2021 Sustainability Report

Commited for good

sovena

Feeding Futures

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We are committed to nature for good:
to preserve and protect it, developing
sustainable ways of production,
respecting its time and seasons.

We are committed to people for good:
to help them thrive and grow,
through education and equal
opportunities with the taste
of good food from farm to fork.

We are committed to the future for good:
embracing the 150 years old legacy
of Alfredo da Silva, who was a visionary,
passionate about industry and innovation,
and the greatest Portuguese entrepreneur
of his time, dedicated to creating a better
world by acting local.

Therefore, having our history always
present and our eyes set on the future,
we work every day so humans
and nature can be there for one another,
for generations to come.
And therefore we are committed.

Commited for good

Message from the CEO

One year after the start of the new strategic cycle on sustainability, our commitment Feeding Futures for a planet that prospers and for people that thrive is felt by everyone one of us. With the celebration of the 150 years of the birth of Alfredo da Silva it gained an even deeper responsibility, impelling us to keep working for a sustainable future.



JORGE DE MELO Sovena CEO

Being a responsible company is a permanent mission enhanced by the current background of challenges for business and people. We face the pressures in supply chains, the effects of climate change and biodiversity loss, the urgency of energy transition and local development, the dynamics of deserted and depopulated territories, and the necessary effort to build trust in our foods and diverse diets.

We are committed to studying, testing, innovating, and investing on how to produce food with the highest standards of quality and safety, that a large group of people can access, caring for each step from farm to plate. Throughout our entire value chain, we optimize the use of resources, never losing sight of social, environmental, and economic aspects. With openness and innovation, we build solutions alongside with our stakeholders, which in 2021 has taken us to new ventures, as investing in a pioneer global start-up that produces ecological detergents based on used cooking oils. Our scale reinforces our responsibility, but it also challenges our potential to make a difference, in the various markets we serve, with our employees, neighbours, and partners.

Our People have continuously shown resilience and dedication. It is important to safeguard their wellbeing and balance, to invest in their development, through the strengthening of internal communication, of the motivation and training of leaders, and through being a place of diversity and inclusion.

As you will read in this document, in 2021, we made great achievements in advancing our mission and made good progress across our key targets:

- the kick off of the Biodiversity and Ecosystem Services Management Plan
- 8% decrease in greenhouse gas emissions (scopes 1 and 2)
- 55% of electricity from renewable sources in our factories
- 19% of recycled PET (average incorporation) in Sovena brands plastic packaging
- the kick off of the EFR (Family Responsible Companies) certification for the unit in Portugal

During this year we have joined other organizations that address global sustainability challenges because we believe that only through a community of responsible companies it is possible to effectively contribute to generate global responses. We became a signatory of act4Nature of the BCSD Portugal, of the Global Commitment from the Ellen MacArthur Foundation and an active member of the Water Pact.
Over the years we have learned to value, the importance of participation, of being a part, of sharing and committing, yet also with the legacy we proudly carry.

A Thank you note to all those in our network that help us take our commitment further and have shared their reflections in this document. To those that every day, with unsurpassed effort and strong commitment, make another 150 years possible, my deepest gratitude. Together we will create a fair and sustainable future. We are committed for good.



JORGE DE MELO

Sustainability for good

We have a vision for our company, and we are forever committed to it. Every thought and action are meant to do good to nature, food, and people – our team, consumers, all our stakeholders.
It is through sustainability that we will be **feeding futures** today and tomorrow.

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Committed to a sustainable society

Feeding Futures for a planet that prospers and for people that thrive

We want to be part of the change and boost the necessary transition for the future of food, contributing to a more inclusive, prosperous, and sustainable society.

More than addressing and minimising impacts of our activities, we are committed to generating positive impacts and consistent improvements in our value chain.

Therefore, ensuring the highest standards of Quality and Food Safety certifications and implementing rigorous and best practices, while continuously investing in research, development, and innovation, represent the ongoing commitments of our path to the future.

The central elements of our strategy are:

- **For a prosperous planet:**
  - a responsible agriculture production,
  - a closer relationship with producers,
  - an efficient energy management, from by-products to the waste we generate.
- **For people to thrive:**
  - fostering employees' development and connection,
  - engaging local ecosystem,
  - encouraging informed food choices.

This vision for sustainability is reflected in our daily commitment to effectively address challenges and promote transformation. **This is our legacy.**



Our vision for sustainability is linked to our understanding about the future of food consumption. That is why our contribution is based on the principle of **feeding people and the planet in a sustainable way.**



Leading family-owned company, committed to the future of food

We develop and supply olive oil and seed oils.

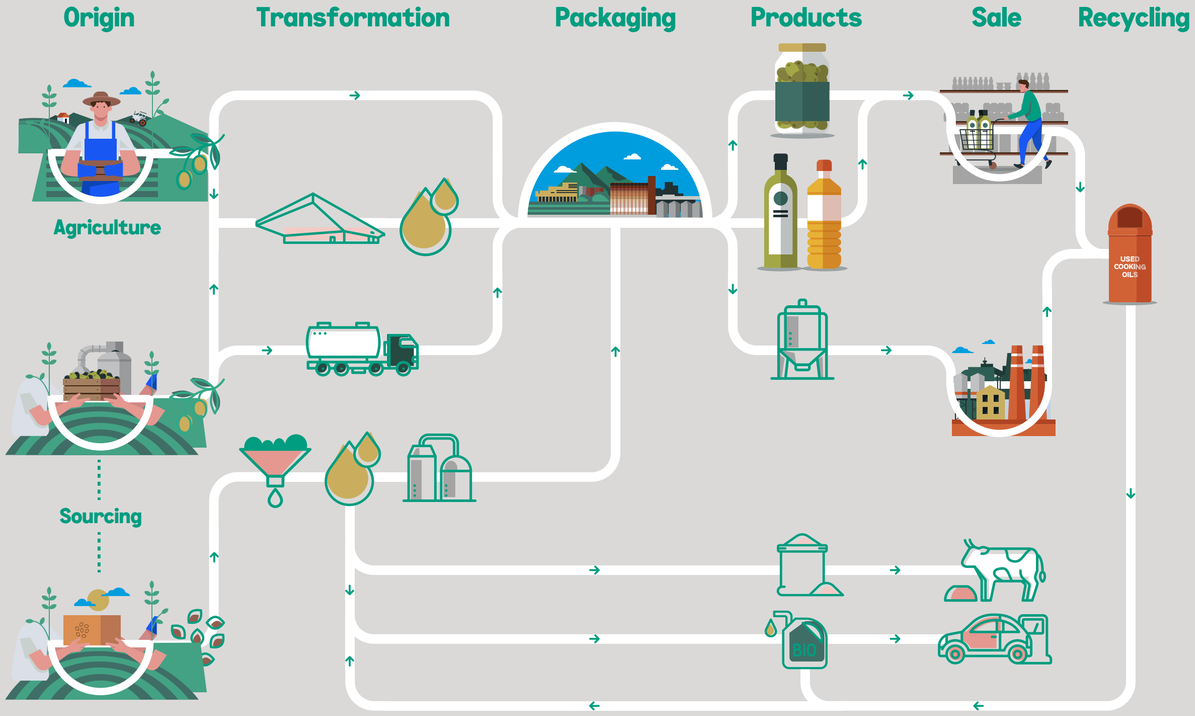
Sovena has unique experience and skills in the sector. The future of a company with such a long and meaningful history must be inevitably focused on the promotion of diverse and sustainable food consumption and the increase of its relevance.

Sovena operates in all stages of the value chain, from the origin of the product to extraction and refining, packaging and distribution to customers.

Each step of the process is carefully prepared and executed to ensure the best Quality and Food Safety standards on an ongoing and consistent basis.

Our business strategy and management is based on a set of beliefs and values that guides the company's presence in the market and drives its operations worldwide.

Discover more about the company history and the company beliefs and values.



45% Olive Oil

36% Cooking oils

4% Blends

5% Biodiesel

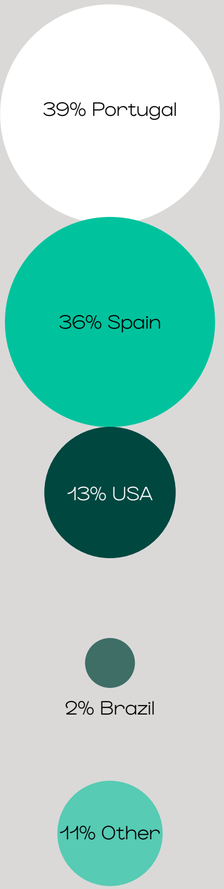
6% By-products (flours and others)

2% Services (façons and port activities)

1% Other products (table olives, vinegars, etc)

Proportion of turnover per type of product

+ 1,100 Employees



+ 2,000 Clients



€1,293 Million turnover (net sales)

+70 countries among destination markets

7,100 ha of olive groves (Portugal and Morocco)

240 ha Almond

11,122 ha Oilseeds (Portugal and Argentina)

8 Industrial Units

4 Mills

MORE DATA →

Produce food in a sustainable way

Integrated Production method in all Sovena's olive groves

+90%

water efficiency due to the use of Smart Irrigation system in our Olive Groves

900 ha

dedicated to conservation and biodiversity

Process efficiently, in a low carbon and circular way

1,150 kt

CO_2e Emissions (Scope 1, 2 and 3)



94%

waste produced found a second life



19%

R-PET incorporated in plastic bottles (Oliveira da Serra, Fula and Andorinha in the Portuguese, Spanish and Brazilian markets)

Foster employee's development and connection

14,500

Total number of training hours in 2021

1,100

Employees participated in the Sovena Get in Touch sessions

Engage and energize the local ecosystem

57%

spending with local suppliers

96%

local employment in agriculture

200 t

of donations in products

Encourage informed food choices and diverse diets

Nutrition appointments for employees and awareness campaigns for strengthening the immune system.

Launch of Feed magazine, whose purpose is to share information and knowledge about food trends worldwide, concerns related to food and the planet.

