

sovena

Sustainability Report 2016



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Index

CEO message	5
About this report	7
Sovena at a Glance	9
1. Sovena	11
1.1 The History of Sovena Group	12
1.2 Business Areas	13
1.3 Mission, vision and values	14
1.4 Organization	15
1.5 Sovena in the world	18
1.6 Products	20
1.7 Brands	22
1.8 Sovena's value chain	23
1.9 Sovena's main partners	24
1.10 External acknowledgement and awards	26
2. Sustainability	28
2.1 Stakeholder identification and consultation	30
2.2 Identification of material issues (Materiality)	33
2.3 Sustainability Strategy	34
2.4 Sustainability Governance	46
2.5 Ethics and transparency	47
3. Embedding sustainability into Sovena's business	48
3.1 Food safety/certifications	51
3.2 Sustainability in the supply chain	56
3.3 Sustainable agricultural practices	59
3.4 Research, Development and Innovation	64
3.5 Human Capital development	70
3.6 Occupational Health and Safety	73
4. Enhancing eco-efficiency	76
4.1 Environmental policy/management system	79
4.2 Management and valorization of waste and by-products	82
4.3 Energy and Climate change management	83
5. Promoting health and nutrition in society and our own people	88
5.1 Promote health and nutrition	91
5.2 Support local Communities	95
5.3 Stakeholders engagement	98
6. Annexes	102
6.1 GRI Index	104
6.2 Methodological notes	117





CEO message

Dear stakeholders,

Sovena is proud to present its Sustainability Report 2016.

Since the beginning of this century, Sovena has traced a successful path in the production and distribution, among other products, of olive oil and vegetable oils. Our journey started with 80% of our sales in the domestic market and led us to the quite opposite position, with 80% of sales worldwide. This process of internationalization has been gradual, by successfully overcoming several phases, which has led us, as of today to be one of the largest companies operating in the sector, with operations in 4 continents and to be market leaders in relevant geographies such as Spain, Portugal or USA.

Our business model involves searching for new export markets and the acquisition of local operations whenever necessary. We seek to increase our market share in emerging markets, such as China, Russia, Latin America or Asia Pacific, without neglecting strategic traditional markets like Spain, Portugal, USA and Brazil. The Iberian market is capital for our strategy and operations, USA is the major non-producer consumer, and in Brazil we made the strategic decision of take over direct control of marketing and distribution activities, which for ten years were handled by a partner.

Sustainability principles and behaviors have always been intrinsic to Sovena activities and this year we are proud to announce that our current sustainability cycle (2014-16) has been successfully completed, initiating the new one (2017-2020). This journey has allowed us to develop new oriented work methods, in order to make the Group more dynamic and flexible. Through the past years, the sustainability concept was reinforced among the Group as a business priority, through the integration of sustainable practices in our own operations and value chain.

The present report present the key economic, environmental and social impacts of our activities, as well as the progress on the implementation of the Sustainability Strategy. The report also highlights the future directions that will guide our path to a sustainable development.

Our human capital plays a key role in the success of our organization and its development is our basis for growth. The long-term success of the Group depends on our capacity to attract the right people to the right jobs, fostering their professional growth and keeping them in the company. This ensures we have committed and motivated people, who feel involved with the organization and are oriented towards achieving the best results.

Loyal to our commitment of promoting environmental sustainability, Sovena continued with the expansion of its agricultural projects, including water management and efficiency projects. We are also committed to the purchase and production of raw materials with sustainable certifications and we have made significant efforts in reducing energy consumption in our production centers.

Our suppliers are managed based on reliable relationships built over years of joint efforts and meeting expectations. We promote sustainability in the supply chain with a clear commitment to increase planted areas, e.g. olive grove, sunflower, rapeseed, among others. On the other hand, we continue to focus on the certification of suppliers of olive oil (certified Olive Oil Mills Program) and rapeseed (sustainable certification and First Gathering Point).

The quality and safety of our products are strategic and fundamental issues on which we base our activity. For this reason, we comply with the highest quality and certification standards to provide our customers with a high quality product. On the other hand, we are committed to continuous improvement through our Centers of Expertise.

Our consumers and clients have shown us signs of satisfaction as we continue to earn their trust in several geographies. Sovena olive oils were especially highlighted, once again, in the 2016 edition of the 'Mario Solinas' competition. For the third consecutive year, Sovena was awarded with the highest prize of the world's most respected olive oil contest: Gold Medal in the Mild Green Fruitiness Category. This and other awards positions Oliveira da Serra as the most awarded Portuguese olive oil brand in the world.

We seek to learn from our activities and mistakes, in order to adjust our corporate strategy for satisfying new consumers and customers. To that end, we are continually looking for internal synergies, as well as with our customers, suppliers and new partners.

Sovena also wants to reinforce its values as a sustainable Group and to fulfill its vision and mission, inspiring people to eat healthier and tastier, making olive oil available to every person in every corner of the world, by fulfilling a common goal: 'Olive oil for the world'.

Finally, allow me to show our most sincere gratitude to all our stakeholders that are part of our success and that contribute, every day, to make Sovena a worldwide reference in the sectors of olive oils and seed oils.



António Simões
CEO of SOVENA



About this Report

This is the third Sustainability Report published by Sovena Group (hereafter referred as Sovena or Group), which outlines the key economic, environmental and social impacts of its activities and the progress on the implementation of the Sustainability Strategy defined.

Scope

This report covers all worldwide business activities where the Group has operational control, for the period between January 1st and December 31st of 2016, including the four business areas of the Group, namely: Agriculture, Oilseeds, Consumer Goods and Biodiesel. Whenever considered relevant, Sovena discloses activity data, initiatives implemented by the Group and performance indicators of previous years, especially 2015 and 2014.

The Group will report, whenever possible and when the information is available (if not, it is identified), data on the activity of all its plants and companies in which has operational control, including: Sovena Consumer Goods Spain (Brenes, Spain); Sovena Consumer Goods Portugal (Barreiro, Portugal); Sovena Oilseeds Portugal (Almada, Portugal); Sovena Oilseeds Spain (Andújar, Spain, since 2014 when Sovena took over the operational control); EXOLIVA (Plasencia and Almendralejo, Spain, now integrated within Sovena Spain); Sovena USA (Rome, NY, USA); Sovena MENA (Tunisia) and Elaia (Spain, Portugal and Morocco). The Group intends to broaden the scope and disclose more sustainability data in future versions of this document, as it becomes available.

For more information stakeholders can consult Sovena Annual Report and/or its corporate website (www.sovenagroup.com).

Contents

This report was drawn up in accordance with the GRI Standards defined by the Global Reporting Initiative (GRI) and corresponds to the 'Core' option. It also includes sector specific indicators identified in the Food Processing Sector Disclosures of GRI.

As established by GRI Standards, the definition of the contents of this report was based on a Materiality Analysis of the sustainability issues. For the identification of material issues Sovena considered external inputs (results of stakeholder consultation, benchmarking analysis and sector references) and internal inputs (impact to Sovena and the integration in business strategy). Based on the results of this pooled analysis, strategic sustainability priorities were identified, being the basis of the Sovena Sustainability Strategy and of the Sustainability Report contents.

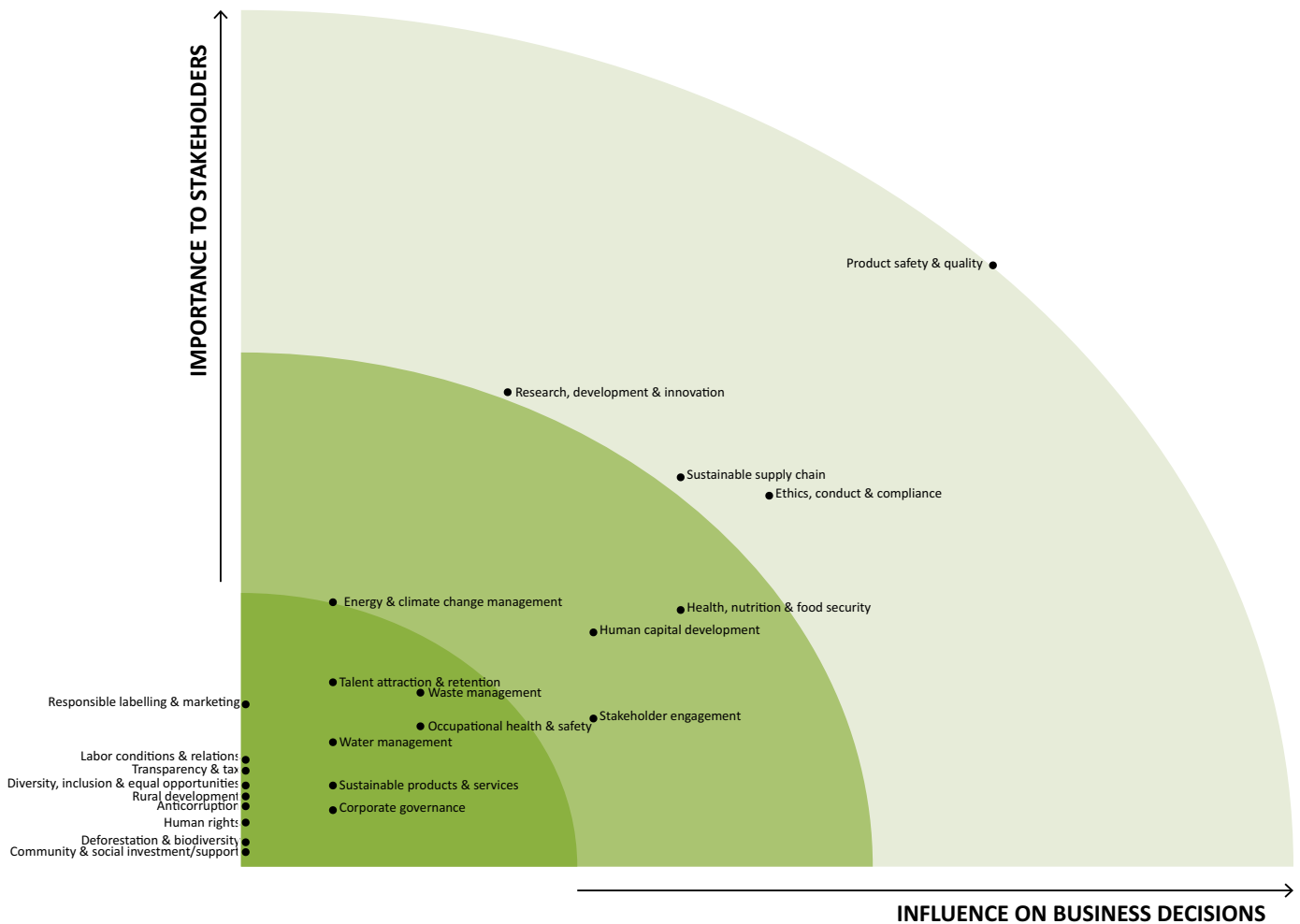


Materiality Matrix

Sovena considered for the identification of material issues, inputs and feedback from various external (results of stakeholder consultation, benchmarking analysis and sector references) and internal (impact on Sovena) sources.

The results allowed to define the materiality matrix, which identifies the topics of relevance to Sovena and its stakeholders.

In the next report Sovena will report according to this matrix.



External verification

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

Contacts

Should you require any further information regarding the contents of this report, please contact:

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SOVENA at a glance

Largest olive oil companies
worldwide



Largest Spanish
olive oil exporter

Owens the most awarded
Portuguese olive oil brand
in the world

Largest private label olive oil
supplier worldwide

Owens the largest private olive
grove with more than 14,000
hectares of olive groves



Market leaders in Portugal,
Spain, USA, Central Europe...



Sovena is supplier of the largest
retail chains worldwide

More than 1,000 employees

Sales of € 1.4 Bn
(2016 figures)



100% family owned company



Exporting to more than
70 countries



8 factories and
6 Olive Oil Mills
2 in Portugal, 2 in Spain,
1 in Morocco and
1 in Chile - partnership



1. Sovena

Olive Oil for the world.

“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.”

Investor opinion collected during the stakeholders consultation process

1.1 The history of Sovena Group

The so-called Sovena Group was created in 2008 with the restructuring of the group's identity, with a new image and new company names. However, the history of Sovena is much more ancient, since it dates from the 19th century, and does not end up here.

End of 19th century

At the end of the 19th century, Alfredo da Silva, one of Portugal's most important industrialists, created the first Portuguese financial commercial and industrial group – the Companhia União Fabril, CUF.

20th century

Entrepreneurship, vision, courage and tenacity were characteristics that Alfredo da Silva managed to pass on to his next generations. Some years after April 1974, Jorge de Mello and José Manuel de Mello took on the responsibility of rebuilding the group.

1980's

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

1990's

In the 90's, the group pursued other acquisitions to grow its presence in the market – Lusol and Tagol active in the extraction and refining of vegetable oils and the production of soaps and Sovena, a commercialization partnership between CUF, Macedo & Coelho and Sociedade Nacional de Sabões.

21st century

Beginning of Group industrial restructuring, with extraction and refining activities consolidating at Tagol and bottling and marketing activities at Sovena. More acquisitions followed targeting a global presence.

2002

Agribética's assets in Seville, which included refining and bottling of seed and olive oils was acquired and integrated into Sovena Ibérica de Aceites boosting growth and Iberian presence.

2004

Acquisition of the assets of Simão & Companhia with the objective of relaunching its Andorinha brand in the Brazilian market.

2005

Acquisition of 80% of East Coast Olive Oil, the largest olive oil bottler in the U.S.A.

Birth of Tagol Iberica de Aceites in Spain, to set-up sunflower seed origination.

2006

Acquisition of 80% of Exoliva, a company primarily dedicated to the production and export of table olives.

Joint Ventures with SOMED – Soprolives – based in Morocco and targeting the production and sale of olive oil in international markets.

2007

Creation of Sovena MENA (Middle East & North Africa) in Tunisia, again through a partnership with a local company and creation of Elaia, in partnership with Atitlan.

2008

Birth of Sovena Group, previously known as Alco, with a new image and renamed companies and organized around four business areas: Biodiesel, Agriculture, Oilseeds and Consumer Goods.

2010

Marmelo Mill was inaugurated in Ferreira do Alentejo, Portugal.

2012

Painho olive oil mill started operations, processing olives from the nearby groves in Avis, Elvas and Campo Maior, in Portugal.

2014

Acquisition of 100% of Andújar Plant to Deóleo (process started in 2011).

2015

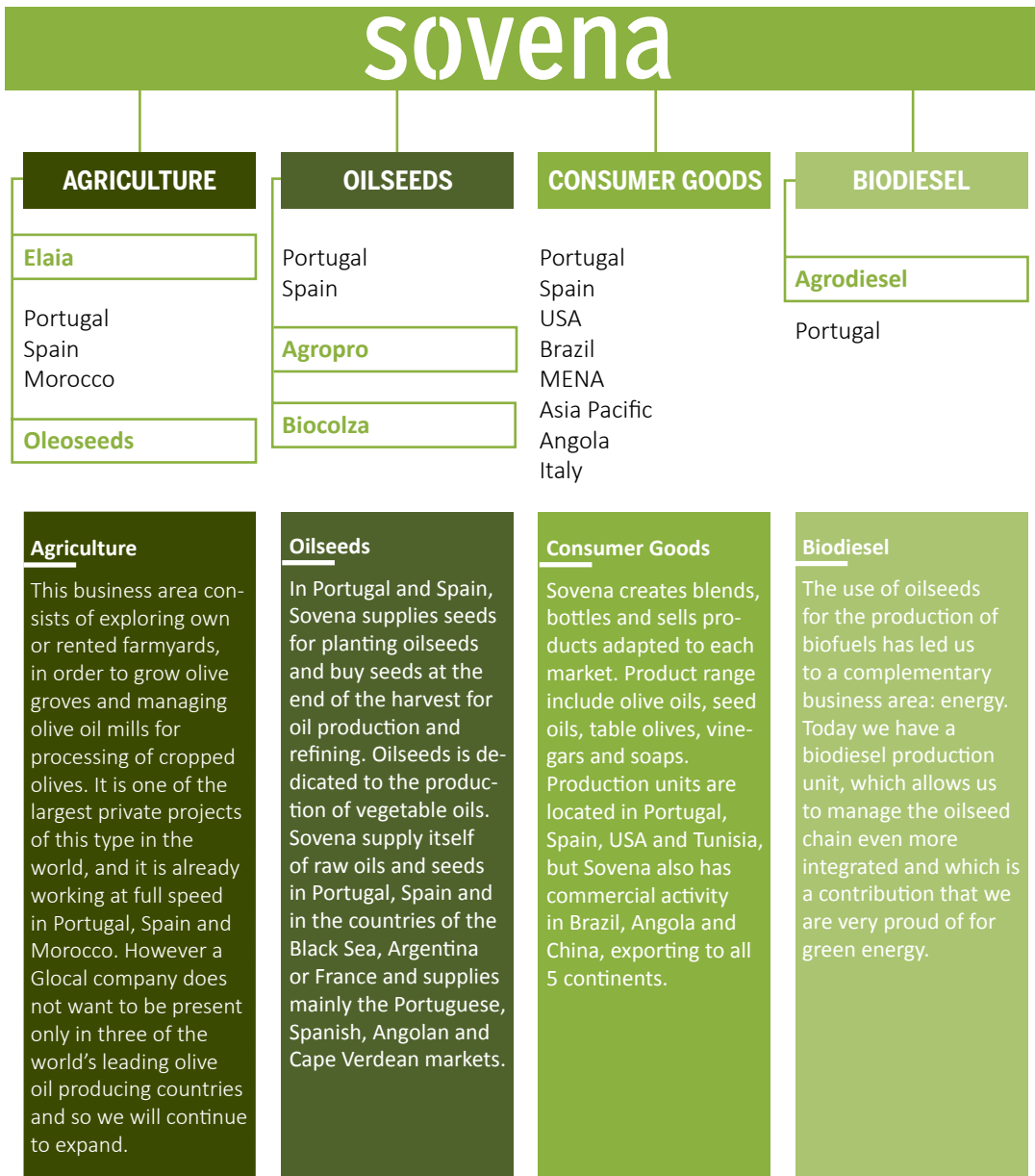
Beginning of direct distribution by Sovena in Brazil, in December 2015.

2016

Sovena Group continues walking towards sustainability development...

1.2 Business areas

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



MENA: Middle East & North Africa

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](#).



1.3 Mission, vision, values and principles

Mission

Inspire people to eat healthier and tastier by using olive oil.

Vision

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

Values

Our values are our backbone. That's what we fight for. What we are proud of. What makes us the Sovena Group.

INTEGRITY

We are in this industry, as in life, for the next generations and that's why our integrity is vital.

INNOVATION

The innovation effort we have brought to the market has shown that it is possible to differentiate into goods such as oil and oil. Whether in the product itself or in the packaging, in the production process or even the associated services, the Group companies are, in each market, is more and more a synonym of innovation and vanguard.

TRUST

Since we work with many partnerships around the world it is vital that we have, both from and with our partners, total trust. We dedicate ourselves to our partnerships as if those companies were 100% ours and that is the key to create the needed trust.

MULTICULTURALISM

Being a truly Glocal company we are intrinsically multicultural. Of the more than 1,000 people working at Sovena Group, we have people from 4 different continents and more than 15 countries. People of different academic background, of different religions, and of different races. Thus we diversity of approaches, knowledge, life experiences and, above all, diversity of opinions – which allows us to be better and better.

RATIONALITY

We often say: "Olive oil runs in our blood." By this we want to illustrate how we live this business passionately. Due to its complexity, geographic dispersion and ambition, it needs to be managed in detail, with dedication and rationality.

COMPETITIVENESS

Our attention to every detail throughout the production process guarantees us quality on one side but also competitiveness. Our partners recognize us for that and this is one of the reasons why our partnerships withstand the test of time.

AMBITION

A company born in a small country, which is today fighting for world leadership of the market, is a company that shows ambition. Nevertheless our ambition is not only of becoming bigger, but also of becoming better and more integrated regarding management of the value chain. From planting a small olive tree in one of our farmyards to having the olive oil at our consumers' table, we take care of all details, even those that may seem irrelevant, in order to be the best.

TRANSPARENCY

This is a cornerstone in building strong relationships, both with our partners and with our employees, as it shows commitment and dedication.

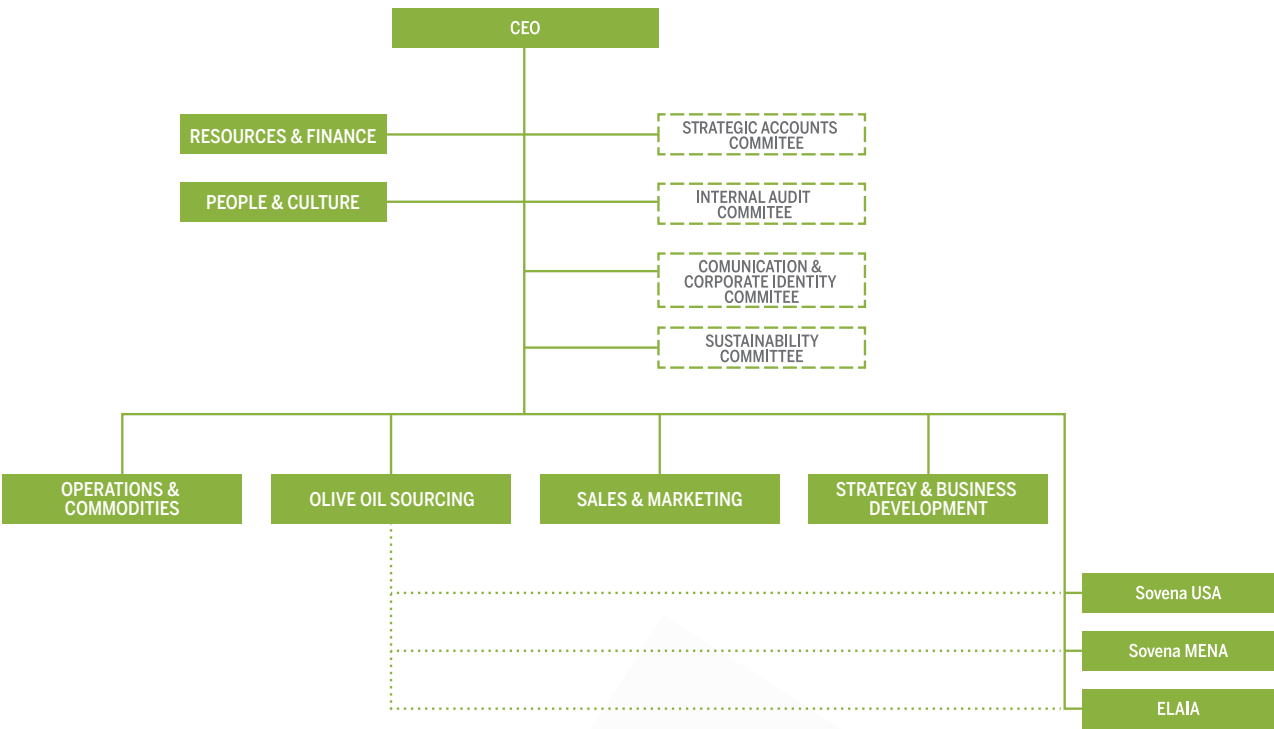


1.4 Organization

Sovena recognizes the importance of continuous adaptation of its structure in order to allow the Company to be prepared for the future, anticipating trends, improving skills that will help surpass contingencies, detect new opportunities and accept future challenges.

With this in mind, in 2014 Sovena created and integrated into the organizational structure a Business Development area. Sales and Marketing was also restructured to strengthen a global view in commercial decision making and industrial resources utilization and therefore optimize production and logistics costs to serve every destination and client and maximize cross selling of product lines (olive oil, seed oil, olives).

In 2016, Business Development becomes a business line and Sourcing & Wholesales Olive Oil becomes only Olive Oil Sourcing.

