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# Message from the President

It has been five years since we embarked on the adventure of becoming a multinational food Company with a different and unique business model.

Today, I am pleased to present you the results of our effort. In 2016, we registered growth in our sales figures, number of people and especially, in our production capacities, due to the trust that our clients have placed in us.

Because of our expansion, we implemented a new organisational structure with the objective of reinforcing local teams to provide more value to our clients and, at the same time, to advance in the standardisation of our processes and the integration of our people, from a global perspective.

In July 2016, Rut Aranda was appointed CEO of Cerealto. Rut accepted the great challenge to continue to lead this corporate project, after 14 years in the Company, in different roles such as I+dea Director, Americas Director and Northern Europe Director. We are convinced that her tenacity and leadership ability combined with her knowledge and global vision of the Company will provide us with the necessary force to allow us to progress in the right direction.

Likewise, we have made big efforts towards reinforcing leadership within the organisation, promoting knowledge of our business model in key positions and deploying objectives and action plans to the entire workforce, to ensure that our teams work in the same direction.

Moreover, we have promoted the training and development of our colleagues in business related matters, through San Pelayo Business School (our school for leaders). Also, we have contributed to the training of the children of our workers who have shown excellent academic performance, by granting them Excellence Scholarships.

This year we renew our commitment to society, through our adherence to the Global Compact and its ten principles.

In 2017, we will continue focused on the expansion and consolidation of our business project and, especially, on our people's wellbeing. We are aware of the fact that to achieve the objectives that we have set, we must keep on applying the same enthusiasm, passion and dedication as we have done up until now.

Finally, I would like to thank the dedication and effort of everyone who works daily to turn this great dream that we call Cerealto into a reality.

With best wishes,  
**Luis Ángel López**  
President





# Message from the CEO

I am pleased to present our annual report in which we take stock of our performance and our commitment with all our stakeholders, for the fifth consecutive year.

2016 was a year of expansion and consolidation for Cerealto, as endorsed by our main financial indicators. We achieved a turnover of €93 million and an EBITDA of €4.2 million. We attained a total production of 71,000 tonnes with a workforce of 860 people.

This year, we reached an agreement with Mondelēz for the acquisition of its biscuit factory located in Mem Martins (Portugal), we began the manufacturing of gluten free products in Worksop (United Kingdom) and formalised a deed of sale for the acquisition of Pastificio Mediterranea, the plant in Silvano d'Orba (Italy), we have operated since 2013.

Likewise, €46 million has been allocated for the development of new projects, the integration of our operations in Mem Martins (Portugal), the construction of the factory in Worksop (United Kingdom) and the acquisition of new technologies in Tepeji (Mexico).

Consequently, we have adopted a new organisational structure, which has led to strategic changes within the organisation. We are convinced that these will allow us to maintain our flexibility and adapt our ways of working to our clients in each region, while we continue to be coordinated and to take advantages of global synergies.

I would like to highlight the strengthening of the Operations and Market Intelligence areas. This has allowed us, on one hand, to advance in the standardisation of our production processes and factory certifications and, on the other hand, to capitalise our knowledge on consumers, markets and categories and to increase our capacity to innovate.

Similarly, we are working along with suppliers as an integral component of the value chain, to guarantee the quality and food safety of our products, while we promote their adherence to our Suppliers Code of Conduct.

With regard to the environment, we have incorporated the carbon footprint calculation into our new plants in Tepeji, Worksop and Mem Martins with the aim of starting to implement programmes to reduce and improve all our factories and businesses.

I would like to finish by thanking all our colleagues for their flexibility in the face of continuous change and for assuming new and bigger responsibilities on a daily basis. It is your tenacity and motivation to exceed expectations what will drive us to achieve the results that we dream of. Thank you.

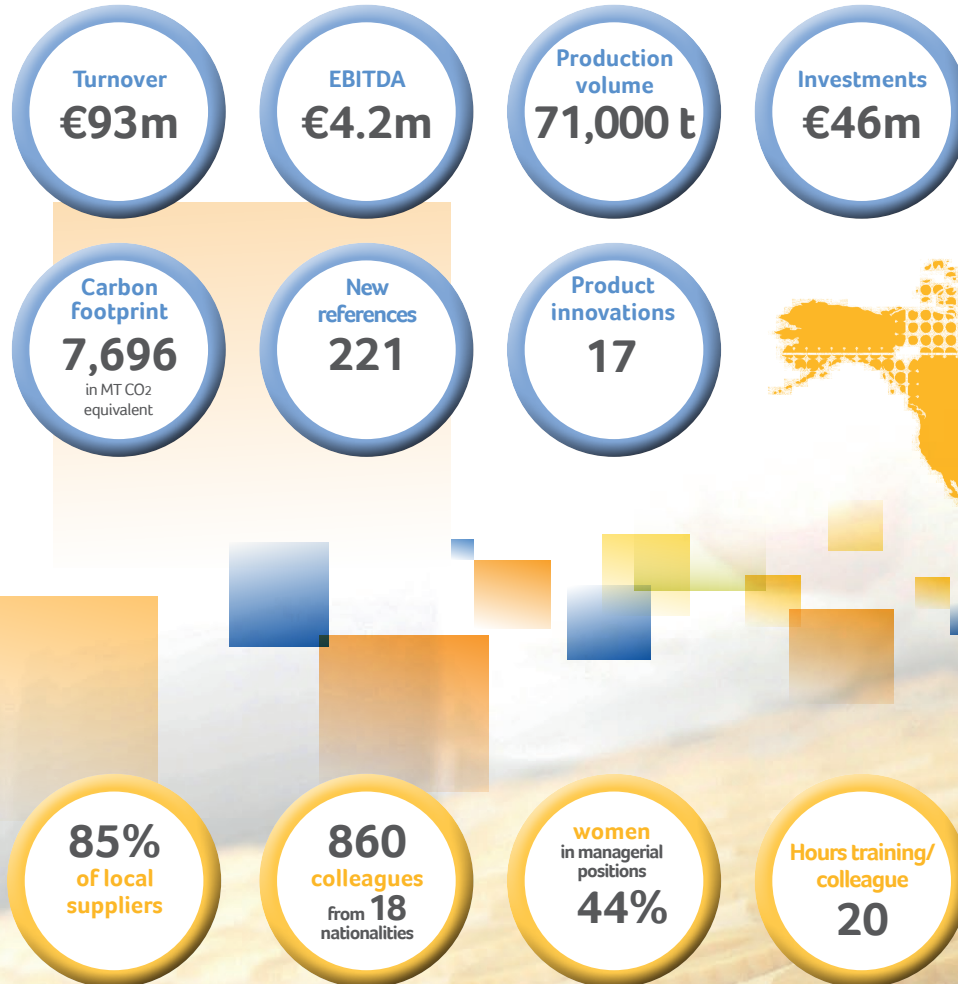
With best wishes,  
**Rut Aranda**  
Cerealto CEO





Welcome.  
This is  
Cerealto

# Our figures and achievements in 2016





# Major Company milestones

## 2012

- Cerealto is established.

## 2013

- Purchase of the Danone baby food factory, Nutriceal Foods (Benavente, Portugal).
- Pastificio Mediterranea factory leased (Silvano d'Orba, Italy) to manufacture 'Made in Italy' pasta.

## 2014

- Cerealto signs the purchase of the entity Siro Foods and its subsidiaries from Grupo Siro and starts to manage its international business and B2B clients.

## 2015

- Building of the factory in Worktop (UK) starts to manufacture cereal bars and gluten-free products.
- Purchase of the Marian Galletas de Calidad biscuits factory in Tepeji del Río Ocampo (Hidalgo, Mexico).

## 2016

- Implementation of the organisation's new matrix structure. Rut Aranda is appointed as Cerealto's CEO.
- Acquisition of the Mondelēz biscuits factory situated in Mems Martins (Sintra, Portugal) and its integration into the Group.
- Start of operations at the Worktop factory (UK).
- Cerealto achieves the figure of 860 colleagues.

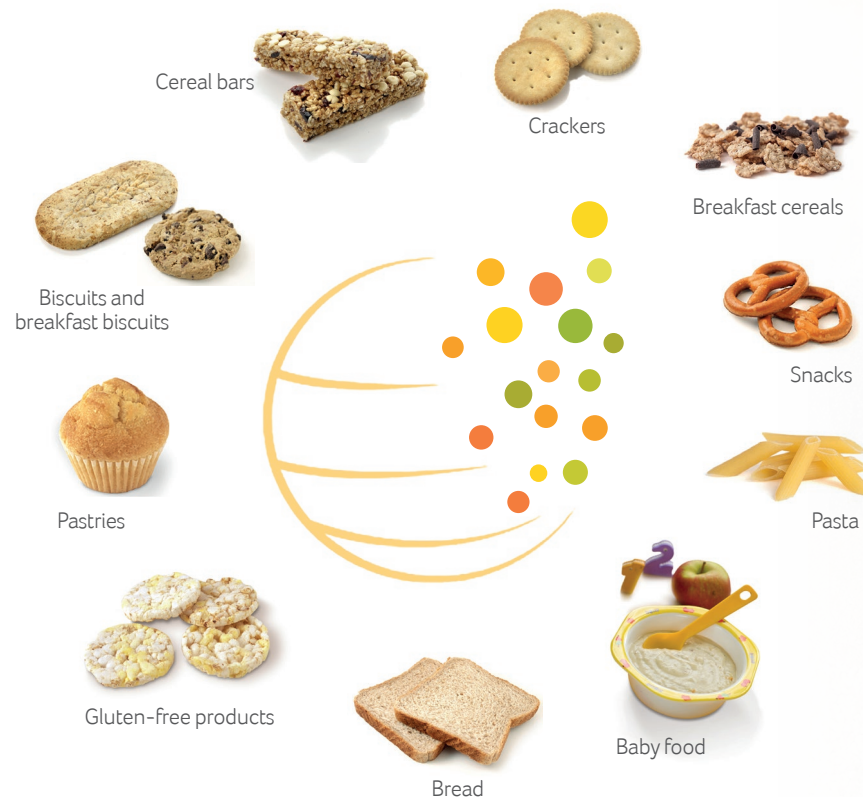




# Our **business model**

**We are a global food manufacturer specialised in turning cereals into delicious, accessible food products of the highest quality for our consumers.**

Our clients range from large distribution chains to multinationals in the B2B sector to whom we offer more than 10 product categories.





We benefit from a successful business model inherited from Grupo Siro, the leading food group in Spain, with whom we share the same vision as well as the same values.

The success and sustainability of this model is based on establishing and developing stable and long-lasting relationships with each one of our stakeholders, as well as on our efforts to permanently exceed their expectations, beginning with our clients.

We are supported by  
**20 production centres**  
to serve our clients in over  
**40 countries**



To date, we have been able to consolidate our business model with clients in different countries that we supply from the six factories we own in Italy, Portugal (2), Mexico (2)<sup>1</sup> and the United Kingdom, or from the 14 Grupo Siro factories in Spain. As at the end of 2016, we were selling our products in more than 40 countries.



<sup>1</sup> In January 2017 we signed a lease for a factory in Cuautitlán, Mexico to produce bread locally.

The consolidation of new alliances, the need to adapt to the way in which our clients work in the different markets and, as a result, the location of our teams and factories in different countries, has required the Company to adopt a global approach.

Thus, we implemented a new matrix structure during 2016, going from an organisation based on Zones to Regions and from Departments to Functional Areas.

The **Regions**, which are geared towards customer service, have their own hierarchical structure and are responsible for the client management, project management, resources and operations centres within their scope of activity.

The **Functional Areas**, designed to respond to the structure, define common procedures by applying the Company's global approach.

At corporate level, there are different departments that support the various markets. These are **Talent Management, Communication, Finance and IT**. They all report directly to the President.

