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# **INSTITUTIONAL AND DESCRIPTIVE REPORT**

# **COTABACO 2026**

**Sociedad Cooperativa Tabaquera Comunitaria  
Raw Tobacco Producers' Organisation**

**Talayuela (Cáceres), 2026**

## EXECUTIVE SUMMARY

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COTABACO is a second-tier cooperative and Raw Tobacco Producers' Organisation (RTPO) that serves as the leading entity in the production, member services, curing, conditioning, traceability, storage and marketing of raw tobacco in Spain.

In a sector shaped by the decline of national production since the abolition of quotas in 2005, COTABACO has followed a different trajectory: it is the only raw tobacco operator in Spain to have increased its market share, progressively consolidating its position within the industry.

The organisation provides technical, administrative, logistical and financial support to its member producers, and has the specialist staff, facilities and equipment needed to operate directly across the various stages of cultivation, curing, storage, traceability and marketing.

Its activities contribute to sustaining agricultural output, employment and economic activity in its area of influence, particularly in a crop that is of strategic importance to certain districts of Extremadura.

COTABACO builds its cooperative model on quality, sustainability, innovation, productive efficiency and the defence of its members' interests, in accordance with its own PAC principles — *Proteger a sus trabajadores, Atender a sus clientes y Cuidar a sus proveedores* (Protecting its workers, Serving its customers and Caring for its suppliers).

## KEY FIGURES

Area	Indicator	Figure	Institutional reading
Member base	Member producers	180	Organised productive structure.
Production	Annual raw tobacco output	Over 4,600 t	Approximately 20% of national production.
Land	Cultivated area	Over 1,300 ha	Concentrated in Extremadura.
Impact	Regional GVA	Over €23M	Significant economic contribution.
Employment	Associated jobs	Over 750	Considerable weight in its area of influence.
Facilities	Premises	70,000 m <sup>2</sup>	Own technical and industrial capacity.
Sustainability	Thermal energy in curing	Over 98% biomass	Use of renewable energy.

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## 1. INTRODUCTION

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This report aims to provide an orderly and up-to-date description of the Sociedad Cooperativa Tabaquera Comunitaria, COTABACO — a second-tier cooperative made up of primary agricultural cooperatives and the leading entity in the production, member services, curing, conditioning, traceability, storage and marketing of raw tobacco in Spain.

The document covers the organisation's main background, its corporate objectives, its organisational structure, its socioeconomic dimensions, its human and material resources, the activities and services it provides to its members, and its commitments regarding environmental sustainability, quality, innovation, ethics and labour responsibility.

COTABACO operates from a unique position within the tobacco sector, both in terms of productive scale and its technical, organisational and service-delivery capacity. Its cooperative model makes it possible to concentrate production, coordinate marketing, improve the efficiency of associated farms, and support producers across the various stages of cultivation, curing, grading, storage and sale of tobacco.

This report therefore seeks to reflect not only COTABACO's productive and technical capabilities, but also its role as a backbone institution within the Extremaduran and national tobacco sector, its contribution to sustaining agricultural activity and employment in its area of influence, and its commitment to an efficient, sustainable cooperative model focused on serving its members.

## 2. ORIGIN AND INSTITUTIONAL HISTORY

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The Sociedad Cooperativa Tabaquera Comunitaria, COTABACO, was established in 1990, when a group of small first-tier agricultural cooperatives agreed to merge into a second-tier cooperative with the aim of concentrating production, improving the organisation of processing, and strengthening the joint marketing of the tobacco grown by their members.

On 10 July 1990, the articles of association of COTABACO were executed as a public deed, and the cooperative was entered in the Central Register of Cooperatives on 16 July 1990.

In May 1992, COTABACO obtained recognition as an Agricultural Producers' Group for tobacco, APA No. 27, becoming the first cooperative in Spain to achieve that status.

Subsequently, on 18 June 2005, the cooperative updated its articles of association in line with Act 2/1998 of 26 March on Cooperative Societies of Extremadura.

