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Each day, products commercialised by any company of Grupo Ángel Camacho form part of the lives of thousands of people around the world. Primarily they are individuals carrying out their professional development in our company, but they are also farmers who grow the raw materials, suppliers and especially consumers who have chosen our products and who enjoy them. Naturally, we are also present in the communities where we live and work, and in the natural environment in which we are integrated.

We are aware of the importance of the role of the company in society, and therefore present this third Sustainability Report. The objective is to demonstrate our responsible, consistent performance in the economic, environmental and social fields, with the generation of long-term value for all our stakeholders.

Since my great grandfather, Santiago Camacho Román, began to sell bulk goods in 1897, now over 120 years ago, to this day we have always worked to fulfil our aim of *bringing flavour to people's lives*, making their days a little better. We have always worked with very robust values, among which we would like to

highlight Commitment, Excellence, Simplicity, Teamwork and Integrity. From the beginning to today, we have oriented the vision of our one hundred percent family business toward being long-term, based on sustainability of the business and all its operations. That is why we have operated for 120 years.

Local and rural development is one of our firmest commitments to our stakeholders. Thus, notable in this 2016-2017 period is the implementation and consolidation of the Camacho Integra project, an evaluation system which allows us to integrate local farmers as key agents in the value chain of our company. In 2017, over 75% of purchases from green olive suppliers came from these integrated local suppliers.

The company's commitment to technological development as a key tool for a more sustainable future must also be noted. Our identity as a long-standing family business, our significant international presence and vocation for growth lead us to participate in innovative projects such as *Life Laser Fence*, which allow us to advance toward new, more environmentally friendly production models with a lower environmental impact.



Additionally, for four years, the company has committed and oriented its activity toward compliance the 17 Sustainable Development Goals (SDGs), global targets to which we contribute. We also support the ten principles of the United Nations Global Compact, being signatory partners since 2013, with which we periodically report our performance in the Progress Report.

In the coming years, the objective will continue to be undertaking our activity in an increasingly sustainable, efficient and profitable way. All information contained in this Sustainability Report intends to respond to this intent and be of interest for individuals who, like the whole team that forms part of Grupo Ángel Camacho, are committed to being more responsible each day.

We have spent 120 years creating value for society and know the way; and we are already working on the next 120 years.

Ángel Camacho Perea

Executive Director

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A small-town multinational

Grupo Ángel Camacho (hereafter GAC) is an internationalised family food company, which has had a clear global vocation since it began. It currently commercialises its products in over 90 countries and has international business units in key markets such as the United States (Mario Camacho Foods), United Kingdom (A. Camacho UK) and Poland (Stovit Group). The main company of Grupo Ángel Camacho is Ángel Camacho Alimentación (hereafter ACA), a company among the main table olive suppliers in the world.

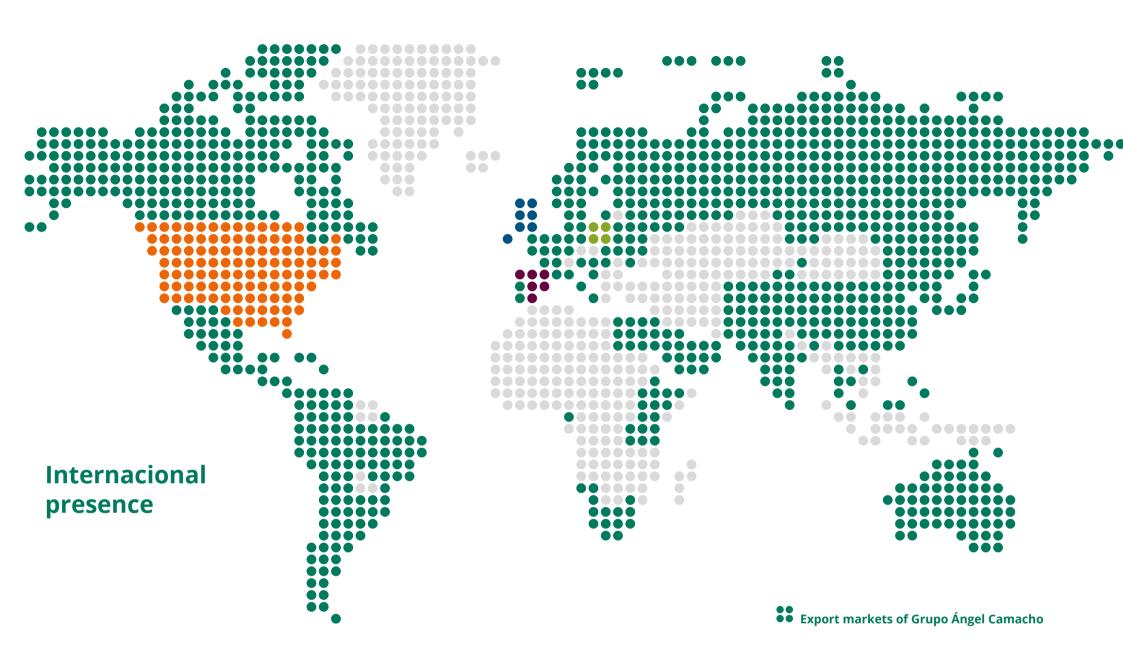
The company is located in a small town in the provice of Seville, Morón de la Frontera, a region known for its olive growing tradition, with the highest production rate of table olives and largest volume of exports in Spain. The location of the central headquarters of the company and its main factories in a small town in the province of Seville, Morón de la Frontera, permeates the culture of a historically internationalised company. The local character, the pride of belonging, its roots and tradition make the individuals who form GAC feel proud of their origins and of having maintained them for over 120 years. Despite having been an internationalised multinational company for decades, its management continue to remind many forums that it is "a small-town multinational".

GAC produces and distributes a wide range of food products, notable among which are table olives, olive oils, pickles, jams and functional teas. It commercialises the products under a large umbrella of brands, the most renowned in Spain being La Vieja Fábrica, Fragata and Susarón; in the United States, Mario; and in Poland, Stovit.

This Sustainability Report compiles and integrates the activity of Ángel Camacho Alimentación (ACA), as well as some initiatives and global data of Grupo Ángel Camacho (GAC), which encompasses all companies of the group, including ACA, during the 2016 and 2017 period.







Figures 2017

Sales in over

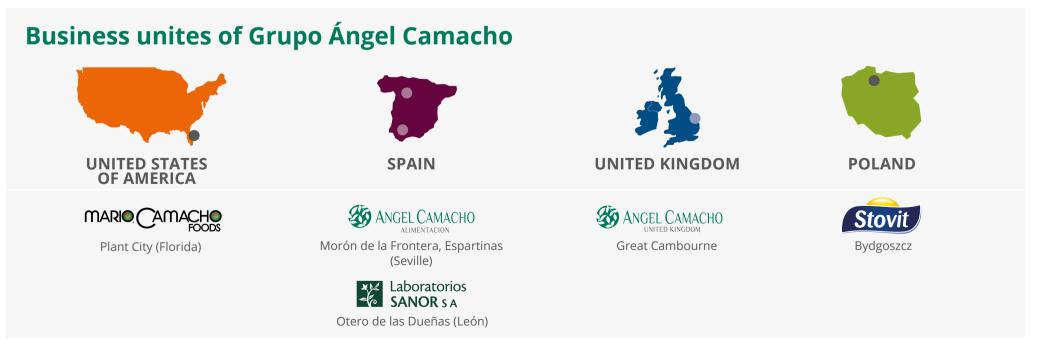
90

countries

78% sales outside of Spain

+14,000
tonnes of
preserves
packed
per year

+53,600
tonnes of olives processed per year





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Tradicion and innovation

1897

The first edible oil- and cereal **Activities**.

Angel (Amacho.sa.

1927

Trademark registration:

Fragata

Exports Begin USA.

1955

New technology in the olive industry. First olive pitting & stuffing equipment.



1968

Beginning of the **packing** of olives in glass jars.

1977

Internationalization Own facilities and distribution outside Spain.

Adquisition **Specialty Food Packing &** Importing Co. (Chicago, USA)

1980

Development of the transfer of olives by pipeline.

1985

Incorporation of agricultural enterprises.

Explotation of more than 1,100 hectares of olive groves.

1994

Jams Adquisition:

LA VIEJA FÁBRICA



2007

Zero spill Creation of an innovative industrial water treatment plant. **Jams** Adquisition



Internationalization: Constitution



2005

First global table olive supplier with a certified environmental program.



2002

Internationalization Constitution of

ANGEL CAMACHO

2001

Innovation Global Launch "Pouch Pack"



1999

Functional herbal teas Adquisition:





1996

New factory 100,000 m² major innovations.



Mensaje

2009

Launch olive snack pack without brine.



2013

Calculation carbon footprint of olives and jams.

Adherence to the **United Nations Global** Compact.

2014

Elaboration First Sustainability Report.



2015





2016

Start **Reorganization and industrial modernization**

Purchase 100% of



2017

in the value chain.

"Camacho Integra" project for the authorisation and integration of farmers







2.2 $\frac{Main}{figures}$

Ángel Camacho Alimentación is the main business unit of Grupo Ángel Camacho due to its larger invoicing volume, and the main manufacturing units of the company being integrated in it. In 2016, the company had revenues of 165.7 million euros and consolidated its growth in 2017 with revenues of 170.7 million euros, positioning itself as a prominent company in the agri-food industry.

	ÁNGEL CAMACHO ALIMENTACIÓN		GRUPO ÁNG	EL CAMACHO
	2016	2017	2016	2017
Sales	165.7	170.7	206.8	209.9
EBITDA	6.5	4.8	13	10.2
Profit before tax	2.9	2.2	6.9	4.6
Total assets	126.5	138.2	179.1	184.2
Own funds	36	36.7	65.1	67.9

Figures in millions of euros



Olives commercialised by ACA in 2017 amounting to

€128.8M
(92% PACKEGED PRODUCT)

53,628 tones



Jams commercialised in 2017 amounting to

€32.9M

14,044 tones



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Economic, social and environmental impact

The amounts correspond with consolidated data of Grupo Ángel Camacho, except for the information related with environmental impact, which refers solely to Ángel Camacho Alimentación, due to this being the business unit of the group responsible for the main factories. Other data solely referencing ACA, in this case, is indicated with an asterisk.



2016	Economic impact	2017
206.8 M [€]	Sales	209.9 M€
2.3 M [€]	Тах	1.7 M [€]

Exports*

Suppliers

Salaries

121 M[€]

25.6 M[€]

459

120.5 M[€]

25.5 M[€]

480

	Environmental impact 2010-2017		
-32%	Reduction CO2 emissions % per Kg packaged olives		
-8.5%	% Water consumption reduction		
-5.4%	Electricity consumption reduction		
-80%	Diesel consumption reduction		
+112%	Biomass consumption increase		
-29%	Floor space occupied		
	SE S		
Fraga	PLANTA DEPURADORA DE AGUAS INDUSTRIALES		

53		
2016	Social impact	2017
780	Employees	797
137,511€	Investment in training	164,123€
305	Women in the workforce	292
38.6	% Women in the workforce	36.7
68.8%	Local purchases*	74.5%
294	Suppliers integrated through the Camacho Integra project	788

*The amounts correspond with consolidated data of Grupo Ángel Camacho, except for the information related with environmental impact, which refers solely to Ángel Camacho Alimentación, due to this being the business unit of the group responsible for the main factories. Other data solely referencing ACA, in this case, is indicated with an asterisk.

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2.3 Our brands and products

Grupo Ángel Camacho has a wide range of brands for commercialising its wide and diversified portfolio of products. With their own personality and positioning, each one seeks to convey confidence and satisfy the needs of different clients and consumers.

Below, the five main brands are detailed:



Flagship brand with a truly international character. Since 1925 it has offered olives, oils and other Mediterranean specialities. In 2016 the design of all packaging was updated.



Its traditional character has made La Vieja Fábrica a leading preserve brand in Spain, with tradition, quality and reliability as central values.



The flagship brand in the United States, marketing olives and other Mediterranean specialities.



Traditional brand of jams and preserves, renowned on the Polish market.



Spanish brand of functional herbal teas and healthy products.













Although we also produce for large distribution brands. our company has a clear brand vocation. Fragata is a fully global brand which can be found on the shelves of the main chains of supermarkets worldwide. Additionally, we adapt

the range of Fragata products to the tastes and needs of consumers around the world.

> — Juan Carlos Sánchez Herrera Marketing and **Communication Director**











Olives, oils, pickles and other Mediterranean products

Fragata is the flagship brand with which ACA wishes to offer the best Mediterranean flavours to consumers from around the world. Fragata olives, oils, pickles and other specialities are produced from a selection of the best ingredients and through a careful production process.

In 2016, the design of all packaging of Fragata products – tins, jars and pouches – was renewed in a very notable way, becoming much more attractive to consumers. In this way, Fragata consolidated itself as a modern, robust brand endorsed by its over 90 years of history, and as being innovative, able to adapt and satisfy the expectations of the most demanding consumers.

Traditional jams and much more

La Vieja Fábrica creates its products from an original recipe and a traditional production process which allows the natural texture, colour and flavour of the select fruits used to be retained. It is precisely this homemade flavour that differentiates La Vieja Fábrica jams and makes them so recognisable for consumers.

During the 2016-2017 period, the hazelnut creams were integrated within the La Vieja Fábrica Creamy range, and their image was renewed, the result of strategic repositioning that intends to highlight the most distinctive characteristic of the product: its creamy texture.

Cocoa and Hazelnut spread, now without palm oil

La Vieja Fábrica Creamy Cocoa and Hazelnut spread is a product made with the highest quality hazelnuts and UTZ certified cocoa which allows sustainable cocoa agriculture to be supported. Additionally, responding to the demands of clients, this product does not contain colourings, preservatives, hydrogenated fats or palm oil.



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New functional herbal teas and a 100% natural sweetener

Susarón has a wide variety of functional herbal teas and a natural sweetener which help people to care for their bodies, feeling better. Savouring wellbeing and enriching the quality of life of consumers is the essence of all Susarón products.

As part of its commitment to wellbeing, the range of teas has been substantially improved, focusing on improving flavour, without overlooking the optimal mixture of plants which are beneficial for health. In this way, the two star products of the range have been reformulated, improving their organoleptic properties – citrus flavour Adelgasana and plum flavour Laxsana. Additionally, the range has been expanded with the launch of three new products: pineapple flavour Antiox with green tea and turmeric; red fruit flavour Detox with horsetail; and strawberry flavour Quemagrasa (Fat burner) with horsetail and green tea.

