



Sustainable Management Report 2018

Consolidating our
priorities to be allies
for development



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About This Report

This report has been prepared based on the **GRI Standard** in accordance with the core option, covering the period of the 2018 calendar year. It includes all the operations of **Team Foods in Colombia, Mexico, Chile and BredenMaster**, which is still in the process alignment and standardization phase. The operation of BredenMaster Colombia is not taken into account yet on the environmental front.

This report has been verified by **Deloitte & Touche** in order to ensure the transparency, quality and scope of the information reported.



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We nourish a better tomorrow

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Darwing Gutiérrez
Operator
Alianza Team® Barranquilla



President's letter

[T1; 102-14; 102-15; 102-46]

Alianza Team®'s commitment to sustainability is founded on creating solutions that are focused on nourishing a better tomorrow, taking a holistic business vision into account in which social and environmental factors play a key role. Today, this commitment forms part of the company's DNA and of its very essence.

In order to conduct this sustainability strategy and present the results summarized in this report we focus on a number of key priorities, which are the same as those that guide the company's daily activity: our customers and consumers, to whom we have a responsibility to create products and solutions aligned with a balanced lifestyle that respond to market needs, and to that end we make a permanent investment in research and innovation;

our people, who have enabled Alianza Team® to establish itself as one of the leading companies in the country's lipids and brands sector; our environment, to which we are committed in order to have a positive impact on local development and leave a better future behind for subsequent generations; and, finally, our investors, to whom we pledge to meet our business aims in order to ensure the company's profitable growth..

In line with the above, I would like to proudly highlight that in 2018, we once again strengthened our relationship with our stakeholders to become their allies. On this, I would like to emphasize one of the previously mentioned priorities which is the cornerstone of our business: our people. Throughout 2018, we focused on making our operations





more human by strengthening teams and prioritizing their wellbeing to make Alianza Team® a great place to work. As a result, and in recognition of this consistent effort, Icontec and Great Place to Work have certified us as a “Great Place to Work” due to our policies and practices that generate trust, commitment and a sense of belonging in our employees.

We maintained our research, development and innovation efforts during 2018, and as a result we were able to launch over 50 new products and enter new categories with the Vidalia®, Jappi® and Dagusto® brands. For the sixth year running we set aside 1% of our sales for research and development, in order to further enhance our applied knowledge in lipids and boost our capacities in the field.

Last but not least, we also kept up our environmentally-responsible work by implementing mechanisms aimed at achieving efficient use of natural resources, not only from operational level but also by raising awareness across the organization of the role we all play in protecting the environment. Our Manos Verdes (Green Hands) program has continued to make progress, and today it represents a solution that enables our customers, and the Horeca sector in general, to

properly dispose of used cooking oil. This initiative has become a leader and benchmark and will continue to expand and help the environment.

Many thanks to everyone who has believed in our company and in our way of doing things. It’s because of each one of you that we will keep striving to do things better day after day, generating value for our stakeholders. We’re sure that 2019 will be a year full of opportunities and positive results, for everyone who has made it possible for our organization to keep consolidating its position as a leading company in the sector and as a development partner.

Luis Alberto Botero B.

President & CEO
Alianza Team®



Who we are

[102-3; 102-4; 102-6; 102-7; 102-8; 102-41]



▲ Alianza Team® Chile

Our Facilities



Today, we are present in three countries (Multilatina company).



Our facilities are equipped with the most advanced technology.



3 strategic business groups, nine business units.