# Our structure

CEO

Operations

Market Intelligence (R&D)

Human Resources

Controlling

Southern  
Europe

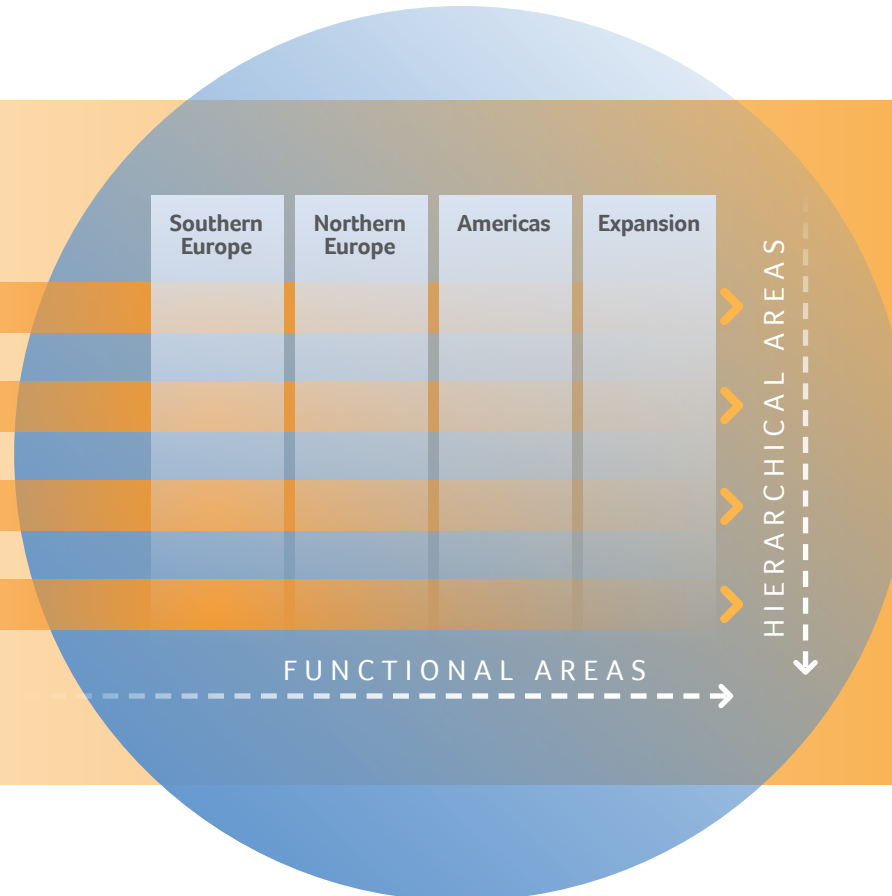
Northern  
Europe

Americas

Expansion

HIERARCHICAL AREAS

FUNCTIONAL AREAS





The strategy and governance of Cerealto is the responsibility of the **Steering Committee** whose composition, as at the end of 2016, reflected the new structure of the Company:



● **Rut Aranda**  
CEO\*



● **Santiago Suárez**  
Southern Europe Director



● **Alfonso Arroyo**  
Northern Europe Director



● **Pedro Lago**  
Americas Director



● **Cristina López**  
Expansion Director



● **Cristina Arveschoug**  
Strategic Projects Director



● **Jordi Vilarrubias**  
Global Head of Operations



● **Alexis Gracia-Lugo**  
Global Head of  
Market Intelligence



● **Paula Casanova**  
Global Head of  
Human Resources



● **Pablo Muñoz**  
Global Head of Controlling

\* Since July 2016

# A sustainability model integrated into the **heart of the Company**

Our sustainability model is based on forging stable and long-term relationships with our stakeholders where mutual benefits are **generated**. We have defined our commitments to them and the objectives we aim to achieve by 2020.



Clients



People



Suppliers



Society



Capital



# 2020 objectives

## Clients

- **15%** reduction in saturated fats
- **15%** increase in fibre
- **10%** of products geared towards groups with specific nutritional needs
- **3%** of products respond to a non-covered need
- **4%** reduction in packaging



## People



- **100%** of our staff are on fixed contracts or are candidates to be on fixed contracts
- The Company shares its generated value with **100%** of our colleagues
- **4%** of our staff belong to groups facing difficulties in accessing the labour market
- **40%** of our staff are women
- **60%** of our vacancies are filled through internal promotion
- **100%** of our staff benefit from variable remuneration linked to group or individual objectives
- **85%** of our colleagues are satisfied or very satisfied with the Company

## Suppliers

- **100%** of suppliers adhered to our Code of Conduct
- Our supplier accreditation system includes social and environmental criteria and are not exclusive
- **100%** of our suppliers have been audited in relation to these social and environmental criteria
- **100%** of our raw ingredients and packaging suppliers are affiliated to SEDEX
- **100%** of our raw materials suppliers have Food Safety standards



## Society



- **60%** of our suppliers are local
- **15%-20%** reduction in our carbon footprint by 2030
- **15%-20%** reduction in our water footprint by 2030
- Zero-Waste-To-Landfill

## Capital

- **80%** of our waste is recovered and delivers an economic return
- **+22%** minimum margin per project
- **+10%** EBITDA/sales profitability
- Maximum 6 years payback/project
- Continuity plans for **100%** of our business
- The sustainability objectives impact on the variable remuneration of our staff



As a result, we are very much aware that our work entails meeting the expectations of our stakeholders, thereby generating a virtuous circle that guarantees the sustainability of our Company.

To turn this model into a reality, Cerealto benefits from a top-level Sustainability Committee, led by our President, and a Working Group that has a cross-disciplinary and operational remit. The Committee is responsible for overseeing compliance with the objectives and evaluating strategic initiatives that add value to the Company. The Working Group is responsible for complying with the lines defined for 2017. During the period, the decision was taken to reorganise this Committee with the aim of guaranteeing the proper follow-up and management of our 2020 sustainability plan.







## Sustainability milestones in 2016

- **Approval of the five lines of action for 2017:**

1. Introduce sustainability into the Company's operations and establish specific KPIs by area.
2. Advance our commitment to integrating groups that face difficulties in accessing the labour market.
3. Define and launch of cross-disciplinary programmes with a particular focus on volunteer work.
4. Guarantee the proper follow-up and management of the sustainability plan.
5. Celebrate achievements and involve our colleagues.

- **Inclusion of sustainability objectives** in the variable remuneration linked to compliance.

- **Implementation starts of our whistleblower channel 'Speak Up'** by means of which our colleagues can report irregularities in respect of legal or ethical issues.

- **Working group involving sector companies and start-ups** to share best sustainability practices.

- **All of our own centres are affiliated to SEDEX.**



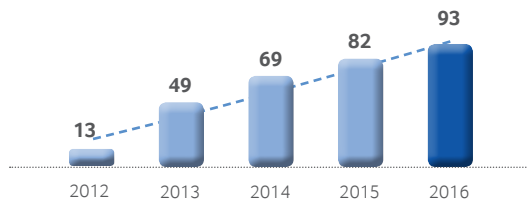
# Consolidation and growth



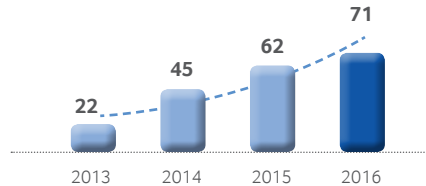
Turnover  
**€93m**

Growth  
in comparison  
with 2015  
**14%**

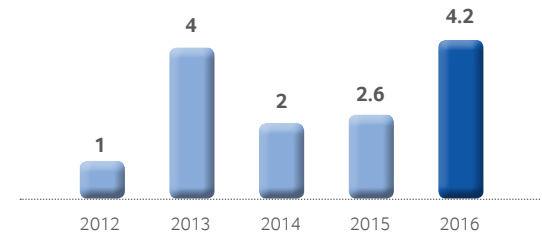
**Turnover evolution**  
€m



**Production evolution**  
thou. tonnes



**EBITDA**  
€m

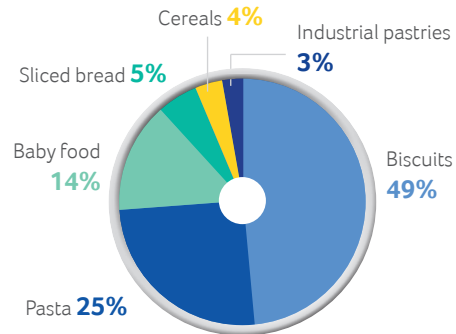


To date we can confirm that we have been able to consolidate our business model, thanks to the establishment of long-term alliances with clients, who range from retailers to multinationals from the B2B sector, in various countries. Thanks to their trust and the firm commitment of the Company to internationalisation and growth, 2016 saw continued expansion of our business lines in the four strategic regions.

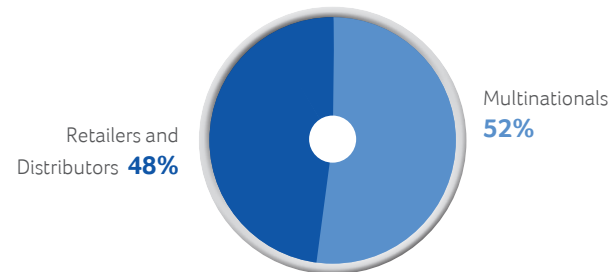


As such, we closed the 2016 financial year with a turnover of €93 million, which represents a growth of 14% compared to the previous period. Since our activity started, we have achieved an exponential growth in sales that has been accompanied by a growth in our production centres and in the number of colleagues.

Sales by category (€)



Sales by type of client (€)



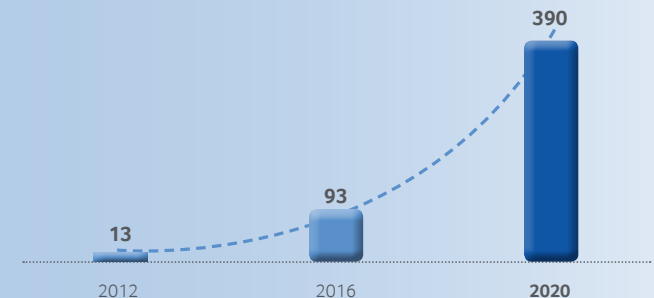
In 2016, we undertook investments of €46 million to increase production capacity and to improve technologies and efficiency.

Similarly, in 2016 we have continued to support strategic operations such as the acquisition of the Mem Martins factory for the production of biscuits.

In addition, the Workstop project has received subsidies from the UK Government's Department for Innovation and the University of Derby, with the aim of supporting investment, growth and job creation in the area.

## Our future prospects... €390m by 2020

Cerealto continues to work with our sights set on 2020, aware that to achieve our objectives, we have to continue applying the same excitement, passion and enthusiasm as we have done up until now.





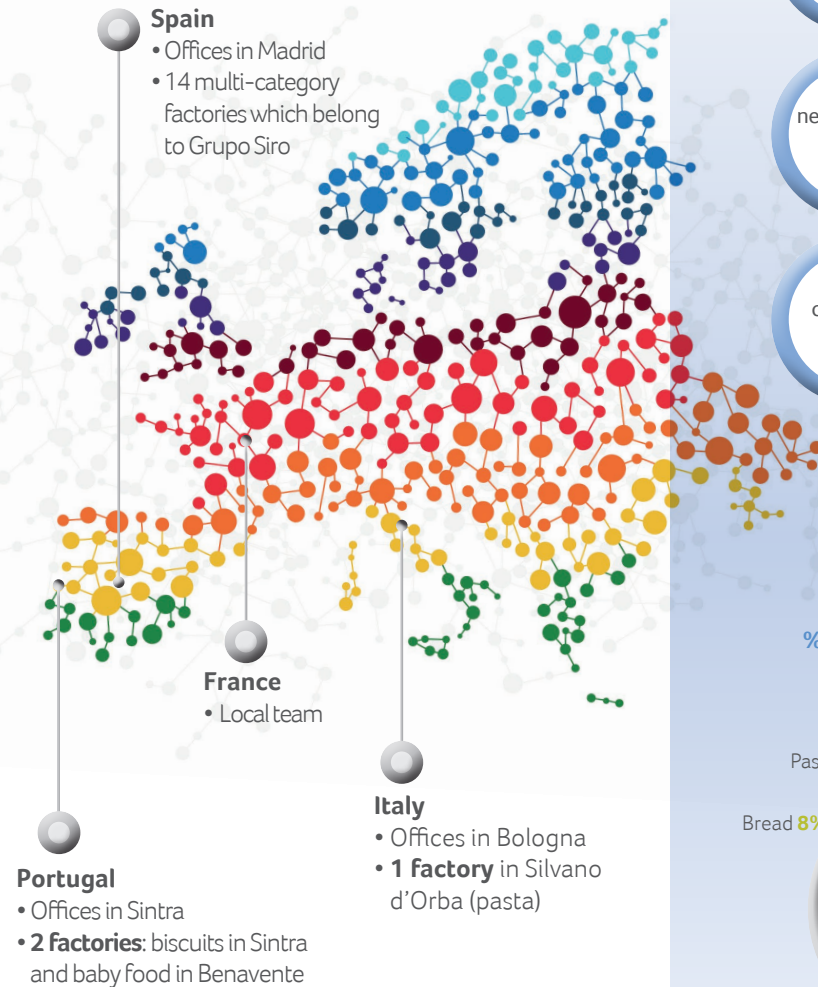
# Our Strategic Regions

Cerealto's current model is structured around four Strategic Regions: Southern Europe, Northern Europe, the Americas and Expansion.

Each region is working to consolidate its teams, operations and current partnerships; to identify new medium- and long-term opportunities; to introduce new product categories; and to identify consumer trends.