Wide variety of olives and Mediterranean specialities for the North American market

Since the beginning of the 90s, Mario has been the brand with which the United States business unit, Mario Camacho Foods, has marketed its products in North America. The Mario brand offers a wide range of table olives, as well as other Mediterranean products. Its product development strategy, based on innovation and quality, has made Mario a brand renowned by North American consumers.

Under the Mario brand, a wide variety of olives can be found: black, green and filled; Spanish or Greek; in different formats (tin, jar and pouch); as well as other Mediterranean specialities such as olive oil, pickles, artichokes, etc.

Authentic jams and fruit preserves

Genuine, natural origins are two of the qualities that have made Stovit a large brand in Poland. Stovit, whose name comes from the combination of two Polish words, meaning "one hundred vitamins", commercialises marmalades, jams and fruit preserves, among other products.



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Long-tern
vision

$\begin{bmatrix} 3.1 \end{bmatrix} \frac{\text{Business}}{\text{model}}$

Grupo Ángel Camacho is committed to a long-term business model, with the vision of "Playing a special role each day in the lives of consumers". Therefore, everyone who makes up the company is aligned under values that ensure robustness and sustainability over time and the confidence of all stakeholders.





Defined strategy - Plan 300

Since 2014, Grupo Ángel Camacho has worked under Plan 300, an ambitious strategic plan which is laying the foundations for the future of the company. This framework establishes eight strategic lines oriented toward business, on which action plans and measurement indicators have been developed to ensure compliance with corporate objectives. Although the plan was initially designed for Ángel Camacho Alimentación, the rest of the business units have been integrated in it, assuming these strategic lines as their own.

During the 2016-2017 period, multiple actions have been carried out, notable among which is the industrial modernisation and reorganisation process for increasingly efficient, environmentally friendly production.

Additionally, the product portfolio has been diversified, expanding existing ranges and entering new categories.

To promote the alignment of all areas with Plan 300, a Manifesto was developed, which was disseminated in all spaces of the company in 2016 and 2017. Additionally, it was translated into English and distributed in the different business units – United Kingdom, United States and Poland. Thus, it has become a reference document within the organisation which allows understanding and work to be carried out, always oriented toward fulfilment of strategic objectives.

Since the start of 2018, GAC has worked on a new strategic plan for the 2019-2023 period.

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Corporate Governance

Grupo Ángel Camacho is a family business, in which 100% of the share structure currently belongs to the third and fourth generation of the Camacho family. Since 2014, the governance of GAC has been managed by a Sole Administrator and governed by the most demanding standards of transparency.

During the 2016-2017 period, there were no pertinent changes to the size, structure or share ownership of the company.

Family protocol

Being a family company, GAC has a specific protocol for the regulation, organisation and internal management of relationships between the family, the company and its owners, oriented toward giving continuity to future generations. This family protocol regulates aspects such as the incorporation of family members to executive positions, the training and motivation of descendants and the dividend policy.

Management Committee

The Management Committee has the mission of ensuring the long-term vision of the company and projecting it toward the future, as well as promoting the achievement of corporate objectives. It is presided over by the Managing Director, Ángel Camacho Perea.

Notable among its main functions are:

- Guaranteeing the viability of the business.
- Ensuring fulfilment of the strategic plan.
- Developing talent and leadership.
- Defining and promoting corporate culture.
- Encouraging sustainability integrated in the business.



From left to right, and from top to bottom:

- **1. Juan Carlos Sánchez Herrera**Marketing & Communication Director
- **2. Ignacio José Martín Rodríguez** Finance Director
- **3. Beatriz Camacho Cruz-Auñón**Subsidiary Company Director
- **4. Ignacio Martínez Escribano**IT Director
- **5. Jaime Millán Verdugo** Operations Director
- **6. Jorge Mañas Avisbal** Sales Director

7. Ángel Camacho Perea

Executive Director

8. Juan Camacho Bilbao Purchasing Director

Code of Ethics

Grupo Ángel Camacho values honesty, integrity and compliance with the highest ethical standards. Each of the individuals who make up the company is responsible for respecting these values and maintaining a commitment to the basic principles of commercial ethics and good judgement.

The Code of Ethics seeks to guarantee rigorous compliance with national and international regulatory frameworks, as well as the ethical and responsible behaviour of the whole team that represents GAC.

Employees must always be guided by the following basic principles:

- Avoiding any conduct which may damage the reputation of GAC.
- Acting legally and honestly, ensuring the interests of the company.
- Respecting the established Code of Ethics.

The Code of Ethics is a tool which allows a strong company culture to be promoted, with shared values and action criteria. Additionally, it allows the generation of relationships of trust between shareholders, employees, clients and consumers, suppliers and society in general.

In the 2016-2017 period, a series of actions were carried out in accordance with the standards upheld by our Code of Ethics:

Implementation of the Gift Policy.

This regulation regulates and controls potential conflicts of interest when receiving any gift from a supplier or real or potential client. Thus, during the Christmas period of 2016 and 2017, ACA collected gifts that employees received and prepared over 50 batches which were raffled randomly among all employees.

Compliance with the Data Protection regulatory framework.

At GAC, we work to carry out appropriate data processing through compliance with protocols, established procedures and current legislation.

Promotion of preventive culture.

The Code of Ethics also establishes the health and safety of employees as a fundamental objective for achieving a safe and healthy work environment. In this sense, numerous training and corrective actions have been carried out, intending to prevent or minimise the causes of occupational accidents and illnesses.

Security of systems and information.

Several explanatory communications have been sent both internally and externally in order to provide information and training on the different cyber fraud operations which affect clients, suppliers and employees.

Internal communication and communication with the media, shareholders and authorities.

Work has been carried out to maintain and improve both internal and external communication channels, thereby promoting the confidence and dialogue of actors in our environment (consumers, clients, employees, shareholders).

Extraordinary meetings of compliance committees.

To work on the claims received and resolve conflicts, always seeking full compliance with the Code and the alignment of clients, suppliers, employees and shareholders with it.



With the application of our code of ethics, each day we ensure that everyone is working in a safe, communicative environment, free of coercion and fraud. and with high ethical standards.

> — Beatriz Camacho Cruz-Auñón **Business Units Director**



Internal audit.

An internal audit has been carried out on compliance with the Code to detect risks and opportunities for improvement, resulting in action plans which have been immediately implemented to adapt our Code to the current circumstances.

To continuously promote the knowledge of this code among employees, in addition to training, in 2017, the corporate newsletter began to report on the different

Additionally, communication actions such as posters and press releases are regularly carried out, with all internal communications of the company stating the channels available for reporting potential non-compliance with the code.

actions carried out to ensure compliance.

Compliance Committee

GAC is committed to applying the Code of Ethics in all areas of the company. To achieve this, three Compliance Committee meetings are held each year, in which it is checked that all decisions, processes and strategic objectives of the group are integrated within the principles established in the Code of Ethics



3.2

Commitment

to sustainability

The company is committed to sustainable development as a key focus for the creation of long-term shared value with its stakeholders, ensuring the future of the business itself.

As part of its commitment to sustainability, ACA works each day to minimise the environmental impact generated by its activity and that of the main sector in which it operates – the table olive – through a philosophy of innovation and continuous improvement.

The sustainability of the company would be impossible without the commitment of all individuals who form part of ACA; therefore, it has different tools and resources to facilitate this. A clear example is the Guide on Good Environmental and Energy Practices, oriented toward motivating employees and collaborators to promote continuous improvement and respect for the environment. Additionally, a programme of good environmental practices has been applied, which will allow savings in the consumption of resources and appropriate waste management.

In this commitment to improving day after day, a management model has been adopted, based on the introduction of improvements in the different activities of the business through the refinement of processes, products and services, always based on knowing the needs of clients.



Membership of the Decalogue of Responsible Companies of Seville

In 2016 Ángel Camacho Alimentación formalised its membership of the Decalogue of Responsible Companies of Seville. This initiative, promoted by the Seville Business Confederation (CES) and ENDESA, shares ACA's belief that the best contribution a company can make to society is the creation of wealth and employment for contributing to social and economic development.

By singing this Decalogue, a programme of activities was implemented in which the over twenty member companies will promote good practices in areas such as human resources, client management,

relationships with suppliers, respect for the environment, good governance and transparency, and contribution to the community for the generation of shared value.

Industrial reorganisation

In its effort to continue developing the activity in a sustainable, profitable, efficient way, in 2015 ACA began industrial reorganisation and modernisation to maximise environmental and energy efficiency. This reorganisation particularly affects its main olive factory located in Morón de la Frontera.

In the 2016-2017 period, the implementation process continued for a more modern distribution platform, with the aim of optimizing the storage and flow of materials and products. The final goal is to minimise the environmental impact caused by the main activity of the company, table olives.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Principles which guide the activity of Grupo Ángel Camacho

GAC has adhered to the United Nations Global Compact and its ten principles since 2013. In this way, it responds to its commitment and reports its annual performance in the annual Progress Report.

Additionally, these principles are incorporated in online management with the Sustainable Development Goals.

Participation in the Spanish Social Responsibility Strategy

The 2014-2020 Spanish Company Social Responsibility Strategy has the objective of developing a national reference framework in the area of Corporate Social Responsibility, allowing the standardisation and harmonisation of the different actions being carried out in both the public and private spheres.

ACA, through the MERMSE initiative, a platform which allows Sustainability Reports and Integrated Reports to be uploaded into a public file, published its 2014-2015 Sustainability Report. This initiative contributes to promoting social responsibility in Spain and allows any citizen and institution to learn the sustainability commitment of Ángel Camacho Alimentación. The 2014-2015 Sustainability Report can also be consulted on the Ángel Camacho website, and on the MERMSE platform through the following link: https://expinterweb.empleo.gob.es/memrse/aplicacion



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Principles which guide the activity of Grupo Ángel Camacho

In its firm commitment to sustainable development, the activity of Grupo Ángel Camacho supports the achievement of the Sustainapart of its 2030 Agenda for Sustainable Development.

These 17 global goals, for universal application, have a comprehensive approach to sustainable development which addresses ble Development Goals (SDGs) promoted by the United Nations as causes such as poverty and equality to responsible production and consumption.

GAC has adhered to the United Nations Global Compact and its ten principles since 2013. In this way, it responds to its commitment and reports its annual performance in the annual Progress Report. Additionally, these principles are incorporated in online management with the Sustainable **Development Goals.**





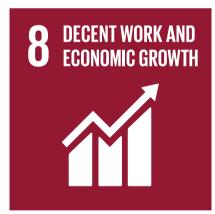
































Contribution to the SDGs



Goal 1: No poverty

Collaboration with food banks and other NGOs. Effort to reduce food waste, increase the weight of local purchases and foster local employment.



Goal 3: Good health and well-being

Development of healthy products in all areas, seeking the health and wellbeing of people. Particular attention to wellbeing with the production and commercialisation of a wide range of functional teas, as well as a 100% natural sweetener and new hazelnut cream without palm oil.



Goal 5: Gender equality

Commitment to equality of staff with the commitment to incorporating a larger proportion of women at all levels of the organisation, as well as in production positions, traditionally held by men.



Goal 6: Clean water and sanitation

Water is an essential resources for the company. The main factory is zero discharge and recycles all the water it processes.



Goal 7: Affordable and clean energy

The company carries out significant work on this goal thanks to the biomass it produces from the stones of olives.



Goal 8: Decent work and economic growth

The protection, training and safety of people are the basic pillars of the relationship with employees, fostered through the Code of Ethics.



Goal 9: Industry, innovation and infrastructure

The industrial reorganisation and modernisation of the main factory for increasing efficiency and reducing emissions.



Goal 12: Responsible consumption and production

There are many initiatives in this field: the Suppliers Directory, manufacturing by orders (reducing stocks and shrinkage), the integration of suppliers with the Camacho Integra project, etc.



Goal 13: Climate action

Measurement of the carbon footprint and the water footprint with constant commitment to reducing the impact and slowing climate change.



Goal 15: Life on land

Participation in initiatives such as the *Life Laser Fence project*, to safeguard the lives of animals.



Goal 16: Peace, justice and strong institutions

Promoting ethical and responsible conduct with the implementation of a Code of Ethics and compliance, as well as the Guide to Environmental Good Practice.



Goal 17: Partnerships for the goals

Membership of the Decalogue of Responsible Companies of Seville for the creation of wealth and employment contributing to local social and economic development. 1

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Challenges and opportunities of the sector

The characteristics of the food industry in which Ángel Camacho Alimentación operates, and specifically, the table olive sector, are crucial for comprehensive understanding of the company's activity.

The food industry

With invoicing of 94,427 millions of euros in 2016, the food industry is the largest industrial sector in Spain, representing 16.6% of net sales of national industry as a whole, according to data from the *Industrial Companies Survey* (INE, 2016). At a European level, as indicated by the study *Data and Trends EU Food and Drink Industry 2017,* food and drink is the largest manufacturing sector in the European Union.

In 2016, exports of the sector represented over 11% of the total goods exported in Spain, amounting to an 8.4% increase compared with 2016, according to data from the *Economic Report 2016 from FIAB*.

In this way, the Spanish food industry is established as an important generator of employment, as it employs around 337,097 people throughout the country.

The table olive sector

According to the 2017 survey on crop areas and yields (ESYRCE), Spain has 2,650,801 hectares of olive groves, of which 154,978 (5.85%) are dedicated to table olives. These are mainly concentrated in Andalusia and Extremadura, which have 84.50% and 13.32% of the total, respectively; that is 97.82% of these crops come from these communities.

Spain is the leading table olive production country in the world, far ahead of other countries such as Egypt, Turkey, Algeria, Greece, Syria and Morocco. The average annual production of the last five harvests amounted to 2,661,800 tonnes, of which 543,780 were produced in Spain; that is, 21% of the total.

According to data from the Food Information and Control Agency (AICA), in the 2016/2017 harvest, the national table olive production was 596,110 tonnes.

Impact and importance of the sector

The olive sector is of great importance in the national agri-food industry, due to both the number of jobs it generates and its production and export volume, Spain leading the global market in both areas.

It generates over 8,000 direct jobs, over six million salaries for the collection and cultivation of olives, to which those created by auxiliary companies and factories such as glass, tin, packaging, machinery, transport, etc., must be added. It amounts to 27% of employment generated by the national conserves and vegetable product preparations sector, contributing 22% to the national value of this sector and contributing over 1 billion euros to the GDP.

According to data from the Association of Exporters and Manufacturers of Table Olives, ASEMESA, the table olive sector contributes around 1 billion euros to the national GDP.

