

Willkommen Thurländer!



ANNUAL REPORT 2018



ANNUAL REPORT 2018

The Development Process of our Annual Report 2018 and its Scope

Transparent management is one of the key pillars on which the Grupo Alimentario Citrus (GAC) business model is based. Being open both internally and to society is our way of understanding our relationship with the social and economic surroundings: customers, suppliers, society and natural environment. Therefore, we present this annual report with the aim of providing a clear, vivid vision of the company's performance during the 2018 financial year.

This year GAC has included its commitment to the UN's Sustainable Development Goals (SDGs) in this annual report. The SDGs in the 2030 Agenda, applied to the processes of our company, commit us to choose the optimal options in order to improve life, in a sustainable way, for future generations.

The document focuses on the impact of the organization in the economic, environmental and social fields and on its relationship in compliance with the SDGs. The report also shows the company's work as for generating long term value for the different interest groups that come into contact with GAC. To this end, the report includes all aspects and initiatives that can be considered as relevant both externally and internally: business figures, investments, corporate social responsibility, innovation and new products or business structure.

This report provides information regarding the actions and operations carried out by the company during the calendar year 2018. Special reference is made to the international expansion of our business, investment in new processes, product innovation, research and development and employment creation. Customers, suppliers and society in general, are shown not only the team of people that make up GAC, but also our brands and products, as well as the company's broad productive capacity at an agricultural and industrial level and our bid for sustainability.

GAC's sustainability, quality and food safety enhancement as for products and continuous innovation are part of the objectives pursued in this proposal for openness to society. The clarity and transparency of our actions are the basis of the functioning of our company. A commitment that defines our way of being.

ANNUAL REPORT 2018

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7 PROCESSING PLANTS



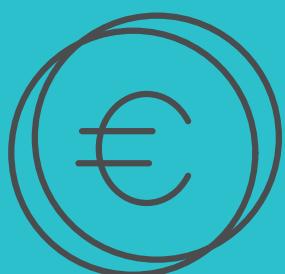
25 CROP FIELDS

+40 CUSTOMERS IN 30 COUNTRIES

5,000 HECTARES OF AGRICULTURAL LAND

2,300 EMPLOYEES





€308M
TURNOVER
(+21.7%)

INVESTMENT
 €5.1M

+200
REFERENCES IN
OUR ASSORTMENT

31

MILLION
UNITS OF TUBS AND
POUCHES (+6%)



214 MILLION UNITS
OF READY-TO-EAT
SALADS (+13.2%)

Letter from the President



Joaquín Ballester Martinavarro
President

The year 2018 will be remembered as one of the years that has given us the most satisfaction with respect to the work that was both well-planned and perfectly executed. Including this year, it has been 13 years of continuous improvement in both sales and profitability.

It has been a year of consolidating the immense effort to implement the GAC2020 Strategic Plan, which has been unfolding over the last two years. It is this profound transformation that has enabled us to achieve all the successes that are compiled in this report. When we talk about success at GAC, we are not only talking about economic or sales results, we are also talking about how we have achieved higher levels of innovation, optimization and efficiency in operations, as well as success in the development of our employees. Today GAC is a magnet of attraction for top level talent and is considered an great exemplar of development for professionals due to its high level of internal promotion. GAC also sets an example owing to our training and development programs, such as "Growing GAC" and "Junior Talent".

This 2018 has been a year of celebrations, our Antequera plant has turned 15 years old. Since 2003, the plant has been growing non-stop, making it what it is today - an outstanding, high performance, production centre.

Our fundamental purpose is to grow with a clear, wholesome identity that makes us sustainable over time. In order to achieve this, it is very clear to us that we must be market leaders not only in products but also leaders in INNOVATION; one of our unmistakable signs of identity. At GAC we want to revolutionize healthy eating, so as to help the consumer maintain a balanced diet with products that can be enjoyed day after day, anytime and anywhere.

Over the years we have been pioneers in launching new products and new categories. One of the most important innovations in 2018 was MICROGREENS, which we developed at our Center for Agricultural Innovation (CIAM).

Another innovation that has arrived to revolutionize the shelves is MICRO VEGS; an ideal solution for those who want fresh products, to eat healthily, and save time. In addition, I also want to highlight our 'it's Oats' products; the plant-based alternative to yogurt with probiotics that help us take care of ourselves. We are proud to say we patented its production process.

Together with our strong commitment to innovation and, precisely to reinforce our identity, it is strategic for GAC to develop our Sun&Vegs brand: a brand that we are already positioning in the main markets and in different channels. Another example of our revolution is our project to develop our vending channel with a fresh and healthy winning proposal.

Our healthy revolution must be a responsible one, with respect for the environment and the efficient use of resources. That is why we have the most demanding certifications in this area and, as a demonstration of our commitment to sustainability, this year we have promoted the category of organic products, which is increasingly demanded by our consumers. At our Nutrition Unit, 50% of the references produced already bear an organic stamp. We have started developing a complete assortment of vegetables and ready-to-eat products under our BIO Sun&Vegs brand name.

We want to be the consumers' first choice when it comes to choosing between fresh, healthy product manufacturing companies. In this way we create long-term value for shareholders, workers, employees, consumers and the societies in which we are present. Thus, this year we have been able to grow successfully in our traditional national markets. And at the same time, we have also focused intensely on the international market, with a total commitment to diversifying markets and customers, without losing this clear vision of our company.

On the world stage, the main milestone of the year has been the incorporation of Thurländer into our group. The acquisition and integration process has been a very motivating and successful experience. I would like to thank the entire team for their hard work, and for making a major effort to make it successful.

Thurländer is a German salad company that has allowed us to increase sales of the group by more than 20%. It also gives us the opportunity to reach international markets effectively. For us, the European market is a market full of opportunities and affords us opportunities for growth. A market in which we can continue to develop our INNOVATION, but at the same time it will help to inspire us as well as help us to keep on learning from new tastes, new consumption formats, new product families, new customers. The addition of Thurländer to our group also provides us with enormous operational synergies for all the Group's enterprises, both at an agricultural and industrial level. This allows us to keep on improving and become more efficient. We are very proud of the German team's incorporation. Due to it being both dynamic and a proven success we foresee a future full of exciting projects together.

This intense international expansion is the main growth pillar of our GAC2020 Strategic Plan: we have increased international sales to 83 million euros, representing 27% of our turnover. This is an exciting and complex process, but at the same time full of great opportunities. The world is very big and new needs appear on a daily basis, and someone must be able to meet these needs. Therefore, that is where we must be. Facing those challenges, looking for where we can bring innovation and knowledge. We must be in places where we can bring solutions for new consumption formats, to meet new trends, learn how to develop new products that allow us to continue growing and take our healthy revolution further.

I feel very satisfied with all the achievements made during 2018. I have full confidence in the people who make up GAC and I know that we are able to keep on GROWING together and improving in the future, building an increasingly sustainable, more honest, more transparent project. An integrated project for all those who are passionate about innovative, healthy, fresh food. A project that follows the latest trends, that wants to overcome limits continuously, and that is always with a tireless future challenge.

Milestones of the Year



Willkommen Thurländer!

We have taken the first step towards our internationalisation as a company by acquiring a foreign production plant, Thurländer, a market leader as for the bowl format salad segment in Germany. —P. 20



ICEX 100 Growth Program

—P. 19

8th March" Prize for the Murcia Region

Our Agricultural business unit has been acknowledged for being an example in its bid for equality and for developing measures to ease reconciling work and family life.

—P. 34



Organic assortment

We want to offer our consumers more sustainable options. We have launched our organic agricultural assortment under the BIO Sun&Vegs brand name.

—P. 64



Continuous Innovation

We have invested over a million Euros in R&D to launch new products, inter alia, microgreens, MicroVegs or our Poke Salad. —P. 90

New markets in nutrition

Our baby food assortment keeps on growing with organic certified new references and it enters the Asian market for the first time.
—P. 115



Digital Transformation

We put technology at the service of growth, efficiency and competitiveness in our daily management.—P. 106



Antequera celebrates its 15th anniversary

—P. 123

A healthy revolution under our own brand name

Sun&Vegs consolidates its position in Portugal and touches down in Spain through different channels.
—P. 102



International Growth

In 2018 we reached a 308 million Euro turnover, 21.7% more than the year before. 27% of our sales are in international markets. —P. 124



Who we are

We are an agro-alimentary group, specialists in fresh, healthy food. We help consumers to follow a balanced diet with products that can be enjoyed day after day, anywhere, anytime.

We want to revolutionize healthy eating.



Our roots

1946

Pioneer citrus exporters, all over Europe, thanks to the hardwork of the group's founders, the Ballester - Martinavarro family.

2000

Innovation offering health conscious consumers the best solution: our practical, ready-to-eat salads and vegetables were born, hand in hand with Verdifresh in Valencia.

2003-2007

We make our products reach more consumers. Verdifresh covers all Spanish territory, by means of its centres in Valencia, Malaga, Burgos and Tenerife.

2010

Thanks to our innovative spirit and our experience, we brought out new product categories; branching out into specific solutions for babies and children. Alnut is born, in Carlet.

2013

We put our own vegetable production into practice. We integrated Agromediterránea into the group, thus controlling the origins of our products, ensuring maximum freshness, quality and variety for our consumers.

2017

Our own brands: Byba for baby food/products and Sun & Veggies for fresh produce were born. The international expansion started in Portugal.

2018

Our healthy revolution crossed borders: we strengthened our international bid by purchasing Thurländer, a market leader in salad bowl formats, in Germany.

TODAY

We take our products from our fields to the world. We strengthened our commitment to healthy eating and developed new products and formats which cover current consumption trends. The healthy revolution has just begun.

Our philosophy and business model

Over the years, organizations - like people - change, evolve and grow. But the essence, what an organization is, its identity, remains unchanged. In our case, that identity and way of being is compiled in GAC's Philosophy. Our philosophy speaks about the strengths of our business, the common values that we share and that allow us to grow, and that are true to our roots and focused on clear objectives. It makes us more transparent and honest as a company. Here's who we are. Because at GAC we are not only proud of what we do, but also of how we do it.

Our philosophy is our essence, it speaks of strengths, values and roots that define us





OUR FUNDAMENTAL PURPOSE

To grow with a clear identity that will allow us to be sustainable now and for the long term.

VISION

Being the consumers' first choice, when it comes to fresh, healthy product companies, at all the stages of their lives, creating added value in the long term for our shareholders, employees, collaborators and consumers.

OUR MISSION

We help consumers to follow a balanced diet with products that can be enjoyed day after day, anywhere, anytime.

OBJECTIVES

We have defined a set of objectives that encompass the fulfilment of our mission: We must always increase our turnover, with growth and differentiation strategies.

- ▶ By developing our business growth with our current customers, by looking after them and growing with them.
- ▶ By means of product diversification with new launches and new categories; focused on innovation.
- ▶ By means of customer and channel diversification.
- ▶ By means of market diversification, with a clear internationalisation strategy.

Increasing our profitability, with cost reduction strategies.

- ▶ With a profitability that's higher than the sector average.
- ▶ Financially sound.

And we're going to achieve it thanks to a leading value proposal.

OUR LEADERSHIP PROPOSAL

Our strategy is based on a clear value proposal, that is sustained by leadership pillars: Operations, Customers and Products

2018: bigger, stronger, more sustainable

During 2018 the management team of GAC has continued to develop the new strategy of the company, aimed at ensuring sustainable growth.

In this last calendar year, we have become a multinational company. The acquisition of the company Thurländer in Germany accelerates the achievement of our objectives, which are focused on the diversification of customers, channels, markets and maximizing the synergies of our current business.

We continue on the road we started on in 2015 towards leadership and sustainability, in a clear commitment to becoming the consumers' first choice when it comes to fresh and healthy product companies.



Business Unit Managers

Top photo from left to right:
José Daniel Bóveda (Nutrition), Miguel García (IV range),
Jorge Reig (Agricultural).

GAC's Board of Directors

Righthand photo from left to right: Antonio González
(Organization and People), Cristina Puchades (Business
Development), Federico Ponte (Finances), Rafael Boix
(General Manager), José Ramón Martínez (Operations),
Jesús Gómez (Purchases).





Our value proposal

Our activity as a company in the food sector covers all our production chain, from the seed to the consumer's table

Agricultural

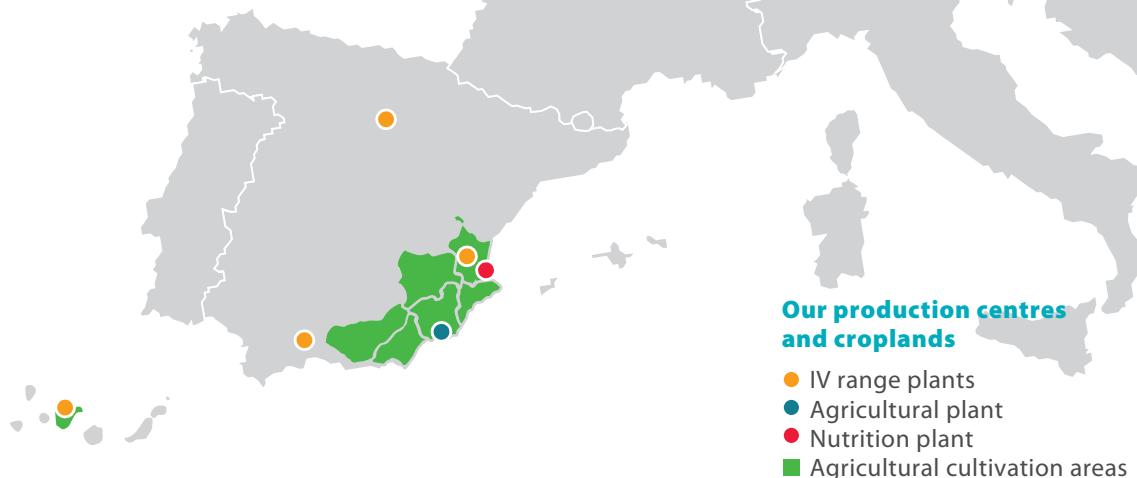
- Vegetables straight from the fields

IV and V range

- Ready-to-eat or ready-to-cook salads and vegetables

Baby Food

- Fruit and vegetable purées for children
- Smoothies
- Plant-based alternatives to yoghurt





Our activity

Agricultural Business Unit

We have more than 5,000 hectares of crops distributed over 25 farms, located in 7 provinces, which allows us to guarantee production throughout the year.

We grow 34 varieties of plants and aromatic herbs that we care for and pamper from the seed. We always look for maximum efficiency and respect for the environment, so that our products arrive to the consumers in conditions of maximum freshness. Our agricultural processing plant is located in the town of Dolores de Pacheco (Murcia).

At CIAM, our Agricultural Innovation Centre in Montserrat (Valencia), we research more efficient and sustainable ways to plant crops and we carry out trials in order to improve new agricultural varieties.

IV and V Range Business Unit

We select, prepare, wash and pack those same vegetables straight from the field to offer practical products to those who have little time to cook and want to maintain a healthy and balanced diet.

We have more than 100 references ranging from bagged salads or bowl format to bagged vegetables and fresh produce or fresh microwavable dishes.

We boast processing plants in different locations, all fully equipped with state-of-the-art technology. In Spain, we are located in Riba-roja de Túria (Valencia), Antequera (Málaga), Aranda de Duero (Burgos) and Granadilla de Abona (Tenerife). In Germany, we have a plant in Thurland (Saxony-Anhalt).

Nutrition Business Unit

We offer a wide variety of innovative products, always made with natural recipes, without preservatives or colouring agents, and with a low sugar and fat-content. Our range consists of 95 references, designed to meet the demands of our national and international customers. 50% of these references have an organic certification.

Our baby food assortment has products adapted to all ages, from 4 months to 12 years, with fruit recipes, vegetables with meat or fish, and dairy desserts in practical formats such as tubs or pouches in different sizes.

The innovative capacity of our plant also allows us to develop new categories such as plant-based alternatives to yogurt. We produce these products at our modern plant in Carlet (Valencia).

A Renowned Company

Our commitment to innovation and management focused on quality employment has led us to receive numerous awards in recent years. These are small successes that reward the work of a great team and encourage us to continue working to bring us ever closer to business excellence.

Recognition to our innovative product 'it's Oats'

2018 has been the year of our plant-based alternative to yoghurt: 'It's Oats'. This product was granted the Wabel Award, an international award that rewards the best innovations in the food sector in Europe. It was also awarded the most innovative product of the year" in the "We're Smart Awards 2018" - a prestigious platform that works in favour of a balanced, healthy and natural diet.





GAC, selected for the Spanish government's internationalisation program

In the last year GAC has been one of the hundred Spanish companies selected by ICEX Spain's Export and Investment Ministry professionalization.

This corporate transformation program which trains companies in order for them to become companies with higher added value, more innovative, more competitive and more internationalized. It also aims to serve as a role model for other Spanish companies take these success stories as examples.



The experts at ICEX will work alongside the GAC team for months to develop all the company's growth potential and assess future strategies (at both global and sector level) for the short, medium or long term.

A successful track record

Among other awards received, in 2017, the Spanish Agricultural, Fishing and Food Ministry acknowledged our commitment to innovation by awarding us the Spanish Food Prize 2016 for the Best Food Industry in Spain.

Our vision of becoming the consumer's first choice when it comes to fresh and healthy products is also applied to people's surroundings. To this end, in recent years we have developed innovative training programmes, which have received outstanding recognition. Thus, in 2016 the GAC Degree Project received the ZEN Award (which bestows the supplement of the *El Mundo* newspaper with the same name and consultancy

PREMIO 2016 ALIMENTOS DE ESPAÑA INDUSTRIA ALIMENTARIA



firm Adecco) in its Social Scope category. It is here where those companies and managers are recognised for basing their management from the human perspective.

Previously, in 2015 our internal training program GAC Degree Project was also awarded a runner-up prize at the XIII Entrepreneurs & Employment Awards for Human Resources Innovation, organized by Expansión and the Enterprise Institute (IE). And in 2014 our internal training program Guest was also acknowledged at the 12th Entrepreneurial & Employment Awards for Innovation in Human Resources Expansion and El.

Thurländer: our healthy revolution crosses frontiers

We have taken the first great step towards internationalisation as a company by acquiring our first production plant abroad, Thurländer, a market leader in the salad bowl format segment in Germany



The integration of Thurländer gives us a great potential for growth

Since 2015 we have been working on a strategy to become a stronger, more competitive, leading company. During 2018 we have taken a firm step on that road towards leadership by acquiring our first overseas production facility, Thurländer - a salad producing company in Germany, founded in 1999. The integration of Thurländer into GAC Group is an extraordinary milestone: it makes us more competitive and strengthens our position in order to continue growing sustainably. The acquisition of Thurländer brings us closer to our vision of becoming the consumers' first choice when it comes to fresh and healthy products.

Uniting our experience with Thurländer will allow us to continue offering the best selection of fresh, healthy products, adapted to each market, while joining strengths and offering new frontiers to our healthy revolution. Market leaders in Spain in the ready-to-eat salad segment, and with an ever increasing presence in the Portuguese market, we thus add new customers and markets -in Germany, Austria and Denmark- to whom we'll also take our wide range of Fresh-Cut range of products.



A company in growth

Thurländer's ready-to-eat products processing plant is located in the German town Thurland, in the Saxony-Anhalt.

In 2018 it reached a turnover of 50,5 million euros (+12%) and a production of 37 million units. Currently 336 people are part of the team at the plant.

It is leader in the salad bowl format segment in Germany, with a market share of 35%. Moreover, Thurland supplies the main distribution chains in the German, Danish and Austrian markets.

With a surface area of over 8.500 m², the plant has the latest technologies in the vegetable processing field, which guarantee maximum quality and food safety in the products it produces. In addition, in the last two years state of the art machinery has been installed for the Fresh-Cut range sector making this plant highly efficient and competitive.

Over 50 references are made at this centre, all of them are salad bowl formats.

