

SUSTAINABILITY REPORT



Rajiv RAMLUGON
Group Chief Sustainability Officer

“ We acknowledge that implementing the right sustainability framework can increase revenue and employee productivity while reducing energy, waste, materials and water expenses, and minimizing strategic and operational risks. ”



STRATEGY AND ACHIEVEMENTS

At Omnicane, we define sustainability as a business model that creates value consistent with the long-term preservation and enhancement of environmental, social and financial capital. We acknowledge that implementing the right sustainability framework can increase revenue and employee productivity while reducing energy, waste, materials and water expenses, and minimizing strategic and operational risks. Our Sustainability Department is committed to support all the Group's entities in embedding and implementing sustainability-driven initiatives and aligning with Omnicane's sustainability engagement. Our different stakeholders including our customers, are showing growing interest in understanding and tracking the environmental and social impacts of their supply chain. This is demonstrated by the numerous supplier guiding principles audits conducted on our different sugarcane operations during the year. The Holiday Inn Mauritius Mon Trésor hotel is also committed to abide by the IHG's Green Engage programme which encourages sound environmental management through energy, water and good housekeeping practices. Our property development at the Mon Trésor Smart City has also been awarded the BREEAM interim certificate for a sustainable, judicious and environmentally conscious development.

The major sustainability achievements in 2016 were:

- Acceptance of Omnicane Limited as a member of Bonsucro under the industrial 'b' category which covers its agricultural, milling and bioethanol operations as well as the chain of custody (supply chain)
- Migration of both power plants to the 2015 updated version of ISO 9001 Quality Management System and ISO 14001 Environmental Management System
- Successful audit and compliance with Nestlé's Responsible Sourcing and Traceability Programme
- Completion of Phases 1 and 2 of the Enterprise Risk Management & Business Continuity Management framework
- Active contribution to the implementation of 54 CSR projects in various fields

STAKEHOLDER ENGAGEMENT (G4-24, G4-25, G4-26, G4-27)

Omnicane recognizes that understanding the concerns and interests of its different stakeholders can help better manage its environmental and social expectations, resulting in reduced risk of civil action or brand assassination, improved access to capital and insurance, cost savings and reduced vulnerability to regulatory changes, and better preparedness to meet customer exigencies. The table below summarizes our key stakeholders and how we interact with them.

Main Stakeholders	Our Strategic Objectives	How We Interact
Customers	<ul style="list-style-type: none"> - Create value by developing thorough understanding of the needs of our customers and the markets in which they operate - Ensure customer satisfaction and timely delivery of promises - Be a reliable partner in the feed-to food chain 	Regular interaction with our direct customers to understand their requirements and ensure their satisfaction. Some of our entities have also implemented customer related management standards such as ISO 9001 Quality Management System and ISO 22000 Food Safety and BRC Food Standard. Furthermore, potential clients also conduct supplier audits of our operations to ensure compliance with their requirements
Suppliers	<ul style="list-style-type: none"> - Support local suppliers and promote the procurement of locally available raw materials - Ensure judicious choice of suppliers 	Regular meetings and interaction with our various suppliers to seek the best products and services required for our daily operations. Under the guidance of ISO 9001 and GRI G4 requirements, we have also conducted supplier evaluations through questionnaires or face-to-face meetings/visits

STAKEHOLDER ENGAGEMENT (G4-24, G4-25, G4-26, G4-27) (continued)

Main Stakeholders	Our Strategic Objectives	How We Interact
Government	<ul style="list-style-type: none"> - Commitment to abide by all the laws and regulations pertaining to our business and activities - Participation and collaboration with policy makers on strategic decisions concerning the cane industry, environment and sustainable development 	<p>We strongly collaborate with all governmental and parastatal bodies for compliance with laws and regulations, standards and development of national strategy programmes in our sector of activity and expertise.</p> <p>Appointment of a Head of Legal Department and compliance evaluation exercise to be conducted</p>
Trade Unions	Work in close collaboration with trade unions and shop stewards to understand the needs and requirements of workers in the different operations	Regular meetings with trade union representatives, collective bargaining forums, etc., to ensure sound employee relations and compliance with internationally recognised labour practices
Local Community/Public	Help in the betterment of the society through our Corporate Social Responsibility (CSR) programme	Strong identification and communication with communities surrounding operations relating to cane development, community/company projects of mutual interest; support of community-based CSR programmes; provision of community infrastructure and advocacy of community issues
Shareholders	Contribute to long-term shareholder value creation	Quarterly financial statements are issued and we formally interact with our shareholders during the annual general meetings. Share price information is updated daily on our company website at www.omnicane.com
Employees	<ul style="list-style-type: none"> - Promote and maintain industrial peace and harmony especially in the context of negotiations for a new Collective Agreement - Pursue our training programme for productivity enhancement 	An array of internal communication channels are used to engage with employees across the group regarding ongoing business-related information and strategy, training and personal development, including the use of notice boards, magazines, intranet, email and website