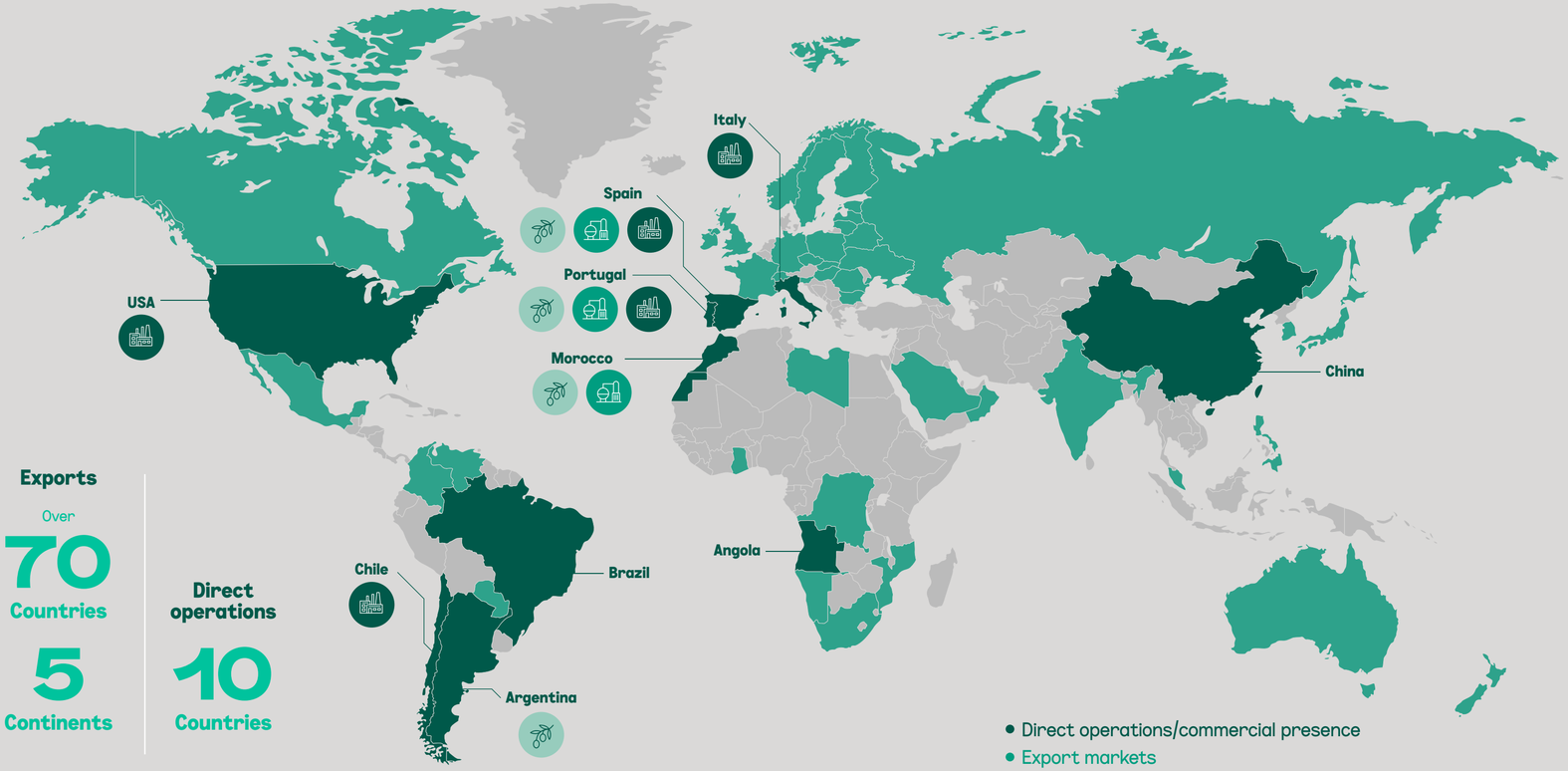
Relevant worldwide presence

We export to over 70 countries across five continents and have direct operations in ten countries.

With a strong international presence, through direct operations and commercial presence, Sovena is responsible for producing food products, that are consumed everyday around the world.

In several countries, Sovena has agricultural projects, mills, and factories. The industrial operations demonstrate Sovena's capacity in the areas of extraction, refining and packaging.

Discover more about company's production indicators in each country.



Exports

Over **70** Countries

5 Continents

Direct operations

10 Countries

Agricultural projects

7,110 ha
Olive groves

11,122 ha
Oilseed crops

Mills

TRANSFORMATION CAPACITY

2,450 t/day
Olives

STORAGE CAPACITY

9,080 t
Olive oil

Factories

EXTRACTION CAPACITY

2,650 t/day
Sunflower

1,650 t/day
Rapeseed

1,950 t/day
Soy

REFINING CAPACITY

1,325 t/day
Sunflower

565 t/day
Soy

200 t/day
Olive Oil

300 t/day
Biodiesel

PACKAGING CAPACITY

4,350,000 l/day

Purposeful brands

Our portfolio is composed of strong brands that tell stories and are committed to making a positive impact, each one giving life to Sovena's purpose: "Feeding Futures".

Our brands are strongly established - some of them are market leaders - and they meet several needs in terms of products, formats, and origins, while being suited to various cultures and consumption situations. Consumers recognise them as reliable, accessible, differentiated and of high quality. The whole series of awards and prizes our brands received over time give us an additional responsibility in continuing the legacy of purposeful brands.



Brands as the means to accelerate the evolution of food globally

Knowing that the brands play a powerful role in giving life to Sovena's purpose "Feeding Futures", each core brand established its dimensions for a positive impact in society.

Awards that make us proud

Once again, Sovena's olive oils have received a series of awards in national and international competitions, reaching 581 awards in 2021.

Oliveira da Serra

Committed to creating a positive impact on the entire food cycle.

SUSTAINABILITY



We have always been of the earth. We grew with every olive tree we planted, we harvested the fruits of our ambition and produced the best olive oil in the world. But making good products is no longer enough. The earth is changing, and brands like ours must change for its sake. People have never been so informed and aware. They are no longer consumers, but nurturers, who do their bit, even in the smallest choices. Offering a good product is not just about being the best. It's also about doing the best we can, in and out of the bottle. Impacting the entire food cycle. That's why we are proactive, optimistic and transparent, along the whole chain, nurturing regenerative conversations with nature and unfiltered dialogues with people. We believe that a good product is a product that does good: to our and, to those who work it to all those who choose us and, above all, to the planet. Our brand tells our story and inspires our future. We have always been of the earth. Now we are from the earth to the Earth.

Oliveira da Serra. Good for the earth.

Fula

Committed to inspiring a more diverse and inclusive feeding future.

INCLUSION & DIVERSITY



Today I woke up different.

All because of a little word that says a lot: more.

I need more flavour, and to know more. I don't just want more of the same. I also want more of others. It's not a question of choosing between this or that. It is an uncontrollable urge to add this, that, those and even more!

Because with more points of view, comes more knowledge. More access brings more people together. More curiosity breeds more innovation. More ingredients bring more nutrition. More experiences lead to more stories. More solutions lead to more well-being. More awareness is more impact. More inclusion is more diversity.

Fula. Ready to experiment?

Andorinha

Committed to positively transform people's relationship with food.

EDUCATION



We believe in real food and in the power that cooking can have in our lives. Swallows are said to symbolise love, freedom and loyalty. We could not, therefore, choose a better representation. After all, these are the feelings that drive us and that guide us to always do more and better, putting quality, care and attention to the food you consume, every day.

Our ambition is to help you think about food. And we believe that access to information, with transparency and care, is a big step towards changing our habits. Thus, we continue with our purpose of positively transforming people's relationship with food. We want everyone to be increasingly aware of what they eat, either by learning something new or even by giving a new meaning or recovering old knowledge. After all, knowing and recognising what you consume is liberating and transformative.

Brands committed to addressing customer's needs

Sovena is also the world's largest supplier of private-label olive oils, with deliveries in any part of the world. Our products meet the needs of our customers with a broad portfolio of oils, including different olive oil profiles and origins. We also have diversified formats and production lines that are compatible with more than 70 different types of packaging and sizes.

Some of the other Sovena's brands

Fontoliva • Soleada • Fontasol • Flor • Frigi Córdoba • Vêgê • GEM • Olivari • Tri-Fri

Discover more about Sovena brands.

Common ground

Over the years, Sovena has been following an extremely demanding approach to Quality and Food Safety. This framework, along with an innovative dimension intended to challenge the *status quo* of performance, reflects the way the company works.

Ensuring the legacy of Quality and Food Safety

2021 has been marked, beyond current activities, by a consistent and systematic effort to enhance the company's quality and food safety profile both internally and externally.

Internally, we expanded the dissemination of legal, technical and scientific information, as a way to develop expertise on relevant topics as food safety, health and sustainability, at the same time fostering greater involvement, communication, best practices and better performance.

In line with that, we promoted the dissemination of these topics and of the experience of the Sovena Group with external stakeholders, in particular:

- Tailor-made Quality agreements with specific suppliers,
- Technical support to strategic small-size suppliers,
- Update of alerts and risks of food safety and technical support on a wider range of issues for clients,
- Best practices dissemination and follow-up meetings on Quality incidents, new products and sustainability initiatives among our olive oil suppliers.



The most relevant business as usual is Quality and Food Safety

Quality and Food Safety management begins with the selection of our suppliers, who have to comply with a predefined set of requirements, be capable of using the most advanced technology and aspire to be part of an ongoing process to forge a working and committed partnership. This ensures the provision of the best products and the best level of service, through a consistently rigorous approach, knowing that an increasingly complex environment of policies as well as legal and market requirements also demand a broad and dynamic perspective.

Daily, our Quality Management approach is a global standard procedure, that assures:



Quality and Food Safety Policy

Through standardised procedures and criteria in all factories, ensuring the best products to its customers.



Risk assessment

Through implementing Quality and Food Safety control systems and preventing, identifying, and eliminating risks of contamination or fraud.

733
Potential risks analysed



Traceability

In the entire value chain, from farmers to customers.



Quality and Food Safety Certifications

Of our processes, products, and services according to international standards, thus ensuring secure access to the market.

