

# sovena

## Sustainability Report 2018

---



# Table of Contents

CEO message	3
About this report	5
Sovena at a Glance	8
<b>1. Sovena</b>	<b>9</b>
1.1 History	10
1.2 Mission, Vision and Values	11
1.3 Business Areas	12
1.4 Products and Brands	13
1.5 Value Chain	16
1.6 World Presence	17
1.7 External Acknowledgement and Awards	18
<b>2. Sustainability</b>	<b>20</b>
2.1 Sustainability Strategy	21
2.2 Sustainability Governance	24
2.3 Stakeholder Engagement	26
<b>3. Embedding sustainability into Sovena's business</b>	<b>32</b>
3.1 Food Safety/Certifications	34
3.2 Sustainability in the Supply Chain	39
3.3 Sustainable Agricultural Practices	42
3.4 Research, Development and Innovation	46
3.5 Human Capital Development	52
3.6 Occupational Health And Safety	56
<b>4. Enhancing eco-efficiency</b>	<b>58</b>
4.1 Environmental Policy / Management System	60
4.2 Energy and Climate Change Management	62
4.3 Management and Valorization of Waste and By-Products	64
<b>5. Promoting health and nutrition</b>	<b>66</b>
5.1 Promoting Health and Nutrition	68
5.2 Supporting Local Community	71
<b>6. Annexes</b>	<b>73</b>
6.1 GRI Content Index for 'In Accordance' - Core	74
6.2 Methodological Notes	89



**Jorge de Melo**  
CEO of SOVENA

## CEO Message

The consumer goods sector, as well as the agriculture and biodiesel industry have been rapidly changing over the past few years. The role of business in ensuring social, environmental and economic value creation has become a crucial aspect for Sovena's business. Sovena's successful internationalization path led to the creation of an economic total sales revenue of approximately 1.3 billion euros, 80% of which outside the Portuguese market. With a geographical presence in five continents, Sovena remains one of the largest olive oil companies and private label olive oil supplier in the world, owning in partnership over 15,000 hectares of olive groves in 2018.

This year, and as always, sustainability has been reinforced amongst the Group as a business priority and as a journey of continuous improvement, through the commitment to our sustainability strategy for the period of 2017-2020. This strategy is focused on four main pillars: Embedding Sustainability into Sovena's Business; Promoting Health and Nutrition; Developing People; and Enhancing Eco-efficiency, all of which supported by Sovena's commitment to a strong stakeholder engagement. These pillars all contribute to the Sustainable Development Goals, defined by the United Nations.

- In 2018, the Group focused, not only on integrating sustainability into their own operations, but also across their value chain. In this way, 100% of our suppliers are evaluated in sustainability, we maintain 29 Safety, Quality and Environment certifications together with new investments in agricultural sustainable practices and 12 new product developments.
- The Group promotes an internal and external culture of health, nutrition, with a continuous investment of in local communities, supporting in this way more than 170 NGO's and associations.
- Sovena Group also ensures a strong internal alignment and employee motivation, for all 1,080 employees fostering their professional growth and personal well-being, counting with 250k€ invested in employee training in 2018.
- Our commitment to environmental sustainability, focused on eco-efficiency, led to an annual production of 60,000 tons of biodiesel, 87% waste valorization and 122,982 tCO<sub>2</sub>e total emissions. In addition, Sovena commits to purchasing certified raw materials with a low environmental footprint.

Sustainability at Sovena is a continuous process, and each year we strive to better integrate it into our business. Engaging with stakeholders is capital, as it is their daily commitment and strong ambition that drives us forward and helps us to achieve our vision and mission. We have to do it better and do it right and for this, keeping sustainability as the main basic principle in our business approach, will be the key for our success.



# About this Report

The 2018 Sustainability Report published by the Sovena Group (from now on referred to as Sovena or Group) aims to present the Group's contribution towards sustainable development regarding the economic, environmental and social pillars - in light of the previously defined Sustainability Strategy 2017-2020 - and meet the expectations and interests of the different stakeholders.

## Period and Scope

The report focuses on the period of activity from the 1<sup>st</sup> January 2017 to the 31<sup>st</sup> December 2018 of the companies and plants in which Sovena has operational control: Sovena España (Brenes and Plasencia, Spain); Sovena Consumer Goods Portugal (Barreiro, Portugal); Sovena Oilseeds Portugal (Almada, Portugal); Sovena Oilseeds Spain (Andújar, Spain); Sovena USA (Rome, NY, USA); Sovena MENA (Tunisia). Sovena Brasil and Sovena Italia (Naples, partnership with Olio Dante) are also presented in this report through several initiatives. Information about Elaia's operations are also presented in this report (Spain, Portugal and Morocco) as Sovena holds a 50% stake in the company, although not holding operational control.

Whenever considered relevant, Sovena discloses activity data, initiatives implemented by the Group and performance indicators of previous years to allow an evolution perspective.

Following the intention set in previous years, the Group continues to broaden the scope and disclose more sustainability data each year and intends to continue doing so in the following years.

## GRI (Global Reporting Initiative) and SDG (Sustainable Development Goals)

The Report was developed in accordance with the GRI Sustainability Reporting Guidelines (GRI Standards) for the option 'In accordance – Core'. Additionally, it includes sector specific indicators identified in the Food Processing Sector Disclosures of GRI.

This report content also considers the GRI reporting principles, namely Stakeholder inclusiveness, Sustainability context, Materiality and Completeness. Additionally, the report aims to meet the requirements of the Reporting Principles for defining report quality, namely the principles of Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness.

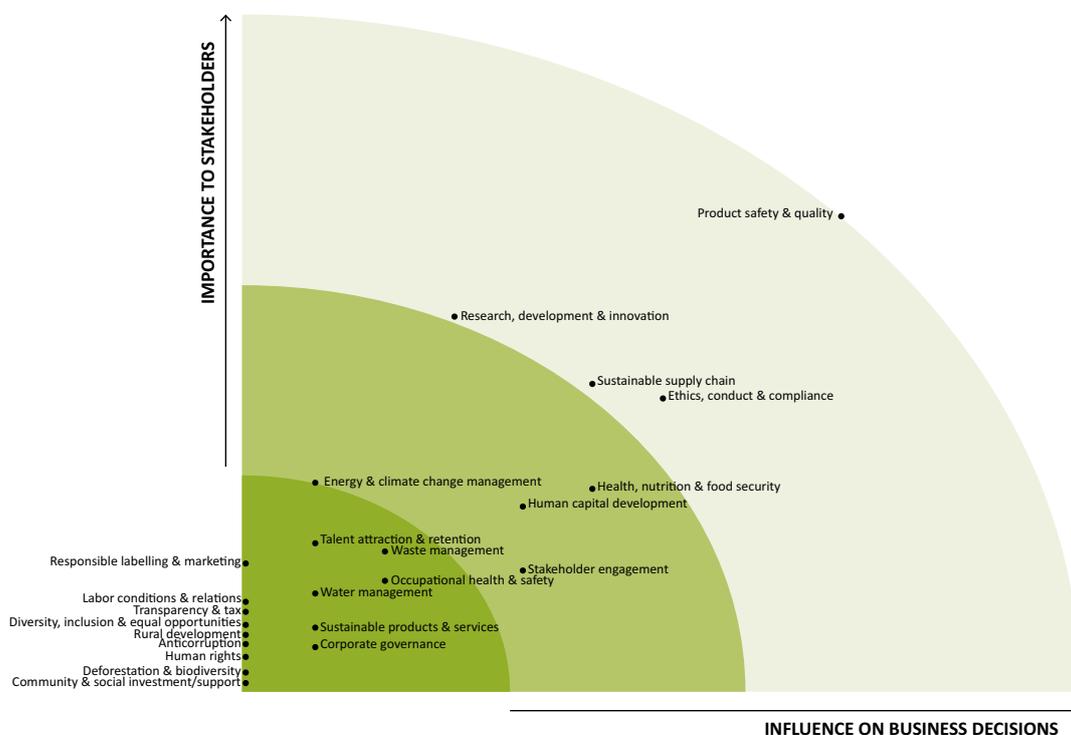
Sovena contributes to the attainment of the SDG's, as defined by the United Nations. The activity report shows Sovena's performance at the level of the SDG, detailed in Chapter 2 of this report.



# Materiality Matrix

Sovena reports according to its Materiality Matrix, which identifies the material issues to Sovena and to its stakeholders.

For the identification of these material issues, Sovena relied on external inputs, such as stakeholder consultation, peer benchmarking analysis and sector references; and internal inputs, translating Sovena’s main business concerns.



## Structure

Based on the Materiality Matrix, the identification of Sovena’s strategic sustainability priorities created a basis for the Sovena Sustainability Strategy 2017-2020 and for the Sustainability Report contents. The Report is composed by a central text structured upon three central axes and a technical supplement – ‘GRI Content Index’ and ‘Methodological Notes’.

1. Embedding sustainability into Sovena’s Business	2. Enhancing eco-efficiency	3. Promoting Health and nutrition in society and our own people
I. Food safety / certifications	V. Human Capital development	I. Environmental policy / management system
II. Sustainability in the supply chain	IV. Research, Development and Innovation	II. Energy and Climate change management
III. Sustainable agricultural practices	VI. Occupational Health and Safety	III. Management and valorization of waste and by-products
		II. Support local Communities

## External verification

Although this report was not subject to external verification by an independent entity, the Group aims to submit it for external verification in the future.

# Contacts

Should you require any further clarification regarding the information published in this Report, please check the corporate website or contact:

**Sovena Corporate Quality Department**

| Email: [sustainability@sovenagroup.com](mailto:sustainability@sovenagroup.com)

| Phone: +34 955 653 300



# SOVENA at a glance

100% Portuguese family owned company, owned by Nutrinveste



Operates in the food industry as a producer, packager and distributor of olive oil, olives, vegetable oils and their derivatives

One of the largest olive oil companies and largest private label olive oil supplier worldwide

More than 1,000 employees

One of the largest Spanish olive oil exporters



Owens the largest private olive grove with more than 12,000 net hectares



Supplier of the largest retail chains worldwide

Exporting to more than 70 countries

Market leaders in Portugal, Spain, USA and Central Europe



Facilities and direct operations in 8 countries, across 5 continents

7 owned factories, 2 partnership factories and 6 olive oil mills

Sales of € 1,3 Bn (2018 figures), 80% of which outside Portugal



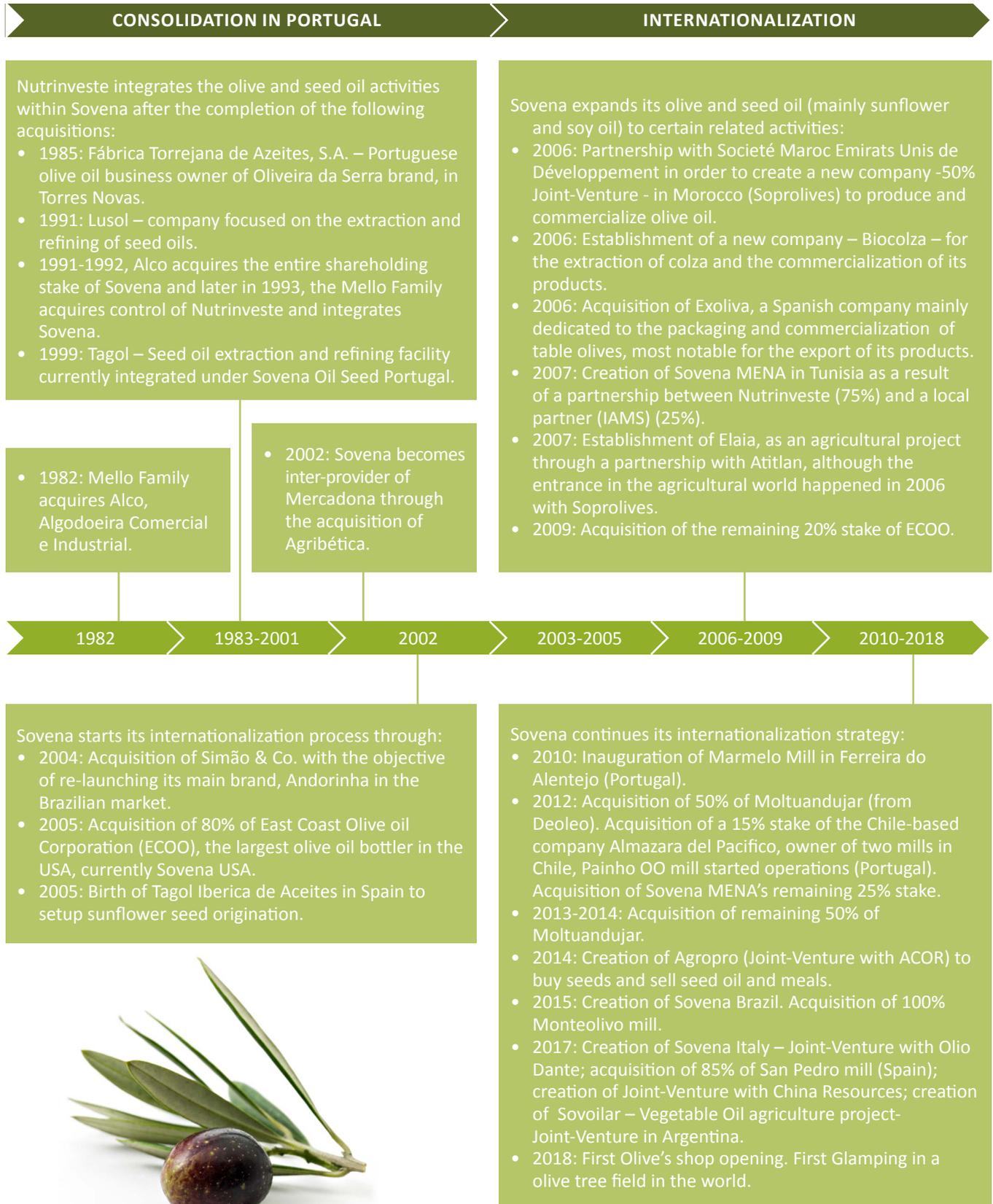
More than 12,000 hectares net (out of 15,000) of olive groves in Portugal, Spain and Morocco, through Elaia Partnership, which makes it the largest olive grove on Earth single handedly managed

The image features a blurred background showing a blue truck and a person in a field. In the foreground, there is a sharp, detailed view of green foliage. The text "1. Sovena" is overlaid on the image in white.

# 1. Sovena

# 1.1 History

Sovena's history, dating from 1985, can be drawn in two major phases: Consolidation in Portugal and Internationalization, as described below, considering the main highlights of each period.



## 1.2 Mission, vision and values

Sovena's mission, vision and values were inspired by the idea of bringing a healthier diet to the whole world.

### MISSION

INSPIRE PEOPLE TO EAT HEALTHIER AND TASTIER BY USING OLIVE OIL.

### VISION

BRING OLIVE OIL TO EVERY SINGLE PERSON AND EVERY SINGLE PLACE IN THE WORLD.

### VALUES

OUR VALUES ARE THE BACKBONE OF OUR BUSINESS. THEY ARE WHAT WE STRIVE FOR. WHAT WE TAKE PRIDE IN. WHAT MAKE US THE SOVENA GROUP.

#### RATIONALITY

We usually say: 'Olive oil is in our genes'. And we say this to express how passionate we feel about this business. Because of its complexity, geographic dispersion and ambition, it needs to be managed in every tiny detail, with dedication and rationality.

#### INNOVATION

The effort to innovate that we have brought to the market demonstrates that it is possible to differentiate in goods such as olive oil and food oils. Whether for the product itself, the packaging, the manufacturing processes or the associated services, the Group companies are recognized as being innovative and pioneering in every market where they operate.

#### TRANSPARENCY

Transparency is a cornerstone when it comes to building strong relationships, not only with our partners but also with our employees, since it demonstrates commitment and dedication.

#### AMBITION

A company that was born in a small country and is today at the forefront of a global market is a company that reflects ambition. But our ambition is not only to be big; we also want to be the best and the ones who best manage the entire value chain. From planting a tiny olive tree on one of our estates to bringing the olive oil to the consumers' plates, we take care of every detail, even those that seem unimportant, in order to be the best.

## Olive oil for the world



#### MULTICULTURALISM

We are truly a Glocal company, which means we are also multicultural. The Sovena Group has more than 1,000 employees, including people from four continents and more than fifteen countries. People from a variety of educational backgrounds, who profess different religious beliefs and who come from a range of ethnic backgrounds. This way we guarantee diversity in our approaches, knowledge, life experiences and, above all, opinions – which allows us to become better and better.

#### COMPETITIVENESS

Our attention to every detail in the entire production process guarantees us not only quality but also competitiveness. Our partners recognize this, and this is why our partnerships grow and become stronger year after year.

#### INTEGRITY

We are in this industry, as in life, for the forthcoming generations and, as such, our integrity is vital.

#### TRUST

Since we work with many partners all over the world, it is essential that a strong and solid bond of trust exists between us. We give our partners the same dedication that we would to any of our wholly owned businesses, and we work in a completely open manner because this is what makes our partners trust us.



## 1.3 Business areas

Sovena is 100% owned by Nutrinveste SGPS, and has grown to become one of the leading Portuguese agrobusiness holding companies, selling a wide range of products, from olive oils, seed oils, table olives, biodiesel and soaps.

The Group has four different inter-related business areas that cover the entire spectrum of the value chain, described below.



If you are reading the electronic version of this report, you can learn more about the Sovena Group with our institutional video by [licking here](#).



# 1.4 Products and brands

Sovena goes beyond the production and worldwide export of several products or brands, combining local specifics, such as flavors, habits and attitudes, and approaches them in such a way as to satisfy each community as best we can.

## Products



<p>For hundreds of years, olive oil has had a fundamental role in the Mediterranean diet, considered as one of the healthiest in the world.</p>	<p>It is by consuming vegetable oil that the body can get the nutrients it needs and is unable to produce.</p>	<p>The table olives are part of our raw material and we show it to the world at its most delicious state.</p>	<p>The only initiative outside the food industry. It is a project that the Group is very proud of.</p>	<p>Symbols of cleanliness, freshness and purity - soap is one of the most-used hygiene products around the world.</p>
<p><b>Olive oil</b> production is the group's core business. Its variety ranges from the most accessible to the internationally awarded Extra Virgin Olive Oil, with products ranging in acidity levels from 0.2% to 1%, as well as the most diverse organoleptic profiles, including mild, intense, fruity, spicy, robust and light tasting olive oils. Olive oil is a healthy fat because it consists of mono-unsaturated fatty acids, such as Vitamin E and pro-Vitamin A, essential nutrients for a balanced diet, and healthy heart and skin.</p>	<p><b>Seed oils</b> produced by Sovena has formulations of 100% soy, sunflower, corn or peanut, several blends between these oils and high frying performance blends. Seed oils are an important source of vitamins and essential poly-unsaturated fatty acids needed for a varied, balanced diet. Consuming vegetable oil enables the body to get the nutrients it needs and is unable to produce, and which no other fat has in such abundant amounts, containing substances, such as phytosterols, which is known to help reduce cholesterol.</p>	<p><b>Table olives</b> sold by Sovena, can be green, natural black and oxidized black, brined, whole or pitted and sliced, having table olives for all preferences. The experience and flexibility that allows the production of all types of olives and the bottling of glass, tins, or sachets is what makes Sovena a specialist in preparing products for every market in the world, while also being the largest exporter of black Spanish olives.</p>	<p><b>Biodiesel</b> produced by Sovena Oilseeds represents the entry of the Sovena Group in the energy sector. This is part of the oilseeds value chain and is Sovena's only initiative outside the food industry. It renders biodiesel, made of vegetable oils, to the fuel industry, in order to be combined with the Group's products, at the same time contributing to the reduction of gas fuel consumption.</p>	<p><b>Soap</b> has been part of daily life in Portugal for decades, a product in which Sovena has acquired manufacturing experience over the years, which combined with the Group's readiness to innovate, has given a new force to this traditional range of products. With soaps' very specific qualities, they continue to be essential items in any home, which is why Sovena aims of continuing to supply the market with its brands, in Portugal and in export markets.</p>



## Brands

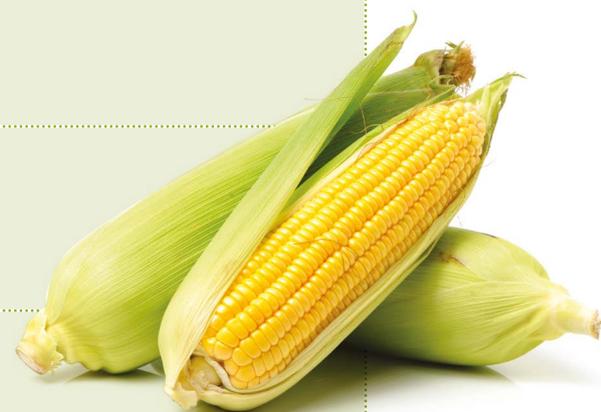
Sovena has several national and international brands in each of its customer products segment.

Olive Oils & Table Olives	
	<p>Founded: 1969, Portugal Market: Worldwide <a href="http://www.oliveiradaserra.pt/">http://www.oliveiradaserra.pt/</a></p>
	<p>Founded: 1927, Portugal Market: Worldwide <a href="http://www.azeiteandorinha.com.br">www.azeiteandorinha.com.br</a></p>
	<p>Founded: 2009, USA Market: Worldwide <a href="http://www.olivarioliveoil.com">www.olivarioliveoil.com</a></p>
	<p>Founded: 1998 Spain Market: Worldwide <a href="http://www.fontoliva.com">www.fontoliva.com</a></p>
	<p>Founded: 2009, Spain Market: Spain <a href="http://www.aceitesoleada.es">www.aceitesoleada.es</a></p>
	<p>Founded: 1998, Spain Market: Spain</p>
	<p>Market: Worldwide</p>
	<p>Market: Worldwide</p>



## Vegetable Oils

	<p>Founded: 1962, Portugal Market: Portugal <a href="http://www.fula.pt">www.fula.pt</a></p>
	<p>Market: Portugal <a href="https://www.sovenagroup.com/en/brands-and-products/our-brands/vege/">https://www.sovenagroup.com/en/brands-and-products/our-brands/vege/</a></p>
	<p>Market: USA <a href="https://www.sovenagroup.com/en/brands-and-products/our-brands/gem/">https://www.sovenagroup.com/en/brands-and-products/our-brands/gem/</a></p>
	<p>Market: USA <a href="https://www.sovenagroup.com/en/brands-and-products/our-brands/tri-fri/">https://www.sovenagroup.com/en/brands-and-products/our-brands/tri-fri/</a></p>
	<p>Founded: 1998, Spain Market: Spain <a href="http://www.fontasol.es">www.fontasol.es</a></p>
	<p>Market: Portugal</p>
	<p>Market: USA</p>



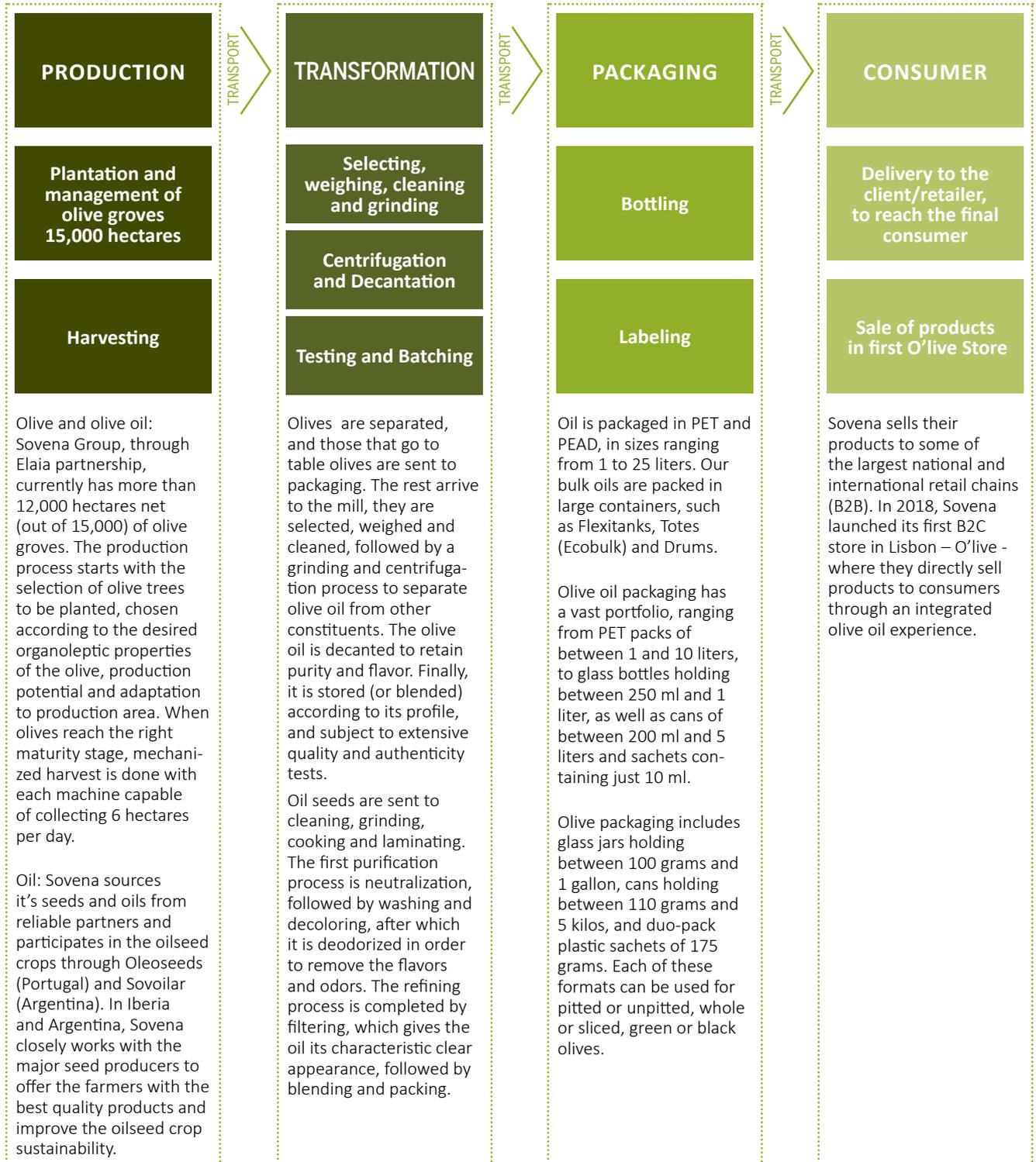
## Soaps

	<p>Founded: 1962, Portugal Market: Portugal <a href="https://www.sovenagroup.com/en/brands-and-products/our-brands/clarim/">https://www.sovenagroup.com/en/brands-and-products/our-brands/clarim/</a></p>
	<p>Market: Portugal</p>

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, Santé, Santoliva, Corcel, Ouro D'Oliva, Córdoba and Olivari Chef's selection.