SUPPLY CHAIN MANAGEMENT (G4-12, G4-DMA, G4- EC9, G4-EN32, G4-LA14, G4-HR10, G4-SO9)

Omnicane recognizes that judicious supply chain management will help the Company to achieve higher operational efficiencies, reduce cost of production and foster greater proximity with its suppliers. Through our industrial cluster at La Baraque and with the restructuring of our activities, we have strategically aligned our end-to-end business processes to achieve market and economic value, as well as competitive advantage. Omnicane's chain of operations starts from cane cultivation to the manufacturing of final products such as refined sugar, bioethanol and electricity. However, this is not a linear process but rather a circular business model based on the 'zero waste' concept. Interestingly, our strategy to add value to by-products such as molasses, concentrated molasses solids and carbon dioxide has enabled us to expand our horizons concerning supply chain management.

SUSTAINABILITY REPORT (continued)

SUPPLY CHAIN MANAGEMENT (G4-12, G4-DMA, G4- EC9, G4-EN32, G4-LA14, G4-HR10, G4-SO9) (continued)

Our Central Procurement Department has the role to procure goods and/or services for the whole Group at the best possible cost, in the right quality and amount, at the right time in a sustainable way, for the direct benefit or use by our companies. Priority for purchase of goods and services is given to Omnicane's catchment area, followed by local sourcing and then from overseas.

Local suppliers are usually chosen by the Central Procurement Department for the purchase of the Group's requirements in general materials and consumables, and 87% of our purchases are sourced from local suppliers. Our spending on local suppliers in 2016 represented 76% of the total expenditure on procurement of goods and services for the Group. The latter are preferred as proximity offers a definite advantage in terms of payment facilities and after-sales service. Foreign purchasing is sought in situations where specific technical equipment/machinery or products are required.

We encourage our suppliers to work with us to identify and develop ongoing improvements to our procurement process. In support of our company vision and our quality management system, we work with our suppliers to:

- operate a lean supply chain that supports our corporate policies;
- develop procurement solutions in line with customer, regulatory and wider stakeholder needs and expectations; and
- create long-term value and reduce risk for our business, our suppliers and our stakeholders.

It should be noted that, as part of our sustainable procurement practice and supplier evaluation mechanism, we regularly evaluate our suppliers based on environmental performance and eco-friendly products, their labour practices, human rights and societal impacts. So far, some 101 suppliers have been assessed through questionnaire, site visits and meetings and in 2016, 33 new suppliers have been successfully evaluated.

MATERIALS MANAGEMENT (G4-DMA, G4-EN1)

Direct Materials

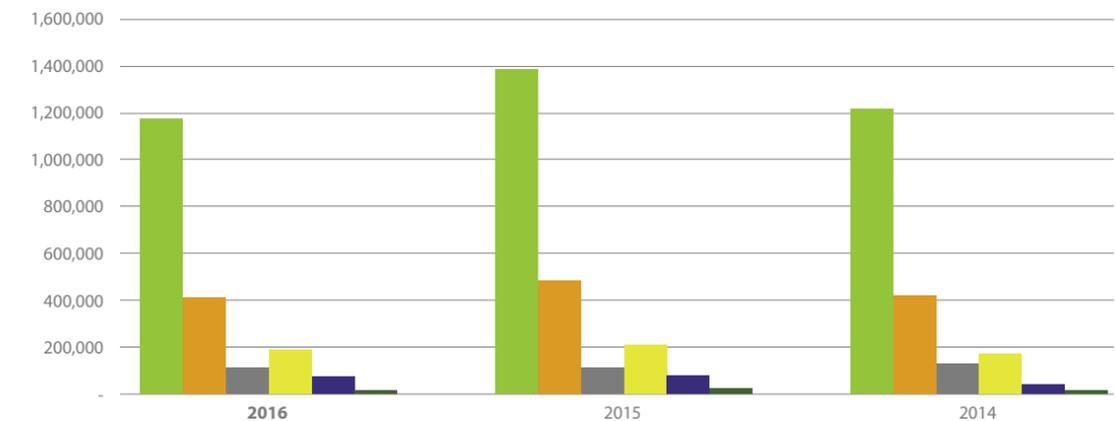
At Omnicane we are fully committed to make judicious use of both the renewable and non-renewable raw materials entering our processes. Our renewable direct materials include sugarcane used in our sugar factory, raw sugar used in our refinery, bagasse used in our power plant, molasses used in our bioethanol distillery and recently woodchips used in the Small Energy Plant. Non-renewable input materials refer mainly to imported coal that is used by our power plants as well as transportation fuel consumed by our logistics operations.

