

A young girl with light brown hair, wearing a light blue long-sleeved shirt, is smiling and hugging a large tree trunk. She is holding a small bouquet of white daisies with yellow centers. The background is a blurred green field with white flowers.

Hero España Sustainability Report 2015

Hero españa

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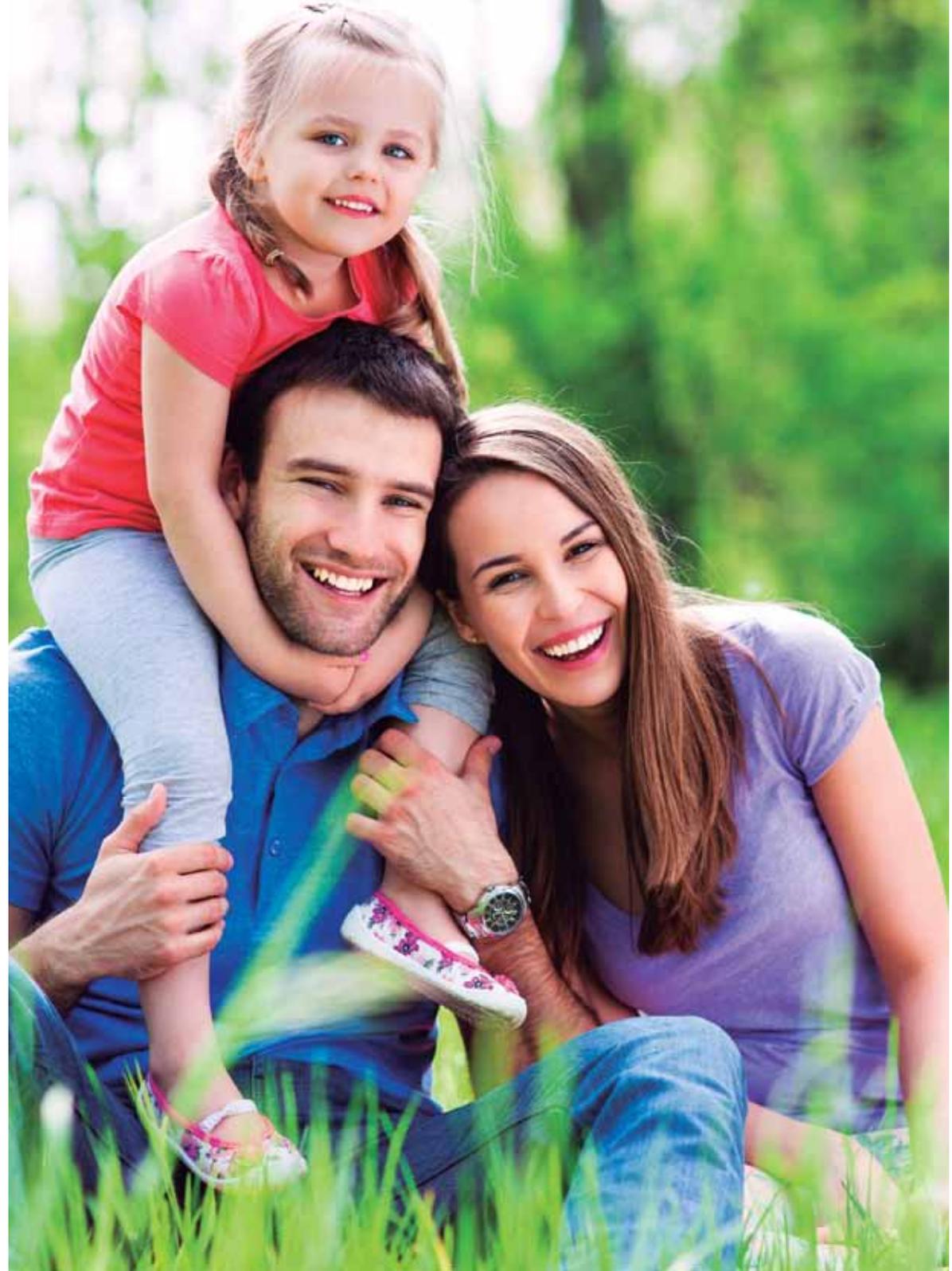
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interview with

Sergio Elizalde, general director of Hero South Europe

“The only way to do things well is by being sustainable”

How has the process been by which you have committed to the sustainability of the company, which has led to this exercise of transparency which is the sustainability report of Hero España?
The only way to do things well is by being sustainable. For us, sustainability is more than a process; it is a way of making a company: making money by preserving and respecting the good things of nature, guaranteeing the safety and the development of our professionals, demanding high standards of quality from our suppliers and taking care in the selection of our raw materials. All of that has to be done and has to be explained. That is the reason for our sustainability report.

One of the pillars of Hero's Social Responsibility is the quality and innovation of its products. What efforts is the company making in this field?
We always innovate with quality and food safety. To guarantee that we take care of all of the production process, from the control and selection of suppliers and raw materials to the recipes in the preparation, the packaging and the distribution. All of this process is sustainable. Our commitment to quality is underpinned by

all our certifications for Quality, Environment, Food Safety and Occupational Health and Safety (ISOS 9001, 14001, BRC, IFS, FSSC 22000, OSHAS 18001, among others). The certifications are a guarantee of the management of quality at Hero. And starting from this rigour in the management we have built up a model of innovation in food that has made Hero España into the HQ of the Hero Institute for Infant Nutrition, a research centre in which experts in nutrition from all over the world are working. The culture of innovation extends to all of the company and the high capacity of our professionals produces innovation in all fields, developing new ranges of products, new forms of packaging and even new habits in consuming them following the trends set by the top international chefs.

Environmental commitment is also important in Hero España. What advances would you point to in the last year?

In the first stage, our environmental commitment was centred in the optimisation of the processes and in the reduction of emissions, waste and energy and water consumption. This Energy Efficiency Plan was extended to include the use of cardboard and studies of the viability of microgeneration. All of Hero's collaborators know our environmental philosophy and join in it. As well as that, we play an active part in the Bee Careful programme, which aims to guarantee the survival of the bees. If they disappeared, that would be a serious problem for life on earth.



At social and community level, Hero España is also heavily committed to its environment. What are the most emblematic initiatives that you have put into practice in the last year?

Without question, our collaboration with food banks. We have been working with them for more than 20 both locally and nationally, and it is a great satisfaction for us to think that we are helping to improve the food of the most disfavoured social groups. We also collaborate with the Bangassou Foundation, through which we take our infant formula to the centre of Africa where, because it is available, the cycle of AIDS is being broken. As a result, the children who are born healthy to mothers infected with the virus have the opportunity to grow up healthy themselves. In this way we are improving their nutrition and at the same time we are giving them health.

All of this commitment would not be possible without the involvement of the employees. How does Hero España involve its team in this triple commitment?

It is people that make Social Responsibility. We have internal channels of communication through which we spread the different initiatives that we develop to ask for their collaboration and to receive suggestions for improvement. The campaigns for raising environmental awareness, for a health company, responsible consumption, for equality, for striking a home work balance, among other things, are also useful for us so that people can grow and develop in the same direction as the company does.



And how are relations with the rest of the interest groups fostered?

A company is successful when it is capable of making money by offering a different product over a period of time. But that difference, that innovation, only comes about in settings that are dynamic, open and curious. The people at Hero are brave, they have ideas, they do things quickly and they are concerned about all of their interest groups.

We habitually take part in all kinds of activities at local, regional and national level. We are present in seminars, conferences and meetings and we collaborate in the activities that take place in the region whether they are cultural, social or business. The new technologies, and in particular social networking, have been of use to us in developing a model of communication that is very close to our consumers.

What challenges have been set for the coming year in the field of sustainability?

We want to continue being in the forefront of Social Responsibility our environment, to continue caring for our interest groups and to delight our consumers by preserving the goodness of nature. We have a number of projects running in connection with the Bee Careful initiative to make our interest groups aware of the importance of the bees. We will also work on projects linked to the prevention of childhood obesity through healthy habits and a project on characterisation of mother's milk, among many others.

A company is successful when it is capable of making money by offering a different product over a period of time.

who we are

1.1. Hero, advanced nutrition

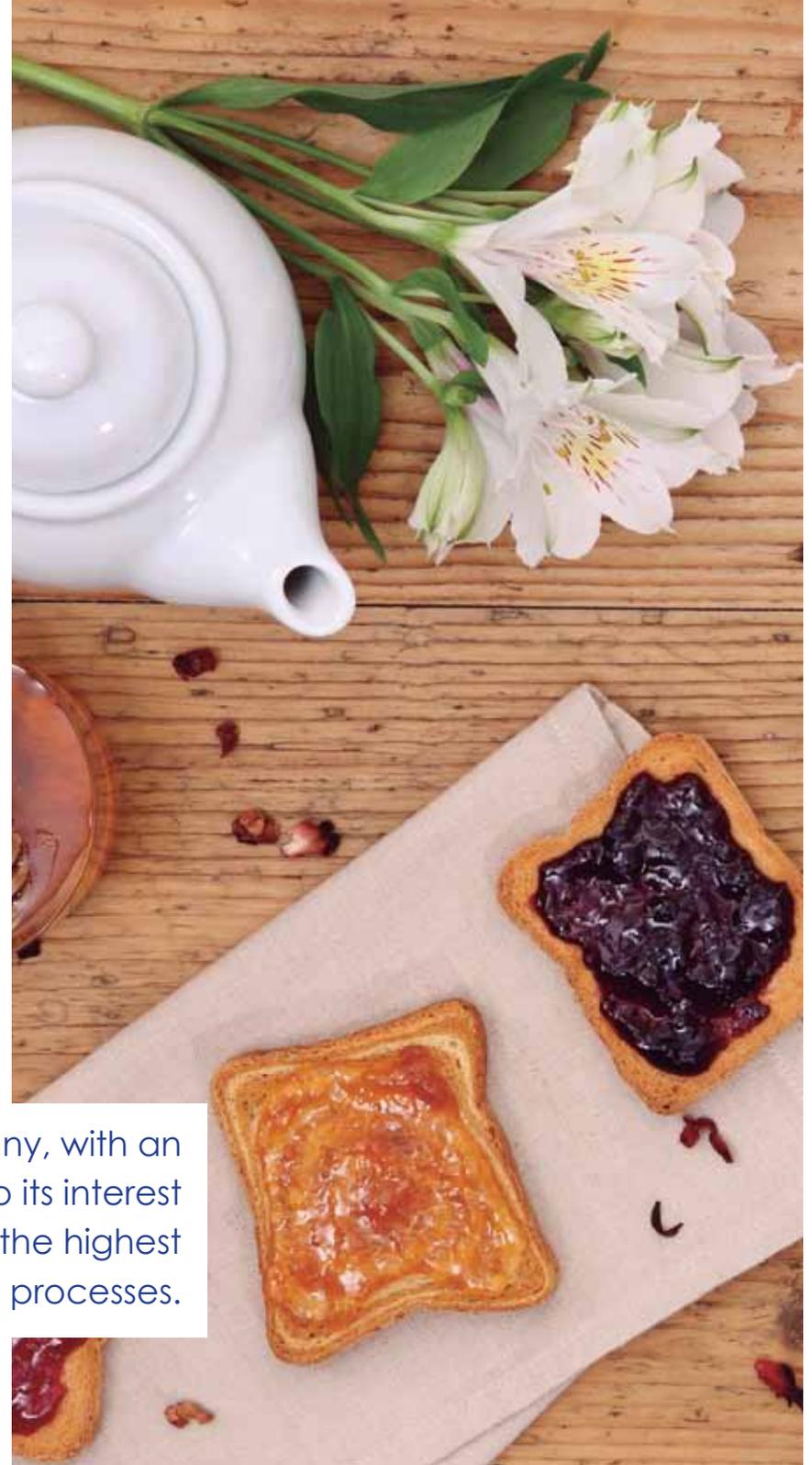
Hero España is one of Spain's biggest companies in infant food and nutrition. It manufactures, stores and markets a wide range of food products, made with the best raw materials and following painstaking processes of production to offer consumers the highest quality, while making an active and positive contribution to sustainable development.

Most of Hero España's products occupy a clear leading position in their respective sectors, being highly respected in the market and standing out for their commitment to innovation, quality and food safety.

Hero España forms part of the Hero Group. Our business model has always been based on delighting our consumers by preserving the good things of nature, with nutritional food of high quality and freshness, following original recipes and natural processes that do not use artificial preservatives, colourings or additives.

We can say that we are a family company that has grown to become a successful international Group. We are now present in the five continents and our history of continual expansion under the management of the fourth generation of the Oetker family.

Hero España is a modern, innovative company, with an international projection into the future, committed to its interest groups and to applying criteria of sustainability and the highest standards of quality in all of its processes.



1.2. A story of success

who we are

In food we make history

1886



Founding of Conservernfabrik Lenzburg, Henckell & Zeiler

Hero was founded in 1886 when two friends, Gustav Henckell and Gustav Zeiler, formed Conservernfabrik, Henckell & Zeiler in Lenzburg (Switzerland) to process fruit and vegetables. Henckell was an experienced worker in the preservation industry and Zeiler was a producer of fruit and vegetables. Before the end of the year, Carl Roth joined them as a shareholder. When Gustav Zeiler died unexpectedly, Carl Roth became a full partner and succeeded him. From that time on, the company was renamed Henckell & Roth.

1910 - 1939



Flourishing business and international expansion

Between 1910 and 1939 five companies in were founded or bought in Switzerland, which led to the flourishing of the export business. Subsidiaries were set up in the Netherlands (1914) and Spain (1922). In 1922 there were already 31 different types of Hero preserves, in formats that ranged from 500 g jars to oak casks weighing 55 kg.

1910



Launch of the Hero Brand

The name of the Hero brand comes from the joining together of the first two letters of the surnames of the partners HEnckell and ROth. The shape of the tins of preserve also inspired the name, where the letters H, R and OR are similar to its shape.

1922



Founding of Hero Alcantarilla

On 20 January 1922 Hero Alcantarilla has founded. The purpose of the new company was the preparation of pulps and syrups for export. The new company started out with a share capital of 600,000 pesetas. Overcoming the problems that arose from the First World War, the economic recovery of the main European countries and the rise in the purchasing power of the general public foretold a better outlook for the newly created company.

More than 94 years later, it can be said that Hero has moved on from being a traditional food and preserves company to become an advanced nutrition company, orientated towards innovation. The soundness of its record proves that it has been able to adapt to the changes and the needs of the market.

1930 - 1950



Diversification

In 1930, Lenzburg granted Alcantarilla permission to sell some of the products and preserves that were manufactured in Alcantarilla in Spain under the Hero brand. The two production plants were turned over exclusively at the preparation of fruit preserves, producing different varieties of pulps, prepared naturally, compotes and jams, all of unbeatable quality.

During this decade, Hero Alcantarilla maintained its strategy of neutrality towards the events. However, it was not able to prevent economic reality from posing technical problems in the production, such as the shortage of fresh produce or raw materials such as sugar or tinfoil, which were essential for its activity. In addition to all that, there was rationing and the need to consume fresh produce.

1950 - 1980



Consolidation and large scale expansion

In the 50s, Murcia's industry only produced significant quantities of products like preserves of apricots, peaches, bell peppers, tomatoes and quince flesh. The 60s saw the greatest economic growth in Spain, far higher than the European average, and Hero consolidated its position as one of the most important food preserve companies in the country.

On 1 March 1972 the name Hero Alcantarilla S.A. was replaced by Hero España S.A. with the aim of giving the Company a higher national status. In these years Hero was a pioneer in introducing Hero Diet Jams in the diet world, anticipating the needs of a market that at that time barely existed.