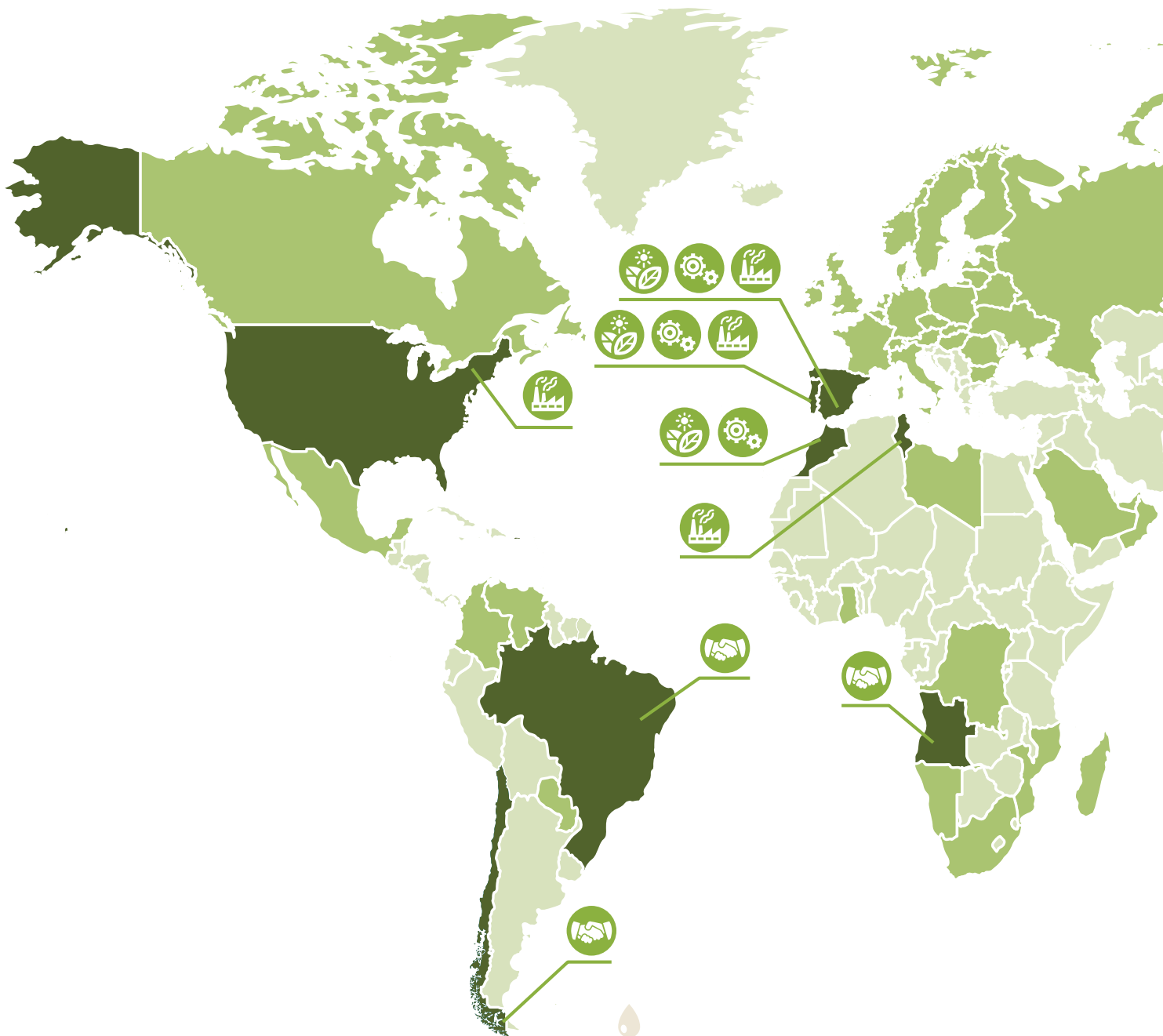
























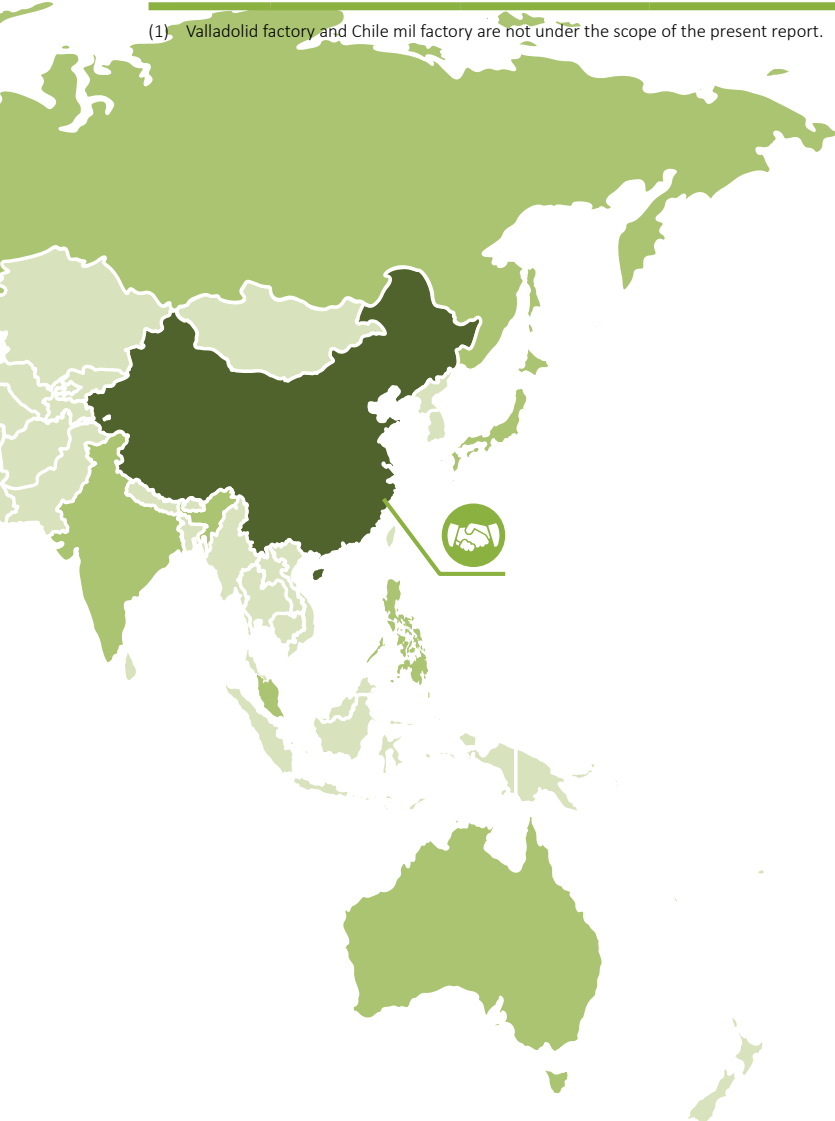
1.5 Sovena in the world

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



	AGRICULTURE		OILSEEDS	CONSUMER GOODS	BIODIESEL
	OLIVE GROVES	MILLS	FACTORIES	FACTORIES	FACTORIES
PORTUGAL	 Alentejo OG	 Marmelo & Painho	 Almada	 Barreiro	 Almada
SPAIN	 Extremadura & Andaluzia OG	 Navalvillar Pela; Andújar	  Andújar; Valladolid ¹	   Brenes; Plasencia; Almendralejo;	•
MAROCCO	 Marrakech OG	 Olico	•	•	•
TUNIS	•	•	•	 Tunis	•
USA	•	•	•	 Rome (NY)	•
CHILE		 Chile ¹			
BRAZIL, ANGOLA & CHINA 					

(1) Valladolid factory and Chile mil factory are not under the scope of the present report.



1.6 Products

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



1. Olive Oils

'The people of the Mediterranean have used olive oil since time immemorial.'



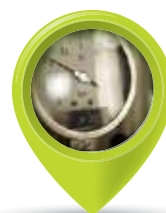
2. Seed Oils

'It is by consuming vegetable oil that the body can get the nutrients it needs and is unable to produce.'



3. Table Olives

'The table olives are part of our raw material and we show it to the world at its most delicious state.'



4. Biodiesel

'The only initiative outside the food industry. It is a project that the Group is very proud of.'



5. Soaps

'Symbols of cleanliness, freshness and purity - soap is one of the most-used hygiene products around the world.'

Regarding **olive oils**, the group's core business, it ranges from the most accessible to the internationally awarded Extra Virgin Olive Oil. Sovena has products with levels of acidity that range from 0.2% to 1%, as well as the most diverse organoleptic profiles, including: mild, intense, fruity, spicy, robust and light tasting olive oils. Olive oil is a healthy fat because it consists of mono-unsaturated fatty acids, Vitamin E and pro-Vitamin A, essential nutrients for a balanced diet. The mono-unsaturated fatty acids also help protect the heart and the skin.

Concerning **seed oils**, Sovena has formulations of 100% soy, sunflower, colza, corn or peanut, several blends between these oils and, specifically for the foodservice market, high frying performance blends. Seed oils are an important source of vitamins and essential polyunsaturated fatty acids needed for a varied, balanced diet. It is by consuming vegetable oil that the body can get the nutrients it needs and is unable to produce, and which no other fat has in such abundant amounts. Other substances are also found in vegetable oils, in smaller amounts, such as phytosterols, which are known to help reduce cholesterol.

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

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

For **biodiesel**, the usage of oilseeds for producing biodiesel represents the entry of the Sovena Group in the energy sector. This is also part of the oilseeds complex value chain but is the only initiative outside the food industry. It renders biodiesel, made of vegetable oils, to the fuel industry to be combined with their products. Due to the worldwide need for the reduction of gas fuel consumption and the environmental benefits that such alternatives can provide, Biodiesel is a project that the Group is very proud of.

Last, but not least, **soap** is one of the most-used hygiene products around the world. It is a symbol of cleanliness, freshness and purity. Sovena soaps have been part of daily life in Portugal for many decades. The great wealth of experience in soap manufacturing that Sovena has accumulated over the years, combined with the readiness to improve and innovate, has given a new force to this traditional range of products. With their very specific qualities, they continue to be essential items in any home. The soap business was externalized with the aim of continuing to supply the market with Sovena brands, in Portugal and in export markets.





1.7 Brands



Olivari olive oil is a delightful and proud reflection of our Passion for Olive Oil. The international brand was born in the USA and has been spreading fast to other geographies.

For more information please consult www.olivarioliveoil.com



Spanish olive oil brand holding a broad portfolio in which high quality goes hand-in-hand with very competitive pricing in order to offer an excellent value for money.



Market leader in Portugal, the brand defends Portuguese agriculture, environmental responsibility and sustainable development. The brand is behind the plantation of more than 10 million olives in Portugal and an architectural masterpiece, state-of-the-art mill.

For more information please consult www.oliveiradaserra.pt



Fula is the largest and most charismatic brand of seed oils in Portugal. With over 50 years of age, Fula is recognized as the most trusted brand by Portuguese families.

For more information please consult www.fula.pt



Clarim soap combines unique performance and aroma. It is still the best option to whitewash clothes leaving a wonderful memory-evoking scent.

For more information please consult: www.facebook.com/sabaoclarim



Born in 2008 targeting olive oil international markets for 'made in Spain', Soleada holds together sparkle and tradition. The name is easy to pronounce and remember so that it can enter Spanish and non-Spanish speaking countries.



70 years old American brand with a wide portfolio covering olive oils, blends and premium vegetable oils, GEM is produced at Sovena USA in Rome, NY (USA) and targets the foodservice market, including delis and Italian restaurants where olive oil is a key ingredient.



Portuguese brand created in 1927, Andorinha is fighting for the Brazilian market leadership since 2004. Consumer needs are mirrored in current product portfolio including traditional options such as tins. Andorinha is also present in Portuguese communities scattered around the world (USA, France, South Africa, Mozambique and Macau).

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



The most pragmatic brand ever created, Vege is a combination of seed oils blended to outperform traditional 100% sunflower oil options.



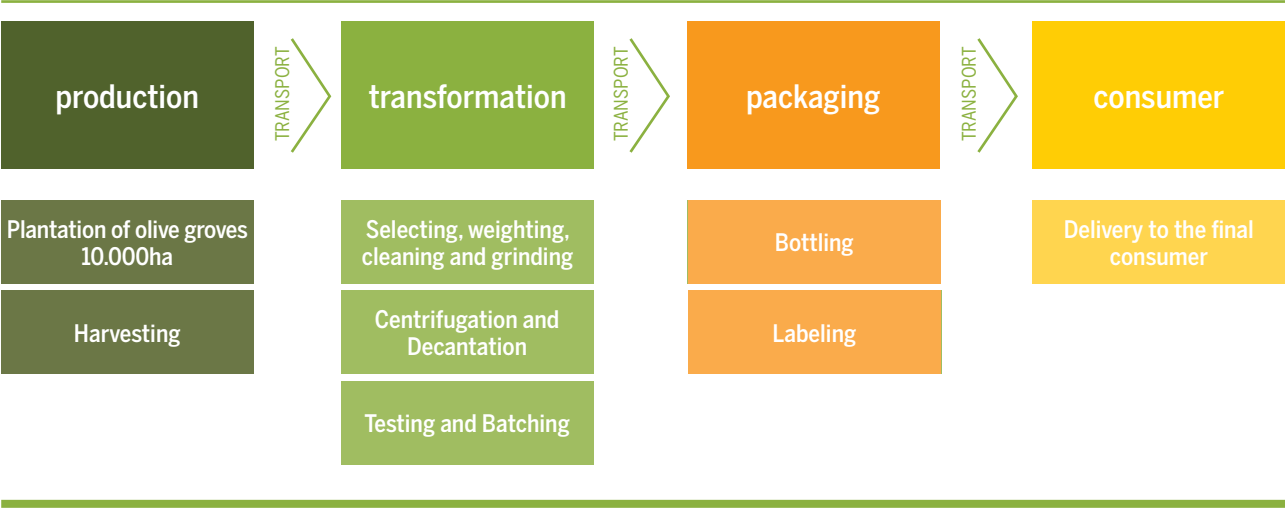
Born in 1981 for exporting Spanish table olives, its reputation grew on quality and portfolio offer - black, green, stuffed, sliced, stoneless, seasoned, retail and catering formats or any other market and client tailor-made solutions. Exoliva is present from Central Europe to Russia, Ukraine, Scandinavia and the Arab Countries.

Other smaller brands complement Sovena portfolio and are present in the life of consumers: Finóleo, Vitóleo, Frigi, Santé, Santoliva, Corcel, Ouro D'Oliveira and Córdoba.



1.8 Sovena’s value chain

Sovena is the only major olive oil player that integrates the entire value chain within its activities, from olive groves plantation, to milling, packaging and commercialization. Vertical integration drives Sovena competitive edge defended with competitive industrial facilities and continuous knowledge update.



From Sovena’s olive groves to the world, production process is planned to the last detail. It all begins with the selection of the varieties of olive trees to be planted, which are chosen according to the desired organoleptic properties of the olive oil, variety production potential and adaptation to chosen production area. When olives reach the right maturity stage, fully mechanized harvest is done with each machine capable of collecting 6 hectares per day.

‘One of the secrets of quality in Sovena’s olive oil is how quickly olives go from tree to the olive oil mill’

When olives arrive to the mill, they are selected, weighed, cleaned, and immediately milled. The resulting olive paste moves to the centrifugation process to separate olive oil from other constituents (e.g. water or pulp). Olive oil is later decanted to retain purity and genuine flavor. Once decanted is completed, olive oil is tested for organoleptic qualities and stores according to its profile. Olive oils with different characteristics are blended in order to reach the desired flavor and aroma profiles. Each resulting lot is subject to extensive tests that confirm its quality and authenticity. Finally, the olive oil is bottled, labelled and quickly shipped to clients.

You can learn more about the value chain of Sovena and how olive oil is made - from the olive groves to the consumer, by clicking [here](#).



1.9 Sovena's main partners

The group's activity has also been done with the help of many partners, either to develop specific markets, to enter new business areas or because companies complement each other in their activity. Our multiculturalism and openness have allowed us to nurture these partnerships over several years, providing clear benefits to all partners.



The company is the biggest retailer in the Spanish market and to the one that registers the highest growth rates. Its commercial policy was focused in the value's chain competitiveness through partnerships with exclusive suppliers, which allowed the company to grow while assuring the highest quality.

This relationship is sustained by a partnership without a time limit and built based on trust and sharing value, strategies, needs and business.

Sovena has maintained a partnership with Mercadona in the vegetable oils and olive oils industries.

For more information, please consult: www.mercadona.es



Bunge is one of the two major worldwide players in the vegetable oils and olive oils industries, being represented all over the world and having a wide set of partnerships with Sovena Group. In the Brazilian market, Bunge was the exclusive importer and distributor of the Andorinha olive oil, until November 2015. Sovena España is Bunge's Spanish Delícia olive oil bottler in this market.

Regarding the Russian market, Ideal olive oil is the vegetable oils leading brand in that country and is produced by Sovena España. This partnership may extend to other Eastern countries where Bunge has a strong market position.

The Biodiesel project in Portugal was developed in partnership with Diester, a company of the Bunge Group, and currently the largest European operator in this business area.

Finally, the origin of this close relationship and its most symbolic part is Sovena Oil Seeds Portugal, which has a Façon contract 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



Logoplaste is a Portuguese group with a significant international exposure and with great ambitious prospects regarding continuous grow. Logoplaste is fully aware of our Group's challenges and it is with this in mind that it has helped us grow.

Logoplaste works with us at Sovena Portugal, Sovena Spain and Sovena U.S.A, as Sulpet, Brenpack and Oliveplaste, respectively.

For more information, please consult: www.logoplaste.com/en/



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, namely in the Tourism sector, currently having a 6,000 bed capacity in six hotels in the main cities of Morocco; in the Metallurgy sector, with one of the most important companies of lead smelting of the Mediterranean region – SFPZ; in the Building and Civil Engineering sector, with the industrial equipment and public works company, Fénnie Brossette; in the Fishing sector, a socio-economic relevant sector, with the fishing company, UMEP; and, more recently also in the Agriculture sector, with the company SOPROLIVES, created in 2005 with Sovena.

SOMED also has minor holdings in other companies which operate in several sectors of the Moroccan economy.

For more information, please consult: www.somed.ma/





A venture capital company founded in 2006 in Valencia. It has been trying to invest mainly in the Food, Consumer Goods and Distribution sectors, with primarily focus region in the Iberian Peninsula.

At time, its largest investment is Elaia, but it already has interests in juice, broths and soups, pet food and pastas, pastry and bread companies.



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) integrating in its activity a wide technological and scientific knowledge.

ESB was created in 1984 simultaneously with AESBUC and is currently widely recognized, nationally and internationally, for its vast experience in R&D, education and training, biotechnology and in particular in the Agro-food sector. 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/



AESE is the first Business School in Portugal. It was founded in 1980 by the Association of Higher Enterprise Studies that formed it like the IESE Business School (the postgraduate school in management of the University of Navarra) to give executives the tools and techniques of management, as well as values centered on ethics and humanism, which allow for their continuous personal and professional improvement.

Over the years, we have been developing and consolidating a partnership with AESE in this area of executive training, enabling many of our staff to reinforce leadership, business management and leadership. Training has been ensured by participating 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" since 2015 and, shortly after, we celebrated 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/





1.10 External acknowledgement and awards

OLIVEIRA DA SERRA IS THE MOST AWARDED PORTUGUESE OLIVE OIL IN THE WORLD AND THE BEST OLIVE OIL FOR THE THIRD YEAR RUNNING

For third year running, Oliveira da Serra Olive oil has won the gold medal and the title of World's Best in the Mild Green Fruitiness category at the most prestigious international competition – the Mario Solinas Quality Award.

Organized by the International Olive Oil Council, the Mario Solinas Award is a hugely prestigious competition that brings together the best olive oil producers from all over the world. Judging is carried out by an international jury and points are awarded for the harmony, complexity and consistency of the competing olive oils.

As well as the gold medal, Oliveira da Serra took two more prizes at the awards – a silver medal and a finalist prize – bringing the number of awards won since 2007 to 200. Thanks to this achievement, Oliveira da Serra is the Portuguese olive oil brand which was won the most prizes worldwide, contributing to the recognition of the quality of Portuguese products.

OLIVEIRA DA SERRA HAS ONCE AGAIN WON THE “CONSUMERS’ CHOICE” PRIZE IN THE OLIVE OIL CATEGORY

In 2016, Oliveira da Serra was the winner of the “Consumer Choice” award in the category of olive oils, with a satisfaction rate of 83.8%. Portuguese consumers had already expressed their preference for the Oliveira da Serra brand in 2015, but this year the satisfaction rate was even higher, having risen by 6%.

The Consumers’ Choice seal reflects the Portuguese consumers’ degree of satisfaction with a brand’s products. Every year, the Consumer Choice Center for the Assessment of Consumer Satisfaction verifies consumer’s preferred characteristics in a range of categories, thereby also serving as an observatory for consumer trends. The growing preference for Oliveira da Serra olive oils on the market is a natural source of pride.



FULA: TRUSTED BRAND FOR THE 11TH TIME

Readers of the magazine Reader’s Digest have chosen Fula as their trusted brand for the 11th time. This year, the brand obtained 85% of the votes – the highest result out of all of the categories in the competition.

This 11th seal of approval is a significant achievement for the Fula brand, since it acknowledges not only the Portuguese consumers’ satisfaction but also the proximity relationship that exists between the brand and its customers. The award proves the world of the brand’s investment in various innovative initiatives, including “Reduz o Cheiro a Fritos” (Reduce Frying Odors), Spray & Go, and the unique service provided by the website Centro Nutrição Fula (Fula Nutrition Center).

The Reader’s Digest Trusted Brand initiative asks readers to vote for the brands that they trust most. Every year, some 13.200 readers vote for their favourite brands across 65 product categories.



ELAIA AWARDS

MÁRIO SOLINAS (INTERNACIONAL OLIVE OIL COUNCIL)

Mild green fruity – 2nd prize and two (2) Special mention (2016)

Medium green fruity – 1st prize (2^a Ed); 2nd prize (1^a Ed) (2015)

Mild green fruity – 2nd prize (2^a Ed); 3rd prize (2^a Ed) (2015)

INTERNATIONAL COMPETITION FOR OLIVE OILS (OVIBEJA)

Mild green fruity – Silver (2016)

Ripe fruity – Special Mention (2015)

Mild green fruity – 2nd prize (Silver); 3rd prize (Bronze) and Special Mention (2015)

MAPAMA (SPANISH MINISTRY OF AGRICULTURE AND FISHERIES, FOOD AND ENVIRONMENT)

Ripe fruity – Finalist (2nd) (2017)

THE WORLD’S BEST OLIVE OIL MILLS

Lagar do Marmelo (2015/2016; 2013/2014)



OLIVEIRA DA SERRA AWARDS IN 2016

OS GOURMET

63 AWARDS

- Monde Selection (Crystal Prestige Trophy 2016 -Belgium): Gold
- Concurso Nacional de Azeite Virgem Extra (CNAVE) (Portugal)
- Internacional Taste & Quality Award
- Mário Solinas (Spain): Gold
- Terraolivo (Spain): Prestigio Gold
- Los Angeles County Fair (Packaging Design – USA): Silver Medal Award
- Los Angeles International Olive Oil Competition (USA)
- DLG (Germany): Gold
- Olivinus (Argentina): Gran Prestigio Oro and Top 9 Portugal
- China International Olive Oil Competition (China): Bronze
- Ovibeja (Portugal): Honorable mention
- NY Intl Olive Oil Competition (USA): Gold
- Olive Japan (Japan): Silver
- EVOOLEUM: Gold



OS LAGAR DO MARMELO

51 AWARDS

- Monde Selection (Belgium): Silver
- Ariston (UK): Gold
- Terraolivo (Spain): Gran Prestigio Gold
- Los Angeles International Olive Oil Competition: Gold Medal Award
- Los Angeles County Fair (Packaging Design – USA)
- DLG (Germany): Silver
- Olivinus (Argentina): Gran Prestigio Oro
- Ovibeja (Portugal): Silver
- Les Olivalies (France): Silver
- China International Olive Oil Competition (China): Honorable mention
- Mário Solinas (Spain): Silver



OS SELECÇÃO OURO

44 AWARDS

- Terraolivo (Spain): Distinction (Mention)
- DLG (Germany): Gold
- Olivinus (Argentina): Gran Prestigio Oro
- Agence Valorisation Produits Agricoles (AVPA) (France): Diplôme Produit Gourmet (Honorable mention)
- China International Olive Oil Competition (China): Bronze
- Olive Japan (Japan): Silver
- L'Orciolo D'Oro (Italy)
- Les Olivalies (France): Silver
- Mário Solinas (Spain): Finalist
- EVOOLEUM: Gold



OS OLIVEIRINHA

5 AWARDS

- Concurso Nacional de Azeite Virgem Extra (CNAVE) (Portugal): Silver
- Olivinus (Argentina): Prestigio Oro



OS 1ª COLHEITA

9 AWARDS

- Los Angeles County Fair (Packaging Design): Bronze Medal Award
- DLG (Germany): Silver
- Terraolivo (Spain): Prestigio Gold
- Agence Valorisation Produits Agricoles (AVPA) (France) : Gourmet D'Or (Gold)
- Olive Japan (Japan) : Gold
- China International Olive Oil Competition (China): Honorable mention (Cat. Intense)





The background of the entire page is a close-up, low-angle shot of solar panels. The panels are dark blue with a grid of silver lines. The perspective is from below, looking up at the panels, which creates a sense of depth and scale. The lighting is bright, suggesting a sunny day.

