

**SUSTAINABILITY
REPORT**
2018





**SUSTAINABILITY REPORT,
ATLANTIC GRUPA 2018**



GRI SUPPLEMENT

About this report

As a company committed to transparency and responsible business operations, in 2013 we decided to improve our reporting practices and to start annual reporting about our economic, social and environmental performance following for the first time GRI sustainability reporting guidelines. This report provides a transparent overview of the Group's performance and progress in social responsibility for 2018, in line with our intention to share our successes and challenges with all stakeholders.

Towards Integrated Reporting

Our responsibility with regard to all stakeholders has been an integral part of the company's development strategy. Our business growth and expansion have at the same time extended the range of responsibility towards our internal and external surroundings. This has also raised the awareness about the possibilities and the need to have own influence on improving the general conditions around us.

In these areas in recent years, we significantly enhanced our contribution to sustainable development. Our previous reports were based on ten principles of the United Nation's Global Compact with respect to human rights, labour, environment and anticorruption. We have supported the UN Global Compact since 2007 and have reported on our progress regularly, except for the year 2010:

- ~ Report on progress 2008-2009
<http://unglobalcompact.undp.hr/show.jsp?page=111580>
- ~ Report on progress 2011-2012
<http://www.atlantic.hr/en/social-responsibility/towards-environment>
- ~ Sustainability reports 2013, 2014, 2015, 2016, 2017
<http://www.atlantic.hr/en/media/publications/gri-report>

Moreover, through our ongoing activities, we firmly support Sustainability Development Goals (SDGs) as we consider our broader impacts on sustainability. Sustainability report 2018 is prepared, as all four previous reports, in accordance with the GRI Sustainability Reporting Guidelines, that is GRI Standards, the latest generation of guidelines from GRI launched in 2016, at a "core" application level. Instead of being a separate publication, this year's Sustainability report is compiled as a supplement to our Annual report, which shows our commitment to integrate sustainability into our core business and provide a comprehensive picture to our stakeholders.

Atlantic Grupa reports against ten performance indicators for which we believe can help us significantly improve the ability to participate in competitive markets. Unless otherwise stated, all information mentioned in the report is for the year 2018.

With the intention of providing a comprehensive and balanced account of the important non-financial aspects of our operations, this report covers the entire Atlantic Grupa and its strategic business units, referring to all companies falling within the scope of Consolidated audited financial results for FY 2018. Full information about financial results and risk management practices can be found in our Annual report 2018 and Financial report 2018: <http://www.atlantic.hr/en/media/publications/annual-reports>

Atlantic Grupa management is responsible for all aspects of this report. If you have any feedback or questions on this Sustainability report, please contact:

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*Disclosures GRI 102-15, 102-17, 102-19 through 102-39 are not mandatory in accordance with "Core". Nevertheless, some information is reported "comprehensively": GRI 102-15; 102-17; 102-19 through 102-26; 102-35; 102-36

**Refers to consolidated financial statements. No external assurance for Other information in the Annual report and the GRI Supplement.
No omissions regarding the reported information.

ABBREVIATIONS:
UNGC - United Nations Global Compact
SDG - Sustainable Development Goals
GRI - Global Reporting Initiative

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Category Economic GRI 200				
	Economic performance GRI 201 Management approach GRI 103	Annual Report p. 5, 80-94		
201-1	Direct economic value generated and distributed	GRI Supplement p. 30-31		SDG 2, 5, 7, 8, 9
Category Environmental GRI 300				
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	Biodiversity GRI 304 Management approach GRI 103	GRI Supplement p. 38		
304-4	Total number of iucn red list species and national conservation list species with habitats in areas affected by operations	GRI Supplement p. 38		
	Waste GRI 306 Management approach GRI 103	Annual Report p. 35-36		
306-2	Total weight of waste by type and disposal method	GRI Supplement p. 39-40		Principle 8 SDG 3, 6, 12

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401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region	GRI Supplement p. 42-43		Principle 6 SDG 5, 8
	Occupational health and safety GRI 403 Management approach GRI 103	GRI Supplement p. 44		
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	GRI Supplement p. 44-45		SDG 3, 8
	Training and education GRI 404 Management approach GRI 103	Annual Report p. 40-41 GRI Supplement p. 46		
404-1	Average hours of training per year per employee by gender, and by employee category	GRI Supplement p. 47		Principle 6 SDG 8
	Customer health and safety GRI 416 Management approach GRI 103	Annual Report p. 37-39, 78-79		
416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	GRI Supplement p. 48		
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417-1	Requirements for product and service information and labeling and percentage of significant product and service	GRI Supplement p. 49-57		SDG 12

GRI STANDARDS
GRI 102: GENERAL DISCLOSURES

This section provides information on General Disclosure that is not reported in the Annual Report or the GRI Content Index.

Organizational profile

ATLANTIC GRUPA'S SUPPLY CHAIN

Atlantic Grupa offers many opportunities and possibilities for cooperation to its suppliers. From our suppliers we procure all the raw materials for our products, packaging, machines for producing and finishing the products, other equipment and technical devices, as well as other services that are necessary support to our processes. Our supply chain consists of both large multinational business corporations and local suppliers. From some of the suppliers we procure products and services in significant amounts, while with others we cooperate on an occasional basis. In 2018, Atlantic Grupa cooperated with more than 4.000 suppliers.

Regardless of the supplier's category, we aim to have a high quality relation with our suppliers, by creating through this relationship added value both for our company and also for our suppliers. Although we collaborate with a large number of suppliers, we constantly need to enrich the database of our suppliers with new vendors capable to contribute to create user and consumer satisfaction by their higher quality, more innovative, functional and more competitive products or services. In order to ensure constant product enhancements, we continuously evaluate our suppliers and stimulate them to improve their own efficiency and to develop innovative products and technologies. In order to improve and ease the process of identification, development and on-boarding of innovations from supply market, Atlantic Grupa established at the end of 2017 a Supplier Enabled Innovations program. Within this program, the suppliers, both incumbent and those that would like to start cooperation with Atlantic Grupa, have a chance to work together with the professionals from Atlantic Grupa on shaping, developing and commercializing various innovative ideas, concepts and products, that might be applied and brought to the market. During 2018, several workshops were organized within this program, with



suppliers of packaging and raw materials which are dedicated to innovation. The result of the workshops are concepts and ideas that could be applied to Atlantic Grupa's brands or products, some of which are further developed and implemented. The ideas that are selected for further implementation refer to more sustainable packaging – increase of recycled materials in PET bottles, introducing recyclable polymer foils, leaning the plastic bottles's caps etc.

Our relation with suppliers is built on criteria of professionalism, transparency and fair relationship, by fully respecting both the legal requirements and high ethical and moral standards. In the same manner we would also like to build relations with suppliers sharing our values and promoting equal standards with their partners they make business and stay in contact with.

For these reasons Atlantic Grupa dedicates special attention to selection of suppliers. Besides the above stated criteria, we expect from our suppliers to act in line with the legislation valid in the country of their origin but also in the countries with which they make business with, including the anti-discriminatory laws, employment legislation, health and safety protection, as also environment protection legislation.

Therefore, we are actively looking for suppliers sharing our values and business principles, as also promoting the implementation of high standards in the environment within which they work.

These standards first of all include:

- ~ Abiding by laws, including banning bribing or receiving bribes or personal premiums for making deals or realisation of cooperation
- ~ Respecting human rights and workers' rights
- ~ Protection of health and personal security of their employees
- ~ Banning child labour
- ~ Prohibiting discrimination based on race, religion, sex or any other criteria as also prohibiting sexual harassment
- ~ Abiding by valid laws and standards of environmental protection, animal and plant species

Basic principles for procurement and relations with suppliers are defined in the Purchasing Guidelines, the fundamental document of the purchasing organization of Atlantic Grupa, which is followed by the procedures, manuals and instructions describing in detail the specific areas of purchasing activities in Atlantic Grupa's operating companies. The Guidelines foresee that Atlantic Grupa's purchasing organization takes only such actions and practices that ensure sustainable sourcing and procuring by helping reducing waste, improving environmental impact and protecting human and labour rights.

The purchasing organization of Atlantic Grupa is committed to select only such suppliers that comply with these standards for conducting the business with our company. Monitoring standards and performance of our suppliers is challenging but crucial to protect our business and our company's reputation, and most importantly our consumers who use our products. The common model for monitoring the Atlantic Grupa's suppliers was defined and established in 2014. The system includes unique criteria for approval, evaluation and auditing of suppliers, while intensive work was performed on the data collection and processing system as well as on the evaluation and monitoring model based on the risk management model. In order to streamline a whole process of collecting, monitoring and evaluating suppliers' documentation on quality standards and certificates, Atlantic Grupa implemented in 2017 an on-line tool called Ecratum. This tool enables Atlantic Grupa to have a central repository of all required suppliers' documentation related to necessary quality standards and practices.

Evaluation of suppliers is conducted once a year, and is generally based on two main criteria: quality and commercial terms and conditions. Evaluation based on quality of delivered materials and suppliers' quality systems is performed in Quality assurance department. In 2017 we implemented a cloud solution for direct communication with suppliers, which enables us to have an overview of their quality system. We ask our suppliers if they have different certificates: FSSC 22000/ IFS/ BRC, HACCP or GMP, ISO 9001, ISO 14001, ISO 50001. For the future, we plan to upgrade this cloud solution to get direct information about food (product) risk management.

Each evaluated supplier is assigned with one of the evaluation ratings: A – excellent, B – good, or C – conditionally acceptable/not acceptable. Aimed at improving two-way communication, Atlantic Grupa encourages the existing and potential suppliers to use the online supplier portal available at the company's website. The portal contains information on goods and services which Atlantic Grupa is procuring, selection and awarding contracts procedures etc. In addition, the portal provides the suppliers the opportunity to share their suggestions for improving the relationship with Atlantic Grupa, quality and functionality of products and services, and other aspects of cooperation.