According to the Food Consumption Panel of MAGRAMA, in 2017, the national consumption of households increased by 6.7%. This consumption amounts to around 75% of the national consumption of

8.000

1 billion €

EUROS CONTRIBUTED TO THE NATIONAL GDP

27%

OF EMPLOYMENT GENERATED
BY THE CONSERVES AND VEGETABLE
PRODUCT PREPARATIONS SECTOR

75%

NATIONAL CONSUMPTION OF TABLE OLIVES COMES FROM HOUSEHOLDS



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table olives.

Membership of associations







<u>Highlights</u> 2016 - 2017





Modernisation and industrial reorganisation

In the 2016-2017 period, the second phase of the modernisation and industrial reorganisation process was completed, allowing ACA to more efficiently manage its resources and reduce its environmental impact.



New online sales channels

In September 2016 the online sales of ACA products began olives, pickles, jams and functional teas – mainly on the Ulabox and Amazon platforms, thereby offering a quick, convenient option for consumers.

New products

To satisfy the new needs of consumers, in the 2016-2017 period, the companies of the group launched new products on the market, notably La Vieja Fábrica Creamy, Cocoa and Hazelnut spread without palm oil, and Quemagrasa (Fat Burner) herbal tea Susarón.



First study on **Safety Climate**

In the final months of 2016 and the first quarter of 2017, a working climate study was carried out to ascertain the collective perception of the importance of occupational health and safety at ACA. The results allowed a series of improvement and training actions to be established.

Negotiation with Works Councils

During the second phase of industrial reorganisation, negotiation was carried out with works councils for the relocation of employees in the centres of Morón de la Frontera and Espartinas.



Gift policy

In 2016-2017, this regulation was implemented for the regulation and control of potential conflicts of interest when receiving any gift from suppliers or clients. During the Christmas period of 2016 and 2017, a random distribution of the gifts received was implemented.



Environment

The company participates in the international project Life Laser Fence for the creation of a virtual fence which prevents animals from entering the farmland, respecting biodiversity.

Reduced use of compressed air

Compressed air is one of the largest energy consumptions of ACA's activity. To reduce this impact, energy efficency actions have been implemlemented reducing the production of compressed air to 12% at the end of 2017.



Integration of local farmers In its commitment to

local suppliers, ACA has implemented the Camacho Integra project, an evaluation system for farmers, which has the objective of integrating all local farmers as an active part of the value chain of the company, ensuring the traceability and food safety of the olives. In 2017, over 75% of purchases from green olive suppliers came from integrated suppliers.



Membership of the Decalogue of Responsible **Companies of**

In 2016, ACA formalised its membership of this initiative, promoted by the Seville Business Confederation (CES) and ENDESA. With the signing of this Decalogue, a programme of activities was implemented to promote good practices in the field of corporate social responsibility.

Seville

Visión



$[4.1] \frac{\text{Clients and consumers:}}{\text{confidence, quality and innovation}}$



At the close of 2017, Ángel Camacho Alimentación had over 1,000 clients and commercialised its wide variety of products in over 90 countries. This significant international presence makes it necessary to have a high capacity for adaptation to different markets. Firstly, the capacity for understanding the demands of different groups of clients is necessary, ranging from large global distribution chains to small supermarket chains operating at a local level. Secondly, it is also essential to know the tastes and preferences of each type of consumer.

As a result of this large client portfolio, the products of the group are present on the market in both the foodservice channel, acquired to be reprocessed or used as ingredients, and in the retail channel, to be directly distributed to the end consumer. To a lesser extent, some products are also commercialised for the industrial sector, where the product is reprocessed or packaged for third party companies. Notable among the main clients are Wal-Mart, Tesco, Carrefour, Aldi, Pizza Hut, Subway and Domino's Pizza, among others.

Although all clients are important, there is a commitment to the development of global partnerships with strategic clients with which long-term relationships of trust are established. This type of client is necessary for increasing the recognition and growth of the brands of the group in different markets.

The close relationship with clients is key to knowing and satisfying their needs, and thereby being able to grow and develop with them. The company has a large number of historical clients, with commercial relationships lasting over 20 years.



Internationally renowned clients

Currently, among the clients of the companies of Grupo Ángel Camacho are over 50% of the large global food retail companies, appearing in the Top 25 ranking published annually by Deloitte, Global Powers of Retailing 2017. If we focus solely on the 10 largest distribution companies in the world, 8 of them currently commercialise a product made by the group.

Quality and food safety

The companies of Grupo Ángel Camacho are committed to the quality of their products as the identity of their brands.

The company has a quality policy with the objective of continuous improvement to the product, applying implicit and explicit requirements in issues related with food safety and fulfilment of legal obligations.

As a guarantee for clients and consumers, the quality and food safety management system is established, based on multiple guidelines.

Full traceability

As part of the quality and safety management system, a traceability system has been implemented which allows the full history of products throughout the supply chain to be known.

This system provides detailed information on the origin of the raw materials with which the product is made, its composition, as well as the specifications of clients to whom each batch of product has been sent. All of this allows greater control of any item, greater efficiency in the production processes, reduced costs in case of potential incidents, and especially, improved service for clients.





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TTransparency in labelling

Ongoing work with clients, to update the changes arising in the legislation of each country, guarantees that the labelling of all products complies with the regulations of different countries where they are commercialised.

The labelling clearly specifies the ingredients, nutritional information, as well as warnings on components which are a risk to individuals suffering from allergies or food intolerances. Additionally, it complies with current regulations in each country to which the product is exported. Clients review the labelling before the product is packaged, thereby ensuring that it is correct.



The trust that our clients and consumers place in our company is a daily motivation. It incentivises us and obligates us to be committed to the continuous improvement of quality and food safety management processes. — Myriam Espuny Gómez

Quality Manager



Recognition of excellence

The company has the most demanding certifications on the market, established by regulations of renowned international prestige, which certify that the quality system implemented guarantees food safety.

All areas of quality and food safety, RD&I, the environment, accounting, finance and occupational risk prevention are audited internally and by external entities in order to maintain the highest national and international standards.

These certifications entail a full guarantee for clients and consumers of the company and the scope of their recognition is both national and international. The ISO, BRC and IFS certifications endorse the quality and food safety management of the products and ensure compliance with the requirements of these regulations.







Highly demanding supervision

Additionally, the company is periodically supervised by its main national and international clients, as is the case with Woolworths (Australia), Subway (USA), Tesco, Waitrose, Morrisons (United Kingdom) and Carrefour (France and Spain), among others. It is essential to pass these demanding audits on processes and products in a very satisfactory way, so as to comply with legal requirements and the provisions previously established in business agreements.

Ángel Camacho Alimentación also cares for the environment, and this is integrated as one of its main strategies. therefore, the necessary measures are adopted so that all processes carried out are environmentally friendly. Since 2005, the environmental management system has been certified by the ISO 14001:2004 regulation for production and packaging activities for all products.

Communication and active listening

Fluid and constant communication with clients is an essential source of knowledge, both for needs and the evolution of the market in general.

Clients and consumers are offered different communication channels, notably the corporate website and websites of the different brands. Additionally, a YouTube channel is also available with important, updated information, and direct communication channels through the social networks of the brands.



To encourage loyalty, flexible communication systems have been created, which allow potential queries and claims from clients to be responded to.

In this way, a training plan has also been carried out for customer service managers, providing tools, skills and techniques which improve and reinforce this relationship with the client.

Since 2015 there has been a specific protocol for the management of claims, establishing the responsibilities, systems and criteria for addressing and controlling non-compliance arising in the performance of suppliers, client claims and product returns.

With the aim of reinforcing the tools that allow Ángel Camacho Alimentación to be closer to the client and be able to offer higher value products, at the end of 2017, a CRM (Customer Relationship Management) tool was implemented to support the management of relationships with clients.

Grupo Ángel Camacho on social networks









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Memoria 5

New formats and accessibility

New communication technology is also very active in the companies of the group. Through the website and social networks, all new products, collaborations and information of interest about the company, brands and products are reported.

Both the corporate website and specific websites for each brand – Fragata, La Vieja Fábrica, Susarón, Mario and Stovit – are available, providing detailed information on products.



Websites of the brands of Grupo Ángel Camacho

Additionally, from the communication department, a quarterly newsletter is sent, reaching over 2,500 subscribers, including clients, suppliers, associations and employees. The newsletter includes the main news related with the company, the different activities in which it participates, as well as new launches and promotional activity.

This communication channel allows the main news and achievements of the company to be reported to all stakeholders. Transparency and communication are considered key for developing and responding to the demands and needs of the market.











Data protection

Ángel Camacho Alimentación is aware of the importance of the protection of its clients' data, and has therefore established a protocol for compliance with the Organic Law on Data Protection (LOPD).

Compliance with this legislation is periodically audited by an external consultant, carrying out six-monthly monitoring and biannual audits to check that everything is undertaken within the guidelines of this law.

Since 2017, work has been carried out to adapt to the new General Data Protection Regulation (GDPR) which came into effect in Spain in May 2016 and which applies from May 2018.





Innovation and diversification

Grupo Ángel Camacho works on the innovation and diversification of products to satisfy the tastes of increasingly demanding consumers.

Exploring new needs of the market and seeking flavours which will amaze our consumers constitute the identity of the company. GAC considers promoting the launch of new products to be vital to become close to its consumers.

Working in this way, between 2016 and 2017, under the Fragata brand, it launched olives with original seasonings (mint, Provencal style, natural pepper, thyme and fine herbs) in addition to two exquisite fillings – olives filled with chorizo and olives filled with piquillo pepper.

In 2017, under its La Vieja Fábrica brand of jams, it launched "Flavour Duo", two new combinations of fruits: pineapple with mango and blueberry with strawberry.

Commitment to the consumer

foods, low in salt or sugar, gluten-free or suitable for diabetic people, the company continuously innovates to integrate products answering this demand for healthy products into its catalogue.

An example of adapting to the consumer has been the recent launch of La Vieja Fábrica Cremosa, Cocoa and Hazelnut, without palm oil. Many consumers have requested that ACA create a hazelnut cream without this ingredient.

Likewise, the continuous launch of new Susarón functional teas has demonstrated the company's clear commitment to improving the wellbeing of all its consumers.

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The development of healthy products responds to our commitment to the health of consumers. We work each day to launch innovative products on the market which will amaze consumers, satisfy their needs and which also form part of a balanced diet.

— Jorge Gómez Carretero RD&l Director



Closer to the client each day

Ángel Camacho Alimentación brings its products closer to its consumers each day and adapts to new lifestyles and purchasing habits.

In September 2016, the online sales of olives, pickles, jams and functional teas began through the Ulabox and Amazon platforms, thereby offering a quick, convenient option so that consumers could enjoy all products of the group, wherever they are.

Although online sales do not yet have a significant impact on the income statement, constant growth is expected in this sales channel in coming years.





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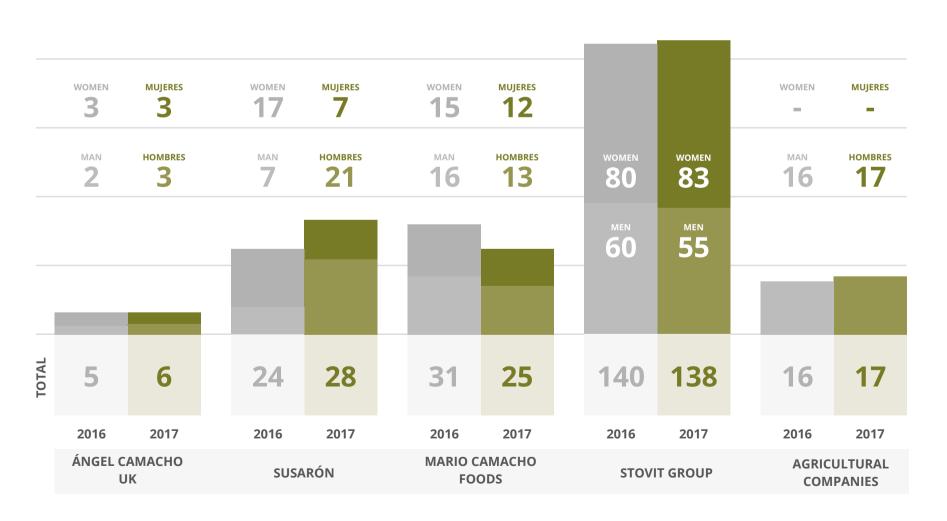
Our people: motivation, training and safety

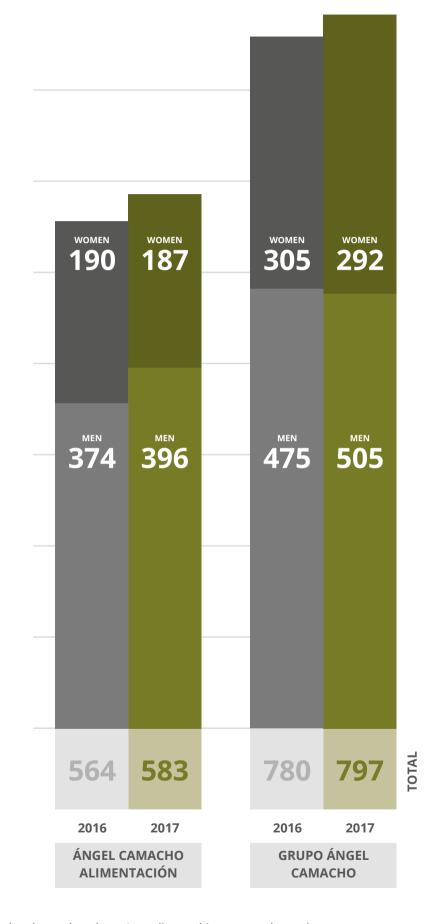


Caring for people is a key objective within the policies of Grupo Ángel Camacho. Therefore, the management of the Personnel Department focuses on projects which have the objective of encouraging the commitment and motivation of individuals, as well as their safety and training.

