

Grupo Calvo

We preserve what matters to you



Non-Financial Information Statement / 2018



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ABOUT THIS REPORT



About this report

This document is a Non-Financial Information Statement (NFIS), that provides an account of performance in the social, environmental, economic and good governance areas of companies under parent company Grupo Calvo in every geographical area in which the group conducts its activities: Spain, Italy, Brazil, Argentina, Costa Rica, Guatemala and El Salvador.

The international framework of reference for preparing this document is the framework established by the Global Reporting Initiative (GRI) standards.

This report meets the criteria established under Spanish Law 11/2018, dated 28 December, which modifies the Code of Commerce, the rewritten text of the Capital Companies Act approved by Legislative Royal Decree 1/2010, dated 2 July, and Law 22/2015, dated 20 July, on Accounts Accounting as pertains to non-financial information and diversity. In accordance with said regulations, this NFIS underwent verification by PricewaterhouseCoopers Auditores, S.L. The independent verification report is included in this document.

Additionally, the information contained in this document will be included and expanded upon in Grupo Calvo's Annual Report, which has been published each year since 2017. Both documents will be made available for public access on the corporate website: www.grupocalvo.com.

Grupo Calvo updated its materiality matrix for the year 2018. This process consisted of three main phases:

- Analysis of the previous year's list of relevant topics.
- Identification of relevant issues based on consultation of external sources (materiality of topics for stakeholders).
- Internal prioritisation of topics. The Materiality Committee, composed of 53 people (32 men and 21 women) evaluated each one of the topics.

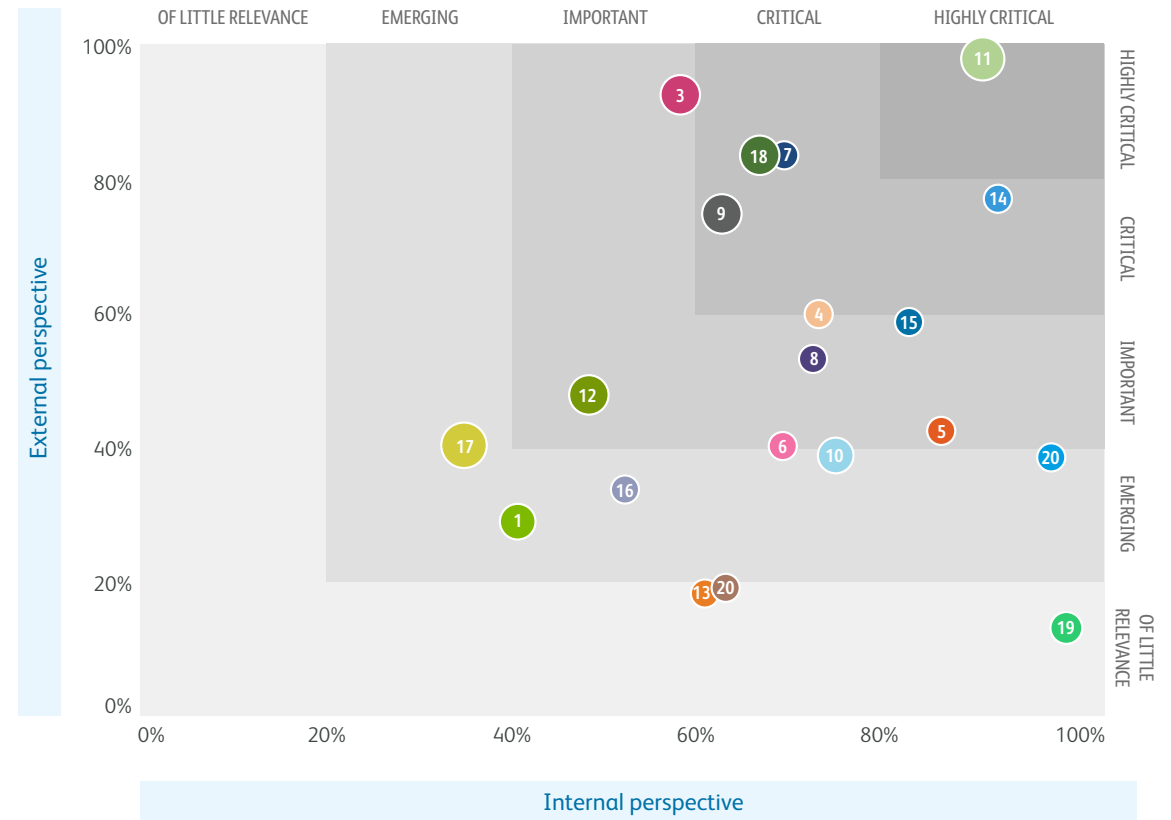


This analysis yielded a list of 20 relevant topics. Seventeen (17) of these had already emerged in the previous year and three new issues surfaced: risk management, responsible taxation and sustainable use of resources and in the circular economy.

In the analysis, topics showing a weighting above an 80% average between the two perspectives were considered to be highly critical; those with a weighting between 60% and 80% were deemed of critical relevance; topics of important relevance were those showing a weighting between 40% and 60%; emerging topics are those lying between 20% and 40%; and those considered of little relevance showed a weighting of 20% or less.

Provided below is the materiality matrix for the year 2018:

Relevant topics		
1	Institutional relations and relations with Public Administration	●
2	Sustainable fishing	●
3	Sustainable resource use and circular economy	●
4	Environmental impact management	●
5	Health and safety	●
6	Employee development	●
7	Labour practices	●
8	Product labelling	●
9	Socio-economic impact	●
10	Innovation / Efficiency	●
11	Responsible supply and human rights	●
12	Global expansion / Business development	●
13	Responsible taxation	●
14	Food safety and quality	●
15	Good governance, ethics and compliance	●
16	Stakeholder communications and sector presence	●
17	Adaptation of the business model to climate change	●
18	Healthy eating and consumer habits	●
19	Brand/reputation management	●
20	Risk management	●



Topic evolution in comparison with the materiality matrix from the previous year is as follows:

Relevant topic	Evolution 2018	Justification
Brand/reputation management	=	
Good governance, ethics and compliance	=	
Global expansion / business development	=	
Institutional relations and relations with Public Administration	▼	Of little external relevance
Responsible taxation	★NEW	New requirement under Spanish Law 11/2018
Communication with stakeholders and sector presence	=	
Risk management	★NEW	New requirement under Spanish Law 11/2018
Socio-economic impact	=	
Sustainable fishing	=	
Sustainable resource use and circular economy	★NEW	New requirement under Spanish Law 11/2018+Sustainability benchmarks (Dow Jones, GRI topics, SASB)
Environmental impact management	▲	Increasing relevance for the internal vision of the company
Adaptation of the business model to climate change	▲	Increasing relevance for influencers (Greenpeace, FAO, MSC, FoodDrinkEurope, Carrefour, etc.), as well as internal vision
Responsible supply and human rights	▲	Highly relevant in GRI topics, Dow Jones and in benchmarking of leading companies, in addition to internal vision
Health and safety	=	
Employee development	=	
Labour practices	=	
Product labelling	▲	Highly relevant for influencers (especially Greenpeace, FAO, MSC)
Innovation/Efficiency	▼	Decreasing relevance for the external perspective
Healthy food and consumer habits	▲	Highly relevant for influencers (FoodDrinkEurope, Carrefour, Greenpeace, FAO) and the SASB
Food quality and safety	▲	Highly relevant for influencers (Brazilian Institute of Consumer Protection, FAO), SASB and GRI Topics

GRUPO CALVO

Vision, mission & values

2018 at a glance

Business model and strategy

Global presence

Good governance, Ethics and Compliance

Communication with stakeholders



Mission, vision and values

To be recognised by consumers as a leading household brand that meets their processed food needs through innovation, supply quality assurance and efficient full production.

- ✓ To create value for all stakeholders.
- ✓ To offer healthy and quality products that satisfy our consumers.
- ✓ To maintain a work environment that enables people to achieve their goals and stimulates their personal and professional development.
- ✓ To encourage the healthy habit of eating fish.



Commitment

We are fully engaged in achieving our goals and we conduct our business ethically and responsibly.



Innovation

We stay ahead by applying new ideas to meet and surpass expectations.



Quality

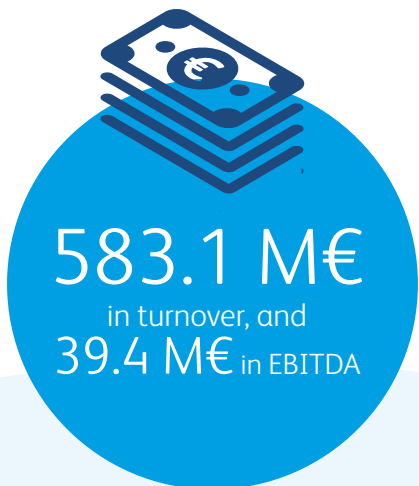
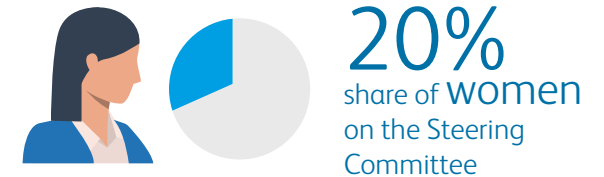
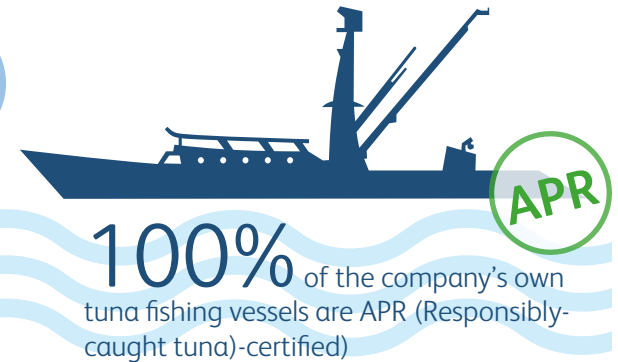
We build confidence by achieving excellence in everything we do.



People

We create value through teamwork and human development.

2018 in figures



2018 at a glance

JANUARY



Calvo Zero Waste project launch

Grupo Calvo starts up an ambitious project aimed at efficient separation and valorisation of the group's waste in company offices and factories.

FEBRUARY

New whistle-blower channel

A new whistle-blower channel is created. Accessible via www.grupocalvo.com, the platform is managed by an independent third party and open to all stakeholders.

APRIL

Grupo Calvo selected as being amongst the five most reputable Spanish companies

The "Reptrak Spain 2018" study conducted by the Reputation Institute advisory firm ranks Grupo Calvo amongst the five most reputable Spanish companies.



OCTOBER



Launch of first canned tuna bearing the MSC seal

Grupo Calvo adds the MSC (Marine Stewardship Council) blue sustainable fishing seal to its Ecolinea range of tuna to become the first canned tropical tuna bearing the MSC seal marketed in Spain.

JULY



Commencement of external supplier CSR audits

The first independent external supplier audit in accordance BSCI methodology is conducted under Grupo Calvo's Responsible Procurement System framework.

MAY

Luis Calvo Sanz Sports School

Glasswing International and Grupo Calvo sign a collaboration agreement in El Salvador for expansion of the Luis Calvo Sanz Football School's areas of endeavour.

NOVEMBER

Award for Excellence from the Kaizen Institute

This award acknowledges the Spanish company's efforts dedicated to optimal deployment of its strategy, ensuring growth and including initiatives for improving sales, innovation and profitability throughout the organisation.



DECEMBER

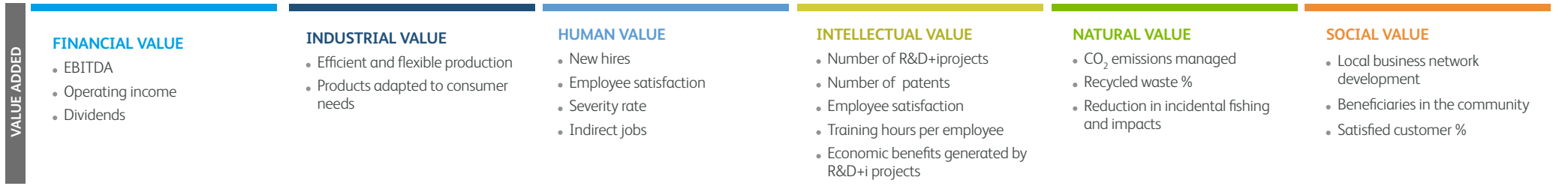
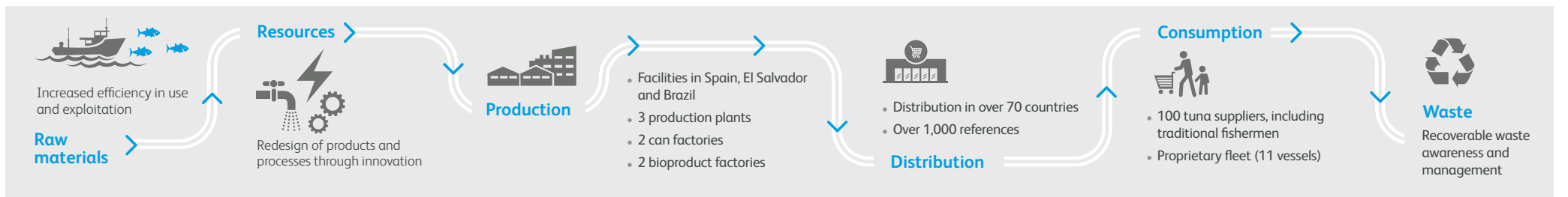
ISO 22005 certification at the factory located in Spain

The traceability system at Grupo Calvo's plant in Carballo (Galicia) obtains ISO 22005 certification.



Business model and strategy

Value chain



Grupo Calvo's activity

Grupo Calvo is a global food company specialising in healthy and nutritious products, and which participates in an integrated manner throughout the value chain.

Grupo Calvo products are prepared in accordance with strict standards of quality, taste, convenience and sustainability with the aim of meeting the needs of customers (distribution) and end consumers.

The group's business activity is organised around its two divisions: the Europe Division, which manages markets in Spain, Italy, Costa Rica, El Salvador, Guatemala, markets in the CAM-Caribbean (Central America and the Caribbean), international markets in Europe, the Middle East, Asia, North America and Oceania and the activity of the company's fishing fleet; and the America Division, which manages Brazil, Argentina and international markets in Africa and South America. The group's parent company is Luis Calvo Sanz, S.A., which encompasses 25 trading companies.

Grupo Calvo's commercial activity is fundamentally linked to canned seafood: tuna, sardines, mussels, calamari and mackerel, amongst others. In countries such as Brazil or countries in the Central American region, canned vegetable products, including hearts of palm, maize and peas are sold, in addition to recently marketed chicken products.

Canned tuna, nevertheless, is the main product in virtually every market where Grupo Calvo has a commercial presence¹. It has high market potential given its nature as a very nutritious protein with no preservatives or colouring agents and the fact that it is sold at

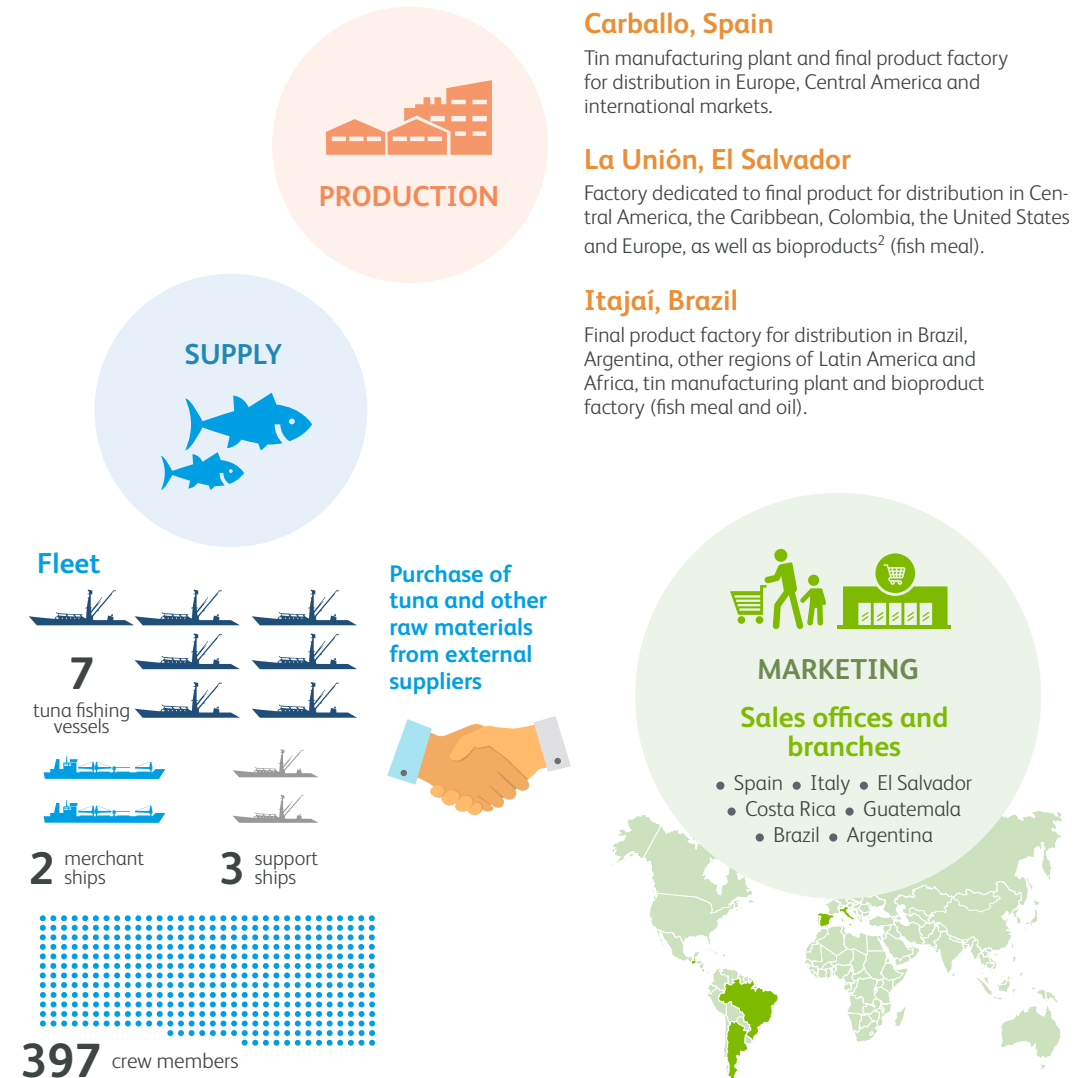
an affordable price and is easy to store and transport. The company participates in every phase of the tuna production process through the vertical integration of activities involving the supply of raw material, transformation into finished products and their distribution for commercialisation.

The tuna market is characterised by significant volatility in raw material prices, with fluctuations of more than 30% in the same year, which has a direct impact on product profitability and long-term sustainability of tuna stocks.

Thanks to vertical integration of its business, Grupo Calvo is able to reduce the risks associated with this volatility by conducting business activity in the extractive, industrial and commercial sectors. High raw material prices, for example, directly benefit the extraction business, whereas a drop in prices can mean increased profitability of the final product.

In conjunction with a focus on continual dedication to continuous improvement and operational efficiency, this is how the company achieves growth that is sustained over time.

In relation to species sustainability, although 86% of tuna stocks are at present in healthy shape³, responsible management of fishing activity by businesses and authorities is essential. Grupo Calvo is firmly committed to tuna sustainability and to protecting marine biodiversity as a way to ensure the future of the company's business⁴.



¹ With the exception of the Brazilian market, where the company's largest sales volume is associated with canned sardines.

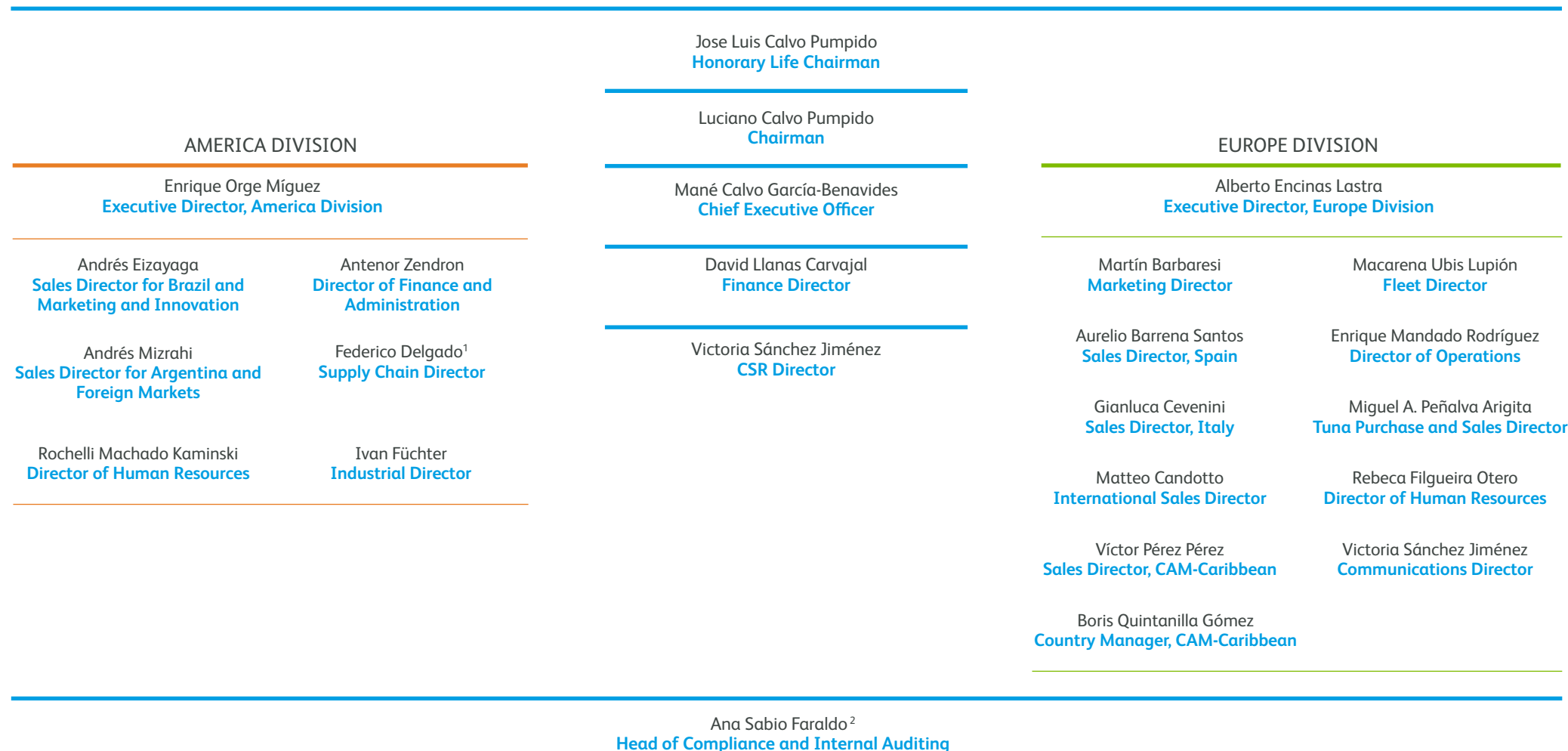
² By-products prepared using residue from the fish canning process.

³ Source: <http://iss-foundation.org/landing-page-spanish-infosostenibilidadatun-arg/>

⁴ Further information found in the following chapters: Sustainable Fishing, the Environment and Responsible Supply.

Management structure

In accordance with the directives of a single strategy (Strategy 2020) adapted to the realities of each territory, Grupo Calvo's two divisions operate in parallel under their respective executive teams:



¹ During the first quarter of 2019 Federico Delgado was replaced by Carlos Curado as Purchasing Director, and by Lauro Giacheti as Director of Planning, Logistics and Customer Service.

² Reporting directly to the Board of Directors.

Business model

Grupo Calvo promotes a business model that integrates responsibility, innovation and excellence as the pillars for conducting company operations with the aim of ensuring profitable and sustainable growth.



RESPONSIBLE MANAGEMENT

Conducting business responsibly and reducing any negative impacts linked to operations whilst promoting the generation of opportunities in the environment.



BRAND AND MARKET DEVELOPMENT

Consolidating positions of leadership in key markets by developing brands and products geared toward continued consumer confidence, in addition to entry into new markets.



SUSTAINABLE SUPPLY

Promoting the sustainability of raw materials, especially tuna, and sound supply chain management with the aim of ensuring fulfilment of the company's mission.



PEOPLE

Investing in the creation of a positive work atmosphere that is conducive to boosting Grupo Calvo employee motivation and commitment to company endeavours.



OPERATIONAL EXCELLENCE

Working under parameters of continuous improvement and the pursuit of business excellence in both products and processes.



INNOVATION

Constantly innovating in order to provide consumers with products better adapted to their needs.

Strategy 2020

Grupo Calvo has developed Strategic Plan 2020, applicable to all company levels and supported by the kaizen⁶ methodology-based Calvo Excellence System (CES). The three key objectives pursued by the Strategic Plan are the following:



Strategic Plan 2020 seeks to meet the following objectives:



1. Profitable and sustainable growth

Growing in a way that is both profitable and sustainable is the only manner in which Grupo Calvo conceives the future. And the company envisages a future full of opportunities and challenges that include the consolidation of positions of leadership in key markets, as well as entry into and development of new products and territories.

Innovation and responsible management will be the keys to achieving profitable and sustainable growth.



2. Operational excellence

Grupo Calvo seeks means to achieving excellence in every aspect of its business. The company therefore pursues improvement through technology, efficiency and plant flexibility, whilst enhancing its processes with the aid of the kaizen methodology-based management system known as the Calvo Excellence System (CES).



3. Efficient personnel leadership

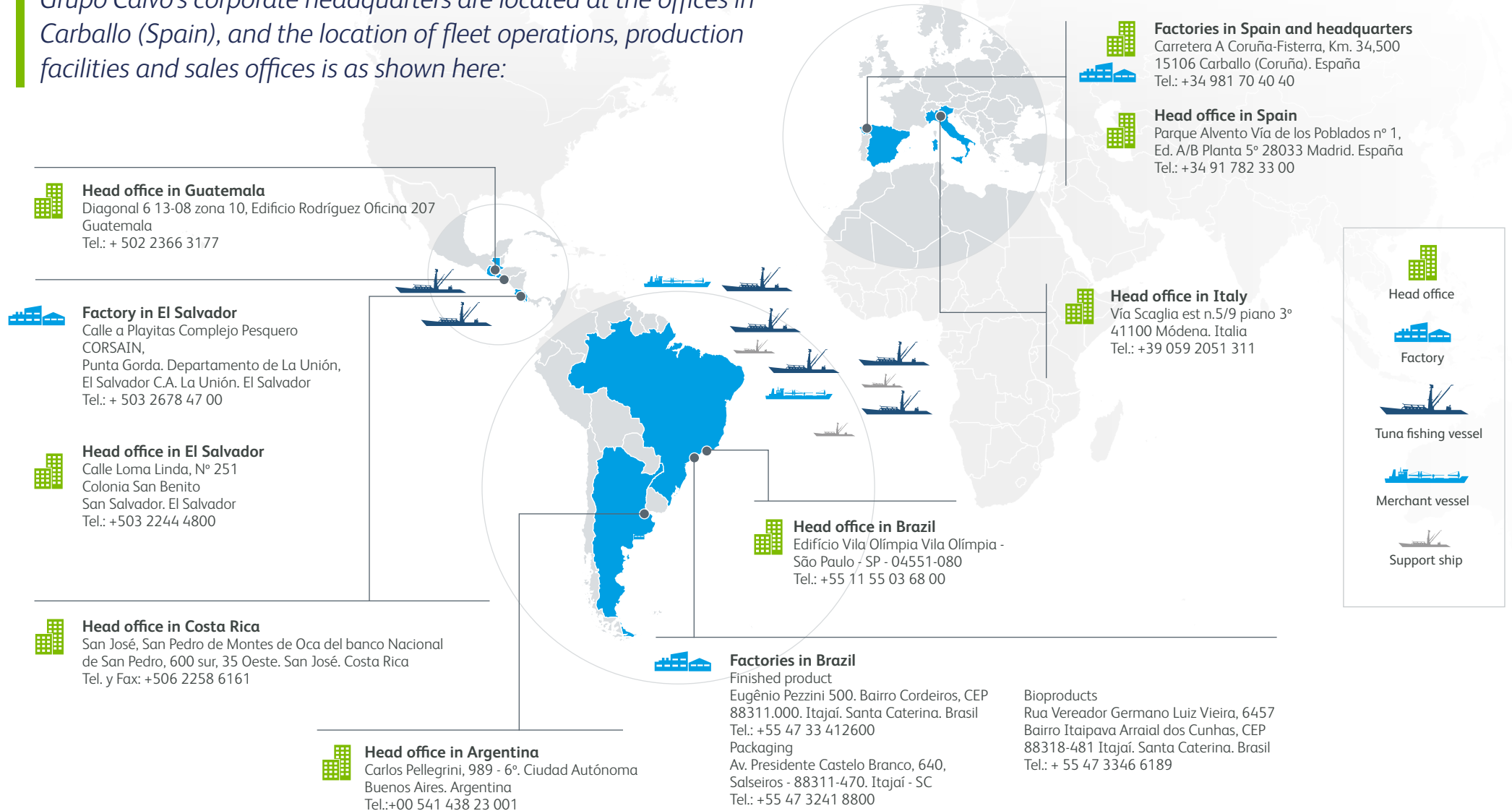
People are the drivers of any process of change within the company. People define the way in which to meet the challenges facing the company, and people, ultimately, keep Grupo Calvo moving forward.