MANAGING SUSTAINABILITY RISKS

The corporate culture that Atlantic Grupa nurtures is reflected in our Quality Policy, confirming our commitment to the principles of sustainable development, economic efficiency, environmental responsibility and social responsibility. This means that, beyond complying with national laws and international standards, we are developing internal procedures and policies concerning the most material issues for our company as well as for our stakeholders, as we take into account local and global sustainabil-

ity trends. Having high quality standards as our fundamental commitment, we are operating in ways that generate shared value for the community and help protect the environment for future generations.

In addition to macroeconomic conditions that largely dictate the trends in the consumption goods industry, in particular personal consumption as a component of the GDP, our company must consider major global risks such as the financial crisis causing the recession in Europe as well as in the region. While climate change and resource scarcity increasingly affect our business and social environment, we made a big step toward sustainability by expanding our concern for the environment from a local approach to the corporate level within a consistent Environmental Management System (EMS) based on three main pillars: environment and energy efficiency, people and society, and governance. With the consumers' expectations constantly growing, the development of the consumer goods industry is also largely influenced by the ability of companies to adapt to consumer needs and market trends, which in turn requires investments in research and development, innovation and technology. Finally, as a company, we are best positioned to create shared value by promoting healthy lifestyles to our consumers and the community in which we operate. In response to the main challenges, our sustainability commitments are deeply implemented in our core business:

- ~ Risk control is implemented in the process of designing and developing or improving product when it comes to the use of raw materials, components or substances that may jeopardize or jeopardize human health.

In Atlantic Grupa, procedures with the purpose to assure safety and conformity of any new or improved product are in place. There are many internal demands that must be followed in terms of legal and sustainable aspects in order to assure the production of safe foods. Furthermore, we are committed to developing new product recipes in order to improve our products and support healthy eating habits of our consumers.

- ~ When conceptualising, planning and designing new products, in addition to the aforementioned, the environmental aspect and the sustainable development aspect also have to be taken into account. Through the careful selection of raw materials and packaging materials, we can reduce environmental impacts throughout the entire life cycle of the product - from raw materials to final disposal of the waste packaging after the use of the product.
- ~ The extension of the principle of sustainable development is reflected in the relationship with our suppliers. By including environmental criteria in the process of selecting suppliers, we have expanded environmental care along our supply chain.

ATLANTIC GRUPA

Ocean of opportunities

CORPORATE VALUES

Our corporate culture makes Atlantic an inspirational company of people who do business in an inspirational company, with infinite opportunities to grow, invest and progress. It represents a common desire to build visions and create lasting benefits, always keeping in mind our core values:

Creativity, passion and growth are represented by natural symbols - a wind, the sun and a mountain. The symbolism of these principles is that company victories are achieved through mutual differences but adhering to the same values.



The mountain represents our **growth**. Stepping out of the comfort zone, we take initiative and realize our goals, while being fair and keeping in mind our colleagues, customers, partners and the environment. That is how we grow, how our markets, profit, brands and people grow - in every sense of the word.



The wind washes off what is old and brings something new, causes and requests change. Change prompts us to be **creative**. For us, this means being open to new ideas, to different views and opinions, being without prejudice.



The sun represents **passion** in everything we do - in our approach to our brands, our colleagues and our partners. We devote our mind and heart in order to achieve goals, and we share emotion, recognize and celebrate our success.

COMMITMENTS TO EXTERNAL INITIATIVES

In 2007, Atlantic Grupa joined the United Nations Global Compact by committing to support the ten universally accepted principles with respect to human rights, labour, environment and anti-corruption. The UN Global Compact and Global Reporting Initiative (GRI) signed an agreement in May 2010 to align their work in advancing corporate responsibility and transparency. According to this agreement, GRI is developing its reporting guidelines to integrate UNGC issue areas, while the UNGC adopts GRI Guidelines as the recommended reporting framework for the businesses that have joined this world's largest corporate responsibility platform.

Atlantic Grupa in Serbia is one of the founding members of the Responsible Business Forum – the first and only network of companies in Serbia dedicated to social responsibility – whose activities contribute to further development of socially responsible projects and exchange of experience on the current practice. In the period 2013 - 2015, a representative of Atlantic Grupa held a position in the Governing Board of this network. In Croatia, Atlantic Grupa is a member of The Croatian Business Council for Sustainable Development (HR BCSD) since 2005. This business association gathers companies in a joint mission of seeking solutions for growth, by balancing business success, social well-being and environmental protection.

How we support UN Global Compact principles

Human rights

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights and

Principle 2 - Businesses should make sure that they are not complicit in human rights abuses.

The company's policies and procedures concerning human rights, equal opportunities, safe and healthy working conditions.

Ethical code of the purchasing organization applying, among others, the criteria of sustainable purchasing: when making sourcing and purchasing decisions, Atlantic Grupa's purchasing organization is committed to consider both environmental and social factors aiming at minimizing the environmental and social impact that the items we purchase have. Purchasing business must be conducted in such a way to respect social, ethnic, cultural, sexual and racial diversity, and business decisions must not be directed in a way that favours any of the categories of ethnic, sexual or racial criteria.

A number of **humanitarian actions supporting vulnerable social groups**: blind and visually impaired persons, children without parental care, children with special needs etc.

Labor

Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Atlantic Grupa strongly supports the **right of association of its employees** and the work of its Union alliance. In 2018, **56.08%** of our employees were covered with collective agreements.

Principle 4 - Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5 - Businesses should uphold the effective abolition of child labor.

Principle 6 - Businesses should uphold the elimination of discrimination in respect of employment and occupation.

The **company's policies and procedures** concerning human rights, equal opportunities, safe and healthy working conditions are available on the company's intranet and on all of our bulletin boards.

Atlantic Grupa works in a way that **respects all positive regulations** which forbid child labour, forced or obligatory work that protects the employees' dignity in a way that the employee is protected from mobbing or sexual harassment from their employers, superiors, associates and others with whom they may work. Our corporate culture respects any type of individual diversity and fosters cooperation.

Each tender stresses gender equality when hiring. 52.3% of our employees are women. All of our employees, regardless of the contract they have, are guaranteed equal rights and opportunities to develop and grow.

Purchasing Guidelines require from all suppliers to protect their employees' rights (prohibition of child work as well as bonded labour, prohibition of workers abuse, discrimination or harassment) and ensure health protection and safety at work.

Environment

Principle 7 - Businesses should support a precautionary approach to environmental challenges.

Principle 8 - Businesses should undertake initiatives to promote greater environmental responsibility.

Fully Integrated Environmental Management System (EMS) and Energy Management System (EnMS) based on well-considered and economical use of natural sources, using environmental friendly technologies in our production, reduction of waste and lower consumption of energy and water.

The environmental aspect and the sustainable development aspect also have to be taken into account when **designing new products**. Through the careful selection of raw materials and packaging materials we can reduce environmental impacts throughout the entire life cycle of the product – from raw materials to final disposal of the waste packaging after the use of the product.

Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

The principle of maintaining biodiversity also has to be considered in this process.

Purchasing Guidelines requiring from all suppliers to obey applicable environmental laws, rules and regulations and demonstrate commitment to preserving the environment.

Since its foundation and listing on the Zagreb Stock Exchange (ZSE), Atlantic Grupa bases its business activities on its own **Code of Corporate Governance of Atlantic Grupa** whereby the standards of business transparency are aligned with Croatian and EU legislation. The Code defines the procedures for the functioning of the Supervisory Board, Management Board and other bodies and structures responsible for decision-making, ensuring the avoidance of conflicts of interest, efficient internal control and an effective responsibility system.

Moreover, considering the fact that Atlantic Grupa is company publicly listed on the Zagreb Stock Exchange, the Company also applies the **Code of Corporate Governance issued by the Croatian Financial Services Supervisory Agency (HANFA) and the ZSE**. Based on the principles set therein, the Company announces the Statement of its application for each business year, confirming its actions and development in accordance with the good corporate governance practice in all business segments. The Statement can be found on the Company's website (www.atlanticgrupa.com) as well as on the official website of the ZSE (www.zse.hr).

In addition to the above, Atlantic Grupa acceded to the **Code of Ethics in Business issued by the Croatian Chamber of Economy**. The Code lays down guidelines for ethical behaviour of business subjects in the Croatian economy, contributing to more transparent and efficient business operations and high quality relations between economic operators in Croatia and the business environment in which they operate.

Anti-Corruption

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

By adjoining the Code, parties are obliged to responsible and ethical behavior towards the other companies on the market as well as the development of high quality relations and loyal competition.

Supporting the application of the principles of the good corporate governance practice, Atlantic Grupa adopted its own **Whistleblowing Procedure Rules**, prescribing the reporting procedure, rights as well as duties of each and all employees of Atlantic Grupa who in his/her work observes or becomes aware of either an actual or a potentially illegal action or potential violation of the accepted rules of business conduct in the Company carried out by another employee(s).

By application of the **Ethical code of the purchasing organization** the Company supports conduct of a fair market competition among potential suppliers, prohibiting any conflict of interest (personal interest in the process of selection, receiving gifts and money from the potential suppliers etc.).

Also, implementing the provisions of the **Purchasing Guidelines the Company** requires from all suppliers to act with integrity, to comply with all applicable laws of their countries including the prohibition of giving or receiving bribe or personal payment.

Ethics and Integrity

ETHICS AND INTEGRITY

Atlantic Grupa consistently incorporates the highest standards of corporate governance into its business activities and resolved to regulate its actions, both in regard of the other entities it enters into business relations with and in regard of its own employees. Basic principles of the Corporate Governance Code of Atlantic Grupa are:

- ~ transparency of business activity
- ~ clearly elaborated procedures for the operation of the Supervisory Board, Management Board and other bodies and structures making important decisions
- ~ avoiding conflicts of interest
- ~ efficient internal control
- ~ efficient responsibility system.