Discover more about **Sovena's Safety and Quality Policy.**

The governing principles in the relations throughout the value chain

With the Sovena Group's revised and published Code of Ethics and Conduct, we set the basic ethical principles for operations and for the relationships between the several players of the value chain, regarding social and environmental aspects and business conduct. This revision allowed a better enforcement of the code in all geographies. It is now available in Portuguese, Spanish and English and was shared with our main stakeholders.

The Sourcing and Purchasing Policy was also reviewed and published and includes a set of standards that our suppliers have to comply with, to assure the responsibility and sustainability on the entire supply chain. Corporate Sustainability is identified as a commitment and requirement.

Discover more about **Code of Ethics and Conduct** and **Sourcing and Purchasing Policy.**

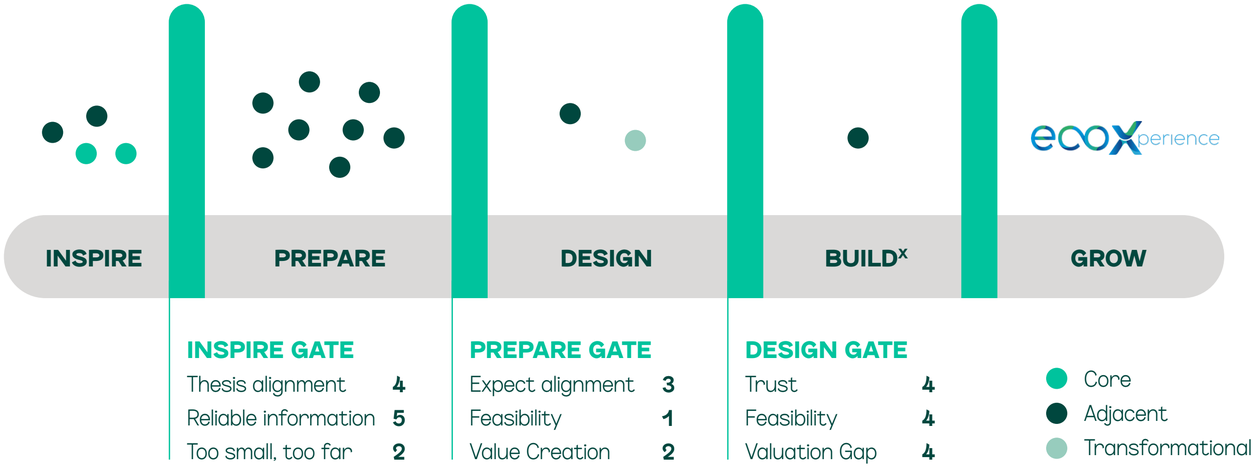




Feeding Futures on Innovation

The Feeding Futures Lab programme aims at creating value and relevance by assessing the context and the best solutions to lead to a healthier and more sustainable future.

With this initiative, Sovena added a new venture to its portfolio: **EcoXperience**, a company anchored to the circular economy. Integrating Sovena's current value chain in the process, this Portuguese based business that produces ecological detergent from used cooking oils.



Our day-to-day innovation encompasses not only new products and business models, but also the continuous improvement of our core activities, such as:

Agricultural practices in the context of climate change
we use knowledge, technology and innovation to trace the status of our crops, allowing us to adjust the use of all the resources.
(see chapter **"Produce food in a sustainable way"** and **Nutrifarms**)

Development of a rapid analysis tools
tools for the organoleptic classification of olive oil, allowing greater reliability.

Increase of self-provisioning
through the promotion of rapeseed cultivation
(see chapter **"Engage and energise the local ecosystem"**)

R&D investment over **€ 7,3 M** since 2017

Searching for new solutions for our by-products
The recovery of value-added compounds and the development of sustainable materials are some of the ways to follow.

Development of new packaging solutions
with our suppliers to increase the recyclability/circularity of all components without compromising product quality.

2021

At a glance

We joined the BCSD Portugal - Business Council for Sustainable Development, a leading business association with more than 100 companies committed to the transition to sustainability over the last 20 years.

We joined act4nature Portugal, an initiative of BCSD Portugal to mobilise its members to helping stop biodiversity loss and restore ecosystem services by 2030.

The 2021 **Global Commitment** progress report demonstrates Sovena's commitment to reduce the consumption of virgin plastic, with an overall reduction of 5%, including incorporation of recycled and effective reduction.

Sovena is among the +150 leading businesses and organisations recognising that absent Extended Producer Responsibility (EPR), packaging collection and recycling is unlikely to be meaningfully scaled and tens of millions of tonnes of packaging will continue to end up in the environment every year.



We participated in the study T**he use of water in Portugal**, funded by the Calouste Gulbenkian Foundation and are part of one working group of the Water Pact, of which we are a member.

Our "Code of Ethics and Conduct" was revised and published. Acting in accordance with the revised Code will contribute to improving the smooth running of the company, and to maintaining a respectful work environment and culture.



In Brenes, the new of photovoltaic installation panels started production in August 2021, represents around 15% of the factory's total annual electricity consumption.

Due to the growing challenge of land transport in the USA, we have optimised the logistics of supply to the market, by opening a new industrial installation n Modesto, in the West Coast, thus enabling us to reduce inland transportation costs and increase the quality of our delivery service to our clients.

Sovena replaced 250 ton of virgin plastic by recycled in the packaging of Oliveira da Serra and Fula.

Our internal communication initiative **Sovena Get in Touch, time to talk about Sovena**, had a very strong involvement in 2021, allowing to strengthen shared knowledge, collaboration, and team spirit.

In 2021, we started the process to obtain efr Certificate: Family Responsible Companies.

Our development program **Growing Future Leaders**, in partnership with the San Telmo Business School, prepared 41 managers, with management and leadership skills, for the challenges of the future.

We launched the first olive oil in the world 100% focused on social businesses (Revoa Project) in partnership with Yunus Social Business.

We invested in **EcoXperience**, a pioneering global start-up that produces ecological detergents from used cooking oils.

Through the close work with Amélia de Mello Foundation, that is aimed at promoting access to education, Sovena granted five Bachelor's and two Master's scholarships to employees and their children with financial difficulties, through a scholarship award process.

We are commited

Led by Ellen MacArthur Foundation, in collaboration with the UN Environment Programme, the **Global Commitment** has united more than 500 organisations behind a common vision of a circular economy for plastics.

An initiative promoted by BCSD Portugal, within the scope of **act4nature** international, with the aim of mobilizing companies to protect, promote and restore biodiversity.

Unidos Contra o Desperdício is a movement that aims to draw attention to food waste and find a way to reduce it.

Water Management Pact is an initiative dedicated to place the topic of water at the centre of the Portuguese national agenda. The partner entities commit to the adoption of more sustainable measures for a more efficient management of water.

Rumo à COP26 is a Manifesto signed by a group of Portuguese companies, promoted by BCSD Portugal, to declare the ambition to contribute to a sustainable development model.



Transformations for good

Our strategy leads our actions, enhancing our feeding futures purpose every step of the way. Thinking about sustainability is not enough. To be positively transformative, we must plan it and make it happen.

OUR COMMITMENTS AND PROGRESS → 20

Our commitments and progress

We want to actively contribute to feed the future of our planet and people

FEEDING FUTURES FOR A PLANET THAT PROSPERS AND FOR PEOPLE THAT THRIVE is a strategy that promotes increasingly diverse and sustainable diets through the quality and innovation of our products, through agriculture that protects nature and through efficient and circular transformation. To achieve it, we strive to unite engaged and connected employees, an energised community, and informed consumers with diverse diets.





We are engaged in contributing with our strategy and action plan, to the **United Nations Sustainable Development Goals**, specially those aligned with our strategy and to which we contribute more strongly with our actions.

To ensure the success of our strategy we rely on three key enablers: the highest **QUALITY** and **FOOD SAFETY** standards as an imperative of Sovena's practices and a strong **INNOVATION** and **DEVELOPMENT** culture that help us to achieve our goals quickly and efficiently.

Discover more about the latest materiality assessment that informed our new strategy .

The roadmap that takes us further and enhances our commitment.

FOR A PLANET THAT PROSPERS

Commitments	Goals	Key action	KPI	Targets 2021	2022	2023
Produce food in a sustainable way						
Contribute to sustainable food production, maintaining soil health and preserving water and biodiversity	Improve biodiversity, soil health, water preservation	Define and implement Natural Values Management Plan on the farms (2023-25)	Development of the Natural Values Management Plan	30%	60%	100%
	Improve biodiversity, soil health, water preservation and responsible use of phytopharmaceuticals	Adopt and implement measures in EDIA's "Guide to Good Agro-Environmental Practices"	% of the area that complies with at least 50% of the applicable measures	20%	40%	60%
Collaborate with our suppliers to ensure sustainable purchasing	Sustainable sourcing	Sourcing Policy endorsement	% suppliers that endorse the Purchasing Policy	50%	90%	100%
		Increase the proportion of FSC-certified materials purchased	% FSC-certified cardboard boxes Baseline year:2020	40%	50%	55%
Process in an efficient, low carbon and circular way						
Reduce the ecological footprint of our activity, through efficiency in the use of natural resources, energy transition and reduction of GHG emissions, promoting the circularity of our by-products and packaging	Reduce carbon emissions by 30%	Define a plan to guarantee scope 1 and 2 emissions reduction	GHG emissions (tonnes) scope 1 and 2 Baseline year: 2020	85,000	70,000	60,000
	Transition to green electricity	Electricity supply agreement renegotiation + expansion of solar panels installation in our plants	% electricity consumed from renewable sources (purchased and produced) Baseline year: 2020	55%	80%	100%
	Improve circularity	Incorporation of recycled PET in packaging (Sovena brands)	% of recycled PET into packaging Baseline year: 2019	30%	40%	50%

Sustainable Development Goals specific targets
to which Sovena's sustainability strategy aims to contribute

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

Ensure availability and sustainable management of water and sanitation for all

6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

Ensure sustainable consumption and production patterns

12.2 By 2030, achieve the sustainable management and efficient use of natural resources.
12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.
15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Ensure availability and sustainable management of water and sanitation for all

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

Ensure access to affordable, reliable, sustainable and modern energy for all

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
7.3 By 2030, double the global rate of improvement in energy efficiency.