# 1.5 Value chain

Sovena integrates the entire value chain within its activities, from plantation, to production, packaging and commercialization of its products. Vertical integration drives the Group’s competitive edge, combined with competitive industrial facilities and continuous knowledge update.



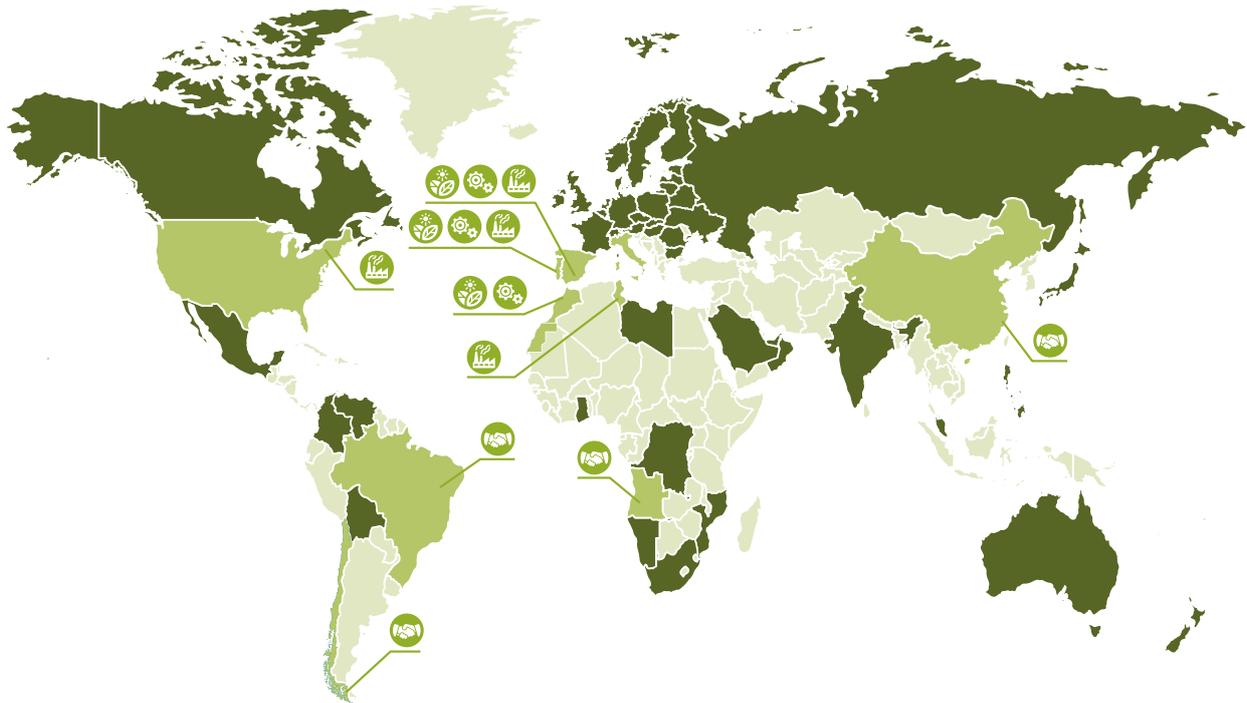
From olive groves to food tables across the world, the production process of Sovena is planned to the last detail.

If you are reading the electronic version of this report, you can learn more about the value chain of Sovena and how olive oil is made - from the olive groves to the consume, by clicking here.

# 1.6 World presence

Sovena exports worldwide, to more than 70 countries, and has direct operations in nine countries in four continents.

 FACTORIES    
  COMERCIAL PRESENCE    
  OLIVE OIL MILLS    
  OLIVE GROVES  
 DIRECT OPERATIONS    
  EXPORT MARKETS



## Direct operations of Sovena

	AGRICULTURE		OILSEEDS	CONSUMER GOODS	BIODIESEL
	OLIVE GROVES	MILLS	FACTORIES	FACTORIES	FACTORIES
<b>PORTUGAL</b>	 Alentejo OG	 Marmelo; Painho	 Almada	 Barreiro	 Almada
<b>SPAIN</b>	 Extremadura & Andaluzia OG	 Monteolivos, Navalvillar Pela; San Pedro	 Andújar; Valladolid <sup>1</sup>	 Brenes; Andujar; Plasencia	—
<b>MOROCCO</b>	 Marrakech OG	 Olico	—	—	—
<b>TUNIS</b>	—	—	—	 Tunis	—
<b>USA</b>	—	—	—	 Rome (NY)	—
<b>Italy</b>	—	—	—	 Naples <sup>2</sup>	—
<b>ANGOLA, BRAZIL AND CHINA</b>	 Commercial Presence				

<sup>1</sup> Joint venture with ACOR    <sup>2</sup> Joint venture with Olio Dante



## 1.7 External acknowledgement and awards

Overall, Sovena has been accumulating awards since 2007. In 2018, Oliveira da Serra reached the 300 prizes.



### SOVENA awarded 'Launch of the Year' in Brazil

The 'creations line' from olive oil brand Andorinha has been awarded the prestigious 'launch of the year' award for 2017 in the category of 'savory grocery products', an annual prize given out by the company GfK Brazil in partnership with the magazine superhiper from Abras (Brazilian supermarket association).



### Oliveira da Serra celebrates 300 awards

To commemorate this landmark event, Oliveira da Serra launched a new advertising campaign, which explains this international recognition with the message, 'The truth is like Oliveira da Serra – it always reaches the top.' The campaign, portraying the journey from the olive tree to the bottle, was also a thank you message to consumers for their trust and a way to show consumers the roots of the company.



### Oliveira da Serra releases two new special editions

Following two major awards for Oliveira da Serra brands, namely reaching 300 awards over the past 10 years, and the 'Best of the World' prize by the Mario Solinas Quality Award.

### Oliveira da Serra awards in 2018

#### OS Gourmet

- International Olive Oil Award Zurich, Switzerland: Silver
- Monde Selection, Belgium: Gold
- L'ORCIOLO D'ORO, Italy: *Gran Menzione*
- Great Taste Award, UK: 1 star
- Los Angeles County Fair, USA: Silver
- Los Angeles County Fair, USA Packaging Design awards: Silver Medal
- Olive D'OR Sial, Canada: Gold
- DLG, Germany: Gold
- New York International Olive Oil Competition (NYIOOC): Gold
- The OLIVE JAPAN International Olive Oil Competition: Gold Medal
- Japan Olive Oil Prize: Gold medal
- Japan Olive Oil Prize: Best of country – Portugal
- ITQI - Superior Taste Award, Belgium: 2 Golden Stars
- China International Olive oil Competition (China): Gold
- Terraolivo, Israel: Grand Prestige Gold
- Athena Intl Olive Oil Competition: Double Gold medal
- Athena Intl Olive Oil Competition: Best olive oil per country of origin; Best blended (multi-varietal) olive oil
- Mezquita OS Gourmet – Silver
- London IOOC OS Gourmet – Gold
- Oleocantal - World Best Healthy EVOO, Spain: The 10 best world EVOO 2018, By their healthy bio-phenols composition: 9<sup>th</sup> Place
- Mário Solinas, Spain: 1<sup>st</sup> prize
- Concurso Ovibeja, Portugal: 2<sup>nd</sup> prize, Silver





### OS 1ª Colheita

- L'ORCIOLO D'ORO, Italy: *Distinzione*
- Great Taste Award, UK: 1 star
- Los Angeles County Fair, USA: Packaging Design awards, Silver
- DLG, Germany: Silver
- EVO, Italy: Silver
- Terraolivo, Israel: Gold
- Olivinus, Argentina: Prestige Gold

### OS Lagar do Marmelo

- Monde Selection, Belgium: Silver
- International Olive Oil Award Zurich, Switzerland: Gold
- International Olive Oil Award Zurich, Switzerland: Best Of
- L'ORCIOLO D'ORO, Italy: *Gran Menzione*
- AVPA - Agence pour la Valorisation des Produits Agricoles: *Diplôme Produit Gourmet 2018*
- Los Angeles County Fair, USA: Gold
- Los Angeles County Fair, USA: Packaging Design Silver
- CINVE - Concurso Internacional de Azeites Valladolid, Spain: Gold
- EVOOLEUM - 87/100 points
- DLG, Germany: Gold
- New York International Olive Oil Competition (NYIOOC): Gold
- Les Olivalies, France: Argent
- The OLIVE JAPAN International Olive Oil Competition: Best of Show 2018
- The OLIVE JAPAN International Olive Oil Competition: Best of Portugal Award
- EVO, Italy: Gold
- ITQI - Superior Taste Award, Belgium: 2 Golden stars
- Leone D'Oro: *Gran Menzione* 2<sup>nd</sup> place
- China International Olive oil Competition, China: Gold
- Terraolivo, Israel: Grand Prestige Gold
- Athena Intl Olive Oil Competition: Gold medal
- Mezquita: Gold
- London IOOC: Platinum
- Olivinus, Argentina: Prestige Gold
- Oleocanthal - World Best Healthy EVOO, Spain: The 10 best world EVOO 2018 – By their healthy fatty acids composition, 7<sup>th</sup> Place
- Argoliva, Argentina: Special Merit
- Mario Solinas, Spain: 1<sup>st</sup> prize; 2<sup>nd</sup> prize
- Concurso Ovibeja, Portugal: 1<sup>st</sup> prize Gold
- Concurso Nacional de Azeite Virgem Extra (CNAVE): Silver
- Olivomoura: Silver medal



### OS Seleção Ouro

- Los Angeles County Fair, USA: Packaging Design awards, Silver
- L'ORCIOLO D'ORO, Italy: *Gran Menzione*
- Great Taste Award, UK: 1 star
- Los Angeles County Fair, USA: Gold Medal
- EVOOLEUM – 88/100 points
- EVOOLEUM – Best from Portugal
- DLG, Germany: Gold
- New York International Olive Oil Competition (NYIOOC): Gold
- The OLIVE JAPAN International Olive Oil Competition: Silver medal
- Japan Olive Oil Prize: Silver medal
- EVO, Italy: Gold
- EVO, Italy: Best of country - Portugal
- ITQI - Superior Taste Award, Belgium: 2 Golden Stars
- China International Olive oil Competition, China: Gold
- Athena Intl Olive Oil Competition: Silver medal
- Mezquita: Bronze
- London IOOC: Gold
- Olivinus, Argentina: Gran Prestige Gold
- Argoliva, Argentina: 2nd place
- Concurso Nacional de Azeite Virgem Extra (CNAVE): Bronze
- Concurso Nacional de Azeites de Portugal (CNAP): Gold
- Concurso Nacional de Azeites de Portugal (CNAP): Prestige Medal
- Olivomoura: Bronze medal



### OS Oliveirinha

- L'ORCIOLO D'ORO, Italy: *Gran Menzione*
- Los Angeles County Fair, USA: Oil Awards - Silver Medal
- Los Angeles County Fair, USA: Packaging Design awards: Silver
- Olive D'OR Sial, Canada: Gold medal
- The OLIVE JAPAN International Olive Oil Competition: Silver medal
- Japan Olive Oil Prize: Gold medal
- China International Olive oil Competition, China: Grand Mention
- Terraolivo, Israel: Gold
- Athena Intl Olive Oil Competition: Gold Medal
- London IOOC: Bronze
- Olivinus, Argentina: Prestige Gold
- Mario Solinas, Spain: 3rd prize
- Concurso Ovibeja, Portugal: Honorable Mention



# 2. Sustainability



# 2.1 Sustainability strategy

Sovena's Sustainability Strategy 2017-2020 is translated into seven strategic priorities, focused on the most relevant sustainability issues that affect the Group's business and its stakeholders. Other three topics were considered relevant, but not a priority, and so will continue to be closely monitored over the strategic implementation period. All these issues are aligned with the United Nations Sustainable Development Goals, and Sovena's Sustainability Strategy continuously focuses on contributing to attaining these goals.

Sustainable Development Goals			
1 No poverty	2 Zero hunger	3 Good Health and well-being	4 Quality education
5 Gender equality	6 Clean water and sanitation	7 Affordable and clean energy	8 Decent work and economic growth
9 Industry, innovation and infrastructure	10 Reduce Inequalities	11 Sustainable cities and communities	12 Responsible consumption and production
13 Climate action	14 Life below water	15 Life on land	16 Peace, justice and strong institutions
17 Partnerships for the goals	<p>The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.</p> <p>If you are reading the electronic version of this report, you can learn more about the United Nation's Sustainable development Goals, by <a href="#">clicking here</a>.</p>		



STAKEHOLDER ENGAGEMENT			
EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS			
Product Safety 12	Sustainable Supply Chain 11  12  8	Ethics, Conduct and Compliance 16	R&D and Innovation 9
PROMOTING HEALTH AND NUTRITION	DEVELOPING PEOPLE	ENHANCING ECO-EFFICIENCY	
Health and Nutrition 3	Human Capital Development 4  5  8  10	Energy & Climate Change Management 13  7	
ISSUES TO BE MONITORED			
Waste Management 15  11  12	Water Management 14  11  12	Occupational Health and Safety 3	

Within its Sustainability Strategy, Sovena has identified a set of initiatives, as defined below. Some of these initiatives will be described in more detail throughout the report.

EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS						
AREA	PRIORITY	INITIATIVE DESCRIPTION	2018 STATUS	2017-2020 GOALS	SUSTAINABLE DEVELOPMENT GOALS	
Product Safety	Very high	Unannounced Global Food Safety Initiative (GFSI) audits in our plants	Brenes (British Retail Consortium – BRC - & International Food Standard - IFS) and Rome (Safe Quality Food - SQF) are subject to unannounced certification audits. Sovena's operations in Italy through Olio Dante will join this model in 2019.		2020	
		Emerging risks assessment	Regular and intensive review and analysis of possible food safety risks implemented.	*	2018	
		Responsible labelling & marketing	Development process in Sovena, with extension to Sovena Italia.		2018	
Sustainable Supply Chain	Very high	Certification program initiatives for sunflower suppliers	Certification program on stand-by for supplier validation. International Sustainability and Carbon Certification (ISCC) in Olmedo, Almada. To be implemented in new crops in South America.		2020	
		Homogenization of quality systems	Platform migrated in 2019, the same year, occurred information update and legal requirements. System updated with Agropro quality system. New global procedures and information introduced in a regular way.		2018	
		Development of Concerted Quality Agreements	Implemented for bulk clients, such as Idilia Foods, Lidl, Aldi, Carrefour, and others.		2019	
		Planning optimization project	Study conducted in 2018.		2018	
Ethics, conduct and compliance	Very high	Global ethic, conduct and compliance manual	Updated manual.		2019	
		Behaviour code for suppliers	Supplier contracts currently do not include this code. To be implemented in 2020.		2020	
R&D and Innovation	Very high	Innovation projects focused on quality of Olive Oil			2020	
		Yearly NPI (New Product Introduction) goals implementation (product and packaging, including sustainability aspects)	Innovations implemented and ongoing, focused quality of olive oil, product and packaging and sustainability. 'Ideias Sovena' internal innovation competition.		2020	
		New by-products development	Project approved and launched in November 2018 with European H2020 program support. Research on new use and application of current by-products on going.	*	2020	

## PROMOTING HEALTH AND NUTRITION

AREA	PRIORITY	INITIATIVE DESCRIPTION	2018 STATUS	2017-2020 GOALS	SUSTAINABLE DEVELOPMENT GOALS	
Health and Nutrition	High	Mediterranean diet promotion	Activities implemented related to Mediterranean diet promotion.	*	2020	
		Promote healthy diets and lifestyles, including physical activity	Activities implemented related to the promotion of healthy diets and lifestyle.	*	2020	

## DEVELOPING PEOPLE

AREA	PRIORITY	INITIATIVE DESCRIPTION	2018 STATUS	2017-2020 GOALS	SUSTAINABLE DEVELOPMENT GOALS
Human Capital Development	High	Corporate Human Resources platform development and KPIs associated	Younify platform working in all operating companies (Opcos).	2020	
		Talent attraction & retention program		2018	
		Corporate Policies & Standards development	Sovena's Quality platform in use.	2019	
		New safety initiatives and certifications	Actions developed in each Opcos, related to new safety initiatives and certifications.	*	2020

## ENHANCING ECO-EFFICIENCY

AREA	PRIORITY	INITIATIVE DESCRIPTION	2018 STATUS	2017-2020 GOALS	SUSTAINABLE DEVELOPMENT GOALS	
Energy & Climate Change management	High	Carbon footprint reduction in 10% (in the strategy period)	Ongoing efforts to reduce carbon footprint.	2020		
		Energy consumption reduction in 5% (in the strategy period)	Consumption reports on a monthly basis and KPI (Key performance indicators) generation.	2020		
		Water use optimization	Continuous development of water use optimization activities.	*	2020	
		Recycled PET viability study & introduction	Ongoing project with the development of alternative packaging options.	*	2020	

## STAKEHOLDERS ENGAGEMENT

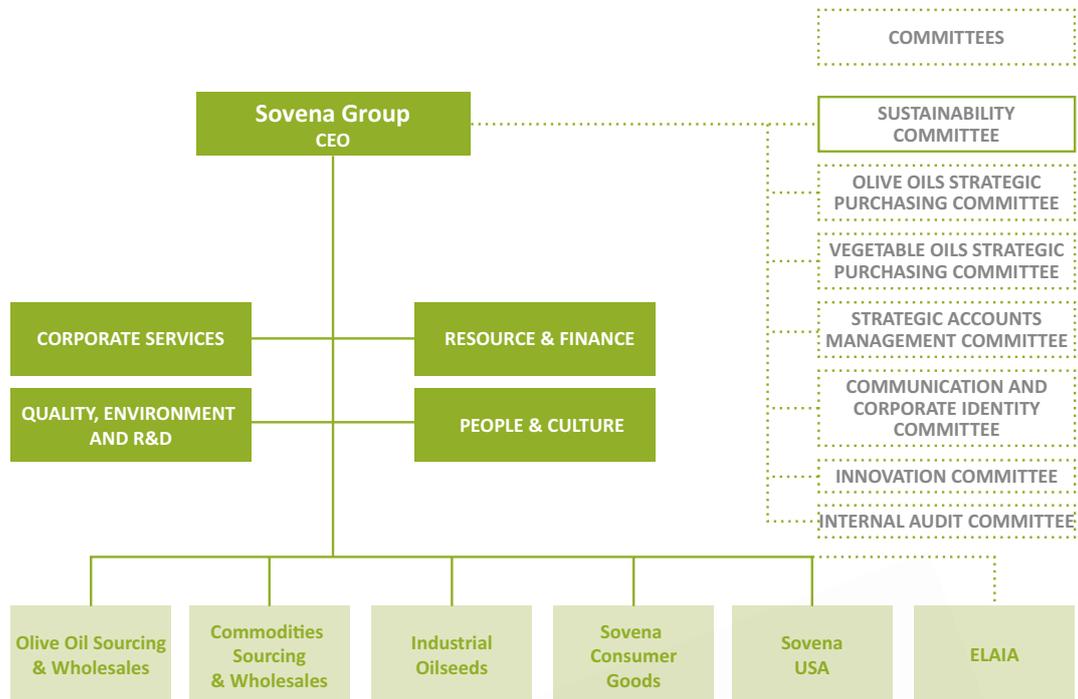
AREA	PRIORITY	INITIATIVE DESCRIPTION	2018 STATUS	2017-2020 GOALS	SUSTAINABLE DEVELOPMENT GOALS
Stakeholder engagement	High	Include all stakeholders in Sovena's Annual Satisfaction Survey, not only customers (including sustainability performance of Sovena)	New questionnaires and evaluation tools developed for clients and the rest of Sovena's stakeholders identified covering new 9001:2015 requirements.	2019	

Implemented
  Ongoing
  To be started
 \* Continuous implementation

## 2.2 Sustainability governance

### Organization

Sovena's organizational structure is as follows:



In March 2018, Jorge de Melo took the leading role of Sovena Group as the new CEO, and with this change, reaffirmed the Group's commitment to food safety, quality, internationalization, innovation and sustainability.



## Sovena's Sustainability and Innovation Committee

Sovena created its Sustainability Committee in 2014, and its Innovation Committee in 2017, both at a Group level. The goal of the committees is to manage upcoming issues and monitor strategy implementation related to sustainability and innovation issues. The Sustainability Committee board gathers on a quarterly basis, while the Innovation Committee gathers on a monthly basis in order to prioritize issues, develop programs, manage projects and track progress against targets.

SUSTAINABILITY COMMITTEE	INNOVATION COMMITTEE
<p><b>Roles and Responsibilities:</b></p> <ul style="list-style-type: none"> <li>Monitoring a Sustainability Plan and define guidelines that lead to proper compliance;</li> <li>Analyze and approve budgets related to Sustainability Plan implementation;</li> <li>Evaluate and boost opportunities and synergies with other Group areas;</li> <li>Ensure internal and external disclosure of Sustainability Plan and actions foreseen.</li> </ul>	<p><b>Roles and Responsibilities:</b></p> <ul style="list-style-type: none"> <li>Identify and analyze potential projects/ideas within Sovena innovation drive;</li> <li>Analyze projects' viability and relevance</li> <li>Approve projects to be implemented; design and implementation plan and identify responsibilities and necessary resources;</li> <li>Monitor and ensure effective implementation of innovation projects from initial to launch phases;</li> <li>Develop mechanisms to foster and spread innovation within the whole Group.</li> </ul>
<p><b>Composition:</b></p> <ul style="list-style-type: none"> <li>Sovena Group CEO; Sovena MENA CEO &amp; Sovena USA CEO;</li> <li>Business Development;</li> <li>Operations &amp; Commodities;</li> <li>Sourcing &amp; Wholesales Olive Oil;</li> <li>Commercial;</li> <li>Resources &amp; Finances;</li> <li>Human Resources;</li> <li>Quality, Environment &amp; Research and Development.</li> </ul>	<p><b>Composition:</b></p> <ul style="list-style-type: none"> <li>Sovena Group CEO;</li> <li>Marketing and Sales;</li> <li>Business Development;</li> <li>Product Development;</li> <li>Quality &amp; R&amp;D;</li> <li>Procurement.</li> </ul>

## Ethics and Transparency

Ethics and transparency play an essential role in the integration of sustainability across Sovena's operations and value chain.