1980 - 2000



Start of a new age

The 80s brought about a strategic change in the Hero Group, the challenge was new products for an increasingly wide market. This initiative was founded from the very beginning on an increase in quality control and investment in R&D&I, which made it possible for Hero España to position itself advantageously compared to its competitors in facing future challenges.

The Hero brand is a guarantee for consumers of the quality that it offers in its products. But that is not all. The attributes of our brand are also a guarantee of excellence in all of the business activity of the company, including its customers, suppliers, environment, responsibility and environmental efficiency.

In 1995, combining the experience in cereals of the company Schwartz and the potential of the new child food market, it was proposed to enter the manufacture of baby food, which was to mean a huge investment and a technological revolution for the group.

1985



The big decision

In 1985 came Hero España's proposal to enter the child food market. The prestige of the Hero brand, associated with products for feeding babies, was one of the keys of the success in converting them into something practically 'irresistible' for the consumers.

In the following years, production and sales grew steadily. Big investments were made in the creation of modern production plants in which expert research teams had access to the latest technology in all fields, including knowledge management. That is how Hero Baby products came to be the unquestioned leader of the sector in Spain.

1995



Hero under the ownership of the Oetker family

In 1995 the German company Schwartauer International GmbH, founded in 1899 and owned by Dr Arend Oetker, bought a majority stake in Hero. The prospects of the Schwartau companies, as well as the strategic importance for Hero were positive. The activities of these companies are to be found in the cereal bar sector, jams (in which sector they are leaders in Germany) semi-prepared products for bakeries, as well as articles and decorations for cakes, products for spreading and fruit desserts, which could open up other possibilities for sales and access to the markets with new quality products from all of the subsidiaries of the Hero Group.

2000 - 2010



New millennium, new strategy

At the start of the 21st century, the activity was very intense and large scale investments were made by the Hero Group. Several companies were bought in the child food sector and in addition distribution networks were set up all round the world.

The growth of production and the widening of the range of products had complicated the logistics of distribution and storage, and had considerably increased costs. So, Hero España took the decision to build a centralised warehouse with the latest self-supporting technology and with capacity for more than 30,000 pallets.

2006



Creation of the Hero Institute for Infant Nutrition

The entry of the Hero Group in the child food sector was sported from the start by investing in research and development. The generation of knowledge in this field led to the creation of the Hero Infant Nutrition Institute located in the premises in Alcantarilla, where the best international experts in paediatrics and infant nutrition work.

This same year jointly with the Institute, the Global Technology Centre was created. This incorporates the latest scientific evidence that ensures that Hero child food contributes to the healthy development and growth of babies so that in the future they will become healthy children and adults.

2010 - 2015



Hero España adapts to an interconnected and changing world

Hero España's insistence on knowing what consumers need in order to offer it to them in the best conditions of quality has found an ally of extraordinary importance in the growth of the internet. Now, Hero España can communicate directly with the consumers, who are practically present all the time in the company.

In the new decade Hero España has been able to adapt to the vertiginous speed with which changes are coming about and has continued to foster innovation and improvement in the quality of its products, even the ones whose quality standards seemed to be impossible to make better. An example of these years is the launch of Mermelada de Temporada.

Direct contact with consumers means that Hero can always offer them the products that they need. This close relationship has led to the launch of new product lines that have proved to be very successful and that, in spite of being very new, seem to have been made by Hero for ever. This is the case of the Pedialac infant formulas, with which Hero has entered the pharmacy channel; Hero Nanos, which are a healthy and natural complement to food for children aged from 12 months and Maridaje del Chef, which makes a novel contribution to modern cuisine.

One of the most recent new items is the Siglo XXI jars, which include new recipes, packaging and grammage, and are still made in a totally natural way and in the Murcian countryside. For them innovations have been made in the jar for the first time in 30 years making it more convenient for the consumer, coinciding with the 30th anniversary of the Hero Baby brand.



"Our basic principles are to be faithful to our values in order to fulfil our mission, to be ostensible, to care for nature and to return to society a part of what it gives to us"

Encarna Guirao
Director of HR, IR and Social Responsibility



1.3. Our essence (mission, values)

The mission of Hero España is to delight the consumers by preserving what is good in nature.

This is how the company defines itself:

- Driven by entrepreneurial ability
- With the power to move at high speed
- Skilled by independence
- Ready for change for change
- Built with a family attitude
- Bravery to always go further
- Ideas is looking with curiosity at what surrounds us
- Speed to arrive first
- We put our soul into everything that we do

The values of change, an enterprising spirit, speed, strength and family impregnate all the corporate culture, reproduce the spirit of Hero and give meaning to its Code of Ethics and Behaviour.

This document reflects the company's commitment to offering products that are healthy, nutritional and of high quality to its consumers, while applying fair practices in the environment, human and employment rights and the fight against corruption.

Moreover, it includes the criteria of integrity, loyalty and honesty that are part and parcel of the day to day work of all the people who make up Hero, beyond strict compliance with the legal framework.

1.4. A company with commitment

Sustainable development has always been present in the philosophy and activity of the Hero Group. Respect for the principles and values intrinsic to Sustainability and Social Responsibility is written into the DNA of the company and forms part of its identity, as is shown by sound track record.

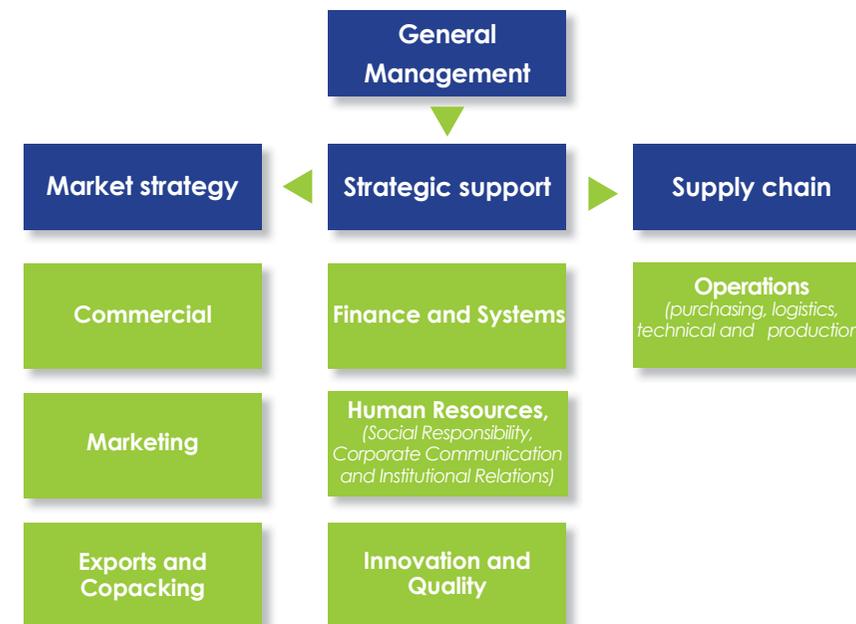
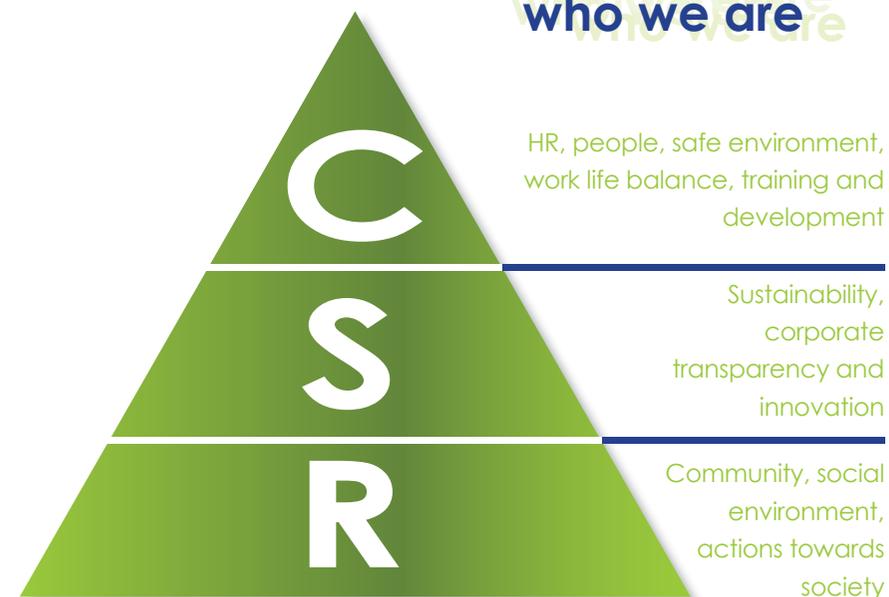
The company understands Social Responsibility as a transversal concept that has an impact on all of the aspects of the business and involves all of its areas.

The Corporate Social Responsibility strategy of Hero España is founded on three fundamental pillars represented by each of the letters that make up the word CSR.

At global level, the Hero Group has a Sustainability Community charged with putting the concept into practice in all of the subsidiaries and helping them to set targets, goals and measurement mechanisms for the progress that has been achieved. Hero España has a Sustainability Ambassador, the Director of Innovation and Quality, Pablo Serrano, who is a part of this community.

In Hero España, the Human Resources (HR) area leads the management of Social Responsibility through a working group consisting of people from all of the areas of the company.

In this group there are also employees of other Committees (Company, Health and Safety at Work, Energy Efficiency and Equality). The work group is led by the managements of innovation and quality and human resources, who are responsible for passing the social responsibility initiatives to the direction committee.



MILESTONES IN CSR

Although Sustainability has been present in the company since its beginning, since the 90s some steps have been taken to formalise and systematise its management. One of the milestones was joining the United Nations Global Compact in 2012, which gave reality to the commitment of Hero España to its Ten Principles based on respect for human rights, the environment and the fight against corruption, included in Code of Ethics and Behaviour.

1994: Quality Management System UNE-IN-ISO9001

1996: Own Management System in Prevention of Occupational Risks and Certificate CAERM (Department of Organic Agriculture of the Region of Murcia)

1997: Environmental Management System UNE-IN-ISO14001

2000: Soil Association Certificate – Organic, Standard for infant products

2001: Halal Certification, which accredits that it follows the criteria for consumption by people of the Muslim religion

2002: Preparation of a first Social Report

2003: EMAS registration, a European standard that accredits compliance with environmental practices

2005: Publication of the document Buenas Prácticas de Responsabilidad Social de Hero España

2006: Occupational and Safety Certificate OHSAS18001:1999 and Certification of the Food Safety Management System of the British Retail Consortium (BRC) and the International Food Standard (IFS)

2009: Launch of the company's Code of Ethics and Behaviour

2012: Joining the United Nations Global Compact

2015: Certification for standard FSSC 22.000

2016: Voluntary external audit by AENOR for 19600 certification

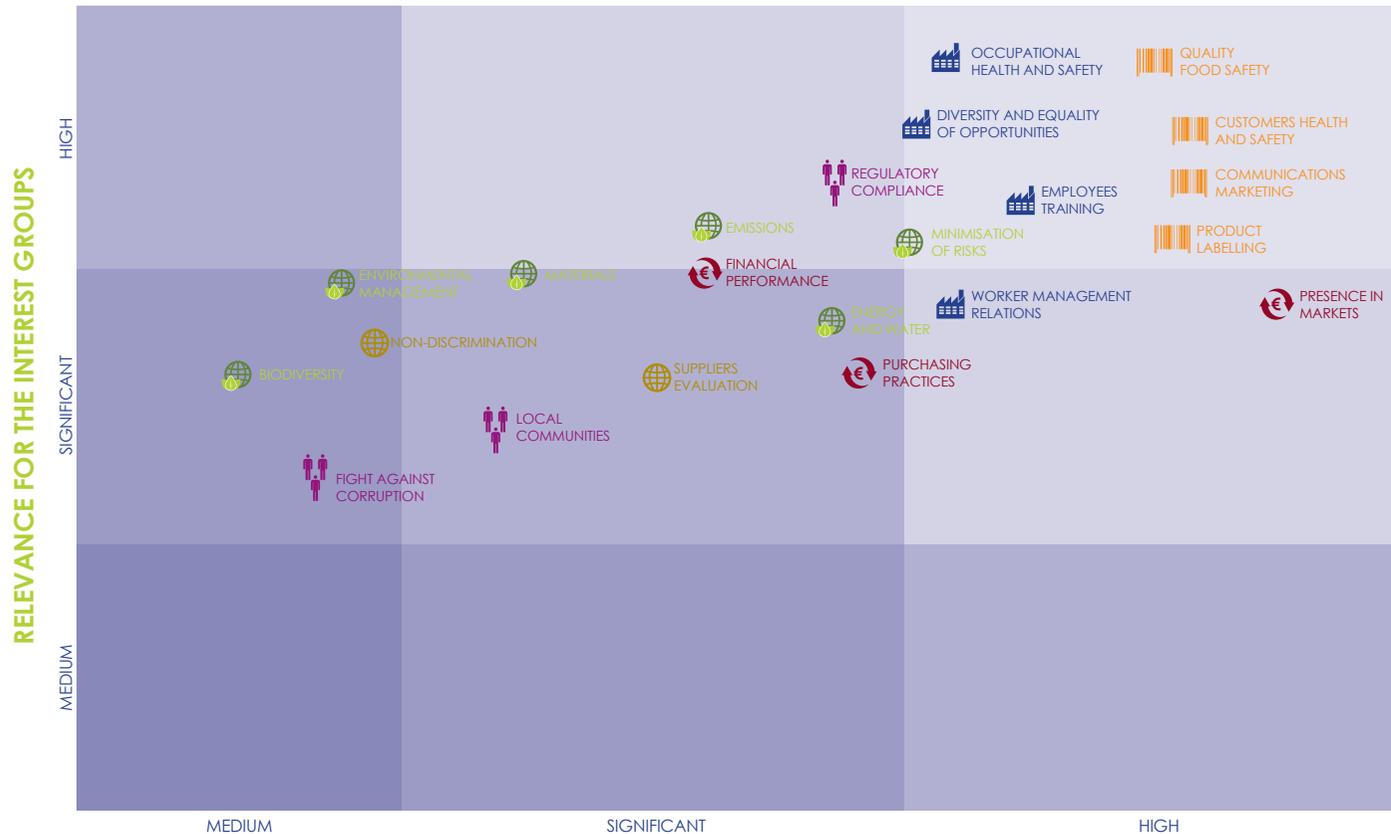
2016: First materiality analysis

who we are
who we are



"If you are responsible, you have to be so in everything that you do because that is the only way to generate trust in your consumers and in all of the interest groups: customers, suppliers, employees, institutions etc. That is the basis of our Social Responsibility"

*Pablo Serrano,
Sustainability Ambassador
and Director of Innovation
and Quality*



To carry out its materiality analysis, Hero had the opinions of more than 1,500 representatives of its interest groups, which is a milestone in participation in studies of this kind.

1.5. Close to our interest groups

Hero España has identified its main interest groups, which are its employees, suppliers, consumers, organisational customers, local community and institutions.

In 2015, with the aim of finding its priorities and obtaining a scientific base on which to guide the company's Social Responsibility strategy, Hero España performed a materiality analysis in collaboration with the University of Murcia.

The study made it possible to detect the aspects of Social Responsibility that the company's interest groups consider to be the most important as well as those that are of lesser interest.

The conclusions bring out important aspects of quality and food safety, health and safety of customers, organisational health and safety, and correct marketing communications.