Social Commitment

Thurländer shares GAC's values as well as its commitment to responsible management. Similarly, the company is working on making efficient use of its resources in its processes, minimizing its carbon footprint, aiming to make a positive mark on the environment where it operates. Among the charitable actions the company has undertaken in favor of the local community you will find that, over the last year, Thurländer has collaborated by purchasing teaching material for a local kindergarten, where many factory employees take their children. It also has a collaboration agreement with the local fire brigade for the renewal of their material and equipment.

Joining strengths: raw material supply pooling

The integration of Thurländer into the GAC group has enabled us to bring together strengths at an operational level making us more productive and effective from the outset. A clear example has been the centralisation when purchasing raw materials. In the first 3 months (October-December), 45% of the German plant's horticultural purchases have become centralised, taking advantage of the synergy regarding suppliers with whom the group maintains stable, long-term relationships. Likewise, the Group's own Agricultural Unit also supplies the Thurländer plant with fresh produce grown in our fields on the shores of the Mediterranean, such as

endive, red lollo, radicchio, batavia, among others. The centralization of purchases has meant a perfectly coordinated sync between the Procurement Teams at our Agricultural Units, GAC's IV range and the Operations team at Thurländer. Similarly, from the outset, the Logistics Offices at all our different subsidiaries have been involved in order to optimise shipments from both suppliers and the Group's own Agricultural Unit, thus always guaranteeing the highest quality and freshness of raw materials and the most efficient logistics solutions.

This excellent teamwork has allowed us to keep the entire production chain under better control in terms of quality and food safety. At the same time, it opens up a path to a constant search for greater synergies for both Thurländer and the rest of the company's units.

From the left to the right: Radek (Production), Matthias (Supplies), Patrick (Controlling), Martin (Calidad), Rebekka (Admin and People), Fernando (Integration Manager), Renè (Maintenance), Oriella (Operative processes), Eckard (Purchases & Sales), Alicia (Integration team).



The Acquisition Process

In October 2018, with the acquisition of the company Thurländer, GAC began its international journey within the company's strategy of growth in search of new markets, channels and customers.

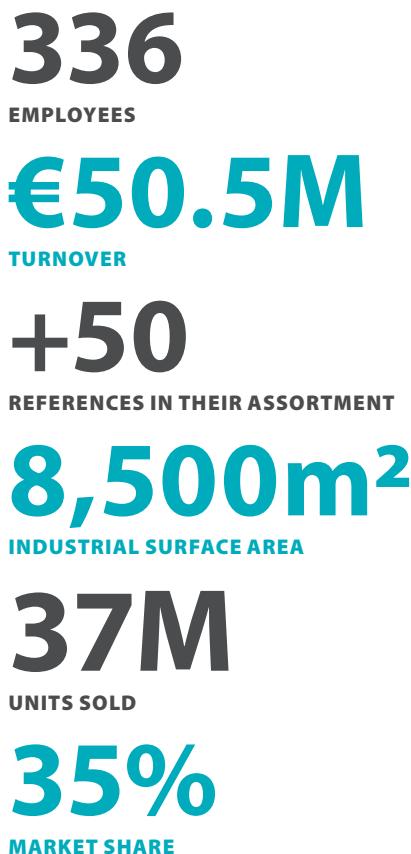
It was the culmination of a strategy of acquisitions which we had worked on for months, in detail and that, among other aspects, covered a studied selection of the objective, the internal training of our teams selected for the inorganic growth. In addition it included a company integration plan which was structured in several phases (the take-over, quick-wins and our '100 day' plan). This allowed us to initiate a shareholder transition process in an orderly manner, and to be on a constant look out for the greatest opportunities for Thurländer as well as for the rest of the companies in the group.

Ensuring the maximum supply of raw materials from our Agricultural business unit for the upcoming campaigns, teamwork with industrial suppliers showcases the group's combined volumes, or making the most of GAC's innovative capacity to design a portfolio which is suitable for the German market, are clear examples of value creation we are achieving from the very beginning.

Our integration plan which was defined for Thurländer, alongside the experience gained during these months by the team, lays down solid procedural and working foundations at an organizational level. This has enabled us to learn, and enjoy ourselves while developing a project with high expectations of success.

Excellent work and a very high level of professionalism that of course would not be possible without the effort of a big part of the GAC team. Special thanks go out to Oriella Quiroga and Alicia Gómez-Huedo, who alongside all their colleagues at Thurländer, have enabled us to successfully complete this process.

THURLÄNDER IN FIGURES



| Fernando Bas,
Integration manager GAC-Thurländer

**Our growth as a
company is based on
sustainable growth
and making a positive
impact on society.**

WE ARE RESPONSIBLE

The United Nations Global Compact

From private to general affairs. From the seed to the final product. At Grupo Alimentario Citrus (GAC) we pay attention to each and every one of the processes of our activity in order to continue reaching a basic objective: our commitment to the principles of sustainability. Principles that permeate every action carried out at our business units and that are enshrined in the United Nations Global Compact to which, one more year, we adhere.

Customers and consumers, workers, suppliers and, ultimately, society in general, are at the heart of our philosophy and management. Our growth as a company is based on sustainable growth, and so we seek to positively impact society.

*We play our part to create a more
sustainable world*

From a financial point of view, as well as a social and environmental angle, once again this year, we have designed a business strategy aimed at extending honest, transparent relations with all the events with which we interact every day. It is our way of being and doing things, the only way we know, to continue growing and contributing our seed to create a more sustainable world.

Thus, since 2011, we have renewed our commitment to the principles upheld by the United Nations Global Compact for the Defence of Fundamental Values, year after year. A few core areas that we make our own every day.





Grupo Alimentario Citrus

H.E. Antonio Guterres
United Nations Secretary-General
NY 10017 Nueva York EUA

Valencia, 31st March, 2019

Dear Mr. Secretary-General,

For yet another year, GAC would like to proudly inform you of our renewed commitment to the principles in the United Nations Global Compact. Thus, we are sending you a copy of our annual report which is an account of our activity our 2018, where you can find all the initiatives carried out by our company in favour of corporate social responsibility.

Initiatives aimed at respecting and promoting the ten principles within the Global Compact which are directly engage with the philosophy and the spirit with which our company has been permeated since its very origins. Both in its economic, social and environmental dimensions, GAC has persevered for another year along the line with its collaboration with different stakeholders and its commitment to society and its surroundings.

Therefore, within our efforts to reduce our activity's environmental impact, we have made our innovation reach our fields and our processing plants. At our Nutrition Business Unit we have reduced our water footprint by 38.5%, and we have successfully finished implementing LED illumination technology into all our IV range processing plants in Spain during 2018.

Likewise, we have implemented projects to improve the efficiency in our fields where our seeds grow, seeds that nurture the mediterranean diet that we are proud of being ambassadors of. In this sense, we have consolidated more efficient cultivation guidelines and moreover we have developed an assortment with an organic certification which is already on the shelves.

Our policy of respect and commitment is not only towards our customers and consumers. The way we treat our employees, is of utmost importance, they make up the GAC family. Thus, we have developed our Code of Ethics, that allows us to prevent and react in the face of possible attitudes that don't fit in with our behavioural guidelines that we regard as fundamental: such as integrity, honesty, responsibility and transparency. Two essential pillars in order for GAC carry on putting down roots and growing sustainably in time.

As for our workforce, we have maintained our bid for stable, good quality for a workforce of 2,291 employees. Of which, 87% has a permanent contract and 93,6% of them work full-time. Besides, last year we were awarded the "8th March Prize" in the Murcia region to foster equality between men and women in the corporate field.

Last but not least is our labour in terms of charitable actions, such as donating 100,000 units of baby food to different entities or, among other actions, our collaboration in the Child Vaccination program organized by La Caixa's Social Welfare Project for child vaccination in Mozambique.

Thus, we would like to inform you that in 2019 we will carry on with our efforts to manage our group responsibly, both financially, socially and environmentally. To this end, we want to renew, for another year, by means of this letter, our membership

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Joaquín Ballester Martinavarro".

Joaquín Ballester Martinavarro
President of Grupo Alimentario Citrus (GAC)

Committed to Sustainable Development

The Sustainable Development Goals (SDGs) are the most ambitious programme in history to address the major social and environmental problems facing humanity. This global partnership for the achievement of the Agenda 2030 which calls for action by governments, civil society and the private sector, which is given a particularly relevant role.

The United Nations understands that these companies, due to their experience, skills, resources and scope, are essential in order to find solutions to local and global challenges posed by the Agenda 2030 and to this end it has set 17 Development Goals.

These SDGs, which range from the elimination of poverty to the fight against climate change, education, women's equality, environmental protection or the design of our cities, aims to ensure sustainable social and economic progress and strengthen universal peace - within a broader concept of freedom.

Within this international framework, in 2017 the Spanish Network of the United Nations Global Compact launched the Agro-Food Working Group, with a double objective: on the one hand, that the leading companies of the sector were aware of the framework of the United Nations and promoted their work on SDGs and, on the other hand, to develop a sectoral guide of good practices and resources that can help all Spanish companies in the sector. Based on these 17 objectives, 30 challenges have been identified in the food and agricultural sector in Spain, most of which relate to Objective 12, "Ensuring sustainable consumption and production patterns", under Objective 2, promoting the efficient agrarian management of natural resources and sustainable cultivation prac-

tices, among others, alongside Objective 3, "Health and Goods", which seeks to extend a healthy diet and transparent labelling.

Guided by this global challenge, GAC contributes to the achievement of these objectives and challenges by starting a healthy eating revolution, which covers sustainable management both in our fields and crops, the continuous efficiency and innovation in our processes, and the elaboration of an assortment of fresh, healthy products that make our current consumer's lives so much easier.

*We contribute to
the achievement of
SDGs by means of our
healthy revolution*

Within our healthy revolution, we are aware that responsible consumption habits on behalf of citizenry, in our society, are increasingly gaining strength, giving priority to criteria such as an improvement in the quality and safety of food or the environmental impact of its production and transport. For this reason, we have comprehensive controls and indicators of continuous improvement in our cultivation and processing processes of our products, to always ensure the highest quality and food safety. We also promote the use of Biodegradable, recyclable and reusable packaging and work on sustainably managing our supply chain, also boosting measures to minimize food waste, following the SDG principle number 12.

Similarly, in GAC we are committed to promoting the health and welfare of consumers by means of our fresh, healthy products, in practical formats, always with maximum transparency in nutrition information via clear labelling, and we extend measures to promote a healthy diet and lifestyle, fulfilling the strategic lines of SDG number 3.

We want to consolidate ourselves as a company linked to sustainable development by means of

our contribution to these objectives, integrating all these challenges into the development of our activity, from the seed to the shelves.



Our contribution to the Sustainable Development Objectives



PUT AN END TO POVERTY

We promoted measures as a social contribution. Thus, we have renewed, for yet another year, our commitment with entities that help the most underprivileged people, collaborating with food donations.



SUSTAINABLE AGRICULTURE

We promote efficient agricultural management of natural resources, especially water, and we also promote sustainable and ecological farming practices.



HEALTH AND WELFARE

We are committed to a more sustainable range of products with the development of varieties and references of products certified ORGANIC.

We are committed to improving the health of the global population and promoting healthy lifestyles, which we develop through the extension of measures to promote a healthy diet, with our innovative products.



QUALITY EDUCATION

We guarantee our employees access to lifelong learning opportunities that allow them to be trained and grow professionally.

Our bid for the incorporation of students of professional and university modules for their development in the company, for example, through our Junior Talent GAC program.



GENDER EQUALITY

Within the different factors as for diversity, we are committed to the effective equality of women and men. Our overall workforce is made up of 50.1% women and 49.9% men. We also guarantee a corporate culture of zero tolerance towards any form of discrimination.



CLEAN WATER AND SANITISATION

We promote sustainable water management in order to minimise the water footprint of our activity. We have reduced this indicator by 38.5% at our Nutrition Unit and moreover, in our fields, we have introduced crops and methods that have allowed us to use less water.



CLEAN, AFFORDABLE ENERGY

We promote efficient energy practices. Over 2018 we have finished implementing LED illumination technology in all our processing plants in Spain.



DECENT WORK AND ECONOMIC GROWTH

We promote sustained, inclusive and sustainable economic growth, with a focus on stable, quality employment, promoting appropriate and dignified working conditions for all our people and guaranteeing opportunities for promotion and professional development.

We guarantee decent working conditions and take care of our people, by means of the creation of a safe and healthy working environment, focusing our responsibility also on training our staff on the prevention of occupational risks.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Innovation is part of our business culture and we are committed to promoting innovation and technologies in the agro-alimentary sector to make it more sustainable.

CIAM is yet another example of our commitment to innovation. Among the most innovative projects developed is a closed hydroponic culture system for leaf crops, which allows 100% reuse of water and does not pollute the soil.



INEQUALITY REDUCTION

We collaborate with various initiatives aimed at children and a healthier life.

We have also promoted the social inclusion of people in situations of vulnerability and have incorporated people with functional diversity into our workforce.



SUSTAINABLE CITIES AND COMMUNITIES

We have improved the logistics operations of the supply chain by means of the packaging pooling system, a system aligned with the circular economy model which can contribute to the reduction of carbon emissions, the use of natural resources and the production of waste with.



RESPONSIBLE PRODUCTION AND CONSUMPTION

We promote measures to reduce raw material losses and food waste.

We optimise the size of our packaging and apply new, more sustainable materials to the packaging of our products.

We guarantee clear and visible labelling on our products, which provide the consumer with transparent and reliable information. In this commitment, we not only comply with the established legal requirements, but also provide additional information on the ingredients of processed products, such as those of the sauces that accompany our salads.



CLIMATE ACTION

By means of the definition of key policies and indicators we can identify, prioritize and manage environmental indicators in our daily management.

At our Nutrition Unit we have reduced last year's indicator of raw material waste by 26.1%.

At our IV range Unit we give a second life to our vegetable scraps. We have sent 15,000 tonnes of these scraps to local cattle breeders for cattle feed.



PEACE, JUSTICE AND SOLID INSTITUTIONS

We have developed our Code of Ethics, a tool that we have endowed ourselves with to ensure honesty, integrity and respect, principles that have guided us from our origins, and that must ensure good practices, transparency, rigour, and the prevention of all forms of corruption in our daily activity.



ALLIANCES TO REACH OUR OBJECTIVES

We have promoted partnerships with a wide range of social, business, sectoral and educational associations to promote projects for the environment and the sustainable development of our environment and our sector.

Responsible with our employees

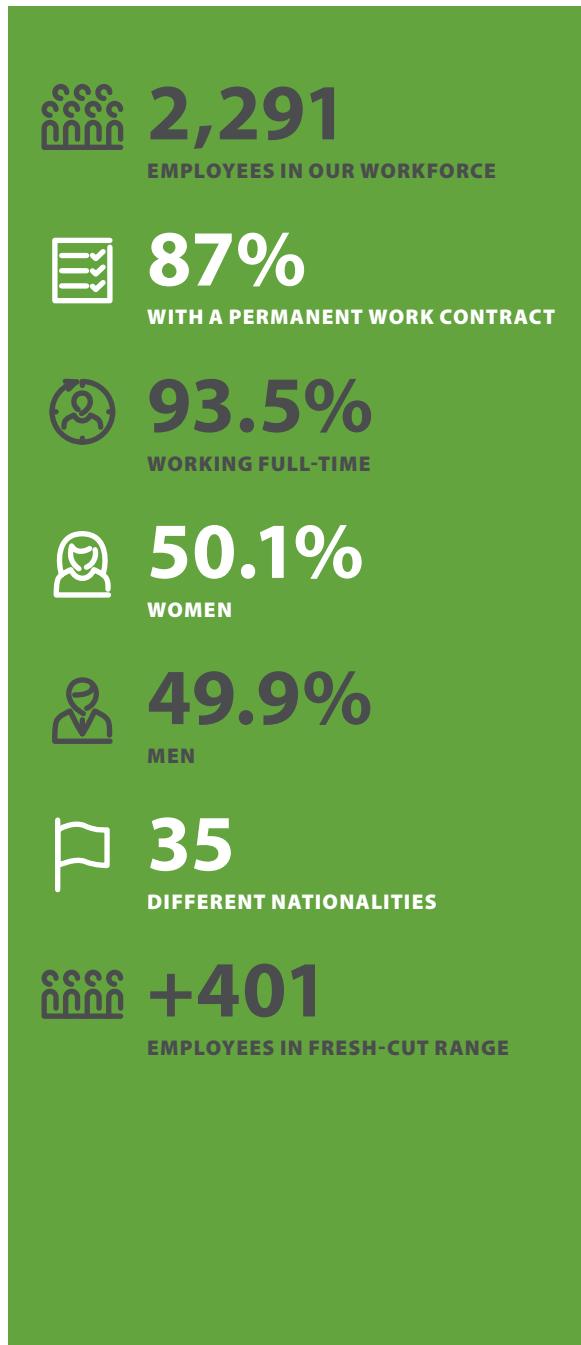
We have an extraordinary team of employees able to lead the changes that this large consumption sector, this competitive environment and GAC's international position impose on us day by day. Our people represent a priceless asset for the company, because thanks to their work, our business project is getting stronger and more consolidated every day. Over these 18 years, we have managed

*Thanks to our
team, our project
is stronger
and more
consolidated
every day*

to have a high level of employment with an occupational stability that exceeds the average in the agro-alimentary sector, a fact that makes us feel proud of our way of being and doing things, and that reflects our commitment to stable, quality employment.

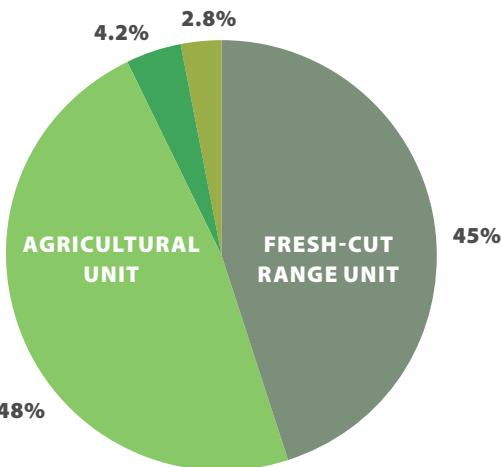
On 31st December 2018, a total of 2,291 people were part of our staff in the different business units in Spain and Germany. Of these, 87% have a permanent work contract and more than 93,5% work full-time.

Within our units, it has been the Fresh-cut range that has recorded the greatest increase in their staff members. Overall, the area employs 1,032 people, 63.5% more than at the end of the previous year,



*Committed to
diversity and
stable, good quality
employment*

an increase motivated mainly by the acquisition of the German company Thurländer, which has 336 employees. In our Fresh-cut range plants in Spain we have gone from 631 to 696 employees, which means we have created 65 new positions in the last calendar year.



EMPLOYEES PER BUSINESS UNIT

48% of our employees belong to the agricultural unit, 45% to the Fresh-cut range Unit, 4.2% to the Nutrition Unit and the remaining 2.8% belong to the corporate structure of the group.





We are diversity

At GAC we believe in and are committed to diversity in terms of our people, regardless of gender, age, religion, professional profile or nationality. The diversity of our staff contributes to our competitiveness and allows us to always have the best team of people and the best talent.

This commitment is part of our essence and our way of doing things. Our overall workforce is 50.1% women and 49.9% men. And we have employees of 35 nationalities, coming from 4 different continents.

In addition, in the different areas and business units, we have very diverse profiles, ranging from field operators or logistics engineers specialized in areas such as food technology, robotics or industrial design, experts in nutrition, purchases, biology or marketing. This diversity is what makes us stronger, more competitive and, ultimately, better on a daily basis.

8th of March Award to Equality

GAC's Agricultural Business Unit has been recognised with the "March 8 Award" in the Murcia region as an example of a company that is committed to equality by means of policies to generate equal opportunities between men and women and the implementation of measures to facilitate the reconciliation of work and family life.



Among the different diversity factors, we are committed to the effective equality between women and men. Our overall workforce is made up of 50.1% women and 49.9% men. We also guarantee a corporate culture of zero tolerance for any way or form of discrimination.



We promote sustained, inclusive and sustainable economic growth, with a focus on stable, quality employment, promoting appropriate and dignified working conditions for all our people and guaranteeing opportunities for promotion and professional development.