SOVENA CHARTER OF PRINCIPLES OF ETHICS AND CONDUCT	
SOCIAL AND CITIZENSHIP PRINCIPLES	BEHAVIOUR PRINCIPLES
<ul style="list-style-type: none"> <li>Respect for human life and protection of Human Rights;</li> <li>Respect for others and for social environment</li> <li>Compliance with law;</li> <li>Enforcement of international labor conventions.</li> </ul>	<ul style="list-style-type: none"> <li>Equity;</li> <li>Accurateness;</li> <li>Honesty and Integrity;</li> <li>Transparency;</li> <li>Open to Change;</li> <li>Competitiveness;</li> <li>Gratitude;</li> <li>Environmental Principles;</li> <li>Environmentally Responsible.</li> </ul>

## Sovena Charter of Principles of Ethics and Conduct

Sovena developed a Group's Code of Conduct & Charter of Ethics. This Code is applicable to all that work with Sovena, and that contribute, through their actions and business practices, to the sustainable and transparent development of the Group.

If you are reading the electronic version of this report, you can learn more about the Sovena Group Code of Conduct & Charter by [clicking here](#).

## 2.3 Stakeholder engagement

Sovena recognizes the importance of all its stakeholders to the sustainable management of the Group's activities. In this context, the Group believe that engaging and asking for feedback from those affected by its activities is crucial for aligning the company with external and internal expectations and deliver high value.

For the process of stakeholder's identification, the main criteria considered by Sovena was responsibility, influence and dependence over the Group. Given these criteria, five key stakeholder groups were identified: Community, Customers, Employees, Investors and Suppliers.

### Communication and engagement with stakeholders

In order to ensure better communication, Sovena continuously interacts with its stakeholders, using several communication channels and tools that the Group mobilizes in a specific way for each group of stakeholders:

COMMUNITY	CUSTOMERS	EMPLOYEEES	INVESTORS	SUPPLIERS
<ul style="list-style-type: none"> <li>Partnerships;</li> <li>Donations and sponsorship;</li> <li>Participations in events;</li> <li>Workgroups;</li> <li>Press releases;</li> <li>Stakeholders consultation on sustainability;</li> <li>Sustainability Report;</li> <li>Corporate website.</li> </ul>	<ul style="list-style-type: none"> <li>O'live magazine;</li> <li>Mail;</li> <li>Evaluation of customer satisfaction;</li> <li>Open door Policy;</li> <li>Complaints;</li> <li>Participations in sector events;</li> <li>Hotline Customer Support;</li> <li>Stakeholders consultation on sustainability;</li> <li>Sustainability Report;</li> <li>Visits to plants;</li> <li>Corporate website.</li> </ul>	<ul style="list-style-type: none"> <li>Sovena News;</li> <li>O'live magazine;</li> <li>Intranet;</li> <li>Annual Staff Meeting;</li> <li>Performance evaluation;</li> <li>Follow-up meetings;</li> <li>Cultural and sports activities;</li> <li>Sovena Principles and Policies;</li> <li>Stakeholders consultation on sustainability.</li> <li>Sustainability Report;</li> <li>Corporate website.</li> </ul>	<ul style="list-style-type: none"> <li>General Assembly;</li> <li>Board meetings;</li> <li>Follow-up meetings;</li> <li>Annual Report &amp; Accounts;</li> <li>Stakeholders consultation on sustainability</li> <li>Sustainability Report;</li> <li>Corporate website.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of suppliers;</li> <li>Frequent meetings and contacts;</li> <li>Partnerships;</li> <li>Stakeholders consultation on sustainability</li> <li>Sustainability Report;</li> <li>Corporate website.</li> </ul>

Following the serval means of communication and engagement with stakeholders, some of the main highlights of these communication channels are described below:

#### Stakeholders consultation on sustainability

In 2017, Sovena conducted a stakeholder consultation process, with the goal of identifying Stakeholders' expectations and concerns regarding sustainability. With this stakeholder consultation, Sovena aimed to evaluate the perception of its actions concerning sustainability, as well as to understand the issues that stakeholders consider to be a priority.

## 86% response rate

The response rate increased in 2017 compared to 2014 (69%), in significantly higher values for this type of study. Employees contributed with 59% of the responses.



AREA OF ANALYSIS	MAIN RESULTS						
<p><b>SUSTAINABILITY VISION</b></p>	<p>83% of the stakeholders consulted believe that Sovena is an active organization regarding sustainability issues.</p> <p>74% of the stakeholders consulted considered that sustainability performance contributes to their positive perception on the reputation of Sovena.</p>	<p>Do you consider Sovena an active organization regarding...</p> <p>To what extent does Sovena's sustainability performance contribute to your perception on the reputation of Sovena?</p>					
<p><b>REPUTATION AND IMAGE</b></p>	<p>97% of the stakeholders consulted considered that the global performance of Sovena regarding reputation and image is 'Good' or 'Very Good'</p>	<p>Rate the overall performance of Sovena in terms of reputation and image.</p>					
<p><b>SUSTAINABILITY ISSUES</b></p>	<p>The issues considered as most relevant for a greater number of stakeholders were:</p>	<p>The issues ranked with the best performance were: Product Safety &amp; Quality; Ethics, Conduct &amp; Compliance; and Community &amp; Social Investment/Support.</p>					
<p><b>SUSTAINABILITY REPORTING</b></p>	<p>Information that stakeholders would like to see more detailed in this Report:</p> <ul style="list-style-type: none"> <li>• Progress made against the objectives and priorities defined</li> <li>• Development of global performance indicators</li> <li>• More details about the seed business</li> <li>• Calculation methods for KPI</li> <li>• Areas related to energy consumption</li> </ul>	<p>Where to find this information in this report?</p> <table border="1"> <tr> <td>2.1 Sustainability Strategy</td> </tr> <tr> <td>2.1 Sustainability Strategy</td> </tr> <tr> <td>1.3 Business Areas, 1.5 Value Chain</td> </tr> <tr> <td>6.2 Methodological notes</td> </tr> <tr> <td>4.2 Energy and Climate change management</td> </tr> </table>	2.1 Sustainability Strategy	2.1 Sustainability Strategy	1.3 Business Areas, 1.5 Value Chain	6.2 Methodological notes	4.2 Energy and Climate change management
2.1 Sustainability Strategy							
2.1 Sustainability Strategy							
1.3 Business Areas, 1.5 Value Chain							
6.2 Methodological notes							
4.2 Energy and Climate change management							



Some other insights from the consultation were stakeholder testimonials about sustainability at Sovena:

STAKEHOLDER TESTIMONIALS	
<b>EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS</b>	<p>'Compared to our competitors, Sovena is much more concerned about sustainability and dedicate more resources to it. The reaction of our customers is usually surprise and joy that in such a traditional sector there is a company so expert in this matter.'</p> <ul style="list-style-type: none"> <li>• Employee opinion collected during the stakeholder consultation process 2017.</li> </ul> <p>'Given the nature of the business, sustainability is part of Sovena's DNA. It is so natural and so closely linked to the company's activity that sometimes it is not communicated the way it could be, in order to create more value for the brand.'</p> <ul style="list-style-type: none"> <li>• Investor's opinion collected during the stakeholders consultation process 2017.</li> </ul>
<b>PROMOTING HEALTH AND NUTRITION</b>	<p>'It is perceptible that the company intends to be a sustainable business, due to the visits to the factories and the olive grove, the way the production is managed, and the concern with some of the research themes that have been approached over the years in collaboration with the IBET (Instituto de Biología Experimental e Tecnológica).'</p> <p>'My visit to the entities of the oil sector, my interviews with the decision-makers and the reports of the group prove the importance given to sustainable development by Sovena.'</p> <ul style="list-style-type: none"> <li>• Community opinion collected during the 2017 stakeholder consultation process.</li> </ul>
<b>DEVELOPING PEOPLE</b>	<p>'Implement many of the projects and initiatives under way, integrating them into the current management practices of the organization, aligned with the business cycle (individual development plans, succession plans, training initiatives, management foundations, leadership essentials, etc.)' must be a priority.</p> <ul style="list-style-type: none"> <li>• Employee opinion collected during the 2017 stakeholder consultation process.</li> </ul>
<b>ENHANCING ECO-EFFICIENCY</b>	<p>'Sovena actively makes good use of the natural resources used in its business, with an ecologically correct and concerned care.'</p> <p>'Its commitment and respect for the environment, the areas of planted olive production, the synergies and the use of by-products to generate energy, ISO 14000, etc., makes that the company has much of its strategy based on sustainability.'</p> <ul style="list-style-type: none"> <li>• Employee's opinion collected during the 2017 stakeholder consultation process.</li> </ul> <p>'Sovena, for its continued interest in minimizing the impact of carbon footprint, reduced raw material consumption, transportation costs, etc.'</p> <ul style="list-style-type: none"> <li>• Supplier opinion collected during the 2017 stakeholder consultation process.</li> </ul>

### Costumers consultation on satisfaction

To make sure customers are heard, Sovena carries out on a regular basis customer satisfaction surveys with the objective of generating a valid and consistent customer feedback than can be used to develop strategies for:

- Retaining our customers;
- Understanding their expectations and requirements and how well Sovena is performing;
- Adapting our services and products and create new ones, if needed;
- Review trends over time in order to take actions on a timely basis.

2018 results show that around 98% of our clients were satisfied and gave a 'good' or 'excellent' as a global score, in line with previous results. In addition, all the improvements points suggested by our clients were analyzed by our Quality, Operations and Commercial teams as a part of the continuous improvement philosophy of Sovena.

## Participation in sector events and industry associations

Sovena is present in several international commercial fairs and events to promote the olive oil industry and its products and participates in national and international associations on olive oil, olives and seed oils.

MAIN SECTOR EVENTS				
<p><b>SIAL CHINA</b> SHANGAI, CHINA MAY 17-19 2017</p> <p>SIAL China is the third biggest food innovation exhibition in the world, and the biggest in Asia. Being an event for all food exhibitors to show food and beverages, including the latest related equipment, gadgets related to the industry. In 2017, the event provided a platform for international companies to promote collaboration and innovation.</p> <p><a href="http://www.sialchina.com/">www.sialchina.com/</a></p>	<p><b>GULFOOD</b> DUBAI, UNITED ARAB EMIRATES FEB 26-2 MARCH 2017</p> <p>Gulfood is the world's largest annual food &amp; beverage exhibition. The event provides an opportunity to exchange contact details and information about the food service. Many conferences and seminars also gave visitors a chance to learn about the most recent and innovative trends in these sectors of activity.</p> <p><a href="http://www.gulfood.com/">http://www.gulfood.com/</a></p>	<p><b>ANUGA</b> COLOGNE, GERMANY OCTOBER 7-11 2017</p> <p>Anuga presents products from all over the world and from all possible categories, making it a unique opportunity to establish contact and to exchange information. The 34<sup>th</sup> edition of Anuga was considered by many to be the best trade fair held to date, with significant information sharing about important global trends in the industry.</p> <p><a href="http://www.anuga.com/">www.anuga.com/</a></p>	<p><b>M.A.D.E.</b> PARIS, FRANCE MARCH 28-29 2017</p> <p>A successor to MDD EXPO, M.A.D.E has positioned itself as an exhibition that values creativity and originality in food and non-food areas. This new positioning of the French fair provided an excellent opportunity for professional visitors to come into contact with the most innovative solutions and proposals in response to the needs of brands and consumers.</p> <p><a href="http://www.madeparis.co/">http://www.madeparis.co/</a></p>	<p><b>PLMA</b> AMSTERDAM, HOLLAND MAY 16-17 2017 AND MAY 29-30 2018</p> <p>PLMA is the 'World of Private Label' international fair, which brought together producers and retailers. The fair provides an excellent opportunity to make new contacts with distribution and retail companies that have been gaining increasing importance in international trading.</p> <p><a href="http://www.plmainternational.com">http://www.plmainternational.com</a></p>
<p><b>OVIBEJA</b> BEJA, PORTUGAL APRIL 27-MAY 1 2017 APRIL 27-MAY 1 2018</p> <p>Ovibeja is an Agro-food Portuguese fair, and has a national presence of several local companies, including Sovena. Its goal is to increase knowledge and awareness of animal origin products, promoting the Alentejo ecosystem as a quality player in the agro-food sector and with great export potential. Yearly, Ovibeja holds an Olive Oil content, in which Sovena regularly enters.</p> <p><a href="https://www.ovibeja.pt/">https://www.ovibeja.pt/</a></p>	<p><b>APAS</b> SÃO PAULO, BRAZIL MAY 2-5 2017 MAY 7-10 2018</p> <p>APAS is an international event that highlights Brazil's successful retail sector. Thousands of retailers around the world attend the event in order to make business connections and share knowledge, an event in which Sovena takes part yearly.</p> <p><a href="https://apasshow.com/">https://apasshow.com/</a></p>	<p><b>SIAL</b> PARIS, FRANCE OCTOBER 21-25 2018</p> <p>The Global Food Marketplace (Salon International de l'alimentation) is an international trade fair held every two years. The fair specializes in the food processing industry, and counted with Sovena's presence in 2018.</p> <p><a href="https://www.sialparis.com/">https://www.sialparis.com/</a></p>	<p><b>AGROGLOBAL</b> SANTARÉM, PORTUGAL SEPTEMBER 5-7 2018</p> <p>Agroglobal is the largest agricultural fair in Portugal, Agroportugal is a place for knowledge sharing, and promoting national agro-businesses. Sovena was present in this event, as well as ELAIA in 2018.</p> <p><a href="http://www.agroportugal.com/">http://www.agroportugal.com/</a></p>	<p><b>ALIMENTARIA</b> BARCELONA, SPAIN APRIL 16-19 2018</p> <p>Alimentaria is an international fair held in Barcelona. Sovena holds its own stand in the event, and showcases its olive oil and vegetable oil brands and novelties to the Spanish market.</p> <p><a href="https://alimentaria.com/en/">https://alimentaria.com/en/</a></p>



## INDUSTRY ASSOCIATIONS



<p>ASOLIVA is a Spanish, private, non-profit association, composed of 50 olive oil exporting companies, who together represent 95% of bottled olive oil exports.</p>	<p>CASA DO AZEITE is a Portuguese, private association, dedicated to the promotion of Branded Olive Oil and to providing consumers quality and authenticity.</p>	<p>ANIERAC is a Spanish, olive oil association measured by sales volume, composed of nearly 100 companies, whose interests it protects by promoting greater transparency in the edible oils market.</p>	<p>IOC is the world's only international governmental organization in the field of olive oil and table olives, being a decisive contributor to the sustainable development of the olive oil industry.</p>	<p>NORTH AMERICAN OLIVE OIL ASSOCIATION is committed to supplying consumers with fair, competitive and quality olive oil, fostering understanding of olive oil grades, and to expounding the benefits of olive oil.</p>
<p>As a member, Sovena supports the international promotion of olive oil, Spanish breakfast and the Mediterranean diet. Sovena participates as an active member of technical projects.</p>	<p>Sovena holds the Presidency of the Association and participates in technical and laboratory initiatives with the aim of promoting olive oil in Portugal and worldwide.</p>	<p>Sovena holds a Vice-President Seat, representing packers, and participates in the Technical Committee.</p>	<p>Sovena chairs the Advisory Committee for olive oil and table olives in the IOC and participates in the promotion of olive oil industry and products.</p>	<p>In this context, Sovena is able to promote the benefits of olive oil in the US market.</p>



<p>OLIVA is a Brazilian, civil, non-profit and nationwide organization that brings together industry stakeholders in the development of the local olive oil market.</p>	<p>AFOEX is a Spanish, independent and non-profit organization, composed of companies of oilseeds extraction, whose interests it protects by promoting transparency and sharing information.</p>	<p>FEDIOL is an European Federation that represents the interests of the EU Vegetable Oil and Protein meal Industry, namely towards the European Union.</p>	<p>ASEMESA is a Spanish association that brings together Spanish table olives producers and exporters, whose interests it protects.</p>
<p>As a member, represented by its brands Andorinha, Oliveira da Serra, Fontoliva, Ouro d'Oliva and Soleada, Sovena works to develop and spread knowledge on olive oil.</p>	<p>As a member, Sovena has helped in the development of common Guidelines such as 'HACCP Guide, for the production of raw-materials for animal feed' and 'Code of Practice for the transport in bulk, tanker and isotank container, by road, of fats and refined oils for food consumption'.</p>	<p>As a member, Sovena participates actively in knowledge sharing and technical discussions that influence industry future.</p>	<p>As a member, Sovena actively participates in conferences, seminars, working groups and workshops with the aim of developing and disseminating good practices.</p>

## Visits to Sovena sites



### Brazilian Chefs

In 2018, three Brazilian chefs visited Portuguese olive groves, in search for inspiration for a new line of olive oils that symbolizes each one's style of kitchen.

Due to the success of the first edition of the chef's olive oil, awarded in 2017 as innovation of the year in ABRAS (Brazilian Association of Supermarkets), this year's creations by chefs Bel Coelho (fruit olive oil), Bela Gil (balanced olive oil) and Thiago Castanho (intense olive oil) were launched in May 2018, during the APAS fair.



### Glamping

In June 2018, Andorinha brand launched the first ever glamping experience in an olive grove, in Ferreira do Alentejo, and invited digital influencers, consumers and employees on a unique trip to Portugal.

Accompanied by the ELAIA and Sovena team, the participants were able to get a closer look at the facilities of the largest olive groves in Portugal, understand more about the olive oil production process, taste the best olive oils in the world and enjoy a different lodging experience.

The glamping experience for consumers was drawn from 110 thousand participants, when buying Andorinha products and registering online. The lucky few were able to participate in the glamping experience.



# 3. Embedding sustainability into Sovena's business



**INTEGRATED PRODUCTION CERTIFICATION IN ALL SOVENA SITES**



Leadership

#250k invested in training and development in 2018

Quality

Innovation

Brands

Partnerships

*Glocal*

Sustainability

Employees

Sustainable Practices

Traceability

Full traceability of products in all business units

Certifications



**INNOVATION ACROSS PRODUCTOS, PACKAGING AND PRODUCTION**



19 million olive trees planted



Sovena promotes recycling for all materials in factories and offices



More than 500 olive oil mills verified and audited



PEF (Product Environmental Footprint) in implementation



75,000 tons of biodiesel per year



56 certifications in 7 industrial plants and 3 olive oil mills

## 3.1 Food safety/certifications



The industry in which Sovena operates is particularly aware when it comes to food safety and certifications. In order to meet the societal and quality standards, Sovena continues to improve and implement tools and controls that support and strengthen its Food Quality Certifications, Quality Assurance & Traceability, Good Practices Codes and Quality Policies.

CERTIFICATIONS	QUALITY ASSURANCE AND TRACEABILITY	CODES OF GOOD PRACTICES	QUALITY POLICIES
Voluntarily certified with the most recognized food safety standards set by clients and markets together with others.	Analytical and organoleptic tests ensure safety and quality of a product and traceability processes allows following it through entire value chain to the customer.	System of voluntary self-regulation, setting out the basic principles which govern the operations (in the case of manufacturing practices) and the relations between the operators within the supply chain.	Top management committed with highest quality policies for highest quality products.



	AGRICULTURE			OILSEEDS		CONSUMER GOODS					
	Avis Mill PORTUGAL	Marmelo Mill PORTUGAL	Navalvillar de Pela Mill SPAIN	Almada PORTUGAL	Andújar SPAIN	Barreiro PORTUGAL	Brenes SPAIN	Rome USA	Bir El Kassaa TUNISIA	Plasencia SPAIN	
FOOD SAFETY											
											
											
											
											
QUALITY											
											
ENVIRONMENT & SUSTAINABILITY											
											
											

	AGRICULTURE			OILSEEDS		CONSUMER GOODS				
	Avis Mill PORTUGAL	Marmelo Mill PORTUGAL	Navalvillar de Pela Mill SPAIN	Almada PORTUGAL	Andújar SPAIN	Barreiro PORTUGAL	Brenes SPAIN	Rome USA	Bir El Kassaa TUNISIA	Plasencia SPAIN
GLOBAL MARKETS	 KOSHER (STARK & OU)			●	●	●	●	●	●	
	 HALAL				●		●			
	 GOST						●	●		●
	 FDA				●	●	●	●	●	
	 ORGANIC OLIVE OIL (EU)					●	●			
	 ORGANIC OLIVE OIL (BRAZIL)					●	●			
	 ORGANIC OLIVE OIL (JAPANESE)							●		
	 ORGANIC OLIVE OIL (USDA)							●	●	●
	ORGANIC OLIVE OIL (TN)									●
	 NON-GMO					●			●	

Sovena also has two recognitions awarded by the International Olive Council, namely in Brenes and Andújar (physicochemical laboratory), and achieved the SOLAS certification (weight certification for export containers) for the Andújar, Brenes and Barreiro plants.

## Quality Assurance and Traceability



Sovena assures the olive oil quality through analytical and organoleptic tests, namely in-house organoleptic panel tasting recognized by ENAC, and continuous work with internal and external IOC recognized labs and panels. Sovena's internal Sensory Analysis Laboratory and by its Tasting Panel comprises 16 specialists from distinct areas such as administration, production and quality. The Tasting Panel is subject to a continuous and rigorous system of training and verification, ensuring that its members have in-depth knowledge about all the factors that influence the preparation and quality of the olive oil, including the different varieties of olives, their geographical origins and methods of cultivation, the harvesting, and the handling, among many other aspects. Their work is essential not only for olive oil classification as 'virgin' and 'extra virgin', but also to establish the different sensory profiles and confirm the correct preparation of the batches to be packaged and delivered to the customers.

The competence of Sovena's Tasting Panel has not only been recognized within the company but has also been confirmed by means of ISO 17025 accreditation. Various members of the panel have been invited to be jury members at prestigious international awards that assess virgin olive oils of outstanding quality. This further enhances the reputation of the qualifications, experience and work of Sovena's organoleptic team.

Sovena's testing laboratories are spread across plant locations, enabling test result exchanges and internal comparison, with the goal of standardizing production processes and quality levels across Sovena's products. Within the scope of food safety certifications, regular audits are carried out, both internally and externally, by some of the largest global retailers that submit plants, processes, products and policies to extensive analyses before placing their orders. These quality control processes in Sovena cover the whole supply chain, from the selection of suppliers to product delivery, ensuring a complete traceability of each product back to each bulk purchase.

Sovena is also tested by independent consumer organizations, in several countries in which is present. All of Sovena products received a purchase recommendation and none of them was found to have any quality or organoleptic issues. Some of the products even received titles such as 'Master Purchase' and 'Best in Test'.



## Quality Policies and Assurance

Sovena is committed to guarantee the best products to its customers by setting up standardized procedures and criteria across all plants.		
Agriculture	Elaia	In Elaia, production processes use technological innovation precision to achieve a high quality olive oil, with the least negative environmental impact. Elaia's mills have several certifications, namely HACCP, ISO 22000 international standard promoting safe food supply chains worldwide and ISO 14001 certification and integrated production. At end of the production process, olive oil is submitted to extensive tests to confirm its quality and authenticity.
Sovena Oilseeds	Sovena Oilseeds Portugal   Spain Sovena Consumer Goods Portugal   España   USA   Mena	Sovena Oilseeds Portugal quality control starts with supplier's selection in an ongoing and strict process, from raw material reception to extraction, refinement and packaging. During these processes, analytical and organoleptic tests ensure product's safety and quality, with ISO 9001 certification and approval of numerous audits from the world largest retailers.
Sovena España	Sovena España	In Sovena España, quality starts from harvesting season, since Sovena España's main promise is to deliver top quality olives in every campaign. HACCP, ISO 9001 BRC and IFS certifications are implemented, recognizing the company's product quality.
Sovena Biodiesel	Sovena Oilseeds Portugal	In Sovena Biodiesel, the production process is controlled online with the latest technology and analytical equipment available. The factory has two production units with differing process steps: 1. Pre-Treatment - through a complex physical refining process, raw oil is degummed, neutralized and dried; and 2. Biodiesel Generation - transesterification process that uses methanol and a catalyst, which results in biodiesel and Glycerine.

### Risk Assessment

In Sovena's business, there are constant risks in production, from food fraud to contamination. However there are quality control systems implemented in order to prevent, identify and mitigate these risks in each production location: USA, Tunisia, Spain and Portugal. Each of these production groups is submitted to central certification and homogeneous quality assurance systems in order to guarantee a high quality product. In 2017, there were 258 risk alerts in Sovena's factories, which almost doubled in 2018 to 437 risk alerts. This increase is not a result of more threats, but a result of better communication and awareness amongst employees across the value chain, homogenization of quality systems, and higher control in processes and products.

### Codes of Good Practice

#### Food Safety Index

In order to compare food safety performance across all factories, Sovena created a Food Safety Index. This index is based on a monthly collection of food safety KPI that are ranked and weighed according to its importance.

