 hectares of Eucalyptus in 2020 and 10,000 new saplings have reached maturity in the nursery. The eucalyptus trees have been planted on marginal land where sugar cane cannot be mechanised, and the target is to plant 50 hectares by 2022.

While continuing to pursue decarbonisation through the gradual replacement of coal with biomass, the combustion of cane straw and *bagasse* declined in 2020, due to lower levels of cane production. This resulted in less renewable energy output and an increase in the proportion of non-renewable energy from coal in our energy production mix. The combustion of cane straw declined to 4,171 tonnes (9,639 in 2019), producing 4.1 GWh for export on the grid. The combustion of *bagasse* declined to 259,850 tonnes (311,544 in 2019), producing 79.6 GWh for export on the grid. This was partially offset, however, by lower overall energy demand locally and an unplanned shutdown, which lead to a slight decrease in total coal combustion to 180,883 tonnes from 188,085 in 2019. The specific consumption of coal is also monitored to enable maximum electricity generation with the minimum quantity of coal. This year, the efficiency of our energy production from coal declined slightly, from 603 g/KWh in 2019 to 612 g/KWh, due to low load during lockdown and the turbine breakdown in December 2020

TERRAGEN DIRECT MATERIALS		2020	2019	2018	2017
Renewable materials (tonnes)	Bagasse	259,850	311,544	252,940	294,793
	Cane straw	4,171	9,639	8,247	7,526
Non-renewable materials (tonnes)	Coal	180,883	188,085	192,798	188,892

Terragen's commitment to reduce coal in its energy mix has a direct positive impact on reducing greenhouse gas (GHG) emissions. Overall, 35% of Terragen's GHG emissions this year are accounted as biogenic (captured again from the regrowth of cultivated biomass). We monitor the parameters of combustion through an online continuous automatic system. Our air emissions are also controlled by an independent laboratory operating under the Mauritius Cane Industry Authority (MCIA) on a quarterly basis, and annually by a foreign accredited laboratory.

DIRECT GHG SCOPE 1 EMISSIONS (TONNES CO <sub>2</sub> EQUIVALENT – CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O)		2020	2019	2018	2017
Sugar cane straw (biogenic CO <sub>2</sub> )		6,274	14,104	12,289	11,156
Bagasse (biogenic CO <sub>2</sub> )		218,575	263,525	213,816	247,877
Coal		421,714	436,637	449,973	437,089

EMISSIONS TO AIR

Terragen ensures full compliance with its Environmental Impact Assessment (EIA) licence and the Standards for Air (1998) promulgated under the Environment Protection Act (2002). We employ multiple methods to control dust emissions, including equipping each boiler unit with an efficient electrostatic precipitator, and using dust suppression equipment on the *bagasse* handling system. In 2019, we installed dust suppression equipment for the coal handling system and additional trees were planted around the coal ash storage area.

In 2020, Terragen demonstrated satisfactory performance on air emission with respect to the national air emission standards. No exceedances were noted during the year and our PM<sub>10</sub> is at its lowest compared to previous years. No stack emissions exceedances were recorded for NO<sub>x</sub>, CO and SO<sub>2</sub> parameters at both our units. However, we did note issues in regard to the smooth operation of our online continuous monitoring system. Several actions have been taken to improve the reliability of the continuous air monitoring unit, including the recovery of spare parts from Reunion Island.

OTHER SIGNIFICANT AIR EMISSIONS – NO <sub>x</sub> , SO <sub>2</sub> , PARTICULATE MATTER (PM)		2020	2019	2018	2017	EPA Standards for Air 1998 (mg/m <sup>3</sup> )
Parameter (mg/Nm <sub>3</sub> at 6% O <sub>2</sub> )	NO <sub>x</sub>	537	548	553	631	1,000
	SO <sub>2</sub>	1,151	910	836	809	None
	PM <sub>10</sub> – bagasse and cane straw	25	42	22	15	400
	PM <sub>10</sub> – Coal	59	76	45	46	200

WASTE MANAGEMENT

Terragen generates minor quantities of non-hazardous and hazardous wastes that are directed to registered recyclers and waste disposal facilities. Less waste was generated in 2020 due to the short shutdown experienced, yet we maintained a 60% recycling rate.

Ash remains Terragen's primary waste stream. In 2020, 7,140 tonnes (62.81%) of our total coal fly ash was sent to the thermal valorisation plant in the south of the island for re-burning and transformation into an additive for the production of cement. This represents a rise of 14.4% compared to 2019. This process reduces the carbon content of the ash from around 20%, to less than 5%, and reuses the energy released to produce electricity. Terragen contributed to establishing this plant, specifically to provide a permanent environmental solution for coal ash reuse.

FUEL ASH (TONNES)	2020	2019	2018	2017
Bagasse fly ash	11,306	13,308	12,815	14,260
Coal fly ash	11,368	10,506	16,388	20,480
Coal bottom ash	25,019	24,832	25,414	26,687