A further milestone in its history came on 30 July 2015, when COTABACO was granted the status of Raw Tobacco Producers' Organisation (RTPO), becoming the first entity in Spain to receive that recognition.

Finally, on 30 June 2024, COTABACO updated its articles of association once more, this time in accordance with Act 9/2018 of 30 October on Cooperative Societies of Extremadura.

Through this evolution, COTABACO has progressively consolidated its position as the benchmark cooperative entity within the Spanish tobacco sector, maintaining since its establishment a clear orientation towards the concentration of supply, the improvement of its members' competitiveness, and the defence of the cooperative model as an instrument for organisation, service provision and joint marketing.

### 3. CORPORATE OBJECTIVES AND COOPERATIVE FUNCTIONS

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COTABACO's primary purpose is to organise, concentrate, process, provide services for, and market — under the best possible conditions — the tobacco produced by its members and by the first-tier cooperatives that make up the organisation.

In accordance with Article 3 of its articles of association, the cooperative's corporate objectives are focused on the following areas of activity:

#### **a) Supply concentration and joint marketing**

COTABACO's purpose includes purchasing, producing, processing, conditioning, storing and marketing all the tobacco grown by its members, as well as concentrating supply and organising its route to market, including direct sales. This function improves the negotiating position of producers, brings order to the supply side, and aligns production with the requirements of purchasing companies in terms of both quality and quantity.

#### **b) Production planning and demand alignment**

The cooperative promotes coordinated production planning aligned with market demand, particularly regarding quality, quantity, varieties, traceability and delivery conditions. COTABACO also establishes and applies common standards for production, profitability, marketing and environmental protection, with the aim of improving product competitiveness and matching supply volumes to the actual needs of the sector.

#### **c) Technical, productive and environmental improvement**

Among its objectives is facilitating technical, operational and environmental improvements at the cooperative level, across the first-tier cooperatives that make up the organisation, and at the level of its members' farms. This includes implementing sustainable cultivation and curing practices, meeting specific technical standards, improving tobacco quality, optimising production costs and stabilising producer prices.

#### **d) Agricultural and productive service provision**

COTABACO may sow, transplant, treat, fertilise, harvest, transport, cure, sort, pack, store and dispatch its members' tobacco, as well as provide any services required for the proper development of the crop and subsequent processing and marketing stages. The cooperative may also produce seedlings and saplings of agricultural and forestry species for its members, for the first-tier cooperatives within the group, and for non-member third parties.

#### **e) Means of production, supplies and investment**

The cooperative may acquire machinery, facilities and means of production for the storage, processing, conditioning and improvement of agricultural, livestock and forestry products. It may also buy and sell such products, including fuels, biomass, machinery, facilities and inputs required for its members' agricultural activities.

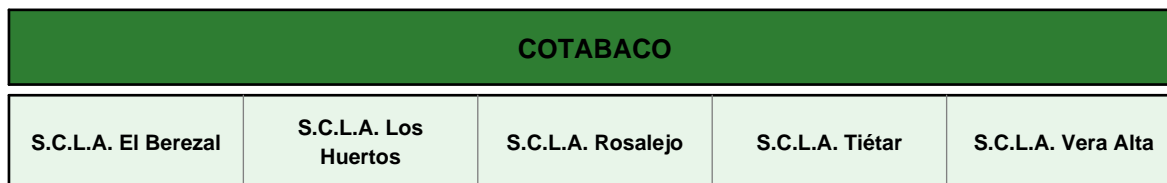
#### **f) Ancillary services and insurance**

COTABACO may act as an intermediary in the arranging of insurance and reinsurance, and may carry out any ancillary activities that are necessary or appropriate to improve the management, protection and viability of the associated farms. Taken together, these objectives reflect COTABACO's essential role as a cooperative instrument for organisation, technical support, service provision, supply concentration, competitiveness improvement and the defence of its member producers' interests.