Composition of the staff

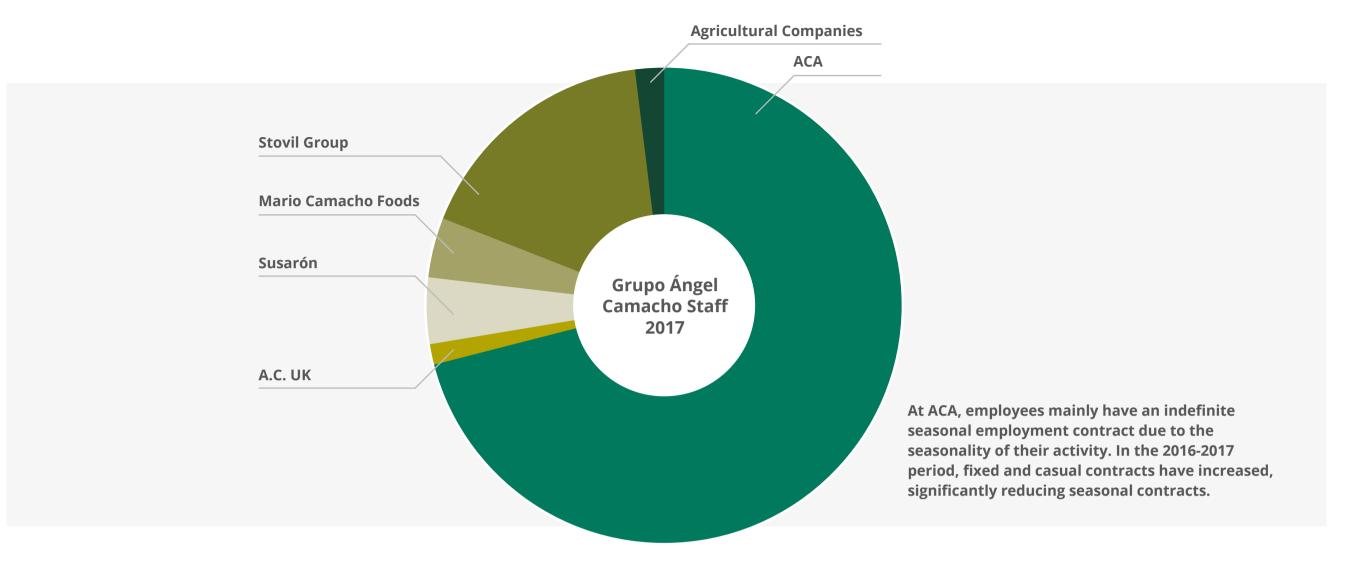
Within the group, the staff of Ángel Camacho Alimentación is the largest, representing over 87% of the total in 2017.



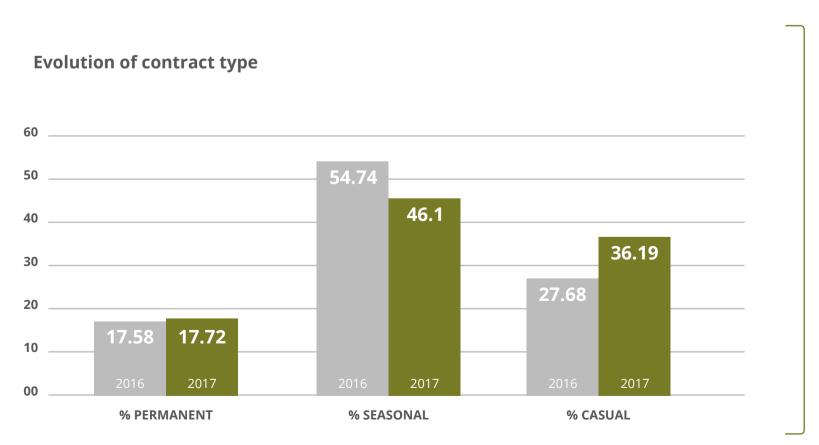


This data reflects the average number of worker based on the days contributed during the year. Due to the features of the business, many employees are permanent seasonal and casual workers. According to this average, they only count as a worker if they worked during the whole year. If, for example, a person worked for only 6 months of the year, they are counted as 0.5 of a worker.









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Motivation and commitment

The employment climate survey carried out in 2014 allowed employees' opinions on the company to be evaluated and corrective actions proposed. During the period that this report deals with, initiatives have been implemented in order to encourage individuals' commitment to the company, and a company committed to individuals.

The areas detected for improvement in the last employment climate survey were motivation, communication, leadership and certain aspects of work.



EMPLOYMENT CLIMATE SURVEY

Participation 72%

IMPLEMENTATION
OF THE WORK GROUP

Participants 22

Analysis of proposals by the personnel department

25 improvement initiatives

AREAS FOR IMPROVEMENT

- Motivation
- **✓** Communication
- Leadership
- Organisation of work

REQUEST FOR IMPROVEMENT PROPOSALS

22 proposals

Periodic meetings of the Monitoring Committee



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Due to this, an action plan has been developed for improvement of these points, consisting of a set of 40 measures. The main actions developed in the 2016-2017 period were as follows:

MEASURE	OBJECTIVE	DESCRIPTION
Breakfasts with General Management	Facilitating the exchange of ideas, information, questions and concerns with the Managing Director	10 breakfasts have been held, with 61 attendees. Satisfaction survey carried out with a general result of 8.05 out of 10.
Personnel Department installing suggestion and query boxes ("Listening to each other" campaign)	Managing upward communication. Its objective is to gather all opinions, ideas, proposals and queries of employees in order to achieve continuous improvement.	Implementation in October 2017.
Guided visits for employee families	Bringing the families of employees to the workplace.	Planned start of activity upon completion of works on plant.
Implementation of Performance Management System	Encouraging and acknowledging the performance of individuals	Implementation pending
Management visit to factory	Bringing the management team to the factory team, facilitating upward and downward communication, with an effect on the commitment and motivation of individuals.	Different visits have been made by the management team.
Estudios retributivos del personal de fábrica	Study of the bonuses currently offered at the factory. Establishing the pay scale of mechanics within the remuneration framework.	Implementation pending

These and other measures have contributed to minimising the impact of the industrial reorganisation process on personnel in the affected work centres.





Promotion of training

At Grupo Ángel Camacho, learning and knowledge are essential. In the last two years, the company has invested over €300,000 in training.





The main training initiatives in 2016-2017 were:

Languages:

Due to the internationalisation and global vocation of GAC, a multilingual team is essential. Language training has been opted for, with presential, online and intensive programmes.



Management coaching and appreciative coaching:

Tools for promoting communal projects with a shared vision for improving communication, coordination and teamwork skills.



Development plan for the electromechanics team:

Training projects in the areas of electricity, mechanics and pneumatics.



Training plan for certification on the Lean Manufacturing system:

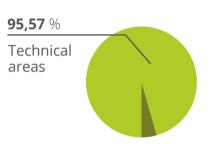
middle management has been trained at the Yellow Belt level, and people on the continuous improvement team at Green Belt level.

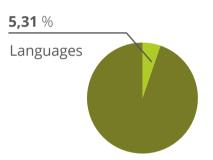


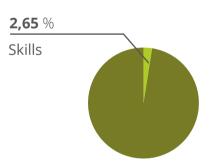
Training plan on Code of Ethics:

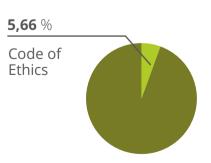
Continuous training actions are carried out.

Type of training









The prevention technicians of the occupational health and safety department have provided initial preventive training in accordance with Article 19 of Law 31/1995 on Occupational Risk Prevention, to all individuals incorporated into the company, including those who carry out study placements. In 2017, internal training on this subject was provided to 77 employees and 5 trainees.

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Memoria 5



Training of self-protection teams

Ángel Camacho Alimentación is going further in the implementation of the self-protection plan with the creation, appointment and training of the different intervention teams for the three work centres. Only the members of these teams are authorised to act in any emergency situation that may arise in the installations.

In 2017, these teams were integrated into the organigram of the environmental emergencies team, and training was offered to an intervention team at the company EBT Formación, specialised in training on firefighting and first aid. They came to the ACA installations with a mobile unit where different practical activities were carried out, related with extinguishing fires, training in situations of heat, procedures to follow to open doors in case of a fire, and use and learning of extinguisher handling, among others.

Preventive culture

Ángel Camacho Alimentación has a robust commitment to occupational risk prevention. For over 15 years, it has carried out important preventive actions for continuous improvement of working conditions and reduction of the accident rate. The effort is beginning to come to fruition as in 2017 the accident rate was reduced by 5% compared with 2016.



OHSAS 18001:2007 certification on occupational health and safety

Since 2015, this valuable certification has reinforced the company's commitment to occupational health and safety, making it a point of reference in this area within the sector. The monitoring audit carried out in 2017 noted the work carried out through the preventive culture project



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Our objectives for achieving a preventive culture are motivating individuals toward preventive and safe behaviorus, maintaining the commitment of improving working conditions and making our preventive culture a sustainable practice over time.

— **Mónica Ariza Pertiñez** Personnel Manager





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Working without danger: Q-SAFELY methodology

In 2016, ACA along with consultant QUALE implemented a project for the positive transformation of preventive culture. The objective of this initiative is to achieve work without danger, by encouraging proactive attitudes to develop the control of risks into preventive commitment. This new way of working on safety is based on the leadership and participation of management, controllers, employees and their representatives.

The initiative consists of three phases: a first launch phase; a second phase in which the transformation process is implemented; and a final phase of evaluation and improvement.

PHASE I. PHASE II. LAUNCH TRANSFORMATION PROGRAMME (2016 - first quarter of 2017) (from the second half of 2017) **Action:** Undertaking a safety climate **Action:** Working with controllers on a study and controller training process. programme of activities called "5* Safely" with the objective of transforming the preventive culture of the organisation. **Objective:** Learning the collective **Objective:** Putting into practice perception of the importance of everything worked on in the "Safety occupational health and safety at Ángel Leaders" training programme, creating Camacho Alimentación. the habit of "ensuring safety". **Procedure:** All personnel have **Procedure:** The programme is based been offered a questionnaire for on 10 weeks, 10 topics and 10 security completion, defined by the NOSACQ-50 challenges. Each week a topic is methodology, presential or online, launched and the controllers dedicate participation being voluntary in both 5 minutes to it each day. Monthly cases and completely anonymous with meetings are held for the work group to

regard to the processing of the data

obtained.

monitor the activity carried out by the

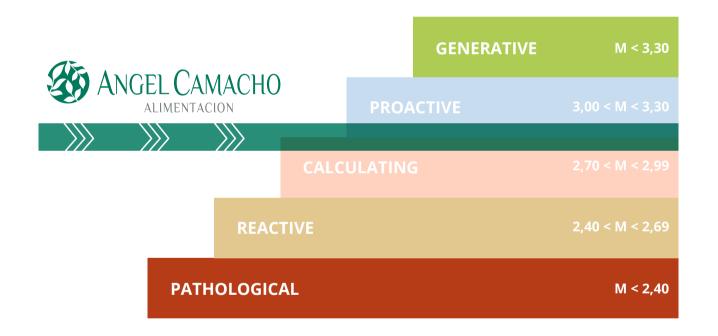
controllers and undertake actions which

may entail an improvement or stimulus

for the project.

As a result of the first phase, the value obtained for preventive culture was 2.99 out of 4, positioning ACA at a "Calculating" level on the Parker scale.

LEVEL OF PREVENTIVE CULTURE. Parker scale



Although it is understood that a good base level has been obtained, Ángel Camacho Alimentación hopes to achieve "Generative" preventive culture, with the objective of creating job posts "without danger", moving from controlling risks to identifying and addressing them in advance through continuous improvement of safety.



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Improvement actions

- **Greater involvement of all members of the organisation,** through the definition of a strategy which promotes the change of individual and collective behaviours toward safety through leadership, certainty and commitment. It is sought to move from controlling risks to preventive commitment.
- **Training of "safety leader" controllers:** in addition to internal security procedures, listening, observation and communication are worked on, generating a process of commitment for improvement, activating leadership and implementing it to achieve a new way of working safely.
- Promotion of the "Leading. My commitment to security" workday in which company management met to exchange knowledge and discuss ways of involving the whole GAC team in the creation of a preventive culture.

Accident rate

In 2017, ACA recorded an accident rate of 3.9 points lower than in 2016, registering 3 accidents fewer. Additionally, the number of incidents requiring leave was maintained in the two years of the period. There were 56 incidents which did not cause medical leave in 2017, and 59 in 2016, constituting a reduction of 5%.

ACCIDENT RATE INDICATORS		
Indicators	2016	2017
Incident rate	73.53	69.63
Number of workdays lost	329	544
Number of accidents with leave	30	30
Number of incidents	59	56

Health and safety in the work environment

ACA is aware of the importance of providing a safe working environment, for this reason undertaking continuous improvement actions related with the health and safety policies of the company.

For the management of the wellbeing of employees in job posts, there are two occupational health and safety committees, one in the Espartinas centre and the other in the Morón work centre.

With the objective of involving all individuals who form part of ACA in matters related with health and safety, in 2017, a preventive awareness campaign was carried out with Mutua

Fremap, aimed toward workers who had accidents during the previous year.

Additionally, in 2016 an informative video, "Bringing Safety to your Life", was launched, presented at the Brining Flavour to your Life Workday in 2016. In this video, the protagonists were the children of employees, who explained tips to their fathers and mothers to allow them to carry out their work more safely.



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Internal communication

Between 2016 and 2017, the frequency of sending communications was increased, mainly in internal communications, sending 44 compared with the 37 sent in the 2014-2015 period.

In addition to the usual quarterly newsletter that GAC has published for years for its employees and cli-

ents, it must also be highlighted that in 2017, a new "What's New" newsletter was also created, aimed at business units, with two issues in the last year.

The new newsletter mainly focuses its information on the different business units of GAC and sets out the main news of the company. It is sent by email and aimed at the different managers of all business units.

Additionally, each year, GAC organises the "Bringing Flavour to your Life" Workday in the installations of the San Telmo Institute of Seville. This is without doubt the most important internal communication and training event held during the year. In 2017, the eighth edition was held, attended by over 130 people.



WHAT'S NEW IN. We not statute the second of the second of

Work-life balance and diversity

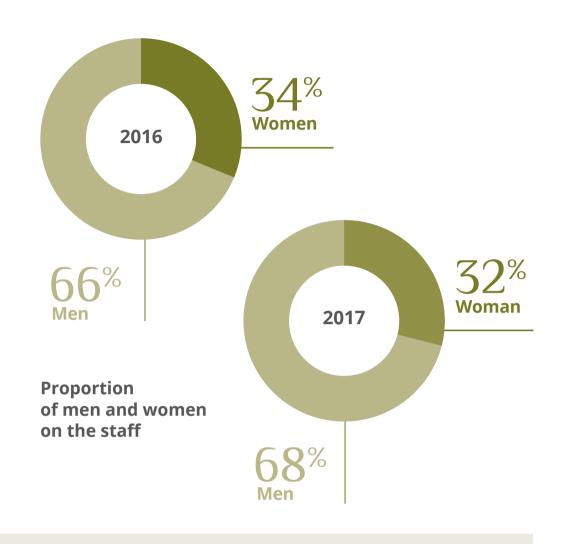
The ACA labour and personnel development policy is presided over by the principle of non-discrimination and equality. In this sense, the first Equality Plan was signed on the 21st of April 2016.