Ensure sustainable consumption and production patterns

12.2 By 2030, achieve the sustainable management and efficient use of natural resources.
12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Take urgent action to combat climate change and its impacts

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

FOR PEOPLE THAT THRIVE

Commitments	Goals	Key action	KPI	Targets 2021	2022	2023	Sustainable Development Goals specific targets to which Sovena's sustainability strategy aims to contribute
Foster employee's development and connection							
Guarantee the development and well-being of our employees, promoting inclusion and diversity	Development/ Learning / Circulate knowledge	Development and training of our people with an increase in the total number of training hours	% of increase in the total number of training hours	5%	10%	15%	**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Promote work life balance	EFR Certification (Empresas Familiarmente Responsáveis) – work life balance – Portugal pilot	Certification for Portugal (pilot)		100%		
	Promote People Well-being	Employee Assistant Programme (social and psychologic support)	% of employees with access to the programme Baseline year: 2020	70%	90%	100%	
Engage and energise the local ecosystem							
Promote initiatives and support projects that foster the local dynamic of the places where Sovena is located	Promote social innovation projects	Promote and develop Social Innovation Projects in rural areas (Portugal + Spain)	Number of municipalities covered	2	3	4	**End hunger, achieve food security and improved nutrition and promote sustainable agriculture** 2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
		Finance the acceleration of social innovation projects (that foster food security and accessibility) – Project Revoa (Brazil, northeast region)	Number of social businesses accelerated	2	6	4	**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Foster sunflower crop competitiveness	Oleoprecision: presentation of the application, promotion of its use and implementation of new modules	Number of farmers involved	100	300	500	**Ensure sustainable consumption and production patterns** 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.
Encourage informed food choices and diverse diets							
Promote trust in our foods and diverse diets	Improve employee's awareness on nutrition	Nutrition programme for employees (consultations + campaigns)	% of employees with access to the programme Baseline year: 2020	30%	60%	100%	**Ensure healthy lives and promote well-being for all at all ages** 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.
	Disseminate products nutritional information	Nutritionists and doctors' programme in Brazil	Number of contacted professionals	1,310	1,343	1,376	**Ensure sustainable consumption and production patterns** 12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses. 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Our practices are also aligned with the European targets advocated in the Green Deal, Farm to Fork and Biodiversity strategy of the European Commission.

Actions for good

Despite the pandemic context, 2021 was a very rewarding year since we managed to give back to nature and the community, creating new measures, implementing actions, and innovating in every possible way to be more sustainable. It feels and tastes good to keep feeding futures.

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Produce food in a sustainable way

Food production is dependent on the ecosystem and its biodiversity, as well as soil health and water availability, and needs to be accessible to a growing population in a safe, nutritious, and sustainable way.

Our commitments

- Contribute to sustainable food production, maintaining soil health, preserving water and biodiversity
- Collaborate with our suppliers to ensure sustainable purchasing

Our targets and progression

ACTIONS	KPIs	TARGET 2021	ACHIEVED 2021	TARGET 2022	TARGET 2023
Define and implement the Natural Values Management Plan on the farms (2023-25)	Development of the Natural Values Management Plan	30%	**20%**	60%	100%
Adopt and implement measures in EDIA's "Guide to Good Agro-Environmental Practices"	% of the area that complies with at least 50% of the applicable measures	20%	**27%**	40%	60%
Sourcing policy endorsement	% suppliers that endorse the Purchasing policy	50%	**44%**	90%	100%
Increase the amount of FSC-certified materials purchased	% FSC-certified cardboard boxes Baseline year: 2020	40%	**71%**	50%	55%





In figures

7,100 ha
Olive groves

282 ha
Olive groves converted to organic production mode

240 ha
Almond plantation area
(Two new farms in 2021)

900 ha
Dedicated to nature conservation

458
local olive oil suppliers
90 in Portugal and 368 in Spain

96%
local employment in agriculture production

We apply state-of-the-art knowledge, technology and best practices. For this purpose, we seek out partnerships in research and innovation. Our farms become living laboratories for testing and analysis. We exercise very strict control over all resources, and we use resourceful monitoring systems that allow us to take care of every drop of water, soil, plant and the whole system.

Our achievements in 2021

Looking for soil, water and biodiversity

All farms in Portugal, including productive and conservation areas, are being studied under a **Natural Values Management Plan**. This plan outlines measures for the management and enhancement of all natural values: biodiversity, ecosystem services, endangered species, rare or threatened ecosystems and conservation areas. The work started at the end of 2021 and will be presented during 2022, along with a session for public discussion.

“ Developing and implementing a Natural Values Management Plan for all our farms is an exceptional step to farming for the future. This Plan includes biodiversity and ecosystems services as part of a greater scope: all relevant natural values shall be mapped and characterized. Measures for a sustainable management of both conservation and farming areas will be proposed and discussed with relevant stakeholders before being adopted. I hope this broad revision of the measures proposed strengthen the Plan and our actions towards sustainable food production. ”

ISABEL RIBEIRO Business Development, Sustainability & Innovation, Nutrifarms



Let's go organic!

We converted three olive groves spanning a total of 282 ha to organic production mode, located in three different regions (Avis, Fronteira and Évora). Having diverse contexts allow for a richer analysis of the plants and production cycle results.



How's our honey?

Beehives were placed in an integrated-production olive grove to verify whether contaminants were to be found in the honey (via pesticides) and to observe how the bee community behaved. The honey produced did not present any type of pesticide residue.



And we go on and on

In partnership with other organisations, we are participating in several trials and research initiatives to evaluate the benefits to biodiversity of having a biodiverse meadow between olive rows. Moreover, we continuously investigate new uses for our by-products. Sovena is aware of the challenge of processing olive pomace and is fully committed to finding improvements for its process.



Assessing and improving all the way

2021 marked the start of the **Farm Sustainability Assessment** on our farms. It will assess not only environmental as well as economic and social aspects resulting in a certification and a continuous improvement plan. Further developments will be shared during 2022.



Less and less water

Our precision irrigation system has been upgraded to ultraprecision and our weekly irrigation plans, already supplied with meteorological and soil moisture data, now have integrated information from satellite imagery and are being adjusted every five days. These images give us information about plants potentially under stress (which may be not only hydric), enabling us to locate them and assess the measures needed.

WATER: THE WAKE UP CALL TO THE RISK OF SCARCITY

The agricultural sector is responsible for the use of about 75% of the water consumed annually in Portugal. A high figure, certainly, but understandable in its context: like in other Mediterranean countries, irrigation is practised to compensate for the lack of rainfall during the hottest months of the year, thus ensuring crop productivity and profitability.
In a scenario where the regeneration and quality of existing water reserves is assured, this mobilisation of water by agriculture is not only relevant for the country's food sovereignty, but is also valued by its consumers, who recognise its quality and impact on the socio-economic development of local communities.

However, the climate context that we live in projects risks of scarcity in an increasingly near future, which forces us, as a society, to reflect on the planning and management of water in the long term, in the different hydrographic basins of the country. The public discussion on how to boost water reserves and their reuse is structural and fundamental. But no less important is to ensure that we use only the necessary water, without wasting it, even if for many the conditioned access to water may seem a distant hypothesis nowadays.

The agricultural sector, as a major user of the resource, is a priority in this exercise of precision. In addition to the value of empirical knowledge and the integration of increasingly directed irrigation systems, it is urgent to introduce a new way of doing agriculture, supported by technological innovation, which not only enhances an increasingly precise irrigation but also promotes an integrated view of resources, providing more resilient cultures. And while it is true that this path is being taken, with farmers who are true mentors of the economic, social and environmental benefits of change, there is an underlying training effort that must be accelerated because the measurement, monitoring and precision of water management do not yet reflect the standard of the sector in Portugal.

In this national purpose, the integrated commitment of the entire agri-food value chain is essential: from public policies, in the design of a sustained strategy to support capacity building; from companies that transform or commercialise food products, in the validation of efficient water use methods as a standard for the sector; from the final consumer who needs to be, first and foremost, awakened to the issue of water in the country so that they can recognise the effort to produce locally, with quality and without wasting resources.

For the joint transformation in the way we face and use water, necessary in the near future, giving voice to the good examples and supporting those who are further behind is above all to ensure that we can have more water for all.

FILIPA DIAS Author and coordinator of the study 'The use of Water in Portugal'
A C-Lab study for the Calouste Gulbenkian Foundation

Sovena participated in the study **"The use of water in Portugal"** and became a member of the Water Pact. We are also part of one of the working groups, contributing and sharing our views on the relevance of the efficient use of water for a sustainable agriculture and helping to place this topic at the centre of the national agenda.

act4nature
Empresas pela Biodiversidade

Sovena has signed the **Act for Nature Portugal, Business for Biodiversity**. We are aware of our role and actions in integrating nature into the business strategy and model, producing food in a sustainable way and contributing to biodiversity protection.

Discover more: Sovena's individual commitments.

The long-term partnerships with our suppliers are based on the production of the best quality raw materials, fair economic relations, and sustainable modes of production.

Sovena's Sourcing and Purchasing Policy was published and shared with our main stakeholders and current key suppliers. In all renewed or new contracts we ask the suppliers to endorse this policy, as well as the Code of Ethics and Conduct.

Key partners in this journey towards sustainable production: our suppliers

ON OLIVE OIL

We have been strengthening our relationship with suppliers that have embarked on their journey towards more sustainable practices or already have them in place or that follow circular economy programmes.

According to our principles of inclusiveness and flexibility, we work with large and small suppliers, seeking to assure fair price conditions, and to minimize disturbance for either side due to price evolution volatility. Logistically we work to minimize the transportation of olive oil, saving transport costs as well as reducing energy consumption while ensuring the highest quality standards.

ON OILSEEDS

Regarding oilseeds suppliers, some of our main initiatives are dedicated to building and sharing knowledge and experience. Please see the chapter "Engage and energize the local ecosystem" for more information on this subject.



Process in an efficient, low carbon and circular way

The use of less and cleaner energy, of less and more circular materials and water play a key role in enabling a sustainable food system and the necessary energy transition.