In addition, as described above, due to the fact that Atlantic Grupa is company publicly listed on the Zagreb Stock Exchange, the Company also applies the Code of Corporate Governance issued by the Croatian Financial Services Supervisory Agency (HANFA) and the Zagreb Stock Exchange. Furthermore, as also described, Atlantic Grupa acceded to the Code of Ethics in Business issued by the Croatian Chamber of Economy.

WHISTLEBLOWING PROCEDURE

Given that the Company wishes to provide its employees the right to an honest, responsible, transparent and ethical work i.e. working environment in which the main principles of business conduct are respected, Atlantic Grupa adopted the Whistleblowing Procedure Rules which prescribes the reporting procedure, rights as well as duties of each and all employees of Atlantic Grupa who in his/her work observes or becomes aware of either an actual or a potential illegal action or potential violation of the accepted rules of business conduct in the Company carried out by another employee(s). By such Rules, illegal action or violation of the accepted business conduct (Misconduct) are defined as any conduct including (but not limited to):

- ~ committing a criminal act pursuant to positive legal regulations
- ~ violation of the Company's internal acts
- ~ conduct that represents a serious risk to human health and property

~ ETHICS AND INTEGRITY

An employee who in his/her work observes or becomes aware of Misconduct has the right as well as the duty to report it immediately in writing to the Head of Corporate Security of Atlantic Grupa and the member of the Management Board of Atlantic Grupa competent for Corporate Affairs. Immediately after receiving the report, they issue a certificate indicating the date of receipt of the report to the employee and, without delay, notify the following, as applicable:

- ~ Head of Department in which the employee who committed the potential Misconduct is working, except in a case where the potential Misconduct relates to the Head of Department, or
- ~ The President of the Management Board – in a case where the potential Misconduct relates to actions of a member of the Management Board, or
- ~ The President of the Supervisory Board of Atlantic Grupa - in a case where the potential Misconduct relates to actions of the President of the Management Board.

In a case where the potential Misconduct relates to joint actions of the Head of Corporate Security of Atlantic Grupa and the member of the Management Board competent for Corporate Affairs, an employee who in his/her work observes or becomes aware of Misconduct of the persons listed has the right as well as the duty to immediately report it in writing to the President of the Management Board of Atlantic Grupa. In such a case, the President of the Management Board is obliged to issue a certificate indicating the date of receipt of the report to the employee and carry out further procedure in accordance with the provisions of the Rules.

Within the period of 4 weeks after receiving a report on the potential Misconduct, the Head of Corporate Security of Atlantic Grupa is obliged to inform the employee who submitted the report on the outcome of the process. By way of derogation, if the process requires a period of time longer than the one prescribed, the Head of Corporate Security of Atlantic Grupa is obliged, within the given period, to inform him/her of the actions taken in the process and, immediately after the conclusion of the process, on its outcome.

In case that it has been identified that the employee has undoubtedly committed the Misconduct, with respect to all the circumstances of the case, the Company is obliged to take all reasonable measures against that employee pursuant to the provisions of the Labour Act, the Company's internal acts, as well as submit necessary notifications to the competent state authorities.

The employee who submitted a report on the potential Misconduct in accordance with the Rules is guaranteed with full confidentiality of any information regarding his/her identity and the content of the report with which he/she reported the potential Misconduct.

Besides, any employee who in his/her work observes or becomes aware of Misconduct shall have the right, at his/her own discretion, to submit an anonymous report on the potential Misconduct, without providing information on his/her identity.

An action of an employee who knowingly reports a potential Misconduct of another employee without any grounds and with a motive to cause any harm to him/her or to gain any benefit for oneself or for other person is considered a violation of the Company's internal acts.

ETHICAL CODE OF PURCHASING ORGANIZATION

Ethical code of the purchasing organization is a set of values, standards, principles and rules, which all the staff of the Atlantic Grupa's purchasing organization, responsible for procurement in the company, has to respect in performing their business activities. The Ethical Code covers the following areas:

- ~ Legal compliance - The purchasers are obliged to inform themselves on any law and regulation change pertaining to purchasing and apply them in their business. In addition to various national and international laws and regulations of a general character, the purchasers have to follow and apply all other laws and regulations that are related to trade, industry, protection of patents and copyrights, environmental protection, work safety, labour law etc.
- ~ Applying the criteria of sustainable purchasing - When making sourcing and purchasing decisions, Atlantic Grupa's purchasing organization is committed to consider both environmental and social factors aiming at minimizing the environmental and social impact that the items we purchase have. Purchasing business must be conducted in such a way to respect social, ethnic, cultural, sexual and racial diversity, and business decisions must not be directed in a way that favours any of the categories of ethnic, sexual or racial criteria.
- ~ Fair treatment of suppliers - The purchasing organization and the purchasing staff have to enable and support fair market competition among potential suppliers who are interested in entering into a business relationship with Atlantic Grupa. This means that the supplier selection process has to be always defined and conducted in such a way to prioritize the suppliers that are capable to provide quality products or services at competitive prices, or that have visible and proven advantages to the business of Atlantic Grupa, compared to other suppliers. While selecting the suppliers or later when the cooperation with the suppliers is already established, any influence which is not of a business nature, or which is affected by a personal interest of the

purchasing staff is not allowed. In this regards, the purchasers have no right to ask or to receive money, favours or gifts from suppliers or potential suppliers. Exceptionally, only business gifts that are of symbolic value could be accepted as an expression of common business practice or business partner's courtesy, but their giving or accepting in no way should influence the decision making process, supplier's selection, negotiations or agreements with suppliers. The manners of dealing with suppliers, regardless of their negotiating position and power of the purchasing department, must be civilized and fair, and the purchasing staff is bound to respect all agreed terms with suppliers, providing that the other side respects its obligations too. The purchasing staff also commits to keeping secrets and professional data, and their selective use, which also applies to all confidential information that is obtained from suppliers during the competition for goods and services supply, as well as offers or business reports. This information may not, without the consent of the party that placed this information at the disposal, be made available to third parties.

- ~ Respect to the purchasing profession - The purchasing staff has to develop and maintain their professional competences, which means that they are obliged to continuously develop and improve their professional value both in terms of specific skills and knowledge in the purchasing area (technical knowledge, knowledge of commerce, trade, laws and regulations), and in terms of communication and other „soft” skills. For achieving this, the purchasers should be open to communicate with other purchasing professionals outside the company and with purchasing associations and institutions, in order to exchange and share experiences and opinions. As the representatives of the purchasing profession, the purchasers of Atlantic Grupa have to act in such a way to maintain dignity of the purchasing profession, and at the same time to ensure that the others who are in contact with the purchasers also recognize the dignity of the purchasing profession.
- ~ Loyalty towards the employer - The purchasing staff has to show loyalty towards the employer, in whose interest they work. This loyalty is expressed through acting in accordance with the general policy and the strategy of Atlantic Grupa, with the directives and instructions received from the company's management, and in accordance with the authorization of the purchasing department and the purchasers, given by the company's management.

Stakeholder engagement

Our ability to generate value through business choices also depends on listening and recognizing the needs and expectations of those stakeholders who, directly or indirectly, affect the activities of Atlantic Grupa or are influenced by them. As a multinational company, we have an impact on the decisions of a large number of stakeholder categories, both internal and external, as our results and activities depend in a certain degree on the fulfilment of stakeholder needs.

According to the Atlantic Grupa Code of Corporate Governance, stakeholders are considered to be the persons who take over certain direct or indirect risks in relation to our company. Aside from shareholders, the stakeholders, among others, are: employees, customers and users of the company services, suppliers, creditors, local community and public authority bodies.

We know that we create value through our relationships. Building and maintaining our stakeholder relationships is therefore fully embedded in the way we do business. Everywhere we operate, we actively participate in forums, industry platforms and collaborative programmes. We create value for our stakeholders which, in turn, build value for our business over time.

The Management Board is responsible for the transparent and quality relationships of Atlantic Grupa and its stakeholders, being bound to take care that the company respects all rights of stakeholders based on the law and good business customs. Furthermore, going beyond legal requirements, acting responsibly for us means engaging in an ongoing dialogue, both locally and internationally, with the main stakeholders, in order to understand their different motives and concerns, as well as global trends that are important to them. Stakeholder consultations are carried out regularly through many channels. Topics of interest for our stakeholders are addressed in various sections of this report.

Key stakeholders	Communication channels	Areas of interest	Mutual benefits
Employees	Regular employee engagement survey Corporate interactive intranet Annual U3 process (setting personal goals) Organization & People panel Internal workshops	Occupational health and safety Equal opportunities Talent development Community engagement Career opportunities Embedding sustainability issues into business processes and objectives	Skilled and motivated workforce, ensured through providing equal opportunities, training, development and rewarding schemes, talent retention
Consumers, shoppers	Regional contact centre Brand websites Brands' Social Media Channels Product labels Marketing campaigns Education of consumer/shopper on points of sales Other consumer events (fairs, public events, ...)	Production information & product innovations Products' health and safety Accessible nutritional information Healthy diets Packaging Waste management Convenience Animal wellbeing Preserving biodiversity	Consumer loyalty Products with low environmental impact
Customers and users of company services	Sales agreements Meetings and B2B events	Economic impacts Supply chain with low environment impacts	Meeting consumer needs by offering them choice and quality
Suppliers	Supplier portal Purchasing agreements Quality agreements	Economic impacts Sustainable procurement Business ethics Supply chain with low environment impacts	Achieving highest responsible and sustainable procurement standards, with support in developing innovative and efficient products and services
Shareholders	General Assembly Corporate web page Meetings and conferences	Economic impacts Transparent governance Sustainable procurement Development strategies	Delivering strong sustainable earnings and dividends, thus establishing supportive shareholder base
Creditors	Corporate web page Meetings and conferences	Economic impacts Transparent governance Sustainable procurement Development strategies Environmental impacts Business ethics	Ensuring fruitful long-term partnership, by excelling in all areas of business
Communities and environment	Regional contact center Donations and sponsorships procedure Direct cooperation with local community representatives Meetings and consultations Open calls for donations Brands' Facebook pages Atlantic Grupa LinkedIn profile Offline and online newsletter	Community engagement Environmental impacts	Establishing trust and long-term relationship by improving quality of lives and preserving the environment
Public authority bodies	Meetings and consultations	Economic impacts Transparent governance Independent and objective information about safety, quality and environmental impacts of products Environmental impacts Development strategies	Collaboration on contributing to public good

STAKEHOLDER ENGAGEMENT IN PRACTICE

FUTURE IS NOW CONFERENCE – STEP INTO THE FUTURE!