Food safety crisis	Internal non conformities	Customer complaints (food safety)	Customer complaints (legal issues)	Audit non conformities (food safety)	Fulfilment of Quality & Food Safety goals	Housekeeping index
--------------------	---------------------------	-----------------------------------	------------------------------------	--------------------------------------	---	--------------------

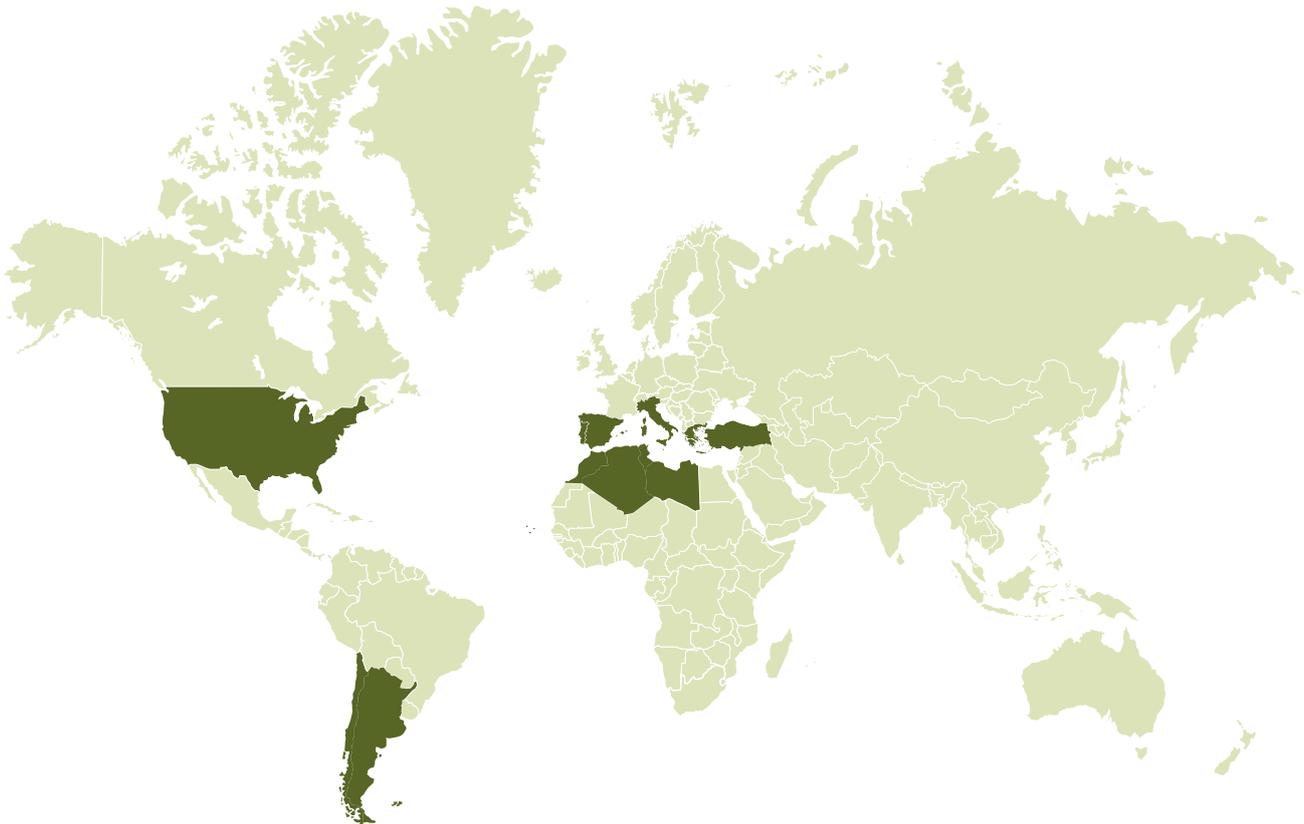
FSI is developed and is reported in monthly basis in all Iberian plants. This index reflects the performance on quality processes and food safety events, establishing a comparison between different locations. Average values are above 90% of fulfilment.

## 3.2 Sustainability in the supply chain



Sovena's business integrates all phases across the value chain, from olives plantation, to olive oil commercialization, going through transformation, bottling, and packaging.

The main olive oil markets Sovena follows directly are Spain, Portugal, Greece, Morocco, Tunisia and Italy, which covers all of the most relevant producers in the world. When it comes to the oil seed market, it is followed on a daily basis by Sovena's sourcing team, communicating directly with global producers, enabling the Group to offer highly competitive prices and high-quality oils. The table olive market Sovena follows directly is Spain, Egypt, Argentina, Portugal and Greece.



Sovena has a large sourcing network (as seen in the image above), several production facilities, and plantation groves, complemented with significant business partnerships along the value chain. Sovena's deep insertion as a business in the agricultural and consumer goods industry, allows an insightful look into the main industry trends and harvest prospects. These partnerships, some of which described below, are fundamental to Sovena's business activity and sustainable supply chain.



Olivo Dante is an Italian olive oil brand founded in 1849, and officially registered in 1989. It shortly became one of the best selling olive oil brands in Italy, with a strong international presence, currently producing private labels through a joint venture with the Sovena Group. In 2017, the Sovena Group signed an agreement with Olivo Dante for the creation of Sovena Italia, a company in which Olivo Dante holds 25% capital. Sovena's presence in Italy is of strategic importance as it translates into both greater capacity to respond in to customers who require products packaged in Italy as well as the potential for direct access to sourcing olive oils in Italy, either in terms of local production or packaging handled by Sovena España or Sovena USA.

**For more information please consult: <https://www.oliodante.com/en/>**



Bunge is a big player in the vegetable and olive oils industries, and has a wide set of partnerships with Sovena.

- In the Brazilian market, Bunge was the exclusive importer and distributor of the Andorinha olive oil.
- Sovena España is Bunge's Spanish Delícia olive oil bottler.
- In the Russian market, Ideal olive oil is the vegetable oils leading brand in that country and is produced by Sovena España.
- The Biodiesel project in Portugal was developed in partnership with Diester, a company of the Bunge Group.
- Sovena Oil Seeds Portugal has a toll agreement for the refining and extracting of soybean oil, for Bunge's offices in Portugal located in Sovena facilities.

**For more information please consult: [www.bunge.com](http://www.bunge.com)**



Société Maroc Emirates Arabes Unis de Développement is a group established in 1982 by a number of Moroccan companies and a development fund of the United Arab Emirates. After its establishment, the group has developed and diversified its activities through its subsidiaries in different business areas, and partners with Sovena in the agricultural sector, namely with the company SOPROLIVES, created in 2005.

**For more information please consult: [www.somed.ma/](http://www.somed.ma/)**



Atitlan is a venture capital company founded in 2006 in Valencia. It has been investing mainly in the Food, Consumer Goods and Distribution sectors, with primarily focus region in the Iberian Peninsula. At the time, its largest investment was Elaia.

## Suppliers Management and assessment

Sovena's value chain starts with its suppliers - they are the root of the products, and as such carry a big responsibility to ensure sustainable practices, that will result in environmentally and socially responsible products. As such, a Suppliers Behavioral Code is being created, soon to be implemented, as well as a supplier quality agreement, which defines in a formalized manner environmental and social commitments, as well as quality compliance, to be signed by all suppliers of Sovena.

Currently, a 100% suppliers' assessment and evaluation is carried out in all plants and covering all the processes, as well as the distribution of an authenticity manual, for homogenization of approaches and processes related to risks such as food fraud, as well as supplier awareness and compliance.

Transversal suppliers' identification: this identification allows a supplier to deliver to different plants without being evaluated twice – supplier just need to pass an industrial test (specific of each plant).	Review of current approval procedures and requirements.	Inclusion of environmental and other sustainability criteria.	Definition of transversal criteria for supplier approval: the aim is to harmonize criteria in different plants for common suppliers (e.g. transport suppliers).	Supplier evaluation system based on a risk analysis: the system, already implemented in some plants, trace a risk profile of each supplier, considering issues such as certification, food safety, environment and other sustainability issues, among others. The system records the results of audits conducted, keeping track of non-conformities, defining corrective measures and frequency of audits.	Global audit plan for developing a comprehensive plan of audits, with assigned budgets and internal auditors. According to each supplier risk profile and evaluation, the audits are conducted in accordance with a defined frequency.
---	---	---	---	--	--

Sovena created a shared transversal audit plan and a tool for risk supplier assessment aligned with the BRC/IFS (food safety) and ISO 9001 (quality) certifications. Every plant makes its own evaluation based on specific circumstances - supplier performance - and all the data is aggregated, and a global validation is made, for current as well as new suppliers. The validation is used to establish the 'supplier risk level' and therefore the audit/verification frequency, needs of certification and training programs.

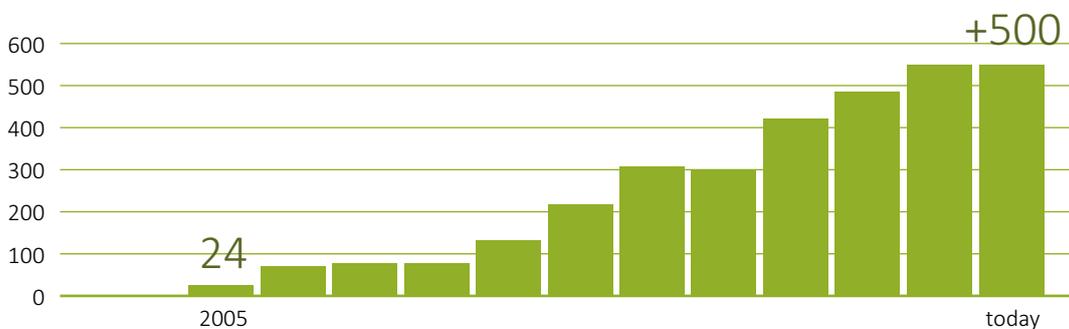
### Olive Oil Mill Certification Program for Suppliers

The olive oil mill certification is a project that is part of the Sovena's sourcing policy, which privileges stable relationships with suppliers in order to increase quality and benefit both olive oil producer and consumer. This certification is a program for all external mills supplying olive oil is in place, as a result of the need for a standardized criteria throughout the Group's value chain (producers, packers, distributors and consumers), and to improve olive oil quality through identification and implementation of best practices regarding production processes, hygiene and food safety.

The certification begins with a complete reference system of all stakeholders and certifying companies, which has been adapted over the years to comprehend the growing sectors' particularities and new concerns. This reference system is composed by near 50 requirements, integrated in four overall scopes, namely: food safety, traceability, quality management and environment/sustainability.

The number of growers and mills audited and certified has been growing over the years, with 24 major providers at the beginning, up to more than 500 olive oil mills available in 2018. Certification takes place after Central Quality Department and external certification companies visit olive mills and audit them according to the reference system. At the end of each audit process, a report is presented to the producer so all detected non-conformities can be corrected. This report also provides a global score, which not only allows a specific evaluation of each olive mill, but also makes it possible to compare among them, promoting higher quality and sounder food safety standards in the industry.

#### Number of olive mills audited



This program allows continuously incorporating new olive mills and excluding those that do not fulfill minimum criteria.

### Complaints handling

Sovena created in 2016 a corporate system for management of customer's complaints. The system allows, in a centralized and standardized way, to address complaints received from customers, in order to present and analyze updated information to the Board on a regular basis regarding relevant KPI's (number and severity of complaints, response time, roles and responsibilities of managers regarding complaints). In order to create synergies in all of Sovena's industrial plants, the Group defined six phases for handling complains, as follows:

1. Customer complaints report and comprehensive analysis	2. Common complaints management process	3. Software tool for managing complaints at Group level	4. Set pilot operation procedure with a specific client	5. Crisis Manual Adaptation accordingly	6. Set customer satisfaction evaluation system
--	---	---	---	---	--



## 3.3 Sustainable agricultural practices



Sovena established a partnership with Atitlan to create Elaia. With this over 200 million euros investment, Sovena controls and has traceability over 100% of the supply chain of Olive Oil, being this key in differentiating itself from all other major competitors in the sector. Sovena Group, through Elaia partnership, currently has more than 12,000 net hectares (out of 15,000) of olive groves in Portugal, Spain and Morocco, which makes it the largest olive grove on earth single handedly managed and owns mills in Spain, Portugal, Morocco and Chile.

### Elaia

Elaia celebrated 10 years of activity in 2017, with an astonishing growth over the past few years. In 2018 Elaia achieved the production of the biggest olive plantation in the world, with 15,000 hectares of olive groves, and four mills under its management.

‘Not least because of the considerable dimension it has so far achieved, Elaia has been one of the driving forces behind the rapid scientific and technological evolution we have seen in terms of planting olive trees and producing olive oil,’

Elaia CEO, Ramon Rivera

- 2007 • Planting of the first olive groves in Morocco and Portugal (Herdade do Marmelo, Alqueva area).
- 2008 • Purchase of an olive oil mill in Spain (Extremadura).
- 2010 • Purchase of the Terra Project, with 5,000 hectares, many adjacent to Elaia properties.
- 2010 • Construction of the first big technologically advanced olive oil mills in Portugal, the Lagar do Marmelo.
- 2011 • Construction of the olive oil mill in Marrakech for the Moroccan operation.
- 2013 • Construction of the Painho Mill in Avis, Portugal.
- 2014 • First olive groves planted in Andalusia, Spain.
- 2017 • Elaia’s olive tree plantations exceed 12,000 hectares, the majority in the Alqueva area.
- 2018 • Consolidation of all good practices under The Elaia Sustainability Programme.

### Consolidation of all good practices under The Elaia Sustainability Programme

From the 15,000 hectares of olive groves managed by Elaia, 2,500 hectares are dedicated to conservation of ecological value, being a part of the Portuguese National Protected Areas Network. These areas are in perfect synchrony with the olive groves, and host abundant local biodiversity, as well as complex aquatic systems.

In July 2018, Elaia presented their new sustainability strategy, where they commit to enhancing sustainable production, aligning natural values in each grove, and beginning with the transition with the adoption of biological production in a pilot olive grove. Some of the main features of the sustainable agricultural practices at Elaia are their integrated production, electricity production, and irrigation systems, amongst others.

## INTEGRATED PRODUCTION

Integrated Production is an agricultural system, based on best practices of agriculture. The main feature of this system is natural resources rational management, privileging the usage of natural regulation mechanisms in replacement of production factors, contributing this way to a sustainable agriculture. Integrated Production concepts are applied from the olive grove plantation, through pruning, irrigation, fertilization and phytosanitary protection, including pest control and diseases monitoring. In 2018, Elaia's integrated production was certified externally, and its integrated area was expanded, thus enhancing the areas of environmental preservation.

## ELECTRICITY PRODUCTION



In 2016 Elaia started a project of gradual replacement of conventional electric power consumption in olive grove by own electricity production through photovoltaic systems. Elaia implemented photovoltaic systems on its farms in Avis (Portugal) and Marrakech (Morocco) and is currently studying the extension of the project to other new farms, currently reaching energy savings of around 20%. In addition to promoting an efficient use of resources (reduction of water and energy consumption), this project also promotes environmental sustainability, once energy produced has no GHG emissions associated, as energy production is from renewable sources.

## IRRIGATION SYSTEM



In 2017, Elaia developed a study to assess the seasonal optimization of water usage in plants, in collaboration with the University of Córdoba. Based on the results, in 2018 the irrigation resource planning system was implemented in Elaia plantations, adapted to each grove and local weather predictions. Southern Europe's more arid weather contributes to erratic rains, and therefore optimization of irrigation systems is essential to maintaining healthy groves, that retain carbon, and at the same time reducing water usage as much as possible.



## OTHER RELEVANT SUSTAINABLE AGRICULTURAL PRACTICES

Elaiá is developing a study with the aim of **preventing plant diseases in olive groves**. The study analyses the impact of diseases such as Tuberculosis, Leprosy and Rosellinia, determining their agro-environmental conditions and studying the effectiveness of different fungicide treatments. The study, developed in collaboration with the University of Córdoba, will be finished in 2019 and is being held in the Elaiá's farm of Elvas, in Portugal.

Elaiá is developing a project to **monitor the nutritional evolution of olive groves**, through the analysis of the variability of vegetation index through normalized difference (NDVI). The study also identifies relations with yields and crop production. The project, in partnership with AGQ Labs, will last until 2019. In addition to the use of satellites, Sovena has planned the use of drones for the monitoring of the nutritional evolution of olive groves. As an addition to this study, in 2018 Elaiá started a pilot sustainability program in Ferreira do Alentejo, in order to more closely identify and monitor its natural resources (namely water and soil), in collaboration with the Faculty of Sciences.

Elaiá maintains cover **crops under the olive groves, reducing soil mobilization** with good impacts. This practice contributes to preventing soil erosion and soil compaction while reducing organic matter loss. Consequently, soil structure is improved and the need for herbicide use is reduced. By providing nutrients with irrigation through an efficient dripping system, both water and nutrients resources are effectively applied to plants reducing any nutrient leaching.



ACOR - Sociedad Cooperativa General Agropecuaria – is a Spanish cooperative, founded in 1962, and a partner of Sovena. The company has more than 4.000 farmer members, and is currently present in the production and commercialization sectors of sugar, oils animal food and renewable electric energy. In 2014, ACOR and Sovena created a new company, which centers its activity on seed purchasing and bulk oil sale in Spain.

Through this new company - Agroproducciones Oleaginosas S.L. (Agropro) - both shareholders intend to intensify synergies in order to optimize their logistics operations and industrial facilities, and ensure an efficient commercial policy for their producers and consumers. The group has been strengthening its relations with major sunflower and rapeseed production companies by celebrating various collaboration agreements focusing on sale and distribution to farmers all over Spanish territory. AGROPRO supplies a portfolio of carefully selected seeds, specifically adapted to different intervention areas in Spain.

---

Agropro is responsible for selling seeds to farmers in the planting phase and later on gives them the option to buy back the production. During the process, Agropro also supports farmers in meeting all criteria for sustainable production, assisting them in obtaining certification.

---



The Agro Oleoseeds project started in 2015, with the goal of boosting revenue for farmers dedicated to sunflower production in Spain and enhancing Sovena's relationship with them. The first years of collaboration were especially important to learn about the current farming practices and understand what actions can be taken to boost productivity and sustainability of sunflowers as a crop. One of the main partners of Sovena in oilseed production is ACOR.



The Agro Oilseed project, implemented with local farmers, is a structural initiative, as it will help improve the sustainability of oilseed farming through the application and multidisciplinary analysis of new cultivation and precision agriculture techniques aimed at maximizing the production, profitability and traceability of the crops. Some of the main features of this initiative are as following:

#### IRRIGATION

Considering that sunflowers need less water than other crops, they could serve as an alternative option in regions with less water resources and in soils that are currently underused. However, in order to maximize yield, an optimized irrigation system for sunflowers can actually be beneficial. Additionally, herbicide-resistant sunflower varieties also allow weeds to be kept under control, enabling optimal preparation of the soil for the next crop. Given this context and applications of the crop, Sovena began establishing partnerships with farmers in Castile and León who had integrated sunflowers into their irrigation crops, and started staging technical sessions that explain the differences and benefits of this strategy and the factors for its success to local farmers.

#### OILPRECISION

Oleoprecision is a supra-autonomic operative group created in 2017 with the objective of improving the sustainability of the oilseed crop in Spain, through multidisciplinary analysis integrating new cultivation techniques and precision agriculture to improve production, profitability and traceability of the crop. In the project are participating cooperatives, research centres and the most important companies of the sector with the aim of develop a decision-making process on cultivation techniques adaptation to different climatic scenarios in every crop campaign, analysing the climatic, edaphological and phenological parameters of sunflower varieties before the plantation using predictive models for increasing the production.

#### MONITORING

Recent monitoring of various rapeseeds plantations in Portugal has found that the development of new hybrid varieties better adapted to Portuguese soils and climate conditions has solved the problem of poor adaptation of this crop. Today, this crop offers farmers a worthwhile alternative in terms of profitability given the resources and investment required and the possibility of incorporation into a crop-rotation plant.

#### CERTIFICATION

Agropro obtained the ISCC certification as trader for the purchase and sale of Sustainable Colza (for both seed and oil), and from 2016 is renewed every year with the aim of working towards the single biodiesel and crushing operators to be certified as First Gathering Point for sustainable rapeseed, working with an increasing number of growers.

#### TECHNOLOGY TRANSFER

Sovena develops projects and agreements looking for a continuous improvement in the sunflower production together with its main business partner: the farmer. During the last two years Sovena had an agreement with the Agricultural Technology Institute of Castilla y León for developing a project focused on the evaluation and adaptation of new varieties and agronomic techniques together with 8 farmers team. In parallel, another project was also developed at national level in the main producing provinces in Spain such as Cuenca, Seville, Cadiz, Cordoba, in collaboration with 10 farmers. The objective of these projects is to transfer the information obtained in all those trials to the farmers in the sense that they can decide the best varieties and cultivation techniques to use in their own productive areas. In this way, many technical seminars and publications are held annually.

### Argentina Project

In 2017, the SOVOILAR company was created as a joint venture between Sovena and a local leading company in Argentina with the aim of to guaranteeing the traceability of Sovena's pesticide-free sunflower supply-chain. The Project began with 5,600 ha and later on this area has been increased to 10,000 ha.

In this way, Sovena creates specific protocols for primary control during production, storage, transport and export in order to ensure that the raw material meets completely all the European requirements.



## 3.4 Research, development and innovation



Sovena has an innovation policy, and the tools for feeding the system include technological surveillance, market trends, internal creativity, and capability analysis (internal and external). The innovation process associated has the following steps:

1. Opportunities identification	2. Ideas analysis and selection	3. Project definition	4. Project monitoring system	5. Transference	6. Results monitoring	7. Improvements identification
------------------------------------	------------------------------------	--------------------------	---------------------------------	--------------------	--------------------------	-----------------------------------

Research, development and innovation at Sovena is segregated in terms of projects, difficulty levels and implementation departments. Regarding Research, Sovena aims to develop new knowledge, through collaborative projects.

NAMES AND TIMELINE	GOAL	IMPACT	PARTNERS
2018-2020  Oil4Health	Under the scope of the Portugal 2020 program, Sovena is developing a research of a waste-to-value system, using biomass by-products of Sovena's processes and olive groves. These bioactive, phenolic, antioxidant and anti-inflammatory compounds have potential roles on a biological level, for both medical, namely pharmaceutical and cosmeceutical.	The main impact of the project is consumption reduction and repurposing industrial waste, as well as contributing to biological alternatives.	Instituto de Biologia Experimental e Tecnológica – IBET and Faculdade de Farmácia da Universidade de Lisboa
July – December 2018  Market of Food Oils: The national panorama and promotion of circularity	The study of consumption of domestic oils was developed in 2018, by Sovena and several partners. It is a nation-wide study of how consumers use and dispose of domestic oils, in order to better understand in order to understand the consumer's usage habits and disposal methods of oils.	The impact of the study lies in its contribution to the implementation of a circular economy of oil, to ensure the production of less waste resulting from domestic oil consumption.	Faculdade de Ciências e Tecnologias da Universidade de Lisboa, APA - Portuguese Environmental Agency, DGAE - Direção-Geral da Administração Escolar, APED - Associação Portuguesa de Empresas de Distribuição, AHRESP - Associação da Hotelaria, Restauração e Similares de Portugal, FIPA - Federação das Indústrias Portuguesas Agro-Alimentares, Associação Nacional de Municípios Portugueses, ANAFRE - Associação Nacional de Freguesias, APPB – Associação Portuguesa de Produtores de Biocombustíveis, Zero, Gomes e Zeferino, Oleotorres, Fabrióleo
2018-2019  PRARHITAZ - Prevention of Rheumatoid Arthritis: Hydroxytyrosol supplement in refined olive oil	The Rheumatoid Arthritis academic study has as main goal the creation of capsules of hydroxytyrosol, made from biomass from Sovena's by-products and the company's olive oil.	The impact of this study is the reduction of waste and development of new biological alternatives to combat this health issue.	

## Partnerships

These researches and innovations could not be accomplished without the participation of technological and academic partners. Some of Sovena's main partners in the research area are described below.



IBET, Institute for Experimental and Technological Biology, is the greatest non-profit organization in the field of biotechnological research in Portugal. Created in 1989 as an institution with activities in the area of R&D directed to the industrial fabric it has as partners and collaborators both public institutions and private companies. The Institute's main research areas are an important support tool to the R&D activities for the Agro-food industry.