Achieving efficient personnel leadership is therefore one of the company's strategic pillars, with the aim of ensuring that employees are motivated, committed and proud to work for the Group.

⁶ Derived from the Japanese word in which kai means 'change' and zen 'for the better', it refers to a method based on continuous improvement and optimisation of processes aimed at achieving maximum efficiency.

Global presence

Grupo Calvo's corporate headquarters are located at the offices in Carballo (Spain), and the location of fleet operations, production facilities and sales offices is as shown here:



Grupo Calvo products are sold worldwide through three main brands that constitute one of the company's most valuable strengths.



Calvo

The leading brand in Spain's canned tuna, mussel and calamari market.



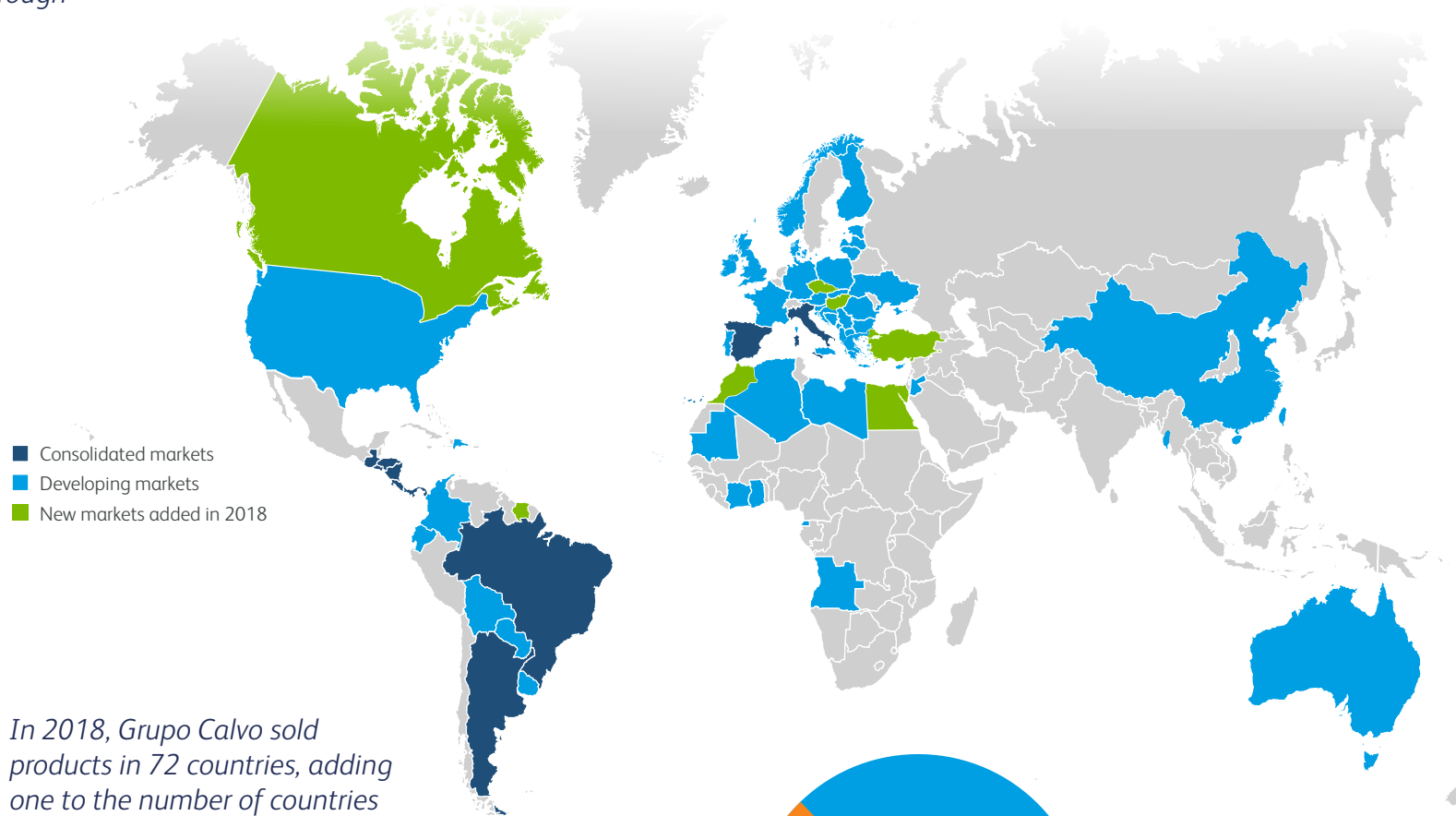
Nostromo

The third leading brand of canned tuna products in the Italian market⁷.



Gomes da Costa

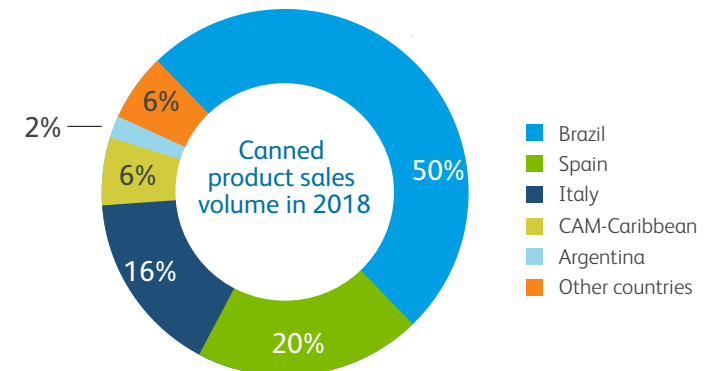
The leading company in the Brazilian canned sardine and tuna market, it is also the canned sardine market leader in Argentina and the second leading brand in the tuna market.



In 2018, Grupo Calvo sold products in 72 countries, adding one to the number of countries with respect to 2017.

Sales in **72 countries**¹

¹ Bringing together the Group's canned product sales and fleet and factory tuna and tuna fillet sales



⁷ In 2019, at the time of drafting this report (April 2019), Nostromo was the second leading brand in the Italian market.

Good Governance, Ethics & Compliance

Grupo Calvo's governance model seeks to ensure proper functioning of the company's governing bodies and thereby protect the interests of shareholders and other stakeholders.

Governance structure

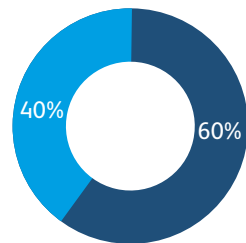
Standard 102-5

Grupo Calvo's governing bodies are the shareholders at the **General Shareholders' Meeting** and the **Board of Directors**. Since June 2017, the company also has a **Compliance Committee**, made up of 4 members of the **Board of Directors**, in addition to the Secretary General and Secretary to the Board and the head of Internal Auditing and Compliance, who is in charge of preventing, detecting and rectifying any business conduct that may diverge from ethics and legality.

Grupo Calvo has two groups of shareholders: the Calvo family, who, with 23 stockholders and a 60% stake in the company, handles effective Group management; and the Italian Bolton Group S.r.l., with a single partner and which controls the remaining 40%. With the aim of ensuring proper functioning and coordination of the two shareholder groups, a scorecard is used to monitor fulfilment of the strategic plan and facilitate monthly analysis of day-to-day effective management.

General Shareholders' Meeting

The company's General Shareholders' Meeting is held in May or June each year at corporate headquarters in Carballo (Spain). The main responsibility undertaken at the meeting is approving the annual accounts and, since 2019, given regulatory changes, the non-financial information statement. Attendance in 2018, either in person or through due representation, was 100%, and all proposed agreements were unanimously approved.



- Calvo Pumpido family
- Bolton Group, S.r.L.

20% presence of women on the **Board of Directors**

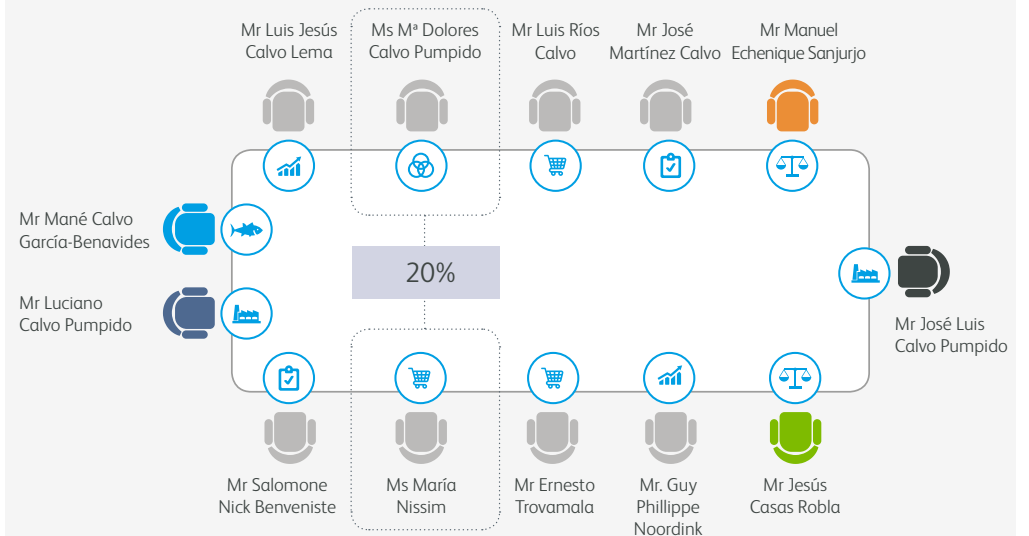
Over **72%** of collaborators with **Code of Ethics** training

4 **Compliance Committee** meetings held

5 **ordinary Ethics Committee** meetings held

Board of Directors

Grupo Calvo's Board of Directors represents the company's shareholder structure and safeguards diversity of backgrounds and knowledge. Board composition has remained unchanged for the past 3 years.



Board

- Lifetime Honorary Chairman (non-executive)
- Chairman (executive proprietary director)
- Chief Executive Officer (executive proprietary director)
- General Secretary (non-executive)
- Deputy Secretary General (non-executive)
- Members (proprietary directors)

Competencias

- Industrial transformation
- Fishing
- Non-financial aspects/Sustainability
- Food markets
- Management/Risk control
- Finance/Accounting
- Legal aspects

The duties of the Board of Directors are the following:

- Approving the Multi-Year Strategic Plan.
- Approving the Group’s annual budget and monitoring fulfilment thereof.
- Establishing the company’s Remuneration Plan, applicable to most internal levels existing within the company and linked to fulfilment of the Multi-Year Strategic Plan, with the exception of compensation of the Board of Directors, which is agreed upon by the General Shareholders’ Meeting as stipulated by law.
- Approving Grupo Calvo’s Annual Report.
- Formulating Grupo Calvo’s individual and consolidated annual accounts.
- Overseeing the subsidiaries that make up Grupo Calvo.
- Approving policies and procedures that apply throughout the company.
- Monitoring company and group economic and financial status by means of the monthly scorecard.
- Providing oversight and guidance on the company’s risk management.
- Approving and following up on key investments and disinvestments.
- Approving, promoting and implementing a preventive culture in criminal risk management (compliance).
- Promoting and monitoring Corporate Social Responsibility (CSR) policies.
- Approving the Code of Ethics and acting as the ultimate watchdog over code compliance.

Meetings held and agreements reached over the course of 2018

In 2018, the board met four times. At these meetings the following actions were agreed upon in fulfilment of its duties:

- Approval of the budget for the year 2018;
- Approval of the annual accounts for the year 2017;
- Analysis of broad outlines of Strategic Plan 2018-2020;
- Assessment of the execution of the criminal risk prevention system implementation;
- Approval of construction and financing of a new purse seine tuna fishing vessel with onboard freezing capability;
- Assessment of the execution of Industrial Plan 2020 at the Carballo plant through an investment of €28 M;
- Analysis and ratification of proposals and agreements undertaken at Compliance Committee meetings held over the year, including confirmation that there were no serious issues in relation to criminal risk prevention, based on which the head of Auditing and Compliance proceeded to execute the plans and budgets anticipated for 2018.

Despite not being a listed company, Grupo Calvo follows a number of the recommendations of the Spanish National Securities Market Commission (CNMV) Good Governance Code and is therefore studying the advisability of formalising new committees associated with said code.

The Board of Directors upholds and supports Corporate Social Responsibility policy and conducts active monitoring of the Group’s contribution to the SDGs (United Nations Sustainable Development Goals).

Management committees

Four management committees support the Board of Directors in exercising its duties:

COMMITTEE	DESCRIPTION	MEETINGS HELD IN 2018
Steering and Strategy Committee (Group)	<ul style="list-style-type: none"> Responsible primarily for discussing matters that may affect the sustainability of the company, analysing business trends and making decisions regarding strategic lines. The committee meets monthly. 	12 committee meetings held
Steering Committee (one in each division)	<ul style="list-style-type: none"> In charge of analysing the operations of each division and fulfilment of strategic lines. The committee meets monthly 	24 committee meetings held (12 in each division).
Expanded Steering Committee	<ul style="list-style-type: none"> Composed of the Steering Committees from both divisions, this committee is tasked with analysing the performance of the two divisions and the joint challenges for the Americas and Europe. The committee reviews Group strategy and targets and the action plans devised to meet them. The committee meets once a year. 	1 committee meeting held (4-day duration).
Monitoring Committee	<ul style="list-style-type: none"> The committee deals with urgent matters affecting daily operations and follows up on the proposals of the Steering Committee. It meets weekly when there is no Steering Committee meeting. 	40 committee meetings held (20 in each division).



	Steering and Strategy Committee (Group)	Steering Committee (Europe Division)	Steering Committee (America Division)	Expanded Steering Committee
Chief Executive Officer	•	•	•	•
Members of the Board of Directors				•
Executive Director, Europe Division	•	•		•
Executive Director, America Division	•		•	•
Finance Director	•	•	•	•
General Secretary	•			•
Fleet Director		•		•
Tuna Purchase and Sales Director		•		•
Supply Chain Director, America Division			•	•
Marketing Director, Europe Division		•		•
Sales Director for Brazil, and Marketing and Innovation for the America Division			•	•
Sales Director, Spain		•		•
Sales Director, Italy		•		•
International Sales Director		•		•
Sales Director, CAM-Caribbean		•		•
Sales Director for Argentina and Foreign Markets for the America Division			•	•
Country Manager, CAM-Caribbean		•		•
Director of Operations, Europe Division		•		•
Director of Human Resources, Europe Division		•		•
Director of Human Resources, America Division			•	•
Director of CSR and Communications		•	•	•
Director of Finance and Administration, America Division			•	•
Industrial Director, America Division			•	•
		Monitoring Committee		

Board remuneration and management of conflicts of interest

Annual remuneration is approved by the shareholders at the General Shareholders' Meeting. Remuneration is not composed of any additional compensation in the form of bonuses, indemnity payments or pension plans, except in the case of labour-related remuneration for Group company employees with representation on the Board (3 members).

To avoid any conflicts of interest that might arise in exercising one's duties as a director, Grupo Calvo applies the articles that regulate this area under the Spanish Law governing Corporations and has a new internal system in place for handling conflicts of interest that was fully implemented on 1 April 2019. Additionally, the company requires all directors and associated individuals to report the professional activities they carry out whilst at the same time holding a position as a member of the Grupo Calvo board. In cases involving potential incompatibility, the Board of Directors is in charge of analysing possible situations of conflict.

In 2018, the members of the Grupo Calvo Board of Directors drew, in the form of compensation and attendance allowances, a total of 1,364 (thousand) euros. This amount represents the total compensation accrued by the administrators of the Group's parent company (Luis Calvo Sanz, S.A.) for any concept or reason.

As at 31 December 2018, the Group's parent company had not granted any advances, loans or credits, nor had it undertaken any type of commitment in regard to pensions, life insurance or anything similar with respect to the members of its Board of Directors additional to those described in the previous paragraph.

Remuneration	Men	Women	Average remuneration of men	Average remuneration of women	Total remuneration
Executive directors	3	0	338,086,6 €	-	1,014,260 €
Non-executive directors	5	2	50,000 €	50,000 €	350,000 €



Ethics and compliance

The Grupo Calvo Code of Business Ethics constitutes a framework of integrity common to all company governing bodies and collaborators, with no exceptions.

In keeping with Grupo Calvo’s aim of fostering, establishing, developing and maintaining a sound ethical business culture, subject to applicable legislation in force, the company published the second edition of its Code of Ethics in 2018. Accessible in its entirety via the Grupo Calvo website, the code is available in the four official company languages: Spanish, Italian, Portuguese and English.

The Code of Ethics is intended to set forth the basic principles and commitments expected and required of the companies that make up Grupo Calvo and all group employees, executives and governing bodies. It constitutes a framework of integrity common to all of them in conducting professional activities and in stakeholder relations.

In turn, Grupo Calvo’s compliance model seeks to promote an effective ethical and compliance culture within the Group, as well as the application of norms and control procedures to regulate company activities and ensure the prevention of risks involving illicit conduct by any individual, body or company subject to these regulations. In 2018 the compliance model was adapted for Italy, where all company employees received specific training in the model, and deployment of the model commenced in El Salvador.

The bodies which actualise the objectives associated with these issues are the Compliance Committee and the Ethics Committee, whose meetings are held quarterly to monitor the degree of compliance model implementation and status of claims, complaints and enquiries submitted within the framework of the Code of Ethics.

Apart from the ordinary meetings held on a quarterly basis, both the Ethics Committee and the Compliance Committee may hold extraordinary sessions to deal with any investigation or claim as many times as needed throughout the year. These extraordinary meetings are to be called for by the Compliance Officer or, otherwise, by any of the permanent members or by Grupo Calvo’s General Secretary.

In-person training sessions were held in 2018 on the new Code of Ethics and the Compliance model in every territory where Grupo Calvo has factories and/or offices. 72.12% of Group employees received training^{8,9}, with the total reaching 95.12% in the Europe Division. Designing online training for personnel on board vessels that will also serve to reinforce training of office staff is slated for 2019.

⁸ Personnel on leave, with a permanent disability or those partially retired, who, despite forming part of the Grupo Calvo workforce, would not have been able to attend training sessions were not extracted in computing the percentage. The percentage of trained employees would have been higher if they had not been taken into account in computing the data.

⁹ Fleet personnel were not included in the calculations because training will be conducted aboard vessels through an online platform in 2019.

BOARD OF DIRECTORS

COMPLIANCE COMMITTEE

Director	Director	Director	Director
Luis Calvo Lema	José Martínez Calvo	Luis Ríos Calvo	Ernesto Trovamala

Chairmanship rotates by sessions

Internal Auditor /
Compliance Officer

Individuals in charge of controls

ETHICS COMMITTEE

Director of Corporate Social Responsibility	Member, Compliance Committee	Internal Auditor/ Compliance Officer
Victoria Sánchez Jiménez (Chairwoman)	José Martínez Calvo	Ana Sabio Faraldo (Secretary)
Europe Division Alberto Encinas Lastra	America Division Enrique Orge Míguez	Director, CAM-Caribbean Boris Quintanilla Gómez
HR Director Europe Division Rebeca Filgueira Otero	HR Director America Division Rochelli Machado Kaminski	General Secretary Jesús Casas Robla

■ Permanent members

■ Non-permanent members

(Non-permanent members intervene depending on territory and scope of the claim or enquiry).

Whistle-blower channel

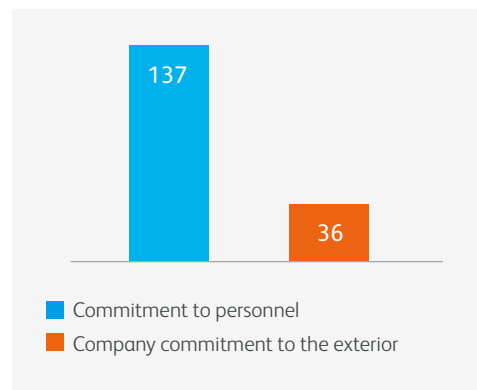
The whistle-blower channel in place is open to all stakeholders and managed by an independent third party to ensure complete confidentiality

In January 2018, Grupo Calvo's new whistle-blower channel went into operation. Accessible to any stakeholder through the [corporate website](#), it enables anyone to report their suspicions to the effect of the commission of an unlawful act or conduct which contravenes the Code of Business Ethics. The channel also facilitates consultation of doubts and concerns regarding proper application of the Code or laws in force. It is managed by an independent third party through an external platform to ensure confidentiality in communications, and is set up for the company's four official languages (English, Spanish, Italian and Portuguese).

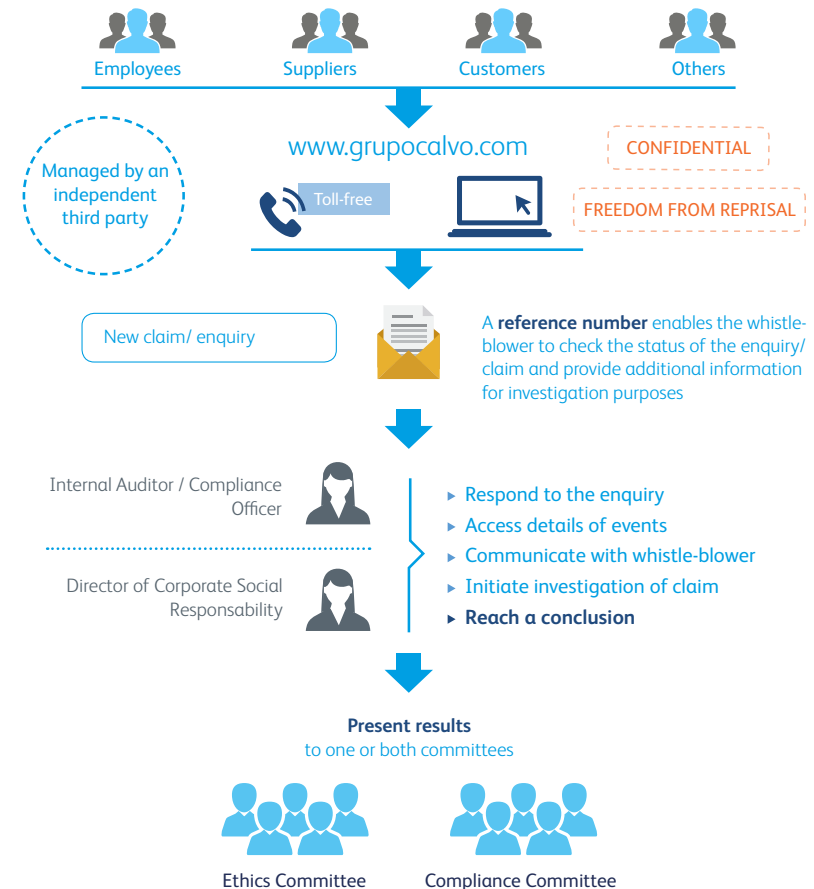
Only two people at Grupo Calvo have access to the reports and enquiries submitted through the channel: the director of Corporate Social Responsibility and the Compliance Officer. They are in charge of carrying out investigations and presenting conclusions to the Ethics Committee and the Compliance Committee. In the event that a committee member were to be affected by a claim, he or she is to be excluded from the entire process.

In 2018, a total of 173 claims, complaints and enquires were recorded through the channels in place¹⁰. The areas of the Code of Ethics involved in most of them were the following:

- Commitment to personnel (including occupational health, safety and security, compensation, professional development, harassment in the workplace, effective communication and teamwork, amongst others).
- Company commitment to the exterior (including conflict of interest, anticorruption in the private and public sectors, customer orientation, responsible marketing and stakeholder relations, amongst others).



Grupo Calvo Whistle-Blower Channel



¹⁰ In addition to the whistle-blower channel described, there are other tools through which to lodge claims (suggestion boxes, direct contact with the HR, Compliance or CSR Departments, in-house whistle-blower channels, etc.). Once examined and taken in, these reports are treated in the same way as if they had been filed through the corporate whistle-blower channel.

Respect for Human Rights

Grupo Calvo is committed to upholding and promoting Human Rights in all of its activities and territories of operation. To this end, the company has a robust regulatory system in place to ensure that both its direct activity and the activity of its suppliers fulfil obligations with respect to human rights. This commitment is reflected in the company’s partnership with Amfori aimed at continuous improvement of working conditions and respect for Human Rights along the supply chain.

There were no formal reports filed in 2018 in relation to Human Rights violations. However, of the 173 claims, complaints and enquiries taken in through the channels mentioned in the previous section, a total of 50 of them had to do with a lack of fair and satisfactory work conditions, which is potentially related to an infringement of this Fundamental Right. Once the corresponding internal investigation had taken place, none of these were considered to entail a violation of this right.

On the other hand, fishing operations pose the endogenous risk of forced labour, and Grupo Calvo therefore takes a firm stance on preventing its occurrence. Measures include the company’s voluntary implementation and support of the [International Labour Organization \(ILO\) Work in Fishing Convention 188](#), APR (Responsibly-Caught Tuna) certification and its Code of Conduct for Suppliers, which specifically bans forced labour and precarious work and includes the obligatory nature of maintaining the safety conditions needed for work to be carried out, as well as suitable protection mechanisms for younger workers, amongst other measures.

Sanctions or failure to comply with regulations

In 2018, no lawsuits were filed against Grupo Calvo due to any cases of unfair competition, monopolistic practices or practices contravening free competition; nor did the company face any significant fines or sanctions¹¹ as the result of failure to comply with laws and regulations in either social or economic areas or product labelling.

Risk management

During the process of updating Grupo Calvo’s materiality status conducted in 2018, risk management emerged as one of the relevant sustainability issues. The availability of company systems in place for evaluating, gauging and managing non-financial risks plays an increasingly more important role.

With the assistance of specialised consultants, the company carries out periodic analysis of risks encompassing all company endeavours. In addition to being addressed by the range of management committees, these risks are monitored through a computer application that enables them to be parameterised and prioritised according to likelihood of occurrence and impact in order to subsequently draw up actions plans and conduct suitable follow-up.

The latest analysis performed took place in the latter part of 2016, and involved both interviews with representatives from all Grupo Calvo geographic and professional areas and an evaluation of the most representative sectoral risks.

Sector risks

- 1 Raw material price volatility
- 2 Brand reputation
- 3 Regulatory changes
- 4 Food alert, product recall
- 5 Increasing competition
- 6 Exchange rate fluctuations
- 7 Shortage of natural resources or raw material availability
- 8 CSR. Sustainability
- 9 Breakdowns in the distribution or supply chain
- 10 Loss of or difficulty in attracting talent

¹¹ Significant fines are considered to be those exceeding 10,000 euros.