Employees



Women



Men



% covered by collective
bargaining agreements

Alianza Team®
Total

2,413

743

1,670

25.74%

Colombia

1,097

302

795

9.94%

Mexico

180

59

121

24.44%

Chile

110

37

73

40.91%

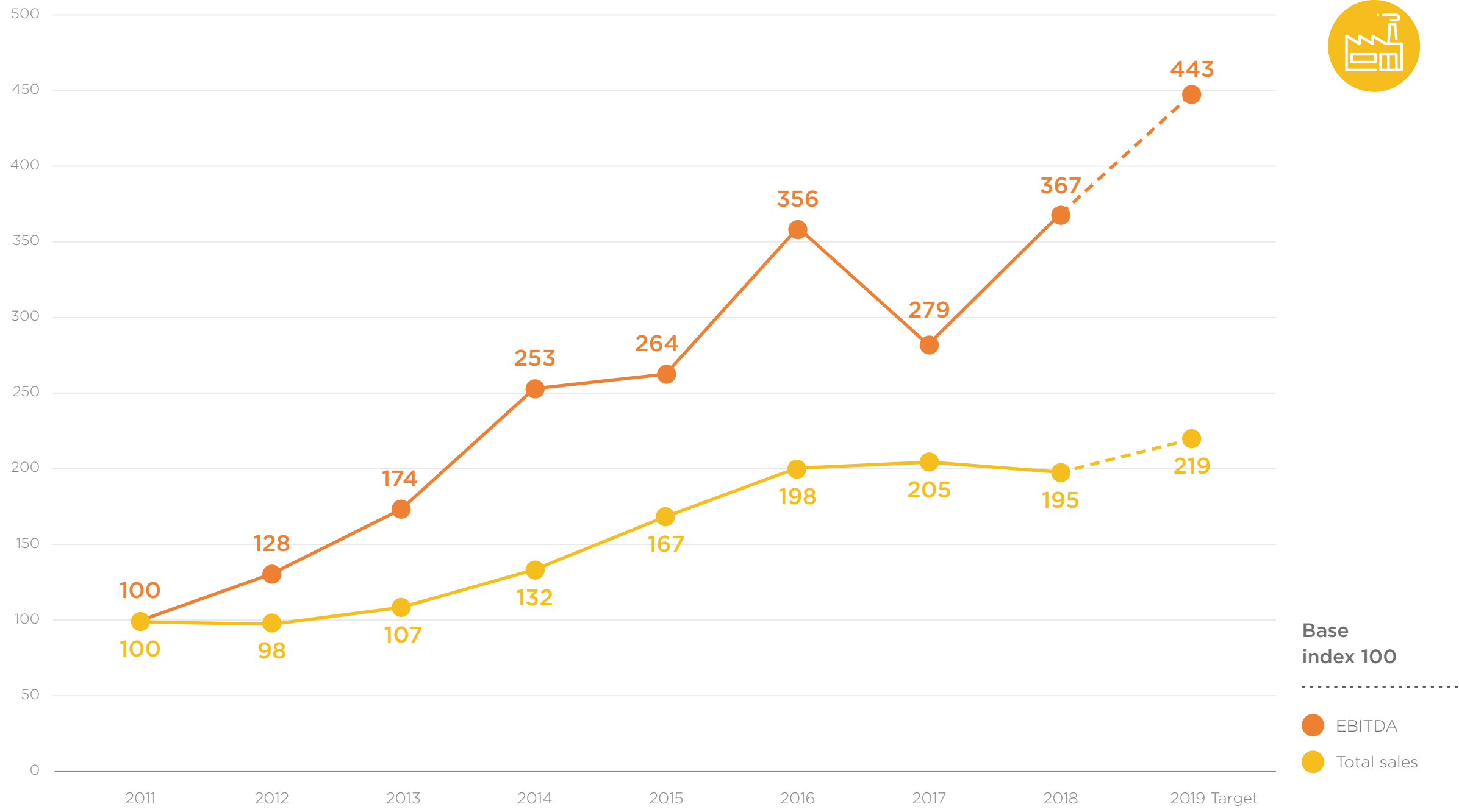
BredenMaster®

1,044

345

681

60.82%





How do we manage ourselves?

[102-2; 102-11]

We strive to be the best partners for our various stakeholders and for the development of our local and national setting. This year, one of our aims was to make our operations more human by strengthening teams and prioritizing their wellbeing in order to make the organization a great place to work. We efficiently manage resources by ensuring that strategic goals are met to leave a better world behind for future generations, and we grow in

tandem with our suppliers by guaranteeing transparent relationships and fair negotiations. In our three strategic business groups we are focused on using our knowledge and application of lipids to offer different, relevant benefits to the consumers of our brands and our customers' brands. By doing so we demonstrate that we are the best investment for our shareholders, guaranteeing profitable, sustained growth over time.

Our Strategic Business Groups

Mass and Out of Home Consumption



- 1 Focused on understanding consumers.
- 2 Making a difference with our brands and business models.
- 3 Orienting products towards final consumers.

Team Solutions



- 1 Serving the industry with value solutions.
- 2 In-depth knowledge of the needs of customers and brands.