**For more information please consult: [www.ibet.pt/](http://www.ibet.pt/)**



AESBUC - Association for the Catholic University Superior School of Biotechnology - develops part of its activity in a close partnership with the Faculty of Biotechnology (ESB) since its creation in 1984 integrating in its activity a wide technological and scientific knowledge. Through its Business Support and Innovation Centre (CINATE), ESB offers a wide range of services from laboratory analysis and new products development to large-scale industrial level projects, among others, being therefore a solid foundation for R&D activities for the Agro-food sector in particular.

**For more information please consult: [www.aesbuc.pt/](http://www.aesbuc.pt/)**

When it comes to Development, Sovena's main goal is the creation of new processes, products and services, and is usually implemented through the Innovation Committee. The main projects in 2017 and 2018 are described below:



### Fula Nativos

**Launched in 2016, planned to enter the market in 2019**

Fula Nativos is a new brand of 100% vegetable oils, healthier than previous brand products. In 2018, four varieties were created: Grape, Avocado, Toasted sesame seeds and coconut. These varieties were chosen due to being natural products that meet the current food trends, hoping to show consumers that oils are not only made for frying, but also for cooking and seasoning.

**<https://www.fula.pt/produtos/gama-fula-nativos/>**



### Portuguese Vinegars

**2017-2018**

Portuguese vinegars is a new range, released in 2017 by Oliveira da Serra Brand. The varieties include Tomato, Pear, Fig and Apple, and aim to bring a unique Portuguese flavor to every meal.

**<http://www.oliveiradaserra.pt/destaques/noticias.aspx>**



**Powder Soap**  
**2018**

Clarim Powder Soap is a new product launched in 2018 by Sovená's soap brand Clarim. The new powder soap is ideal for hand washing clothes, with them with a soft touch and unique smell.



**Oliveira da Serra 'Creations'**  
**2017**

Oliveira da Serra 'Creations' is a new edition of three new gastronomic olive oils signed by Portuguese chefs Vítor Sobral, Justa Nobre and Rui Paula. This limited edition are a creation of each chef, and have Portuguese roots and cuisine as a basis for the new flavours.



**Andorinha 'Creations'**  
**2017 and 2018**

The 'Creations Line' from olive oil brand Andorinha, is launched yearly as a limited edition and in 2017 awarded the prestigious 'launch of the year' award in the category of 'savory grocery products', an annual prize given out by the company GFK Brazil in partnership with the magazine *Superhiper* from Abras (Brazilian supermarket association). In 2018, a second edition was launched with the name 'Criações do Brasil'.

<http://azeiteandorinha.com.br/novidade/andorinha-apresenta-linha-criacoes-em-parceria-com-os-chefs-rita-lobo-rodrigo-oliveira-e-vitor-sobral/>



**Olivari Gourmet**  
**2018**

The Olivari Gourmet Extra Virgin Olive Oil was launched in 2018 by Sovená. The olive oil is already on the shelves of Walmart, with a unique design and concept to distinguish it from competing brands.



**Soleada Premium Range**  
**2018**

Soleada was re-launched all its olive oil portfolio, from 'core range' products to premium ones. There are more than 20 SKUs oriented to cover all the consumers' needs.



---

### Fula 'Santos Populares' edition

2018

The Lisbon traditional party 'Santos Populares' inspired a new edition of Fula oil, to bring more joy to the Portuguese traditional dishes served, whether on the street or at home.

<https://www.facebook.com/fula.pt/photos/para-que-os-santos-populares-tenham-ainda-mais-sabor-fula-lan%C3%A7a-uma-edi%C3%A7%C3%A3o-espec/1857838094280219/>

---



---

### Fontasol

2017

Fontasol has launched a full range of vegetable oils, with highlight for being the first brand with sunflower oil from Spain.

---



---

### Andorinha 90 years Special Edition

2017

To celebrate the 90th anniversary of a success story, Andorinha has launched a special and commemorative edition of its 90<sup>th</sup> anniversary.

---



---

### Popcorn Pipó with pesto Andorinha

2017

In an unprecedented partnership with an important brand of gourmet popcorn from Brazil, Pipó, Andorinha has developed a special and very tasty flavor: pesto.

---



---

### Andorinha Primeira Colheita

2017/2018

Andorinha launched a new olive oil edition, with an unmistakable flavor, from the freshest olives from the first crop, and a maximum acidity of 0,2%.

---

Regarding Innovation, at Sovena the main goal is to improve existing processes, products and services. The main projects in 2018 are described below:

IMPLEMENTATIONS DATES	GOAL	IMPACT
PEF: Product Environmental Footprint	The Product Environmental Footprint (PEF) initiative is the labelling of a product's carbon footprint, calculated from material supply to product creation and shipping. This project is being developed with Logoplaste, a plastic packaging company, and is a result of a partnership with FIPA and United Nations.	Other alternatives to reduce PEF in Sovena products include BioPET, and increase recycling PET in current bottles.
Private Label Application	The Private Label App is an application that tracks and standardizes processes and resource consumption in Sovena's plants. The implementation of a uniformed standard across plants enables resource optimization and time efficiency.	Less resource consumption, more time efficiency, sharing best practices across locations.
Green Bottles and packaging	The green colored bottles and neutral packaging is a result of Sovena's effort of eliminating colored packaging boxes, as these chemical coloring processes are toxic to the environment. Additionally, another similar initiative was the Green bottles of Oliveira da Serra olive oil, since keeping the bottle color green optimizes recycling processes and minimizes chemicals used.	Reduce production environmental footprint, through small changes in production systems.
Sovena Ideas	Sovena Ideas is a crowdsourcing content platform, launched in 2016, for employees to share and submit innovation ideas throughout the organization.	Sovena ideas contributes to the engagement of stakeholders in the embedding of sustainability in Sovena.

One of the main partners of Sovena in process and product innovation is Logoplaste.



Logoplaste is a Portuguese group with a significant international exposure and with great ambitious prospects regarding continuous growth. Its business in plastic bottling, and stable partnership with Sovena, has helped them keep up with market trends, demands and challenges, helping the Group grow along the way. Logoplaste works with us at Sovena Portugal, Sovena España and Sovena U.S.A, as Sulpet, Brenpack and Oliveplaste, respectively.

**For more information please consult: [www.logoplaste.com/en/](http://www.logoplaste.com/en/)**



When it comes to product innovation, these are some of the main innovations in the past years:



---

### **Bottle pop-up**

This product development consists of an original bottle pop-up, characteristic of Oliveira da Serra olive oil bottles. This small differentiating feature distinguishes the brand, giving them an edge in the market.

---



---

### **Sprays Bag on Valve**

The olive oil spray, from Oliveira da Serra Brand, was developed to innovate in terms of packaging and usage, making it ideal for seasoning or decorating food.

---



---

### **Veg Oil with reduced frying smell**

The development of oil with reduced smell of fried, a creation of Fula brand, was elected 'Flavor of the Year' 2018 in the category of food oils, with a high customer satisfaction of the product.

---



---

### **Olive Oil special for frying**

The Oliveira da Serra Frying Olive Oil is the first olive oil created to fry, and has been a success in the market.

---

## 3.5 Human capital development



The year 2018 was marked through transition in the Sovena Group, with a new CEO assuming a leadership position, and a global organizational restructure when it comes to the management teams. During this period, the People & Culture team had an important mission to support employees through these changes, through a transparent approach, providing all with the relevant information and appropriate motivation to continue the good work contributing to the company's strategy and goals.

Sovena's sustainability strategy is based on human capital engagement, development and management. The Group believes that long-term success relies on the ability to attract and retain engaged employees that will impersonate Sovena's vision of a sustainability-embedded business. Therefore, Sovena aims to contribute to the personal and professional development and motivation of its employees through their Human resource Strategy, based on three main pillars, and five essential vectors of implementation.

EMPLOYEE ENGAGEMENT				
PEOPLE MANAGEMENT SYSTEMS				
TRAINING, DEVELOPMENT AND RETENTION				
<b>Communication, alignment and involvement</b> Sovena believes that sharing information, internally and externally, allows employees to be aligned with company goals, which is why the Group believes a strong engagement and effective communication is fundamental to the company's sustainability.	<b>Attraction, recruitment and selection</b> Sovena relies on dynamic recruitment, ambitious and responsible staff in order to succeed in a dynamic market. In order to identify and attract talent, programs and partnerships with several entities were created.	<b>Development and training</b> Sovena's strength relies in its people and the development of opportunities provided to them. That is why investing in their growth, training and progress proves detrimental for their ability to face future challenges.	<b>Retention, recognition and reward</b> Sovena's development strategy, ensure that we act proactively by developing critical skills were is more needed. In 2018 we have maintained our partnership with Universities and business schools, namely by with AESE.	<b>Performance and career management</b> Sovena believes that an excellent performance, individual and collective, guarantees the Group is able to succeed. In order to recognize merit of its employees Sovena carries out performance evaluations and executive coaching.

## Communication, alignment and involvement

A continuous dedication to a strong employee engagement and effective communication is fundamental to the Company goals. In addition to direct contact between employees, several internal communication are provided, namely: Younify platform; Sovena News; O'live magazine; intranet; Corporate website and Sustainability Report.



Sovena followed a technological approach for their human resource platform, in order to increase efficiency in communication and information management. In 2017, Sovena launched Younify, an internal system enhances internal communication, and creates a base for knowledge sharing, through customized performance modules (where all the development and training needs can be detected, grouped and prioritized within the Company) and e-learnings (where customized training for employees can be put in practice). In 2018, the digitalization of the People & Culture department was achieved through the consolidation of Younify platform, as being a single contact point for all internal communication and human resource management, such as performance evaluations, salary reviews, bonuses and training.

When it comes to integrating sustainability in the day to day lives of Sovena's employees, some policies were also implemented, namely a Policy on Mobile equipment and Communication, to ensure the safety of company and employee's data; Travel Policy, which contributes to the minimization of business travel, and use of alternative communication means instead in order to reduce the company's carbon footprint; and finally the Sustainable Fleet Policy, which entails that gas usage and control mechanisms are put in place to reduce and unnecessary expenses and optimize the company fleet.

Also on the topic of engaging employees in sustainability, and sharing knowledge, the company approved the initiative of having a 'Sovena Day', where employees can visit the company's facilities and olive groves, for a better understanding of the company's processes and value chain.

## Attraction, recruitment and selection

By promoting different internship programs, corporate and in factory, Sovena supports personal and professional development of students and recent graduates, attracting talented youth to join the teams. Partnerships with the following institutions were made over the years: Escola Profissional de Almada, Escola Profissional de Setúbal and Universidade Nova de Lisboa (internships and development of master theses); and Instituto Superior de Agronomia (training and olive oil tastings). Each new Sovena employee receives a 'pack', as a means of standardizing new employees' information and materials.



## Development and training

In 2018, 250K€ was invested in employee training, collaborating with business schools. This investment aimed to develop employee skills, competencies and talent, reaching a total of 11.435 hours of training. The training provided to employees is critical to maintaining industry demands on quality and technical advances, at the same time contributing to inform and enhance employees' knowledge on the Group's strategy. The most relevant areas invested in training are: Food Safety; Hygiene and Safety; Olive Oil Tasters Training; Quality; Language; People Management, Leadership; Technological and Information Awareness; and General Management. One of the training highlights of the year is the Introduction to Olive Oil elearning course, where all the content was entirely developed by Sovena. Another technical training is already in planning phase for 2019, regarding Vegetable oil knowledge.

When it comes to executive education, Sovena partners with AESE, in Portugal, and with the Instituto Internacional de San Telmo, in Spain, broadening employee possibilities of accessing academic training and diversifying their network, a long term partnership that allows Sovena to be up to date with the learning trends and more prepared to business challenges.

## Retention, recognition and reward

In 2018, Sovena's Annual Summit was themed as 'Shaping the Future', and for two days, 140 employees gathered to celebrate the company and align goals and strategies, while uniting as a global team. During the Annual Summit, there was a moment to thank all employees that reached a level of years of service, from 5 to 40 years, prizing them with a commemorative bottle, designed for this initiative.



When it comes to employee benefits, the Group implemented in 2018 another 'Family Day' event, where employees bring their children to work, and at the Christmas party implemented an interactive contest, namely the Children Christmas Painting Award, for employee children and grandchildren present.

An initiative worth mentioning is the Fundação Amélia de Mello Scholarships, that in 2018 contributed to 5 Bachelor scholarships, and 6 Masters scholarships, financially supporting the academic path of the employees or their family members of the Sovena Group (Iberia).



## Performance and career management

In order to recognize merit of its employees, Sovena implemented a fair and efficient performance evaluation. In 2018, formal performance evaluation process covered all employees above junior manager in Portugal and Spain (covering about 40% of employees) and all employees in USA and Tunisia.

Regarding career management, a partnership with AESE regarding executive coaching in Portugal has been developed and consolidated, allowing many of the company's managers to reinforce their managerial, entrepreneurial and leadership skills



**AESE**  
BUSINESS SCHOOL

AESE is the first Business School in Portugal. It was founded in 1980 by the Association of Higher Enterprise Studies to give executives the tools and techniques of management, as well as values centered on ethics and humanism. Over the years, Sovena has been consolidating a partnership with AESE in this area of executive training, enabling many of our staff to participate in Executive MBA programs or Executive Programs such as PADE, PDE or GAIN. The importance of continuous improvement of our employees and regular networking among participants in these programs led us to sponsor AESE's 'Continuity Sessions' and celebrate a collaboration protocol, becoming one of the Company's Sponsors of AESE to contribute to the consolidation of the training mission and to the future projects of the institution.

**For more information please consult: [www.aese.pt/](http://www.aese.pt/)**



## 3.6 Occupational health and safety



Occupational health and safety is an inherent risk due to the nature of Sovena's work. Therefore, several investments in health, safety and well-being have been made over the years, through the development of corporate tools and campaigns, promoting awareness and prevention when it comes to health and safety. Additionally, the Group developed a Safety Policy, which aims to promote and ensure a safer and healthier workplace for all employees and local community.

Health and safety management in Sovena is implemented through the following steps.

<b>1. H&amp;S MANAGEMENT SYSTEMS</b> Implement a Management System for Health and Safety at Work, adapting to each company location.	<b>2. PROMOTE SAFETY CULTURE</b> Promote a safety culture, training employees on health and safety at work and severe accident prevention.	<b>3. RISK ASSESSMENT</b> Ensure hazard identification, risk assessment and control of workplaces, in order to improve working conditions.
<b>4. ACT IN EMERGENCY SITUATIONS</b> Create all the conditions to be able to act quickly and effectively in emergencies.	<b>5. INFORM PEOPLE</b> Ensure that all external people is properly informed and comply with all safety rules.	<b>6. COMPLY WITH LAW</b> Comply strictly with all laws applicable with our business.

- Sovena promotes a safety culture among its employees, through training and **awareness campaigns**: a safety newsletter, named 'Safety News', which provides safety information, basic concepts about safety and alerts about risks and hazards, in order to prevent accidents.
- Regarding education and training, there is an **annual training plan**, centrally prepared and accompanied by safety managers of each industrial plant. The plan is monitored on a monthly basis, where compliance is assessed. Sovena also has weekly sessions to small groups (5-10 individuals) for training and sharing good practices regarding occupational health and safety issues.
- On the other hand, the **Health and Safety Committee** of Sovena holds quarterly meetings at each plant, in order to review issues related to accident prevention and the promotion of occupational health and safety.

The safety management system assists in measuring and monitoring performance indicators of occupational health and safety, in order to improve performance and identify improvement opportunities, mainly related to workplace accidents. The prevention of workplace accidents begins with the identification of risks and hazards, followed by the planning and implementation of measures for mitigating those risks, and finalized with health and safety audits. These systems, in addition to other related initiatives, promote a safe working environment, contributing to reduced absenteeism, avoiding occupational illnesses and collaborating to prevent workplace accidents.

## Initiatives 2018:

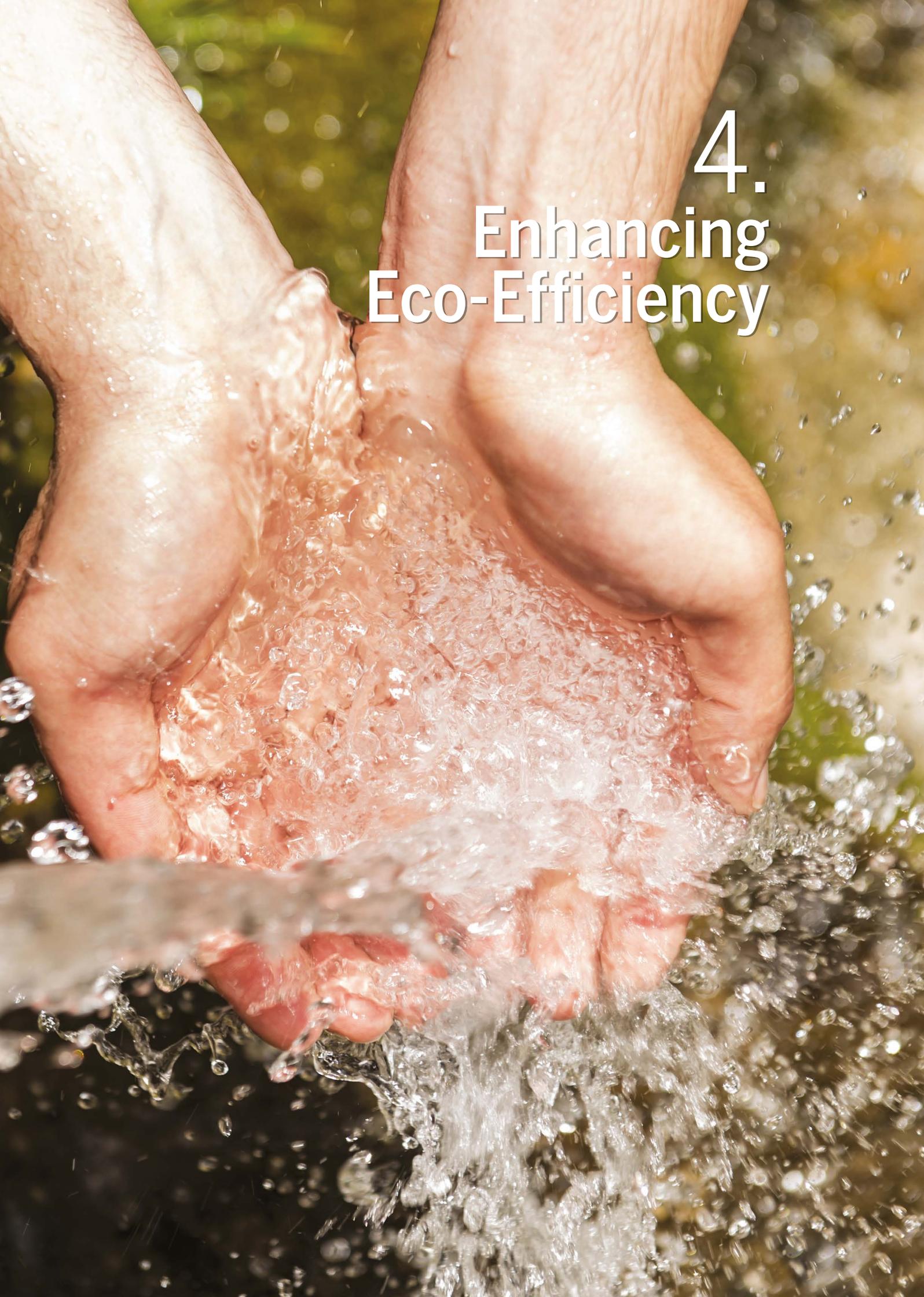
- To respond to emergencies, an Emergency Plan is implemented and tested annually, which describes actions to be triggered in each specific situation. It is also conducted, every year, simulation exercises (total or partial) in plants and corporate offices, in order to observe response to unexpected situations and to identify and develop actions for improvement in health and safety domain.
- Regarding external visits, Sovena ensures that every visitor knows and complies strictly with the requirements and standards of health and safety in our facilities, as well as complies, rigorously and in all regions where operates, with all applicable laws regarding health and safety and prevention of severe accidents..
- In 2018, Sovena Oilseeds Portugal hosted an event called **'family day'** in which the Almada plant welcomed employees' families, allowing to them see the facilities and how the company deals with issues related to workplace safety. The event had 19 employee participants, and related families.



- Sovena held a noise level evaluation, in the Almada factory in 2018, accompanied by a noise awareness training, in collaboration with the National Work Prevention and security Day, held in Abril 28th, and counted with 52 employee participants.
- Sovena Almada has some other initiatives when it comes to occupational health and safety: the Group offers its employees as seasonal antiviral vaccination program, which includes free awareness and vaccination, and in 2018, 31 employees participated. Sovena also sponsored participations in the mini and half marathon – EDP Marathon on the Lisbon 25 Abril Bridge, and counted with the participation of 10 employees. Finally, Sovena promotes awareness to all employees through a 5-minute awareness program that tackles the following work-related issues: Manual handling of loads (ergonomics); biological risk evaluation; Eye protection; Respiratory protection, amongst others.

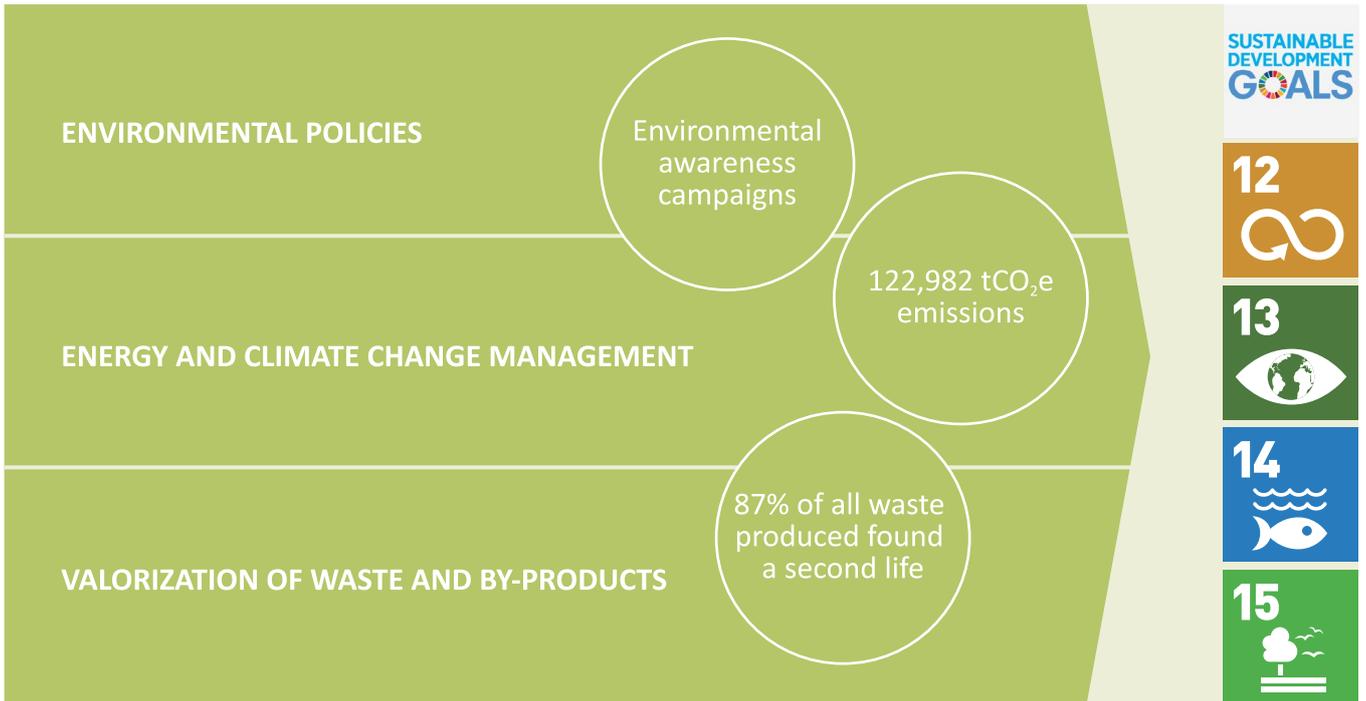
Sovena USA: Creation of a Safety Committee where members rotate every 6 months (Oct-Mar & Apr-Sept) with the objective of this committee of reviewing and revise the internal Emergency Response Plan. Meetings are held monthly and all employees are encouraged to offer recommendations to improve the health and safety of our plant.

Sovena España & Sovena Oilseeds España: Vaccination and sensibilization program and TV screens distributed within the facility with information related with safety issues and Health.



4.  
Enhancing  
Eco-Efficiency

# 4. Enhancing Eco-efficiency



## 4.1. Environmental policy/management system



At Sovena, our environmental goal is to improve the eco-efficiency of all the activities of the Group. The main orientation guidelines for eco-efficiency are the following:

- Act in an environmentally responsible manner, with a view of preserving resources;
- Optimize energy management and the activities that have an impact on environmental changes; and
- Value the waste and sub-products resulting from our activity.