Grupo Calvo’s main strategic risks, according to the latest analysis performed, are as follows:

RISK	TYPE OF RISK	DESCRIPTION
Economic situation in countries where Grupo Calvo operates, exchange rate fluctuations and regulatory changes	Strategic/regulatory	<ul style="list-style-type: none"> Macroeconomic variations in countries where products are sold that may directly affect consumer purchasing power. Exchange rate fluctuations, fundamentally in consolidated markets with a currency differing from the euro (Brazil, Argentina, Central America). Regulatory changes that could affect sensitive business areas.
Reliance on raw material such as tuna and sardines	Strategic/operational	<ul style="list-style-type: none"> Availability of tuna and sardines, the primary raw materials employed in Grupo Calvo products. State of fish stocks in the oceans and impact of factors such as climate change and overexploitation. Price volatility and difficulty in making predictions.
Commoditised product	Strategic/markets	<ul style="list-style-type: none"> High market share of distribution products (white label) in some consolidated markets. Tuna being deemed a product for price markdowns by distribution. Distribution concentration in some consolidated markets. Perception by consumers as constituting a basic, low-price food option. Lack of understanding of healthy properties and investments for ensuring product quality.
Quality of raw materials and products	Operational	<ul style="list-style-type: none"> Non-homogenous raw material (fish) and need for product quality standardisation. Common food sector risk of potential food safety alerts. Meeting consumer expectations.
Logistical and production efficiency and investment in processes	Operational	<ul style="list-style-type: none"> Logistical network efficiency in distributing raw materials to factories and finished product to points of sale. Efficiency (cost and impact reduction) in main production facilities. Undertaking of improvements needed in production facilities.
Reputation	Reputational	<ul style="list-style-type: none"> Business activity impact management. Institutional communications. Insufficient protection of brand value. Crises (food, sustainability, institutional, etc.). Business ethics. Supply chain.

Work began in 2018 on redesigning a new risk model to be presented in 2019. With a more strategic focus, the new system will be managed internally and coupled with dynamic tools to enable the availability of risk analyses on a more regular basis.

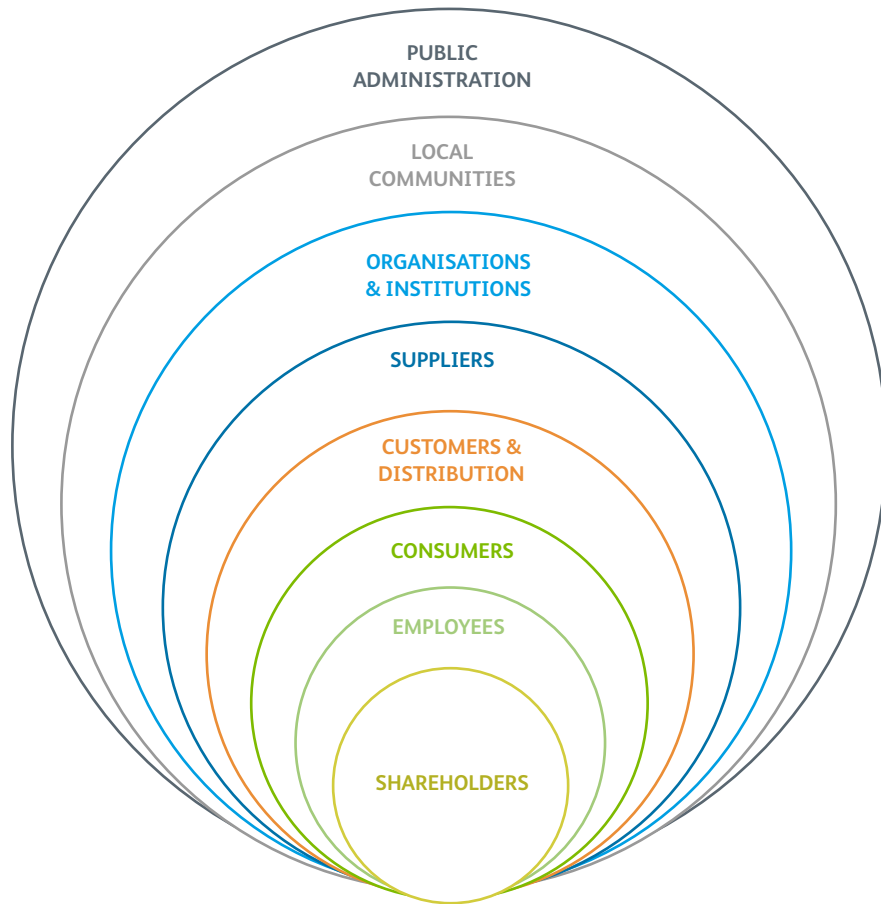
Anti-corruption

There were no corruption-related reports filed in 2018. Work commenced during the year on reinforcing the compliance model through identification of processes posing corruption risk and updating of complementary policies and procedures aimed at reducing the probability associated with the existing risk. The first quarter of 2019 saw the completion of the development of policies and new control mechanisms devised specifically to reduce the risk of corruption.

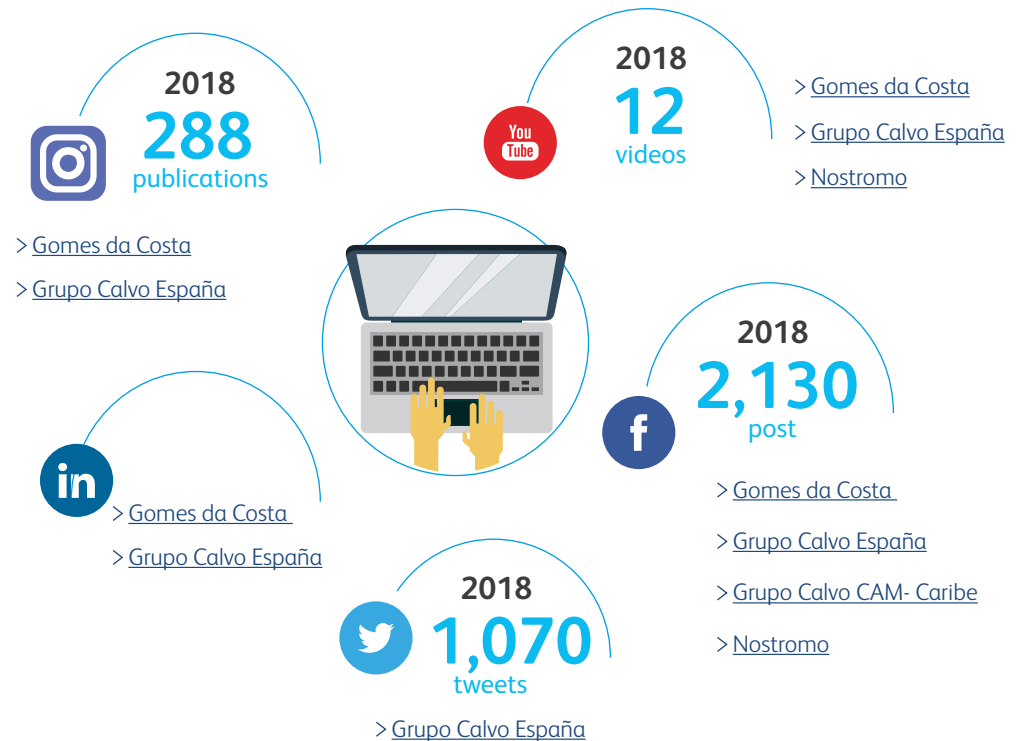
Communication with stakeholders

Grupo Calvo maintains an ongoing and continuous dialogue with its stakeholders with the aim of discovering new opportunities and integrating stakeholder needs and expectations.

Grupo Calvo's main stakeholders are:



Information pertaining to Grupo Calvo is available not only on the [corporate website](#), but also through the commercial [Calvo](#), [Gomes Da Costa](#) and [Nostramo](#) websites and on social networks, including Instagram, Facebook, LinkedIn, Twitter and YouTube.



Amongst milestones receiving the highest number of views on social networks in 2018 were the company's collaboration with La Española for the prize draw of 10 packs of Calvo light tuna along with a bottle of AOVE (Extra Virgin Olive Oil) and the "What's in my handbag?" initiative carried out in conjunction with five influencers who talked about the properties and benefits of their favourite Calvo brand products in the online edition of fashion magazine Vogue.

Grupo Calvo’s external partnerships

As part of its commitment to responsibility in management and sustainable development, Grupo Calvo enjoys a presence in diverse forums in social, sectoral, academic and local areas. Involvement in these initiatives enables the company to participate, in addition to affording an opportunity to engage in dialogue, learn and share best practices. The economic contribution earmarked for these alliances totals over €1M.

Listed below are the main initiatives, entities and associations with which the company participated in 2018:

Association		
ABIA (Brazilian Association of Food Industries)	Chamber of Commerce and Industry of El Salvador	IPNLF (International Pole and Line Foundation)
ABIPESCA (Brazilian Association of Seafood Industries)	CENDEPESCA	OPAGAC (Organisation of Major Frozen Tuna Producers)
ABRA (Brazilian Association of Animal Recycling)	AIMEN Technology Centre	Prefecture of Itajaí (social seal)
AEC (Spanish Association for Quality)	AINIA Technology Centre	Promarca
AEDM (Spanish Maritime Law Association)	Galician Food Cluster	Spanish Network of the UN Global Compact
AME (Multi-Sector Association of Food and Beverage Companies)	CONPEPE (National Fishing and Aquaculture Guild)	SENAI (National Service for Industrial Training)
Amfori (business association dedicated to sustainable global trade)	Divino Espírito Santo Daycare Centre	SESI (Industrial Social Services)
ANCIT (National Association of Italian Canned Seafood Products)	Ecoembes	SIMMMEI (Industrial, Metallurgical, Mech. and Electrical Supply Syndicate of Itajaí).
ANEP (Salvadoran Association of Private Enterprise) Federation of Food Banks)	FESBAL (Spanish Federation of Food Banks)	SINDIPI (Union of Shipowners and Fishing Industries of Itajaí and of the region).
ANFACO (Spanish Association of Canned Fish and Seafood Producers)	FIAB (Spanish Federation of Food and Beverage Industries)	UNFPA (United Nations Population Fund)
ANPEI (Brazilian Association of Innovative Business Research and Development)	Forética	José Simeón Cañas Central American University
APESC (Fishing Association of Cape Verde)	Friend of the Sea	Universidad of Santiago de Compostela
ASI (Salvadoran Industry Association)	Alimentum Foundation	Federal University of Santa Catarina
ASINQUI (Salvadoran Association of Chemical Engineers)	Walmart Foundation	UNIVO (Universidad de Oriente)
ASIPLASTIC (Salvadoran Association of the plastic industry)	FUNDEMÁS (Business Foundation for Social Action)	World Vision
Maritime and Port Authority	Institute for Family Business	WWF
Brazil-Spain Chamber of Commerce		

HOW WE CREATE VALUE

Responsible supply

Sustainable fishing

The environment

Personnel

Customers and consumers

Contribution to society

Economic data and fiscal transparency

SUSTAINABLE DEVELOPMENT GOALS



HOW WE CREATE VALUE
Contribution to the Sustainable Development Goals

RESPONSIBLE SUPPLY

Assuring sustainable supply is a strategic priority for Grupo Calvo

17.6 %
of our canned tuna is pole-and-line caught

339 CSR-related supplier assessments conducted

+56% (Marine Stewardship Council)-certified tuna in our products

81.6% of purchases made from PVR-listed vessels

A closer look at 2018

Supplier assessment and auditing

On an annual basis, all suppliers included in Grupo Calvo's Responsible Procurement System undergo internal evaluation to determine their degree of CSR-related risk. In 2018, 339 suppliers were assessed, taking into account for the first time not only social impact criteria but also environmental considerations. The first independent external supplier audits were performed as well.

BSCI certification for Calvo's plant in Spain

Grupo Calvo's production plant in Spain obtained the highest possible BSCI (Business Social Compliance Initiative) certification score. An initiative of Amfori, the BSCI provides insight into the degree of respect for human rights, labour conditions and business ethics. Grupo Calvo, as a member of Amfori, conducts BSCI audits on its suppliers through certified independent auditors. With the aim of learning more about the standard, the company made the decision to undergo the same external audit applied to its supply chain.

Increase in pole-and-line and free-school fishing

The percentage of pole-caught and free-school, also referred to as FAD-Free¹², tuna used in the canned tuna produced by Grupo Calvo has risen with respect to last year's figures.

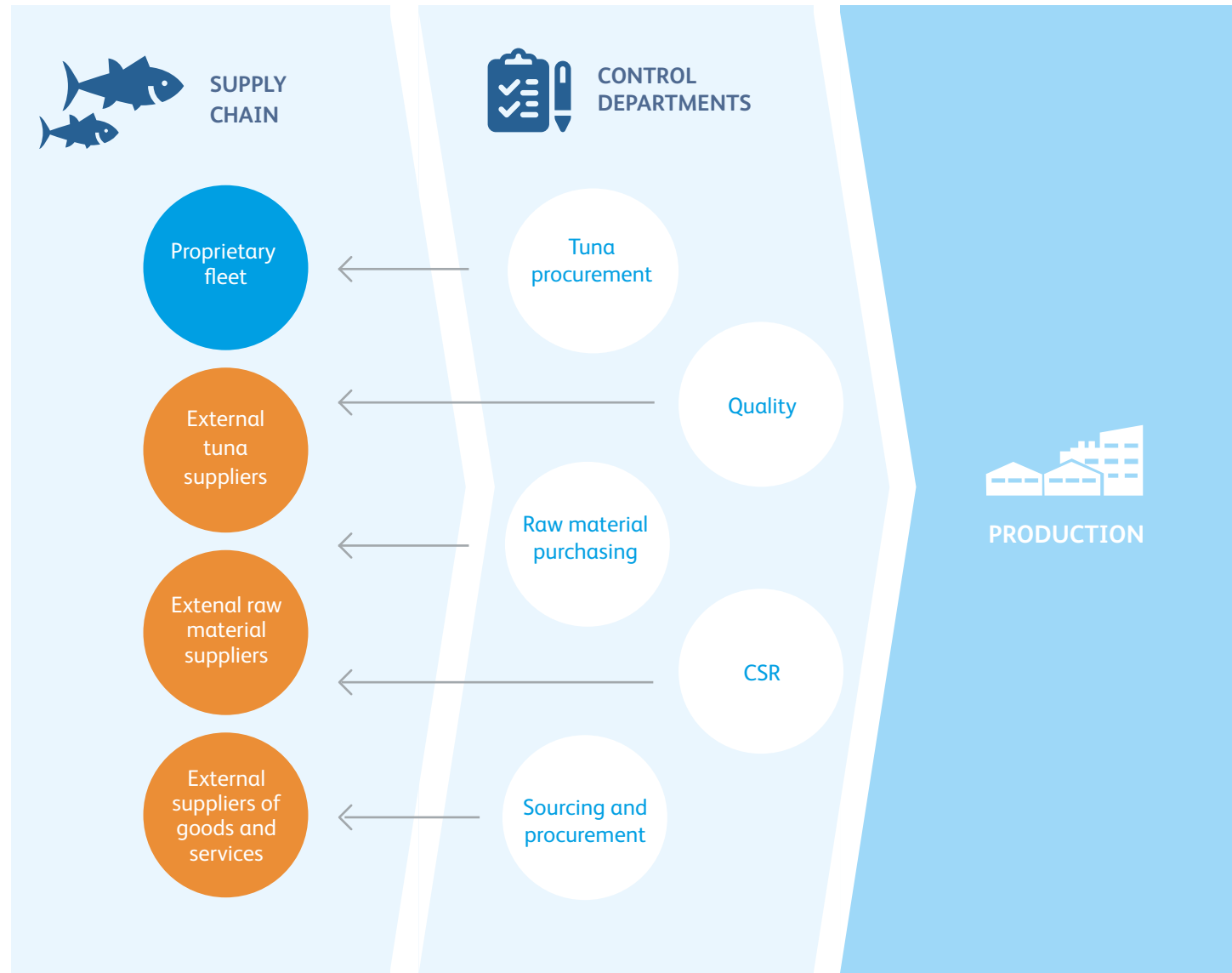
¹² More information on FAD-Free fishing is found in the chapter titled Sustainable Fishing.



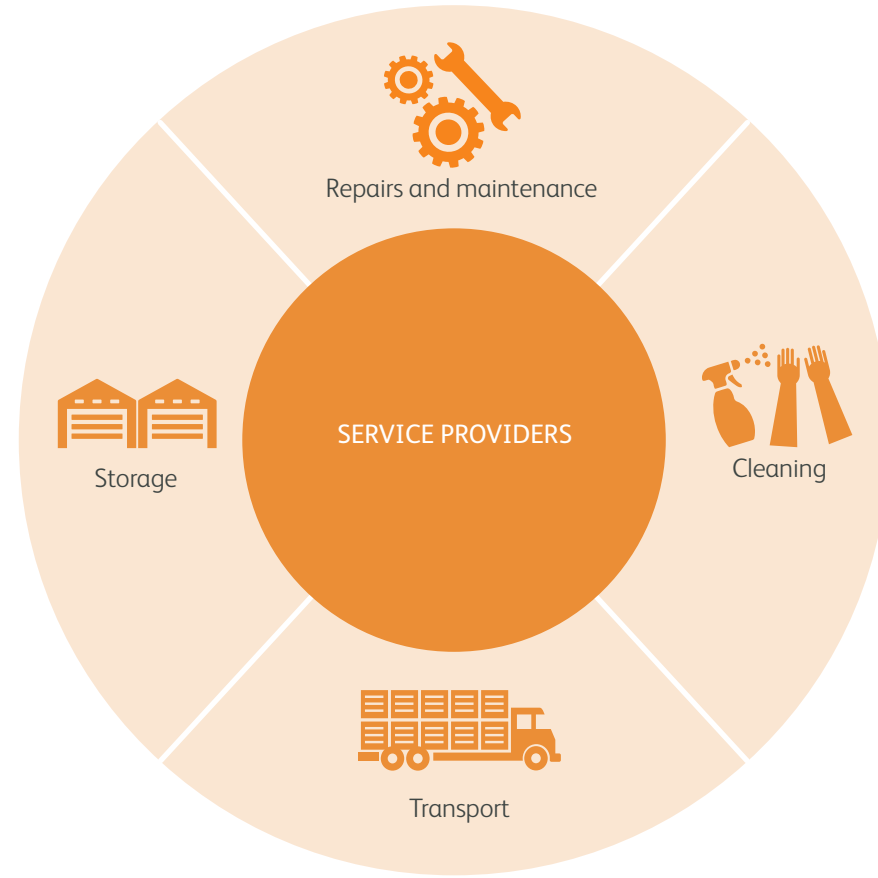
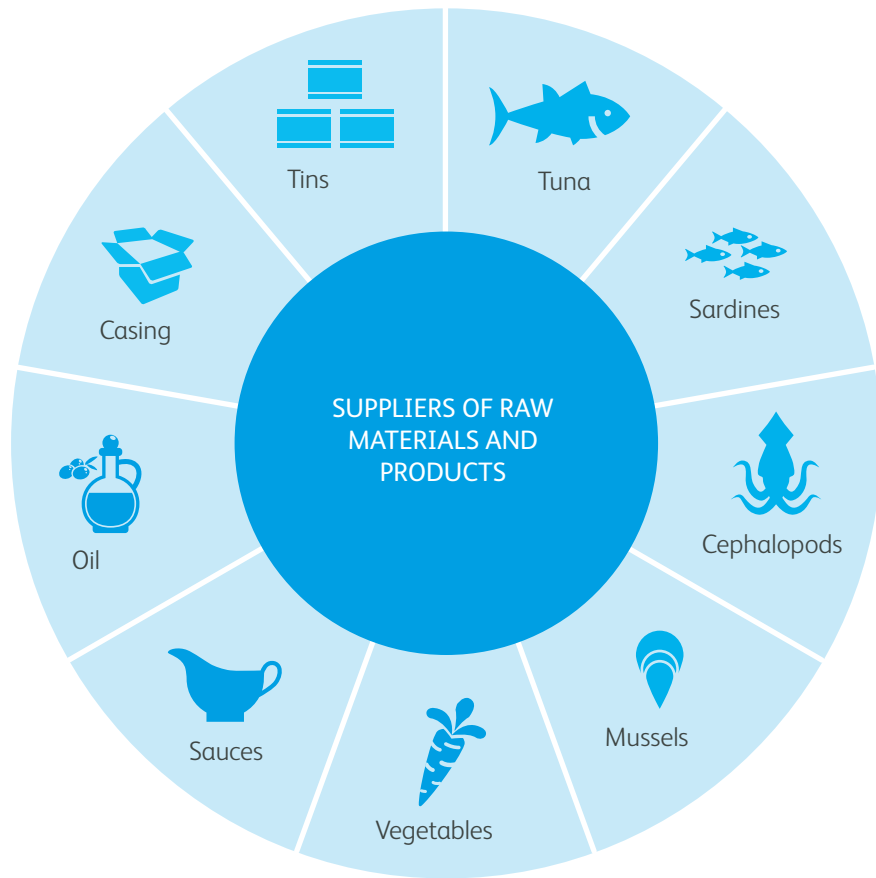
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Grupo Calvo is committed to the use of raw materials that help to guarantee products of the highest quality for consumers, whilst ensuring supply sustainability. Dedicated to this joint effort are the Quality, Purchasing and Corporate Social Responsibility Departments, in addition to the company's fleet.

The raw materials Grupo Calvo employs are primarily tuna (yellowfin, skipjack and bigeye), sardines, mussels, oil (sunflower and olive), cephalopods (squid) and vegetables (carrots, hearts of palm, asparagus, maize and mushrooms, amongst others). Together they provide the basis for a healthy, balanced diet. Through stringent quality control processes, raw materials are selected with a view to delivering the very best products to the tables of millions of households.



Given the importance of tuna as a raw material for the company, illustrated below is the classification of suppliers according to whether they provide tuna, raw materials or goods other than tuna. All suppliers undergo exhaustive checks by means of audits pertaining to quality and corporate responsibility (including social and environmental aspects).



	2018		2017	
	Suppliers of materials other than tuna	Tuna suppliers	Suppliers of materials other than tuna	Tuna suppliers
Number of suppliers	1,987	104	2,523	100
% of critical suppliers ¹³	6%	16%	4%	22%
% of purchases from critical suppliers	66%	59%	40%	54%
% of local suppliers	94%	58%	92%	59%
% from purchases to local suppliers	64%	44%	75%	38%
Quality audits	65		51	
Suppliers evaluated according to social and environmental criteria	339		167	
Suppliers audited in responsible management by an independent party	24		0	

There were no reports in 2018 at Grupo Calvo of any incidents resulting from failure to comply with norms or regulations or any voluntary standards to which the company adheres in connection with transport, processing or fishing practices.

Grupo Calvo's food procurement is contingent upon the company's adherence to the Code of Good Market Practices. This strengthens the company's commitment to improving trade relations and to increasing the transparency inherent to fishing practices as a whole.

¹³ A critical supplier is considered to be any supplier who, as a result of their characteristics, would entail a negative impact on the normal functioning of the company in the event of an unforeseen termination of the commercial relationship with Grupo Calvo.



Responsible Procurement System: BSCI principles and values

In 2017, Grupo Calvo created its Responsible Procurement System with the aim of extending the commitments undertaken by the company in the realm of responsible management to the entire supply chain. This system enables the company to control the most significant supplier-related social and environmental impact risks.

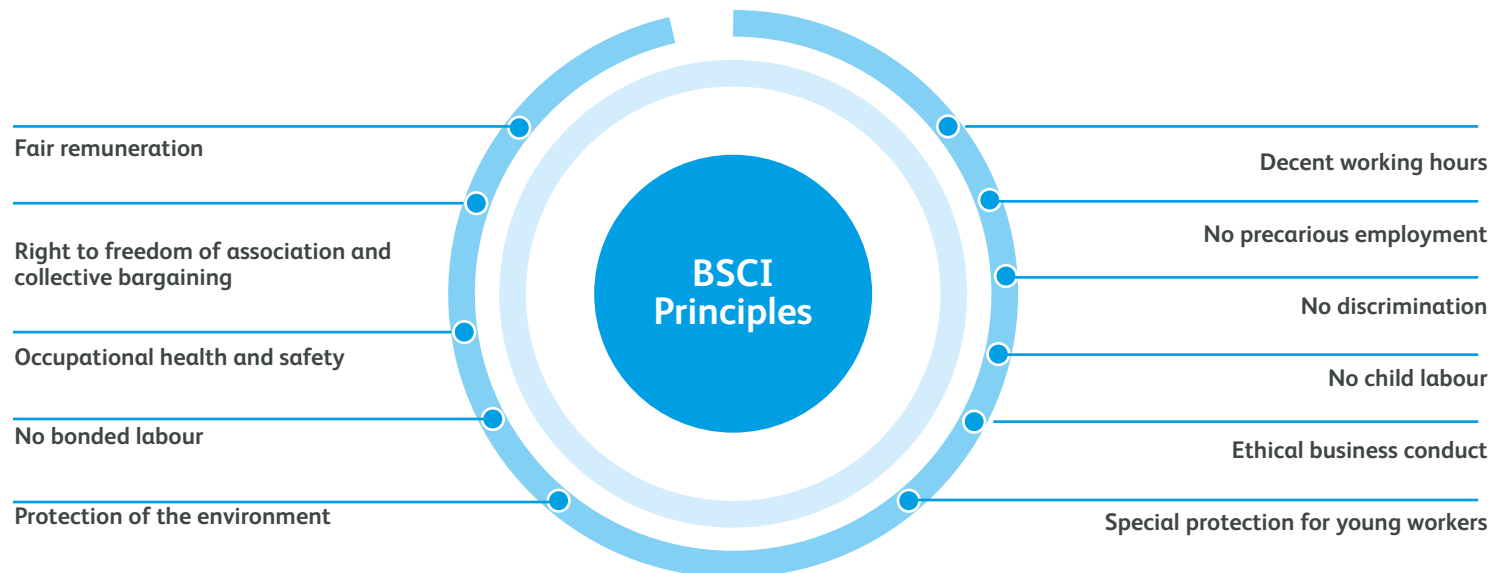
Following implementation in Europe and El Salvador in 2017, the system was also deployed in 2018 in Brazil, Guatemala and Costa Rica. Thus, with the exception of the company's fleet, for which implementation took place in the first

quarter of 2019, the system covers 100% of the group's purchasing activity.

The Responsible Procurement System was designed in accordance with the parameters of the BSCI (Business Social Compliance Initiative), an endeavour of the Amfori organisation aimed at ensuring responsible and sustainable supply chains. Grupo Calvo joined Amfori, known at the time as the Foreign Trade Association, in 2016, and was the first company from the canning sector in Spain to do so.

The fundamental component of the system is the Code of Conduct for Suppliers, compliance with which is mandatory for all company providers. It includes the 11 principles of the BSCI, a specific environmental module for tuna suppliers, and, since 2018, another specific section for suppliers of sardines and other seafoods. The code outlines measures geared towards ensuring stock sustainability and promoting sound fishing practices, thereby providing for all of the company's commitments in both the social and environmental realms.

Monitoring our supply chain is essential in ensuring the traceability of our products on all levels.