In 2016, the total amount of renewable direct materials used in our different operations was 1,931,596 tonnes compared to 2,268,586 tonnes in 2015. This decrease was mainly due to the reduced amount of cane crushed in our sugar factory resulting in less bagasse produced. As far as the non-renewable direct material (coal) is concerned, the increase is mainly attributed to higher consumption by the main power plant at La Baraque to compensate for the decrease in availability of bagasse.

SUSTAINABILITY REPORT (continued)

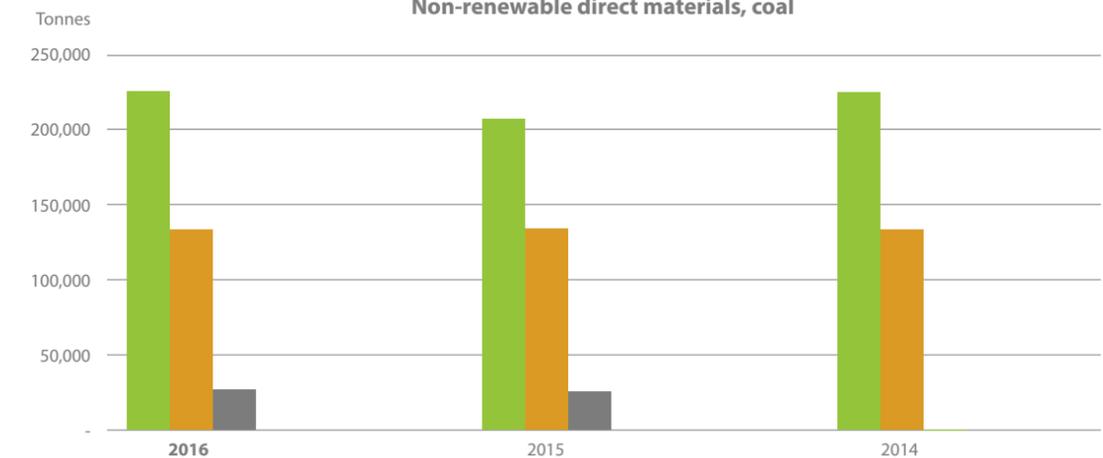
MATERIALS MANAGEMENT (G4-DMA, G4-EN1) (continued)

Renewable direct materials, tonnes



	2016	2015	2014
Sugarcane	1,163,482	1,399,547	1,208,597
Bagasse	396,282	473,640	401,103
Raw sugar	118,480	125,051	121,782
Refined sugar	181,290	190,712	174,787
Molasses	70,693	74,333	41,575
Wood chips	1,369	5,303	0