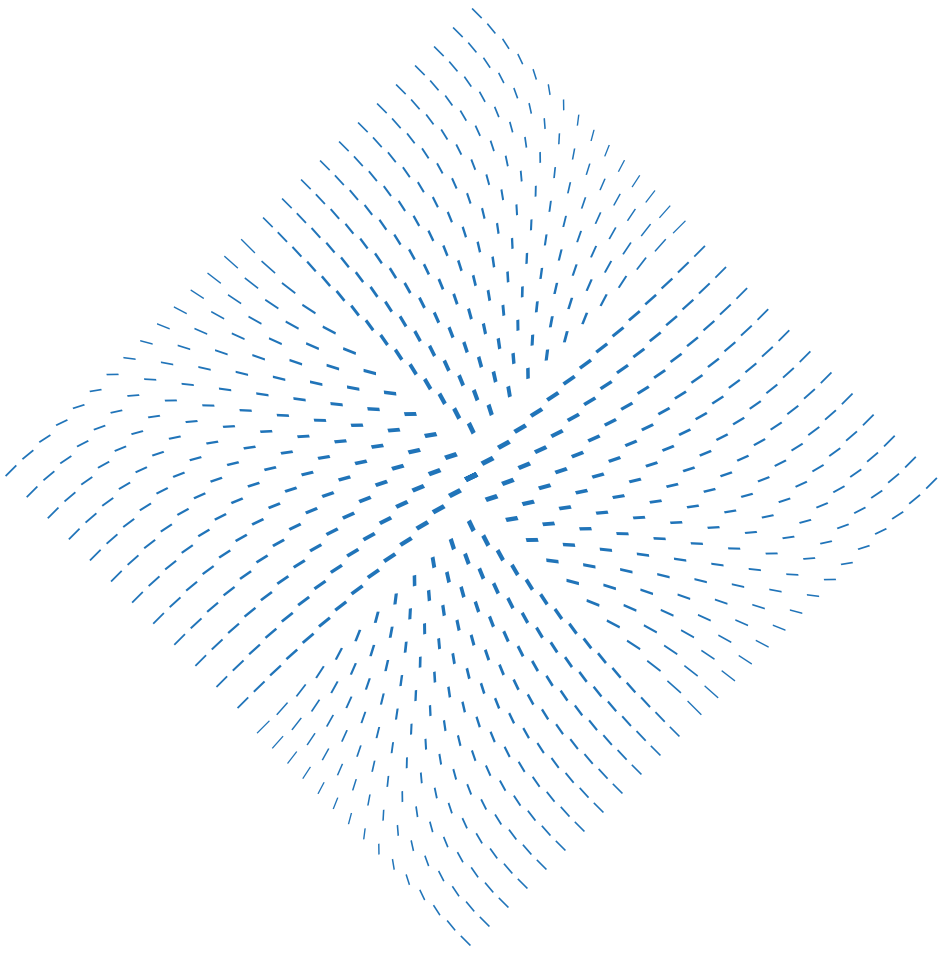
## INVESTING IN OUR PEOPLE

### EMPLOYEE TRAINING AND DEVELOPMENT

Despite disruptions from Covid-19, Terragen completed all training planned for 2020. In addition to refresher training on topics essential for health and safety, more specialised technical training initiatives were conducted for employees in pneumatics, hydraulics and mechanics. Key health and safety training included Microsoft Project to improve task planning, Root Cause Analysis to improve employee comprehension of safety incident analysis, and AED Defibrillator training to strengthen employee response in cases of cardiac arrest. Internal auditor training aligned with ISO 19011 was held to support the implementation of our integrated management system, and our move towards a coaching approach to performance review was kicked-off with foundational training to support effective employee participation. A new method for evaluating the effectiveness of our training initiatives was outlined, and this will be tested with forthcoming trainings in 2021.

### EMPLOYEE WELLBEING, HEALTH AND SAFETY

The key focus at Terragen has been to reinforce the health and safety culture at all levels, and to improve the effectiveness of fire prevention and protection. Refresher training was conducted throughout the year to reinforce health and safety practices, near-miss reporting was rolled out, and key safety protections were installed for roads, the perimeter walkway and *bagasse* conveyer-belt. The construction of a new water tank, pump and network is underway to bolster fire protection. Following an external audit in December 2020, the health and safety management system has successfully transitioned from ILO OSH 2001 to ISO 45001. The year saw an increase in accidents and minor injuries, currently being mitigated through site visits with the management team on a weekly basis, refresher training, new safety installations, emergency testing and learning from the near-miss reporting. We also conducted psychosocial stress tests in our cluster to ensure employees were not close to burnout.



# Brands

Our purpose is to be the most trusted and sustainable brand builder.

## PROTECTING OUR ENVIRONMENT

### RAW MATERIALS

Molasses is the primary raw material input for Grays Distilling, with a small amount of coal used to fire the combustion boiler, and more minor quantities of other chemicals also required. Our primary feedstock of molasses comes through the Terra industrial ecosystem from Terra Milling, supplemented with molasses from alternative sources when needed for the distillery to produce at full capacity. Due to declining sugar production, we continue to be confronted by a limited availability of molasses in Mauritius. In 2019, we commissioned a new coal-fired boiler to improve our combustion efficiency. Coal consumption declined this year due to the reduction in production days. In 2020, we started trials with a yeast booster and continuous scrubbing system, and we installed a new automated fermentation unit which is to be fully commissioned in 2021.

The key raw materials for Grays Inc. include the alcohol, glass bottles, caps and labels used for the production and bottling of spirits and wines. We closely monitor the supply and use of these materials to ensure efficient consumption and reduce waste. We have recently identified areas for improving our resource efficiency; this includes introducing measures to optimise the filtration process during the blending of liquor and reducing the glue consumption of the labelling machine. It has been encouraging to see some of our key suppliers using recycled content in their glass and cardboard products. New glass bottles purchased contain at least 25% recycled material, while cardboard boxes contain at least 60% recycled paper content. We recover and recycle 84% of our cane spirit and fruit wine bottles.

DIRECT RENEWABLE MATERIALS		2020	2019	2018	2017
Grays Distilling	Molasses (tonnes)	23,784	24,094	24,888	23,863
Grays Inc.	Alcohol (100%) (m³)	746	729	817	758
	Bulk wines and spirits (65%) (m³)	355	734	630	610

### ENERGY AND CLIMATE CHANGE

The installation of a new coal-fired boiler at Grays Distilling in 2019 contributed to an improved combustion efficiency, resulting in minor reductions in GHG emissions. We monitor energy consumption at the distillery, and in 2020, we installed steam flowmeters and a totalizer to monitor steam consumption. We are exploring the potential of using renewable energy to power the boiler.

At Grays Inc., we receive electricity from the CEB, with an average monthly consumption of 50,500 kilowatts. We have an internal generator on standby with a capacity of 330 kVA, and we operate a boiler with the capacity to produce one tonne of water vapour for feeding the bottle washer and pasteuriser machine. In 2020, the company invested in a burner that runs on non-potable alcohol (a renewable by-product of the distillation process), enabling us to move away from using non-renewable heavy fuel oil. This burner has been operational since June 2020. To drive energy efficiency, we have sensitised our staff to smart energy practices, and are continuing with the gradual replacement of old air conditioning units with more efficient systems and conventional lightbulbs with LEDs. We experienced a slight drop in energy consumption in 2020, mainly due to reduced levels of operation.

ENERGY CONSUMPTION WITHIN GRAYS DISTILLING	2020	2019	2018	2017
Renewable energy consumption (CEB), GJ	n/a	510	591	634
Non-renewable energy consumption (CEB and coal), GJ	83,794	89,569	96,489	82,176

### WATER AND EFFLUENT

Water is used by Grays Distilling in the production of alcohol products and indirectly for cooling and the production of steam. Water consumption is closely monitored and reused where possible in closed circuits. Steam flowmeters and a totalizer were installed in 2020, which will help monitor water consumption related to the use of steam. Water from a canal is used for cooling the condensers and is returned to the canal. Further water efficiency initiatives are being explored. Effluent water or vinasse is sent to Topterra for treatment, where it is processed into irrigation water and Concentrated Molasses Stillage (CMS), both used by Terragri in sugar cane fields (see page 22).