Our commitments

Reduce the ecological footprint of our activity, through efficiency in the use of natural resources, energy transition and reduction of GHG emissions, promoting the circularity of our by-products and packaging.

Our targets and progression

ACTIONS	KPIs	TARGET 2021	ACHIEVED 2021	TARGET 2022	TARGET 2023
Define a plan to guarantee scope 1 and 2 emissions reduction	GHG emissions (tonnes) scope 1 and 2	85,000	**79,331**	70,000	60,000
Electricity supply agreement renegotiation + expansion of solar panels installation in our plants	% electricity consumed from renewable sources (purchased and produced)	55%	**55%**	80%	100%
Incorporation of recycled PET in packaging (Sovena brands*)	% of recycled PET into packaging	30%	**19%**	40%	50%

* Sovena main brands comprehend olive oil and vegetable oils main brands (Oliveira da Serra, Fula and Andorinha) in the Portuguese, Spanish and Brazilian markets

In figures

2%
Direct emissions

5%
Electricity & steam

93%
Indirect emissions along the value chain

98 kt CO_2e
Carbon sink

1.30
GJ/€
thousands of net turnover
Energy intensity

0.89
t CO2e/€
thousands of net turnover
Emissions intensity

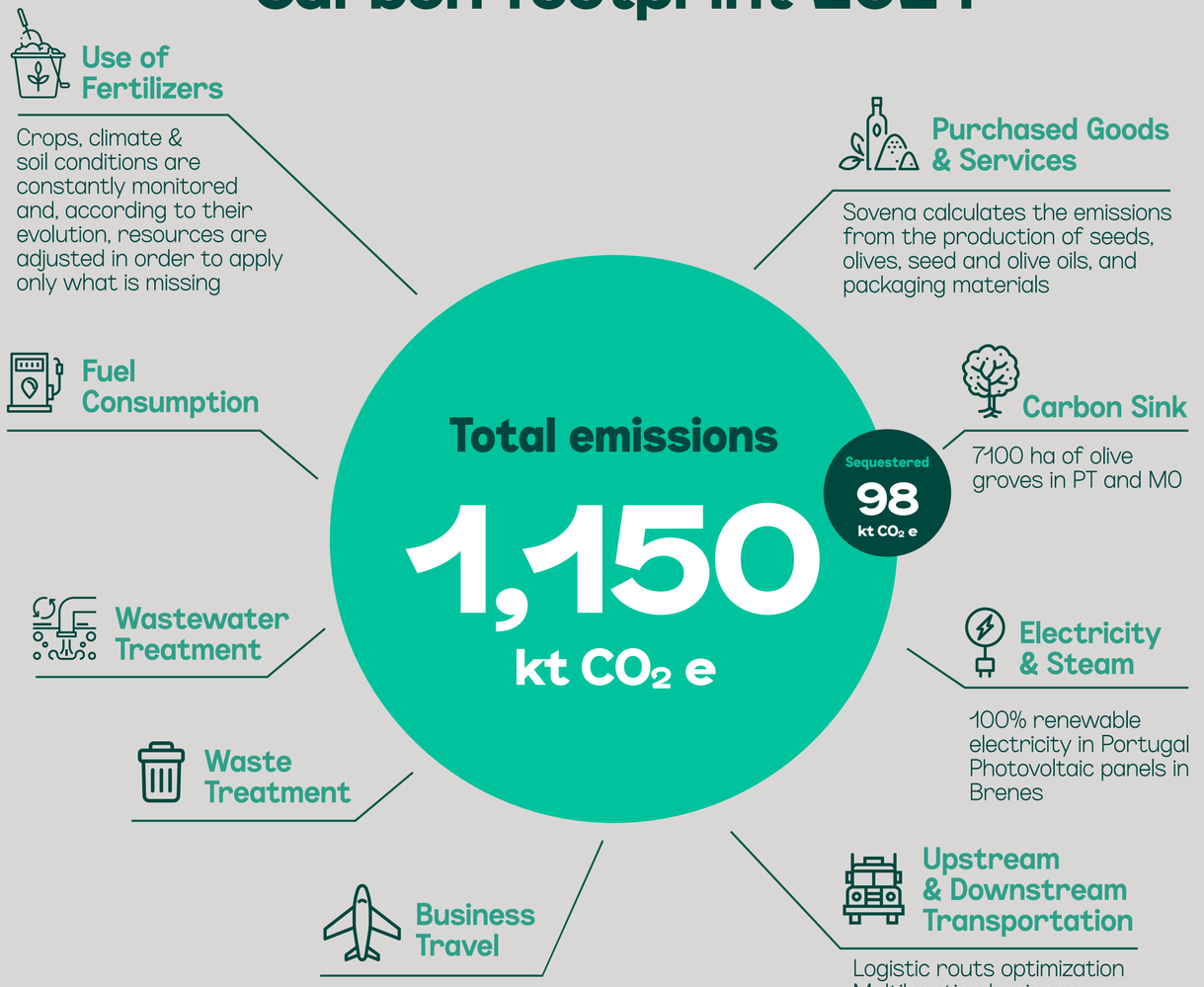
19%
of rPET
Oliveira da Serra, Fula and Andorinha in the Portuguese, Spanish and Brazilian markets

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“The vegetable oil production sector is an energy-intensive consumer, where about two thirds of the energy consumed is in the form of heat and one third in the form of electricity. Energy efficiency is one of the strategic priorities to reducing our carbon footprint and contributing to the European targets for reducing greenhouse gas emissions. To achieve excellence, we daily rely on an internal team of specialists, and systematically invest in the best available techniques and in the efficient use of natural resources.”

SARA RODRIGUES Environment and Energy

Carbon footprint 2021



Produced by: GET

Our achievements in 2021

In transition to renewable energy

Brenes factory
The new installation of photovoltaic panels started its production in August 2021. With a power of 1,4MWh, these new 3,475 modules have produced more than 500 MWh since August 2021. The total installation represents about 15% of the factory's total annual electricity consumption.

Barreiro factory
The photovoltaic panels project was launched in 2021 and will be installed in 2022. The electricity is meant for self-consumption and will be produced from 1,600 modules, with a total power of 0.86 MWp and an estimated coverage ratio of about 17% of the factory's total electricity consumption.

"Not taking advantage of the sun in Seville would be a waste of a very valuable resource. It is important to advance in our commitment to sustainability and eco-efficiency. Betting on photovoltaic for self-consumption helps us tackle the energy transition challenge."

MARIA BARROSO Refinery, Maintenance, and Investments



Also purchasing renewable electricity

The energy transition is made both through the production of renewable electricity, and through its purchase. The production and purchase of green energy certificates enabled us to reach the goal of 55% of electricity consumed from renewable sources, as outlined for 2021.

In 2021, the Brenes factory received a grant from the Agencia Andaluza de la Energía to optimize energy consumption at the plant.



Caring for water

Barreiro factory
Three grease separators for potentially contaminated rainwater and a grease separator for processing cooling water were installed to improving the wastewater environmental quality, with the aim of tripling the residence time for a more efficient separation of the fat content.

Andújar Factory
Following a study on the reuse of rejected water from the reverse osmosis plant, we aim to reduce the water consumption of the factory and also the discharges into the river by 15%.



Reduce the use of chemicals

Brenes factory
We intend to reduce the use of chemical reagents, by replacing conventional analytical techniques with more advanced ones, like infra-red technology.



Optimising to reduce energy consumption and waste

During 2021, our factory in Rome, U.S.A., reviewed several product references with the mission of lowering the set-up times, and by doing so, reducing energy consumption and waste. This measure implied working with clients to ensure less variation in terms of primary and secondary packaging, as well as labels.

In the U.S.A. we have optimise the logistics of supply to the market, due to the growing challenge of land transport, with the opening of a new industrial installation in Modesto, in the West Coast, which enables us to reduce inland transportation costs and increase the quality of our delivery service to our clients.

How circular is sunflower oil production process

To assess our circular performance, we applied the Circular Transition Indicators (CTI) framework (developed by WBCSD) to Fula sunflower oil. It is an easy-to-use tool, which allows to quantify the impact of the work we have been developing and to understand the areas we should act to increase the circularity of the process.

The outcome revealed a high level of global circularity (92%) resulting from the renewable nature of raw materials, the work done at the industrial level, as well as the search for sustainable uses for our by-products. The uncertain and low recycling rate of used cooking oils is the main barrier to a more circular process, which reinforces the need to continue working with consumers, in coordination with other stakeholders, to raise awareness of the importance of collecting and recycling. For our communication actions we use the back labels and the FULA website, among others.

In addition to biodiesel production (where used cooking oils are already a relevant raw material), we invested in EcoXperience, a pioneering global start-up that uses cooking oils to produce ecological detergents.

Your used cooking oil can also get a second life, so don't forget to recycle it by following these steps:



1. **Let the used oil cool down**
2. **Put it in a plastic bottle**
3. **Close the bottle tightly and deposit it in the cooking oil recycling bin**

> "With our participation in EcoX we take another step towards the valorisation of used cooking oils, promoting their conversion into detergents, with multiple domestic and industrial uses. One more initiative from SOVENA to promote the importance of circularity and recycling of cooking oils, so relevant for the sustainability of the whole value chain."

JOÃO BASTO New Ventures and Sustainability



More recycled plastic in our bottles

Sovena replaced 307 tons of virgin plastic (PET) by recycled (rPET) in its packaging.

Less plastic in our bottles

Several models of bottles were redesigned to reduce the amount of plastic, achieving a cut of 10 tonnes. There are ongoing projects aiming an additional reduction of around 30 tonnes in 2022.

Less pigments in plastic and less ink in labels to improved recyclability

In 2021, there was a 47% reduction in the use of black capsules when compared to 2020. We we also able to reduce the pigment in bottles, caps, labels, and secondary packaging (cardboard), as well as the number of inks used in the labels, through the halftone technique (which reduces the environmental impact and uses less ink).

Circularity in our tertiary packaging

Our logistics partner circular business model/ Our circular logistics business model allows significant savings in the use of natural resources, reusing wood pallets through a pooling service. Additionally, the wood is 100% certified by Sustainable Management Forest Systems and its environmental impacts are assessed throughout the entire product life cycle, allowing continuous improvement and the emission of a Sustainable Certificate since 2018, for Portugal and Spain logistics activities.