Atlantic Grupa supported the second annual conference Future is now, held in Belgrade on December 6th, 2018. The conference gathered over 500 local and international IT professionals to network and share. In one of the panels dedicated to digital transformation, Director of Atlantic Grupa's Representative Office in Serbia Vladimir Cupic, shared the company's approach to CEO role in digital transformation, putting focus on enabling the employees to gain skills and knowledge needed to initiate and carry out the change. In addition, Mirjana Dimitrijevic and Ivan Slabek from the Employment team provided consultations on job-seeking to students and young professionals and presented the opportunities for carrier development that Atlantic Grupa offers.

EXCHANGE OF EXPERIENCE

In the international VMWorld Europe conference which was held in November in Barcelona, Dean Kosty, director of IT infrastruktura and operations shared Atlantic Grupa's experience with the project of building a private cloud. Through this example, it was discussed how digital transformation and new technologies make an organization stronger, and develop its human potential.

DIGITALIZATION IN EMPLOYMENT

Vesna Potelj, head of corporate employment and onboarding in Atlantic Grupa participated in SAP conference in Belgrade, and in a panel discussion shared the experience with implementation of SAP Success Factor solution for employment and recruitment digitalization, and exchanged opinions with other participants about the future of managing the employment processes.

THE THIRD "YOUTH LEADERS FORUM - YES!"

Organized by the Business Info Group and weekly magazine Vreme, the Youth Leaders Forum was held in Novi Sad. The Forum gathered more 100 young professionals and graduate and PhD students. Atlantic Grupa had an integrated presentation – Atlantic Experience which presented career opportunities for youth. Our Employer Branding Specialist Tina Milicic shared her views in the panel session "Working in a domestic vs working in an international company", advising young people to focus on the quality of the company rather than its origin, but to seek international experiences for their personal and professional development. During the three-day program, participants had the opportunity to share and learn from prominent business professionals, who provided advice about professional development, setting and achieving personal and professional goals.

Reporting Practice

MATERIALITY

To determine the content of the report, we have followed a systematic and rigorous materiality assessment process, guided by the criteria defined by the Global Reporting Initiative (GRI Standards 2016). The sustainability issues have been analyzed on the basis of an initial broad list of topics that may affect our business or be of concern to our stakeholders. Sources for this list include relevant issues addressed by media, industry and sector benchmarks, matters raised by stakeholders in public debate, internal documents and business strategy. Considering the significance of our economic, environmental and social impacts helped us focus on topics that deliver the greatest value to our business and stakeholders, within four major areas: economic performance, product responsibility, workplace responsibility and environment responsibility.

The company's senior decision-makers are actively involved in this process, as the results of the analysis were reviewed and approved by the Social Responsibility Committee.

LIST OF PRIMARY TOPICS:**ECONOMIC IMPACTS**

~ TOPIC: ECONOMIC PERFORMANCE

ENVIRONMENT RESPONSIBILITY

~ TOPIC: ENERGY

~ TOPIC: BIODIVERSITY

~ TOPIC: WASTE

WORKPLACE RESPONSIBILITY

~ TOPIC: EMPLOYMENT

~ TOPIC: OCCUPATIONAL HEALTH AND SAFETY

~ TOPIC: TRAINING AND EDUCATION

PRODUCT RESPONSIBILITY

~ TOPIC: CUSTOMER HEALTH AND SAFETY

~ TOPIC: PRODUCT AND SERVICE LABELING

In this Report, only material topics identified by internal and external stakeholders as significantly important will be reported on. In terms of the extent of the impact, all aspects that the analysis showed to be material have impacts within the organization as a whole. Furthermore, the aspects analyzed have impacts outside the company in geographical areas where Atlantic Grupa conducts its operations and for all the stakeholder categories identified.

GRI STANDARDS

Topic-specific disclosures

Economic GRI 200

GRI 201: ECONOMIC PERFORMANCE

Disclosure 201-1

Direct economic value generated and distributed

Atlantic Grupa Consolidated '000 HRK	2017*	2018	Change 2018/2017
DIRECT ECONOMIC VALUE GENERATED	5,258,367	5,270,674	0.2%
REVENUES	5,258,367	5,270,674	0.2%
ECONOMIC VALUE DISTRIBUTED¹	5,012,366	5,093,212	1.6%
<i>Operating cost -incl. Education & Freelancers</i>	3,830,656	3,887,042	1.5%
<i>Employee wages and benefits -excl. Education, freelancers²</i>	771,257	781,995	1.4%
<i>Payments to providers of capital³</i>	118,101	123,833	4.9%
<i>Payments to Government⁴</i>	90,182	100,939	11.9%
<i>Community investments</i>	50,268	44,787	-10.9%
CAPEX	151,901	154,616	1.8%
ECONOMIC VALUE RETAINED	246,001	177,461	-27.9%

1 Excluding provisions (bad debts, inventories, employee future commitments as per IAS 19)

2 Including taxes and contributions on salaries

3 Interest expense (P&L item) and dividend paid

4 Refer to P&L items (corporate income tax, other taxes and contributions not related to result)

*Restated for IFRS 15 effects

In 2018, Atlantic Grupa recorded sales of HRK 5.3 billion and organic growth of 4.2% compared to previous year, while lower nominal growth of 0.3% is the result of last-year's sale of sports food production plants in Germany and Croatia and the absence of the related service production income. The revenue growth is recorded in most business and distribution units due to excellent results of the majority of own and principal brands.

The debt measured as the Net debt to EBITDA ratio dropped from 2.3 at the end of 2017 to 1.5 at the end of 2018.

Revenues - despite the challenges in the business environment, in 2018 Atlantic Grupa recorded higher sales due to the growth of own brands and distribution operations on all major markets, with brands Argeta and Donat Mg in Croatia and Serbia, Barcaffè and Cedevita in the HoReCa channel, Kala, Kalnička and Štark in Croatia; opposed to lower sales in the Russian market resulting from the decrease in sales of baby food under the Bebi brand. All key brands increased or retained their market shares, and Argeta, during the year 2018 became meat savoury spread number one in Europe. Analyzing by markets, the largest growth has been achieved in the market of Croatia followed by growth in second and third biggest market, Serbia and Slovenia.

Operating costs - incl. Education & Freelancers - Looking closely at 2018, costs of goods sold increased because of higher sales of principal brands and transferring the production in the sports and functional food segment to a service partner. Production material expenses in 2018 decreased due to the above mentioned, furthermore due to lower prices of raw materials, primarily raw coffee. Costs of services slightly grew due to higher costs of transportation and logistics services related to higher sales, but this increase is largely compensated by lower services following the already mentioned restructuring of the sports and functional food segment. Marketing expenses increased as a result of increased investments in Beverages, Coffee, Savoury spreads and Snacks segments. Other operating expenses are lower in 2018 due to restructuring of the sports and functional food segment and better receivables collection control in Russia.

Employee wages and benefits - excl. Education, freelancers - Employee wages and benefits grew in 2018 primarily due to a higher average number of employees during the year in relation to higher sales, and partly due to payments of additional rewards to employees following excellent business results.

Payments to providers of capital - As a consequence of continuous repayment of long-term borrowings and lower average interest rates in 2018, payments to providers of capital, i.e. interest payments, were lower than in 2017. The dividend payment of HRK 67 million (HRK 20.0 per share) in 2018 is 49% higher than the dividend payment of HRK in 2017 (45 million or HRK 13.5 per share).

Payments to Government - Corporate income tax expense is lower in 2018 in comparison to previous year, while payments in relation to corporate income tax are higher in comparison to 2017.

Community investments - Atlantic Grupa is a major sponsor focused primarily on the promotion of sports where most funds and involvement are dedicated to supporting projects such as the basketball club Cedevita and financing, organizing and managing

the club's Basketball Academy with over one thousand children. In the culture and knowledge segment, Atlantic Grupa has again in 2018 supported the 24th Sarajevo Film Festival as a central cultural manifestation in the region. Atlantic Grupa has in 2018 supported the largest gathering of the so-called changemakers by presenting at the LEAP Summit career opportunities offered by the company. Atlantic Grupa is also an active participant and organiser of a number of humanitarian actions and systematically supports a whole series of organisations and associations involved in protecting and helping vulnerable social groups.

Capex – In 2018 the amount of the company's capital expenditure increased compared to the previous year and mostly relates to the investment in production equipment aiming to increase efficiency of SBU production processes, and to development of IT infrastructure, business systems and applications.

ENVIRONMENTAL GRI 300

In respect to environmental protection, we can say that, within a consistent Environmental Management System (EMS), it has expanded from a local approach to the corporate level with the key focus on sustainability and protecting the future.