BredenMaster®



- 1 Offering bakery solutions that make it easier for our customers to deliver freshly-baked bread to their consumers
- 2 Making a difference with the products that we offer, in the sectors that we serve.



Our capabilities



Our expertise

Using our knowledge of science and technology to meet the specific needs of the market, we possess the corporate capability to carry out disruptive, radical and architectural innovation projects, backed up by open innovation schemes and third-party cooperation. All of this helps us to gain a competitive advantage.

We have

9 patents granted

14 inventions

38 patents pending

and training programs in science and other fields.



Our assets

Our seven production facilities are equipped with the latest technology. Together with the company's intangible assets, this provides us with high productive capacity and great flexibility to adapt and meet the demands of our customers, consumers and the environment in a trustworthy and timely manner.



▲ Leonel Garnica Calderón- Operator, Alianza Team* Mexico Facility



◀ Héctor Sandoval,
General Manager
BredenMaster*



▲ John López, Operator, Alianza Team® Bogota

Organizational progress



In 2018 we enhanced internal control as an intrinsic value of a highly competitive organization, highlighting the three safety rings formed by people, processes and audits. We declare irreverence, in the best sense of the word, as a new corporate value and we are sure that embodying those values on a daily basis and respecting our internal processes is the best way to safeguard our reputation and protect profitable growth over time.



We participated for the first time in the **Dow Jones Sustainability Index**, an international evaluation that measures the sustainability performance of companies in the economic, environmental and social fields across 32 different topics with more than 120 questions. We achieved a result that was 15 points above the industry average, which makes us immensely proud and drives us to keep working to nourish a better tomorrow.



▲ Jesús Jaimes, General Manager, Team Solutions Alianza Team

The year 2018 also saw us begin the process of strengthening our digital capabilities in order to offer social media services, digital production engineering, creativity for content grids on social networks and communication campaigns on digital media. We seek to assist the businesses and the brands of the core business such as Campi®, Gourmet®, Olivetto®, Jappi® and Vidalia®, not only with visibility and communications services but also with key insights on consumers with regard to the corresponding categories. In the short term we also see this as a digital trade initiative, a sector which continues to grow and occupy an ever larger share of the market in which we operate. This helps to position the brands that we currently have in the market and drives new initiatives or contact points with our

customers. Some of the most noteworthy results obtained were an increase of over

300%

in the number of followers the Jappi account; a

16%

increase in sales of Gourmet® Oliva thanks to a boost from influencers

890,000

significant user interactions with the Olivetto® and Vidalia® brands and views of the Campi® digital campaign.