Non-renewable direct materials, coal



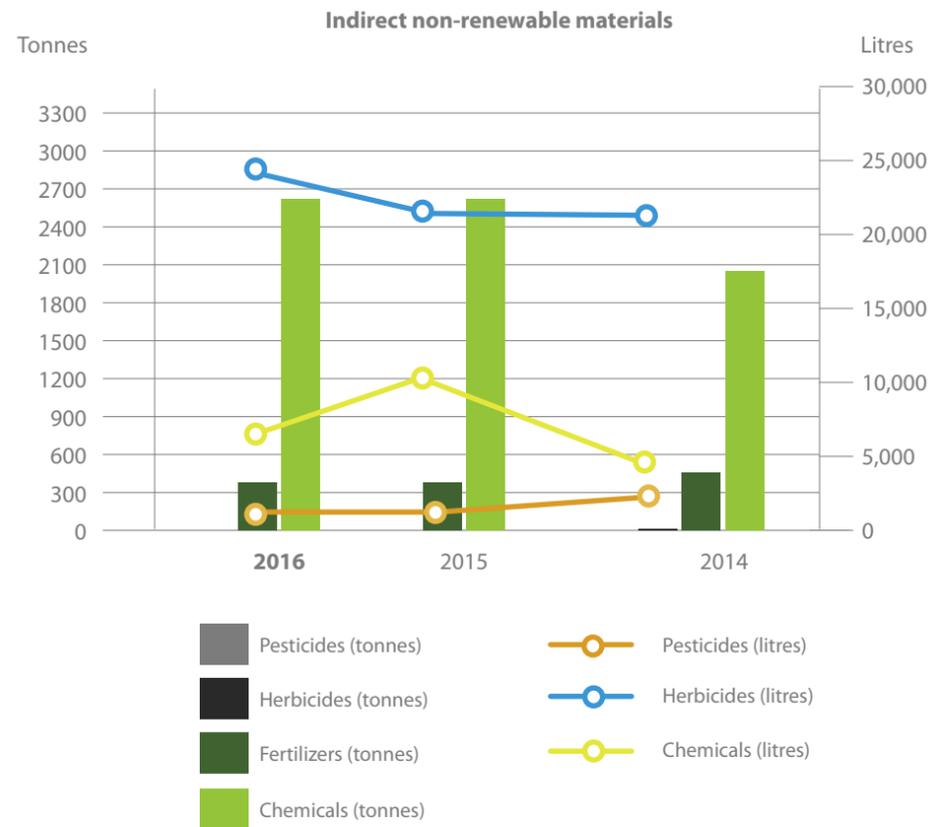
	2016	2015	2014
Thermal La Baraque	223,508	206,511	223,628
Thermal LB- SEP	26,213	25,287	0
Thermal St Aubin	132,412	133,609	133,364

MATERIALS MANAGEMENT (G4-DMA, G4-EN1) (continued)

Indirect Materials

Indirect renewable materials used are Concentrated Molasses Stillage (CMS) produced by our bioethanol distillery and used to produce bio-fertilizers and carbon dioxide destined for beverage industry. In 2016, 66,375 tonnes of CMS (2015: 76,058 tonnes) and 1,879 tonnes of carbon dioxide (2015: 1,599 tonnes) were produced.

Indirect non-renewable materials include pesticides, herbicides, chemical fertilizers used in our agricultural operations and chemicals used in our industrial operations. As per the figure below, it can be seen that there has been a net decrease of in the amount of solid and liquid pesticides, herbicides and fertilizers used in the agricultural operations. This is mainly due to a reduction in the area of land under cane cultivation compared to previous years and good agricultural practices adopted within our agricultural operations. Also, the amount of liquid chemicals used in our different operations has decreased by 37%.



	2016	2015	2014
Pesticides, tonnes	2.6	2.9	3.1
Herbicides, tonnes	15.8	15.4	19.5
Fertilizers, tonnes	466	421	513.85
Chemicals, tonnes	2,537	2,626.85	2,060.36
Pesticides, litres	1,321	1,236	1,582
Herbicides, litres	24,420	21,277	21,129.30
Chemicals, litres	6,667	10,555.50	5,117.80

MATERIALS MANAGEMENT (G4-DMA, G4-EN1) (continued)

By-Products

Filter Cakes or Scums

Some 2,349 tonnes of scum, produced by our sugar mill were offered to some 110 small planters. This scum has benefited the small planters' community for application as bio fertilizer during replantation of their sugarcane fields.

Ash Management

Coal ashes resulting from combustion at the power plants are presently being used for the filling of depressions and cavities in sugarcane fields thereby enabling the mechanisation of sugarcane cultivation. Even though, this disposal method is carried out in a controlled manner and in compliance with a set of established procedures, it is a fact that it has the following limitations:

- Availability of void spaces in sugarcane fields is decreasing with time.
- Disposal of coal ash raises public concern due to the perceived environmental risks

However, with the coming into operation of our Carbon Burn Out plant in 2017, we will make sustainable use of the coal fly and bottom ash to produce cement additives. The Carbon Burnt Out unit is specially designed and developed to reduce the carbon content in the bottom and fly ash, thus making it reusable as a partial substitute for Portland cement.

The table below outlines the amount of bagasse and coal fly and bottom ash generated from our two power plants at La Baraque and St Aubin on a dry weight basis. It can be noted that on the overall, there has been an increase in the amount of coal ash produced by La Baraque power plant owing to increased consumption of coal.