Environmental management has a long tradition in individual facilities of Atlantic Grupa. Some production facilities have been awarded the ISO 14001 environmental management system certificate more than 10 years ago. In terms of scope, the major milestone of the environmental management system development was in 2014, when the system was implemented to the distribution and to entire Atlantic Grupa.

GRI 302 ENERGY

The Energy Management System (EnMS), which was introduced in 2015, represents the framework for optimising the company's energy efficiency. In Atlantic Grupa, EnMS is integrated into quality management systems of all production facilities. The system takes account of guidelines and requirements of the international standard ISO 50001. It is based on the energy policy, which is a part of the company's corporate quality policy, and on the PDCA model which consists of four management phases aimed at continuous process improvement.

Disclosure 302-1

Energy consumption within the organization (MWh)

Direct energy consumption: non renewable sources	2016	2017	2018
LPG (+propan)	24,124	22,980	20,011
Natural gas (+CNG)*	40,398	40,464	37,647
Fuel oil	7,699	6,996	6,552
Mazut	-	-	-
Non -renewable fuel diesel	-	13,891	13,847
Direct energy consumption: renewable sources	2016	2017	2018
	-	-	-
Total direct energy consumption	72,221	84,331	78,057
Indirect energy consumption: non-renewable sources	2016	2017	2018
Electricity	46,482	45,774	45,113
Steam	7,515	7,457	8,274
Indirect energy consumption: renewable sources	2016	2017	2018
Electricity	258	255	242
Total indirect energy consumption	54,255	53,486	53,629
Energy consumption by region			
SI	28,352	28,828	27,486
HR	21,288	29,107	25,358
RS	61,586	66,207	64,868
BA	11,220	11,657	11,797
MK	2,399	2,019	2,177
DE	1,631	-	-
Total energy consumption	126,476	137,818	131,686

The consumption is calculated based on invoicing and meters. In 2016 and 2017 Slovenian standard conversion factors were used. In 2018 we have used local standard conversions factors. Premises rented are not included in the calculation. Sold energy or cooling is not relevant for AG. Indirect energy consumption includes electricity produced with solar panels in the production Site in Izola. In 2017 we have started to record fuel consumption for own transport vehicles.

Total energy consumption has improved for 1.5% in the last year considering the change of the scope. In 2018 Aminolabs Atlantic and Neva left Atlantic Grupa (their share of energy consumption was 4,000 MWh in 2017). On 44% of the locations the consumption has decreased. Energy efficiency for the electrical energy has improved on 50% of locations. For the other energy the efficiency is improved on 75% of locations.

A few examples of technological improvements that were implemented in our production sites during 2018 are as follows:

- ~ Grand Prom d.o.o. and Soko Štark d.o.o., Belgrade - replacing the boiler with a more energy efficient one,
- ~ Soko Štark d.o.o., Belgrade - improving the electricity and natural gas consumption control system,
- ~ Soko Štark d.o.o., Igroš - investing in a new pasteurizator and a more energy efficient compressor,
- ~ Soko Štark d.o.o., Palanački Kiseljak - increasing the capacity of heat exchangers by using thermal water as a renewable energy source,
- ~ Cedevida d.o.o., Apatovec - installing the fuel consumption meter and working hours meter,
- ~ Cedevida d.o.o., Zagreb - installing a new counter-current heat exchanger used in the steam pipeline for heating business premises and improving counter-current heat exchangers used in production,
- ~ Fidifarm d.o.o. and Montana Plus d.o.o. - replacing counter-current heat exchangers,
- ~ in many sites we carried out improvements of thermal insulation on steam and other hot water pipelines, introduced control of condensate separation, more rational use of energy by automatic deactivation of the ventilation system, etc.

2016

Direct energy consumption: non-renewable sources	SI	HR	RS	BA	MK	DE
LPG	16,013	0	0	0	1,512	312
Natural gas	2,884	1,764	18,273	6,391	0	0
CNG	0	1,400	9,686	0	0	0
Propan	0	0	6,245	34	0	8
Fuel oil	0	1,646	3,731	1,624	157	541
Mazut	0	0	0	0	0	0
Non -renewable fuel diesel						
Direct energy consumption: renewable sources						
Total direct energy consumption	18,897	4,810	37,935	8,049	1,669	861
Indirect energy consumption: non-renewable sources						
Electricity	7,732	10,428	23,651	3,171	730	770
Steam	1,465	6,050				
Indirect energy consumption: renewable sources						
Electricity	258					
Total indirect energy consumption	9,455	16,478	23,651	3,171	730	770
Total energy consumption 2016	28,352	21,288	61,586	11,220	2,399	1,630

2017

Direct energy consumption: non-renewable sources	SI	HR	RS	BA	MK	DE
LPG	15,636	0	0	0	1,280	
Natural gas	3,334	2,056	18,814	6,540	0	
CNG	0	1,442	8,280	0	0	
Propan	0	10	6,030	22	0	
Fuel oil	0	1,372	3,955	1,547	123	
Mazut	0	0	0	0	0	
Non-renewable fuel diesel		7,230	6,661			
Direct energy consumption: renewable sources						
Total direct energy consumption						
	18,970	12,110	43,740	8,109	1,403	
Indirect energy consumption: non renewable sources						
Electricity	8,030	11,113	22,469	3,547	616	
Steam	1,573	5,884				
Indirect energy consumption: renewable sources						
Electricity	255					
Total indirect energy consumption						
	9,858	16,997	22,469	3,547	616	
Total energy consumption 2017						
	28,828	29,107	66,209	11,656	2,019	

2018

Direct energy consumption: non-renewable sources	SI	HR**	RS	BA	MK	DE*
LPG (+propan)	14,625	194	3,852	11	1,329	
Natural gas (+CNG)*	2,897	1,019	27,194	6,537	0	
Fuel oil	0	1,534	3,255	1,587	176	
Mazut						
Non -renewable fuel diesel	0	6,723	7,112	12	0	
Direct energy consumption: renewable sources						
Total direct energy consumption						
	17,522	9,470	41,413	8,147	1,505	
Indirect energy consumption: non renewable sources						
Electricity	8,202	9,134	23,455	3,650	672	
Steam	1,520	6,754				
Indirect energy consumption: renewable sources						
Electricity	242					
Total indirect energy consumption						
	9,964	15,888	23,455	3,650	672	
Total energy consumption 2018						
	27,486	25,358	64,868	11,797	2,177	

*Multipower Bleckede in Germany left Atlantic Grupa in 2017

** Aminolabs Atlantic and Neva in Croatia left Atlantic Grupa in 2018

Disclosure 302 - 3 Energy intensity, MWh/Net sales (HRK Milion)	2016	2017	2018
Energy intensity	24.68	25.87*	
Energy intensity revalued**		26.21	24.98*

Energy intensity is calculated by dividing the total energy consumption of our own production and distribution/ logistic (direct) in MWh by Group Revenues, HRK Milion.

*In the energy consumption for 2017 and 2018 the fuel for own transport vehicles is included. If we would consider the same scope in 2017 as in 2016 (without fuel for transport vehicles) the energy intensity in 2017 would be 23.26.

** recalculated values according to restarted Revenues for IRFS 15 effects

GRI 304: BIODIVERSITY

Within the process of risk control in designing and developing a new or existing product, biodiversity is defined as an environmental aspect with respect to the selection of raw materials that may have or have bad effects on human health. During the phase of selecting the raw materials for a new product, the principle of maintaining biodiversity has to be taken into account. The development technologist selects possible raw materials that meet the requirements of ecological and sustainable aspects. Particular attention has to be paid to threatened plant and animal species (ref. document: IUCN Red List). Number of IUCN Red list species and national conservation list species with habitats in areas affected by operations by level of extinction list is also one of the informative KPI's of the Central Procurement monitored on a monthly, quarterly or annual basis.

Disclosure 304-4

IUCN red list species and national conservation list species with habitats in areas affected by operations

Number of raw materials used from the category	2016	2017	2018
Critically endangered	0	0	0
Endangered	0	0	0
Vulnerable	0	0	0
Near threatened	1	1	1
Least concern	1	1	1

Among our five Strategic Business Units which produce food: Beverages, Coffee, Snacks, Savoury spreads, Pharma & Baby Food, only SBU Savoury spreads operations are using raw materials from IUCN Red List (Thunnus albacares / Yellowfin Tuna; Status: Near Threatened ver.3.1).

For the production of Argeta Tuna pate, we use not endangered species, and these are Yellowfin tuna -Thunnus albacares (Near Threatened ver.3.1.) and Skipjack tuna - Katsuwonus pelamis (Least concern). We have stopped to use Bigeye tuna in our production in 2016.

Katsuwonus pelamis

This species is widespread and is important in commercial fisheries throughout its range. Although it is heavily fished, it is considered relatively abundant and is fast-growing, shortlived, and very fecund. It is listed as Least Concern.

GRI 306: EFFLUENTS AND WASTE

Disclosure 306-2

Waste by type and disposal method

Waste by disposal method (t)	2016	2017	2018**
Non-hazardous			
reuse	1,040.84	1,224.66	1,305.03
recycling	3,073.65	2,848.93	2,730.90
composting	94.82	302.01	239.17
recovery	519.59	407.30	753.21
incineration	419.26	211.01	223.81
deep well injection	0.00	0.00	0.00
landfill	2,704.74	2,128.58	2,062.34
on-site storage	*	*	*
other	0.00	0.00	0.00
Total in tones	7,852.90	7,122.48	7,314.47
Hazardous			
reuse	0.00	0.00	0.10
recycling	37.80	31.98	17.80
composting	0.00	0.00	0.00
recovery	3.92	0.02	0.01
incineration	10.90	10.98	12.59
deep well injection	0.00	0.00	0.00
landfill	0.00	12.96	17.65
on-site storage	*	*	*
other	0.00	0.00	0.00
Total in tones	52.62	55.94	48.14

*On-site storage waste is temporary and is reported in the next reporting period by final disposal method

The disposal method has been determined based on information provided by the waste disposal contractors.