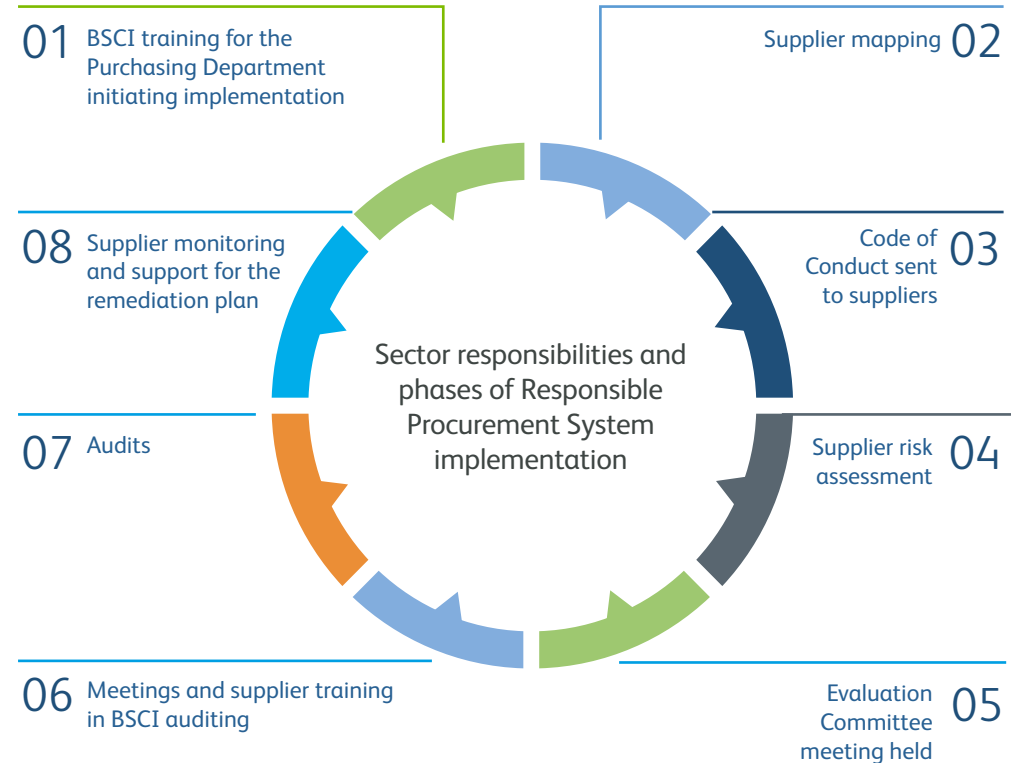


Tuna supplier-specific commitments

In addition to ensuring fulfilment of all BSCI principles and values and observance of ILO Convention 188 concerning work in the fishing sector, Grupo Calvo's tuna suppliers commit themselves to:

- | | |
|--|---|
| <p>1 Act in accordance with domestic and international norms and resolutions applying to tuna fishing.</p> | <p>7 Refrain from engaging in trans-shipment at sea.</p> |
| <p>2 Actively refrain from illegal fishing and the commercialisation of products derived from the same.</p> | <p>8 Endeavour to return non-target species to the sea and reduce incidental capture.</p> |
| <p>3 Prohibit practices, including shark finning, that entail intentional harm to any species.</p> | <p>9 Periodically train crew members in best fishing practices and conservation measures.</p> |
| <p>4 Carry out on-going recording of fishing-related data.</p> | <p>10 In the case of large-scale purse seine tuna fishing vessels, be listed in the PVR (Proactive Vessel Register) of the ISSF (International Seafood Sustainability Foundation).</p> |
| <p>5 Perform thorough monitoring of compliance with health requirements.</p> | |
| <p>6 Refrain from onboard discarding of tuna.</p> | |

As at 31 December 2018, **52% of all suppliers** had signed and undertaken the **Code of Conduct**. The percentage of signatories in purchase areas that began Procurement System implementation in 2017 exceeds **80%**, and reached a total of **90%** in the case of tuna suppliers in the Europe Division¹⁴.



¹⁴ Tuna suppliers from the America Division joined the Responsible Procurement System at the end of 2018.

Suppliers evaluated and impacts detected in 2018

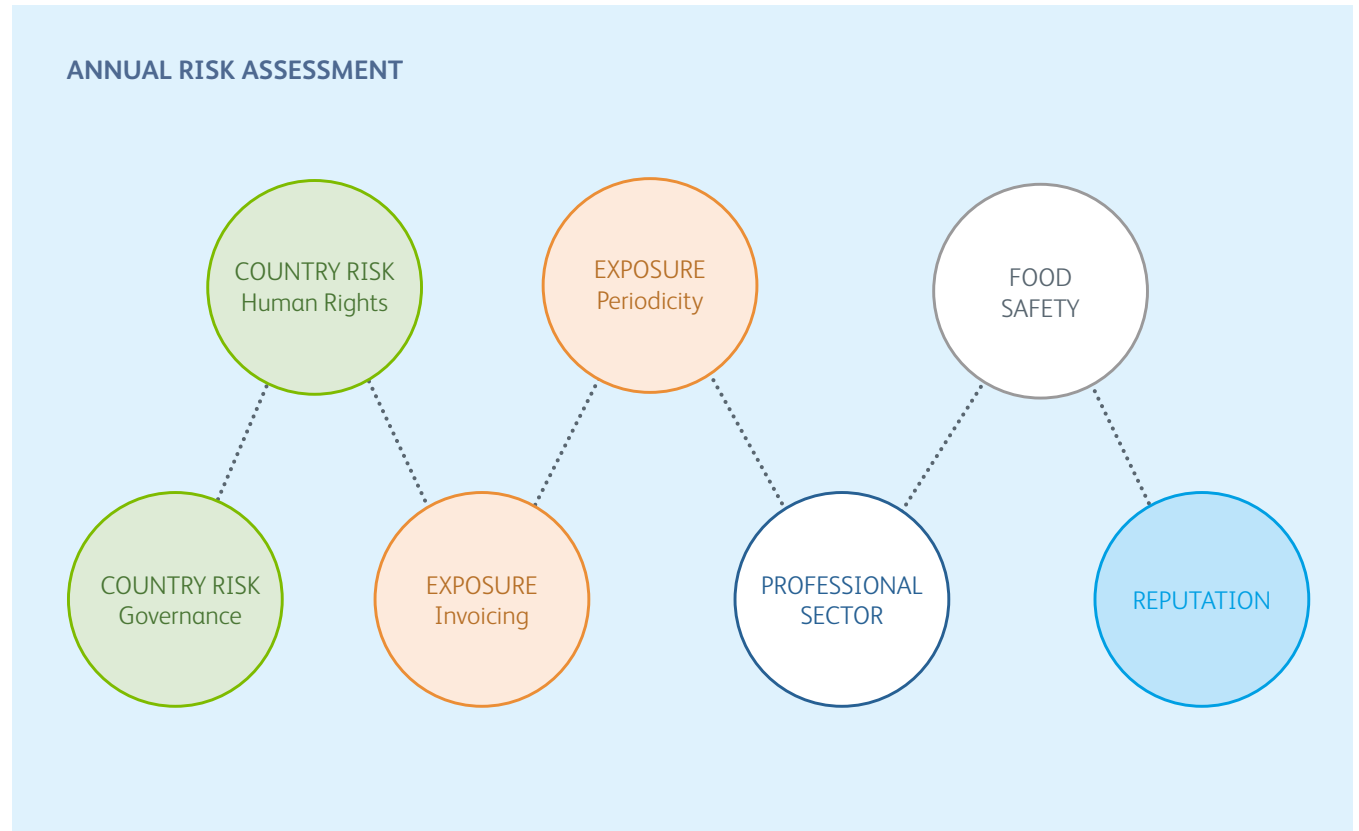
Grupo Calvo expects all of its suppliers to observe the Code of Conduct, and to ensure compliance, independent external audits are conducted for suppliers that pose a higher risk of non-compliance. Internal assessment is therefore carried out annually with the aim of classifying all company suppliers according to such risk.

In 2018, 339 suppliers were evaluated using the internal assessment tool designed within the framework of the Responsible Procurement System which includes social and environmental aspects. The main criterion applied for including suppliers in this analysis is that they be producers in the primary sector or in an industrial environment, given that these categories entail potential non-compliance, or those determined internally to be an exception to the aforementioned criterion based on the detection of a potential risk.

The risk assessment process classifies suppliers according to whether they pose critical, high, medium or low risk.

Suppliers who pose higher risk undergo independent external auditing carried out by certified BSCI auditors.

71% of the suppliers deemed critical- or high-risk in the 2017 analysis underwent independent external audits in 2018.



Tuna supply and marketing

Tuna is the most important raw material for Grupo Calvo. Tuna must be managed under stringent conditions of legality, safety, security and responsibility with the capacity to ensure product quality and traceability and fulfilment of the commitments undertaken in relation to both the commercial transaction of goods and extractive activity.

Grupo Calvo units dedicated to tuna acquisition serve as the link between plants, the fishing fleet and external agents (customers, suppliers and distributors). These departments are in **constant contact with the market** and the other internal departments to ensure the best raw material quality and facilitate flow thereof through the market, whilst guaranteeing traceability and efficiency.

In 2018, 82.8% of the tonnes of tuna used in production were purchased from third parties. The remainder came from Grupo Calvo fleet catches (17.2%).

81.6% of the tuna comes from suppliers included in the Proactive Vessel Register (PVR) of the ISSF (International Seafood Sustainability Foundation), a voluntary public register that verifies through audits that vessels meet basic sustainability criteria and have policies against illegal fishing, shark finning¹⁵ or have on-board

scientific observers, amongst others. All Grupo Calvo tuna providers must be listed in the PVR, with the exception of small-scale purse seiners, in accordance with ISSF criteria, and traditional fishing boats. This is the reason why the percentage is not 100% at present.

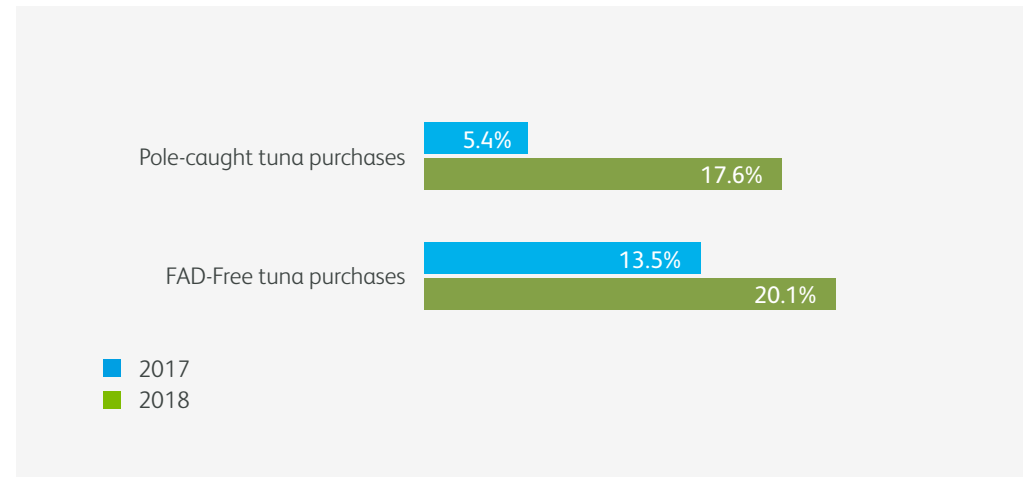
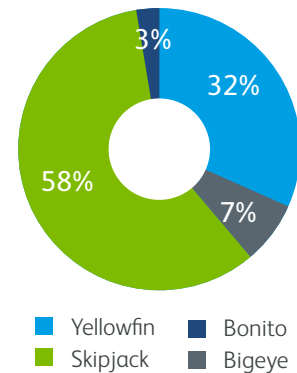
A product of the commitment to sustainable fishing was the increase in 2018 of FAD (Fish Aggregating Device)-Free¹⁷ and pole-caught tuna purchases.

Additionally, 39.41% of the tuna used in factories in Spain and El Salvador was APR

(Responsibly-Caught Tuna)-certified and in turn derived from a Fishery Improvement Project (FIP)¹⁸.

The percentage of MSC-certified product also increased by 56% to total 1.57%.

Tuna species used in Grupo Calvo canned products¹⁶



¹⁵ Shark finning is an illegal practice consisting of the mutilation of shark fins, generally in order to sell them in culinary markets. This practice is strictly prohibited on all Grupo Calvo vessels and on the vessels of company suppliers.

¹⁶ Further information on FADs can be found in the chapter titled Responsible Fishing.

¹⁷ Including fish from the Grupo Calvo fleet.

¹⁸ More information on APR and FIP is found in the chapter titled Responsible Fishing.

Commitment to food safety

In relation to food safety, Grupo Calvo relies on the **British Retail Consortium (BRC)** standard and the **International Food Standard (IFS)**.

The BRC standards provide assurance to consumers of the safety, legality and quality of the products bearing this seal. The **BRC International Food Safety Standard** is applied only to food products that are processed in audited facilities and involve activities associated with wholesale outside the direct control of the company. The IFS norms cover internationally accepted auditing rules with the aim of continually improving safety for consumers. Both standards are recognised by the Global Food Safety Initiative (GFSI), a global endeavour with a vision based on "Safe Food for Consumers Everywhere".



Certifications

In the realm of responsible procurement, Grupo Calvo holds the following certifications:



HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

SUSTAINABLE FISHING

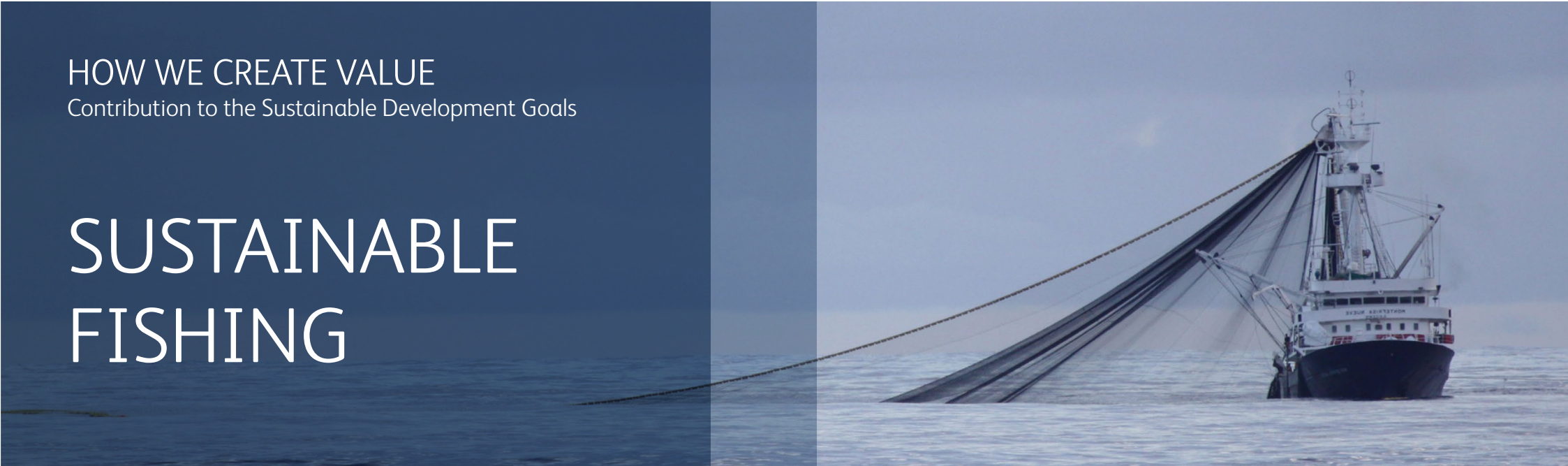
We conduct our fishing activity with a commitment to effective tuna conservation and sustainability over time

16%
of our tuna is
FAD-Free

0%
tuna discarding

100%
APR-certified
vessels

100% of tuna
fishing and support
vessels with an
independent observer



A closer look at 2018



Construction of a new freezer tuna seiner

In November 2018, Grupo Calvo's Board of Directors approved construction of a new tuna fishing vessel with freezer capacity. This decision is part of a fleet renovation plan for the coming years. Shipbuilder Construcciones Navales P. Freire will be in charge of executing the project.



VSAT communications system installations

Grupo Calvo equipped its tuna fishing vessels with a system intended to enhance crew member communications. VSAT (Very Small Aperture Terminal) installation provides crew members with WiFi to thereby enjoy real-time contact with their families.



Efficient control of fuel use on vessels

Software was installed during the year on board one of the company's tuna fishing vessels to facilitate real-time intelligence from office locations on vessel fuel consumption. Thus, through cross-checking of data on manoeuvres, routes and consumption, operational improvements can be established with the aim of making more efficient use of fuel.



Commitment to sustainable fishing

Grupo Calvo has its own 12-vessel fleet operating in the Atlantic and Pacific Oceans. Seven of the company's ships are tuna fishing vessels dedicated to catching tropical tuna of the following species: skipjack (*Katsuwonus pelamis*), yellowfin (*Thunnus albacares*) and bigeye (*Thunnus obesus*). These three tuna species are used by Grupo Calvo to manufacture its canned products. The Grupo Calvo fleet crew is made up of a total of 397 people^{19,20}.

The company is committed to responsible management of its fleet and ensures the application of the principles of caution and vigilance. Reduction and mitigation of the impacts linked to its operations and stock sustainability are two focuses of action on which the company concentrates efforts through continuous improvement systems.

Fishing activity that is sustainable over time necessitates the assurance of resolution of the principal challenges identified for the medium and long term. To this end, the company must devote efforts to analysing the best way to meet them.

Grupo Calvo conducts its fishing activity whilst considering the major challenges facing the sector.




7 tuna purse seiners.
2 operating in the Pacific Ocean and 5 in the Atlantic Ocean. They have an on-board capacity from 28 to 31 people.



2 merchant vessels, operating primarily in the Atlantic Ocean. They have on-board capacity for 13 people.



3 support ships, operating in the Atlantic Ocean with a 7-person on-board capacity.

Grupo Calvo tuna fishing vessels			Work area
Montecelo	El Salvador	IMO No-7409152	Atlantic
Montelape	El Salvador	IMO No-8021775	Atlantic
Montelegre	El Salvador	IMO No-8021763	Atlantic
Montelucía	El Salvador	IMO No-9232668	Eastern Pacific
Montefrisa-nueve	El Salvador	IMO No-7409176	Atlantic
Monterocío	El Salvador	IMO No-8919453	Eastern Pacific
Montemaior	Spain	IMO No-7817323	Atlantic

¹⁹ Data as at 31 December 2018.

²⁰ While 397 members make up the total crew, they are not on board at the same time given departure turns and alternate vacation days intended to ensure operation continuity.

Human rights aboard

Grupo Calvo is strongly committed to upholding Human Rights and proper working conditions for its crew members.

With the aim of making further progress in this area, in 2017 all tuna fishing vessels obtained UNE 195006:2016 APR (“Responsibly-Caught Tuna”) certification. This standard seeks to merge the best known practices that are contrasted and viable in the diverse areas of tuna fishing fleet activities (taking social and environmental aspects into consideration). Certification guarantees not only good fishing practices in environmental terms, but also observance of [ILO Convention 188 concerning work in the fishing sector](#), which includes, amongst other things:

- Minimum age for work aboard a vessel
- Medical examination prior to boarding
- Minimum wage established by the ILO.
- Minimum hours of rest on board.
- Contract duration and rest periods between campaigns.
- On-board health and safety
- Collective bargaining

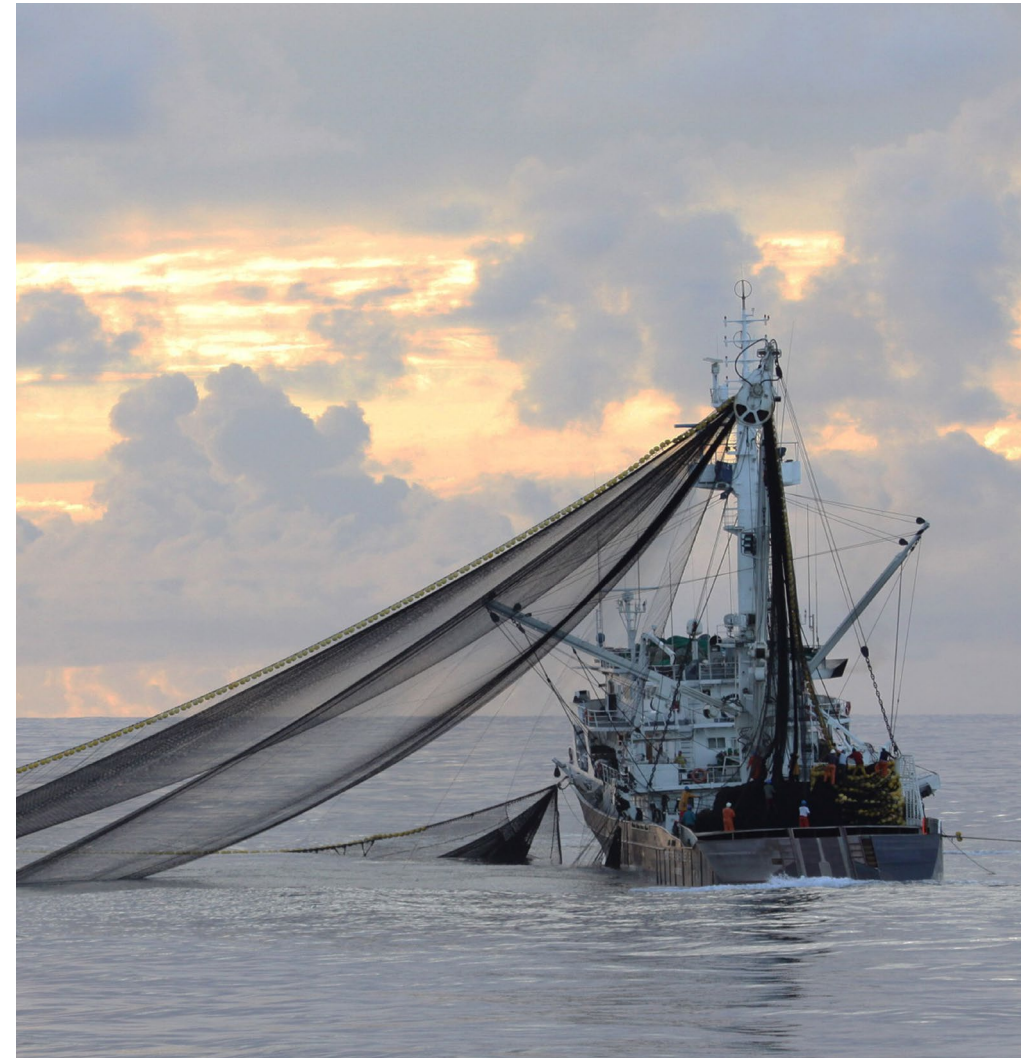
APR certification is valid for five years and reviewed each year through independent audits.

Sustainable use of fishing stocks and respect for the environment

The company fleet likewise conducts its operations at all times from the standpoint of environmental stewardship and respect for marine biodiversity.

Every Grupo Calvo ship is listed on the ISSF (International Seafood Sustainability Foundation) PVR (Proactive Vessel Register). This voluntary public register verifies through audits vessels’ observance of basic sustainability criteria and implementation of policies against illegal fishing and shark finning²¹ or on-board presence of scientific observers, amongst others. In 2018, [FOS \(Friend of the Sea\)](#) certification was expanded to include all tuna fishing vessels (two of the seven tuna purse seiners were certified in 2017).

Grupo Calvo also demonstrates support of the sustainable use of fishing stocks and respect for the environment through its commitment to applying the best available fishing practices. These practices are verified on a biannual basis by [AZTI](#) (technology centre specialising in marine and foodstuff innovation).



²¹ Shark finning is an illegal practice consisting of the mutilation of shark fins, generally for the purpose of selling them in culinary markets. This practice is strictly prohibited on all Grupo Calvo vessels and on the vessels of the company’s suppliers.

COMMITMENTS	ASSOCIATED GOOD PRACTICES
NON-PROLIFERATION OF FLEET CAPACITY	<ul style="list-style-type: none"> A component of Grupo Calvo management is the firm commitment to self-limit fleet capacity by not allowing new ship construction unless one or more vessels of equivalent capacity and weight are delisted. Thus, the new vessel being built, approved by the Grupo Calvo Board of Directors in 2018, will not augment fishing capacity. Limiting fleet capacity by keeping it constant over time is essential to ensuring tuna stock sustainability.
SATELLITE CONTROL BY AUTHORITIES	<ul style="list-style-type: none"> All Grupo Calvo vessels are equipped with an on-board system for geographic positioning via satellite and a Vessel Monitoring System (VMS), which enable authorities and RFMOs (Regional Fisheries Management Organisations) to constantly track a vessel's position.
COMPREHENSIVE HEALTH INSPECTION OF CATCHES	<ul style="list-style-type: none"> Essential for Grupo Calvo is maintaining quality standards to ensure the strictest health and safety measures in storing and handling raw materials.
CREW MEMBER TRAINING IN CONSERVATION AND FISHING PRACTICES	<ul style="list-style-type: none"> On-going training plans for the entire crew in applicable regulations and good fishing practices. The aim is for every crew member of the Calvo fleet to be familiar with procedures and the importance of respecting these commitments to marine environment sustainability in carrying out fishing tasks. 82 hours of training in good fishing practices were conducted over the course of 2018.
IMPROVEMENT IN CONDITIONS FOR CREW MEMBERS	<ul style="list-style-type: none"> In 2018, Grupo Calvo installed the VSAT (Very Small Aperture Terminal) Communications system, which provides crew members with access to on-board WiFi and thereby stay in touch with their families.
INDEPENDENT SCIENTIFIC OBSERVERS ON ALL VESSELS	<ul style="list-style-type: none"> All of Grupo Calvo's tuna fishing and support vessels have an on-board scientific observer. In the case of the former, the observer is a person who is physically present; in the latter case, for reasons of space, the company employs electronic observers that record everything that happens aboard the vessel via a camera system. The recordings are examined by independent observers on the ground.
TOTAL BAN ON PRACTICES HARMFUL TO SPECIES	<ul style="list-style-type: none"> Any on-board activity entailing intentional harm to non-target marine species is forbidden, with particular emphasis on shark finning. This prohibition applies to both the Grupo Calvo fleet and company supplier fleets.

COMMITMENTS	ASSOCIATED GOOD PRACTICES
TOTAL BAN ON DISCARDING OF TUNA	<ul style="list-style-type: none"> Grupo Calvo vessels and those of its suppliers shall not discard tuna at sea, thereby preventing ships from throwing away fish to optimise vessel capacity.
BAN ON TRANS-SHIPMENTS AT SEA	<ul style="list-style-type: none"> In order to prevent illegal, unreported and unregulated (IUU) fishing and slave labour practices, trans-shipments at sea must be eliminated so that all transactions between vessels may be suitably monitored. Grupo Calvo prohibits trans-shipments on both its own vessels and the vessels of its suppliers.
CONTINUOUS RECORDING OF FISHING DATA	<ul style="list-style-type: none"> The Fishing Logbook is kept updated on board Grupo Calvo's fishing vessels. This is where information on fishing activity carried out is recorded, including catches and all applicable data.
RESPECT FOR CREW MEMBER RIGHTS	<ul style="list-style-type: none"> In compliance with international regulations, decent working conditions are guaranteed aboard Grupo Calvo fleet vessels. Although ILO Convention 188 concerning work in the fishing sector has not been ratified by Spain, every Grupo Calvo vessel observes the convention voluntarily. This standard is also included under the Code of Conduct for Suppliers, the signing of which is mandatory for all Grupo Calvo suppliers.
SYSTEMS FOR REDUCING INCIDENTAL CAPTURE	<ul style="list-style-type: none"> In the fishing activity carried out by the Grupo Calvo fleet, development and application release techniques and systems are promoted for handling non-target species in order to ensure their survival.²²
USE OF NON-ENTANGLING FADS	<ul style="list-style-type: none"> In purse-seine fishing, FADs (Fish Aggregating Devices) are regularly used. These are floating objects around which tuna tend to gather. To minimise impact on other species, Grupo Calvo's fleet and the vessels of its suppliers use non-entangling FADs constructed using materials that prevent species such as tortoises or sharks from getting caught in the devices. Additionally, the total number of active FADs per tuna seiner was reduced by 5.5% in 2018.

²² More information can be found in the chapter titled The Environment.

Furthermore, in line with protection of fishing stocks, all Grupo Calvo vessels, in conjunction with the other OPAGAC (Spanish Organisation of Associated Major Producers of Frozen Tuna) member fleets have been carrying out three²³ FIPs (Fishery Improvement Projects) since 2016 in the Atlantic and Pacific Oceans dedicated to the three species of tuna used for their canned products: skipjack (*Katsuwonus pelamis*), yellowfin (*Thunnus albacares*) and bigeye (*Thunnus obesus*).