Taking into account that the sector in which ACA operates has traditionally had a larger presence of men, the Personnel Department works to continue with the incorporation of women in all functional areas.

Each year, a diagnostic is carried out, analysing the situation of the company in areas such as access to employment, professional classification, promotion and training, pay and the working time directive to facilitate work/life balance.

In these situation diagnoses, it is shown that there is no inequality between men and women, but that the existing differences are related with the posts that they occupy within the company.





	MAIN WORK/LIFE BALANCE INDICATORS				
	2016 2017				
	Employees with maternity and paternity				
5	14	19	10	18	28
	Employees with reduced workdays				
6	-	6	7	-	7
	Employees on leave for family care				
1	- 1 1 - 1				1
WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL

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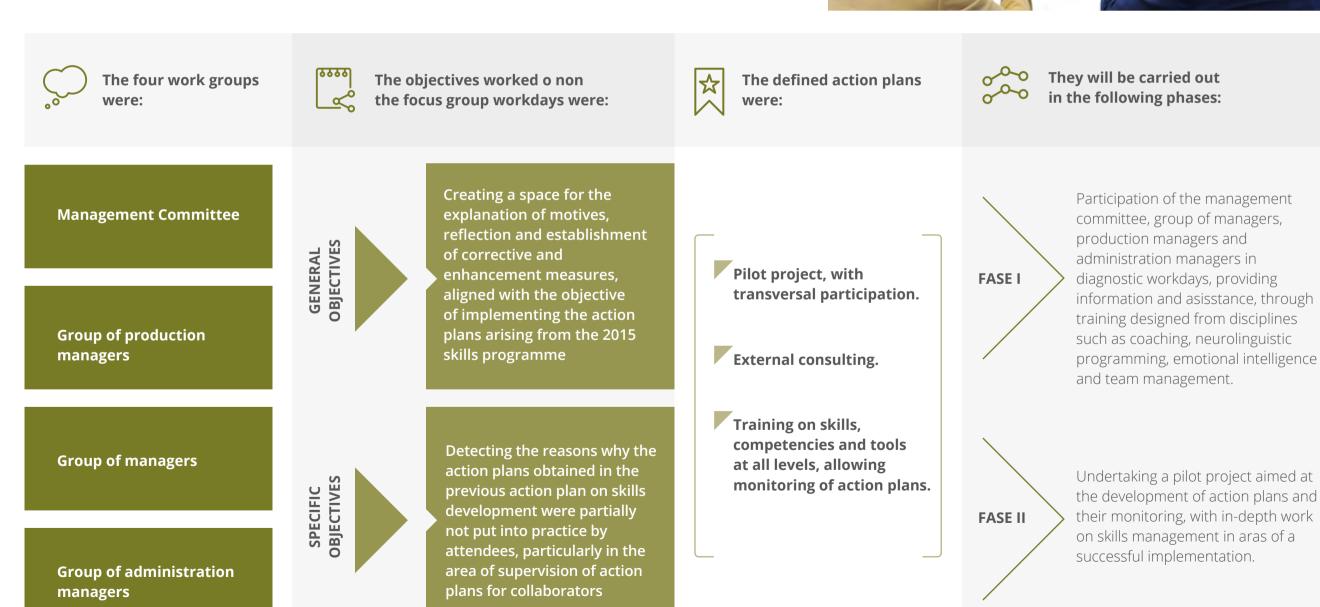
New performance management system

system to mobilise an important facet of leadership: the 2017, diagnostic workdays were carried out through four influence and development that a boss is able to exercise discussion groups carried out with a specialised consultant. on their collaborators.

The objective of the project is to establish development plans for individuals, with the maximum involvement of both management and middle managers.

In 2016, ACA implemented a performance management To focus this strategic project of the company, during





Dialogue with employee representatives

At Ángel Camacho Alimentación, 100% of employees are covered by the collective agreement.

From the end of 2015 to 2016, an important negotiation process was carried out with the committees of the company as part of the industrial reorganisation. It has affected 40 employees of the jar and black olive plant, caused by the move of a packaging production line from the Espartinas factory to the Morón factory.

As a result of the negotiation, the relocation of 25 people in other posts, incentivised redundancies due to total permanent disability and early retirements were proposed. Despite this first phase only affecting the Morón centre, the incorporation of personnel from the Espartinas centre was agreed with the company committee and employees of this centre to fill the job posts generated by the redundancies due to total permanent disability and early retirements.

In 2017, the culmination of the second phase of the industrial reorganisation and the move of the packaging production line from the Espartinas work centre to the Morón work centre affected 24 employees. The solution was the relocation of 21 individuals in other posts, the partial retirement of one person, incentivised redundancies due to total permanent disability of 5 people and the early retirement of 9 employees.







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Environment:

sustainability and responsibility



Ángel Camacho Alimentación maintains a robust commitment to the environment due to the direct activity of its activity on the environment. For decades, it has worked to control and reduce environmental impact through the continuous improvement of the management of natural resources, supported by new technology, and systematic monitoring of processes which are externally verified and certified.

For more information, each year Ángel Camacho Alimentación publishes its Environmental Declaration, setting out the results of performance in the sustainable management of the company, available for all stakeholders.

Environmental and Energy Policy

The Environmental and Energy Policy establishes the sustainability principles in the management of the company. At the start of each year, an update of these commitments is published, with the intention of promoting the efficient consumption of resources among employees, supplies and other service providers.

The Environmental and Energy Policy, promoted from Management, is assumed by all

individuals who form part of the company and shows a clear commitment to the principles it establishes. in this way, the individuals who form Ángel Camacho Alimentación always work in pursuit of effectiveness, efficiency and continuous improvement in the use of resources, minimising environmental and energy impacts. To guarantee compliance, the objectives, programmes and measures implemented as periodically reviewed.

















ENVIROMENTAL AND ENERGY POLICY

The Management of Grupo Ángel Camacho, a company which produces and distributes an extensive range of products, including table olives, olive oils, preserves and herbal teas, is fully committed to continuous improvement of the environment and energy use and is convinced that the Environmental and Energy Management Systems are the best tool to achieve this goal, basing its Environmental and Energy Policy on the following guidelines:

- All company employees are responsible for the proper environmental management of the activities and processes in which they participate.
- Continuous updating of training to ensure that staff members understand the environmental importance of their operations and the consequences of deficient actions.
- Promotion of efficient use of water, electricity and fuel.
- Commitment to compliance with environmental and energy regulations, as well as other environmental and energy commitments assumed with clients, suppliers, associations, etr.
- Commitment to compliance with environmental and energy requirements when purchasing products and services and for the design of new facilities.
- Definition and implementation of operational control guidelines, both for our own employees and personnel of sub-contractors whose activity can have significant environmental impact.
- Continuous improvement via maintenance of effective Environmental and Energy Management Systems.
- Commitment to diffusion of our Environmental and Energy Policy at all levels.

The Management and all the organisation's employees assume a commitment to incorporate this philosophy of respect for the environment in their work activities, continually seeking to improve effectiveness and efficiency within the company while minimizing environmental and energy impacts.

Morón de la Frontera, March the 15th of 2018

Fdo.: D. Ángel Camacho Perea Executive Director











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Memoria 5

Management system

The Environmental and Energy Management Systems are a key tool for the continuous improvement and efficient use of energy. Therefore, since 2005 Ángel Camacho Alimentación has had its own Environmental Management System in accordance with the ISO 14:001:2004 regulation, and since 2015 an Energy Management System adapted to the ISO 50:001:2011 regulation, all supervised by the Energy Efficiency Committee.

This committee, which meets periodically, manages the Energy Efficiency Action Plan, with the main functions of identifying and evaluating projects, justifying investment, estimated savings, verification of the proper implementation of energy measures and monitoring of the achievements made.

During the 2016 and 2017 period, 68 actions were addressed, classifying them as actions underway, under consideration, implemented or rejected.

Reduction of compressed air consumption

Among the actions carried out in this period, the actions aiming to reduce the consumption of compressed air in the factory must be highlighted. Compressed air is one of the largest electricity consumptions of the company's activity, at the end of 2015 being 15% of the total. Due to the implementation of actions for energy efficiency, the electrical consumption for the production of compressed air was reduced to 12% at the end of 2017. This resulted in a saving, during these two years, of 138 Tn. of CO2, not emitted for this reason.

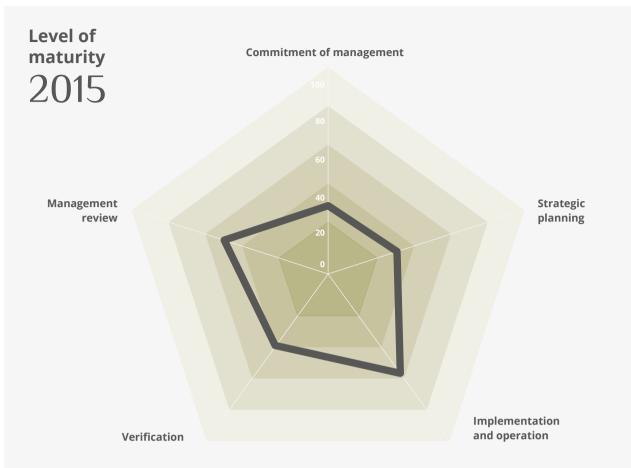


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Memoria 5





Evolution of the level of maturity in energy management

In terms of the evolution of the management systems, in 2017, the ISO 50001 Audit Report certified that ACA is an organisation with experience in management systems. this report evaluates the level of development of the company in the 5 pillars of Effective Energy Management: commitment of management, energy planning, implementation and operation, verification and review by management.

As stated in the graphs, the potential for improvement is reduced year by year, the goal is to reach 0%.

While in 2015 some aspects such as implementation and operation were placed with a great potential for improvement, in 2017 it is already appreciated that the 5 pillars of Effective Energy Management are very close to the objective. All this reflects that the level of maturity in energy management is getting better year after year.





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Environmental emergency teams

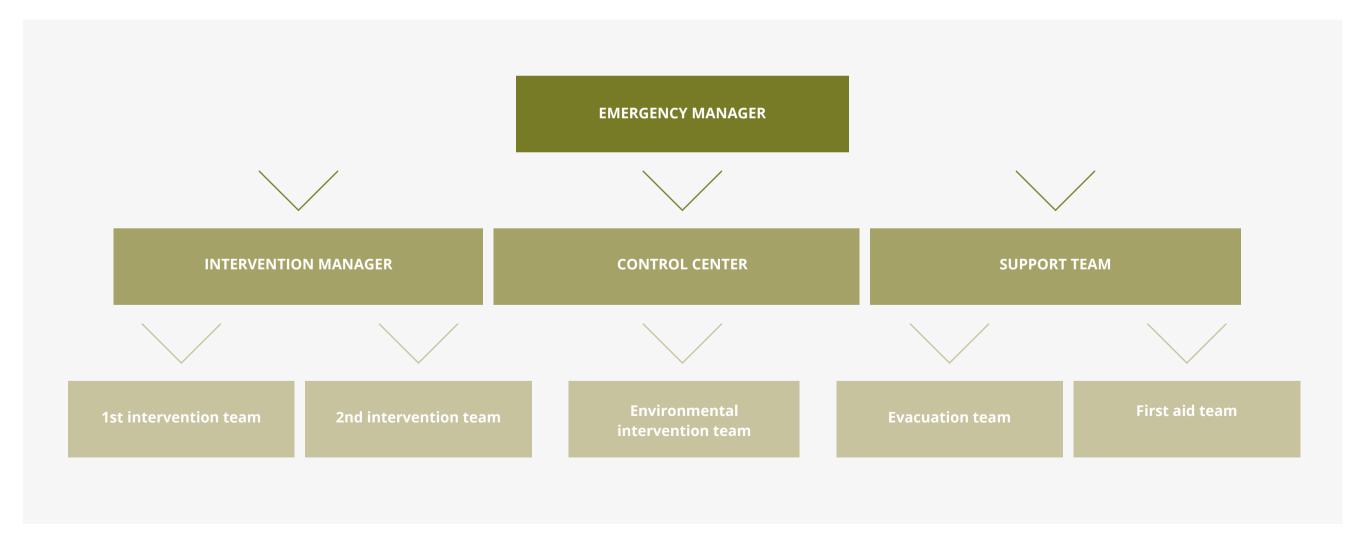
During the 2016-2017 period, work was carried out to improve the organisation of procedures and training in cases of environmental emergencies. To do so, three emergency teams were organised and five simulations were carried out related with potential risks such as diesel spills, fires, dumping and spillage of chemical products.

The simulations are key for the company as they significantly reduce the impact that these unforeseen situations may cause.





Organigram of the emergency teams



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Environmental indicators

Carbon footprint

In the 2016-2017 period, the consolidation of the green olive packing project was notable, with the move of the packing activity from Espartinas to Morón de la Frontera. This initiative allows the fuel oil boilers used in the old factory to be replaced with those of the Morón facilities using biomass energy as fuel. In this way, today, the consumption of fuel oil is zero and fossil fuels now amount to less than 15% of the total consumption.

Water footprint

The commitment to the sustainable management of water through the application of new technologies and more efficient production processes, actions aimed at raising awareness and training of employees, inspections of installations to detect leaks, the installation of timer taps and cut-off systems, among other initiatives, have allowed the significant reduction of the water footprint. Additionally, the green olive packing project led to a water consumption reduction of 3.2%.

2010-2017 2010-2017

REDUCTION OF CO2 EMISSIONS EDUCTION OF ELECTRICITY % per kg of olives packed CONSUMPTION -5.4% of the energy consumption comes from renewable sources **REDUCTION OF REDUCTION OF REDUCTION** OPERATIONAL WATER FOOTPRINT **COMPRESSED AIR OF FUEL OIL** CONSUMPTION **CONSUMPTION** from July 2017 consumption is 0 -8.5% **REDUCTION INCREASE OF BIOMASS OF DIESEL CONSUMPTION** CONSUMPTION 85% of the consumption of fuels is biomass +112%

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Other highlighted indicators	2010-2017
RAW MATERIALS	
Reduction of raw materials consumption (salt, caustic soda, etc.), per tonne of product packaged	-19.3%
CONTAINERS AND PACKAGING	
Reduction of container and packaging consumption per tonne of product packaged	-3.4%
WASTE AND EFFLUENTS	
Increased production of non-dangerous waste per tonne of product packaged	+18.1%
Reduced production of dangerous waste per tonne of product packaged	-5.8%
Reduced generation of effluents per tonne of product packaged	1.4%
BIODIVERSITY	
Reduced land area occupied by factory	-29.5%

Certifications obtained



EMAS – Eco-Management and Audit Scheme

Voluntary regulation of the European Union, of great international prestige, acknowledging organisations that have implemented an Environmental Management System and made a commitment to continuous improvement, verified by independent audits. Ángel Camacho Alimentación is also the first food company to belong to the register of Ecoaudited Centres of Andalusia, complying with the requirements of Regulation 1221/2009 of the European Parliament.