Sovena Oilseeds and Consumer Goods has formalized an Environmental Policy, where their main environmental commitments, namely eco-efficient resource management, seeking to minimize the environmental impacts of its activities, preventing pollution and making rational use of natural resources, are stated. This policy ensures regulatory compliance to environmental commitments, being a fundamental part of Sovena's Corporate Responsibility.

### Environmental policy principles at Sovena

1. Prevent pollution, evaluating and monitoring the environmental aspects, minimizing the impacts on the environment;
2. Evaluate and adopt best practices and technologies available;
3. Establish and periodically review the goals and objectives, considering the significant environmental aspects;
4. Comply with all legal requirements applicable to its activities, as well as other requirements to which the organization subscribes;
5. Disclose the environmental policy and the results of environmental performance to all employees, to the public and to other stakeholders;
6. Establish environmental awareness training and communication programs to employees and other stakeholders.



In addition to the policy above, Sovena also publishes a Group Policy on **Quality, Authenticity, Food Safety, Food Defense, Environment, Social Responsibility and Sustainability**, which commits on some relevant environmental issues, such as:

Minimizing the environmental impact of developed activities, through a rational use of resources, giving priority to pollution prevention measures and to the adoption of the best available technologies.

Some additional sustainability policies implemented at Sovena include:

- Fleet sustainability policy: Sovena promotes the optimization of fleet use and gas consumption, in order to ensure that there are no unnecessary travels and expenses.
- Travel policy: Sovena promotes the use of call and videoconference equipment, in detriment of business travel, when avoidable. In 2016, Sovena equipped all plants and offices with videoconference equipment (with an estimation of more than 120 meetings per year), implemented the use of Skype for Business in the organization, and developed call centers integration in all geographies (with an estimation of more than 500 call-conferences per year). Besides the environmental benefits of decreased business travel, these measures also contributed to increasing people's productivity by facilitating collaboration, communication and minimizing travel.

## Environmental communication and awareness

In line with its Environmental Policy, Sovena promotes environmental awareness among its employees and external stakeholders (customers, suppliers, community, among others), by developing communication and training activities on topics such as efficient natural resources management, energy and water saving and waste separation and recycling.

Sovena uses billboards strategically placed in its facilities to promote environmental friendly behaviors among its employees and visitors.

Sovena launched the initiative 'Give a new life to old habits', a campaign for a more sustainable future focused on reducing the consumption of plastics and their substitution by more ecological alternatives. The campaign counted with the participation of employees, who developed several ideas of possible measures to implement, and the first action was the replacement of plastic bottles in the office for personalized glass bottles.



## 4.2. Energy and climate change management

1,799,157GJ  
energy consumption  
(6% of consumption  
levels)

122,982tCO<sub>2</sub>e  
total emissions  
(5% of consumption  
levels in 2017)

1.39  
Energy intensity  
(GJ/€ thousands of  
net turnover)

0.09  
Energy intensity  
(tCO<sub>2</sub>e/€ thousands  
of net turnover)

At Sovena, a main environmental goal is to improve the eco-efficiency of all the activities of the Group. The main eco-efficiency initiatives implemented in 2017 and 2018 are the following:

BARREIRO PLANT 2018			ALMADA PLANT 2018		
<ul style="list-style-type: none"> <li>Completion of replacement of fluorescent lamps with LED lamps in all manufacturing areas – 54% of the investment financed by EDP.</li> <li>Implementation of thermal insulation, as a routine operation.</li> <li>Placement of oven reflectors for the manufacture of bottles, in collaboration with Logoplaste.</li> </ul>			<ul style="list-style-type: none"> <li>Replacement of an expander (material used in the process of extracting soybean oil), which allowed greater efficiency in the extraction of oil and the reduction of electric power and of vapor.</li> <li>Environmental licenses under renovation.</li> </ul>		
	Saving (GJ)	Annual consumption (GJ)		Saving (GJ)	Annual consumption (GJ)
LED lamps	1,280				
Thermal Insulation	24	91,129	New Expander	8,939	991,225
Oven reflectors	554				
2017			2017		
<ul style="list-style-type: none"> <li>Implementation of a Heat Pump.</li> <li>Thermal Insulation for hot and cold.</li> </ul>			<ul style="list-style-type: none"> <li>Installation of a new thermal insulation.</li> </ul>		
	Saving (GJ)	Annual consumption (GJ)		Saving (GJ)	Annual consumption (GJ)
Heat Pump			Thermal Insulation	367	1,002,041
Thermal Insulation	444	100,231			
BRENES PLANT 2018			ANDÚJAR PLANT 2018		
<ul style="list-style-type: none"> <li>New biomass boiler that replaces the use of coal with biomass.</li> <li>Economic benefits:                             <ul style="list-style-type: none"> <li>Biomass is 6€ per ton cheaper than production with coal;</li> <li>Project reduces CO<sub>2</sub> emissions - profitability of 29,827€ from the CO<sub>2</sub> offset;</li> <li>The total investment was of €3 million.</li> </ul> </li> </ul>			<ul style="list-style-type: none"> <li>Water cooled chiller.</li> <li>Diameter change matrix 1 and 2.</li> </ul>		
	Saving (GJ)	Annual consumption (GJ)		Saving (GJ)	Annual consumption (GJ)
Biomass Boiler	-	179,461	Water cooled chiller	1,766	445,100
2017			2017		
<ul style="list-style-type: none"> <li>'Scale' setting of ABC compressors.</li> <li>VEV (Vacuum Expectation Value) for Cooling Tower.</li> </ul>			<ul style="list-style-type: none"> <li>Thermal Insulation.</li> <li>VEV water pumps cooling molds.</li> </ul>		
	Saving (GJ)	Annual consumption (GJ)		Saving (GJ)	Annual consumption (GJ)
Compressors			Thermal Insulation		
Cooling Tower	342	121,035	Water pumps cooling molds	2,033	382,376

Additional initiative: The implementation of a new internal final product warehouse, which enables gas consumption reduction and resource optimization due to minimization of product transportations. This new implementation saves 71,111 diesel liters per years, which translated in less 5,234 t CO<sub>2</sub> emissions per year.

## Energy consumption

CONSUMPTION OF DIRECT ENERGY (GJ)				
	2016	2017	2018	Δ 2017/2018
DIESEL	38,750	48,215	46,803	-3%
GASOLINE	0	0	0	0%
BUTANE/PROPANE/LPG	1,011	188	95	-50%
NATURAL GAS	519,927	529,276	625,874	18%
CONSUMPTION OF INDIRECT ENERGY (GJ)				
ELECTRICITY	341,468	366,501	365,332	-0.3%
COLD	0	0	0	0%
STEAM	879,299	757,410	761,053	0.5%

During 2018, Sovena Group consumed 672,772 GJ of direct energy, 16% more than in the previous year. Natural gas represents 93% of that consumption, diesel represents 7%, and LPG 0.014%.

## GHG emissions

SCOPE 1 GHG EMISSIONS (t CO <sub>2</sub> e)				
	2016	2017	2018	Δ 2017/2018
DIESEL	3,642	2,703	3,445	-3%
GASOLINE	0	0	0	0%
BUTANE/PROPANE/LPG	64	12	6	-48%
NATURAL GAS	29,352	29,879	35,454	19%
CONSUMPTION OF INDIRECT ENERGY (GJ)				
ELECTRICITY	27,072	29,098	29,052	-0.11%
COLD	0	0	0	0%
STEAM	44,336	54,761	55,024	-0.48%

Sovena calculates its direct (scope 1) and indirect (scope 2) GHG emissions annually. In 2018, direct GHG emissions accounted for 38,906 t CO<sub>2</sub>e (16% increase compared to 2017) and indirect GHG emissions (scope 2) accounted for 84,072 t CO<sub>2</sub>e (0.7% compared to 2017).

Regarding other indirect GHG emissions (scope 3) and carbon sink, Sovena carried out a study in late 2015. The study was developed taking into account the GHG Protocol methodology. The study considered the most material scope 3 categories of Sovena Group, namely: Purchased goods and services; Fuel and energy related activities not included in scope 1 and/or 2; Upstream transportation and distribution; Waste generated in operations; Business travel; Employee Commuting; Downstream transportation and distribution; and End-of-life treatment of sold products.

The most relevant categories that contributed to scope 3 emissions were goods and services purchased, and upstream & downstream transportation and distribution. For more information regarding this study, please consult Sovena's 2016 Sustainability Report. Sovena intends to conduct a new study of scope 3 GHG emissions in the near future.

## Biodiesel

The usage of oilseeds for producing Biodiesel represents the entry of the Sovena Group in the energy sector. The biofuel from vegetable oils, produced by Sovena, is sold to Portuguese gas stations, which incorporate it into the diesel sold to end customers. Thanks to this investment in energy, we are contributing to the effective reduction of greenhouse gases and the dependence on fossil fuels, a target that Europe is committed to achieving.

Our biodiesel factory, located in Portugal, has an annual capacity of over 100,000 tons/year, currently producing 50,000-60,000 tons/year in biodiesel. The factory comprises two fully automated and monitored production facilities, corresponding to two stages in the process:

- Pre-treatment, in which a complex physical refining process neutralizes and dries the raw oil, preparing it for the next stage;
- Manufacturing of biodiesel, which is produced, along with glycerin, by means of a transesterification reaction, using methanol and a catalyst (sodium methylate). The manufactured biodiesel has ISCC certification.

The main GHG reductions from the use of biodiesel, in comparison to diesel, are the following:

<b>Rapeseed oil Biodiesel</b> 55% less GHG emissions	<b>Soy Biodiesel</b> 58% less GHG emissions	<b>UCO Biodiesel</b> 83% less GHG emissions
---	--	--



## 4.3. Management and valorization of waste and by-products



Disposal of waste to landfills has been an increasingly concerning problem in the global panorama. In search of minimizing its contribution to this issue, Sovena is constantly searching for innovative alternatives to landfilling. Sovena prioritizes waste recovery (e.g. energy valorization, recycling, reuse) in both corporate buildings and industrial facilities, in order to enhance waste management.

In 2018, Sovena produced 7,859 tons of waste (more than 99% non-hazardous), where around 87% found a second life.

The by-products produced across Sovena's value chain deserve special attention. These by-products are of great value if correctly managed, which is why giving a second life to productions' by-products is of extreme importance to Sovena: what is waste for one company can be the raw material for another one. Some examples of by-product valorization are described below.

SOVENA CONSUMER GOODS PORTUGAL		SOVENA ESPAÑA	
<ul style="list-style-type: none"> <li>Filter cakes reuse.</li> <li>Cakes resulting from filtering of olive oil and sunflower oil are classified as by-products and sold to external entities for further use.</li> <li>Whitening cakes from refining of vegetable oils are sent to composting.</li> </ul>		<ul style="list-style-type: none"> <li>Olive stones used as biomass.</li> <li>Regular sales of the olive stone as raw material for third parties, as fuel for biomass boilers.</li> <li>In addition, Sovena España has its own biomass boilers.</li> </ul>	
Valorization of by-products (t)		Valorization of by-products (t)	
Soap stocks	6.397	Neutralizing masses	3.955
Waxes	460	Fatty acids	621
Distillates	91		
Others	517		

SOVENA OILSEEDS			
<ul style="list-style-type: none"> <li>Composting of organic vegetable waste.</li> <li>Implementation of a system to separate waste generated in the extraction plant, where about 80% of waste are from organic vegetable origin with characteristics suitable for treatment in composting.</li> <li>Activated sludge from the biological treatment (activated sludge) is sent to agricultural valorization.</li> <li>Biomass Utilization of seed husk as biomass in biomass boilers.</li> </ul>			
Valorization of by-products (t) - Oilseeds Portugal		Valorization of by-products (t) - Oilseeds Spain	
Glycerin	5,499	Distillates	266
Distillates	744	Refining pulp	10,635
Soap stocks	8,199	Lecithin	169
		Seed husk	11,092

ELAIA	
<ul style="list-style-type: none"> <li>Reutilization of process water and sale of by-products (olive pomace and pits) in the Marmelo olive oil mill, the water from the mill process is treated and reused for irrigation.</li> <li>The solid by product resulting from the extraction of olive oil is sold to the pomace extraction industry.</li> </ul>	
Valorization of by-products (t) – 6.91t	

The main use of Sovena's by-products (leaves, water, and meal from oilseeds extraction) is the production of animal feed, emery use from biomass, and irrigation, treated water out of production is used for watering olive groves. However, Sovena has been working towards developing alternative uses for their by-products, in collaboration with several academic and research institutions, namely:

---

Portugal 2020

**For more information go to chapter 3.4 Research, Development and Innovation of the Sustainability Report 2018**

---

PRARHITAZ – Prevention of Rheumatoid Arthritis: Hydroxytyrosol supplement in refined olive oil

**For more information go to chapter 3.4 Research, Development and Innovation of the Sustainability Report 2018**

---

By-product valorization study

**For more information go to chapter 3.4 Research, Development and Innovation of the Sustainability Report 2018**

---

A close-up photograph of an olive branch with several olives in various stages of ripeness, from green to dark purple. The background is a soft-focus field of olive trees under a bright sky.

# 5. Promoting health and nutrition

## 5. Promoting health and nutrition



## 5.1 Promoting health and nutrition

Sovena has a culture of health and nutrition

Sovena promotes healthy lifestyles amongst its employees and consumers

Sovena promotes adopting a balanced and healthy Mediterranean diet

Sovena promotes the correct use of seed and olive oils to improve cooking and eating

Sovena labels show nutritional information, available for public consultation at its website, ensuring not only full compliance with local legislation but also supporting informed consumer choices



### Healthy habits promoting events

Sovena actively encourages its employees to adopt healthier lifestyles, namely by sponsoring employee participation in sports, walks and runs events, such as the Lisbon Half Marathon, American Heart Association's Run and Walk, hosting blood donation sessions and promoting visits to sunflower cultivation fields.

## Free nutrition

An important initiative when it comes to the promotion of health amongst employees and the community is the weekly presence of a nutritionist on site on the Sovena industrial plants (e.g. Almada, Barreiro) and offices (Algés), and also through Skype to other geographies to facilitate medical appointments and the adoption of a healthier lifestyle. Appointments are available in Portuguese or English, depending on the geography. This initiative is in line with Sovena's strategy to promote healthy lifestyles and has been implemented over the last few years, already showing significant results.

Many employees took advantage of the opportunity to update particular health issues, with 13 new visits in 2018, and 19 follow-up appointments. When it comes to weight-loss results, one employee lost 10.1 kg, and another employee lost 5.2kg, following nutritionist appointments and check-ups.

## Multichannel Marketing

Another significant initiative in the promotion of health and nutrition is Sovena's online presence and multichannel marketing. Sovena's biggest brands, Fula, Oliveira da Serra, Fontasol, Soleada and Andorinha, share relevant information on their brand website regarding health and nutrition, as well as other important brand news. In addition, Sovena uses its multichannel marketing to display and share product information, mainly through brand websites, data sheets available at clients' request, and packaging labels.

Sovena also promotes innovation and research on the benefits of olive oil and Mediterranean diet.

Andorinha has been working for 4 years on an initiative to visit more than 1000 clinics of health-care professionals (doctors and nutritionists) with the aim of publicising the health benefits of olive oil. This initiative is a pioneer in this category, both in Brazil and worldwide, and has greatly helped experts by giving them more knowledge on the subject, prompting them to recommend the product in the diets of their patients. Andorinha also supports universities and academics in promoting scientific studies related to the use of olive oil in cooking. An example is the clinical study conducted by leading health professionals in Brazil and published in 2017 on the topic of heating up different vegetable oils (appendix).



In addition, Sovena uses its multichannel marketing to display and share product information, mainly through brand websites, data sheets available at clients' request, and packaging labels.

All labelling legal requirements are strictly met; ensuring consumers are well informed to make safe choices. In order to comply with all requirements, Sovena is aware of local legislation, specific to each sale market where Sovena operates. All product labels contain a list of ingredients and the nutritional values, and these nutritional assertions and special mentions are made according to regulation.

Requirements in labeling statutory are relevant for product labelling, such as Regulation UE, Codex Alimentarius, laws of the country of origin and laws of the country of destination. No supplementary information in the legal requirements is mentioned on the products.



Fula brand shares on their informational website details about the benefits of vegetable oils, specified by type of oil. Not all oils are the same, and different oils have different properties, nutritional characteristics, benefits and uses. Therefore, it is important to inform the consumers and empower them to make a conscious choice.

<https://www.fula.pt/bem-estar/beneficios-dos-oleos/>

Fula promotes a healthy diet, though the promotion of healthy meals and nutritional information. Therefore, Fula shares in their website a healthy eating diagram, based on Harvard's Healthy Eating Plate. This enables consumers to better understand food and its benefits, and make better decisions, based on scientific data, when it comes to a healthy diet. Its main recommendations are:

- Make half of your plate both vegetable and fruit;
- Choose whole grains - ¼ of the dish - like whole grains of wheat or rye, quinoa, oats or brown rice;
- Protein - ¼ of the dish - fish, poultry, legumes and nuts are suggested;
- Healthy Vegetable Oils like olive oil, corn, sunflower, peanut, etc. - low in fats is not necessarily healthy;
- Water, tea or coffee as a beverage.

<https://www.fula.pt/bem-estar/alimentacao-saudavel/>



Oliveira da Serra launched a new product – Oliveirinha - designed specifically for the younger consumer. Since babies need a specific type of composition and nutrition to develop, Oliveirinha provides a healthy and balanced diet, smooth and easy to digest.

<http://www.oliveiradaserra.pt/oliveira-da-serra/o-azeite-e-as-criancas.aspx?lang=pt-PT>



Oliveira da Serra promotes a Mediterranean diet – a way of life that translates a philosophy based on community and sharing meals, made with local and seasonal foods, prepared from traditional recipes and cooking methods, specific to each location. The adoption of a Mediterranean diet is a tasty, practical and economical way to increase your quality of life and stay healthy - the Mediterranean diet has been associated with increased longevity, improved bone mineralization, maintaining a healthy weight, and reducing cardiovascular disease, preventing diabetes, and diminished prevalence of neurodegenerative diseases such as Alzheimer and Parkinson's.

<http://www.oliveiradaserra.pt/oliveira-da-serra/dieta-mediterr%C3%A2nica.aspx?lang=pt-PT>

## 5.2 Supporting local community

164  
Institutions  
supported

### Partnership with NGO's

Sovena promotes social and economic development of local communities by supporting and promoting projects in three main areas - Social Solidarity, Health and Food Security. Some of Sovena's main active partnerships are:

 <p>Vale de Acór PROJECTO HOMEM</p> <p>Sovena contributes to this cause, not only by regularly donating food products but also by allowing the integration of people in several sports activities with company employees.</p>	 <p>epis EMPRESARIOS PELA INCLUSÃO SOCIAL</p> <p>Sovena contributes with a monetary yearly donation that allows some students with school approval difficulties to be accompanied and to finish the school year with performance improvements.</p>	 <p>FUNDAÇÃO AMÉLIA DE MELLO desde 1964</p> <p>Sovena launches on a yearly basis, through the 'Fundação Amélia de Mello' (FAM), scholarships for Undergraduate and Graduate Students to employees and children of employees of Sovena Group companies based in Portugal.</p>	 <p>Fundación Gota de Leche</p>  <p>Fundación TAS</p> <p>Sovena continued its support for the 'Fundación Gota de Leche', helping malnourished children access food, and for 'Fundación TAS - Trabajo, Asistencia y Superación de Barreras', that improves the quality of life of people with disabilities and their families.</p>	 <p>cozinha com alma</p> <p>Sovena has been a central partner in the growth of 'Cozinha com Alma', not only because it is present in most of dishes, but also because it enables a larger reach and social impact of the association.</p>
--	---	---	---	--

### Corporate Volunteering

Sovena promotes the involvement of employees in corporate volunteering initiatives that contribute to social cohesion such as social infrastructure refurbishment or food selection and distribution. Employee feedback is very positive as these initiatives provide them with a sense of contribution and belonging and an opportunity to give back to society. Some of the main areas supported by Sovena and employees are food donation (such as Banco Alimentar), Homeless Support (Centro de apoio ao Sem Abrigo), Associations for Children in need (Novo Futuro), and the professional integration of people with disabilities (Associação Salvador). These are some examples of Sovena's involvement with local community.



#### BANCO ALIMENTAR

Sovena maintains its corporate social responsibility activity with volunteers in Banco Alimentar (Food Bank), where company employees donate food products, helping to fulfill Sovena's Mission: to ensure everyone has access to olive oil, even those who cannot afford to buy it, thereby demonstrating the company's involvement with local communities.

### ASSOCIAÇÃO SALVADOR

Sovena collaborates with Associação Salvador to integrate people with disabilities in the professional world. In 2018, Sovena employed 25 people with disabilities, and donated funds during the Christmas season by buying a 'solidarity hat', which was converted into Christmas baskets offered to each member of the institution.



In 2017, Fula partnered with Oil2Wax to hold the third edition of 'De Fio a Pavio', a roadshow that aims to raise awareness among young people about the importance of recycling, presenting a fun and effective solution to solve the domestic oil waste.

Besides this initiative, implemented in schools, Fula launched a complementing product that offers a candle-making ecological experience, for anyone to try at home.

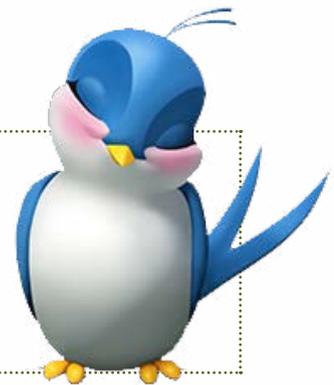


### OLIVE OIL UNIVERSITY

Sovena launched in 2018 the 'Olive Oil University', where children visit Sovena's plant facilities in order to learn more about healthy foods and the Mediterranean diet. The program has an informative approach, with the main goal of promoting healthy habits among school children, and educate about the role of olive oil in a healthy diet.

The Andorinha brand celebrated Christmas in 2018 with gifts related to gastronomy in supermarkets, to consumers. This initiative was made to better connect and share with the consumer.

Additionally, Andorinha brand also connects with consumers through their interactive mascot – Dorinha. This mascot appears in their social media feed and promotion, and enhances the brand image while relating to the consumer.