Designed in collaboration with the [WWF](#), these projects have a five-year execution timeframe and seek to make fisheries certifiable under the [MSC \(Marine Stewardship Council\)](#) standard.

While FIPs are completely voluntary, once set in motion the fleets involved take on obligations within the framework of each project. In the case of Grupo Calvo, and the other OPAGAC fleets, work is based on a roadmap devised in 2016 and which sets annual targets around the three

principles that provide the basis for the MSC Standard in determining whether a fishery is being well managed:

1. Sustainable populations
2. Minimisation of environmental impact
3. Effective management of fishing activity

All information in relation to these FIPs is included on the fisheryprogress.org website and is available for public access. Each project, moreover, is rated by independent experts according to fulfilment of the roadmap established for the project. The FIPs in the Eastern Pacific and the Atlantic currently are rated with a B²⁴ (good progress) and the FIP in the Western Pacific has an A rating (advanced progress).

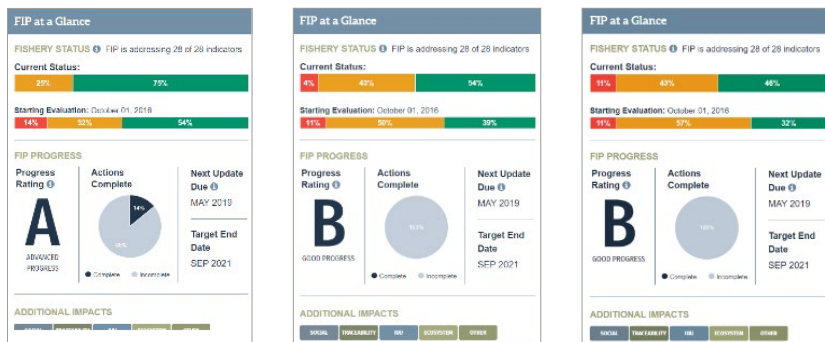
Also in keeping with respect for the environment and marine diversity, in 2018 the Grupo Calvo fleet implemented an operational efficiency improvement project that will enable optimised on-board fuel consumption.

The project consists of the installation of new on-board software that provides office locations with real-time information on vessels' fuel use. Thus, analysis involving cross-checking this information with manoeuvres executed, route followed and the various navigation parameters will make it possible to optimise fishing tasks in terms of efficiency in fuel consumption and thereby lower the impact on the environment.

The system was installed on one of the company's tuna fishing vessels for test purposes, and in 2019 continuous parameterised monitoring of consumption data will be performed.

Also taking place in 2018 was the commencement of a project for developing biodegradable FADs together with the IATTC ([Inter-American Tropical Tuna Commission](#)) through the alliance with [OPAGAC](#) (Organisation of Associated Major Producers of Frozen Tuna), to which Grupo Calvo belongs.

Grupo Calvo is working on three Fishery Improvement Projects with a 2020 timeframe with the aim of achieving MSC certification



²³ OPAGAC is carrying out four FIPs: one in the Atlantic Ocean, two in the Pacific Ocean, and one in the Indian Ocean. Grupo Calvo is participating in three of these.

²⁴ FIP categorisation according to fisheryprogress.org methodology consists of ratings ranging from A to E, depending on the extent to which envisaged objectives are met.

Vulnerable areas and species

In 2018, Grupo Calvo participated (directly or through representatives) in 5 RFMO (Regional Fisheries Management Organisation) meetings.

RFMOs are international associations whose aim is to exercise close control of the health of tuna stocks through regulation and monitoring. RFMO management tasks range from watching over populations of fish in a specific zone to highly migratory species in wider geographical areas.

Most have the power to set limits on the number of catches and on fishing effort and establish technical measures and control obligations. A total of 23 different stocks of tropical tuna are managed by the RFMOs, with 13 of the species being used by Grupo Calvo (5 skipjack, 4 yellowfin and 4 bigeye).

The oceanic zones where the Grupo Calvo fleet operates are subject to intensive controls. And the regulations covering these areas minimise the risk of problems arising in relation to operational sustainability security.

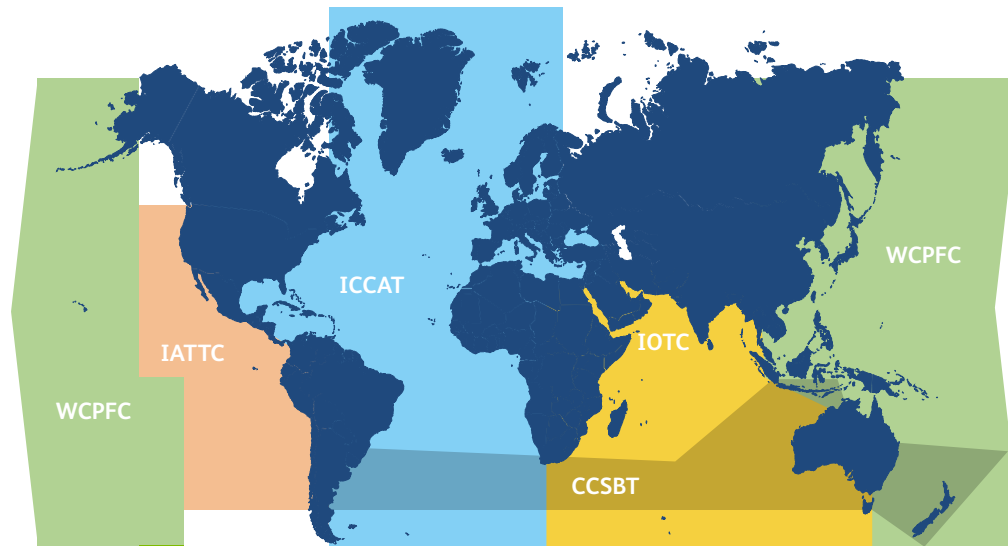
Of the total number of catches worldwide, we can distinguish varying statuses between the different stocks of tuna:

- 56% exhibits suitable levels of abundance.
- 33% at intermediate levels.
- 11% being overfished (13% in 2017).²⁵

Therefore, 86% of the world's tuna comes from stocks that are showing a healthy degree of abundance²⁶. And it is important to note that the skipjack species is in a favourable situation in every ocean.

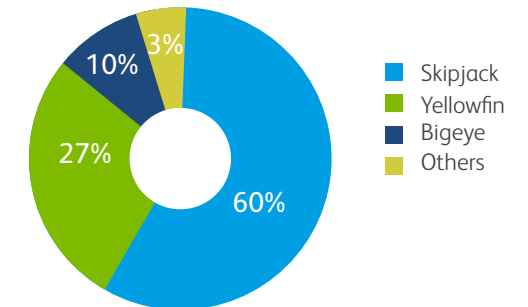
Of the total amount of tuna caught by Grupo Calvo in 2018, 60% was skipjack, 27% yellowfin and 10% bigeye. The remaining 3% corresponds to the capture of other diverse species that undergo the same stringent stock health checks²⁷.

2018 also saw a 5.5% reduction in vessel use of FADs (Fish Aggregating Devices), floating objects around which tuna tend to gather, and 16% of the fleet's catches were FAD-Free; that is to say, carried out without the use of these devices.



- IATTC: [Inter-American Tropical Tuna Commission](#)
- ICCAT: [International Commission for the Conservation of Atlantic Tunas](#)
- WCPFC: [Western and Central Pacific Fisheries Commission](#)
- CCSBT: [Commission for the Conservation of Southern Bluefin Tuna](#)
- IOTC: [Indian Ocean Tuna Commission](#)

Calvo fleet catches in 2018



Source: https://ec.europa.eu/fisheries/cfp/international/rfmo_es

²⁵ Source: https://ec.europa.eu/fisheries/cfp/international/rfmo_es

²⁶ Source: <http://iss-foundation.org/landing-page-spanish-infosostenibilidaddelatun-org/>

²⁷ Consolidated data on the Grupo Calvo fleet and the company's external suppliers can be found in the chapter titled Responsible Supply.

Fleet renovation

Grupo Calvo has begun the process of renewing its fleet with the construction of a new tuna freezer vessel that will operate under the Spanish flag.

Construction of this ship marks the commencement of an ambitious fleet renovation project the company will carry out in the next few years in order to replace older ships with more modern and efficient vessels. The aim is to ensure quality raw material supply capability in a sustainable manner.

Once construction has been completed, the new vessel will be audited upon entering in operation in order for it to obtain APR (Responsibly-Caught Tuna) certification like the rest of the Grupo Calvo fleet.

Along these lines, the company is overseeing compliance with labour, health and safety conditions in accordance with the stipulations of Convention 188 of the ILO (International Labour Organisation). With the aim of ensuring comfort and quality in working and living conditions on board, habitability is one of the priorities in the design of this new vessel.

The roadmap envisages the gradual renovation of the entire Grupo Calvo fleet in the coming years.



Partnerships related to Sustainable Fishing

Grupo Calvo's commitment extends to include forging new alliances with the aim of facing medium- and long-term challenges. In the realm of sustainable fishing, the company collaborates with the following organisations:



HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

THE ENVIRONMENT

We consider environmental protection to be an essential part of sustainable development and the development of our business itself. Reducing the impacts of our activity on the environment and ensuring the sustainability of fishing stocks is essential for our company.

19.9%

increase in total environmental investment

24%

reduction in energy used per tonne produced

58%

of our non-hazardous waste is recovered

22%

reduction in emissions per tonne produced

A closer look at 2018



Calvo Zero Waste project expansion

Initially implemented at the company plant in Spain, the Calvo Zero Waste project was extended to offices in Madrid and Galicia, adding bins for recycling paper and cardboard, containers, computer equipment, light bulbs, batteries and toner and providing awareness sessions for employees. Over the course of the year, project implementation began at the factories in Brazil and El Salvador with the common objective of recovering 100% of the waste by 2025. Additionally, as a product of the commitment to waste reduction linked to this project, the Madrid and Galicia offices have eliminated the use of single-use plastic bottles.



Continuous improvement of wastewater in El Salvador

In keeping with steps taken in previous years, Grupo Calvo has adopted measures for improving the physicochemical quality of water treated at the wastewater treatment station at the factory in La Unión (El Salvador), in addition to increasing efficiency in the use of chemical products. This is intended to pave the way for compliance with new environmental requirements that will go into effect beginning in 2019 in El Salvador.



Creation of a task force for reviewing environmental indicators

A working group was created in 2018 with the environment teams at Grupo Calvo's three factories with the aim of reviewing every environmental indicator being reported and standardising computation and estimation criteria to thereby ensure maximum data consistency. This task force met periodically for two months until the examination of all indicators had been completed.



Grupo Calvo is working simultaneously on operational improvements to its operations in terms of efficiency and on reducing the main impacts entailed by the activities the company conducts:

1. Management of raw materials and fish stocks, by its own fleet and the fleets of its suppliers.
2. Waste generation, discharges and use of materials, water and energy in the company's own factories.

To address these two impacts, the company structures its strategy for mitigation (cutting its CO₂ emissions) and adaptation to the consequences of climate change.

Within the framework of fishing stock management, [recent studies](#)²⁸ show that rising water temperature will lead to a redistribution of the different species of tuna, which will move to waters with a lower temperature, and a rise in the populations of two of the three species Grupo Calvo uses to make its canned products, skipjack tuna (*Katsuwonus pelamis*) and yellowfin (*Thunnus albacares*).

As part of its commitment to the environment, Grupo Calvo participates in collaborative projects with other organisations in order to promote best sectoral practices and more intensive mitigation of impacts through joint measures in solidarity with other representatives of the industry²⁹.

Additionally, a task force was set up in 2018 with the environment teams from Grupo Calvo's three factories (Spain, El Salvador and Brazil) with the aim of reviewing every environmental indicator being reported and standardising computation and estimation criteria to thereby ensure there is maximum consistency in the data. The working group met periodically for two months until the examination of all indicators was completed. Besides finalising the task, this led to the discovery of synergies and points of collaboration amongst the range of environment-dedicated departments.



²⁸ In March 2019 [Global Change Biology](#) published a study led by the AZTI technology centre in collaboration with Barcelona's ICM-CSIC and the Australian CSIRO on the redistribution of tuna in increasingly warmer oceans.

²⁹ More information found in the chapter titled Sustainable Fishing.

Environmental investments

Environmental investments total € 1,833,671.79 and the different actions are distributed as follows:

Environmental investments	2018	2017
Effluent treatment	801,577.75	308,413.4
Waste treatment	500,067.94	449,280.3
Environmental management	521,711.17	246,067.6
Environmental compliance and others	10,314.93	34,156.4
Total	1,833,671.79	1,037,917.7

Waste management

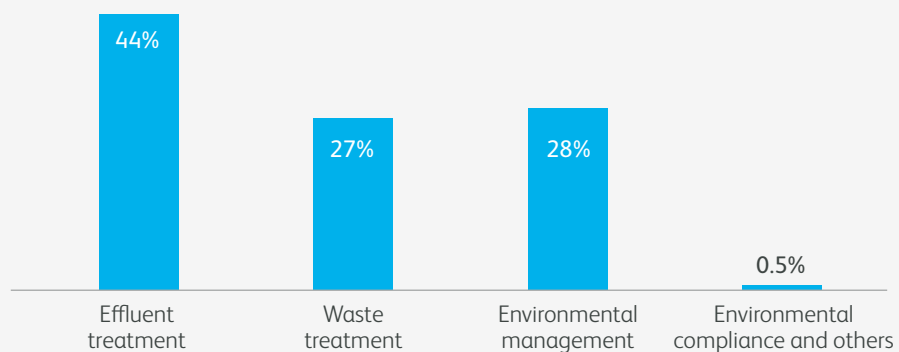
Grupo Calvo is working on improving waste management with the aim of better sorting in order to facilitate waste valorisation.

In 2018, the company managed a total of 21.2 tonnes of waste distributed as follows:

Waste managed (kg)	2018	2017
Total waste managed	21,211.26	47,675
Non-hazardous	21,066.94	47,573.5
Hazardous	144.32	101.5
Total waste valorised	12,230.15	41,266.6
Non-hazardous	58%	87%
Hazardous	55 %	90%

Note: The differences between 2017 and 2018 are fundamentally attributed to a change in criteria for calculating the indicator.

Environmental investments in 2018



Grupo Calvo has not faced any significant fines or sanctions due to failure to comply with environmental regulations.

Waste valorisation

The company has its own plants for treating and recovering organic waste resulting from the production of canned tuna and sardines in Brazil and El Salvador. A product of this valorisation process is the generation of sub-products, including fish meals, which are primarily used to make animal feed, and oils, for use in the cosmetic industry.

In addition to constituting an alternative source of income, this part of the business considerably reduces the negative impact of operations by reusing solid waste and signifies a step forward in the pursuit of recovering 100% of the waste generated.

The use of by-products to make meal has served to obtain the GMP (Good Manufacturing Practices) certificate rewarding sound practices in manufacturing food, drugs and cosmetics.

This certificate, earned by the bio-product plant in Brazil, provides quality assurance and is the factor which ensures that products are manufactured in a consistent and controlled manner.

In line with the continuous improvement inherent to the CES (Calvo Excellence System) model, the **Calvo Zero Waste** project seeks valorisation of 100% of the company's **non-hazardous waste** within a finite timeframe set for 2025.

The project was incorporated as a good practice in the Forética Climate Change Cluster and in 2018 the following achievements were made:

- Conducting **awareness sessions** for employees with the aid of Ecoembes at the Madrid and Galicia office facilities
- Commencement of Zero Waste project implementation in Brazil³⁰ and El Salvador.

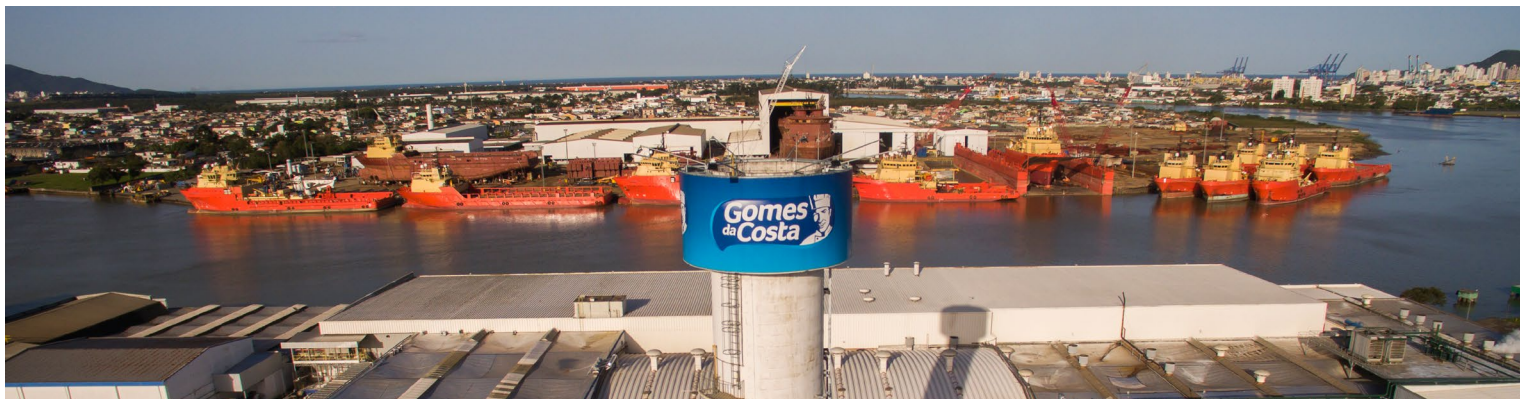
- Installation of **recycling containers** at the Madrid and Galicia offices for recycling the following types of waste: paper and cardboard, packaging, computer components, light bulbs, batteries, toner and ink.
- Substitution of plastic single-use bottles for reusable aluminium bottles at office facilities in Madrid and Galicia. Estimations indicate the elimination of 13,000 plastic bottles per year.

The following objectives have been set for 2019:

- Total implementation of the Zero Waste project in every territory where Grupo Calvo operates
- Reduction of non-reusable plastic items in all Grupo Calvo office locations
- Increased number of offices participating in the recycling programme.

We've stopped using 13,000 plastic single-use bottles per year at our offices in Madrid and Galicia.

In 2018, the Carballo facility, the plant where the Calvo Zero Waste project is already in place, managed to recover 95% of the waste generated.



³⁰ In Brazil the project is called Gomes Zero Waste, referring to the Gomes da Costa brand name.

Consumption efficiency

One of the challenges Grupo Calvo faces involves **lowering consumption** in a context of production growth. Through environmental management systems, energy efficiency measures adopted and production process improvements under CES (Calvo Excellence System) implementation, the company meets this challenge year after year, which has led to achieving highly positive figures in water, energy and material use.

Worth noting is the action taken at the factories in Brazil, where in 2018 **energy and water consumption and waste generation reduction targets were reviewed**. To this end, progress made is monitored, documented and quantified and undertaking of new targets is facilitated through worker awareness and ongoing training. Revision of these objectives is intended to achieve **a 3% reduction in water intensity and energy intensity, lower the amount of non-recyclable waste and obtain higher efficiency in treating effluents**.

Improvements in factory equipment and infrastructure, as well as worker awareness in regard to waste separation, have made environmentally-related progress possible. Furthermore, slated for 2019 are improvements to the finished product plant's treatment station and the replacement of the current tin manufacturing factory's station with another featuring a higher capacity to meet factory needs³¹.

Water consumption

Grupo Calvo's water consumption by source in 2018 is distributed as follows:

Sources (m ³)	2018	2017
Surface water	-	65,705
Underground water	285,716.89	290,675
Wastewater	-	576.8
On-grid water	1,000,488.96	908,745.4
Total	1,286,205.84	1,265,702.2

Energy consumption

In keeping with steps taken in previous years, Grupo Calvo continues to develop projects and measures aimed at **improving energy efficiency**. 2018 saw the replacement of luminaires with **LED** light fixtures in the finished product plant in Spain, thereby achieving higher quality lighting and a reduction in electricity consumption.

As far as emissions into the atmosphere are concerned, the company has prevention measures in place in every location. Noteworthy are the targets for reducing the number of tonnes of CO₂ and the implementation of the best available techniques.

The company also embarked on a project in 2018 with the aim of lowering the fuel consumption of its fleet. This project is focused on increasing ship autonomy through daily monitoring, and collection and analysis of data pertaining to vessel energy consumption in order to be able to draw up optimised routes and more efficient manoeuvres. This initiative is expected to achieve an efficiency improvement of between 6% and 10%.

Energy consumed – Fuels (GJ)	2018	2017
Total	1,276,282.57	1,361,979.9
Natural gas	66,902.10	132,542.2
Petrol	-	-
Diesel	1,097,374.16	1,082,922.6
LPG	109,436.28	117,402.6
Vehicle petrol	2,409.73	1,796.5
Vehicle diesel	160.31	88.3
Fuel	-	27,227.7
Energy consumed – Electricity (GJ)	2018	2017
Total	168,402.88	162,192.1
From renewable sources	17.87%	25.2%
Energy intensity (GJ/tn of finished product)	11.55	15.2

³¹ Grupo Calvo has three factories in Brazil: a finished product plant, a facility dedicated to manufacturing tins and a factory for bio-products made from the organic waste generated at the finished product plant.

Materials

Amongst the materials most widely used by Grupo Calvo are those employed for packaging and presentation of the final product: paper and cardboard, glass, metal and plastic.

A significant share of these materials come from recycled sources, and practically all of the materials that play a role in the production process are recoverable and recyclable.

Detailed information on material consumption in 2018 is provided below:

Materials	2018		2017	
	kg	Percentage from recycled source	kg	Percentage from recycled source
Paper and cardboard	3,979,692.80	50.53%	3,960,256.3	53.2%
Plastic	394,935.04	0.85%	360,382	0%
Metal	24,701,361.28	Not available	29,008,332.7	Not available
Glass	787,445.97	35.00%	1,000,973	Not available
Wood	1,156,275.00	56.51%	Not available	Not available
Total	31,019,710.10	45.85%	34,329,944	-

Note: Information on material of recycled metal origin was not provided by all suppliers, which impeded performance of the calculation. However, the steel recyclability rate is at around 95%.

Emissions, discharges and losses

Although some consumption figures have increased, Grupo Calvo's production in 2018 was higher than in previous years, which means a drop in emissions per tonne of manufactured product of 22% with respect to last year. This is primarily the result of the company's continuous improvement philosophy and the adoption of the best available practices, including, for example, improvement in the quality of the liquefied gas employed and LED installation in company factories.

Total emissions (tn CO ₂ eq)	2018	2017
Scope 1 emissions	99,680.86	100,694.7
Scope 2 emissions	10,871.92	8,830.1
Total	110,552.78	109,524.8
Emissions intensity- tn CO ₂ eq (GJ finished product)	0.86	1.1

Controlled discharges, broken down by facility and the corresponding destination site, are likewise shown below:

Discharges (m ³)	2018	2017	Destination of water discharged
Finished product plant (Brazil)	554,673	490,339	Itajaí-Açu River
Tin manufacturing plant (Brazil)	5,494.4	1,667	Murta stream
Logistics centre (Brazil)	870.4	-	Storm drainage network
Carballo manufacturing complex (Spain)	141,053.71	139,456.8	Anllóns River
La Unión manufacturing complex (El Salvador)	178,655.4	175,213	Gulf of Fonseca

Grupo Calvo, in line with the objective of lowering the environmental impact generated by the company, has developed measures for reducing the concentration of pollutants in discharges. The plant in El Salvador has come up with solutions for improving the physicochemical process involved in water treatment.

Biodiversity

At present the company facilities in Galicia are the only ones found in a protected natural area. The plant is located in Carballo, Galicia (Spain), bordering the Anllóns River, which is a Natura 2000 Network Site of Community Importance (SCI). As part of the requirements established under the Integrated Environmental Authorisation, the facilities undergo six-monthly discharge checks and samples of water affected are drawn. A monthly report on discharge management and the volume of water discharge is also sent in to the Galician Water Authority.

Apart from that, the fishing activity carried out by the Grupo Calvo fleet promotes the development and application of techniques and equipment for releasing non-target species and optimise their chances of survival.

Tuna fishing can entail accidental capture (with a low rate of occurrence) of other species, including sharks, manta rays and tortoises. These should be released and returned to the sea in optimal conditions so as to ensure their survival. In addition to the use of release techniques, with the aim of gaining greater control over the incidental fishing total or by-catch, systems for gather information and monitoring incidental capture are used to facilitate reporting to international organisations on by-catch management.

100% of the effected releases in 2018 by the Grupo Calvo fleet were conducted in accordance with the established procedures.

The predominant species released were the following:

- Silky shark (*Carcharhinus falciformis*)
- Spinetail devil ray (*Mobula japonica*)
- Scalloped hammerhead (*Sphyrna lewini*)
- Blue shark (*Prionace glauca*)
- Smooth hammerhead (*Sphyrna zygaena*)
- Loggerhead turtle (*Caretta caretta*)
- Olive ridley sea turtle (*Lepidochelys olivácea*)
- Green turtle (*Chelonia mydas*)



Our fleet has 100% coverage by independent scientific observers on all vessels, including support ships.

State of fishing stocks

Grupo Calvo's biggest impact on biodiversity, however, is related to fish extraction. The tuna species employed by the company are the following:


- **Skipjack** (*Katsuwonus pelamis*): relatively abundant.
- **Yellowfin** (*Thunnus albacares*), classified as being near threatened by the IUCN ([International Union for Conservation of Nature](#)).
- **Bigeye** (*Thunnus obesus*): catalogued as being vulnerable by the IUCN.


Stock assessments are quantitative estimates of the abundance of each species and the fishing intensity to which they are subject.


According to the International Seafood Sustainability Foundation (ISSF), 86% of the tuna worldwide is derived from stocks showing a healthy level of abundance. All tuna species, nevertheless, must be protected from overfishing.

State of fishing stocks

Skipjack	Yellowfin	Bigeye
Indian Ocean 	Indian Ocean 	Indian Ocean 
Atlantic Ocean 	Atlantic Ocean 	Atlantic Ocean 
Eastern Pacific Ocean 	Eastern Pacific Ocean 	Eastern Pacific Ocean 
Western Pacific Ocean 	Western Pacific Ocean 	Western Pacific Ocean 

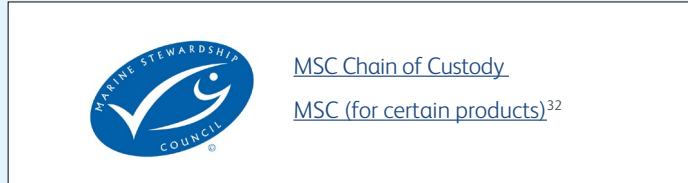
 Healthy. Neither overfishing nor overexploitation

 Showing overfishing or overexploitation

 Exhibiting overfishing and overexploitation

Environmental certification

Grupo Calvo holds the following certifications:



The company plant in El Salvador was certified under the ISO 14001 Standard for the first time in 2013. Since then, it maintains this certification in its 2015 version which incorporates product life cycles. The tin manufacturing plant in Brazil, since 2016, also holds this certification.

ISO 14001 certification of the environmental management systems is an objective for 2019 at the Carballo and Itajaí facilities (excluding the tin manufacturing plant, which obtained certification in 2016).

Environmental insurance

Grupo Calvo dedicates efforts to risk management and prevention in order to ensure the sustainability of its activities. The group has liability coverage for accidental contamination with a limit of €10 M under its civil liability insurance policy.

Additionally, the group's fleet has its own environmental liability insurance covering all vessels (including merchant and support ships). This insurance is accompanied by Blue Card certification as proof of coverage in the event of occurrences entailing civil liability toward third parties.

The factories in Galicia hold a specific environmental insurance policy covering situations involving damage beyond the facilities or the interruption of business amongst them.



³² Some Grupo Calvo products contain MSC-certified raw material. Further information is available in the chapter titled Customers and Consumers.

HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

PERSONNEL

For 78 years, we've been striving to be better each day and continue as a point of reference in our sector. These accomplishments would not be possible without the effort, dedication and perseverance of each and every individual that is part of our company.