## Southern Europe Region



on Group's turnover  
**+56%**

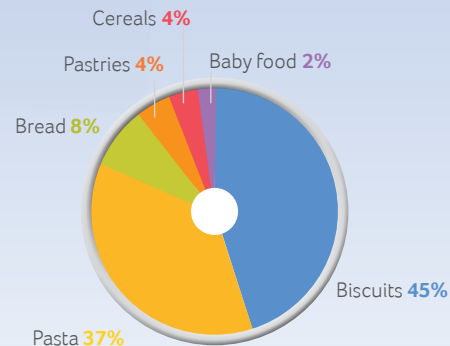
value generated by the Company is distributed in the region  
**23%**

new launches  
**68**

tax contribution (direct and indirect)  
**€4.3m**

colleagues  
**340**

% Sales by product category



## Main milestones in 2016

- Acquisition of the Mondelēz International biscuits factory in Mem Martins (Sintra, Portugal).
- Portuguese market: entry into the breakfast cereals and cereal bars categories.
- Italian market: trading of pastries.
- Spanish market: continues to consolidate B2B business in the biscuits category and is making progress in relationships with leading market retailers.
- French market: increased presence as a local manufacturer.

## 2017 Challenges

- **To become a multi-category supplier for the leading retailers in the Spanish market.**
- **To integrate every factory in Southern Europe into the culture and processes of the Company.**





## Northern Europe Region

### United Kingdom

- Offices in London
- **1 factory** in Workop: cereal bars and extruded snacks (rice cakes and pop chips)

**+6%**  
on Group's turnover

**7%**  
of the value generated  
by the Company is  
distributed in  
the region

**6**  
new launches

**€1.8m**  
tax contribution  
(direct and  
indirect)

**146**  
colleagues

## Main milestones in 2016

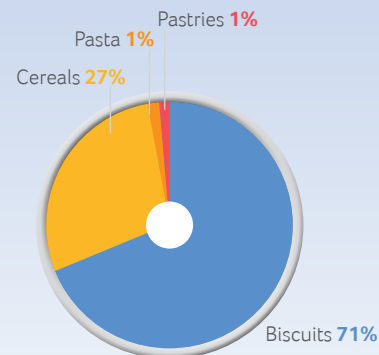
- Operations start at the Workop factory in October 2016.
- The Workop factory starts to trade rice cakes and pop chips to UK customers and other export markets.
- Factory construction progresses in line with established periods. Production lines introduced for the manufacture of cereal bars and gluten-free products.
- 131 new colleagues recruited.

## 2017 Challenges

- **Complete construction of the factory and integrate new colleagues and teams.**
- **Launch new references for gluten-free products.**



% Sales by product category



## Americas Region



Groups' turnover  
**+14%**

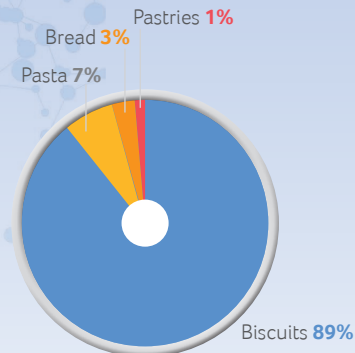
value generated by the Company is distributed in the region  
**11%**

new launches  
**62**

tax contribution (direct and indirect)  
**€1.8m**

colleagues  
**374**




% Sales by product category



## Main milestones in 2016

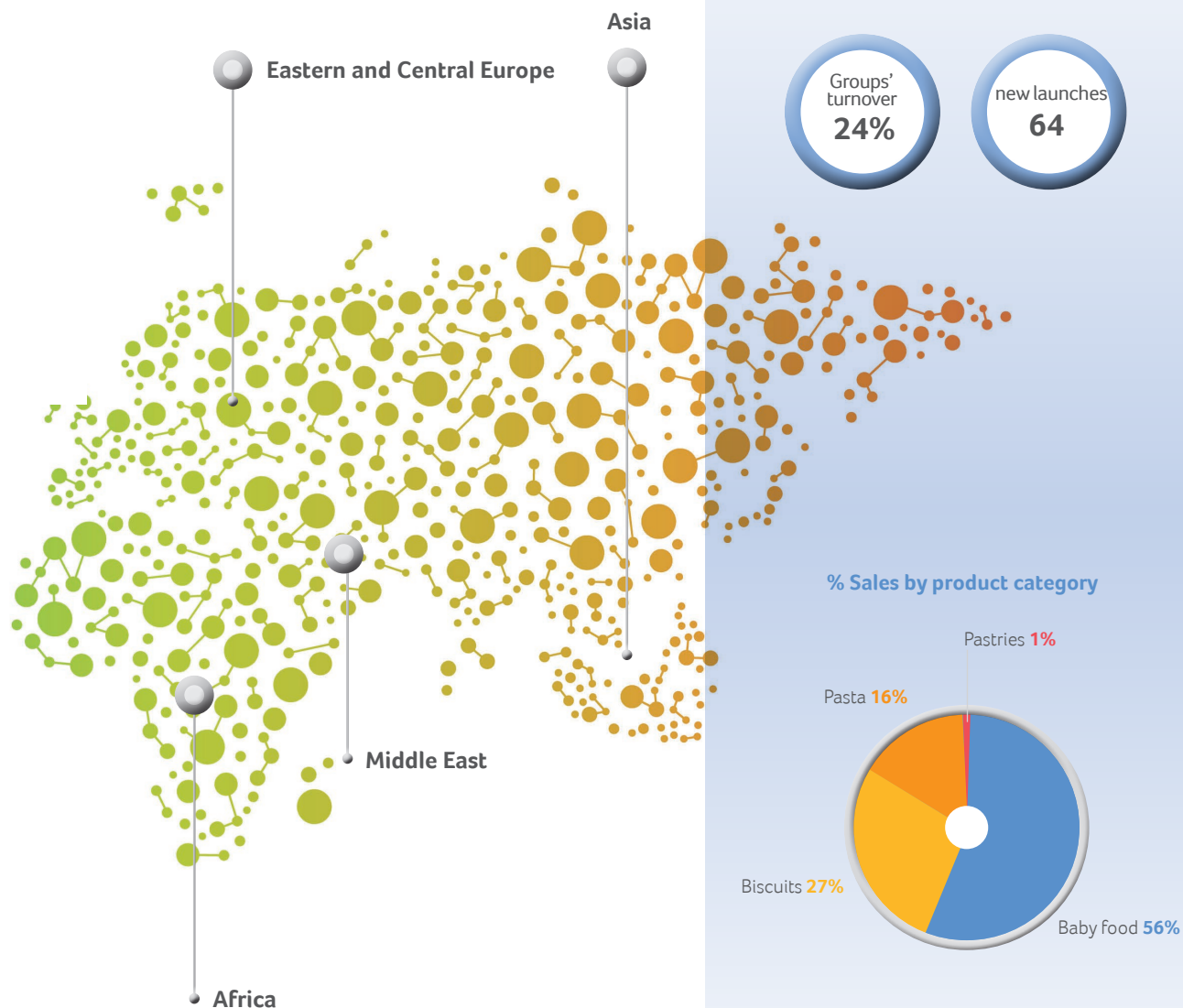
- Development of 31 new references at the Tepeji del Río Ocampo factory (Mexico).
- Investments in new technologies at the Tepeji del Río Ocampo factory (Mexico): gluing and bonding line, laminating line and vertical packaging unit.
- Local production of bread in Mexico and the launch of references for different formats of white and wholemeal bread.
- Development of seasonal and festive products (Christmas, Valentine's Day, Mother's Day, Halloween) for clients in the United States and Mexico.
- Project to construct a factory in Texas postponed.

## 2017 Challenges

- **Provide services to the Mexican market from the Tepeji factory.** 
- **Consolidate our business model in the region.** 
- **Finalise the lease of a bread factory in Mexico.** 



## Expansion Region. Our export activities



### Main milestones in 2016

- African market: launch of references for pasta and baby food in South Africa and market entry with biscuits.
- Asian market: entry into the Taiwan, Cambodia and Malaysia markets with several product categories.
- Eastern and Central Europe market: partnership to trade pasta in Poland and the start of commercial relations in Croatia and Russia.

### 2017 Challenges

- **Identify potential alliances and consolidate our business model in this region.**
- **Grow in the African, Asian, Middle Eastern and Eastern European markets.**
- **Continue developing our baby food business.**



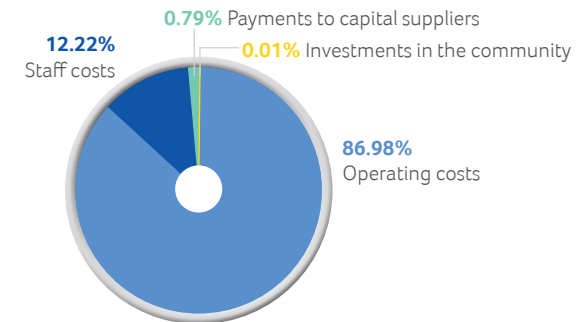
# Shared value

**Our business model is based on relationships with our stakeholders where mutual benefits are generated.** As such, we create economic value through our activity that we share with society, particularly in the places where we operate, by generating employment and entering into contracts with suppliers.

## Generated and distributed economic value

thou.euros	2015	2016
<b>Generated economic value</b>	<b>81,521</b>	<b>123,149</b>
<b>Distributed economic value</b>	<b>79,991</b>	<b>120,552</b>
Operating costs	70,608	104,865
Staff costs	7,934	14,730
Payments to capital suppliers	468	948
Duties and taxes	905	0
Investments in the community	76	9
<b>Retained economic value</b>	<b>1,530</b>	<b>2,597</b>

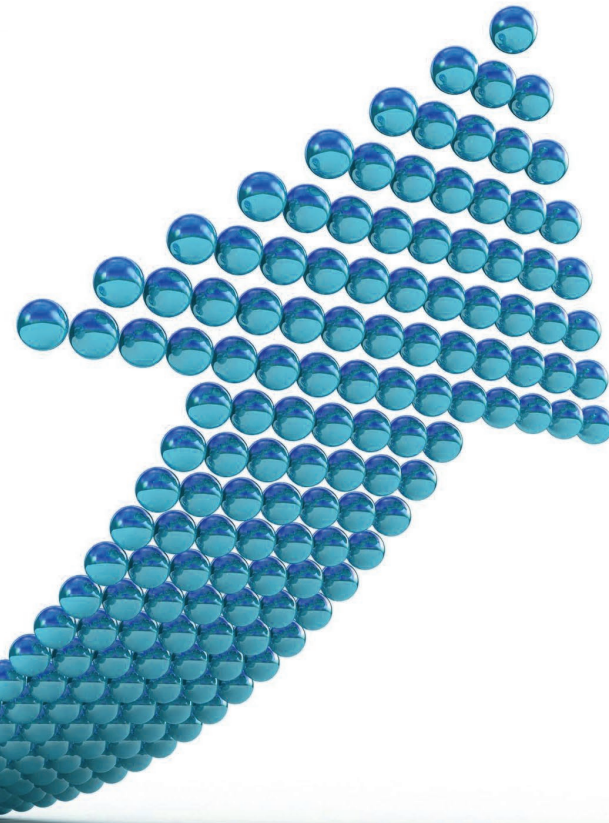
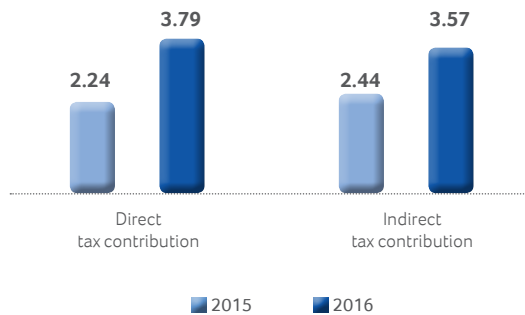
## Distributed economic value 2016 (thou. euros)





**Total tax contribution (direct and indirect)**

	2015	2016
<b>Direct tax contribution</b> (in €m)	<b>2.24</b>	<b>3.79</b>
Social Security	1.34	2.68
Corporation Tax	0.6	0.85
Other taxes and levies	0.3	0.26
<b>Indirect tax contribution</b> (in €m)	<b>2.44</b>	<b>3.57</b>
Social Security	0.47	0.61
Income Tax	1.57	2.59
VAT	0.4	0.37
<b>Total tax contribution 2016</b> (in €m)	<b>4.68</b>	<b>7.36</b>