Training and Development

In the development of our activity we want to count on the best team of people. That is why, at GAC, we are not only committed to stable and quality employment, but we also promote learning and talent, professional development and the growth of our human capital. Furthermore, we reward the effort and motivation of our team of people because they are undoubtedly an essential cog in the gear that has allowed us to grow and that will allow us to continue growing as a company in the future.

*We want to attract,
develop and retain
the best talent*

€2M

BONUS AND PERKS FOR EMPLOYEES

€340,000

TRAINING INVESTMENT

212

COURSES AND TRAINING PROGRAMS

94

PEOPLE WHO WERE PROMOTED INTERNALLY



43% of our managers at GAC are women.
In the photos, above: Elvira Sanz,
People&Organization manager; Diana
Pallares, Admin manager; Esther Verdú,
Integration manager (Italy).
Below: Susana Balerdi, floor manager at
our IV range plant in Riba-roja and Pepi
Madrid, our Quality manager (Agricultural
Business Unit).

Training is the seed of growth

Training our employees is fundamental. We are committed to constant learning and to giving employees the opportunity to learn new processes, to enable them to successfully carry out their work but also to allow them to grow professionally and develop their career within the Group.

During 2018 we have contributed to improving the knowledge and skills of our employees by investing more than 340,000 euros in 212 programs and courses, that translated into 12,915 hours of training in, inter alia, prevention of occupational risks or in areas as diverse as internationalisation, languages or management skills.

We have allocated € 2 M to bonuses and benefits for our employees

Development at every stage

Training for our team of people begins from the moment they join the company. Thereafter, they continue their training and development by following the indicators set out in the group's talent matrix, which is the instrument we use to detect the performance and potential of our employees. Using this tool, the development needs of each individual are more efficiently identified, and this

potential is channelled towards achieving the goals and strategies set by the organization.

The objective is to discover the true potential of each professional and use the information to design development programs, succession plans and the Group's growth maps.

Rewarding efforts

Faithful to our motto of attracting, developing and retaining the best talent, to create the best team we reward effort, dedication, commitment and excellent work done by our employees. For this reason, during 2018 we allocated 2 million euros to bonuses and social benefits, as part of the company's incentive plan.

We also believe that company growth must be closely linked to that of our employees. Our commitment to creating opportunities and professional development culminated this 2018 with the internal promotion of 94 people – 50 women and 44 men - in the different business units, thus contributing to their career advancement within the company.



We guarantee our employees training and access to lifelong learning opportunities that enable them to train and grow professionally. We also bid on the incorporation of students from professional and university modules for their development in the company, for example, through our Junior Talent GAC program.

Growing GAC



We nurture talent

In our commitment to team building, we have developed innovative programs ranging from attracting the talent of young university students to the continual training for our employees in their different phases within the company so that they can do anything from developing their career in the international environment to training as potential managers.

Junior Talent GAC

During 2018 we held a new edition of the program for young graduates "Junior Talent GAC". A commitment to training, talent acquisition and the future development of future company leaders.

During their participation in this program, the selected young people receive continuous training and mentoring. In addition, they have the opportunity to work at different business units of the company for a period of two to three years, discovering the way each of the teams work by assuming responsibilities from day one.



GAC Degree

In 2018, the fourth edition of the "GAC Degree" program was held, a program that aims to give participants the opportunity to get to know the company's different business units, together with their managers. Eleven employees participated in this edition and received 55 hours of internal and external training, in which they can count on collaboration from experts from ESIC for, inter alia, "emotional training", management culture.



GAC Forward

This training program provides detailed knowledge of the internationalisation processes of companies, and enables teams and individuals to exercise the necessary skills to gain experience in these processes. Every year twenty people from different areas of the group participate and the training includes sessions on communication, influence, conflict management, critical thinking and potential-assessment. With the preparation of our people on this matter we facilitate change management in processes like that of the integration of Thurländer.

Growing GAC

Our international development strategy during our acquisition of Thurländer in Germany last October, has opened doors to new markets, customers and channels for us. Similarly, we launched this innovative program through which we opted to provide our employees with the opportunity to participate in integration and internationalisation processes, an experience that will allow them to enrich their profiles and lead the GAC of the present and the GAC of the future.

Interview with Oriella Quiroga, Junior Talent 2015 and our current Operative Process manager at Thurländer (Germany)

Oriella Quiroga joined GAC in May 2015, as part of the professional development program for young graduates "Junior Talent". During her training itinerary, she developed functions at the plants of Antequera, Aranda, Riba-roja de Túria and at our central offices. In 2018 she participated in the "GAC Forward" programme, training on internationalisation and transformation processes. She is currently responsible for the Operations area at Thurländer, the German ready-to-eat salad specialist company acquired by GAC in October.

You have spent time at our plants in Antequera, Aranda and Riba-roja. Is it fundamental to work on location to get to know the group and its employees?

For an operational position like mine, it's essential. Getting to know the complete process from the raw material in the field to the final product that is sold to the customer, with all that this implies (production processes, logistics, planning or infrastructures)- it is fundamental when it comes to making right decisions. And you only get that level of security when you've been on the ground, seeing and analysing problems and achievements every day. In addition to all the technical knowledge, there is the contact with all the people with whom I have worked in each place, which are the fundamental pieces of this puzzle

You are now a member of Thurländer's integration team. How do your internal and external knowledge of the company contribute to the new stage?

It is an exceptional opportunity for me to be part of this integration process. I am responsible for the industrial coordination of all the operational units of all the business units necessary to integrate Thurländer into our group. Being a company with the same IV range business I still apply all the knowledge that I already acquired,

but above all I learn other strategies that I didn't carry out in Spain.

Your professional career is the result of internal promotion. Is it an important factor for personal motivation and growth?

Absolutely, I have no doubts. The security that you feel knowing the company trusts you is comforting and a reason for personal satisfaction. You're capable of getting the best out of yourself, of being more productive, of motivating yourself day by day and of motivating the other people around you.

What did the Junior Talent program mean for your training and following entrance in the work market?

I cannot conceive or imagine my professional beginnings - without this programme. It has been an undoubted professional leap that surely would have taken me years to achieve. But nothing is given away, on the contrary, the program has been a challenge and highly demanding. This has meant that my performance has become better every day. The secret of success is not luck, but perseverance.

An engineer with specialist training in mechanics. Did you ever think that your knowledge would end up underpinning an agro-alimentary company?

Not at all. What's more, before I started, I thought: what am I doing here? And look now! I have learnt to enjoy this sector, which I'm passionate about. Besides, thanks to my time at the company I have complemented my degree with executive training specialized in industrial organization.

What is you like the most about GAC?

It's very satisfactory to see the company you belong to, growing and evolving. I consider myself a very restless person, so I always need new challenges, to grow and improve. GAC allows me to do this, and that's why I enjoy my job on a daily basis.



A safe work environment

Our leadership as a company is based on our most important asset - our employees. That is why, from our fields to our processing plants, to our offices and different workplaces, we take care of our team and create the necessary conditions to ensure a safe, healthy working environment.

In our responsibility to our employees we always go the extra mile. This is why, in addition to complying with the strictest regulations regarding the prevention of occupational hazards, we also promote training as a key aspect to ensure the safety and health of all those people who work in the company on a daily basis. Thus, in 2018, most of our employees have participated in training programs and actions associated with their work and the tasks they perform. A total of 1,807 people took part in one of the Occupational Risk Prevention (ORP) programs implemented and 125 courses were carried out, which amounted to about 3,000 hours of training.

Actions in motion in 2018

Workplaces, our facilities and processes are permanently subject to actions to eliminate or minimise risk factors. During 2018, the different business units passed a total of 44 internal audits, inspections and monitoring to safely assess and implement process improvement. The ex oficio work of the various technical bodies dependent on the Administration has also been attended to and successfully completed.

In the fresh-cut range business unit, a large part of the workforce has received training in first aid, emergencies, safe handling of forklifts and ergonomics in order to ensure occupational safety and contribute to improving the health of our employees in their daily work. To this end, 42 courses have been carried out, involving 879 hours of training.

2018 has been an important year in this area for our Agricultural business unit, as its own occupa-

tional hazard prevention service has been set up. In addition, some 73 percent of our workers have received occupational hazard prevention training by means of one of the 83 courses carried out. In total, a total of 1.761 hours of training in, inter alia, Occupational Risk Prevention (ORP) for tractors, the use of trucks or first aid.

In the Nutrition Unit, Occupational Health and Safety training has been provided and ergonomic studies have been carried out with the aim of helping to improve staff's health when working. 79% of our staff attended these courses, which amounted to 150 hours.

Safety at work week

Safety at work and risk prevention is one of our priorities as a company. On the occasion of the Worldwide Health and Safety at Work Day, which takes place on 28th April, we celebrated "Safety at Work Week". In our offices, plants and fields we held workshops on postural hygiene, first aid or occupational safety workshops, with the aim of raising awareness and providing training in the basic aspects in the daily lives of our employees when carrying out their work.



We guarantee dignified working conditions and take care of our people, by means of the creation of a safe and healthy working environment, focusing our responsibility also on training our staff on the prevention of occupational risks .



Above: Training courses at our central offices, GAC, which took place in Safety at Work Week. Health, Safety and Occupational Hazard Prevention. Below: Practical training for our emergency response team at our plant in Riba-roja de Túria (Valencia).



Committed to ethics

Our Fundamental Purpose as a company is to grow with a clear, integral identity that makes us sustainable over time. This declaration is written in our Philosophy Manual and has guided our steps over these 18 years.

The fact is that at GAC we do not measure success and results solely by the figures or milestones achieved, but we also do so by the way those figures or milestones are achieved. Growing up with a clear, integral identity is something that depends on each and every one of the people who make up our company, and is closely linked to how each person acts on a daily basis, in their relationship with their suppliers, with their colleagues or with their consumers.

Over this last calendar year we have taken a giant step in this direction. Those of us who make

up GAC share common values such as commitment, honesty or integrity. But we wanted to go a step further to define in a clear and transparent way which are principles that establish the standards of behaviour of our company. Thus, in 2018 we developed the first global Code of Ethics, applicable to all employees of the group

"It is a tool we have endowed ourselves with to maintain the principles that have guided our company since its birth: honesty, integrity and respect. It applies to each and every GAC employee, regardless of their rank or the position they hold, thus ensuring the highest standards of ethical business practices. Because we not only want to be proud of what we do, but also of how we do it," says Antonio González, the group's Organization and People Manager.

The Code of Ethics has been developed as a guide to actions within our Compliance philosophy, ensuring good practices and helping to

Antonio González, Organization and People Manager.



identify and classify the operational and legal risks that GAC is faced with, while devising occupational hazard prevention and reaction mechanisms.

"Our Code of Ethics establishes our framework of reference to understand and put into practice the behaviour and expectations that the Company places in each of us in our daily work. Beyond the subjectivity or ambiguous interpretations that may occur on certain issues", explains the manager. *"We all have a duty to protect and promote the brand and image of trust that GAC has built up since 2000"* Our new Code of Ethics, in which 100% of employees were trained during 2018, is presented as an essential piece covering different pillars. Firstly, it emphasises professional integrity, based on information transparency and the good use of company resources and information. And apart from that, it protects the privacy of each and every one of the employees and consumers.

This document also covers conflict of interest. Our guide provides us with mechanisms to monitor and control actions that are related to gifts, as well as routines that involve selecting and negotiating with suppliers, among other points. The last pillar of our code also compiles the company's different commitments to employees, consumers, society and the environment.

In this sense, the manager indicates: *"Being a successful company in the 21st century means that acting ethically and responsibly is mandatory. Responsible with our employees, of course, but also with the other stakeholders related to our business: customers and consumers, suppliers and society as a whole"*.

PILLARS IN THE GAC CODE OF ETHICS



Ethics and Conduct Committee

In order to ensure the implementation and monitoring of this framework, the Compliance Officer, who is responsible for overseeing and monitoring conduct within the Group, has been established; the Ethics and Conduct Committee which has been set up as a body comprised of employees from different departments, is responsible for interpreting the code properly and contributing to its proper development.

In addition, this new action guide provides us with an Ethical Mailbox, a channel for the Group's employees through which they may report, in a completely anonymous form, conduct which may involve any irregularity or illegality, and which will be assessed by the Ethics Committee.



In line with the challenges identified in SDG 16, we have developed our Code of Ethics, a tool that we have endowed ourselves with to ensure honesty, integrity and respect, principles that have guided us from our origins, and to ensure good practices, transparency, rigour and the prevention of all forms of corruption.

Responsible with society

Contributing to paving the way to a better society and creating a positive impact on our surroundings are at the heart of our philosophy and policies of social responsibility. During the year we carried out various actions aimed at sealing our commitment towards a more sustainable, balanced and supportive world.

Within the framework of our social responsibility strategy, we have renewed our commitment to entities that support the most underprivileged people. We have donated 100.000 pouches and baby food products, as well as more than 10,000 portions of vegetables and other products to different entities like Caritas or the Food Bank and the Red Cross.

In addition, we have collaborated with the Children's Vaccination Program by La Caixa with a donation of 50,000 euros to the organization "Gavi, the Vaccine Alliance". This entity's objective is nothing other than to combat child mortality through vaccination and achieve a better health

system in the poorest countries. The amount donated by our company is added the contributions of La Caixa and the Bill & Melinda Gates Foundations'. A total of 18,760 boys and girls in Mozambique will be able to receive all three doses of the pneumococcal vaccine against pneumonia. This is the main global cause of infant mortality

We want to contribute to paving the way towards a better society

Furthermore, we have implemented various initiatives aimed at children and at promoting a healthier life through our participation in various initiatives, such as the toy collection by the Red Cross at Christmas time or support for the XXVII City of Carlet Football Tournament. In this sense, the 400 children who participated in this



Joaquín Ballester Martinavarro (in the centre), alongside CaixaBank executives from the Valencian Community



These are the main organizations we have helped over 2018.

tournament received pouches of fruit and dairy desserts after the matches. In addition, for another consecutive year we have supported the 5th Carlet Walk organized by the Spanish Association Against Cancer from the Valencian town of Carlet, to which we contributed, as a donation, fruit pouches for all participants.

Healthy, charitable employees

We encourage participation in social causes among our employees. Thus, we have organized a charity raffle in favour of "Juegaterapia", an association

that brings play closer to children who are admitted to hospitals during cancer treatment, creating spaces for play or providing toys. In this action, assistance has been directed to children admitted to the Hospital Infantil Universitario Niño Jesús in Madrid.

In addition, all our workplaces have participated in the campaign #Niunniñosinjuguete (no child without a present) that was put in motion last Christmas by Red Cross so that no boy or girl without resources would be left without a present from Father Christmas.



As part of our healthy revolution, we conduct campaigns to promote healthy habits among employees. Advice on topics such as healthy eating, active living and safe driving was posted on screens in all workplaces.

The collaboration of our people has also extended to blood donation campaigns that have been carried out at several centres during 2018, such as the Riba-Roja de Túria Centre (Valencia). And like every year, dozens of employees have joined in with charity races, which are already a tradition in our company. Thus, while "becoming a team", the company promotes a healthy lifestyle by sponsoring the numbers on the backs of participating employees. This year, among other things, GAC has collaborated with the Women's Race in Valencia and the Trinidad Alfonso.

Committed to progress and the food sector

We are committed, to the development of the agro-alimentary sector. This is the driving force behind our company and also one of the main axes on which the Spanish economy also revolves. For

this reason, we maintain a constant dialogue with the business, social and educational networks.

Nor do we neglect the transparent and honest links with the rest of the sector. Only by rowing together can we achieve goals of global welfare and a positive return to society.



By promoting measures for social contribution, we have renewed our commitment to entities that help the most disadvantaged people by collaborating with the food donation.



We have carried out various initiatives aimed at children and a healthier life by means of our support for the Carlet football tournament, in which 400 children participated. We have also promoted the social inclusion of people in situations of vulnerability, incorporating people with functional diversity into our plant in Carlet (Valencia).



We promote partnerships with a wide range of business, sector and educational partners to develop sustainability projects.



These are the main associations that we assist as a company.

Responsible with the environment

Our activity is closely linked to our lands, with the sea, and the sun that bathes our crops. Our roots are in the countryside, where everything begins, our history as a company and from where our products originate: products which we treat and create with the utmost care and affection.

It is this connection and our link with the natural environment that makes us act responsibly and respect the environment, and leads us to care for and preserve the area where we come from.

That is why, both in our fields and in our production plants, we work to reduce and minimize the impact of our activity on the environment.

Our responsibility makes us increasingly demanding in this area. This is why we are working on the continuous improvement of our agricultural practices, integrated logistics planning and

the efficient use of resources in all the areas of our activity.

We are aware that sustainability in our daily management is a continual challenge. That is why every year we also set ambitious targets on our main environmental impacts, mainly with regard to the use of water and electricity, in order to minimize our consumption.

Our firm commitment to the protection of the environment and to a more efficient and sustainable environmental management has materialized. For one year more, with the certification in the ISO 14001 standard at our Fresh-cut range and Nutrition plants (an international standard that provides us with a framework to preserve and protect the environment) enables us to ensure that we meet our annual targets in this area.



Innovation and efficiency starting at our croplands

As producers, the efficient use of resources is one of our priorities, particularly with regard to water consumption. Thus, our farms have rainwater collection systems and we work continuously to improve our irrigation systems and our cultivation techniques, therefore optimizing our water resources.

The use of single-use, recyclable and lower flow hoses has allowed us to save 30% of the water consumption per hectare in all our crops.

During 2018, we also consolidated more efficient crop frameworks, with higher productivity per hectare, which means lower water, fertilizer and plant-protection product use per cultivated unit. Similarly, the improvement of cultivation

We consolidate new efficient, sustainable crops

techniques in certain varieties has allowed us to grow the same number of plants using as little soil as possible.

What is more, the use of new cultivation techniques has allowed us to reduce the use of herbicides in open fields by 50%, in particular for our iceberg, romaine lettuce, oak-leaf and broccoli crops.

In the case of our courgettes, we use recyclable blanket coverage, as a passive measure for pest control which, in turn, reduces the consumption of other plant-protection products by 30%.





In addition, in our fields we have state-of-the-art harvesting equipment which is also used to package our vegetables directly in our fields. These in the field pick-and-pack / harvesting aid platforms allow us to clean and pack them without having to take them to our processing plants, which contributes to more efficient transport.

More sustainable agriculture

Our Agronomic Innovation Centre in Montserrat (CIAM) has established itself as a major agricultural laboratory for research into more efficient and sustainable farming methods. This is where we conduct agricultural R&D trials under controlled climate conditions. The systems used allow us to save up to 60% in water consumption in comparison with an open field crop. Additionally it allows us to optimize the use of fertilizers, because it provides the exact amount the plant needs without contaminating the soil. In addition, at CIAM we are also developing an innovative project with closed hydroponic crops for leaf crops that allow 100% of the water to be reused and not pollute the soil.

We reduced our carbon footprint in our activity

During 2018 we completed implementing LED illumination technology in all our company's production plants in Spain. This change, which we initiated in 2017, is now a reality, and allows us to contribute to reducing electricity consumption in our activity.

Improved processes and working methods in the Nutrition business unit have led to excellent results in terms of efficiency and sustainability. Thus, the Carlet plant (Valencia, Spain) has managed to reduce its water footprint by up to 38.5% over the last calendar year. This improvement has been possible thanks to the optimization of our production plans and the modification of the water installation at our centre, replacing the decalcified water with water treated via reverse osmosis.

Similarly, the plant has succeeded in reducing our carbon footprint from our processes (14.2% on average), improving the control and monitoring of electricity and natural gas consumption. Compared to 2017, electricity and gas consumption have decreased by 15.2% and 11.82% respectively, thanks to better management and efficiency of boilers, as well as the development of good practices in maintenance and production.

In line with SDG 12 (responsible production and consumption) we combine our efforts from the different business units in order to promote actions and measures that allow a significant reduction of raw material waste in our processes. In the case of our fresh-cut range plants, we give plant scraps a second life; during the last year 15,000 tonnes of these scraps have been converted into livestock feed, after being sent to local livestock farmers with facilities near our production plants.