2. Sustainability

“I consider very important to maintain a clear and continuous Sustainability policy, as carried out by the Sovena Group.”

Supplier opinion collected during the stakeholder consultation process

“Sovena is concerned about sustainability and dedicate resources to it. The reaction of our customers is usually a surprise that in such a traditional sector there is a company so expert in this matter.”

Employee opinion collected during the stakeholder consultation process

2.1 Stakeholder identification and consultation

Sovena recognizes the importance of all its stakeholders as essential elements in the management of its activities. Obtaining feedback from stakeholders is essential to align the strategy of the company with its expectations. For this reason, in the first trimester of 2017, Sovena conducted a Stakeholder Consultation process in order to identify expectations and concerns of Sovena's stakeholders regarding sustainability.

Identification of stakeholders

Key stakeholders identification was held based on the criteria of responsibility, influence and dependence. Five key groups were identified: Shareholders & Investors; Employees; Suppliers; Clients; and Community.

Main mechanisms for communication and engagement with stakeholders.

SHAREHOLDERS & INVESTORS

General Assembly; Board meetings; Follow-up meetings; Annual Report & Accounts; Sustainability Report; Sovena corporate website

EMPLOYEES

Sovena News; O'live magazine; Intranet; Annual Staff Meeting; Performance evaluation; Follow-up meetings; Sustainability Report; Sovena corporate website; Cultural and sports activities; Sovena Principles and Policies

CLIENTS

O'live magazine; Sustainability Report; Sovena Corporate website; Mail; Evaluation of customer satisfaction; Open door Policy; Complaints; Participations in events; Hotline Customer Support

SUPPLIERS

Evaluation of suppliers; Frequent meetings and contacts; Partnerships; Sovena Corporate website; Sustainability Report

COMMUNITY

Partnerships; Donations and sponsorship; Participations in events; Workgroups; Corporate website; Sustainability Report; Press releases



Relevant sustainability aspects for stakeholders

In the first trimester of 2017, Sovena carried out a stakeholder consultation to consider the expectations and concerns of internal and external stakeholders in the definition of our new Sustainability Strategy. The process focused four main areas:

- Sustainability vision;
- Reputation and image;
- Sustainability issues and performance;
- Sustainability reporting.



- 5 stakeholder groups: Shareholders and investors; Employees; Suppliers; Clients and Community.
- The response rate increased in 2017 (86%) compared to 2014 (69%)
- Employees contributed with 59% of the responses, followed by the Community, with 15%.

Main results of the stakeholder consultation

SUSTAINABILITY VISION	<p>The majority of stakeholders consulted (83%) believes that Sovena is an active organization regarding sustainability issues.</p> <p>74% of the stakeholders considered that sustainability performance contributes to their positive perception on the reputation of Sovena.</p>
REPUTATION AND IMAGE	<p>97% of the stakeholders consider that the global performance of Sovena regarding reputation and image is 'Good' or 'Very Good'.</p>
SUSTAINABILITY ISSUES - RELEVANCE	<p>The issues considered as most relevant for a greater number of stakeholders were:</p> <ul style="list-style-type: none"> • Product Safety & Quality • Research, Development and Innovation • Sustainable Supply Chain • Ethics, Conduct & Compliance • Health, Nutrition & Food Security
SUSTAINABILITY ISSUES - PERFORMANCE	<p>The issues ranked with the best performance are: Product Safety & Quality; Ethics, Conduct & Compliance; and Community & Social Investment/Support.</p>
SUSTAINABILITY REPORTING	<p>76% of the stakeholders had access, read or knew about the Sustainability Report 2015 of Sovena.</p> <p>Stakeholders would like to see more information published in the next Sustainability Report about sustainability progress made against the objectives and priorities defined.</p> <p>Main aspects that stakeholders would like to see more detailed in the report:</p> <p>Employees Report on the progress made against the objectives and priorities defined. More details about the seed business.</p> <p>Suppliers Areas related to energy consumption.</p> <p>Community External validation of the report. Development of global performance indicators.</p>



2.2 Identification of material issues

A set of processes were implemented ensuring identification and prioritization of relevant sustainability issues and also allowing structuring sustainability reporting. The following table makes a brief description:

	WHY IS THIS IMPORTANT?	WHAT IS SOVENA DOING?
FRAMEWORK ANALYSIS : FOLLOW-UP TRENDS AND EMERGING ISSUES	By understanding trends and identifying emerging issues, in olive and oilseeds sectors, we are better prepared to develop upcoming opportunities, manage and mitigate current and emerging risks.	<ul style="list-style-type: none"> • Working groups and worldwide conferences participation; • Employees training on several topics affecting industry; • Monitoring relevant articles, newsletters and publications regarding sustainability; • Share sustainability information internally and externally.
BENCHMARKING ANALYSIS	Benchmarking analyses provide a unique understanding of best practices applied by our peers and other reference companies. This allow us to identify and manage arising challenges across value chain. In addition, analysis of our performance, through external recommendations and internal evaluation, enables us to identify risks and opportunities, in order to fix unfavourable situations and implement best practices.	<ul style="list-style-type: none"> • Benchmarking analyses, peers sustainability practices identification; • Looking for external consultants recommendations, industry experts, benchmark organizations, financial and sustainability analysts; • Performance monitoring, using KPI and performance reports that are submitted to Board on a regular basis.
STAKEHOLDER CONSULTATION	Stakeholder consultation allow us to identify opportunities and relevant sustainability issues that we might miss, giving a precious external insight. It is also important to collect viewpoints and expectations of those who have influence over us and those that are affected by same issues.	<ul style="list-style-type: none"> • Stakeholders (internal and external) engagement and consultation that help us, prioritizing and evaluating relevant sustainability issues, through a formal process on a regular basis; • More frequently consultation of customers, suppliers, employees, through customer feedback, supplier evaluation, work climate survey, and others.
REFLECTING OUR VALUES, POLICIES AND COMMITMENTS	Alignment of policies, values, principles and commitments enable us to create a sustainability culture, creating long-term value to all of its stakeholders.	<ul style="list-style-type: none"> • Reflection of our culture on Sustainability Strategy, with definition of objectives and goals for 2014-2016.

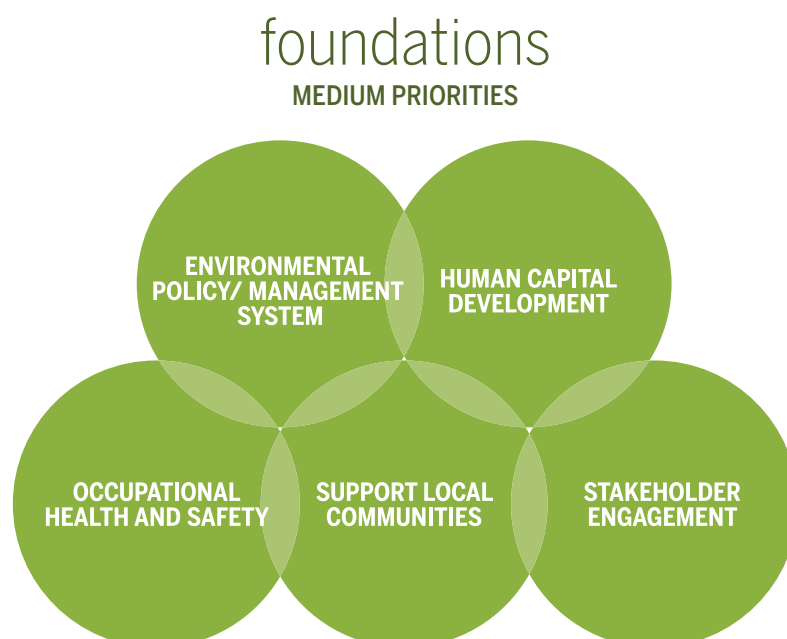
Please consult Sovena Materiality Matrix in in the chapter “About this report”.



2.3 Sustainability Strategy

Sovena's Sustainability Strategy (2014 – 2016)

Sovena's Sustainability Strategy is an essential framework that guides the management of sustainability of the company. For the period of 2014-2016, Sovena identified 7 strategic priorities with high relevance and five other issues identified as 'Foundations' with medium relevance.



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

Who are the stakeholders directly affected?

Shareholders and investors | Employees | Community | Suppliers | Clients

The Sustainability Strategy of Sovena includes several initiatives, objectives and timelines for each sustainability issue. The following table presents the status of compliance, by the end of 2015, with the commitments acquired (2014-2016):



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE
EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS	Food safety/ Certifications	FSC 1 Development of a Food Safety Index (FSI), which evaluates areas of management systems such as HACCP and sanitation programs.	Creation of a Food Safety Index homogenized for all factories.
		FSC 2 Implementation of a Supplier and External Manufacturer process, to align the businesses that have an impact on the food supply to qualify and manage suppliers and manufacturers using one global process that incorporates food safety and quality practices.	Definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including food safety and quality criteria.
	Sustainability in the supply chain	SSC 1 Utilization of specific tools for control and monitoring of the processes that allows detailed product information.	Establishment of a common system, based on SAP, to ensure traceability of products throughout the supply chain, from raw materials to end consumer, at all Group companies.
		SSC 2 Implementation of a timeline to respond to inquiries, complaints and incidents on products, suggestions and requests for information from the Department of Consumer.	Creation of a common and centralized system, at Group level, to respond to information requests and incidents, in less than 24 hours.
		SSC 3 Incorporation of environmental criteria in the selection of suppliers, both agricultural and non-agricultural, and environmental assessment practices through audits.	Definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and sustainability criteria.
	Sustainable Agricultural Practices	SAP 1 Share best practices – share information about agricultural practices in the supply chain.	Communication of sustainable agricultural practices through the Sustainability Report and commercial communications.
		SAP 2 Creation of a Sustainable Agriculture Taskforce.	Creation of a Sustainable Agriculture Taskforce in order to redefine the agricultural strategy, involving internal and external stakeholders.
		SAP 3 Dissemination of good environmental practices to farmers.	Sharing with farmers good practices.



TIMELINE	WHAT WE HAVE DONE	STATUS
2016	FSI developed and reported in monthly basis in all Iberian plants. The index reflects the performance on quality processes and food safety events and it can be established a comparison between different locations.	COMPLETE
2016	New tools for supplier evaluation developed. Every plant makes its own evaluation based on specific circumstances and supplier performance and all the data are aggregated and a global validation is made. The validation is used to establish the "supplier risk level" and in this way the audit/verification frequency, needs of certification and training programs. New suppliers are included and evaluated from the beginning with this system.	COMPLETE
2015	Sovena has homogenized the traceability systems implemented by the different factories and standardized the shared codes and products. Sovena also has developed common codes for traceability and implemented more effective processes to streamline reporting level traceability to a single batch, or all batches produced, for a long period of time.	COMPLETE
2016	The Sovena vision for the complaints has been parceled out in each of the operational units. This initiative, to be completed by the end 2016, consists of six phases: 1. Report and comprehensive analysis of customer complaints; 2. Development of common complaints management process; 3. Development of a software tool for managing claims at Sovena Group level; 4. Set pilot operation procedure with a specific client; 5. Adaptation of the Crisis Manual accordingly; 6. Set the evaluation system of customer satisfaction.	COMPLETE
2016	Consult initiative FSC 2	COMPLETE
2016	Also, Sovena gives to oilseed farmers, references of how to produce in a sustainable and more efficiently way.	COMPLETE
2016	Sovena created a specific full-time team, in Portugal and Spain. This team works directly in the field, in the olive groves with farmers, as well as with industry associations in order to identify improvements in crops and crop yields. The main projects that are being developed are the own production of oilseeds in Portugal, the sustainability of rapeseed and the improvement of efficiency of seed production in Spain.	COMPLETE
2016	Sharing with oilseed farmers, best practices of sustainable and more efficient production.	COMPLETE



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE
EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS	Research, Development and Innovation	RDI 1 Implementation of measures to increase the production capacity and decrease costs.	Replacement of old equipment, in order to increase the production capacity and decrease maintenance costs.
		RDI 2 Launch of new products which comply with the most rigorous specifications in terms of origin and traceability.	Implementation of a management workflow for the launch of new products, in order to better manage reference changes and the creation of new product reference - zero origin deviations in accordance with specifications.
		RDI3 Development of the projects that will help to enhance the competitiveness and sustainability of crops.	Development of a study of new varieties of olive groves and implementation of a program with farmers, for the developing of new seed varieties and purchase/sale of seeds from/to farmers - Annually field test of at least one new cultivar.
		RDI4 Reduce packaging	Development of packaging with lighter, stronger and better materials that have a lower environmental impact, within the R&D projects – Continuity Action.
		RDI5 Participation in research projects for the development of new functional food products.	Regular participation in R&D projects.
ENHANCING ECO-EFFICIENCY	Management and valorization of waste and bi-products	MVW 1 Valorization of by-products obtained in the production process in order to reduce the production of waste and to generate added value.	Identification of possible untapped opportunities and communication of currently practices applied - Quantification of the value generated and definition of improvement goals.
		MVW 2 Development of changes in packaging in order to reduce the amount of packaging waste.	Development of packaging with lighter, stronger and better materials that have a lower environmental impact, in partnership with suppliers – Continuity Action.
	Energy & Climate Change management	ECC 1 Conduct energy audits and subsequent energy efficiency plans for implementing improvements.	Develop inter-plant audits and make recommendations on the implementation of energy efficiency measures - Audits of each production center and definition and communication of an energy efficiency plan.
		ECC 2 Implementation of Energy Efficiency Programs.	
		ECC 3 Implementation of GHG reduction targets and commitments.	Conduct a new carbon study and subsequently establish reduction targets at Group level.
		ECC 4 Investment in advanced video conferencing facilities to make communication easier while reducing travel for employees.	Formalization and promotion of a corporate policy for reducing travel and utilization of videoconferencing systems, quantifying the savings achieved.



TIMELINE	WHAT WE HAVE DONE	STATUS
2016	Sovena has implemented improvements in production efficiency and capacity expansion, highlighting: increase of the sunflower crushing capacity of Andújar plant; Increase of the soybean crushing capacity of the Almada plant; Replacement of equipment for reduction of energy and maintenance costs; Increasing of the reliability of the plants; Increasing biomass production capacity.	COMPLETE
2015	In the process of product development, Sovena has implemented a workflow that includes routinely and comprehensively the following processes: Review of customer requirements; Legal validation of development to be performed; Review of available profile/product to be supplied and support to the development process and management of possible modifications; all in collaboration with the Commercial 6 Operation Departments.	COMPLETE
2016	Sovena has conducted several trials and studies on different varieties of rapeseed and sunflower. The studies identify, among other factors, development speed, cycles of cultivation, production and yield. Regarding the trials, Sovena works with international seed companies and public administration through the inclusion of varieties in the network of official trials.	COMPLETE
2016	Sovena is constantly seeking the reduction of weight and complexity of packaging materials and costs associated throughout new methods and technology in partnership with suppliers. It worth to mention the work performed in the reduction of plastic materials (lighter caps) and the reduction in glass (lighter glass bottles). Sovena also has a project ongoing in order to reduce the consumption of cardboard materials (lighter boxes).	COMPLETE
2016	Sovena collaborates with research and innovation institutions regularly, highlighting joint projects with the following entities: - Research Institutes (IBET, Portugal): study of characteristic compounds oil, in order to minimize risks and optimize production processes; - Universities (Cordoba, Spain): study of new varieties of olive tree; - Entities of excellence and innovation (Citoliva, Spain): study of characteristic compounds oil, in order to minimize risks and optimize production processes.	COMPLETE
2016	Sovena valorize several by-products obtained in the production process of the factories in order to reduce the production of waste and to generate added value. Some examples are: fatty acids and refining paste (animal feed); lecithin (emulsifier in food industry); olive stone and seed hulls (own use as fuel for biomass boilers), among others.	COMPLETE
2016	Consult initiative RDI 4	COMPLETE
2016	Sovena conducts, on a regular basis, external and internal energy audits, that result in energy efficiency plans with rationalization measures, with the consequent reduction for associated energy costs. Sovena has also implemented inspection routines for eliminating air leaks in the Spanish plants, similar to the Portuguese plants, in order to reduce electricity consumption.	COMPLETE
		COMPLETE
2016	Sovena conducted a new GHG emissions study for the Group, presented in this report. This study will provide the basis to know the state of Sovena on GHG emissions and to reflect about the establishment of reduction targets and commitments.	COMPLETE
2016	All plants with video-conference facilities installed and system update in 2016 (pending of use data), promotion of call-conference utility (last quarter of 2016 with more than 200 conferences with a total duration time of more than 3330 hours) and use of Skype for Business (implemented on 2016).	COMPLETED

PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE
PROMOTE HEALTH AND NUTRITION IN SOCIETY AND OUR OWN PEOPLE	Promote Health and Nutrition	PHN 1 Dissemination of healthy eating habits and values of the Mediterranean diet.	Development of new opportunities related to the promotion of health and nutrition – Publication of at least one related article to healthy eating habits.
		PHN 2 Promotion of health and nutrition related events.	Organization of at least two events where its promoted health and nutrition.
		PHN 3 Development of programs to improve employee health, nutrition and wellness.	Promotion of nutrition appointments with Sovena employees and continuity of other wellness actions for employees.
		PHN 4 Bring to market products with higher nutritional value that may pose a health benefit.	Promotion and communication of the new product references created every year that have clear nutritional benefits.
FOUNDATIONS	Environmental Policy/ Management System	EPS 1 Promote greater environmental awareness among employees and other stakeholders.	Make environmental communication and awareness on a regular basis (e.g. through New carbon study; Sovena News; O'live magazine) and distribution of the Sustainability Report at all levels of the organization and collection of suggestions
		EPS 2 Creation of an Environmental Sustainability Committee.	Creation of an Environmental Sustainability Committee, with the aim of reduce the environmental impact, reduce costs, use resources efficiently.
		EPS 3 Creation of a Sustainability Plan.	Creation of a Sustainability Plan and communication of the progress, biannually, among employees for increased involvement of the entire organization.
		EPS 4 Development of a tool to measure the carbon footprint of products based on its complete life cycle, used in all company businesses.	Extension of the carbon study to Sovena products, performing a life cycle assessment, in order to determine the GHG emissions associated.
		EPS 5 Promote environmental tips for saving energy, water and paper.	Development of a guide for environmental tips for saving energy, water and paper, adapted to the workplace centers, to make the offices more sustainable.
	Human Capital Development	HCD 1 Creation of an online platform for sharing information and training.	Creation of an internal document management system, where it is shared documentation on various themes. In the future, extend the system to include formative elements (e.g. languages).
		HCD 2 Implementation of labor flexibility measures: extension of time flexibility for all people in the organization who are currently working as part time with flexible hours; Telecommuting.	Formalization and promotion of measures for labor flexibility (e.g. telecommuting)

TIMELINE	WHAT WE HAVE DONE	STATUS
2016	Through public relations, digital communications and sponsorships, Sovena communicates the benefits of the Mediterranean diet, through one of its main brands: Oliveira da Serra. In Oliveira da Serra website was created a section about the Mediterranean diet, its benefits and the importance of olive oil. Sovena also communicates the sponsorship to elite athletes who use the Mediterranean diet as the basis of their eating habits.	COMPLETE
2016	Sovena promoted and sponsored the Half Marathon of Lisbon. In USA, Sovena also promoted and sponsored the American Heart Association Run and Walk.	COMPLETE
2016	Sovena promotes healthy habits among its employees by offering them the services of a nutritionist, enabling free consultations to its employees. Sovena also facilitate the participation of its employees in blood donations.	COMPLETE
2016	Recently, iBET conducted a study that concluded that olive oil consumption (main product of Sovena Group) improves heart health. The study, a QREN project, was coordinated by Sovena Portugal.	COMPLETE
2016	Sovena conducted a new GHG emissions study for the Group, presented in this report. Sovena also publish its Sustainability Report and publish information regarding environmental awareness in its O'live magazine.	COMPLETE
2015	Sovena created the Sustainability Committee that gathers on a quarterly basis to prioritize issues, develop programs, manage projects and track progress.	COMPLETE
2015	Please refer to this entire section.	COMPLETE
2016	Sovena conducted a new GHG emissions study for the Group, presented in this report.	COMPLETE
2016	Sovena produced and promoted, across its facilities, communication boards with environmental tips, e.g. energy/resource saving tips.	COMPLETE
2016	Younify platform in place. This system gives to the employees a wider vision of Sovena Group and the internal organization and to speed up the internal communication. The platform is also a solid base for knowledge sharing and will have several modules integrated. Some of them like the Performance Review Module (where all the development and training needs can be detected, grouped and prioritized within the Company) or the e-learning module (where at the moment we can find general training information available for all the employees) are already working.	COMPLETE
2016	Sovena Human Resources polices in place try to join Company and worker's needs, mainly in those cases where the worker has any special situation (familiar responsibilities, learning challenges, frequent travelling). In this way, another module developed with the Younify platform facilitates the requests registry (removing paper work) and it justification and assignment.	COMPLETE



PRIORITY	RELEVANT ISSUE	INITIATIVE	OBJECTIVE
FOUNDATIONS	Occupational Health and Safety	OHS 1 Implementation of a Safety Program, aimed at identifying and addressing life-threatening dangers hidden in the tasks and workplace, by reducing human errors, strengthening its incident investigations, and improving how its measures safety incidents.	Sharing of good health and safety practices, implemented in all Group plants, in order to share know-how. Conduct safety audits, supported by control checklist in the plants.
		OHS 2 Development of standard audit tools for Health and Safety	Creation of a tool, at corporate level.
	Support local communities	SLC 1 Promote corporate volunteering.	Conduction of, at least, a corporate volunteering action per year.
		SLC 2 Responsible Family Company	Requirement gathering and establishment of plan for EFR certification.
		SLC 3 Help smallholder farmers, by supporting farmers to gain product certifications.	Ensure that, at least, 30% of seed are certified with Global Gap.
	Stakeholder engagement	SE 1 Identifying concerns and employee satisfaction.	Implementation of work climate survey, at least on half of the workplaces.
		SE 2 Regular active participation in relevant forums and associations in order to promote the industry and Sovena products.	Strong participation in relevant forums and associations, with the aim of promoting and developing the food industry through advocacy and brand image and promoting R&D within the food industry – Expand the network of associations and participation in organized events.



TIMELINE	WHAT WE HAVE DONE	STATUS
2016	Sovena has started making weekly sessions to small groups (approximately 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 11 promotion of occupational health and safety.	COMPLETE
2016	Development of standard audit tools for Health and Safety: Sovena has created a specific working group for occupational health and safety, with the aim of strengthening this area. In this sense Sovena begun to develop a system of evaluation and audit in every plant, with the aim of track and analyze accidents and incidents more comprehensively.	COMPLETE
2016	Sovena promoted a voluntary action among its staff, at the Food Bank, during the annual staff meeting.	COMPLETE
2016	Sovena performs a series of actions that start the path to become a Family Responsible Company, in particular by increasing the value of the 'Gift Voucher' for the employees' children of SCG Portugal and SOS Portugal (Christmas 2015). Sovena also established protocols with entities that work with children and families (Kindergartens/Holiday camps).	COMPLETE
2016	Consult initiative SAP 2.	COMPLETE
2016	Sovena implemented in 2015 a work climate survey in all locations, covering all employees.	COMPLETE
2016	Sovena currently participates in several forums and conducts promotion and knowledge actions with several industry associations, namely: Forum Interalimentario; ANIERAC; ASOLIVA; COI; Casa do Azeite; FEDIOL; AFOEX; among others.	COMPLETE



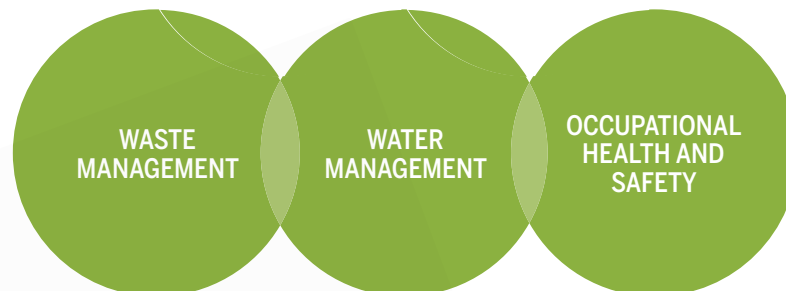
Sovena's Sustainability Strategy (2017-2020)

Considering that 2016 is the last year of Sovena's Sustainability Strategy, in September 2016 Sovena started a process for the definition of the new sustainability strategy, for the period 2017-2020, that was based on the results of three phases previously conducted, namely: Framework analysis, Benchmarking analysis and Stakeholder consultation (for more information about this process please consult chapter 2.2). Besides sustainability strategic priorities, were identified "issues to be monitored".

