

# 9. COMMITMENTS FOR 2015-2017

Action pillars	Commitments for 2015-2017	Progress
Promoting Good Health through Food	Further improve the nutritional profile of both the Private Brand products, through product innovation and reformulation, and in the Meal Solutions meals.	<b>Achieved.</b> Between 2015 and 2017, the Group avoided the following from entering the market: <ul style="list-style-type: none"> <li>• 988 tons of fat, including saturated fat;</li> <li>• 525 tons of sugar;</li> <li>• 164 tons of salt.</li> </ul>
	Continue to develop programmes promoting the Mediterranean Diet and awareness for reading food labels amongst consumers.	<b>Achieved.</b> In Portugal, Pingo Doce maintained its commitment to the magazine "Sabe Bem" (Tastes Good) with an average print run of 150 thousand copies, highlighting healthier ways of preparing products and the offer of the Pingo Doce brand. In Poland, within the scope of promoting information about nutrition, in conjunction with Instytut Żywności i Żywienia (Polish Institute of Food and Nutrition), Biedronka developed the "Wiesz Co Jesz" (Know What You're Eating) and the "Codziennie Bądź w Formie" (In Shape Everyday) campaigns, whereby it provided a special telephone line to advise consumers on making healthier nutritional choices and reading products' labels.
	Increase the number of references of the lactose-free and gluten-free range, in Private Brand products in Portugal and Poland.	<b>Achieved.</b> Between 2015-2017, 77 products without gluten or lactose-free were launched. In this period, another 48 products from Pingo Doce' Pura Vida range were launched. This range is intended for consumers with special/nutritional preferences, having products such as sugar, gluten or lactose free.
	In Portugal, ensure that products intended for children have a higher nutritional profile than the market benchmark.	<b>Achieved.</b> In this period, products such as Farinha Láctea Pêra Pingo Doce was launched for babies from the age of four months, which is gluten-free and contains transition milk. It has a 9 p.p. lower sugar content than the benchmark. As for the Pingo Doce Bolsas de Fruta, these products are made from fruit puree, standing out from the benchmark which uses concentrate. In turn, Bebidas de Soja Kids contain vitamins B1, E, D or iodine, differentiating from the benchmarks.
	In Portugal, develop and implement nutritional information in the Meal Solutions area.	<b>Achieved.</b> Within the scope of adapting to national and community regulations, the Meals Solutions' meals were labelled with information on their nutritional profiles, and are available for consultation at the customer's request, and communication materials were also developed in the service areas in order to publicise the legally required aspects concerning allergens.

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	In Portugal, in the Meal Solutions area, test meals for consumers with special dietary requirements or those who seek other dietary options.	<b>Achieved.</b> During 2016, the offer of meals for vegetarians or consumers seeking healthier options increased from seven references to 12. Every week three of these kinds of dishes were available in the Pingo Doce Restaurants and Take Away.
	In Portugal, continue to develop and implement nutritional information in the Bakery.	<b>Achieved.</b> Within the scope of adapting to national and community regulations on nutrition profiles and communication of allergens, Pingo Doce labelled its pre-packed Bakery and Pastry products and those packed on request by the customers, with the necessary information.
<b>Respecting the Environment</b>	Reduce the Group's carbon footprint by 2% in the 2015-2017 three-year period (per €1,000 of sales), compared to 2014.	<b>Achieved.</b> In 2017, the Group's carbon footprint reduced by 13.6% (per €1,000 of sales), compared to 2014.
	Make an annual reduction in the consumption of water and electricity of 2% per year (comparing the same store network in Portugal and Poland).	<b>Partially achieved.</b> LFL reductions for the three years were, on average, above 2%: 2017 – Water: -9.4%; Electricity: -3.1%. 2016 – Water: -1.9%; Electricity: -1.2%. 2015 – Water: -1.7%; Electricity: -2.5%. 2015 and 2016 values were reviewed in order to also reflect sales evolution.
	Reduce the amount of waste sent to landfill by 5 p.p. in the 2015-2017 three-year period, compared to 2014 (objective measured using the ratio amount of waste recovered / total amount of waste).	<b>Not achieved.</b> In 2017, the recovery rate increased by 2.2 p.p., compared to 2014.
	Increase the number of locations with environmental certification (at least 20).	<b>Not achieved.</b> At the end of 2017, 19 DC were environmentally certified according to ISO 14001. The number of DC in Portugal with this certification remained at four, given that the Guardairas DC was closed. In Poland there are now 15 DC with the same environmental certification. The 16 <sup>th</sup> Biedronka DC, inaugurated at the end of 2017, is now being prepared to be included in the scope of certification.
<b>Sourcing Responsibly</b>	In all brands, ensure continuity of the sourcing of at least 80% of food products from local suppliers.	<b>Partially achieved.</b> In 2017, all Food Distribution Companies, with the exception of Pingo Doce (77%), in Portugal, Poland and Colombia fulfilled this commitment, buying more than 80% of food products from local suppliers. As a whole, the food purchases of the Group's food distribution companies were over 89%.