Our organic assortment

As an outstanding milestone within our commitment to sustainability as a company, in 2018 we launched our organic agricultural assortment, under the brand BIO Sun&Vegs, thus offering our customers and consumers more environmentally friendly options). In addition, our agricultural plant based in Dolores de Pacheco (Murcia, Spain) has obtained the certificate of organic production.



Our IV range and Nutrition plants boast the ISO 14001 certification.

So this means, our range of certified organic products which come directly from our fields joins the wide assortment of fruit pouches that we prepare (at our Nutrition business unit) within the range of baby food and family nutrition. 50% of the references we produce at our plant in Carlet (Valencia, Spain) are certified organic.

More sustainable packaging

Our healthy revolution is intrinsically linked to a way of acting that is responsible for the environment, respecting the surroundings in which we

operate, making efficient use of resources and opting for the reuse or recycling of the waste we generate.

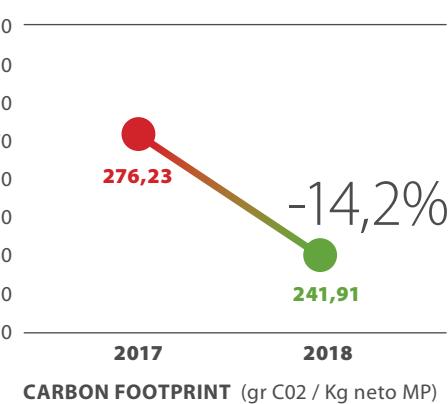
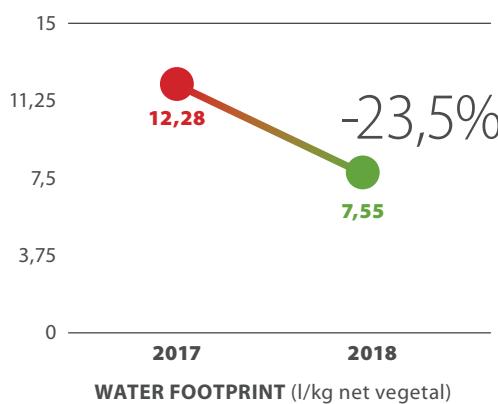
We define environmental indicators in order to reduce the impact our operations have

In the last year, within our strategy of recycling of packaging, our business units have contributed to protect the environment by saving 2,258 tonnes of CO₂ equivalent, thanks to our collaboration with Ecoembes.

In our quest for continuous improvement we work with our suppliers to introduce sustainability and eco-design criteria into the packaging we use.

Our goal is to always use the minimum weight and material possible in all of them, with the aim of minimising our impact on the environment. In the case of our cardboard, all our packaging made of this material has the FSC certification, which means that the forests which it comes from have had sustainable forest management.

We reduced the carbon footprint produced by our activity at our Nutrition business unit.



We always use the minimum weight of material possible on our packaging



By reducing the height of our Micro Dish packaging, we have managed to save 20% more plastic



Most of our packaging is 100% recyclable and the cardboard used in our boxes is FSC certified.

**Recyclable material which is as light
as possible**

Over the last year we have carried on promoting different projects and actions favouring the reduction of the environmental impact our packaging has. Furthermore, we have promoted several projects with different entities and companies in order to replace plastic packaging with recyclable materials.

In addition, we know that small changes can lead to major improvements. This has been the case with our MicroVegs and Micro Plates packaging: we have reduced its height by adjusting it to the need of the product, which has saved 20% of the material used. We have also removed the bag of protein ingredients (chicken and cheese) from the Texas Wrapidos salad, reducing the plastic used in this reference by 25%. Altogether, in our ready-to-eat salad assortment, 95% of the plastic used in our bowls comes from recycled material and 82% of the containers are completely recyclable. The search for alternative materials and packaging is undoubtedly one of the great challenges we face and as an innovative and responsible company we continue to work towards offering new, more sustainable options for our customers.

FRESH CUT RANGE

82%

RECYCLABLE PACKAGING

95%

**OF OUR PLASTIC COMES FROM
RECYCLED MATERIAL (IN BOWLS)**

-20%

**PLASTIC: HEIGHT REDUCTION
IN MICRO DISH BOWLS**

-25%

**PLASTIC: ELIMINATED INGREDIENTS
BAG IN OUR TEXAS WRAPS**



ECOEMBES is a non-profit environmental organization that promotes sustainability and taking care of the environment by means of recycling and eco-design of packaging.



FSC (Forest Stewardship Council) is an organization dedicated to promoting responsible worldwide forest management, with positive environmental, social and economic impact.

Circular economy for our packaging

Over the last year we have improved our transport efficiency for our products and raw materials, with new agreements with our logistic allies IFCO and Logifruit.

With both these companies, we are working to define a more efficient and sustainable supply chain by means of our packaging pooling system, a system aligned with the circular economy model that allows us to contribute to the reduction of carbon emissions, the use of natural resources and waste production.

Our suppliers provide us with efficient, safe and sustainable solutions for the transportation and storage of our products. Thus, both companies work with optimized routes for box and container transport, and use returnable, reusable packaging, as well as foldable packaging to minimise the volume of empty transport.



Efficient Water Use

With new cultivation techniques which reduce our water consumption by up to 30%.



LED Technology

All our Spanish production plants boast LED illumination.



Circular economy

An example is the broccoli pieces that differ in size or weight and can't be sold, are used in our bags of broccoli florets.



Right down to the last leaf

The scrap leaves which are removed from our vegetables in their processing are allocated to cattle feed.



Reusable packaging

By means of our pooling system we reuse the containers for transporting our raw material and products.



We promote sustainable water management in order to minimize the water footprint of our activity. We have reduced this Indicator at our Nutrition Unit by 38.5% and, in our fields, we have also introduced crops and methods that have allowed us to reduce the use of water.



We promote energy efficiency practices. During 2018 we have completed the implementation of LED illumination technology in all our processing plants in Spain.



In the interests of sustainable transport optimization, we have improved the logistical operations of our supply chain, thus contributing to the reduction of carbon emissions.



We promote measures to reduce food losses and waste. We also encourage the use of biodegradable, recyclable and reusable packaging. In this line, we also promote transparency in nutritional information on the labelling of our products.



By means of defining key policies and indicators we can identify, prioritize and manage environmental indicators in our daily management.



Logifruit is a friendly pool operator specialized in the rental of reusable packaging. Headquartered in Valencia with 12 depots/hubs/branches throughout Spain, it controls the life cycle of 17 million packages per year, which make more than 248 journeys, thanks to a sustainable system of reuse and return called BACK (Box Always Comes back to the Kitchen).



IFCO is the world's leading supplier of returnable containers for fresh products. It belongs to the group of companies Brambles, the multinational specialized in logistic solutions that moves 590 million pallets, packets and containers around the world, distributed in a network of approximately 850 service centres.



3

Reasons for our success:
We are producers
We are our products
We are innovation and efficiency



**We are producers, we
grow and process all
our own produce.
We control the whole
supply chain from the
seed to the consumer's
table.**

WE ARE PRODUCERS

From the seed to the shelves

Our roots are in the countryside and it is still one of our reasons for success: as farmers, we know and control the product from its origin. We have been cultivating our crops for many years with the utmost care so that the crops grow with all the sun's energy and the strength of the Mediterranean, respecting the environment. It is these same vegetables that we transform, efficiently and sustainably, into healthy products that we bring to our customers around the world, guaranteeing the highest standards of quality and food safety.

Our own seedbeds

It all begins in the countryside, with the choice of the best seeds, which we sow in our own seedbeds (covering ten hectares) where, this year, we have cultivated and transplanted 193 million plants that we manage in 688,000 trays.

Together, we take care of and pamper more than 300 varieties of seeds, controlling the whole process ourselves so that our vegetables grow with outstanding quality and freshness.

25 farms in 7 provinces

We have more than 5,000 hectares of crops distributed between a total of 25 farms located in 7 provinces of the south-east of Spain and in the Canary Islands; Valencia, Alicante, Murcia, Almería, Albacete, Granada and Tenerife.

Our agricultural capacity is reinforced with 225 hectares of greenhouses. (Full stop, new sentence) These allow us to guarantee production and supply to our customers every day of the year, even in adverse weather conditions.

On our farms we grow 34 varieties of vegetables and aromatic herbs that we take care of

We are XXI century farmers, experts in fresh, healthy food

and pamper so that they arrive to our customers in optimal condition, and with the maximum of freshness. In addition, we are specialists in the cultivation of specific varieties for our fresh-cut range, such as tender green shoots, rocket, lamb's lettuce, and different types of lettuce.

XXI Century Farmers

Sustainability, efficient use of natural resources and the maximum respect for the environment always guide us in all our activities; this is especially so in the fields. We wisely combine our traditional experience as farmers with a high technological component in our fields and crops. This differential value allows us not only to improve our processes and productivity but also to offer the best of ourselves, from the seed to our consumer's table.

We also have state-of-the-art machinery for harvesting and packaging our vegetables and fresh produce directly in our fields. These customized platforms allow us to clean and package our product without having to take it to our processing sites, consequently contributing to the maximum freshness of our plants, and to more efficient and sustainable transportation.

We advocate efficient agricultural management and innovation from our fields. In the previous year we opened the doors of our Centre for Agronomic Innovation in Montserrat (CIAM). Today, just a year later, we can say that our CIAM



We are producers



Our vegetables grow with all the sun's energy
on the shores of the Mediterranean Sea.

has become a major agricultural laboratory for the investigation of more efficient and sustainable crop-growing methods. It is here where we also carry out testing and improvements for agricultural varieties, which allow us to develop new crops such as green shoots (baby leaf) and microgreens.

As part of our commitment to innovation as well as the quest for authenticity and more sustainable agriculture, this year we have launched our organic range with varieties like our courgette, eggplant, broccoli and different types of lettuce.

In 2018, all this effort and all this capability enabled us to reach an agricultural production of 90,000 tonnes, which we took from our fields to our processing plants in Spain and Germany, and which we then distributed to our national and international customers.



In line with the challenges identified in SDG 2, we promote the efficient management of natural resources, especially water, and promote sustainable and ecological farming practices.



We introduce innovation as part of GAC culture. CIAM is our strongest bid for agronomic innovation. In addition, through the acquisition of efficient and sustainable agricultural technologies, such as our customised pick-and-pack platforms, we can pack our products directly in the field without having to take them to our processing plants.

A wide range of crops and products

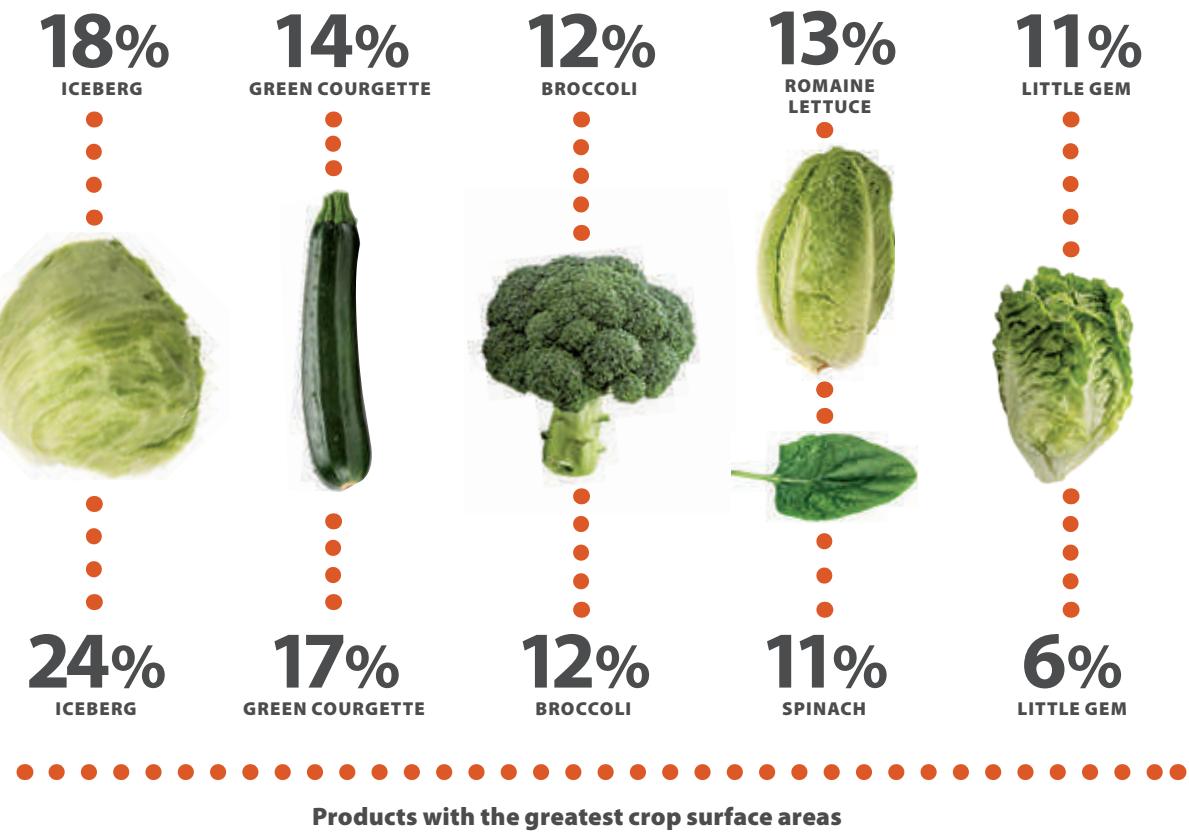
As farmers of the 21st century, innovation and continuous improvement are part of our identity. In the last year we have incorporated new plant varieties into our crops, always seeking to offer innovative products that respond to consumer trends in the markets which we target.

Thus, we offer our customers up to 34 varieties of lettuce, vegetables and aromatic herbs, among which we can highlight varieties such as our round courgette, corn, radishes or microgreens.

In addition, the team at our Agricultural unit has gained some very important experience in recent years by working hand in hand with the vegetable processing industry. This means we now offer specific varieties for our fresh-cut range, such as tender green shoots, broccoli or cauliflower florets, and different types of lettuce.

Our production capacity and our state-of-the-art technology combined with our ability to adapt to any customer and channel means that nowadays, our 'straight from the field' assortment of vegetables reaches 42 customers in 24 different countries all over Europe.

Our best selling agricultural products



CIAM: the heart of agronomic innovation

Over this calendar year we have fully consolidated our Agronomic Innovation Centre, located in the town of Montserrat (Valencia), as our great agricultural R&D laboratory. It has become of key importance for our company as it has allowed us, once again, to demonstrate our firm and clear commitment to innovation and the technological vanguard applied to sustainability, and the development of new agricultural varieties.

CIAM is a clear example of our bid for efficiency, sustainability and our passion for innovation

Located on a surface area of 16 hectares, it boasts a greenhouse of 1.2 hectares with a capacity to house up to 10 million plants. This is where, under controlled climate conditions, our agricultural R&D tests are carried out.

The system used at this highly automated system consumes up to 60% less water than an open field crop and optimizes the use of fertilizers to maximum effect, as it provides the exact amount the plant needs without contaminating its soil.

The centre also has facilities equipped with two temperature-controlled chambers where sowing processes, pre-germination and tests with artificial lighting are carried out.

New techniques: hydroponic crops

Among the most innovative projects, CIAM hosts a pilot project for the development of a closed hydroponic cultivation system for leaf crops, with mechanisms that allow us to reuse almost 100% of the water used and do not contaminate the soil. The first phase of the project was carried out in 2018 and, following the analysis of the results, the second phase is scheduled for 2019, which con-

templates the development of a plant production platform in a totally enclosed environment with 100% climatic and lighting controlled conditions.

Consumer Trends

In terms of new consumer trends, CIAM allows us to test out new agricultural varieties (such as tender green shoots) so as to respond to the current tastes of consumers and customers who are demand new flavours, textures and colours in the world of salads.

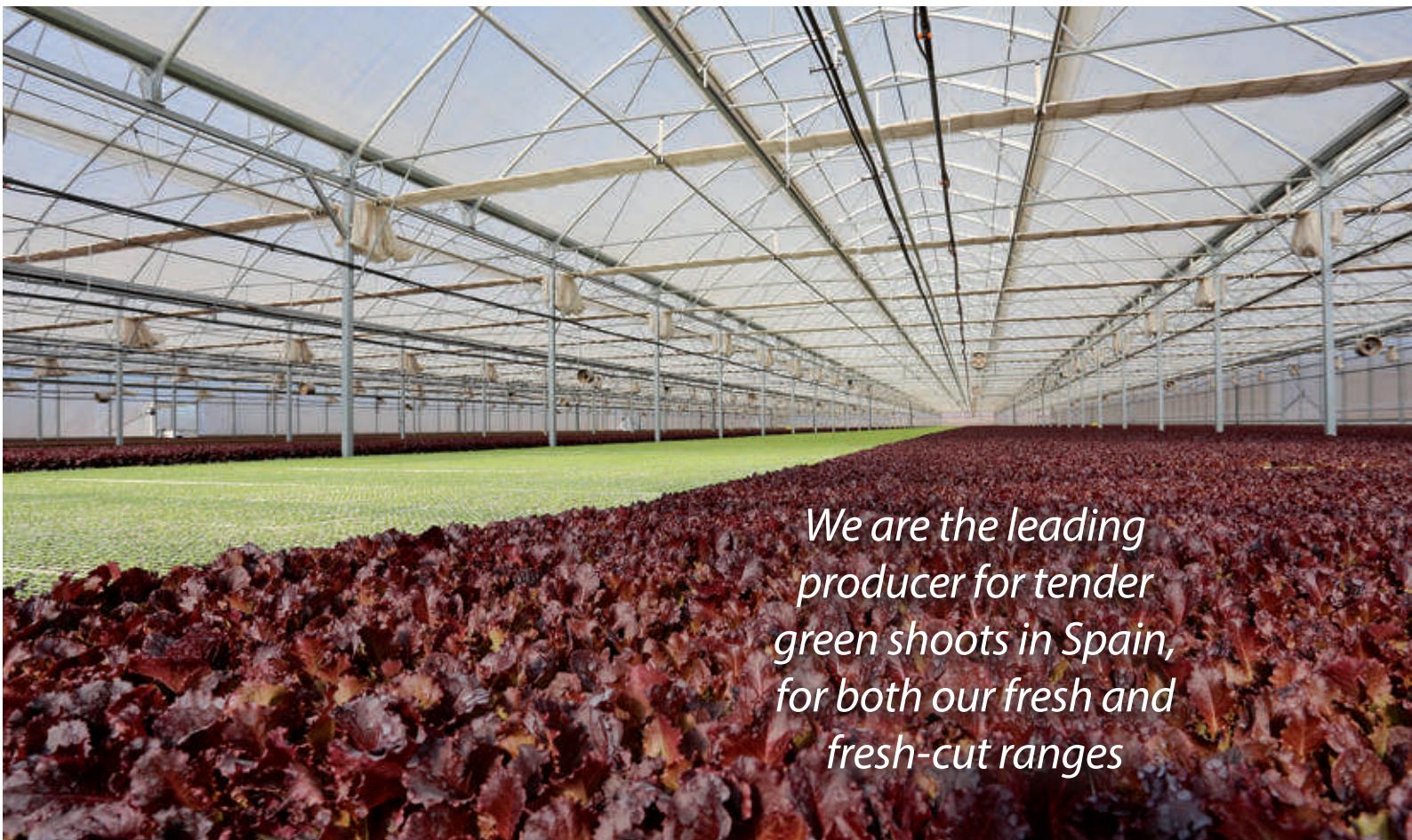
Microgreens

Among the new crops we are developing, we must highlight our microgreens: the first vegetable shoots that contain a high concentration of nutritional properties. Due to their distinctive smell, hint of a taste and colour, microgreens are gaining increased visibility in national and international cuisine. Among the varieties we can find shoots of kale, radish, broccoli or mustard seed.

