

sovena

Sustainability Report 2013



sovena

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CEO message

Dear stakeholders,

Sovena is proud to present its first Sustainability report.

Conducting an analysis of the Group's performance in recent years, the development of Sovena, and in particular the international growth, took place in the last ten years. Stepping back just over a decade, Sovena has gone from being a group that had about 80% of sales in Portugal to the current situation, where we sell about 80% out of the country. To this end, some key factors must be highlighted: the acquisition, in 2002, of the assets that today make Sovena Spain (in Seville); the acquisition, in 2005, of the operation in the USA; and from 2007 on the plantation and exploitation of olive groves, especially in Portugal, but also in Spain and Morocco. Currently, Sovena is the leading player in the olive oil sector worldwide, with a physical presence in Europe, America, Africa and Asia.

Our perspective has been looking for new markets in export logic and, when justified, buying local operations that allow faster and more sustainable growth. We did so in 2002 with Spain, the first market of Sovena today; in 2004 in Brazil, by buying a Portuguese brand with presence in the country; and in 2005 in the United States. It is exactly in this way that we are thinking about our strategy in Latin America, European countries, like Russia, and in particular, Asia Pacific.

But the industry where Sovena operates faces challenges and difficulties in the short and medium terms, particularly the stagnation/recession in traditional markets and the strong dependency on the price of raw-materials. In this sense, Sovena works in a committed way every day to face and overcome difficulties, in partnership with its stakeholders, using the most advanced technological solutions available, and producing and purchasing high quality raw-materials, in order to offer to its customers high quality products at the best possible price.

The Group also looks at opportunities with optimism. In this regard, we intend to consolidate our business in traditional markets (Portugal, Spain and other European countries); take advantage of opportunities in new markets (such as Brazil, USA, China, Russia, Middle East and Africa) for organic growth or acquisitions; further integration of sustainability in the value chain, with the plantation of olive groves in Portugal, Spain, Morocco and new producing countries such as Chile or the USA; and also, whenever possible, actively participate in industry consolidation and promotion. We remain convinced that the complementarity of business, the geographic spread and the increasing weight of these new markets, combined with a certain amount of creativity and resilience, will allow us to continue our strategy worldwide.

In 2013, the company entered into a reassessment process, about the implementation and communication of its sustainability strategy. Despite the concept of sustainability had been integrated into our core business since our origin, this work is now made known to all stakeholders in this report. In this sense, we are proud to formalize and communicate our sustainability priorities in this report, undertaking commitments with our stakeholders, giving special relevance to key-issues such as: Food safety and food defense; Sustainability throughout the value chain; Research, development and innovation; Management of waste and by-products; Energy and climate change; and Health and nutrition.

In terms of products, Sovena olive oils were especially highlighted in the 2013/2014 edition of the 'Mario Solinas' competition. Sovena's olive oils achieved 1st and 2nd places in the mild green fruitiness category. The Oliveira da Serra brand also obtained 35 distinctions in various national and international competitions – a very important feat for Portuguese agriculture and the confirmation that Oliveira da Serra is one of the best olive oils in the world.

In terms of human capital, our employees play a key role in the success of our organization. We see the management, development and enhancement of our human capital as a base for growth. The long-term success of the Group depends on our capacity to attract, develop and retain employees. In this sense, I would like to congratulate and highlight Mr. Manuel Alfredo de Mello, president of Nutrinveste's Management Board, and winner of the award 'EY Entrepreneur of the Year 2013' in Portugal. A well-deserved award for all of its work developed for the past 25 years, with great vision and entrepreneurship, extended to all those who over these years have helped in one way or another to build and develop what Nutrinveste and Sovena are today.

We are aware that the Group's success must go through the consolidation in mature markets and strengthen our position in new markets with potential for future growth, never forgetting the demands that our highly competitive sector requires, and with the integration of sustainability in the whole value chain, according to local realities and cultures. Finally, allow me to show our most sincere gratitude to all of our stakeholders that are part of our success and that every day allow Sovena to be a benchmark in the world of olive oil worldwide and in creating value.



António Simões
CEO of SOVENA

About this report

The Sovena Group (hereafter referred as Sovena or Group) presents its first Sustainability report, which outlines key economic, environmental and social impacts of its activities.

Scope of the report

This report covers all worldwide business activities where the Group has operational control, for the period between January 1st and December 31st of 2013, including the four business areas of the Group, namely: Agriculture, Oilseeds, Consumer Goods and Biodiesel.

Since this is the first Sustainability report published by Sovena, whenever considered relevant, activity data and initiatives implemented by the Group in previous years were disclosed.

The Group will report, whenever possible and when the information is available, information on the activity of all its plants and companies in which has operational control, including: Sovena Consumer Goods Spain (Brenes-Spain); Sovena Consumer Goods Portugal (Barreiro-Portugal); Sovena Oilseeds Portugal (Almada-Portugal); EXOLIVA (Plasencia and Almendralejo-Spain, now integrated within SCG Spain); Sovena USA (Rome, NY-USA); Sovena MENA (Tunisia) and Elaia (joint project between Sovena (50%) and Atitlan (50%) - Spain, Portugal and Morocco). Quantitative data from the Moltuandujar plant (Andújar-Spain), a society in which Sovena Oilseeds Spain owns 70% was not included, since Sovena took over management of the plant in early 2014. It is the intention of the Group to broaden the scope, gradually, in order to include more sustainability data in future versions of this document.

In addition to this report and in order to assess the evolution of the Group regarding sustainability, the stakeholders may consult other sources of information, such as the Annual report and the Sovena corporate website (www.sovenagroup.com).

Definition of report contents

This report was prepared in accordance with the Sustainability reporting Guidelines of the Global Reporting Initiative (GRI), in its latest version, 4.0, released in May 2013. It was also considered the Food Processing Sector Disclosures of GRI. Sovena compiled stakeholders' expectations for this report through a stakeholder engagement exercise.

To define the content of this report, Sovena followed the four-step process of Identification, Prioritization, Validation and Review, outlined in the G4 Guidelines. In order to address the G4 GRI Guidelines, Sovena conducted a Materiality Analysis of the sustainability issues. This analysis considered external criteria (result of stakeholder engagement exercise, benchmarking analysis and sector references) and internal criteria (impact to Sovena and the integration in business strategy). Based on the results of this pooled analysis, strategic sustainability priorities were identified, being the basis of the Sovena Sustainability strategy and Sustainability report. More information about the materiality process carried can be found in chapter 2. Sustainability at Sovena.

Verification by an external entity

This report was not subject to external verification by an independent entity. However, the Group aims to submit its sustainability report for external verification in the future.





1.
Sovena
Olive Oil for the world.



1.1 Mission, vision, values and principles

Mission

To inspire people to eat healthier and tastier by using olive oil.

Vision

To bring olive oil to every single place and every single person in the world.

Values

Our values are our vertebrae. What we fight for. What we are proud of. What makes us the Sovena Group.

- RATIONALITY
- INTEGRITY
- INNOVATION
- COMPETITIVENESS
- AMBITION
- TRUST
- TRANSPARENCY
- MULTICULTURALISM

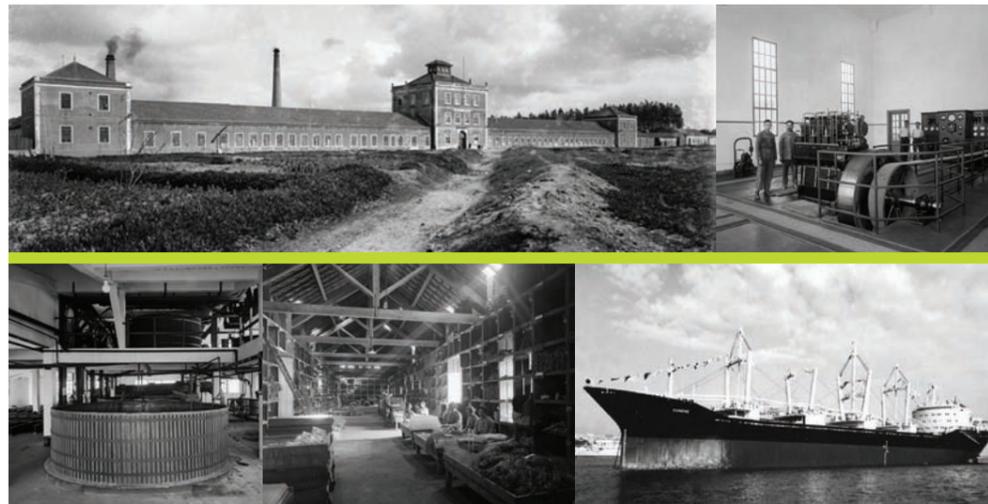


1.2 History

The beginning

At the end of the 19th century, Alfredo da Silva, one of Portugal's most important industrialists, created the first Portuguese financial, commercial and industrial group - the Companhia União Fabril, CUF, built upon the merger of two smaller chemical companies, the União Fabril and the Companhia Aliança Fabril. As they would say in those days "What the country doesn't have, CUF creates." At the beginning of the 20th century, it was already the largest Portuguese conglomerate, with an industrial park in Barreiro that represented avant-garde technology, entrepreneurship and modernization. CUF represented 5% of the country's GDP and included more than 100 companies, 110.000 people, and more than 1.000 products being made. It was involved in everything from shipping to fertilizers, textiles, acids and seed oils, among others. It was a group, of very few, that survived two world wars due to the courage and tenacity of Alfredo da Silva.

In April 1974, the process of nationalization supported by the new political regime changed radically the reality of the CUF Group.



Rebuilding a Group

With the return of social and political stability some years after the revolution, Jorge de Mello and José Manuel de Mello, Alfredo da Silva's grandsons, took on the responsibility of rebuilding the Group. Jorge de Mello took care of the agro industrial business and José Manuel de Mello took over the financial and health businesses.

It was in the 80's that Jorge de Mello re-entered the Portuguese market through the acquisition of Sociedade Alco, Algodoeira Comercial e Industrial, which business area was the extraction, refining and bottling of seed oils. It also acquired the Fábrica Torrejana de Azeites, in Torres Novas.

In the 90's, the group proceeded with acquisitions to reinforce the role of the group in that market. These included Lusol, which was involved in the extraction and refining of seed oils and the production of soaps; Tagol, which performed extraction and refining of several oilseeds, including soy, and had an exclusive contract with the multinational corporation Bunge; and Sovena, created in 1956 through a partnership between CUF, Macedo & Coelho and Sociedade Nacional de Sabões, to market seed oils and soaps.

Internationalization

The start of the 21st century is also the start of the industrial restructuring of the group, concentrating its activities on Tagol with extraction and refining, and on Sovena with bottling and marketing. This was followed by some new acquisitions with a globalized frame of mind, rather than a local one.

In 2002, the acquisition of Agribética's assets in Seville, which involved refining and bottling of seed oils and mostly olive oil, and the consequent integration of Sovena Ibérica de Aceites, allowed the group to have a rapid growth, becoming the leader in the Iberian Peninsula. Already with its own place in the Iberian market, the group felt the need to bring its products to more people and more countries and even a new continent. It was then that it acquired Simão & Co with the objective of re-launching its main brand, Andorinha, in the Brazilian market. This was followed, in 2005, by the acquisition of 80% of East Coast Olive Oil, the largest olive oil bottler in the U.S.A. The Group also opened Tagol Iberica de Aceites in Spain, to ease its access to the sunflower seed market in that country.

With a strong presence in all 3 continents reached in just 3 years, the group conquers a new partner, SOMED, to create a new company based in Morocco, called Soprolives, in order to produce and sell olive oil to several international markets. Still in 2006, Tagol, in partnership with Bunge, creates BioColza, whose main activity is the extraction and refining of Colza (a type of Canola) oil and its byproducts. Sovena continued its successful growth strategy and also in 2006 the group acquires 80% of Exoliva. This company is primarily dedicated to the production and export of table olives, having a significant position in the Russian, Ukrainian and Middle Eastern markets.

Although the entrance in the agricultural world happened in 2006 with Soprolives, it is in 2007 that the agricultural project is created, through a partnership with Atitlan, called Elaia. The objective was to plant about 25,000 acres of olive groves, commanding a larger control of the entire value chain in the market. Also in 2007 Sovena M.E.N.A. (Middle East & North Africa) was created in Tunisia, again through a partnership with a local company. The objective was to supply the local market, the surrounding countries and export. Also in 2007, Sovena entered the business of Biodiesel production and commercialization. The factory was built next to the Tagol (the present Sovena Oilseeds Portugal) facilities and began production in December of that year. 2008 starts with the restructuring of the group's identity, with a new image and new company names. It is the new Sovena Group, previously known as Alco, now with four business areas - Biodiesel, Agriculture, Oilseeds and Consumer Goods.

In 2010, the Marmelo Mill was inaugurated in Ferreira do Alentejo, Portugal. This architectural masterpiece allowed Sovena to become the only major player in the sector to be present in all steps of the olive oil value chain. In 2012, a partnership was established with Deoleo to explore the seed oil factory of Andújar, in the Spanish province of Jaen. Also, Sovena met another milestone, acquiring 15% of the Chilean company 'Almazaras del Pacífico', with two olive oil mills. In 2013 yet another olive oil extraction unit is added to the Group, as the Painho olive mill started operating, processing olives from the nearby groves in Avis, Elvas and Campo Maior, in Portugal.

1.3 Business areas

Sovena, 100% owned by Nutrinveste SGPS, SA, is one of the leading Portuguese agribusiness holding companies, producing seed oils, olive oils, olives and soaps. The Group has four different inter-related business areas that cover the entire spectrum of the value chain.



MENA: Middle East & North Africa

1.4 Facts and figures

Did you know that Sovena is...?

- One of the largest olive oil companies worldwide.
- The largest private label olive oil supplier worldwide.
- The largest Spanish olive oil exporter.
- The largest private olive grove with more than 10,000 hectares of olive groves.
- Supplier of the largest retail chain worldwide.

8 factories and
4 Olive Oil Mills

Market leaders in
Portugal, Spain,
USA, Central Europe

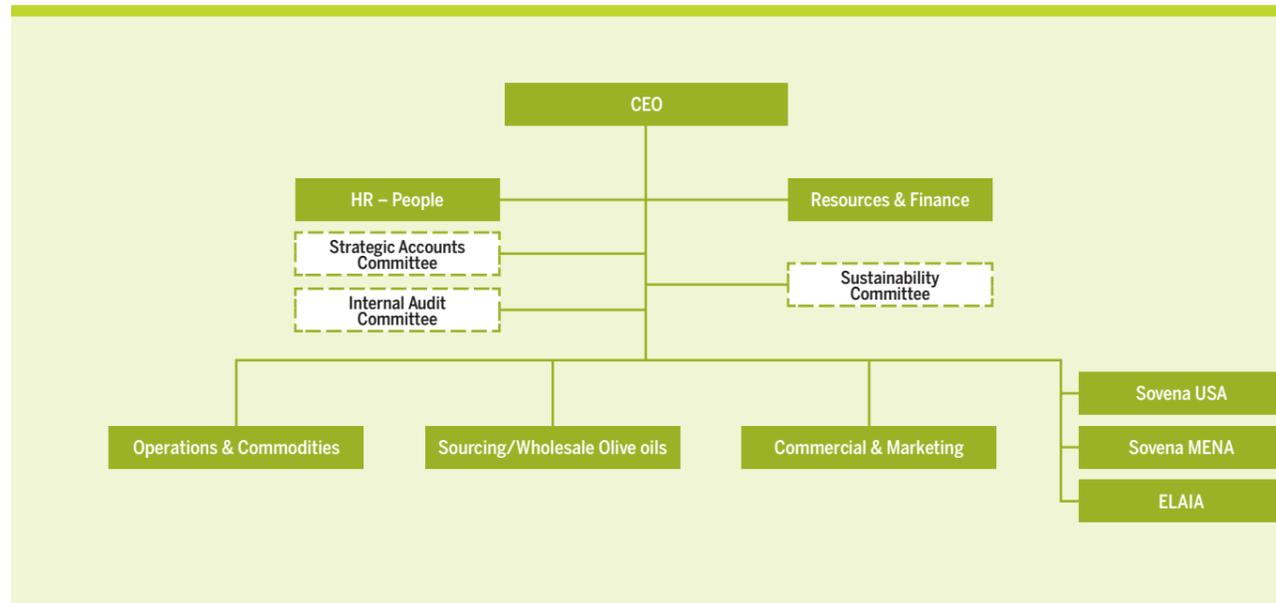
Facilities
in 9 countries
in 4 continents

Sales of € 1.2 Bn
(2013 figures)

Exporting to more than
70 countries

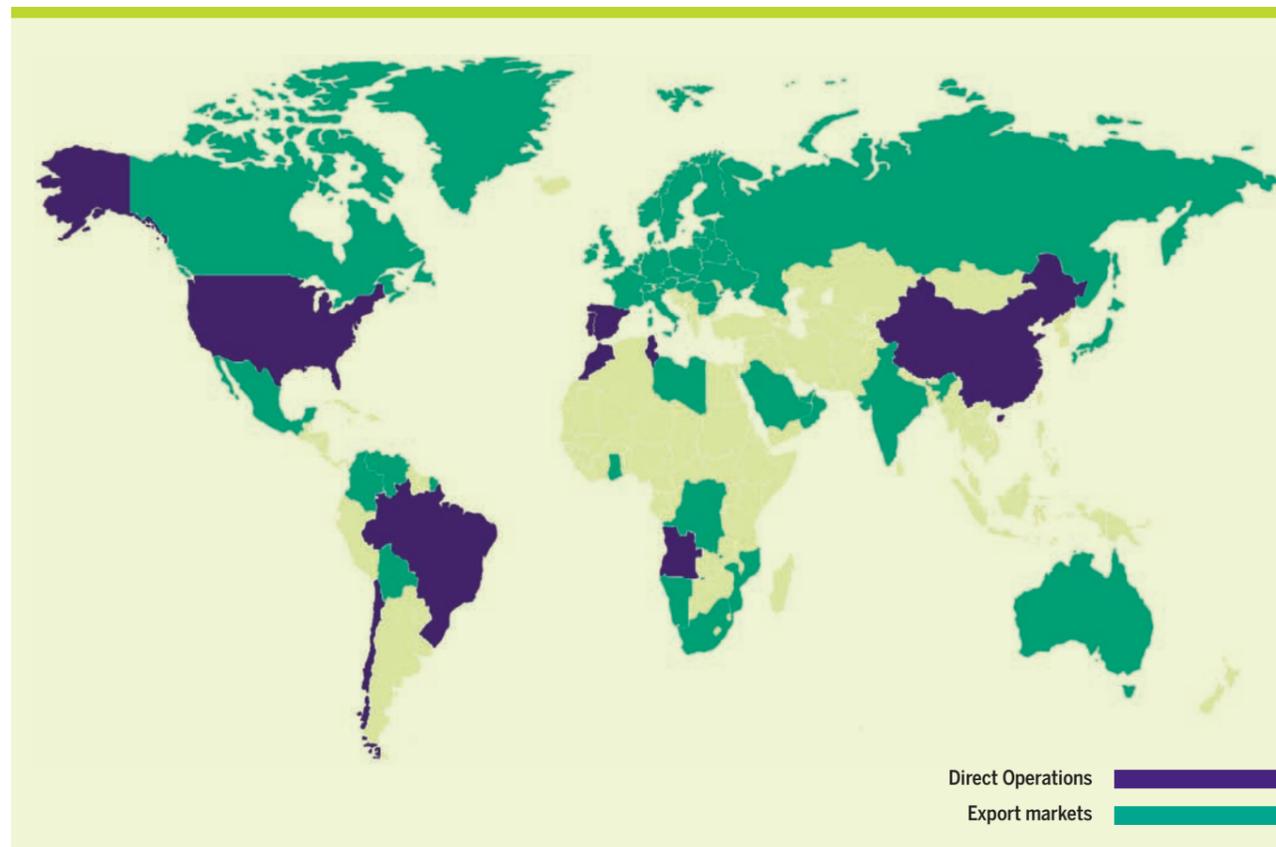
100% family owned
company

1.5 Organization



1.6 Sovena in the world

Sovena exports to more than 70 countries and has direct operations in 9 countries in 4 continents.



1.7 Products

Sovena has a wide range line of products available, as well as the ability to create new ones to answer all markets and segments' needs.

Concerning seed oils, Sovena has formulations of 100% soy, sunflower, corn or peanut, several blends between these oils and, specifically for the foodservice market, high frying performance blends. Regarding olive oils, they range from the most accessible to the internationally awarded Extra Virgin Olive Oil. Sovena has products with levels of acidity that range from 0.2% to 1%, as well as the most diverse organoleptic profiles, including: mild, intense, fruity, spicy, robust and light tasting olive oils.

The Group also has blends of seed oils and olive oils, particularly in the American foodservice market. These products are tailor made for clients and are developed in the desired proportions of seed oils and olive oils to best meet a specific flavor or performance profile.

Regarding olives, Sovena has a wide diversified existing range. Green, natural black and oxidized black, brined, whole or pitted and sliced.



Regarding the soap business, in 2013 it was decided to externalize the production of soap, with the aim of continuing to supply the market with Sovena brands, in Portugal and in export markets.

1.8 Brands



Olivari olive oil is a delight that proudly reflects its Mediterranean origins. This international brand started in the USA and has presence in many countries, among which China, Russia and Poland.



This is a Spanish brand with a thoroughly complete portfolio, build to be of high quality and with packaging that allow it to be very competitive.



Market leader in Portugal, our brand believes in the Portuguese agriculture, in the preservation of nature and in the sustainable development. That is why we have planted more than 10 million olives in our Portuguese farms and we are building a mill that none have seen before, with high technologies to guarantee the quality of our olive oil and the environment preservation.

For more information please consult www.oliveiradaserra.pt



The largest and most charismatic brand of seed oil in Portugal. It is already 50 years old and includes a wide range of products, always 100% vegetable. It continues to deliver in making a family dinner into a proper family fun gathering.

For more information please consult www.fula.pt



The Clarim soap combines unique performance and aroma that differentiates it from any other cleaning product. It continues to be the best way to degrease and whiten clothes, leaving them smelling wonderfully. The traditional aroma of freshly washed and sun dried clothes.



In the final year of 2008, Sovena Spain idealized the creation of a Spanish olive oil brand with the ambitious goal of entering or strengthening its position in key markets where olive oils 'made in Spain' are much appreciated. The name, Soleada, has a pleasant sonority, is easy to pronounce and remember, and has positive connotations. Through our partnership with Bunge, we soon hope to be in the whole of South America.



This is an American exclusive that is more than 70 years old. Its portfolio includes many olive oils, blends and some premium vegetable oils, all blended and bottled in Rome, NY (USA). Gem's main market is the foodservice sector, including delis and other Italian restaurants where olive oil is a key ingredient in a majority of the menu items.



A Portuguese brand created in 1927, with great relevance in the Brazilian market. Since 2004 it fights for leadership in that country, state by state. Consumer needs are taken into account via a perfect fit with its portfolio of products and packages, such as the traditional tin. It is also available in the Portuguese communities scattered around the world, mainly in the USA, France, South Africa, Mozambique and Macau.

For more information please consult www.azeiteandorinha.com.br



The most pragmatic product brand ever created. It is the simple blend of several seed oils that ensures it performs better and longer than 100% sunflower oil.



Created in 1981 specifically for the export market of Spanish table olives. Its reputation was built upon high quality and a wide range of olives, from black to green, stuffed, sliced, stoneless or seasoned, but also because it is flexible to adapt to the needs of each market. Its geographical presence goes from Central Europe to Russia, Ukraine, Scandinavia and the Arab Countries and encompasses both retail and catering formats.

Sovena also has other brands available with a relevant role in its portfolio and in the life of key segment's consumers, such as: Finóleo, Vitóleo, Frigi, Santé, Santoliva, Tri-Fri, Corcel, Ouro D'Oliva and Córdoba.