Grays Inc. uses water primarily for operating the boiler, running the bottle washer and blending alcoholic beverages. Monthly water consumption in 2020 was approximately 840 m³; we are continuing with our efforts to optimize water use and reduce the volume of wastewater discharged. We are exploring the re-use of caustic soda solution from our cleaning-in-place (CIP) process. The effluent we produce is stored in sedimentation tanks prior to discharge in waterways in accordance with the national environmental regulations and standards. In 2021, we will be looking to install an acid dosing pump to better control the pH of the effluent discharged.

GRAYS DISTILLING WATER CONSUMPTION (M³)	2020	2019	2018	2017
Surface water	64,680	74,248	72,761	74,642
Public water utility (CWA)	2,350	943	1,480	1,407



## Brands (cont'd)

### PROTECTING OUR ENVIRONMENT (CONT'D)

#### WASTE MANAGEMENT

Both Grays Inc. and Grays Distilling have waste management systems in place with the aim of reducing the volume of waste sent to landfill. Most waste is separated for distribution to approved recyclers or disposed of at registered facilities. The new more efficient boiler at Grays Distilling has resulted in reduced production of coal ash, and Grays Inc. has reduced plastic packaging to align with new environment protection regulations banning plastic bags in 2020. As packaging is a key raw material for Grays Inc., a key initiative has been to align our resource efficiency efforts with our waste management strategies. This has involved boosting our recycling and reuse systems.

Our substitution of cardboard boxes with reusable plastic crates for stacking and transporting our products, such as *Seven Seas*, has prevented a significant number of boxes from being landfilled. Returnable crates increased by 6% in 2020 (up from 22% in 2019, and 49,000 crates in 2018). These plastic crates use less virgin plastic in their construction. In promoting glass recycling, Grays Inc. incentivises the return of glass bottles at the consumer end by remunerating between MUR 10 and MUR 25 per empty bottle returned. This currently applies to all locally produced cane spirits such as *Seven Seas*, *Deluxe*, *Dukes* and *King Cane* brands. In 2020, we recycled 70% of glass bottles from the units we produced. This represents a slight decrease from the 73% recycled in 2019, as new bottles were bought in 2020 to fuel growth.

NON-HAZARDOUS WASTE RECYCLED (TONNES)	Waste type	Quantity	Disposal method
Grays Inc.	Damaged glass bottles, tonnes	144 (+ 380%)	Recycling
	Plastic, tonnes	5.7 (- 64%)	Recycling
	Cardboard cartons, tonnes	22.4 (+ 17%)	Recycling
Grays Distilling	Coal ash, tonnes	707 (- 15%)	Landfill

### INVESTING IN OUR PEOPLE

#### SUPPLYING WORLD CLASS PRODUCTS

Grays Inc. and Grays Distilling pay particular attention to meeting legal requirements for the production, sale and advertisement of food-safe alcohol products. Food items require pre-market approval before sale to ensure that the ingredients comply with national food safety standards. Similarly, pharmaceutical and selected para-pharmaceutical products require the approval of the Pharmacy Board. Alcoholic products need to display health warnings and labels to promote recycling. The key regulations governing our operations include the Custom Act 1988, Excise Act 1994, Food Act 1998, Food Regulations 1999, Public Health Act 2009 and Public Health Regulations 2008. There were no cases of non-compliance with laws and regulations in 2020.

Prior to being launched on the market, any new product goes through several steps of appraisal to ensure that it meets legal requirements and customer needs. Grays is implementing an integrated management system based on ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards to enhance production, sales, environmental management, and provide a healthy and safe workplace for our employees. Spoiled food products are a primary food safety concern for Grays, and ongoing monitoring of the expiry dates on imported food products is done in the warehouse, with delivery made on a first-in first-out basis. Quality control is carried out and recorded during the bottling of alcoholic beverages. Approved preservatives and Cleaning-in-Place (CIP) processes are used to help limit spoilage of beverages with low alcoholic content.

### INVESTING IN OUR PEOPLE (CONT'D)

#### SUPPLYING WORLD CLASS PRODUCTS (CONT'D)

In addition to complying with applicable legislation, meeting our customers' needs remains paramount. Kosher certification was obtained for all potable alcohol in 2020 and we are ready to achieve Fairtrade certification. We aim to continually improve our management of customer feedback and complaints; all complaints received from customers regarding product quality and food safety are recorded and addressed. Currently, complaints are directed to the customer service department, where the complaint is recorded, and a feedback champion is designated to respond and provide corrective measures. Our complaint procedures were revised at the end of 2020 and will be finalised in 2021.

Unfortunately, we did not conduct a customer satisfaction survey for 2020 due to the implementation of a new order management system that will improve our efficiency at processing orders and enhance our distribution services. We will conduct surveys for both our traditional trade sector and pharmacy channel in 2021.

### THE WORLD'S BEST RUM: *NEW GROVE EMOTION 1969*

In 2020, Grays Ltd.'s New Grove Emotion 1969 rum, won the *Canne d'Or* Award at the first ever International Sugarcane Spirits (ISS) Awards. Launched this year, the ISS Awards consolidates four major spirit competitions and brings together 40 of the world's top experts from 17 countries and three continents, in an event designed to set the new gold standard for global spirits competitions and celebrate excellence within the industry. The *Canne d'Or* Award is the highest possible distinction of the competition, and winning this award strengthens the position of 100% Mauritian rum in the global market.

### EMPLOYEE TRAINING AND DEVELOPMENT

Due to risks linked to the work environment of Grays Distilling, it is highly important that health and safety training, including the running of refresher courses, continues on an annual basis. The focus of training this year remained on safety at work, and included training on first aid, emergency evacuation, boiler operation, firefighting, manual handling, chemical safety, food handling, road safety and personal protective equipment. At Grays Inc., this year's training focused on strategic planning, creative thinking and problem solving in response to a market context disrupted by Covid-19, with the aim of identifying future business opportunities. Feedback on training was positive and employees have shown an encouraging amount of resilience and agility in response to increases in work pressure and stress. From 2021, both entities are looking to invest in targeted training to improve leadership and decision making at management level.