	2016	2015	2014
Coal Bottom Ash, Thermal La Baraque (tonnes)	21,635	21,167	20,720
Coal Fly Ash, Thermal La Baraque (tonnes)	19,553	16,230	19,440
Bagasse Fly Ash, Thermal La Baraque (tonnes)	19,805	20,260	22,781
Coal Bottom Ash, Thermal St Aubin (tonnes)	9,647	16,360 (rest.)	16,100
Coal Fly Ash, Thermal St Aubin (tonnes)	17,716	8,670 (rest.)	12,736

ENERGY MANAGEMENT (G4-DMA, G4-EN3, G4-EN5, G4-EN6)

Our two main power plants at La Baraque and St Aubin have performed at their maximum efficiency as outlined in the Operational Review – Energy report on pages 34 to 37. A new 3.8-MW power plant was annexed to our industrial cluster at La Baraque to power our distillery and refinery with both electricity and low pressure steam. This plant is the first co-fired cogeneration plant in Mauritius using wood chips and coal simultaneously. The results below clearly demonstrate that while our energy consumption from non-renewable sources has only slightly increased by 2%, our energy consumption from renewable sources has decreased by 15%. This is mainly due to a fewer amount of bagasse burnt at our La Baraque power plant.

Renewable Source/GJ	2016	2015	2014
Direct Primary Energy purchased	-	-	-
Plus Direct Primary Energy produced	1,911,231	2,245,657	2,014,586
Minus Direct Primary Energy sold	(452,683)	(530,981)	(482,225)
Total Direct Energy Consumption from Renewable Sources	1,458,548	1,714,676	1,532,362

SUSTAINABILITY REPORT (continued)

ENERGY MANAGEMENT (G4-DMA, G4-EN3, G4-EN5, G4-EN6) (continued)

Non-Renewable Source/GJ	2016	2015	2014
Direct Primary Energy purchased	75,094	52,592	76,577
Plus Direct Primary Energy produced	3,660,829	3,469,551	3,223,798
Minus Direct Primary Energy sold	(2,140,470)	(1,961,165)	(2,123,980)
Total Direct Energy Consumption from non-Renewable Sources	1,595,453	1,560,979	1,176,394

We place much emphasis on demand-side management and energy efficiency in our operations. For instance since the last few years, our investments in energy efficient equipment have continued to bear fruit and we have achieved substantial energy savings in our various operations. Steam consumption per tonne of sugarcane processed at the sugar factory decreased to 395 kg per tonne of cane crushed in 2016 from 404 kg in 2015. In addition, the electrical consumption for the cane cluster has considerably decreased to 21.5 KWh per tonne of cane crushed in 2016 compared to 22 KWh per tonne of cane crushed in 2015. This is due to the efficient building management system implemented at our sugar factory and new heat exchanger installed to reuse heat from condenser water. On its part, the specific energy efficiency at our bioethanol distillery has also increased in 2016 with a specific steam consumption of 5.08 kg/l of bioethanol produced (2015: 5.25 kg/l) and a specific electricity consumption of 0.24 KWh/l of bioethanol produced (2015: 0.26 KWh/l).

WATER MANAGEMENT (G4-DMA, G4-EN8, G4-EN9, G4-EN10)

The activities of Omnicane related to sugarcane cultivation, and the production of sugar, bioethanol and energy are all highly water dependent. We monitor water consumption through automated metering wherever possible. Through this we are able to accurately measure our consumption (in cubic metres) on a monthly basis at our different sites of operation. We monitor the effectiveness of our water management based on data recorded at site level, and in terms of our total annual consumption (in cubic metres) and our relative consumption per tonnes of products generated (in some entities). It should be noted that excess process water from milling operations and the distillery during harvest time is available for reuse in the irrigation of sugarcane fields. Also, our operations do not lie in water stressed regions and we do have water rights on rivers as well as agricultural boreholes allowing us to meet our water needs.

Overall, the Group's water consumption has increased by about 13% mainly in the agricultural operations, which were hit by a severe drought in 2016. As such, more water was required for irrigation activities. However, it is worth noting that consumption has decreased in our milling operations owing to better operational efficiency.