The Water Footprint Network - Water footprint

ACA was the first company in the world to have calculated and checked the water footprint of the packaged olives. The methodology followed is that established by The Water Footprint Network 2011.



Carbon footprint

ACA is a global reference in calculating and checking the carbon footprint of olives and jams, following the methodology established by the PAS 2050:2011 guide and the *Green House Gases Protocol*.



ISO 50001- Energy Management System

Obtained in 2014. International regulation certifying the systematic control and monitoring of energy management and the commitment to continuous improvement in performance.



ISO 14001-Environmental Management System

In 2005, ACA was the first company of the sector to obtain the environmental management system certification, complying with the requirements of this international regulation.



Junta of Andalusia – Environmental Quality Distinction

In 2014, ACA was the first company of the food sector to obtain this recognition from the Environmental Department of the Junta of Andalusia.

During 2018, the company will renew the ISO 14001 and ISO 50001 certifications, and in the case of the ISO 14001:2004 certification, it will carry out the adaptation to ISO 14001:2015.



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Memoria 5

Technology and innovation for sustainable development

Life Laser Fence project: Virtual fence and animal protection

Ángel Camacho Alimentación is committed to the use of new technologies as a tool for encouraging sustainable development through the research of new solutions. As a demonstration of this commitment. the agricultural companies of the group, Cucanoche, Cuarterola and Eoloarroz participate in the international Life Laser Fence project, which in the 2016-2017 period, showed its first positive results.



This initiative is being carried out in different companies in Spain, the Netherlands and United Kingdom and proposes an innovative, non-invasive and non-harmful technology, which through the use of lasers, allows the intrusion of animals on farmland to be prevented, creating a virtual fence.

In this way, the application of these practices intends to reduce the use of chemical products which are harmful to fauna. With this, the ecosystem services were improved thanks to increased diversity, also allowing losses of harvests caused by the intrusion of animals on farmlands to be reduced by 50%. Additionally, this technology will have a positive long-term impact on the carbon footprint, due to the reduction of CO2 emissions as a result of reduced use of rodenticides.

In addition to these advantages, participation in the project allows constant contact with members at a European level, holding monthly videoconferences with them to share the results obtained in weekly field trials, allowing an exhaustive data collection.

In November 2017, the members of the project, along with the European Union monitoring manager, Neil Wilkie, met at El Fontanal, an agricultural estate of Ángel Camacho, to evaluate the development of the initiative. During two workdays, the study of the different actions of the Life Laser Fence project were discussed, particularly its preparation and implementation. These meetings also evaluated potential obstacles and discussed financial

details related with the implementation of this new technology. Finally, several visits were made to the properties of Grupo Ángel Camacho to observe the operation of the lasers installed and the first results being obtained.



Objectives of the Life Laser Fence project

- 100% reduction of the use of rodenticides, pesticides used to kill rodents.
- Demonstrating that the Agrilaser technology (laser technology for the control of birds, without harming them) allows an 80% reduction of the exposure of birds to herbicides and pesticides.
- Improving the ecosystem services, including an increase in biodiversity.
- 50% reduction of losses of crops caused by the intrusion of animals in fields.
- Raising awareness of the need to reduce the use of chemical products in fields, and the effects of these products on the environment.





Project for the regeneration and reuse of water

In December 2016, Ángel Camacho Alimentación, the Institute for Agricultural and Fisheries Research and Training (IFAPA) and the University of Córdoba signed a collaboration agreement for the development of an innovative project for the scientific study of the regeneration of industrial waters and their subsequent reuse in olive cultivation. This reuse process will in the future allow the company to reduce its water footprint and make a more efficient and sustainable use of water.

The activities carried out in the context of this project will form part of a doctoral thesis, and the management and procedures implemented will comply with the guidelines set by the new international ISO 16075-2015 regulation Guidelines for treated waste water use for irrigation projects.



Promotion of responsible behaviour

In line with the guidelines of the Environmental and Energy Policy, Ángel Camacho Alimentación promotes responsible and sustainable behaviour among its employees, suppliers and other service providers.

In the 2016-2017 period, different communication actions were carried out among ACA employees, for example, with the placement of posters for raising awareness on energy saving with the idea "Saving is everyone's duty". Specifically, they were oriented toward promoting a more responsible use of compressed air and reporting savings from the stoppage of equipment when not in use.

As part of this commitment, ACA environmental experts occasionally participate in workdays and events which promote sustainability:

- In November 2016, the Engineering and Environment Manager of the company participated as a speaker at the 7th Bringing Flavour to your Life Workday, organised by ACA, at which he discussed sustainability as a shared responsibility.
- In 2016, the 6th Table Olive International Workdays were participated in, ACA sharing its knowledge in the field of carbon footprint and water footprint certification for table olives as recognition of environmental quality.
- Additionally, the president of the Institute for Agricultural and Fisheries Research and Training (IFAPA) of Córdoba, a body affiliated with the Ministry of Agriculture, Fishing and Rural Development of the Junta of Andalusia, visited the ACA installations in 2016.





Participation in the 6th Table Olive International Workdays

Ángel Camacho Alimentación participated as a speaker at the 6th Table Olive International Workdays held in 2016. Pedro Cruces Camacho, Engineering and Environment Manager, gave a speech on the important role of carbon footprint and water footprint certifications in the field of table olives as guarantees of the environmental quality of the production companies and products.





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Vemoria 5

Notable projects with large clients

Highest score in the CDP from Walmart

Both in 2016 and 2017, the North American business unit of the company, Mario Camacho Foods, was the only company in the consumer goods category included on the A list of the 100 most environmentally efficient suppliers, due to the supplier evaluation project carried out by Walmart in collaboration with *Carbon Disclosure Project (CDP)*.



This initiative, of which it is the largest distribution chain at a global level, consists of annually analysing and scoring the responses of Walmart suppliers based on the information request carried out on climate change The CDP scoring methodology is followed, evaluating the responses of companies at four levels: dissemination, awareness, management and leadership. In this way, they are classified in 6 categories: A, B, C, D, E and F.

Thus, category A, obtained by the subsidiary of the group, is the best position, only achieved by 2.5% of applicant suppliers in 2016. This score means that the company measure, checks and manages its carbon footprint, applying targets and programmes to reduce direct emissions and emissions from its supply chain. It involves a recognition of actions and the commitment of this business unit, extendible to the whole group, with respect for the environment in all production processes, as well as in the supply chain.

2020 objective of the Carbon Capture Tool from Tesco

ACA participates with United Kingdom supermarket chain, Tesco, in a significant project for reducing the carbon emissions of its products by 30% by 2020

2016-2017 milestones in environmental management

- Expansion of the salt ponds. The ACA effluent management model considers this innovative system which simulates the natural evaporation of salt flats, using the most economical energy that exists solar. The expansion made allows the proper management of effluents which will be generated by the future growth of the company's activity to be guaranteed.
- Agreement with the Institute for Agricultural and Fisheries Research and Training (IFAPA) and the University of Córdoba for research on the regeneration of industrial waters and their reuse in the cultivation of olives.
- Industrial reorganisation. Green olive packing consolidation project.
- Mario Camacho Foods is the only company in the consumer goods sector which forms part of the A list of the 100 most efficient suppliers of Walmart and Carbon Disclosure Project (CDP).
- Improvement and modernisation of the fire system.
 In the last two years, the fire protection installations of the industrial establishments of ACA have been expanded, providing them with resources superior to those required by current regulations.
- Reduced consumption of compressed air. At the end of 2015, electrical consumption for the production of compressed air amounted to 15%, reduced to 12% at the end of 2017.

Supply chain: value, responsibility and support for development



The objective of Ángel Camacho Alimentación is to ensure the supply of the best raw materials, as well as the rest of the ingredients or components necessary for the production of products, both in terms of quality and food safety. Therefore, it is essential to have suppliers of the highest level, who provide their quality and excellence to the company.

The panel of suppliers is very diverse, as it is formed by large multinational companies to small local companies or cooperatives of farmers of the region.

All of this is also under a global dimension, due to all products being commercialised at an international level. This framework applies to a growing number of supplier companies certified by the most demanding quality and food safety regulations on the market (ISO, BRC and IFS) and not only for companies supplying raw materials, but also for other suppliers.

In 2016 and 2017, the total suppliers of GAC amounted to 459. Of these, 80% are suppliers of raw materials, 18% of containers and packaging, and 2% of fuel. Purchases represented over 60% of the expenses of ACA, the area with greatest impact on the business. The purchase of raw materials encompassed, by order of importance, table olives, oil, fruit and pickles.



COMPETITIVENESS

Competitive prices for the best product or service

FLEXIBILITY AND ACPACITY ADAPTATION

to demand, capacity available, sufficient stock and robust financial situation

LONG-TERM VISION

Lasting relationships of mutual trust

Value provided by suppliers

CAPACITY FOR INNOVATION AND INVESTMENT

They provide solutions for launching new products on the market, researching and developing new solutions

QUALITY AND RELIABILITY

Guaranteed quality, and reliable level of service in terms of dates and quantities

CAPACITY FOR REDUCED COSTS IN PROCESSES

Continuous improvement to eliminate inefficiency and optimise savings





Evaluation of suppliers

During the 2016-2017 period, the commitment to responsible suppliers was consolidated. Since the 2015 implementation of the Supplier Guide, the company has requested compliance with the obligatory requirements of food safety, working with committed suppliers which are periodically audited and which have obtained the various certifications required in the guide.

The supplier evaluation process is transparent and has the collaboration of both the company and the suppliers themselves. All collaborators are sent the Supplier Guide and the Code of Ethics which must be accepted and signed as an essential condition for working with Ángel Camacho Alimentación.

At the end of 2017, 40% of ACA suppliers complied with all obligatory requirements of this guide. Furthermore, 40% of suppliers complied with 50% of the requirements. Those responsible for purchases work to continue increasing these percentages.

Thanks to this commitment to accepting key principles in professional development, in addition to purchase contracts being formalised, long-term relationships are also established which have allowed the company to have historic suppliers with which it has worked for over 25 years.

Ángel Camacho Alimentación shares important concerns with its suppliers such as support for the principles of the Global Compact, the Universal Declaration of Human Rights of the UN and the International Labour Organisation.

Classification of suppliers

ACA has developed a supplier classification methodology by categories:

A SUPPLIERS

Those which fulfil all technical and quality requirements to be suppliers for Ángel Camacho Alimentación. Technical datasheets, third party certifications, completion of the quality questionnaire and food safety questionnaire are required, in addition to acceptance of the guidelines and principles of the Supplier Guide.

B SUPPLIERS

Those which, not fulfilling 100% of requirements, are prepared to do so, being provided a period for compliance.

To evaluate and make a responsible selection of suppliers, in its purchasing department, ACA has incorporated personnel specialised in this type of audit, in order to enhance the selection, evaluation and monitoring of quality and food security of suppliers.





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Camacho Integra, a great innovation in the sector

In line with the commitment of innovation to be more responsible each day, Ángel Camacho Alimentación implemented the ambitious "Camacho Integra" project.

It is a new farmer evaluation system with the main objective of integrating all farmers as an active part of the company's value chain, ensuring the traceability and food safety of olives from the field to the consumer's table.

In the 2016-2017 period, a great effort was made in the integration of suppliers in the value chain. In this way, in 2017, over 75% of purchases from green olive suppliers came from fully integrated suppliers.





Working jointly, and thanks to technical developments, olives are standardised, adapting to the highest quality standards established by international markets, and responding to different legislation on pesticide residues.

PHASE 4:

SUPPLIERS

66

Camacho Integra is a pioneering project. In addition to technically controlling all purchase needs of olives of our company, we obtain the best farmers and advise them so that they have better efficiency on their farms, achieving very significant savings.

> — Felipe Pizarro Ruíz Farmer Integration and Development Manager



CAMACHO INTEGRA

Phases of the project

PHASE 1:

CLASSIFICATION AND SELECTION OF THE BEST FARMERS

Resources provided to the supplier to adapt to the requirements of the project: support technicians by region, phytopathological stations and technicalagricultural forums. Also pertinent information on recommended active substances due to pests and diseases.

PHASE 2:

EVALUATION OF SUPPLIERS

Commitment to traceability,

food safety, efficiency and

control of the supply chain,

as well as guaranteeing the

sustainability of suppliers.

PHASE3:

IMPLEMENTATION OF PILOT TRIAL WITH KEY SUPPLIERS

In 2016 the project was started, undertaking a pilot trial with some strategic suppliers, agricultural cooperatives and purchase centres. After satisfactory results, it was decided to implement the project.

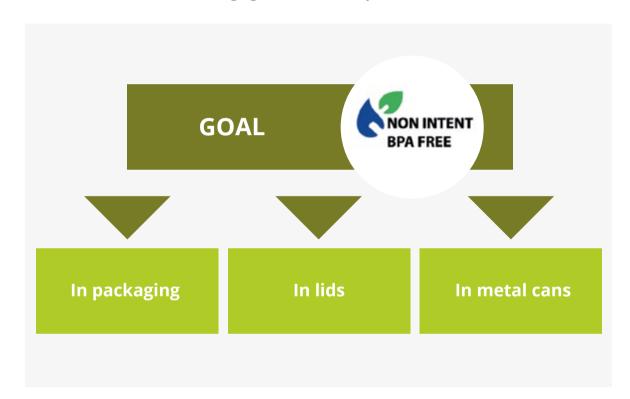
In 2017, expansion of the project to a large number of farmers. Technical control of all company olive purchase needs. Membership of the best farmers.

EXPANSION OF THE PROJECT TO A LARGE NUMBER OF



Promotion of sustainability with suppliers

ACA works proactively to raise its suppliers' awareness of the importance of optimising the use of resources and managing them sustainably.



Since 2016 ACA has worked with its suppliers to eliminate Bisphenol A from all lids used in the glass and metal can packaging.