## 4. ORGANISATIONAL STRUCTURE AND COOPERATIVE GOVERNANCE

COTABACO operates through a second-tier cooperative structure, comprising five first-tier agricultural cooperatives that form its membership and productive base, as set out in the following integration scheme:

Figure 1. COTABACO cooperative integration structure.



Through this structure, the first-tier cooperatives channel members' participation and enable a cooperative organisational model based on representation, coordination of services, concentration of supply and the joint defence of their member producers' interests.

The General Assembly is COTABACO's supreme body for expressing the collective will of the organisation and is made up of the presidents of the first-tier cooperatives within the group.

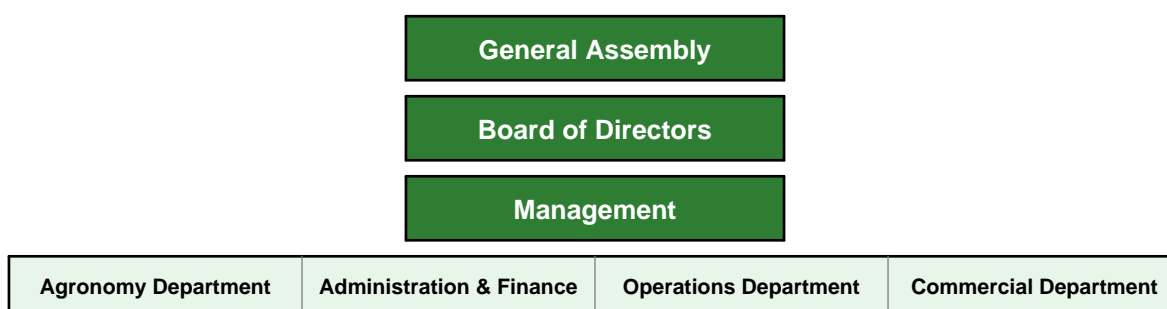
The governing, management and representative body of the cooperative is the Board of Directors, composed of two representatives from each of the first-tier cooperatives. The Board includes the roles of chairperson, vice-chairperson, secretary, deputy secretary and six board members.

The chairperson of the Board of Directors also holds the chairpersonship of COTABACO and exercises the legal representation of the organisation.

The management team is responsible for implementing the decisions of the General Assembly and the Board of Directors, coordinating the day-to-day running of the cooperative and the operation of its various services.

To carry out its functions effectively, COTABACO has a specialised technical, administrative, operational and commercial team, organised into different functional departments, as shown in the following organisational chart:

Figure 2. Governance, management and functional departments of COTABACO.



This organisational model clearly distinguishes the sphere of cooperative representation and governance — vested in the General Assembly and the Board of Directors — from the day-to-day management of the organisation, which is carried out under the direction of the management team through the technical, administrative, operational and commercial departments.

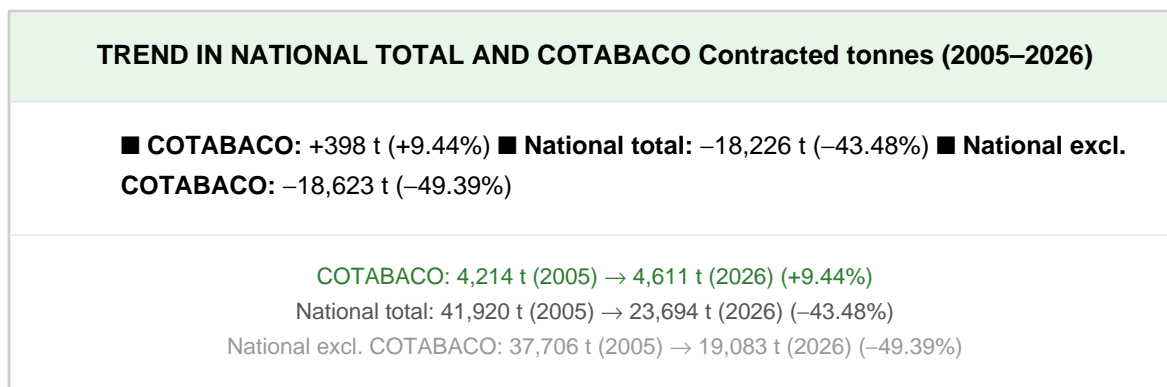
## 5. SOCIOECONOMIC DIMENSIONS AND INDICATORS

COTABACO currently has 180 member producers, who cultivate over 1,300 hectares of tobacco in the Autonomous Community of Extremadura and produce more than 4,600 tonnes per year, representing approximately 20% of national output. Of that total, 97% corresponds to the Virginia variety, while the remaining 3% is made up of dark varieties.