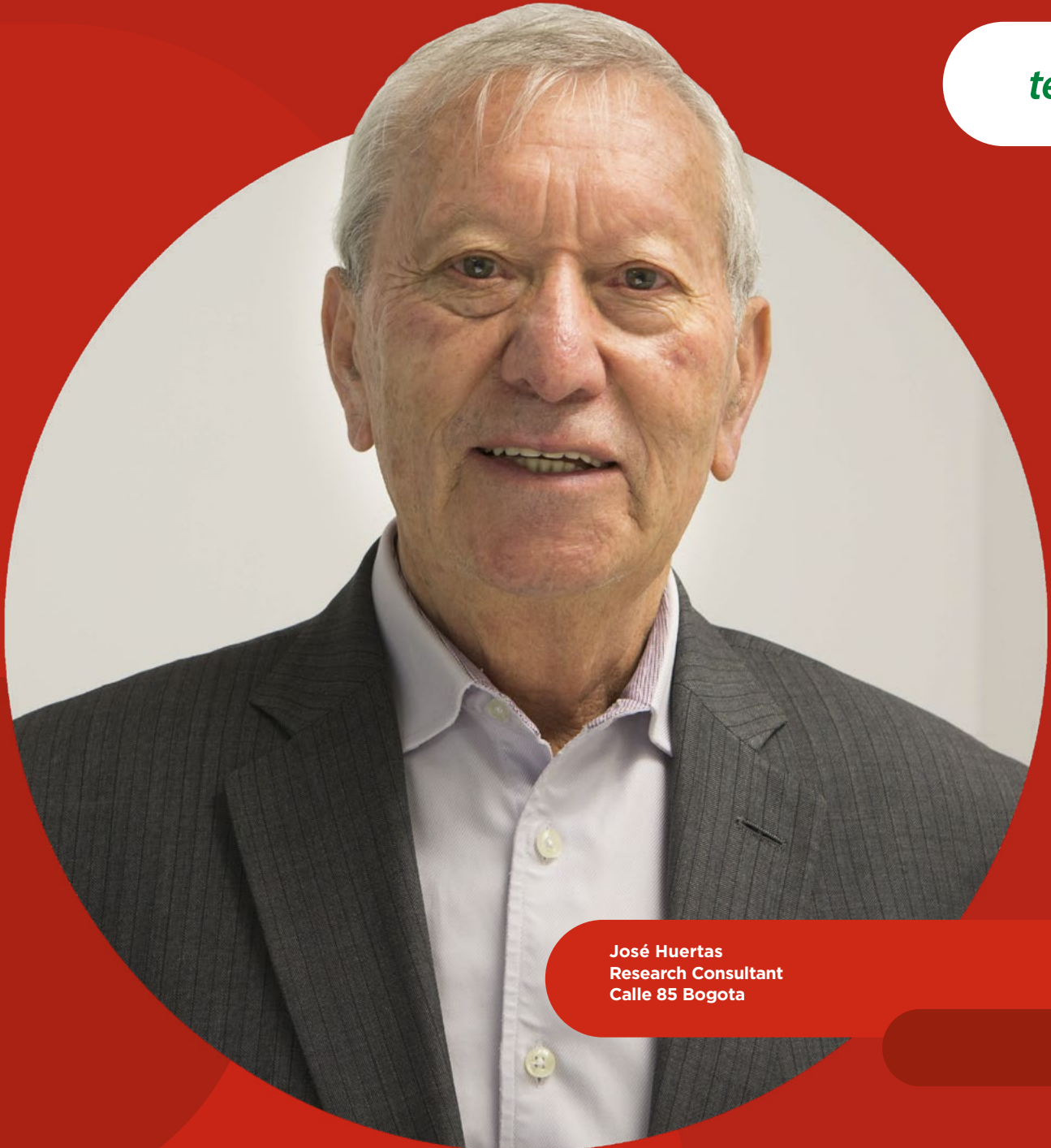
These channels are vital in bringing us closer to our customers and consumers, forging closer bonds of trust and communication that have a direct impact on the loyalty and fidelity of those who already consume our products and services.



2

Our customers and consumers

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José Huertas
Research Consultant
Calle 85 Bogota



We strive to offer our customers and consumers the best solutions with high levels of value, innovation and quality in order to remain their preferred option in the market. In Alianza Team®'s three strategic business groups we produce foodstuffs and consumables that are backed by a highly-qualified human team, certified international standards and robust management of the supply chain that ensures that the products and services provided are trustworthy, timely and competitive.



▲ Darwin Gutiérrez, Operator, Alianza Team * Barranquilla Facility



▲ Luis Solano, Operator, Alianza Team * Barranquilla Facility

Quality and BPM



We are proud to have implemented and certified the following credentials in our production facilities.

Team Chile was recertified for a further three years in HACCP and updated its ISO 9001 certification to the 2015 version, while BredenMaster maintained its HACCP and FSSC22000 certification and significant progress was made in Colombia with OEA (authorized economic operator) certification for imports. Recognition from the DIAN (the Colombian tax authorities) for OEA export certification was obtained in 2017, providing the organization with benefits in terms of safety, reliability, tax affairs and efficiency in customs procedures. We hope to acquire this certification in the first quarter of 2019. Finally, in Mexico work was done to arrange all the documents and process adjustments that are required to obtain Clean Industry certification, reaffirming Team Mexico's commitment to environmental protection. Accordingly, the aim is to have this certification by the end of 2019.