4,608
employees

111,576
hours of training

0
fatal accidents

61%
of the workforce are women

A closer look at 2018



Group Equality Plan

Grupo Calvo designed the first Global Equality Plan for the entire company. The plan applies to every company in each country where the company operates with the primary objective of making it a key tool in ensuring equality within the organisation. Presented to the Expanded Committee³³ in March 2019, the plan anticipates the creation of a Committee on Equality to be presided over by the Chief Executive Officer, who will ensure that the plan is being properly implemented.



Leaders' Portal

For the purpose of reinforcing corporate culture, bringing policies in the area of Human Resources closer to team managers and providing key tools for personnel management, Grupo Calvo set up the Leaders' Portal. This new application has turned into a key instrument in helping people to manage their teams and promote leadership and self-improvement.



Recognition Programme

In the America Division, a recognition programme was designed to reward the contributions of company workers and teams. This system acknowledges employees who have been working for more than 10 years at Gomes da Costa, those who have recommended new talent to work at the company and those who share their knowledge with other collaborators altruistically.



³³ A joint steering committee from the two divisions that meets once a year for four days.

Grupo Calvo gives top priority to building teams that are motivated, committed and proud to work for the company. Personnel who exhibit not only high performance but satisfaction with their work contribute to business growth and enhance company reputation.

As part of Strategy 2020, the Human Resources Department has set 10 objectives that will mark the strategic priorities for the coming years.

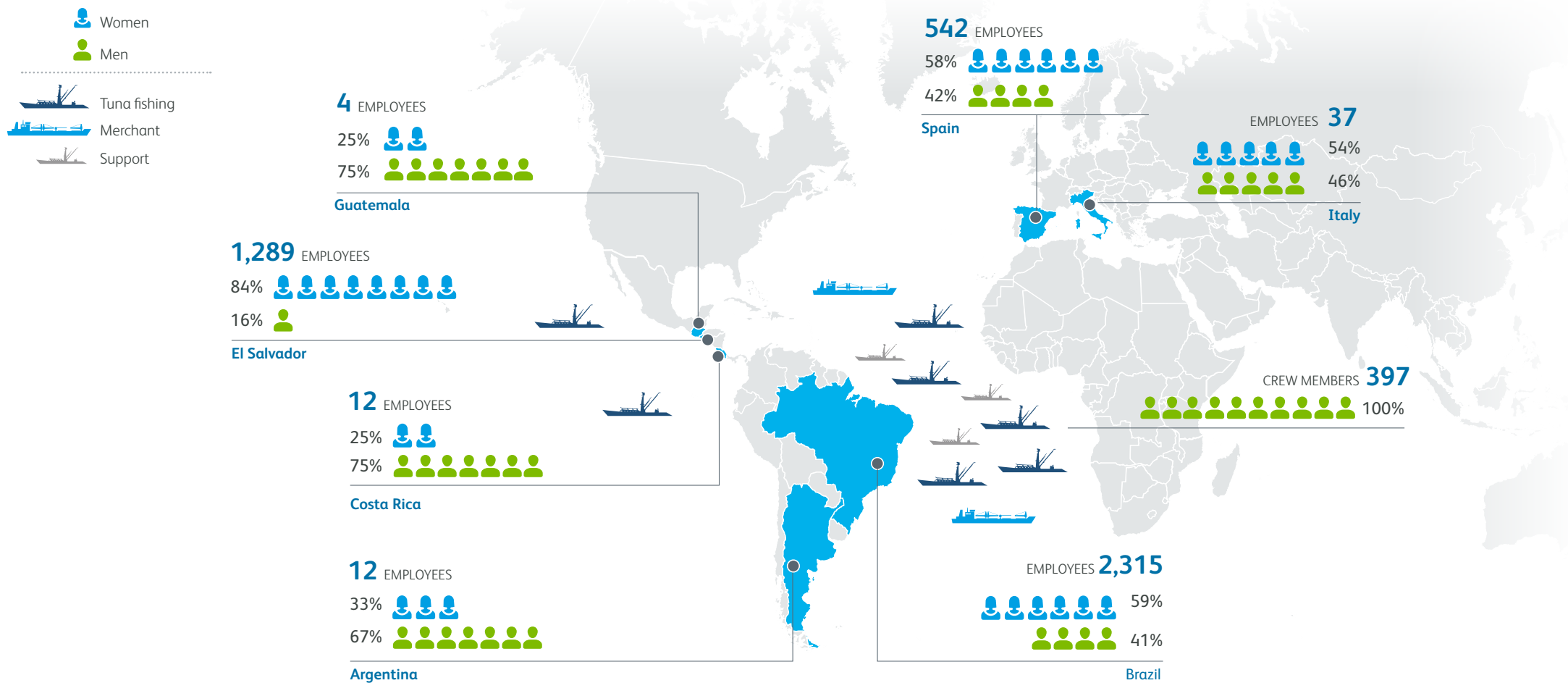
Work in the area of Human Resources Department is divided into 3 major areas: selection, management and development.



We seek to foster the professional development of all our employees, and to create a work environment where people wish to carry out their professional lives.

Human capital

As at 31 December 2018, Grupo Calvo had a workforce composed of 4,608 people, up by 3% over 2017. The number of female employees totalled 2,806, which accounts for 61% of the total workforce. The group is committed to long-term development of its personnel and offers the opportunity for career development within the company. For this reason, 96.8% of its employee contracts are indefinite.



Workforce

Employees by job category	Men		Women	
	2018	2017	2018	2017
Senior managers	16	16	4	4
Intermediate managers	192	187	112	104
Technicians and administrative staff	384	326	303	266
Production workers	813	820	2,387	2,326
Officers and non-commissioned officers	100	105	0	0
Fleet operators	297	295	0	1
Total	1,802	1,749	2,806	2,701

Age	Men	Women
>60	34	86
51-60	243	249
41-50	383	385
31-40	565	796
20-30	533	1,187
<20	44	103
Total	1,802	2,806
Average age	37.47	33.87

Local managers, Europe Division		Local managers, America Division	
2018	2017	2018	2017
12	12	6	6
92.31%	92.31%	85.71%	85.71%

Contract types ^{34, 35}

Grupo Calvo is committed to providing steady work for its employees in a way as to create experienced teams with an extensive professional track record. Accordingly, 96.8% of the group's work contracts are indefinite in duration. Distribution by contract type is as follows:

Contract type	Men	Women
Indefinite	1,353	2,727
Temporary	52	79

Age	Contract type	
	Indefinite	Temporary
>60	89	28
51-60	401	5
41-50	621	20
31-40	1,204	22
20-30	1,625	49
<20	140	7

Job category	Contract type	
	Indefinite	Temporary
Senior managers	20	0
Intermediate managers	303	1
Technicians and administrative staff	653	34
Production workers	3,104	96

³⁴ Not included in the contract type tables are data on ship crew members.

³⁵ Calculations were performed with the workforce figure as at 31 December 2018, and did not include average workforce (4,677 employees) because it was determined that there was no significant variation.

Workday type	Men	Women
Part-time	4	28
Full-time	1,401	2,778

Age	Workday type	
	Full-time	Part-time
>60	89	28
51-60	402	4
41-50	641	0
31-40	1,226	0
20-30	1,674	0
<20	147	0

Job category	Workday type	
	Full-time	Part-time
Senior managers	20	0
Intermediate managers	304	0
Technicians and administrative staff	686	1
Production workers	3,169	31
Total	4,179	32

Terminations

Job category	N° of terminations	
	Men	Women
Senior managers	0	0
Intermediate managers	19	2
Technicians and administrative staff	27	33
Production workers	175	418
Officers & non-commissioned officers	2	0
Fleet operators	7	0

Age	N° of terminations	
	Men	Women
>60	1	2
51-60	9	11
41-50	33	49
31-40	63	97
20-30	118	246
<20	6	48



Evaluation, compensation and benefits

Evaluation and compensation

As is the case each year, the company conducted employee performance reviews in all territories. The results obtained provide the basis for Individual Development Plans which serve as a personalised guide for each employee in expanding training and improving performance.

Grupo Calvo has two tools that facilitate the collection of data for assessing the performance of its workers whilst establishing the objectives necessary for continued improvement: Success Factors and 9-Box. These interconnected tools help to analyse key performance competencies, identify employees with high potential and visually represent talent distribution within the company. In 2018, 88% of the company's employees underwent a performance review.

In the America Division, a recognition programme was implemented in 2018 with the aim of rewarding employees who have made outstanding contributions to the betterment of the company. This system acknowledges employees who have been working for more than 10 years at Gomes da Costa, Grupo Calvo's subsidiary in Brazil and Argentina, those who have recommended new talent to work at the company and those who share their knowledge with other collaborators altruistically. All are awarded points according to their contributions that may be exchanged for prizes such as vouchers redeemable at local establishments or Gomes da Costa product kits. Over the course of the year, 203 employees were recognised for the length of their service to the company; 1,006 exchanged their points for product kits; and 185 chose discount vouchers.

Along the same lines, the Europe Division designed a formalised recognition system called Positively Calvo that reinforces the performance improvement process through people. Implemented in 2019, the programme acknowledges and rewards exceptional contributions beyond the current compensation systems. The system affords visibility to conduct sought out within the group by rewarding actions that facilitate the fulfilment of the company's strategic objectives, fomenting teamwork spirit and the pursuit of innovative solutions.



203 employees received recognition for their years of service to the company

1,006 employees exchanged their points for product kits

185 employees exchanged points for discount vouchers



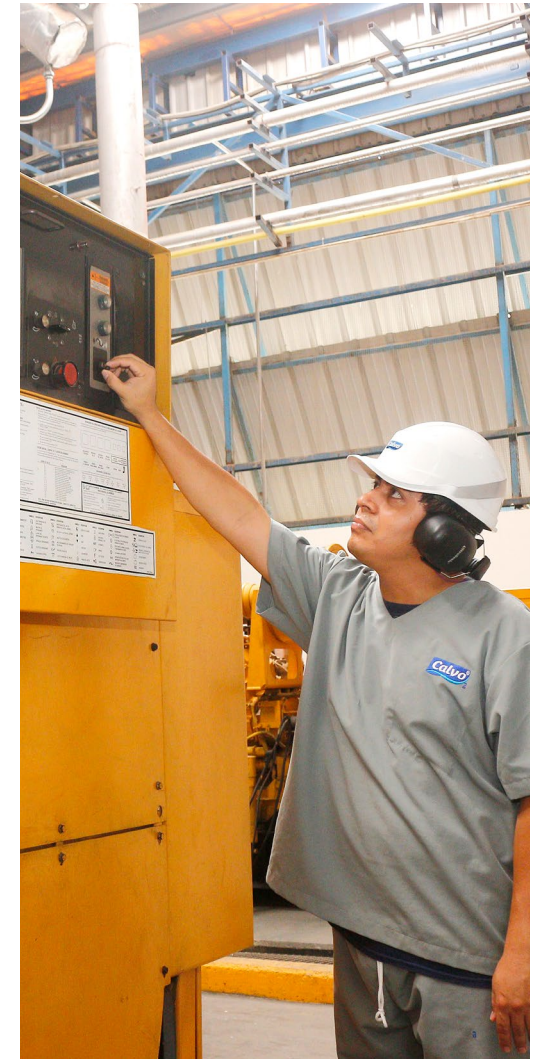
Evaluation and compensation

	Spain	Italy	El Salvador	Costa Rica	Guatemala	Brazil	Argentina
Flexible schedule	●	●				●	●
Extension of maternity and paternity leaves (above the law)						●	
Flexible remuneration	●					●	●
Telecommuting	●	●					
Transport	●		●			●	●
Free food and beverages		●	●			●	●
Life insurance	●	●	●	●	●	●	●
Production-based bonuses or target-linked variable compensation	●	●	●	●	●	●	●
Agreements with providers of goods and services with advantageous conditions	●	●	●	●	●	●	●
Discount on purchase of medicines						●	
Medical service	● ³⁶		●			●	●
Recognition and reward programmes	●	●	●	●	●	●	●
Childbirth assistance			●			●	●
Foreign language training	●	●	●	●	●	●	●
Self-development training programme	●	●	●	●	●	●	●
Training internships for employees and children of employees			●			●	
Free dental assistance			●			●	
Free psychological assistance			●			●	
Free physiotherapy assistance						●	

● Company benefit in place

● Company benefit being implemented in 2019

³⁶ Medical service is mandatory in Spain.



Evaluation, compensation and benefits

Grupo Calvo has a variety of in-house communication tools that have been adapted to employee needs and content type. All of them revolve around the premise of information transparency.

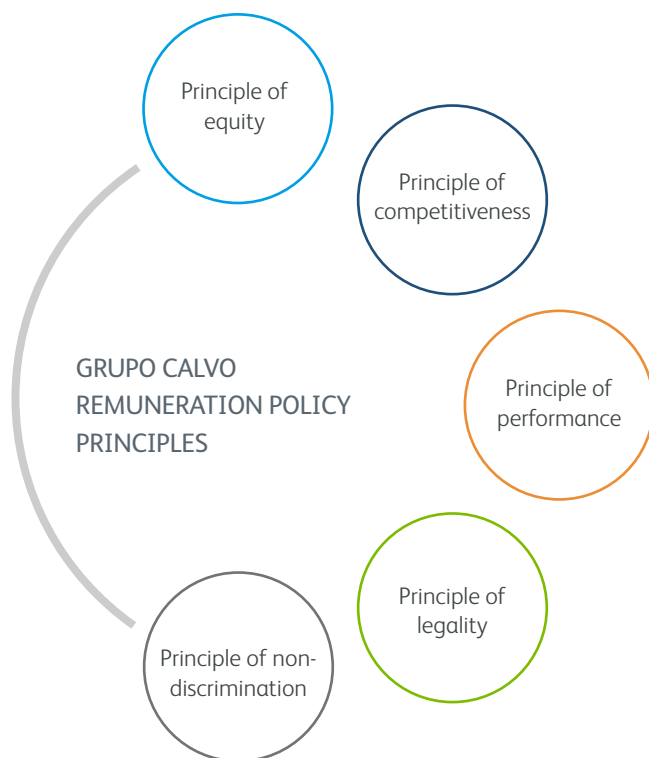


A communication campaign was carried out in 2018 at the three plants in Brazil through three different programmes: SEMEAR (Sow), aimed at strengthening pride in belonging to the company, SUSTENTAR (Sustain), related to knowledge of the business, and SOMAR (Sum), designed for building interpersonal relations and fellowship. The aim of this campaign is employee consolidation of company values and commitment to the company, and underscoring the importance of teamwork, communication and transparency.



Remuneration policy

Grupo Calvo is committed to equality and transparency in compensating its employees. The company’s remuneration policy revolves around five principles intended to ensure that compensation is fair and competitive, aligned with employee responsibility and performance and in accordance with the law. These principles are:



This report provides information on average remuneration with a breakdown by gender, age and job category as part of the company’s commitment to information transparency.

Average remuneration in euros						
Job category	Europe Division			America Division		
	2018	2017	Variation	2018	2017	Variation
Senior managers	148,651.69	147,291.39	0.92%	134,783.68	110,156.06	22.36%
Intermediate managers	31,047.62	31,553.47	-1.60%	23,348.97	21,396.50	9.13%
Technicians and administrative staff	23,788.86	23,168.28	2.68%	3,728.87	3,415.15	9.19%
Production workers	7,170.38	6,116.09	17.24%	7,060.99	7,910.73	-10.74%
Officers and non-commissioned officers	71,863.24	84,967.11	-15.42%	-	-	-
Fleet operators	17,075.40	17,619.77	-3.09%	-	-	-

Average remuneration in euros						
Age	Europe Division			America Division		
	2018	2017	Variation	2018	2017	Variation
>60	23,624.10	18,369.58	28.60%	4,273.13	4,225.51	1.13%
51-60	33,634.90	39,500.77	-14.85%	8,357.50	3,977.73	110.11%
41-50	26,384.60	28,123.18	-6.18%	9,895.59	6,066.18	63.13%
31-40	11,989.25	11,899.57	0.75%	6,496.46	8,052.66	-19.33%
20-30	5,934.15	6,079.23	-2.39%	3,658.8	7,378.59	-50.41%
<20	3,810.95	3,848.40	-0.97%	1,772.92	1,652.19	7.31%

Grupo Calvo determines the remuneration of its team based on a salary analysis periodically carried out by an independent external consultant. This analysis yields a salary benchmark, which serves to compare the actual competitiveness of Grupo Calvo compensation for each job position with the market average. This study also includes information on Grupo Calvo workers' satisfaction with their salaries.

The company provides its employees with a comprehensive compensation package that includes monetary and in-kind remuneration in accordance with employees' country and position. This package encompasses a variety of benefits such as a flexible compensation plan that affords tax exemptions, educational funding, variable compensation linked to departmental targets and company results, company vehicles, medical assistance, productivity bonuses, and many others. As far as private pension plans are concerned, the company does not offer this benefit to its employees given that public coverage is already provided by every country in which the company operates.

Worth noting is the fact that the starting salaries offered by Grupo Calvo to its workers exceed minimum wage in every country where the company operates, with figures reaching 270% in Argentina and even 355% in countries like Guatemala.

Country	MW (local currency)	% above minimum wage (men)	% above minimum wage (women)
Argentina	10,000.00	270.9%	283%
Brazil	954.00	13.00%	13.00%
Spain	9,906.40	37.50%	37.50%
Italy ³⁷	-	-	-
El Salvador	3,891.20	2.63%	2.63%
Costa Rica	6,578.00	140.92%	69.56%
Guatemala	4,669.48	201.66%	355.99%
Crew members, Spain	10,353.00	127.47%	127.47%
Crew membes, El Salvador	3,479.16	181.85%	181.85%

At present, Grupo Calvo does not have a comprehensive wage gap study. Provided below is information on average remuneration by gender, with a breakdown of the categories used throughout the report into two additional groups (Intermediate Managers 2 and Production Workers 2). This additional breakdown is intended to better represent the diversity of profiles within the company because the Intermediate Managers and Production Workers categories are where there is a greater concentration of backgrounds and positions. Thus, job positions with more responsibility with respect to the Intermediate Managers 2 and Production Workers 2 categories have been grouped, respectively, into Intermediate Managers 1 and Production Workers 1. Nevertheless, in order to draw conclusions associated with the wage gap and to determine areas for improvement, expansion of the analysis is needed, including a further breakdown of job categories and assessment of geographical, seniority and responsibility and duty level variables, amongst other criteria. Moving in this direction, the company has an active working line for promoting a more exhaustive study with the aim of detecting and rectifying potential remuneration disparities between men and women.

Job category	Average remuneration in euros							
	Europe Division				America Division			
	Men	Women	Gap	Weighted gap ³⁸	Men	Women	Gap	Weighted gap
2018	2018	m/w	m/w	2018	2018	h/m	h/m	
Senior managers	159,093.71	110,364.28	31%	0%	140,325.75	- ³⁹	-	0%
Intermediate managers 1	56,932.21	45,554.49	20%	1%	57,372.16	47,199.09	18%	0%
Intermediate managers 2	17,192.92	12,818.16	25%	1%	17,363.63	18,511.77	-7%	0%
Tech. & admin. staff	24,567.97	22,841.84	7%	1%	7,522.21	6,608.01	12%	2%
Production workers 1	25,073.57	18,413.32	27%	2%	10,690.04	8,213.11	23%	1%
Production workers 2	5,355.11	4,897.03	9%	5%	3,762.89	3,248.47	14%	11%
Officers & non-commissioned officers	71,863.24	0.00	-	0%	-	-	-	-
Fleet operators	17,075.40	0.00	-	0%	-	-	-	-
Total gap				10%				13%

³⁷ Italy does not have a set minimum wage.

³⁸ The weighted gap was calculated by taking into account the weight of each category in the total workforce.

³⁹ In the America Division there is a woman on the Steering Committee. However, given that she is the only one in this job category (senior managers), her remuneration is not published in this report for confidentiality and privacy reasons.

Equality and diversity

One of the company's principal commitments to its workforce is equality amongst all workers, in treatment, opportunities and compensation. Calvo therefore implements policies aimed at promoting diversity and equality of opportunity.



Equality between men and women

Grupo Calvo adapts its work and life balance and equality policies to law in force in each one of the countries in which it operates. Aware of the different needs in each territory, the company likewise seeks to promote policies that are best adapted to these needs and which are uniform between one another.

In Brazil, for example, Grupo Calvo has voluntarily extended maternity leave to 60 days and paternal leave to 15 days above the requirements stipulated by law. Voluntary extensions were also realised in countries where Grupo Calvo operates and where legislation offers very short periods or none at all, as in the case of Italy, Costa Rica, El Salvador and Guatemala. A noteworthy personal and professional life balance measure adopted was the construction of a nursing suite at the factory in El Salvador in response to the high percentage of female employees of child-bearing age.

2018 also saw the design of what will be the group's Global Equality Plan, presented in March 2019 to the Expanded Steering Committee. The plan aims to set down guidelines and lines of action common to all territories in order to standardise local plans where needed under a common umbrella of principles and commitments. Furthermore, it establishes a decision-making and monitoring body, the Committee for Equality. Presided over by the CEO, the committee shall watch over application of the plan and examine the evolution of indicators devised to monitor plan implementation.

Diversity

One of the key objectives within the Human Resources area is the creation of diverse teams from a wide variety of backgrounds. The company is committed to providing absolute equality of opportunity to all workers, in addition to establishing corrective measures for any act of discrimination.

The number of disabled people working at Grupo Calvo in 2018 was 73.

Even though a universal accessibility plan for the disabled has yet to be developed, all company plants meet the requirements under prevailing legislation in the countries where they operate.

Country	Disabled persons
Spain	11
Italy	1
El Salvador	8
Costa Rica	0
Guatemala	0
Argentina	0
Brazil	53
Total	73

Union representation and labour relations

All Grupo Calvo employees are covered by the corresponding collective agreements or equivalent regulations in the countries where they perform their activities.

In 2018, a total of 104 proceedings in process in the area of labour practices within Grupo Calvo were reported. 80% of these took place in the America Division, specifically in Brazil, a territory in which systematic filing of grievances against the company upon termination of the contractual relationship has come to an end has become common practice.

Country ⁴⁰	Percentage of employees covered under collective bargaining agreements
Brazil ⁴¹	100%
Argentina	-
Spain	100%
Italy	100%
El Salvador	98.11 %
Costa Rica	-
Guatemala	-
Total	73

⁴⁰ In locations where there is no collective agreement the number of workers does not reach the minimum needed to meet this legal requirement.

⁴¹ Excluded from these rules are the executive director and the director of finance and administration given that they are legal representatives of the company.

Professional development and training

In 2018, the company workforce received a total of 111,576 hours of training, which amounts to 23,86 hours per employee.

Ongoing training and development of Grupo Calvo employees contributes to optimising the effectiveness of the methods in place for continuous improvement and the results of the Calvo Excellence System. System integration in the set of non-manufacturing areas in the Europe Division concluded in 2018; however, the consolidation period is anticipated to be realised in the next few years. Additionally, CES integration in non-manufacturing areas of the America Division will be completed in 2019.

Improving day after day and reaching company goals can only be accomplished as the product of the professional development and training of each and every employee.

Job category	Hours of training				Total 2018	Total 2017
	Men		Women			
	2018	2017	2018	2017		
Senior managers	702	451	420	200	1,122	651
Intermediate managers	5,021	4,138	6,212	2,046	11,233	6,184
Technicians and administrative staff	7,967	3,942	10,987	3,212	18,954	7,154
Production workers	30,317	41,239	45,739	64,253	76,055	105,492
Fleet officers	1,735	not available	0	not available	1,735	0
Fleet operators	2,480	not available	0	not available	2,480	0
Total hours	48,222	49,769	63,357	69,710	111,579	119,480

Type of training	Men		Women		Total	
	2018	2017	2018	2017	2018	2017
Corporate training	10,927	16,701	15,913	27,128	26,840	43,829
Technical skills training	12,551	7,724	14,929	11,422	27,481	19,146
Languages	1,153	1,006	1,709	408	2,861	1,414
Occupational risk prevention	21,506	19,642	26,961	24,725	48,467	44,367
Environment (including good fishing practices)	828	2,095	1,307	2,352	2,135	4,447
Ethics, Compliance and Human Rights Protection	1,258	2,602	2,538	3,675	3,796	6,277
Total hours	48,222	49,769	63,357	69,710	111,579	119,480

Mode	Men		Women		Total	
	2018	2017	2018	2017	2018	2017
Online	3,539	2,000	3,061	224	6,599	2,224
In-person	44,684	47,769	60,296	69,486	104,980	117,256
Total hours	48,222	49,769	63,357	69,710	111,579	119,480

Region	Men		Women		Total	
	2018	2017	2018	2017	2018	2017
Fleet (vessels)	4,215	2,403	0	0	4,215	2,403
Spain (fleet included)	4,105	2,603	3,378	2,718	7,483	5,321
Italy	420	242	602	76	1,022	318
El Salvador	4,341	6,256	8,155	15,361	12,496	21,617
Costa Rica	1,167	841	365	228	1,532	1,069
Guatemala	100	16	53	24	153	40
Argentina		1,013		80	0	1,093
Brazil	33,874	36,395	50,804	51,223	84,678	87,618
Total hours	48,222	49,769	63,357	69,710	111,579	119,479

At Grupo Calvo, training revolves around leadership and improving employee performance with the aim of maintaining motivation and nourishing the personal and professional development of all employees.

Grupo Calvo supports a wide-ranging training programme for its employees that includes communication or languages skills development, ethics, computer program operation, and occupational risk prevention. Within CES (Calvo Excellence System) context, in 2018 a new online training platform was designed. Adapted to employees' personal and professional interests, the platform revolves around the "You're the star in your own development" theme. The Leaders' Portal, geared towards employees who head up teams, was also launched.



YOU'RE THE STAR IN YOUR OWN DEVELOPMENT

Employee self-development environment that provides the training tools needed to enhance professional development through transversal skills. It combines in-person and online instruction.



LEADERS' PORTAL

An online tool containing resources for improving leaders' team management and communication.

Absenteeism and turnover

Absenteeism

Grupo Calvo, through its Human Resources Department, dedicates efforts to improving absentee and turnover rates, especially in relation to plant operations, which account for 76% of workforce dedication. In 2018, 357,062 hours of absenteeism were computed, which entails an overall rise of 15.51% with respect to the previous year.

MEASURES DEvised TO LOWER ABSENTEEISM

- Comprehensive personalised follow-up in cases of recurring short-duration absenteeism.
- Free lunchroom access and transportation to the factory.
- Work-site assistance in place that includes psychological and medical care.
- Installation of nursing suites in factories.
- Implementation of a wage supplement and a bimonthly bonus for attendance.

Turnover

Grupo Calvo employees are characterised by having an extensive professional track record in the area of canned product manufacturing and a high degree of job stability, with 96,8% holding indefinite working agreements.

The company's consolidated turnover rate in 2018 stood at 16% as the result of a high number of terminations taking place over the course of the year in El Salvador. This has become one of the biggest challenges in conducting Grupo Calvo operations in the country. The turnover rate in El Salvador totals up to 36% and represents 62% of the total group rate, versus an average turnover of 8% in the remaining countries of operation. This rate is to a large extent driven by outside factors associated with the country's social and cultural context. The company has developed measures that help to mitigate these factors or lower their impact amongst employees.

MEASURES DEvised TO LOWER TURNOVER

- Reinforcement of selection procedures.
- Establishing tutored learning periods over the 15 days prior to worker incorporation.
- Promotion of discussion groups in which to address workers' day-to-day problems (Friday for Everyone).
- Organisation of recognition programmes and motivational campaigns aimed at working with a sense of pride in belonging.
- Conducting exit interviews to gain a better understanding of the reasons for leaving.



Health and safety

Ensuring the safety of all employees in every territory of operation is vital for the company.

With this aim in mind, Grupo Calvo set the **Zero Accidents** target.

To promote this initiative, the company implemented a variety of communication and awareness activities in work facilities. In 2018, more than 21,000 hours of training dedicated to occupational health and risk prevention were conducted. The average number of accident-free days at company plants in 2018 was 142.75.