COTABACO occupies a unique position within the Spanish tobacco sector by virtue of its productive scale, its service-delivery capacity, and its relationships with the recognised first-processing companies operating in Spain. The organisation also retains the capacity to produce all tobacco varieties, which reinforces its role as the benchmark cooperative operator in the sector.

In terms of contracting trends, COTABACO is the only raw tobacco operator in Spain that has increased its market share since the 2005 harvest, the year in which production quotas were abolished. Over that same period, the rest of the national sector has lost, on average, close to 50% of its production, as shown in the following chart:

*Chart 1. Comparative trends in COTABACO's contracted volumes, total national output and national output excluding COTABACO, for 2005 and the period 2009–2026.*



The tobacco cultivation carried out by COTABACO's member farms contributes a Gross Value Added of over €23 million to the region, representing 0.10% of the regional total.

It also generates over 750 jobs, equivalent to 0.16% of total regional employment, 7% of employment in its area of influence, and over 10% of agricultural employment in that area. These figures are particularly significant in a regional context where the unemployment rate exceeds 15%.

The farms belonging to COTABACO show a high degree of productive specialisation, with over 92% of their land dedicated to tobacco cultivation.

In a sector that is the least affected by ageing across the entire national farming community, the average age of COTABACO's producers stands at 48, making the organisation the Raw Tobacco Producers' Organisation with the youngest membership — a result of the rejuvenation programmes it has actively promoted in recent years.

Women represent over one third of the RTPO's membership, a particularly notable figure in terms of participation, generational continuity and social balance within the organisation.

## 6. HUMAN CAPITAL AND PRODUCTIVE RESOURCES

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To carry out its activities, COTABACO has 70,000 m<sup>2</sup> of premises in Talayuela (Cáceres) — the heartland of Spanish tobacco production — encompassing a specialised workforce and an extensive set of facilities, machinery and productive means.

These human and material resources underpin the cooperative's day-to-day operations, the provision of services to the first-tier cooperatives within the group, and the support offered to member producers.

### 6.1. WORKFORCE

COTABACO has a stable and specialised workforce made up of technical, administrative and operational staff, enabling it to meet the productive, agronomic, administrative and logistical needs of the cooperative, the first-tier cooperatives within the group, and their member producers.

The workforce is structured as follows:

#### Permanent full-time employees:

- One agricultural engineer (Ingeniero Agrónomo).
- Three agricultural technical engineers.
- One IT technical engineer.
- Two senior business administration graduates.
- One production manager.
- One warehouse manager.
- Three drivers.
- One security guard.

#### Permanent seasonal employees:

- One agricultural technical engineer.
- Nine skilled labourers.
- Thirty-five general labourers.

### 6.2. FACILITIES AND MEANS OF PRODUCTION

COTABACO has an extensive range of facilities, machinery, vehicles and productive equipment for curing, plant production, reception, sorting, storage, traceability, service provision and support for its members' agricultural activities.

Its main productive assets include:

#### Facilities, warehouses and management buildings:

- A Virginia tobacco curing plant comprising 112 drying chambers, with a total floor area of 5,900 m<sup>2</sup> and a weekly curing capacity of 6,400 m<sup>3</sup> of tobacco in 1,488 containers. The plant uses biomass as fuel for heat generation via five boilers with a combined output of 10 Mcal/hour. The boiler rooms cover 392 m<sup>2</sup> and the biomass storage sheds 588 m<sup>2</sup>.
- A 30,000 m<sup>2</sup> nursery for producing root-ball tobacco seedlings, comprising seventeen greenhouses with a total usable area of 20,000 m<sup>2</sup>.
- A biomass screening and sorting plant with a floor area of 2,700 m<sup>2</sup> and a capacity to process over 5,000 tonnes per year.
- A 600 m<sup>2</sup> shed for sowing, disinfection and storage of root-ball trays.