BPA (Bisphenol A) is a chemical substance used for a wide variety of commercial products, such as packaging for foods or hygiene products. For years there has been negative coverage on its potential migration into food products. Its use is prohibited in children's products such as baby bottles, and in some countries, such as France, it is completely prohibited.

Although there is no definitive scientific evidence that exposure to materials that contain BPA constitutes a risk to human safety, ACA has eliminated Bisphenol A, instead using BPA-NI (Bisphenol Non-Intent) in all lids used in glass packaging and metal cans.

With these measures, the company responds to the demand of many clients, going beyond strictly legal compliance, as it is not until September 2018 that the new EU 2018/13 regulation comes into force, reducing the permitted level of this substance.

Additionally, Ángel Camacho Alimentación extends the company's commitments to the environment to all suppliers, promoting various joint initiatives, mainly related with environmental responsibility:



Lightened packaging weight

Encouraging use of environmentally friendly materials



Promotion of reuse of waste

Community: shared value and local development











Through its activity, Ángel Camacho Alimentación is committed to contributing to and collaborating with the community to enhance the development of the local environment in which it operates.

Among its main contributions are the generation of employment, the purchase of products from local suppliers, social investment, the prevention of loss of food resources, sports sponsorship and collaboration with academic entities.

Promotion of employment

Collaborating with the economic, business and cultural growth of the community in which it operates is crucial for Ángel Camacho Alimentación. The company, which undertakes its activity in the province of Seville, is committed to the development of local employment with a staff with over 90% of employees being locals of the Seville town of Morón de la Frontera. The company was born in this town over 120 years ago, were its central headquarters and main manufacturing units are still located.

EMPLOYEES FROM MORÓN DE LA FRONTERA

Local purchases

The same commitment to development and the local economy is maintained in the purchase strategy, through which relationships with local suppliers are prioritised. In 2017, purchases of raw materials and auxiliary materials from local suppliers amounted to almost 75% of purchases made by Ángel Camacho Alimentación.

74,5% **OF PURCHASES MADE FROM LOCAL SUPPLIERS IN 2017**

Sustainable management of food resources

The prevention of waste and the sustainable management of food resources is a key commitment for ACA, closely related with its business. For this reason, integrated in its daily activity are a series of measures which contribute to the objective of raising awareness to reduce the wastage of food.

Since 2013 ACA has participated in the "La alimentación no tiene desperdicio, aprovéchala", programme of the Manufacturers and Distributors Association, AECOC. This initiative is oriented toward raising society's awareness of the issue of food waste and promoting prevention and efficiency practices, as well as maximising the use of surplus produced by companies of the sector.

Additionally, it collaborates with the "Andaluces Compartiendo" regional initiative of the Landaluz Food Business Association of Andalusia, and the Cajasol Foundation. This social action campaign carries out a large number of activities throughout the year with the objective of collecting foods to help the most disadvantaged families in Andalusia. Since 2013, it has helped over 80,000 families, donating over 2 million kilos of food.









Donations to local food banks and **NGOs**



Participation in projects for the reduction of food waste

Sports sponsorship

Ángel Camacho Alimentación is committed to sport and the values of achievement, teamwork, commitment and effort that it promotes. Therefore, it is proud to sponsor the following initiatives related with sport:

Morón Basketball Club

Since 2014, the Fragata brand of Ángel Camacho Alimentación has been the main sponsor of the Morón de la Frontera basketball team. This town, where the Camacho family is originally from, is where the central headquarters of the company are located and where the majority of its employees live. During Christmas 2017, a charity game was organised to support the local food bank, this event collecting over 700 kilos of food.



Food donation

ACA has maintained its collaboration with the Seville Food Bank Association for over 20 years, periodically delivering large amounts of food. It also collaborates with donations to other local entities of Morón and in occasional charity actions. Between 2016 and 2017, approximately 200 tonnes of food were donated, received by around 200,000 families of the region.

The Cycling Tour of Spain

The Fragata brand is also the official sponsor of the Cycling Tour. With this contribution, it intends to promote non-polluting outdoor sport, aligned with the environmental commitments and sustainable management of the company.

Social commitment beyond our borders

Due to its distinct global character, ACA also seeks to expand its social commitment beyond its closest surroundings, by contributing food to other more disadvantaged regions of the world. In 2016, it collaborated by

donating products to the Bangassou Foundation, which works for the development of communities of this region of the Central African Republic.

Women's Race

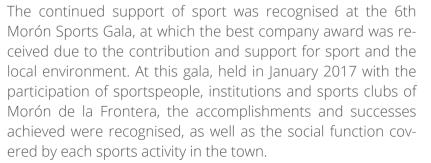
Camacho Alimentación participated in 8 races in different Spanish cities as an entity collaborating with the 13th National Circuit of the Women's Race, the largest women's sport event in Europe, promoting sport and the fight against cancer.



OPULAR DEL CORAZÓN

Heart Race

Also in 2017, the Susarón brand was the official supplier of the 8th Popular Heart Race, a charity sports event organised by the Spanish Heart Foundation (FEC) with the support of the Spanish Cardiology Association (SEC), promoting awareness of the importance of physical exercise as a measure for preventing cardiovascular diseases.





Beatriz Camacho, **Subsidiary Manager of** Grupo ACA during the 6th Morón Sports Gala.





Collaboration with academic institutions

The training of young talent and the generation of knowledge are also community commitments of Ángel Camacho Alimentación.

The company currently collaborates with the University of Seville and intermediate and superior professional training centres of Morón de la Frontera and nearby towns, to undertake academic and training internships of students at the company.

Additionally, managing director Ángel Camacho Perea is a trustee of the International San Telmo Institute of Seville, a prestigious business school at which the company carries out different management courses, and also the internal work and training day "Bringing Flavour to your Live", at which over 130 people participate.

Additionally, some managers of the company occasionally collaborate with universities, business schools, business associations and other academic entities, giving speeches, participating in debates and forming part of advisory boards, among other activities.

Sponsorship of sectorial workdays

ACA is committed to the development of activities and actions which encourage professionalism, training and innovation, essential for social and local economic development.

In this sense, for several years, it has participated as a sponsor of the Food and Perfumery Distribution Sector Workdays, organised each year by the Food and Perfumery Business Confederation of Andalusia (CAEA) in different cities of Andalusia. These workdays constitute a meeting point of reference for local businesses that interact in the food chain and entails a unique opportunity for sharing the knowledge of companies and encouraging the creation of shared value.



Jorge Mañas Avisbal, Commercial Director of ACA during the 6th Food and Perfumery Distribution Sector Workdays.





5.1 Scope and coverage

This Sustainability Report is the third published by Ángel Camacho Alimentación, corresponding to the 2016-2017 financial year.

It includes the activity and main results of economic, environmental and social performance of the main business unit of the company, Ángel Camacho Alimentación. In certain indicators, consolidated data of Grupo Ángel Camacho is also reported – including all business units – to offer the global context of the business and its results. In all cases, the corresponding reference is indicated.

To create the document, the key principles of comparability, precision and balance were taken into account with the objective of offering significant information on performance in a traceable and coherent way.

The content of the Report includes indicators of sustainability of the company, from measurements and records of consumption, consolidated economic data, personnel records and information verified by third parties with regard to the water footprint and carbon footprint. This information allows all production activities of Ángel Camacho Alimentación during the 2016-2017 period to be reported on.

The Guide for creating Sustainability Reports of the Global Reporting Initiative (GRI) standards has been followed in its core option, with the reporting of indicators required by the 2016 edition of the Guide.

Additionally, it incorporates the correlation between the GRI content, Sustainable Development Goals (SDGs) and 10 principles of the Global Compact.





$\begin{bmatrix} 5.2 \end{bmatrix}$ $\frac{\text{Analysis of}}{\text{materiality}}$

The analysis of materiality is essential in the management of Corporate Social Responsibility, as it allows the definition of the issues to

be reported in accordance with the strategy, stakeholders and the context in which the company operates. In the 2016-2017 period,

The analysis process of pertinent issues for stakeholders and for the business was carried out in three phases:

the materiality of Grupo Ángel Camacho was updated to define the content of this Sustainability Report.



Identification

The material issues or pertinent matters were identified from an analysis of different internal and external sources of information. This analysis allowed the definition of a preliminary list of pertinent issues for the business of the company and for its stakeholders.

Subsequently, a semantic review of the issues was carried out to link related concepts or fields with each other and integrate them in terms of the focus of the business and the sector in which it operates.

Strategy and priorities for Grupo Ángel Camacho	Sectorial prescribers	Trends in CSR
Sustainability Report and materiality of Ángel Camacho Alimentación 2014-2015 2016 United Nations Compact Progress Report	Main features of the olive sector 2016 (ASEMESA) Adaptation to climate change in the business strategy 2016 (FIAB) Decalogue of Responsible Companies of Seville Sustainability Yearbook 2018 from RobecoSAM Benchmarking of materiality of six competitor companies	Social and CSR trends at an international and Spanish level

Importance for the business



Based on:

- Business strategy of Grupo Ángel Camacho.
- Evaluation of company management.
- Trends of the sector.
- Prescribers of the sector in issues related with sustainable development.

Prioritisation

The preliminary list of issues identified was prioritised and ranked by two variables:

Importance for stakeholders

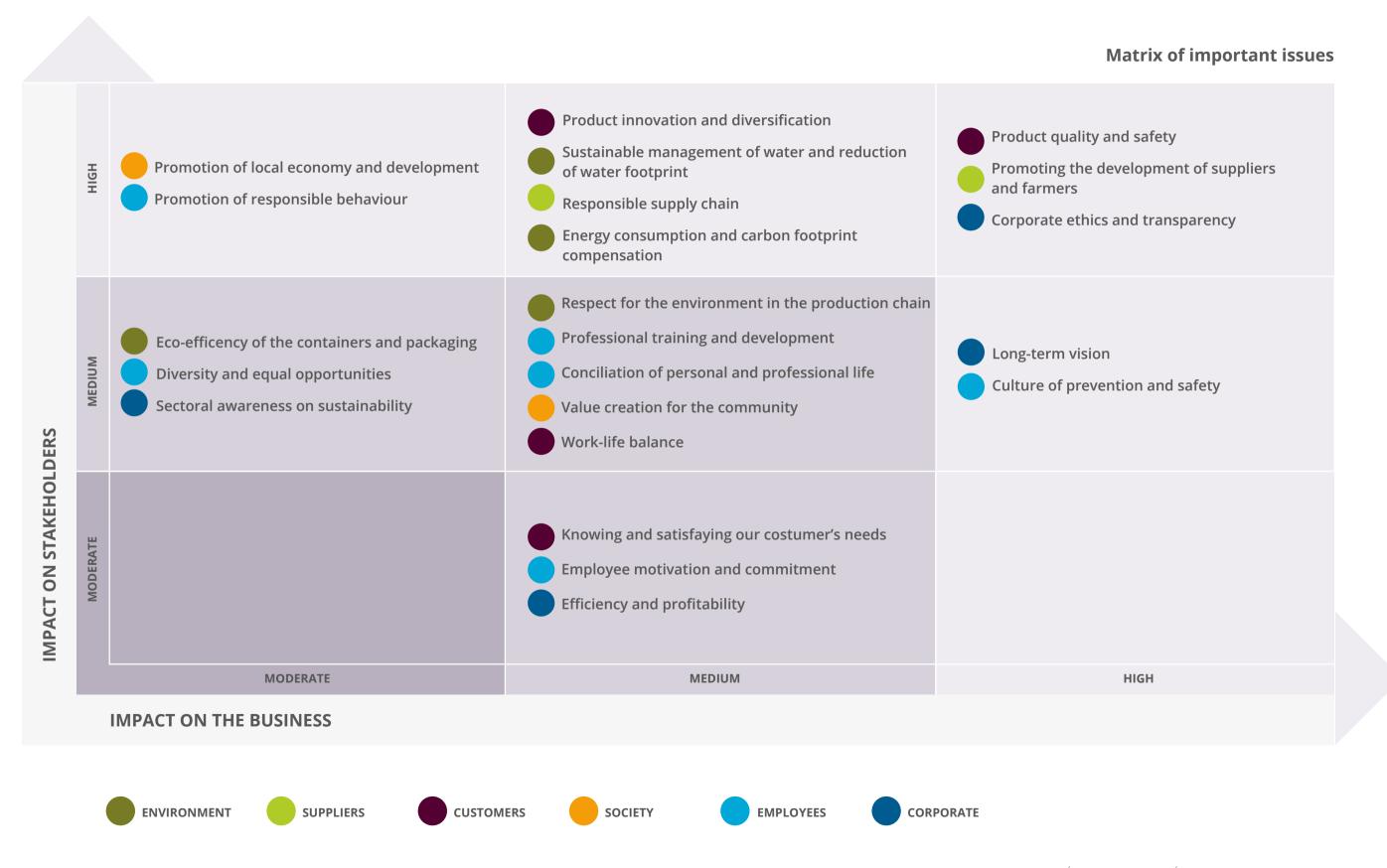


Based on:

- Information available on stakeholders.
- Social trends and concerns
- SDGs (Sustainable Development Goals) in the agri-food sector.

Materiality matrix

As a result of this analysis, the materiality matrix was created for the 2016-2017 period, presented below. The issues are ordered by their importance, from high, medium and moderate, and based on the two axes of importance, for the activity of Grupo Ángel Camacho and for its stakeholders.





[5.3] GRI Standards list of contents

This report has been prepared in accordance with the GRI Standards: Core option.