1.9 Sovena's value chain

As for olive oil, the Group's core business, Sovena is the only major player of the sector that integrates all value chain steps from the plantation of olive grove, to transformation, packaging and commercialization. This allows the company to have a relevant competitive advantage in relation to other market players in what regards to know-how and business knowledge, supported by an experienced team and modern industrial facilities.



From Sovena's olive groves to the world, the entire production process is planned to the last detail. It all begins with the selection of the varieties of olive trees to be planted. They are chosen according to the organoleptic properties of the olive oil, their production potential and the climate of the production area where they will grow. Once olives have reached the right maturity stage, it is time to harvest. To do so, machines are used, with a capacity to harvest up to 6 hectares per day.

One of the secrets of the quality of Sovena's olive oil is how quickly the harvesting is done and taken to the olive oil mill.

When the olives arrive at the olive oil mill, they are selected, weighed, cleaned, and grinded immediately, resulting in an olive paste. The next phase is the centrifugation process, where the olive oil is separated from other constituents (e.g. vegetable water, stones, and pulp). Then it is decanted for retaining the product purity and genuine flavor. After these three phases, there is an olive oil testing for determining the organoleptic qualities, in order to group and store the olive oil according to its profile. In the lotting phase, olive oils are combined with different characteristics, in order to attain the profile of flavor and aroma desired for each value references. At the end, each lot is subject to extensive tests that confirm the high level of quality and authenticity. Finally, the olive oil is bottled, labeled and quickly shipped to the clients.



1.10 Sovena's main partners

The Group's activity has been made on the basis of reliable and long-term relationships. They help to develop specific markets, to enter new business areas, or simply just because they complement its core activities.

Sovena's multicultural and open mindset contributed to the growth of its relationships with partners throughout many several years, which is certainly favorable to all the partners.



Sovena is Mercadona's private label supplier in Spain, for Hacendado brand, (usually called intersupplier in Mercadona) for the seed and olive oils category.

For more information please consult: www.mercadona.es



The Company Morocco United Arab Emirates for Development (SOMED) has been developing and diversifying its activities through its branches, most recently in agriculture through Soprolives, created in 2005 with Sovena.

For more information please consult: www.somed.ma



Atitlan is a young risk capital society, set in 2006 in Valencia. It has been investing mainly in the food sector, fast moving consumer goods and distribution, prioritizing the Iberian Peninsula. Its largest investment to date is Elaia.



Logoplaste works with Sovena Portugal, Sovena Spain and Sovena USA as Sulpet, Brenpack and Oliveplaste, respectively. Being a Portuguese group internationally known in the area of production of rigid plastic packages, with ambitious efforts and growth perspectives, Logoplaste fits within the Sovena Group's challenges and ideas, and has thus been helping us to continue to keep developing and evolving.

For more information please consult: www.logoplaste.com



The IBET, Institute of Experimental and Technological Biology. Is the largest nonprofit organization for biotechnology research in Portugal. Created in 1989 as an institution active in the R&D-oriented industrial base area. It has as partners and collaborators public institutions and private companies. Among its main activities, it supports R&D in agrofood industry.

For more information please consult: www.ibet.pt



In the Brazilian market, Bunge is the exclusive importer of Andorinha olive oil. Sovena España is Bunge's olive oil bottler in this market, a Spanish brand denominated Cardeal.

Sovena and Bunge have a toll agreement in Portugal for the extraction and refining of soy oil. Biocolza is yet another partnership of Sovena with Bunge, its core activity being the extraction and refining of colza oil.

For more information please consult: www.bunge.com and www.bungealimentos.com.br

“The partnership between SOMED and Sovena is born from our common will to develop olive oil production in Morocco, a country that possesses an enormous production potential due to its weather and geographical conditions, and from the Moroccan consumer's growing interest in olive oil.”

Tarafa Maroune | Head of SOMED

“We specialize in the agro food sector because we believe it to be a very attractive investment on a mid to long-term basis.”

Roberto Centeno | Atitlan CEO

“Innovation has been one of the cornerstones of this partnership between both companies, as clearly shown by the recent combination of the Popup top and PET bottle, which is currently being used by Sovena in the USA. It is a powerful weapon of differentiation and its launch by Sovena was extremely relevant. I believe it will allow us to gain market share and make for an easier product penetration.”

Filipe de Botton | CEO of Logoplaste

“The support lent by Nutrinveste/Sovena and other founding companies was vital for iBET to reach the level it is at today.”

Paula Alves | iBET's CEO

“Andorinha is the brand that grew the most in the Brazilian market in the past few years, leaving other traditional brands and competitors behind. (...)Our only certainty is that the success the Bunge and Sovena partnership obtained in Brazil allows us to challenge ourselves further into the future of this relationship.”

Murilo Sant'Anna | Food & Ingredients Vice President | Bunge Brazil

“Bunge's relationship with Sovena is essential for the development of Bunge's business in the Iberian Peninsula (...) The synergies between Bunge and Sovena in the southwest of the Iberian Peninsula are important and increase both companies' competitiveness (...) There is also an exchange of industrial technical know-how between both teams and equipment is also shared between Bunge's factory in Spain and Sovena's factory in Portugal, leading to an optimization of the industrial inventory.”

Jordi Costa | General Manager Bunge Ibérica

1.11 External acknowledgement and awards

SOVENA OLIVE OILS WERE ESPECIALLY HIGHLIGHTED IN THE 2013/2014 EDITION OF THE 'MARIO SOLINAS' COMPETITION



Sovena achieved the 1st and 2nd places in the Mild Green Fruitiness category of the prestigious 2013/2014 Mário Solinas Quality Award – an event organized by the International Olive Council, where a consecrated jury appreciated a total of 138 olive oils from different origins: Algeria, Chile, Germany, Greece, Iran, Israel, Italy, Portugal, Spain, Tunisia, Turkey and Uruguay. The winning blends are olive oils in which harmony, balance and persistence are at their utmost, with sublime intensities of green aromas and an unrivaled complexity of sensations in the mouth.

This competition undoubtedly represents a mark of transcendent importance in the international olive oil panorama, in the sense that it tests the world's best olive oils from each campaign. It is unquestionably the most renowned international competition in terms of the awards it attributes to the qualities of extra virgin olive oil.

In this 2013/2014 edition, the 1st place achieved by Sovena went to the Vale do Ouro Agricultural Society, thanks to a blend of olive oil made from the ARBEQUINA (predominant), COBRANÇOSA and PICUAL varieties, while the Group's 2nd place award went to Elosua Portugal, with a blend of olive oils made from the ARBOSANA (predominant), COBRANÇOSA and HOJIBLANCA varieties.

The two awarded Sovena olive oils are a perfect example of the combination and complementarity of different varieties. These are olive oils in which harmony, balance and persistence present themselves at their fullest potential. With sublime intensities of green aromas and creating a unique complexity of sensations in our mouths, these olive oils are the result of one year of intense and gratifying work. This reveals the extreme level of team work performed, from the olive grove to the olive oil mill.

This distinction is without a doubt an important step in the Group's history, more precisely in the history of the Sovena/Elaia partnership. It not only rewards both teams' responsible and dedicated behavior, but also publicly recognizes the high quality standards that characterize their actions and reflects on our products'

Luís Folque | Board Member of Sovena

OLIVEIRA DA SERRA SHINES BRIGHT WITH 35 DISTINCTIONS IN 2013



Oliveira da Serra continues to be innovative in the design and quality of its olive oil and see that effort rewarded in international competitions. 2013 was no exception.

2013 was once more a cause for celebration, with Oliveira da Serra obtaining 35 distinctions in various national and international competitions – a very important feat for Portuguese agriculture and the confirmation that Oliveira da Serra is one of the best olive oils in the world. These prizes recognize the superior quality of the more Premium olive oils born in the Portuguese olive grove, over 10 million olive trees spread across 10 thousand hectares of land: Oliveira da Serra Vintage, Oliveira da Serra Lagar do Marmelo, Oliveira da Serra Gold, and the recent limited edition, Oliveira da Serra 1st Harvest, which this year entered its first competition. Oliveira da Serra Vintage was the brand that won the most prizes, having been awarded in 13 different competitions.

Overall, Sovena has accumulated more than 80 awards to date. These achievements are a strong contribution to elevate Portuguese olive oil worldwide and confirm that investing in the Portuguese olive grove yields olive oils worthy of recognition from the most demanding international experts.

OLIVEIRA DA SERRA 1ST HARVEST

- CINVE Sevilla: Gold
- LA International Olive Oil Competition: Silver
- DLG: DLG Award Gold
- Terraolivo: Gold
- Olivinus: Prestigio Oro

OLIVEIRA DA SERRA LAGAR DO MARMELO

- Mario Solinas: Gold
- CINVE Sevilla: Gold
- Monde Selection: Silver
- Los Angeles International Olive Oil Competition: Bronze
- ITQI: Silver
- DLG: DLG Award Silver
- OlivoMoura: Bronze
- Feira Nacional de Agricultura (Santarém): Silver
- Terraolivo: Gold
- Great Taste: 1 Star
- Olivinus: Prestigio Oro

OLIVEIRA DA SERRA VINTAGE

- Mario Solinas: Silver
- Monde Selection: Gold
- NYIOOC: Gold
- ITQI: Gold
- CINVE: Silver
- LA International Olive Oil Competition: Bronze
- DLG: DLG Award Silver
- Concurso Nacional de Azeite (Santarém): Silver
- Terraolivo: Grand Prestige Gold
- CINVE Villadolid: GRAN ORO
- Olivinus: Gran Prestigio Oro e Campeón Olivinus 2013 Portugal
- Les Olivalies: Silver
- Ovibeja: Silver
- China International Olive Oil Competition: Bronze
- OlivoMoura: Gold
- Feira Nacional de Agricultura (Santarém): Gold

OLIVEIRA DA SERRA OURO

- AVPA: Silver
- Les Olivalies: Silver
- ITQI: Gold
- China International Olive Oil Competition: Honorable Mention
- DLG: DLG Award Gold
- Terraolivo: Gold

OLIVEIRA DA SERRA IS AMONG THE TOP 10 RANKING PORTUGUESE BRANDS IN FACEBOOK

Oliveira da Serra is among the Top 10 ranking Portuguese brands. Sovena understood the importance of being present in social networks early on. After investing and working in this media, it has become a true case of success.

Oliveira da Serra already has over 250 thousand fans and placed in the Top 10 of the food and beverage campaign ranking. The Recipes 15 q.b App (Oliveira da Serra mobile App) registered more than 100 thousand downloads from smartphones and tablets

MARMELO OLIVE OIL MILL ACHIEVED THE 1ST PLACE IN THE WORLD'S BEST OIL MILLS 2013/14

Sovena Consumer Goods Portugal achieved the 1st place in the World's Best Oil Mills 2013/14, with the Marmelo Olive Oil Mill, located in Ferreira do Alentejo (Portugal), skyrocketing from the 9th position in the last edition.

PERSONAL AWARDS – MANUEL ALFREDO DE MELLO AND ANTÓNIO SIMÕES

Did you know that The President of Nutrinveste's Management Board, Manuel Alfredo de Mello, was the winner of the EY Entrepreneur of the Year 2013 Award?



Did you know that António Simões, CEO of Sovena and executive vice-president of Nutrinveste, was awarded by the Best Leader Awards 2013 in the category 'Internationalization Leader'?



Did you know that Sovena is a case study?

Sovena's successful business experience and the complex challenge the group faces to achieve its goal of 'taking olive oil to everyone, everywhere in the world', caught the attention of the prestigious San Telmo International Institute in Seville. Its next immediate step was to turn Sovena into a case study, making those who work for the group very proud.





2. Sustainability at Sovena

Bring olive oil to every single place and every single person in the world in a sustainable manner, preserving the environment and creating added value for Sovena's stakeholders.

Being Sovena a structurally sustainable company and being committed to the development of its activities in a sustainable manner, the challenge of formalizing this commitment was officially launched in 2013. As part of its activities in the area of sustainability, Sovena developed a project to consolidate its positioning, through the formalization of its Sustainability strategy and the publication of its first Sustainability report.

2.1 Sustainability governance

Governance extends from Sovena's Board of Directors and CEO for oversight to business areas and brands for strategy and implementation.

One of the initiatives outlined from the Sustainability strategy process is the creation of the Sovena Sustainability Committee, with the aim to manage all sustainability issues and monitor the implementation of the Sustainability strategy. This new committee will meet on a quarterly basis to prioritize issues, develop programs, manage projects and track progress.

2.2 Sustainability strategy

Sovena's activity is strongly related to the sustainable development and use of natural resources. The Group highlights its social and environmental concerns, giving special relevance to the sustainability in the whole supply chain. In 2013, this vision was reflected with the identification of key strategic priorities, through the definition and formalization of the Sustainability strategy for 2014–2016. In addition to the strategic priorities, Sovena defined five issues that were identified as 'Foundations', essential for the sustainable management of the Group.

The process for the definition of the sustainability strategy was based on the results of three phases previously conducted, namely: Framework analysis, Benchmarking analysis and Stakeholder consultation.



- Embedding sustainability into Sovena's business
- Enhancing eco-efficiency
- Promoting health and nutrition in society and our own people



Sovena conducted its first stakeholder consultation, regarding sustainability issues

Sovena defined and formalized its Sustainability Strategic Priorities

Sovena defined and assumed sustainability commitments with its stakeholders

Our Sustainability Vision	Bring olive oil to every single place and every single person in the world in a sustainable manner, preserving the environment and creating added value for our stakeholders.		
Which are our priorities?	1. Embedding sustainability into Sovena's business	2. Enhancing eco-efficiency	3. Promoting health and nutrition in society and our own people
What is our vision for each focus area?	Development of our activities with responsibility, through: assuring the latest food safety certifications, applying the best sustainability practices all across the supply chain and strengthening the focus on research, development and innovation.	Be recognized for our environmental responsibility, reducing the environmental impact of Sovena's activities through the efficient management of energy, waste and by-products.	Bring olive oil to every single place and every single person in the world, inspiring people to eat in a healthier and tastier way.
What are our relevant issues in each focus area?	Food safety/certifications	Management and valorization of waste and by-products	Promote Health and nutrition
	Sustainability in the supply chain	Energy and climate change management	
	Sustainable agricultural practices		
	Research, development and innovation		
Why is it relevant for Sovena	Act in a safe, responsible and innovative way all across the value chain is a key factor for gaining the confidence of stakeholders	Eco-efficiency initiatives ensure the prevention and minimization of negative environmental impacts and foster costs reduction.	Inspiring people to eat healthier with olive oil is a key value to promote health and nutrition in the society and in Sovena's employees.
Who are the stakeholders directly affected	Shareholders and investors Employees Community Suppliers Clients		



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE	TIMELINE
Embedding sustainability into Sovena's business	Food safety/ certifications	Development of a Food Safety Index, which evaluates areas of management systems such as HACCP and sanitation programs.	Creation of a Food Safety Index homogenized for all factories.	2015
		Implementation of a Supplier and External Manufacturer process, to align the businesses that have an impact on the food supply to qualify and manage suppliers and manufacturers using one global process that incorporates food safety and quality practices.	Definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including food safety and quality criteria.	2016
	Sustainability in the supply chain	Utilization of specific tools for control and monitoring of the processes that allows detailed product information.	Establishment of a common system, based on SAP, to ensure traceability of products throughout the supply chain, from raw materials to end consumer, at all Group companies.	2015
		Implementation of a timeline to respond to inquiries, complaints and incidents on products, suggestions and requests for information from the Department of Consumer.	Creation of a common and centralized system, at Group level, to respond to information requests and incidents, in less than 24 hours.	2015
		Incorporation of environmental criteria in the selection of suppliers, both agricultural and non-agricultural, and environmental assessment practices through audits.	Definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and sustainability criteria.	2015
	Sustainable agricultural practices	Share best practices – share information about agricultural practices in the supply chain.	Creation of a documental management system to compile good practices of each of the areas. Also communication of sustainable agricultural practices through the Sustainability Report and commercial communications.	2016
		Creation of a Sustainable Agriculture Taskforce.	Creation of a Sustainable Agriculture Taskforce in order to redefine the agricultural strategy, involving internal and external stakeholders.	2016
		Dissemination of good environmental practices to farmers.	Development of a Good Environmental Practices Guide, to be distributed to farmers.	2016
	Research, development and innovation	Implementation of measures to increase the production capacity and decrease costs.	Replacement of old equipment, in order to increase the production capacity and decrease maintenance costs.	2016
		Launch of new products which comply with the most rigorous specifications in terms of origin and traceability.	Implementation of a management workflow for the launch of new products, in order to better manage reference changes and the creation of new product reference - zero origin deviations in accordance with specifications.	2015
		Development of the projects that will help to enhance the competitiveness and sustainability of crops.	Development of a study of new varieties of olive groves and implementation of a program with farmers, for the developing of new seed varieties and purchase/sale of seeds from/to farmers - Annually field test of at least one new cultivar.	2016
		Reduce packaging.	Development of packaging with lighter, stronger and better materials that have a lower environmental impact, within the R&D projects – Continuity Action.	2016
		Participation in research projects for the development of new functional food products.	Regular participation in R&D projects (e.g. SIFIDE, QREN, Horizon 2020) - Participation and monitoring of at least one project per year.	2016



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE	TIMELINE
Enhancing eco-efficiency	Management and valorization of waste and by-products	Valorization of byproducts obtained in the production process in order to reduce the production of waste and to generate added value.	Identification of possible untapped opportunities and communication of currently practices applied - Quantification of the value generated and definition of improvement goals.	2016
		Development of changes in packaging in order to reduce the amount of packaging waste.	Development of packaging with lighter, stronger and better materials that have a lower environmental impact, in partnership with suppliers – Continuity Action.	2016
	Energy and climate change management	Conduct energy audits and subsequent energy efficiency plans for implementing improvements.	Creation of a specialized team with the necessary skills in this area, in order to share know-how, to develop inter-plant audits and to make recommendations on the implementation of energy efficiency measures - Annual audit of each production center and definition and communication of an energy efficiency plan.	2016
		Implementation of Energy Efficiency Programs.		2016
		Implementation of GHG reduction targets and commitments.	Conduct a new carbon study and subsequently establish reduction targets at Group level.	2016
		Investment in advanced video conferencing facilities to make communication easier while reducing travel for employees.	Formalization and promotion of a corporate policy for reducing travel and utilization of videoconferencing systems, quantifying the savings achieved.	2015
	Promote health and nutrition in society and our own people	Promote health and nutrition	Dissemination of healthy eating habits and values of the Mediterranean diet.	Development of new opportunities related to the promotion of health and nutrition – Publication of at least one related article to healthy eating habits.
Promotion of health and nutrition related events.			Organization of at least two events where its promoted health and nutrition.	2016
Development of programs to improve employee health, nutrition and wellness.			Promotion of nutrition appointments with Sovena employees and continuity of other wellness actions for employees - Preparation of nutrition and health booklet/manual for employees.	2016
Bring to market products with higher nutritional value that may pose a health benefit as well as with a smaller environmental footprint throughout its life cycle.			Promotion and communication of the new product references created every year that have clear nutritional benefits – communication of nutritional value and environmental impact of Sovena products on the corporate website.	2016



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE	TIMELINE
Foundations	Environmental policy / management system	Promote greater environmental awareness among employees and other stakeholders.	Make environmental communication and awareness on a regular basis (e.g. through New carbon study; Sovena News; O'live magazine) and distribution of the Sustainability report at all levels of the organization and collection of suggestions.	2016
		Promote environmental tips for saving energy, water and paper.	Development of a guide for environmental tips for saving energy, water and paper, adapted to the workplace centers, to make the offices more sustainable.	2015
		Creation of an Environmental Sustainability Committee.	Creation of an Environmental Sustainability Committee, with the aim of reduce the environmental impact, reduce costs, use resources efficiently and empathize with customers and consumers.	2015
		Creation of an Environmental Sustainability Plan.	Creation of an Environmental Sustainability Plan and communication of the progress, biannually, among employees for increased involvement of the entire organization.	2015
		Development of a tool to measure the carbon footprint of products based on its complete life cycle, used in all company businesses.	Extension of the carbon study to Sovena products, performing a life cycle assessment, in order to determine the GHG emissions associated.	2016
	Human Capital development	Creation of an online platform for sharing information and training.	Creation of an internal documental management system, where it is shared documentation on various themes. In the future, extend the system to include formative elements (e.g. languages).	2016
		Implementation of labor flexibility measures: extension of time flexibility for all people in the organization who are currently working as part time with flexible hours; Telecommuting.	Formalization and promotion of measures for labor flexibility (e.g. telecommuting).	2016
	Occupational health and safety	Implementation of a Safety Program, aimed at identifying and addressing life-threatening dangers hidden in the tasks and workplace, by reducing human errors, strengthening its incident investigations, and improving how its measures safety incidents.	Sharing of good health and safety practices, implemented in all Group plants, in order to share know-how. Conduct safety audits, supported by control checklist in the plants.	2016
		Development of standard audit tools for Health and Safety.	Creation of a tool, at corporate level.	2015
	Support local communities	Promote corporate volunteering.	Conduction of, at least, a corporate volunteering action per year.	2016
		EFR Certification - Family Responsible Company.	Requirement gathering and establishment of plan for EFR certification.	2016
		Help smallholder farmers, by supporting farmers to gain product certifications.	Ensure that, at least, 30% of seed are certified with Global Gap.	2016
	Stakeholder engagement	Identifying concerns and employee satisfaction.	Implementation of work climate survey, at least on half of the workplaces.	2015
		Regular active participation in relevant forums and associations in order to promote the industry and Sovena products.	Strong participation in relevant forums and associations, with the aim of promoting and developing the food industry through advocacy and brand image and promoting R&D within the food industry – Expand the network of associations and participation in organized events.	2016



2.3 Stakeholder identification and consultation

The Sovena Group recognizes the importance of all its stakeholders as essential elements in the management of its activities. In this sense, Sovena monitors its stakeholders, identifying and integrating its expectations and concerns into the business management model. Obtaining feedback from stakeholders is essential to align the company with its expectations. For this reason, in 2013, Sovena formalized and held a global stakeholder consultation process, regarding sustainability issues.