On the other hand, the questions of lower priority were the fight against corruption, attention to local communities, respect for biodiversity and promoting responsible purchasing practices.

In carrying out this materiality analysis a number of face to face meetings were held together with an online survey that had more than 1,500 representatives of interest groups, a figure that was a milestone for participation in studies of this kind.

Hero has a number of established channels of communication with its interest groups, among which are these

Employees

- Employees' Portal
- Communication with HR (Channel 2.0 direct with HR)
- Whistleblowers' letterbox established by the Code of Ethics and Behaviour
- Surveys on satisfaction, climate and psychosocial surveys
- Company Committee, Committees on SR, Equality, Health and Safety and Energy Efficiency
- Letter box for ideas for improvement
- Physical and digital notice boards
- Evaluation of the performance
- Periodical newsletters
- Lean Office and Manufacturing (Participatory methodology that relies on people for the success of the company)
- Family Day
- Annual Company Convention



Suppliers

- Portal of suppliers
- Evaluation of suppliers
- Periodical newsletters
- Half-yearly meetings and visits

Local community /Society

- Hero Tour, with bloggers and influencers, among other events
- Periodical newsletters

Consumers

- Satisfaction surveys
- Consumer service: collection of comments to resolve resolution incidents, queries, etc. by telephone, WhatsApp, email and social networking.
- Visits to the Hero premises
- Periodical newsletters



Institutions

- Face to face meetings
- Periodical newsletters



- Benchmarking club
- Periodical newsletters

Other bodies

As well as these routes communication, all of the interest groups have the usual channels such as face to face meetings, email, telephone and an extensive presence in social media with a large number of followers. We are present in social media with the profiles of Hero España and Hero Baby in Facebook, Twitter, Instagram, Pinterest, Google+, YouTube and LinkedIn, with more than 662,000 followers in all of them. * Figures for July 2016.

Hero is committed to honest and truthful communication about its activity and about its products, as is included in the company's Code of Ethics and Behaviour. This means that all of the information that is provided to the consumers, whether on the product packaging or through the various communication channels and promotional campaigns, follows criteria of responsibility and conforms to the existing codes and guidelines for good practice in communication.

1.6. Recognition of our work

Hero's commitment to Sustainability and Innovation and responsible and ethical management has borne fruit. Numerous awards have recognised the work of the company in recent years. The following are some of the most representative ones.

1998, Laurel Award from FEAPS Region of Murcia for inclusion in employment

2000, Recognition of the Training and Development Policy by the magazine Capital Humano

2002, Award for Environmental Quality and Sustainable Development to the company in the Ecoefficiency modality, given by the Department of Agriculture, Water and Environment of the Region of Murcia

2003, Award for Environmental Quality and Sustainable Development to the company in the Ecomanagement modality, given by the Department of Agriculture, Water and Environment of the Region of Murcia

2004, 'José Luis Pérez' Award for Social Responsibility of Companies by the magazine Capital Humano and the University of Deusto

2005, The Ministry of Labour and Social Affairs, IESE and various communication media recognised Hero as a 'Flexible' Company

2009, Accésit Espiga de Oro from the Spanish Federation of Food Banks and Ministry of Agriculture

2009, University-business co-operation award in the modality of Innovation and Development, given by the University of Valencia

2011, Energy Awards in the modality of Energy Efficiency, awarded by the Department of Industry of the Region of Murcia



"The different awards that the Region of Murcia has given to Hero in recent years are recognition of the work of the company and its contribution to the sustainable development of the region, as well as motivating the organisation to continue on this path"

*Longinos Marín
Professor of CSR at the
University of Murcia*





who we are



Premios de Calidad Ambiental y Desarrollo Sostenible a la Empresa
1ª edición - 2002

La empresa
Hero España, S.A.

Ha obtenido el Premio de Calidad Ambiental y Desarrollo Sostenible a la Empresa 2002 en la modalidad de

Ecoeficiencia

En reconocimiento de Resolución de la Secretaría General de Agua y Medio Ambiente de la

Comunidad de Agricultura, Agua y Medio Ambiente de la Región de Murcia, de fecha 06/03/02

Murcia, 3 de junio de 2002



2012, Recognition of energy efficiency in the 8th Energy Awards of the City of Murcia

2012: The Mundo Ciudad Foundation recognised as a 'Social' Company

2012: 'Antonio Ruiz Giménez' Award for good prevention practices of the Department of Education, Training and Employment

2013, Award for Sustainable Development from the Region of Murcia, for the voluntary compensation of greenhouse gas emissions, given by the Department of the Presidency of the Region of Murcia

2014, 8 March Awards for Equality, by the Department of Health and Social Policy of the Region of Murcia

2014, Corazones Award from Cáritas for collaboration and assistance on behalf of those most in need

2014, Member of Honour of the AECC for its ongoing collaboration with cancer patients



what we do

2.1. Our brands and products

Hero España makes food products that are grouped in the following families:

- **Infant foods:** HHero offers the best alternatives for feeding children during the different stares of infancy. We have a wide range of foods with the best raw materials and using the best processes (milks, cereals and jars) to meet the specific needs of each stage with the support of renowned experts of the Hero Institute for Infant Nutrition.
- **Jams, marmalades, combinations and honey:** 100% natural, with no preservatives or colourings. More than 30 flavours and a wide range of formats adapt to all tastes and all times of day.
- **Healthy snacks:** to provide energy at any time and anywhere. Hero offers a wide variety with all its bars and the new sachets of cereals.
- **Precooked dishes and sauces:** to give flavour to dishes and make day to day life easier for consumers.



- **Diet and/or special foodss:** conceived to meet the needs of all consumers, including those with specific needs.
- **Syrups, vegetables, juices and nectars.**
- **Exclusive products for the hotel and catering trade:** faithful to its philosophy of 'Being close to you', Hero has a wide range of product for these customers, with the aim of meeting all their needs.



A painstaking and careful selection of the best raw materials from nature, along with a strict process of preparation that is subject to the highest standards of quality and safety, result in products with the Hero guarantee.



2.2. Leaders in infant nutrition

In 1985, Hero España completed its process of diversification by entering the market for infant food. The company's entry into this segment of the market was accompanied by the novel launch of the new line of products through the food channel instead of retail pharmacies as had been used in Spain up until that time.

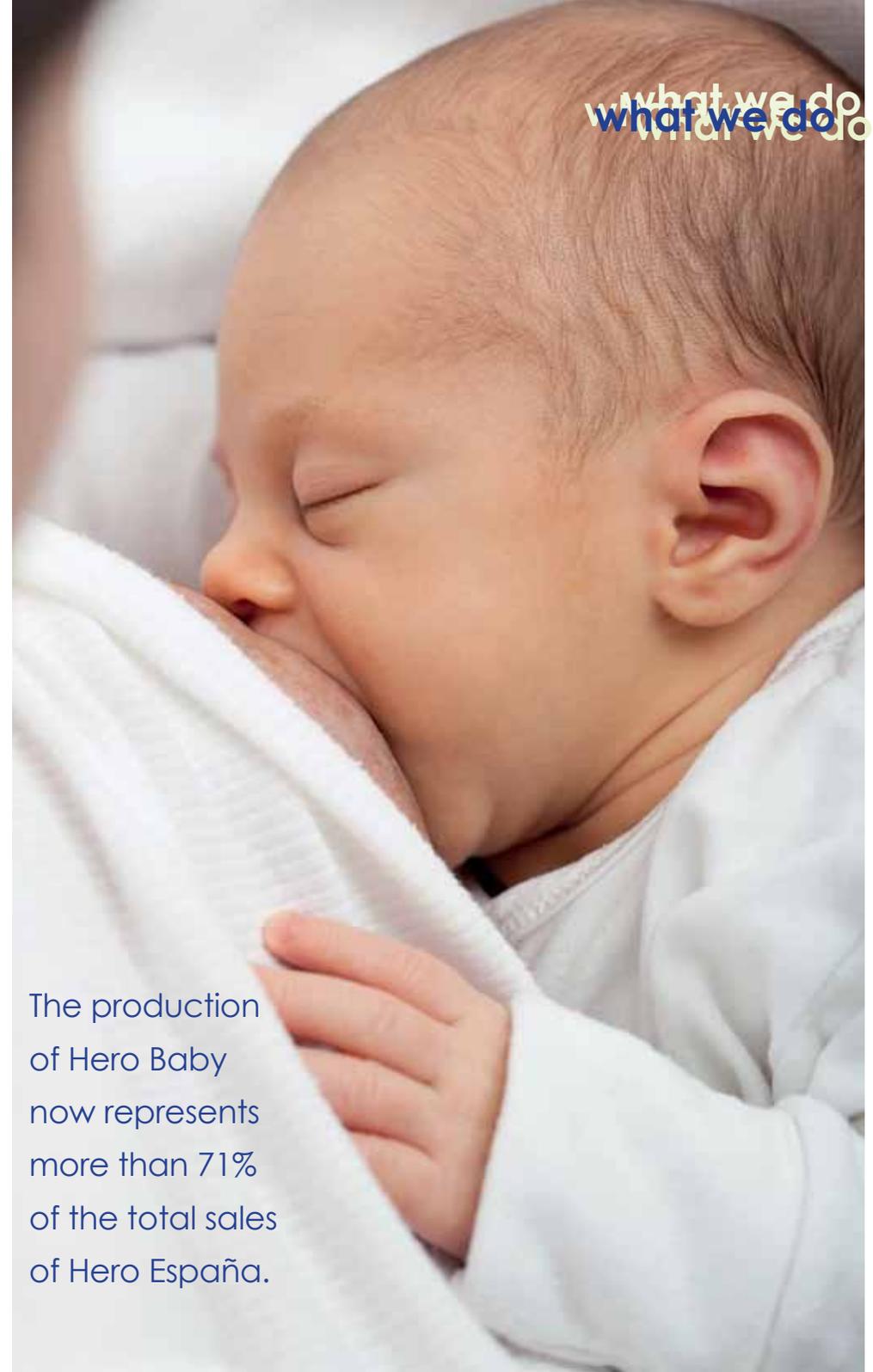
It was a risky decision and nobody imagined that the success would be so great that the initial goal of three years for establishing the product in the market and recovering the investment would be achieved in a bare year and a half.

Since then, production and sales have increased progressively and Hero's prestige associated with infant food has not stopped growing.

The production lines of precooked dishes and jars, which initially occupied a small space in the factory, were only the first link in a chain of great investments.

Hero now has modern production plants in which expert research teams provide the company with the latest technology.

The Hero Baby products have become the unquestioned leaders in the sector in Spain.



The production of Hero Baby now represents more than 71% of the total sales of Hero España.

Reference products en infant nutrition

what we do

Natur

The Hero Baby jars were relaunched recently under the name Natur. They are made with 100% natural ingredients from Murcian farms, with 100% olive oil, with no added sugar, preservatives or colourings. The package has been specially designed to make it easier to feed a baby: a wider mouth for putting the spoon in, transparent label for greater visibility and a rounded base to reach all corners of the jar.



Pedialac

This is a complete range of infant nutrition products that is sold exclusively in pharmacies and is the outcome of more than 30 years of experience in feeding babies. It comprises infant formulas and special infant formulas, which contain ingredients that are naturally present in mother's milk; complementary food (cereals, jars and sachets of fruit) that are designed to contribute a balanced and natural diet; and Pedialac Plus, which complements the diet of children aged between 1 and 10 years who are not eating well.

Pedialac is made from natural ingredients selected with the greatest care, with local labour, and minimal technological processing for the maximum preservation their nutritional and sensory characteristics. This offers the highest levels of quality with the aim of helping parents to achieve proper growth and balanced development by having the most suitable nutrition for their children adapted to every circumstance.



"The trust that consumers place year after year in Hero Baby products is the best evidence of our efforts and investments to offer infant food of the very highest quality, with the best raw materials and resulting from painstaking production processes in which safety and innovation are unquestionable axioms"

*Pablo Llopiz,
Commercial Director of Hero España*

2.3. Innovation, in our DNA

Hero carries out varied scientific work in its own analytic and biotechnology laboratories and in collaboration with prestigious universities and research centres.

Hero's flagship in innovation is its Infant Nutrition Institute, which was founded in 2006 and has a good record and a great deal of experience in research in the field of infant nutrition.

Its main activities are centred on:

- Guiding the companies of the Hero Group to design the best infant foods. To do so, it prepares nutritional guides and scientific opinions based on the latest advances in paediatric nutrition.
- Collaborating with research centres, universities and hospitals in research and technology projects, both within Spain and internationally, the results of which are applied in the design of the products.
- Promoting research in infant nutrition through grants, research awards, scientific workshops and continuing education of health professionals.

Hero España, together with various hospitals, is carrying out research into nutrition and health in babies. For example, Hero has collaborated with the University Hospital of Groningen (UMCG, Holland), together with the Dutch Organisation for applied Scientific Research TNO (TNO Innovation for life), in growth tables specifically for premature babies.

Other study areas are early nutrition and prevention of obesity, bioactive compounds and food safety, technological processing and the commercial life of the product.



“Our goal, as members of the Hero Institute for Infant Nutrition, is to guide the companies of the Hero Group in developing the best infant foods, applying the most recent scientific advances in the field of Infant Nutrition.”

*Fernando Romero,
Head of Science*

The ultimate goal of the Hero Institute for Infant Nutrition is to design the best infant foods so that they can contribute to the proper development and growth of the child, in order to become a healthy adult in the future.

The Hero Institute for Infant Nutrition has a Scientific Committee made up of members from Research and Development and Medical Marketing, who supervise the development of the projects of the Hero Group and validate the nutritional and scientific aspects that lie behind the innovation projects. They are also advised by Hero's Scientific Advisory Committee, which comprises independent experts in infant nutrition of recognised international prestige.

Continuing support for health professionals

One of Hero's main goals is to share its knowledge and experience with the health professionals who dedicate their lives to caring for children's health.

For that reason, Hero offers education and support for professionals with useful tools such as growth curves, interesting links and educational online videos, in which the experts contribute useful information about paediatric nutrition.

As one particular experience we could mention the involvement of Hero in nurse training in Paediatrics, holding the first National Meeting of Paediatric Nurses and the 11th Training Meeting for Paediatricians.

More information: <https://hero-nutrition-institute.com/es>



how we work

3.1. With sustainable economic management

Hero España champions sustainable economic management and in line with the principles of transparency, ethics and good governance that rule the company's commitments, going beyond compliance with the applicable rules.

As is shown by its membership of the United Nations Global Compact, Hero España is committed to the fight against corruption and through its

membership of that organisation it works actively in favour of Principle 10 which calls on companies to “work against corruption in all its forms, including extortion and bribery”.

For internal regulation and encouragement of ethical behaviour, Hero España has an Ethics and Behaviour Code addressed to all its employees and commercial partners.

To ensure correct monitoring and compliance, Hero has an Ethics and Behaviour Committee consisting of:

- General Management (permanent member)
- Human Resources Management (permanent member)
- Head of Criminal Compliance
- Two Area Managers (renewable)
- One Head of Department (renewable)

This body is also responsible for dealing with suggestions from employees, resolving conflicts connected with the application of the code and resolving breaches that are detected.

It has a means of communication, the Whistleblower's Channel, through which all employees, suppliers and collaborating companies, can make queries, accusations and suggestions in confidence.

Among other matters relating to good governance, the Code expressly regulates matters such as the receipt of gifts and compliance with the laws on money-laundering.

Access to the Code: <https://empresa.hero.es/content/responsabilidad-social>

Hero España holds true to a double commitment to the profitability of the business and to, its Sustainability, being aware that its commitment to Social Responsibility is a guarantee of competitiveness and success.