Within the Atlantic Grupa Environmental management system, we manage wastewater discharge in order to minimize the negative impact on the environment.

** Aminolabs Atlantic and Neva in Croatia left Atlantic Grupa in 2018

Considering the change of the scope of Atlantic Grupa (Aminolabs Atlantic and Neva left in 2018) the amount of non - hazardous waste has increased for 7% mostly due to increased production. Separately collected waste comparing the previous year was improved for 1.7%. The target was 1%.

The hazardous waste represents 0.65 % of total waste and it is disposed in accordance with the best practices available on the market. The landfill waste is divided to municipal waste and waste that was separately collected but ended on the landfill due to lack of solutions for further processing of waste on some markets. The municipal waste represents 49% of total landfill waste.

Disclosure 306-2

Waste by type and disposal method

Waste by region (t)	2016	2017	2018
Non-hazardous			
SI	1,702.29	1,430.51	1,612.05
HR	1,319.47	1,625.80	1,276.08
RS	3,033.05	2,954.39	3,256.52
BH	1,302.98	1,030.69	1,086.92
MK	93.17	81.10	82.90
DE	401.93		
TOTAL	7,852.90	7,122.48	7,314.47
Hazardous			
SI	5.94	15.39	20.43
HR	35.90	35.28	20.03
RS	8.40	3.38	6.98
BA	0.87	0.89	0.69
MK	0.00	1.00	0.00
DE	1.51		
TOTAL	52.62	55.94	48.14

In Bosnia and Herzegovina, Serbia and Macedonia the method for collecting municipal waste (landfill) is based on two month measurements. The billing system for the municipal waste removal is defined per square meter of the site and does not provide the weight of the removed waste.

Waste management improvements are one of the regular objectives of the environmental management system in all our business locations. Some examples of implemented waste management improvements:

- ~ in the production plant site of Soko Štark d.o.o. in Igroš, a recycling yard was organised, while the same company's plant site in Belgrade was equipped with new containers and receiving pools,
- ~ in the production plant of Cedevida d.o.o. in Zagreb, an ecological safety cabinet was procured for the temporary storage of hazardous and explosive liquid waste,
- ~ in the production plant site in Izola, separate waste collection was expanded to sub-fractions of different types of waste: the sorting of different types of paper and plastics was introduced,
- ~ in the production plant in Rogaški Vrelci, new waste scales were procured for the purpose of automatizing the waste measuring process and achieving maximum data precision, so that we are ready for the next step of establishing a modern "ecological island", which is planned for 2019.

GRI 401: EMPLOYMENT
WORKFORCE

The company has 4,842 employees* out of which 52.3% are women. In 2018, 0.72% were part-time and 99.3% were full-time employees. In the same period, 10.53% of employees had short-term contracts, while 89.47% had long-term contracts.

Region (market)	No. of employee	%	Gender		Gender %		Age group			Age group %		
			M	F	M%	F%	< 30	30-50	>50	< 30	30-50	>50
AT	16	0,33%	8	8	50.0%	50.0%	2	14	-	12.5%	87.5%	0.0%
BA	167	3,45%	118	49	70.7%	29.3%	10	108	49	6.0%	64.7%	29.3%
DE	27	0,56%	14	13	51.9%	48.1%	5	20	2	18.5%	74.1%	7.4%
ES	-	0,00%	-	-	0.0%	0.0%	-	-	-	0.0%	0.0%	0.0%
HR	1,899	39,22%	802	1,097	42.2%	57.8%	379	1,130	390	20.0%	59.5%	20.5%
IT	-	0,00%	-	-	-	-	-	-	-	-	-	-
ME	2	0,04%	1	1	50.0%	50.0%		1	1	0.0%	50.0%	50.0%
MK	188	3,88%	109	79	58.0%	42.0%	20	136	32	10.6%	72.3%	17.0%
RS	1,821	37,61%	906	915	49.8%	50.2%	171	1,112	538	9.4%	61.1%	29.5%
RU	54	1,12%	24	30	44.4%	55.6%	6	38	10	11.1%	70.4%	18.5%
SI	668	13,80%	327	341	49.0%	51.0%	62	398	208	9.3%	59.6%	31.1%
UK	-	0,00%	-	-	-	-	-	-	-	-	-	-
Total	4,842	100,00%	2,309	2,533	47.7%	52.3%	655	2,957	1,230	13.5%	61.1%	25.4%

The majority of our employees work in Croatia (39.22%), Serbia (37.61%) and Slovenia (13.80%).

Atlantic Grupa strongly supports the right of its employees to participate in decisions concerning their economic and social rights, and interests in accordance with the Labour Law. As a responsible employer, we have a tradition of joining workers that are promoting the interests of the worker to the employer, either through a union or work council. Union alliance of Atlantic Grupa is in accordance with international conventions, laws of the Republic of Croatia and union's statute. The union may work according to company union regulations.

In 2018, 56.08% of our employees were covered with collective agreements, comparing to 58.04% in 2017, while other employees are covered with industrial or federal collective agreements.

Disclosure 401-1

New employee hires and employee turnover

New employees in 2018

New hires	Number of new hires			New hire rate, %		
	2016	2017	2018	2016	2017	2018
By age group						
< 30	202	181	307	43.6	51.00	39.9
30 - 50	243	165	411	52.5	46.50	53.4
> 50	18	9	52	3.9	2.50	6.8
By gender						
Female	237	181	390	51.2	51	50.6
Male	226	174	380	48.8	49	49.4
By region						
AT	9	4	9	1.94	1.13	1,17
BA	4	8	15	0.86	2.25	1,95
DE	29	6	7	6.26	1.69	0,91
ES	0	0	0	0.00	0.00	0,00
HR	209	165	373	45.14	46.48	48,44
IT	0	0	0	0.00	0.00	0,00
MK	16	11	26	3.46	3.10	3,38
RS	128	84	274	27.65	23.66	35,58
RU	12	15	9	2.59	4.23	1,17
SI	54	62	57	11.66	17.46	7,40
UK	2	0	0	0.43	0.00	0,00
Total	463	355	770	100	100	100

In 2018 we employed a total of 770 people, representing an increase in total headcount number of 3.41% comparing to 2017.

The increase in the number of workers in the Republic of Croatia is partly related to the recruitment of employees who have previously worked through agencies. Also, this is partly true of the company's natural growth, which is reflected in the increase in the number of employees.

Employee turnover	Number of new leavers			Turnover rate, %		
	2016	2017	2018	2016	2017	2018
By age group						
< 30	82	121	149	18	28	24
30 - 50	306	225	324	67	52	53
> 50	70	88	138	15	20	23
By gender						
Female	205	223	268	44.8	51.4	43.9
Male	253	211	343	55.2	48.6	56.1
By region						
AT	2	6	11	0.4	1.4	1,8
BA	6	3	20	1.3	0.7	3,3
DE	75	21	43	16.4	4.8	7,0
ES	0	6	0	0.0	1.4	0,0
HR	184	192	323	40.2	44.2	52,9
IT	3	1	2	0.7	0.2	0,3
MK	6	12	14	1.3	2.8	2,3
RS	122	96	126	26.6	22.1	20,6
RU	16	23	18	3.5	5.3	2,9
SI	40	70	48	8.7	16.1	7,9
UK	4	4	6	0.9	0.9	1,0
Total	458	434	611	100	100	100

Over the last year we noticed changes in employee turnover mainly due to EU labor market opening, emigration as well as increased economic growth after the crisis.

GRI 403: OCCUPATIONAL HEALTH AND SAFETY

During 2018, the Security and safety process successfully realized all activities related to the improvement of processes and KPIs. In all markets is established Regulatory compliance registry for occupational safety and fire protection with the aim of preventive action and coordination of regularly activities, the risk assessment is regularly checked.

At the Corporate Security Conference in 2018 was presented ISO 45001 to all market experts focusing on changes in relation to OHAS and some of them have already attended training for internal auditors according to ISO 45001.

Additional efforts are being made at the operational level to the control of external contractors at our locations in aim to reducing the risk of injuries from external contractors and other risks in the field of protection and security in general.

We continue with operational re-training of employees in the field of fire protection, which encourages the self-protection of workers in all processes. Training for the expert 'in house' is planned in cooperation with the academic community.

Disclosure 403-2

Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities

Type of injury	2016		2017		2018	
	M	F	M	F	M	F
Minor injuries	25	32	24	32	33	28
Major injuries	5	7	6	9	2	6
Fatalities	0	0	0	0	0	0
Total	30	39	30	41	35	34

Number of injuries	2016		2017		2018	
	M	F	M	F	M	F
BA	1	3	2	1	5	1
HR	8	10	12	15	10	11
DE	0	1	0	1	0	0
MK	0	0	1	1	3	0
RU	0	0	0	0	0	0
RS	26	14	25	10	14	21
SI	4	2	1	2	3	1

Injury rate by region (IR)	2016	2017	2018
BA	2.58	1.94	3.55
HR	0.97	1.43	1.13
DE	0.55	0.67	0
MK	0	1.15	1.68
RU	0	0	0
RS	2.28	1.91	1.89
SI	0.9	0.45	0.60

Minor (first-aid level) injuries are included in the injury rate (IR)

Lost day rate (LDR)	2016	2017	2018
BA	42.04	19.47	50.99
HR	19.80	36.67	65.21
DE	0	0	0
MK	0	8.64	26.88
RU	0	0	0
RS	48.70	62.04	61.29
SI	18.70	20.08	18.70

Lost days are scheduled work days. The lost days count begins, the same day the accident.