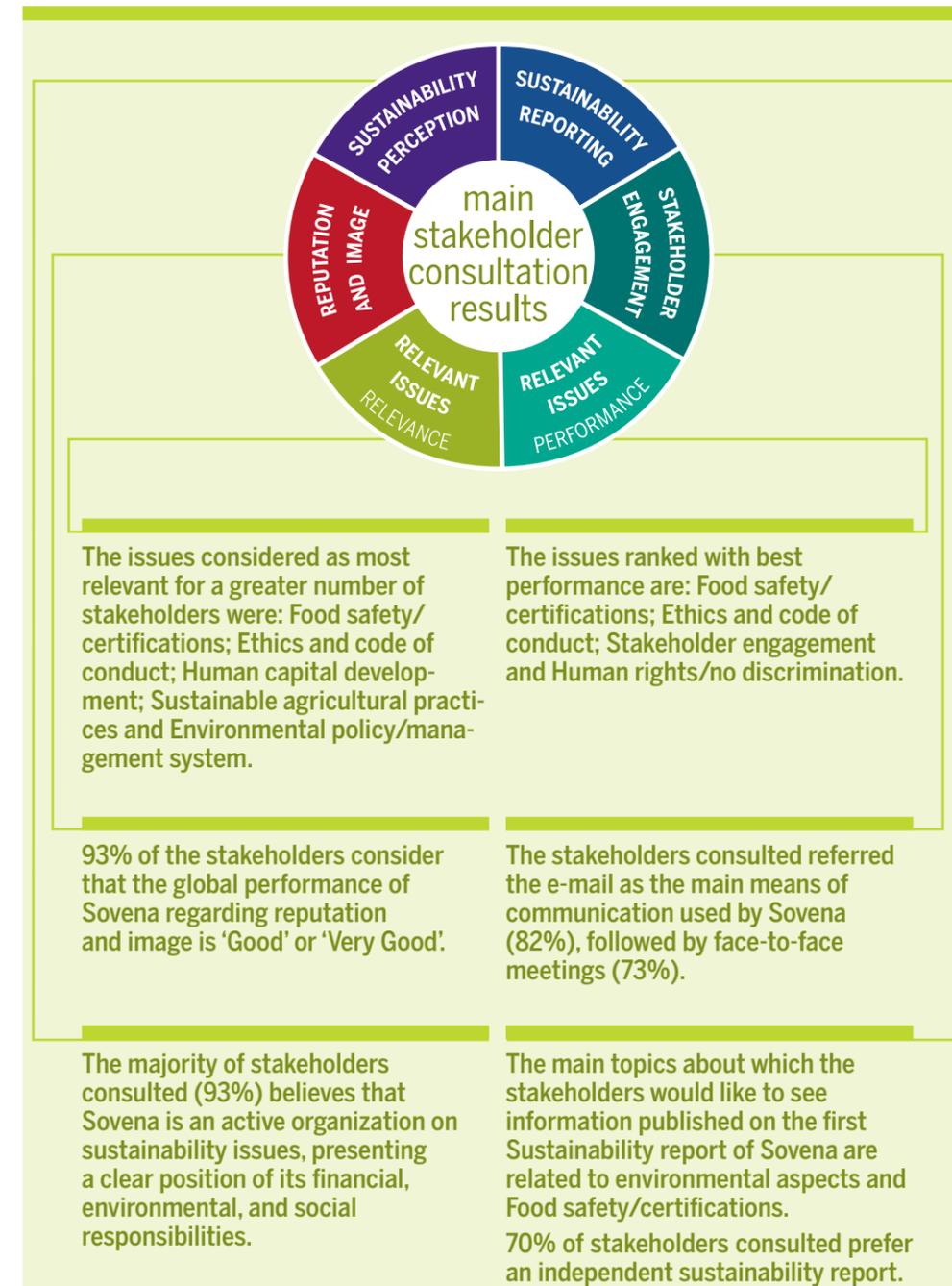
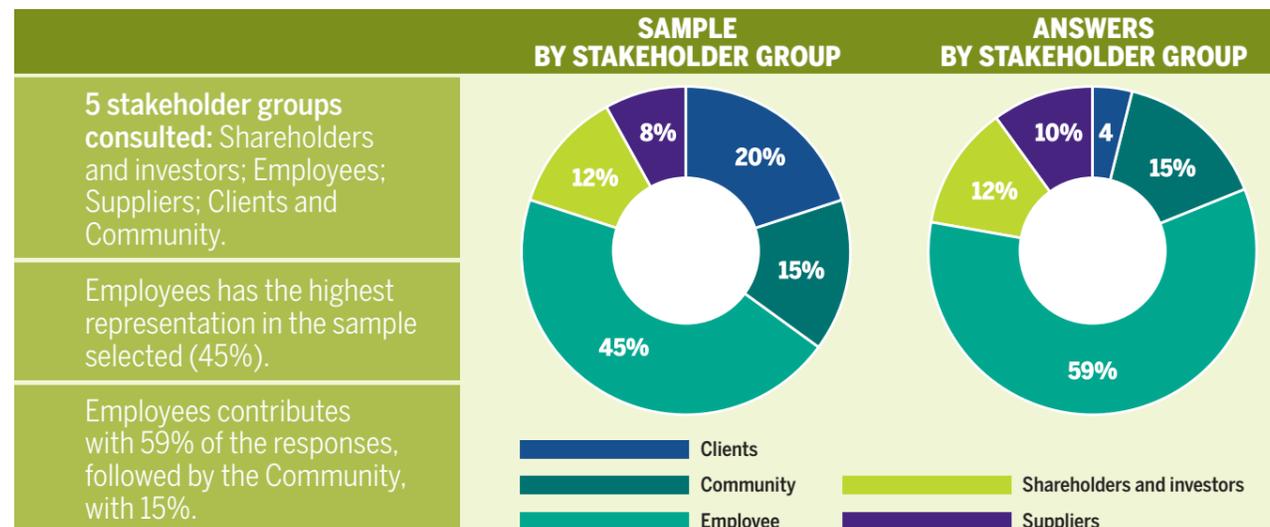
IDENTIFICATION OF STAKEHOLDERS AND MECHANISMS FOR COMMUNICATION AND ENGAGEMENT

The identification of key stakeholders of the Group was held based on criteria of responsibility, influence and dependence. In this sense, Sovena identified five key stakeholder groups, namely: Shareholders and Investors; Employees; Suppliers; Clients; and Community.

SHAREHOLDERS AND INVESTORS	EMPLOYEES	CLIENTS	SUPPLIERS	COMMUNITY
General Assembly; Board meetings; Follow-up meetings; Annual report and accounts; Sustainability report; Sovena corporate website.	Sovena News; O'live magazine; Intranet; Annual Staff Meeting; Performance evaluation; Follow-up meetings; Sustainability report; Sovena corporate website; Cultural and sports activities; Sovena principles and policies.	O'live magazine; Sustainability report; Sovena corporate website; Mail; Evaluation of customer satisfaction; Open door policy; Complaints; Participations in events; Hotline customer support.	Evaluation of suppliers; Frequent meetings and contacts; Partnerships; Sovena corporate website; Sustainability report.	Partnerships; Donations and sponsorship; Participations in events; Workgroups; Corporate website; Sustainability report; Press releases.
Mechanisms for communication and engagement with stakeholders				

STAKEHOLDER CONSULTATION

The Group undertook, in 2013, the first stakeholder consultation process regarding sustainability issues and intended to develop it on a regular basis. The consultation held was the basis for the definition of our Sustainability strategy and aimed to identify the expectations and concerns of stakeholders (internal and external) for five areas: Sustainability perception; Reputation and image; Relevant issues; Stakeholder engagement and Sustainability reporting.



2.4 Ethics and transparency

In its work, Sovena does not choose ethics for convenience and is not influenced by politics, nationality or time. Sovena believes that its people behave according to high ethical standards and, in such manner, developed a Group's Code of Conduct & Charter of Ethics. All of us, through our attitudes, behavior and actions are highly responsible for the development of the Group and also for creating positive relationships with all collaborators, stakeholders and the surrounding communities. For this reason, Sovena has chosen principles that are necessary and useful reference points for all its employees and partners.

For more information please consult Sovena Group Code of Conduct & Charter of Ethics, available at: http://www.sovenagroup.com/assets/pdfs/carta_etica.en.pdf

A wide-angle photograph of an olive grove under a blue sky with light clouds. The trees are in the foreground and middle ground, with a dirt path leading through them. The background shows a flat horizon line. The text is overlaid on the right side of the image.

3. Embedding sustainability into Sovena's business

Development of Sovena's activities with responsibility, through: assuring the latest food safety certifications, applying the best sustainability practices all across the supply chain and strengthening the focus on research, development and innovation.

3.1 Food safety/certifications

As the food industry is an extremely sensitive domain, where standards of safety and trust are of vital importance, quality control has to be assured daily by efficient policies, strategies and actions in each of Sovena's industrial units and laboratories. Sovena's commitment is to always guarantee the best product. Therefore, the quality control process starts by carefully selecting its suppliers, with high quality standards.

It's an ongoing and strict process from the reception of the raw material to extraction, refinement and packaging. The most diverse analytical and organoleptic tests are made to ensure the safety and quality of the product and to convey the specificities of each brand. This posture and sense of responsibility have ensured the ISO 9001 certification, and its annual renovation, as well as the approval of numerous audits regularly made by some of the largest retailers in the world, who, before placing an order, submitted us to extensive analysis of our factories, processes, products and policies.

Sovena is considered a reference in the industry for quality standards.

Full traceability in Sovena Oilseeds and Consumer Goods plants.

Control of extra virgin olive oil organoleptic qualities with external IOC certified labs.

Sovena has its own Olive Oil Mill Evaluation Program, having certified 380 growers.

43 young managers attended the course Masters in Management.

Sovena USA has the only IOC Lab certified in the USA.

Did you know that Sovena is considered a reference in the industry for quality standards?

Sovena has all major certifications from third parties.

Sovena is proud of its customers, that allow the company to manufacture its best brands under the highest quality standards.



CERTIFICATIONS		AGRICULTURE			OILSEEDS		CONSUMER GOODS					
		AVIS MILL PORTUGAL	MARMELO MILL PORTUGAL	NAVALVILLAR DE PELA MILL SPAIN	ALMADA PORTUGAL	MOLTANDÚJAR SPAIN	BARREIRO PORTUGAL	BRENES SPAIN	ROME USA	BELVEDERE TUNISIA	PLASENCIA SPAIN	ALMENDRALEJO SPAIN
FOOD SAFETY	BRC BRC is a global Standard for Food Safety, developed by the British Retail Consortium. The standard helps to promote consistency across the supply chain for food and ingredient manufacturers, wholesalers and distributors.					✓	✓	✓		✓	✓	✓
	IFS - International Food Standard IFS is a Global Food Safety Initiative (GFSI) benchmarked standard for auditing food safety and quality of processes and products of food manufacturers.					✓		✓		✓	✓	✓
	SQF - Safe Quality Food SQF is a comprehensive HACCP-based food safety and quality management certification system for all sectors of the food industry.								✓			
	GMP B2+ GMP B2+ is focused on controlling feed safety and responsibility (GMP+ Feed Safety Assurance and GMP+ Feed Responsibility Assurance).					✓						
QUALITY	ISO 22000 ISO 22000 is an international standard promoting safe food supply chains worldwide. This standard combines HACCP principles with key elements of other management systems such as ISO 9001 Quality Management System.		✓	✓	✓							
	HACCP - Hazard Analysis Critical Control Point HACCP is a quality assurance tool that enables management to achieve product safety and quality.										✓	✓
	ISO 9001 ISO 9001 is one of the standards developed by the International Organization for Standardization (ISO). The purpose of this family of standards is to increase customer satisfaction through the deliverance of quality products and services.					✓	✓	✓	✓		✓	✓
GLOBAL	Kosher Kosher certification means that some product comply with a strict policy of kosher food laws, including cleanliness, purity and quality.					✓	✓	✓	✓	✓	✓	
	Halal Halal Compliance requires that the whole value chain guarantee the halal conformity of the product (foods that Muslims are allowed to eat or drink under Islamic Shari'ah).						✓		✓			

CERTIFICATIONS		AGRICULTURE			OILSEEDS		CONSUMER GOODS					
		AVIS MILL PORTUGAL	MARMELO MILL PORTUGAL	NAVALVILLAR DE PELA MILL SPAIN	ALMADA PORTUGAL	MOLTANDÚJAR SPAIN	BARREIRO PORTUGAL	BRENES SPAIN	ROME USA	BELVEDERE TINISIA	PLASENCIA SPAIN	ALMENDRALEJO SPAIN
ORGANIC OLIVE OIL	GOST GOST is the valid quality certification system in Russian Federation. GOST is for exporters to the Russia and carries the same meaning of ISO 9000 series certificates. 							✓			✓	✓
	Organic Olive Oil (EU Regulation 834/2007) The European requirements for organic production are set by Council Regulation (EC) No 834/2007 defining the official EU aims, objectives and principles of organic farming and production, and by two implementing regulations (No 889/2008 and No 1235/2008) detailing the organic production, labeling and import rules. 						✓	✓				
	Organic Olive Oil (Brazil - 10.831/2003) This certification is mandatory since January, 2011, to sell organic products within Brazilian borders, even if the product is already certified under other organic regulation. 							✓	✓			
	Organic Olive Oil (Japanese Agricultural Standards - JAS) The JAS are standards for the agriculture industry maintained by the Japanese Government. They are comparable to Japanese Industrial Standards but for food and agricultural products. 								✓			
	Organic Olive Oil (USDA NOP) The National Organic Program (NOP) oversees USDA-accredited certifying agents and their certification of organic production and handling operations. 								✓	✓		
SUSTAINABLE PRODUCTS	International Sustainability and Carbon Certification (ISCC) Certification provides proof of compliance with environmental, social and traceability criteria, and qualifies biomass or biofuel companies for legal recognition under the targets set by the European Renewable Energy Directive 2009/28/EC (EU RED). 				✓							

QUALITY POLICY

At Sovena, the commitment is to never compromise on the quality of its products. This requires every employee to be engaged, to understand their responsibility in achieving quality objectives and to be empowered to take action in order to protect consumers, customers and Sovena's brands.

In this way, and aligned with ISO 9001 certification, the Group set different policies regarding quality:

Sovena Group – Quality Policy

Sovena Consumer Goods Portugal – Food Safety and Quality Policy

Sovena Consumer Goods Spain – Quality Policy

Quality Policy

Sovena feels that it is its responsibility to offer products of the highest quality. Consequently, Sovena implemented Quality Policies, signed by the Board of Directors, for the Group and for the Consumer Goods business area.

Sovena's Quality Policy summarizes the essential elements of its commitment for excellence and includes:

- Make quality a basic element of the culture of the Group, achieving the identification and commitment of all employees with the Quality Policy.
- Ensure compliance with national and international regulatory and normative quality and food safety requirements, adapting them to the requirements of its clients and business partners.
- Increase its competitive power in an ongoing basis, continuously optimizing the processes of the Quality and Food Safety Management System by developing a participatory attitude and taking full advantage of all the existing potential.

QUALITY ASSURANCE AND TRACEABILITY

SOVENA IS COMMITTED TO ALWAYS GUARANTEE THE BEST PRODUCT.



In order to ensure that all food requirements are being met, all of Sovena's plants have implemented a quality system and have its own certifications. Furthermore, in 2013 the Central Quality Department was created, in order to standardize systems, procedures and criteria, and also for the development of new products.

SOVENA BIODIESEL	AGRICULTURE	SOVENA OILSEEDS	SOVENA CONSUMER GOODS
<p>SOVENA OILSEEDS PORTUGAL</p> <p>The biodiesel production process is controlled online with the latest technology available. In parallel, the product is constantly analyzed in a central lab with the most recent technological analytical equipment.</p> <p>The Biodiesel factory has two different production units which correspond to two different steps of the process. They are both totally automatic and controllable:</p> <ol style="list-style-type: none"> 1. Pre-Treatment: Through a complex physical refining process the raw oil is degummed, neutralized and dried 2. Biodiesel Generation: A transesterification process that uses methanol and a catalyst (sodium metilate), which results in biodiesel and glycerin. 	<p>ELAIA</p> <p>The entire production process is carried out with the greatest technological precision, achieving the best quality of olive oil to be produced.</p> <p>The olive trees grow and produce in an environmentally responsible manner, thanks to an integrated protection system.</p> <p>The mills have implemented a Hazard Analysis Critical Control Point and are certified by ISO 22000.</p> <p>At the end of the production process, the olive oil is subject to extensive test that confirm the high level of quality and authenticity.</p>	<p>SOVENA OILSEEDS PORTUGAL SPAIN SOVENA CONSUMER GOODS PORTUGAL SPAIN USA MENA</p> <p>The quality control process starts by carefully selecting its suppliers, whose quality standards place them above average. It's an ongoing and strict process from the reception of the raw material to extraction, refinement and packaging. The most diverse analytical and organoleptic tests are made to ensure the safety and quality of the product and to convey the specificities of each brand.</p> <p>This posture and sense of responsibility have ensured the ISO 9001 certification, and its annual renovation, as well as the approval of numerous audits regularly made by some of the largest retailers in the world, who, before placing an order, submitted us to extensive analysis of Sovena's factories, processes, products and policies.</p> <p>EXOLIVA</p> <p>Exoliva's standards of quality start from day one of the harvesting season since its main promise is to deliver top quality olives in every campaign. A system to control and analyze critical points and danger areas (APPCC) was implemented in 1999 throughout the entire production line, in addition to the ISO 9001 Certificate awarded by AENOR. In 2003, Exoliva gathered all the certifications of quality by BRC (British distribution) and IFS (French and German distribution) seeing its quality recognized once more.</p>	



CONTROL POINTS FOR THE EXTRA VIRGIN OLIVE OIL

1. Samples Supplier Sensorial Evaluation	2. Reception control	3. Blending Process	4. Filtration process	5. Bottling line set up
<p>Previous Purchase Operation. Sensorial evaluation made by Commercial and Lab team (minimum 3 persons) using COI modify method to samples sent by supplier. Optional quality parameter control.</p>	<p>In house samples process per truck. Quality and Purity parameters controls by supplier batch. Sensorial control versus supplier sample. Optional BHA's control by supplier batch.</p>	<p>Full analytical per tank > Mother tanks. Includes FQ parameters, Sensorial and External Contaminants.</p>	<p>Filtration process control by sublots previous bottling process.</p>	<p>Stigmastadien control (only if line set up). Previous to load finish product.</p>

TRACEABILITY

Major industrial plants Sovena (Oilseeds and Consumer Goods) perform a complete traceability of raw materials and auxiliary materials, from the origin to the final consumer, with support to IT systems.

For Sovena Oilseeds, regarding raw materials, the system allows you to go back to the origin of the seed. For auxiliary materials in contact with the final product (packaging materials), it is also possible to go to the origin.

For Sovena Consumer Goods, regarding raw materials, full traceability is conducted, from the olive oil mill to the end consumer, being the olive oil mills audited by Sovena, according to several standards (some in accordance with clients' criteria). For the auxiliary materials in contact with the final product, Sovena has a radiofrequency, where the materials are encoded in the system, allowing to perform full traceability. This system is also applied to final products. All the traceability process is controlled by IT systems, warranting the full integrity of data, with no possibilities of removal.

Regarding agricultural activities, Elaia has implemented a monitoring system to control the raw materials, from the very beginning (plot where the olive was planted) to the final delivery of the olive oil, from the olive oil mill to Sovena Consumer Goods or to other customers, being held a full traceability.

Sovena is committed to create a joint system (based on IT tools) to ensure full traceability, from the origin of raw materials and auxiliary materials to final consumer, in all companies of the Group.

PRODUCTION PROCESSES OF OLIVE OILS, SEED OILS AND TABLE OLIVES

OLIVE OIL				
Olive harvest and transformation	Receiving at the plant	Lotting and Filtering	Refining	Bottling and shipping
Olives are planted and harvested. When the olives arrive at the olive oil mill, they are selected, weighted, cleaned, and grinded immediately, resulting in an olive paste. The next phase is the centrifugation process, where the olive oil is separated from other constituents (e.g. vegetable water, stones, and pump). Then it is decanted for retaining the product purity and genuine flavor, resulting in olive oil.	After the olive oil is received, laboratory tests are made to guarantee that the olive oil quality adheres to the pre-established quality norms. These tests are made throughout the entire production process. Then, the olive oil is classified in different lots depending on its legal and organoleptic type. These tests are made throughout the entire production process.	The virgin and extra virgin olive oil go directly for lotting. Since several types of olive oil need to be combined to obtain each product's and market's desired flavor, there are various organoleptic tastings, in which a group of expert tasters critically evaluates the flavor, smell and color of the olive oils. After the tastings, the olive oils are filtered. The resulting olive oils have no impurities, they are crystal clear.	The olive oils that are neither virgin nor extra virgin are submitted to refining. After the refining, they are ready to be combined with extra virgin or virgin olive oils to create what is legally called "Olive Oil". Different quantities of the various olive oils result in organoleptic profiles more adequate to different markets.	The factories offer all different types of olive oil, with capacities between 20 ml and 5 liters, packaged in PET, PEAD, glass and tin. The last phase of the process is the secondary packing and shipping. The boxes where the products are placed are grouped in pallets and then prepared for transportation to the client.



VEGETABLE OIL				
Seed reception and warehousing	Extraction	Refining	Composition	Bottling and shipping
Each kind of seed, such as sunflower, soy, or other is unloaded on silos where they are kept until the production process begins. The purchase of quality seeds is crucial, since the type, cost and the seed itself can compromise the other steps of the process.	For low fat content seeds, such as soy, extraction begins after cleaning, crushing, lamination, cooking and pressing. It's a solvent based process from which raw oil is extracted. In the case of sunflower Sovena has a previous step of mechanical pressing from which 70% of the raw oil results, and only the remaining is extracted by solvent.	Once it is extracted, the raw oil must be neutralized, removing the free fatty acids. It is winterized and spun to eliminate all the waxes that come from the seed shells. It is then washed and whitened to remove the oil pigments, and deodorized to remove all flavors. Refining ends with a final polish to obtain a shiny and crystal clear appearance.	In this phase, different lots of seed oils are formulated, through the combination of several seeds in exact proportions. Having products with specific characteristics allows us to better satisfy the clients and consumers.	The different seed oil varieties are offered in PET or PEAD packages, with a capacity between 1 and 25 liters. The boxes where the products are placed are grouped in pallets before preparing for transportation to the client.

TABLE OLIVES				
RECEPTION, CLEANING AND SELECTION	GREEN OLIVES		PREPARATION, BOTTLING AND STERILIZATION	
	Cooking and keeping	Classification, preparation and bottling		
	The olive's harvest happens between September and November. Once the table olive is collected, it is received in the factory where the impurities, remaining leaves, and branches are removed. The olives that do not meet the quality standards of Exoliva are automatically removed and then separated, according to size in order to be cooked.	The olives are submitted to a cooking process to remove bitterness. Then, they must be conserved in brine for several months, until the requested sensorial characteristics are obtained.		Once they are fermented, the olives are separated by commercial sizes and then packaged. The olives that do not meet the quality standards of Exoliva are automatically removed. After being packed, the olives are ready to be transported to the client.
		BLACK OLIVES		
Fermentation and classification	California style oxidation	This oxidation process is responsible for removing the bitterness of the olives and turning them black		

Did you know that the Sovena Oilseeds laboratory in Portugal was approved by AOCS (American Oil Chemists' Society) for the seventh consecutive year?

This approval, which earns it the designation of Approved Chemist, is an important recognition of its technical competency and service with high standards of excellence and rigor, consequently guaranteeing its credibility and professionalism. AOCS is a scientific organization with over 4.500 members promoting the exchange of ideas and providing experience and high standards of quality in the oils and fats industry.

Sovena has its own laboratories to test the quality of its products.

SOVENA CONTROLS ITS EXTRA VIRGIN OLIVE OIL (EVOO) ORGANOLEPTIC QUALITIES WITH EXTERNAL INTERNATIONAL OLIVE COUNCIL (IOC) CERTIFIED LABS

- Continuous work with four different external IOC certified labs.
- All our extra virgin olive oil goes through an external IOC certified lab panel tasting.

Did you know that Sovena has an in-house organoleptic taste panel accredited by ENAC?



SOVENA'S LAB CAPABILITIES ARE AMONG THE THREE BEST IN THE WORLD

- Product development teams: Accredited taste panel (by ENAC) to match required taste profile for the different markets.
- On-site quality control lab with the ability to do full IOC analysis: Quality and Purity Testing Lab full IOC standards.
- Quality control throughout the whole process conducted with external IOC certified lab: Analysis done to Sovena's bulk purchases in several steps by independent parties: pre-buying, pre-shipment, pre-loading, post-loading, pre-unloading, and post-unloading. Full traceability from each finished good lot back to each bulk purchase.
- Sovena has the only IOC certified lab in the USA.
- Sovena Consumer Goods Spain (Brenes) and Sovena USA (Rome, NY) both have its laboratories certified with ISO 17025.

Exoliva has established an olive taster panel, capable of distinguishing and exposing all the attributes of the olive in all different company presentations.