3.2. With responsibility over the product

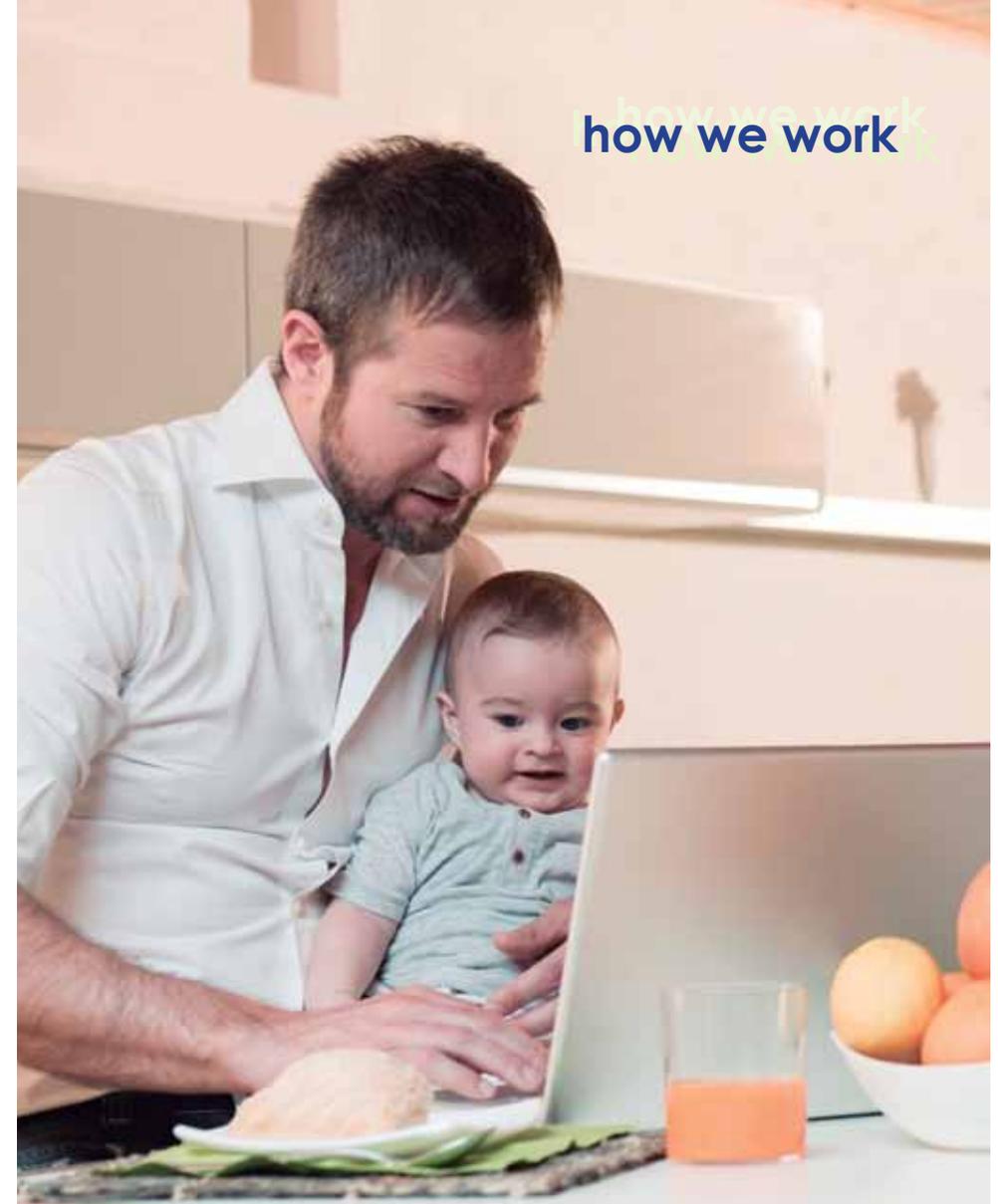
The satisfaction of our consumers is essential for Hero España. To that end, the company centres all its efforts on offering quality products, with maximum information and transparency about all its manufacturing process and with close and effective customer service, in line with the best practices of Social Responsibility.

Constant commitment to quality

Hero España applies an Integral Quality System that affects the design, development and manufacture of all its products. Hero España's nutritional commitment is framed in the international programme of the Hero Group: "Nutrition Today, Health Tomorrow".

The company carries out an exhaustive control over the raw materials in their place of origin and strictly checks the manufacture processes up to the finalisation of the product and its delivery to the customer. But the work of Hero España does not end with the purchase. The company is widely available to deal with all the requirements that come up in after sale and works hand in hand with all its interest groups to continually work better.

Hero products are synonymous with health. The company chooses the best from nature in order to obtain healthy products. To achieve this goal, it has reduced the use of additives to the minimum as well as the sugar content. For example, in the last 10 years the quantity of sugar in the jams has been reduced by more than 10%. Hero has also invested in the development of gluten-free, lactose-free and low-calorie products for people with special nutritional needs.



Hero is synonymous with quality and safety. All of the company's products meet the highest standards in all of their life cycle, from the selection of the raw material, to the processes of manufacture, packaging and presentation to the customer.

Care with the raw material is especially important in the case of baby food. Hero supports the recommendation of the World Health Organisation to keep exclusively to breast-feeding during the first six months of the baby's life and offers a wide range of complementary food products that are totally safe and nutritionally suitable from that age or for cases in which breast-feeding is not possible.

The infant milks are based on formulas as close as possible to mother's milk. The jars, juices and other products are made with natural raw materials and are conceived so that children can fully explore the different flavours, colours and textures, which is of great importance in the first two years of life when food habits are acquired.

Also Hero España's production plants are exemplary in food processing, following the most rigorous safety controls and applying optimal guidelines for production that prevent contamination by pesticides, heavy metals, hormones or antibiotics. The experts in innovation and quality at Hero España constantly check and minimise the possible risks and are especially prepared to deal with any incident that may arise.

Hero España's commitment to the quality and safety of its products goes beyond meeting the most strict internal and external regulations in the matter. The company voluntarily complies with the highest national and international standards such as the FSSC 22000, BRC, IFS and ISO 9001. It also checks that its suppliers are subject to these rules and standards through the SEDEX platform, where 89% of our suppliers report.



"Since its creation in 1922, Hero España has been a company committed to Quality. This commitment has been translated, day by day over all those years, into the implementation of a Quality System that ensures that all of its products meet the most strict criteria of quality and safety"

Manuel Ángel Palazón
Head of Quality



Transparency towards the consumer

Hero España champions total transparency in carrying out its activity, in labelling and in the information that it provides.

All labels include the name of the product, ingredients and their quantities, as well as the special conditions of preservation and use, identification and information of the company, among other legal considerations.

Respectful communication

The company strives for optimal handling of the consumer data bases. There is a specific manual for handling them that is suitable for every position in the company and is obligatory for all employees. During 2015 no complaint was received relating to the infringement of data protection.

In matters relating to marketing and publicity communications, the Hero España Code of Ethics and Behaviour has a special section to regulate them. This sets out that these promotion actions must be legal, decent, honest, and true and in line with the principles of fair competition and good business practice, as well as being prepared with a due sense of Social Responsibility and based on principles of honesty and good faith. It also specifies that the communications must be clear, accessible, reliable and respectful of diversity. Hero España shares these directives with the advertising consultants and other suppliers to ensure that they are fulfilled in all of the value chain.



3.3. Promoting work with respect

A diverse and balanced work force

Hero España had an average work force in 2015 of 788 employees, of whom 49% were women and 97% had permanent contracts.

Encouraging stability at work and respect for equality and diversity are axioms in the company, as is shown by the composition of the Hero España team. These aspects, as well as many others connected with integrity and Social Responsibility, are set out expressly the company's Ethics and Behaviour Code.

Work force	2013		2014		2015	
	Men	women	Men	Women	Men	Women
Gender	51%	49%	51%	49%	51%	49%
Type of Contract	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
	94%	6%	98%	2%	97%	3%

Commitment to professional development

Hero España is committed to the professional development of its employees giving them the opportunity to train in different subjects that contribute to better performance in their jobs.

The company offers its team the possibility of developing an enriching professional career. To that end it has a system of management by goals, and of management of performance and evaluation of performance that assesses the competencies of its employees to project internal career plans.

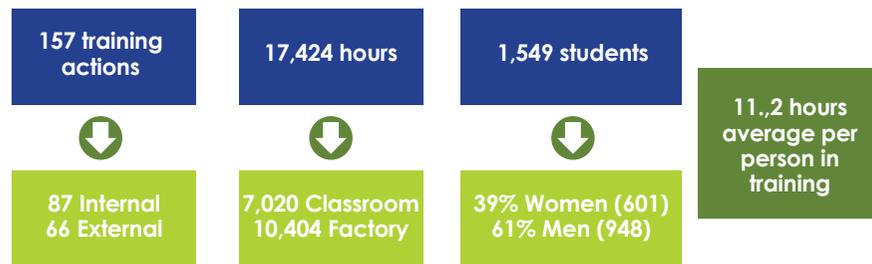


"Hero España offers a stable and respectful working environment that respects personal differences and needs, so that all of us who form part of the company can give the best of ourselves."

María Sánchez Poveda, Chair of the Company Committee

All of our employees receive performance evaluations carried out by more than one evaluator.

Training and Development - 2015



Fostering the work life balance and commitment

Hero España favours a proper balance between its employees' work and personal life with policies that allow, for example, flexibility in starting and finishing work in the case of the administrative staff, the flexible management of working time in the field of production or the possibility of teleworking.

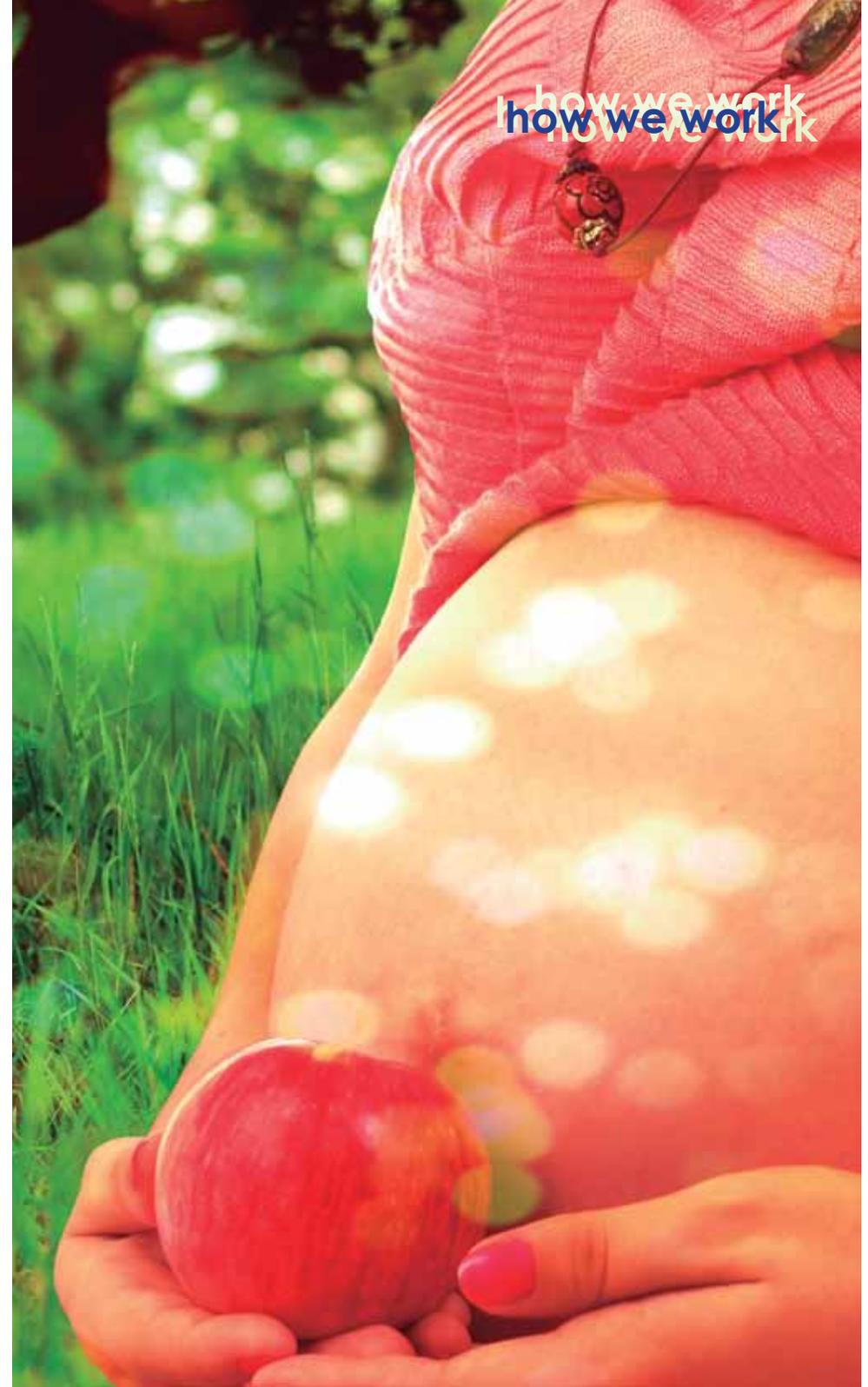
The possibility of organising working time flexibly is one of the measurers that Hero España makes available to its workers to help them strike a balance between their work and personal life.



As well as offering decent pay, the company provides its employees with the following social benefits:

- Flexible compensation programme
- Grants for school books
- Scholarships for Hero orphans
- Financial assistance for children with special skills
- Layette
- Subsidised company canteen
- Delivery of product launches
- Medical Service
- Celebration of 25 and 40 years in the company
- 'Healthy Company' Project
- In-house gymnasium with activities with monitor
- Physiotherapy Service

In addition, during the year Hero España organises a number of corporate events involving employees and their families with the aim of fostering a sense of belonging to the company and generating an atmosphere of fraternity. Among these events are the celebration of the Family Day, sports events and events related to health, Fathers Day and Mothers Day and various social and environmental voluntary activities.



Health and welfare of the team

Health and safety in the work place are two essential and fundamental aspects for Hero España. The company has a prevention service that is responsible for specific actions in four areas: safety, hygiene, ergonomics and psychosociology, and occupational medicine.

The Medical Service, together with the Prevention and Occupational Health Service, runs the Healthy Company project, which covers all of the aspects that have to do with Physical Welfare, Environmental Comfort, Social Welfare and Mental Welfare. The purpose is that the workers should be more healthy, motivated and satisfied.