- Two sheds for filling tobacco containers and for sorting and packing cured tobacco, with a combined floor area of 2,800 m<sup>2</sup>.
- A maintenance and repair workshop covering 540 m<sup>2</sup>.
- A 1,430 m<sup>2</sup> shed for receiving cured tobacco from members.
- Three sheds totalling 2,900 m<sup>2</sup> for the storage of cured tobacco.
- A 365 m<sup>2</sup> shed for the storage and sale of plant protection products.
- A 900 m<sup>2</sup> shed for the storage and sale of fertilisers.
- An electrical substation covering 65 m<sup>2</sup> with an installed capacity of 1,500 kVA.
- A management building of 320 m<sup>2</sup> comprising a waiting area, seven offices, two archive rooms and a boardroom.
- An 80 m<sup>2</sup> office for IT monitoring and process traceability.
- A 25 m<sup>2</sup> office for tobacco curing control.
- A 180 m<sup>2</sup> conference hall.
- A 150 m<sup>2</sup> staff canteen.

**Machinery, vehicles and equipment:**

- Five trucks equipped with multilift hook systems.
- Seven Virginia tobacco harvesters.
- Two self-propelled sprayers.
- Two tractors.
- One hundred and twenty multilift trailers.
- One weighbridge for trucks and freight vehicles.
- Three trailers equipped with multilift hook systems.
- Two flatbed trailers with multilift systems.
- Seven forklifts.
- Three green tobacco container-filling lines.
- Three cured tobacco sorting and packing lines.
- Two flatbed trailers for transporting cured tobacco.
- Two self-propelled industrial sweepers.
- One automatic tray-sowing line with a capacity of 800 trays per hour.
- One industrial tray washing and disinfection unit.
- One automatic substrate mixer.
- Eight platforms with cages for transporting floating trays.
- Seventeen greenhouse crop-protection treatment rigs.
- Seven lawnmowers.
- Two plant protection product spraying units.

## 7. ACTIVITIES AND SERVICES PROVIDED

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Drawing on the human, technical and material resources described above, COTABACO carries out a wide range of activities and services designed to support its members across the various stages of cultivation, curing, management, marketing and farm administration.

### 7.1. TECHNICAL AND PRODUCTIVE ACTIVITIES

#### • Operation of the curing plant.

Each year, 1,500,000 kg of Virginia tobacco belonging to member producers is cured at COTABACO's curing plant. In connection with this activity, the cooperative provides the following services:

- Harvesting — in certain cases using the cooperative's own harvesters — of green tobacco from members' farms.
- Transport of harvested green tobacco from members' farms to the curing plant.
- Loading of drying chamber containers.
- The curing process itself.
- Grading, packing and storage of cured tobacco.
- Transport and sale of tobacco to first-processing companies.

Traceability across all of these operations is ensured through the control systems implemented by COTABACO.

#### • Operation of the nursery.

The seventeen greenhouses that make up COTABACO's nursery produce twenty million root-ball tobacco seedlings each year for the farms of member producers. The nursery also has 945 m<sup>2</sup> of heated growing area served by underfloor heating and air heaters. COTABACO also provides a tray-sowing service for members who raise their own seedlings on their farms, as well as transport, collection, cleaning, disinfection and storage services for those trays.

#### • Reception, storage and dispatch of cured tobacco.

COTABACO manages the reception of over 2,000 tonnes of cured tobacco from its members' farms, handling unloading, inspection, storage and safekeeping at the cooperative's facilities. It then coordinates, using its own logistics resources, the transport and dispatch of the product to the purchasing centres of first-processing companies, ensuring orderly, traceable and efficient management of this critical stage in the commercial chain.