-  Centro para el Desarrollo Tecnológico Industrial
- The Centre for Industrial and Technical Development E.P.E. (CDTI-E.P.E.) is a Public Corporate Entity, dependant on the Ministry of Science, Innovation and Universities, which promotes innovation and technological development in Spanish companies.



CIAM is yet another example of our commitment to innovation. Among the most innovative projects developed here, we must highlight a closed hydroponic cultivation system for leaf crops, which allows 100% reuse of the water and does not pollute the soil. This is an R+D+i project funded by the Centre for Industrial Technological Development (CDTI) in which we have been selected as a specialist partner in plant cultivation.



We are the leading producer for tender green shoots in Spain, for both our fresh and fresh-cut ranges

Baby leaf crops in our greenhouse at CIAM in the Valencian town of Monserrat.

We are specialists in growing specific varieties for our fresh-cut range

Product innovation also comes from our fields. In recent years, in a bid for new crops that grant us a specialization due to their exclusivity and their value, we have opted for the cultivation of specific varieties for our fresh-cut range. Some examples are: tender green shoots of varieties of red baby Batavia, green baby Batavia, baby Lollo Rosso, rocket and baby spinach, which are completed with lamb's lettuce crops, at our farms in Tenerife.

Thus, along with our most traditional vegetables, these innovative and attractive choices also grow in our fields and greenhouses. This is how we have become one of the main producers in Spain

of fresh and pre-prepared convenience foods.

Over the last calendar we processed 4,200 tonnes of tender green shoots as ingredients for our ready-to-eat salads.

In our ready-to-eat assortment there are 18 references that include tender green shoots as an ingredient or raw material: from our mixed bags such as Tender Baby Leaf, Gourmet or Tender shoots to our salad bowl formats such as our Caesar, California, Pasta or Goat Cheese salads. In 2018 we sold 68 million reference units that included some variety of tender green shoots as an ingredient. These figures increase every year due to the growing demand for new textures, flavours and colours that consumers wish to include in their healthy, balanced diets.

Sun&Vegs, certified organic

Focusing on innovation and more sustainable agriculture, during 2018 we developed a new line of organic certified products aimed at the Spanish market and international markets; in line with the growing customer and consumer demand for products certified as organic.

Marketed under the BIO Sun&Vegs brand, the assortment includes products such as courgette, aubergines, broccoli or different types of lettuce. At our Centre for Agronomic Innovation (CIAM) in the town of Montserrat (Valencia), we have also developed other zero residue crops such as tender green shoots (Tender Baby Leaf) or microgreens.

Sun&Vegs' Organic assortment was presented during the Fruit Attraction fair in October in Madrid, initially focused on our assortment of vegetables straight from our fields. The aim is to gradually expand the cultivation and supply of organic varieties and also to extend the BIO certification to our range of ready-to-eat products, thus covering a full assortment of ready-to-eat salads and vegetables.

In order to do so, during 2018 we certified our processing plant in Dolores de Pacheco (Murcia) under the Organic Product regulation in Murcia. As well, in the first months of 2019 the certification of our first farm for organic cultivation is planned for Antequera's fresh-cut range plant for processing organic certified vegetables. We adapt; we continue to offer our customers and consumers solutions that are in response to the latest trends in healthy eating.





We promote efficient agricultural management of natural resources, and we opt for a more sustainable agriculture with the development and launch of our organic assortment.

State-of-the-art technology and high production capacity

55,000 square metres of industrial surface equipped with state-of-the-art technology. It is not only a quantity, but also a reflection of quality and innovation. It is the expression of what has driven our company in recent years. An industrial capacity that boils down to food efficiency and safety, as well as freshness and control of all our processes and products, so that our best always reaches our consumers and customers' tables.

This effort to strengthen our industrial capacity has put us on the map as market leaders in processes and operations. Thus, in Spain we have reached a quota of over 40% in the fresh-cut range and 50% in Pouch formats. No wonder we are also present in more than 30 countries by means of our products and our brands.

And all this is possible thanks to our powerful, modern industrial structure. A production network made up of our agricultural processing plant in Dolores Pacheco (Murcia) and five plants for our fresh-cut range located in Riba-roja de Túria (Valencia), Antequera (Málaga), Aranda de Duero (Burgos), Granadilla de Abona (Tenerife) and the German Thurländ (Saxony-Anhalt). In addition, we have a nutrition plant in Carlet (Valencia). From these centres we despatch over one million units of products every day.

Ready-to-eat products

Our five fresh-cut range plants have allowed us to exceed 40,300 tonnes of production. Including the production capacity of the German firm we acquired in October, which has allowed us to

become leaders of our category in both Spain and Germany.

At our plants we produce over 100 ready-to-eat at any time product references, all of which, meet the highest quality standards.

Baby food products and snacks for the whole family

During 2018, at our Nutrition Unit, we achieved a production total of over 8,600 tonnes. At our Carlet plant (Valencia) we produce 95 products designed to meet the demands of our national and international customers, developed on the basis of balanced and natural eating.

In addition, our plant has a certification for organic production, which allows us to ensure that 50% of the references produced here are BIO certified.

Agricultural products

From the field to the fork. So simple; because we like all things natural. At our Dolores de Pacheco plant (Murcia), we pack fresh produce directly, on location, in the field and prepare them to be sent to our customers in over 20 countries. We make up to 3,000 references of finished products that adapt to different formats, packaging and weight. In 2018 the volume of agricultural production reached 90,000 tonnes.

Our processing plant has the latest technology such as vacuum cooler equipment to ensure maximum freshness or an intelligent warehouse that allows better management of our stock and the freshness of each product.



90,000 **40,300** **8,600**

TONNES OF AGRICULTURAL PRODUCTION TONNES OF FRESH-CUT RANGE PRODUCTION TONNES OF NUTRITION PRODUCTION

Technology at the service of competitiveness

Transforming the best raw materials into top-quality products would not be possible without a firm commitment to digitalisation and the latest technologies. The care taken at each of the phases through which our product passes, is reflected in our constant investment, whose main purpose is none other than to maintain our competitiveness, efficiency and sustainability.

We equip our processes with the latest technology, tools designed to facilitate the connection between the field and the final product. Cutting-edge technology that also allows us to speed up innovation processes, ensure food safety and thus continue with the legacy of trust placed in our products.

Express freshness and intelligent warehousing at our agricultural processing plant

We know that quality and freshness in our products is a constant process that must be taken care of along the chain. For this reason, our agricultural processing plant in Dolores de Pacheco (Murcia) is supplied with our vegetables straight from our fields and has the cutting-edge technology that allows us to bring the freshness of the Mediterranean to more than 20 countries throughout Europe.

Upon arrival at our plant, some varieties are put into our Vacuum Cooler system chambers, whose function is to bring down the temperature of the product quickly and homogeneously, after exerting a vacuum. This technique is used mainly on produce with high water content; using this cooling system ensures that this produce is not dehydrated therefore increasing its life cycle by keeping it fresh while maintaining all its properties.



Cutting-edge technology at the service of efficiency and food safety in our fresh-cut range processes

Harvesting and transport

Arrival to our plant: raw material warehouse

- Continuous temperature monitoring (SCADA software)
- SAP system for traceability and stock control
- Microbiological analysis of raw material

Clean and hygienic

- Automated system for temperature control and other water indicators (SCADA software)
- Ad hoc drying programme depending on the product

Z.A.R.

- Special-condition cleanroom
- Artificial vision machines:
- 2,000 photos per second to minimise defects in cleaned raw material
- Automatic Multi-scales for higher precision



Artificial vision to monitor the process: our plants are equipped with artificial vision machines, cutting-edge technology that allows us to take 2,000 photos per second. This ensures the suitability and quality of all the leaves that pass through the conveyor belt. Should the artificial vision detect a leaf or anything of an inappropriate colour, it is expelled through a localized air jet, thus avoiding that the rest of the leaves in good condition are wasted.

Permanent temperature control (1°C-8°C)



Dispatch

Packaging

- Metal detectors
- Final product weight control equipment
- Ad hoc packaging conditions depending on the product

Finished product warehouse

- Computerised warehouse (by location)
- SAP technology for stock management, logistics and space optimisation

Laboratory

- Our own equipment to carry out microbiological analysis
- Results register on SAP for complete product traceability

We are producers



The technology in our topping clean rooms allows us to bring quality and efficiency together.

Once the temperature is at a suitable level, the product is waiting to be shipped to the intelligent warehouses that this plant boasts. It is an area of 50,000m³ where a fully automated operating system manages the warehouse, barcodes and labels. The plant is equipped with two warehouses like this: one with a capacity for 2,772 pallets of raw material, and another with 1,500 pallets of finished products.

In terms of quality and food safety, our plant boasts, inter alia, the IFS Food, BRC and QS certifications. Moreover, since 2018, we also have been certified for organic processing.

Robotics for baby food

Without a doubt, the most automated and versatile centre in the group is our plant in Carlet (Valencia), where innovation and robotics have reached perfection in one of our most demanding product assortments, that of baby food.

At this plant, born in 2015 after an investment of 21.5 million euros, we have advanced technology that allows us to produce 44 million tubs and another 44 million pouches per year. The facilities have a state-of-the-art kitchen area which can process 4,500 kilos of fruit, vegetables and dairy purées per hour; as well as dairy homogenizer and heat-treating equipment for different formats.

To facilitate work at an ergonomic level, the plant also has different robotic technology equipment.

Robots assist in boxing and unboxing, automatically-driven vehicles called 'taxis', plus robots for packaging and packing, and other "spider" type robots to pack and put sleeves around our pouches, are part of this plant which stands out due to its high versatility.

When it comes to food safety and quality, our plant has equipment for artificial vision, X ray checking, weight control, leak detection and our own laboratory where 100% of the batches produced are checked in terms of physical-chemical, microbiological, sensory and allergen control levels. The facilities are IFS, BRC certified with the highest qualification (Higher level and Grade A, respectively), and have certification for organic production.

Artificial Vision to keep an eye on every single lettuce leaf

The same affection that we invest in our fields, is invested in our elaboration process for our ready-to-eat products at our fresh-cut and toppings processing plants. Thus, the latest technologies are present in all phases of our production chain as regards quality and food safety. Thanks to technology, rigorous traceability control of all our products is guaranteed; from the field to the fork.

When producing ready-to-eat products we also have state-of-the-art technology to always assure the highest efficiency in the processes and the maximum freshness and quality of the product. Technology guarantees safe products and helps us become more competitive.

Rooms equipped for our topping selections

Our technology at the service of efficiency and food safety also extends to our V range toppings facilities in Antequera. Up to 6.2 million euros have been invested for the installation and outfitting of the two rooms equipped for topping production at the Antequera plant (Malaga). A perfect job done, and carried out in coordination with our machinery and packaging suppliers Ishida and Linpac Packaging.



Our plant in Carlet (Valencia) boasts different robotic technology systems, such as automatically driven vehicles.



The intelligent warehouse at our agricultural plant contributes to more efficient stock management.

We are producers

Over 50 million toppings in Antequera

The second room fitted out for the production of our toppings was full operational last year, and it enabled us to surpass the extraordinary figure of 50 million toppings in October 2018; it has just been two years since these facilities were put into operation.

From these modern rooms at our Antequera plant (Malaga), which are specially equipped, we produce trays of ingredients for our ready-to-eat salads that are made in our plants in Spain (Antequera, Aranda, Riba-roja de Túria and Mesturados Canarios).

The incorporation of our own topping production has brought us greater competitiveness and quality in the development of our product range and has also allowed us to speed up the launch and development of new references, facilitating our innovation processes.

In order to carry out this topping production integration into our processes, we started off with our first room in 2016, then added the second room in 2017. In total we have spent €6.1 million. These investments have enabled us to reach a production capacity of 55 million toppings per year.

The start-up of our second line of toppings has also meant, with regard to this previous calendar year, doubling up the workforce in this area, to employ 112 people during 2018.



The best facilities for our employees

In order to gain some extra space in the production and storage area at our plant in Antequera, a previously unused part of the warehouse was refurbished. This has allowed us to extend and improve the space in our processing plant, as well as the offices and the staff canteen.

These new offices, which are located on the floor above the plant, are more modern and spacious, and allow us to carry out our work on a daily basis in better equipped and outfitted surroundings.



Hand in hand with our best partner

We have the best allies, from seed houses to packaging manufacturers. Each of the elements that come into play in our company is sought to achieve excellence in our final product which is, after all, our letter of presentation to our customers and consumers. Components that we look for in the best suppliers, those who, in turn, give us the best of themselves to contribute to our sustainable and responsible growth.

We strive to make our suppliers feel satisfied and proud of belonging to our value chain

Our complete Purchasing team at our group's headquarters



We strive to make our suppliers feel satisfied and proud of belonging to the value chain of our company, this generates the essential motivation for them to do their work efficiently and to develop a spirit of continuous improvement.

Our suppliers are a key element for us. Without the relationship of trust and loyalty that we forge with the effort of our daily work we could not achieve the quality standards that we are so proud of. Therefore, during 2018 we have worked with 248 suppliers who have offered us, in their different specialties, their best products, from seeds to raw materials to packaging, and other components needed for our different business units.



Thus, our Agricultural Unit works with 22 different seed houses. A total of 4,800 million seeds have been purchased - 31.5% more than in the previous year - which has resulted in a selection of 300 different vegetables.

All our agricultural suppliers are certified by the Global G.A.P international standard of good practice

With regard to our fresh-cut range business unit, it has 56 approved agricultural producers, from whom we have bought 40,300 tonnes of raw material - 92% of which is of Spanish origin. All our suppliers work with the Global G.A.P. certificate guarantee, a document that confirms their good agricultural practices.

In addition, over the last year, a total of 75 suppliers have supplied us with everything from the packets to the products with which we produce our toppings. In particular, 50 suppliers have supplied us with raw material for the production of our interior ingredient trays - an increase of 28.2% compared to the previous year.

At our Nutrition Unit we have worked with the support of 102 suppliers, who have supplied us with a total of 7,800 tonnes of raw material. This has been an increase of 36% compared to the previous year. In addition, in the area of auxiliary materials we have another 15 suppliers.

AGRICULTURAL UNIT



22
SEED HOUSES

AGRICULTURAL UNIT



4,800
MILLION SEEDS
+31.5%
COMPARED TO 2017

RAW MATERIAL FRESH-CUT UNIT (SPAIN)

40,300

TONNES

92%

OF SPANISH ORIGIN

56

SUPPLIERS

RAW MATERIAL NUTRITION UNIT

102

SUPPLIERS

+36% COMPARED TO 2017

7,800

TONNES OF FRUIT AND
DAIRY DERIVATIVES

74%

OF SPANISH ORIGIN

RAW MATERIAL TOPPINGS AND OTHERS

50

SUPPLIERS

+28.2% COMPARED TO 2017

Ishida, our industrial engineering partner

Since 2000, Ishida – the machinery company, a global leader in the design, manufacture and installation of solutions for heavy-duty and packaging lines, has become an example of successful close collaboration and teamwork with our suppliers.

Ishida is our supplier for state-of-the-art machinery for industrial processes, in which we have been leaders for years. This company, of Japanese origin, has helped us in our company's growth process since our inception with the implementation of the first lines for the production of ready-to-eat products.

Since those beginnings, GAC's Operations and Engineering teams have worked closely with ISHIDA managers to adapt each machine to our specific needs at every stage of the process. This allows us to start the line and have it working at its full capacity from the first moment. Thus achieving more efficient processes and making the most of the productivity of each machine.

This has been the case of our salad tray line at our Riba-Roja del Túria plant, which has the largest capacity in the group; a project for which a GAC-Ishida disciplinary team was created and made it possible to respond in detail to our required needs. This the close collaboration with our supplier has also reflected in the construction of one of the most important projects of the group in terms of efficiency and productivity, which is the assembly of the two V range lines, in Antequera, with specially outfitted chambers where we manufacture our toppings.

"Ishida has provided us with a global solution to our industrial demand: it offers us the assembly and

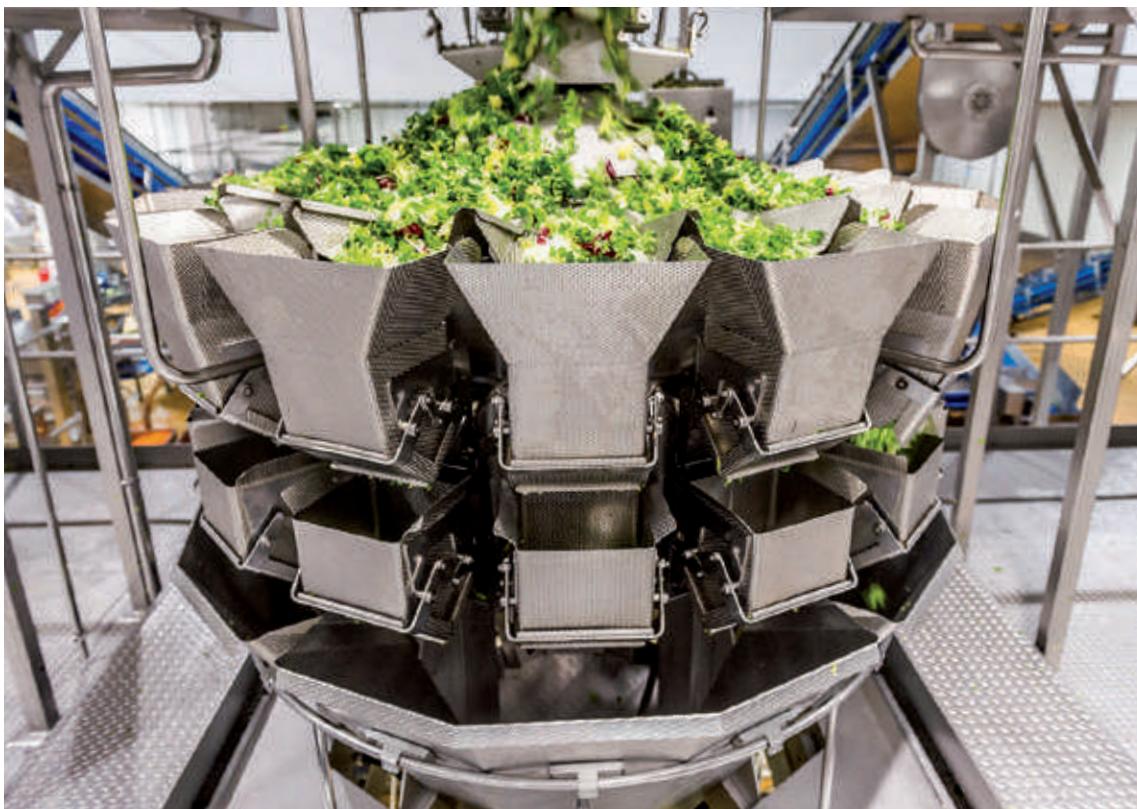
installation of the lines in an integrated way with total safety guaranteed, adapting industrial equipment to our packaging and product", remarked Manuel Mellado, the Method and Industrial Technology Manager. "In addition, it has qualified staff and monitors the performance and subsequent modification of equipment, including also the possibilities of industry 4.0, the lines are interconnected and have an online report system, with the ability of connecting on the spot", he explained.

Ishida is a leading supplier for automated solutions to the changing challenges of packaging products for consumer and the food industry use. They have the know-how and experience in terms of high-level international applications to fully integrate them into operations, including the software knowledge and skills to integrate them into industrial automation and enterprise resource systems.



Right: Packaging and weighing line by the manufacturer ISHIDA at our plant in Aranda de Duero.