	2016	2015	2014
Surface Water (m³)			
Milling Operations (Raw House)	863,407	1,039,421	707,953
Milling Operations (Refinery)	163,440 (est)		
Agricultural Operations	1,228,230	1,220,166	1,503,030
Thermal La Baraque	1,747,356	1,741,822	1,780,674
Thermal St Aubin	981,031	1,070,591	1,072,006
Distillery	342,698	375,041	207,950
Total Surface Water used	5,326,162	5,447,041	5,271,613

SUSTAINABILITY REPORT (continued)

WATER MANAGEMENT (G4-DMA, G4-EN8, G4-EN9, G4-EN10) (continued)

	2016	2015	2014
Ground Water (m³)			
Agricultural Operations	4,303,212	3,064,669	3,163,939
Tap Water (m³)			
Milling	23,885 (est)	31,334 (est)	34,696 (est)
Agricultural Operations	2,891	3,506	2,184
Thermal La Baraque	4,395	2,169	3,140
Thermal St Aubin	772	1,101	950
Logistics	2,630	3,705	3,240
Holiday Inn Mauritius Mon Trésor Hotel	15,407	12,359	10,595
Total Tap Water used (m³)	49,980 (est)	54,174 (est)	54,805 (est)
TOTAL WATER CONSUMPTION (m³)	9,679,354 (est)	8,565,884 (est)	8,490,357 (est)

BIODIVERSITY MANAGEMENT (G4-DMA, G4-EN11)

We are committed to the preservation and enhancement of biodiversity. However our operations are not located within environmentally sensitive or biodiversity rich areas. Environmental impact assessment studies carried out in respect of our industrial operations at La Baraque and St Aubin have concluded that these are neither in nor adjacent to protected areas or areas of high biodiversity value. As far as the Mon Trésor Smart City project in concerned, we have carried out an ecological survey on the site to identify the ecologically sensitive and high biodiversity areas falling in and around the proposed development in view of their protection and enhancement. Furthermore, within the landscaping and embellishment plan for the Mon Trésor Smart City, much emphasis will be placed on the development of green spaces and the planting of trees of which at least 60% shall be endemic.

EMISSIONS MANAGEMENT (G4-DMA, G4-EN15, G4-EN21)

Emissions management at our power plants started right from project implementation and at the design stage factors like fuel type, combustion parameters, flue gas treatment, air emission monitoring, maintenance and calibration of monitoring equipment etc. have been fully accounted for. Thus all our power plants use low sulphur coal, have high performance Electrostatic Precipitators (ESPs) in place for flue gas treatment and are equipped with online monitoring of critical parameters. Furthermore, ambient air quality monitoring and stack monitoring exercises at our power plants are carried out independently every three months by the Air Pollution Monitoring Unit of the Mauritius Cane Industry Authority as part of the environmental monitoring programme of our power plants. Reports show that all parameters measured are compliant with the EPA 1998 standards. The results below confirm that we achieved much lower particulate emissions, compared to the 400 mg/m³ specified locally for emissions from bagasse combustion. It should also be noted that the particulate matter load from coal burning is much lower than the permissible limit of 200 mg/m³.

Thermal La Baraque

Bagasse as Fuel	Concentration @ 15% Oxygen		EPA 1998 Standards
	Min	Max	
Carbon Dioxide (%)	5.8	5.8	None
Carbon Monoxide (mg/m³)	18	147	1000
Sulphur Dioxide (mg/m³)	2	12	2000
Oxides of Nitrogen (mg/m³)	99	114	1000
Particulate Matter Load (mg/m³)	9.8	235.6	400

EMISSIONS MANAGEMENT (G4-DMA, G4-EN15, G4-EN21) (continued)

Thermal La Baraque

Coal as Fuel	Concentration @ 15% Oxygen		EPA 1998 Standards
	Min	Max	
Carbon Dioxide (%)	5.1	5.2	None
Carbon Monoxide (mg/m ³)	18	169	1000
Sulphur Dioxide (mg/m ³)	412	526	2000
Oxides of Nitrogen (mg/m ³)	142	162	1000
Particulate Matter Load (mg/m ³)	6	92.8	200

Thermal St Aubin

Coal as Fuel	Concentration @ 15% Oxygen		EPA 1998 Standards
	Min	Max	
Carbon Dioxide (%)	5.0	5.2	None
Carbon Monoxide (mg/m ³)	16	175	1000
Sulphur Dioxide (mg/m ³)	494	641	2000
Oxides of Nitrogen (mg/m ³)	132	155	1000
Particulate Matter Load (mg/m ³)	12.1	97	200

GHG Emissions (G4-EN15)

Our power plants at La Baraque and St Aubin are the only two stationary combustion sources. In 2016, our two power plants emitted on average 1.29 tonnes of CO₂e/ MWh of electricity produced from coal, which represents a total of 849,054 tonnes of CO₂e released. However, with the implementation of our Carbon Burn Out Unit, we will avoid the emission of around 29,000 tonnes of carbon dioxide (through the avoided production and import of Portland cement). In addition, the use of bagasse as fuel, contributed to the avoidance of around 127,883 tonnes of CO₂e in 2016, helping us mitigate GHG emissions and reduce our impact on climate change.