Some of the actions that are carried out are:

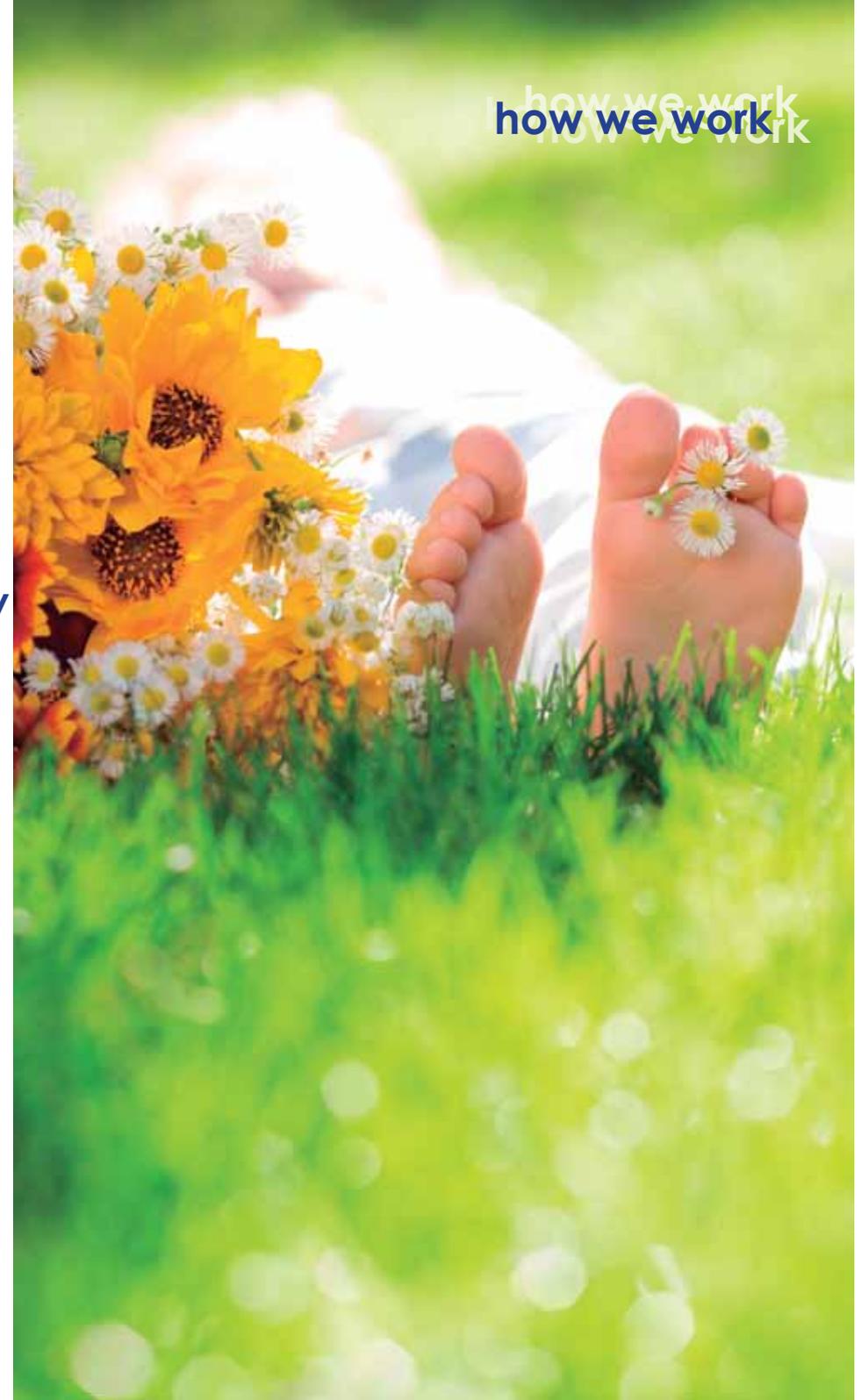
Information campaigns

- Detection of Polycystic Ovarian Syndrome
- Healthy Food
- Allergies and Intolerances
- Spring allergy
- Road Safety
- Prevention of Heat
- Prevention of Breast Cancer
- Prevention of Skin-Melanoma Cancer
- Prevention of Colon Cancer
- Blood Pressure and Glycaemia
- Back school for people who use Data Viewing Screens
- Prevention of Flu
- Podological Prevention
- Prevention of obesity

Interventions in the factory

- Blood Pressure and Diabetes checks
- Cancer Prevention
- Back School
- Free medical check-ups
- Promotion of fruit in canteens
- Elimination of fat and fried food from the food served in canteens
- Blood Donation
- 'Know your surroundings', guided visits to the factory
- Training in First Aid and use of the defibrillator
- Information in the MiHero employee portal
- Sports Communications
- Sports Promoters - Promotion of routes for hiking and urban running

Other actions

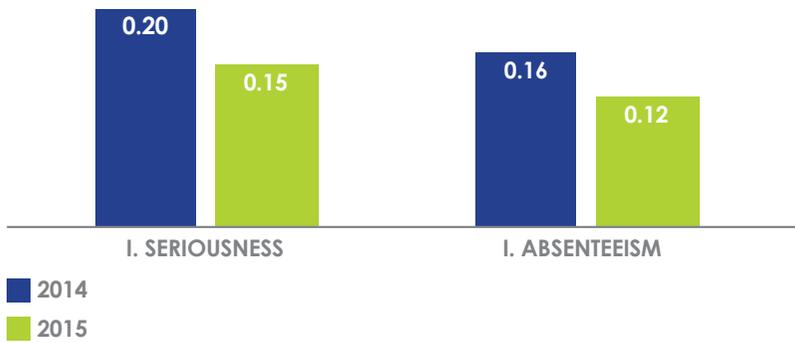


In 2015, there were falls in the indices of incidents (-32%), frequency (-31%), seriousness (-25%) and of absenteeism (-25%), which proves the effectiveness of the Healthy Company programme.

ANNUAL JANUARY-DECEMBER-2015 INDICES OF INCIDENTS AND FREQUENCY



ANNUAL JANUARY-DECEMBER 2014-2015 INDICES OF SERIOUSNESS AND ABSENTEEISM



An atmosphere of dialogue

For Hero it is essential for all the team to be as one. The company has a wide range of means of communication and dialogue by means of which it involves every single one of the members of the work force of the company's advances and achievements, and invites them to be involved in taking decisions.

One of these tools is the creation of improvement groups in different areas to gather suggestions, or the so-called Ideas Letterbox, a direct channel with the employees for any initiative or matter of concern.

The workers also have the Mi Hero Employee Portal, with corporate and practical information about the company and their jobs, where they can find direct contact with human resources to resolve queries or requests about work.

We must also mention the existence of the following transversal committees, that deal with specific matters with the participation of representatives of all the company and a direct link with General Management:

- Health and Safety Committee
- Equality Committee
- Sustainability Working Group
- Energy Efficiency Committee
- Environment Working Group

Other internal channels of communication are:

- Satisfaction surveys
- In-house newsletter on the environment and energy efficiency
- Hero International Talents
- Notice boards and corporate screens
- Corporate magazine

Events such as the Christmas dinner for retired people or the annual company party are also occasions that favour dialogue between the company and its team.



how we work
how we work

Since 1981 Hero has had its own Collective Agreement that affects 100% of its employees.

A committed team

Involving every single one of its employees in the commitment to Social Responsibility that the company has taken on at corporate level is vital for Hero España.

In order to contribute to this work, it has created the figure and brand image E-roh, a virtual robot that acts as an adviser for the employees in safety, prevention, communication, healthy life and energy and environmental efficiency.

Corporate voluntary work is another of the tools that Hero España uses to encourage social and charitable values among its team. For a number of years, it has run the Céntimo Solidario initiative, by which each member of the work force decides if they want to round their pay slip down and give the odd cents to charity.

In 2015 2,684 euros was collected,
which was given to four UNESCO
Murcia projects, Asociación
Crecemos Lactando, Orfanato
Hijas de la Caridad de Murcia
and the Association of Families
of Children with Cancer of the
Region of Murcia.



3.4. Respecting the environment

Respect for the environment is paramount for Hero España. All of its activity takes into account the minimising its impact on the environment and applying the best practices of efficiency and optimisation in the consumption of resources and management of waste.

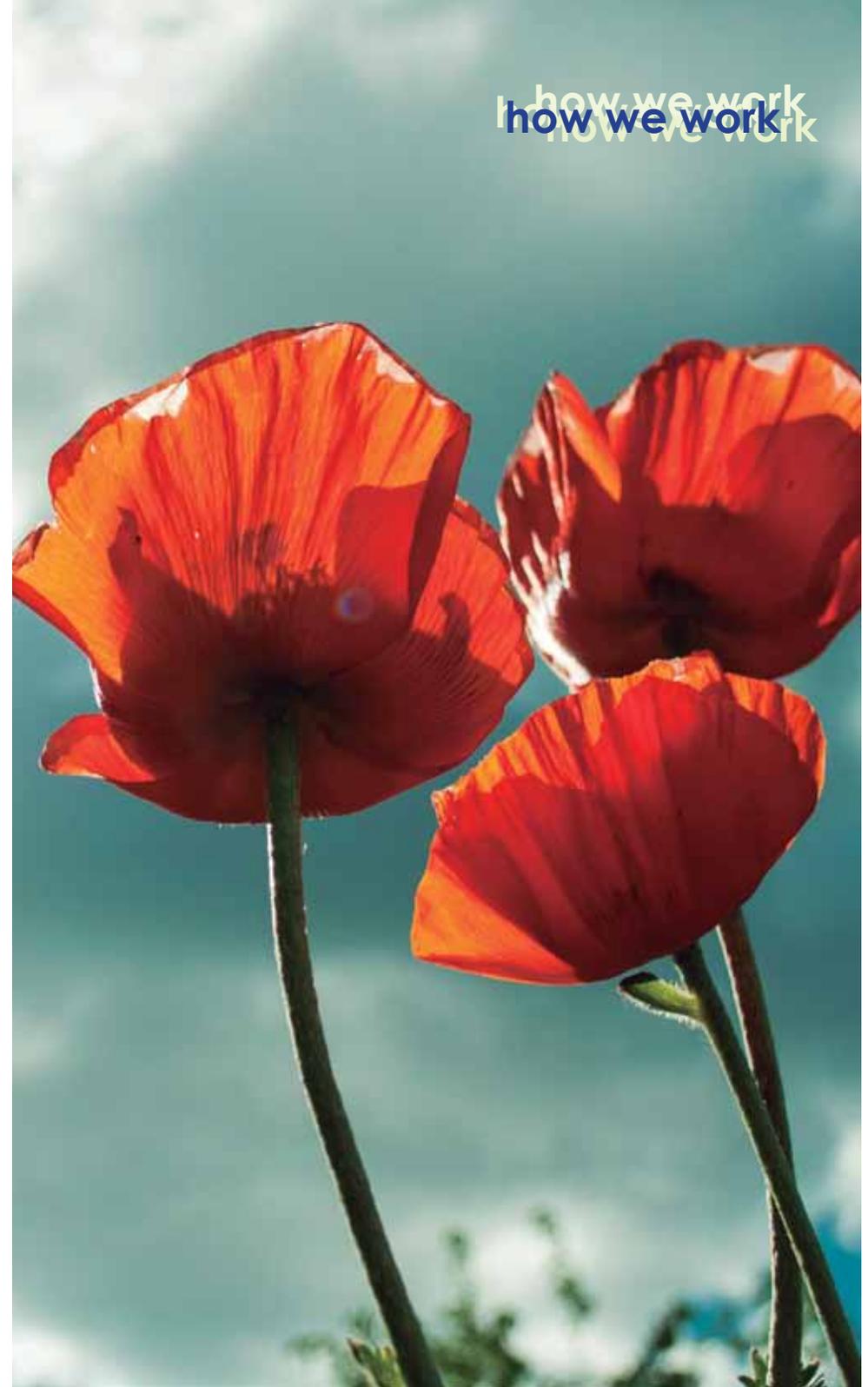
Hero España has an Environmental Policy and an Environmental Management System based on a dynamic process that follows the cycle of “planning, putting into practice, checking and reviewing”. It is designed in accordance with the requirements of the international standard UNE-IN-ISO 14001, certified by AENOR and entered in the EMAS Registry with No. IS-MU-000002.

The Environmental Management System is integrated with the Quality System and the Food Safety System.

Consumption of resources material

Minimising the environmental impact of packaging is essential in the food industry. Practically all the products are launched to the market in them and their consumption generates a series of environmental impacts, both in the process of manufacture and distribution and also in their final management once the food has been consumed. These impacts derive from the consumption of raw materials, fuel and energy in processes and transport, water consumption, generation of waste, and atmospheric spills and emissions, among others.

In order to minimise these impacts Hero España has been working since 1995 on ecodesign measures focused on reducing the packaging of the products that it markets, encouraging policies to make them lighter by redesigning packaging, reducing gauges and thicknesses or elimination



of superfluous packaging, and looking for more sustainable alternatives such as the use of recycled and/or recyclable material, technological improvement in the packaging equipment or reducing transport through better optimisation of the palleting. In total Hero España has implemented more than 200 steps, with the participation of the Purchasing, Logistics, Maintenance, Quality, Production, and Marketing departments, with which it has succeeded in saving close to 3,000 tonnes of packaging (cardboard, glass, plastic, metal) and using 90% recycled cardboard in its packages.

Some examples of reduction in packaging are the following:

Before



After



Energy efficient

Energy efficiency is one of the environmental priorities of Hero España. In 2015, the company reduced its energy consumption from both electricity and natural gas, while maintaining the ratio per tonne manufactured.

To achieve these reductions, Hero España worked intensely from the Environment Department, and especially from the Energy Efficiency Team, a multidisciplinary unit made up of the promoters of energy efficiency whose principal function is to promote the optimisation of resources and propose ideas for improvement. Specifically, they have the following tasks:

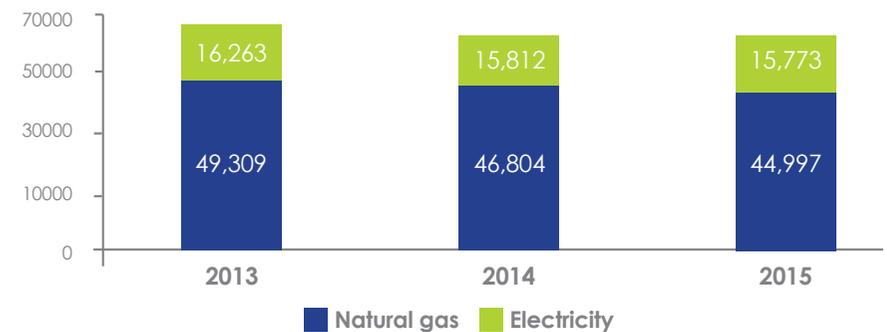
- To supervise the correct use and efficiency of the different resources energy in the processes of the plants and surroundings.
- To detect and propose possible modifications aimed at achieving a more rational use of energy, reducing its consumption without reducing productivity, quality or goals.
- To provide technical information relating to processes, equipment and operational habits.
- To participate in the implementation of the corrective measures.
- To improve the efficiency of the consumption of energy resources (electricity, natural gas and water).
- To obtain a financial saving by the reduction of the cost of energy
- To obtain a decrease in of CO2 emissions.
- To involve and raise awareness among the rest of the work force of the importance of the correct use of energy, gas and water.

The Energy Efficiency was recently expanded with 15 new members, mostly women in accordance with the Equality Action Plan.

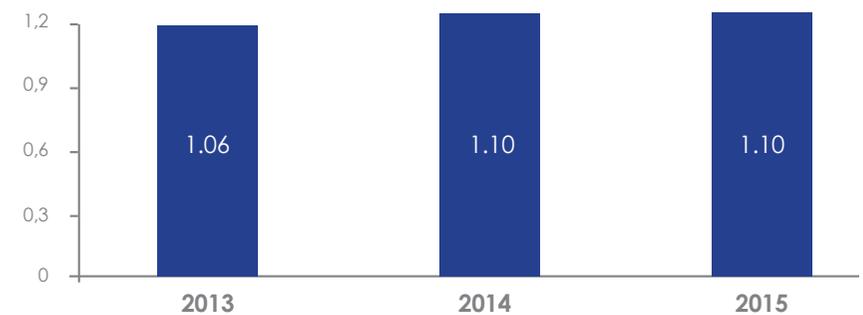
In total more than 120 proposals for improvement were presented, which were reviewed by the technical department to select ones that could be implemented.