*Ishida provides us with
a global solution to
our growing industrial
demand*



WE ARE OUR PRODUCTS

We listen out for trends

The healthy revolution

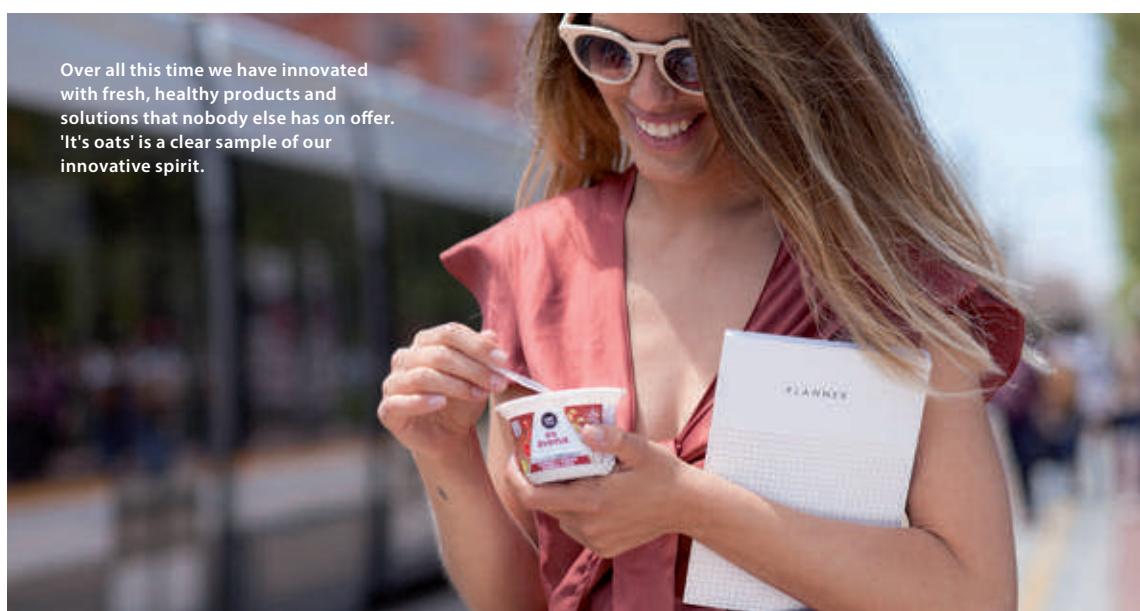
Our healthy revolution is not a 'fashion', it's a unique way to understand food. We know how to listen to the consumer, be innovative and daring. This enables us to help consumers maintain a balanced diet with a variety of products - products that give them more free time and good health, and that contribute, in short, to improving their quality of life and well-being, and why not, also make them happier.

On this quest, we are always guided by our innovative spirit, which makes us aware of the main global trends in food and to turn them into novel innovations that anticipate consumer demand and mean an absolute exclusivity on the market. We innovate, we develop new products with new, original ingredients and flavors. We also make products with new practical, fun and varied solutions that demonstrate that healthy eating doesn't have to be boring. And responding

to these new consumer needs and tastes, we also develop new formulations: gluten free, lactose free, products for vegans and BIO references with organic certification.

And we do all of this with passion, energy and positivism, from honestly, with maximum of excellence, and undoubtedly, with a lot of innovation. This is how we have come to configure a wide assortment of over 200 references to meet the needs of our customers and today's consumer: from fresh vegetables, prepared salads, and fresh dishes for the microwavable, through to natural smoothies with fruits and vegetables, fruit pockets, dairy desserts, and plant-based alternatives to yogurt.

All this is what we have to offer, it's what makes us unique and allows us to provide our customers and consumers around the world with remarkable, pioneering products that no one else offers.



Over all this time we have innovated with fresh, healthy products and solutions that nobody else has on offer. 'It's oats' is a clear sample of our innovative spirit.

Sun&Vegs' personality

As a result of our bid to keep on innovating and to bring our revolution to a greater number of consumers through new channels and new markets, we have developed our own brand for our own assortment of fresh produce: Sun&Vegs.

Under this brand, in the last year, we have brought our ready-to-eat products to the Spanish market for the first time and to the Portuguese market in 2017 as well as starting our marketing for the HORECA channel and vending channels with references that were adapted to our new customers' tastes and needs.



Values and lifestyle

With a unique personality, Sun&Vegs speaks volumes about us, our people, the way we do things. It shows our true colours and, of course, our values. These are perceived in everything we do, and which we pass on with extra TLC to our products and how they reach our customers and consumers.

From the beginning we have been great advocates of enjoying every second, every moment. We are proud to make it possible for people to enjoy the pleasure of healthy eating at anytime and anywhere, because we believe that by defending this way of eating it is somehow



like defending the life we love, the life in which things are enjoyed, the life of energy from the open air.

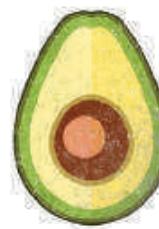
We are positioning our brand Sun&Vegs within the main markets and different channels

All that is Sun&Vegs: pure energy and power, positivism, honesty, excellence and innovation - a lot of innovation. No wonder we strive for excellence, selecting the best products, the best quality, flavour and freshness.

Always with passion and honesty, that's how we do things. We dedicate our passion to delivering the best of our knowledge, with a good dose of innovation, and we do it as simply as possible because "what you see is what you get."

Innovating, innovating, Innovating. This is the main ingredient in our company, our brand, our products, and it's one of the reasons why we have become leaders in our industry.

But we are ambitious and the sky's the limit: we want to keep on innovating and continue offering customers and consumers practical, fun, original and healthy solutions, and products that no one else offers. Our healthy-revolution has only just begun.



We are our products



The healthy revolution has its own brand



At SUN&VEGS we offer fresh, healthy and practical products to those who have little time to cook and want to follow a healthy, balanced diet. We have a multitude of references ranging from salads to fresh dishes that are ready-to-cook or ready-to-eat, and pre-prepared vegetables that are ready-to-cook or ready-to-eat. We guarantee maximum product freshness and availability.



At BYBA we develop innovative products and provide specific solutions for babies and toddlers during all their stages of growth, and that can be consumed at any time. Our range consists of references designed to meet the demands of our national and international customers. They are natural recipes with a perfect nutritional balance, that do not contain any colourings or preservatives.

Safe, healthy food for one and all

We are aware that the agro-alimentary food sector is a very exigent sector, which requires a lot of innovation and continuous adaptation to the needs of a consumer who is increasingly demanding with regards to quality and food safety.

Therefore, at GAC we have an absolute focus on food safety and the quality of each and every one of our products, a guarantee proven by our obtaining the most demanding certifications, which has allowed us to earn the complete trust of both our national and international customers as well as millions of consumers around the world.

But we also want to add value to other current trends, which are necessary to reach all types of consumers. Products ranging from WITHOUT (gluten, lactose...) to vegan products; and special products which are tailored to the most varied needs of our customers and consumers. For example, certified gluten free are a guarantee for celiac people who are susceptible to gluten.

That is why we also have references without gluten within our ready-to-eat assortment, ranging from our Thousand Islands Salad or our Ranch Salad to our smoothies.

Similarly, in our commitment to offer products that meet new consumer needs and trends, we have obtained the UVE (vegans) certificate for our Micro Indian and Micro Oriental dishes, Calapasta (Courcipasta) and references of 'it's Oats'.

Furthermore, in order to respond to a growing demand for organic products, we also have a wide variety of certified BIO (organic) references, both in our agricultural and in our baby food categories, which the consumer can easily identify by their label.

Our BIO label in agriculture includes vegetables such as courgette, aubergines, broccoli or, inter alia, different types of lettuce. In addition, our agricultural production plant is certified under organic product standards. Our baby food

plant also has the organic production certification; in fact, 50% of our references have the BIO certificate.

Transparency in the information on our products

We are responsible with consumers and we will faithfully follow one of our slogans "what you see is what you get". This maxim we apply to everything we do and that also leads us to promote transparency in the information on the labels of our products: from the where and how it has been produced, up to the ingredients it contains. This allows the consumer to check whether it is suitable for them, according to their tastes or needs.

Thus, in this commitment to transparent labelling, we include the information in a visible, clear and easy-to-understand way, always indicating which ingredients our products include. In addition to this commitment we are always one step ahead, and also add information on processed products such as the sauces that accompany our salads. We take up the challenge that our customers and consumers pose to us every day. Therefore, that is why we always offer healthy and safe food for one and all, with products adapted to all these needs and also to new consumption trends.



Sustainable development requires an informed consumer. We therefore guarantee clear, visible labelling on our products, which provides the consumer with transparent, reliable information. In our commitment to this objective, we not only comply with the established legal requirements, but also add information for ingredients from processed products such as the sauces that accompany our salads.

We save you time in a way that is 100% natural

Who doesn't want to have more time to spend doing what they like best, and, at the same time, have the opportunity to eat healthy, tasty, safe food, in a fun way?

It looks like a winning argument...to look for healthy and natural solutions, with lots of vegetables, without giving up the flavour, and is fun, both in the form of how we use them as well as from the culinary point of view; that transports us to other places in the world. If we get all of these attributes in one product, it is much easier for it to succeed.

In addition, we try to add value to other current trends, which are necessary for all types of consumers, ranging from products WITHOUT (gluten, lactose...) to vegan products, and other special products. And all this without forgetting the nutritional aspect, which we pamper throughout the product development process, seeking a balance in the intake of different nutrients.

2018 has also been an intense year in terms of product innovation. Therefore, during this last year, we have been working on developing our range of Wrapidos in a more enjoyable way. To try to provide a different value we have played with the way to eat the product, both in our Crispy Wrap (lettuce leaf Wrap) and in our Falafel Wrap.

Observing the culinary trends that are appearing in our society is fundamental to the success of our products. Innovating with new flavours or dishes turning up in restaurants is a good example of this. This year we have launched the first "Poke" salad on the market. This is a dish that fuses Hawaiian and Oriental food and a novelty for us as it is our first salad with rice, which also includes a very colourful salad base with smoked salmon, edamame and mango. All this seasoned with black sesame seeds and a soy dressing.

Without a doubt, this year has also been the year of the consolidation of our range of fresh, ready-to-cook dishes: (Micro Veggies and Micro Dishes) tasty dishes, which contain more than 40% vegetables and which cook themselves by steaming in the

microwave, while you do something else. It also covers a wide range of recipes from the more traditional to oriental to trendy recipes. In short, you have a restaurant type meal - it needs only to be steamed in the microwave for 5 minutes. Who doesn't want this wonder in their fridge?

The objective of this project is very ambitious. That is why at R&D we are developing new products within this range - combining new carbohydrates such as wheat, whole-grain pasta, quinoa, as well as introducing legumes and even using protein.

For that reason, we are also developing new use concepts with different sized packaging more for on the go, and even developing different products while keeping the concept of fresh, ready-to-cook in mind. In addition, this year we have extended the on-the-go salad tray for families with two new references: salmon with dill and cheese dressing, and goat cheese with apple.

The aim is to expand the range with new ingredients to add value for the consumer, so that they can eat a variety of healthy, fresh, tasty and fun products.

María Forcada,
Product Development Manager
for our Fresh-cut range unit.



SDG 3 seeks to improve the health of the global population and promote healthy living habits, a challenge that we are fully committed to and that we develop through the extension of measures to promote a healthy diet, with our innovative food products that we bring to the world.



We are our products



Health and time for our consumers

Microgreens

We want to continue to be the best farmers in the 21st century too. That is why we opted for crop innovation as one of our differentiating factors, a fact that has allowed us to be pioneers in launching new products and new categories.

One of our most important agricultural developments during 2018 was the development of microgreens: the first shoots from several types of plants in their early stages of growth after germination. A new growing technique which is 100% respectful of the environment that we develop at our Centre for Agronomic Innovation (CIAM).

Rich in vitamins and antioxidants, microgreens provide an intense flavour and exceptional nutritional value due to the fact that all their properties

remain intact as they are marketed "live", without any cutting or processing involved.

Among our 14 varieties we find kale, radish, broccoli, mustard, beet, chickpeas, coriander, basil, arugula, chives, green and red mizuna, as well as green and red Pak-Choi. A wide range of microgreens that give your dish that touch of colour, flavour and unmatched beauty.

Our microgreens are presented with a soil base that maintains the maximum freshness of the vegetable, and come in an innovative container that facilitates consumption and conservation. At the moment they are available in three formats: in individual trays with a card sleeve, in an individual tray with a plastic box, and also in a format aimed at the HORECA channel that has 12 units presented in a cardboard box.

SuperSalads

Tasty superfoods and in practical formats to revolutionize the shelves. This is what these original dishes are like. With their innovative recipes that include superfoods such as quinoa, wild rice, or kale, combined with fresh produce and vegetables, legumes, seeds or dried fruit such as blueberries and dates. And all seasoned with incredible seasonings.

SuperSalads ingredients combine traditional flavours such as corn, broccoli or tomatoes, with the latest trends in food such as tatsoi, edamame, or sunflower seeds.

In five different presentation formats: Mediterranean Rice, Istanbul, Mykonos, Arabian Quinoa and Tokyo, our SuperSalads come in an original transparent jar with a totally resealable lid that guarantees maximum freshness and flavour. It also includes a fork. All this makes them ideal to enjoy at any moment, and helps consumers to live a healthy, balanced life.



MicroVegs

During 2018 we have consolidated a new product category in the line of fresh ready-to-cook dishes - our MicroVegs - a growing range that responds to all the needs that the consumer can have. They are not a ready-made dish, but a fresh ready-to-cook dish, made with ingredients that combine carbohydrates with 40% fresh vegetables and 40% of other ingredients.

In just 5 minutes we can enjoy a healthy, fresh and complete meal for lunch or dinner and without complications. It's steam-cooked in the microwave in its own container which is suitable for this type of preparation as it includes a special valve that allows it to preserve all the nutritional properties of the ingredients.

Our Micro Vegs are presented in original recipes like Oriental, Hindu and carbonara dishes, and other amazing combinations such as rice with curry sauce or rice with "wok" sauce. There are also the classic dishes, which are always delicious, such as Mushroom Risotto and Pesto Rosso Pasta.



The best plant-based alternative to yogurt

Made from oats, the latest innovation from Sun&Vegs is a healthy, fresh, natural product in a practical format that provides you with extra energy and allows you to take care of yourself in a balanced way. Tasty and with an unsurpassed flavour, 'It's Oats' is mainly made with a superfood such as oats and with 100% plant-based ingredients - so it is suitable for vegans-. It is also 100% natural -without lactose, colourings or preservatives-, 'It's Oats' contains natural ferments such as L. casei and L. acidophilus.

That's what this reference is like, 100% natural and 100% plant-based 'it's Oats'

'It's Oats' is made in five different flavours, 4 of which contain 100% natural fruit: fruits of the forest, fig, prune, raspberry and pomegranate, plus natural flavour (oats). Its practical 180g container includes a teaspoon so it can be enjoyed anywhere

A patented product

The innovative reference is different from other similar alternatives on the market due to the fermentation process to which the oat beverage is subjected, and which consequently contributes to increasing the nutritional value of its components. The result is a product low sugar in sugar, with slow-absorbing carbohydrates and a combination of probiotics that help regulate the immune and digestive system.



It was precisely the specific fermentation process involved in the oat drink that led us to register it, for the first time, as a patent. This new commitment to innovation and to revolutionizing healthy eating has been recognized in 2018 as the most innovative product of its category in the latest edition of the Wabel Chilled & Dairy Summit and at the "We're Smart Awards".

In response to the latest trends in food

The use of oats as an ingredient, which is already common in Nordic and Anglo-Atlantic countries, is a growing trend that has gained momentum in Europe in recent years, due specifically to the search for an alternative to food derived from animals.

With 'it's Oats', we continue to expand our range of products aimed at the European and Spanish market, and with our objective of responding to the tastes and needs of a consumer who demands healthy, tasty, natural products, in practical formats that can be consumed easily, at anytime or anywhere.

Martina Klein pampers herself with 'It's Oats' by Sun&Vegs

Our brand Sun&Vegs opted for the model and influencer Martina Klein to showcase the multiple properties of our innovative 'It's Oats'.

"Things are more than they appear to be" was the central theme of the campaign, a concept that explains the essence of 'it's oats' perfectly. Behind its yoghurt-like appearance, our innovative product is much more!, It is a healthy, a 100% natural alternative, made from fermented oat beverage and with chunks of fruit.

For the creation of the campaign which was broadcast via Youtube and different digital channels, we worked with Trumbo®Agency (whose team developed the creative idea) and with the audiovisual producer Vessmedia.

With the help of the influencer, we transmit the benefits of our 'It's Oats' by means of a 20 second

spot which also has shorter versions lasting 10 seconds and 15 seconds. In the advertisement we could see the model at different times in her daily routine - working on a photo shoot, travelling with her family and doing some outdoor activities with friends - which all depict a healthy, active life.

The campaign was also amplified by means of the brand's own social networks and different actions in traditional and digital media, that allowed us to spread brand values based on a lifestyle based on enjoyment and healthy eating.

Through her ability to connect with different generations who like to take care of themselves and through her healthy lifestyle and for her stand on real beauty based on authenticity, Martina Klein represents perfectly the values of our brand Sun&Vegs, and 'it's Oats' (our most innovative product).

Martina Klein represents perfectly the values of our brand Sun&Vegs, due to her a lifestyle and for her stand on real beauty based on authenticity.



OUR LATEST DEVELOPMENTS 2018

In 2018 we launched more than 20 novelties on the market that meant the introduction of new products onto the shelves or improvements in recipes, formats or packaging. As a company we are able to capture the main trends in food and turn them into novelties to revolutionise healthy eating.

Our capacity for innovation, with more than 70% effectiveness in product launches, has al-

lowed us to revolutionise the shelves with pioneering products in the market.

The new products launched by our company during 2018 have accounted for 19% of the sales of our group. The most active units were the fresh-cut range and Nutrition units, where innovation has accounted for 18% and 51% of their turnover, respectively.

Our agricultural assortment



Microgreens: the first vegetable shoots, which are presented in a novel container with a soil base that allows us to market them 'live', in order to lengthen their shelf life and facilitate consumption.

Our fresh-cut assortment



New formats: now we're offering our customers time and health in new formats, such as our Super salads, with superfoods such as quinoa, wild

rice or kale, combined with fresh vegetables and produce - legumes or seeds. Or our Micro Veggies, fresh microwavable dishes with a base of pasta, rice or noodles and more than 40% fresh vegetables. A healthy, complete dish in less than 5 minutes!



New Wrap recipes: we expand our options for the most wholesome, healthy meals. Our Falafel wrap includes a mixture of lettuce, tomato and red onion with various cheeses, raisins, falafel and a large wheat flat bread to roll the salad up in. The 'Wrap de la Huerta' is an innovation on the shelves as the crispy lettuce leaves are what you wrap the rest of the ingredients up in (cereals, raisins and goat cheese with honey).



From the Mediterranean to Hawaii: we offer diversity to make healthy eating fun. With the Potato Salads we have revolutionised the shelves with a new category of salads, "without leaves". This Mediterranean summer classic is made with a base of boiled potatoes, small-cut vegetables, tuna and hard boiled egg. The POKE, inspired by the Poké, a dish from Hawaii, combines fresh vegetables with superfoods, such as quinoa or basmati rice and smoked fish, such as salmon or tuna.



New ingredients and flavours: we continue to develop delicious recipes with new ingredients such as our Goat Cheese Salad, with a base of fresh lettuce, apple, dried fruit, goat cheese and a dressing. Or the Salmon Salad, which combines butterhead lettuce, green oak, red batavia, tomato,

with smoked salmon and cheese accompanied by an exquisite dill vinaigrette dressing. Healthy combinations to enjoy anytime, anywhere.