SUSTAINABILITY PRIORITIES

STAKEHOLDER ENGAGEMENT	EMBEDDING SUSTAINABILITY INTO SOVENA'S BUSINESS			
	Product Safety	Sustainable Supply Chain	Ethics, Conduct & Compliance	R&D and Innovation
	PROMOTING HEALTH AND NUTRITION	DEVELOPING PEOPLE		ENHANCING ECO-EFFICIENCY
	Health & Nutrition	Human Capital Development		Energy & Climate Change Management

ISSUES TO BE MONITORED



For each Sustainability Priority of the updated Sustainability Strategy Sovena identified a set of initiatives and responsible for their implementation. Currently Sovena is identifying objectives and timelines, which will allow Sovena to continue to monitor the performance on sustainability issues.



AREA	PRIORITY LEVEL	INITIATIVE DESCRIPTION	TIMING
Product safety	Very high	Unannounced GFSI audits in our plants	2020
		Emerging risks assessment	2018
		Responsible labelling & marketing	
Sustainable Supply Chain	Very high	Certification program initiatives for sunflower suppliers	2020
		Homogenizaton of quality systems	2018
		Development of Concerted Quality Agreements	2019
		Planning optimization project	2018
Ethics, conduct and compliance	Very high	Global ethic, conduct and compliance manual	2019
Behaviour code for suppliers			
R&D and innovation		Innovation projects focused on quality of Olive Oil	2020
		Yearly NPI goals implementation (product and packaging, including sustainability aspects)	
		New by-products development	
Health & Nutrition	High	Mediterranean diet promotion	2020
		Promote healthy diets and lifestyles, including physical activity	
Human Capital Development	High	Corporate Human Resources platform development and KPIs associated	2020
		Talent attraction & retention program	2018
		Corporate Policies & Standards development	2019
		New safety initiatives and certifications	2020
Stakeholder engagement	High	Include all stakeholders in annual satisfaction query, not only customers (including sustainability performance of Sovena)	2018
Energy & Climate Change management	High	Carbon footprint reduction in 10% (in the strategy period)	2020
		Energy consumption reduction in 5% (in the strategy period)	
		Water use optimization	
		Recycled PET viability study & introduction	



2.4 Sustainability Governance

Sovena created in 2014 its Sustainability Committee, at Group level, with the goal of managing all issues related to sustainability and monitoring strategy implementation. The Sustainability Committee gathers on a quarterly basis (met 3 times in 2016) in order to prioritize issues, develop programs, manage projects and track progress. The scope of the Committee is the entire Sovena Group roles, responsibilities and composition are described below.

SOVENA'S SUSTAINABILITY COMMITTEE	
ROLES & RESPONSIBILITIES	COMPOSITION
<ul style="list-style-type: none">• Monitoring a Sustainability Plan and define guidelines that lead to proper compliance;• Analyze and approve budgets related to Sustainability Plan implementation;• Evaluate and boost opportunities and synergies with other Group areas;• Ensure internal and external disclosure of Sustainability Plan and actions foreseen.	<ul style="list-style-type: none">• Sovena Group CEO; Sovena MENA CEO & Sovena USA CEO;• Business Development;• Operations & Commodities;• Sourcing & Wholesales Olive Oil;• Commercial;• Resources & Finances;• Human Resources;• Quality, Environment & Research and Development.



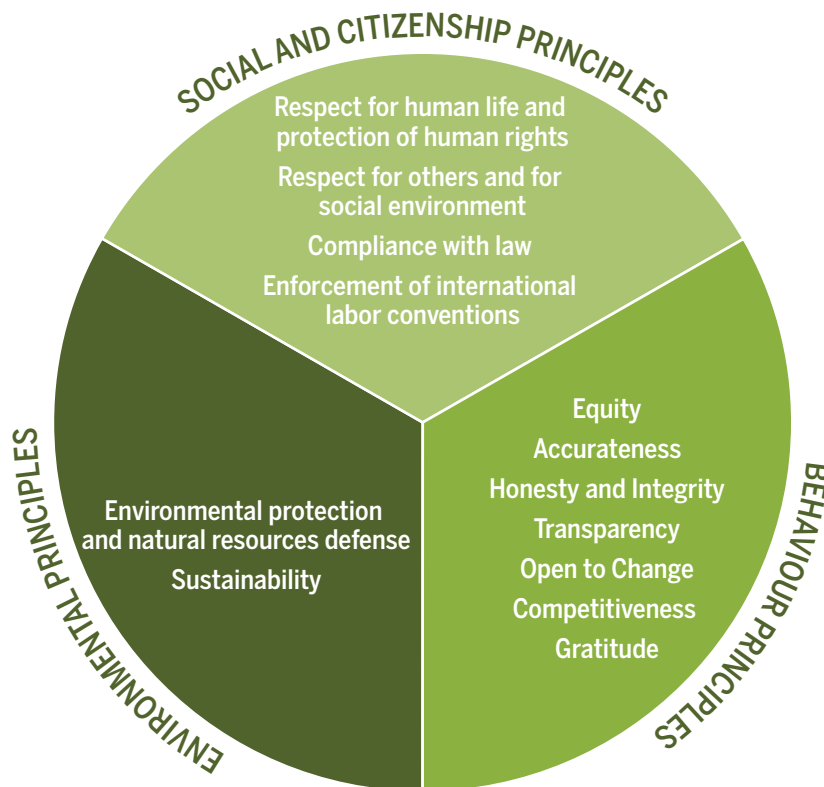
2.5 Ethics and transparency

Ethics and transparency play essential roles in the integration of sustainability across Sovena's global operations and value chain. Sovena believes that all employees, through its attitudes, behaviors and actions are responsible for Group development and also for creating positive relationships with all employees and the stakeholders.

Sovena Charter of Principles of Ethics and Conduct

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

Employees are required to acknowledge the Charter of Principles of Ethics and Conduct and participate in related training.



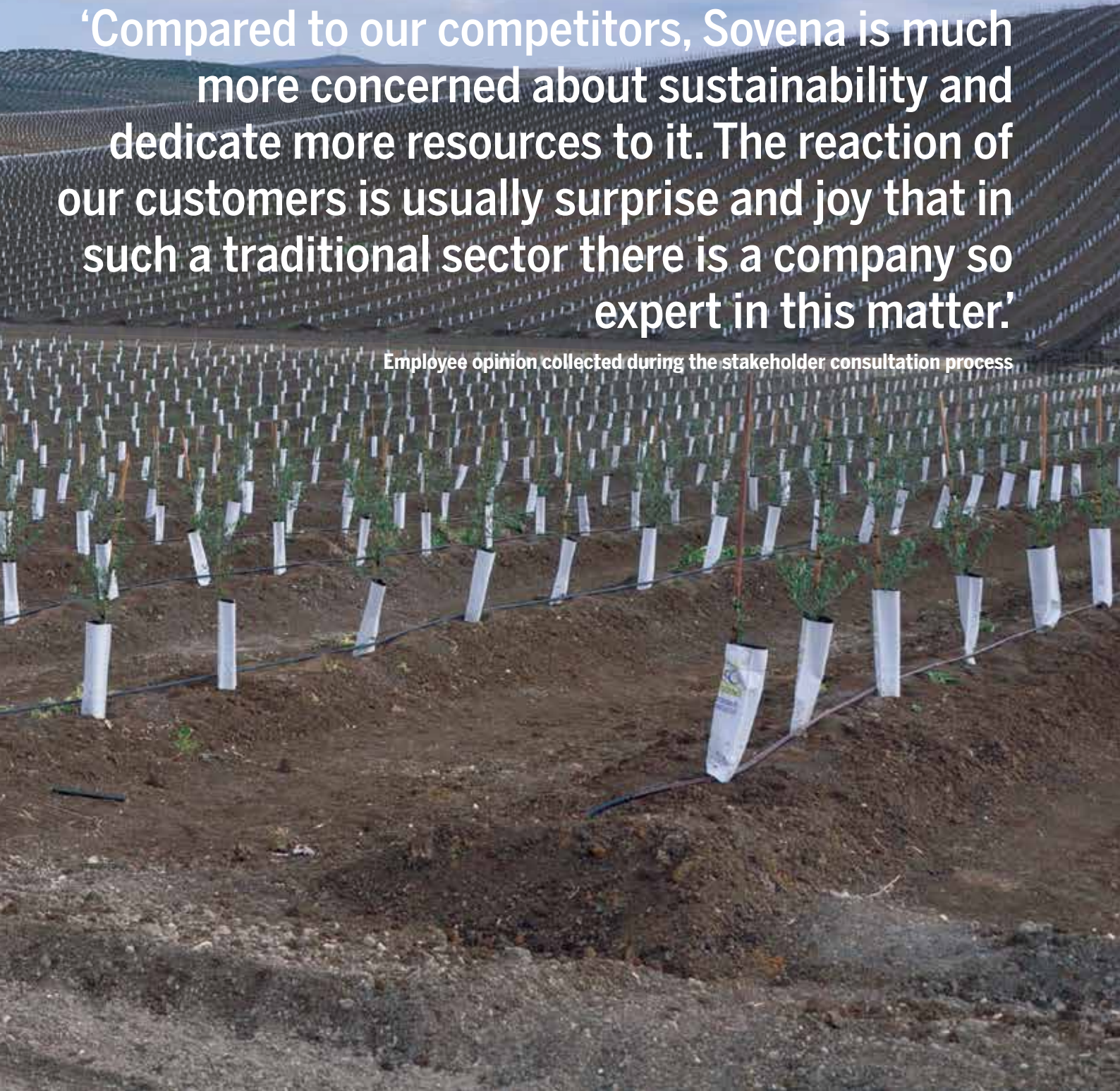
You can learn more about the Sovena Group Code of Conduct & Charter of Ethics, by clicking [here](#).



3. Embedding sustainability into Sovena's business

‘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.’

Employee opinion collected during the stakeholder consultation process



More than 50 certifications
in 8 industrial plants and
3 olive oil mills



Integrated Production
certification in all farms



Own Olive Oil Mill Evaluation
Program – 538 growers certified
in 2016



€200k invested in training and
development in 2016



Innovation across products,
packaging and production
processes



Full traceability of products in
all business units: Agriculture;
Consumer Goods; Oilseeds and
Biodiesel



3.1 Food safety/certifications

To meet quality and safety standards of this particularly sensitive industry, Sovena continues to improve and implement tools and controls that support and strengthen its Quality Policies, Food Safety Certifications, Quality Assurance & Traceability and Good Practices Codes.










Quality control process covers the whole supply chain, from the selection of suppliers to product delivery while analytical and organoleptic tests are made to ensure that raw materials and products comply with all specifications set by each brand, client and destination country.

Within the scope of its food safety certifications, regular audits are carried out, both internally and externally, by some of the largest world retailers that submit plants, processes, products and policies to extensive analyses before placing their orders.

Product safety & quality



		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	Almen- dralejo SPAIN
FOOD SAFETY	 BRC				●	●	●			●	●	●
	 INTERNATIONAL FOOD STANDARD				●		●			●	●	●
	 SQF - SAFE QUALITY FOOD								●			
	 GMP B2+				●							
	 ISO 22000	●	●									
QUALITY	 ISO 9001				●	●	●	●			●	●
	 ISO 17025							●	●			
ENVIRONMENT & SUSTAINABILITY	 ISO 14.001		●			●		●				
	 ISCC				●							
	 INTEGRATED PRODUCTION	●	●	●								

	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	Almen- dralejo SPAIN
GLOBAL MARKETS				●	●	●	●	●	●	●	
	KOSHER (STARK & OU)			STARK	STARK & OU	STARK	STARK & OU	OU	STARK	STARK	
					●		●				
	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 also achieved the SOLAS certification (weight certification for export containers) for the Andújar, Brenes and Barreiro plants.

As a producer, packer and distributor industry of olive oil, olives, vegetable oils and their derivatives, we pretend to ensure our stakeholders' satisfactions, assuming the commitment of continuous improvement in Quality and Food Safety.

Our quality policy principles

AT OUR OLIVE OIL MILLS...

"Quality, Food Safety and Environment are paramount of our culture"

"We aim to ensure fulfillment of legal requirements"

"We promote continuous improvement of effectiveness of Quality, Food Safety and Environment systems."

AT OUR INDUSTRIAL PLANTS...

"We make quality a basic element of our culture, achieving all employees' commitment with Quality Policy."

"We ensure compliance with national and international regulatory and normative quality and food safety requirements, adapting them to clients and business partners."

"We increase competitive power in an ongoing basis, continuously optimizing Quality and Food Safety processes developing a participatory attitude and taking full advantage of all the existing potential."



Quality Assurance

The quality department is committed to guarantee the best products to its customers by setting up standardized procedures and criteria across all plants.

Commitment to highest quality standards

AGRICULTURE	SOVENA OILSEEDS	SOVENA CONSUMER GOODS	SOVENA BIODIESEL
ELAIA Greatest technological precision, achieving the best olive oil quality produced, Integrated protection, assuring olive trees growth in an environmentally responsible manner. HACCP, ISO 22000 international standard promoting safe food supply chains worldwide and ISO 14001 certification and integrated production are implemented in Mills. At end of production process, olive oil is submit to extensive test to confirm its quality and authenticity.	SOVENA OILSEEDS PORTUGAL SPAIN SOVENA CONSUMER GOODS PORTUGAL SPAIN USA MENA Quality control starts with supplier's selection in an ongoing and strict process, from raw material reception to extraction, refinement and packaging. Analytical and organoleptic tests ensure product's safety and quality. These practices ensured ISO 9001 certification and approval of numerous audits from world largest retailers. Our plants, processes, products and policies are submitted to an extensive analysis before serving orders. EXOLIVA (Sovena Spain) Quality start from harvesting season since our main promise is to deliver top quality olives in every campaign. HACCP, ISO 9001 BRC and IFS certifications are implemented and recognizing our quality.		SOVENA OILSEEDS PORTUGAL Biodiesel production process is controlled online with the latest technology and analytical equipment available. Biodiesel factory has two different production units with two different process steps , totally automatic and controllable: 1. . Pre-Treatment: Through a complex physical refining process raw oil is degummed, neutralized and dried 2. Biodiesel Generation: transesterification process that uses methanol and a catalyst, which results in biodiesel and glycerin.

Food Safety Index

A COMMON APPROACH TO EVALUATING FOOD SAFETY PERFORMANCE ACROSS ALL PLANTS (FSC1)

In order to compare food safety performance across all factories a Food Safety Index was created. 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

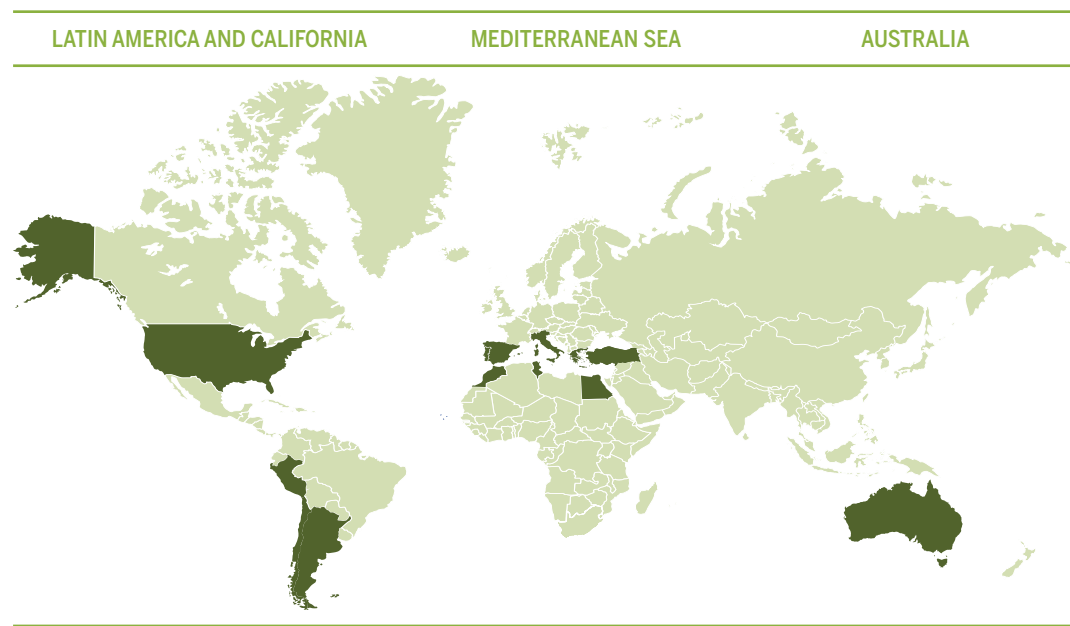
FSI is developed and is reported in monthly basis in all Iberian plants. This index reflects the performance on quality processes and food safety events, establishing a comparison between different locations. Average values are above 90% of fulfilment.

3.2 Sustainability in the supply chain

Sovena is the major industrial company that integrates all value chain phases, from olives plantation, to olive oil commercialization, going through transformation, bottling, and packaging. Sovena has customers in several places in the world to procure best olive oils, vegetable oils and table olives. Through regular communications with farmers, Sovena predicts and anticipates market trends and follows harvest prospects.

- Main olive oil markets we follow directly and personally are Spain, Portugal, Greece, Morocco, Tunisia and Italy, which covers all of the most relevant producers in the world.
- Oil seed markets are followed on a daily basis by our sourcing team communicating directly with large world/European producers, enabling us to offer highly competitive prices and high quality oils.
- Table olives markets we follow directly are Spain, Egypt, Argentina, Portugal and Greece.

A BROAD SOURCING NETWORK WITH LOCAL PRESENCE IN ALL THE RELEVANT OLIVE OIL PRODUCTION MARKETS.



Suppliers Management and assessment

COMMITMENT TO IMPLEMENT A COMMON SYSTEM FOR THE MANAGEMENT AND ASSESSMENT OF SUPPLIERS, TRANSVERSAL TO THE GROUP (SSC3 & FSC2).

Suppliers evaluation and approval process is harmonized with defined criteria and procedures:

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 and central cost management: development of comprehensive plan of audits, with assigned budgets and internal auditors. According to each supplier risk profile, audits are conducted in accordance with 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 and supplier performance and all the data are aggregated and a global validation is made. The validation is used to establish the “supplier risk level” and therefore the audit/verification frequency, needs of certification and training programs. New suppliers are included and evaluated from the beginning with this common system.

Olive Oil Mill Certification Program for Suppliers

PROJECT THAT IS PART OF GROUP'S SOURCING POLICY, WHICH PRIVILEGES STABLE RELATIONSHIPS WITH SUPPLIERS IN ORDER TO INCREASE QUALITY AND BENEFIT BOTH OLIVE OIL AND CONSUMER.

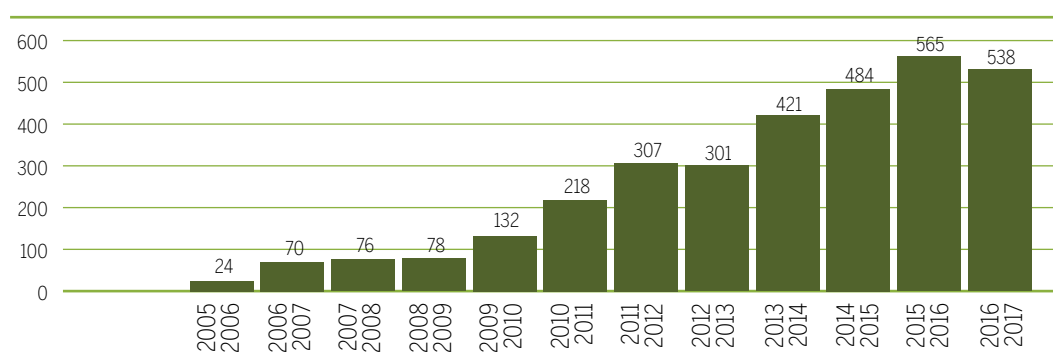
OLIVE OIL MILL CERTIFICATION PROGRAM FOR SUPPLIERS OF EXTRA VIRGIN OLIVE OIL	WHAT WAS THE BACKGROUND?	WHAT WAS THE OBJECTIVE?
	<p>A certification program for all external mills supplying olive oil is in place. This program started due to need of standardized criteria throughout the entire value chain: producers, packers, distributors and consumers.</p> <p>The program is also aligned with constant concern with dissemination of best practices regarding production, hygiene and food safety.</p>	<p>To improve olive oils quality through identification and implementation of best practices. First step was the development of a rational and complete reference system by all stakeholders of production chain and certifying companies. The document has been adjusted over the years, being adapted to the sector's 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.</p>



FIRST CAMPAIGNS SERVED AS A 'LEARNING CURVE,' ALLOWING US TO CONSTANTLY INCREASE THE NUMBER OF OLIVE MILLS IN THE FOLLOWING YEARS.

The number of growers and mills audited and certified has been growing, with 24 major providers at the beginning up to more than 500 olive oil mills audited nowadays. 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 makes it possible to compare among them.

NUMBER OF OLIVE MILLS AUDITED



This program allows to continuously incorporate new olive mills and also exclude those that do not fulfill minimum criteria. Over the years this program has promote change sector of higher quality and sounder food safety standards.

Complaints handling

COMMITMENT TO CREATE A COMMON AND CENTRALIZED SYSTEM, TO ANSWER REQUEST AND INCIDENTS, IN LESS THAN 24 HOURS (SSC 2).

Sovena felt the need to create a central system for management of complaints in order to create synergies to be harnessed by all industrial plants. Due to that, we launched, by the end 2016, a common approach structured in six different phases:

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

The system allows, in a centralized and standardized way, to record complaints received from customers, in order to present to the Board on a quarterly basis, updated information. To this end, through the Documental Management System and Workflow platform developed, it has been implemented a tool for recording, analyzing, resolving and reporting customer complaints. This tool allows taking a closer and transparent monitoring of complaints, ensuring that all management steps are met and formalized (e.g. roles & responsibilities of managers; timings and associated KPI).

Another benefit is that information can be shared, on real time, to all plants. Associated with new complaint management process, Crisis Manual was updated, in order to reassess and standardize analysis and severity of incidents and complaints at all plants. As a final output, an evaluation model of customer satisfaction, will be common to the Group.



3.3 Sustainable agricultural practices

ELAIA

Elaia is a single project on a worldwide scale, due to its dimension, operating in Portugal, Spain and Morocco. Currently is undergoing expansion in other regions in the world.

To date, Elaia has more than 11.000 hectares of cultivation, being Portugal the most important country (more than 9 thousand hectares), to a great extent due to its advances in the Alqueva project, which has meant a very important development of the irrigated land.

COUNTRY	PLANTABLE AREA (HECTARES)	NET AREA (HECTARES)
Portugal	9,148	11,628
Spain	1,507	1,691
Marocco	1,083	1,332
TOTAL	11,738	14,651

In order to control whole production process, with the highest quality levels and guaranteeing the production complete traceability, Elaia has four modern olive oil mills, located in Portugal, Spain and Morocco that transform 100% of harvest. Elaia encompasses olive oil production and transformation based on the idea of whole value chain integration, from olives cultivation to final product selling, strengthening its position on the market and promoting existing industrial and commercial structure.

The upgrading investment, expanding area of olive groves and olive oil processing innovation reveal a clear focus on Mediterranean agriculture and the creation of unique quality oils. ELAIA is strengthening its position in olive sector and to raise Portugal's position in olive oil world panorama.

COUNTRY	LOCAL	OLIVE MILL	OPENING DATE	MILLING CAPACITY (TONNES OLIVES/DAY)	CELLAR (TONNES OIL)
PT	FERREIRA DO ALENTEJO	MARMELO	2010	1,400	5,280
PT	AVIS	PAINHO	2013	1,200	5,750
ES	BADAJOS	NAVALVILLAR DE PELA	2008 (bought)	350	1,020
MA	MARRAKECH	OLICO	2010	350	1,500
TOTAL				3,300	13,550



SOVENA IS COMMITTED TO SHARE BEST SUSTAINABLE AGRICULTURAL PRACTICES IN THE SUPPLY CHAIN (SAP1 & SAP4)

INTEGRATED PRODUCTION

All olive groves of Elaia produce olives under the strictest standards of environmental sustainability, namely through sustainable agricultural production techniques. In this sense, all the farms of Elaia (in Portugal and Spain) have their production systems certified by Integrated Production. This production system, which consists on a set of sustainable farming practices, helps to prevent and enhance the quality of the environment.