CODES OF PRACTICE

In order to ensure food safety, Sovena and other partners developed codes of practice to assist every stakeholder involved in the transportation and storage of products and raw-materials, namely:

	Who should use this Code? (stakeholders directly affected)	Why is it relevant?	What is the main purpose?
Code of Good Practices for the transportation in bulk, tanker and ISO tank container, by road, of fats and refined oils for food consumption.	Bulk transporters in tanker trucks	In this code are detailed the recommendations and minimum requirements for bulk transport in tankers and ISO tanks of oils and fats for direct use with food destination.	Ensure the safety of products in transportation and the safety and security of the transporter and the staff involved in loading and unloading of the products.
HACCP Guide, for the production of raw-materials for animal feed.	Operators and national authorities	This guide provides general and detailed minimum requirements to be carried out, both operators and authorities involved, for the implementation and development of an effective system of food safety management.	Ensure the safety of raw materials for the manufacture of animal feed, minimizing the risks of entry of hazardous materials in the food chain, providing a tool for implementing the requirements for feed hygiene and improving the traceability of the raw materials.
Code of practice for the use of plant protection products.	Farmers and warehouses	This code provides recommendations of good agricultural practices for the correct use of plant protection products.	Protect the production and commercialization of agricultural products through the application of good agricultural practices and the correct use of plant protection products.
Code of practice for land transportation of bulk solids with food destination.	Producers, transporters and receiving companies	This code details the recommendations and minimum requirements for the transport of seeds, grain, cereals, flours and hulls, by truck for food consumption. This code is based on European legislation and other published literature as well as the practices and documentation customarily used by leading producing companies and receiving companies of bulk solids for food use.	Ensure food safety and product quality during transportation.



3.2 Sustainability in the supply chain

Sovena is the only major player of the industry that integrates all phases of the value chain, from the plantation of olives to transformation, bottling, packaging and commercialization of olive oil. This fact allows the Group to gain a relevant competitive advantage regarding other market players.

Sovena has buyers in several places in the world to procure the best olive oils, seed oils and table olives at highly competitive prices. Besides enabling the Group to predict and anticipate market trends, the regular communications with farmers allow Sovena to follow the harvest prospects and be aware of weather changes in its own farmyards.

SOVENA OWNS A BROAD SOURCING NETWORK THAT ALLOWS THE COMPANY TO SOURCE FROM ALL RELEVANT AND HIGH QUALITY OLIVE OIL PRODUCTION MARKETS



OLIVE OIL MILL EVALUATION PROGRAM

SOVENA HAS STRATEGIC AGREEMENTS AND A CERTIFICATION PROGRAM WITH MAIN OLIVE GROWERS. THE MAIN OBJECTIVE IS TO GUARANTEE QUANTITIES AND QUALITIES WITH ITS STRATEGIC OLIVE GROWERS.

Context:

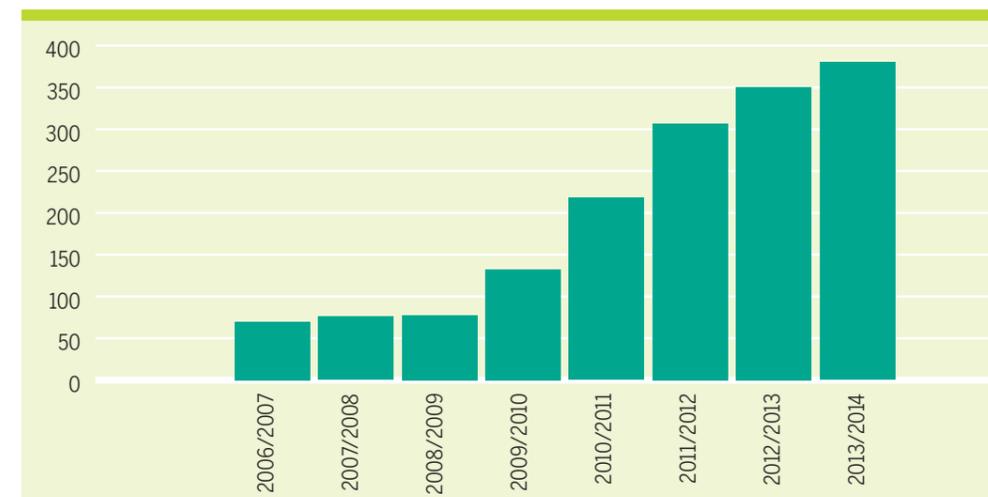
Since the 2005/2006 campaign, Sovena has developed a pioneering certification program for all mills supplying its olive oil. A result of a philosophy which seeks to standardize criteria throughout the entire value chain: producers, packers, distributors and consumers. On the other hand, it also comprehends the Group's constant concern with the dissemination of production, hygiene and food safety best practices. This project is part of Sovena's sourcing policy, which privileges stable relationships with suppliers in order to increase quality and benefit both the olive oil product and the consumers. The olive oil mill certification program allows a higher trust level in olive oil purchases.

Objective:

The first step was the development of a rational and complete reference system by all stakeholders of the production chain and certifying companies. This document has had adjustments over the years, being adapted to the sector's particularities and new concerns. This reference system is composed by 47 requirements, integrated in four overall scopes, namely: food safety, traceability, quality management and environment/sustainability.

During its first phase, the program only integrated 24 olive mills, which represented all major suppliers at the time (2005). The first campaign served as a 'learning curve', allowing Sovena to constantly increase the number of olive mills in the following years. Now, it integrates more than 350 units between Spain and Portugal.

NUMBER OF GROWERS AUDITED



A differentiating factor:

This is an open and dynamic program that not only allows Sovena to continuously incorporate new olive oil mills, but also disqualifies and excludes those that do not fulfill the minimum requirements. Over the years Sovena has helped to promote change within the sector in terms of both quality and food safety, being another step that differentiates us from our competition.

EVALUATION OF AUXILIARY MATERIAL SUPPLIERS

Suppliers of auxiliary materials are of different types, such as: transport companies; glass, PET and tin packaging suppliers; caps and labels suppliers; suppliers of reagents and chemical products for the refineries, among others.

These suppliers need to be selected by the Quality Department after achieving a homologation process. This process, that includes a document appraisal and technical visit, evaluates criteria such as: food safety, quality, traceability, among others. Also, the suppliers are included in a continuous Audit Program, where they are characterized based on risk factors (e.g. suppliers of auxiliary materials in direct contact with final products has a higher level of criticality) to identify non-conformity improvement actions.



Suppliers need to achieve certain score in this four key dimensions to start/keep supplying Sovena

1. Food Safety
2. Traceability
3. Environment/Sustainability
4. Quality Management

Did you know that Sovena is consolidating its presence and achieving a new stage in its sunflower seed business in Spain?

CASE STUDY

ESTABLISHING MARKET POSITION IN SUNFLOWER SEED BUSINESS

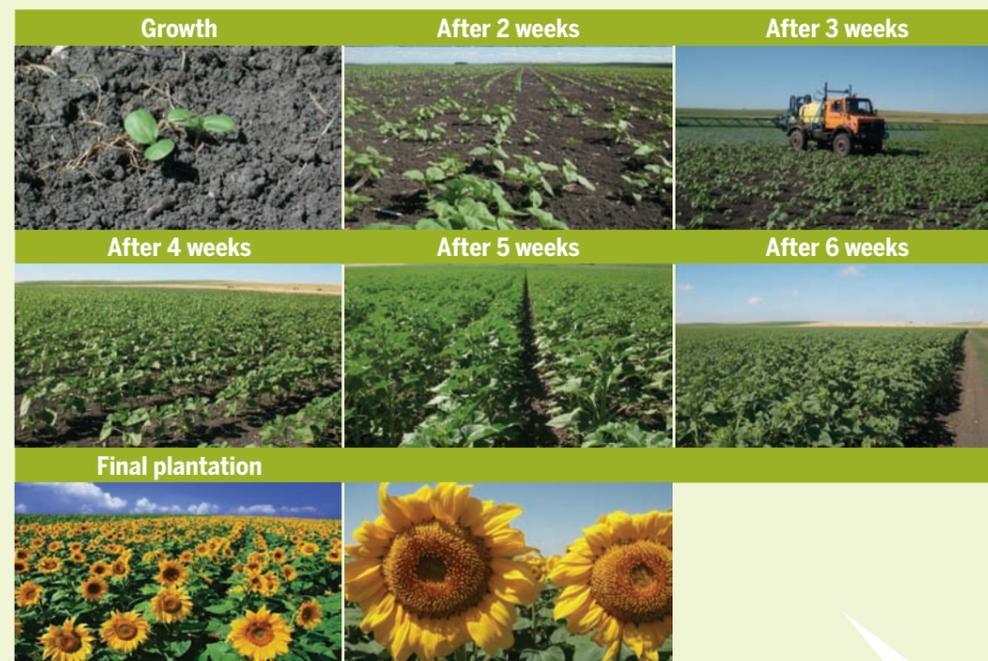
Acting on the field, team efforts are being made to tighten cooperation and build trust with Spanish sunflower producers in order to establish a direct relationship with producers capable of generating and sharing commercial efficiencies.

The current enlarged technical team broadened its radius of action by diversifying seed selection and further narrowing relationships with farmers throughout the entire year, since the success of the mission mostly depends on the trust and proximity established with sunflower producers.

The first and most fundamental step of the set of tasks developed by Sovena's team is related to a knowledgeable selection of seeds, which allows to identify those most adequate to sell to farmers each year. This process begins by initiating a deep dialogue with researchers from specialized seed production companies, always committed to the scientific research of genetically evolved varieties and new types of sunflowers –like the 'high oleic sunflower'– which aim to guarantee the production of raw materials adequate to the transformation of different types of sunflower oil commercialized by Sovena.

In other words, it is up to Sovena's team to encourage the search for quality seeds that optimize output on the fields, increasing the kilograms of oil produced per planted hectare. In fact, many farmers are influenced to search for the best relation between kilograms of sunflowers per planted hectare, which is not exactly the same. Once the varieties of exclusive seeds are selected and purchased for Sovena, with prices always benefiting from an interesting scale/volume discount, the team is responsible for negotiating the sale of those types of seeds (commercialized in bags of 50 thousand seeds each) to farmers/partners, who benefit from a good price and increased productivity, which is half way to ensuring the desirable purchase of a crop.

All the monitoring work performed by the company's technicians throughout the entire productive process creates a close relationship, generates trust and facilitates the final agreement on the purchase of the sunflower seeds – with benefits for all parts involved.



As can be easily observed, the work performed by Sovena's technical team in Spain has appealing development and growth perspectives related to the fulfillment of two strategic goals of the utmost importance: to fully supply the Plant of Sovena Oilseeds Spain (Andújar) with the best sunflower seeds produced in Spain at a competitive market price from day one, but also to improve relationships with farmers from a sustainable long term perspective, therefore reducing the inauspicious effects of eventual extreme price volatility regarding this raw material, a situation no one can profit from

Vasco Tamagnini | Oilseeds and Oils Sourcing Crush Margin Manager

3.3 Sustainable agricultural practices

ELAIA

Elaia is a joint project between Sovena (50%) and Atitlan (50%, a Spanish risk capital society), whose main objective is the cultivation of own olive groves and the ones that are leased, as well as the management of the olive oil mills. Elaia is a single project, due to its dimension, operating in Portugal, Spain and Morocco. Currently is undergoing expansion in other regions in the world.

To date, Elaia has more than 25,000 acres of cultivation, Portugal being the most important country (more than 10,000 hectares), to a great extent due to its advances in the Alqueva project, which has meant a very important development of the irrigated land.

With the aim to control the whole production process, with the highest levels of quality and guaranteeing the complete traceability of our production, to date we have four modern olive oil mills in which we transform 100% of our harvest.



Sovena currently has more than 25,000 acres of olive groves in Portugal, Spain and Morocco, which makes it the largest olive grove on earth single handed managed.



Sovena owns mills in Portugal (Marmelo and Avis), Spain (Navalvillar de Pela), Morocco (Marrakech) and Chile (Santiago).

Did you know that the Painho Olive Mill was born in Avis?

The 2013/14 campaign counted with the help of a new Elaia unit, the Painho Olive Oil Mill.

Strategically located in Avis and built in record time, from March to October 2013, the history of this place goes way back. The new olive oil mill was installed in a rehabilitated old dairy factory which belonged to Lactogal and has been inactive since 2009. The olive oil mill is equipped with the most modern technological solutions available in the sector and has already processed all olives produced by Elaia in Upper Alentejo during the last campaign, more specifically olives originating from the centers in Avis, Elvas and Campo Maior.



INNOVATION PROMOTES THE IMPLEMENTATION OF SUSTAINABLE AGRICULTURAL PRACTICES IN OLIVE GROVES

Olive grove modernization and constant innovation within the sector were two of the main pillars that allowed the Elaia project to advance, enabling the exploitation of olive groves. Besides improved agronomic knowledge of olive groves, mechanization brought the most visible and innovative 'revolution' to modern olive growing.

Irrigation is an operation that benefited from olive grove innovation. Likewise the telemetry systems used in Formula 1, all irrigation systems within the Elaia project are permanently linked to a central computer, sending relevant data to the systems manager. Additionally, the system is also able to control fertilization, which is performed simultaneously with the irrigation process, increasing efficiency and reducing its application cost.



Today, Elaia's irrigation systems can program and control over 50 irrigation stations, whether located in Beja, Elvas, Campo Maior and Avis (Portugal), Don Benito (Spain) or even Marrakech (Morocco), from the central offices in Ferreira do Alentejo.

Within this scope, Elaia is developing a project in collaboration with the partner Hidrosoph, a company specialized in irrigation management, to create several optimizations which will allow an even more rational use of resources, such as water or fertilizers. This project aims to install soil moisture probes that will send readings to a central computer twice a day, providing technicians with data accessible via smartphone, and giving them a precise idea of something that is apparently invisible – the roots of the olive trees and their condition. As such, this innovative system will allow Elaia to:

Clearly determine the beginning of the growth cycle with the arrival of spring	Assist technicians in calculating weekly irrigation deliveries and water distribution throughout the week	Increase fertilizer use efficiency	Apply water and manure at the desired depth
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Elaia is also collaborating on other projects/studies in what regards irrigation system:

- **WEAM4i (Water and Energy Advanced Management for Irrigation):** the aim of the project is to improve the efficiency of water use and reduce the costs of power irrigation systems.
- **Horizon 2020 – Innovative Large Photovoltaic Pumping Systems for Productive Irrigation:** the aim is to use photovoltaic renewable energy as a power source for pumping irrigation water, reducing energy costs.

Innovation in the practice of natural green cover between the olive trees was also noteworthy. This practice is in soil stabilization in between the olive trees, allowing the green cover to be developed from spontaneous natural vegetation, creating a covered soil which results in numerous advantages such as: drastic reduction of soil erosion, prevention of compaction, improvement of soil structure, and increase in the organic matter and inherently decrease in the use of herbicides.

OTHER SUSTAINABLE AGRICULTURAL PRACTICES IN OLIVE GROVES

- **Plantation:** after preparing the terrain, a tractor with GPS equipment is used to plough the planting lines, position north-south, to maximize exposure to the sun and intensify olive production. This system delivered a significant increase in planting speed and reduced mistakes associated to manual markings.
- **Harvesting:** In the 2000s, the adaptation of the 'galloping' harvesting machines previously used for wine grape harvests, provided new possibilities. These machines have the particularity of picking nothing but the fruit off the tree, which has a fundamental impact on the quality of the olives and is a basic element of producing high quality olive oils.
- **Fertilizers:** Sovena restricts the use of fertilizers in the olive grove.



Did you know that some of Elaia's olive groves in Alentejo (in Elvas and Campo Maior) are located in protected areas of Rede Natura 2000?

Some of Elaia's groves are located in an ecological zone for the conservation of species habitats. In these cases, the company have established protocols with ICNF (Instituto de Conservação da Natureza e das Florestas) to mitigate the impact of agriculture. Some examples are the placement of nests to protected bird species (e.g. Peneireiro), the removal of invasive vegetal species along the riverside, not planting in certain sensitive areas.

MARMELO MILL - AN ENVIRONMENTALLY SUSTAINABLE MILL

With an investment of €9 million, the Marmelo mill is integrated in a large olive grove with 10 million trees, becoming a landmark of modernity, and it intends to be the reference of a new era in olive oil. It is both a symbolic and functional building that represents the pinnacle of technology in the service of olive oil quality and design as a way to honor the Portuguese olive grove. As such, there is great concern for sustainability in all activities of this mill. The mill is prepared to generate the least possible impact on the environment, in several ways.

- **Water:** the water used to clean the olives is filtered and controlled in order to be reused in irrigation.
- **Biomass for heat production:** in this mill everything is exploited to the maximum. In the case of the olive stone, Sovena uses it in its boilers as biomass for heat production. The sub product is also subsequently prepared for the extraction of oil pomace and later used as a source of biomass for energy production.
- **Certified production:** the Elaia olive groves have integrated production certification (in Portugal and Spain), using only homologated products for the cultures.
- **Impact of construction on the landscape:** in order to mitigate the impact of construction on the landscape, the mill has been adapted to the territory so that the natural olive grove approaches the building and allowing minimal impact on its surroundings.
- **Support to growers:** in addition to serving the needs of production of their brands directly benefiting the Portuguese olive oil brands - Oliveira da Serra and Andorinha – the mill provides support to growers in the region who want to labor olives while not owning their own mill, promoting the disposal of olive oil of these same growers. Thus, the mill is presented as an important investment for the business but also supports the development activities of many small growers in the region.

“ This investment (Marmelo Mill) represents an expression of confidence in agriculture and Portugal, running a sustainable business from environmental perspective, as it captures 2.5 times more carbon than its activity emits. ”

António Simões | CEO of Sovena

3.4 Research, development and innovation (RD&I)

Sovena has a Department of research, Development and innovation, dedicated to the study and development of projects in the segments of products, packaging and production processes. This department allows Sovena to study opportunities to launch new products and packages which would help the business keep growing and meeting consumer's desires, and searching for new approaches in production process. Studies and development are carried out individually and through several partnerships (Scientific Technological System – Universities and Research Associations).

Sovena also recently created a new centralized area for the development of new products, with special focus to 'to whom it is addressed?' and 'what is the market intended?' as it becomes crucial to meet the requirement of each customer and to comply with the regulation and specific legislation applicable in each market/country. The Group also develops, on regular basis, various research and development projects within the financial and tax incentives scope, particularly SIFIDE (Sistema de Incentivos Fiscais à I&D Empresarial), QREN (Quadro de Referência Estratégico Nacional), Horizon 2020 calls, among others. For agricultural activities, Sovena has, through Elaia, a team dedicated to RD&I projects, with main projects related to energy efficiency, study of new varieties of olive trees, recovery of byproducts of mills, among others.

Research, Development and Innovation



Products

Packaging

Production Process

PRODUCTS – KEY INNOVATION HIGHLIGHTS OLIVE OILS

Today olive oil is used in deserts, on bread instead of butter and vinaigrettes are also more popular. Olive oil isn't only used on cod or more traditional dishes anymore. So innovation has been achieved.

Luís Folque | Board Member of Sovena



OLIVEIRA DA SERRA Q.B.

Oliveira da Serra was the first Portuguese olive oil to present itself in a spray format. The Oliveira da Serra Q.S. is an extra virgin olive oil, with low acidity, made from ripe olives. This smooth and balanced flavor olive oil is ideal for any use and is available in packs of 200ml.



OLIVEIRA DA SERRA FRITAR

Made from olive oils with a milder taste, Oliveira da Serra Fritar is the first olive oil specially created for recipes with fried foods, without altering the original flavor of food. The motto for this launch was the importance of the Mediterranean diet in a well-balanced lifestyle, in which olive oil plays a crucial role.



LEVE

As a consequence of the context of economic crisis being experienced in Portugal, Oliveira da Serra wanted to answer consumers' new needs, with a product that would cut back on all but the essential: the quality of the olive oil. So the brand launched an innovative package – a bottle similar to a 750 ml glass bottle, but in a PET format.

POP UP

THE 'POP UP', by Oliveira da Serra, the 'dosador vai-e-vem', by Andorinha and the 'vertedor extensível', by Hacendado, different names for the same revolutionary cap, the Jumping Pouter. The Jumping Pouter is made of 5 key parts that make a measuring cap pop out as soon as the lid is removed, but this hardly summarizes what a Pop-Up lid is. It is surprisingly cleaner and more precise. It has a measuring cap for continuous flow, inspired in the classic oil cans found in antique shops.

Just like the zipper revolutionized fashion, the Jumping Pouter revolutionized olive oil.

Did you know how POP UP come about?

The idea came from an genuine comment, made by a consumer during a market research: 'I really like your bottle, but why don't you create a system that stops the olive oil from smudging its outside?'

After some research work Sovena found that it was actually an improvement to look into. In fact, there wasn't a truly practical olive oil package on the market and many consumers had even got into the habit of 'washing the bottles' after using them.

An innocent suggestion became a great market opportunity and led to a € 2 million investment, over a two-year period, shared between Sovena and the supplier. This was one of Sovena's largest research and development projects ever.

Placed on the market at the end of 2008, the Jumping Pouter has received many compliments from various stakeholders and its good acceptance is proven by the excellent terms of reputation.

SEED OILS

FULA SPRAY&GO

Fula launched Fula Spray & Go, a new oil spray which is revolutionizing the way Portuguese relate to seed oils. Fula Spray & Go is the only oil available on the Portuguese market with a differentiated cap that allows three types of dispensing. The vaporizer also allows using the exact right amount, without wasting.



FULA "REDUCES FRIED FOOD SMELL"

In researches that Fula regularly performs among its consumers, it was identified as a significant barrier to seed oil consumption the smell that remains in the kitchen or around the house after frying food.

The Weasel project, as it was ironically called had the goal to develop a seed oil that was able to reduce the smell that is produced when frying food. Alternative formulations were tested in laboratories for months and finally the Weasel project gave place to the 'Reduces Fried Food Smell' innovation and the marketing team started outlining the launch plan.



The winning formulation, which includes essential oils with a natural scent of herbs, was considered good or very good by 98% of the consumers who tried it.

PACKAGING – KEY INNOVATION HIGHLIGHTS

Despite operating globally, the Group cares about satisfying its clients' needs locally. This focus on continuous development and innovation for better quality packaging makes tailor-made products for each client, with specific formats, materials, capsules and labels.

Oilseeds packages	» For seed oils packaging, the group has small, medium and large formats, fitting every market's needs. The client can choose amongst several types of packages, such as PET and PEAD from 1 to 25 liters. The bulk seed oils are packaged in large dimension containers such as Flexitanks, Ecobulks and Drums.
Olive oil packages	» The group supports a vast portfolio of olive oil packages. Different materials in small, medium and large formats, and materials such as PET from 1 to 10 liters; glass from 250 ml to 1 Liter; tins from 200 ml to 5 liters; and even sachets of 10 ml.
Table olives packages	» The group presents a wide array of table olive packages including glass jars, tins and doypacks for both catering and retail. The glass jars range from 100 g to 1 gallon; the tins from 110 g to 5 kg; and the Doypacks are 175 g. Each of these formats can be used to pack all types of olives, from black to green, with or without stone, and sliced.

Sovena has worked over the years with partners and suppliers of auxiliary materials, reducing packaging materials, both in terms of weight of packaging and in terms of capsules, in alignment with the Directive 94/62 EC, of packaging and packaging waste. In this sense, Sovena has been implementing innovative projects, in partnership with suppliers, for the development of lighter, stronger and better materials that have a lower environmental impact in packaging. Some of the initiatives are summarized in the table below.

COMPANY	DESCRIPTION	RESULTS
SOVENA USA	Weight reduction of 500 ml PET bottles (9.5 g reduction). Weight reduction of 1.000 ml PET (4.5 g reduction).	120 tons of PET reduction. More than \$ 12.8 million saved in 500 ml and 1.000 ml bottles.
SOVENA CONSUMER GOODS	Weight reduction in caps of 1 liter PET bottles, due to the new design format (2,04 g reduction).	Savings of 129,982 kg/year.
	Weight reduction in 5 liter bottles, due to technological improvement of materials (6 g reduction).	
	Weight reduction in label formats of 1 liter bottles, due to the new design format (0,08 g reduction).	
	Weight reduction in 12, 22 and 24 format bottles, due to reducing the amount of paper by removing the collar in bottles (0,3 g reduction).	

Did you know that Sovena Consumer Goods changed bottle shapes, in order to fit more bottles in a pallet?

This measure enabled Sovena to increase the number of bottles per packing layer, allowing to increase the carrying capacity by 16%.