### EMPLOYEE WELLBEING, HEALTH AND SAFETY

At Grays Inc. and Grays Distilling, the focus remained on risk prevention through employee awareness and training. A system for proper maintenance of First-Aid kits was established, and fire safety was maintained through the renewal of fire certificates, maintenance of firefighting equipment and installation of new signage. Two accidents occurred during the year, relating to chemical burn and back pain. Refresher training in handling chemicals and manual handling was organised in response. A new safe acid handling system is also being implemented, as a few damaged acid pails were received during the year. Quality checks are done to avoid any accidents.

### COMMUNITY SUPPORT

In 2020, the Brands cluster donated 4.5 tonnes of food or the equivalent of 18,000 meals to Foodwise and other NGO's for distribution to vulnerable households.

# Property and Leisure

Our purpose is to create and unlock the value of the Group's land holdings for all its stakeholders.

## PROTECTING OUR ENVIRONMENT

### ADVANCING GREENER DEVELOPMENT

In addition to ensuring compliance with all land development regulations, Novaterra proactively promotes greener development in Mauritius through the integration of social and environmental sustainability aspects into all our development projects.

The Beau Plan Smart City is currently the flagship development through which we aim to showcase technologically advanced sustainability solutions in a modern and inclusive urban environment. The development of the Smart City includes various environmental sustainability features. The specification of eco-friendly building materials where possible will reduce the ecological footprint of construction. Harnessing the Internet of Things (IoT), big data and smart grids will enable automatic monitoring and efficient control of energy, water, waste, and traffic. The integration of green open spaces, smart mobility systems and non-motorised transport routes will help make the Smart City clean, accessible, and highly liveable.

The development of Beau Plan Smart City is a long-term project, and 2020 has been a year focused on integrating sustainability into the design process and engaging in strategic planning towards the achievement of sustainability goals along the full development timeline. We have incurred project delays across our portfolio as a result of the Covid-19 pandemic, but our sustainability planning for the Smart City is on track and will continue into 2021.

We have invested significantly in infrastructure in Beau Plan. As the region is vulnerable to cyclones and extreme weather, we have invested substantially in the drainage networks to mitigate potential flooding. Consultants are on-board for all smart technology aspects, and we have appointed Information and Communications Technology (ICT) service providers. The installation of ICT cables has been planned and smart-ready lamp posts have been installed in the heart of the development. Construction of the water treatment plant has been completed and the plant will come online to service the Mahogany Retail Park in 2021. During the construction phase, contractors are required to follow an Environmental Management Plan, as required by the Ministry of Environment and set out in the Environment Protection Act (2002).

### ADVANCING GREENER DEVELOPMENT (CONT'D)

At Sugarworld, systems are in place to monitor and manage water, electricity and waste. We have been severely impacted by the fallout from Covid-19, experiencing an extended period of closure. Due to this shutdown, water and energy consumption declined by 19% and 41% respectively. Key waste streams are routinely sent to recyclers. Food waste at 1,438 kg, was higher than usual due to the impact of the Covid-19 curfew and the breakdown of a chiller. Recently, steps have been taken to improve our resource efficiency and make our operations more environmentally sensitive. All lamps are gradually being replaced with energy-efficient LEDs. The restaurant fortunately remained open this year to support the development of Beau Plan Smart City. The restaurant menu has been designed to showcase local food, produce and products, and we have recently banned plastic straws. We routinely minimise packaging, serve filtered tap water, use biodegradable takeaway containers and cutlery, recycle used kitchen oil, and source natural cleaning products. Our office and marketing activities prioritise paperless approaches and digital channels, with vegetable-based inks used for printing where necessary.

## INVESTING IN OUR PEOPLE

### COLLABORATING FOR COMMUNITY RESILIENCE

Engaging and collaborating with Government, tenants and local communities is an essential part of making the Beau Plan Smart City a sustainable project. The sustainability aspects of the development are a key drawcard for tenants and local communities. Engaging proactively with these stakeholders and including them in the design, development and future visions of the city, is an essential part of creating a vibrant, workable and user-oriented development.

We are working with the National Development Unit on land-drainage to support the Government's master plan to address flood risk in the north of the island. Discussions with the CEB and CWA are ongoing to facilitate the integration of the smart digital infrastructures, as well as with the local authority to establish a long-term relationship for integrated waste management. We have completed negotiations with ICT operators to secure multiple options for telecoms service providers in the city. A key initiative under discussion with the CEB, is the construction of a 1.6 MW solar plant to supply renewable energy to the Smart City. We have 'in principle' approval from the CEB to produce 1.6 MW, but are currently reviewing the viability of the project, due to increases in the construction costs following the pandemic versus the predefined tariff proposed by CEB. We are also developing guidelines together with tenants to bring greener approaches and behaviours to life. Through the Terra Foundation, we invite community engagement and participation in the emerging life of the Smart City (see page 29).

The Mahogany Shopping Promenade was launched in 2021 and has been very well received by the public. We have secured 93% of the leasing and aim for full occupancy by the end of 2021. We have secured an attractive mix of reputable tenants and key brands, which will win the interest of both foreign and local customers, and support neighbouring communities by providing employment opportunities. This year, the Creative Park hosted hundreds of volunteers in the incredible community response to the Wakashio oil spill (see page 32).

Sugarworld has recently supported several events aimed at raising public awareness for sustainability. Our employees volunteered wholeheartedly in the collective response to the Wakashio oil spill crisis. A collaboration with local artist Joshila Dhaby, resulted in an exhibition called *Refraction* that combined art and science to highlight the fragile beauty of our marine life and explore the ocean conservation issues we face today. Sugarworld again sponsored the Kaz'Out Music Festival 2020, which supports local artists and celebrates creativity, cultural diversity and public engagement through music. Local residents from neighbouring communities are invited to participate in preparations for the festival, attend workshops, and experience the backstage areas, towards inspiring interest creative arts careers. We also co-organised a gourmet food event to showcase local food and celebrate values of diversity and reciprocity, towards fostering cross-cultural sharing and understanding.