	INTEGRATED PRODUCTION
INTEGRATED PRODUCTION	Integrated Production is an agricultural system for production of quality products, based on good agricultural practices, with natural resources rational management, privileging the usage of natural regulation mechanisms in replacement of production factors, contributing this way for a sustainable agriculture.
MAIN OBJECTIVE OF INTEGRATED PRODUCTION	The main objective is to produce quality products respecting the environment.
MOST IMPORTANT ASPECTS TO CONSIDER IN INTEGRATED PRODUCTION FOR THE OLIVE GROVE	The application in olive groves starts before planting, when all the production options are oriented for a production of excellent quality olives assuring the physiological development of plants and environment preservation. Integrated Production concepts are applied from the olive grove plantation, through pruning, irrigation, fertilization, phytosanitary protection including pest control and diseases monitoring.

case study

Implementation of photovoltaic panels for electricity production in irrigation

Elaia continues with the project started last year of replacing conventional electric power consumption in olive grove by own electricity production through photovoltaic systems.

MAIN DRIVERS OF THIS PROJECT: HIGH AND EXPENSIVE ELECTRICITY CONSUMPTION (ON AVERAGE, 40-50% OF TOTAL PRODUCTION COSTS).

This project, in addition to promoting an efficient use of resources (reduction of water and energy consumption) also promotes environmental sustainability, once energy produced has no GHG emissions associated, as energy production is from renewable sources. 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 without connection to the electric grid.



Elaia is also collaborating on other projects/studies in what regards irrigation systems and plant protection, namely:

- **Tracking of the evolution of major diseases for olive groves:** Elaia is developing a study with the aim of preventing plant diseases. The study will analyze 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, in partnership with the University of Cordoba, will last for three years and will be held for the Elaia's farms of Elvas (Portugal). In addition, Sovena studies the application of mathematical models that help to understand the different factors that can favor the appearance of pests and that can influence the production of the crop.
- **Nutritional monitoring through agriculture precision techniques:** Elaia 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 will also identify relations with yields and crop production. The project, in partnership with AGQ Labs, will last three years and will be held for several farms of Elvas, Avis and Ferreira do Alentejo, in Portugal, and Extremadura in Spain.

In addition to the use of satellites, Sovena has planned the use of drones for the monitoring of the nutritional evolution of olive groves

OTHER RECURRENT PRACTICES OF SUSTAINABLE AGRICULTURE

Elaia 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. As a consequence, soil structure is improved and the need for herbicide use is reduced. Also, all olive groves are fertirrigated. By providing nutrients with irrigation through an efficient dripping system, both water and nutrients resources are effectively applied to plants reducing any nutrient leaching.



COMMITMENT OF CREATE A SUSTAINABLE AGRICULTURE TASKFORCE IN ORDER TO REDEFINE THE AGRICULTURAL STRATEGY, INVOLVING INTERNAL AND EXTERNAL STAKEHOLDERS (SAP2)

Sovena created a specific full-time team, in Portugal and Spain. This team works directly in the field, in the seed business with farmers, as well as with industry associations in order to identify improvements in crops and crop yields. The main projects that are being developed are the own production of oilseeds in Portugal, the sustainability of rapeseed and the improvement of efficiency of seed production in Spain.



Oilseeds production

Last year Sovena launched its first oilseeds production project in Golegã (Portugal) which as of today counts with more than 308 hectares total production was around 950 tons of oilseeds (920 tons of sunflower and 30 tons of colza). New areas and volumes are expected to be added. This project allows promotion sunflower production in regions with high potential in Portugal.



Sunflower crop in Cuenca region (Spain) is monitored by Sovena within a joint project with ASAJA and a group of farmers. This project aims to improve productivity and profitability. The project includes data collection on agricultural practices and resources used, its costs and productivities, and cover not only sunflower crop but also other crops in rotation (e.g. barley).

Sovena objective is to increase productivity of sunflower (production/hectare) in 20% and expand area of irrigated sunflower cultivation (20,000 hectares).

Better adaptation of genetic nature of seed to plot conditions

Adjust seeding density, according to soil potential and irrigation systems

Fertilization adjustment according to soil analysis and fertilization control for irrigated high oleic sunflower crop

Improvements in election of planting date criteria

Improvements in work and planting depth criteria

Improvements on water use efficiency (for irrigated sunflower crop)



Sustainability in rapeseed Project

Sovena is actively promoting sustainable rapeseed production by providing farmers with the necessary means for meeting ISCC sustainability standards on its hands. This certification ensures that production is carried out in an environmentally responsible manner, protecting soil, air and water, sustainable rapeseed is an added value product as it can be used for biodiesel.



Sovena is responsible for selling rapeseeds to farmers and, after planting and harvesting phases, gives them the option to buy back production. During the process, Sovena supports farmers in meeting all criteria for sustainable production, assisting them in obtaining certification. Last year Agropuro obtained the ISCC certification as trader for the purchase and sale of Sustainable Colza (both for seed and oil). In 2016, Agropuro renewed this certification and started to work for becoming the single biodiesel and crushing operators to be certified as First Gathering Point for sustainable rapeseed, working with more than 25 growers.

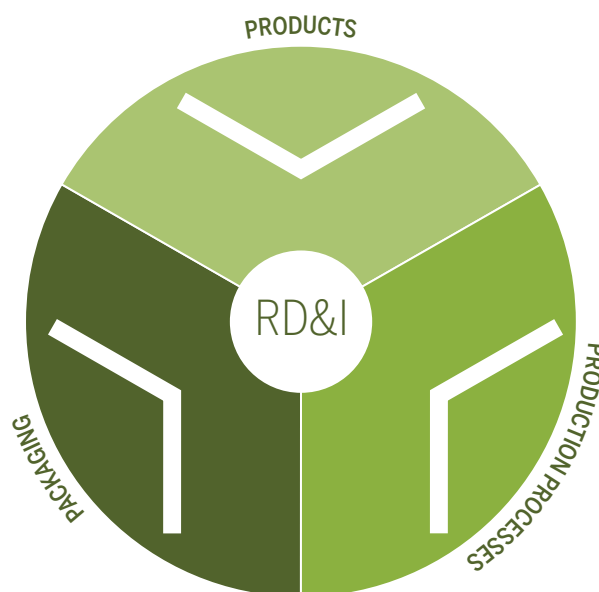
AGROPRO STRENGTHENS RELATIONS WITH SEED PRODUCERS	SOVENA AND ACOR HAND-IN-HAND
AGROPRO has been strengthening its relations with major sunflower and rapeseed production companies by celebrating various collaboration agreements focusing on sale and distribution to farmers all over Spanish territory. AGROPRO supplies a portfolio of carefully selected seeds, specifically adapted to different intervention areas in Spain, including Andalusia, Extremadura, Castilla-La Mancha, Aragon-Catalonia and Castile-Leon. In this seed portfolio hybrid varieties stand out as they are resistant to all species of known downy mildews; super-oleic and IMI varieties, for example.	General Agricultural Cooperative Society – created a new company which will center its activity on seed purchasing and bulk oil sale in Spain. Through this new company, named Agroproducciones Oleaginosas S.L., 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. This agreement does not contemplate Sovena’s bottling activity or ACOR’s biodiesel production, which are managed by each one of the shareholders. In fact, the same will happen with the factories’ operational management: Andújar and Brenes, in Sovena’s case; and Olmedo, in ACOR’s case. For seed supply this joint-venture count on ACOR Cooperative’s important farming base besides Sovena’s traditional suppliers and the possibility of joint acquisitions in oilseed market.

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. Up today, this crop offers farmers a worthwhile alternative in terms of profitability the resources and investment required and the possibility of incorporation into a crop-rotation plant. Although on a smaller scale than sunflowers, rapeseed has been growing in Portugal, as in 2014 the production was practically non-existent and by the end of 2016 the harvest was around 4,500 tons.

3.4 Research, Development and Innovation (RD&I)

Olive oil and vegetable oil are perceived by many as a commodity, but our innovation efforts for both products have proven otherwise. Whether in the product itself or in the packaging, in the production process or even the associated services our group is more and more a synonym of innovation.

Research, Development and Innovation Department seeks for opportunities to launch new products, production processes and packages which would help business keep growing and meet consumer's desires. Studies and developments are carried out individually and through several partnerships with Scientific Technological System (Universities and Research Associations).



Commitment to launch products which comply with the most rigorous specifications in terms of origin and traceability (RDI2)

Product Development Workflow

For product development Sovena set off a workflow: specific customer requirements review; legal validation; review of available profile/product to be supplied and supporting to process development and possible management changes during all phases.

Since 2014, with European Regulation 1169/2011 on labelling, it has been necessary to adapt the existing references and existing systems to standard GS1 (Internet sales). A database was created to record product specifications, origin and labelling options, by product and country of destination. The following items are examples of adaptations carried out in order to ensure compliance with law, customer's specifications and products traceability:



	2014	2015	2016
ADAPTATIONS FOR COMPLIANCE	<ul style="list-style-type: none"> • Implementation of Regulation (EU) N.º 1169/2011 to all Stock Keeping Units (SKU) (change labelling of Distributor brands (MDD) and Manufacturer Brands (MDF) applicable to labels and boxes) from December 13 2014; • Application of Regulation (EU) N.º 1335/2013 to all oils (change labelling of MDF and MDD applicable to labels and boxes) from December 13. 2014; • Application of Regulation (EU) N.º 1348/2013 to all oils (change labelling of MDF and MDD applicable to labels and boxes) from March 1, 2014; • EAC certification of all products destined for Russia and changes in MDD and MDD labelling; • Adaptation of labelling and legal texts of European market products, according to Regulation 1169/2011; • Implementation of GS1 standard. 	<ul style="list-style-type: none"> • Changes certified products labelling; • Application of new legal requirements for labelling in French market, under recycling of plastic materials in all PET products packaged with destination France (MDF and MDD which do not have Triman logo available online); • Implementation of Documental Management Internal Platform. 	<ul style="list-style-type: none"> • Consolidation of the operation in Brazil, where the legislation requires the identification of the importer on the label; • With the change of the conjecture with one major client, Sovena opened the doors to the Spanish market and new tenders/ products for Spain.

Sovena also created the 'Private Label APP' - an application that gives access to a summary of all standard packaging materials, allowing to make the simulations and possible combinations. This tool, developed for the commercial area, has also logistical information for the different bottles.

Products – Key innovation highlights

Over the last years, new products were developed and really welcomed by society: Oliveira da Serra Fritar; Oliveira da Serra LEVE and Oliveira da Serra POP UP; Oliveira da Serra Oliveirinha; Oliveira da Serra Único; Oliveira da Serra QB (new) and Andorinha.

OLIVEIRA DA SERRA OLIVEIRINHA – A BABY OLIVE OIL

Oliveira da Serra launched Oliveirinha, a special olive oil, suitable for babies between 6 months and 3 years of age. With only 0.3% acidity, it is a very soft and delicate extra virgin olive oil, predominantly produced from Arbequina olives, a healthy and well balanced fat form which can be introduced into a child's diet at an early stage of life. At this stage babies try their first soups and purées and extra virgin olive oil is the only recommended fat, because besides adding flavor to food it also allows a better absorption of nutrients and provides energy that babies need.



OLIVEIRA DA SERRA ÚNICO - AN OLIVE OIL FOR SOMEONE SPECIAL

Oliveira da Serra launched its new Único olive oil with motto 'Someone special deserves something unique'. A limited edition olive oil with a singular and exclusive taste, as it allows buyers to create custom labels with each person's name and a small inscription. Único is an exclusive olive oil made from a mature selection of olives with fruity sour and spicy.



NEW OLIVEIRA DA SERRA Q.B

Oliveira da Serra Q.B. olive oil has a new 'look'. Spray is more highlighted and has considerably increased its appeal. Initially launched in 2013, this innovation is already a success amongst Portuguese consumers due to its practical format, perfect for seasoning at table, decorating or finishing dishes, giving a fresh touch to everyday meals.

Oliveira da Serra spray is an extra virgin olive oil, with the goal of creating a bigger impact on hyper-market and supermarket shelves, a few elements were included to add colour to its image.



Committed to participate, in one RD&I project per year for development of new functional products (RDI5)

In collaboration with research and innovation institutions, several activities were developed:

RESEARCH INSTITUTES IBET (PORTUGAL)	UNIVERSITIES UNIVERSITY OF CÓRDOBA (SPAIN)	INSTITUTIONS OF EXCELLENCE & INNOVATION CITOLIVA (SPAIN)
Understand and study our oils characteristic compounds in order to minimize risks and optimize production processes.	Application of the most advanced analytical techniques to support tasting of virgin olive oils with promising results.	Understanding of oil behavior during frying. Output of these studies a practical guide about the use of oils in frying and a scientific-technical report about this process.

Packaging – Key innovation highlights

Focus on continuous development and innovation for better quality packaging makes tailor-made products for each client, with specific formats and materials.

OLIVE OIL PACKAGING	OILSEEDS PACKAGING	TABLE OLIVES PACKAGING
Different materials in small, medium and large formats, and materials such as PET from 1 to 10 liters; glass from 250 ml to 1 liter; tins from 200 ml to 5 liters; and even sachets of 10 ml.	For seed oils packaging, small, medium and large formats, fitting every market's needs. Our client can choose amongst several types of packages, such as PET and PEAD from 1 to 25 liters. Bulk seed oils are packed in large dimension containers such as Flexitanks, Ecobulks and Drums.	Wide array of table olive packages, mainly including glass jars, tins and doypacks. Glass jars range from 100g to 1 gallon; tins from 110 g to 5 kg; and the Doypacks are 175 g. Each of these formats can be used to pack all types of olives, from black to green, with or without stone and sliced.

Committed to develop packaging with lighter, stronger and better materials that have a lower environmental impact within R&D projects (RDI4 & MVW2)

Over the years implemented innovative projects in partnership with suppliers for development of lighter, stronger and better materials that have a lower environmental impact in packaging, regarding bottles and caps.



Sovena innovates in the production of packaging of pet bottles

Sovena launched a challenge to its main supplier of PET bottles to produce in-house (in Sovena factories - Brenes and Andújar, in Spain, and in Barreiro, in Portugal) PET bottles for olive and seed oils.

This partnership allows not only significant reduction of the costs of production and transport of packaging materials, as well as promotes environmental sustainability, since it reduces significantly the fuel consumption of the fleet and avoids the GHG emissions associated with transportation.

The greatest environmental impact regards to the transportation of the preforms needed to produce the PET bottles. However, the transport weight of the preforms is considered irrelevant (approximately 5%) when compared to the number of trucks that would be necessary if the PET bottles were produced at the supplier's facilities.

Considering the number of PET bottles produced in 2016 for the three factories, Sovena estimates that the in-house production of the PET bottles allows the company to save over €2 million in transportation costs, as well as prevent the circulation of more than 7 thousand trucks, representing a GHG emissions estimated of more than 84 t CO₂E.

Moreover, in addition to in-house production, for the production of PET are applied, on a regular basis, several innovations techniques, in order to reduce weight, increase strength and manufacture materials from renewable sources, e.g. PET production from sugarcane instead of petroleum.



Sovena is studying how to innovate in the production of glass bottles

Sovena continues studying the improvement of its glass bottles, again by working in partnership with one of its suppliers. The objective of this project during 2016 was mainly to reduce the weight of some of the premium 50 cl bottles (50 cl) by redesigning the bottles. The reduction made was around 8% of total glass weight.

The main change identified, weight reduction, will promote economic benefits (reduced transportation costs) and environmental benefits (reduction in transport fuel consumption and GHG emissions associated).

Considering the bottle production in 2016, Sovena estimates that will reduce more than 120 tons of glass. Economic benefits are estimated in €70k savings per year.

Production process – Key innovation highlights

Innovation concept is inherent in manufacturing processes, being made substantial investments in this area every year. Some of projects and initiatives are highlighted below.

Commitment to replace old equipment, in order to increase the production capacity and decrease maintenance costs (RDI1)

During 2016, several initiatives were implemented in order to improve production efficiency and capacity expansion, including replacement of old equipment, improvement in efficiency, among others.

Initiatives and investments described have enabled a reduction in energy consumption of all plants and, consequently, a reduction in energy expenses. These initiatives have helped us to achieve savings of more than €391k.

SOVENA OILSEEDS SPAIN (ANDÚJAR)	SOVENA OILSEEDS PORTUGAL (ALMADA)	SOVENA CONSUMER GOODS PORTUGAL (BARREIRO)	SOVENA CONSUMER GOODS SPAIN (BRENES)
SAVINGS/year €188k	SAVINGS/year €151k	SAVINGS/year €30K	SAVINGS/year €22k

RD&I in Agriculture

For agricultural activities, Sovena has, through Elaia, a team dedicated to RD&I projects, with main projects related to energy efficiency, study of olive trees new varieties, recovery of mills by-products.

Committed to projects development that will help to enhance competitiveness and sustainability of crops (RDI3)

STUDIES OF NEW TESTS AND VARIETIES

On a regular basis, we develop and participates in new tests and studies on rapeseed and sunflower varieties, which aim to improve seed varieties quality, in order to achieve productivity and efficiency:

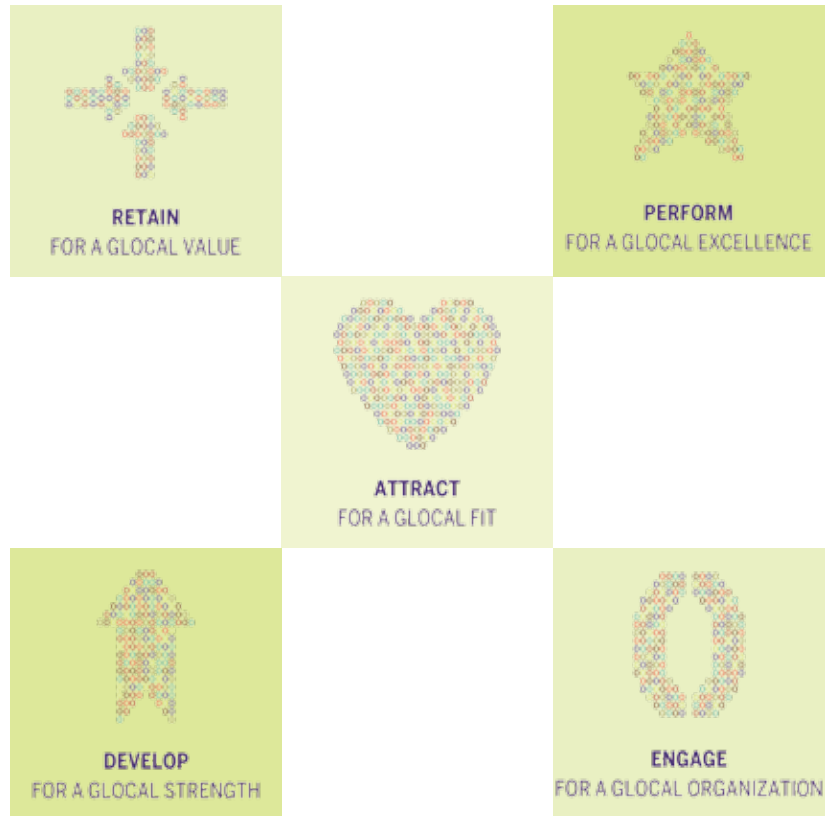
- Studies on speed development, cycles of cultivation, production and oleic yield;
- Studies on diseases and pest impact;
- Test on plots of medium size (4000 square meters per variety/test band);
- Collaboration with international seed companies and public administration, through inclusion of varieties in official trials network of Andalusia and Castilla-la-Mancha. The aim is to generate useful information for farmer, in order to know characteristics of new varieties against commonly used varieties. Tests are carried out in different locations: in 2014, two trials in Andalusia, comparing 20 and 15 sunflower varieties. In 2016 tests have been carried out in 5 test fields, with 25 varieties in the southern of Spain. In the Central and North areas, 24 varieties have been tested along with a total of 14 genetic or nutrition trials. These studies and tests help to improve management of seeds portfolio.





3.5 Human Capital development

Management, development and promotion of human capital is a strategic Group vision, being also part of sustainability strategy. Long-term success is based on our ability to attract, develop, engage and retain talent, on implementation of a fair system of performance and career management, on efficient communication with employees and on development and training of employees. Sovena aims to contribute to development, motivation and growth of its own employees through a Human Resources Strategy structured on five fundamental vectors.



We drew up a three-year strategic plan for Human resources. The plan takes its inspiration from our people and is based on the five fundamental vectors. We work on the basis that everything we do in the various geographies fits into one of these five categories

	HUMAN RESOURCES STRATEGY
ATTRACT, RECRUIT AND SELECT	Success relies on dynamic recruitment, ambitious and responsible staff. In order to identify and attract talent, programs and partnerships with several entities were created. By promoting different programs, we support personal and professional development of students and recent graduates and we attract talented youth people to join our teams. Partnerships with the following institutions were done: Escola Profissional de Almada, Escola Profissional de Setúbal and Universidade Nova de Lisboa (internships and development of master theses); Instituto Superior de Agronomia (training and olive oil tastings).
DEVELOP, TRAIN AND PROMOTE	Our strength relies in our people and the development of opportunities it provides to them. That is why investing in their growth, training and progress proves detrimental for their ability to successfully face future challenges. During 2016, more than €200k were invested with external partners and business schools, aiming to develop skills, competencies and talent of our employees, meaning more than 8,000 hours of training. Most relevant areas invested in training are: Food Safety; Hygiene and Safety; Olive Oil Tasters Training; Quality; People Management, Leadership and General Management.
ENGAGE, COMMUNICATE AND ALIGN	We are focused on strengthen communication with employees, keeping them informed of all Company developments. Sharing information, particularly internally, allows employees to be aligned with company goals, feeling involved and part of it. A continuous dedication to a strong engagement and and effective communication is fundamental to our Company. In addition to direct contact between employees, several internal communication are provided, namely: Younify platform; Sovena News; O'live magazine; intranet; Corporate website; Sustainability Report.
RETAIN, RECOGNIZE AND REWARD	As part of our Development Strategy, during 2016 we have invested in business management training by reinforcing our partnerships with the AESE Business School in Lisbon and the San Telmo Institute in Sevilla, where we had the opportunity to reinforce the business skills of more than 25 managers.
PERFORMANCE AND CAREER MANAGEMENT	An excellent performance, both individual and collective guarantees that Sovena is able to stand, providing opportunities for its employees. In order to recognize merit of its employees a fair and efficient performance evaluation is conducted. In 2016, formal performance evaluation process covered all employees above junior manager in Portugal and Spain 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 company's managers to reinforce their managerial, entrepreneurial and leadership skills.

These five essential vectors are complemented by an internal category – 'Transformation'. This transformation is underway and is based on three fundamental pillars, namely:

- The assertion that the human resources function as a strategic partner in the creation of sustainable value at Sovena through its people;
- An integrated and coherent human resources management model;
- A system and processes that are aligned and company-wide in scope.

1,064 Employees	26% Women	89% Permanent Contracts
93% Full-time Employees	39% Portugal 45% Spain 14% USA 3% Africa	11% < 30years 61% 30-50 years 28% > 50 years



Commitment to create an online platform for sharing information and training (HCD1)

Due to the increase on the operations sprawl through several sites, efficient communication and information management turns to be a critical success factors on decision taking of Sovena. In this sense, by the end of 2016 Sovena had in place the 'Younify platform'. This system gives to employees a wider vision of Sovena Group and the internal organization and helps to speed up the internal communication. The platform is also a solid base for knowledge sharing and will have several modules integrated. Some of them, like the Performance Review Module (where all the development and training needs can be detected, grouped and prioritized within the Company) or the e-learning module (where it is possible to find general training information available for all employees) are already working.



Commitment of promoting labor flexibility measures to improve the work conditions of its employees (HCD2)

LABOR FLEXIBILITY MEASURES

Sovena is currently studying the implementation of labor flexibility measures, namely the extension of time flexibility for all people in the organization who are currently working as part time with flexible hours and also telecommuting.

Sovena Human Resources polices in place try to join Company and employees' needs, mainly in those cases where the worker has any special situation (e.g. familiar responsibilities, learning challenges, frequent travelling). In this sense, another module developed with the 'Younify Platform' facilitates the requests registry (removing paper work) and it justification and assignment.



3.6 Occupational Health and Safety

Occupational health and safety is a subject daily monitored, especially in all factories. Investments in promoting health, safety and well-being were done through development of different corporate tools and campaigns to promote sensitivity and awareness concerning prevention in health and safety area. Aware of inherent risks of our business, we develop a Safety Policy, which aims to promote and ensure a safer and healthier workplace for all employees who operate in our facilities and for surrounding community.