**Growth in tax contribution (€m)**

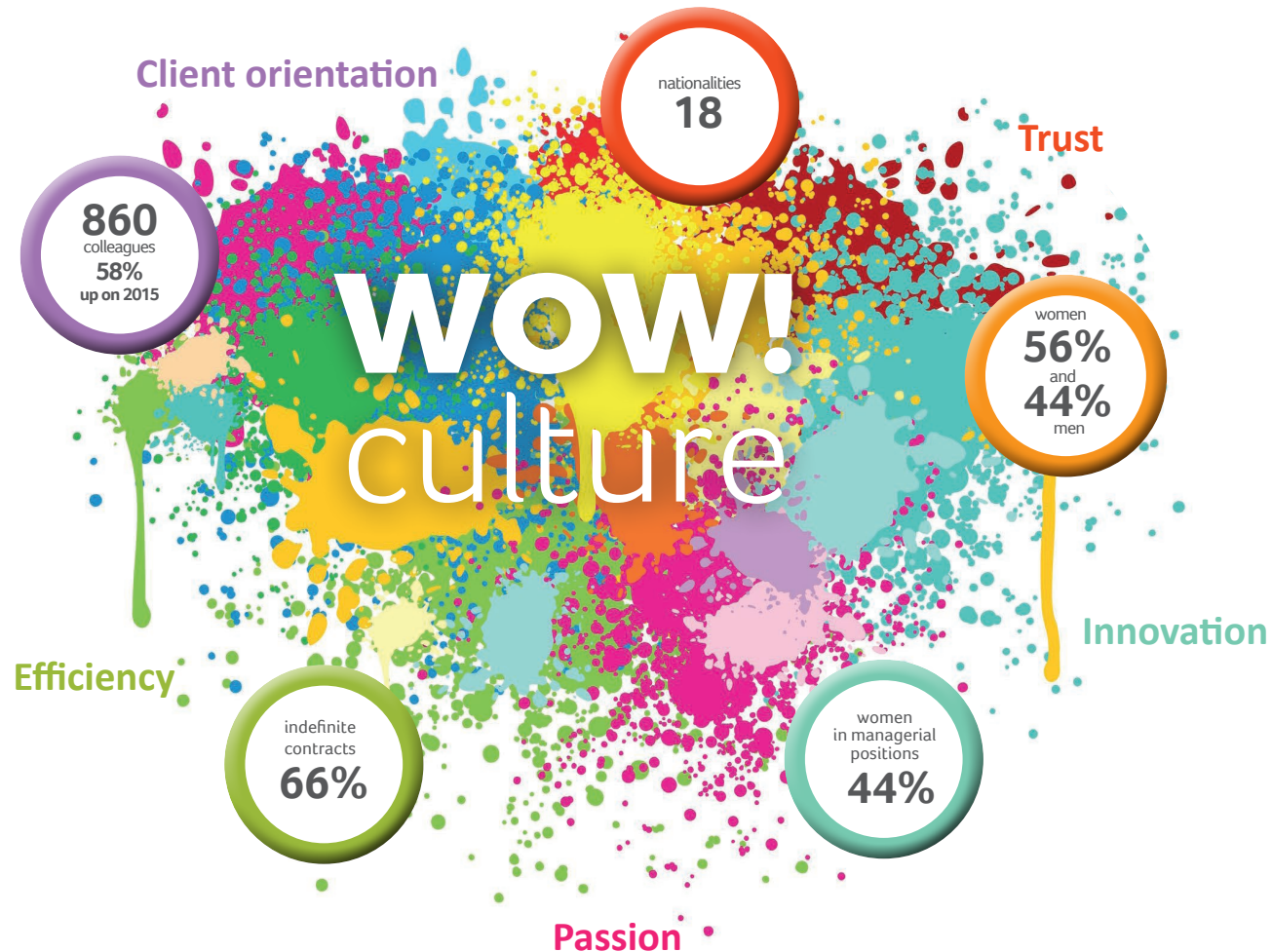
# What makes us different





# Our **corporate** philosophy

**Cerealto is a Company of visionaries, fighters and enthusiasts!** This approach is combined with our efforts to ALWAYS exceed the expectations of our stakeholders and forms the basis of our WOW! culture.



In this spirit, in 2016 we continued to reflect on our Vision and Mission from a sustainable perspective in which our main objective is to generate and share value with each one of our stakeholders. The results of this financial year have been agreed and approved by the Committee and communicated to the entire organisation at our annual meeting.

## Our Vision

Making the best cereal-based products for every consumer in a society that values us for what we are and what we do, and that believes in our existence.

## Our Mission

We are passionate about transforming cereals into high quality and innovative food products that are accessible for everyone, that are accessible for everyone. We achieve this by working alongside clients who share our business model, by fostering our colleagues' development, and by assisting farmers and local suppliers to grow with us.

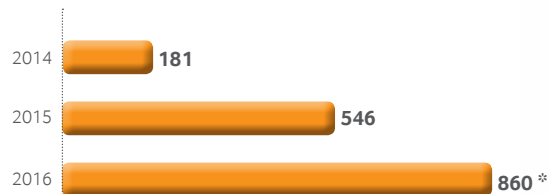




# Who we are at Cerealto

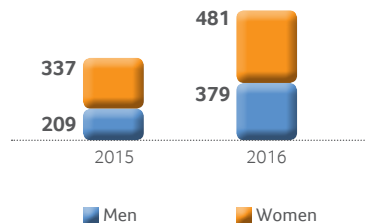
We are an international Company with **860 colleagues of 18 nationalities and different cultures**, where 56% are women and 44% are men. As at the end of 2016, 66% of our colleagues were on indefinite contracts.

**Workforce evolution** (number of people)

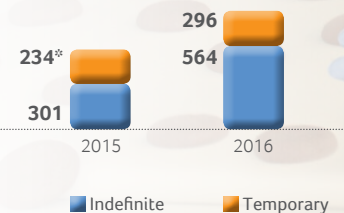


\* Includes the 92 employees at the Mem Martins factory

**Workforce evolution by gender** (number of people)



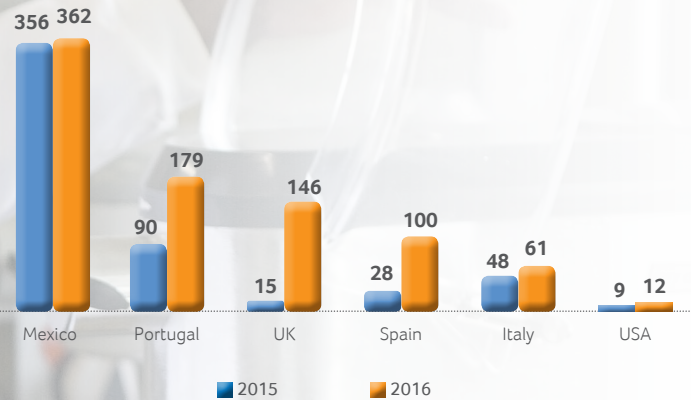
**Workforce by contract type** (number of people)



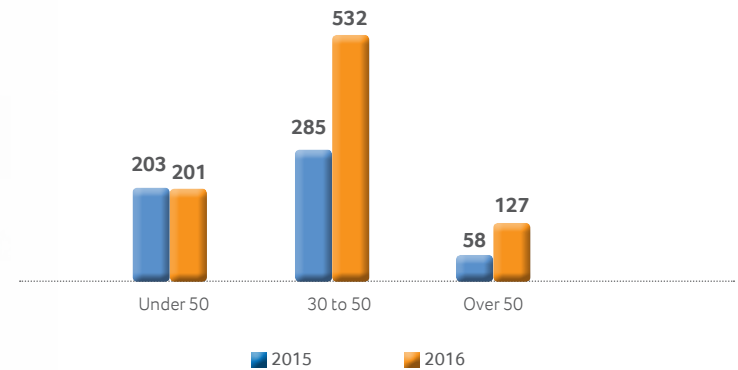
\*11 people were not included in this graph as they were under a temporary work agency agreement



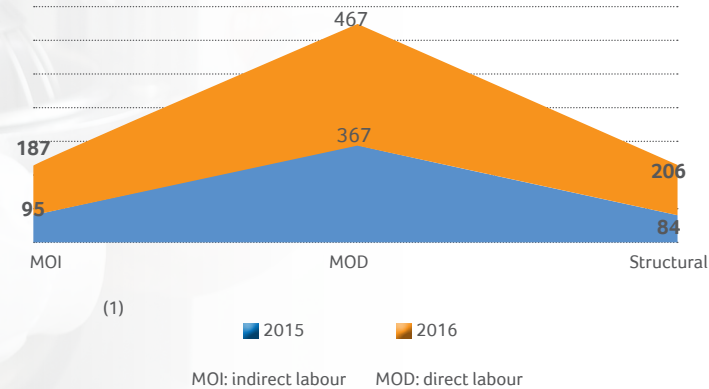
**Workforce by geographical area**  
(number of people)



**Age pyramid**  
(number of people)



**By professional category**  
(number of people)



(1) 2015 data has been reviewed and updated



## Equal opportunities for all

**This year, we have made progress in defining and integrating those groups that face difficulties in accessing the labour market in the countries in which we operate.**

Our goal for 2020 is for 4% of our workforce to come from these groups. As at the close of 2016, 3% of our UK colleagues, 2% in Italy, 4% in the United States and 1% in Mexico and Spain belonged to these groups.

For this reason, we are working together with the social players of each country with the aim of identifying these groups (people with disabilities, war veterans, women at risk of exclusion, among others), establishing communication channels and finding the best way of integrating them as colleagues.

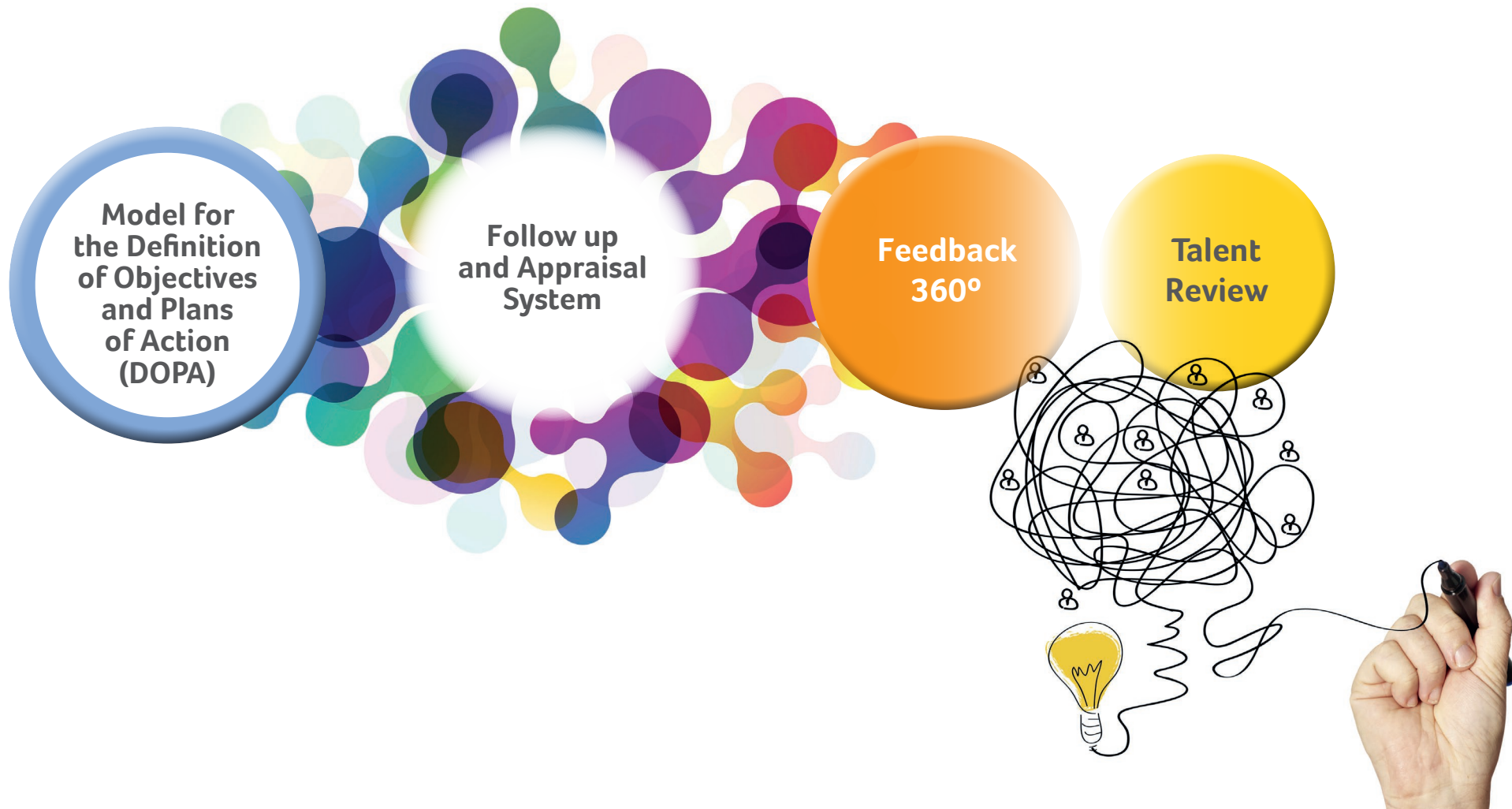
We draw attention to our Open Day 'Barriers to work' organised in Worksop, United Kingdom, with the aim of encouraging candidates with barriers to accessing employment to apply for jobs at Cerealto. On that day, there was a presentation about the Company and the role of colleagues in our factories. More than 40 candidates and cooperation agencies took part.