Maintaining high standards of hygiene and food safety are key concerns for the restaurant and boutique at Sugarworld, and of critical importance in delivering exemplary customer service. Making our supply chains more socially and environmentally responsive is also a priority. Systematic management measures are in place that ensure organised storage and management of stock, clear labelling of perishables, routine cleaning, and strict adherence to personal hygiene and food safety protocols. We work closely with the Group Health and Safety Officer and have appointed food hygiene and quality control consultants. We engage regularly with our suppliers and prioritise procurement from certified local suppliers. All staff are trained as certified food handlers and clear signage at workstations helps maintain health and safety awareness. Compliance is closely monitored, and customer complaints are consistently recorded and addressed. No complaints were recorded in 2020.



# Property and Leisure (cont'd)

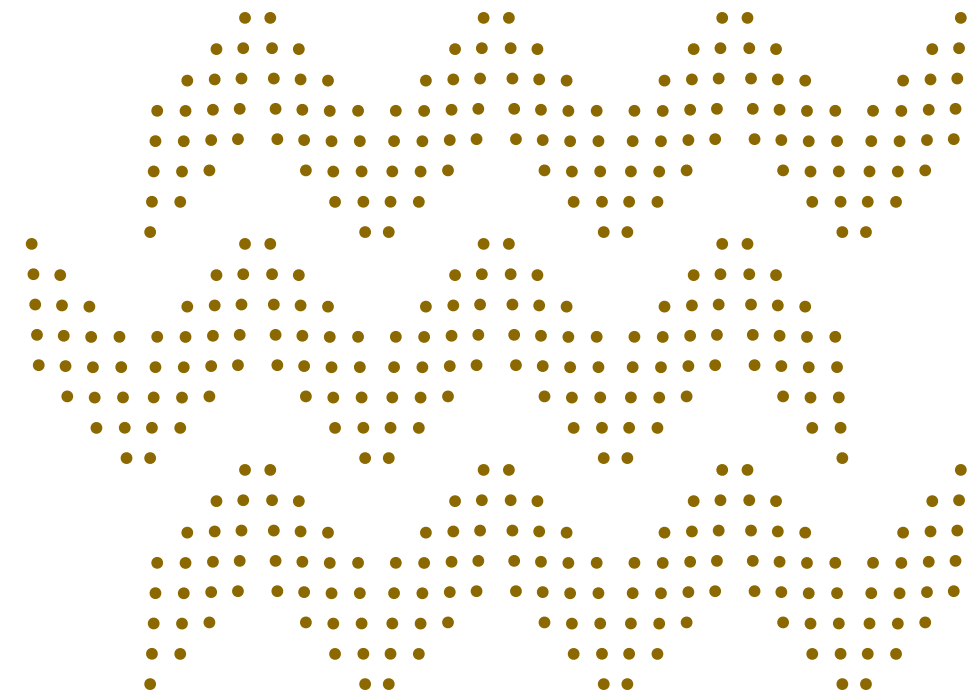
## INVESTING IN OUR PEOPLE (CONT'D)

### EMPLOYEE TRAINING AND DEVELOPMENT

Since the onset of Covid-19, coordinating training has been difficult for Novaterra and Sugarworld. Novaterra conducted training on improving the efficacy of meetings, harnessing team synergy, and on understanding the implications (for the real-estate business) of new regulations passed under the Financial Intelligence and Anti Money Laundering Act 2018 (FIAMLA). Sugarworld managed to organise training at the beginning of the year on innovation and information technology. In addition, both companies ran sessions to strengthen fire awareness and emergency procedures, and to inform employees of Covid-19 protocols.

### EMPLOYEE WELLBEING, HEALTH AND SAFETY

Novaterra ensures a safe working environment for all its stakeholders including employees, contractors, tenants and visitors. A health and safety risk assessment is conducted every two years, with regular inspections carried out and corrective measures implemented. Work at height and fire safety remained the key health and safety risks, mitigated through training and supervision. Both Novaterra and Sugarworld have strengthened their fire prevention and protection readiness, obtained fire certificates and ensured compliance with the Fire and Rescue Service Act (2018). In preparation for the opening of our retail centre in Beau Plan Smart City in 2021, safety barriers were installed during the construction of stormwater drains, and the traffic circle in Beau Plan has been redesigned to better ensure driver safety. Trees on the site of the Mahogany Shopping Promenade are being inspected and trimmed, and the terrain surrounding the on-site lake is being assessed to identify any potential safety risks. Sugarworld undergoes regular third-party audits relating to food hygiene, packaging, labelling, health and safety, cleanliness and staff training. To manage these audits and attend to all issues raised, we have established a steering committee that performs this role and ensures compliance with international health and safety requirements, including food safety.



Other Business Units

TOPTERRA

Topterra receives *vinasse* as a by-product from Grays Distilling and evaporates this *vinasse* to a concentrate called Concentrated Molasses Stillage (CMS). We deliver this CMS to Intego where it is blended with other components to produce a soil conditioner used by Terragri and other planters. We also operate an in-house wastewater treatment station that processes acid condensate, a liquid waste generated from the concentration of *vinasse*, to make it suitable for Terragri to use for irrigation (See page 22).

Our water consumption for 2020 was similar to 2019 levels. Hazardous waste management is a key concern for Topterra. In addition to a small volume of non-hazardous waste effluent, we need to send excess *vinasse* and untreated acid condensate for safe disposal. Waste figures were higher this year as we were not able to operate the evaporator at full capacity. We started the year with a full CMS dam, which reduced the space available to store new quantities of CMS produced. This year, 40% of *vinasse* received from Grays Distilling was processed towards producing CMS and treated water for Terragri (compared to 42% in 2019).

We draw on the Occupational Health and Safety Act for guidance on health and safety, and we conduct periodic risk assessments to improve performance. We prioritise local procurement and this year 73% of our spending on raw materials and services was with local suppliers. We recorded no major health and safety or environmental incidents in 2020, and none of our workers are unionised at present.

A key challenge we face concerning our business model, is the absence of a competitive price for CMS. Management and key stakeholders will be reviewing our operational model in 2021, with a view towards improving our financial and sustainability performance.

TOPTERRA – SUSTAINABILITY PERFORMANCE		2020	2019	2018	2017
Direct renewable material	<i>Vinasse</i> , m³	40,927	40,094	62,153	53,409
Renewable energy consumption	Electricity supply from CEB, GJ	N/A	306	453	510
Non-renewable energy consumption	Electricity supply from CEB and steam (coal) supply from Grays Distilling, GJ	N/A	21,494	40,556	33,922
Water consumption	Surface water, m³	12,200	14,095	21,850	26,500
	Public water utility, m³	100	100	130	140
Effluent and waste management	Acid condensate, tonnes	234	225	540	696
	<i>Vinasse</i> , tonnes	18,644	23,105	37,138	30,514
	Waste effluent, tonnes	479	868	475	487

TERRAROCK

Terrarock adds value to Terra’s field de-rocking operations and operates under the management of The United Basalt Products Ltd. As Terragri removes rocks and rubble from fields for cultivation or land for development, these materials are directed to Terrarock where they are processed in the manufacture and sale of building materials, mainly hollow concrete blocks, aggregate, boulders and rocksand (see page 22).