PRODUCTION PROCESS – KEY INNOVATION HIGHLIGHTS

Sovena has modern facilities, equipped with the latest technology in most of its plants. The Group owns five state of the art bottling plants, strategically located. The concept of innovation is inherent in manufacturing processes, with substantial investments being made in this area every year. Some of the projects implemented recently are highlighted below.

OLIVE OIL WAREHOUSE WITH HIGHLY EFFICIENT TEMPERATURE CONTROL SYSTEM

In 2013, Sovena installed a modern olive oil warehouse in the Sovena Consumer Goods Spain plant, in Brenes, on the outskirts of Seville.

This new warehouse (with 20 tanks holding 180.000 kg each) is equipped with the most modern technological pumping solutions, with stainless steel tanks and piping. One of the most sophisticated innovations in this warehouse is its automatic temperature control system, which is both inside the facility and within the reservoirs and saves a considerable amount of energy.

Thanks to this temperature control system, the olive oil is guaranteed to be conserved in the most ideal conditions all throughout the process, maintaining its organoleptic properties up to moment of consumption.



FOREIGN OBJECT DETECTION WITH X-RAY TECHNOLOGY

Also in 2013 at the Sovena Consumer Goods Spain plant in Brenes, equipment that allows detecting pieces of glass in the filled and sealed bottles was installed.

The unit has an automatic rejection system that detects bottles containing small pieces of glass. In addition, the unit also detects small metallic particles and others with higher density than oil. The unit was developed in order to detect small foreign objects which are normally hidden by a curved glass base. It uses two X-Ray generators which illuminate the base area with a special inclination.

This project was undertaken as the presence of pieces of glass in a bottle, through breakage, is the most serious risk for causing injury in consumers.



MANAGEMENT SYSTEM TO AUXILIARY PACKING MATERIAL

Sovena Consumer Goods installed in its factory in Spain (Brenes), a radiofrequency management control system, operated with reading barcode frequency, for auxiliary materials, such as: caps, handles, tags, glass bottles, boxes, trays, pallets, drums, ecobulks, tins, among others. The project seeks to achieve the following objectives:

- Traceability of auxiliary materials that are in direct contact with final products, enforceable according to Regulation (EC) 1935/2004 (Food Contact Materials)
- Stock control;
- Reduction of obsolete products;
- Management of auxiliary material not compliant;
- Waste control.

THE PLANT OF SOVENA OLSEEDS SPAIN DOUBLES ITS CAPACITY

Sovena has invested an important amount in the acquisition of the Koipe factory and, in the last 3 years, has also provided capital for the renewal of this plant's crushing, refining and packaging equipment and facilities. As a result, Moltuandújar mills 240,000 tons of seed and refines 100,000 tons of sunflower every year, twice the amount this factory produced before Sovena's entry.

Following the acquisition and renovation of bottling equipments in the second half of 2013, Moltuandújar initiated its sunflower oil bottling activity. Sovena will now complement Moltuandújar's activity by storing and packaging olive oil in the factory, allowing to further develop its production and bottling a total of 100 million liters of sunflower and olive oil in 2014.

Documental Management System and Workflow

The Sovena Group operates in a very dynamic environment which requires that information systems need to be able to support, in an efficient and effective way, the current strategic challenges and needs of our own company and the market and customers. In this sense, Sovena is implementing a corporate tool, within an user friendly environment, that combines Documental Management System and Workflow for the control and monitoring of the design and development of products, essential to provide better speed and flexibility in the response of the Group.

With this tool, business needs of the user are covered, being Sovena able to adapt to constant change while maintaining high levels of productivity and efficiency with the added value of integrating systems and databases existing in the company. The Documental Management System, allows to comply with legal and customer requirements, generating more transparency and optimization of resources by removing duplicates and redundancies between the companies in the Group and also allows better orientation towards corporate social responsibility. Through this application it is possible to treat, store, publish and work on electronic documents that can be distributed more efficiently through a review and approval flow that ensures the adequacy and updating.

The Workflow allows the control of all changes in image, design and specification of Sovena products, or any of its components, distributing the tasks to be undertaken, assigning leaders for the tasks and allowing them to track it and, in within the Documental Management System, archiving all those changes. The application involves optimal use of information and is transversal to the Group, exploiting synergies between the different management systems implemented, providing the basis for making decisions.

In agricultural activities, Sovena has under development several research and development projects, regarding the production processes.

INTELLIGENT IRRIGATION MANAGEMENT SYSTEM

Through moisture sensors, the aim is to implement a smart irrigation management system in order to optimize water use and reduce production costs (water, energy, fertilizers) and productivity, reducing the environmental impact. For this purpose, it is intended to use web application software, integrating data from monitoring and measurement equipment (e.g. probes, sensors, among others) to be used in a smart motor watering equipment. The software provides accurate irrigation needs developing watering schedules, calculated in real time, considering the soil moisture, information from weather stations, and current watering needs.

NUTRITIONAL CONTROL AND MONITORING OF FARMS

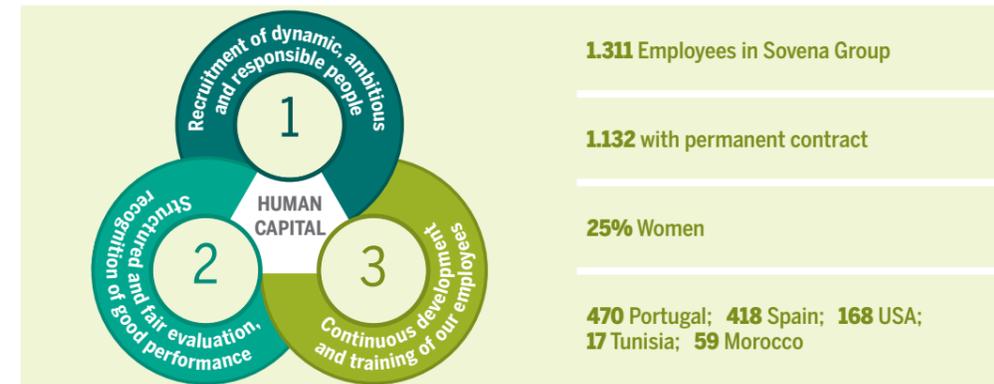
The objective is to assess, in a dynamically, practical and continuous way, the nutritional needs of plants at various stages of development. This nutritional monitoring will enable the control of the water and nutrient requirements, in order to adjust watering and fertilizing needs.

Nutritional needs can be assessed by different techniques, such as: 1. Tracking nutritional status from maps based on foliar nutrient analysis; 2. Study of variability by preparing maps of vegetation index (NVDI); 3. Relationships between the variability of nutritional status and NVDI with various production parameters (e.g. yield, production, among others).



3.5 Human Capital development

Employees play a key role in the success of an organization, and Sovena views the management, development and enhancement of human capital as a foundation of its sustainability strategy. The long-term success of the company depends on its capacity to attract, develop and retain employees, ensuring the growth of the Group on a continuing basis.



In 2013 Sovena created 133 new jobs (including the Moltuandújar Plant in Spain), of which 21% were women and 15% were international employees, spread across United States and Morocco.

Sovena gives priority to permanent employment contracts. As at 31 December 2013 86% of employees held a permanent contract of employment, and more than 99% were full-time employees.

RECRUITMENT OF DYNAMIC, AMBITIOUS AND RESPONSIBLE PEOPLE

Sovena's success is based on the recruitment of dynamic, ambitious and responsible people, which believe in our ideals and projects and are energetically and ambitiously dedicated to them. In order to identify and attract young talent, Sovena has been creating programs and partnerships with several universities. By promoting different programs, Sovena supports the personal and professional development of students and recent graduates and attracts talented youth people to join its team.

Noteworthy are the partnerships with the following institutions: Escola Profissional de Almada, Escola Profissional de Setúbal and Universidade Nova de Lisboa (internships and development of masters theses); Instituto Superior de Agronomia (training and olive oil tastings); Instituto San Telmo (Master in Management), among others. These partnerships allow us to recruit young talented professionals after a work experience in the Group.

CONTINUOUS DEVELOPMENT AND TRAINING OF OUR EMPLOYEES

The development of Sovena's people is a vital investment and an important lever to ensure continued growth for company.

Sovena continues to invest in the development of technical, behavioral and managerial skills of its employees, particularly in the following areas: Food Safety; Hygiene and Safety; Training of Olive Oil Tasters; Quality; People Management and Leadership; and General Management.

Noteworthy is the course 'Masters in Management', developed over 4 months in partnership with the Instituto San Telmo, in Seville, which involved 43 young managers of the Group, based in Portugal and Spain.

During 2013, the Group invested 255 thousand euros in developing the skills and qualifications of its employees.

STRUCTURED AND FAIR EVALUATION, RECOGNITION OF GOOD PERFORMANCE

Sovena employees are its most important asset and, in that sense, there is a continuous effort to motivate and design new opportunities for all. Because everyone has potential skills and competencies that should be recognized in order to guarantee motivated, tight and responsible teams. In 2013, the formal performance evaluation process covered all employees above junior manager in Portugal and Spain and all employees in USA and Tunisia.

Sovena also developed various actions aimed at strengthening internal cohesion and a better alignment of employees with the growth strategy of the Group, particularly the Annual Employee Convention. This convention was attended by employees from different businesses and geographies, giving them to know the key strategic challenges that Sovena will face in the coming years. Additionally, through team building actions, Sovena seeks to improve the teamwork.

133 Jobs created in 2013

More than **8** Partnerships with universities

€225 thousand spent on training

Average of **38** training hours per employee for managers, management support technicians and commercial staff

All employees above junior manager received performance and career development reviews in Portugal and Spain. For Sovena MENA and Sovena USA, all employees received performance and career development reviews.

3.6 Occupational Health and Safety

Occupational Health and Safety is a daily concern of the entire company. In this sense, Sovena invests in promoting health, safety and well-being through the development of different corporate tools and campaigns to promote sensitivity and awareness concerning prevention in the area of health and safety. Aware of the inherent risks of our business, Sovena developed a Safety Policy, which aims to promote and ensure a safer and healthier workplace for all employees who operate in our facilities and for the surrounding community.

SOVENA SAFETY POLICY COMMITMENTS

1. Implement a Management System for Health and Safety at Work.	2. Promote a safety culture, training employees on health and safety at work and severe accident prevention.	3. Ensure hazard identification, risk assessment and control of workplaces, in order to improve working conditions.	4. Create all the conditions to be able to act quickly and effectively in emergency situations.	5. Ensure that all external people is properly informed and comply with all safety rules.	6. Comply strictly with all laws applicable to our business.
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1. Sovena has implemented several health and safety management systems, adapted to each company and geography in which it operates, in order to measure and monitor performance indicators of occupational health and safety. These indicators are monitored in order to improve performance and to identify improvement actions, mainly related to workplace accidents.

2. Sovena also promotes a culture of safety among its employees, through training and awareness campaigns. The company has a safety newsletter, denominated 'Safety News', which provides safety information, basic concepts about safety and alerts about safety risks and hazards, in order to prevent accidents. Regarding education and training, there is an annual training plan, centrally prepared and accompanied by the safety managers of each industrial plant. The plan is monitored on a monthly basis, where compliance is assessed.

3. In order to promote a safe working environment, Sovena carries an identification of hazards and a risk assessment. This analysis allows to improve safety and health at work and to prevent personal and environmental accidents. In this sense, for each job and especially for the ones located in industrial plants, an identification of hazards and risks is performed, as well as measures for mitigating and correction. There are also health and safety audits. In addition, Sovena looks after and promotes the health of its people through medical exams by specialized professionals, taking into account work aspects and the overall health of our people. Sovena contributes to reducing absenteeism, avoiding occupational illnesses and collaborating to prevent workplace accidents.

4. To respond to emergency situations, Sovena has Emergency Plans implemented and annually tested, which describes the actions to be triggered in each specific situation. The company also conducts, every year, simulation exercises (total or partial) in plants and corporate offices, in order to observe the response to unexpected situations and to identify and develop actions for improvement in health and safety domain.



5-6. Regarding external visits, the Group ensures that every visitor knows and complies strictly the requirements and standards of health and safety in Sovena's facilities, as well as the Group complies, rigorously and in all regions where it operates, with all applicable laws regarding health and safety and prevention of severe accidents.

Did you know that Sovena USA implemented in 2013 a 'Safety Employee of the Quarter' Program?

In order to increase awareness and maintain an environment where safety is a top priority, in USA Sovena has introduced a quarterly program to recognize an employee that takes the extra step to make the plant a safer place.

In this sense, employees are given a 'Safety' Star Bucks each time they are seen promoting safe acts, making recommendations to improve safety, preventing accidents and recommending safety solutions. These are recorded on a quarterly basis and given a score by its contribution to our safety program. The total quarterly safety star bucks by person (without name) are reviewed by the safety committee, recognizing the effectiveness of the contribution and an employee of the quarter is chosen.

SOVENA USA – SAFETY JACKPOT PROGRAM

Safety Jackpot is a commercially available gamecard based incentive program aimed at reducing workplace accidents. The program works by rewarding gamecards to employees for weekly safe behavior. The gamecards reveal points which employees collect and redeem for merchandise items in the program catalog. The bottom of each gamecard reveals a letter and when the word 'jackpot' is spelled; the employee receives bonus points and is entered into a series of sweepstakes drawings for cash rewards.

Sovena USA adhered to Safety Jackpot Program and established the rules for employees to collect gamecards, namely: Report a Safety Hazard; Report a near miss with a valid suggestion for prevention; Submit a Safety suggestion that action is taken upon; Participate in weekly Safety Inspections; or Observation by Management of an 'Above & Beyond' safe act.





4.

Enhancing eco-efficiency

Be recognized for its environmental responsibility, reducing the environmental impact of Sovena's activities through the efficient management of energy, waste and by-products.

4.1 Environmental policy/management system

Sovena is committed to preserve the environment in all working sites, plants and offices, where it has operations. The Group upholds a culture that values and respects the environment, investing in technologies to help minimize environmental risks. The Group aims to avoid waste, to reduce pollution, to implement energy efficiency measures and to choose recycled products. Also, the environmental protection and natural resources preservation, such as water, are key factors in the whole value chain of Sovena.

Environmental policy

To formalize the commitment of Sovena in preserving the environment, we have implemented Environmental policies, signed by the Board of Directors, in its business areas Oilseeds and Consumer Goods. To this end, we are determined to rational and eco-efficient resource management, seeking to minimize the environmental impacts of our activities, preventing pollution, making rational use of natural resources and ensuring regulatory legal compliance.

The Environmental policy is understood as a fundamental part of corporate responsibility and environmental management of the company. It is based on continuous improvement, through the implementation of the best solutions available and ongoing awareness and education of employees and other stakeholders, in order to minimize the environmental impact of the company's business.

Prevent pollution, evaluating and monitoring the environmental aspects, minimizing the impacts on the environment.

Evaluate and adopt best practices and technologies available.

Establish and periodically review the goals and objectives, considering the significant environmental aspects.

Comply with all legal requirements applicable to its activities, as well as other requirements to which the organization subscribes.

Disclose the environmental policy and the results of environmental performance to all employees, to the general public and to other stakeholders.

Establish environmental awareness training and communication programs to employees and other stakeholders

In addition to the implementation of environmental policy, the Group implemented and certified an Environmental Management System, according to ISO 14001, in Elaia (Marmelo olive oil mill), and Sovena Consumer Goods Spain (Brenes plant).

Elaia

In the specific case of Elaia, the company has implemented an internal procedure for the environmental management of the Marmelo olive oil mill. The goal is to ensure the identification of environmental aspects and impacts and the definition of control measures, the assessment of the significance of the impacts and the management of those impacts considered as significant.

In this procedure, the identified environmental aspects and impacts are described in a matrix evaluation. Identification and assessment involve a team that is composed by elements of the Board, Head of Quality, Head of Production and Head of Mill. Environmental impacts are evaluated based on different criteria, such as: severity/benefit, frequency/probability and significance.



PRINCIPLES FOR CONTINUOUS IMPROVEMENT COMMITMENT, RECORDED IN THE ENVIRONMENTAL POLICY

ENVIRONMENTAL COMMUNICATION AND AWARENESS

The implementation of the environmental policy also aims to establish methods for environmental communication and awareness, for both internal stakeholders (employees) and external (customers, suppliers, community, among others). The Group conducts several awareness training activities, at internal and external level, related to environmental sustainability, providing information about topics such as saving natural resources, energy saving and energy efficiency, waste separation and recycling, among others. Particularly, Sovena promotes environmental awareness sessions in partnerships with suppliers, on topics such as energy efficiency, proper waste management and recycling. As a complement, Sovena has developed environmental tips, calling for the implementation of a number of simple measures related to the topics described above. These environmental tips are displayed in corporate buildings and factories, reinforcing the commitment of Sovena in promoting environmental awareness among its stakeholders.

Oliveira da Serra and the Serralves Foundation have joined in a very special partnership that aims to raise environmental awareness in the community. As a way to mark the partnership for environmental sustainability, Oliveira da Serra offered a millennial olive tree to Serralves Park. The olive tree was born more than 1000 years ago, in the heart of Alentejo (Portugal), in one of the olive groves of the Group. This was a symbolic offer that led to Serralves Foundation to create the 'Clareira da Oliveira', which acts as a focal point for educational activities about environmental sustainability. Thus, the Foundation has several initiatives that will include activities for the whole family, on the subject of olive oil, olives, olive trees and environmental sustainability.

In 2013, the Oliveira da Serra special days (twice a year) were created, where the brand offers the entry to all Serralves visitors, being able to enjoy the park, knowing our ancient olive tree. Next to the olive tree, Sovena has communication support about the entire process and extraction campaign of olive oil, so that visitors know how the oil comes to their tables.

Did you know that Oliveira da Serra supported Sociedade Ponto Verde (SPV) to raise consumer awareness towards olive oil bottle recycling?

The awareness campaign involved placing 250 thousand labels on Oliveira da Serra olive oil bottles to increase the population's awareness towards their placement in green recycling banks and how that could help build study rooms for children with low-income families.

The awareness campaign resulted from a partnership between SPV and the Oliveira da Serra brand and intended to contribute towards an increase in glass recycling. Oliveira da Serra's aim was to help achieve the recovery and recycling goals established for Portugal and Sociedade Ponto Verde under the current legislation.

SPV's campaign 'Recycling is Giving and Receiving' donated 1€ to the construction of study rooms in Private Social Solidarity Institutions for every ton of glass sent for recycling. The goal was to reach 20 study rooms, which will allow giving support to approximately 600 children.



OAU – ÓLEO ALIMENTAR USADO (USED COOKING OIL)

The Barreiro municipality and Sovena signed a partnership in order to carry out a campaign for promoting the collection of used cooking oil by placing containers, called 'Oleões' in the ecopoints. At the end of the chain, the collected liquid is sold by the Barreiro municipality to an operator licensed for waste valorization which will then transform it into biodiesel. OAU – Óleo Alimentar Usado (Used Cooking Oil) are the initials of the whole system.

The population of the Barreiro municipality wins on all fronts: not only does this improve the environment, but it also supports the local Voluntary Fire Brigade, which will receive the total revenue of the sales.

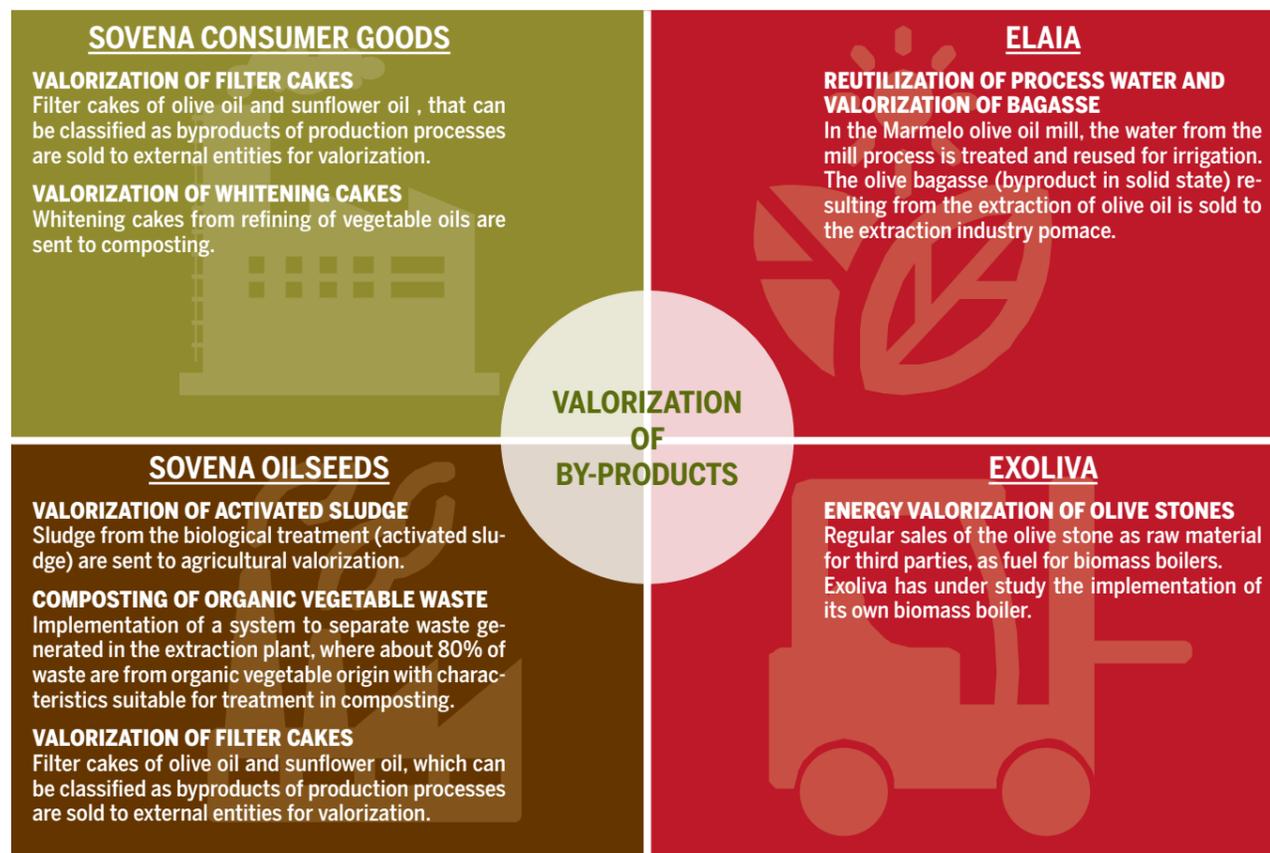
This project is accompanied by a strong communication campaign, both at internal and external levels, namely through 'Sovena News' to Sovena employees, through presentations and awareness in schools, promotion on social networks (e.g. Facebook), in the websites of own brands (e.g. Fula), through press releases and joint activities with the Barreiro municipality.



4.2 Management and valorization of waste and by-products

Due to the belief that there is only a future with sustainable thinking and in order to reduce its environmental footprint, Sovena conducts a careful and effective management of all waste produced in corporate buildings and production processes of the factories, giving priority to the recovery of waste (e.g. energy valorization, recycling, reuse) and when there is no other alternative uses methods of disposal (e.g. landfill deposition).

Moreover, given the complexity of the value chain of Sovena, from the plantation of the olive until the delivery of the final product to the consumer, there is a wide range of byproducts that are produced along the value chain. In this process, the motto is 'Nothing is lost, everything is transformed'. For this reason, Sovena is currently exploring several solutions for the valorization of these byproducts and all factories seek the capitalization of it; through own internal reutilization in factories and/or through sales to third parties, generating commercial value. Energy valorization (by using the olive stones in biomass boilers), animal feed (leaves are used for feeding and also the flour from the milling of seeds) and irrigation (treated water is used for watering) are the top-three destinations for valorization.



Sovena is currently studying other processes of valorization of by-products, in order to identify the best way to generate commercial value. Some examples are the extraction of squalene (from the distillation of olive oil) or tocopherol (from the distillation of soy or sunflower) for subsequent valorization by selling it to the cosmetic and pharmaceutical industry.