#### • Implementation, monitoring and control of Good Agricultural Practices and Integrated Production.

COTABACO has a Good Agricultural Practices plan in place, aimed at aligning tobacco production with the quality, traceability, sustainability and safety requirements demanded by its customers and the sector as a whole. The plan incorporates specific practices at the cultivation and curing stages, designed to reduce environmental and human health impacts and to ensure rigorous traceability of the product. COTABACO is also recognised as an Integrated Agricultural Production Group (APRIA) for tobacco, to which all its producers belong.

#### • Agronomic advisory services and technical document management.

COTABACO provides RTPO members with a comprehensive agronomic advisory service throughout the cultivation and curing phases, covering technical monitoring of farms, guidance on good

agricultural practices, assistance with Integrated Production requirements, and the preparation, review and maintenance of farm notebooks and other technical and agronomic documentation related to the crop.

- **Group purchasing.**

COTABACO organises group purchasing of inputs and supplies required for cultivation, leveraging the collective demand of its members to improve procurement terms, reduce costs, guarantee access to essential products and strengthen the economic efficiency of the associated farms.

- **Sale and application of plant protection products.**

COTABACO is registered with the Official Register of Producers and Operators of Plant Protection Means of the Junta de Extremadura as an authorised operator for the sale and application of plant protection products in all categories, enabling it to offer members a specialist, safe service that complies with all applicable regulatory requirements.

- **Sale of inputs.**

COTABACO gives its members access to the inputs, materials and ancillary supplies needed for proper crop development, including fertilisers, machinery, personal protective equipment, tools and other items related to agricultural activity. This service helps to organise supply, improve the availability of essential products and strengthen the operational capacity of the associated farms.

- **Technical support during inspections and audits.**

COTABACO provides its members with technical support during field inspections carried out by the Administration, as well as during audits conducted by Integrated Production certification bodies. This support strengthens the technical and documentary robustness of farms, facilitates an adequate response to inspection and audit requirements, and ensures that producers have the cooperative's specialist backing during the verification and certification processes linked to the crop.

- **Environmental management and sustainable practices.**

COTABACO promotes measures to reduce the environmental impact of agricultural activity and to encourage sustainable practices on its members' farms. These include the collection of containers and waste generated on farms — through its role as a SIGFITO collection point — the formalisation of contracts with authorised waste management operators and landfill sites, the recycling of agricultural plastics, the conducting of trials related to organic tobacco cultivation, the preparation of environmentally responsible crop guides, advisory services on sustainable farming practices, and the organisation of environmental training activities.

- **Agricultural insurance management and claims assistance.**

COTABACO supports its members in the management and arrangement of the combined agricultural insurance policy for tobacco cultivation, under the progressive-cover scheme for non-textile industrial crops. In the event of a claim, COTABACO's technical staff accompany producers during the loss assessment process alongside Agroseguro representatives, bringing direct knowledge of the farms, the crop and the productive circumstances involved. This service strengthens the technical defence of members' interests and facilitates the proper handling of claims arising from crop damage.

- **Technical training and producer development.**

COTABACO organises, coordinates and delivers training activities for its member producers, aimed at reinforcing their technical knowledge, improving farm management, and facilitating compliance with regulatory, productive, environmental and quality requirements related to tobacco cultivation.

Training activities include courses and workshops on good agricultural practices and traceability, the handling and application of plant protection products at various levels, farm business management, production cost analysis and reduction, and practical guidance for growing quality tobacco with minimal environmental impact.

## 7.2. ADMINISTRATIVE AND FINANCIAL ACTIVITIES

COTABACO carries out extensive administrative, accounting, tax, financial and institutional management work, both for the cooperative itself and for the first-tier cooperatives within the group and their member producers.

These activities relieve the associated farms of a significant part of their documentary, administrative and external-liaison obligations, bringing security, order, professionalism and responsiveness in dealings with financial institutions, public authorities, advisers, sector companies and other operators connected with agricultural activity.