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	<p>Continue to introduce sustainability certificates (UTZ certification, Fairtrade, MSC, EU-Ecolabel or others) for at least:</p> <ul style="list-style-type: none"> <li>• Private Brand (two products);</li> <li>• Perishables (four products).</li> </ul>	<p><b>Achieved.</b> In 2017 the Group launched:</p> <ul style="list-style-type: none"> <li>• 15 Marine Stewardship Council (MSC) certified references (Biedronka);</li> <li>• 13 references with organic certification in Poland, 11 in the Fruit &amp; Vegetables category and 2 Private Brand references (Biedronka);</li> <li>• 13 references with Forest Stewardship Council (FSC) certification regarding primary product packaging (Pingo Doce);</li> <li>• 13 references with UTZ certified cocoa as an ingredient (Biedronka);</li> <li>• 3 Dolphin Safe references in Portugal (Recheio);</li> <li>• 2 beverage references containing coffee or tea with "Rainforest Alliance" certification (Biedronka);</li> <li>• 1 PEFC certified reference for the paper fibres present in the product (Biedronka).</li> </ul>
	<p>Reduce by 5% the presence of palm oil in the total sales of Private Brand products.</p>	<p><b>Achieved.</b> There was a 38% reduction of palm oil in Private Brand products and Perishables in 2017, compared to 2014. This reduction is essentially a result of a substitution of food oils with a better nutritional profile.</p>
	<p>Reduce by 5% soya, beef, wood and paper products from countries at risk of deforestation.</p>	<p><b>Not achieved.</b> In 2017, there was a 41% reduction, compared to 2014, in paper and wood products from countries at risk of deforestation and an increase in soya and beef from countries at risk of deforestation. For more details on the Group's actions, including progress in 2017, information will be available at <a href="http://www.jeronimomartins.com">www.jeronimomartins.com</a> and at <a href="http://www.cdp.net">www.cdp.net</a> throughout 2018.</p>
<p><b>Supporting Surrounding Communities</b></p>	<p>Monitoring and disclosure of the social impacts resulting from the support offered, according to the LBG (London Benchmarking Group) model.</p>	<p><b>Achieved.</b> The results for these years were disclosed by the Group at <a href="http://www.jeronimomartins.com">www.jeronimomartins.com</a> and for 2017 they were also included at present Chapter.</p>
	<p>In Portugal, start at least one project of community investment per year, aimed at children, young people or older people from vulnerable environments.</p>	<p><b>Partially achieved.</b> In 2016 and 2017, support to the community project Academia do Johnson (Johnson's Academy) was maintained, which commenced in 2015. The partnership with the Pão a Pão – Associação para a Integração de Refugiados do Médio Oriente (Association for the Integration of Middle East Refugees) was established aiming at giving opportunities for inclusion and employability to Syrian refugees.</p>
	<p>In Poland, strengthen the involvement in social projects, focused on children, young people and older people from vulnerable environments.</p>	<p><b>Achieved.</b> Various social projects were continued, including "Hope for the Euro", that aims to contribute towards the development of institutionalized children from families with economic difficulties. Biedronka continued to participate in two projects on the Partnership for Health platform: "Milk Start" and "Breakfast Gives You Strength". Additionally, the Zielona Kraina (Green Land) project for fostering healthy eating in schools was launched.</p>

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	In Poland, further develop the programme to combat child malnutrition, under the project Partnerstwo dla Zdrowia (Partnership for Health): – increase the number of schools by at least 5% in each academic year.	<b>Achieved.</b> On this multi-stakeholder platform, the number of schools involved in 2017 increased by 6.3% compared to the previous academic year, reaching 8,318, which is the equivalent of more than half of the country's primary schools. The programme encompassed 275,758 children, an increase of over 80 thousand children since 2016.
	In Colombia, continue to support the programme Madres Comunitarias (Community Mothers), supporting two community nurseries, for each Ara store opened.	<b>Not achieved.</b> Support through the regular provision of foodstuffs to 262 community nurseries was maintained, the same number as in 2015, despite the expansion of the Ara stores, due to the programme having been redefined at a government level. Between 2014 and 2016, the partnership between Ara and the ICBF enrolled 3,668 children. 14,750 food baskets were offered during this period amounting to over 179 thousand euros, the equivalent to over 220 tonnes of food offered.
	In Colombia, extend the involvement in social projects such as Aldeas Infantiles SOS Colombia (SOS Children's Villages) and Abaco – Asociación de Bancos de Alimentos de Colombia (Colombian Association of Food Banks) for the donation of foodstuffs.	<b>Achieved.</b> The support to Aldeas Infantiles SOS Colombia programme has been widened to the regions where Ara is expanding. Being an indirect support by rounding up the value of customers' purchases for this cause, which has exceeded 169 thousand euros in this period, an important support to children and youngsters. The support to Abaco – Asociación de Bancos de Alimentos de Colombia resulted in the donation of over 352 thousand euros in food surplus during these three years, estimated to have reached a monthly average of 590 people in 2017.
<b>Being a Benchmark Employer</b>	Following the commitments made for the previous three year period and with the continued tough and very challenging economic environment for the employees' families, particularly in Portugal and in Poland, the strategic focus will remain on: <ul style="list-style-type: none"> <li>i. continuously improving the employees' working conditions;</li> <li>ii. supporting the quality of life of our families in the different geographical areas in which we operate.</li> </ul>	<b>Achieved.</b> In Portugal, the "SOS Dentist Junior" programme was launched in 2016, aiming at supporting worker's children with ages between 7 and 17. In 2017, 99 children conclude their dental treatment. The "Mais Vida" (More Life) programme was also extended to the entire country of Portugal, focusing on giving support to families of people with cancer. In this period, other social programmes were maintained to aid workers in a vulnerability situation such as "Mali Bohaterowie" (Little Heroes), focusing at workers in Poland whose children suffer from health problems. Subsidies can be requested to support medical services, medicines, personal care products or rehab equipment, and 191 children were enrolled in 2017. In Portugal, the Social Emergency Fund has been available since 2011 and has supported 706 employees, in 2017.