# Talent Management

**Managing talent to the best of our ability is vital for Cerealto** to ensure that the Company has the best colleagues, guaranteeing their motivation and securing their commitment, so that they can help us achieve our business objectives. This is why we have consolidated an integrated system to manage talent, comprising the **following tools**:



### The Model for the Definition of Objectives and Plans of Action

involves drawing up team objectives, thereby guaranteeing that the individual objectives of every colleague are in line with those of their direct and functional managers and also with the global objectives of the Company and its strategy for the coming year.

On the other hand, the **Follow up and Appraisal System** consists of a process that records the progress of colleagues in achieving their objectives and improving their leadership abilities.

The five elements of our leadership model are appraised with the **Feedback 360°** tool. This appraisal tool allows us to design improvement plans for each colleague based on the score they get.

At the end of 2016, we started to implement the **Talent Review Programme**. Its purpose is to determine those profiles with the best level of performance and leadership skills, to identify new development opportunities for them and capitalise our talent.

# Leadership Model



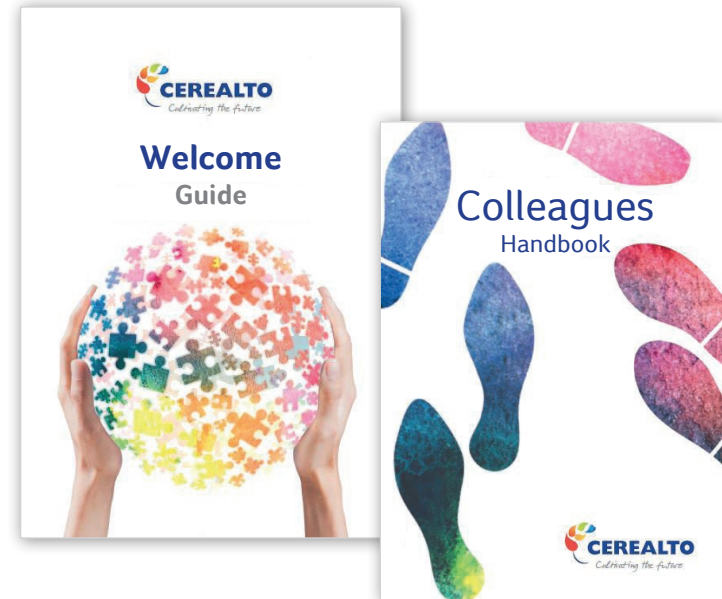
Similarly, we have worked on drawing up corporate procedures, notably the following:

- The procedure to incorporate talent to guarantee the principle of non-discrimination and to foster internal promotion within the organisation.
- The specific welcome plan for our factory colleagues, which includes eleven training modules (including Corporate, Human Resources, Quality, Health and Safety, Innovation, among others), the welcome manual, factory manual, group dynamics and knowledge validation tests. The first pilot project was carried out at the Mem Martins factory following its acquisition. During 2017, we expect to rollout the plan to the rest of our factories.



## Attracting talent

It is worth highlighting the fact that we have taken part in job fairs such as the IE Talent Forum and the EOI Business School's Job Fair in Spain to recruit young talent. By this route, 15 young people were taken on in 2016 in United Kingdom so that they could gain work experience in our Company.



*In Cerealto we **promote our colleagues' development** so that their personal and professional dreams can come true.*



# Our **Business School**

**San Pelayo Business School** was created by the Company in 2015 to promote the development and training of the leaders of Cerealto and Grupo Siro and equip them with the tools and skills they need for their professional development.

226 courses were held during 2016, totalling 12,765 hours of training, geared towards improving and enhancing leadership in areas such as self-knowledge, efficient personnel management, communication skills and the effective development of objectives and plans of action.

In addition, a great effort was made as regards learning, by expanding the range of courses available to colleagues with a further 167 training courses adapted to their current and future professional needs.



# Communication

**Continuing along the path to strengthen the process of consolidation and training in our culture and business model, different communication initiatives have been organised.** During 2017, the spotlight will be on standardising our internal communication tools, promoting a results-oriented culture and continuous improvement, as well as continuing to foster initiatives designed to generate a sense of belonging.

## Cerealto's Annual WOW! Meeting 2016

More than 300 colleagues attended this meeting, who could take part via video streaming from Spain, Portugal, Italy, United Kingdom, Mexico and United States. The use of this technology meant that the event was more sustainable, reducing both its environmental impact and costs, while creating an interconnection between all our working centres.

This year's session gave us the opportunity to reflect on our business model, the potential of our WOW! culture, as well as on the objectives and challenges we have set for the coming year.





## The first edition of the WOW! awards

The prize-giving was geared towards rewarding the achievements of our teams, promoting and supporting innovation and entrepreneurship on the part of our colleagues and acknowledging their passion and commitment.

150 nominations were received and recognition was given to our WOW! People (Vanesa Vázquez – Category Development Manager, Álvaro Perero – Engineering Project Manager, and Daniel Méndez – Production Supervisor); to the WOW! Idea (“How to create business without resources” which was the origin of bread production in Mexico) and to our three WOW! Projects (Pastificio for being the most efficient factory and two other confidential projects related to clients/model).

All the prize-winners received a financial incentive and an invitation to the annual meeting with the senior management, where they had the opportunity to present their projects.

## Communication as a tool for integration

Communication plays a vital role in the processes of integration which the Company undertakes. In fact, this was key in the case of our Mem Martins factory, so that from day one the colleagues received transparent and ongoing communication, as well as the necessary training and integration into our culture. Thus, 1,240 hours have been invested in 70 training activities since its acquisition.



Álvaro Perero,  
Engineering Project Manager - WOW! People Winner



Daniel Méndez,  
Production Supervisor - WOW! People Winner



Winners of the WOW! Awards 2016



Training in Health and Safety at Mem Martins factory



## Commitment to the families of our colleagues

The Grupo Siro Foundation has continued supporting the promotion of talent by granting merit scholarships to the children of our colleagues. On this occasion, a total of **five talent scholarships and 12 academic scholarships** were awarded in Mexico, Italy and Portugal.

Also, as part of the training framework which Cerealto offers to family members of our colleagues, **an agreement with the EDEM University** has been signed, and a scholarship provided for one person who will study for the new Degree in Engineering and Business Management, along with a commitment to joining our Company.

Finally, we organised a drawing competition **“My Christmas with Cerealto”** for our colleagues’ children, between the ages of 4 and 12 years old. 40 drawings were entered and the 8 best ones were awarded prizes. The prizes were shared out between Spain, Portugal, the United Kingdom, Italy and Mexico.



**1st place of the 4-6 years old category:**  
Ángela Yáñez (6 years old),  
daughter of Oscar Yáñez (New Product Developer)



**1st place of the 7-9 years old category:**  
Daniel Gandino (9 years old),  
son of Elizabeth Villena (Production Operator)



**1st place of the 10-12 years old category:**  
Bruna Correia de Sousa (10 years old),  
daughter of Hugo Sousa (Operator)

Talent  
scholarships  
**5**

Academic  
scholarships  
**12**



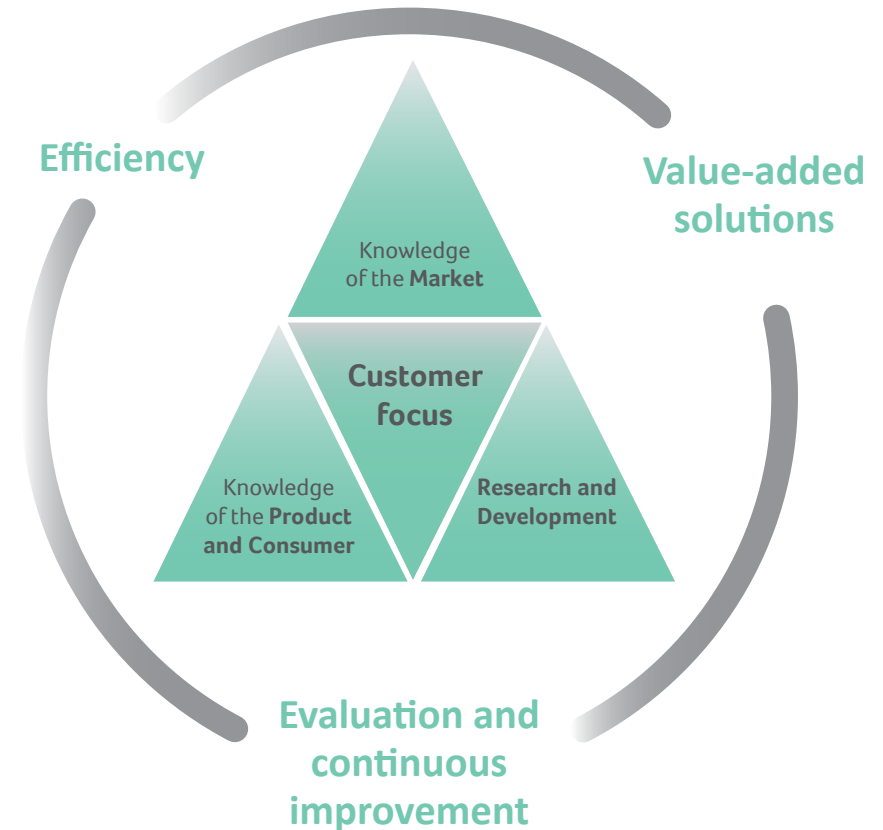
We are working to exceed your  
**expectations**



**At Cerealto, we pursue stable and long-term relationships with our clients. In this sense, we work to make their business grow and to offer them a differentiated proposal based on efficiency, innovation and the profound knowledge of the markets and local consumer.**

In order to achieve this, we put all our effort into getting to know them very well, their history, their way of working, their product categories and strategy. We also talk to the final consumers by means of the tools which help us to learn about their tastes and gauge their preferences, and by making available to them our knowledge of the market and trends, as well as our ability to innovate. We always try to achieve the WOW! factor for each client and in each proposal which we put forward.

Likewise, during 2016, we worked on the WOW! methodology with the **BCN** team (**B**usiness Development Managers, **C**ategory Development Managers, **N**ew Product Developers), for the definition of roles and new ways of working that guarantee that we exceed our clients' expectations on a daily basis.





# Research and Development

**Innovation is a basic pillar of our business model** and one of our corporate values which helps us to differentiate ourselves and anticipate the future.

All our innovation efforts are channelled through I+dea, with specific Market Intelligence teams assigned to our projects.

I+dea is a leading international Research and Development Centre, where a team of more than 100 people of different nationalities and professions work, such as Industrial Engineers, Chemists and Agronomists, Biologists, Food Technologists, Bakers and Chefs. Its headquarters are located in Spain (Segovia), but it also has teams in the United Kingdom (Nottinghamshire), Portugal (Benavente) and Mexico (Hidalgo).



Investment of  
**€ 3.5 m**  
in R&D

investment/  
turnover  
**3.76%**

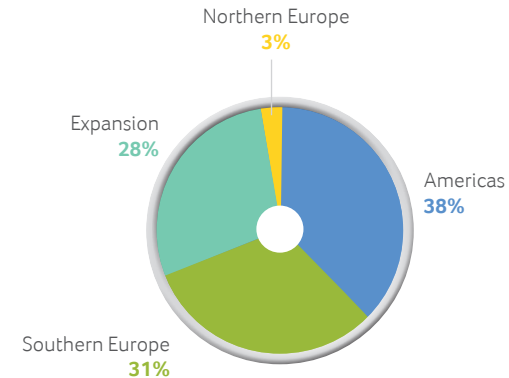


During 2016, we launched altogether a total of 221 new references, 17 of which are regarded as innovation because they offer the consumer a new or differentiated characteristic.

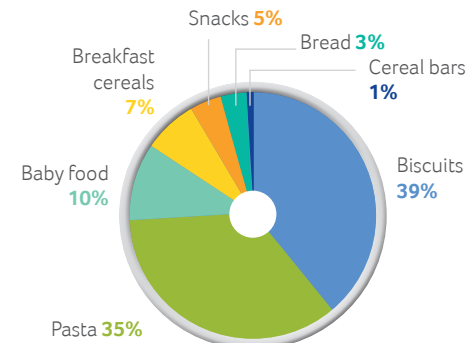
In addition, we have a Strategic Committee for Innovation which is responsible for establishing the strategic lines and carrying out the monitoring of projects, and a Committee of Market Intelligence which mainly concerns itself with the standardisation of processes, reviewing the progress of the major projects, the supervision of the R&D centres and the relationship with the areas of Operations, which integrates Supply Chain, Purchasing, Quality, Production, Engineering and Regulatory.