Due to the particular characteristics of the Group's operations, Occupational Health and Safety and Risk Prevention management is differentiated for the company's range of work facilities, distinguishing between office positions, fishing vessels and factories.

In line with the pursuit of continuous improvement proposed by the CES Model,

a change in criterion was applied by defining events occurring in factories as accidents.

Thus, minor occurrences are now considered accidents and are therefore computed as part of the frequency rate. As such, they are recorded and can therefore be monitored, prevented and rectified as a whole, regardless of their severity or impact. As a result, the frequency rate rose with respect to 2017.

While there is no high exposure to work-related illnesses, workers' most common ailments involve musculoskeletal issues.

All company plants have Health and Safety Committees, where the percentage of employees represented is 100%. These committees are represented in accordance with the required legal stipulations. They meet on a monthly basis to address everyday matters involving activities, as well as improvements for the company and operations.



Health and safety indicators	Europe Division				America Division			
	Men		Women		Men		Women	
	2018	2017	2018	2017	2018	2017	2018	2017
Work-related accidents	24	24	39	34	16	11	15	11
Frequency rate	27.59	- ⁴²	15.12	-	8.53	6.50	5.71	4.90
Severity rate	0.65	-	0.36	-	0.06	0.03	0.02	0.03
Occupational illnesses	0	0	1	2	1	0	1	2

⁴² The calculation of the frequency rate performed in the Europe Division in 2017 did not differentiate between men and women.

The factory in El Salvador

OSHAS 18001-certified, Grupo Calvo's factory in La Unión (El Salvador) succeeded in lowering accident severity in 2018 by 27%.

A highly significant milestone was the implementation of I-MASI, a system of daily inspections conducted by the Department of the Environment and Industrial Safety. The system's primary objective

is to identify and immediately correct any actions or conditions that may entail a risk to production workers' integrity.

The facility in El Salvador is also working on achieving higher security in performing work at a height. To this end, installation of 385 metres of "Lifelines" onto plant ceilings so that personnel may fasten their harnesses to these lines will be completed over the course of 2019.

A series of initiatives for preventing diseases and promoting healthy lifestyles has also been implemented here. Noteworthy are the nutrition and exercise programmes conducted during the work day.

Factories in Brazil

An awareness initiative called "Observe and Act" is in place at all company plants in Brazil. This is a procedure by which every employee has the duty and opportunity to report inappropriate behaviour or situations associated with occupational health and safety. Using reporting cards, suggestions for attaining safer conditions are taken in from the team.

Additionally, the Gomes da Costa factories continue to apply the OCRA (Occupational Repetitive Actions) method for the analysis of ergonomics in the workplace. This is a system for measuring repetitive movements and categorising activities carried out in factories. Thanks to implementation of the system, the number of high-risk job positions dropped from 29 to 3 over the year. This reduction was achieved, amongst other initiatives, by means of the installation of high-lifting work tables. The tin manufacturing plant also renewed its OSHAS 18001 certification.

Worth noting amongst the projects dedicated to healthcare are those that have been in place for fifteen years at Grupo Calvo. These demonstrate the company's efforts toward ensuring the best health conditions for its workers:

Ginástica Laboral (Workout at Work): with over 350 beneficiaries in 2018, the initiative promotes health care by encouraging administrative staff workers to do 15 minutes of exercise a day.

Sorriso Saudável (Healthy Smile): a programme that seeks to improve the dental health of employees and their children with more than 1,000 beneficiaries in 2018 and an investment of €60,000 to ensure programme quality.

Pré-Natal: Launched in 2001, this initiative is intended to serve as a companion during the months of pregnancy, when a healthy diet, physical exercise and quality medical assistance for expectant mothers is of utmost importance. In 2018, it succeeded in partnering with 294 workers and in covering their pregnancy-related expenses.

SIPAT (In-House Occupational Accident Prevention Week): a week devoted to reflection on employee safety and quality of life.

Also in place are diverse awareness initiatives promoting health, including Novembro azul/Outubro Rosa (Blue November/Pink October), a twofold programme focused on the prevention of uterine and breast cancer and prostate cancer. Part of this initiative involved hiring a gynaecologist at work facilities to assist in early detection and care. This initiative, which began in 2014, has managed to raise awareness and understanding and thereby improve quality of life for its 2,300 beneficiaries. In 2015, Grupo Calvo also signed an agreement with various health clinics in Brazil to expand the medical coverage available to its employees.

Factories in Spain

In 2018, work continued at the Grupo Calvo factories in Carballo (Galicia) on improvement of the Layered Audit model implemented in 2017. This working standard seeks to involve all employees in the different stages of the production process in order to identify opportunities for improvement in the operational safety field. Each day, workers audit a job position and, in the event any type of risk is detected, they inform plant managers in order to devise a customised solution.

Additionally, daily checks of floor status were included to reduce the risk of falls.

A training programme adapted to each work position was implemented to round out the health and safety training usually conducted.

2018 also saw the design of a new channel of communication with the maintenance department for monitoring improvements effected in the safety area. The ultimate aim is to keep a detailed record of improvements realised in relation to occupational risk prevention. Within the framework of promoting a healthy lifestyle, a runners' club was created in 2017 for employees in Madrid and Galicia.

HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

CUSTOMERS AND CONSUMERS

Grupo Calvo responds to customer needs and promotes healthy eating habits through a range of products in line with market trends in order to maximise satisfaction and the trust consumers bestow upon us

Sales presence
in **72** countries

356
customer and consumer
satisfaction surveys
conducted

+1,500
marketed
references

100%
successful complaint
resolution rate

A closer look at 2018



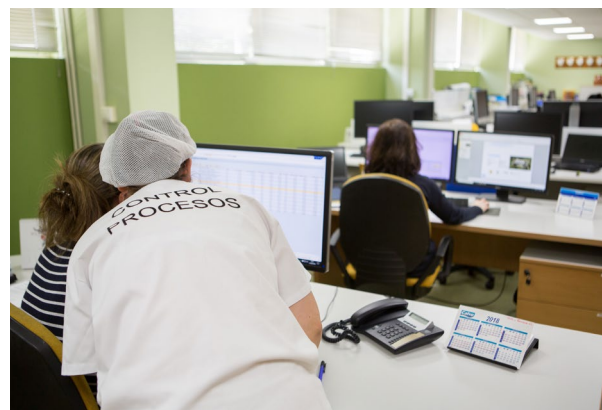
Grupo Calvo ranked amongst the five most reputable Spanish companies

Grupo Calvo was recognised as being one of the top companies in Spain in terms of reputation according to the results of the Reptrak Spain 2018 study prepared by the Reputation Institute. Furthermore, in the global ranking the company holds the 23rd position from amongst a total of 124 participating domestic and international companies in a year in which the food sector suffered a 4.8-point drop in its reputation assessment. Grupo Calvo stands out as the first Galician enterprise in the ranking and the only company from the canning sector.



Significant reduction in complaints

The number of complaints received in 2018 in relation to Grupo Calvo product and service quality decreased by 43% with respect to the previous year. This is mainly the result of the reduction in complaints in Spain and Brazil.



ISO 22005-certified traceability system

Grupo Calvo's factory in Spain obtained ISO 22005 traceability certification, which ensures sound operation of its traceability system by means of which consumers may be provided with information on the origin of the tuna they are going to consume: species, fishing zone, the vessel it was caught by, fishing gear, period, port of landing and production facility⁴⁴.

⁴⁴ The information pertaining to the port of landing and the production facility began to be included in traceability reports in January 2019.



Strategic markets

Grupo Calvo enjoys a presence in a total of 72 countries and has more than 1,500 product references. Of these, a total of **103,467 tonnes** were sold in 2018. Spain was one of the markets showing the most growth in 2018, with a sales volume increase of 10.5% over 2017.

Company products are distributed through the Free Service, Horeca and Distributor Brand (DB) channels.

The demand for products sold under the DB has intensified in recent years in certain geographical areas, mainly in Grupo Calvo's international area⁴⁵. The trend is reflected in a 102% increase in sales of these products with respect to the previous year. Along these lines, and as a result of on-going analysis of consumer purchasing needs and habits, Grupo Calvo has realised new collaboration agreements with distribution customers for manufacturing their brand in accordance with customer-determined price and quality standards.

FREE SERVICE

- Consumers can directly select the products they want to purchase and which are found on the shelves and in the lines and aisles of commercial establishments.
- It comprises department stores, superstores, supermarkets, cash and carry and traditional commerce.

HORECA

- Acronym for HOtels, REstaurants and CAFé products.
- Instead of accessing products directly, consumers purchase ready-made options in these establishments.

DISTRIBUTOR BRAND (DB)

- Products marketed with the distributor's own brand. Also known as white-label products.
- These products are sold through the free-service channel.



⁴⁵ The international area includes sales in non-consolidated markets.

Main customers by territory

BRAZIL

- Armazém Matheus
- Carvalho e Fernandes Ltda
- Casas Guanabara
- Cencosud
- CHUA
- Cia Brasileira de Distribuição
- (Casino) Dunorte
- Empresa Brasileira de Distribución
- García atacadista
- Grupo Comper
- Makro
- Martins atacadista
- Walmart
- Carrefour
- DIA
- Zaffari
- Condor
- Mundial
- Sonda
- Supermercados BH

Free service: 97.5%
Horeca: 2.5%
DB: 0%

ARGENTINA

- Vital
- Coto
- NINI
- Cencosud
- Carrefour
- DIA
- Libertad (Casino)
- Makro
- Walmart
- SAIEP
- Coop. Obrera
- Diarco
- Maxiconsumo

Free service: 98.5%
Horeca: 1.5%
DB: 0%

CAM-CARIBEAN

- Arrocha
- Casa carne
- Diinsa Centro Cuesta
- Nacional
- Econo Super
- Gamar
- La Barata
- La Torre
- Nimar
- Prince Smart
- Riba Smith
- Subway
- Super La Colonia
- Super Selectos
- Supermachtetazo
- Supermercados 99
- Supermercados CNN
- Supermercados Rey
- Supermercados Xrta
- Unisuper
- Walmart

Free service: 99%
Horeca: 1%
DB: 0%

INTERNATIONAL

- Kaufland (SK, RO, PL)
- Lidl (FI, SI)
- Carrefour (RO)
- Auchan (PL, HU)
- Leclerc (FR)
- Ahold - delhaize (RO, CZ)
- Tesco (CZ, SK, PL, HU)
- Spar (SI, CR)
- Sok (FI)
- kesko (FI)
- REWE (SK, CZ)
- DIA

Free service: 48%
Horeca: 31%
DB: 21%

SPAIN

- Aldi
- Auchan
- Carrefour
- Consum
- DIA
- El Corte Inglés
- Eroski
- Euromadi
- IFA
- Makro
- Dealz

Free service: 71%
Horeca: 11%
DB: 18%

ITALY

- Auchan
- Carrefour
- Conad
- Coop
- Esd
- Esselunga
- Eurospin
- Bennet
- Lidl
- Metro
- Pam
- Sigma
- Vege
- FIRST

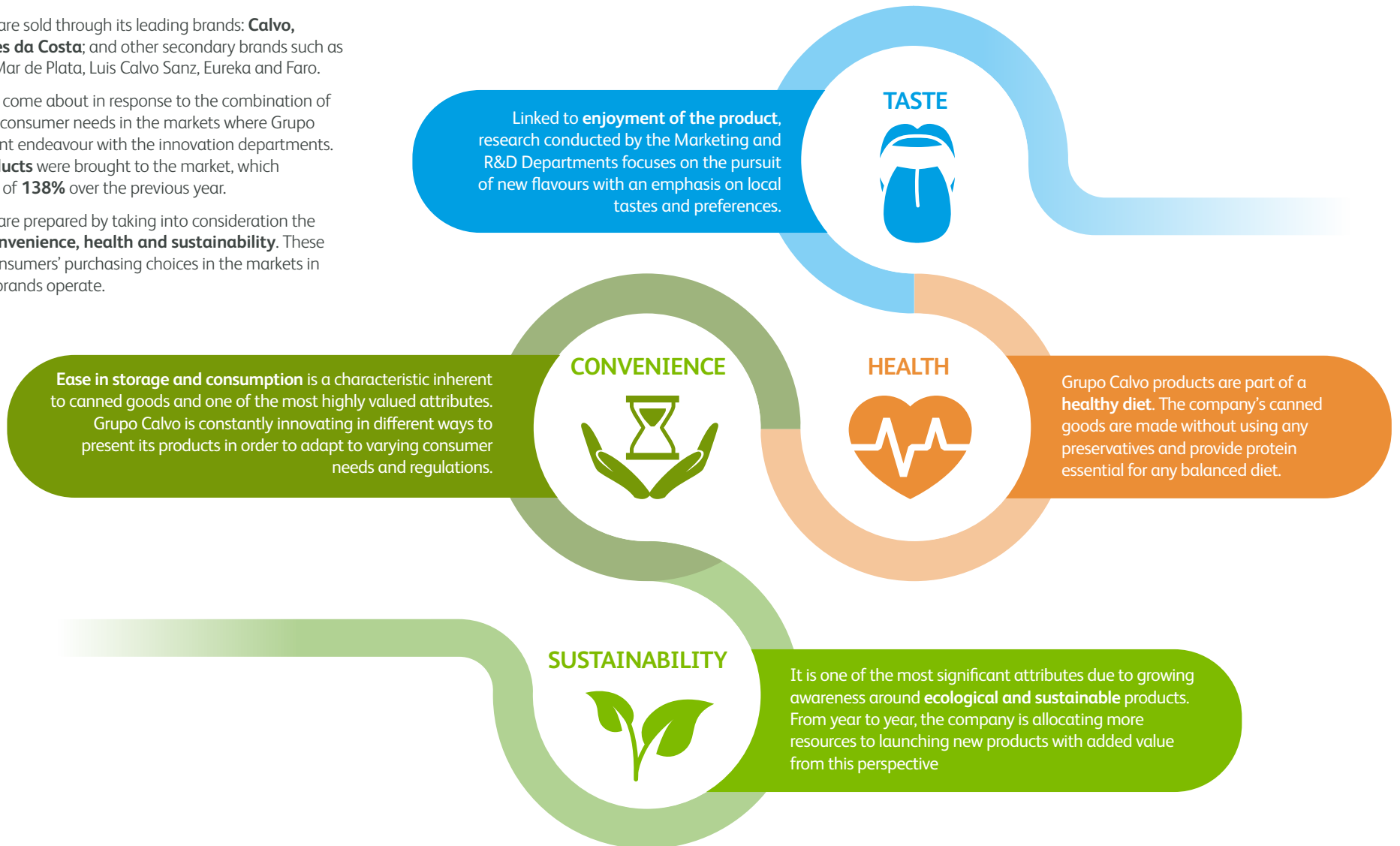
Free service: 84%
Horeca: 6%
DB: 10%

Quality sustainable products

Grupo Calvo products are sold through its leading brands: **Calvo, Nostromo and Gomes da Costa**; and other secondary brands such as 88, Razo, San Marco, Mar de Plata, Luis Calvo Sanz, Eureka and Faro.

New product launches come about in response to the combination of exhaustive analysis of consumer needs in the markets where Grupo Calvo operates and joint endeavour with the innovation departments. In 2018, **31 new products** were brought to the market, which represents an increase of **138%** over the previous year.

Grupo Calvo products are prepared by taking into consideration the attributes of **taste, convenience, health and sustainability**. These qualities determine consumers' purchasing choices in the markets in which the company's brands operate.



Product launches in 2018	Markets where distributed	Most representative features
Calvo MSC Eco tuna in olive oil	Spain	
Eco mussels	Spain	
MSC Eco salads	Spain	
Eco mackerel in olive oil	Spain	
Smoked yellowfin tuna in olive oil	Spain	
Low-sodium mackerel	Spain	
Grilled tuna in olive oil	Spain	
Supernatural Tuna	Spain	
Zero Natural Tuna	Italy	
MSC Bio tuna in olive oil	Italy	
BIO tuna salads	Italy	
Bio mackerel in olive oil	Italy	
Low-sodium mackerel	Italy	
Grilled tuna in olive oil	Italy	
Grilled salmon in olive oil	Italy	
Grilled mackerel in olive oil	Italy	
Grilled mackerel w/olive oil & lemon	Italy	

Product launches in 2018	Markets where distributed	Most representative features
Sardines in tomato sauce	Costa Rica	
Spicy sardines	Costa Rica	
Hearts-of-palm in chunks	Costa Rica	
Whole hearts-of-palm	Costa Rica	
Natural diced chicken breast with maize, peas and carrots	Brazil	
Natural diced chicken breast	Brazil	
Diced chicken breast with tomato sauce	Brazil	
Natural diced chicken breast in sherry sauce	Brazil	
Minced sardines with spicy tomato sauce	Brazil	
Minced sardines with spicy tomato sauce	Brazil	
Bocatorta herring with oil	Brazil	
Bocatorta herring with oil	Brazil	
Natural jack mackerel with added oil	Brazil	
Natural jack mackerel	Argentina	

Healthy eating habits

In keeping with increasing consumer awareness around acquiring healthier lifestyle habits and a growing interest in using products that are sustainable, Grupo Calvo launched a new range of products called Ecolinea.

The entire product range contains certified ecological oil and skipjack tuna bearing the MSC (Marine Stewardship Council) seal. In the case of salads (made with spelt and quinoa), the vegetable ingredients are also certified ecological by a third party.



Food safety

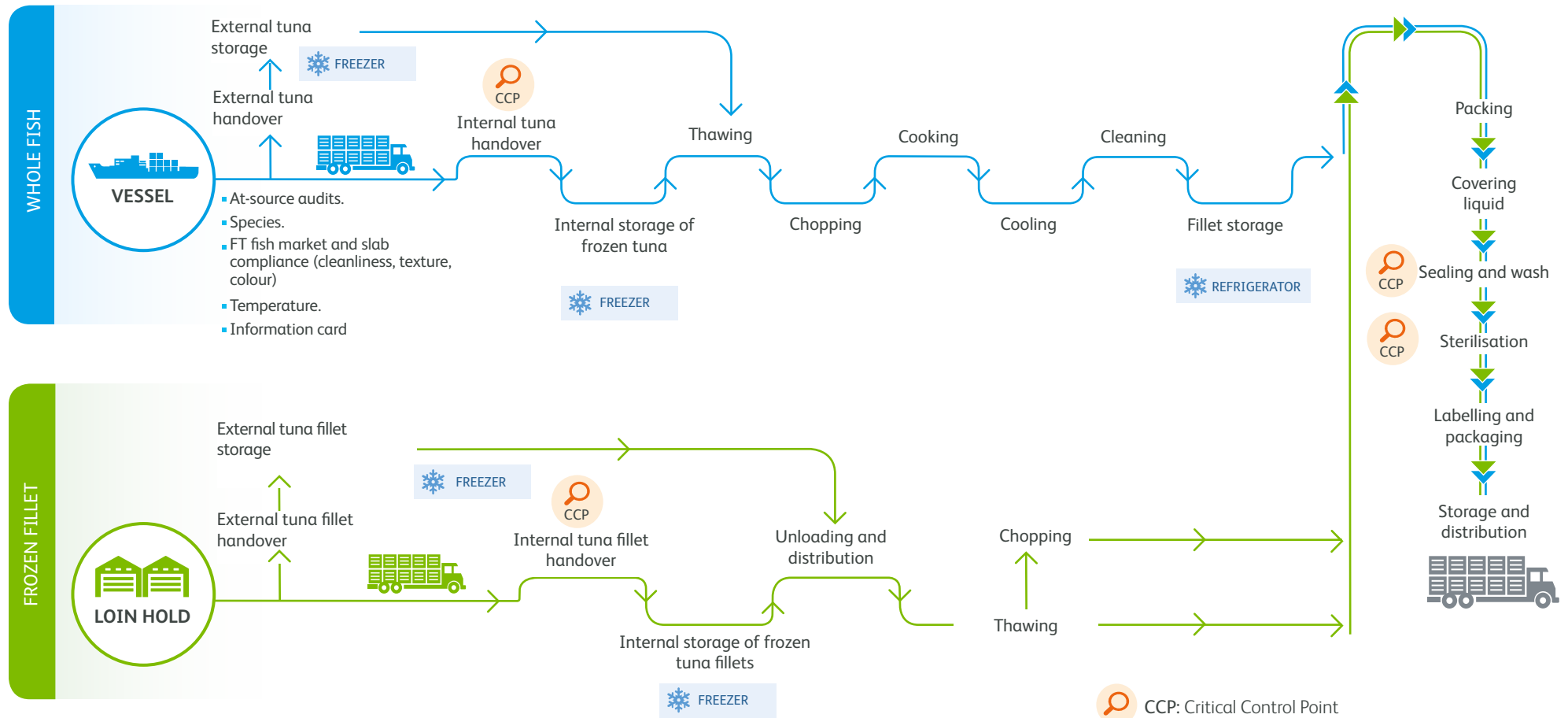
Grupo Calvo ensures the **safety and quality of every product** entering the market under any of its brands and guarantees systematic compliance with applicable national and international regulations in every territory where the company conducts its business.

In 2018, these efforts were once again demonstrated by obtaining the highest food safety ratings in IFS and BRC certifications in Spain and El Salvador, in addition to the ISO 9001 Quality Standard in the Brazilian market. As a new feature in 2018, the Carballo plant also obtained Halal certification, which backs fulfilment of the requirements under Islamic Law for the consumption of products by part of the Muslim community.

The manufacturing process for all Grupo Calvo products has various **control points** in place that enable monitoring of the quality of both raw material and finished product through the collection of samples and laboratory analysis. There must be full compliance of all assessable parameters at all control points in order for the finished product to go on the market.



Illustrated below is an example of the control points in the process of preparing a can of tuna:



Traceability and labelling

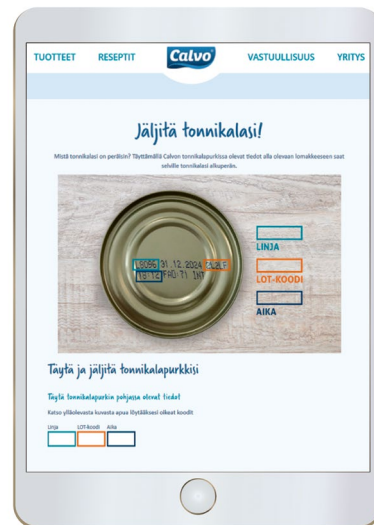
In December 2018, Grupo Calvo’s factory in Spain obtained ISO 22005 certification, which thereby endorses the traceability system the company implemented in March 2017 for the Calvo and Nostromo brands. This system provides consumers with information on the origin of the tuna loins they are going to consume, which is essential in ensuring quality and the fulfilment of commitments undertaken by the company in the realm of responsible management. The system is available for Calvo and Nostromo brand tuna products manufactured in Spain through the following websites: <https://calvo.es/>, <http://tonnonostromo.it/> and <http://www.calvo.fi/https://calvo.es/>.

Any consumer who wishes to do so can enter the code shown on a can of tuna and receive a detailed report via email informing him or her of the following:

- **Species** of tuna
- **Vessel** caught by
- **Fishing period**
- **Fishing gear** used
- **FAO area** and ocean region where caught
- **Port** of landing
- **Production factory**

Additionally, the number of products whose traceability can be checked through the website was expanded in 2018 upon including Calvo products sold in Finland.

The traceability system used by Grupo Calvo lets consumers know about the origin of the tuna contained in the can they’ve purchased.



Customer and consumer relations

In 2018, Grupo Calvo concentrated efforts on better understanding and improving the customer service process (distribution), from the moment an order is placed to product delivery. The capillarity of its sales network and the importance for Grupo Calvo of innovation in product offering also require **ongoing dialogue** with the end consumer. This dialogue transcends the follow-up meetings held by marketing teams in every country with direct customers.

This dialogue takes place through **focus groups** and **opinion panels** in which brand-related values, reactions to new products and household purchasing habits are analysed.

Grupo Calvo also conducts **satisfaction surveys** periodically and manages complaints taken in from both distribution customers and end consumers.

	2018	2017	2016
Number of satisfaction surveys	356	198	185
Satisfied customer response %	83%	95%	75%
Number of complaints received	3,191	5,666	7,817
% of complaints handled	100%	100%	100%
% of complaints resolved satisfactorily	100%	100%	94%

The process of receiving and handling any complaints submitted adheres to stringent controls ensuring compliance with local laws on data protection. These sound practices are part of the reason why Grupo Calvo received no substantiated claims involving violations of privacy or customer data leaks in 2018.

Grupo Calvo received 91 complaints in connection with product-related health and safety over the course of the year.



Grupo Calvo ranked amongst the five most reputable Spanish companies

Grupo Calvo makes a strong entry into the global ranking with a total score of 73.9 points, which brings it to 23rd place amongst the 124 national and international companies participating in the report.

The results of the “Reprtrak Spain 2018 Study” conducted by the Reputation Institute gauge the emotional connection generated by companies operating in Spain. They are obtained based on the responses from 7,077 interviewees which serve to evaluate the opinion prompted by the company amongst consumers, taking into account seven rational dimensions of corporate performance: offering, innovation, endeavour, integrity, citizenship, leadership and finances.

For further information:

<https://www.reputationinstitute.com/research/2018-spain-reprtrak>

HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

CONTRIBUTION TO SOCIETY

€519,497
invested in the
community

570 volunteers
have participated in
community action
projects

190 youngsters
and teens at the Luis
Calvo Sanz Sports
School

111
social outreach
projects

A closer look at 2018



Luis Calvo Sanz Sports School

The Luis Calvo Sanz Sports School began working with a new and more inclusive approach with the aim of increasing project participation amongst young girls and teens, who accounted for 24% during the year. Basketball teams were added alongside the programme's traditional football teams this year. The objective of the school is to contribute to building the skills and values learnt through sport that are vital to co-existence and development.



Participation in the Together by the River volunteer programme

Through its Brazilian Gomes da Costa subsidiary, Grupo Calvo participated once again in the Together by the River initiative, an annual event in which the company has been collaborating for five years with the aim of cleaning up the banks of the Itajaí-Açu River. This river has particular environmental importance because it flows into the Atlantic Ocean and its basin includes a portion of the Canela Preta Biological Reserve. The number of Gomes da Costa employees to take part in clean-up tasks rose by 61% with respect to the previous year.



Sponsorship of races throughout Spain

Grupo Calvo considers the promotion of the benefits of sport and a healthy diet to be of vital importance. Thus, as it has for several years now, the Calvo brand sponsored a variety of races in different cities in Spain in collaboration with the Spanish Association Against Cancer.



Collaboration with local communities

In 2018, Grupo Calvo allocated a total of **€519,497 to a total of 111 community outreach initiatives**, including the work conducted by the Luis Calvo Sanz Foundation and the valuation of in-kind donations, which represented 13% of the total.

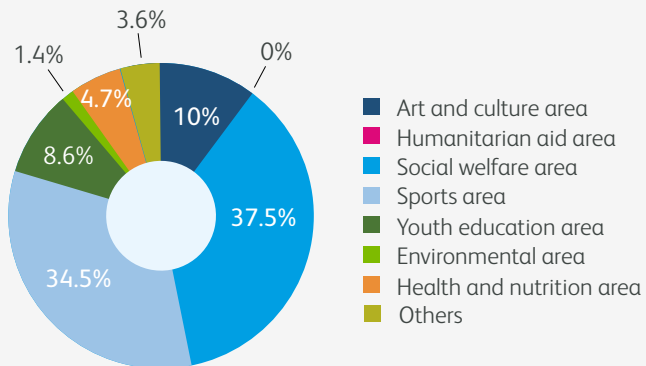
Cumulative investment over the past five years in community action projects exceeds €3 M.

The areas where Grupo Calvo's community outreach programmes have the biggest impact are social welfare, understood to be initiatives aimed at community development and enhancement, and sports. Together, they account for 72% of investment.