Terrarock has outsourced its energy management to a sub-contractor, which monitors its energy consumption and keeps the company advised on performance. Terrarock recorded no major health and safety or environmental incidents in 2020, and 90% of its workers are unionised at present.

A key focus this year was on risk management training, where training sessions are ran every two months on a specific risk management topic. As many of the staff and their families have been impacted negatively by the fallout from Covid-19, training on debt management was conducted to help the staff navigate financial uncertainty during this period.

TERRAROCK – SUSTAINABILITY PERFORMANCE		2020	2019	2018	2017
Direct non-renewable material	Boulders, tonnes	303, 217	380,364	350,729	361,879
Renewable energy consumption	Electricity supply from CEB, GJ	625	686	724	827
Non-renewable energy consumption	Electricity supply from CEB, GJ	4,899	4,214	4,449	4,688
Water consumption	Groundwater, m³	75, 026	58,634	43,236	44,030
	Public water utility, m³	7,381	50,905	39,559	13,281
Effluent and waste management	Solidified mud, tonnes	19,184	21,525	28,176	26,346
Solidified mud is generated after sedimentation of effluents. It is disposed of in fields because it is composed of only soil.					



# Group Performance Data 2020

OUR PEOPLE	2020	2019	2018	2017
Permanent employees	1,144	1,289	1,397	1,386
Temporary/ seasonal employees	299	422	414	629
Employee turnover	18%	21%	16%	13%
Number of injuries (work lost day > 24h)	347	129	111	109
Work-related fatality	0	0	0	1
Total Recordable Injury Rate (TRIR) (average across clusters)	16.9	23.9	18.8	21.8
Lost Time Incident Rate (LTIR)	18.1	25.3	18.8	21.8
Severity Rate	31.5	32.8	18.9	44.9
Investment in employee training and development, MUR million	3.6	7.8	8.7	10.5
Jobs provided (new)	12	13	23	157
Salaries, wages, and other benefits paid, MUR million	965.4	1,030.7	842.4	922.7
OUR SOCIETY				
CSR projects sponsored in communities	32	34	33	77
CSR sponsorship, MUR million	2.9	2.4	2.7	8.6
Taxes paid to Mauritian Government, MUR million	22.3	67.1	61.7	53.1
Customs and excise duty paid to Mauritian Government, MUR million	564.3	651.4	679.3	617.8
Procurement of goods and services from suppliers, MUR million	2,566.6	2,679.2	2,931.5	2,898.0
OUR ENVIRONMENT*				
Water Consumption, m³	3,784,983	7,308,806	7,983,941	11,668,969
Renewable energy consumption, GJ	767,655	715,036	613,097	747,589
Non-renewable energy consumption, GJ	597,130	644,229	592,773	546,553
GHG emission (Scope 1) - Biogenic, tonnes of CO <sub>2</sub> e	224,849	277,629	226,105	259,033
GHG emission (Scope 1) - Fossil fuels, tonnes of CO <sub>2</sub> e	421,714	439,462	454,368	441,383
Waste recycled - non-hazardous*				
Scrap metal, tonnes	222.0	263.1	194.2	213.1
Glass bottles (damaged), tonnes	144.0	30.0	31.5	52.9
Plastic waste, tonnes	5.7	15.9	14.4	12.6
Paper and cardboard, tonnes	22.4	23.3	28.0	48.0
Waste recycled – hazardous*				
Used tyres, tonnes	8.3	15.0	17.6	19.8
Used oil, m³	15.3	14.3	21.7	36.8
Bagasse ash, tonnes	11,305	13,308	12,815	14,260
Coal fly ash, tonnes	11,368	10,506	16,388	20,480
Coal bottom ash, tonnes	25,019	24,832	26,407	26,687
Recycled coal fly ash (Thermal Valorisation Co. Ltd)	7,140	6,241	5,200	1,229

\*Note: The data provided for the environmental category are from those companies of the Group which have significant impacts with respect to the above topics.

# Glossary

## KAIZEN

Japanese term meaning “Change for better”. It is a business philosophy, developed by Mr Masaaki Imai, founder of the KAIZEN Institute, aimed at continuously improving operations and involving all employees. KAIZEN sees improvement in productivity as a gradual and methodical process.

## LOST TIME INCIDENT RATE (LTIR)

A safety metric that indicates the number of incidents that result in time away from work during the year. Calculated as follows: (total number of lost time cases x 1,000,000) / total number of hours worked by all employees.

## LOST DAY

Time ('days') that cannot be worked (and are thus 'lost') as a consequence of a worker or workers being unable to perform their usual work because of an occupational disease or accident.

## TOTAL RECORDABLE INJURY RATE (TRIR)

A safety metric that indicates the total number of incidents per employee during the year. Calculated as follows: (total number of recordable cases x 1,000,000) / total hours worked by all employees.

## SEVERITY RATE

A safety metric that indicates how critical or serious the injuries and illnesses sustained during the year were, by using the number of lost days (on average) per accident as a proxy for severity. Calculated as follows: (total number of work days lost x 200,000) / total hours worked by all employees.