# 6. Annexes



## 6.1 GRI Content Index For 'in Accordance' – Core

GRI 102 – GENERAL DISCLOSURES												
DISCLOSURE		LOCATION						ASSURANCE				
<b>ORGANIZATIONAL PROFILE</b>												
102-1	Name of the organization	Sovena Group, SGPS, S.A.						NO				
102-2	Activities, brands, products, and services	<b>1.3 Business Areas; 1.4 Products and Brands</b>						NO				
102-3	Location of headquarters	Sovena Group - Rua Dr. António Loureiro Borges, nº 2. Edifício Arqu-parque 2, 3º andar. 1495-131 Algés, Portugal						NO				
102-4	Location of operations	<b>1.6 World Presence.</b>						NO				
102-5	Ownership and legal form	<b>2.2 Sustainability Governance;</b> Report of the Board of Directors 2014						NO				
102-6	Markets served	<b>1.6 World Presence</b>						NO				
102-7	Scale of the organization	<b>Sovena at a glance</b>						NO				
102-8	Information on employees and other workers	<b>SOVENA GROUP</b>								NO		
		<b>2016</b>			<b>2017</b>			<b>2018</b>				
		<b>Male</b>	<b>Female</b>	<b>TOTAL</b>	<b>Male</b>	<b>Female</b>	<b>TOTAL</b>	<b>Male</b>	<b>Female</b>		<b>TOTAL</b>	
		<b>Employment contract</b>	791	279	1,070	751	270	1,021	513		195	708
		Permanent	708	245	953	674	246	920	447		161	607
		Fixed term	83	34	117	77	24	101	66		34	101
		<b>Employment type</b>	<b>791</b>	<b>279</b>	<b>1,070</b>	<b>751</b>	<b>270</b>	<b>1,021</b>	<b>513</b>		<b>195</b>	<b>708</b>
		Part-time	40	31	71	1	10	11	1		9	10
		Full-time	751	248	999	750	260	1,010	512		186	698
		Note: data scope includes SCG Portugal, SCG Spain, SO Portugal, SO Spain, Sovena Spain, Sovena USA, Sovena MENA, Elaia Portugal.										
102-9	Supply chain	<b>1.5 Value Chain</b>						NO				
102-10	Significant changes to the organization and its supply chain	<b>About this report</b> <b>1.5 Value Chain</b> Any other relevant and recent change is described throughout the report.						NO				
102-11	Precautionary Principle or approach	<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. Sovena also has a Crisis Manual, which serves as a roadmap and establishes the basic response mechanisms to address a crisis - a dynamic document contains the main activities that should be followed before, during and after a crisis.</p> <p>This document provides hypothetical scenarios that can cause a potential crisis in our organization. It is tested and updated regularly and provides answers to the following topics: 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.</p>						NO				
102-12	List of economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	<b>2.2. Sustainability Governance</b>						NO				
102-13	List memberships of associations	<b>2.3 Stakeholder Engagement</b>						NO				

DISCLOSURE		LOCATION	ASSURANCE
<b>STRATEGY</b>			
102-14	Statement from senior decision-maker	CEO message	NO
<b>ETHICS AND INTEGRITY</b>			
102-16	Values, principles, standards, and norms of behavior	1.2 Mission, Vision and Values; 2.2. Sustainability Governance	NO
<b>GOVERNANCE</b>			
102-18	Governance structure	2.2 Sustainability Governance	NO
<b>STAKEHOLDER ENGAGEMENT</b>			
102-40	List of stakeholder groups	2.3 Stakeholder Engagement	NO
102-41	Percentage of total employees covered by collective bargaining agreements.	100%	NO
102-42	Identifying and selecting stakeholders	2.3 Stakeholder Engagement	NO
102-43	Approach to stakeholder engagement	2.3 Stakeholder Engagement	NO
102-44	Key topics and concerns raised	About this report 2.3 Stakeholder Engagement	NO
<b>REPORTING PRACTICE</b>			
102-45	Entities included in the consolidated financial statements	About this Report	NO
102-46	Defining report content and topic Boundaries	About this Report	NO
102-47	List of material topics	About this Report 2.3 Sustainability Strategy	NO
102-48	Restatements of information	About this Report	NO
102-49	Changes in reporting	About this Report	NO
102-50	Reporting period		NO
102-51	Date of most recent report	About this Report; Sustainability Report 2016	NO
102-52	Reporting cycle	Biennial	NO
102-53	Contact point for questions regarding the report	About this Report	NO
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	NO
102-55	GRI content index	Present table	NO
102-56	External assurance	About this Report	NO

## SPECIFIC STANDARD DISCLOSURES

DISCLOSURE	LOCATION	ASSURANCE																																							
<b>GRI 200 – ECONOMIC DISCLOSURES</b>																																									
<b>GRI 201 – ECONOMIC PERFORMANCE</b>																																									
201-1	Direct economic value generated and distributed	<b>Sovena at a glance</b>																																							
		<b>SOVENA GROUP</b>																																							
		<b>2016</b>																																							
		<b>2017</b>																																							
		<b>2018</b>																																							
		<b>Direct economic value generated (€ thousand)</b>																																							
		1,372,086																																							
		1,425,220																																							
		1,329,989																																							
		Net turnover																																							
		1,356,392																																							
		1,410,019																																							
		1,297,800																																							
		Financial income																																							
250																																									
199																																									
87																																									
Other incomes																																									
15,444																																									
15,002																																									
32,102																																									
<b>Economic value distributed (€ thousand)</b>																																									
<b>1,355,066</b>																																									
<b>1,492,694</b>																																									
<b>1,292,117</b>																																									
Consumption of goods																																									
1,152,399																																									
1,206,910																																									
1,064,932																																									
Operating costs																																									
132,043																																									
167,807																																									
154,946																																									
Employee wages																																									
44,291																																									
43,912																																									
43,397																																									
Payments to providers of capital																																									
10,361																																									
10,020																																									
11,039																																									
Income tax																																									
1,957																																									
-7,788																																									
9,261																																									
Community Investment																																									
13,818																																									
8,540																																									
8,520																																									
Other																																									
197																																									
293																																									
23																																									
<b>Economic value retained (€ thousand)</b>																																									
<b>17,020</b>																																									
<b>-4,474</b>																																									
<b>37,872</b>																																									
NO																																									
<b>MATERIAL TOPIC: GRI 204 - PROCUREMENT PRACTICES</b>																																									
Management Approach	<p><b>2.1 Sustainability strategy</b></p> <p><b>103-1</b> – According to its materiality matrix and 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.</p> <p><b>103-2</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.</p> <p><b>103-3</b> – 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.</p>	NO																																							
204-1	Proportion of spending on local suppliers	<table border="1"> <thead> <tr> <th></th> <th></th> <th style="text-align: center;">SCG Spain</th> <th style="text-align: center;">SCG Portugal</th> <th style="text-align: center;">SO Spain</th> <th style="text-align: center;">98%SO Portugal</th> <th style="text-align: center;">Elaia</th> <th style="text-align: center;">Sovena MENA</th> <th style="text-align: center;">Sovena USA</th> <th style="text-align: center;">Sovena Spain Olives</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center;"><b>Percentage purchased from local (national) suppliers in each geography</b></td> <td style="text-align: center;"><b>2016</b></td> <td style="text-align: center;">38%</td> <td style="text-align: center;">44%</td> <td style="text-align: center;">34%</td> <td style="text-align: center;">32%</td> <td style="text-align: center;">62%</td> <td style="text-align: center;">88%</td> <td style="text-align: center;">34%</td> <td style="text-align: center;">96%</td> </tr> <tr> <td style="text-align: center;"><b>2017</b></td> <td style="text-align: center;">42%</td> <td style="text-align: center;">48%</td> <td style="text-align: center;">38%</td> <td style="text-align: center;">30%</td> <td style="text-align: center;">58%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">34%</td> <td style="text-align: center;">98%</td> </tr> <tr> <td style="text-align: center;"><b>2018</b></td> <td style="text-align: center;">85%</td> <td style="text-align: center;">51%</td> <td style="text-align: center;">59%</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">98%</td> <td style="text-align: center;">-</td> <td style="text-align: center;">7%</td> <td style="text-align: center;">98%</td> </tr> </tbody> </table>			SCG Spain	SCG Portugal	SO Spain	98%SO Portugal	Elaia	Sovena MENA	Sovena USA	Sovena Spain Olives	<b>Percentage purchased from local (national) suppliers in each geography</b>	<b>2016</b>	38%	44%	34%	32%	62%	88%	34%	96%	<b>2017</b>	42%	48%	38%	30%	58%	100%	34%	98%	<b>2018</b>	85%	51%	59%	25%	98%	-	7%	98%	NO
		SCG Spain	SCG Portugal	SO Spain	98%SO Portugal	Elaia	Sovena MENA	Sovena USA	Sovena Spain Olives																																
<b>Percentage purchased from local (national) suppliers in each geography</b>	<b>2016</b>	38%	44%	34%	32%	62%	88%	34%	96%																																
	<b>2017</b>	42%	48%	38%	30%	58%	100%	34%	98%																																
	<b>2018</b>	85%	51%	59%	25%	98%	-	7%	98%																																

DISCLOSURE	LOCATION	ASSURANCE
------------	----------	-----------

**GRI 300 – ENVIRONMENTAL DISCLOSURES**

**GRI 301 – MATERIALS**

301-3	Reclaimed products and their packaging materials	<b>4.1 Environmental Policy/Management System</b>				NO
		<b>Sovena Consumer Goods Spain; Sovena Oilseeds Spain, Sovena Spain Olives</b>				
		<b>MATERIAL (tons)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
		Glass	1,067	1,048	96	
		Plastic	3,808	2,615	2,427	
		Paper/cardboard	85	59	66	
		Metal/Steel	1,313	47	37,915	
		<b>Sovena Consumer Goods Portugal</b>				
		<b>MATERIAL (tons)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
		Glass	2,198	1,638	1,615	
		Plastic	2,039	1,941	1,903	
		Paper/cardboard	1,418	1,331	1,332	
		Metal/Steel	29	26	26	
		<b>Sovena MENA</b>				
		<b>MATERIAL (tons)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
		Glass	0	0	0	
		Plastic	5	0	0	
Paper/cardboard	5	0	0			
Metal/Steel	0	0	0			
<p>Data reported on a consolidated basis for SCG Spain, SO Spain and Sovena Spain - Olives  Each year Elaia delivery to a licensed operator for recycling, about 5,000 kg of plastic packaging of phytosanitary products.  No reclaimed products for Sovena USA.</p>						

**MATERIAL TOPIC: GRI 302 – ENERGY**

Management Approach	<b>2.1 Sustainability Strategy</b>	
	<b>4.1 Environmental Policy/Management System</b>	
	<b>4.2 Energy &amp; Climate Change management</b>	
	<p><b>103-1:</b> According to its materiality matrix and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> 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.</p>	

DISCLOSURE		LOCATION									ASSURANCE	
302-1	Energy consumption within the organization	4.2 Energy & Climate Change management										NO
		<b>DIRECT ENERGY CONSUMPTION</b>	<b>SCG Spain</b>	<b>SCG Portugal</b>	<b>SO Spain</b>	<b>SO Portugal</b>	<b>Sovena Spain - Olives</b>	<b>Sovena MENA</b>	<b>Sovena USA</b>	<b>Elaiia</b>	<b>SOVENA GROUP</b>	
		Diesel (GJ)	0	0	573	10	10,765	783	5,458	21,160	38,750	
		Gasoline (GJ)	0	0	0	0	0	0	0	0	0	
		LPG/Butane/Propane (GJ)	0	59	0	0	226	0	727	0	1,011	
		Natural gas (GJ)	136,661	58,265	114,346	198,986	6,110	0	5,559	0	519,927	
		<b>TOTAL</b>	<b>136,661</b>	<b>58,324</b>	<b>114,919</b>	<b>198,996</b>	<b>17,101</b>	<b>783</b>	<b>11,744</b>	<b>21,160</b>	<b>559,688</b>	
		Diesel (GJ)	0	0	770	7	9,727	804	5,026	31,881	48,251	
		Gasoline (GJ)	0	0	0	0	0	0	0	0	0	
		LPG/Butane/Propane (GJ)	0	91	0	0	97	0	0	0	188	
		Natural gas (GJ)	75,873	64,105	73,475	309,009	1,400	0	5,416	0	529,276	
		<b>TOTAL</b>	<b>75,873</b>	<b>64,195</b>	<b>74,245</b>	<b>309,016</b>	<b>11,206</b>	<b>804</b>	<b>10,442</b>	<b>31,881</b>	<b>577,679</b>	
		Diesel (GJ)	0	0	1,009	29	7,117	654	6,244	31,751	46,804	
		Gasoline (GJ)	0	0	0	0	0	0	0	0	0	
		LPG/Butane/Propane (GJ)	0	95	0	0	0	0	0	0	95	
		Natural gas (GJ)	132,816	59,312	105,544	320,838	0	0	7,363	0	625,873	
		<b>TOTAL</b>	<b>132,816</b>	<b>59,403</b>	<b>106,553</b>	<b>320,867</b>	<b>7,117</b>	<b>654</b>	<b>13,607</b>	<b>31,751</b>	<b>672,772</b>	
		<b>INDIRECT ENERGY CONSUMPTION</b>	<b>SCG Spain</b>	<b>SCG Portugal</b>	<b>SO Spain</b>	<b>SO Portugal</b>	<b>Sovena Spain - Olives</b>	<b>Sovena MENA</b>	<b>716Sovena USA</b>	<b>Elaiia</b>	<b>SOVENA GROUP</b>	
		Electricity (GJ)	41,441	31,379	89,396	140,249	7,332	775	24,223	6,674	341,468	
		Cold (GJ)	0	0	0	0	0	0	0	0	0	
		Steam (GJ)	0	0	266,079	613,220	0	0	0	0	879,299	
		<b>TOTAL</b>	<b>41,441</b>	<b>31,379</b>	<b>355,475</b>	<b>753,469</b>	<b>7,332</b>	<b>775</b>	<b>24,223</b>	<b>6,674</b>	<b>1,220,767</b>	
		Electricity (GJ)	45,198	36,036	84,172	159,573	6,006	416	24,347	10,752	366,501	
		Cold (GJ)	0	0	0	0	0	0	0	0	0	
Steam (GJ)	0	0	223,959	533,452	0	0	0	0	757,410			
<b>TOTAL</b>	<b>45,198</b>	<b>36,036</b>	<b>308,131</b>	<b>693,025</b>	<b>6,006</b>	<b>416</b>	<b>24,347</b>	<b>10,752</b>	<b>1,123,911</b>			
Electricity (GJ)	46,645	31,721	88,837	159,012	4,089	558	25,716	8,754	365,332			
Cold (GJ)	0	0	0	0	0	0	0	0	0			
Steam (GJ)	0	0	249,706	511,347	0	0	0	0	761,053			
<b>TOTAL</b>	<b>46,645</b>	<b>31,721</b>	<b>338,542</b>	<b>670,359</b>	<b>4,089</b>	<b>558</b>	<b>25,716</b>	<b>8,754</b>	<b>1,126,385</b>			
302-3	Energy intensity	<b>SOVENA GROUP</b>				<b>2016</b>	<b>2017</b>	<b>2018</b>			NO	
		Energy intensity (GJ/€ thousands of net turnover)				1.31	1.21	1.39				
302-4	Reduction of energy consumption	<b>4.2 Energy and Climate Change Management</b>									NO	

DISCLOSURE	LOCATION	ASSURANCE
------------	----------	-----------

**GRI 303 – WATER**

303-1	Total water withdrawal by source	<b>3.3 Sustainable Agricultural Practices</b> <b>4.1 Environmental Policy/Management System</b>									NO		
		2016	WATER WITHDRAWAL	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Sovena Spain - Olives	Sovena MENA	Sovena USA		Elaia	SOVENA GROUP
			Surface water (m <sup>3</sup> )	-	665,558	-	4,018,785	66,615	-	-		1,148,332	5,899,290
			Ground water (m <sup>3</sup> )	-	-	-	-	-	-	-		29,366,796	29,336,796
			Municipal water (m <sup>3</sup> )	109,546	64,465	328,726	265,728	18,199	1,561	5,670		937	794,832
		<b>TOTAL (m<sup>3</sup>)</b>	<b>109,546</b>	<b>730,023</b>	<b>328,726</b>	<b>4,284,513</b>	<b>84,814</b>	<b>1,561</b>	<b>5,670</b>	<b>30,516,065</b>		<b>36,060,918</b>	
		2017	Surface water (m <sup>3</sup> )	0	768,652	0	4,410,142	59,815	0	0		37,190,787	42,429,369
			Ground water (m <sup>3</sup> )	0	0	0	0	0	0	0		1,517,849	1,517,849
			Municipal water (m <sup>3</sup> )	130,104	70,661	260,185	284,656	16,530	1,599	5,984		2,769	772,488
			<b>TOTAL (m<sup>3</sup>)</b>	<b>130,104</b>	<b>839,313</b>	<b>260,185</b>	<b>4,694,798</b>	<b>76,345</b>	<b>1,599</b>	<b>5,984</b>		<b>38,711,405</b>	<b>44,719,735</b>
		2018	Surface water (m <sup>3</sup> )	0	579,953	0	4,821,320	44,058	0	0		34,464,753	39,910,084
			Ground water (m <sup>3</sup> )	0	0	0	0	0	0	0		1,441,992	1,441,992
			Municipal water (m <sup>3</sup> )	129,708	65,589	254,213	301,695	10,650	1,480	5,763		2,769	771,867
			<b>TOTAL (m<sup>3</sup>)</b>	<b>129,708</b>	<b>645,542</b>	<b>254,213</b>	<b>5,123,015</b>	<b>54,708</b>	<b>1,480</b>	<b>5,763</b>		<b>35,909,514</b>	<b>42,123,943</b>
		Note: Elaia includes water consumption at olive oil mills and olive groves in Portugal and Spain.											
303-3	Percentage and total volume of water recycled and reused	<b>3.3 Sustainable agricultural practices</b> <b>4.1 Environmental Policy/Management System</b> <b>4.3 Management and Valorization of Waste and By-products</b>											
		2016	WATER WITHDRAWAL	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Sovena Spain - Olives	Sovena MENA	Sovena USA		Elaia	SOVENA GROUP
			m <sup>3</sup>	11,500	7,105	44,150	156,784	0	0	0		6,269	233,899
		%	10%	1.0%	11.2%	3.4%	0%	0%	0%	0.02%		1.0%	
		2017	m <sup>3</sup>	11,500	8,359	44,816	162,670	0	0	0		13,183	240,528
			%	9%	1%	10%	3%	0%	0%	0%		0.03%	1%
		2018	m <sup>3</sup>	5,000	7,945	40,044	180,736	0	0	0		16,662	250,347
			%	4%	1%	16%	4%	0%	0%	0%		0.05%	1%

DISCLOSURE	LOCATION	ASSURANCE
------------	----------	-----------

**MATERIAL TOPIC: GRI 305 – EMISSIONS**

Management Approach	<p><b>2.1 Sustainability Strategy</b></p> <p><b>4.1 Environmental Policy/Management System</b></p> <p><b>4.2 Energy &amp; Climate Change management</b></p> <p><b>103-1:</b> According to its materiality matrix and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> 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.</p>	NO
---------------------	---	----

305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	<b>4.2 Energy &amp; Climate Change management</b>										NO	
		<b>2016</b>	<b>SCOPE 1 GHG EMISSIONS</b>	<b>SCG Spain</b>	<b>SCG Portugal</b>	<b>SO Spain</b>	<b>SO Portugal</b>	<b>Sovena Spain - Olives</b>	<b>Sovena MIENA</b>	<b>Sovena USA</b>	<b>Eliaia</b>		<b>SOVENA GROUP</b>
			Diesel (t CO <sub>2</sub> E)	0	0	42	1	791	58	401	2,349		3,642
			Gasoline (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			LPG/Butane/Propane (t CO <sub>2</sub> E)	0	4	0	0	14	0	46	0		64
			Natural gas (t CO <sub>2</sub> E)	7,715	3,289	6,455	11,233	345	0	314	0		29,352
		<b>TOTAL</b>	<b>7,715</b>	<b>3,293</b>	<b>6,497</b>	<b>11,234</b>	<b>1,150</b>	<b>58</b>	<b>761</b>	<b>2,349</b>	<b>33,057</b>		
		<b>2017</b>	Diesel (t CO <sub>2</sub> E)	0	0	57	1	715	59	369	2,343		3,544
			Gasoline (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			LPG/Butane/Propane (t CO <sub>2</sub> E)	0	6	0	0	6	0	0	0		7
			Natural gas (t CO <sub>2</sub> E)	4,283	3,619	4,148	17,444	79	0	306	0		29,879
			<b>TOTAL</b>	<b>4,283</b>	<b>3,625</b>	<b>4,204</b>	<b>17,445</b>	<b>800</b>	<b>59</b>	<b>675</b>	<b>2,343</b>		<b>33,435</b>
		<b>2018</b>	Diesel (t CO <sub>2</sub> E)	0	0	74	2	524	48	460	2,337		3,445
			Gasoline (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			LPG/Butane/Propane (t CO <sub>2</sub> E)	0	6	0	0	0	0	0	0		6
			Natural gas (t CO <sub>2</sub> E)	7,524	3,360	5,979	18,175	0	0	417	0		35,454
			<b>TOTAL</b>	<b>7,524</b>	<b>3,366</b>	<b>6,053</b>	<b>18,177</b>	<b>524</b>	<b>48</b>	<b>877</b>	<b>2,337</b>		<b>38,906</b>

DISCLOSURE		LOCATION									ASSURANCE		
305-2	Indirect greenhouse gas (GHG) emissions (Scope 2)	<b>4.2 Energy &amp; Climate Change management</b>										NO	
			<b>SCOPE 2 GHG EMISSIONS</b>	<b>SCG Spain</b>	<b>SCG Portugal</b>	<b>SO Spain</b>	<b>SO Portugal</b>	<b>Sovena Spain - Olives</b>	<b>Sovena MENA</b>	<b>Sovena USA</b>	<b>Elaia</b>		<b>SOVENA GROUP</b>
		2016	Electricity (t CO <sub>2</sub> E)	2,858	2,464	6,166	11,013	506	100	3,449	516		27,072
			Cold (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			Steam(t CO <sub>2</sub> E)	0	0	0	44,336	0	0	0	0		44,336
			<b>TOTAL</b>	<b>2,858</b>	<b>2,464</b>	<b>6,166</b>	<b>55,349</b>	<b>506</b>	<b>100</b>	<b>3,449</b>	<b>516</b>		<b>71,408</b>
		2017	Electricity (t CO <sub>2</sub> E)	3,117	2,830	5,805	12,530	414	54	3,503	844		29,098
			Cold (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			Steam (t CO <sub>2</sub> E)	0	0	16,192	38,569	0	0	0	0		54,761
			<b>TOTAL</b>	<b>3,117</b>	<b>2,830</b>	<b>21,998</b>	<b>51,099</b>	<b>414</b>	<b>54</b>	<b>3,503</b>	<b>844</b>		<b>83,859</b>
		2018	Electricity (t CO <sub>2</sub> E)	3,217	2,491	6,127	12,486	282	72	3,700	677		29,052
			Cold (t CO <sub>2</sub> E)	0	0	0	0	0	0	0	0		0
			Steam (t CO <sub>2</sub> E)	0	0	18,054	36,970	0	0	0	0		55,024
<b>TOTAL</b>	<b>3,217</b>		<b>2,491</b>	<b>24,181</b>	<b>49,456</b>	<b>282</b>	<b>72</b>	<b>3,700</b>	<b>677</b>	<b>84,076</b>			
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	<b>4.2 Energy &amp; Climate Change management</b>									NO		
305-4	GHG emissions intensity	<b>SOVENA GROUP</b>		<b>2016</b>			<b>2017</b>		<b>2018</b>		NO		
	Energy intensity (t CO <sub>2</sub> E/€ thousand of net turnover)	0.08			0.08		0.09						
305-5	Reduction of greenhouse gas (GHG) emissions	<b>4.2 Energy &amp; Climate Change management</b>									NO		

**MATERIAL TOPIC: GRI 306 - EFFLUENTS AND WASTE**

DISCLOSURE		LOCATION					ASSURANCE		
306-2	Total weight of waste by type and disposal method	<b>4.3 Management and valorization of waste and by-products</b>					NO		
		<b>TOTAL WASTE</b>		<b>SCG Spain</b>		<b>SCG Portugal</b>			
			<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2016</b>		<b>2017</b>	<b>2018</b>
		<b>Hazardous waste (tons)</b>	<b>3.5</b>	<b>3.5</b>	<b>5.6</b>	<b>5.5</b>		<b>5.9</b>	<b>2.7</b>
		Valorization	0.9	0.6	0.8	3.1		3.4	2.7
		Elimination	2.7	2.9	4.7	2.4		2.5	0.0
		<b>Non-hazardous waste (tons)</b>	<b>1,688.9</b>	<b>3,344.5</b>	<b>3,733.5</b>	<b>1,791.6</b>		<b>2,217.1</b>	<b>2,446.1</b>
		Valorization	794.4	3,344.5	3,733.5	1,287.1		2,038.8	2,260.3
		Elimination	894.5	0.0	0.0	504.5		178.3	185.8
		<b>TOTAL (tons)</b>	<b>1,692.4</b>	<b>3,348.0</b>	<b>3,739.1</b>	<b>1,797.1</b>		<b>2,223.0</b>	<b>2,448.9</b>
		<b>TOTAL WASTE</b>		<b>SO Spain</b>		<b>SO Portugal</b>			
			<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2016</b>		<b>2017</b>	<b>2018</b>
		<b>Hazardous waste (tons)</b>	<b>8.0</b>	<b>11.8</b>	<b>15.3</b>	<b>14.0</b>		<b>14.4</b>	<b>11.1</b>
		Valorization	0.2	6.2	9.2	11.5		11.7	10.7
		Elimination	7.9	5.6	6.1	2.5		2.7	0.4
		<b>Non-hazardous waste (tons)</b>	<b>1,715.0</b>	<b>2,517.6</b>	<b>3,774.2</b>	<b>911.3</b>		<b>1,111.7</b>	<b>849.7</b>
		Valorization	217.3	2,336.0	3,693.4	771.2		1,001.6	748.5
		Elimination	1,498.0	181.6	80.8	140.0		110.2	101.2
		<b>TOTAL (tons)</b>	<b>1,723.0</b>	<b>2,529.4</b>	<b>3,789.5</b>	<b>925.3</b>		<b>1,126.1</b>	<b>860.9</b>
		<b>TOTAL WASTE</b>		<b>Elaia</b>		<b>Sovena MENA</b>			
			<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2016</b>		<b>2017</b>	<b>2018</b>
		<b>Hazardous waste (tons)</b>	<b>0.04</b>	<b>0.1</b>	<b>0.1</b>	<b>0.002</b>		<b>0.0</b>	<b>0.0</b>
		Valorization	0.04	0.1	0.1	0.000		0.0	0.0
		Elimination	0.00	0.0	0.0	0.002		0.0	0.0
<b>Non-hazardous waste (tons)</b>	<b>60.5</b>	<b>53.5</b>	<b>6.8</b>	<b>2.7</b>	<b>0.01</b>	<b>4.0</b>			
Valorization	40.1	11.0	6.8	2.7	0.01	4.0			
Elimination	20.3	42.6	0.0	0.015	0.00	0.0			
<b>TOTAL (tons)</b>	<b>60.5</b>	<b>53.6</b>	<b>6.9</b>	<b>2.7</b>	<b>0.01</b>	<b>4.0</b>			
<b>TOTAL WASTE</b>		<b>Sovena USA</b>		<b>Sovena Spain - Olives</b>					
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>			
<b>Hazardous waste (tons)</b>	<b>0.9</b>	<b>0.8</b>	<b>0.6</b>	<b>1.6</b>	<b>0.5</b>	<b>3.9</b>			
Valorization	0.9	0.8	0.6	0.0	0.0	0.0			
Elimination	0.0	0.0	0.0	1.6	0.5	3.9			
<b>Non-hazardous waste (tons)</b>	<b>445.0</b>	<b>519.0</b>	<b>577.6</b>	<b>160.8</b>	<b>106.8</b>	<b>173.5</b>			
Valorization	147.7	157.2	78.7	37.3	73.6	24.9			
Elimination	297.3	297.3	598.9	123.5	64.0	148.6			
<b>TOTAL (tons)</b>	<b>445.9</b>	<b>519.8</b>	<b>578.2</b>	<b>162.4</b>	<b>107.3</b>	<b>177.4</b>			
<b>TOTAL WASTE</b>		<b>Sovena Group</b>							
	<b>2016</b>	<b>2017</b>		<b>2018</b>					
<b>Hazardous waste (tons)</b>	<b>33.7</b>	<b>36.9</b>		<b>39.3</b>					
Valorization	16.6	22.8		24.2					
Elimination	17.2	14.2		15.1					
<b>Non-hazardous waste (tons)</b>	<b>6,776.0</b>	<b>9,901.1</b>		<b>11,565.5</b>					
Valorization	3,297.9	8,962.7		10,550.2					
Elimination	3,478.1	938.4		1,015.3					
<b>TOTAL (tons)</b>	<b>8,339.3</b>	<b>9,938.0</b>		<b>11,604.8</b>					