4.3 Energy and Climate change management

Sovena has multiple roles to play in reducing greenhouse gas (GHG) emissions and energy consumption in agricultural practices and its own operations. Sovena has several ways to reduce the energy use and the GHG emissions associated all across the value chain. In the beginning, many agricultural practices, such as the overuse of fertilizer, can impact GHG levels, which in some cases can be better managed through technological solutions. Also, Sovena invests in innovating more fuel-efficient equipment and technologies to help farmers decrease their carbon footprint and lower operating costs. In the transformation and packaging phases, the company is not only committed to provide more energy-efficient products, but also to build the products in more energy efficient ways.

As an industrial company, the energy bill of Sovena is high, representing a high percentage of operating costs and being energy efficiency a constant concern. Thereby, Sovena implements every day energy efficiency measures, from the smallest savings to large investments in new and efficient technology. An important framework for the implementation of energy efficiency measures is the 2020/2030 European Union strategy for Climate change, with the aim of:

- Reduction of energy consumption: by 20% in 2020 and 40% by 2030;
- Reduction of greenhouse gases emissions by 20%;
- 20% (2020) and 40% (2030) of consumed energy must be produced from renewable sources.

ENERGY EFFICIENCY MEASURES

Sovena Consumer Goods Portugal (Barreiro)	Replacement of thermal insulation of steam pipes and chilled water	Switch from fuel oil to natural gas and installation of automatic control of purges in steam boiler systems	Replacing of the cold equipment of refinery	Replacement of propane forklifts for electric forklifts and optimization of HVAC systems of the packaging units	Installation of an electronic variable speed drive on the fan of the cooling tower	Conducting training initiatives for energy efficiency
Sovena Oilseeds Portugal (Almada)	Installation of heat economizers and automatic control systems purges in the steam boilers	Repair of compressed air leakages and implementation of a routine inspection trails	Installation of electronic variable speed drives for fans and pumps and engine replacement high yield	Replacement of old light fixtures for electronic ballasts and T5 technology	Acquisition of a combustion gas analyzer and implementation of a process for monitoring the efficiency of boilers	Conducting training initiatives for energy efficiency
Sovena Consumer Goods Spain (Brenes)	Recovery of heat in the evaporator	Improvement of the efficiency combustion in burners	Installation of a new chiller for the refinery	Renovation of the entire plant luminaire to LED technology	Study and procedures for the installation of a biomass boiler	Conducting training initiatives for energy efficiency
Elaia (all olive oil mills)	Illuminate the work area only during the campaign and during the night	Rational use of the extraction lines (e.g. 40-220 tons of olive - use of one line)	Connection of the second ginning only when more than 2 extraction lines are working	Regulation of maximum temperature of boilers (up to 80° C)	Cellar heated only when is necessary (below 18° C)	Lights on only during the campaign and switched off during the day

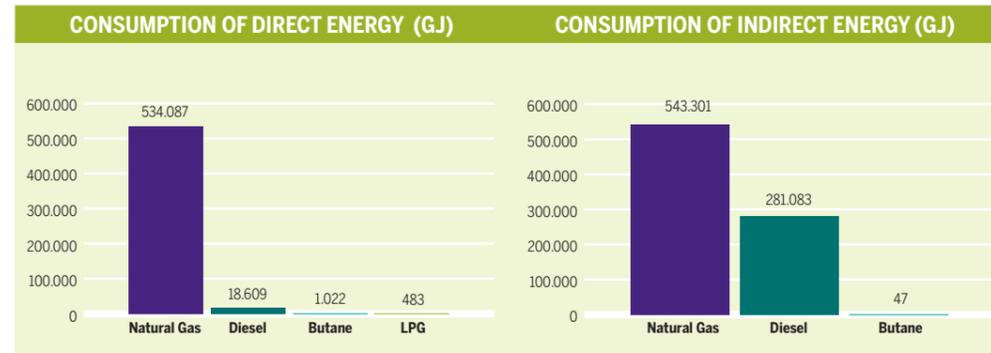
Sovena Oilseeds Portugal, with an annual investment of around € 4-5 million, has also planned the implementation of two relevant initiatives, including: the replacement of a natural gas boiler for a biomass boiler (sunflower shell) and the installation of a water treatment unit by reverse osmosis.

Did you know that Elaia implemented a system to increase energy efficiency in irrigation?

The system, based on control electric costs and according to the different types of tariffs and suppliers, defines when is the best time for watering.

Elaia also implemented capacitor banks aimed at reducing the consumption of reactive energy at the olive oil mills. This initiative represent an annual saving of € 30.000.

The Group had a consumption of 550,898 GJ of direct energy in 2013, divided by the following fuels: natural gas (96.3%), diesel (3.4%), butane (0.2%) and LPG (0.1%). Sovena Oilseeds Portugal had the higher consumption (59% of the total direct energy consumed), followed by Sovena Consumer Goods Spain (26%). Regarding indirect energy, the consumption reached 824,431, divided in steam (66%), electricity (34%) and cold (less than 0.1%). Sovena Oilseeds Portugal had the higher indirect energy consumption (84%), as the company moves and processes large quantities of seeds and oil.

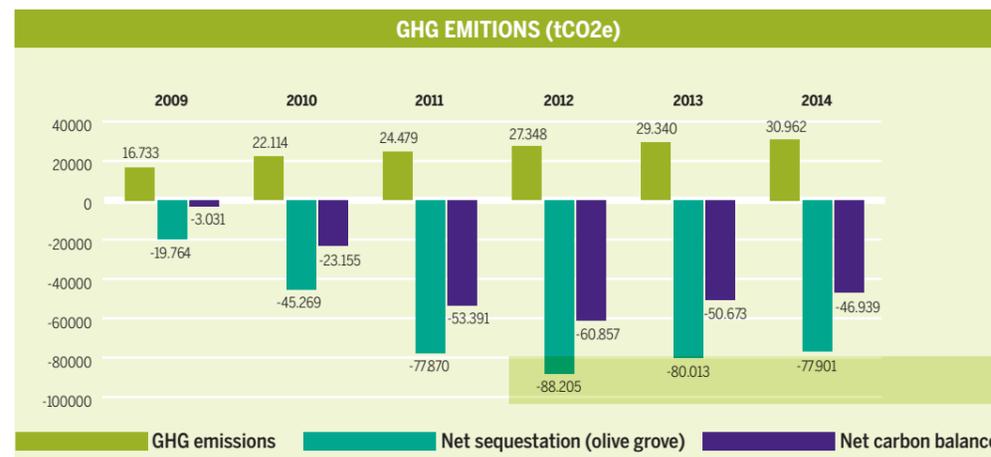


SOVENA LEADS THE 'HUNT' FOR CARBON

Did you know that Sovena was the first company in the sector to perform scientific studies validated by independent and credible technical bodies that aim to quantify the net carbon balance of the Group's olive oil business?

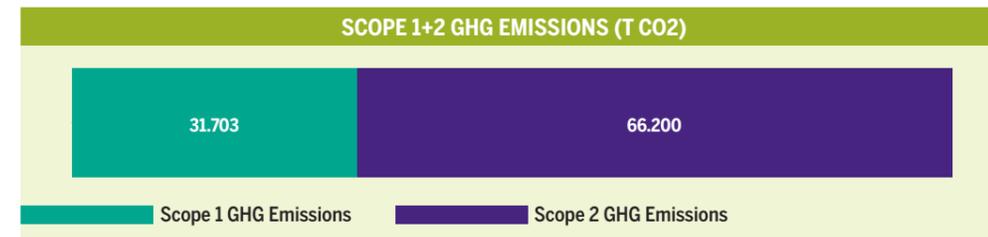
In other words, to quantify the GHG emissions associated to our activities performed in this business area, and deduct them from the biological carbon sequestration that occurs in the olive groves. The study that was conducted by an independent and specialized company placed Sovena Group as a reference in corporate carbon management.

The study presented a GHG emissions net balance for 2009 (with historic information) and projected the same balance for the period 2010-2014 (with prospective information) for the olive oil business.

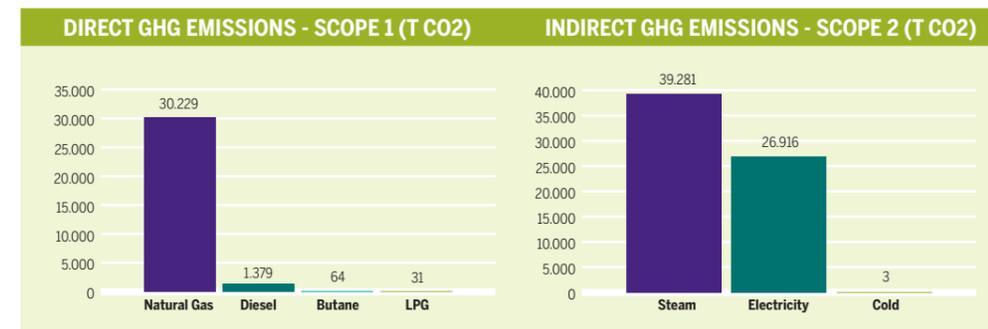


When analyzing the specific period of 2012-2014, which corresponds to a 'short-term stability' situation for the business (emission inducing activities) and the existing olive grove property (biological carbon sequestration capacity), the average number expected for the net balance is around -53,000 tons of CO2 equivalent per year, with olive grove areas performing an annual sequestration close to 2.5 times higher than the emissions.

Broadening the scope of analysis and considering the companies that are currently part of the Group, scope 1+2 GHG emissions associated to the activities of the Group amounted to 97,556 t CO2.



Main GHG scope 1 emissions are associated to the consumption of natural gas (95%), the primary fuel used in the industrial plants of the Group. Scope 2 GHG emissions are mainly related to the steam (59%) and electricity (41%). Sovena Oilseeds Portugal is the major GHG emitter of the Sovena companies, being responsible for 74% of GHG emissions.





5.
Promoting health
and nutrition in society
and our own people

Bring olive oil to every single place and every single person in the world, inspiring people to eat in a healthier and tastier way.

5.1 Promote health and nutrition

Health and nutrition are two key pillars, inherent to Sovena's activities and to its way to do business. Due to that, the Group wants to inspire people to eat in a healthier and tastier way, by using olive oil. In order to accomplish that, Sovena promotes health and nutrition through three main ways, namely:



Sovena has taken several actions to help and inspire people to have an active life and to make informed nutritional choices of the products bought.

PROMOTION OF NUTRITION AND NUTRITIONAL CONTENTS THROUGH SEVERAL COMMUNICATION CHANNELS

FULA NUTRITION CENTER

- The Fula brand, the leading brand in the Portuguese market of seed oils developed the Fula Nutrition Center (FNC), has a goal to promote greater knowledge of cooking oils, their importance in diets and their nutritional benefits, thus contributing to demystify the relationship between cooking oils and various diseases mistakenly attributed to their consumption (obesity, cholesterol, and cancer, among others). At the same time, this center aims to help families to adopt more active life styles and a healthier and tastier diet, in which cooking oils can assume a very important role due to their versatility.
- To achieve these goals, the Fula Nutrition Center is available online with a dynamic setup, at www.centro-nutricao-fula.pt, and on Fula's Facebook page, at www.facebook.com/fula.pt.
- On the website, users can explore several tools, like calculate BMI (body mass index) and check if their weight or their children's weight is adequate, and evaluate the family's eating habits by comparing nutrients in various meals. It is also possible to look up practical tips that facilitate the adoption of a healthier diet and obtain information on nutrients, properties of several foods, diets adequate for the various stages of life, the advantages of physical activity, and other subjects related to eating habits. Besides its informative purposes, the presence of the Fula Nutrition Center on Facebook allows to establish an active relationship with consumers, understand their doubts and needs, and answer their questions timely.



Sovena developed the 'Fula Nutrition Center', in order to promote greater knowledge of cooking oils

Sovena developed healthier cooking oils – Cookwell, a brand tailored for Walmart

Protocol agreements signed with Gota de Leche Foundation and TAS Foundation

Sovena supports corporate volunteering among its employees

The brand Oliveira da Serra developed the 'Recipes 15 qb App', in order to promote healthy eating habits

Did you know that Fula and the Portuguese are together for 50 years?

Since 1962, Fula has been leaving its mark on consecutive generations of Portuguese people, helping build friendships and relationships. Sovena wanted to use this commemorative occasion to take the Portuguese public back five decades in time, to the holiday season, when television was black and white, and Fula started sweetening Christmas for all of us.

With its jolly spirit, the film we re-edited transports us to the magical, traditional and family ambience of Christmas. Under the motto '50 years of history, at the table together ever since we can remember', Sovena recovered our campaign from the 60's to celebrate the fact that Fula and the Portuguese have been together at the table for 50 years, and especially at Christmas.

Five decades helping prepare simple, easy and tasty meals. All thanks to our secret recipe, which has included Fula in Portuguese people's happy memories.



OLIVEIRA DA SERRA WEBSITE

The Oliveira da Serra website aims to help families to adopt more active life styles and a healthier and tastier diet, in which cooking with olive oils can assume a very important role due to their versatility. On the website, users can find practical tips, collected by Vítor Sobral (reknowned Portuguese chef) that facilitates the adoption of a healthier diet and obtain information on Oliveira da Serra products. On the website, recipes can be found of various dishes cooked with olive oil, such as meat, fish, salads, pasta, among others. The website also provides a food glossary, in order to be more familiarized with food and olive oil terms.

Besides its informative purposes, the Oliveira da Serra brand has a presence on social networks, such as Facebook and Youtube, allowing establishing an active relationship with consumers and other stakeholders, understanding their doubts and needs.



What makes olive oil so healthy?

Epidemiological studies show that the incidence of coronary heart disease (CHD) and of certain cancers in the Mediterranean countries is low, suggesting a crucial protective role of the diet in this area where virgin olive oil is the principal source of fat. The hypothesis of an antioxidant/atherosclerosis relationship led to experimental studies on the potential protective role of olive oil phenolic antioxidants against CHD. Several studies have suggested that not only the particular fatty acid composition of this oil, very rich in monounsaturated fatty acids, but also its content in phenolic compounds, particular to virgin olive oil, may contribute to the healthy nature of this oil.

In recent years, there has been much interest in antioxidants that retard oxidative modification of LDL (the so called 'bad cholesterol'), which is believed to be a key step in the development of atherosclerosis. Current research findings suggest that virgin olive oil consumption could reduce oxidative damage in part due to its minor components, particularly the phenolic compounds.

However, which compounds from the more than 30 phenolic compounds known in virgin olive oil have a major role on this protection, is still unknown. Due to complexity of phenolic constituents, the study of these compounds has been hindered due to their difficult isolation from the oil. Therefore, biological studies concerning the most important phenols found in virgin olive oil have been very limited. Today extra virgin olive oil, the kind of olive oil richest in phenolic compounds, is marketed as being healthier than refined vegetable oils partly because of the presence of phenolic compounds.

Virgin olive oil is obtained by cold pressure of fruits of several *Olea europaea* cultivars. Each olive cultivar exhibits specific biochemical characteristics, providing oils with different compositions. To find, between our olive cultivars, the ones that can provide an extra virgin olive oil richer in these phenolic antioxidants will permit to develop virgin olive oils with higher quality and clear health benefits for consumers.

MARIA DE FÁTIMA PAIVA-MARTINS | MSc, PhD Universidade do Porto | Assistant Professor | Oporto University's Chemistry | Research Center - Food Chemistry Group | Chemistry Department of the Science Faculty of the Oporto.

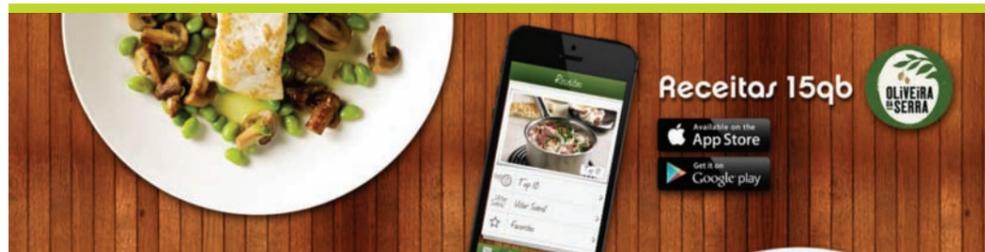
RECIPES 15 QB APP

This app, available for smartphones and tablets, provides a huge convenience for technology and cuisine lovers, allowing them to access Oliveira da Serra recipes and get inspired about what to make for dinner while shopping or cooking. Saving user's recipes, shopping list and the ingredients they need to buy on their smart phone are other options this app has to offer, so customers never forget a single item when shopping.

This is why Sovena decided to create and release much more than a simple recipe book for all cooking enthusiasts. Those who install the apps will be able to find information about brand, quick recipes, and lists of ingredients needed for cooking the dishes.

The Oliveira da Serra Recipes 15 qb app is highly appealing and intuitive, with each option transporting the user to a new world of cuisine. It allows users to comment and share their cooking experiences with friends, vote for their favorite recipe, and even insert their own recipes so they're always handy.

For Sovena, the user experience, portability and the exponential increase of the use of social networks through these terminals were decisive factors in the decision to invest in these platforms.



QUICK AND EASY RECIPES

It is possible to check each and every detail of a countless number of recipes, besides being able to sort them and apply different filters to choose the ideal recipe for your meal.

DIARY

After choosing the favorite types of dishes, a weekly plan is presented including a different recipe suggestion for each daily meals.

PANTRY

It can be found the list of ingredients needed to cook the chosen recipes.

SHOPPING LIST

Besides the list of ingredients needed to cook the chosen dish, it can be added a personal list

BRAND INFORMATION

This is the institutional area. It can be found information on Oliveira da Serra, or Olivari, depending on the app installed.

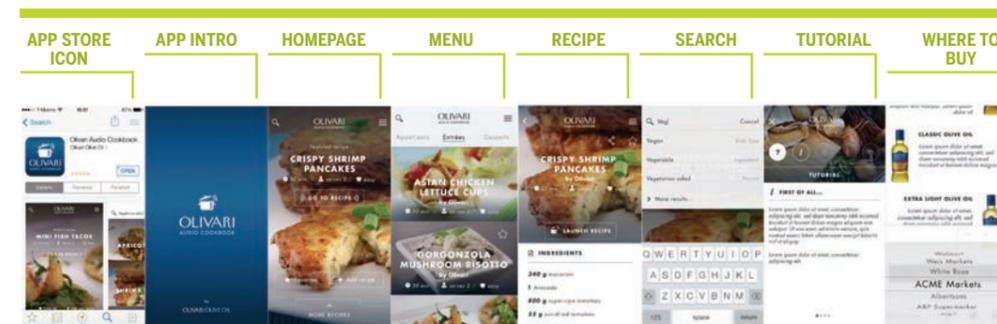
OLIVARI WEBSITE

The website of Olivari (Sovena brand with greater projection in the USA), allows users to explore the different types of olive oils (extra light, classic, extra virgin and organic extra virgin), finding relevant information about them, such as nutritional information and tips for using the products.

All the Olivari olive oils are rich in antioxidants and heart-healthy unsaturated fats. It naturally has no cholesterol, no trans fats, no salt (sodium) and no carbohydrates. The olive oil origin is from the Mediterranean regions of Greece, Italy, Morocco, Spain, Tunisia and Turkey.



OLIVARI AUDIO COOKBOOK



Sovena has developed an innovative solution for people that spend a lot of money on tablets and smart phones only to get them messy in the kitchen. Sovena developed the Olivari Audio Cookbook App, using text-to-speech and voice command technology. The audio cookbook lets home cooks to keep their eyes on the cooking by recording audio versions of recipes.

The App has special features, like a tutorial that walks users through how to add a recipe to the database and users can favorite and share recipes they like. The App has built in a dynamic search function to easily search the database and has a link to where to buy Olivari.

The App is available for smartphones and tablets, for iOS and Android.

O'LIVE MAGAZINE

Did you know that the Sovena has a free magazine in which informs, in a regular basis, about healthy eating habits?



CASE STUDY
SOVENA INNOVATES AND EDUCATES IN USA



'COOKWELL'

Sovena USA has partnered with Walmart Stores to bring healthier cooking oil—and a new brand—to Walmart shoppers. The program features a new Sovena brand called Cookwell Healthy Cooking Oil. Today, it's found in over 1,896 of Walmart's best olive oil stores, with plans to expand in the future.

It began in late 2011 when a Walmart merchandising manager and the Sovena sales team reviewed the olive oil section of a Walmart store. Walmart extended an offer to Sovena to improve the productivity of the section. Soon, Sovena's team members were working to conduct research with shoppers who didn't understand how to use healthier cooking oil in their everyday cooking.

When it became clear that the Walmart shoppers needed more knowledge before they would switch to better cooking oils, the team began building a solution that included education at the shelf and a new highly visible brand to get the shopper's attention.

Walmart gave Sovena the approval to go and build an educational signing solution—very uncommon for a supplier of Sovena's size—and a new brand of oils that eventually grew to 14 new items.

It should be noted that the Cookwell products are allowed to be sold in other points of sale.



The Cookwell products also have QR codes (quick response codes) that allow any customer, through its smartphone, to have access to relevant information about the oil, including about: flavor profiles, cooking temperature, smoking points, among others.

What is a QR code?

QR code (abbreviated from Quick Response Code) consists of black modules (square dots) arranged in a square grid on a white background, which can be read by an imaging device (such as a camera) and processed using Reed–Solomon error correction until the image can be appropriately interpreted. Applications include product tracking, item identification, time tracking, document management, general marketing, and much more.

INFORMATION ABOUT THE PRODUCTS

Sovena offers a wide variety of products so consumers can choose the best options for their individual needs and lifestyles. Sovena provides product information on several communication channels, from the display of product portfolios at the websites of each business area to product data sheets available at clients' request. However, it is crucial the information provided in product label, as tags are scrutinized by clients.

All products placed on the market are labeled according to statutory requirements, which strictly specify the criteria for presenting information clearly. There have been many changes in the Portuguese legislation regarding this subject, consequently requiring the labels to be updated. The 1st of July, 2009, two new Community regulations took effect, imposing changes on the labels of olive oil which is packaged and commercialized within the European Union.

DESCRIPTION (TASTE/AROMA) ON THE LABELS OF VIRGIN AND EXTRA VIRGIN OLIVE OILS	ALL VIRGIN AND EXTRA VIRGIN OLIVE OILS SHOULD INDICATE THEIR ORIGIN ON THE LABEL
<p>In terms of the taste and aroma of Virgin and Extra Virgin olive oils, expressions like well balanced, smooth, intense, mild oil, fruity, etc., will no longer be allowed to appear on the labels in a free manner. The words used to describe an olive oil's organoleptic features and the circumstances in which this is done were legally defined. According to the new regulation, any organoleptic descriptions included on an olive oil's label require a previous evaluation by a jury, consisting of a group of selected, trained and evaluated tasters.</p> <p>If the jury considers that the olive oil under evaluation does indeed have these properties, the new regulation predicts the exact words that can be used to describe it. These words are: 'fruity', 'bitter', 'pungent' and 'mild oil' or 'well balanced'. These two last ones can only be used if the olive oil has a very special combination of bitterness and pungentness.</p> <p>The new regulation also determines that the word 'fruity' can be used by itself or together with the words 'green' and 'mature', if the olive oil is actually considered to be so. The regulation predicts three other words that may be used to express the intensity of the olive oil's attributes, namely: 'intense', 'medium' and 'light'.</p>	<p>The labels of all Virgin and Extra Virgin olive oils have to indicate the 'place' where the olive oil was extracted and where the olives were harvested, such as. 'Olive oil extracted in France from olives harvested in Greece'.</p> <p>In case the olive oil and the olives have the same geographical provenance, indicating the origin of the olive oil as a whole will suffice, such as 'Portuguese olive oil'. Regarding the 'place' of origin, the packers will have to choose between indicating the country or the 'European Union' as the origin; or 'Non-Community' in case the country is not part of the Community. In the case that the olive oil is from various countries, the olive oil can be classified as 'Olive oil batch from the European Union', 'Non-Community olive oil batch' or 'Community and non-Community olive oil batch'.</p> <p>Rigorous and restrictive, these regulations aim to inform consumers. Its main purpose is to guarantee the compliance of pre-established rules concerning olive oil's description, so that each consumer can identify the actual source of the olive oil that is consuming.</p>

Sovena also complies with all local regulations in the geographies where it operates outside of Europe (e.g. Tunisia and USA) and where it sells its products.