All of these suggestions represent a potential annual saving of 1,090,000Kwh and 120,000 euros, as well as a reduction in CO2 of 272,727 kg.

ENERGY CONSUMED (Mwh)



Mwh ENERGY CONSUMED / t MANUFACTURED



EXPERIENCES OF SUCCESS MADE REAL

Taking out the bearings

Following a detailed study of the consumption of the cereals plant it was found that the extractor hoods were the place where the greatest demands for electricity were being produced.

In order to optimise their operation a re-engineering exercise was carried out, calculating from the start what flow rates it was necessary to extract. As a result, it was discovered that the necessary volumes varied substantially according to the recipe that was being prepared, since the system for turning the bearing was changed.

The decision was taken to install a frequency adjuster in each extractor, making it possible to adjust the way in which the fan bearing turned, and thus the extraction flow, adapting to different requirements for extraction. This adjustment made it possible to reduce flows, and thereby, the power necessary to move the extractors. This action achieved savings of 50,925Kwh/year, which is 5,500 euros, with an investment of 4,500 euros.

Redesigning the osmosis plant

A large part of the water that Hero España uses is treated in an osmosis plant to improve its quality. During this process, powerful pumps increase the pressure, forcing the water to permeate through membranes. In order to increase the efficiency, smart changes were made to the circuit that follows the water intake. Also, a reduction was made to reduce the power necessary for the pumps without affecting the initial flows and conditions, and the computer system was used to synchronise the demand of the plant with the starting and stopping of the pump, thereby reducing empty running time. These improvements saved 71,073Kwh/year and 7,676 euros, with a minimal investment of only 216 euros.

Programme to replace conventional lighting by leds

The current lighting system using fluorescent tubes has been replaced by the new leds lighting technology.

The first phase took place in administration areas, changing rooms and different product production and shipping sections.

The results obtained so far are: Total saving of 495,856 Kwh and €55,111 per year. This means an investment of €151,600 and a reduction of 163.635 Kg of CO₂.



how we work
how we work

With these three energy efficiency actions Hero España has prevented the emission of 203,895 Kg of CO₂ per year.



The fight against climate change

On 15 December 2015 the 4th edition of the activity known as 'Mi empresa ha plantado un bosque' (My company has planted a forest) was held in the Sierra Espuña Natural Park. The activity was co-ordinated by the Councillor for Water, Agriculture and the Environment of the Region of Murcia and the Management of the Sierra Espuña Natural Park and the Forestry Guard. In the last year an area was chosen that had been affected especially by the pine beetle, a coleopteron (*Tomicus*) that feeds on the wood of the pine trees. When this coincides with a drought and the consequent weakness of the forest, it becomes a plague that devastates large areas. Precisely for that reason, the species chosen for the reforestation action were different from pines – holm oaks, wild olives, lentiscus (mastic), junipers and carob trees – with the aim of increasing the diversity of the forest and making it more resistant to pests.

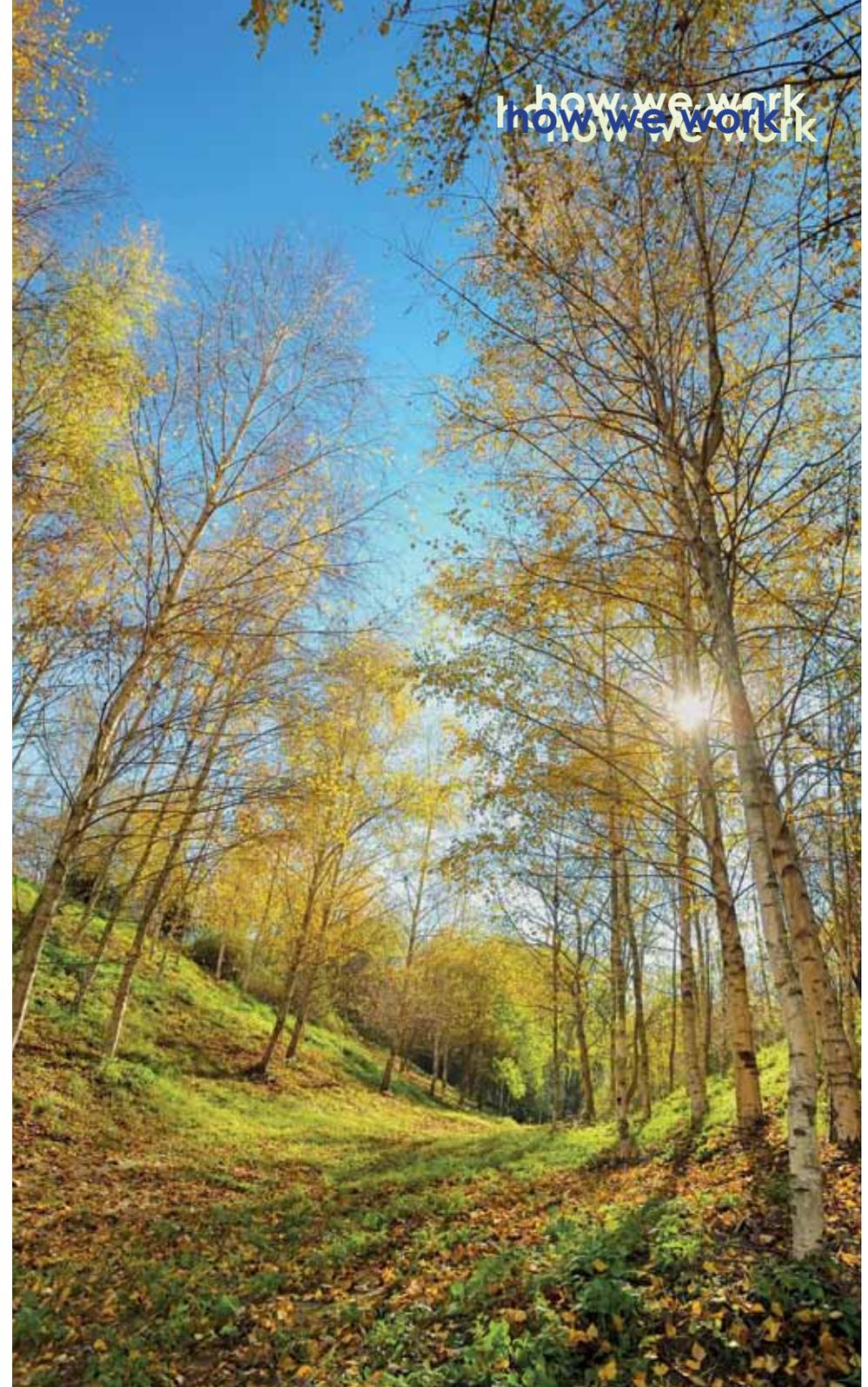
A total of 800 trees were planted, shared proportionally among the different species.

The activity was carried out by 60 volunteers from the company who belong to the group 'Promoters of energy efficiency', a work team that combines its usual work with special care in the use of energy and the search for opportunities for reduction and efficiency. Members of the Corporate Social Responsibility committee also took part.

As well as the planting an individual ecological protector was installed on each new plant, designed to protect and shield the plant during the first years of its life.

The initiatives was recognised by the competent environmental authority, which issued a certificate of compensation of CO₂ emissions.

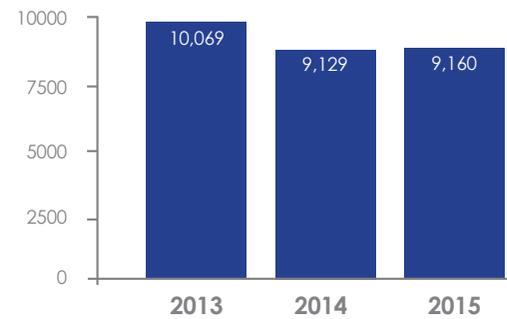
how we work
how we work



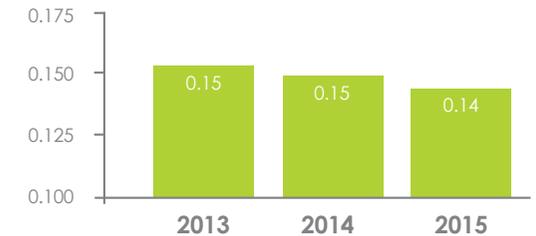
Actions such as this or those that are implemented to achieve greater energy efficiency made it possible to reduce the number of tonnes of CO₂ emitted per tonne manufactured in 2015. The emissions of tonnes of CO₂ per tonne manufactured have been reduced by 5.8% in the last three years. Emissions of the other substances that are harmful to the environment such as NO_x, PM₁₀, CO and SO₂ were also reduced in 2015.

The atmospheric emissions from Hero España originate in the combustion of natural gas in the industrial boilers and in the kitchen of the employees' canteen.

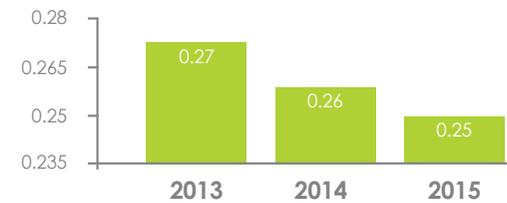
† CO₂ eq EMITTED



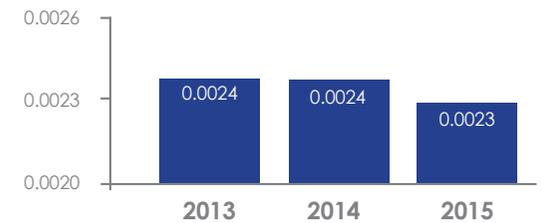
† CO₂ / † MANUFACTURED



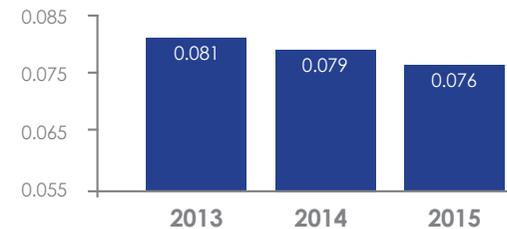
kg NO_x / † MANUFACTURED



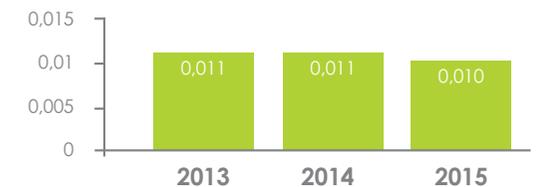
kg PM₁₀ / † MANUFACTURED



kg CO₂ / † MANUFACTURED



kg SO₂ / † MANUFACTURED



Management of waste

The principal non-hazardous waste that Hero España generates in its industrial activity is the following: domestic waste (assimilable to urban waste), plastic, cardboard/paper, glass, scrap metal, wood, used vegetable oil and sludge from the EDARI (Industrial Waste Water Treatment Plant).

The policies for the optimisation of losses, of packaging of the raw material consumed and of the packaging of the products have led to a considerable increase in the total weight of valorised non-hazardous waste, which is 60.5% of the total.

Hero España's main activity does not involve the intensive generation of hazardous waste, which is limited to auxiliary operations such as cleaning, maintenance and the laboratory. All waste is separated and delivered to the authorised handlers.

In 2015 there was a considerable reduction in the generation of this kind of waste after a particular rise in 2014, a year in which the generation of used batteries coincided with the replacement of the used mineral oil from the boiler of the cereals plant.

In recent years Hero España has worked on reducing the material used in the packaging of its products, such as the paper for labelling jars or the steel of the lids of jams and juices.

Liquid discharges

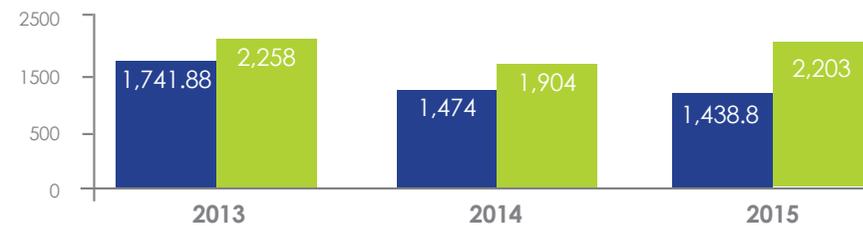
As a consequence of the different activities that are carried out in its premises, Hero España generates the following waste water, classified as:

- Water from production and auxiliary processes: this is waste water generated from the production process (cleaning and washing equipment, purges of boilers, etc.)
- Sanitary water: this is water assimilable to urban water generated in the different services of the plant. It is discharged directly to the municipal sewer.

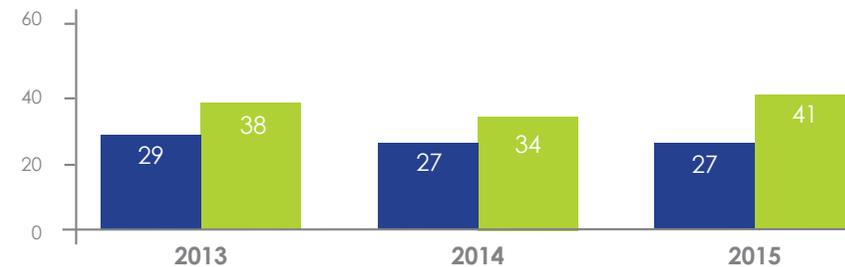
% NON-HAZARDOUS WASTE



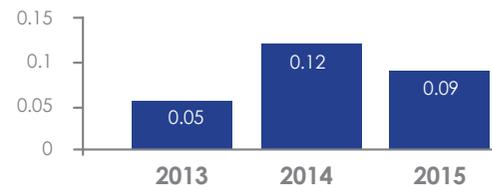
Tm NON-HAZARDOUS WASTE



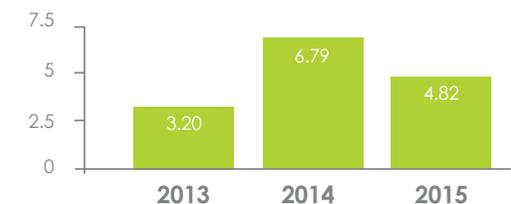
Kg NON-HAZARDOUS WASTE / Tm MANUFACTURED



Kg HW GENERATED / † MANUFACTURED



† HW GENERATED



- Run-off water: this is rain water collected in the sumps installed in the plant and are discharged into nearby irrigation ditches.

The process water is channelled to a Waste Water Treatment Plant, with prior treatment (removal of large items), physicochemical treatment (primary treatment) and biological anaerobic treatment of the fluid bed (secondary treatment). When it has been purified, the waste water is sent to the municipal drainage network and the sludge is managed by an authorised manager.

The parameters for COD (chemical oxygen demand) and BOD5 (biological oxygen demand) of the waste water output are far below the legal values.

Water consumption

The water that is consumed in Hero España comes from the public supply network and from underground sources. Its consumption has been reduced in the recent years as a result of the ecoefficiency measures that have been implemented and to the increased awareness of the work force, achieving a decrease in recent years of 0.4 m³ per tonne of manufactured product.

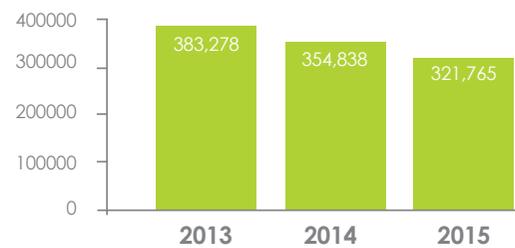
Bee Careful

The number of bees in the world is falling fast, but without an awareness that their disappearance would lead to a tremendous loss of diversity and quality of fruit and vegetables. A large part of the world's production of food depends on pollination by bees, a natural process that allows the flowers to be fertilised so that they can produce fruit and seeds. Their presence is vital for the crops.