The main activities in this area include:

- **Commercial invoicing management.**

COTABACO centralises and manages invoicing for products marketed by the cooperative itself and by the first-tier cooperatives within the group, bringing order, economic traceability and administrative control to the commercial operations of the cooperative group.

- **Accounting, tax and administrative management.**

COTABACO handles the accounting, tax and administrative management of both the cooperative itself and the member cooperatives, ensuring consistent organisation of financial information, proper compliance with legal and tax obligations, and greater coordination in the routine management of the cooperative group as a whole.

- **Budget preparation and financial planning.**

The cooperative prepares budgets and financial projections to bring order to operations, anticipate funding needs, plan investments and support decision-making by the governance and management bodies.

- **Coordination with external advisers.**

COTABACO maintains ongoing communication with legal, tax, accounting, labour and technical advisers, in order to reinforce the legal, economic and administrative security of its operations and those of the first-tier cooperatives within the group.

- **Management of audits, certifications and external controls.**

COTABACO takes full responsibility for managing the audit, certification, control and external inspection processes linked to its economic, administrative, labour, industrial, environmental, logistics and quality activities. This covers, among other areas, the financial review of annual accounts, audits of the UNE-EN ISO 9001 and UNE-EN ISO 14001 certified systems, controls related to the transport, storage and marketing of plant protection products, nurseries and greenhouses, industrial and electrical facilities, and labour, occupational health and social security obligations. In doing so, COTABACO reinforces legal security, traceability, transparency, regulatory compliance and operational continuity for the cooperative, its member cooperatives and their producers in dealings with public authorities, certification bodies, financial institutions, customers and other sector operators.

- **Financial management and liaison with credit institutions.**

The cooperative carries out negotiations with financial institutions to meet the funding needs of COTABACO, the member cooperatives and the producer members, facilitating the channelling of financial resources towards agricultural and cooperative activities.

- **Institutional and sector relations.**

COTABACO maintains contacts and meetings with companies, sector cooperatives and public authorities at European, national, regional and local level, acting as a technical and institutional spokesperson in defence of its members' interests and those of the producer sector as a whole.

- **Agreements with companies linked to the tobacco and agricultural sectors.**

COTABACO has promoted agreements and arrangements with energy companies, biomass suppliers, insurers, occupational accident and illness mutual funds, external occupational risk prevention services and other operators linked to agricultural activity. These agreements help improve access to certain services, reduce costs and strengthen the economic efficiency of the associated farms.

- **Administrative processing as a collaborating entity.**

COTABACO is recognised as a collaborating entity of the Agriculture Department of the Junta de Extremadura. In this capacity, it carries out the following procedures on behalf of RTPO members: the Single Application, updates to the Farm Register, the Integrated Production Operators Register, administrative entitlement transfers and the management of applications relating to various support schemes, including those for young farmer establishment, improvement plans, irrigation efficiency and agri-industrial incentives.

- **Preparation, submission and registration of tax and administrative documents.**

The cooperative handles the preparation, submission and registration of tax, administrative and technical-economic documents related to the activities of COTABACO, the member cooperatives and, where applicable, the producer members, contributing to more orderly, professional and efficient management of the cooperative group as a whole.

## 8. COMMITMENTS

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COTABACO's activities are underpinned by a set of commitments that go beyond the cooperative's purely productive and commercial functions. These commitments extend to environmental sustainability, the quality of products and services, innovation applied to cultivation and production processes, and the ethical, labour and organisational responsibility of the organisation.

### 8.1. ENVIRONMENTAL

Over 95% of the land cultivated by COTABACO's members is managed under the Integrated Production scheme, in accordance with the Specific Technical Standard for Integrated Production of Tobacco in the Autonomous Community of Extremadura, which promotes agricultural practices that are beneficial for the climate and the environment.

Furthermore, over 98% of the heat energy used in curing tobacco for RTPO members comes from biomass — a renewable, greenhouse-gas-neutral energy source.