Launch of  
**221**  
references  
8% of which  
are considered  
innovation

Launch of products by region  
(product launches)



Launch of products by category  
(product launches)



# Co-innovation

**I+dea participates with other businesses, technology centres and universities in R&D projects.**

We describe below various relevant projects in which it has been involved during 2016.

Project title	Implementation period	Aims
<b>Masvega</b> Substitution of majority components in whipped doughs by proteins and peptides of vegetable meals with better functional activity.	<b>2014 – 2017</b>	Obtaining concentrates and isolated proteins of defatted sunflower meal, soya and brewers grains. Obtaining and optimising hydrolysates by enzyme action with better functional properties. Obtaining hydrolysates on a pilot scale. Implementation of formulations in whipped doughs.
<b>Biscotex</b> The dynamics of oral processing in the development of biscuit textures.	<b>2015 – 2017</b>	Defining the “perceptual map” of the existing range of biscuits. Research into the objective concepts and their relationship to the composition of biscuits. Modification of formulations and approaching the objective concepts.
<b>Hefesto</b> Creation of new sustainable baking systems in order to reduce consumption and processing times.	<b>2016 – 2018</b>	Development of new materials in a more efficient form with a lower consumption of energy and without fossil fuels. Design and construction of a prototype static oven. Complementarity of oven materials. Tests on a pre-industrial scale.
<b>Safebarrier</b> Development of a functional barrier for paper and cardboard packaging to prevent the migration of mineral oils into foods.	<b>2016 – 2017</b>	Development of an analytical methodology for the determination of mineral oils in simulant media and foods. Development of passive and active functional barriers. Combining functional barriers with paper substrates. Industrial scaling-up of the implementation.

**Furthermore, I+dea is a member of various associations and platforms of innovation:**

- The Spanish Food and Drink Industry Federation (FIAB)
- Food4life platform, promoted by FIAB
- The Agri-Food Industry Association of Investigation (AINIA)
- The Executive Committee of FoodNexus together with international companies and universities related to the food sector
- Technological Institute of Packing, Transport and Logistics (ITENE)
- Plastics Technology Centre (AIMPLAS)
- The Spanish Castilla and León Association of Food Industries (VITARTIS)
- The Castilla and León Agrarian Technological Institute (ITACYL).





# Focussing on the **consumer**

**If we want to continuously exceed the expectations of our customers, we have to be at the forefront of the latest trends** and very close to the consumers in order to know about their tastes and preferences at first hand.

That is why we use contrast mechanisms with the consumer, including blind tastings.

The demand for gluten-free products has also increased in the segment of people with celiac diseases, allergies and intolerances as well as being products perceived by consumers to be healthier.

Accordingly, there is a growing tendency for consumers to look for products which, without losing their taste, are healthier. In the same vein, they also demand goods products which contain cereals and ancient seeds, such as quinoa or spelt.



In accordance with consumer trends, we will continue to further develop alternatives without palm oil, increase the range of gluten-free and healthy products for groups with special needs, and build on innovative concepts that lead to developments which cover a previously unmet need.



Multigrain thins, made with wholemeal rice, corn, quinoa, buckwheat and millet



Biscuits sweetened with agave syrup and healthy ingredients



Pop chips with better nutritional properties



Sweet potatoes

## Featured products 2016



Sandwich with the innovative taste of apple pie



# The search for efficiency: **maximum quality at the best possible price**

In 2016, the area of Operations was enhanced with the **new challenge of implementing the Company's business model and standardise the ways of working of all operation centres**, guaranteeing product availability, competitive costs and compliance with the food quality and safety standards agreed with the clients.

The areas that make up the area of Operations are Supply Chain, Purchasing, Quality, Production, Engineering and Regulation.

From a global business perspective, we aim to implement a homogeneous business model which allows us to achieve great efficiency and profitability in our factories and to promote a culture oriented to results.

Accordingly, work is being carried out on the standardisation of the processes, indicators and procedures in all our plants and on their optimisation. At the same time, investments are being made which will greatly benefit our clients.





## Compliance with Food Quality and Safety standards

The Silvano d'Orba plant was given an 'AA' rating, the highest in the BRC audits, and retained the 'Higher Level' rating of the IFS.

Our Tepeji plant passed the Global Market audit, accepted by the Global Food Safety Initiative (GFSI) association, which encompasses aspects of Quality, Food Safety and Good Practice with a **high score**.



	IFS Food	IFS Global Markets	BRC Food	ISO 22000	ISO 9001	FSSC 22000	Organic product*	Kosher**	Halal***
Silvano d'Orba	x		x		x		x	x	x
Benavente	x			x			x		x
Mem Martins	Planned for 2017		Planned for 2017			x			
Tepeji		x				First phase completed			

Due to its short operating time, the Workshop certification in Quality and Food Safety standard has been scheduled for 2017.



\* It proves that the foods produced are free of genetically modified residues and organisms and that they have achieved the highest grade of respect for the environment and animal welfare. They enjoy high recognition in the United States and the European Union.

\*\* Certification which guarantees that a product is made in accordance with laws of the Jewish religion.

\*\*\* It proves that the products are suitable for consumption by the Muslim community.

# Sharing challenges



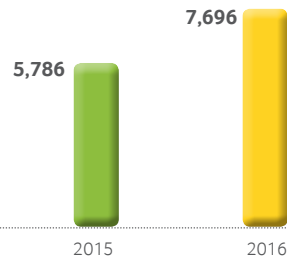
# Environmental **commitment**

**Climate change is one of this century's main global challenges**, which Cerealto addresses by a commitment made to reduce the Company's carbon footprint by 15% to 20% before the end of 2030.

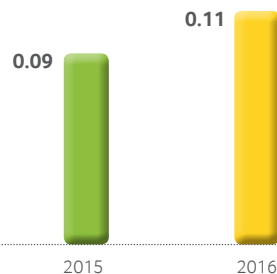
Cerealto has therefore devised a tool at corporate level for calculating the carbon footprint, which collects data from the different centres in accordance with recognised international standards such as the ISO 14064 and Greenhouse Gas Protocol. In 2016, data from the Workstop (extruded snacks and gluten free products), Mem Martins (biscuits) and Tepeji (biscuits) factories was included. This means that

the environmental data reported in 2016 is significantly better than the one of the previous year and that it was not possible to provide comparable data about these factories for 2015. We are currently standardising processes to adapt all factories to our resources consumption and efficiency criteria, and to be able to achieve our carbon footprint reduction goal by 2030.

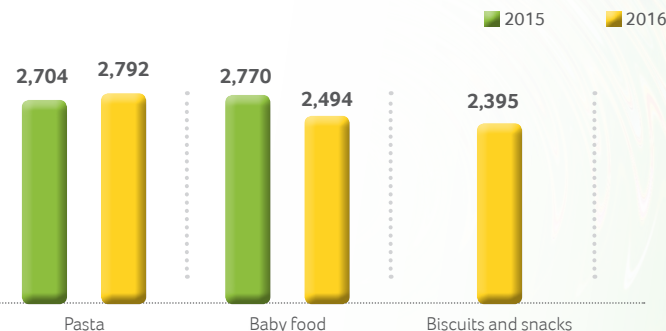
**Carbon footprint trend  
tn CO<sub>2</sub> equivalent**



**tn CO<sub>2</sub> EQ/tn Product**



**Carbon footprint trend by plant  
tn CO<sub>2</sub> equivalent**



<sup>1</sup>Data from 2015 has been reviewed and updated.



## Basic consumption management

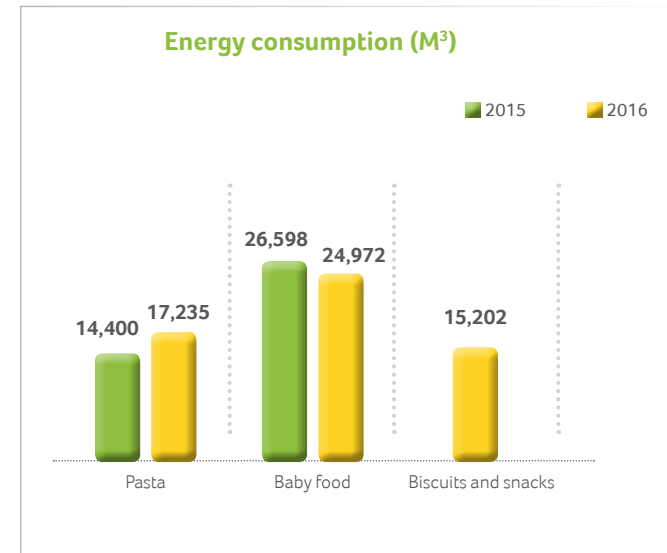
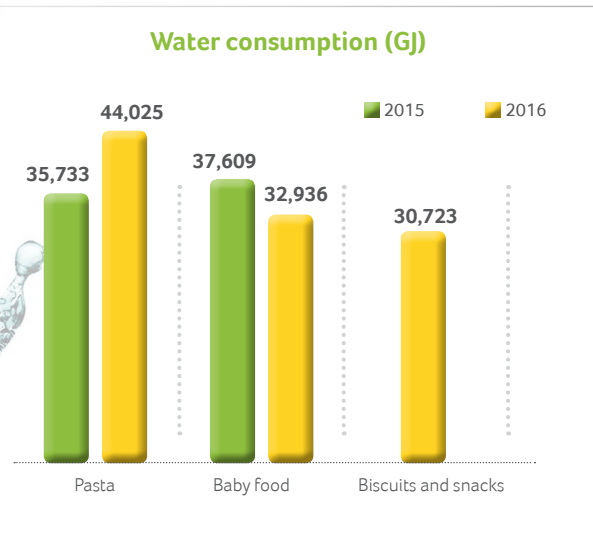
Energy consumption trend (GJ)	2015	2016
Electricity	22,340	31,900
Gas consumption	50,856	75,241
Oil consumption	146	543
<b>Total</b>	<b>73,342</b>	<b>107,685</b>
<b>Total per tonne of product</b>	<b>1.18</b>	<b>1.52</b>

Water consumption trend (M³)	2015	2016
<b>Total</b>	<b>40,998</b>	<b>57,409</b>
<b>Total per tonne of product</b>	<b>0.66</b>	<b>0.81</b>

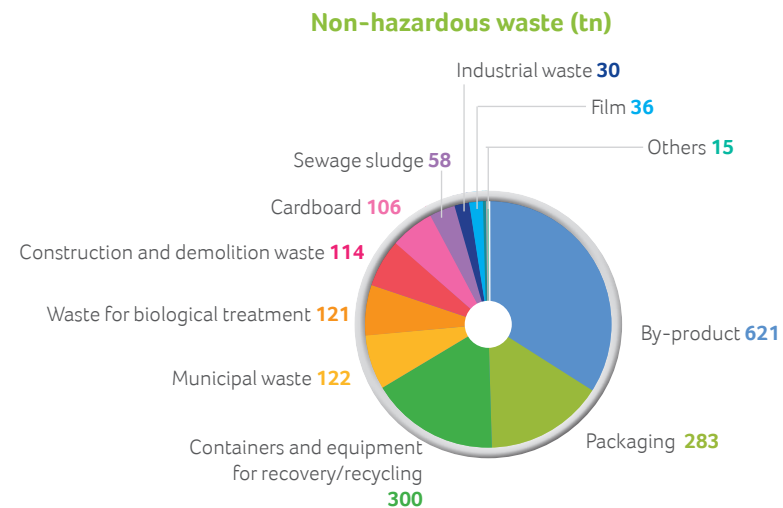
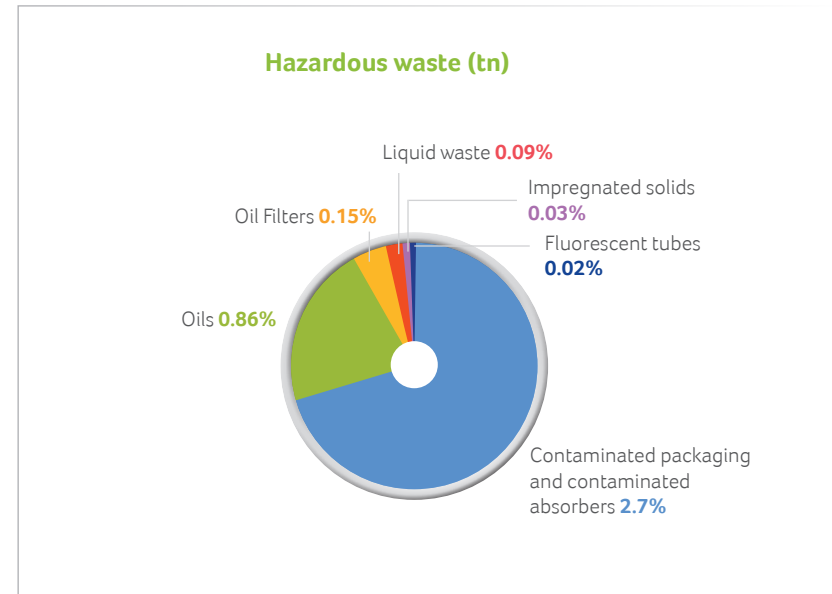
On a general level, we have implemented measures to reduce the consumption of energy and water in our factories, such as the progressive change from fluorescent lighting to LED lighting (Benavente) the rationalisation of fluid circuits with temperature control devices and the thermal protection of cold water circuits (Mem Martins), taps with sensors for water saving or sensitisation for water saving in the drying area (Tepeji), etc.