Certificación FSSC 22000:2013

Bogota - Colombia
Barranquilla - Colombia
Buga - Colombia
Morelia - Mexico



Certificación ISO 9001:2015

Bogota plant: SC189-1
Buga plant: SC189-3
Barranquilla plant: SC189-2



Certificación ISO 14001:2015

Bogota plant: SA051-1
Buga plant: SA-CER593699
Barranquilla plant: SA051-1



Certificación OHSAS 18001:2007

Barranquilla plant: OS009_1



Certificación ISO 28000:2007

Bogota plant: CO18/8045
Buga plant: CO18/80487
Barranquilla plant: CO18/8046



Certificación KOSHER

Bogota - Colombia
Barranquilla - Colombia
Buga - Colombia
Morelia - Mexico



Certificación MB-SG

Code: 4-0054-09-100-00
Check our progress at:
www.rspo.org



Certificación Halal de Chile

Santiago - Chile



Certificación ICONTEC GPTW

Recognition for having policies and practices that generate confidence, Commitment and sense of belonging on the part of its collaborators.
Oct 2018- Oct 2019 Colombia

Producing healthy foodstuffs through research, development and innovation

[T1]

In 2018, the research team managed to consolidate the nutraceuticals platform through a rapid exploration of formulas based on the metabolic function of lipids. This made it possible to finish two pre-clinical studies under contract with specialized institutions. Moreover, the capabilities acquired by staff specialized in product development enabled the generation of four minimum viable concepts, which aim to maximize the metabo-

lic function of lipids with health and nutritional benefits. Another relevant factor was the identification and technical evaluation of oils of interest; this opens up business opportunities in new categories, enhances our technical capabilities and is the company's first exposure to the use of new lipid sources.

Our businesses of consumer and industry products are focused on developing solutions to reformulate pro-

ducts and eliminate ingredients that are not in line with our corporate purpose, or with new consumer trends and demands in general. As a result, a schedule has been defined for projects that deal with the different links of the productive chain. In this regard, the focus on reformulating products to reduce sodium, sugar, calories and saturated fats while maintaining their texture and flavor qualities was common to all countries.



▲ José Cantillo, Researcher, Alianza Team* Barranquilla Facility



In Chile, solutions were developed for biscuit, chocolate and margarine products, and work was also carried out on aspects related to sustainable and GMO-free materials. In Mexico, solutions were developed for the chocolate, dairy, meat and bakery categories, among others, and the non-use of partially hydrogenated oils in formulas is also being encouraged due to their trans-fat content. However, due to their unregulated status in the country these oils are widely used in the industry. Healthier habits and lifestyles are being promoted in Colombia through communications campaigns on traditional and digital channels. As members of the Nutrition Committee of the National Busi-

ness Association of Colombia (ANDI), we participate actively by contributing to the scientific consensus that has been constructed through our science network in order to develop regulatory plans and projects for the country's food industry. Specifically, work has been proceeding on issues related to sodium levels, trans and saturated fat content, food tagging and labelling, advertising to children and macronutrient reference values.

We are committed to research, development and innovation and strongly believe that this is one of the organization's growth vectors. As a result, investment for these purposes remains at 1% of our sales for the sixth consecutive year.



▲ Catalina Contreras, Administrative, Alianza Team* Barranquilla Facility





▲ Luis Ernesto Ramirez, Operator, Alianza Team® Buga Facility

Launches and developments

In 2018, we launched more than 50 new products and entered into new categories with the Vidalia®, Jappi® and Dagusto® brands. Some of the most representative new products are listed below:



Colombia: Vidalia ActiveOIL®, MentalOIL® and VitalOIL®; Lolita®, Claro® and La Gustadora® margarines; Jappi® (natural, vanilla and sugar-free flavors); Olivetto® for frying; premixtures, chocolate cream, icing-style creams and Dagusto fruit fillings for pastry products.



Mexico: MIGGA®, MAZZA® and LA CLETA® margarines for cakes in different presentations.



Chile: The development of solutions for customers which enable them to offer benefits to their consumers through label-less products.



BredenMaster: Filled pastries, three new baguette flavors, traditional and caramel-filled donuts, and the new shrimp filling for traditional empanadas (Chile). Assorted mogolla-style breads, baguettes, croissants and mini donuts (Colombia).



We have been recognized by KFC and Burger King in Colombia

For the second year running, we have been recognized by KFC for our excellent management of the supply and quality of our products and services. We have also been recognized for our commitment to health and nutrition by Burger King, who highlighted us as customer care partners in the promotion of eating habits that generate wellbeing. In this way, through teamwork, our customers recognize how we nourish a better tomorrow.