Health and safety Management in Group includes identification and implementation of several measures, integrated in six steps, which help to prevent and mitigate any related health and safety risk: Implementation of health & safety systems; Promote a safety culture; Risk assessment; Emergency situations; Inform people and Comply with law.

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

Several health and safety management systems were implemented, adapted to each company and geography in which operates, in order to measure and monitor performance indicators of occupational health and safety. These indicators are monitored in order to improve performance and to identify improvement actions, mainly related to workplace accidents.

Commitment of implementing a safety program and culture (OHS1)

Safety culture

Sovena promotes a safety culture among its employees, through training and awareness campaigns: a safety newsletter, denominated 'Safety News', which provides safety information, basic concepts about safety and alerts about safety risks and hazards, in order to prevent accidents.

Regarding education and training, there is an annual training plan, centrally prepared and accompanied by safety managers of each industrial plant. The plan is monitored on a monthly basis, where compliance is assessed.

Sovena has started making weekly sessions to small groups (approximately 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 11 promotion of occupational health and safety.

In order to promote a safe working environment, an identification of hazards and a risk assessment is carried out. This analysis allows us to improve safety and health at work and to prevent personal and environmental accidents. For each job and especially for the ones located in industrial plants, it is performed an identification of hazards and risks associated, level of criticality, as well as measures for mitigating or correction. Thus, there are also carried health and safety audits. In addition, regular medical exams by specialized professionals are done to look and promote people health, taking into account work aspects and overall health of our people. This contributes to reducing absenteeism, avoiding occupational illnesses and collaborating to prevent workplace accidents.



136 accidents in 2016
73 resulting in absence with 2.862 days lost
6% Absenteeism rate

Plants of Portugal, Spain,
USA and Tunisia & ELAIA

To respond to emergency situations, an Emergency Plan is implemented and tested annually, which describe 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 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. Regarding external visits, Sovena ensures that every visitor knows and complies strictly 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.





A close-up photograph of a hand holding a small green leafy vegetable, possibly basil, under a strong, cascading shower of water. The water droplets are frozen in time, creating a dynamic and refreshing visual. The background is blurred, focusing attention on the hand and the water.

4.

Enhancing eco-efficiency

“Sovena actively makes good use of the natural resources used in its business, with an ecologically correct and concerned care.”

“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.”

Employee's opinion collected during the stakeholder consultation process

49% of waste recovered



559,688 GJ
of direct energy consumed

1.220,767 GJ
of indirect energy consumed



66 t CO₂E of direct GHG
emissions saved with energy
efficiency measures



3,066 t CO₂E of indirect GHG
emissions saved with energy
efficiency measures



Tips to
cultivate good
environment



4.1 Environmental Policy/Management System

All working sites, plants and offices, where it has operations have environmental management practices, supported by technologies which minimize environmental risks, maximize resource-use efficiency and integrate environmental concerns into agricultural practices. Sovena has implemented and certified environmental management systems according to ISO 14001 standard in Sovena Consumer Goods Spain (Brenes Plant) and Elaia Marmelo olive oil mill (Ferreira do Alentejo). During 2016, Sovena Oilseeds Spain started working to obtain ISO 14001 certification in Andújar Plant.

In accordance with the company policy, and the procedures of the management system implemented, compliance with the applicable legal requirements is mandatory and is the baseline for the continuous improvement of the company's performance. Avoiding waste, reducing pollution, implementing energy efficiency measures and choosing recycled products are some of Sovena targets along its entire value chain.

Environmental policy

OILSEEDS AND CONSUMER GOODS

Sovena's Environmental Policy formalizes its commitment in preserving the environment while ensuring regulatory compliance. Sovena is determined to rational and eco-efficient resource management, seeking to minimize the environmental impacts of its activities, preventing pollution and making rational use of natural resources.

The Environmental Policy is understood as a fundamental part of Sovena Corporate Responsibility. It lies on continuous improvement, on the quest for best-practices and on the development of employees and stakeholders awareness.

Environmental policy principles

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

ENVIRONMENTAL COMMUNICATION AND AWARENESS

In line with its Environmental Policy, Sovena promotes environmental awareness among its employees and external stakeholders (customers, suppliers, community, etc), 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. In the past year, the communication through billboards was strengthened and there was an increase in the number of stakeholders who participated in the sustainability study carried out by Sovena, compared to the one conducted in 2014.

EFFICIENT MANAGEMENT OF WATER RESOURCES - WATER FOOTPRINT

In order to contribute to information gathering and to support water sustainable management, Sovena developed a study on Elaia Water Footprint (WF) considering the complete olive oil production value chain. The main objective was to quantify the WF associated to its activities, including olives production at Elaia's olive groves of Portugal and Spain and olive oil production in Marmelo, Painho and Navalvillar de Pela Mills. For the quantification, Sovena used 2014 activity data and followed the methodological references of 'The Water Footprint Assessment Manual - Setting the Global Standard'.





Water footprint

The WF is an indicator of freshwater use that looks not only at direct water use of a consumer or producer, but also at the indirect water use. The water footprint can be regarded as a comprehensive indicator of freshwater resources appropriation, next to the traditional and restricted measure of water withdrawal. The water footprint of a product is the volume of freshwater used to produce the product, measured over the full supply chain. It is a multidimensional indicator, showing water consumption volumes by source and polluted volumes by type of pollution; all components of a total water footprint are specified geographically and temporally (Hoekstra et al. 2011). In this sense, the WF is divided in three components, namely: Green; Blue; and Grey.

You can learn more about the Water Footprint, by [clicking here](#).

The main results of this study were as follows:

WF OF OLIVE GROVE	WF OF OLIVE OIL MILLS	WF OF ELAIA	WF OF PRODUCT OLIVE OIL
<ul style="list-style-type: none"> Estimated WF of Elaia's olive groves, expressed in m³/t, is 575-757 m³/t: WF GREEN+BLUE of 575-757 m³/t and no WF GREY Estimated WF of Elaia's olive groves, expressed in m³/ha, is 4.202-5.523 m³/ha: WF GREEN+BLUE of 4.202-5.523 m³/ha and no WF GREY Total WF of Elaia's olive groves, expressed in m³/year, is 32.8-43.2 Mm³/year: WF GREEN+BLUE of 32.8-43.2 Mm³/year and no WF GREY Alentejo's olive groves represents 89% (29.3 -38.5 Mm³/year) of total WF and Extremadura's olive groves 11% (3.6-4.7 Mm³/year). 	<ul style="list-style-type: none"> Total WF of the milling process, expressed in volume (m³/year), is 11.624 m³/year from which: No WF GREEN WF BLUE: Marmelo Mill: 7.384 m³/year, Painho Mill: 3.132 m³/year, Navalvillar Mill: 1.108 m³/year; WF GREY: 0 m³/year for every Mill. Marmelo Mill represents the largest amount of water consumed (66%), followed by the Painho Mill (25%) and Navalvillar (9%). Centrifugation concentrates the largest amount of WF in production (73%), followed by cleaning (19%) and storage (8%). Centrifugation phase represents the largest amount of water consumed for every olive oil mill, with 82%, 58% and 46% for the Marmelo, Painho and Navalvillar mills respectively. 	<ul style="list-style-type: none"> Total WF of Elaia, considering agricultural and industrial activities is 32.9-43.2 Mm³/year: WF GREEN+BLUE of 32.9-43.2 Mm³/year and no WF GREY Agricultural WF represents more than 99% of the total WF of Elaia, while industrial WF (associated to the milling process) is almost immaterial (less than 1% of the total WF). 	<ul style="list-style-type: none"> WF of 1 liter olive oil, expressed in liters of water per liters of olive oil, is 3.424-4.497 l/l: WF GREEN+BLUE of 3.415-4.487 l/l and WF GREY of 9.52 l/l. WF of other parts (including the WF of the bottle, cap and label) and the operational WF combined represent almost a negligible value (less than 1%) when compared with the WF of the ingredients (olives). Also, the WF of the bottle represents 92% of the total WF of other parts (around 9.2 liters per unit), followed by the WF of the cap (8%, 0.71 l/unit) and the WF of the label (1%, 0.07 l/unit).

ELAIA controls irrigation and fertirrigation through the 'Elaia Irrigation Resource Planning' (EIRP Project). The EIRP Project is an integrated monitoring, control and reporting system of all the irrigation and fertirrigation systems in Portugal, Spain and Morocco. This IT system allows ELAIA to release water and nutrients in the root zone of the plants, considering the water stress level. Also, the system is programmed to irrigate, whenever possible, in off-peak hours and when temperatures are lower, avoiding elevated rates of water evaporation. ELAIA continued this project during 2016.

Besides that, all farms of Elaia are certified under integrated production/farming, which gives priority to sustainable farming techniques, minimizing significantly the use of agrochemicals and providing greater respect for the environment. Integrated production is a practical example of how farming is managed with due regard to all aspects of economic, environmental and social sustainability.



4.2 Management and valorization of waste and by-products

In recent years, problems associated with the disposal of waste to landfills lead to increased interest in searching for innovative alternatives. In this sense and to conduct effective and efficient management of all waste produced in corporate buildings and industrial facilities, Sovena prioritizes waste recovery (e.g. energy valorization, recycling, reuse). Moreover, given the complexity of the value chain of Sovena, from the plantation of the olive until the delivery of the final product to the consumer, a wide range of by-products are produced. Sovena is permanently exploring ways of giving a second life to its by-products, as what is waste for one company can be the raw material for another one.

Sovena leverages internal synergies for energy use, by using olive stones and seed husks in biomass boilers, for animal feed, that can come from leafs, meal from oilseeds extraction or other by-products and for irrigation, as treated water out of production is used for watering olive groves.

SOVENA CONSUMER GOODS	SOVENA OILSEEDS	EXOLIVA	ELAIA
<ul style="list-style-type: none"> • Filter cakes reuse. • Cakes resulting from filtering of olive oil and sunflower oil are classified as by-products and sold to external entities for further use. • Whitening cakes from refining of vegetable oils are sent to composting. 	<ul style="list-style-type: none"> • Composting of organic vegetable waste 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. • Activated sludge from the biological treatment (activated sludge) are sent to agricultural valorization. • Biomass Utilization of seed husk as biomass in biomass boilers. 	<ul style="list-style-type: none"> • Olive stones used as biomass. • Regular sales of the olive stone as raw material for third parties, as fuel for biomass boilers. Also, Exoliva has its own biomass boilers. 	<ul style="list-style-type: none"> • 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. • The solid by product resulting from the extraction of olive oil is sold to the pomace extraction industry.

In 2016, Sovena produced 6,810 tons of waste (more than 99% non-hazardous), where around 49% found a second life (+5 p.p. comparing to 2015). Main producers were Sovena Consumer Goods Portugal (26%), followed by Sovena Consumer Goods Spain (25%) and Sovena Oilseeds Spain (25%).

Valorization of by-products (2016)	SOVENA OILSEEDS PORTUGAL (ton)	SOVENA CONSUMER GOODS PORTUGAL (ton)	SOVENA OILSEEDS SPAIN (ton)	SOVENA CONSUMER GOODS SPAIN (ton)
Glycerin	7,014	-	-	-
Distillates	1,561	17	137	-
Fatty acids	-	-	-	1,523
Refining pulp	-	-	10,452	-
Lecithin	-	-	530	-
Seed husk	-	-	16,412	-
Soapstocks	12,919	5,233	-	-
Waxes	-	397	-	-
Others	-	532	-	-

Most of by-products are used as ingredients in the production of animal feed. However, Sovena is currently studying other processes of reusing by-products that can generate higher commercial value. Some examples are the extraction of squalene (from the distillation of olive oil) or tocopherol (from the distillation of soy or sunflower) for sale to the cosmetic and pharmaceutical industry.



4.3 Energy & Climate Change management

Sovena believes that climate change is one of the most serious and complex global challenges facing the world and in alignment with the 21st Conference of the Parties (COP21) decision, as Sovena main activity is the production of olive and seed oils which has large amounts of energy consumption associated. With this aim, the 'Energy Efficiency Center of Expertise' continued with the identification and development of new opportunities for energy efficiency optimization. All initiatives are quantified for investment, economic savings and energy reductions and are approved by the Board of Directors for later implementation by this Center of Expertise.

By December 2016, Sovena had implemented 26 efficiency measures (saving of €493k). Besides, Sovena had 10 opportunities ongoing that added up for €1.22 million in savings, and 43 opportunities under investigation, with savings of around €562k. Overall, Sovena made an investment of €587k.

ENERGY EFFICIENCY MEASURES			
	DONE	IN PROGRESS	OPPORTUNITIES
SOVENA CONSUMER GOODS SPAIN	New chiller in refinery; Compressed air leaks in refinery; Compressed air leaks; ABC compressor "scaling" regulation; VEV for cooling tower	Biomass boiler; Steam traps; Shading for ABC compressors	Emissions reduction (done): 144 tCO ₂ E
SOVENA CONSUMER GOODS PORTUGAL	High pressure compressed air regulating valves; Osmosis Reactivation; Implementation of inspection and elimination plan of compressed air leaks	High pressure compressed air regulating valves; Replacement of LED lighting in the production room; Condenser battery power correction	Emissions reduction (done): 92 tCO ₂ E
SOVENA OILSEEDS SPAIN	Extraction of cooling air from compressor; LED Lighting (Packaged); Compressed air pressure on extraction; Reuse of permeate water; Heat Exchanger; Compressed air leaks – bottling; Replacement deodorizer ejector; Compressed air leaks - Pre / Extr; Compressed air leaks - purifier; Compressed air leaks - refinery	Steam purges; VEV for mold water pumps; Vulcatherm - Turn off heating resistances; Chiller hot air exhaust piping	Emissions reduction (done): 2,007 tCO ₂ E
SOVENA OILSEEDS PORTUGAL	Several improvements on aeration and steam control; Cleaning of the salt water pipeline; Compressors replacement; Installation of VEV in the granulated cooling vent	Changing from manual control to automatic	Emissions reduction (done): 888 tCO ₂ E

All plants of Sovena are equipped with video-conference equipment, installed or updated in 2016. The system covers all geographies and aims to increase people's productivity by facilitating collaboration, communication and minimizing travel. Last quarter of 2016 were promoted more than 200 conferences, with a total duration time of more than 3,330 hours.

Sovena is also implemented in 2016 technological solutions that enable to improve the working conditions of its employees in all geographies, such as the use of Skype for Business in the organization and call centers integration.

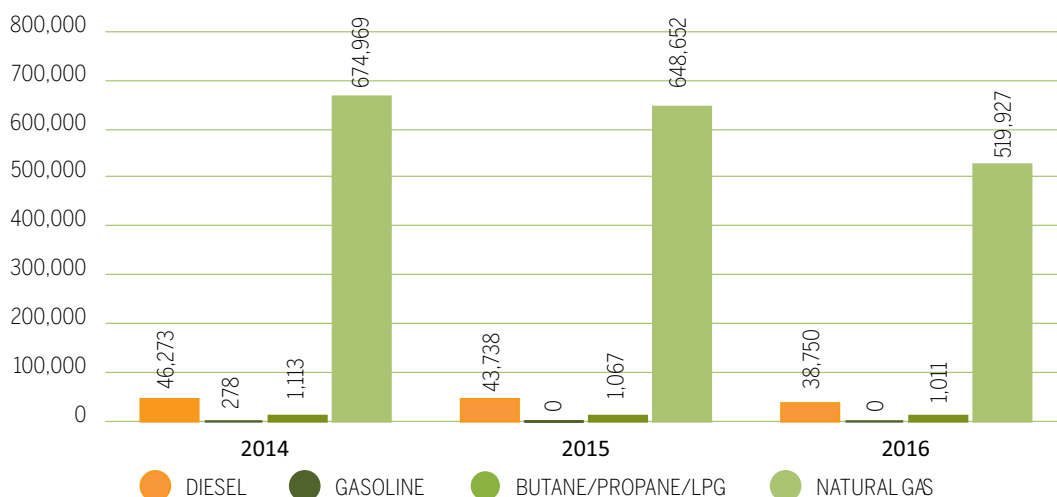




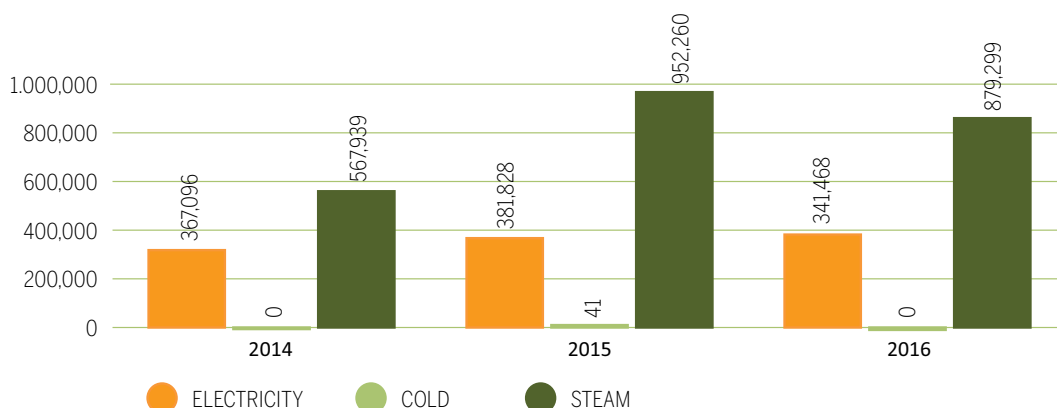
ENERGY CONSUMPTION

During 2016 Sovena Group consumed 559,688 GJ of direct energy, less 19% comparing to the previous year. Natural gas represents 93% of that consumption, diesel represents 7%, and LPG 0.2%. Sovena Oilseeds Portugal (Almada Plant) had the higher consumption of direct energy (around 36%) due to the consumption of natural gas in the boiler.

CONSUMPTION OF DIRECT ENERGY (GJ)




CONSUMPTION OF INDIRECT ENERGY (GJ)




CARBON FOOTPRINT

Sovena calculates its direct (scope 1) and indirect (scope 2) GHG emissions annually. In 2016, direct GHG emissions accounted for 32,263 t CO₂e (less 19% than in 2015) and indirect GHG emissions (scope 2) accounted for 71,408 t CO₂e (less 9% than in 2015). Sovena Oilseeds Portugal is responsible for 35% of scope 1 emissions, followed by Sovena Consumer Goods Spain with 24%. In scope 2, Sovena Oilseeds Portugal was responsible for the majority of GHG emissions, representing 78%, due to external steam consumption.



 SCOPE 1 GHG EMISSIONS (t CO₂E)			
	2014	2015	2016
DIESEL FROM STATIONARY SOURCES (SITES)	2,154	1,688	1,194
DIESEL	1,247	1,526	1,654
GASOLINE	20	0	0
BUTANE/PROPANE/LPG	70	67	64
NATURAL GAS	38,104	36,607	29,351

 SCOPE 2 GHG EMISSIONS (t CO₂E)			
	2014	2015	2016
ELECTRICITY	28,998	30,149	27,072
COLD	0	3	0
STEAM	41,062	48,320	44,336

Regarding other indirect GHG emissions (scope 3) and carbon sink, Sovena estimated its emissions based on a study carried out in 2015. As we consider that there were no significant changes in Sovena's activities and operations, it was considered that scope 3 emissions and carbon sink values remain approximately the same.

The study mentioned was developed taking into account the GHG Protocol methodology and included all Sovena's facilities in the scope of reporting: Plants in Portugal, Spain, USA and Tunisia; Olive Oil Mills in Portugal and Spain; Olive Groves in Portugal, Spain and Morocco.

Activities included in scope 3 are divided into 8: 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.

Total GHG emissions of Sovena under scope 3, broken down by activity, is presented as follows:

	CO ₂ E
GHG EMISSIONS – SOVENA GROUP	t CO₂E
SCOPE 3	147,931
Purchased goods and services	66,446
Fuel and energy related activities (not included in scope 1 or/and scope 2)	10,731
Upstream transportation and distribution	17,900
Waste generated in operations	547
Business travel	1,372
Employee commuting	968
Downstream transportation and distribution	49,707
End-of-life treatment of sold products	261

As previously stated, the same study measured the carbon sink scenario of olive groves managed by Elaia, since the Group influences the entire olive oil production value chain, from olive plantation to the production of olive oil at the mills. Olive groves are responsible for the capture of 226,498 t CO₂E, which account for around 90% of Sovena Group GHG emissions and hence significantly contribute to Sovena Group environmental sustainability.







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

‘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.’

‘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.’

Community opinion collected during the stakeholder consultation process

Participation in “healthy habits promotion” events



Free nutrition advisement to employees



Partnerships with food supply
NGO (Fundación TAS,
Fundación Gota de Leche)



Sovena supports corporate
volunteering among its employees



Multichannel marketing of
Mediterranean diet values



5.1 Promoting health and nutrition



- Health and nutrition are part of Sovena's culture.
- Sovena seeks to inspire society to improve well-being by adopting a balanced and healthy Mediterranean diet.
- Sovena promotes healthy lifestyles within its employees and consumers, communicating widely on sound nutrition and physical activity habits.
- Through multichannel, opinion leaders sponsored recipe sharing, Sovena promotes the correct use of seed and olive oils to improve cooking and eating.
- Detailed nutritional information is disclosed on Sovena labels and available for public consultation at its website, ensuring not only full compliance with local legislation, but also supporting informed consumer choices.

1. PARTICIPATION IN “HEALTHY HABITS PROMOTION” EVENTS

Sovena is committed to promoting health/nutrition events and to support nutritional advice to its employees (PHN2 & PHN3)

Sovena is actively pushing its employees to rethink their lifestyles, namely by:

- Sponsoring employee participation in sports/walks/runs events - Lisbon Half marathon; American Heart Association's Run and Walk;
- Hosting blood donation sessions;
- Supporting an internal soccer league;
- Free nutritional advice to employees;
- Spreading healthy habits on social networks.

SOVENA NUTRITIONAL ADVISE PROGRAM

- Scheduling in-person appointments in several locations (e.g. Algés (headquarters), Almada, Barreiro and through Skype for other geographical locations).
- The program can last for 6 months and the nutrition appointments are set once per week.
- Appointments are available in Portuguese or English, depending on geography.



case study

2. MULTICHANNEL MARKETING OF MEDITERRANEAN DIET VALUES

Sovena is committed to disseminating healthy eating habits and the values of the Mediterranean diet (PHN1)

THE MEDITERRANEAN DIET

The Mediterranean diet is a lot more than food. It translates a whole life style that is based on a set of skills, knowledge, rituals, symbols, and traditions concerning crops, harvesting, fishing, animal husbandry, conservation, processing, cooking, and particularly the sharing and consumption of food.

The Mediterranean diet has been associated with an increased longevity, with an improved bone mineralization, with the maintenance of a healthy weight, with the reduction of cardiovascular diseases, with the prevention of diabetes, and with a diminished prevalence of neurodegenerative diseases like Parkinson's or Alzheimer's.

case study

Oliveira da Serra steps up its online presence

www.oliveiradaserra.pt
and Oliveira da Serra's Facebook page,
<https://www.facebook.com/ReceitasOliveiradaSerra>

In 2016, the Oliveira da Serra brand began developing a new strategy to step up its presence in digital media. The aim is to connect with fans in a more familiar and direct way, seeking essentially to enhance the brand's visual image and take advantage of the influence of the bloggers to extend its reach.

To achieve these goals, Oliveira da Serra has launched a new website with an innovative, more dynamic and modern appearance in an attempt to forge closer and stronger bonds between the brand and consumers.

Intended as new space containing more information, not only about the world of Oliveira da Serra olive oil, but also about other topics intrinsically connect to it, the revamped website also brings an array of new tools that will undoubtedly surprise and please all those who appreciate olive oil.

One of the main new developments is the inclusion of some 300 fast, economical and very tasty recipes, created especially by Chef Vítor Sobral. From starters to deserts, by way of fish and pasta dishes, salads and even cocktails, the options are many and varied: but they all have one thing in common – the quality of Portuguese olive oil takes pride of place.

And for all those who know that every oil has its own distinctive characteristics, the brand's new website also features an app that explains all the differences between the various olive oils in the Oliveira da Serra range.



Partnership with bloggers for promotion olive oil as one of the most important Portuguese products and a key ingredient in the Mediterranean diet

Another important step in the strategy to gain greater visibility in the digital media is the partnership that the brand has entered into with four culinary and lifestyle bloggers. They are to be “OLIVEIRA DA SERRA AMBASSADORES” and will spotlight olive oil as one of the most important Portuguese products and a key ingredient in the Mediterranean diet. The aim of the partnership is to enable personalized, consistent and long-lasting involvement with the Oliveira da Serra brand’s initiatives.