Absentee rate (AR)	2016	2017	2018
BA	7,356.33	6,315.82	9,967.93
HR	13,118.68	13,573.38	15,061.68
DE	8,480.00	7,860.00	0
MK	0	4,949.18	3,815.05
RU	0	0	0
RS	11,749.81	12,096.36	12,670.39
SI	11,530.29	20,060.64	17,649.61

Avoiding occupational accidents is an essential component of Atlantic Grupa. There were no fatalities and occupational disease (OD). Atlantic Grupa records as accidents all cases that result in absence from work or involve treatment costs.

In our action plan for this year we planned re-education in production / distribution with emphasis on the importance of safe work in accordance with the procedures.

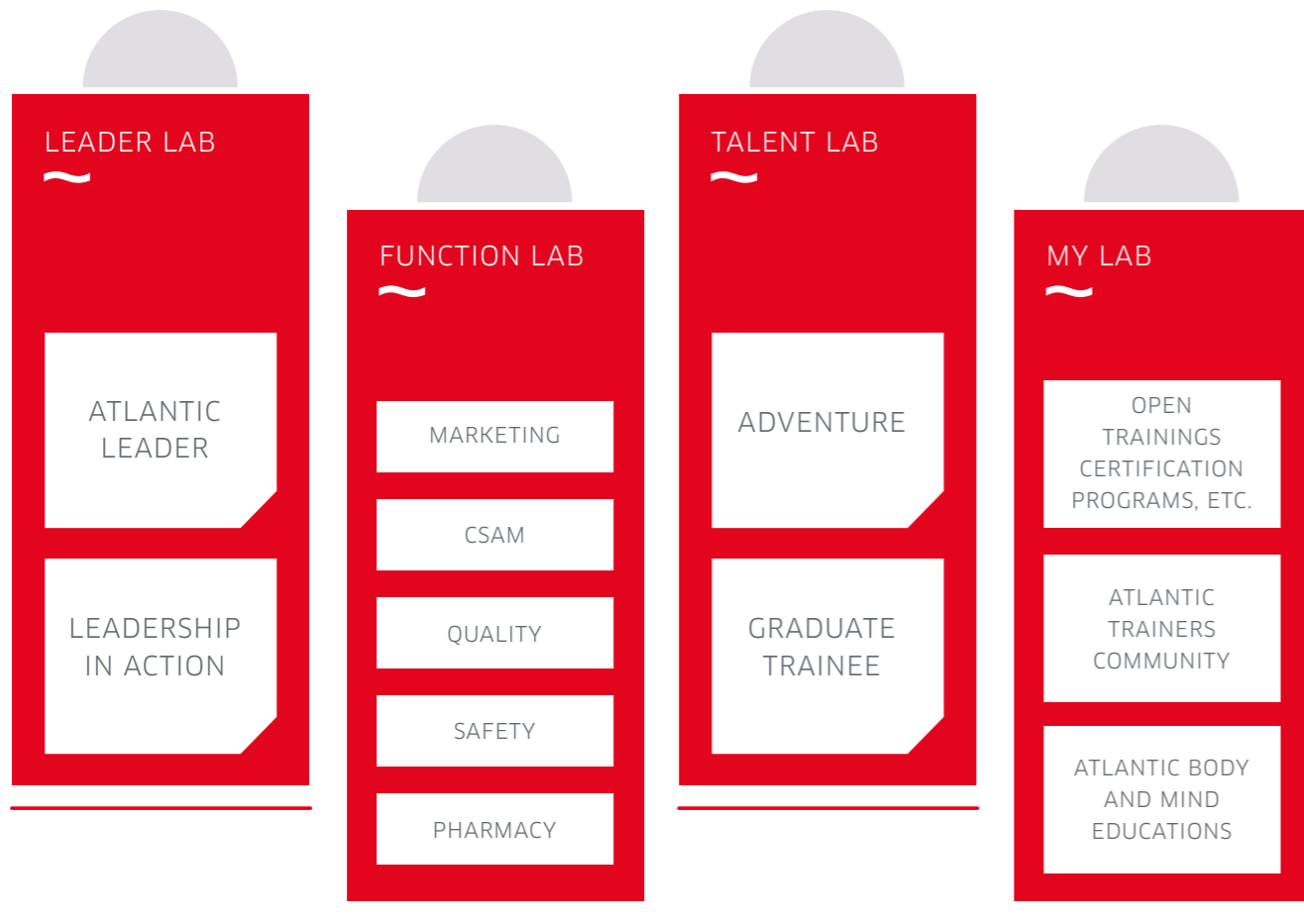
The agregat workplace monitoring report for Injury Rate (IR), Lost Day Rate (LDR) and Absentee Rate (AS) is prepared in base of the GRI methodology:
 AR formula = total # of missed (absentee) days over the period /total # of workforce days worked for same period * 200,000 (the factor 200,000 is derived from 50 working weeks per 40 hours per 100 employees.
 LDR formula = total # of lost days / total hours worked * 200,000
 IR formula = total # of injuries / total hours worked * 200,000

GRI 404: TRAINING AND EDUCATION

Development activities of human resource management are planned and implemented on the basis of four pillars, through which we aim to develop three areas of competence: managerial, functional and technical, which are recognized as necessary for the implementation of company strategy.

The employee is the highest value for our company. We are especially concerned with key employees and we have designed a talent management model for this purpose. The main HR communication tool is the HRNet program, which is used by all employees. In order to connect employees, provide for their physical and mental health, and encourage them to develop various innovations and reduce negative environmental impacts, we carry out numerous other projects and activities that we symbolize with logos.

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Disclosure 404-1
Average hours of training per year per employee

	2016	2017	2018
By gender			
FEMALE	10	9	13
MALE	10	9	9
Average training hours per employee = total number of training hours provided to employees/total number of employees; Total number of training hours provided to male employee/total number of male employee			
By level			
Senior Management	180	83	85
Middle Management	100	51	57
Other			10
By function			
Product Execution	45	8	7
Product Placement	44	9	12
Internal Perspective	160	14	19

Function such as technical, administrative, production

In 2018 we run SAP implementation project in Serbia which led to increased number of training hours.

In previous years the average training hours for "Other level" was not reported.

GRI 416: CUSTOMER HEALTH SAFETY

Disclosure 416-2

Incidents of non-compliance concerning the health and safety impacts of products and services
Note: in the GRI we exclude incidents for which the organization was determined not to be a fault

	2016	2017	2018	Estimated risk 2019
Incidents of non-compliance resulting in a fine	0	0	0	0
Incidents of non-compliance resulting in a warning	0	0	0	0
Incidents of non-compliance with voluntary codes	2	1	0	1

AG product safety management system is comprehensive and includes all hazards and all aspects, as food safety, food defence, food fraud, traceability.

The results prove that the system is highly efficient in all strategic business programs, the risk of product non-compliance on the markets is reduced to the lowest possible level. The most important novelties that were introduced during 2018 in all our production facilities are: - increased control of food fraud risks, - stronger connections with suppliers via a digital platform, which for us means centralised, transparent and improved control of document and information exchange, - stricter control of the risk of metals in food products in line with FDA, British Retail Consortium, International Featured Standard and equipment manufacturers' recommendations in order to ensure maximum compliance with all global requirements. Additional specific improvements were also introduced in individual business programmes. For example, in the strategic production programme Snacks, we upgraded the process of allergen control by expanding the scope of validation and implementing additional production measures. Many other improvements that are constantly introduced in line with suggestions of our food safety experts show their efficiency through excellent results of all key performance indicators, such as in reduced number of consumer complaints and zero product recalls.

GRI 417: MARKETING AND LABELING

We recognize our responsibility to present transparent and truthful information about our product to our consumers. In accordance with internal procedures that stand in line with local and EU legislation, we provide information about the sourcing of components, content, safe use and disposal of the product. Motivated by our consumers' suggestions, and as part of our broader efforts to contribute to health and wellness of our consumers, we also make nutritional information accessible, promoting active and balanced lifestyle and building trust within the community where we operate.

Disclosure 417-1

Requirements for product and service information and labeling

MEAT AND FISH PATE	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
VEGETABLE HUMMUS						
The sourcing of components (raw materials, packaging)	MSC Tuna Pate	3.4%	2.7%	4.0%	3.0%	% of total tuna raw material; % not achieved due to decrease in promo activations (not profitable)
	chicken fat in recipes	97.0%	99.2%	97.0%	100.0%	0.8% of chicken fat was written off due to low quality
	bouillon in recipes	100.0%	98.2%	100.0%	100.0%	1.8% of chicken bouillon was written off
	BPA-NI packaging	50,0%	92,0%	90,0%	98,0%	it is planned that all packaging will be in BPA-NI aluminium can; in 2018 only 80% due to old stocks + USA production
Content of the product (recipe)	nutritional information on the label	100,0%	100,0%	100,0%	100,0%	
	source of omega -3 claim	2.6%	4.4%	2.6%	4.0%	3 products: sardina, sardina pikant, sardina posna - % of all SKU's
	gluten free claim	100.0%	100.0%	100.0%	100.0%	communicated on 95g pate; no space for communication on single portion pates
	Vegan symbol	0.0%	100.0%	100.0%	100.0%	Relevant for vegetable hummuses
	source of proteins	X	X	X	1.8%	Argeta Junior Kremtuna in Kokokrem - % of all SKU's
	source of fibers	X	1.3%	X	6.0%	Vegetable hummuses - % of all Argeta SKU's; claim on all vegetable SKU's
	Allergen information on the label	100.0%	100.0%	100.0%	100.0%	
Safe use of the product	no additives	X	X	X	X	
	no preservatives	99.8%	99.8%	100.0%	100.0%	Prištinska pate due to "suduk" ingredient
	no enhancers	99.9%	100.0%	100.0%	100.0%	
	no artificial colours	100.0%	100.0%	100.0%	100.0%	
	Refrigerate after opening info	100.0%	100.0%	100.0%	100.0%	on 95g pate; no need for single portion pates
	Do not use if the product is inflated	100.0%	100.0%	100.0%	100.0%	Relevant for meat and fish pate
	When opening jar, click sound should be heard	100.0%	100.0%	100.0%	100.0%	Relevant for vegetable hummuses
Possible presence of olive pits	0.0%	100.0%	100.0%	100.0%	Relevant for vegetable hummuses - olive taste	
Disposal of the product	all signs for appropriate recycling product packaging	100.0%	100.0%	100.0%	100.0%	