**MATERIAL TOPIC: GRI 308 - SUPPLIER ENVIRONMENTAL ASSESSMENT**

		<p><b>2.1 Sustainability Strategy</b>  <b>4.1 Environmental Policy/Management System</b></p> <p><b>103-1:</b> According to its materiality matrix and as part of its sustainability strategy, Sovena aims for a sustainable supply chain, working towards both environmental and social sustainability along Sovena's value chain. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue.</p> <p><b>103-2:</b> Sovena is currently applying a supplier code and assessment to specific suppliers with the objective of extending it to the whole supply chain.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>	NO
308-1	Percentage of new suppliers that were screened using environmental criteria	<p><b>2.1 Sustainability Strategy</b>                  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, in order to best answer to this indicator.</p>	NO
308-2	Significant actual and potential negative environmental impacts in the supply chain and actions taken	<p><b>2.1 Sustainability Strategy</b>                  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, in order to best answer to this indicator.</p>	NO

<b>DISCLOSURE</b>	<b>LOCATION</b>	<b>ASSURANCE</b>
-------------------	-----------------	------------------

**GRI 400 – SOCIAL DISCLOSURES**

**GRI 403 – OCCUPATIONAL HEALTH AND SAFETY**

		<p><b>3.6 Occupational Health and Safety</b></p>																																																																																																																																	
		<table border="1"> <thead> <tr> <th rowspan="3"></th> <th colspan="9">SOVENA GROUP</th> </tr> <tr> <th colspan="3">2016</th> <th colspan="3">2017</th> <th colspan="3">2018</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Total</th> <th>Male</th> <th>Female</th> <th>Total</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Accidents/Injuries (n.º)</td> <td>102</td> <td>34</td> <td>136</td> <td>79</td> <td>37</td> <td>116</td> <td>40</td> <td>19</td> <td>59</td> </tr> <tr> <td>Accidents/injuries resulting in absence (n.º)</td> <td>64</td> <td>9</td> <td>73</td> <td>37</td> <td>18</td> <td>55</td> <td>22</td> <td>8</td> <td>30</td> </tr> <tr> <td>Days lost (n.º)</td> <td>2,543</td> <td>319</td> <td>2,862</td> <td>1,529</td> <td>371</td> <td>1,900</td> <td>937</td> <td>287</td> <td>1,224</td> </tr> <tr> <td>Fatalities (n.º)</td> <td>1</td> <td>0</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Occupational diseases (n.º)</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Absentee (hours)*</td> <td>79,642</td> <td>34,269</td> <td>113,911</td> <td>100,435</td> <td>34,500</td> <td>134,935</td> <td>50,492</td> <td>22,064</td> <td>72,556</td> </tr> <tr> <td>Injury Rate (IR)</td> <td>0.00008</td> <td>0.00007</td> <td>0.00008</td> <td>0.000070</td> <td>0.000116</td> <td>0.000080</td> <td>0.00005</td> <td>0.00008</td> <td>0.00006</td> </tr> <tr> <td>Occupational Disease Rate (ODR)</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Lost Day Rate (LDR)</td> <td>0.00192</td> <td>0.00064</td> <td>0.00157</td> <td>0.00125</td> <td>0.00107</td> <td>0.00121</td> <td>0.00118</td> <td>0.00107</td> <td>0.00115</td> </tr> <tr> <td>Absentee Rate (AR)</td> <td>6.02%</td> <td>6.83%</td> <td>6.25%</td> <td>8.24%</td> <td>9.96%</td> <td>8.62%</td> <td>6.34%</td> <td>8.22%</td> <td>6.81%</td> </tr> </tbody> </table> <p>Note: scope of data includes SCG Portugal; SCG Spain; SO Portugal; SO Spain; Sovena USA; Sovena Spain - Olives and Sovena MENA.</p>		SOVENA GROUP									2016			2017			2018			Male	Female	Total	Male	Female	Total	Male	Female	Total	Accidents/Injuries (n.º)	102	34	136	79	37	116	40	19	59	Accidents/injuries resulting in absence (n.º)	64	9	73	37	18	55	22	8	30	Days lost (n.º)	2,543	319	2,862	1,529	371	1,900	937	287	1,224	Fatalities (n.º)	1	0	1	0	0	0	0	0	0	Occupational diseases (n.º)	0	0	0	0	0	0	0	0	0	Absentee (hours)*	79,642	34,269	113,911	100,435	34,500	134,935	50,492	22,064	72,556	Injury Rate (IR)	0.00008	0.00007	0.00008	0.000070	0.000116	0.000080	0.00005	0.00008	0.00006	Occupational Disease Rate (ODR)	0	0	0	0	0	0	0	0	0	Lost Day Rate (LDR)	0.00192	0.00064	0.00157	0.00125	0.00107	0.00121	0.00118	0.00107	0.00115	Absentee Rate (AR)	6.02%	6.83%	6.25%	8.24%	9.96%	8.62%	6.34%	8.22%	6.81%	NO
	SOVENA GROUP																																																																																																																																		
	2016			2017			2018																																																																																																																												
	Male	Female	Total	Male	Female	Total	Male	Female	Total																																																																																																																										
Accidents/Injuries (n.º)	102	34	136	79	37	116	40	19	59																																																																																																																										
Accidents/injuries resulting in absence (n.º)	64	9	73	37	18	55	22	8	30																																																																																																																										
Days lost (n.º)	2,543	319	2,862	1,529	371	1,900	937	287	1,224																																																																																																																										
Fatalities (n.º)	1	0	1	0	0	0	0	0	0																																																																																																																										
Occupational diseases (n.º)	0	0	0	0	0	0	0	0	0																																																																																																																										
Absentee (hours)*	79,642	34,269	113,911	100,435	34,500	134,935	50,492	22,064	72,556																																																																																																																										
Injury Rate (IR)	0.00008	0.00007	0.00008	0.000070	0.000116	0.000080	0.00005	0.00008	0.00006																																																																																																																										
Occupational Disease Rate (ODR)	0	0	0	0	0	0	0	0	0																																																																																																																										
Lost Day Rate (LDR)	0.00192	0.00064	0.00157	0.00125	0.00107	0.00121	0.00118	0.00107	0.00115																																																																																																																										
Absentee Rate (AR)	6.02%	6.83%	6.25%	8.24%	9.96%	8.62%	6.34%	8.22%	6.81%																																																																																																																										
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities																																																																																																																																		
403-3	Workers with high incidence or high risk of diseases related to their occupation	<p><b>3.6 Occupational Health and Safety</b></p>	NO																																																																																																																																

MATERIAL TOPIC: GRI 404 – TRAINING AND EDUCATION

Management Approach		<b>2.1 Sustainability Strategy</b> <b>3.5 Human Capital Development</b>						NO		
		<p><b>103-1:</b> According to its materiality matrix and sustainability strategy, and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>								
404-1	Average hours of training per year per employee by gender, and by employee category	<b>SOVENA GROUP</b>						NO		
		<b>3.5 Human Capital development</b>		<b>2016</b>		<b>2017</b>			<b>2018</b>	
			<b>Hours</b>	<b>H/employee</b>	<b>Hours</b>	<b>H/employee</b>	<b>Hours</b>		<b>H/employee</b>	
		<b>Managers</b>	<b>725</b>	<b>9.7</b>	<b>359</b>	<b>5.1</b>	<b>205</b>		<b>3</b>	
		Male	643	10.9	297	5.3	164		3	
		Female	82	5.1	63	4.5	41		3	
		<b>Manag. support technicians</b>	<b>1,425</b>	<b>8.0</b>	<b>875</b>	<b>5.5</b>	<b>496</b>		<b>5</b>	
		Male	818	7.3	471	5.3	298		5	
		Female	607	9.0	404	5.8	198		4	
		<b>Commercial staff</b>	<b>182</b>	<b>9.6</b>	<b>61</b>	<b>2.5</b>	<b>27</b>		<b>2</b>	
		Male	93	6.2	45	3.5	21		3	
		Female	89	22.3	16	1.5	6		1	
		<b>Administrative staff</b>	<b>902</b>	<b>7.6</b>	<b>212</b>	<b>1.7</b>	<b>275</b>		<b>5</b>	
		Male	350	7.1	63	1.3	14		1	
		Female	552	7.9	150	2.0	161		7	
		<b>Manufacturing operators</b>	<b>5,037</b>	<b>7.5</b>	<b>3,400</b>	<b>5.3</b>	<b>2,156</b>		<b>5</b>	
		Male	3,663	7.1	3,600	5.1	1,721		5	
Female	1,374	9.0	1,307	6.8	435	5				
<b>TOTAL</b>	<b>8,271</b>	<b>7.8</b>	<b>4,907</b>	<b>4.8</b>	<b>3,159</b>	<b>4</b>				

**MATERIAL TOPIC: GRI 405 - DIVERSITY AND EQUAL OPPORTUNITY**

Management Approach		<p><b>2.1 Sustainability Strategy</b>  <b>3.5 Human Capital Development</b></p> <p><b>103-1:</b> According to its materiality matrix and sustainability strategy, and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>						NO																																																																																																																																																																									
		405-1		Diversity of governance bodies and employees		<p><b>3.5 Human Capital Development</b></p> <table border="1"> <thead> <tr> <th colspan="7">2016</th> </tr> <tr> <th></th> <th>Male</th> <th>Female</th> <th>TOTAL</th> <th>&lt;30</th> <th>30-50</th> <th>&gt;50</th> </tr> </thead> <tbody> <tr> <td>Managers</td> <td>57</td> <td>17</td> <td>74</td> <td>0</td> <td>53</td> <td>19</td> </tr> <tr> <td>Management support technicians</td> <td>117</td> <td>69</td> <td>186</td> <td>24</td> <td>132</td> <td>30</td> </tr> <tr> <td>Commercial staff</td> <td>15</td> <td>6</td> <td>21</td> <td>2</td> <td>12</td> <td>7</td> </tr> <tr> <td>Administrative staff</td> <td>58</td> <td>79</td> <td>137</td> <td>25</td> <td>74</td> <td>39</td> </tr> <tr> <td>Manufacturing operators</td> <td>542</td> <td>108</td> <td>650</td> <td>69</td> <td>385</td> <td>197</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>789</b></td> <td><b>279</b></td> <td><b>1,068</b></td> <td><b>120</b></td> <td><b>655</b></td> <td><b>292</b></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="7">2017</th> </tr> <tr> <th></th> <th>Male</th> <th>Female</th> <th>TOTAL</th> <th>&lt;30</th> <th>30-50</th> <th>&gt;50</th> </tr> </thead> <tbody> <tr> <td>Managers</td> <td>56</td> <td>14</td> <td>70</td> <td>1</td> <td>50</td> <td>19</td> </tr> <tr> <td>Management support technicians</td> <td>92</td> <td>70</td> <td>162</td> <td>15</td> <td>119</td> <td>27</td> </tr> <tr> <td>Commercial staff</td> <td>14</td> <td>11</td> <td>25</td> <td>7</td> <td>13</td> <td>5</td> </tr> <tr> <td>Administrative staff</td> <td>43</td> <td>66</td> <td>109</td> <td>22</td> <td>54</td> <td>33</td> </tr> <tr> <td>Manufacturing operators</td> <td>545</td> <td>110</td> <td>650</td> <td>53</td> <td>373</td> <td>221</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>751</b></td> <td><b>270</b></td> <td><b>1,021</b></td> <td><b>107</b></td> <td><b>609</b></td> <td><b>305</b></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="7">2018</th> </tr> <tr> <th></th> <th>Male</th> <th>Female</th> <th>TOTAL</th> <th>&lt;30</th> <th>30-50</th> <th>&gt;50</th> </tr> </thead> <tbody> <tr> <td>Managers</td> <td>61</td> <td>17</td> <td>78</td> <td>1</td> <td>61</td> <td>16</td> </tr> <tr> <td>Management support technicians</td> <td>78</td> <td>64</td> <td>142</td> <td>13</td> <td>103</td> <td>26</td> </tr> <tr> <td>Commercial staff</td> <td>15</td> <td>12</td> <td>27</td> <td>8</td> <td>14</td> <td>5</td> </tr> <tr> <td>Administrative staff</td> <td>63</td> <td>93</td> <td>156</td> <td>39</td> <td>82</td> <td>35</td> </tr> <tr> <td>Manufacturing operators</td> <td>562</td> <td>115</td> <td>677</td> <td>72</td> <td>411</td> <td>192</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>779</b></td> <td><b>301</b></td> <td><b>1,080</b></td> <td><b>133</b></td> <td><b>671</b></td> <td><b>276</b></td> </tr> </tbody> </table>						2016								Male	Female	TOTAL	<30	30-50	>50	Managers	57	17	74	0	53	19	Management support technicians	117	69	186	24	132	30	Commercial staff	15	6	21	2	12	7	Administrative staff	58	79	137	25	74	39	Manufacturing operators	542	108	650	69	385	197	<b>TOTAL</b>	<b>789</b>	<b>279</b>	<b>1,068</b>	<b>120</b>	<b>655</b>	<b>292</b>	2017								Male	Female	TOTAL	<30	30-50	>50	Managers	56	14	70	1	50	19	Management support technicians	92	70	162	15	119	27	Commercial staff	14	11	25	7	13	5	Administrative staff	43	66	109	22	54	33	Manufacturing operators	545	110	650	53	373	221	<b>TOTAL</b>	<b>751</b>	<b>270</b>	<b>1,021</b>	<b>107</b>	<b>609</b>	<b>305</b>	2018								Male	Female	TOTAL	<30	30-50	>50	Managers	61	17	78	1	61	16	Management support technicians	78	64	142	13	103	26	Commercial staff	15	12	27	8	14	5	Administrative staff	63	93	156	39	82	35	Manufacturing operators	562	115	677	72	411	192	<b>TOTAL</b>	<b>779</b>	<b>301</b>	<b>1,080</b>	<b>133</b>
2016																																																																																																																																																																																	
	Male	Female	TOTAL	<30	30-50	>50																																																																																																																																																																											
Managers	57	17	74	0	53	19																																																																																																																																																																											
Management support technicians	117	69	186	24	132	30																																																																																																																																																																											
Commercial staff	15	6	21	2	12	7																																																																																																																																																																											
Administrative staff	58	79	137	25	74	39																																																																																																																																																																											
Manufacturing operators	542	108	650	69	385	197																																																																																																																																																																											
<b>TOTAL</b>	<b>789</b>	<b>279</b>	<b>1,068</b>	<b>120</b>	<b>655</b>	<b>292</b>																																																																																																																																																																											
2017																																																																																																																																																																																	
	Male	Female	TOTAL	<30	30-50	>50																																																																																																																																																																											
Managers	56	14	70	1	50	19																																																																																																																																																																											
Management support technicians	92	70	162	15	119	27																																																																																																																																																																											
Commercial staff	14	11	25	7	13	5																																																																																																																																																																											
Administrative staff	43	66	109	22	54	33																																																																																																																																																																											
Manufacturing operators	545	110	650	53	373	221																																																																																																																																																																											
<b>TOTAL</b>	<b>751</b>	<b>270</b>	<b>1,021</b>	<b>107</b>	<b>609</b>	<b>305</b>																																																																																																																																																																											
2018																																																																																																																																																																																	
	Male	Female	TOTAL	<30	30-50	>50																																																																																																																																																																											
Managers	61	17	78	1	61	16																																																																																																																																																																											
Management support technicians	78	64	142	13	103	26																																																																																																																																																																											
Commercial staff	15	12	27	8	14	5																																																																																																																																																																											
Administrative staff	63	93	156	39	82	35																																																																																																																																																																											
Manufacturing operators	562	115	677	72	411	192																																																																																																																																																																											
<b>TOTAL</b>	<b>779</b>	<b>301</b>	<b>1,080</b>	<b>133</b>	<b>671</b>	<b>276</b>																																																																																																																																																																											

**MATERIAL TOPIC: GRI 413 – LOCAL COMMUNITIES**

	<b>Management Approach</b>	<p><b>2.1 Sustainability Strategy</b>  <b>5.1 Promoting Health and Nutrition</b>  <b>5.2 Supporting Local Communities</b></p> <p><b>103-1:</b> According to its materiality matrix and sustainability strategy, and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>	NO
413-1	Operations with local community engagement, impact assessments, and development programs	<p><b>5.1 Promoting Health and Nutrition</b>  <b>5.2 Supporting Local Communities</b></p>	

**MATERIAL TOPIC: GRI 414 – SUPPLIER SOCIAL ASSESSMENT**

	<b>Management Approach</b>	<p><b>2.1 Sustainability Strategy</b></p> <p><b>103-1:</b> According to its materiality matrix and as part of its sustainability strategy, Sovena aims for a sustainable supply chain, working towards both environmental and social sustainability along Sovena’s value chain. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue.</p> <p><b>103-2:</b> Sovena is currently developing a formal supplier code and assessment, to be implemented along the Group’s supply chain.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>	NO
414-1	Percentage of new suppliers that were screened using social criteria.	See <a href="#">Suppliers Management and assessment</a> section	
414-2	Negative social impacts in the supply chain and actions taken	See <a href="#">Suppliers Management and assessment</a> section	

**MATERIAL TOPIC: GRI 416 – CUSTOMER HEALTH AND SAFETY**

<p>Management Approach</p>	<p><b>2.1 Sustainability Strategy</b>  <b>3.1 Food Safety/Certifications</b></p> <p><b>103-1:</b> According to its materiality matrix and sustainability strategy, and 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.</p> <p><b>103-2:</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.</p> <p><b>103-3:</b> Sovena measures and monitors the indicators associated with this aspect and reports 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.</p>	
<p>416-1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.</p>	<p><b>1.5 Value Chain</b>  <b>3.1 Food Safety/Certifications</b></p>	<p>NO</p>
<p>416-2 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.</p>	<p><b>3.1 Food Safety/Certifications</b></p> <p>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 Spain; Sovena Oilseeds Portugal, Sovena MENA, Sovena USA, Elaia and Sovena Spain - Olives.</p>	

## SECTORIAL PERFORMANCE INDICATORS – FOOD PROCESSING

### PROCUREMENT/SOURCING PRACTICES

FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	<p><b>3.1 Food safety/certifications</b></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. Suppliers are key for Sovena Group. Throughout all partnerships we can consolidate business with all our value chain. We select carefully all our partners based on their products, quality, supply chain efficiency, financial structure and effort to create a stable supply. We carry out several audits to potential suppliers and current suppliers as well (raw materials, packaging, chemicals, installations, certification norms, among others). To this end, Sovena counts with a group of wide experienced auditors, experts in different fields that cover almost all of the required know-how. We also valorize partnerships that create value through innovation.</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 the last three years and was sent back to the supplier.</p>	NO
-----	---	--	----

### HEALTHY AND AFFORDABLE FOOD

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.	<b>5.1 Promote health and nutrition</b>	NO
-----	---	---	----

### CUSTOMER HEALTH AND SAFETY

FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	<b>3.1 Food safety/certifications</b>	NO
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.	<b>5.1 Promote health and nutrition</b>	

### PRODUCT AND SERVICE LABELING

FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	<b>5.1 Promote health and nutrition</b>	NO
-----	---	---	----

## 6.2 Methodological notes

DISCLOSURE		DEFINITION/CALCULATION CRITERIA
201-1	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.
302-1	Diesel	2016/2017 Density of the fuel and Lower heating value (LHV) taken from Agência Portuguesa do Ambiente (APA), in table of fuel's density and in table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020, respectively.
		2018 Lower heating value (LHV) was taken from Agência Portuguesa do Ambiente (APA), in table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020, respectively. Density of the fuel was taken from Decreto-Lei nº 152-C/2017, de 11 de dezembro.
	LPG/Butane	2016/2017 Density of the fuel taken Galp Safety Data Sheet. LHV is taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020.
		2018 LHV is taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2019 and table of Low Heating Values/ Net Calorific Values (LHV/NCV) in Other Transformation Industry. Density of the fuel is taken from DEFRA (2018). Greenhouse gas reporting – Fuel Properties 2018.
	Natural Gas	2016/2018 LHV of the fuel taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020.
	305-1	Diesel
2018 CO <sub>2</sub> emission factor (EF) taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. CH <sub>4</sub> and N <sub>2</sub> O emission factors taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2019 and table of Default emissions factors of Greenhouse gases for combustion equipment in Manufacturing Industry.		
LPG/Butane		2016/2017 CO <sub>2</sub> EF taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020.
		2018 CO <sub>2</sub> emission factor (EF) taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. CO <sub>2</sub> , CH <sub>4</sub> and N <sub>2</sub> O emission factors taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2019 and table of Default emissions factors of Greenhouse gases for combustion equipment in Manufacturing Industry.
Natural Gas		2016/2017 CO <sub>2</sub> EF taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020.
		2018 CO <sub>2</sub> emission factor (EF) taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. CH <sub>4</sub> and N <sub>2</sub> O emission factors taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2019 and table of Default emissions factors of Greenhouse gases for combustion equipment in Manufacturing Industry.



DISCLOSURE		DEFINITION/CALCULATION CRITERIA
305-2	Electricity	CO <sub>2</sub> EF for Portugal, Spain, Tunisia, and Morocco, taken from International Energy Agency, in CO <sub>2</sub> Emissions from Fuel Combustion, 2015 Edition. CO <sub>2</sub> EF for USA taken from Environmental Protection Agency, in Emissions & Generation Resource Integrated Database (eGRID), 2017 Revised Release (v2).
	Steam	CO <sub>2</sub> EF taken from Diário da República, 2 <sup>nd</sup> Series - n.º 122 - June 26, 2008, Order n.º 17313/2008.
	Cold	CO <sub>2</sub> EF taken from Diário da República, 2 <sup>nd</sup> Series - n.º 122 - June 26, 2008, Order n.º 17313/2008.
403-2	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 = The measure of actual absentee days lost, expressed as a percentage of total days scheduled to be worked by workers for the same period.



YOU CAN FIND MORE INFORMATION AT [WWW.SOVENAGROUP.COM](http://WWW.SOVENAGROUP.COM)



WE WILL BE DELIGHTED TO RECEIVE YOUR FEEDBACK.  
PLEASE, SEND US AN EMAIL TO [SUSTAINABILITY@SOVENAGROUP.COM](mailto:SUSTAINABILITY@SOVENAGROUP.COM)