PROMOTION OF HEALTHCARE EVENTS AND HEALTHY EATING HABITS IN SOCIETY AND OUR OWN EMPLOYEES

Sovena promote health and healthy habits among its own people, organizing and sponsoring internal and external events related to healthy habits. Examples of actions undertaken are:

- Organization and sponsor of Sovena internal soccer league.
- Free nutrition appointments in offices and plants, by an external nutritionist.
- Free Pilates classes for Sovena employees, at the plant in Brenes.
- Dissemination of good healthy habits on social networks (facebook, youtube, among others).
- Free participation for Sovena employees in the half marathon of Lisbon.
- Free participation for Sovena employees in other sports/walks/runs events in USA (e.g. Boilermaker Road Race; Tour de Cure; Making Strides against Breast Cancer Walk, among others).



5.2 Support Local Communities

Sovena believes that its business can contribute to the promotion of the social and health well-being of the communities where the company operates. The Group is proud of its community engagement, through direct or indirect support for projects, with the participation of customers, suppliers and its own people. In 2013, community investment reached around 104,000 euros, with a total of 47 institutions supported.

With this issue in mind, and like previous years, Sovena continues to develop support to the community in three main areas, namely:



EPIS
 Gota de Leche Foundation
 TAS Foundation
 Comunidade Vida e Paz
 Serralves Foundation
 Vale de Acór

American Heart Association
 Annual Heart Run/Walk Team Participation
 Sponsor Olivari Lifestyle Change Award
 Booth + Sampling
 Go Red for Women – Sponsor/Involvement
 Boilermaker Road Race
 Sponsor first time runner award
 Booth + Sampling
 Tour de Cure – American Diabetes Association
 Sponsor/Team Participation
 Making Strides Against Breast Cancer Walk
 Sponsor/Team Participation

Banco Alimentar Contra a Fome
 Banco de Alimentos de Sevilla
 New York State Fair
 Pride of New York Harvest Fest
 Taste of Home



EPIS



In 2006, many entrepreneurs united themselves for this cause, to which Nutrinveste/Sovena associated itself right from the start. EPIS was born from this common will and set off to work right away: there was the need to create a methodology and determine the target of its action. The option to aid students with learning difficulties in the first years of secondary school allowed short-term results with the highest return on investment (1-3 years). Based on the rankings made available by the Ministry of Education, districts with the highest failure rates were selected for the presentation of the EPIS project. Protocols were signed with seven Portuguese municipalities: Aljezur, Matosinhos, Odivelas, Paredes, Resende, Tavira and Vila Franca de Xira, which now have mediators in all schools focusing on students who may potentially leave school or suffer from educational underachievement.

In partnership with the Ministry of Education, EPIS develops the same project in the Districts of Amadora, Santarém and Setubal, using the Ministry's own resources, teachers whom EPIS specifically trains for the purpose. The mediators, most of whom studied psychology, have the task of applying an empowerment methodology that involves the student, his family, the school and his whole social network.

As such, the Association of Entrepreneurs for Social Inclusion is developing the 'Mediator Network for Educational Achievement' project, which, as mentioned, relies on people out on the field to help students in danger of 'failing' to achieve 'good results'. The good results registered ensue from the monitors' close and motivating work with the students and, when needed, with their families, creating a network between them and the schools.

GOTA DE LECHE FOUNDATION

In 2013, Sovena Spain and Gota de Leche Foundation sign an agreement, for the sixth consecutive year, so that children in need don't go without breakfast during the school year

'Healthy Breakfasts' is the name of the initiative that provides breakfasts for 60 immigrant children facing social risks during the school year of 2013/2014. Aged between 3 and 12 years old, these children will have be guaranteed 25% of their daily caloric intake to ensure their good growth. This social action is part of the 'Nutritional intervention project for an immigrant population facing social risk' and results from the arrangement signed between Sovena and Gota de Leche Foundations.

With this initiative, Gota de Leche Foundation and Sovena Spain hope to not only fight child malnutrition but also help children learn about healthier eating habits, hygiene rules and table manners. The main goals are social integration and self-esteem improvement.

It is of great significance that such an important company in the food sector like Sovena is willing to support us, because it strengthens the possibilities of social and pediatric intervention and opens doors for future intervention'

Manuel Sobrino | Director of Gota de Leche Foundation



Fundación **Gota de Leche**



TAS FOUNDATION

Sovena has signed an agreement with the TAS Foundation – Trabajo, Asistencia y Superación de Barreras – to help improve the quality of life of people with disabilities with which the Foundation works. Under the agreement, Sovena sponsored 25 children with disabilities in rural areas in Seville, which may receive support, education and customized assistance.

Through the 'Center TAS' program, the TAS Foundation facilitates the full development of children and youth with disabilities. To do this, TAS is working to offer them as independent as possible functioning within society, improving the quality of life for themselves and their families by supporting and strengthening several areas, such as teaching, physiotherapy rehabilitation and speech therapy.



SERRALVES FOUNDATION



In line with other initiatives carried out to support culture, Sovena established a cooperation protocol with the Serralves Foundation, committing itself to contribute financially towards contemporary art production and promotion in Portugal. Besides the important financial aspect associated to its founder status, Sovena's contribution to the Serralves Foundation's mission allows it not only to develop and broaden its plan of activities, always oriented towards providing a public service to the community, but also to strengthen relations within the business milieu.

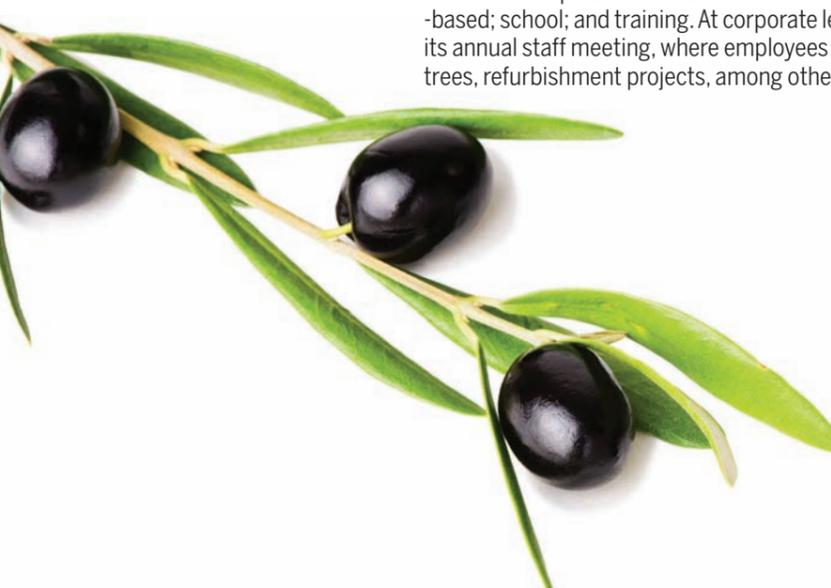
Moreover, Sovena through its brand Oliveira da Serra, joined Serralves Foundation on a very special partnership, that aims to raise environmental awareness in the Portuguese population. Throughout 2013, the Oliveira da Serra special day was created - where the brand offers tickets to all visitors of Serralves to enjoy the park and learn more about our ancient olive tree, donated to the Serralves Foundation. Next to the olive tree, Sovena has communication over the entire campaign process and extraction of olive oil, so that visitors know how the olive oil comes up to its table.

CORPORATE VOLUNTEERING

Did you know that the Sovena USA is developing an Employee Volunteer Policy?

Sovena USA recognizes it is its responsibility as a good corporate citizen to help strengthen the communities in which lives and work. Consequently, Sovena encourages its employees to become involved in their communities, lending their voluntary support to programs that enrich the quality of life and opportunities for all citizens.

Under the motto 'To inspire togetherness among employees by giving back, while raising awareness of the Sovena name within the community we serve', Sovena USA is drafting a Corporate Volunteering Policy. The guidelines will be for the Sovena USA employees who serve as volunteers in community programs that are either of personal interest or are corporate-sponsored initiatives. In this sense, Sovena USA will sponsor four main events to be planned, one per quarter, which will be open to all eligible employees. Sovena USA will also sponsor four smaller events, one per quarter, to be held within the building. Examples include food drive, coat drive, bake sale, among others. In addition to the Sovena organized events, employees are encouraged to participate in volunteer activities on their own. These activities are done on an unpaid basis and include some of the following options: mentoring; tutoring; coaching; faith-based; school; and training. At corporate level, Sovena also promotes corporate volunteering, namely in its annual staff meeting, where employees are engaged in volunteering activities, such as: planting olive trees, refurbishment projects, among others.



5.3 Stakeholder engagement

Stakeholders play an essential role in Sovena's continued success, and the Group takes their varied perspectives into account. Operating with responsibly, addressing the needs of these interconnected groups helps Sovena to maintain the commercial success that enables the company to deliver on its sustainability priorities.

As a 'Glocal' company, Sovena participates regularly in several events to promote its products and the industry worldwide, considering local community needs. In the other hand, the Group also works through national and international organizations that align with its position as a global industrial manufacturer and contributor to the agricultural value chain.

Sovena also has other special means of engagement with clients and local communities. The company promotes visits, on a regular basis, to its facilities. Main visits are made to the Marmelo olive oil mill and to the plants in Barreiro and Almada (Portugal) and Brenes (Spain). As customers are a very important stakeholder group, Sovena evaluates the satisfaction of its consumers annually.

METHODS OF ENGAGEMENT WITH STAKEHOLDERS



PROMOTION OF THE SOVENA PRODUCTS AND INDUSTRY

PRODEXPO 2013 | MOSCOW, RUSSIA, 11th to 15th of FEBRUARY

PRODEXPO is the biggest annual specialized food industry exhibition in Russia and Oriental Europe. The 20th year of this event, that took place in Moscow, plays a fundamental role in promoting high quality foods in the internal market, and therefore contributes to improving the quality of life of Russian citizens. www.prod-expo.ru/en/



Gulfood 2013 | DUBAI, UNITED ARAB EMIRATES, 25th to 27th of FEBRUARY

This is the biggest annual food and hospitality show in the Middle East. Under the theme 'International Flavor, World Class Business', Gulfood 2013 offered its more than 3,800 exhibitors and around 70 thousand expected visitors, a wide service and knowledge exchange platform, including the latest tendencies and best innovations in the food sector. A compulsory event for exporters who want to enter into the region. www.gulfood.com





SISAB PORTUGAL 2013 | LISBON, PORTUGAL, 25th to 27th of FEBRUARY

Going on its 18th year, SISAB PORTUGAL is the largest business platform for exporting Portugal's food & beverage sector, with the particularity of this fair only presenting Portuguese brands to the international universe of importers.

www.sisab.org

FOODEX JAPAN

FOODEX JAPAN | TOKYO, JAPAN, 5th to 8th of MARCH

Already on its 38th year, this annual international food & beverage exhibition has achieved high recognition in the entire Asian market, gathering distributors, wholesalers, producers, retailers and service companies from all over the world. Some 2,300 exhibitors from more than 66 countries and regions all over the world, including food and beverage companies and trade companies exhibited their products. Around 75,000 buyers, including food service companies, distributors, and wholesalers, visited FOODEX JAPAN during the exhibition period.

<http://www.jma.or.jp/foodex/>

**PRIVATE LABEL
MDD
EXPO**

MDD EXPO | PARIS, FRANCE, 9th and 10th of APRIL

Under the theme 'Private Label Showcase', this fair is a privileged event for those who intend to innovate in food and non-food areas, presenting new packaging solutions and a variety of new products. In this year, the highlights included six sectors of activity: spices and liquids; fresh and frozen; meat and fish, dairy products, non-food products and international/regional pavilions.

<http://www.mdd-expo.com/>

SIAL

SIAL CHINA | SHANGAI, CHINA, 7th to 9th of MAY

The 14th International Food & Beverage Exhibition is the biggest event in China and all of Asia in this sector. Over 2,200 exhibitors from dozens of countries flooded the enormous Shanghai New International Expo Center, aspiring to negotiate for three days, in what is considered to be the second largest food & beverage consumer market in the world. This year, the event's main theme was food innovation in Asia.

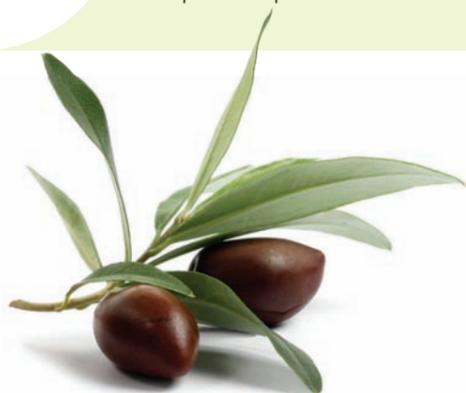
www.sialchina.com

**PLMA's
WORLD
PRIVATE
LABEL**

PMLA | AMSTERDAM, HOLLAND, 28th and 29th of MAY

Entitled the 'World of Private Label', this exhibition took place on its 27th year and as always was dedicated special attention to store brands, which have been increasingly important for distributors due to the consumers' growing preference. PLMA 2013 expected more than 3,800 food and non-food exhibitors from 68 different countries.

<http://www.plmainternational.com/>



PARTICIPATION IN INDUSTRY ASSOCIATIONS

Sovena establishes partnerships with various associations, which play a very important role in the development of its products. In 2013 the Group established the following partnerships:

ASSOCIATION	What does this organization do?	What is the type of engagement of Sovena?
 asemesa	ASEMESA is the Association of Exporters and Manufacturers of Table Olives. It represents the industry dedicated to the manufacture, marketing and export of table olives in Spain. It brings together most of the Spanish production and exportation of this sector, in which Spain is a world leader. Its mission is to represent and defending the interests of its associates and of the sector.	Sovena, through Exoliva, is a member of ASEMESA. In partnership with them, participates in several events, such as conferences, seminars, working groups, workshops, among others, to develop and disseminate good practices in the sector.
 fipa	FIPA is recognized as the institutional voice of the Portuguese agri-food sector. It is responsible for the promotion of innovation and competitiveness of the sector and actively participates in national and European decisions.	Sovena is an active member and has a strong relation with FIPA. Through Casa do Azeite, participates in several working Groups, such as the Working Groups on Agricultural Policy and External Relations and Regulatory Food.
 ASOLIVA	ASOLIVA is a Spanish private, nonprofit entity, formed by 59 exporting companies of olive oil. Its object is focused on defending the interests of its members, making all kinds of efforts to promote the export of Spanish olive oil.	Sovena, through ASOLIVA, supports the promotion of olive oil, the Spanish breakfast, and the Mediterranean diet outside Spain. In this regard various events are held, such as: in Week of tapas (Brazil), Action in restaurants and launch of Recipes Book (Germany), Tapas Truck (Australia), Launch of Olive Oil Cookbook and Recipes Book (India), among others. Sovena currently holds the position of Vice President in ASOLIVA.
 CASA DO AZEITE	Casa do Azeite, the Portuguese Olive Oil Association, is a private association dedicated to promoting its members interests. Its mission is to support producers and packagers and promote Brand Olive Oil. They aim to offer the consumer the guarantee of a quality Olive Oil, and thus contribute to this sector's growth.	Sovena is a member of Casa do Azeite, promoting this product in Portugal and all over the world. It has four brands associated, namely: Oliveira da Serra, Ouro d'Olive, Andorinha and Salutar. Sovena has an involvement with Casa do Azeite, both at technical and laboratory level. Also, the current president of Casa do Azeite is a Sovena Executive Director.
 ANIERAC	The Spanish National Association of Edible Oil Bottlers and Refiners, ANIERAC, is currently the biggest olive-oil association in the world in terms of the volume of sales it represents. It is composed of nearly 100 member companies. Its primary objectives are to protect the interests of its members, to promote greater clarity and transparency in the edible oils market and to keep all its members up to date on the latest developments in the sector.	Sovena, as a member of ANIERAC actively participates in this association, being part of its Technical Committee. An Executive Director of Sovena is a Vice-President of ANIERAC, representing the olive oil packer companies.
	The International Olive Council (IOC) is the world's only international intergovernmental organization in the field of olive oil and table olives. The Council is a decisive player in contributing to the sustainable and responsible development of olive growing and it serves as a world forum for discussing policymaking issues and tackling present and future challenges.	Sovena participates in the promotion of the industry and the product through the International Olive Council. An Executive Director of Sovena is the chairman of the advisory committee for the olive oil and table olives in the IOC.
 foro inter alimentario	The 'Foro Interalimentario' is a non-profit organization, founded in 2006, by companies that share the same model, in order to promote the improvement of food information and training, for consumers and society. The 'Foro Interalimentario' is composed of around 30 leading Spanish companies in the sector of food processing and distribution.	Sovena is one of the companies associated to 'Foro Interalimentario', promoting stable alliances between the different elements of the value chain, in order to improve competitiveness, offering safer products, better quality and at the best possible price.
	The North American Olive Oil Association is committed to supplying North American consumers with quality products in a fair and competitive environment; to fostering a clear understanding of the different grades of olive oil; and to expounding the benefits of olive oil in nutrition, health, and the culinary arts.	Sovena is a member of NAOOA, promoting the benefits of olive oil in nutrition and health.
 OLIVA	OLIVA is the Brazilian Association of Producers, Importers and Traders of Olive Oil. It is a civil, non-profit and nationwide association that brings together producers, importers, distributors, traders and stakeholders in the development of the oil market in Brazil.	Sovena Consumer Goods Portugal, through its brands Andorinha and Soleada, is an associated company of OLIVA, increasing and disseminating knowledge of the olive oil culture.
 FEDIOL	FEDIOL is the federation representing the European Vegetable Oil and Proteinmeal Industry in Europe. FEDIOL's mission is to represent the interests of the EU Vegetable Oil and Proteinmeal Industry towards public and private organizations, notably European Institutions.	Sovena Oilseeds is an active member of FEDIOL. As oil processor, Sovena promotes the industry at the level of the national governments and parliaments or local organizations. Sovena also shares know-how with the association and associates, as well as learn and participates in the development of guides and codes of good practices for the sector.
 AFOEX	AFOEX is the Spanish national association for the Promotion of the oilseeds and its extraction. It is a professional sectorial organization, present throughout the entire national territory, apolitical, independent and of non-profit nature. Its main function is to defend the interests of the industrial companies engaged in the transformation of the oilseeds, its extraction and their marketing.	Sovena is an AFOEX member and participates in the promotion of the industry and in the development of guides of good practice, such as 'HACCP Guide, for the production of raw-materials for animal feed' and 'Code of Practice for the transport in bulk, tanker and iso tank container, by road, of fats and refined oils for food consumption'.

CASE STUDY

SAN TELMO INTERNATIONAL INSTITUTE



Instituto Internacional
San Telmo

Did you know that António Simões, CEO of Sovena, is also Chairman of the Business Advisory Council of the Food Chain of the San Telmo International Institute?

The companies that belong to the Advisory Board, such as Sovena, have the mission to advise and recommend the Department's lines of research according to the real needs of the sector and make the financial contributions to maintain the strength on the educational and research works carried out by the Department.

Sovena Spain and San Telmo Foundation signed a business collaboration agreement, whereby Sovena became part of the advisory board of the Department of Agribusiness companies of San Telmo International Institute (STII); a department formed by the most representative companies in the industry and specialized teachers who belong to this institution.

The agreement, which was signed by the CEO of the San Telmo International Institute, Antonio García de Castro, and the CEO of Sovena, António Simões, has as main objective to continue joining efforts to promote training, research and development of the department of companies in the agribusiness sector of the business school.

The San Telmo International Institute has national and international focus on the development of this specialization. This research is one of its flagship projects for the coming years.

“ The San Telmo International Institute is today a reference, at national and international levels, regarding the food value chain. Their ability to respond to the real needs of the sector through research and training, make San Telmo Institute the meeting point for producers, manufacturers and distributors. This is clearly reflected in the quantity and quality of specialized programs offered and in the number of case studies and teaching materials they generate. ”

António Simões | CEO of Sovena

Chairman of the Business Advisory Council of the Food Chain of the STII.

COMMERCIAL AND COMMUNITY VISITS TO SOVENA'S FACILITIES

INDUSTRIAL FACILITIES - PLANTS

Sovena has been promoting and keeping up with several study trips of some universities and associations, as well as commercial visits, which enable the visitors to gain insight about the reality of the industry and Sovena products. The requests, usually made by universities/associations and clients, have increased due to the growing interest of the students to experience enriching practical activities and the need of clients to have direct contact with the market.

As Sovena is highly committed with health and safety of its employees and its stakeholders, all the measures necessary to ensure the health and safety of all the people that visit the plants have been taken. Main visits are channeled in Sovena's plants in Almada and Barreiro (Portugal) and Brenes (Spain).

MARMELO MILL

In 2012, Sovena opened to the public the Mill Shop at the Marmelo olive oil mill, in Ferreira do Alentejo. More than a shop, this space aims to spread the word about Sovena's new olive culture and a new generation of olive oil in Portugal. The Marmelo mill is also intended to fulfill its role as one of the region's centers for cultural activity, where experiences and knowledge are shared through exhibitions and olive oil tastings.

Visits are conducted by a tour guide, who explains the various phases of the olive oil production process. After being shown how the mill works, visitors are invited to participate in a tasting, which includes the different types of olive oil produced at the Marmelo mill. Afterwards, visitors have the chance to explore the space and learn about the development of the Oliveira da Serra and Andorinha brands, from their genesis to the present day.

Visits are made for individuals, students, companies and other institutions. More than 4500 visits were held during 2012/2013.



CUSTOMER SATISFACTION

SOVENA OILSEEDS PORTUGAL

Sovena Oilseeds Portugal assesses the level of satisfaction of its customers, with the aim to constantly improve its performance. The feedback of its customers is considered as an added value to ensure the continuous improvement of our products and services. For completing the evaluation of customer satisfaction, it is required a fulfilment of a questionnaire comprising 11 questions, considering a scale of 1 (minimum) to 4 (maximum).

The items evaluated by customers are: 1 Quality of products; 2 Compliance with the quantities requested; 3 Compliance with deadlines; 4 Timely notification of delays or failures in delivery; 5 Waiting time for loading/unloading; 6 Correction of documentation (e.g. invoices, delivery notes, analysis reports); 7. Quality/price ratio; 8. Accessibility/availability of commercial area; 9. Flexibility/responsiveness to unplanned situations; 10. Quickness in response to complaints; 11. Degree of overall satisfaction.

In 2013, the great majority of answers (96%) achieved a positive level of satisfaction (3 or 4). The satisfaction index for the year 2013 was equal to 3.3 (Good) on a scale of 1 to 4.

Analyzing separately flours, oils and glycerine clients, it is verified that: response rate of oils clients was 78%, with a satisfaction index of 3.3; response rate of flour clients was 60%, with a satisfaction index of 3.0; response rate of glycerin clients was 43%, with a satisfaction index of 3.8.

The strengths appointed by our customers were: Flexibility/responsiveness to unplanned situations; Quality of products; Good communication with customers; Employees of the company; Place of loading.

SOVENA CONSUMER GOODS PORTUGAL

Sovena Consumer Goods Portugal assesses the level of satisfaction of its customers, with the aim to constantly improve its performance. The feedback of customers is considered as an added value to ensure the continuous improvement of our products and services.