The New Plastics Economy Global Commitment – Ellen McArthur

Sovena joined the Ellen Macarthur Foundation's "The New Plastics Economy Global Commitment", which unites companies, governments and other organisations in a common vision and commitment to reduce and use plastic more rationally, reducing its impact on the planet. The 2021 Global Commitment progress report demonstrates Sovena's commitment to reduce the consumption of virgin plastic, with an overall reduction of 5%, including incorporation of recycled and effective reduction.

THE ROLE OF PACKAGING FOR A BETTER FUTURE

Food needs no introduction. It shapes us and, in turn, the way we feed ourselves shapes the world we live in. The food systems are responsible for one third of the global greenhouse gases emissions. The latest Intergovernmental Panel on Climate Change (IPCC) report is very clear: To avoid dramatic consequences, the world must cut emissions by half until 2030, but the current UN's forecast is a 14% increase. Planet Earth is reaching its best-by date – and food systems play a major role.

The good news is that the transition of global food systems towards sustainability is already happening. Last year, the EU's "Farm to Fork Strategy" for a fair, healthy and environmentally friendly food system was approved, and, at the UN Food Systems Summit, global leaders collaborated to advance and accelerate over 2000 solutions for a new deal for people, planet, and prosperity.

A quick shift towards low-carbon circular economy solutions is a huge challenge for the food processing and packaging industries. In a recent article, the World Economic Forum addresses these, stating that global food actors must drive innovation on processes, materials and end-of-life solutions that substantially reduce its ecological footprint. Innovation must go much beyond recycling, but it's not also just about new materials. For instance, food waste leads to food insecurity and is the number one item by volume entering landfills – leading to massive emissions. Ambient, long shelf-life solutions that keep food safe are key not only help to reduce carbon footprint, but also reduce food waste and enable food-insecure regions to store and access food for longer.

In this increasingly growing demanding context, companies must adopt Life Cycle Assessment or other holistic methodologies when to decide about the best solutions. For instance, if the recycled plastic market price doubles, as it happened last year, threatening targets set by the company, what would be the second-best solution? These methodologies are also very helpful for the full disclosure of the company's value chain, meaning to allow a new generation of labelling information, as the European Commission will demand very soon.

Oscar Wilde once wrote that "only fools don't judge by appearances". Indeed, only a very foolish company would neglect the importance of packaging and labelling for its future and for the future of the world. Fortunately, that's not the case of Sovena.

Congratulations for keeping it a strong commitment on your journey towards sustainability.

JOÃO WENGOROVIUS MENESES Secretary General of BCSD Portugal



Foster employees' development and connection

Our People take Sovena further and their everyday commitment is key. We are addressing our Peoples' expectations, by listen more and reinforcing internal communication, by investing in development of current and new skills, as well as the promotion of internal wellbeing and engagement.

Our commitments

Guarantee the development and wellbeing of our employees, promoting inclusion and diversity

Our targets and progression

ACTIONS	KPIs	TARGET 2021	ACHIEVED 2021	TARGET 2022	TARGET 2023
Development and training of our people with an increase in the total number of training hours	% of increase in the total number of training hours	5%	**145%** *	10%	15%
EFR Certification (Empresas Familiarmente Responsáveis) - work life balance	Certification for Portugal (pilot)		**Launched and progressing as planned**	100%	
Employee Assistant Programme (social and psychologic support)	% of employees with access to the programme	70%	**54%**	90%	100%

*The significant increase was especially due to a strong reinforcement of the internal structure dedicated to Development that allowed the implementation of the plan that followed the feedback received in the Culture Survey.

In figures

1,100
Employees participated in the Sovena Get in Touch sessions

~14,500
Total number of training hours in 2021

600
Training hours dedicated to Innovation Thinking

Our achievements in 2021

Following the results of our climate study - Sovena Culture 2020 – we prepared and started an Action Plan in 2021, focusing on four major areas: Internal Communication; Internal Efficiency; Motivation and Culture.

Sovena Get in Touch...

...Time to talk about Sovena, is an internal communication initiative, part of the People & Culture plan for 2021, as a way to reinforce the knowledge and the work carried out by the different business units, by improving communication, collaboration, and team spirit among the employees. In 2021, this monthly program of one-hour sessions was opened to all geographies, and held a total of eight sessions with 1,100 participants. It covered areas such as Brands/Marketing, Innovation, Agribusiness, Olive Oil Sourcing, Commodities, Portugal's market, Brazil's market, and United States operations. It was widely accepted and proved to be an important base of knowledge, easily accessible to new employees, or for later consultation, thus contributing to improve internal efficiency, another goal of the People & Culture plan.

> "Sovena Get in Touch gave us the opportunity to get to know the reality, the work and the participation of the different areas that make Sovena a whole, helping to consolidate the feeling of belonging and pride in our company. These sharing moments are the ones that give us the opportunity to get out of our little world, look at what is going on around us and gain empathy and respect for the work of our colleagues."

TÂNIA DIOGO Product Development



Keep learning and thriving – a renewed commitment in 2021

In 2021, we reinforced our commitment to the training and development of our people. We carried out numerous actions, including Language Training courses with more than 2,600 total hours of training, a **Computer Skills Program** with more than 3,000 hours of training (in partnership with AIP- Associação Industrial Portuguesa) and a **Introduction to Innovation** course with 600 hours of training.

To deal with the leadership challenges that Sovena has ahead, we also created the **Growing Future Leaders**, a development program in partnership with the San Telmo Business School, in Seville, Spain, in which 41 of our managers participated to improve their management and leadership skills.

Assuring a responsible supply chain

SMETA the Sedex Members Ethical Trade Audit

Two of our manufacturing units underwent SMETA social audits, Sedex's social auditing methodology, enabling businesses to assess their sites and suppliers on the working conditions in their supply chain. The SMETA Social Audit ensures compliance with the Ethical Trading Initiative, whose code of principles is founded in the International Labour Organization and other internationally recognised codes of labour practice, assuring human and labour rights, working conditions, living wages or non-discrimination practices. The revision of our Code of Ethics and Conduct gave us the opportunity to revisit processes, clarify responsibilities and optimize resources, having the involvement in all areas of the company and in all geographies.

During this year the **Equality Plan** was negotiated. Besides being a requirement under Spanish Labour law, it was also an opportunity to identify improvement areas aligned with our operating principles. The conclusions of the negotiations are scheduled for early 2022.

To nurture body, mind and soul

The **Employee Assistance Program**, that provides employees and their families with access to emotional and psychosocial support that started in Portugal in 2020 and has now been expanded to the United States of America. Its extension to other geographies is being studied.

We resumed the Nutrition Consultations for employees in a renewed format, with consultations in all sites in Portugal. It will be extended to the other geographies in 2022.

Awareness campaigns to strengthen the immune system were organized in our Industrial Units.

Being a Family Responsible Company

Our efr (Family Responsible Companies) certification project was launched and it is progressing as planned. A certification exclusively dedicated to people's management. Within this project, issues such as the quality of work on a daily basis, personal-work life balance, equal opportunities, diversity, personal development, professional development, health and wellbeing are at stake. This will allow a diagnosis and systematization of our practices and management policies. The efr certification will have an enormous relevance in the way we manage our people, allowing us to improve our policies and our people's quality of life in a continuous way.



Engage and energize the local ecosystem

Communities encompass the people who live in the rural areas where we carry out our agricultural activity, the people who live around our factories, our customers, and consumers. It is by giving back to all of them, helping to address their concerns, that we improve their wellbeing and autonomy, as well as local resilience.

Our commitments

Promote initiatives and support projects that foster the local dynamic of the places where Sovena operates

Our targets and progression

ACTIONS	KPIs	TARGET 2021	ACHIEVED 2021	TARGET 2022	TARGET 2023
Promote and develop Social Innovation Projects in rural areas (Portugal + Spain)	Number of municipalities covered	2	**2**	3	4
Finance the acceleration of social innovation projects (that foster food security and accessibility) – Project Revoa (Brazil, northeast region)	Number of social businesses accelerated	0	**0**	6	7
Oleoprecision: presentation of the application, promotion of its use and implementation of new modules	Number of farmers involved	100	**70**	300	500

In figures

4,500 ha
Oilseeds
in Portugal dedicated to the testing of new techniques

3
Videos
to share knowledge and experience in the production of irrigated sunflower in Portugal

40
Employees from three different geographies
participated in the Sovena Rural Challenge

1,700
people
in Spain, Brenes, have celebrated sport and the community with the support of Sovena

Our achievements in 2021

Building and sharing knowledge and experience on rapeseed and sunflower production

In Portugal

With the purpose of demonstrating that oilseed crops, namely rapeseed and sunflower, are a valid model for local farmers from an economic, environmental and agronomic point of view, Sovena carries out large scale trials.

The intention is to demonstrate that by combining technology with good practices, the oilseed crop is profitable and allows rotation with other crops. Sunflower fits well in the available irrigated and spring-summer crops in Portugal, as it captures nutrients from other soil depths, as well as saves water and interrupts the weed cycle.