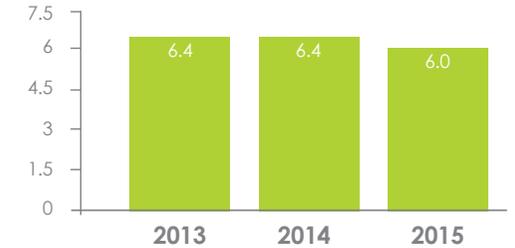
Hero España joined the Bee Careful initiative in 2015, set up from the Hero Group, by which it is committed to applying specific measures that promote the health of the bees and the diversity of the fruit. Thanks to Bee Careful, the Hero Group, together with all of its subsidiaries, has the firm objective of offering products to consumers that preserve to the greatest possible extent all the goodness of nature, in this case through making people aware of the importance of the bees in all the natural process.



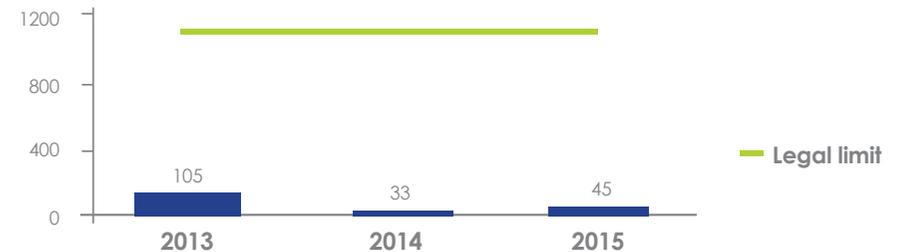
m³ WATER CONSUMED



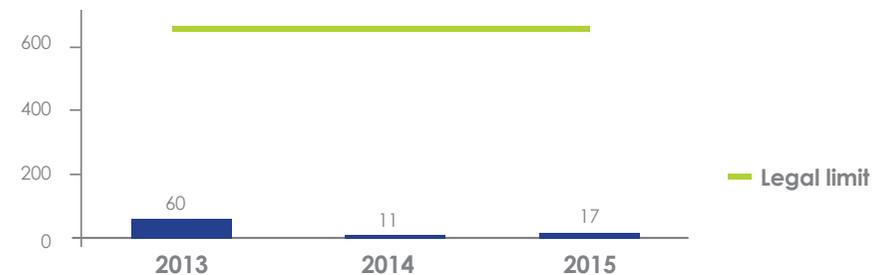
m³ WATER CONSUMED / t manufactured



DQO (mg/l)



DBO5 (mg/l)



Bee Careful is based on three main lines of action:

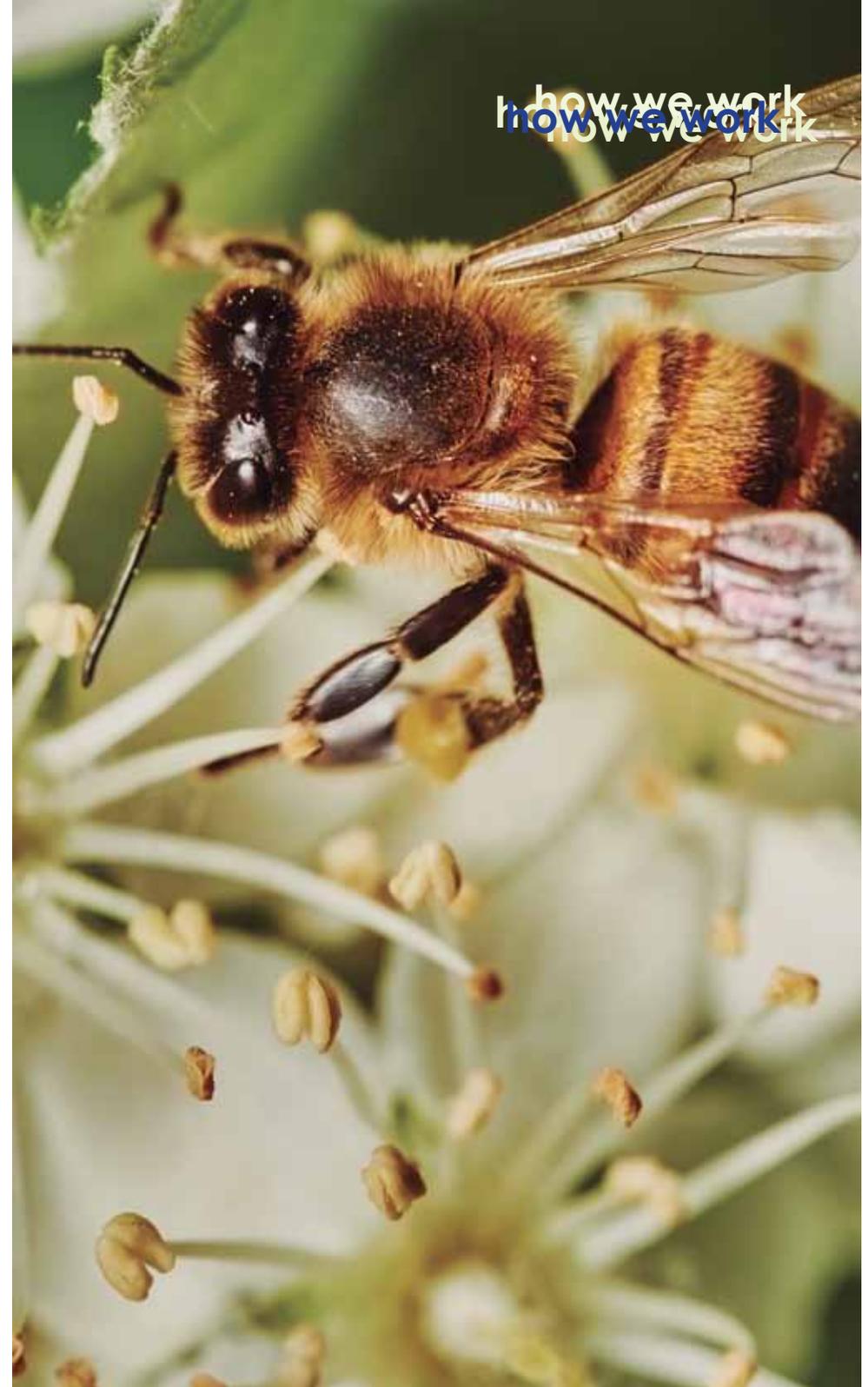
1. focused research;
2. communication of the project;
3. and support for beekeepers and farmers.

It is a fact that the existence of bees is important for the valuable contribution that they make to maintaining biodiversity and the natural production of many vegetables, fruit and crops. It is estimated that currently around 80 % of all the world's crops depend on pollination by bees. In recent years, in Europe and the United States the populations of bees have fallen by up to 30%; in the Middle East the figure rises to 85%. The added value to the world economy of the bees is estimated at 200 billion dollars. In the case of Spain, the Spanish beekeeping sector claims that the mortality of the bees ranges between 20 and 40%, which is a national and international ecological and economic catastrophe.

Hero is also affected directly by this decrease in the bee colonies, because the company buys more than 65,000 tonnes of fruit a year and for that close to 86 billion pollinations by bees are necessary.

Action will be taken to help increase the bee population, by means of a biodiversity campaign, as well as different initiatives to inform, collaborate and educate its farm suppliers about the importance of the flower-loving bees.

In order to make a real impact on the health of the bees and fruit diversity, Hero España will be involved in all the actions run by the Hero Group in this campaign, and is putting into practice other specific actions throughout Spain and in the region of Murcia, where it is located. These projects started in 2015 and will end in 2018.



1. The first of them is "Managing the floral edges of wheat fields to improve the biodiversity of bees". The aim is to create habitat in areas of monoculture of cereals in the District of Teruel, by planting these edges with plants that attract bees (herbaceous and aromatic), where the bees will find more diversified food to increase their population and make them stronger against possible alterations in the environment. This measure will also help to improve the local ecosystem, increasing the biodiversity and decreasing the loss of soil in marginal areas by the rooting of the flower species.
2. The second of the projects is based on offering protection of crops that is committed to improving biodiversity. This aims to implement farming practices that will ensure the health of the bees and other pollinators in the culture of fruit and fresh vegetables.
3. Hero España will give its support to this initiative through a campaign of announcements in Facebook and Twitter and in different media close to matters of Social Responsibility and protection of the environment. The Bee Careful website offers a large quantity of information about bees. The contents include recent in-depth reports, interviews with experts and guest articles.
4. A photography competition for employees of Hero Europe Sur (Spain, Italy and Portugal), with the aim of raising awareness and creating an internal cultural of the importance for the business of looking after bees.

Environmental awareness

Hero España raises awareness among its interest groups so that they can share the company's commitment for respect for the environment. As well as reforestation actions and the setting up of the improvement groups, in 2014 Hero España started the launch of a periodical in-house newsletter to report on the commitment and the main achievements and actions run by the company in environmental matters. Internal campaigns such as 'Piénsatelo' (Think about it) also pursue this goal.

With Bee Careful, Hero wants to protect the health of the bees and the diversity of the fruit, aware that the variety of fruit and vegetables that exist in the world would not be possible without their tireless work in pollination.



"Thanks to the contribution made by Hero España, we have been able to meet the nutritional needs of 100,000 children all over Spain"

*Fesbal
Collaborating NGO*



3.5. Committed to society

Hero España is strongly committed to its environment, as is shown through its social, educational, sporting and cultural initiatives and its collaboration with numerous specialist organisations in these fields.

In the social field, Hero focuses its action on supporting those most in need, especially children and babies. The company collaborates in Spain with the Federation of Food Banks and with the Food Banks of the Region of Murcia and Molina de Segura, where its head office is located. It also supports the work of Cáritas, Fundación Bangassou, the Red Cross and Farmamundi through donations.

In the field of education, Hero España collaborates permanently with universities, business schools and research centres. In addition, it also sponsors the Chair of CSR at the University of Murcia.

The company also promotes sporting and cultural activities with the aim of creating closer links with its local area.



Sharing goodness

- Corporate volunteer
- Humanitarian aid
- Sporting collaborations (+400)
- Institutional collaborations (+150)
- Internal charity points
- Collaboration agreements with public and private institutions

National collaborations over 250 NGOs

- FFESBAL
- Provida
- Adevida
- Biberodromo
- Sociedad San Vicente de Paul



Regional collaborations

- AECC - Murcia
- Desayunos Saludables (Colegios Molina de Segura)
- Asilo Hermanitas de los Pobres - Murcia
- Adoración Social Marginados - Alcantarilla
- Obras Social Maristas - Alcantarilla
- Fundación "O Belén" - Murcia
- Red Madre - Murcia
- Cruz Roja - Murcia
- Astrapace - Murcia



- Fundación Bangassou (Breaking the AIDS cycle)
- Mensajeros de la Paz (Help to Refugees from Syria)
- Farmamundi

International collaborations



3.6. Respecting human rights

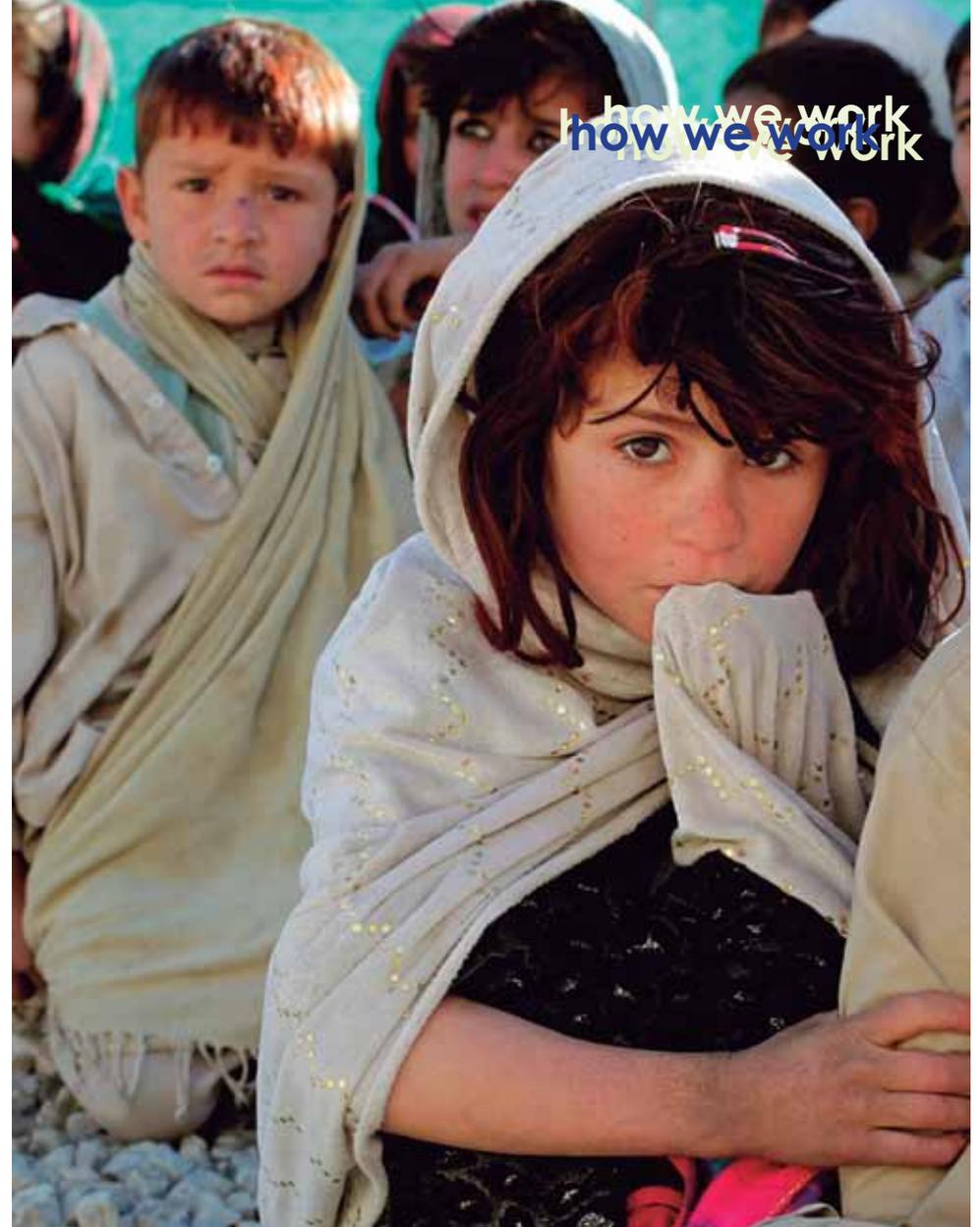
Hero España's respect for human rights is shown through the company's membership of the United Nations Global Compact, a body whose principles 1 and 2 state literally that "Businesses should support and respect the protection of internationally proclaimed human rights" and that they "should make sure that they are not complicit in human rights abuses".

The company also rejects all forms of forced or child labour, as well as other infringements of the most fundamental rights, as set out in its Code of Ethics and Behaviour.

Hero España extends this commitment to all its suppliers, who are required not only to meet applicable regulations but must also comply with Human Rights among other criteria of Social Responsibility.

Some 81% of Hero's suppliers are members of Sedex, a not for profit organisation whose aim is to bring about improvements in the commercial and ethical practices of the supply chains. Sedex offers an on-line system to collect and analyse information about responsible business practices in its supply chains, as well as a series of for generating reports that allow Hero España to monitor the performance of its suppliers, as well as having access to a risk evaluation.