SENDWICHES, VEGETABLE SALADS, PANCAKES, COOKIES, BARS	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	nutritional information on the label	100%	100%	100%	100%	
	Allergen information on the label	100%	100%	100%	100%	
Safe use of the product	Do not use if the product is inflated	100%	100%	100%	100%	Relevant for triangle
	Keep at the temperature from +4 to +8 °C	100%	100%	100%	100%	Relevant for all products, cookies and bars excluded
	Possible presence of olive pits	100%	100%	100%	100%	Relevant for vegetable salad - mediterranean
	Possible presence of nutshell	100%	100%	100%	100%	Relevant for salad - continental and cookies
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

BABY DRY CEREALS	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	Baby Food quality raw materials	100%	100%	100%	100%	
	enriched with vitamins and minerals	100%	100%	100%	100%	
Content of the product (recipe)	without additives and preservatives	100%	100%	100%	100%	
	without gluten	39%	38%	38%	38%	
	with no added sugar	9%	9%	15%	15%	
Safe use of the product	after opening the product should be stored in a dry and cool place (not in fridge) not more than 3 weeks	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

COFFEE	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	Organic product	1%	1%	1%	1%	
	Single origin	na	0%	3%	3%	
Content of the product (recipe)	Decaffeinated product	3%	3%	3%	3%	
	Store in a cool and dry place	100%	100%	100%	100%	
	Add cold water	6%	7%	7%	7%	
	Add hot but not boiling water	35%	35%	35%	35%	
Disposal of the product	Signs for appropriate recycling product packaging	100%	100%	100%	100%	

FOOD SUPPLEMENTS	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	na	na	na	na	na	
Content of the product (recipe)	Nutritional information on the label	100%	100%	100%	100%	
	Natural colours	76%	78%	79%	80%	
	Natural aroma	78%	78%	78%	79%	
	Risk statements	100%	100%	100%	100%	
Safe use of the product	Safety statements	100%	100%	100%	100%	in line with EU regulation
	Dosage	100%	100%	100%	100%	
Disposal of the product	Packaging without leaflets	95%	95%	95%	95%	
	Packaging without plastification (with UV lacquer)	95%	95%	95%	95%	
	Designation of packaging materials	100%	95%	95%	95%	
	All signs for appropriate recycling product packaging	100%	95%	95%	95%	
	Sign of dispose carefully	100%	95%	95%	95%	

GOURMET	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	usage of fruit which is not treated with pesticide (wild fruit)	7%	7%	7%	15%	number of SPs in total number of GS SPs
	BPA-NI packaging	NA	NA	100%	100%	for whole GS /BT assortment
Content of the product (recipe)	without preservatives and coloring	100%	100%	100%	100%	for the whole assortment
	no sugar added	18%	18%	18%	18%	for juices only
	low calories - light	5%	5%	5%	0%	for light jams only - delisted in 2019
	fructose instead of sugar	5%	5%	5%	0%	for light jams only-delisted in 2019
	honey instead of sugar	NA	30%	30%	30%	for jams category
	allergen info on the label	100%	100%	100%	100%	for whole assortment
	extra virgine olive oil instead of refined sunflower oil	NA	NA	11%	11%	for Ajvar category
	fruit juice instead of concentrated juice	NA	8%	8%	8%	only NFC orange
Safe use of the product	store in dark place and below the 25°C	100%	100%	100%	100%	for the whole assortment , except WFP
	Possible presence of pits	33%	33%	33%	33%	jam apricot and plum, in jam category
	keep refrigerated after opening	100%	100%	100%	100%	for the whole assortment, except WFP
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	for the whole assortment

CARBONATED SOFT DRINKS	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)						
Content of the product (recipe)	caffeine and orthophosphoric acids free	75%	100%	100%*	100%*	*Only caffeine free
	glucose-fructose syrup free	95%	95%	0%	0%	
	with sweeteners, sugar-free	5%	5%	0%	Cca 10%	
	with fruit juice	5%	5%	5%	5%	
	finest herbal extracts			100%	100%	
	natural flavors			100%	100%	
	natural CO2			100%	100%	
Safe use of the product	serve cool	100%	100%	100%	100%	
	keep it in a dark place	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	Cockta - use 50% recycled PET bottles
	sign of dispose carefully	100%	100%	100%	100%	

NATURAL MINERAL WATERS BOTTLED IN RV	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	natural sources of water	100%	100%	100%	100%	
Content of the product (recipe)	rich in minerals, contains hydrogen carbonate, sulphate, sodium, magnesium, calcium	100%	100%	100%	100%	Only on markets where is possible and in accordance with legislation (17 markets of 28)
	health claim KLINIKALI PROVEN REGULATES DIGESTION		60%	60%	60%	
Safe use of the product	It is not recommended to consume water by patients with acute renal failure and hyper volumetric state, with disturbances in acid-base equilibrium.	100%	100%	100%	100%	
	Drinking in huge quantities could cause diarrhoea, which ends, if you stop drinking or respect recommended intake.	100%	100%	100%	100%	
	Keep away from heat sources and protected from direct sunlight.	100%	100%	100%	100%	
	after opening, store in refrigerator	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	
	sign of dispose carefully	100%	100%	100%	100%	
	returnable glass bottle 1L		6%	6%	6%	

The sources of all natural mineral and spring waters are exploited in a way that does not damage the natural balance. Natural carbon dioxide is used for all carbonated products.

VIN	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	source of vitamins	65%	65%	65%	65%	
	natural flavour	100%	100%	100%	65%	
Content of the product (recipe)	9 vitamins	100%	100%	100%	100%	only for vitamins
	EFSA Health claims	65%	65%	65%	65%	
	with sweeteners, sugar-free	5%	5%	5%	5%	
	chia, source of protein		0.5%	1%	0%	
Safe use of the product	with calcium	9%	9%	9%	9%	
	always use a dry spoon	100%	100%	100%	100%	
	after use, close the packaging tightly	100%	100%	100%	100%	
	the recommended daily dose should not be exceeded	100%	100%	100%	100%	
	food supplements should not be used as a substitute for a varied diet	100%	100%	100%	100%	
	store in dry place out of reach small children	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

CANDIES	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)						
Content of the product (recipe)	9 vitamins	68%	78%	78%	78%	Only for products with added calcium
	with vitamin C	32%	22%	22%	22%	
	with calcium	7%	8%	8%	8%	
Safe use of the product	store in cold and dry place	0%	0%	0%	0%	
	excessive consumption may have a laxative effect	2%	0%	0%	0%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

CEDEVITA GO	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	Granules with vitamins + spring water	100%	100%	100%	100%	
	natural flavour	100%	100%	100%	100%	
	natural spring water	100%	100%	100%	100%	
Content of the product (recipe)	9 vitamins	100%	100%	100%	100%	
	EFSA Health claims	100%	100%	100%	100%	only for vitamins
	with sweeteners (steviol glycosides), 35% less sugar	6%	6%	6%	100%*	*50% less sugar
Safe use of the product	with calcium	7%	7%	7%	0%	0%
	Screw the cup of Cedevida granules will fall into the water. Screw the cup on and shake the bottle.	100%	100%	100%	100%*	*will be changed, suitable to new cap
	the recommended daily dose should not be exceeded	100%	100%	100%	100%	
	food supplements should not be used as a substitute for a varied diet	100%	100%	100%	100%	
	store in dry place below the 25°C out of reach for small children	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

NATURAL MINERAL WATERS BOTTLED IN PK	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)	natural sources of water	100%	100%	100%	100%	
	natural spring water	54%	54%	54%	54%	
	carbonated natural mineral water	46%	46%	46%	46%	
Content of the product (recipe)	contains hydrogen carbonate, sodium, magnesium	100%	100%	100%	100%	
Safe use of the product	Keep away from heat sources and protected from direct sunlight. It is recommended to store in a cold place.	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	
	sign of dispose carefully	100%	100%	100%	100%	

The weight of PET - bottle for the whole assortment and all volumes was reduced during 2013 and 2014

SNACKS	Information	% of products in brand portfolio of significant product category in compliance with the requirement described next				Note
		% in 2016	% in 2017	% in 2018	goal 2019	
The sourcing of components (raw materials, packaging)						
Content of the product (recipe)	High in fiber	6%	6%	5%	1%	In 2018 new products were launched with the following statement: Integrino hrono and Integrino hrono apricot, Prima heljda. For 2019 plan is: Mini integrino classic, Mini integrino mint
	High protein				1%	In 2019 are being developed products Smoki with protein and Integrino with Protein
	With natural flavour				1%	In 2019 is being develop a double layer of Bananica with natural aromas
	No added sugar	1%	3%	0%	1%	Development of a new Bananica with no added sugar or reduced sugar content is in progress.
	Without additives	5%	0%	5%	1%	When developing new products is focus on ingredients without additives.
	Palm fat free				2%	Prima and Smoki in development with statement Palm oil free.
Safe use of the product	extended shelf life with packaging in control atmosphere	15%	0%	10%	1%	Planned for CHIPSOS - left the category. Development of internal gas distribution on the new Smoki mix is in progress.
Easy open	Cold seal flexible packaging	14%	5%	10%	2%	Prima and Smoki in development with statement Palm oil free.