Avoided CO₂ Emissions

	2016	2015	2014
Bagasse related electricity exported to national grid, MWh	125,745	147,495	133,951
Avoided emissions from the burning of bagasse in tCO ₂	127,883	150,002	137,688

Operating Margin for standardised baseline for Mauritius = 1.017 tCO₂/MWh

EFFLUENTS AND WASTE MANAGEMENT (G4-DMA, G4-EN10, G4-EN22, G4-EN23)

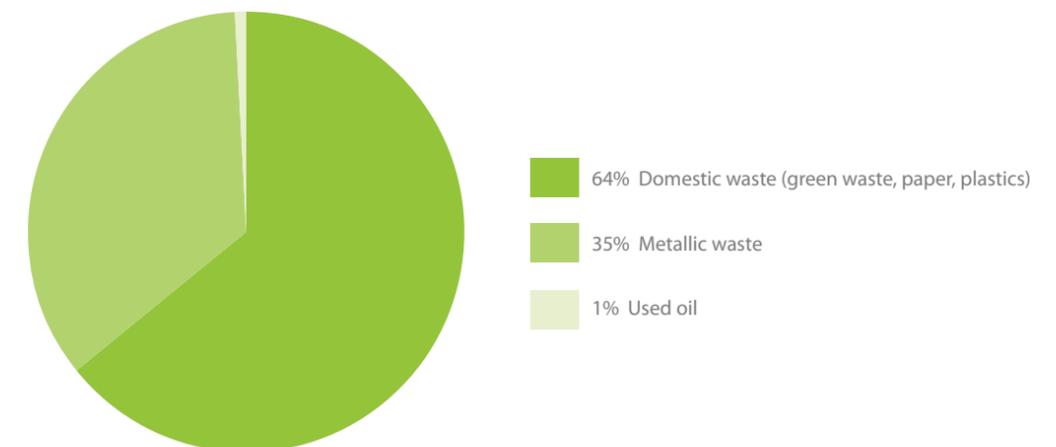
The commitment for our waste management programme emerges from our Group Environmental Policy which places strong emphasis on the Reduce, Reuse and Recycle concept. For example, we are continuing in our approach to recycle treated effluents into the milling process, in view of decreasing the amount of effluents generated in our milling operations. We also have a bi-monthly effluent monitoring committee for the cluster at La Baraque, which monitors weekly effluent quantity and quality. The table below shows our effluents discharge volumes and destinations.

EFFLUENTS AND WASTE MANAGEMENT (G4-DMA, G4-EN10, G4-EN22, G4-EN23) (continued)

Entity	Volume of water discharge, m ³ (est)			Destination
	2016	2015	2014	
Milling (Raw House)	2,292,679 (mostly clean water)	3,514,730 (mostly clean water)	1,394,248 (mostly clean water)	Cane irrigation
	107,130 (effluent)	397,830 (effluent)	124,689 (effluent)	Recirculated in the process
Milling (Refinery)	64,520	No segregation of effluents done yet		Recirculated in the process during crop and sent to cane irrigation during intercrop
Thermal (La Baraque)	415,076	297,686	324,161	Clarification through a decantation pond before reuse for cane irrigation
Thermal (St Aubin)	294,309	320,183	321,886	Clarification through a decantation pond before canal disposal
Distillery	181,506	209,494	103,140	Recirculated in sugar mill during crop and reused for irrigation of cane fields during intercrop
Holiday Inn Mon Trésor Hotel	10,506	11,123 (est)	4,694 (est)	Treated through a dedicated treatment plant and reused for irrigation of lawn

Solid Waste (G4-EN23)

The implementation of solid waste management practices within all Omnicane entities is ongoing. Recycling opportunities for paper waste, old batteries and green wastes are being implemented across the Group. For instance, the Holiday Inn Mon Trésor Hotel has successfully installed its own water treatment and bottling plant, enabling them to fill, sanitize and refill their special glass bottles, hence reducing the use of plastic water bottles. The estimated streams of solid wastes reported by the various entities of the Group in 2016 are depicted in the pie chart below:



ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES (G4-DMA, G4-EN27)

Omnicanne’s main products include refined sugar, electricity and bioethanol while some of its key services include logistics operations, hospitality and property development. Our refined sugar is stored and transported to the port for export in bulk containers, hence requiring no external packaging for the moment. The same scenario applies to the export and shipping of bioethanol. Electricity transmission is done through transmission lines and exported to the national grid – again with no bearing on the environment. As far as our logistics operations are concerned, we have invested in modern lorries with better mechanical efficiency in order to minimize our carbon footprint and fuel consumption. It should be noted that Environmental Impact Assessment studies are carried out prior to any major undertaking being implemented and so far all our major operations have successfully obtained their EIA licence from the Ministry of Environment. Quarterly Environmental Monitoring reports, containing environmental performance indicators and mitigation activities, are regularly sent to the Ministry of Environment for follow up as per the EIA conditions and Industrial Waste Audit guidelines.

MARKET PRESENCE (G4-DMA, G4-EC6)

The significant location of operations of Omnicanne is found in the South of Mauritius. In line with the recommendations of the Multi-Annual Adaptation Strategy, our modernized industrial cluster at La Baraque stands as the hub for optimal valorization of sugarcane and its co-products. This cluster comprises of a modern sugar factory, sugar refinery, bagasse-coal cogeneration power plants, bioethanol distillery and as from 2017, the Carbon Burn Out unit. The inter-related chain of operations within the cluster enables the company to execute its entire production as an integrated whole, for optimum flexibility, maximum efficiency, and minimal waste, by using one operation’s waste as another’s raw material. It is also of strategic importance when it comes to maximizing revenues, minimizing costs, proximity to its main sources of raw materials and transport links. It should be noted that 90% of senior management members are hired from the local community and southern area of Mauritius.

ENVIRONMENTAL COMPLIANCE (G4-DMA, G4-EN29)

In line with its vision to be an inspiration for sustainable development in its operations, Omnicanne is strongly committed to comply with all the environmental laws and regulations pertaining to its business units and activities. This is not only important for us as a responsible corporate citizen but also for good relationships with our stakeholders such as the Government, NGOs and the local community. In fact, our Group Environmental Policy strongly sets the commitment to abide by all local and international environmental laws and regulations relating to our business operations. Furthermore, our two power plants at La Baraque and St Aubin are successfully certified to ISO 14001:2015 Environmental Management Systems which enable them to better track their environmental aspects including legislation. In 2016, we did not have any fines or sanctions related to non-compliance with local or international environmental laws and regulations.

ENVIRONMENTAL COSTS AND COMMUNICATION (G4-DMA, G4-EN31, G4-EN34)

Omnicanne is fully committed to abide by all legal and regulatory requirements with respect to air and wastewater emissions as well as solid waste generation. The preservation of our environment has however a cost associated with it, which must not be neglected when analysing business costs and operations. Usually, as per customary financial accounts, these environmental costs remain hidden within broad categories of operational overheads and expenses. Hence, the opportunity to identify the environmental costs and establishing the relationship between them and the responsible product goes unnoticed. Knowledge of these costs enables us to not only manage these costs but also redesign the production process and reduce the pollutants being released into the environment in the future. We have strived to categorize environmental costs into six main categories and they concern our thermal energy, bioethanol and milling operations which have the biggest environmental costs. It should be noted that the environmental related expenses represents around 1% of the total operating expenses for the Group in 2016.

Environmental Activity in 2016	Cost (Rs)
ISO 14001 audits	332,200
Environmental training (external)	287,780
Environmental monitoring	1,820,410
Collection and disposal of solid waste	224,350
Ash management-related expenses including transport	36,328,560
Effluent Management	15,523,780
Other miscellaneous costs (e.g. Environmental Noise Survey + Recycling of fluorescent lamps)	164,300
Total	54,681,380

For most of our social and environmental projects, we regularly meet members of the local community to discuss on all aspects of the projects, including environmental components. We have a dedicated forum comprising of local forces vives and Omnicanne’s management that meets twice yearly. Social and environmental issues related to our operations pertaining to La Baraque cane cluster are discussed in a transparent and collaborative manner. In the context of the Mon Trésor Smart City various consultations have been held with the neighboring communities so as to inform them about the project and take note of their expectations. In 2016, no grievances have been filed through these meetings. However, we envisage to set up a formal grievance mechanism to receive all feedback from these stakeholders in the future.