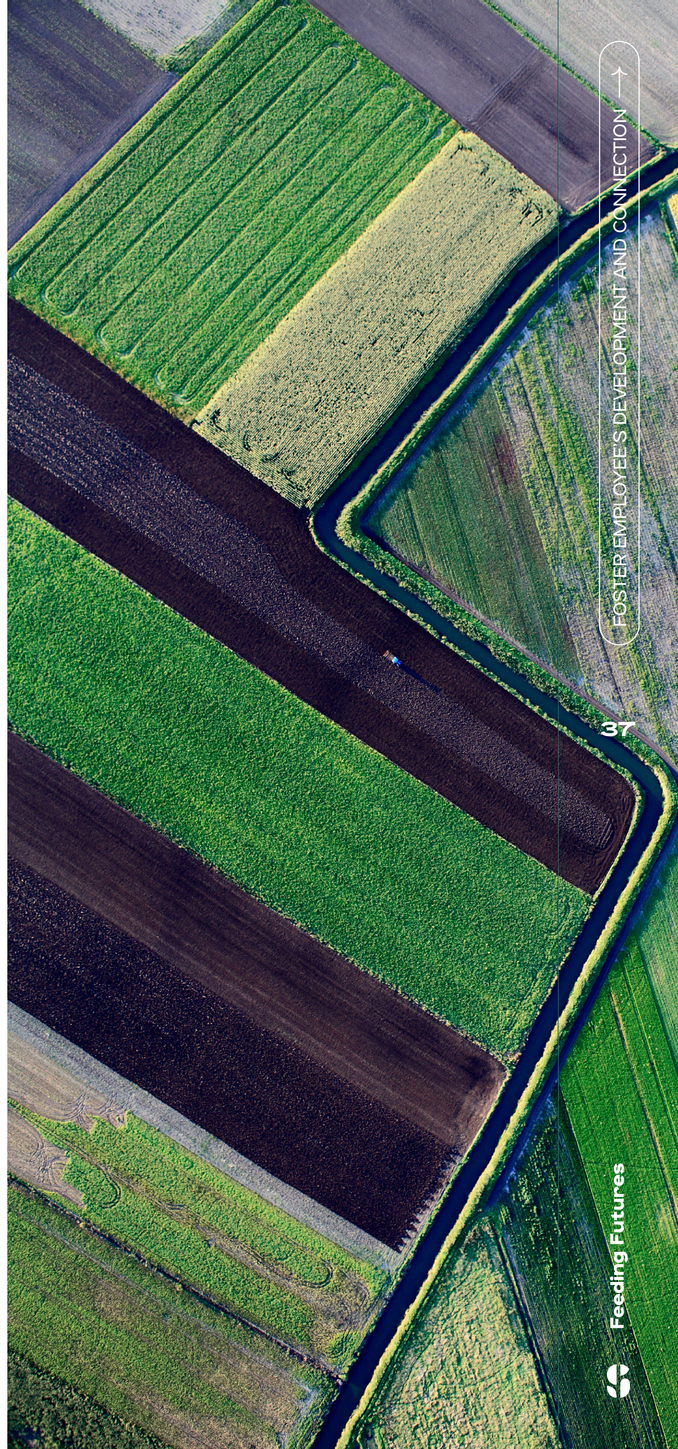


The production of **videos** for the series "Para Onde Gira o Sol" aims to share knowledge and experience about the production of irrigated sunflower in Portugal, explaining to farmers the added value of this crop and the way to replicate these practices in their plantations.

This was exactly what happened in a partnership with SOGEPOC and Sugal to rotate industrial tomato crops, with the scientific monitoring of the Tomato Centre of Excellence. It was found that under these conditions sunflower production uses half of the fertiliser that is normally applied, and production increases. This happens because sunflower can use resources that tomato does not. This technique also improves tomato productivity, reducing the pesticides applied. In addition, Sovena participates in the Oleocolza project, in which the best varieties capable of adapting to each region of the country were identified and information was collected from dozens of farmers. During the last three years, several field trips and information sessions were held with the farmers. All the information will now be compiled into a manual to be released at the end of 2022.

In Spain

In the **Oleoprecision** project in Spain, Sovena joined several companies, cooperatives and research centres to improve the profitability and traceability of sunflower crops, through new cultivation techniques and precision crop management. One of the outputs of this project was the development of a software application designed for decision-making, based on a predictive model with meteorological and satellite data that provides alerts to farmers, a very relevant asset since the crop is rainfed. This application was made available in 2021 and is being promoted on various social networks and **channels** , having achieved around 70 subscriptions that also have information on the project's results.



Other routes in Alentejo, Portugal

During the pandemic, the Marmelo mill was closed, but in this period a new visiting experience was designed and will be available during 2022. Nevertheless, the **Terras Sem Sombra** festival took place with a classic concert event in our mill, where around 250 people gathered to hear Lawrence Aliganga, a Filipino pianist who lives in Madrid, creating a unique night-time event in Baixo Alentejo.

Employees gather ideas to fight rural depopulation

The **Sovena Rural Challenge** is an internal innovation project, that invited all employees to present ideas to combat depopulation in rural areas in Southern Portugal - 40 people from 3 geographies participated (Portugal, Spain, and Brazil). The two winning ideas aim to attract and retain young population in the regions by connecting employment needs in the region to people with the necessary skills. The ideas are to be implemented throughout 2022.

Access to education with Amélia de Mello Foundation

We work closely with **Amélia de Mello Foundation** towards promoting the access to education, through a scholarship award process. It consists of a program that financially supports employees or their children, in Portugal and Spain, who wish to obtain a higher academic degree. This partnership allowed Sovena to support five Bachelor's and two Master's scholarships. In addition to the recognition of merit, the program reinforces the importance of higher academic education for the personal and professional development of any person and, at the same time, helps to overcome the difficulties that some of our employees and their families face to bear the costs.

Olive oil that fosters food security

Revoa Project is a new Andorinha olive oil with a social purpose, 100% used to accelerate social businesses that brings food to those in need in the Brazilian Northeast. Through a partnership with Yunus Social Business, the project is intended to foster social businesses that bring solutions for the main food challenges in Northeast Brazil: hunger. By donating 100% of the profit of the new product, Andorinha financially supports the acceleration of selected social businesses. The project's primary goal is to promote the training of six social enterprises to improve maturity and sustainability in their businesses; and, at the same time stimulating the generation of new business, through training activities, mentoring, networking and events.

In the fight against food shortages, we have maintained long term partnerships with Food Bank in Portugal, Cáritas in Spain, and helped more than one hundred social organizations, in Portugal, Spain, Brazil and the USA, that support homeless people, the elderly, vulnerable families, and others, with the donation of products.



Linking the community to our value chain

In Brenes, Spain, we are working with a local social employment company for people with disabilities, that perform repackaging work which cannot be performed by our machines. This partnership already lasts for four years and employs around 15 people.

In our manufacturing site in the United States of America, in Rome, we have maintained our **Second Chance programme**, which offers a fresh start to ex-offenders upon the entering into society. This year, we hired three people through this program.

Running for community healthy lifestyles

In the United States of America, we have renewed our partnership with the **American Heart Association,** for the tenth year, supporting the **Healthy For Good Lifestyle Change** award, that distinguishes a member of the community who has adopted a healthier lifestyle. The prize is awarded when the **Heart Run and Walk** event takes place. Each year we are inspired by the testimonies received and we applaud those who are taking control of their own health.

In Spain, also for the tenth consecutive year, we support the biggest annual sports event in the Brenes community, the **Popular Race**, which in 2021 was in its XXV edition. Around 1,700 people participate in this event to celebrate sport and the community.

Continuous study of atmospheric odour

The third atmospheric odour programme kicked off with the collaboration of an expert team from NOVA School of Science and Technology, with the purpose of understanding which types of odours are most perceived by the population surrounding the factory in Almada and what are the potential emitting sources, to establish action plans for minimising their impact. This programme comprises several works, including a modelling study of the dispersion of emissions from the various chimneys of the factory, with the collaboration of a specialist team from the University of Aveiro.

In 2021, we celebrated the 150th anniversary of the birth of Alfredo da Silva, founder of the CUF Group, whose legacy continues today through his great-grandchildren and great-grandchildren in groups such as Sovena and José de Mello. A story that inspires our day-to-day work and motivates us to continue towards the future. The celebrations included more than a dozen conferences, school competitions and prizes.

In the context of the celebration of the 150th anniversary of Alfredo de Silva's birth, which occurred on June 30th 2021, the Amélia da Silva de Mello Foundation, named after his daughter, launched a commemoration plan with a view of making known, studying and exploring the business history of Alfredo da Silva, his companies and his initiatives, including those that succeeded him.

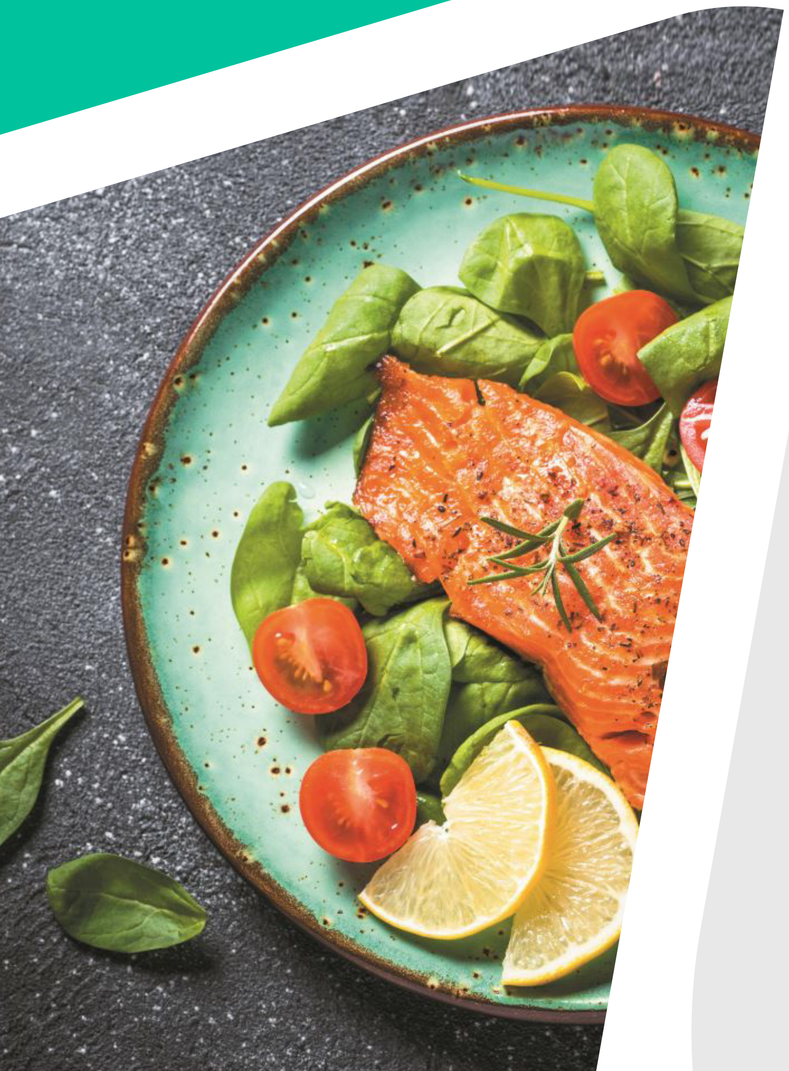
Alfredo da Silva's vision set the most demanding goals, and he was accompanied by competent staff who were very knowledgeable about the challenges that Portugal would face. His renowned phrase, "What the country doesn't have, CUF creates" is a demonstration of growth and commitment to all and to Portugal, on the path to true, permanent and renewed global sustainability.