Through its membership of the United Nations Global Compact, Hero España expressly demonstrates its commitment to the support and protection of fundamental human rights, a philosophy that it also shares with its suppliers.





"Hero España wants to share 100% of its philosophy of respect for human rights with its suppliers. For that reason, it opts for business partners who, as well as offering products and services of the highest quality, show a commitment to society and the environment"

*Andrés Rodríguez
Director of Operations*



The Hero Group is also a member of the SAI (Sustainable Agriculture Initiative) association, which seeks to facilitate the interchange of knowledge and experiences around sustainable agricultural at international level.

Whenever possible, the company buys certified products that guarantee an ethical provenance that is respectful of human rights and the environment. This is the case of palm oil and paper, with the FSC seal.

In addition, Hero España is committed to local suppliers, not only to reduce their logistics footprint but because it believes that local co-operation leads to more sustainable practices, both environmentally and socially.

As a result of its desire to extend its philosophy to the value chain, Hero strives to maintain stable business relations with its suppliers, to collaborate with them in a bid for continual improvement and to improve their knowledge in matters of Social Responsibility.

About the report

This Sustainability Report covers the activity of Hero España during the year 2015. As it is the first document of this kind, it provides historical and contextual information of other years that may help in understanding the content.

The document has been prepared following the principles for determining the content of the report required by the GRI G4 guide, which are: participation of the interest groups, context of sustainability, materiality and exhaustiveness.

It also follows the principles for determining the quality of the information such as balance, comparability, accuracy, detail, clarity and reliability.

For the determination of the relevant topics the report follows the results of the materiality study that was carried out jointly with the University Murcia, the main conclusions of which are contained in the report.



GRI G4 contents

GENERAL BASIC CONTENTS		
General basic contents	Page number	Omissions
STRATEGY AND ANALYSIS		
G4-1	Interview with the president	
G4-2	Interview with the president Pp.10-12	
PERFIL DE LA ORGANIZACIÓN		
G4-3	Hero España	
G4-4	Pp.16-19	
G4-5	The head office is in Avda. Murcia, 1 Aptdo 8 Alcantarilla 30820 (Murcia)	
G4-6	Spain	
G4-7	Hero España S.A Pp.10	
G4-8	Pp.16-19	
G4-9	Pp.23 & 27	
G4-10	Pp.27 & 28	
G4-11	Pp.32	
G4-12	Pp.45 & 46	
G4-13	There has been no significant change.	
G4-14	Pp.10-12	
G4-15	Pp.11	
G4-16	Pp.11	

MATERIAL ASPECTS IDENTIFIED AND COVER		
G4-17	Appendixes	
G4-18	Appendixes	
G4-19	Appendixes	
G4-20	Appendixes	
G4-21	Appendixes	
G4-22	This is the first report to be published.	
G4-23	This is the first report to be published.	
PARTICIPATION OF THE INTEREST GROUPS		
G4-24	Pp.12-13	
G4-25	Pp.12-13	
G4-26	Pp.12-13	
G4-27	Pp.12-13	
PROFILE OF THE REPORT		
G4-28	2015	
G4-29	There has not been a previous report	
G4-30	Annual	
G4-31	info@hero.es	
G4-32	G4 Comprehensive	
G4-33	No external check has been made	
CORPORATE GOVERNANCE		
G4-34	Pp.10	
G4-35	Pp.10	
G4-36	Pp.10	
G4-37	Pp.10	
G4-38	Pp.10	

G4-39	The senior person in the organisation, the general manager, has an executive position.	
G4-40	The members of the highest governing body of the company and of its Committees have been chosen because of their performance.	
G4-41	Pp.22 & 23	
G4-42	Pp.10	
G4-43	Pp.10	
G4-44	Pp.10	
G4-45	Pp.10	
G4-46	Pp.10	
G4-47	Annual	
G4-48	The Management Committee	
G4-49	Pp.10	
G4-50	No important incidents were recorded	
G4-51	The members of the Management Committee are paid according to their professional performance.	
G4-52	All the members of the organisation have salaries assigned according to their professional performance.	
G4-53	The procedure is set out in the Collective Agreement.	
ETHICS AND INTEGRITY		
G4-56	Pp.9; 22 & 23	
G4-57	Pp.9; 22 & 23	
G4-58	Pp.9; 22 & 23	

SPECIFIC BASIC CONTENTS		
Indicators	Page number	Omissions
CATEGORY: FINANCIAL		
DESEMPEÑO ECONÓMICO		
G4-DMA	Pp.22	
G4-EC1	Pp.18-19	
G4-EC2	As a business that works with raw materials that originate in agriculture, the consequences of climate change on its activity are important. They are taken into account by the organisation.	
MARKET PRESENTS		
G4-DMA	Pp.6 & 8	
G4-EC5	All the team in Spain receive pay that is above the Inter-occupational Minimum Wage (SMI).	
G4-EC6	All of the management team is from Spain.	
INDIRECT ECONOMIC IMPACTS		
G4-DMA	HR and Suppliers / History Chapter	
G4-EC7	HR and Suppliers / History Chapter	
G4-EC8	HR and Suppliers / History Chapter	
PURCHASING PRACTICES		
G4-DMA	Pp.45 & 46	
G4-EC9	Pp.45 & 46	
CATEGORY: ENVIRONMENT		
PURCHASING PRACTICES		
G4-DMA	Pp.33	
G4-EN1	Pp.33-34	
G4-EN2	Pp.33-34	

ENERGY		
G4-DMA	Pp.33 & 35	
G4-EN3	Pp.35-36	
G4-EN4	Pp.35-36	
G4-EN5	Pp.35-36	
G4-EN6	Pp.35-36	
WATER		
G4-DMA	Pp.33	
G4-EN8	Pp.39-40	
G4-EN9	Pp.39-40	
G4-EN10	Pp.39-40	
BIODIVERSITY		
G4-DMA	Pp.33	
G4-EN11	The offices of Hero España are located in an urban area so no area with biodiversity is affected.	
G4-EN12	Pp.40-42	
G4-EN13	Pp.40-42	
G4-EN14	Pp.40-42	
EMISSIONS		
G4-DMA	Pp.33	
G4-EN15	Pp.38	
G4-EN16	Pp.38	
G4-EN17	Pp.38	
G4-EN18	Pp.38	
G4-EN19	Pp.37-38	
G4-EN20	Pp.38	
G4-EN21	Pp.38	

EFFLUENTS AND DISCHARGES	
G4-DMA	Pp.33
G4-EN22	Pp.39 & 40
G4-EN23	Pp.39 & 40
G4-EN24	Pp.39 & 40
G4-EN25	Pp.39 & 40
G4-EN26	Pp.39 & 40
PRODUCTS AND SERVICES	
G4-DMA	Pp.33
G4-EN27	Pp.33-34
G4-EN28	Pp.33-34
LEGAL COMPLIANCE	
G4-DMA	Pp.33
G4-EN29	Pp.33
ENVIRONMENTAL EVALUATION OF THE SUPPLIERS	
G4-DMA	Pp.45,46
G4-EN32	Pp.45,46
G4-EN33	Pp.45,46
CATEGORY SOCIAL	
EMPLOYMENT PRACTICES AND DIGNIFIED EMPLOYMENT	
EMPLOYMENT	
G4-DMA	Pp.27
G4-LA1	Pp.27
G4-LA2	The benefits are the same for all contracted workers.
G4-LA3	100% of employees who have enjoyed their periods of maternity and paternity leave have been reincorporated later.

RELATIONS BETWEEN WORKERS AND MANAGEMENT		
G4-DMA	Pp.13	
G4-LA4	Legal periods are observed, and periods for notice and information are implemented, with proper advance notice.	
HEALTH AND SAFETY IN THE WORK PLACE		
G4-DMA	Pp.30	
G4-LA5	Pp.30 & 31	
G4-LA6	Pp.30 & 31	
G4-LA7	None	
G4-LA8	Yes	
TRAINING AND EDUCATION		
G4-DMA	Pp.27	
G4-LA9	Pp.27 & 28	
G4-LA10	Pp.27 & 28	
G4-LA11	Pp.27 & 28	
DIVERSITY AND EQUALITY OF OPPORTUNITIES		
G4-DMA	Pp.27	
G4-LA12	Pp.27	
EQUAL PAY FOR MEN AND WOMEN		
G4-DMA	Pp.27	
G4-LA13	There is no gender distinction in deciding pay.	
EVALUATION OF THE EMPLOYMENT PRACTICES OF THE SUPPLIERS		
G4-DMA	Pp.45 & 46	
G4-LA14	Pp.45 & 46	
G4-LA15	Pp.45 & 46	

HUMAN RIGHTS		
NON-DISCRIMINATION		
G4-DMA	Pp.45	
G4-HR1	Pp.45 & 46	
G4-HR2	Pp.45 & 46	
G4-HR3	No incident was recorded.	
SOCIETY		
LOCAL COMMUNITIES		
G4-DMA	Pp.43	
G4-SO1	Pp.43	
G4-SO2	No activity by Hero España has a negative impact on the local community.	
FIGHT AGAINST CORRUPTION		
G4-DMA	Pp.22 & 23	
G4-SO3	Pp.22 & 23	
G4-SO4	Hero España is a signatory of the United Global Nations Compact, which shows its explicit commitment to the fight against corruption.	
G4-SO5	None	
EVALUATION OF THE SOCIAL IMPACT OF THE SUPPLIERS		
G4-DMA	Pp.45 & 46	
G4-SO9	Pp.45 & 46	
G4-SO10	Pp.45 & 46	
RESPONSIBILITY OVER PRODUCTS		
HEALTH AND SAFETY OF THE CUSTOMERS		
G4-DMA	Pp.24	
G4-PR1	Pp.24 & 25	
G4-PR2	Pp.24 & 25	

LABELLING OF THE PRODUCTS AND SERVICES	
G4-DMA	Pp.26
G4-PR3	Pp.26
G4-PR4	No incident was recorded.
G4-PR5	Pp.13
MARKETING COMMUNICATIONS	
G4-DMA	Pp.26
G4-PR6	None
G4-PR7	None
PRIVACY OF CUSTOMERS	
G4-DMA	Pp.26
G4-PR8	Pp.26
REGULATORY COMPLIANCE	
G4-PR9	No fine was recorded

Indicators of the Global Compact and Global Reporting Initiative (GRI)

PRINCIPLES OF THE GLOBAL COMPACT	GRI INDICATORS
HUMAN RIGHTS	
Principio 1. Businesses should support and respect the protection of fundamental human rights, internationally recognized within its sphere of influence.	4.12, 4.13, HR1-9, LA4, LA13, LA14, SO1
Principio 2. Companies must ensure that their companies are not complicit in the violation of human rights.	HR 1-2, HR8
LABOUR	
Principio 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	HR5, LA4, LA5
Principio 4. Businesses should uphold the elimination of all forms of forced or compulsory labor.	HR 1-3, HR7
Principio 5. Companies must support the eradication of child labor.	HR 1-3, HR6
Principio 6. Businesses should uphold the elimination of discrimination in employment and occupation.	HR 1-4, LA13, LA14
ENVIRONMENT	
Principio 7. Businesses should support a precautionary approach to environmental challenges;	EN6, EN18, EC2
Principio 8. Businesses should undertake initiatives to promote greater environmental responsibility.	EN1-29, PR3-4
Principio 9. Businesses should encourage the development and diffusion of technologies that respect the environment.	EN2, EN5-7, En10, EN18, EN26-27
ANTI-CORRUPTION	
Principio 10. Businesses should work against corruption in all its forms, including extortion and bribery.	EN6, EN18, EC2

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 <https://www.facebook.com/heroespana/>
<https://www.facebook.com/herobaby/>

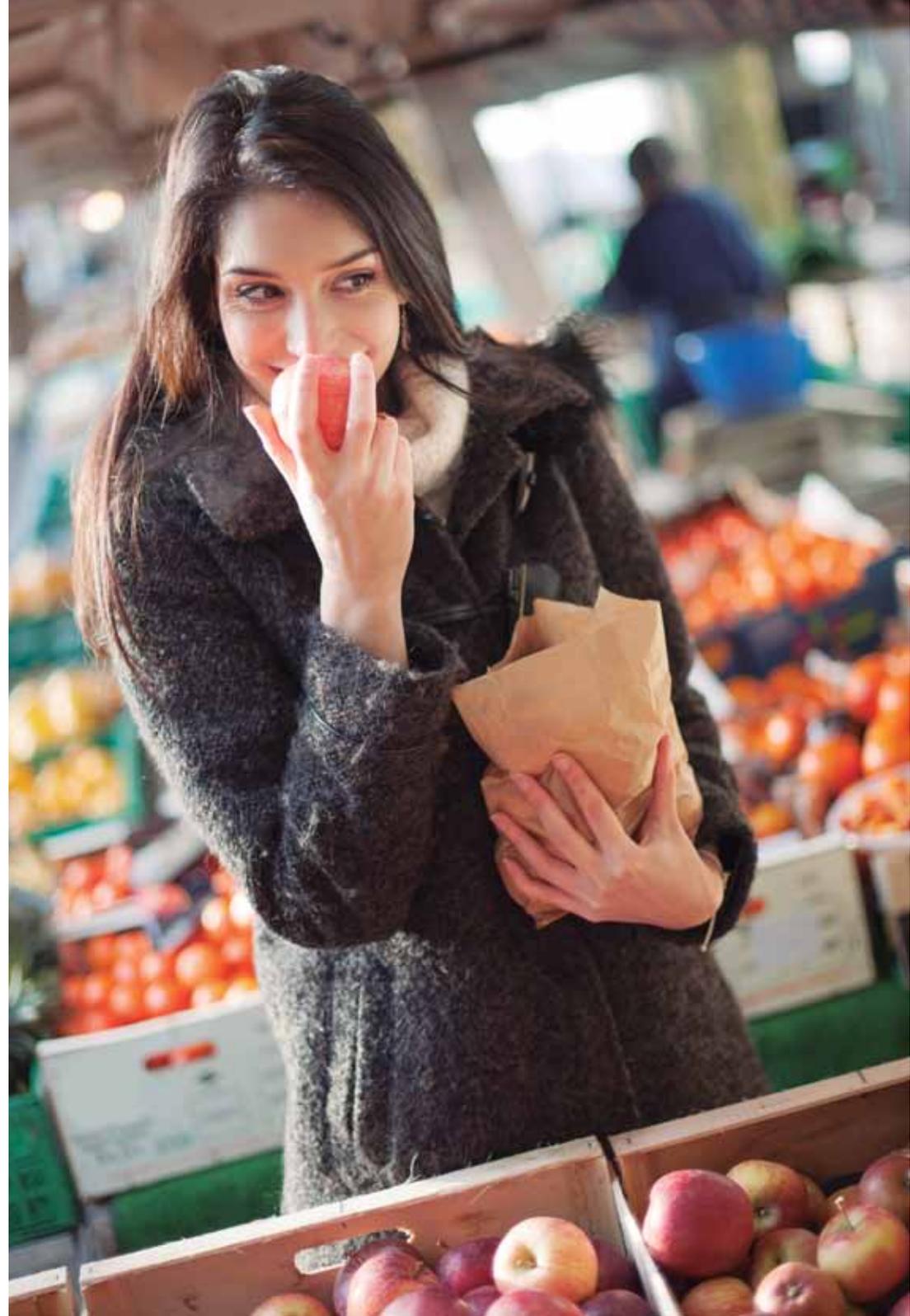
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 <https://www.youtube.com/user/HeroEspana>

 <https://www.linkedin.com/company/hero-espaa-s-a->



Heró española