In 2013 it was evaluated the customer satisfaction of pre-packaged product. The clients were selected by Sovena managers from several business areas (Portugal, Europe, America, Africa, Asia). Customers were asked to fulfill a survey formed by several groups of questions, grouped into 5 areas: 1. Attributes Commercial; 2. Attributes Logistics/Distribution.; 3. Attributes Marketing; 4. Quality of pre-packaged products; 5. Partnership and Corporate strategy.

The customer satisfaction index obtained was 3.8 (Good) on a scale of 1 (Bad) to 5 (excellent). The group with the highest scoring issues was 'Quality of prepackaged products', with 4.1 points.

Customers also considered as the strengths of Sovena Consumer Goods Portugal the following items: Personality of the company; Quality of products; Strong brands; Competitive prices; Flexibility; Commercial support; Availability of large volumes of business; Great capacity of responsiveness; Compliance with agreements.

ELAIA

Elaia assesses client satisfaction through a survey sent to all customers, including internal clients (Sovena Spain and Sovena Portugal). The survey consists of a set of questions related to business management, level of service, product quality and overall satisfaction. In 2013, the response rate was 67%, being the final result 3.80, against a target of 3 (scale 0-4).





6.
Annexes

6.1 GRI Table

GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE GENERAL STANDARD DISCLOSURES

INDICATOR		LOCATION																																
STRATEGY AND ANALYSIS																																		
G4-1	Statement of CEO about the relevance of sustainability to the organization.	CEO message.																																
ORGANIZATIONAL PROFILE																																		
G4-3	Name of the organization.	Sovena Group, SGPS, S.A.																																
G4-4	Primary brands, products, and services.	1.1 Business areas; 1.7 Our products; 1.8 Our brands.																																
G4-5	Location of the organization's headquarters.	Sovena Group - Rua Dr. António Loureiro Borges, nº 2. Edifício Arquiparque 2, 3º andar. 1495-131 Algés, Portugal.																																
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	1.6 Our world.																																
G4-7	Nature of ownership and legal form.	Report of the Board of Directors 2013, p. 22.																																
G4-8	Markets served.	1.6 Our world; 1.10 our main partners 1.11 Our main customers.																																
G4-9	Scale of the organization.	1.4 Figures and facts.																																
G4-10	Total number of employees.	<table border="1"> <thead> <tr> <th colspan="4">SOVENA GROUP</th> </tr> <tr> <th></th> <th>Male</th> <th>Female</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Employment contract</td> <td>688</td> <td>235</td> <td>923</td> </tr> <tr> <td>Permanent</td> <td>647</td> <td>204</td> <td>851</td> </tr> <tr> <td>Fixed term</td> <td>41</td> <td>31</td> <td>72</td> </tr> <tr> <td>Employment type</td> <td>688</td> <td>235</td> <td>923</td> </tr> <tr> <td>Part-time</td> <td>0</td> <td>2</td> <td>2</td> </tr> <tr> <td>Full-time</td> <td>688</td> <td>233</td> <td>921</td> </tr> </tbody> </table> <p>Note: data scope includes SCG Portugal; SCG Spain; SO Portugal; Sovena USA; Exoliva; Elaia Portugal.</p>	SOVENA GROUP					Male	Female	TOTAL	Employment contract	688	235	923	Permanent	647	204	851	Fixed term	41	31	72	Employment type	688	235	923	Part-time	0	2	2	Full-time	688	233	921
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G4-11	Percentage of total employees covered by collective bargaining agreements.	92,5%																																
G4-12	Organization's supply chain.	1.9 Our value chain.																																
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	This is the first sustainability report published by Sovena. Any relevant and recent change is described throughout the report.																																
G4-14	Approach to precautionary principle.	<p>Sovena believes that responsible behavior is a critical issue for the Company and its relation with the different stakeholders. Sovena adopts a precautionary approach to environmental management, anticipating and reducing the environmental degradation risk related with the operations and activities. In this way, the vision, mission and values reflect the principles that underlie this precautionary approach. The Sovena's Sustainability Committee supervises and assesses risks identified and implements the appropriate actions within the companies in the Group.</p> <p>Sovena also has a Crisis Manual, that serves as a roadmap and establishes the basic response mechanisms to address a crisis. It is a dynamic document that contains the main activities that should be followed before, during and after a situation of crisis. This document provides hypothetical scenarios that can cause a potential crisis in our organization. It's tested and updated regularly and provides answers to the following topics:</p> <ul style="list-style-type: none"> • Control of the crisis in each scenario; • Message to be emitted as a consequence of the crisis; • Definition of stakeholders involved and appropriate communication channels; • Preparation of an action plan. 																																

INDICATOR		LOCATION
G4-15	List of economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	2.4 Ethics and transparency.
G4-16	List memberships of associations.	5.4 Stakeholder engagement.
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Entities included in the consolidated financial statements.	About this Report; 1.1 Business areas; 1.5 Our organization.
G4-18	Process for defining the report content and the Aspect Boundaries.	About this Report.
G4-19	Material Aspects identified in the process for defining report content.	About this Report; 2.2 Sustainability strategy.
G4-20	Aspect Boundary within the organization.	About this Report; 2.2 Sustainability strategy.
G4-21	Aspect Boundary outside the organization.	About this Report; 2.2 Sustainability strategy.
G4-22	Restatements of information provided in previous reports, and the reasons for such restatements.	This is the first sustainability report published by Sovena.
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	This is the first sustainability report published by Sovena.
STAKEHOLDER ENGAGEMENT		
G4-24	List of stakeholder groups engaged by the organization.	2.3 Stakeholder identification and consultation.
G4-25	Basis for identification and selection of stakeholders with whom to engage.	2.3 Stakeholder identification and consultation.
G4-26	Organization's approach to stakeholder engagement.	2.3 Stakeholder identification and consultation.
G4-27	key topics and concerns that have been raised through stakeholder engagement.	2.2 Sustainability strategy; 2.3 Stakeholder identification and consultation.
REPORT PROFILE		
G4-28	Reporting period for information provided.	January 1 st 2013 to December 31 st 2013.
G4-29	Date of most recent previous report.	This is the first sustainability report published by Sovena.
G4-30	Reporting cycle.	Annual.
G4-31	Contact point for questions regarding the report or its contents.	Last page of the report.
G4-32	'In accordance' option chosen by the organization.	About this Report.
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report.	About this Report.
GOVERNANCE		
G4-34	Governance structure of the organization, including committees of the highest governance body.	1.5 Our organization.
ETHICS AND INTEGRITY		
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	1.2 Mission, vision, values and principles; 2.4 Ethics and transparency.

GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE
SPECIFIC STANDARD DISCLOSURES

INDICATOR		LOCATION						
ECONOMIC PERFORMANCE INDICATORS								
ASPECT: ECONOMIC PERFORMANCE								
G4-EC1	Direct economic value generated and distributed.	1.4 Figures and facts.						
		Direct economic value generated (€ thousand)		1.240.621,1				
		Net turnover		1.229.823,4				
		Financial income		3.318,7				
		Other incomes		7.478,9				
		Economic value distributed (€ thousand)		1.228.626,7				
		Consumption of goods		1.041.371,1				
		Operation costs		110.962,5				
		Employee wages		38.708,0				
		Payments to providers of capital		23.389,8				
		Income tax		1.572,4				
		Community Investment		11.794,1				
		Other		828,7				
Economic value retained (€ thousand)		11.994,4						
ASPECT: PROCUREMENT PRACTICES*								
Disclosure Management Approach		2.2 Sustainability strategy – commitments. DMA-a: As part of its sustainability strategy, Sovena seeks the promotion of local economies where the Group has operations. The sustainability in the supply chain is a priority for the Group, fostering competitiveness and local development. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue. DMA-b: Sovena fosters local development, purchasing whenever possible to local suppliers. Also, as part of the Group's strategy, Sovena buy local operations when justified, instead of exporting, creating jobs and developing the local economies and acquiring materials and raw materials from local suppliers. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.						
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	1.9 Our value chain.						
		Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	%Exoliva
Percentage purchased from local (national) suppliers in each geography		79%	66%	42%	Not available	99%	Not available	99%

INDICATOR		LOCATION								
ENVIRONMENTAL PERFORMANCE INDICATORS										
ASPECT: ENERGY*										
Disclosure Management Approach		2.2 Sustainability strategy – commitments. 4.1 Environmental policy/management system. 4.3 Energy and climate change management. DMA-a: As part of its sustainability strategy, Sovena seeks the protection and management of the environment and the widespread promotion of environmentally responsible behavior, specifically energy efficiency. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue. DMA-b: Sovena has promoted in recent years a commitment to energy efficiency, by implementing a set of measures that promote the reduction of energy consumption in offices and industrial plants. Also, Sovena has several environmental policies implemented in the industrial units, which consider the optimization of energy efficiency and promote environmental awareness among employees and external stakeholders. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.								
G4-EN3	Energy consumption within the organization	4.3 Energy and climate change management.								
		Consumption of Energy (GJ)	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	%Exoliva	
		Consumption of Direct Energy (GJ)	146.252	54.057	326.642	0	307	7.117	19.828	
		Diesel (GJ)	784	0	10	0	307	0	17.508	
		Butane (GJ)	93	0	0	0	0	0	928	
		Natural Gas (GJ)	145.374	53.573	326.632	0	0	7.117	1.391	
		LPG (GJ)	0	483	0	0	0	0	0	
		Consumption of Indirect Energy (GJ)	45.737	46.963	693.247	5.935	707	24.574	7.269	
		Electricity (GJ)	45.737	27.070	169.838	5.935	660	24.575	7.269	
		Steam (GJ)	0	19.893	523.40	0	0	0	0	
		Cold (GJ)	0	0	0	0	47	0	0	
		G4-EN6	Reduction of energy consumption	4.3 Energy & climate change management.						

INDICATOR		LOCATION							
ASPECT: WATER									
G4-EN8	Total water withdrawal by source.	1. Sustainable agricultural practices. 4.1 Environmental Policy/Management System.							
		Water withdrawal	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Surface water (m³)	-	685.388	4.430.361	10.505	-	-	105.000
		Ground water (m³)	-	-	-	13.474	-	-	-
		Municipal water (m³)	134.026	85.470	303.317	2.213	1.150	Not available	57.830
		TOTAL (m³)	134.026	770.858	4.733.678	26.192	1.150	Not available	162.830
G4-EN10	Percentage and total volume of water recycled and reused.	1. Sustainable agricultural practices. 4.1 Environmental policy/management system. 4.2 Management and valorization of waste and by-products.							
			Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Recycled and reused water (m³)	24.500	8.300	145.600	2.557	-	-	-
ASPECT: EMISSIONS*									
Disclosure Management Approach		2.2 Sustainability strategy – commitments. 4.1 Environmental policy/management system. 4.3 Energy & climate change management. DMA-a: As part of its sustainability strategy, Sovena seeks the protection and management of the environment and the widespread promotion of environmentally responsible behavior, specifically GHG emissions. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue. DMA-b: Sovena has promoted in recent years a commitment to energy efficiency and GHG emission reduction initiatives, by implementing a set of measures. Also, Sovena has several environmental policies implemented in the industrial units, which consider GHG emission reduction and promote environmental awareness among employees and external stakeholders. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.							

INDICATOR		LOCATION							
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	4.3 Energy & climate change management.							
		Scope 1 GHG Emissions	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Scope 1 GHG Emissions	8.292	3.063	18.488	0	23	403	1.425
		Diesel (tons CO2)	58	0	1	0	23	0	1.297
		Gasoline (tons CO2)	0	0	0	0	0	0	0
		Butane (tons CO2)	6	0	0	0	0	0	59
		Natural Gas (tons CO2)	8.228	3.032	18.487	0	0	403	79
		LPG (tons CO2)	0	31	0	0	0	0	0
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	4.3 Energy & climate change management.							
		Scope 2 GHG Emissions	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Indirect GHG Emissions (tons CO²)	3.697	3.989	53.846	559	83	3.434	588
		Electricity (tons CO²)	3.697	2.551	16.004	559	83	3.434	588
		Steam (tons CO²)	0	1.438	37.842	0	0	0	0
		Cold (tons CO²)	0	0	0	0	3	0	0
		Scope 1+2 GHG Emissions	11.989	7.052	72.334	559	110	3.873	2.022
G4-EN19	Reduction of greenhouse gas (GHG) emissions.	4.3 Energy & climate change management.							
ASPECT: WASTE*									
Disclosure Management Approach		2.2 Sustainability strategy – commitments. 4.1 Environmental policy/management system. 4.2 Management and valorization of waste and by-products. DMA-a: As part of its sustainability strategy, Sovena seeks the protection and management of the environment and the widespread promotion of environmentally responsible behavior, specifically the management and valorization of waste and by-products. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue. DMA-b: Sovena has promoted in recent years a commitment in the reduction of waste and valorization of waste and by-products. Also, Sovena has several environmental policies implemented in the industrial units, which consider waste reduction initiatives and fosters its valorization, seeking for economic value. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.							

INDICATOR		LOCATION							
ASPECT: WASTE*									
G4-EN23	Total weight of waste by type and disposal method.	4.2 Management and valorization of waste and by-products.							
		Total waste	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Hazardous waste (tons)	3,00	21,28	16,18	1,21	30,00	Not available	0,00
		Valorization	0,58	9,13	13,13	0,00	0,00	Not available	0,00
		Elimination	2,42	12,15	3,05	1,21	30,00	Not available	0,00
		Non-hazardous waste (tons)	1.632,29	1.773,08	1.092,79	78,14	630,00	Not available	37,24
		Valorization	602,57	1.706,16	1.013,55	0,30	0,00	Not available	37,24
		Elimination	1.029,72	66,92	79,24	77,84	630,00	Not available	0,00
		TOTAL (tons)	1.635,29	1.794,36	1.108,97	79,35	660,00	Not available	37,24
		ASPECT: PRODUCTS AND SERVICES							
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	4.1 Environmental policy/management system.							
		Material	Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva
		Glass (tons)	4.549,8	3.262,7	NA	NA	0,0	Not available	0,0
		Plastic (tons)	146.013,0	1.838,8	NA	NA	0,0	Not available	0,149
		Paper/cardboard (tons)	0	1.419,6	NA	NA	0,0	Not available	0,292
		Metal/Steel (tons)	1.088,4	61,2	NA	NA	0,0	Not available	4,954
NA = Not Applicable									
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT									
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.							
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.							

INDICATOR		LOCATION						
SOCIAL PERFORMANCE INDICATORS – LABOR/MANAGEMENT RELATIONS								
ASPECT: OCCUPATIONAL HEALTH AND SAFETY								
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	3.6 Occupational health and safety.						
		SOVENA GROUP						
			Male	Female	TOTAL			
		Accidents/Injuries (n.º)	111	35	146			
		Accidents/injuries resulting in absence (n.º)	39	2	41			
		Days lost (n.º)	Not available	Not available	2.222			
		Fatalities (n.º)	0	0	0			
		Occupational diseases (n.º)	3	0	3			
		Absentee (hours) *	Not available	Not available	65.962			
		Note: scope of data includes SCG Portugal; SCG Spain; SO Portugal; Sovena USA; Exoliva and Eliaia Portugal. * Data does not include data from Eliaia Portugal (not available).						
		SOVENA GROUP						
			Sovena Consumer Goods Spain	Sovena Consumer Goods Portugal	Sovena Oilseeds Portugal	Sovena USA	Exoliva	
		Injury Rate (IR)	0,00010	0,00004	0,00007	0,00007	0,00027	
		Occupational Disease Rate (ODR)	0,00000	0,00000	0,00001	0,00000	0,00000	
Lost Day Rate (LDR)	0,00087	0,00118	0,00057	0,00004	0,00376			
Absentee Rate (AR)	2,2%	4,1%	3,6%	0,6%	4,5%			
Note: data from Sovena MENA and Eliaia not available.								
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	3.6 Occupational health and safety.						
ASPECT: TRAINING AND EDUCATION								
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	3.5 Human Capital development.						
		SOVENA GROUP						
			Male	Female	TOTAL	Male	Female	TOTAL
			Hours	Hours	Hours	Hours/employee	Hours/employee	Hours/employee
		Managers	672	24	696	35	12	33
		Management support technicians	1.879	1.068	2.946	44	56	48
		Commercial staff	212	80	292	27	80	32
		Administrative staff	97	391	487	3	11	7
		Manufacturing operators	996	186	1.182	4	5	4
		TOTAL	3.855	1.748	5.603	11	19	12
Note: data scope includes Portugal: SCG Portugal; SO Portugal; and Eliaia Portugal.								
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	3.5 Human Capital development.						

INDICATOR		LOCATION						
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY								
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	3.5 Human Capital development.						
		SOVENA GROUP						
			Male	Female	TOTAL	<30	30-50	>50
		Managers	44	14	58	0	46	12
		Management support technicians	81	37	118	12	90	16
		Commercial staff	19	11	30	0	22	8
		Administrative staff	45	65	110	15	51	44
		Manufacturing operators	495	112	607	82	354	171
		TOTAL	684	239	923	109	563	251
Note: data scope includes SCG Portugal; SCG Spain; SO Portugal; Sovena USA; Exoliva; Elaia Portugal.								
ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES								
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.						
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.						
SOCIAL PERFORMANCE INDICATORS – HUMAN RIGHTS								
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT								
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.						
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	2.2 Sustainability strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.						
SOCIAL PERFORMANCE INDICATORS – SOCIETY								
ASPECT: LOCAL COMMUNITIES*								
Disclosure Management Approach		2.2 Sustainability strategy – Commitments. 5.1 Promote health and nutrition. 5.2 Support local communities. DMA-a: As the mission of Sovena is to Inspire people to eat healthier and tastier by using olive oil, the promotion of health and nutrition and social solidarity are areas where Sovena has heavily invested within the engagement of communities, and these issues are integrated sustainability strategy. DMA-b: Sovena has addressed these issues through several initiatives and partnerships developed with society, namely: Partnership with EPIS; Support, to Gota de Leche Foundation; Support to TAS Foundation; Support to Serralves Foundation; Realization of corporate volunteering, among others. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.						
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	5.1 Promote Health and Nutrition. 5.2 Support Local Communities.						

INDICATOR		LOCATION
ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	2.2 Sustainability strategy Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	2.2 Sustainability strategy Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria.
SOCIAL PERFORMANCE INDICATORS – PRODUCT RESPONSIBILITY		
ASPECT: CUSTOMER HEALTH AND SAFETY*		
Disclosure Management Approach		2.2 Sustainability strategy – Commitments. 3.1 Food/safety certifications. DMA-a: As the food industry is an extremely sensitive domain, where standards of safety and trust are of vital importance, quality control has to be assured daily by efficient policies, strategies and actions in each of Sovena's industrial units and laboratories. Sovena's commitment is to always guarantee the best product and therefore assures the quality in all phases of the supply chain, from the raw-materials to the final product. DMA-b: In order to ensure high quality of the products and processes all across the supply chain, Sovena has implemented several certifications, policies, systems and codes of practices for food safety and quality assurance and traceability. Some examples are: ISO 9001, BRC and IFS certifications; Food Safety and Quality Policies; Codes of practices for transportation of raw-materials, among others. DMA-c: Sovena measures and monitors the indicators associated with this aspect and report them in this sustainability report. To assess the significance and materiality of the subject and its performance on the same, the Group relies on benchmarking analyses, external ratings of performance and feedback from its stakeholders.
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	1.5 Our value chain; 3.1 Food/safety certifications.
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	3.1 Food/safety certifications. Sovena didn't identify any incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services within the reporting period, for Sovena Consumer Goods Spain, Sovena Consumer Goods Portugal, Sovena Oilseeds Portugal, Sovena MENA, Sovena USA, Elaia and Exoliva.
ASPECT: PRODUCT LABELLING AND SERVICES		
G4-PR5	Results of surveys measuring customer satisfaction.	5.3 Stakeholder Engagement.

6.2 Methodological notes

INDICATOR		LOCATION
SECTORIAL PERFORMANCE INDICATORS – FOOD PROCESSING		
ASPECT: PROCUREMENT/SOURCING PRACTICES		
G4-FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	<p>3.1 Food/safety certifications.</p> <p>For Sovena, having strong, long-term relationships with their most strategic suppliers is a critical step in improving performance and generating greater cost efficiencies that can help the business grow. The evaluation and selection of suppliers, structuring the supplier base is, in this way, an important task within Sovena. The standard requires that a supplier has to be evaluated, selected, and reevaluated considering several aspects: e.g. food safety certifications, quality history, delivery performance, quality management, financial stability and complaint history, among others. Sovena counts with a group of wide experienced auditors, experts in different fields (e.g. raw materials, packaging, chemicals, installations, certification norms, among others) that cover almost all of the required know-how.</p> <p>100% of our purchased volume is compliant with our sourcing policy. When the purchases are not compliant, they are returned to vendor. For example, for Sovena USA, less than 1% did not meet our specifications upon receipt in 2013, and was returned to vendor.</p>
ASPECT: HEALTHY AND AFFORDABLE FOOD		
G4-DMA-FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	5.1 Promote health and nutrition.
ASPECT: CUSTOMER HEALTH AND SAFETY		
G4-FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	3.1 Food/safety certifications.
G4-FP7	Percentage of total sales volume of consumer products, by product category, that contains increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives.	5.1 Promote health and nutrition.
ASPECT: PRODUCT AND SERVICE LABELING		
G4-DMA-FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	5.1 Promote health and nutrition.

Caption: * Material Aspect

G4 INDICATOR		DEFINITION/CALCULATION CRITERIA
G4-EC1	Direct economic value generated	Corresponds to the sum of net turnover, financial income and other incomes.
	Economic value distributed	Corresponds to the costs related to consumption of goods, employee wages, operating costs, payments to providers of capital, income taxes, community investment and others.
	Accumulated economic value	Corresponds to the subtraction of the economic value distributed from the direct economic value generated.
G4-EN3	Diesel	Lower heating value (LHV) and density of the fuel taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013. Density: 0.837 kg/l; LHV: 42.6 GJ/t.
	LPG/Butane	LHV and density of the fuel taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013. Density: 0.51 kg/l; LHV: 46 GJ/t.
	Natural Gas	LHV of the fuel taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013. LHV: 38.7 GJ/Nm ³ x10 ³ .
G4-EN15	Diesel	CO2 emission factor (EF) taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. Diesel EF: 74.1 kg CO2/GJ.
	LPG/Butane	CO2 EF taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. LPG/Butane EF: 63.1 kg CO2/GJ.
	Natural Gas	CO2 EF taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2013 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. Natural Gas EF: 56.6 kg CO2/GJ.
G4-EN16	Electricity	CO2 EF for Portugal taken from ERSE (Entidade Reguladora dos Serviços Energéticos), considering the annual average of emission factors provided in 2013 by the electricity traders operating in Portugal. CO2 EF for Spain, Tunisia and USA taken from International Energy Agency, in CO2 Emissions from Fuel Combustion, 2013 Edition. Portugal EF: 339 g CO2/kWh; Spain EF: 291 g CO2/kWh; Tunisia EF: 456 g CO2/kWh; USA EF: 503 g CO2/kWh.
	Steam	CO2 EF taken from Diário da República, 2 nd Series - n.º 122 - June 26, 2008, Order n.º 17313/2008. Steam EF: 72.3 kg CO2/GJ.
	Cold	CO2 EF taken from Diário da República, 2 nd Series - n.º 122 - June 26, 2008, Order n.º 17313/2008. Cold EF: 72.3 kg CO2/GJ.
G4-LA6	Injury Rate (IR)	IR = The frequency of injuries relative to the total time worked by the total workforce in the reporting period.
	Occupational Disease Rate (ODR)	ODR = The frequency of occupational diseases relative to the total time worked by the total workforce in the reporting period.
	Lost Day Rate (LDR)	LDR = The impact of occupational accidents and diseases as reflected in time off work by the affected workers. It is expressed by comparing the total lost days to the total number of hours scheduled to be worked by the workforce in the reporting period.
	Absentee Rate (AR)	AR = Measure of actual absentee days lost expressed as a percentage of total days scheduled to be worked by the workforce for the same period.



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