The investments and technological leaps that were made over decades by the CUF Group pointed to leadership in the industrial development of Portugal, with a very strong connection to its workers, which was materialised in the so-called "Obra Social da CUF".

As it is visible still today, the creation of wealth and sources of work were accompanied by fair distribution to its workers, materialized, for example, in the area of provision of medical services to employees, or the construction of housing estates for its employees, or in the construction of a sports park.

Looking at the business achievements from 100 years ago till now, it shows how it contributed to an active and conscious society, to the preservation of adequate living conditions, to the defence of the circular economy and to the better management of natural resources , reinforcing the commitment to sustainable perpetuity, something that is foundational in Alfredo da Silva and in those who succeeded him in his family and companies.

JORGE QUINTAS Amélia de Mello Foundation



Encourage informed food choices and diverse diets

As a player in the food sector, Sovena assumes the responsibility of promoting a well-balanced diet and greater food literacy, both internally and externally. Sovena addresses this topic at a corporate level but also through its brands, as ambassadors of their respective territories.

Our commitments

Promote trust in our foods and diverse diets

Our targets and progression

ACTIONS	KPIs	TARGET 2021	ACHIEVED 2021	TARGET 2022	TARGET 2023
Nutrition programme for employees (consultations + campaigns)	% of employees with access to the programme	30%	**40%**	60%	100%
Nutritionists and doctors programme in Brazil	Number of contacted professionals	1,310	**1,310**	1,343	1,376

In figures

13 EPISODES
+1.000.000 VIEWS
(PORTUGAL AND BRAZIL)

Web series Our Olive grove

Our achievements in 2021

A 13-moments visit to how we make olive oil

Sovena has invested in open initiatives with free access to those interested in knowing more about our activities and products. The 13 episodes of the web series **"Our Olive Grove"** emerged within this context, supported by Oliveira da Serra and Andorinha and promoted in Portugal and Brazil. Each episode explains the process of each phase of the operation at the mill, through an educational and appealing visit. The main goal is to educate, to explain how our Olive Groves and Mill work, share details and curiosities about the harvest, show how the olives arrive at extraction and doing virtual tastings. In addition, access to a live link was also created to answer questions. These innovative experiences strive to reinforce the contact and presence with the consumer and promote an interactive sharing of information about the products and their characteristics and strengthen the relationship with our brands.

The web series was released in the second half of 2021 on social networks and promoted digitally.

> "Initiatives that reinforce one of the main objectives of our brands: making accessible the education about the origin and quality of what you put on your plate. We want to promote food that has quality, is practical and does not generate waste."

LOARA COSTA Marketing & Trade Marketing

The benefits and attributes of olive oil through the voice of health professionals

With the support of a specialised partner in nutrition and health, Andorinha promotes meetings and visits to medical professionals - in particular nutritionists, cardiologists, endocrinologists, and paediatricians - to bring education and knowledge about olive oils, reinforce the benefits and attributes of the product and connect these professionals to the brand. In 2022, the initiative is intended to visit 1,375 professionals in Brazil's largest cities: São Paulo, Rio de Janeiro, Belo Horizonte, Fortaleza, Recife, Salvador, Curitiba, and Porto Alegre.

Partnering against food waste

For the second year, Oliveira da Serra renewed its partnership with the **Too Good to Go** platform, that provides meals at reduced prices that would otherwise end up as waste. This partnership is in line with circularity and the reduction of resources, a pillar of the company's production process strategy and management.

We continued with the initiative Chega e Sobra committed not to waste food and to make the most of all leftovers. Through Fula social networks, and with the help of well-known influencers that shared recipes where they used their leftovers, we challenged, in a practical way, Portuguese families to eat well, use all leftovers and save.

For a diversification of food options through our Feed magazine

In 2020 we launched Feed a magazine for all our stakeholders, on information and knowledge about food trends worldwide, concerns related to food and the planet, and the integration of our brands in that equation. In 2021, three new editions were published, enriched by the partnership we have with our nutritionist Carmo Cabral, in order to challenge readers to adopt more diverse food options, in line with our brands' purposes.

Prospects for good



"Goals encourage people to exert more effort, focus attention, and persist in the face of failure. And the latter is important, because what people expect is at least to see that they have tried, that the means are put in place to achieve it and that they have improved with respect to the match point and will continue to do so."

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Let's not lay bricks, let's build a cathedral

If we want to ensure that sustainability is engraved in the DNA and that it forms part of the way of being of the company, it must be born in the purpose. It is the strongest way to commit the entire organization to developing a strategy and achieving its objectives.

And to land that purpose, specific objectives or commitments are needed to integrate sustainability into our day-to-day operations. Their existence will in itself generate a greater commitment, not only within the organization but also abroad, since in order to achieve them, everyone's commitment will be needed. The definition of the goals that we intend to achieve in the future, which must be realistic and achievable, will have a certain inspiring and motivating character. To set those commitments, it will help us to answer the following questions: what do I want to achieve? Or where do I want to be in the future? Let's take a specific example, the same job: a brick wall. The person will not work the same, nor with the same sense and commitment, if when you ask "What do you do?" He answers: "lay bricks" that if instead, he answers: "build a cathedral". The one who offers the last answer will feel that he is building something greater, that it will even outlive him; he will be aware that he is contributing much more and that the impact of his work is much wider. And for that, the first thing you need to know is that you are building a cathedral, which is why setting and communicating commitments is so important.

It has been shown that companies that have an explicit and shared statement of their mission, vision and values, as well as clear commitments assumed by all, guide their actions better and also cope with unforeseen events better, since everyone who works in the company know perfectly well who they are, who they want to be in the future and the values they have to achieve it.

This purpose is necessary because it directs the actions towards the objectives, plans strategies, allocates resources, mobilizes, plans, and motivates, which is what makes the company grow and position itself better in the market and what makes it survive in the long term. It is a source of inspiration for the business, it represents the essence that guides the initiative, it is from it that strength is drawn in difficult times and it helps everyone who is committed to the business to work for a reason and in the same direction.

Setting an objective, such as, for example, deciding that the company must become neutral in its carbon emissions, is deciding on a path strewn with activities, but also with symbols, signals, and ideas, that all the people in the organization must internalize and develop each one separately and that, by adding them, will give a greater common result.

Goals encourage people to exert more effort, focus attention, and persist in the face of failure. And the latter is important, because what people expect is at least to see that they have tried, that the means are put in place to achieve it and that they have improved with respect to the match point and will continue to do so.

This alignment between the company and the individual to achieve the commitments made, seeking to accomplish something that has a positive impact on the whole of society, has great power. We all want our professional life to have a higher purpose and go beyond performing a job or earning an income. Companies that resolve the tension people feel between their personal values and the best interests of the company will benefit from highly productive and engaged workers who are proud to be part of positive change in communities around the world.

Let's build cathedrals, let's not lay bricks.

ROCÍO REINA Director and Professor of Business Policy area and Sustainability, San Telmo Business School

About the report

The 2021 Sustainability Report published by Nutrinveste, for Sovena Group and Nutrifarms, referred in the report as Sovena (see GRI 102-1), aims to present its contribution towards sustainable development regarding the economic, environmental, and social impacts of its activities, selected via a materiality process, with inputs from our key stakeholders and the progress on the implementation of the sustainability strategy defined.

TITLE: Sovena 2021 Sustainability Report – Committed for Good
PROPERTY: Sovena
DEPARTMENT: New Ventures and Sustainability Department

CONSULTANTS: Sair da Casca – Consultoria em Desenvolvimento Sustentável
ART DIRECTION AND PRODUCTION: Born

DATE OF PUBLICATION: July 2022

WEBSITE: https://www.sovenagroup.com
CONTACTS: sustainability@sovenagroup.com

Period and Scope

The report focuses on the period from the 1st January 2021 to the 31st December 2021 of the activities in which Sovena has operational control:

- Portugal: Sovena Oilseeds Portugal (Almada), Sovena Consumer Goods Portugal (Barreiro), Biocolza, headquarters (Algés).
- Spain: Sovena Oils Seeds Spain (Andújar), Sovena Consumer Goods Spain (Brenes and Plasencia), Monteolivo and San Pedro mills, Agropro
- Other countries: Sovena USA, Sovena Brazil, Sovena MENA (Tunisia), Sovena Italia
- Nutrifarms (Portugal and Morocco) - ELAIA's assets, except for the mills, were divided between its partners, with the assets allocated to Nutrinveste being consolidated in Nutrifarms.

Companies from Sovena Group based in SPAIN

Sovena Oilseeds Spain • Sovena Spain
Indústrias San Pedro • Monteolivo • Agropro

This report answers requirements stipulated in the Spanish Law 11/2018, of 28 of December on disclosure of Non Financial and diversity information.

Following the objective set in previous years, Sovena continues to broaden the scope and disclose of more sustainability data each year and intends to continue doing so in forthcoming years.

For Global Reporting initiative disclosures, "local" refers to the country where each operation is located.

Structure

This report has been prepared in accordance with the GRI Standards: Core option. Additionally, it includes sector specific indicators identified in the Food Processing Sector Disclosures of GRI.

The Content index required under Law 11/2018 and Global Reporting Initiative, which is available here, is an integral part of this document.

This report content considers the GRI reporting principles (Stakeholder inclusiveness, Sustainability context, Materiality and Completeness) and it aims at meeting the requirements of the Reporting Principles for defining report quality (Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness).

The report is aligned with the spirit and principles of the Sustainable Development Goals.

Previous reports are available **online.**