Our nutrition assortment



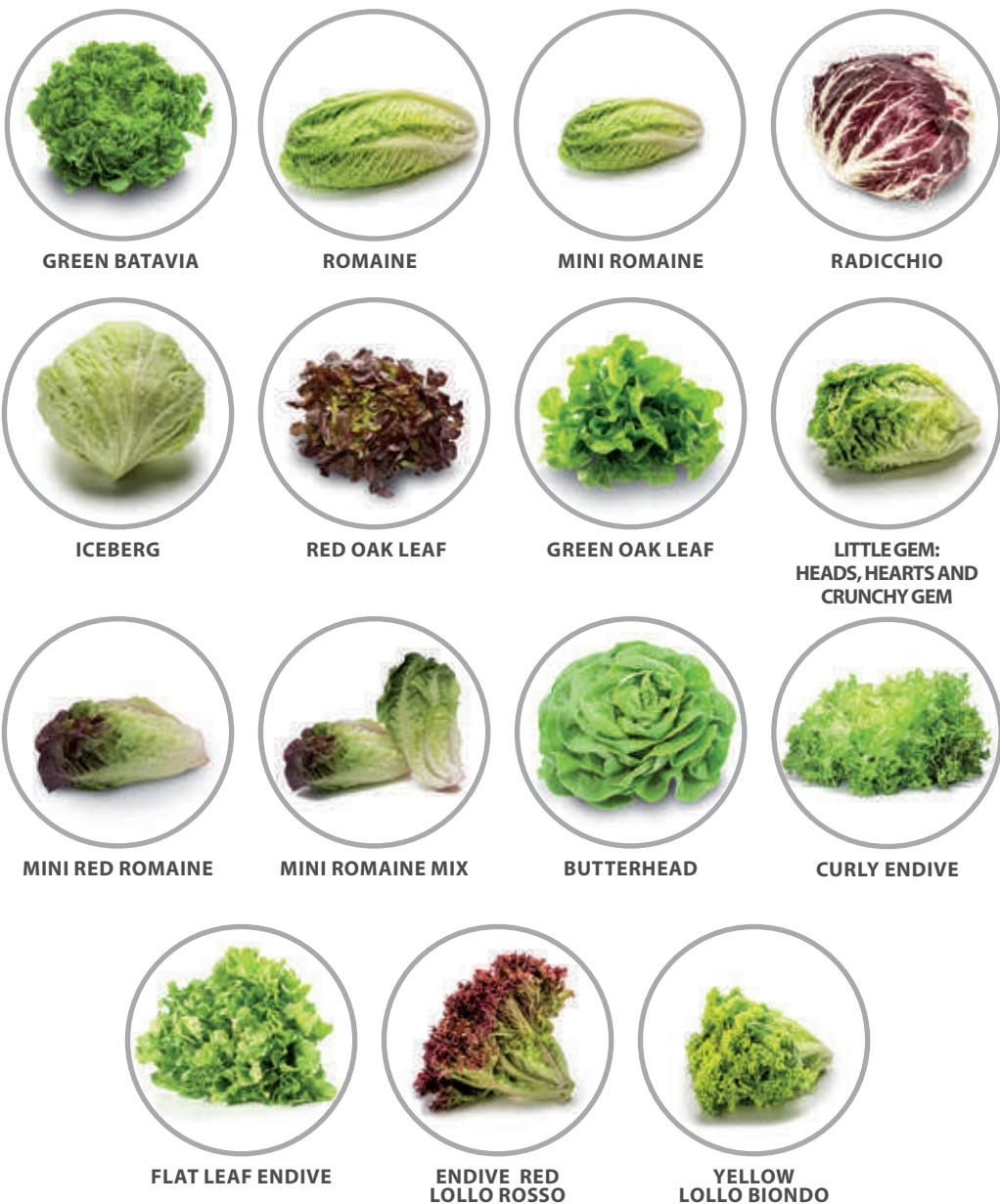
Fruit purées for babies and children with organic certification: adapted to the tastes of each market, we have developed 4 new references of fruit pouches for the Swiss distribution chain Migros and 3 new references for Dagrofa in Denmark. All of them without added preservatives or sugars and with organic production certification.



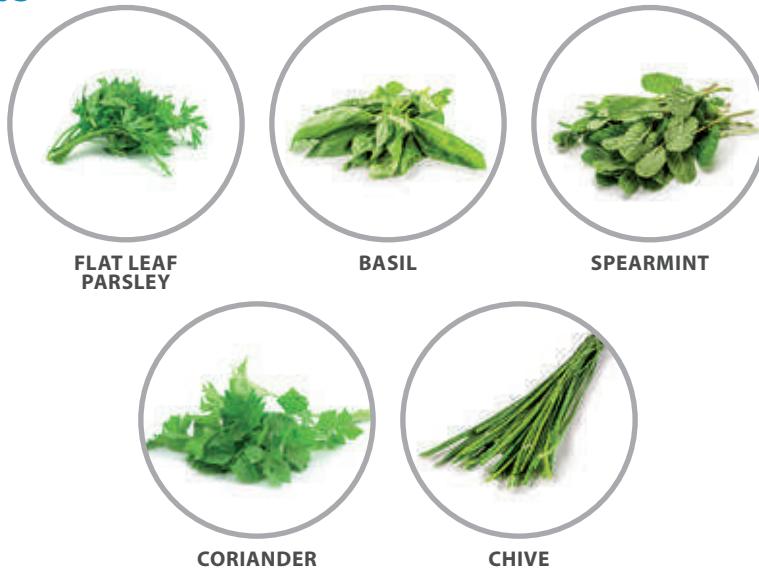
Organic Snacks for the whole family: with the brand Daunat BIO we have brought to the French shelves new options of healthy snacks in the form of organic fruit purées in a pouch format, with recipes such as fruits of the forest, and apple and pear. For Runakay (Spain) we have developed a new concept of energy snacks that's organic certified and has 100% natural ingredients. It does not contain added sugars, gluten or lactose, it is suitable for vegans and is available in 3 flavours: almond, matcha tea and coffee.

OUR AGRICULTURAL ASSORTMENT

Lettuce



Aromatic herbs



Vegetables



RADISH



SWEETCORN



CHARD



BROCCOLI



BROCCOLI CROWNS



WHITE COURGETTE



GREEN COURGETTE



ROUND COURGETTE



CAULIFLOWER



MIXED CROWNS



CAULIFLOWER CROWNS

Microgreens



BROCCOLI



KALE



MUSTARD



CORIANDER

Organic produce



ORGANIC ICEBERG



ORGANIC COURGETTE

Leaves



BABY BATAVIA: RED AND GREEN



BABY LOLLO ROSSO



ROCKET



SPINACH: BABY, TEEN AND ADULT

We are our products

OUR FRESH-CUT ASSORTMENT

Ready-to-prepare



Ready-to-cook



Super fresh



Ready-to-eat



Ready-to-heat



We are our products

NUTRITION ASSORTMENT

Our nutrition range covers solutions for the whole family. From children's food products from 4 months upwards, to snacks and other products for athletes and for different moments of consumption. Always with natural recipes, without preservatives or colourings, also with

a low content in sugars and fats. We market this assortment under our own brands - Byba and Sun&Vegs - and we work closely with our customers, from the creation of recipes to customised designs and packaging.

Tubs

From 110g a 250g



From 125g to 180g



Formats

1x



110g

2x



4x



200g



250g



Flexible packaging



From 85g to 250g in standard formats

Possible to be filled from 50g upwards ww

Formats

1x	2x	4x-6x	4x-6xDisplay
			
90g			
			
120g			

**WE ARE INNOVATION
AND EFFICIENCY**

An innovative spirit

Innovation is the main ingredient in our company. This is a maxim that we apply with passion to everything we do: from selecting the best seeds and vegetables in our fields, to the making of our healthy products, always so unique and pioneering. It is this commitment to innovation that has made us market leaders and allowed us to cross borders with our healthy food revolution. Today our products reach more than 40 customers in 30 countries around the world.

Every year we invest over a million euros in R&D&i for testing and to launch new products. In addition, we have multidisciplinary innovation teams, which work transversally, and in which they participate from the areas of engineering, product development, purchasing, logistics, marketing or sales departments.

Throughout our history we have launched hundreds of totally pioneering products onto the market that have created trends. We were the first company to introduce onto the shelves our ready-to-eat salads as complete meal, also to market our 100% natural smoothies in a flexible format. In addition, we are ahead of the market by launching fresh dishes with vegetables in innovative formats. Every year we launch new products onto the market which means the introduction of new products or improvements to recipes, formats or packaging.

Our ability to rapidly industrialise innovation has enabled us, during 2018, to continue to develop new products, new formats and new healthy and practical solutions. Our innovative spirit allows us to turn the latest global consumer trends into novelties, even anticipating consumer demand and launching unique products that are exclusive to the market.

We convert global trends into novelties, by anticipating consumer demand

Being creative, entrepreneurial and innovative has allowed us to gain the confidence of our customers and consumers, and to reach the success we have achieved. But we are also demanding and want to continue to grow, win over new customers, and conquer new channels and new markets.

Our healthy revolution has only just begun and on that path, we know that innovation will continue to be our main ingredient.



Innovation is part of our commitment to the United Nations Sustainable Development Goals (SDGs). Innovation is part of our business culture and we are committed to promoting innovations and technologies in the food and agriculture sector to make it more sustainable.

INVESTMENT IN I+D+I

+€1M

PRESENCE IN 30 COUNTRIES

+40 customers

IN 5 YEARS

+200 launches



*Innovation is our
main ingredient*

Collaborative innovation

Since our origins, innovation has become one of the hallmarks of our company's identity. It has been the basis of our present successes and we also know that it will be the bedrock that will enable us to reap future successes.

Our healthy revolution has reached more consumers by means of our vending channel

That is why we focus our efforts on continuing to innovate every day, and we do so both internally, with our own transversal innovation team, and with external support, always open to engaging in collaborations and alliances with the best.

In this regard, we support each other and work together, both in the private sphere, with other companies and technology centres, as well as in the public sphere, with universities and academic institutions. This allows us to discover the latest ideas and the most innovative and creative projects first hand. In the academic field we also collaborate by participating in forums and university conferences, and also by means of visits to our facilities from students studying different degrees or master's degrees related to the food sector, agriculture or the business world.

Sun&Vegs, also in vending

Our brand continues to grow and reach new distribution channels with its more innovative, fresh and healthy, ready-to-eat products.

Faithful to our commitment to revolutionise healthy eating, we continue to innovate not only with new solutions, products and formats, but also exploring new channels that will allow us to bring our revolution to all imaginable places and spaces.

During 2018 we have brought our ready-to-eat assortment by Sun&Vegs to a new distribution channel, vending machines. An original proposal developed in collaboration with Delikia, one of the leading vending machine distributors in Spain.

The project started as a pilot test with the first 'Sun&Vegs' vending point in the Student House at the Polytechnic University of Valencia (UPV) in October. In addition, new Sun&Vegs healthy vending points have gradually been added in different spaces such as hospitals, business buildings or factories throughout the Valencian Community. The aim is to extend the presence of these Sun&Vegs points to more spaces both public and private, thus bringing our healthy revolution to more consumers so that they can enjoy our fresh and healthy products anywhere at any time of the day.

Sun&Vegs' vending machines are filled exclusively with our own brand products and offer a wide range of novelties in practical formats in line with the latest consumer trends.

Among the products available in the machine, there are different ready-prepared salads and wraps in a





'Sun&Vegs' vending point at the Polytechnic Universidad in Valencia.

bowl format (Salad Bowls and Wrapidos), rice and pasta with vegetables dishes to heat up in the microwave (MicroVegs), SuperSalads (salads with super ingredients such as quinoa, kale or broccoli). Also included are our other products such as 100% natural fruit and vegetable smoothies or the plant-based alternative to yogurt with functional properties It's Oats' in different flavours.



• Delikia: One of the main leaders in Spain in automatic vending machines. The company is specialized in fresh, healthy food which is renewed every single day

We are innovation and efficiency



We participated as a 'challenging' company in the 2018 edition of the Hackaton Innova&action Business Challenge.

Connecting talent

In order to find and capture the latest trends on the market we open the doors to new, original ways that allow us to continue to grow through innovation. With this motivation we participated as a 'challenging' company in the 2018 edition of Hackaton Innova&Action Business Challenge, a meeting that aims to put leading entities in innovation in touch with young talent such as students and new university graduates.

Organized by the Association of Former Students at the Polytechnic University of Valencia's Innovation Club, this original 24 hour marathon allowed participants, who were previously selected and organized into working groups, propose solutions to the challenges posed by innovative Valencian entities and companies. In our case, as a company that operates in a sector that demands a lot of innovation and adaptation to new trends and consumption habits, we posed a challenge that consisted in finding innovative, ground-breaking solutions that allow us to bring our assortment closer to the consumer in a very direct way, without

involving any supermarket shelves. Our participation at this meeting was highly satisfactory, as it exceeded all our expectations. After an intense day, the teams presented three proposals to our challenge, of which, one was presented to the Jury, as the finalist.

We are convinced that young talent can offer solutions that we couldn't even imagine. Therefore, we will always be open to welcome and participate in any proposal or project that gives us value by means of new ideas and collaboration between different parties. Welcome to our collaborative innovation.



Former UPV Students: An independent, plural, non-profit organization, dedicated to all graduates and professionals' progress, both within and beyond our borders.

Operational Leaders

We are proud of what we do but also of how we do it. We put all our experience and know-how, innovation, creativity, and all the technical and human resources at our disposal to always do things with maximum efficiency.

Operational efficiency runs through all our processes, from our fields and crops to our production plants. This tireless quest for efficiency and continuous improvement has allowed us to be operational leaders and to offer a better product with the best quality-service-price ratio. To this end, during this fiscal year we have made significant improvements in our methods and processes, and have advanced by means of the implementation of the most advanced technology. All of these actions allow us to continue to become better, to be more competitive, and to grow efficiently and sustainably.

Thus, during 2018 we have taken a fundamental step towards our future in the medium and long term by migrating all the central computer systems in our company to Telefonica's Virtual Data Center Cloud service. This a powerful infrastructure for all our information, and gives us high-level security guarantees. In terms of IT, different projects have also been implemented for more effective management of big data at the operational and financial level.

Another outstanding project in the field of efficiency is that executed by our Nutrition business unit regarding its supply chain. A change in working methods and processes has enabled us to improve the quality and quantity of the plant's operational management.



We innovate throughout our distribution logistics system under our sustainability and efficiency criteria. In addition, we use ground-breaking technology at our company, such as big data, and we have the best allies to promote sustainable innovation throughout our value chain.

Our Digital Transformation

On a cloud. That's where we are after the successful transition from our central server infrastructure to Telefónica Solution's VDC Cloud service. A project that responds to the need of our group to continue growing also at a technological level so as to offer greater efficiency and competitiveness to our day-to-day management.

In recent months, the ICT team has successfully managed the transfer of our computer infrastructure, without disruption to our service or users at any time. Thanks to this transformation, our company can continue to grow in computing capacity and storage space and be positioned at

the highest levels of competitiveness globally. The Group's new virtual server farm is physically located in Telefónica's data management centre in Alcalá de Henares, a data processing macro-complex located among the most innovative on the planet. A true data bunker equipped with the most comprehensive security measures.

Our new way of working as regards computers offers greater speed, efficiency and growth capacity to our systems. In addition, it brings greater security to the information that is managed on a daily basis by the group's production centres and waround Spain and Europe.

From left to right: Jorge Sánchez, Andrés Navarro, Bernabé López and Sergio Gómez, from the ICT department.





From Big Data to a Salesforce on a Cloud

In recent years, we have joined the worldwide digital revolution by incorporating the most advanced computer-based tools into our day-to-day life. We put technology at the service of growth, efficiency and talent management.



BW on HANA

During 2018 we made a change regarding the version of our Data Warehouse BI (Business Intelligent) system by SAP, upgrading it to the latest version on the Hana database SAP system. This tool allows us to obtain analyses of millions of data records at a high speed to help decision making and to extract and exploit valuable information so as to generate reports and indicators that help us to make the best decisions ever. In this way we can tackle complex Big Data projects.



Power BI

Our Balanced Scorecard project, which was implemented last year, consists of a control tool that allows us to establish and monitor the company's main indicators in our different areas and units. It has been carried out with Microsoft's Power BI software.



In the last year we have also launched BPC Cash Flow SAP software (an innovative treasury management software) which allows us to control and optimise the available resources with greater financial rigour.



In order to accompany our company's growth and to contribute to a more agile performance within our sales team - we have started to implement a Salesforce tool on our Cloud. The new portal facilitates monitoring and the daily management of our sales force, as it allows teams to monitor accounts, contacts and opportunities in real time.



Since 2016 we have been working with the SAP tool, SuccessFactors, for our comprehensive talent management. Our internal portal, called "MyGAC", allows us to manage the processes related to training, performance and development while facilitating access to a lot of information about people and organigrams.

Maximum efficiency at our plant in Carlet

During 2018- on this road to maximum competitiveness and efficiency - we have developed a project to improve the supply chain at our Carlet plant (Valencia). It has been intense work that has been possible thanks to the involvement, coordination and joint efforts of a multidisciplinary team.

The centralisation of logistics

In order to respond to the growth of our business both in number of references and customers, we have sought to combine synergies by centralising all the logistics for importing raw materials. This has been achieved with a new and unique freight forwarding supplier who, in turn, concentrates on a single regulator warehouse. We have also unified our external warehouses into one. To implement this whole process our ally has been Grupo Caliche - a specialist in the international transport of goods.

We reduce stock

Another improvement in terms of efficiency and competitiveness has been the reduction in stocks of our raw material, from 5.3 million euros in 2017 to 3.4 million during 2018. This has reduced our percentage of the value of fixed assets on sales by over 5 points therefore allowing us, as a company, to allocate those funds to the efficient improvement of other areas.

In order to achieve this improvement we have established agreements with our suppliers so that they become our regulatory warehouse and optimise the flow of goods by working together. At the same time, we have reduced our lead times by almost half-from 12 to between 6-8 weeks.

Similarly, we have adapted our processes and working methods by taking the supply chain at our Carlet plant to a "tight flow", where the raw materials are received just at the time or moment when they are going to be used.

We diversify suppliers

In our effort to always offer the best quality and the best product, this year we have strengthened our portfolio of suppliers, both nationally and internationally, to guarantee the supply of best raw materials for the manufacturing of our products, thus allowing us to continue to make our commitment to offer an optimal quality-service-price ratio possible.





Our supply chain team at our Nutrition business unit have made our plant at Carlet (Valencia, Spain) an example of maximum efficiency. In the photo: Ángel Alegre, Santi Avendaño, Belén Vicó and Nacho García.

**IMMOBILE STOCK/STOCK SITTING IN WAREHOUSE
€5.4M ↓€3.4M**

REDUCTION COVERAGE DEADLINES

12↓6-8
WEEKS

Our Agreement with Caliche, our specialized partner

In line with our philosophy of maximum efficiency and competitiveness, and within the strategic plan for our Agricultural business unit, during 2018 we proceeded to the transfer of the transport services into the hands of a specialised supplier and a leader in that field: the Caliche Group. Thus, we opted for operational efficiency and an organizational structure adapted to the business model in our sector, leaving the part of transport and logistics to a new collaborator specialised in transport for the agricultural sector. Making this decision means we are left free to focus on our specialisation of producing and marketing fresh, healthy products.



Grupo caliche is a national and international transport company with multidisciplinary service by land, sea and air. With more than 50 years of experience, it has a strategic location in the Mediterranean arc. The group moves more than 2,250,000 of tonnes of products every year.

Food safety at your service

Between the field and our customers' table there is an invisible thread woven from a key element: confidence in our products. A relationship nurtured with strict protocols and demanding standards of quality and food safety that allow us to guarantee the very best quality and freshness in all our product ranges.

The concept of the highest levels of food safety is always very much present in our work and covers the entire production chain, from the fields where our vegetables are grown to our processing plants, through to our suppliers, and of course, to the final product brought to the consumer.

That's why we have our own audit models adapted to each business unit that ensure maximum control and product traceability. Following our own benchmarks and international standards, in this last calendar year we have performed a total of 77 internal and external audits, as well as 39 traceability exercises, 8 of which were simulations.

Specifically, during this last year we have conducted 13 face-to-face audits on our suppliers' premises and 31 traceability exercises. Out of the total, 16 of the auditing exercises were internal,

while 26 certification audits and 4 model audits were carried out.

As for our different units, 6 audits were carried out on behalf of our Agricultural Unit as well as 2 traceability simulations, while at our Nutrition Unit we carried out 8 traceability exercises and 2 other audits at the premises of our suppliers. In our fresh-cut range sector 6 audits and a total of 19 traceability exercises have been carried out.

All our centres boast IFS Food certification with High Level

As a result of the work and control of our entire chain, we possess the most demanding internal certifications in the areas of food quality and safety. During 2018 all of our processing plants in Spain obtained the IFS Food certificate (International Food Standard) with the highest possible category: High Level.