Contenidos generales

GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
Organizational profile		
	102-1 Name of the organisation	Ángel Camacho Alimentación, S.L.
	102-2 Activities, brands, products and services	P. 10-12 Our brands and products
	102-3 Location of headquarters	Contact data/back cover
	102-4 Location of operations	P. 5 A small town multinational
	102-5 Ownership and legal form	P. 15 Corporate Governance
	102-6 Markets served	P. 6 International presence, Business units
GRI 102: General Disclosures	102-7 Scale of the organisation	P. 9 Economic, environment and social impact
General Disclosures	102-8 Information on employees and other workers	P. 30 Composition of the staff
	102-9 Supply chain	P. 50 Supply chain: value, responsibility and support for development
	102-10 Significant changes to the organization and its supply chain	P. 51 Evaluation and Classification of suppliers
	102-11 Precautionary Principle or approach	P. 14 Business Model
	102-12 External initiatives	P. 17-19 Commitment to sustainability
	102-13 Membership of associations	P. 21 Membership of associations

GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
Strategy		
GRI 102: General Disclosures	102-14 Statement from senior decision-maker	P. 3 Message from the Executive Director
Ethics and integrity		
GRI 102: General Disclosures	102-16 Values, principles, standards and norms of behavior	P. 14 Business Model P. 16 Code of Ethics
	102-17 Mechanisms for advice and concerns about ethics	P. 16 Code of Ethics
Governance		
	102-18 Governance structure	P. 15 Corporate Governance, Management Comitee
	102-19 Delegating authority	P. 15 Management Comitee
GRI 102:	102-22 Composition of the highest governance body and its committees	P. 15 Corporate Governance, Management Comitee
General Disclosures	102-23 Chair of the highest governance body	P. 15 Corporate Governance, Management Comitee
	102-24 Nominating and selecting the highest governance body	P. 15 Corporate Governance, Management Comitee
	102-25 Conflicts of interest	P. 16 Code of Ethics



GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
Stakeholder engagement		
	102-40 List of stakeholder groups	P. 22 Highlights 2016-2017
	102-41 Collective bargaining agreements	P. 22 Negotiation with Works Councils
GRI 102:	102-42 Identifying and selecting stakeholders	P. 17 Commitment to sustainability
General Disclosures	102-43 Approach to stakeholder engagement	P. 17 Commitment to sustainability
	102-44 Key topics and concerns raised	P. 59-60 Analysis of Materiality
Danagtina		
Reporting practice		
	102-45 Entities included in the consolidated financial statement	P. 5 A small town multinational
	102-46 Defining report content and topic Boundaries	P. 58 Scope and coverage
	102-47 List of material topics	P. 60 Materiality Matrix
	102-48 Restatement of information	There is no restatement of the information with regard to the previous report
	102-49 Changes in reporting	No significant changes have been made with regard to the previous report
	102-50 Reporting period	P. 58 Scope and coverage
	102-51 Date of most recent report	The 2014-2015 Biennial Report was published in 2016
	102-52 Reporting cycle	This report is published biannually
	102-53 Contact point for questions regarding the report	Contact data/back cover
	102-54 Claims of reporting in accordance with the GRI Standards	P. 58 Scope and coverage
	102-55 GRI content index	P. 61 ahead GRI Standards list of contents
	102-56 External assurance	No external verification has been carried out



Specific content – Material issues

GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
Material topic: Corporate e	ethics and transparency	
	103-1 Explanation of the material topic and its Boundary	P. 16 Code of Ethics
GRI 103: Management Approach	103-2 The management approach and its components	P. 16 Code of Ethics
	103-3 Evaluation of the management approach	P. 16 Code of Ethics
ACA's indicators	Percentage of employees trained on Code of Ethics	P. 34 Promotion of training
ANTI-CORRUPTION		
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	P. 16 Code of Ethics
Material topic: Long-term	vision	
	103-1 Explanation of the material topic and its Boundary	P. 14 Business Model
GRI 103: Management Approach	103-2 The management approach and its components	P. 14 Business Model
	103-3 Evaluation of the management approach	P. 22 Highlights 2016-2017
Material topic: Efficiency a	nd profitability	
	103-1 Explanation of the material topic and its Boundary	P. 17 Commitment to sustainability
GRI 103: Management Approach	103-2 The management approach and its components	P. 17 Commitment to sustainability
management, pp. oden	103-3 Evaluation of the management approach	P. 17 Commitment to sustainability
ECONOMIC PERFORMANCE		
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	P.8 Main figures



GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE			
Material topic: Sectorial aw	Material topic: Sectorial awareness on sustainability				
	103-1 Explanation of the material topic and its Boundary	P. 47 Technology and innovation for sustainable development			
GRI 103: Management Approach	103-2 The management approach and its components	P. 47 Technology and innovation for sustainable development			
	103-3 The management approach and its components	P. 47 Technology and innovation for sustainable development			
Material topic: Respect for t	the environment in the production chain				
	103-1 Explanation of the material topic and its Boundary	P. 41 Environment: sustainability and responsibility			
GRI 103:	103-2 The management approach and its components	P. 41 Environment: sustainability and responsibility			
Management Approach	103-3 Evaluation of the management approach	P. 42 Management system			
	Reduced production of dangerous waste per tonne of packaged product from 2010 to 2017	P. 45-46 Environmental indicators			
ACA's indicators	Reduced production of effluents per tonne of packaged product from 2010 to 2017	P. 45-46 Environmental indicators			
ACA'S ITIUICALOIS	Relative reduction of consumption of containers and packaging from 2010 to 2017	P. 45-46 Environmental indicators			
	Reduced occupied land area from 2010 to 2017	P. 45-46 Environmental indicators			



GRI STANDARD	DISCLOSURE PAG	SE OR DIRECT RESPONSE		
Material topic: Sustainable and reduction of water foo	Material topic: Sustainable management of water and reduction of water footprint			
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GRI 103: Management Approach	103-2 The management approach and its components P. 4	2 Management system		
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WATER AND EFFLUENTS				
GRI 303: Water and Effluents	303-3 Water withdrawal P. 4	5-46 Environmental indicators		
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Management Approach	103-2 The management approach and its components P. 4	2 Management system		
	103-3 Evaluation of the management approach P. 4	5 Management system		
ENERGY				
GRI 302:	302-1 Energy consumption within the organisation P. 4	5 Environmental indicators		
Energy	302-4 Reduction of energy consumption P. 4	5 Environmental indicators		
EMISSIONS				
GRI 305: Emissions	305-1 Direct (Scope 1) emissions GHG emissions P. 4	5 Environmental indicators		



CDI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
GRI STANDARD	DISCLOSURE	TAGE ON DIRECT RESPONSE
Material topic: Eco-efficien	cy of the containers and packaging	
	103-1 Explanation of the material topic and its Boundary	P. 42 Management system
GRI 103: Management Approach	103-2 The management approach and its components	P. 42 Management system
	103-3 Evaluation of the management approach	P. 46 Other highlighted indicators
Material topic: Responsible	e supply chain	
	103-1 Explanation of the material topic and its Boundary	P. 50 Supply chain: value, responsibility and support for development
GRI 103: Management Approach	103-2 The management approach and its components	P. 50 Supply chain: value, responsibility and support for development
	103-3 EEvaluation of the management approach	P. 51 Evaluation of suppliers
PROCUREMENT PRACTICES		
GRI 204: Procurement practices	204-1 Proportion of spending on local suppliers	P. 52 Camacho Integra
SUPPLIER ENVIRONMENTAL ASSESSMEN	т	
GRI 308: Supplier environmental assessment	308-1 New suppliers that were screened using environmental criteria	P. 51 Evaluation of suppliers
Material topic: Promoting	the development of suppliers and farmers	
	103-1 Explanation of the material topic and its Boundary	P. 53 Promotion of sustainability with suppliers
GRI 103: Management Approach	103-2 The management approach and its components	P. 53 Promotion of sustainability with suppliers
	103-3 Evaluation of the management approach	P. 53 Promotion of sustainability with supplierss
ACA's indicators	Farmers integrated by the Camacho Integra project	P. 52 Camacho Integra



GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE		
Material topic: Product inn	ovation and diversification			
	103-1 Explanation of the material topic and its Boundary	P. 29 Innovation and diversification		
GRI 103: Management Approach	103-2 The management approach and its components	P. 29 Innovation and diversification		
	103-3 Evaluation of the management approach	P. 29 Innovation and diversification		
Material topic: Product qua	ality and safety			
	103-1 Explanation of the material topic and its Boundary	P. 25 Quality and food safety		
GRI 103: Management Approach	103-2 The management approach and its components	P. 25 Quality and food safety		
	103-3 Evaluation of the management approach	P. 25 Quality and food safety		
Material topic: Knowing an	d satisfying our costumer's needs			
	103-1 Explanation of the material topic and its Boundary	P. 27-28 Communication and active listening		
GRI 103: Management Approach	103-2 The management approach and its components	P. 27-28 Communication and active listening		
	103-3 Evaluation of the management approach	P. 27-28 Communication and active listening		
Material topic: Long-term a	Material topic: Long-term and reliable relationship with our costumers			
	103-1 Explanation of the material topic and its Boundary	P. 24 Clients and consumers: confidence, quality and innovation		
GRI 103: Management Approach	103-2 The management approach and its components	P. 24 Clients and consumers: confidence, quality and innovation		
	103-3 Evaluation of the management approach	P. 26 Transparency in labelling		



GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE
Material topic: Employee m	otivation and commitment	
CDI 402	103-1 Explanation of the material topic and its Boundary	P. 32-33 Motivation and commitment
GRI 103: Management Approach	103-2 The management approach and its components	P. 32-33 Motivation and commitment
	103-3 Evaluation of the management approach	P. 32-33 Motivation and commitment
EMPLOYMENT		
GRI 401: Employment	401-1 New employee hires and employee turnover	P. 30-31 Composition of the staff
Material topic: Culture of p	revention and safety	
CDI 102.	103-1 Explanation of the material topic and its Boundary	P. 35-37 Preventive culture
GRI 103: Management Approach	103-2 The management approach and its components	P. 35-37 Preventive culture
	103-3 Evaluation of the management approach	P. 35-37 Preventive culture
Material topic: Work-life ba	lance	
	103-1 Explanation of the material topic and its Boundary	P. 38 Work-life balance and diversity
GRI 103: Management Approach	103-2 The management approach and its components	P. 38 Work-life balance and diversity
	103-3 Evaluation of the management approach	P. 38 Work-life balance and diversity
ACA's indicators	Main work/life balance indicators in 2016 and 2017	P. 38 Work-life balance and diversity
Material topic: Professional	training and development	
	103-1 Explanation of the material topic and its Boundary	P. 34-35 Promotion of training
GRI 103: Management Approach	103-2 The management approach and its components	P. 34-35 Promotion of training
	103-3 Evaluation of the management approach	P. 34-35 Promotion of training
TRAINING AND EDUCATION		
	404-1 Average hours of training per year per employee	P. 34-35 Promotion of training
GRI 404: Training and teaching	404-2 Programs for upgrading employee skills and transition assistance programs	P. 34-35 Promotion of training
	404-3 Percentage of employees receiving regular performance and carreer development reviews	P. 39 New performance management system



GRI STANDARD	DISCLOSURE	PAGE OR DIRECT RESPONSE		
Material topic: Diversity and equal opportunities				
GD1 400	103-1 Explanation of the material topic and its Boundary	P. 38 Work-life balance and diversity		
GRI 103: Management Approach	103-2 The management approach and its components	P. 38 Work-life balance and diversity		
	103-3 Evaluation of the management approach	P. 38 Work-life balance and diversity		
DIVERSITY AND EQUAL OPPORTUNITY				
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	P. 38 Work-life balance and diversity		
Material topic: Promotion of	f responsible behaviour			
GRI 103:	103-1 Explanation of the material topic and its Boundary	P. 48 Promotion of responsible behaviour		
Management Approach	103-2 The management approach and its components	P. 48 Promotion of responsible behaviour		
	103-3 Evaluation of the management approach	P. 48 Promotion of responsible behaviour		
Material topic: Promotion of	f local economy and development			
GRI 103:	103-1 Explanation of the material topic and its Boundary	P. 54-55 Community: shared value and local development		
Management Approach	103-2 The management approach and its components	P. 54-55 Community: shared value and local development		
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LOCAL COMMUNITIES				
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments, and development programs	P. 54 Promotion of employment and Local purchases		
Material topic: Value creation of the community				
	103-1 Explanation of the material topic and its Boundary	P. 54-55 Community: shared value and local development		
GRI 103: Management Approach	103-2 The management approach and its components	P. 54-55 Community: shared value and local development		
	103-3 Evaluation of the management approach	P. 54-55 Community: shared value and local development		



Correlation of the Sustainable Development Goals with the Global Reporting Initiative and The Ten Principles of the UN Global Compact

SGD	GRI STANDARD	THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT
3 GOOD HEALTH AND WELL-BEING	305-1 Direct (Scope 1) GHG emissions	1 Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence 2 Business should make sure that they are not complicit in human rights abuses 3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining 4 Business should uphold the elimination of all forms of forced and compulsory labour 5 Business should uphold the abolition of child labour 6 Business should uphold the elimination of discrimination in respect of employment and occupation 10 Working against corruption in all its forms
4 QUALITY EDUCATION	305-1 Average training hours per year per employee	Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence Business should make sure that they are not complicit in human rights abuses
5 GENDER EQUALITY	 102-22 Composition of the highest governance body and its committees 102-24 Nomination and selection of the highest governance body 401-1 New employee contracts and personnel rotation 401-1 Average training hours per year per employee 404-3 Percentage of employees that receive periodic performance and professional development evaluations 405-1 Diversity in governance bodies and employees 	Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence Business should make sure that they are not complicit in human rights abuses Business should uphold the freedom of association and the effective recognition of the right to collective bargaining Business should uphold the elimination of all forms of forced and compulsory labour Business should uphold the abolition of child labour Business should uphold the elimination of discrimination in respect of employment and occupation
6 CLEAN WATER AND SANITATION	303-3 Recycled and reused water	Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence Business should make sure that they are not complicit in human rights abuses Businesses should support a precautionary approach to environmental challenges Business should undertake initiatives to promote greater environmental responsibility Business should encourage the development and diffusion of environmentally friendly technologies



SGD		GRI STANDARD	THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT
7 AFFORDABLE AND CLEAN ENERGY	302-1 302-4	Energy consumption within the organisation Reduction of energy consumption	Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence Business should make sure that they are not complicit in human rights abuses Businesses should support a precautionary approach to environmental challenges Business should undertake initiatives to promote greater environmental responsibility Business should encourage the development and diffusion of environmentally friendly technologies
8 DECENT WORK AND ECONOMIC GROWTH	102-41 302-1 302-4 401-1 404-1 404-2 404-3	Collective negotiation agreements Energy consumption within the organisation Reduction of energy consumption New employee contracts and personnel rotation Average training hours per year per employee Programmes for improving skills of employees and transition support programmes Percentage of employees that receive periodic performance and professional development evaluations Diversity in governance bodies and employees	 Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence Business should make sure that they are not complicit in human rights abuses Business should uphold the freedom of association and the effective recognition of the right to collective bargaining Business should uphold the elimination of all forms of forced and compulsory labour Business should uphold the abolition of child labour Business should uphold the elimination of discrimination in respect of employment and occupation
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	201-1	Economic value	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining Business should uphold the elimination of all forms of forced and compulsory labour Business should uphold the abolition of child labour Business should uphold the elimination of discrimination in respect of employment and occupation Businesses should support a precautionary approach to environmental challenges Business should undertake initiatives to promote greater environmental responsibility Business should encourage the development and diffusion of environmentally friendly technologies















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