List of Acronyms

ALC	African Leadership College
B2B	Business to Business
B2C	Business to Consumer
BRC	British Retail Consortium
CEB	Central Electricity Board
CMS	Concentrated Molasses Stillage
CH <sub>4</sub>	Methane
CIP	Cleaning-in-Place
CO <sub>2</sub>	Carbon Dioxide
CSR	Corporate Social Responsibility
CWA	Central Water Authority
EIA	Environmental Impact Assessment
EPA	Environment Protection Act
ESG	Environmental, social and governance
GHG	Greenhouse Gas
GJ	Giga Joules
GRI	Formerly “Global Reporting Initiative”
GWh	Giga Watt per hour
HR	Human Resources
HSEQ	Health, Safety, Environment, Quality
IIRC	International Integrated Reporting Council
ILO	International Labour Organization
IR	Integrated Reporting
ISO	International Organization for Standardization
IT	Information Technology
kWh	Kilo Watt per hour
LTIR	Lost Time Incident Rate
LIBA	<i>Laboratoire International de Bio Analyse</i>
MCIA	Mauritius Cane Industry Authority
MRA	Mauritius Revenue Authority
MSS	Mauritius Sugar Syndicate
MUR	Mauritian Rupee
MW	Mega Watt
NGO	Non-Governmental Organisation
NO <sub>x</sub>	Nitrogen Oxides
N <sub>2</sub> O	Nitrous Oxide
NPCC	National Productivity and Competitiveness Council
NSIF	National Social Inclusion Foundation
OSH	Occupational Safety and Health
PM	Particulate Matter
QSE	Quality, Safety, Environment
SAFIRE	<i>Service d’Accompagnement, de Formation, d’Intégration et de Réhabilitation de l’Enfant</i>
SDG	Sustainable Development Goal
SEDEX	Supplier Ethical Data Exchange
SEMSI	Stock Exchange of Mauritius Sustainability Index
SO <sub>2</sub>	Sulphur Dioxide
SSRN	Sir Seewoosagur Ramgoolam National
TRIR	Total Recordable Injury Rate
ZEP	<i>Zone d’Éducation Prioritaire</i>

Annexures

ANNEXURE 1 - EMPLOYEE INFORMATION

Table 1.1: Number of employees (by gender, employment type and contract)

		GRAYS INC. LTD	GRAYS DISTILLING LTD	TERRA MILLING LTD	TERRAGRI LTD (AGRICULTURE)	TERRAGEN LTD	TERRAGRI LTD (PROPERTY)	SUGARWORLD LTD	TERRAGRI LTD (CORPORATE)	TERRA FINANCE LTD	TERRAROCK LTD
Total employees (by category) (at the end of reporting period)	Total employees (permanent)	529	44	105	201	48	73	65	34	2	43
	Total Employees (inc. temporary)	530	0	370	304	48	73	65	34	2	43
	Employees - Staff - Male	82	7	20	23	21	24	5	4	0	3
	Employees - Staff - Female	109	0	6	9	1	14	3	10	0	1
	Employees - Manager - Male	9	1	5	10	4	5	4	11	1	0
	Employees - Manager - Female	8	1	0	1	2	0	4	3	0	1
	Employees - Operatives - Male	215	35	330	251	20	27	30	5	0	38
	Employees - Operatives - Female	67	0	9	10	0	3	19	1	1	0
Employees by employment contract	Permanent-Male	346	43	104	191	45	54	39	20	1	41
	Permanent-Female	183	1	1	10	3	15	26	14	1	2
	Fixed term/temporary - Male	0	0	226	60	0	2	0	0	0	0
	Fixed term/temporary - Female	1	0	8	0	0	2	0	0	0	0
Permanent employees by employment type	Full-time - Male	306	43	355	284	45	56	39	20	1	41
	Full-time - Female	184	0	15	20	3	16	26	12	1	2
	Part-time - Male	0	0	0	0	0	0	0	0	0	0
	Part-time - Female	0	1	0	0	0	1	0	2	0	0
Percentage of total employees covered by collective bargaining agreements (102-41)		0%	18%	100%	100%	0%	26%	0%	0%	0%	60%

Table 1.2: Total number of new employee hires by age group and gender

	GRAYS INC. LTD		GRAYS DISTILLING LTD		TERRA MILLING LTD		TERRAGRI LTD (AGRICULTURE)		TERRAGEN LTD		TERRAGRI LTD (PROPERTY)		SUGARWORLD LTD		TERRAGRI LTD (CORPORATE)		TERRA FINANCE LTD		TERRAROCK LTD	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	21	3	0	0	5	2	0	0	0	0	2	0	1	0	0	0	0	0	0	0
25 - 34 yrs	15	9	0	0	17	2	2	0	0	0	0	0	2	1	0	0	0	0	0	0
35 - 44 yrs	6	2	0	0	20	2	9	0	0	0	0	1	0	0	0	0	0	0	0	0
45 - 54 yrs	1	0	0	0	51	2	39	2	0	0	0	0	0	1	0	0	0	0	0	0
55+	1	0	0	0	53	1	101	6	0	0	0	1	0	0	0	0	0	0	0	0



Annexures (cont'd)

ANNEXURE 1 - EMPLOYEE INFORMATION (CONT'D)

Table 1.3: Total number of employee turnover by age group and gender

	GRAYS INC. LTD		GRAYS DISTILLING LTD		TERRA MILLING LTD		TERRAGRILT (AGRICULTURE)		TERRAGEN LTD		TERRAGRI LTD (PROPERTY)		SUGARWORLD LTD		TERRAGRI LTD (CORPORATE)		TERRA FINANCE LTD		TERRAROCK LTD	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	22	6	0	0	1	0	2	2	0	0	0	0	1	0	0	0	0	0	0	0
25 - 34 yrs	38	15	1	0	6	1	1	0	0	0	1	0	1	1	0	1	0	0	0	0
35 - 44 yrs	7	11	2	1	4	0	4	0	0	0	1	1	0	2	0	0	2	0	0	0
45 - 54 yrs	4	2	0	0	0	0	2	0	0	0	8	0	0	1	0	2	1	0	0	0
55+	6	2	0	0	15	0	38	1	0	0	10	1	0	0	0	0	0	0	0	0

Table 1.4: Rate of new employee hires by age group and gender

	GRAYS INC. LTD		GRAYS DISTILLING LTD		TERRA MILLING LTD		TERRAGRILT (AGRICULTURE)		TERRAGEN LTD		NOVATERRA		SUGARWORLD LTD		TERRAGRI LTD (CORPORATE)		TERRA FINANCE LTD		TERRAROCK LTD	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	6.1%	0.9%	0.0%	0.0%	4.8%	1.9%	0.0%	0.0%	0.0%	0.0%	3.6%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25 - 34 yrs	4.3%	2.6%	0.0%	0.0%	16.3%	1.9%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.1%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
35 - 44 yrs	1.7%	0.6%	0.0%	0.0%	19.2%	1.9%	4.7%	0.0%	0.0%	0.0%	0.0%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
45 - 54 yrs	0.3%	0.0%	0.0%	0.0%	49.0%	1.9%	20.4%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
55+	0.3%	0.0%	0.0%	0.0%	51.0%	1.0%	52.9%	3.1%	0.0%	0.0%	0.0%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 1.5: Rate of employee turnover by age group and gender