It is worth mentioning that our Workshop factory was built in compliance with environmental efficiency standards: LED lighting, solar panels to provide energy for offices, free cooling systems, rainwater recovery, etc. In addition, we have been working on a sustainable mobility plan for staff movements in the workplace.

In order to reduce our water footprint by between 15% and 20% before 2030, in 2017 we began, by means of a tool, collecting data from all the centres with the aim of being able to achieve targets in the reduction of water consumption.



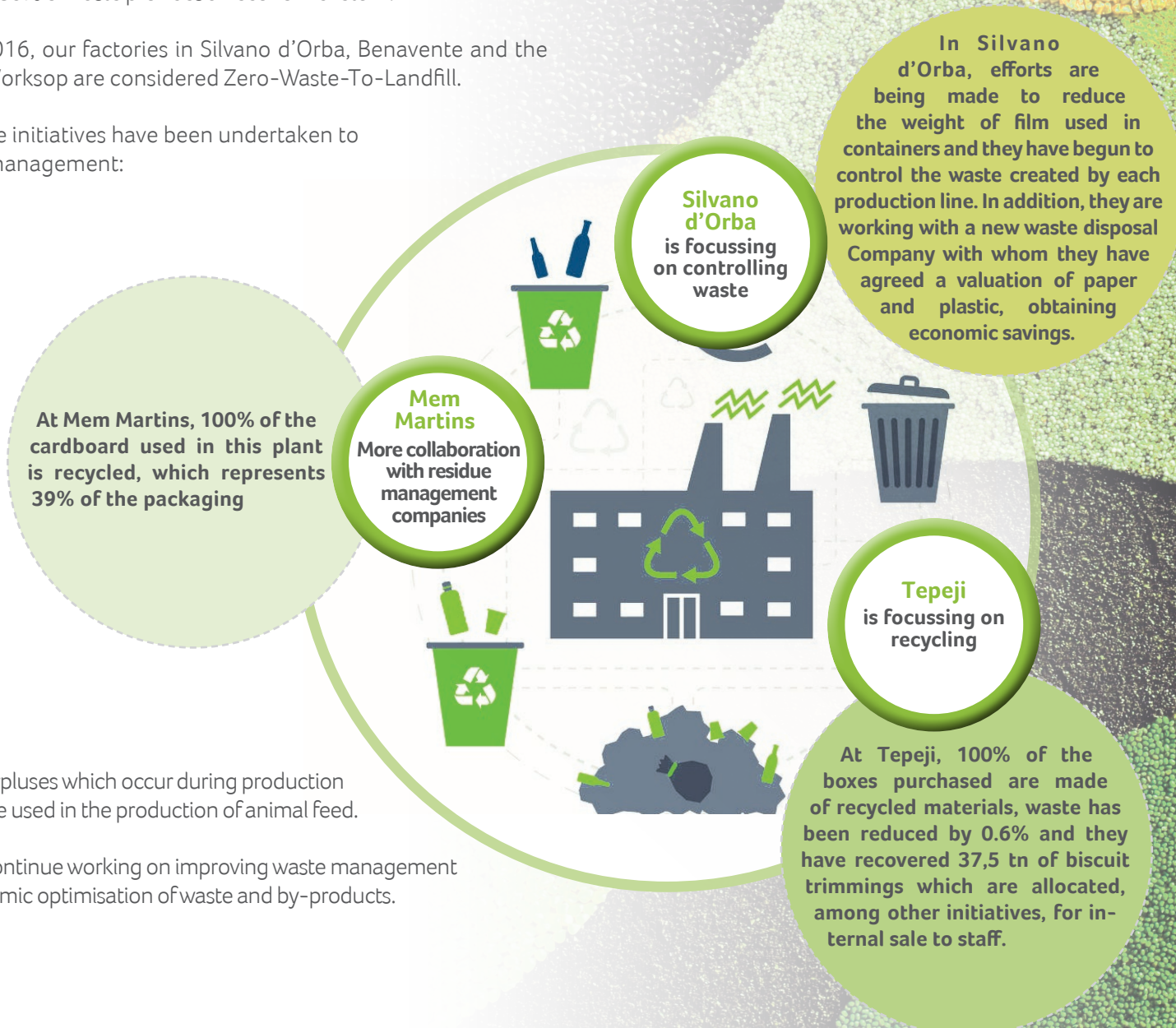
## Waste management



Our challenge for 2020 is to make 100% of our plants Zero-Waste-To-Landfill by 2020 and that 80% of waste provides an economic return.

At the end of 2016, our factories in Silvano d'Orba, Benavente and the new factory in Workshop are considered Zero-Waste-To-Landfill.

In addition, some initiatives have been undertaken to improve waste management:



In general, the surpluses which occur during production in our factories are used in the production of animal feed.

In 2017, we will continue working on improving waste management and on the economic optimisation of waste and by-products.



# Towards a **sustainable supply** chain

**One of our major challenges is to build a sustainable supply chain.** To this end, we are working with the suppliers as an integral part of the value chain in order to guarantee food safety, product quality, a level of service and a competitive price to our clients, as well as ensuring that they maintain ethical behaviour.

To achieve this, we use a supplier approval system which includes a series of very demanding requirements as regards quality and food safety, as well as environmental, social and ethical criteria.

The evaluation of suppliers takes place annually and consists of the calculation of a total quality index based on the quantification of a series of variables relating to the product (quality) and service (price and delivery) provided by the supplier.

Due to the addition of new manufacturing plants, the foundations were laid for homogenizing and standardising the purchasing processes and procedures in all the plants, so that we will be more efficient and work in the same way. In this vein, in 2016 a meeting about Responsible Sourcing took place, which was attended by the managers of Logistics, Quality and Purchasing in each market, and the risks of bad management of the supply chain, the sustainability aims of suppliers, and the management, definition and monitoring of KPIs were addressed.



In 2016, 72% of our suppliers of raw materials and of containers and packaging were local, a percentage which exceeds our objective of 60%.

Through the channel  
ethics.compliance@cerealto.com,  
our stakeholders can report any  
infraction detected within  
our value chain.

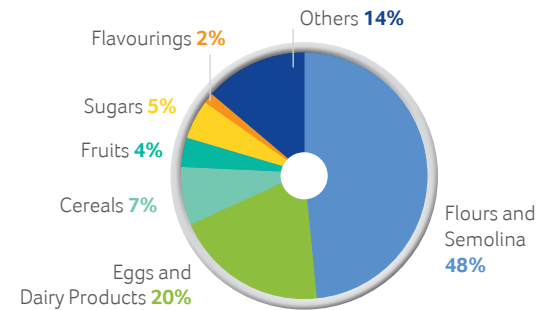
Furthermore, one of the year's milestones was the entry into force, in January 2016, of our **Code of Conduct for Suppliers**, which brings together the minimum criteria for ethical and responsible behaviour which must be complied with by our suppliers in terms of human and labour rights, quality and the environment, anti-corruption and ethical management, in line with our mission, vision and values, and in accordance with national and international regulations and the principles which govern our business activities. Our aim is that 100% of suppliers of raw materials and of containers and packaging will be bound by our code of conduct by the year 2020.

Apart from that, we finished 2016 with all our centres being adhered to **SEDEX**, a platform for sharing ethical data about supply chains. Our aim is that 100% of the suppliers of raw materials and of containers and packaging are adhered to SEDEX before the end of 2020. The factory in Benavente has begun to work to this end with 70% of raw material suppliers and 86% of container and packaging suppliers being adhered to this platform.

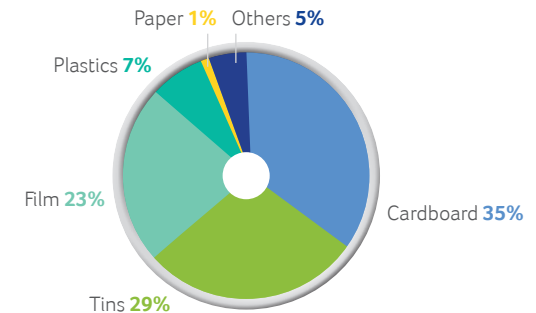
Another of our major commitments is to contribute to the development and generation of wealth in the countries where we have a presence. One way of achieving this is by hiring local suppliers, which helps to develop the business fabric of the region and, thus, the well-being of the population.

\* This percentage does not include the factory in Worksop. Due to the short operating time of the factory, this plant is still processing the documentation of its suppliers.

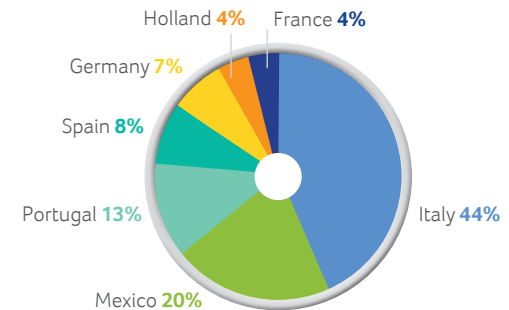
Purchase of Raw Materials (euros)



Purchase of Containers and Packaging (euros)



Payment to suppliers by country\* (euros)



\* Suppliers of raw materials and of containers and packaging.  
\*\* The data for the United Kingdom is not very significant because recent establishment of the Worksop factory, which is why it is not included in this graphic.

## Some data 2016



### Benavente\*

- **27%** local suppliers.
- Plant adhered to **SEDEX**.
- **100%** of raw material suppliers have at least one food quality and safety, environment certification (IFS, BRC, ISO 9001, ISO 14001).
- **70%** of suppliers of raw materials and 86% of suppliers of containers and packaging are adhered to **SEDEX**.
- **70%** subscribe to our Code of Conduct. Of the 30% remaining, 27% have their own code with similar principles.
- **19** audits performed on suppliers.

### Tepeji

- **100%** local suppliers.
- Plant adhered to **SEDEX**.
- **80%** of suppliers subscribe to our Code of Conduct.

### Silvano d'Orba

- **100%** local suppliers.
- **100%** of the suppliers have at least one food quality and safety certification (IFS, BRC, ISO 9001).

### Mem Martins

- **48%** local suppliers.
- Plant adhered to **SEDEX**.
- **100%** of raw material suppliers have at least one food quality and safety certification (IFS, BRC, ISO 9001).
- **48%** of suppliers subscribe to our Code of Conduct.

### Workshop\*\*

- **20%** local suppliers.
- Plant adhered to **SEDEX**.
- **95%** of the suppliers have at least one food quality and safety certification, environment (IFS, BRC, ISO 9001, ISO 14001).

\*\* Due to the short operating time of the factory, this plant is still processing the documentation of its suppliers.

\* It is our most advanced factory as regards the management of suppliers because it was acquired before the other factories.



# A glocal focus



**Although we are an expanding global business,** it is also true that at the heart of our business model lies a commitment to integrate ourselves in each society where we operate.

That is why our efforts are directed towards the search for a deep knowledge of the markets and their trends, the culture and customs of each country, their ways of doing and thinking, as well as the issues and conditions that exist in each society.

Likewise, we have assumed the commitment with communities of integrating local colleagues in our production centres.