The four blogs selected went in live in March. The results, even in the very first month, were very promising in terms of hits on the pages featuring Oliveira da Serra recipes and news. Indeed, the numbers recorded during the blogs’ start-up phase exceed expectations, with some 100.000 visitors viewing them, clearly indicating the public’s interest in their content.



case study

Oliveira da Serra celebrates 10 years of partnership with chef Vítor Sobral

Chef Vítor Sobral, one of the most prestigious names in Portuguese gastronomy, continues to consolidate his ten-year partnership as ambassador and gastronomy consultant for the Oliveira da Serra brand. This close bond between the Chef and the brand has been forged in many increasingly creative formats, but always with the aim of enhancing the Oliveira da Serra brand’s image and reputation in the eye of the consumers.

One of the areas in which Vítor Sobral’s presence is strongest and makes the most impact as regards the partnership has been Oliveira da Serra’s online platforms (website and Facebook page). Here, the Chef creates his delicious 15q.b. recipes. Oliveira da Serra olive oils and vinegars add a distinguishing touch to these fast and very easy-to-make recipes – just 15 minutes! The Chef has helped the brand developed innovative products and show how the various olive oils, vinegars and olives that Oliveira da Serra offers its customers can be used to the best advantage in cooking.

At the brand’s new product launches for various audiences, whether they are chefs, journalists or bloggers, Vítor Sobral sees himself as both consultant and host.

The partnership between Vítor Sobral and Oliveira da Serra also includes the exclusive use of the brand’s products at the Chef’s creative gastronomy spaces in Portugal, where the main concepts is that of “da Esquina”, which means “on the corner”. In seven years, Chef Vítor Sobral has opened seven “Esquina” spaces.



case study

3. PRODUCT INFORMATION

Sovena shares information on its products through several communication channels, ranging from product portfolios available at company and brand websites to data sheets available at clients' request or packaging labels. All labelling legal requirement are strictly met ensuring consumer are well informed to make safe choices. This requires knowledge of local legislation for each of the 70 sale markets where Sovena operates, and permanent adaptation to changes.



Requirements in labeling statutory relevant on the labels of the product: Regulation UE, Codex Alimentarius, laws of the country of origin (Tunisia) and laws of the country of destination.

- Information of labeling is made in accordance with regulation no other information are added.
- All the labels of products contain the list of ingredients and the nutritional values- There is no food additive in the product.
- All the nutritional assertions and special mentions are made according to in the regulation.
- No supplementary information in the legal requirements is mentioned on the product.



5.2 Support Local Communities

Sovena promotes social and economic development of local communities by supporting and promoting projects in three areas - Social Solidarity, Health and Food – both individually and partnering with active.

Sovena is committed to promoting corporate volunteering and to acting as a Family Responsible Family Company (SLC1 & SLC2)

SOCIAL SOLIDARITY



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 the employees of one of industrial sites.



Every year Sovena contributes a monetary donation that allows some students with school approval difficulties to be accompanied and to finish the school year with improvements.



Sovena launched this year, 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.



Fundación **Gota de Leche**



Sovena continued its support for the 'Fundación Gota de Leche' and for 'Fundación TAS - Trabajo, Asistencia y Superación de Barreras'.



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 allows to broaden the impact and reach of our Social Exchange.

CORPORATE VOLUNTEERING

Sovena promotes the involvement of employees in 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.

BANCO ALIMENTAR

The agenda for the Annual Summit 2016 involved a corporate social responsibility activity. This took place at the Banco Alimentar (Food Bank), where the Sovena team was received by the charity's president, Isabel Jonet. The Food Bank has done some truly remarkable work and Sovena has been an active partner for many years now.

The participants were divided into four teams and, over the course of the morning, had the opportunity to carry out some of the charity's day-to-day task, such as helping distribute food to the institutions that visited the Food bank that day.

A particular highlight was that many participants helped put together 'Sovena Hampers', which included, among other foodstuffs, a series of products donated by the company, such as olive oil, vinegar, olives and bars of soap. This action meant that every employee symbolically fulfilled the Sovena mission: to ensure everyone had access to olive oil, even those who could not afford to buy it, thereby demonstrating the company's involvement with local communities.



MOVIMENTO DE SERVIÇO DA VIDA (MSV)

Sovena supported MSV fund raising activities in 2016 with a t-shirt sale.



FULA SUNFLOWER FIELD TO BLOSSOM IN LISBON

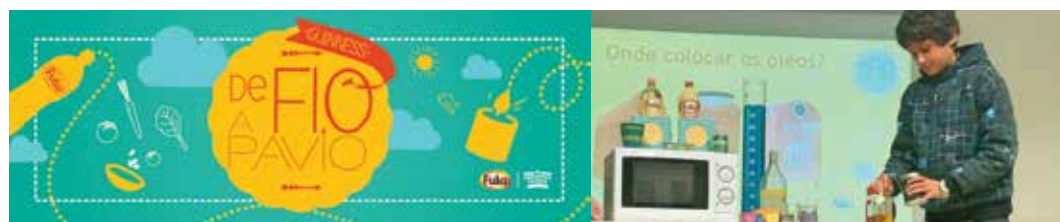


At the end of May, the first Fula sunflower field was sown at the 'Quinta do Zé Pinto Educational Farm' in the Sete Rios area of Lisbon. The aim is to give the Portuguese people, especially children, the chance to learn all about the origin of the oils and the importance of this vegetable fat in our diet.

The Fula brand is thus joining forces with Quinta do Zé Pinto, an educational initiative by the National Association of Cereal and Oleaginous Producers (ANCOP). The aim of the initiative is to help bring the urban and rural worlds together, by promoting the respect for the environment and the cycle of nature. This space helps protect and foster crop-growing by encouraging school children and their families to visit the farm and learn about the entire process, from sowing the seeds all the way until the finished product arrives on the family's table. Apart from teaching visitors about the various stages in sunflower's life cycle, Fula also organizes a range of fun but educational activities revolving around the origin of vegetables oils.

Quinta do Zé Pinto began its activity in April 2009 and was the first major urban agriculture project in the city of Lisbon. Covering an area of two hectares, the farm is located in Quinta do Zé Pinto Urban Park and is part of the Monsanto Green Corridor.

FULA ORGANIZES WORLD'S BIGGEST CANDLE



In partnership with Oil2Wax, Fula is once again organizing the 'Fio a Pavio' roadshow, which aims to make schoolchildren more aware of the importance of recycling used food oils.

For this year's roadshow, the schools hosting the event are being challenged to create the world's biggest ecological candle made from used oils, in an effort to secure a place in the Guinness World Records.

The children taking part in this educational activity are able to make ecological scented candles by mixing a special powder into used food oils. Last year, over 30.000 second-cycle school pupils took part in the initiative. The youngsters thus gain a better knowledge of food oils and their origins, benefits, and uses, as well as understanding the importance of recycling.

Sovena also performs a series of actions that start the path to become a Family Responsible Company, in particular by increasing the value of the 'Gift Voucher' for the employees' children of Sovena Consumer Goods Portugal and Sovena Oilseeds Portugal (Christmas 2015). Sovena also established protocols with entities that work with children and families (Kindergartens/Holiday camps).





5.3 Stakeholder engagement

- Exceeding the expectations of Sovena stakeholders by producing and delivering consistently high quality products is at the heart of strategic and day-to-day decisions.
- Sovena is deeply involved with industry and consumer associations, opinion leaders, regulators, local populations, clients or consumers, not only to make sure that their needs and concerns are known and handled, but also to play an active role in building a sustainable future for the industries in which it operates.
- Sovena participates in several knowledge sharing national and international associations on olive oil, olives and vegetable oils and is present at multiple international commercial fairs and events to promote the olive oil industry and its products.
- To make sure customers are heard, Sovena carries out on a regular basis customer satisfaction surveys.



PARTICIPATION IN INDUSTRY ASSOCIATIONS

Sovena is committed to regular and active participation in relevant industry forums and associations in order to promote the industry and Sovena products (SE2)

Sovena participates actively in the following associations

INDUSTRY ORGANIZATION	WHAT IS THE PURPOSE OF THIS ENTITY?	WHAT IS ROLE OF SOVENA?
	Spanish, private, non-profit, composed of 50 olive oil exporting companies, who together represent 95% of bottled olive oil exports.	As a member, Sovena supports the international promotion of olive oil, Spanish breakfast and the Mediterranean diet.
	Portuguese, private, dedicated to the promotion of Branded Olive Oil and to providing consumers quality and authenticity guarantees that can support the growth of the market.	As a member, 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.
	Spanish, world biggest 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 and to working as a knowledge sharing platform.	As a member, Sovena holds a Vice-President seat representing packers and participates in the Technical Committee.
	World's only international intergovernmental organization in the field of olive oil and table olives, decisive contributor to the sustainable development of the olive oil industry and forum for challenges and policymaking discussion.	As a member, Sovena chairs the Advisory Committee for the olive oil and table olives in the IOC (2014-2015) and actively participates in the promotion of olive oil industry and products.
	North American, 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.	As a member, Sovena promotes the benefits of olive oil.
	Brazilian, civil, non-profit and nationwide, brings together producers, importers, distributors, traders and other stakeholders in the development of the local olive oil market	As a member, represented by its brands Andorinha and Soleada, Sovena works to develop and spread knowledge on olive oil.
	Spanish, independent and non-profit, composed of companies active on oilseeds extraction, whose interests it protects by promoting transparency and sharing information.	As a member, Sovena has participated 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'.
	European Federation who represent the interests of the EU Vegetable Oil and Proteinmeal Industry namely towards the European Union.	As a member, Sovena participates actively in knowledge sharing and technical discussions that influence industry future.
	Spanish, brings together table olives Spanish producers and exporters which interests it protects.	As a member, Sovena actively participates in conferences, seminars, working groups, workshops with the aim of developing and disseminating good practices.
	Spanish, non-profit organization, founded in 2006, composed of 30 leading food companies that wish to promote society education on food related issues in order to develop a Sustainability Foods Supply Chain.	As a member, Sovena is active in promoting alliances along the value chain, in order to improve product quality and competitiveness.

PROMOTION OF THE INDUSTRY AND THE SOVENA PRODUCTS

In 2016, Sovena promoted the olive oil industry and its products worldwide by participating in the following events:

FAIRS	
	<p>MDD EXPO 2016 PARIS, FRANCE 30 AND 31 MARCH http://mdd-expo.com</p> <p>Considered a veritable showcase for mass-market brands, the MDD Expo 2016 brought together 500 manufactures of food and non food sectors from 25 countries. Indeed, this 15th edition of the Parisian fair turned out to be the ideal occasion for making promising contacts and important business deals. This is why the event has been growing in popularity. This year it welcomed 3.800 visitors, 85% of whom had decision-making powers within their organizations. More than ever, the fair brought together exhibitors -Sovena among them- capable of responding to specific needs and putting forward innovative solutions in response to the most demanding consumer trends.</p>
	<p>FOODEX JAPAN 2016 TOKYO, JAPAN 8 TO 9 MARCH http://www.jma.jp/foodex/en/</p> <p>FOODEX JAPAN is the largest food and beverage fair to be held annually in Asia and has been highly successful since 1976. It is aimed not only at the Japanese food market, which represents 700 billion dollars, but also at other important and lucrative Asian markets. Sovena was present at the 2016 fair, which attended by some 77000 professional visitors, including over 7000 from Korea, Taiwan, China, Thailand and Hong Kong, as well as over 3000 other regions from around the world.</p>
	<p>PLMA AMSTERDAM 2016 AMSTERDAM, HOLLAND 24 AND 25 MAY http://www.plmainternational.com/</p> <p>Known as "The World of Private Label", the 2016 PLMA international fair brought together 2400 exhibition companies – including Sovena – and around 1.100 buyers and visitors from over 110 countries. The special attraction at the 2016 event was the "Ideal Supermarket", where visitors could see the winning private label brands in the PLMA's "Innovation Awards".</p>
	<p>ANUGA 2015 COLOGNE, GERMANY 10 TO 14 OCTOBER http://www.anuga.com/anuga/index-2.php</p> <p>Sovena attended Anuga 2015, one of the main international fairs in the food sector and which achieved record numbers: 7000 exhibitors from 108 countries and 160000 visitors from 192 countries. The percentage of foreign exhibitors at the fair was 89%, while 68% of visitors also came from abroad.</p>
	<p>PLMA CHICAGO 2015 CHICAGO, USA 15 TO 17 NOVEMBER http://plma.com/</p> <p>Buyers from every distribution channel attended the annual PLMA Chicago fair. Supermarkets, hypermarkets, convenience stores, online retailers, importers, exporters, wholesalers, discount stores and even army stores flock to this exhibition looking for new products and to meet new suppliers. Over 1300 companies from 40 countries – Sovena among them – exhibited their products at the fair, which comprised 25 international pavilions. Exhibitors ranged from small and medium-sized companies to the best-known producers from the big American brands, including private label suppliers.</p>
	<p>GULFOOD 2016 DUBAI, UNITED ARAB EMIRATES 21 TO 25 FEBRUARY http://www.gulfood.com</p> <p>Sovena was one of the more than 5000 companies that exhibited in the 117 pavilions set up for the Gulfood 2016 fair, the largest annual hospitality and food industry exhibition in the Middle East. The event is rightly considered to be on the biggest and most important in the sector worldwide. Around 85000 highly qualified visitors from 170 countries had the chance to appreciate a huge variety of food products and drinks.</p>



CUSTOMER SATISFACTION

In 2016, Sovena carried out a common survey for all sites since the majority of customers and suppliers are common.

EVALUATED TOPICS

Quality of packaged products	Customers classified the Quality of packaged products as GOOD (29.4%) and EXCELLENT (44.1%).
Claims and Returns	Customers classified the Claims and Returns as GOOD (35.4%) and EXCELLENT (27.1%).
Association and Business Strategy	Customers classified the Association and Business Strategy as GOOD (33.3%) and EXCELLENT (39.6%).
Overall satisfaction	Customers classified the Overall satisfaction as GOOD (37.5 %) and EXCELLENT (37.5%).

VISITS TO SOVENA SITES

Brazilian chefs visited Marmelo Olive Oil Mill	<p>Invited by Andorinha Olive Oil Brand, two well-known Brazilian chefs visited the Marmelo Olive Oil Mill in Ferreira do Alentejo.</p> <p>Accompanied by Portuguese chef Vítor Sobral, gastronomy consultant for several Portuguese brands, including Andorinha and Oliveira da Serra, chefs Rodrigo Oliveira and Rita Lobo had the chance to explore the biggest and best Olive Oli Mill in the world. During their visit, they learned all about Sovena's sophisticated manufacturing process that is the cornerstone of the quality and prestige of its olive oil brands, in particular Andorinha, which is highly successful in Brazil.</p> <p>There was also an opportunity to sample various types of olive oil and see how they cloud be paired with different dishes. And, as well as a visit to the olive plantation, there was another very special activity on the agenda: each chef had the chance to create their own blend of olive oils.</p> <p>The result will be turned into a special edition, 'Andorinha Creations', comprising three products, one from each chef. The launch is planned for the end of the year in Brazil. As well as a visit to the olive plantation, there was another very special activity on the agenda: each chef had the chance to create their own blend of olive oils.</p>
Portuguese chefs and bloggers visited Oliveira da Serra's Olive Oil Mill in Ferreira do Alentejo	<p>The aim of the visit was to give participants the opportunity to learn about the olive oil production process and to present Oliveira da Serra's first 2015/2016 harvest.</p> <p>Top names from the Portuguese culinary scene, including José Avillez, Henrique Sá Pessoa, Justa Nobre, Kiko Martins, António Nobre, Hugo Nascimento and Bertílio Gomes accepted Vítor Sobral's invitation to a day well spent at the Oliveira da Serra Olive Oil Mill, where they learned all about olive oil and its production, from picking the olives to extracting the oil. The most hands-on moment of the day was when everyone had the chance to make their own olive oil based on four olive oils with distinct flavours and aromas; and at the end of the day, sampling the delicacies prepared by Vítor Sobral with the first harvest of 2015/2016.</p> <p>All of the chefs emphasized how privilege they felt to be able to use such high quality olive oils and vinegars as the ones produced ate the Oliveira da Serra Olive Oil Mill.</p>





6. Annexes



6.1 GRI Table

GRI CONTENT INDEX* FOR 'IN ACCORDANCE' – CORE

GRI 102 – GENERAL DISCLOSURES			
DISCLOSURE		LOCATION	ASSURANCE
ORGANIZATIONAL PROFILE			
102-1	Name of the organization	Sovena Group, SGPS, S.A.	NO
102-2	Activities, brands, products, and services	1.2 Business Areas; 1.6 Products; 1.7 Brands.	NO
102-3	Location of headquarters	Sovena Group - Rua Dr. António Loureiro Borges, nº 2. Edifício Arquiparque 2, 3º andar. 1495-131 Algés, Portugal.	NO
102-4	Location of operations	1.5 Sovena in the world.	NO
102-5	Ownership and legal form	1.4 Organization; Report of the Board of Directors 2014.	NO
102-6	Markets served	1.5 Sovena in the world; 1.9 Sovena's main partners.	NO
102-7	Scale of the organization	Sovena at a glance	NO
102-8	Information on employees and other workers	SOVENA GROUP (2016)	
		Male	Female
		TOTAL	
		Employment contract	791
		Permanent	708
		Fixed term	83
		Employment type	791
		Part-time	40
		Full-time	751
		Note: data scope includes SCG Portugal; SCG Spain; SO Portugal; SO Spain; Sovena USA; Sovena MENA; Exoliva; Elaia Portugal.	
102-9	Supply chain	1.8 Sovena's value chain.	NO
102-10	Significant changes to the organization and its supply chain	1.4 Organization. Any other relevant and recent change is described throughout the report	NO
102-11	Precautionary Principle or approach	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. It is a dynamic document that contains the main activities that should be followed before, during and after a situation of crisis. This document provides hypothetical scenarios that can cause a potential crisis in our organization. It's tested and updated regularly and provides answers to the following topics: 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.	NO
102-12	List of economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	2.5 Ethics and transparency.	NO
102-13	List memberships of associations	5.3 Stakeholder engagement.	NO



DISCLOSURE		LOCATION	ASSURANCE
STRATEGY			
102-14	Statement from senior decision-maker	CEO message.	NO
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	1.3 Mission, vision, values and principles; 2.5 Ethics and Transparency.	NO
GOVERNANCE			
102-18	Governance structure	1.4 Organization; 2.4 Sustainability Governance.	NO
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	2.1 Stakeholder identification and consultation.	NO
102-41	Percentage of total employees covered by collective bargaining agreements.	100%	NO
102-42	Identifying and selecting stakeholders	2.1 Stakeholder identification and consultation.	NO
102-43	Approach to stakeholder engagement	2.1 Stakeholder identification and consultation.	NO
102-44	Key topics and concerns raised	About this Report; 2.1 Stakeholder identification and consultation; 2.3 Sustainability Strategy.	NO
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	About this Report; 1.2 Business Areas; 1.4 Organization.	NO
102-46	Defining report content and topic Boundaries	About this Report; 2.2 Identification of material issues.	NO
102-47	List of material topics	About this Report; 2.2 Identification of material issues; 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	January 1 st 2016 to December 31st 2016.	NO
102-51	Date of most recent report	Sustainability Report 2015.	NO
102-52	Reporting cycle	Annual.	NO
102-53	Contact point for questions regarding the report	Back cover of the 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

TOPIC-SPECIFIC STANDARDS												
DISCLOSURE		LOCATION										ASSURANCE
GRI 200 – ECONOMIC DISCLOSURES												
GRI 201 – ECONOMIC PERFORMANCE												
201-1	Direct economic value generated and distributed	Sovena at a glance.										NO
		SOVENA GROUP		2014		2015		2016				
		Direct economic value generated (€ thousand)		1.094,933		1.350,766		1.372,086				
		Net turnover		1.084,720		1.341,813		1.356,392				
		Financial income		1,689		197		250				
		Other incomes		8,525		8,756		15,444				
		Economic value distributed (€ thousand)		1.073,346		1.342,303		1.355,066				
		Consumption of goods		895,557		1.145,202		1.152,399				
		Operating costs		105,655		121,415		132,043				
		Employee wages		38,546		43,088		44,291				
		Payments to providers of capital		15,433		12,655		10,361				
		Income tax		6,253		1,775		1,957				
		Community Investment		12,676		18,171		13,818				
		Other		-774		-3		197				
		Economic value retained (€ thousand)		21,587		8,463		17,020				
MATERIAL TOPIC: GRI 204 - PROCUREMENT PRACTICES												
Management Approach		<p>2.3 Sustainability strategy – commitments.</p> <p>103-1 – 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>103-2 – 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>103-3 – 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			SCG Spain	SCG Portugal	SO Spain	SO Portugal	Eliaia	Sovena MENA	Sovena USA	Exoliva	NO
		Percentage purchased from local (national) suppliers in each geography	2014	38%	41%	38%	50%	46%	96%	34%	98%	
			2015	38%	40%	34%	32%	54%	99%	34%	83%	
			2016	38%	44%	34%	32%	62%	88%	34%	96%	



DISCLOSURE	LOCATION	ASSURANCE
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GRI 300 – ENVIRONMENTAL DISCLOSURES

GRI 301 – MATERIALS

301-3	Reclaimed products and their packaging materials	4.1 Environmental Policy/Management System.						NO
			Sovena Consumer Goods Spain Sovena Oilseeds Spain Exoliva		Sovena Consumer Goods Portugal		Sovena MENA	
		MATERIAL	2015	2016	2015	2016	2015	2016
		Glass (tons)	1.839,302	1.067,147	2.494,122	2.198,358	0	0
		Plastic (tons)	4.070,713	3.807,688	1.993,184	2.038,857	0	5,000
		Paper/cardboard (tons)	93,479	84,517	1.442,871	1.418,209	0	5,000
		Metal/Steel (tons)	114,464	1.313,268	30,239	28,989	0	0
		PRODUCTS SOLD WITHIN THE REPORTING PERIOD	-	6.490,680	-	-	-	-
		Data reported on a consolidated basis for SCG Spain, SO Spain and Exoliva. Each year Elaia delivery to a licensed operator for recycling, about 5000 kg of plastic packaging of phytosanitary products. Data from Sovena MENA for 2016 represents donation for recycling of old products in the factory. No reclaimed products for Sovena USA.						

MATERIAL TOPIC: GRI 302 – ENERGY

Management Approach	2.3 Sustainability Strategy – Commitments.	
	4.1 Environmental Policy/Management System.	
	4.3 Energy & Climate Change management.	
	<p>103-1: 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>103-2: 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>103-3: 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	4.3 Energy & Climate Change management.									NO
		DIRECT ENERGY CONSUMPTION	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaiia	SOVENA GROUP
		Diesel (GJ)	544	0	5,190	11	18,750	241	4,805	16,722	46,273
		Gasoline (GJ)	0	0	0	0	0	0	278	0	278
		LPG/Butane/Propane (GJ)	78	473	0	0	562	0	0	0	1,113
		Natural gas (GJ)	135,300	60,019	154,573	316,614	1,225	0	7,238	0	674,969
		TOTAL	135,931	60,492	159,763	316,624	20,538	241	12,321	16,722	722,633
		Diesel (GJ)	0	0	0	8	16,662	617	6,299	20,152	43,738
		Gasoline (GJ)	0	0	0	0	0	0	0	0	0
		LPG/Butane/Propane (GJ)	0	48	0	0	339	0	680	0	1,067
		Natural gas (GJ)	147,684	59,888	158,564	272,429	2,709	0	7,117	0	648,452
		TOTAL	147,684	59,936	158,564	272,437	19,710	617	14,156	20,152	693,257
		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
		TOTAL	136,661	58,324	114,919	198,996	17,101	783	11,744	21,160	559,688
		INDIRECT ENERGY CONSUMPTION	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaiia	SOVENA GROUP
		Electricity (GJ)	45,148	23,089	89,861	170,235	7,780	639	23,2692	6,651	357,096
		Cold (GJ)	0	0	0	0	0	0	0	0	0
		Steam (GJ)	0	0	0	567,939	0	0	0	0	567,939
		TOTAL	45,148	23,089	89,861	738,175	7,780	639	23,692	6,651	935,035
		Electricity (GJ)	47,789	22,644	97,843	169,962	8,703	1,560	24,592	8,735	381,828
		Cold (GJ)	0	0	0	0	0	41	0	0	41
		Steam (GJ)	0	0	283,932	668,328	0	0	0	0	952,260
		TOTAL	47,789	22,644	381,775	838,290	8,703	1,601	24,592	8,735	1,334,129
		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
		TOTAL	41,441	31,379	355,475	753,469	7,332	775	24,223	6,674	1,220,767
		Note: the reporting scope was extended in 2014 and 2015, including data from the plant Sovena Oilseeds Spain (Andújar). The total consumption of indirect energy (mainly electricity and steam) increased mainly due to the entry into operation and increased production of this plant, namely the increase in steam consumption.									