	GRAYS INC. LTD		GRAYS DISTILLING LTD		TERRA MILLING LTD		TERRAGRILT (AGRICULTURE)		TERRAGEN LTD		NOVATERRA		SUGARWORLD LTD		TERRAGRI LTD (CORPORATE)		TERRA FINANCE LTD		TERRAROCK LTD	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
18 - 24 yrs	6.4%	1.7%	0.0%	0.0%	1.0%	0.0%	1.0%	1.0%	0.0%	0.0%	0.0%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25 - 34 yrs	11.0%	4.3%	2.3%	0.0%	5.8%	1.0%	0.5%	0.0%	0.0%	0.0%	1.8%	0.0%	2.6%	2.6%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%
35 - 44 yrs	2.0%	3.2%	4.7%	2.3%	3.8%	0.0%	2.1%	0.0%	0.0%	0.0%	1.8%	1.8%	0.0%	5.1%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
45 - 54 yrs	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	0.0%	14.3%	0.0%	0.0%	2.6%	0.0%	10.0%	500.0%	0.0%	0.0%	0.0%
55+	1.7%	0.6%	0.0%	0.0%	14.4%	0.0%	19.9%	0.5%	0.0%	0.0%	17.9%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 1.6: Average hours of training per year per employee by gender and by employee category

		GRAYS INC. LTD	GRAYS DISTILLING LTD	TERRA MILLING LTD	TERRAGRILT (AGRICULTURE)	TERRAGEN LTD	NOVATERRA	SUGARWORLD LTD	TERRAGRI LTD (CORPORATE)	TERRA FINANCE LTD	TERRAROCK LTD
Staff	Male	11.9	12.0	15.1	13.9	60.9	12.2	1.6	16.0	0.0	0.0
	Female	12.6	0.0	6.4	9.7	0.0	9.3	0.0	4.4	34.5	0.0
Management	Male	9.4	12.0	103.3	28.7	65.0	23.8	5.3	16.5	42.5	0.0
	Female	17.2	0.0	0.0	230.0	19.0	0.0	5.0	5.3	0.0	0.0
Operatives	Male	12.0	12.0	1.0	0.1	54.2	0.6	0.0	0.0	0.0	6.5
	Female	12.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0	3.5	0.0

ANNEXURE 2 - MAJOR PROJECTS SPONSORED

EDUCATION AND TRAINING

NGO	PROJECT
H. Ramnarain Govt. School (ZEP school)	Terra has been supporting this ZEP school (zone of priority education), situated in an unfavoured area, for the past 16 years. In 2020, the main project was the sponsorship of the two remedial classes and the remedial programme which reached some 82 students. A total of three projects were sponsored to address absenteeism and failures, but owing to the confinement and changes in the school calendar, some activities could not be carried out. The sponsorship for the Parent’s Club was also maintained.
Autisme Maurice	The foundation maintained its sponsorship of one educator at this NGO which cares for autistic children and which the foundation has been supporting for the past seven years.
Lizie dan la main	The foundation contributed to the funding of a financial secretary and educators’ fees for the visually impaired beneficiaries entrusted to the care of this NGO.
Action for Integral Human Development	The foundation continued to support the programme ‘Les Amis de Zippy’, which develops the skills of children to cope with their emotions, difficult situations and violence. It sponsored two schools in the North, reaching some 79 pupils and 5 educators.
Association Amour sans Frontières	The foundation contributed to the meals of children with physical and mental disabilities.
Action for Economic and Social Development	A scholarship was renewed for one student from a low-income family studying at Collège Technique St Gabriel.

POVERTY ALLEVIATION

NGO	PROJECT
SAFIRE	The foundation maintained its sponsorship of the Cycling Academy, sports coach, pedagogical activities and made a contribution for the social worker who monitors the 155 vulnerable children.
Caritas	Sponsorship was provided for the breakfast and lunch of vulnerable students, IT courses for the youths, and holiday activities for 289 children.
Lovebridge	The foundation maintained its support for the ongoing monitoring and empowerment of 10 vulnerable families in Pamplemousses, including follow-up with the children at school and with the parents for various administrative steps.
APEA	Public fundraising.
SAFIRE Caritas Solitude Jeunes Créatifs Paul & Virginie Comité Quartier Cité de Pamplemousses ADP Caritas Pamplemousses Vulnerable children on the Social Register of the Region of Pamplemousses	In support of Covid-19 relief, Terra Foundation sponsored the tickets, food and beverages for 245 children and 28 adults to attend a Christmas show.

# Annexures (cont'd)

## ANNEXURE 2 – MAJOR PROJECTS SPONSORED (CONT'D)

### HEALTH CARE

NGO	PROJECT
<i>T1 Diams</i>	Partial contribution for therapy activities and other support for 283 vulnerable children suffering from type 1 diabetes.
<i>Link to Life and T1 Diams</i>	Donation of two foot-pedal sanitising station and sanitising solution to these two NGOs caring for beneficiaries requiring medical support.

### ENVIRONMENT

NGO	PROJECT
<i>Mission Verte</i>	Contribution for a plastic recycling project in the North.

### SPORTS

NGO	PROJECT
<i>Association de Développement de Pamplemousses (ADP)</i>	Sponsored the transport costs for beneficiaries to attend their weekly football training sessions.

### CULTURE

NGO	PROJECT
<i>Jeunes Créatifs Paul &amp; Virginie</i>	Sponsored the beneficiaries of four NGOs to participate in ‘Atelier de Mini-artisans’, a community-building event which was held at the Beau Plan Creative Park, where people from neighbouring communities came together and made crafts using recycled materials.
<i>Comité Quartier Cité de Pamplemousses ADP</i>	Sponsored 41 children and 8 adults to attend the KAZ’Out cultural and musical festival and participate in workshops.
<i>Caritas Pamplemousses</i>	Sponsorship of the weekly transport of 15 beneficiaries to attend the theatre classes of the <i>PLP Académie</i> held at the Beau Plan Creative Park.

### OTHERS

#### 10 years of the foundation

The 10-year anniversary of the foundation was marked by celebrating a decade of sponsorship impact. NGOs and beneficiaries shared their stories and testimonials, painting a picture of collective effort and tremendous achievements to date.

# Corporate Information

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## SECRETARY

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## BRANDS

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## PROPERTY AND LEISURE

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