COTABACO also has photovoltaic energy generation facilities for self-supply of its own premises.

On water efficiency, the cooperative promotes the monitoring and control of the water footprint of member farms through the use of field-capacity sensors and meters.

All of this is integrated into COTABACO's environmental management system, certified under UNE-EN ISO 14001:2015.

### 8.2. QUALITY

COTABACO's commitment to quality applies to both the products it markets and the services it provides to its members, to the first-tier cooperatives within the group, and to the various operators with which it works.

This commitment is delivered through control procedures, traceability systems, internal organisation and continuous improvement, aimed at ensuring process reliability and meeting the technical, commercial and documentary requirements associated with the cooperative's activities.

In this area, COTABACO holds the UNE-EN ISO 9001:2015 Quality Management certification.

### 8.3. RESEARCH AND DEVELOPMENT

Innovation is one of COTABACO's key areas of improvement and adaptation, particularly in a sector where competitiveness depends increasingly on productive efficiency, sustainability, traceability, product quality and the ability to incorporate new technical solutions into cultivation and subsequent processes.

In this field, COTABACO has participated in various R&D projects aimed at advancing agronomic knowledge, optimising the curing process, valorising the tobacco plant, reducing environmental impact and strengthening product traceability.

The most notable projects include:

- Technological development for the production of distinctive tobaccos cured with renewable energies in the province of Cáceres — **TASINEX**.
- Improving the competitiveness of tobacco cultivation through the development of a new model for managing agricultural knowledge regarding crop development and curing behaviour — **Tabaco-Track**.
- Research into advancing seedling production in floating-tray nurseries for early-season, high-quality tobacco production with lower environmental impact — **Early Transplant**.

- Valorisation of the tobacco plant through the extraction of supercritical extracts containing target compounds of potential industrial interest — **TABAEXIN**.
- Tobacco leaf traceability system — **Go LeafTrack!**.

Through this participation in R&D&I projects, COTABACO reaffirms its commitment to modernising cultivation, continuously improving its processes, and finding solutions that contribute to the future sustainability and competitiveness of the tobacco sector.

#### 8.4. ETHICAL AND LABOUR

COTABACO maintains an active commitment to ethical responsibility, worker protection, equal opportunities, risk prevention and the availability of appropriate internal channels for reporting potential irregularities or breaches of compliance.

In this area, the cooperative has put in place, among other instruments:

- **An equality plan:** aimed at ensuring equal treatment and equal opportunities for women and men in the workplace.
- **A whistleblowing channel for employees:** to facilitate the reporting of potential criminal or administrative irregularities, with the guarantees provided under applicable legislation.
- **An ethics channel:** as an internal communication mechanism enabling employees, suppliers, customers and other interested parties to report possible non-compliance, irregularities or conduct contrary to the cooperative's ethical principles.
- **A self-protection plan:** designed to strengthen the safety of the people, facilities and activities of the organisation.

All of this reflects COTABACO's commitment to its own PAC principles — *Proteger a sus trabajadores, Atender a sus clientes y Cuidar a sus proveedores* (Protecting its workers, Serving its customers and Caring for its suppliers).

## 9. CHALLENGES AND ASPIRATIONS

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The management bodies of COTABACO, and by extension its members and employees, are fully aware that the future of the tobacco sector requires continued progress in quality, efficiency, sustainability, professionalisation and the provision of services to producers.

In an increasingly competitive environment subject to ever greater technical, regulatory, environmental and commercial demands, the long-term viability of the productive model depends on reinforcing producers' capacity for organisation, reducing costs, improving tobacco quality, optimising cultivation, curing, storage and marketing processes, and maintaining strong relationships with public authorities, first-processing companies, financial institutions and other sector operators.

COTABACO faces these challenges as a second-tier cooperative and Raw Tobacco Producers' Organisation, with the commitment to continue acting as an instrument of service, representation, modernisation and advocacy for its member producers — built on a cooperative model that embraces responsibility, the long-term continuity of the sector, and the economic, social and environmental sustainability of the associated farms.