DISCLOSURE		LOCATION									ASSURANCE		
GRI 303 – WATER													
303-1	Total water withdrawal by source	1. Sustainable agricultural practices. 4.1 Environmental Policy/Management System.										NO	
			WATER WITHDRAWAL	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaia		SOVENA GROUP
			Surface water (m³)	-	643,910	-	4.387,689	105,000	-	-	587,769		5.724,368
			Ground water (m³)	-	-	-	-	-	-	-	15.735,806		15.735,806
			Municipal water (m³)	139,903	58,976	308,956	284,914	44,801	1,309	7,182	1,108		847,149
			TOTAL (m³)	139,903	58,976	308,956	4.672,603	149,801	1,309	7,182	16.324,683		22.307,323
			Surface water (m³)	-	679,612	-	4.950,336	71,950	-	0	942,090		6.643,988
			Ground water (m³)	-	-	-	-	-	-	0	24.415,197		24.415,197
			Municipal water (m³)	144,414	54,230	346,225	307,063	32,813	2,117	6,132	1,046		894,040
			TOTAL (m³)	144,414	733,842	346,225	5.257,399	104,763	2,117	6,132	25.358,333		31.953,226
			Surface water (m³)	-	665,558	-	4.018,785	66,615	-	-	1.148,332		5.899,290
			Ground water (m³)	-	-	-	-	-	-	-	29.366,796		29.336,796
			Municipal water (m³)	109,546	64,465	328,726	265,728	18,199	1,561	5,670	937		794,832
			TOTAL (m³)	109,546	730,023	328,726	4.284,513	84,814	1,561	5,670	30.516,065		36.060,918
		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	3.3 Sustainable agricultural practices. 4.1 Environmental Policy/Management System. 4.2 Management and valorization of waste and by-products.									
	WATER WITHDRAWAL			SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaia	SOVENA GROUP	
	m³			11,500	7,794	15,704	182,813	0	0	0	4,646	222,457	
	%			8.2%	1.1%	5.1%	3.9%	0%	0%	0%	0%	1.0%	
	m³			11,500	7,489	43,258	192,775	0	0	0	14,360	269,382	
	%			8.0%	1.0%	12.5%	3.7%	0%	0%	0%	0.1%	0.8%	
	m³			11,500	7,105	44,150	156,784	0	0	0	14.360	233,899	
	%			10%	1.0%	11.2%	3.4%	0%	0%	0%	0.05%	1.0%	

DISCLOSURE		LOCATION										ASSURANCE																																																																																																																																																																																						
MATERIAL TOPIC: GRI 305 – EMISSIONS																																																																																																																																																																																																		
Management Approach	<p>2.3 Sustainability Strategy – Commitments.</p> <p>4.1 Environmental Policy/Management System.</p> <p>4.3 Energy & Climate Change management.</p> <p>103-1: 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>103-2: 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>103-3: 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)	2014	<p>4.3 Energy & Climate Change management.</p> <table><tr><th>SCOPE 1 GHG EMISSIONS</th><th>SCG Spain</th><th>SCG Portugal</th><th>SO Spain</th><th>SO Portugal</th><th>Exoliva</th><th>Sovena MENA</th><th>Sovena USA</th><th>Elaiia</th><th>SOVENA GROUP</th></tr><tr><td>Diesel (t CO₂E)</td><td>41</td><td>0</td><td>381</td><td>1</td><td>1,378</td><td>18</td><td>353</td><td>1,229</td><td>3,401</td></tr><tr><td>Gasoline (t CO₂E)</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>20</td><td>0</td><td>0</td></tr><tr><td>LPG/Butane/Propane (t CO₂E)</td><td>5</td><td>30</td><td>0</td><td>0</td><td>35</td><td>0</td><td>0</td><td>0</td><td>70</td></tr><tr><td>Natural gas (t CO₂E)</td><td>7,638</td><td>3,388</td><td>8,726</td><td>17,874</td><td>69</td><td>0</td><td>409</td><td>0</td><td>38,104</td></tr><tr><td>TOTAL</td><td>7,684</td><td>3,418</td><td>9,108</td><td>18,875</td><td>1,483</td><td>18</td><td>782</td><td>1,229</td><td>41,595</td></tr></table>										SCOPE 1 GHG EMISSIONS	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaiia	SOVENA GROUP	Diesel (t CO ₂ E)	41	0	381	1	1,378	18	353	1,229	3,401	Gasoline (t CO ₂ E)	0	0	0	0	0	0	20	0	0	LPG/Butane/Propane (t CO ₂ E)	5	30	0	0	35	0	0	0	70	Natural gas (t CO ₂ E)	7,638	3,388	8,726	17,874	69	0	409	0	38,104	TOTAL	7,684	3,418	9,108	18,875	1,483	18	782	1,229	41,595	2015	<table><tr><td>Diesel (t CO₂E)</td><td>0</td><td>0</td><td>0</td><td>1</td><td>1,225</td><td>45</td><td>463</td><td>1,481</td><td>3,215</td></tr><tr><td>Gasoline (t CO₂E)</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>LPG/Butane/Propane (t CO₂E)</td><td>0</td><td>3</td><td>0</td><td>0</td><td>21</td><td>0</td><td>43</td><td>0</td><td>67</td></tr><tr><td>Natural gas (t CO₂E)</td><td>8,337</td><td>3,381</td><td>8,951</td><td>15,379</td><td>153</td><td>0</td><td>405</td><td>0</td><td>36,607</td></tr><tr><td>TOTAL</td><td>8,337</td><td>3,384</td><td>8,951</td><td>15,380</td><td>1,399</td><td>45</td><td>911</td><td>1,481</td><td>39,889</td></tr></table>										Diesel (t CO ₂ E)	0	0	0	1	1,225	45	463	1,481	3,215	Gasoline (t CO ₂ E)	0	0	0	0	0	0	0	0	0	LPG/Butane/Propane (t CO ₂ E)	0	3	0	0	21	0	43	0	67	Natural gas (t CO ₂ E)	8,337	3,381	8,951	15,379	153	0	405	0	36,607	TOTAL	8,337	3,384	8,951	15,380	1,399	45	911	1,481	39,889	2016	<table><tr><td>Diesel (t CO₂E)</td><td>0</td><td>0</td><td>42</td><td>1</td><td>791</td><td>58</td><td>401</td><td>1,555</td><td>2,848</td></tr><tr><td>Gasoline (t CO₂E)</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>LPG/Butane/Propane (t CO₂E)</td><td>0</td><td>4</td><td>0</td><td>0</td><td>14</td><td>0</td><td>46</td><td>0</td><td>64</td></tr><tr><td>Natural gas (t CO₂E)</td><td>7,715</td><td>3,289</td><td>6,455</td><td>11,233</td><td>345</td><td>0</td><td>314</td><td>0</td><td>29,352</td></tr><tr><td>TOTAL</td><td>7,715</td><td>3,293</td><td>6,497</td><td>11,234</td><td>1,150</td><td>58</td><td>761</td><td>1,555</td><td>32,263</td></tr></table>										Diesel (t CO ₂ E)	0	0	42	1	791	58	401	1,555	2,848	Gasoline (t CO ₂ E)	0	0	0	0	0	0	0	0	0	LPG/Butane/Propane (t CO ₂ E)	0	4	0	0	14	0	46	0	64	Natural gas (t CO ₂ E)	7,715	3,289	6,455	11,233	345	0	314	0	29,352	TOTAL	7,715	3,293	6,497	11,234	1,150	58	761	1,555	32,263
			SCOPE 1 GHG EMISSIONS	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaiia	SOVENA GROUP																																																																																																																																																																																						
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<p>Note: the reporting scope was extended in 2014 and 2015, including data from the plant Sovena Oilseeds Spain (Andújar).</p>																																																																																																																																																																																																		



DISCLOSURE		LOCATION										ASSURANCE
305-2	Indirect greenhouse gas (GHG) emissions (Scope 2)	4.3 Energy & Climate Change management.										NO
		SCOPE 2 GHG EMISSIONS	SCG Spain	SCG Portugal	SO Spain	SO Portugal	Exoliva	Sovena MENA	Sovena USA	Elaia	SOVENA GROUP	
		Electricity (t CO ₂ E)	3,114	1,813	6,198	13,367	537	83	3,374	513	28,998	
		Cold (t CO ₂ E)	0	0	0	0	0	0	0	0	0	
		Steam(t CO ₂ E)	0	0	0	41,062	0	0	0	0	41,062	
		TOTAL	3,114	1,813	6,198	54,429	537	83	3,374	513	70,060	
		Electricity (t CO ₂ E)	3,296	1,778	6,748	13,346	600	202	3.502	676	30,149	
		Cold (t CO ₂ E)	0	0	0	0	0	3	0	0	3	
		Steam (t CO ₂ E)	0	0	0	48,320	0	0	0	0	48,320	
		TOTAL	3,296	1,778	6,748	61,666	600	205	3,502	676	78,472	
		Electricity (t CO ₂ E)	2,858	2,464	6,166	11,013	506	100	3,449	516	27,072	
		Cold (t CO ₂ E)	0	0	0	0	0	0	0	0	0	
		Steam (t CO ₂ E)	0	0	0	44,336	0	0	0	0	44,336	
		TOTAL	2,858	2,464	6,166	55,349	506	100	3,449	516	71,408	
		Note: the reporting scope was extended in 2014 and 2015, including data from the plant Sovena Oilseeds Spain (Andújar).										
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	4.3 Energy & Climate Change management.										NO
305-4	GHG emissions intensity	SOVENA GROUP		2014		2015		2016		NO		
		Energy intensity (t CO ₂ E/€ thousand of net turnover)		0,10		0,09		0,08				
305-5	Reduction of greenhouse gas (GHG) emissions	4.3 Energy & Climate Change management.										NO

MATERIAL TOPIC: GRI 306 - EFFLUENTS AND WASTE

Management Approach	<p>2.3 Sustainability Strategy – Commitments.</p> <p>4.1 Environmental Policy/Management System.</p> <p>4.2 Management and valorization of waste and by-products.</p> <p>103-1: 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 the management and valorization of waste and by-products. This strategic priority was reinforced by the results of the stakeholder consultation, being identified as a relevant issue.</p> <p>103-2: Sovena has promoted in recent years a commitment in the reduction of waste and valorization of waste and by-products. Also, Sovena has several environmental policies implemented in the industrial units, which consider waste reduction initiatives and fosters its valorization, seeking for economic value.</p> <p>103-3: 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>	
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DISCLOSURE		LOCATION										ASSURANCE			
306-2	Total weight of waste by type and disposal method	4.2 Management and valorization of waste and by-products.										NO			
		TOTAL WASTE	SCG Spain		SCG Portugal		SO Spain		SO Portugal		Elaia				
			2015	2016	2015	2016	2015	2016	2015	2016	2015		2016		
		Hazardous waste (tons)	2,64	3,51	6,42	5,52	27,32	8,00	19,69	14,04	0,04		0,04		
		Valorization	0,46	0,85	3,67	3,10	15,38	0,20	13,38	11,54	0,04		0,04		
		Elimination	2,18	2,67	2,75	2,42	11,94	7,90	6,31	2,51	0,00		0,00		
		Non-hazardous waste (tons)	1.748,1	1.688,9	1.680,7	1.791,6	1.880,2	1.715,0	715,4	911,30	105,03		60,46		
		Valorization	701,4	794,4	1.525,9	1.287,1	207,2	217,3	355,6	771,20	35,89		40,14		
		Elimination	1.046,7	894,5	154,8	504,5	1.673,1	1.498,0	359,8	140,00	69,14		20,32		
		TOTAL (tons)	1.750,7	1.692,4	1.687,1	1.797,1	1.907,6	1.723,0	735,1	925,34	105,06		60,50		
		TOTAL WASTE	Sovena MENA		Sovena USA		Exoliva		SOVENA GROUP						
			2015	2016	2015	2016	2015	2016	2015	2016					
		Hazardous waste (tons)	0,080	0,002	0,56	0,90	0,00	1,63	56,7	33,7					
		Valorization	0,000	0,000	0,56	0,90	0,00	0,00	33,5	16,6					
		Elimination	0,080	0,002	0,00	0,00	0,00	1,63	23,3	17,2					
		Non-hazardous waste (tons)	11,55	2,74	473,36	445,0	288,00	160,81	6.902,4	6.776,0					
		Valorization	11,55	2,72	152,58	147,7	69,48	37,33	3.059,6	3.297,9					
		Elimination	0,000	0,015	320,78	297,3	218,52	123,48	3.842,8	3.478,1					
		TOTAL (tons)	11,63	2,74	473,92	445,9	288,00	162,44	6.959,1	8.339,3					
		MATERIAL TOPIC: GRI 306 - EFFLUENTS AND WASTE													
		308-1	Percentage of new suppliers that were screened using environmental criteria	2.3 Sustainability Strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria, in order to best answer to this indicator.										NO	
		308-2	Significant actual and potential negative environmental impacts in the supply chain and actions taken	2.3 Sustainability Strategy. Sovena is committed in a near future, through its sustainability strategy, to the definition, at a Group level, of a common and centralized system for selection and evaluation of suppliers, including environmental and other sustainability criteria, in order to best answer to this indicator.										NO	



DISCLOSURE	LOCATION	ASSURANCE
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GRI 400 – SOCIAL DISCLOSURES

GRI 403 – OCCUPATIONAL HEALTH AND SAFETY

403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	3.6 Occupational Health and Safety.									NO	
			SOVENA GROUP									
			2014			2015			2016			
			Male	Female	TOTAL	Male	Female	TOTAL	Male	Female		Total
		Accidents/Injuries (n.º)	76	37	113	96	32	128	102	34		136
		Accidents/injuries resulting in absence (n.º)	33	8	41	57	11	68	64	9		73
		Days lost (n.º)	913	261	1,174	1,847	214	2,061	2,543	319		2,862
		Fatalities (n.º)	0	0	0	0	0	0	1	0		1
		Occupational diseases (n.º)	0	0	0	2	0	2	0	0		0
		Absentee (hours)*	1.084,342	413,641	1.497,983	1.297,719	473,653	1.771,371	79,642	34,269		113,911
		Injury Rate (IR)	0.000070	0.000089	0.000075	0.000074	0.000068	0.000072	0.00008	0.00007		0.00008
		Occupational Disease Rate (ODR)	0	0	0	0	0	0	0	0		0
	Lost Day Rate (LDR)	0.00082	0.00063	0.00077	0.00138	0.00044	0.00113	0.00192	0.00064	0.00157		
Absentee Rate (AR)	6,2%	5,0%	5,9%	4,6%	4,7%	4,7%	6,02%	6,83%	6,25%			
Note: scope of data includes SCG Portugal; SCG Spain; SO Portugal; SO Spain; Sovena USA; Exoliva and Sovena MENA.												
403-3	Workers with high incidence or high risk of diseases related to their occupation	3.6 Occupational Health and Safety.									NO	

GRI 404 – TRAINING AND EDUCATION

404-1	Average hours of training per year per employee by gender, and by employee category	3.5 Human Capital development.						NO	
			SOVENA GROUP						
			2014		2015		2016		
			Hours	H/employee	Hours	H/employee	Hours		H/employee
		Managers	390	5,1	364	4,4	725		9,7
		Male	217	3,5	320	4,9	643		10,9
		Female	173	11,5	44	2,6	82		5,1
		Manag. support technicians	1,484	8,9	1,123	7,7	1,425		8,0
		Male	934	9,0	703	7,2	818		7,3
		Female	550	8,6	420	8,6	607		9,0
		Commercial staff	696	38,7	118	6,9	182		9,6
		Male	552	36,8	63	4,8	93		6,2
		Female	144	48,0	55	13,8	89		22,3
		Administrative staff	1,474	14,2	1,185	8,3	902		7,6
		Male	455	8,8	148	2,7	350		7,1
		Female	1,019	19,6	1,037	11,8	552		7,9
		Manufacturing operators	5,973	8,7	9,580	13,5	5,037		7,5
		Male	5,087	9,2	8,024	13,9	3,663		7,1
		Female	886	6,7	1,556	11,9	1,374		9,0
		TOTAL	10,017	9,4	12,370	11,3	8,271		7,8

DISCLOSURE		LOCATION						ASSURANCE	
GRI 405 - DIVERSITY AND EQUAL OPPORTUNITY									
405-1	Diversity of governance bodies and employees	3.5 Human Capital development.						NO	
			SOVENA GROUP (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
		TOTAL	789	279	1,068	120	655		292
Note: data scope includes SCG Portugal; SCG Spain; SO Portugal; Sovena USA; Exoliva; Elaia Portugal.									
MATERIAL TOPIC: GRI 413 – LOCAL COMMUNITIES									
Management Approach		<p>2.3 Sustainability Strategy – Commitments.</p> <p>5.1 Promote Health and Nutrition.</p> <p>5.2 Support Local Communities.</p> <p>103-1: According to its materiality matrix and sustainability strategy, and as the mission of Sovena is to Inspire people to eat healthier and tastier by using olive oil, the promotion of health and nutrition and social solidarity are areas where Sovena has heavily invested within the engagement of communities, and these issues are integrated sustainability strategy.</p> <p>103-2: Sovena has addressed these issues through several initiatives and partnerships developed with society, namely: Partnership with EPIS; Support, to Gota de Leche Foundation: Support to TAS Foundation; Support to Serralves Foundation; Realization of corporate volunteering, among others.</p> <p>103-3: 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	
413-1	Operations with local community engagement, impact assessments, and development programs	<p>5.1 Promote Health and Nutrition.</p> <p>5.2 Support Local Communities.</p>							
GRI 414 – SUPPLIER SOCIAL ASSESSMENT									
404-1	Average hours of training per year per employee by gender, and by employee category	<p>2.3 Sustainability Strategy.</p> <p>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	
414-2	Negative social impacts in the supply chain and actions taken	<p>2.3 Sustainability Strategy.</p> <p>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	



DISCLOSURE		LOCATION	ASSURANCE
GRI 416 – CUSTOMER HEALTH AND SAFETY			
Management Approach		2.2 Sustainability strategy – Commitments. 3.1 Food/safety certifications 103-1: 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. 103-2: 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. 103-3: 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.	NO
416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	1.8 Sovena's value Chain; 3.1 Food/Safety Certifications.	NO
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.	3.1 Food/safety certifications. Sovena didn't identified 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 Exoliva.	
SECTORIAL PERFORMANCE INDICATORS – FOOD PROCESSING			
PROCUREMENT/SOURCING PRACTICES			
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	3.1 Food/safety certifications. 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. 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.	NO



DISCLOSURE		LOCATION	ASSURANCE
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.	5.1 Promote health and nutrition.	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.	3.1 Food/safety certifications.	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	5.1 Promote health and nutrition.	
PRODUCT AND SERVICE LABELING			
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	5.1 Promote health and nutrition.	NO

* According to 2016 materiality and Sovena's sustainability strategy.



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	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. Density: 0.837 kg/l; LHV: 43.07 GJ/t.
	LPG/Butane	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. Density: 0.51 kg/l; LHV: 48.45 GJ/t.
	Natural Gas	LHV of the fuel taken from Agência Portuguesa do Ambiente (APA), in Portuguese National Inventory Report on Greenhouse Gases published in 2015 and table of lower heating value, emission factor and oxidation factor of the European Emission Trading System (EU ETS) 2013-2020. LHV: 38.44 GJ/Nm ³ x10 ³ .
305-1	Diesel	CO ₂ 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.
	LPG/Butane	CO ₂ 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.
	Natural Gas	CO ₂ 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.
305-2	Electricity	CO ₂ EF for Portugal, Spain, Tunisia, and Morocco, taken from International Energy Agency, in CO ₂ Emissions from Fuel Combustion, 2015 Edition. CO ₂ EF for USA taken from Environmental Protection Agency, in Emissions & Generation Resource Integrated Database (eGRID), 2017 Revised Release (v2).
	Steam	CO ₂ EF taken from Diário da República, 2nd Series - n.º 122 - June 26, 2008, Order n.º 17313/2008.
	Cold	CO ₂ EF taken from Diário da República, 2nd Series - n.º 122 - June 26, 2008, Order n.º 17313/2008.
305-3	S3 - Production of auxiliary materials	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Fuel & energy related activities not included in scope 1 & 2	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Management and transportation of waste	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Transport of raw-material; transport of auxiliary material and other transport	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Business travel	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Employee commuting	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - Product distribution	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
	S3 - End-life of products	Specific GHG emission factors taken from DEFRA (2015). 2015 Guidelines to DEFRA GHG Conversion Factors for Company Reporting.
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)	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.

BRC

BRC is a global Standard for Food Safety, developed by the British Retail Consortium. The standard helps to promote consistency across the supply chain for food and ingredient manufacturers, wholesalers and distributors.

IFS - International Food Standard

IFS is a Global Food Safety Initiative (GFSI) benchmarked standard for auditing food safety and quality of processes and products of food manufacturers.

SQF - Safe Quality Food

SQF is a comprehensive HACCP-based food safety and quality management certification system for all sectors of the food industry.

GMP B2+

GMP B2+ is focused on controlling feed safety and responsibility (GMP+ Feed Safety Assurance and GMP+ Feed Responsibility Assurance).

14001

14001 is a certification and integrated production implemented in Mills.

ISO 22000

ISO 22000 is an international standard promoting safe food supply chains worldwide. This standard combines HACCP principles with key elements of other management systems such as ISO 9001 Quality Management System.

ISO 9001

ISO 9001 is one of the standards developed by the International Organization for Standardization (ISO). The purpose of this family of standards is to increase customer satisfaction through the deliverance of quality products and services.

INTEGRATED PRODUCTION

Integrated production is an agricultural system to produce high quality food and products based on the use of natural resources and regulating mechanisms, in order to assure a sustainable agriculture.

Kosher

Kosher certification means that some product comply with a strict policy of kosher food laws, including cleanliness, purity and quality.

FDA – Food & Drugs Administration Certificate

Certificate that indicate that the product is marketed in the United States or eligible for export, and that the particular manufacturer has no unresolved enforcement actions pending before or taken by FDA

Organic Olive Oil (EU Regulation 834/2007)

The European requirements for organic production are set by Council Regulation (EC) N.º 834/2007 defining the official EU aims, objectives and principles of organic farming and production.

Organic Olive Oil (Brazil - 10.831/2003)

This certification is mandatory since January, 2011, to sell organic products within Brazilian borders, even if the product is already certified under other organic regulation.

Organic Olive Oil (Japanese Agricultural Standards - JAS)

The JAS are standards for the agriculture industry maintained by the Japanese Government. They are comparable to Japanese Industrial Standards but for food and agricultural products.

Organic Olive Oil (USDA NOP)

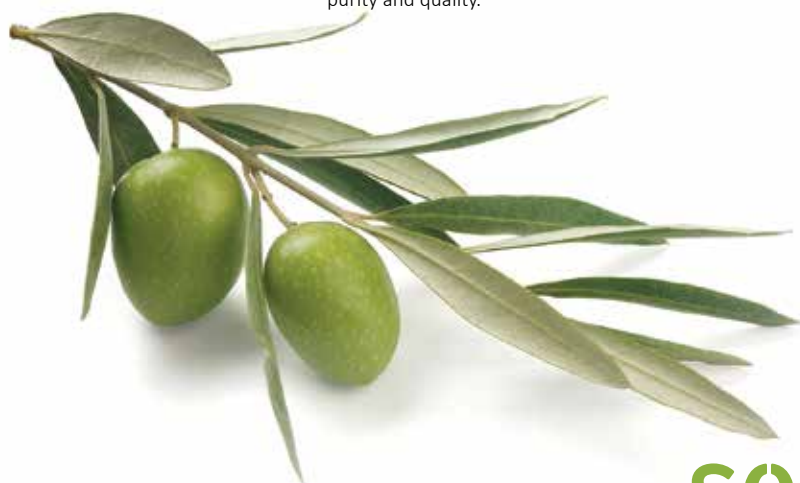
The National Organic Program (NOP) oversees USDA-accredited certifying agents and their certification of organic production and handling operations.

Non-GMO Project's Product Verification

Is a process-based and product-based program designed to assess compliance with the Non-GMO Project Standard. The core requirements are traceability, segregation, and testing of high-risk ingredients at critical control points.

International Sustainability & Carbon Certification (ISCC)

Certification provides proof of compliance with environmental, social and traceability criteria, and qualifies biomass or biofuel companies for legal recognition under the targets set by the European Renewable Energy Directive 2009/28/EC (EU RED).



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