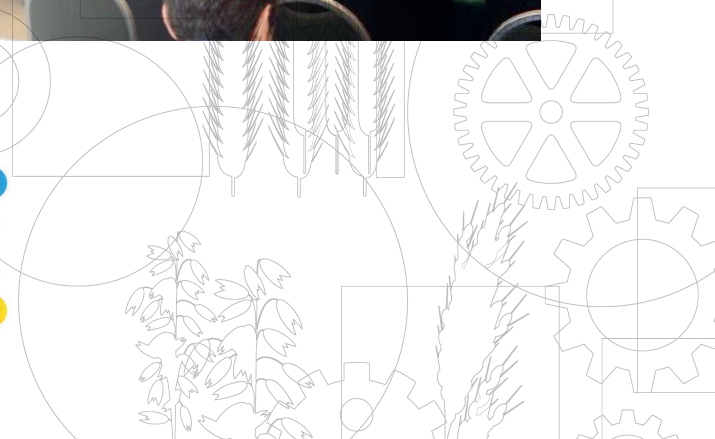
Location	% Local recruitment
Mexico	100%
Portugal	98%
Italy	98%
United States	92%
Spain	89%
United Kingdom	77%





We have also taken the opportunity to participate in various events with **companies in the sector and official organisations**, as was the case with:

- **The Convention of the Food and Drink Federation in the United Kingdom**, which was attended by the Secretary of State for the Environment, Food and Rural Affairs, and included presentations by leaders of the food industry, such as Mondelēz, Mars Northern Europe, McCain and Tesco.
- **The Strategic Business Council of Sintra in Portugal**. The event, organised by the Town Hall of the region, was attended by the President of the Sintra Municipal Council, the United States Ambassador to Portugal, the Director of the Portuguese Agency for Foreign Investment and Trade (AICEP) and renowned business people from the region.
- **The Logitrans Summit in Portugal**, an event at which national and international companies and leaders of the sector discussed the present and future of logistics, at which we participated as speakers.
- **The Agri-Food Seminar in Miami, United States**. Our President, Luis Ángel López, participated as a speaker at the 'Seminar for the Senior Management of the Food Sector', organised by the San Telmo International Institute (a business school specialising in agriculture) and sponsored by The Northern Trust Company. The event was attended by other renowned speakers, including the President of Nestlé.





We have also taken part in several **international trade fairs** in order to exhibit our products and find out about market initiatives and trends. Of these, we would like to highlight the following:

- Tiendas 3B Exhibition, Mexico City (Mexico)
- ISM, Cologne (Germany)
- GULFOOD, Dubai (United Arab Emirates)
- Expo ANTAD & Alimentaria, Guadalajara (Mexico)
- PLMA, Amsterdam (Holland)
- PLMA, Chicago (USA)
- Summer Fancy Foods Show, New York (USA)
- SIAL Paris, Paris (France)



Also, being aware of the challenges which **our society** faces, we took part in various forums with the aim of sharing concerns, solutions and initiatives.

- **'Women in International Day' in San Antonio, Texas.** Organised by the Free Trade Alliance, it focussed on the challenges and key factors for the professional success of women, and other topics such as the management of human resources, food safety, brand protection and intellectual property.
- **Food Bytes! organised by Rabobank,** put food sector companies in contact with entrepreneurs (start-ups) who are leading innovation in subjects relating to new ingredients, technologies, the circular economy, among others.
- **Visit by students of the University of Texas at Arlington to I+dea.** As happens every year, together with MBA students from the University of Texas at Arlington, we visited I+dea, the Research and Development centre which provides services for us.





Cerealto also belongs to various organisations in the markets where we have a presence, ranging from those that drive aspects such as regulatory issues, synergies between businesses in the sector, and specific areas such as R&D, quality, management, nutrition, among others.

### Portugal

- The National Association of Baby Food and Special Nutrition Industries (ANID)
- Association of the Biscuit and Confectionery Industries (AIBA)
- The Federation of Portuguese Agri-Food Industries (FIPA)
- The Portuguese Association of Industries (AIP)

### Spain

- The Spanish Export and Investments Association (ICEX)
- The Madrid Chamber of Commerce

### Italy

- The Confindustria of Alessandria
- The Italian Chamber of Commerce
- The General Confederation of Italian Industries
- The Italian General Confederation of Employment

### United Kingdom

- Department of Business Innovation & Skills
- Bassetlaw District Council
- Food and Drink Federation (FDF)
- Institute of Grocery Distribution
- Institute of Directors
- North Notts College
- Sheffield Hallam University
- Leeds University
- Campden Research

### United States

- Hispanic Chamber of Commerce
- Texas Workforce Commission
- City of Seguin Economic Development
- Free Trade Alliance San Antonio
- American Institute of Baking
- University of Texas San Antonio (UTSA)

### Mexico

- The Industrial Mutual Help Plan (PAMI)
- The Technological University of Tepeji
- House of the Migrant Project: The Samaritan





# Some **charity donations**

- **House of the Migrant Project: 'The Samaritan'**, in Mexico we donated 336 kg of biscuits for the migrants who come to the house each day.
- **Charity event to promote healthy lifestyle habits**, in the United Kingdom With the aim of encouraging sports activities and healthy lifestyle habits, representatives from Cerealto attended the 10th edition of the charity dinner prepared by the renowned chef Peter Gordon.
- **San Pedro de Sintra School**, in Portugal We made a donation of products for the celebration of its end-of-year party, in which more than 250 people participated, including primary school students and their family members.
- **Food Bank against Hunger**, in Portugal. We contributed 8.603 kg of food.
- **Spanish Food Bank Federation (FESBAL)**, in Spain. We donated 3.261kg of products.

Product  
donated  
**12,200 Kg**



# About the report



This annual report by Cerealto has been produced in accordance with the international standard Global Reporting Initiative (GRI), in its G4 version and Sector Supplement, both as regards the definition of the contents of the report and also to guarantee its quality.

The current report provides information about the various activities and the main social, economic and environmental impacts of the Company during 2016, and also covers topics considered relevant to the Company's stakeholders.

As regards the scope of the report, the information throughout refers to all the companies that make up Cerealto. In cases where a different coverage and scope is provided to those indicated, the appropriate specifications are given.

The report has been put together taking into account the relevant concerns of Cerealto, defined in the sustainable model, the main trends in sustainability, the G4 guide and the Sector Supplement which applies to our organisation and the relevant aspects dealt with by companies in the sector.





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G4-4. Primary brands, products, and/or services of the organisation.	8,19-23
G4-5. Location of organisation's headquarters.	69
G4-6. Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	19-23
G4-7. Nature of ownership and legal form.	Cerealto Siro Foods SA
G4-8. Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	18,19-23
G4-9. Scale of the reporting organisation. No of workers, No. of operations, net sales	6,17,29,30
G4-10.	
a) N° of workers by employment contract and gender.	
b) N° of permanent workers by type of contract and gender.	
c) Size of workforce by workers, contracted workers and gender.	
d) Size of workforce by region and gender; seasonal hires.	
e) Indicate if a substantial part of the organisation's work is carried out by workers who are legally recognised as freelancers, or by people who are neither workers nor contracted workers, such as those employed by and subcontracted by contractors.	
f) Provide information about any significant change in the number of workers.	
G4-12. Description of the supply chain.	27,29,30
G4-13. Significant changes during the reporting period relating to size, structure, or ownership or the supply chain.	53,54
G4-14. Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	7
G4-15. List the externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	47,53
G4.16. Main industry association to which the organisation belongs and/or national and international institutions which the organisation supports.	3
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**Identified material aspects and boundaries**

	<b>Page</b>
G4-17.	64
a) List the entities in the consolidated financial statements of the organisation and other equivalent documents.	
b) Indicate whether any of the entities in the consolidated financial statements are not in the report.	
G4-18.	12-15,64
a) Describe the process for defining report content and the boundaries of each Aspect.	
b) Explain how the organisation has applied the Reporting Principles to determine the content of the report.	
G4-19. List all the material Aspects identified during the process of defining the content of the report.	12-15,64
G4-20. The Aspect Boundary within the organisation.	64
G4-21. The Aspect Boundary outside the organisation.	64
G4-22. Explanation of the effect of any re-statements of the information provided in previous reporting periods and their causes.	64
G4-23. Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	64

**Stakeholder engagement**

G4-24 Provide a list of stakeholder groups engaged by the organisation.	12-15
G4-25 Indicate the basis for the identification and selection of stakeholders with whom to engage.	12-15
G4-26. Describe the approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group, or indicate whether the participation of a group occurred specifically during the process of producing the report.	16,26,39,48,56
G4-27. Indicate the key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	16,26,39,48,56

**Report profile**

G4-28 Reporting period (for example, financial year or calendar).	64
G4-29 Date of most recent previous report.	64
G4-30 Reporting cycle.	64
G4-31. Contact point for questions regarding the report or its contents.	69
G4-32 GRI indicator relating to the chosen option 'in accordance'.	65-68
G4-33 External assurance for the report.	N/A

**Governance**

G4-34. Describe the structure of governance of the organisation, including the committees responsible for decision-making on economic, environmental and social impacts.	10-11
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**Ethics and integrity**

G4-56. Describe the values, principles, standards and norms of the organisation, such as codes of conduct or ethics codes.	27,28,54
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## Specific standard disclosures

### Subject material

### Management approach/Indicator

#### Economic dimension

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Value creation	G4-DMA	19-23,24-25
Job creation	G4-EC1. Direct economic value generated and distributed.	24
Commitment to local communities	G4-EC4. Economic aid authorised by government entities.	18
Commitment to local communities	G4-EC8. Significant indirect economic impacts.	25, 41,54,62
Sustainable agrifood chain	G4-EC9. Proportion of spending on local suppliers at significant locations of operation.	54
	FP1. Proportion of purchases from suppliers who comply with the company policy for procurements of raw materials.	55
Sustainable agrifood chain/ Food quality and safety	FP2. Proportion of purchases from suppliers verified as complying with internationally recognised standards of production.	55

#### Environmental dimension

Sustainable agrifood chain	G4-DMA	49-52
Environmental management	G4-EN1. Materials used by weight or volume.	54
Environmental management	G4-EN3. Energy consumption within the organisation.	50
Environmental management	G4-EN5. Energy intensity.	50
Climate change	G4-EN8. Total water withdrawal by source.	50
Environmental management	G4-18. Intensity of the greenhouse gas emissions.	49
Environmental management	G4-EN23. Total weight of waste by type and disposal method.	51
Sustainable agrifood chain	G4-EN27. Extent of impact mitigation of environmental impacts.	49-51
	G4-EN32. Percentage of new suppliers that were screened using environmental criteria.	55

#### Social dimension

Job creation	G4-DMA	26-38, 53-55,57-62
Professional development	G4-LA1. Number and proportion of recruits and turnover of staff, by age, gender and region.	29-30
Talent management	G-LA9. Average hours of training per year per worker by gender, and by worker category.	35
	G4-LA10. Programs for skills management and lifelong learning that support the continued employability of workers and assist them in managing career endings.	32,33,35
Talent management	G4-LA11. Percentage of workers receiving regular performance and career development reviews, by gender and by worker category.	33
Diversity management	G4-LA12. Composition of governance bodies and breakdown of workers per category according to gender, age group, minority group membership and other indicators of diversity.	11,29,31
Sustainable agrifood chain	G4-LA14. Percentage of new suppliers that were screened using labour practices criteria.	53-55



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Sustainable agrifood chain	G4-LA15. Significant actual and potential negative impacts for labour practices in the supply chain and actions taken.	53-55
Ethical behaviour/ Sustainable agrifood chain	G4-HR4. Identification of centres and suppliers where the right of freedom of association and collective bargaining could be infringed or threatened, and the measures taken to support these rights.	15, 53-55
Ethical behaviour/ Sustainable agrifood chain	G4-HR5. Identification of centres and suppliers with a significant risk of cases of child exploitation, and the measures adopted to contribute to the abolition of child exploitation.	15, 53-55
Ethical behaviour/ Sustainable agrifood chain	G4-HR6. Centres and significant suppliers with a significant risk of incidents of forced labour, and the measures taken to contribute to the elimination of all forms of forced labour.	15, 53-55
Ethical behaviour/ Sustainable agrifood chain	G4-HR9. Number and percentage of centres which have been the subject of reviews and assessments with regard to human rights impacts.	15, 53-55
Sustainable agrifood chain	G4-HR10. Percentage of new suppliers that were screened using human rights criteria.	53-55
Sustainable agrifood chain	G4-HR11. Significant actual and potential negative human rights impacts in the supply chain and actions taken.	53-55
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Ethical behaviour	G4-SO3. Number and percentage of centres in which the risks relating to corruption have been assessed and significant risks detected.	15, 53-55
Ethical behaviour	G4-SO4. Policies, communication procedures, and training for the fight against corruption.	15, 53-55
Sustainable agrifood chain	G4-SO9. Percentage of new suppliers that were screened using criteria for impacts on society.	15, 53-55
Food health and safety	G4-PR1. Percentage of significant products and services categories whose health and safety impacts have been assessed for improvement.	41,44,47
Systems for food quality and safety management	G4-PR3. Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	47
Food health and safety	FP5. Percentage of production carried out in certified centres by an independent third party, in accordance with international standards of food safety.	47
Innovation focussed on the consumer	FP6. Percentage of total sales of consumer products, by category of product, that underwent a reduction in their composition of saturated fats, trans fats, sodium and sugars.	41,44,45,47
Innovation focussed on the consumer	FP7. Proportion of total sales of consumer products, by category of product, that contain an increase in nutritional ingredients, such as fibre, minerals or functional additives.	41,44,45,47

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