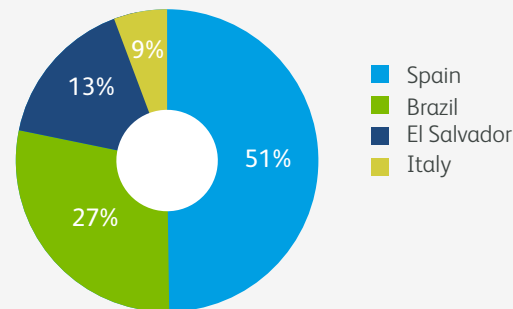
In Spain, 51% of the investment concentrates on community action, fundamentally in connection with the work being conducted by the Luis Calvo Sanz Foundation.

Promoting values for co-existence, sport and environmental stewardship is the strategic pillar of our social outreach programmes in the communities where we enjoy a presence through our activity

Investment by working area



Contribution by geographic area



We strive to establish solid relationships with our stakeholders, particularly in the communities where we are present by conducting our business

Notable programmes and initiatives

EL SALVADOR



New inclusive focus for the Luis Calvo Sanz Sports School

In a context with a high rate of violence, young people are especially vulnerable in El Salvador. In 2017, Grupo Calvo carried out a study in conjunction with the UNFPA (United Nations Population Fund) that revealed the fragile situation of the women here, marked by high rates of violence and teen pregnancy. Necessary in fighting against this reality are programmes and initiatives that afford opportunities to youngsters and teens by promoting education in values and recreation whilst steering them away from the violence. The recently renamed Luis Calvo Sanz Sports School (formerly the Luis Calvo Sanz Football School) seeks to contribute to education in values for youth through sport in the department of La Unión (El Salvador). With this name change, Grupo Calvo pursues a more inclusive approach that will increase project participation by girls and teens.

Along these lines, in 2018 basketball teams were created, in addition to the usual football teams.

Since its inception in 2010, the programme has benefitted 3,690 Salvadoran girls and boys from a variety of municipalities in the department of La Unión in exercising values of sportsmanship and non-violence education. The Sports School currently has two locations carrying out activities, one in Conchagua (9.1 km from the plant) and another in Unión (4.8 km from the plant).

The aims of this programme are the following:

1. To encourage children and family members of Grupo Calvo employees to strengthen their skills and prevent violent situations.
2. To promote the rights to recreation, education and health.
3. To contribute to lowering the number of teen pregnancies through education and classroom attendance.
4. To build co-existence and motor skills through sport.

5. To get fathers and teachers involved in fomenting shared responsibility in achieving goals.
6. To promote corporate and community volunteering (programme instructors are local volunteers).
7. To promote gender equality through higher participation by girls and adolescents.

The Luis Calvo Sanz Sports School operates in collaboration with NGO [Glasswing International](#), a non-profit organisation that seeks to address the roots of poverty and violence.

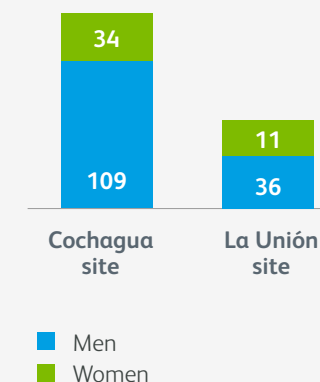
2018 implementation entailed an investment of €26,280, of which 190 young people benefitted as participants. Over the 10-month duration, they acquired both athletic skills and valuable knowledge to apply to their everyday living.

The number of girls and teens participating in the programme accounts for 24% of the total.

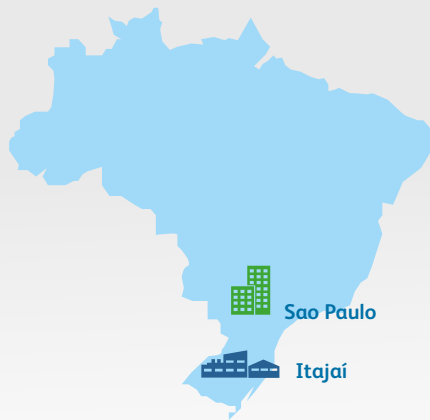
Luis Calvo Sanz Sports School. Participation in 2018 by gender			
	Men	Women	Total
Conchagua site	109	34	143
La Unión site	36	11	47
Participation percentage	76%	24%	190

3,690 children and teens have taken part in the Luis Calvo Sanz Sports School since it was founded in 2010

Participation in the Luis Calvo Sanz Sports School



BRAZIL



Together by the River (Juntos pelo Rio)

The city of Itajaí, the home of Grupo Calvo’s factories in Brazil, is located on the banks of the Itajaí-Açu River, which runs through part of the Canela Preta Biological Reserve, a protected area. For the fifth year in a row, Grupo Calvo employees in Brazil took part in “Together by the River” (Juntos pelo Rio) as volunteers in this initiative devoted to cleaning the river banks.

Organised by the city of Itajaí with support from public and private institutions, this activity has a twofold aim: on the one hand, it enables hundreds of volunteers to take part in cleaning up waste that accumulates in the river and its tributaries; and, on the other, it contributes to raising community awareness of the need to maintain a clean and cared for environment.

In this implementation of the initiative, the eighth since the project started up, **74 Grupo Calvo volunteers**, 61% more than in the previous campaign, participated in the clean-up sessions. This mobilisation in favour of preservation of the environment and water resources took place on 23 March in commemoration of World Water Day.

The Gomes da Costa Race (Corrida Gomes da Costa), promoting healthy habits

Through its Brazilian Gomes da Costa brand, Grupo Calvo organises a variety of events each year in Brazil with the aim of encouraging healthy lifestyle habits. Noteworthy among them is the Gomes da Costa Race.

The sixth implementation of the run was held on 30 September in Itajaí. Of the 2,000 registrants, 407 were Gomes da Costa employees. This event is intended to promote healthy lifestyle habits and quality of life in the region.

Training programmes

Grupo Calvo, together with its Gomes da Costa brand, has a local volunteer programme focused on the area of youth education.

In association with the [Junior Achievement](#), organization, 42 collaborators were trained to teach training courses centred on preparing young people for the working world and providing financial education.

These training sessions are geared towards both members of Young Apprentices, a training internship programme run by company brand Gomes da Costas, as well as elementary school students in Itajaí.

A total of 92 young people took part in the programme, which involved 160 hours of training and education.

Cultural and Gastronomic Showcase

With the aim of promoting local culture and the **richness of language through entertainment**, the Cultural and Gastronomic Showcase project was carried out once again to bring knowledge, information and art to citizens of the Itajaí region.

This programme makes use of a travelling mobile structure equipped with a stage for free performances of plays and to hold gastronomic workshops. A total of 5,294 children and adults participated in these activities throughout May of 2018.

SPAIN



Supporting sport

30% of Grupo Calvo’s community engagement projects are focused on promoting and supporting a variety of athletic activities, including football, cycling, basketball, handball, judo, volleyball and athletics through monetary contributions and in-kind donations.

Grupo Calvo believes in sport as an essential part of a **healthy and balanced** life and backs it publicly in every community where the company operates. Particularly noteworthy is the work of the Luis Calvo Sanz Foundation, which, since its inception, fervently supports the local teams in Carballo, Galicia (Spain).

In 2018, the Calvo brand sponsored a variety of athletic activities in Spain with the aim of promoting sport and a healthy diet. Worth mentioning amongst the initiatives were the races against cancer that took place in Madrid, Barcelona and La Coruña.

Spanish Federation of Food Banks

For the third consecutive year, Grupo Calvo organised a food drive amongst employees in Spain during the Christmas holiday season. The aim of this campaign is collaboration through in-kind donations with local food banks.

Thanks to the effort of Grupo Calvo employees, in this implementation of the initiative, a total of 248 kg of food was collected, 33 kg more than the previous year. The donations went to food banks in Madrid and Galicia through FESBAL (Spanish Federation of Food Banks). Grupo Calvo also made a monetary donation of €20,000 in support of the work carried out by Spanish food banks in the fight against poverty.

World Oceans Day

To commemorate **World Oceans Day**, which takes place on the 8th of June, employees at all of the group’s offices wore blue and took pictures of themselves holding messages aimed at raising awareness of the importance of caring for our oceans.



En el 2050 habrá más plástico que peces en el mar. ¡Consume menos y recicla más! Día Mundial de los Océanos



¡Disminuamos el uso de plásticos! Día Mundial de los Océanos



O oceano nos deu a vida, está na hora da gente retornar o favor. Sylvia Earle



O que eu faço é uma gota no meio de um oceano. Mas sem ela, o oceano será menor. Madre Teresa de Calcutá



O mar não é um obstáculo: é um caminho. Amyr Klink

HOW WE CREATE VALUE

Contribution to the Sustainable Development Goals

ECONOMIC DATA
AND FISCAL
TRANSPARENCY

Our brands continue to grow and generate sales in a sustainable manner, maintaining positions of leadership in key markets, which enables us to invest in infrastructure and processes

€583.1M
in economic value
generated

103,467
tonnes sold

+10.5%
in tonnes of product
sold in Spain

€29.8 M
in net profits

Financial overview

In 2018, Grupo Calvo registered a turnover of €583.1 M, €39.4 M in EBITDA and net earnings of €29.8 M. 2018 turnover was 5.69% lower than the previous year. This decrease is attributed fundamentally to smaller catches by the fleet and to a lower raw material price coinciding with a low commercial realisation price. Furthermore, depreciation occurred with both the Brazilian real and the Argentine peso. The two countries account for over 50% of the group's sales.

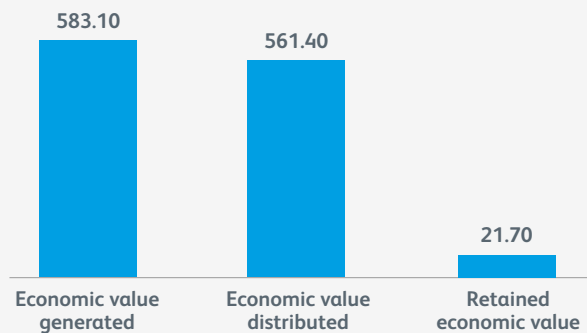
Grupo Calvo operates in a total of 72 countries and has more than 1,000 product references, of which a total of 103,467 tonnes were sold in 2018, which represents an increase of 0.5% over the year 2017. Spain was the consolidated market recording the highest growth in 2018 with an increase of 10.5%.

The product catalogue yielding these results is made up of seafood products, including tuna (both as a raw material and finished product), canned sardines, mussels and squid, as well as salads, spreads and canned vegetables. Together they make up a wide range of products devised to provide health benefits to consumers.

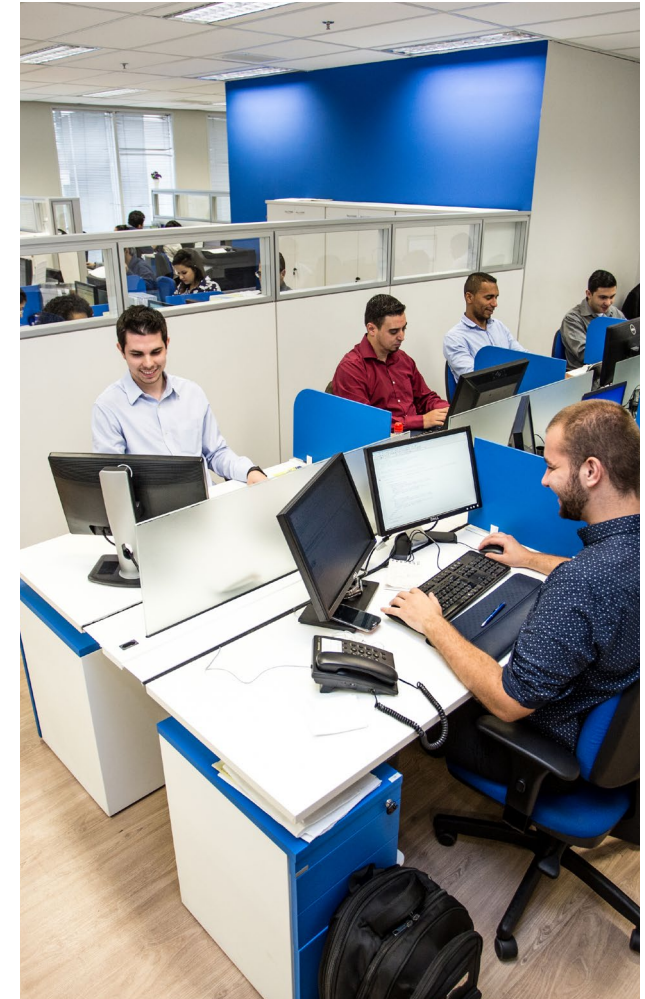
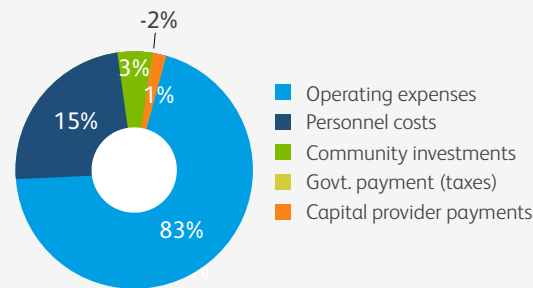
Management at Grupo Calvo focuses on sustainable creation of value for both the company and its stakeholders. Achieving profitable and sustainable growth is one of the company's three strategic thrusts.

Economic value generated by Grupo Calvo's activity is distributed as follows:

Millions of euros



Economic value distributed



Fiscal information

Profits earned by country

Grupo Calvo seeks to satisfy consumer needs and anticipate new market demands by offering quality products for a healthy diet and life.

Grupo Calvo's product portfolio is constantly evolving to achieve optimal local adaptation in each and every territory where the company concentrates its commercial efforts. This way of conceiving growth strategy through the development of products adapted to different countries and cultures has enabled the company to obtain very good results in both Brazil and El Salvador.

Profit taxes paid

Grupo Calvo demonstrates its commitment to the territories in which it conducts its business through responsible management and by generating opportunities. Part of this commitment is based on fulfilling financial and tax obligations. In 2018, profit taxes paid totalled €3.6 M.

The company allocates the resources needed to mitigate the risk of failure to meet financial obligations in Latin American countries, where accounting and fiscal regulations vary significantly between countries. The company has undertaken a commitment to understanding, meeting and, to the extent possible, anticipating the entire range of local rules.

Earnings before taxes and consolidation adjustments

Countries	2018 (K€)
Spain	15,309 €
El Salvador	13,912 €
Brazil	9,907 €
Italy	1,519 €
Morocco	6 €
Cape verde	-20 €
Unites States	-38 €
Guatemala	-198 €
Panamá	-239 €
Costa Rica	-1,054 €
Argentina	-1,803 €
Total	37,302 €

Public subsidies received

Grupo Calvo did not receive any public subsidies in 2018.



REQUIREMENTS UNDER LAW 11/2018 ON NON-FINANCIAL INFORMATION AND DIVERSITY



Requirements of Law 11/2018 on non-financial information and diversity

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
Business model	Brief description of the group's business model, including: 1) its business environment, 2) organisation and structure, 3) markets in which it operates, 4) objectives and strategies, 5) main factors and trends that may affect the group's evolution in the future.	-	Grupo Calvo	102-1 / 102-2 / 102-3 / 102-4 / 102-6 / 102-7	Grupo Calvo: Vision, mission and values Strategy and business model Global presence
Policies	A description of policies the group applies with respect to these matters, including: 1) due diligence procedures applied to identify, assess, prevent and mitigate risks and significant impacts. 2) Verification and control procedures, including specification of measures adopted.	-	Grupo Calvo	103 Management approach to each area of the economic, environmental and social dimensions	Grupo Calvo: Good Governance, Ethics and Compliance Different subsections within the "How we create value" section
Short-, medium- and long-term risks	Main risks related to these matters in connection with group activities; amongst them being, where pertinent and proportional, the group's trade relations, products or services that may have negative effects on these areas, and how the group manages such risks, explaining the procedures used to detect and evaluate them in accordance with domestic, European or international frameworks of reference for each matter. Information should be included on any impacts detected, providing a breakdown thereof, in particular with respect to main risks in the short, medium and long term.	-	Grupo Calvo	102 - 15	Grupo Calvo: Good Governance, Ethics and Compliance [Ethics and compliance / Risk management]
KPIs	Key indicators of non-financial results that are pertinent with respect to specific company activity and which meet comparability, materiality, relevance and reliability criteria. <ul style="list-style-type: none">■ With the aim of facilitating comparison of information, both over time and between entities, standards for key non-financial indicators are to be used, particularly those that are generally applicable and which are in keeping with European Commission directives in the area, as well as the Global Reporting Initiative standards. Mention should be made in the report of the domestic, European or international framework used for each matter.■ Key indicators of non-financial results should be applied to each section of the non-financial information statement.■ These indicators must be useful, taking into account specific circumstances and consistent with the parameters used in internal management procedures and risk assessment.■ In any case, the information provided must be accurate, comparable and verifiable.	-	Grupo Calvo	102-54 General or specific GRI Standards for economic, environmental and social dimensions reported in the following blocks	Different subsections within the "How we create value" section

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
Environmental matters	Global Environment				
	1) Detailed information on current and foreseeable effects of company activities on the environment and, where applicable, on health and safety, environmental assessment or certification procedures; 2) Resources dedicated to environmental risk prevention; 3) Application of the precautionary principle, number of provisions and assurances for environmental risks (e.g. those derived from the law on environmental responsibility).	Yes	Grupo Calvo	102-11 / 103 Management approach to each area within the environmental dimension 307-1	How we create value: The environment [Environmental investment / Environmental certification / Environmental insurance]
	Pollution				
	Measures for preventing, reducing or repairing carbon emissions with serious effects on the environment; taking into account any form of activity-specific air pollution, including noise and light pollution.	Yes	Grupo Calvo	103 Management Approach to Emissions / Biodiversity	How we create value: The environment [Emissions, discharges and effluents]
	Circular economy and waste prevention and management				
	Circular economy	Yes	Grupo Calvo	103 Management Approach to Effluents and Waste 306-2	How we create value: The environment [Waste management]
	Waste: prevention, recycling and reutilisation measures, and other forms of recovering and eliminating waste	Yes			
	Actions taken to halt food waste.	Yes			
	Sustainable resource use				
	Water consumption and water supply in accordance with local limitations	Yes	Grupo Calvo	303-1 / 303-3	How we create value: The environment [Consumption efficiency]
Consumption of raw materials and steps taken to improve efficiency in use thereof	Yes	103 Management Approach to Materials 301-1 / 301-2			
Direct and indirect energy consumption, steps taken to increase energy efficiency and use of renewables	Yes	103 Management Approach to Energy 302-1 / 302-3			

Continued...

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
Environmental matters	Climate change				
	Important elements of greenhouse gas emissions resulting from company activities, including the use of goods and services the company produces	Yes	Grupo Calvo	103 Management Approach to Emissions Management 305-1 / 305-2 / 305-4	How we create value: The environment [Emissions, discharges and effluents]
	Measures adopted for adapting to the consequences of climate change	Yes			
	Medium- and long-term reduction targets undertaken voluntarily to cut greenhouse gas emissions and the means employed to that end.	Yes			
	Protection of biodiversity				
Steps taken to preserve or restore biodiversity; impacts caused by activities or operations in protected areas.	Yes	Grupo Calvo	103 Management Approach to Biodiversity 304-1/304-2/304-3/306-5	How we create value: The environment [Biodiversity] Sustainable fishing [Commitment to sustainable fishing / Sustainable use of fishing stocks and environmental stewardship / Vulnerable spaces and species]	
Personnel-related social matters	Employment				
	Total number and distribution of the workforce by gender, age, country and employee category;	Yes	Grupo Calvo	103 Management Approach to Employment 102-8 / 405-1	How we create value: Personnel [Human capital / Remuneration policy / Equality and diversity]
	Total number and distribution of employment contract types,	Yes		102-8	
	Annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and employee category,	Yes		102-8 / 405-1	
	Number of terminations by gender, age and employee category;	Yes		401-1	
	Average wages and evolution thereof disaggregated by gender, age and employee category or equal value; pay gap, remuneration in equal job positions or company average,	Yes		103 Management Approach to Diversity and Equal Opportunities 405-2	
	Average remuneration of directors and executives, including variable compensation, allowances, indemnities, payment into long-term savings plans or any other payments received, disaggregated by sex,	Yes		103 Management Approach to Diversity and Equal Opportunities	
	Implementation of policies on disconnection from work,	Yes		103 Management Approach to Employment	
Disabled employees.	Yes	405-1			

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
Personnel-related social matters	Work organisation				
	Organisation of working time.	Yes	Grupo Calvo	103 Management Approach to Employment	How we create value: Personnel [Evaluation, compensation and benefits / Equality and diversity / Absenteeism]
	Number of hours of absenteeism.	Yes		403-2	
	Steps taken to facilitate work and family life balance and foment shared child-care responsibility by both parents.	Yes		103 Management Approach to Employment	
	Health and safety				
	Health and safety conditions in the workplace;	Yes	Grupo Calvo	103 Management Approach to Occupational Health and Safety	How we create value: Personnel [Health and Safety]
	Work-related accidents, frequency and severity thereof in particular, occupational diseases, disaggregated by gender.	Yes		403-2 / 403-3	
	Company relations				
	Organisation of company dialogue, including procedures for informing, consulting and negotiating with personnel;	Yes	Grupo Calvo	103 Management Approach to Worker-Company Relations	How we create value: Personnel [Internal communication / Trade union representation and labour relations / Health and safety]
	Percentage of employees covered by a collective agreement by country;	Yes		102-41	
	The balance sheet of collective agreements, particularly in the area of occupational health and safety.	Yes		403-1	
	Training				
	Policies implemented in the training area;	Yes	Grupo Calvo	103 Management Approach to Training and Instruction	How we create value: Personnel [Professional development and training]
	Total number of training hours by employee category.	Yes		404-1	
	Universal access for the disabled				
	Yes	Grupo Calvo	103 Management Approach to Diversity Management, Equal Opportunities and Non-Discrimination	How we create value: Personnel [Equality and diversity]	
Equality					
Measures adopted to promote equal treatment and opportunities between men and women;	Yes	Grupo Calvo	103 Management Approach to Diversity and Equal Opportunities and Non-Discrimination	How we create value: Personnel [Equality and diversity]	
Equality Plans (Chapter III of Organic Law 3/2007, dated 22 March, on Effective Equality of Women and Men), measures adopted to promote employment, protocols to combat sexual harassment and gender-based discrimination, integration of and universal access for disabled people;	Yes				
All-compassing anti-discrimination policy and, where appropriate, diversity management.	Yes				

Continued...

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
<p>Matters related to respect for human rights</p>	<p>Application of due diligence procedures involving human rights. Prevention of risks posing human rights violations and, if needed, steps to mitigate, manage and remedy potential abuses committed;</p>	<p>Yes</p>	<p>Grupo Calvo</p>	<p>103 Management approach to human rights assessment and non-discrimination 102-16 / 102-17</p>	<p>Grupo CALVo: Good Governance, Ethics and Compliance [Ethics and compliance / Whistle-Blower Channel / Respect for Human Rights]</p> <p>How we create value: Sustainable fishing [Humans rights on board vessels]</p>
	<p>Reporting of cases of human rights violations;</p>			<p>406-1</p>	
	<p>Promotion of and compliance with the provisions of fundamental conventions of the International Labour Organisation in relation to upholding freedom of association and the right to collective bargaining;</p>			<p>407-1</p>	
	<p>Elimination of discrimination in employment or occupation;</p>			<p>103 Management approach to non-discrimination 406-1</p>	
	<p>Elimination of forced or compulsory labour;</p>			<p>409-1</p>	
	<p>Effective abolition of child labour.</p>			<p>408-1</p>	
<p>Matters related to anti-corruption and anti-bribery</p>	<p>Steps taken to prevent corruption and bribery;</p>	<p>Yes</p>	<p>Grupo Calvo</p>	<p>103 Management Approach to Anti-Corruption 102-16 / 102-17 / 205-2 / 206-1 / 419-1</p>	<p>Grupo Calvo: Good Governance, Ethics and Compliance [Ethics and compliance/Whistle-Blower Channel / Anti-Corruption]</p>
	<p>Measures for combatting money laundering;</p>			<p>413-1</p>	<p>How we create value: Contribution to society [Collaboration with local communities]</p>
	<p>Contributions to non-profit organisations and foundations.</p>				

Continued...

Areas	Contents	Material topic (Yes/No)	Scope / Boundary	Related GRI Standards	Section
Society-related matters	Company commitments to sustainable development				
	Impact of company operations on local development and employment;	Yes	Grupo Calvo	103 Management Approach to Local Communities and Indirect Economic Impacts 203-1 / 413-1	How we create value: Contribution to society [engagement with local communities]
	Impact of company operations on local communities and territory;	Yes			
	Relationships maintained with local community actors and forms of dialogue with them;	Yes			
	Association or sponsorship activity.	Yes			
	Outsourcing and suppliers				
	<ul style="list-style-type: none"> Inclusion into procurement policy of social, gender equality and environmental considerations; Consideration of social and environmental responsibility in supplier and subcontractor; 	Yes	Grupo Calvo	103 Management Approach to Procurement Practices and Environmental and Social Assessment of Suppliers	How we create value: Responsible supply [Responsible Procurement System: BSCI values and principles]
	Oversight systems and their audits and outcomes.	Yes			
	Consumers				
	Consumer health and safety measures;	Yes	Grupo Calvo	103 Management Approach to Customer Health and Safety, Marketing and Labelling and Customer Privacy 416-1 / 416-2 / 417-1 / 417-2 / 417-3 / 418-1	How we create value: Customers and consumers [Food safety / Traceability and labelling / Customer and consumer relations]
	Grievance mechanisms, complaints lodged and resolution thereof.	Yes			
	Fiscal information				
	<ul style="list-style-type: none"> Profits obtained, country by country. Profit taxes paid. 	Yes	Grupo Calvo	103 Management Approach to Economic Performance 201-1	How we create value: Economic data and fiscal transparency
Public subsidies received	Yes				



INDEPENDENT VERIFICATION REPORT

Luis Calvo Sanz, S.A. y sociedades dependientes

Informe de verificación independiente
del Estado de Información No Financiera Consolidado
correspondiente al ejercicio 2018



INFORME DE VERIFICACIÓN INDEPENDIENTE

A los accionistas de Luis Calvo Sanz, S.A.:

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de información no financiera consolidado adjunto (en adelante, EINF) correspondiente al ejercicio finalizado el 31 de diciembre de 2018, de Luis Calvo Sanz, S.A. y sociedades dependientes (en adelante, Grupo Calvo o el Grupo) que forma parte del Informe de Gestión Consolidado (en adelante, Informe de Gestión) del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la tabla "Requerimientos de la Ley 11/2018 en materia de información no financiera y diversidad" incluida en el EINF adjunto.

Responsabilidad de los administradores

La formulación del EINF incluido en el Informe de Gestión del Grupo Calvo, así como el contenido del mismo, es responsabilidad de los administradores del Grupo. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards of Global Reporting Initiative* (estándares GRI) seleccionados y descritos de acuerdo a lo mencionado para cada materia en la tabla "Requerimientos de la Ley 11/2018 en materia de información no financiera y diversidad", del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores del Grupo Calvo son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

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Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado que se refiere exclusivamente al ejercicio 2018. Los datos correspondientes a ejercicios anteriores no estaban sujetos a la verificación prevista en la normativa mercantil vigente. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor; "Encargos de Aseguramiento distintos de la Auditoría y de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad proporcionada es también menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades del Grupo Calvo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal del Grupo para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.
- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2018 en función del análisis de materialidad realizado por el Grupo y descrito en el apartado "Sobre este informe" del citado EINF, considerando contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2018.
- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2018.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2018 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los administradores y la Dirección.



Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF del Grupo Calvo correspondiente al ejercicio anual finalizado el 31 de diciembre de 2018 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI descritos de acuerdo a lo mencionado para cada materia en la tabla "Requerimientos de la Ley 11/2018 en materia de información no financiera y diversidad", del citado Estado.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

PricewaterhouseCoopers Auditores, S.L.

Marga de Rosselló

21 de junio de 2019

INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

PricewaterhouseCoopers
Auditores, S.L.

Año 2019 Nº 2019/08500
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Informe sobre trabajos distintos
a la auditoría de cuentas





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