In addition to IFS Food certification, all our fresh-cut production plants have renewed the environmental management certification in accordance with ISO 14001.

With regard to our Nutrition and Baby Food

International Quality and Food Safety Certifications



Agricultural
Fresh-cut & Nutrition Units



Agricultural &
Nutrition Units



Fresh-cut &
Nutrition Units



Agricultural &
Nutrition Units



Agricultural
Fields and plant Units



Agricultural
Unit&Fields



Agricultural
Unit&Fields

Processing Plants

Crop estates

Unit, our centre has renewed its BRC Food certificate along with its organic production certification. In addition, this year the plant has increased its quality and food safety certifications with the SAE certification, an external self-control system that represents an international guarantee that has allowed us to enter new markets, such as in China.

At our Agricultural Business Unit the QS certificates (Wholesale, coordinator and Production) have been renewed, both in the fields and in

the plant, which ensures the quality control of food after monitoring the entire production and marketing chain. In addition to the renewal of the BRC Food certification this year the agricultural production plant obtained certification for organic production which enabled us to launch a varied organic assortment over 2018.

Currently, 100% of the group's farms have renewed the Global G.A.P. international certification of good agricultural practices, and in the G.R.A.S.P. module of Global G.A.P.

Ten years collaborating with the certifier Applus

This year marked the tenth anniversary of the first certification for our fresh-cut range unit (Verdifresh) under the IFS standard. Our IFS re-certification demonstrates our strict commitment and compliance with the demanding requirements of our customers in the large scale distribution sector.

To commemorate this anniversary Applus awarded us with diplomas for our commitment to quality and food safety.



Alicia Arroyo y Mario Magallón, from Applus, with GAC representatives: Miguel García, Ready-to-eat business unit director, David Vitoria, GAC Integrated Systems manager and Francisco Andrés, Quality manager at the Ready-to-eat business unit.

We are innovation and efficiency



Our Quality Model

Quality and food safety are two essential elements for our company. For this reason, our production plants have their own state-of-the-art laboratories where a highly specialised team of professionals carry out analytical controls specific to each of the business units in order to ensure maximum quality and food safety. Our Quality model is also supported by rigorous external analyses.

Collaboration with leading universities

In order to have the best talent, both inside and outside our company, we have renewed, for yet another year, our collaboration agreements with different universities and major technological centres in Spain. These strategic alliances allow us to work with the best possible partners in terms of innovation and to continue to constantly improve in all our activities.



We comply with exhaustive quality and food safety controls and standards. To this end we adopt efficient food safety and hygiene protocols throughout the value chain to avoid adverse impacts on consumer health.

Collaboration with:



Agreements with:



Service and competitiveness

Sun&Vegs touches down in Spain and keeps on expanding in Portugal

At the heart of our business are our customers and our consumers. They make it possible for our healthy food revolution not to be an objective, but a reality that we are accomplishing and that we want to continue to achieve.

Therefore, we do not cease in our efforts to satisfy their needs and tastes, listening to them and responding in time and form, always with the best service and greatest competitiveness. By means of our Sun&Vegs and Byba brands we want to convey what makes us unique and different.

With our sights set on continuing to win over customers from all over the world and to get them to fall in love with our fresh and healthy products we work on anticipating their needs and the new consumer tastes both nationally, in Spain, and internationally. Innovation, quality, service and competitiveness, this is what has allowed us to reach more than 5 million Spanish households and hundreds of thousands in Europe and the rest of the world.

We are leaders in Spain and Germany in the ready-to-eat salad segment. In baby food we lead the category in pouch format with a market share of over 50% in our country.

And with our Sun&Vegs and Byba brands, we market fresh and child nutrition products for babies and toddlers to over 30 countries around the world.

Sun&Vegs, present in more markets and channels

In 2018 we have reached great commercial milestones with our Sun&Vegs brand. With it we have taken our healthy revolution to more consumers as well as new markets and channels, such as the Horeca and vending channels.

The brand has continued its expansion in the Portuguese market, where it was launched at the end of 2017, and already it has presence in 80% of the country's major distribution chains. These include, Pingo, Intermarché, El Corte Inglés and Sonae.

We are leaders in Spain and Germany in the ready-to-eat segment

To this great reception in our neighbouring country, has been added the arrival of the Sun&Vegs assortment to the shelves in Spain. Our most ground-breaking range is already present in chains such as Dia, Uvesco, Vidal or Sorli.

In addition, Sun&Vegs also has a specific ready-to-eat salad and vegetable assortment for the Food Service-Horeca channel with formats adapted to these needs (bags of 500 grs or 1 kgs, special formats, etc.), which reaches customers from Spain and Portugal. Moreover, last year we launched the pilot project of healthy vending by the company Delikia. Our healthy revolution does not make do with only conquering new channels and markets. With the acquisition of the German company Thurländer in October, our assortment of fresh and healthy ready-to-eat products now reaches the shelves in Germany, Austria and Denmark.

More options for the whole family

Our range of baby food has also continued its international expansion. In Europe we continue to strengthen our presence with new customers and recipes, highlighting a wide range of organically (BIO) certified products, which responds to a growing demand from customers and consumers. Thus, in 2018 we started our business relationship with customers such as Daunat, Migros or Dagrofa.

In addition to the European market, which is becoming increasingly important for our baby food range, in 2018 we took our products to Asia, for the first time. This is a market with great growth potential in the baby food category, and it is where we want to be an important player with the development of our Byba brand.



Our assortment is marketed in large supermarket chains in 30 different countries, on four continents.



With 26% sales in foreign markets, our baby food products reach 18 customers in 12 countries, on 4 different continents. During 2018 our products started to be distributed in China, Philippines, Dominican Republic, Equatorial Guinea and Saudi Arabia.

*We want to
anticipate our
customers' needs*

What is more, our novel functional product which is 100% plant-based and natural 'It's Oats' has strengthened its presence on the main supermarket shelves expanding all over Spain via the large distribution chains of Carrefour, Alcampo and Eroski.

Our agricultural products reach 42 customers in 24 different countries, which means that 31% of our sales of products straight from the field are international. Our customers include large European chains, for example: Lidl, Coop, Edeka.

Close collaboration and mutual benefit

Our creation, as a company, in the year 2000 was the result of an innovative and courageous commitment: to introduce an assortment of ready-to-eat salads on the supermarket shelves at a time when this was a practically non-existent category in our country. Turning this great commitment into success would not have been possible without a joint working relationship and close collaboration with our main customer, Mercadona. With innovation and continuous improvement as a basis, together we have revolutionised healthy eating in Spain.



Innovation and continuous improvement are the bases to our relationship over these last 18 years

As inter-providers, we work with Mercadona towards developing an effective assortment that, product by product, provides differentiation. We do this by co-innovating, listening to the end consumer, adapting to their specific needs and those of our client and our sector. All this to always offer an assortment with the greatest guarantees of quality and food safety, at a competitive price in all the categories with which we work.



*Together, we listen to
the consumer in order
to offer innovative
products*

During 2018 we have continued to work together to offer innovative new products and formats for a healthy diet. Together, we have also improved our processes to become more efficient, more sustainable and more environmentally friendly.



- ▶ **13 new products.** In the last year, alongside Mercadona, we have launched 13 innovations, 5 of which have already reached all the chain's supermarkets in Spain or are planned to do so in the immediate future. Inter alia, the Goat Cheese salad, the mushroom mix or the baby spinach bag.
- ▶ **Co-innovation for the Portuguese market.** We accompanied Mercadona on its arrival to our neighbouring country. For this reason we have developed our first ready-to-eat salad references which are specific to the Portuguese market, adapting recipes and ingredients to the tastes of the local consumers. Our most popular salads will also arrive in Portugal with bilingual designs.
- ▶ **More options: "ready-to-eat".** As specialists in ready-to-eat vegetables we have become



part of the "Ready-to-eat" project, the new section for selling freshly made food offered by the chain within the supermarket itself. We supply several references of lettuce and other fresh-cut vegetables for salad preparation in this section.

- ▶ **More sustainable containers.** We have removed the bag that contained the ingredients in our Wrapido Texas (cheese and chicken), one of the best-selling products in our ready-to-eat assortment. This change has allowed us to reduce the plastic used in the packaging by 25%.
- ▶ **Reducing food waste.** By modifying the logistic configuration at our plants, we have been able to adapt the units of product per box, adjusting our shipments to the real needs of the shops according to the geographical region and the level of consumption. This way we avoid wasting products.
- ▶ **Less boxes.** In our baby food range, we have also improved logistics efficiency. A cardboard display box has been introduced for individual fruit pouches, so that more units fit per pallet. This has also had led to a reduction in shelf replenishment time and improved product display at the point of sale.

Our new provision model: improving our customer services

In our diversification and growth strategy launched in 2015 to reach new customers, new channels and new markets we have experienced an intense process of transformation in terms of equipment and processes. All this focused on ensuring the best service to our customers.

To give an efficient and agile response, our Aranda de Duero (Burgos) plant has been the production centre chosen to make our new strategy in our company's fresh-cut range business unit a reality: going on to centralise the production and distribution of our assortment for Portugal, Horeca-Food Service and the new Sun&Vegs customers in Spain.

Our new logistics model allows us to be swifter and more efficient

This change in the way we work has been accompanied by a new logistics model focused on growth. During this calendar year we have doubled our order lines going from 960 to 1,800. In terms of logistics, our Aranda plant serves a growing variety of customers across Europe with integrated purchasing and delivery of the product to their facilities. To meet this challenge, changes have





Julio García, Logistics and Provisions manager (standing), with his team at our plant in Aranda. From left to right: Sandra, Laura, David, Luis, Carolina e Iván. (Jesús Benítez is missing in this photo).

been made throughout the process, including the physical distribution of our warehouses, palletising and procurement strategy.

The change in methods and processes has also been accompanied by the selection of a single logistics and distribution operator. In this case, Salvesen Logistics was chosen as a partner. A logistics operator with excellent knowledge in ready-to-eat product deliveries. Salvesen are also knowledgeable in the current market, in distribution, and in preparation and storage systems. Currently 48% of our expedition lines are already covered by our ally Salvesen.

Our just in time System

In addition, at our Aranda plant, the distribution chain has been adapted to a just in time system in order to reduce storage needs, thereby lowering handling costs and bringing down the remaining costs. Communication systems between platforms have also been improved, and information processes have been automated. All this transformation and the new way of operating allows us to optimise our logistics while ensuring optimal service in terms of the delivery of our products.

To improve our customer service, our Mesturados Canarias plant in Tenerife has also been adapted. Thus, important changes have been made in terms of our facilities there, with a reorganisation

of the warehouse and creation of new spaces for storage, principally, new containers and auxiliary materials.

As for processes, we have opted for the outsourcing of the boxing and labelling process aimed at multi-clients, also relying on Salvesen Logistics for this. In addition, with this operator we also have an ally in transportation as it allows us to take our fresh and healthy products anywhere on the islands in 24 hours.

With the new logistic model developed at our fresh-cut business unit we can assure our customers, all over Europe, that our fresh, healthy products of the highest quality will be supplied to them 365 days of the year.

**Salvesen
Logistica**

- Logistical operator, expert in offering all types of solutions at any temperature for the food supply chain. It has an extensive network of centres, and the largest fleet of temperature-controlled transport throughout the Iberian Peninsula.



Our customers

During 2018 we have followed the path of sustainable growth and have taken our healthy revolution even further. Our goal is to continue growing through new markets, new channels and new customers. Thus, our products reach more than 40 customers in 30 countries.





EUROPE
25
COUNTRIES



Continuous Investment

Investing in innovation, efficiency or security is investing in the future. We could not maintain the quality of our products without making a commitment to continuously improving our facilities, products and resources. That is why, from the moment we started taking our first steps in the year 2000, we have invested a total of € 175 M.

Specifically, in 2018 we earmarked a significant amount to further improving and maximising each of our plants and units. Thus, we have invested more than € 5.1 M in improving our processing plants, fields of cultivation as well as our research and development projects.

The bulk of the investment has been allocated to our fresh-cut business unit. A total of € 2.5 M was assigned to civil works, installations and machinery for the second topping room in Antequera (Malaga). In addition, renovation work has been initiated to improve the offices and the maintenance workshop at our Riba-roja de Túria plant (Valencia) and a new production line for the production of SuperSalads has also been built at this plant.

The second biggest investment has been allocated to our Agricultural unit, specifically more than 1 million euros designated to the renovation and improvement of the greenhouses on different farms which belong to our company as well as the implementation of projects for early shoot cultivation both in the fields and greenhouses.

Over € 1 million has also been allocated to R&D&I , which resulted in the launch and testing of over 20 products to respond to the new trends and the needs of customers and consumers. While in our baby food area our investments in the new line for the production of Sun&Vegs' 'It's Oats'

has been completed. In addition, the old water supply system has been replaced for a new more sustainable system (reverse osmosis).

The growth of the company has also led to an significant investment in digital transformation. Thus, A total of € 357,000 has been invested in projects in the areas of digitisation and new technologies.

Main investments

Fresh-cut range and Nutrition

€2.7M

Completion of a topping production line at our Antequera and the development of the production line for our Supersalads. Completion of our 'It's Oats' line, improving our water installations in Carlet

Agricultural Business Unit

€1M

Placement and maintenance of plastics in our greenhouses at our different farms

R&D and innovation

€1M

Digitalization and state-of-the-art technology

€0.35M

Antequera: 15 years of growth and innovation

Our Antequera plant (Malaga, Spain) is now 15 years old, is a key part of our goal to be leaders in quality, service, competitiveness and grow sustainably by means of continuous innovation.

The Malaga plant was launched in 2003 and since then has had a total cumulative investment of 23.5 million euros and has grown from 30 to 178 employees in 2018. Antequera today means talent, innovation, flexibility, efficiency and, above all, great growth potential for the whole group.

Last year, the Antequera plant produced 80 million product units. Here is where we prepare our bagged salads as well as our mix-and-ready products within the category of complete food. Additionally, microwaveable bags of vegetables and 100% natural vegetables are produced here. This plant also centralizes the production for all of Spain many of our salad bowl references, for example: our Salmon Salad, Ham Salad, Goat Cheese Salad or Aloha Poke Salad, among others.

In addition, since 2016 the plant has two rooms which are specially equipped for the preparation of our toppings. These toppings are distributed to the rest of our group's fresh-cut range plant in Spain and also to international customers. These facilities have a production capacity of 55 million topping trays per year.

To celebrate these 15 years of success and growth, we organized an open day for employees and their families, who were able to visit the plant and get to learn about the products that come off their lines every day thanks to the work of their respective family members. In addition, a gift was also presented to those who had been in the company for 15 years.



The Antequera plant (Malaga) has celebrated its 15th anniversary with an open day for the families of all its employees. Central photo: Paco Carrillo, plant manager, along with people who had worked for 15 years as company employees

Sustainable growth: new customers, new markets

Our raison d'être as a company is to grow with a clear, integral identity that makes us sustainable over time. In these 18 years we have maintained a continuous growth based on principles that we know will lead us to be the consumers' first choice when it comes to companies who make fresh, healthy products. This in turn creates value in the long term for our shareholders, workers, collaborators and consumers.

Thus, in 2018 we have once again recorded historic growth for our company, reaching 308 million euros in consolidated sales throughout the group - 21.7% more than in the previous year. This growth is partly due to the development of new products and new customers at our different business units in Spain, as well as the integration of Thurländer in Germany.

This year we have seen a significant increase in sales to international markets in all of our business units. Thus, 27% of the group's turnover comes from customers outside of Spain, compared to 12% in 2017. In detail, in the Agricultural area, international turnover now accounts for 29% of sales, in the Fresh-cut range area is 26% and in Nutrition this figure stands at 27%.

Ready-to-eat, our most relevant area

In terms of the percentages of our turnover per business unit, "our ready-to-eat" range is still the range that brings us the highest sales percentage contributing a 57% to the group, followed by the agricultural area which represents 32%, and finally the baby food and Nutrition unit which represents 11% of our total sales.

Thus, in the last year our ready-to-eat area obtained a turnover of 198 million euros, which means an increase of 42.5% compared to 2017. The Fresh-cut range plants in Spain and Germany have produced 214 million units of ready-to-eat salads and vegetables (+13.5%), which has resulted in a processed volume of 52,000 tonnes.

Our Nutrition business unit, on the other hand, has experienced a growth of 1.1% - its turnover reaching 26.6 million euros. In terms of volume, the Carlet plant produced 31 million units of tubs and pouches of baby food and other solutions for the whole family (+6% compared to 2017).

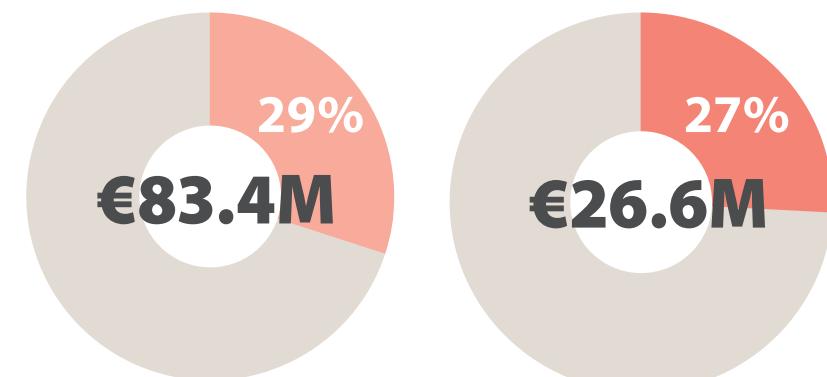
In the case of our Agricultural area, the turnover in 2018 was 83.4 million euros, 5% less than in the previous year; a decrease motivated by the change of model in the sales structure of the unit. The production volume of direct from the field assortment reached 90,000 tonnes.

The balance sheet for this last calendar year reinforces our idea of continuing to work as we always have done before - basing our strategy on innovation, customer diversification and the development of our employees.

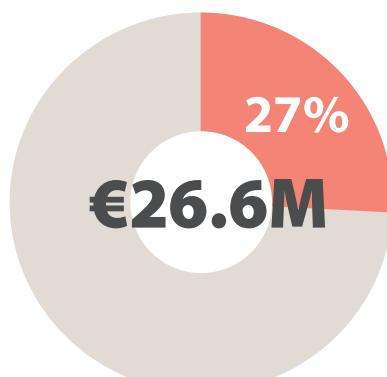
Turnover by business unit



International Turnover



Agricultural



Nutrition



Fresh-Cut Range



GAC

Turnover per business unit

	2018	2017	Variation
FRESH-CUT RANGE	€198M	€139M	+42.5%
NUTRITION	€26.6M	€26.3M	+1%
AGRICULTURAL	€83.4M	€87.8M	-5%
€308M		€253.1M	+21.7%

We are innovation and efficiency

Five years of growth

In 2018 we reached a new milestone in our history as a company. For yet another year we achieved record turnover, thus consolidating a trajectory of growth that has been particularly accentuated over the last 5 years.

TURNOVER

2018	€308M
2017	€253M
2016	€240M
2015	€169M
2014	€122M

€308M turnover
in 2018 (+21.7%).

INTERNATIONAL SALES (% OF THE TOTAL)

2018	27%
2017	12%
2016	9%
2015	—
2014	—

+27% of our
sales come from
international markets.

INVESTMENT

2018	€5.1M
2017	€7.5M
2016	€8.7M
2015	€14.5M
2014	€16M

€50M
accumulated investment
in the last five years.

EMPLOYEES

2018	2,291
2017	2,153
2016	2,145
2015	1,254
2014	629

2,291 employees.
+138 in 2018.

NUMBER OF PRODUCTION PLANTS

2018	7
2017	6
2016	6
2015	6
2014	4

7 processing plants.

INNOVATION: NEW PRODUCTS

2018	25
2017	100
2016	50
2015	39
2014	14

+200 innovations
in five years.

SALES VOLUME (UNITS) FRESH-CUT RANGE

2018	€214M
2017	€189M
2016	€159M
2015	€154M
2014	€145M

214M units of
salads sold in 2018.