Responsible communications and marketing

[417-1]

We have made strides with our pledge to self-regulate with front labelling and the advertising and marketing of the products we launch on the market, aware that more and more people carefully read the labels of the products they buy and that the information provided has a significant influence on purchasing decisions. For this reason, we believe there is a need to accurately inform our customers and consumers and to have responsible marketing and advertising strategies in place. As a result, the proportion of products from

59%

from branded businesses and own brands clearly labelled with guideline

80%

daily amounts (GDAs) of sodium, sugar and saturated and total fats rose. This is due to an increase in many of the own brand products that previously did not include this information, and the proportion of products that showed GDAs on their front labels increased from 55% to 70%.



◀ Juan Carlos Vargas,
General Manager
Alianza Team[®] Mass Consumption



Customer and consumer satisfaction

[T2; T3]

IPSOS Customer Satisfaction

As has been the case for several years, the satisfaction of our industrial customers is measured using the Ipsos Loyalty method, which employs in-depth research to give us vital inputs that ratify our customers' preference for our products and services. Likewise, it enables us to take the measures required to improve our processes. In all three countries, our customers' intention to recommend us and continue our commercial relationship stands out.

Colombia



138 evaluations
70 companies

The evaluation of marketing and logistics processes increased substantially, and results remained above 83 in all the processes evaluated. A notable increase of 4 points was achieved in the cost-benefit ratio of our products and services.



General satisfaction
2017: 87.8 2018: 86.1
Net Promoter Score (NPS): 82

Mexico



201 evaluations
39 companies
84 people

A favorable outlook is apparent, with high satisfaction, recommendation and continuity levels and results above 88 in all the processes evaluated.



General satisfaction
2017: not available
2018: 89.2
(NPS): 85.7

Chile



35 evaluations
19 companies

The evaluation of cost-benefit ratios rose significantly, as did the technical process evaluations, which increased by more than 12 points in comparison with the 2017 score.



General satisfaction
2017: 76.3 2018: 76.5
(NPS): 58



▲ Arlon Narvaes, Operator, Alianza Team® Bogota

Aló/Hola Team- General Consumer Satisfaction

We have trust in the safety and high standards with which we operate, and as such our products hold a seal of guarantee. We employ a thorough process of receiving, investigating, analyzing and resolving all the complaints and claims that arise in order to identify their root causes and implement the changes required to improve our processes.

We seek to base our quality management on facts and figures and

not on perceptions or emotions, and as a result recording, monitoring and closing every case is essential for our management. The conclusion in all countries is that a significant percentage of the complaints and claims received were due to inappropriate use and operation. We therefore consider it necessary to teach our consumers how to use and consume our products correctly.

Colombia



A general satisfaction score of **93** was reported, compared with the proposed target of **96**. However, it is notable that **33%** fewer complaints and claims were received in **2018** than in 2017.

Mexico



32% fewer complaints related to the quality of our products were received when compared with **2017**, demonstrating improvements in the use of our products.

Chile



17 complaints were submitted in **2018**, **49%** fewer than in **2017**, most of these categorized as presentation issues. Management was formalized through the call center and the Aló Team phone line.

BredenMaster



Complaints and claims were monitored with a specific rate, taking into account the number of complaints received as well as total sales. Compared with **2017**, this rate increased by **2 points** due to a drop in sales and a 2% rise in the number of complaints. It is noteworthy that quality-related complaints showed a decrease of **8%** from **2017**.



Responsible sourcing

Throughout the supply chain, we continue to work to strengthen our management and take advantage of opportunities for shared growth, based on fair, transparent negotiations and relationships that strengthen our commitment to being the optimum partners for the growth of our suppliers. With a focus on risk mitigation, quality assurance, and on the timeliness and competitiveness of the materials and supplies our operations require, we are able to offer customers the ideal solutions to their needs, ensuring that we keep our value promise at all times.

Identifying, evaluating and selecting suppliers

[T5]

Having the best partners is vital to assuring our commitment, and for that reason we operate strict controls and processes to identify, evaluate and select suppliers, taking into account not only economic but also environmental, social and governmental factors. We have managed to evaluate

100%

of our new suppliers. We define the criticality of goods or services as the probability of a risk materializing that has a negative impact on operations or any ma-

nagement system, together with the severity of said risk. Approximately

36%

of our suppliers show high risk in terms of sustainability and/or criticality factors, and we reevaluated

14%

of them at least once more over a three-year period. Six-monthly evaluations for critical suppliers were implemented in Chile, reinforcing the monitoring and support that we provide them with in order to ensure more fluid operations.



▲ Alianza Team® Chile Facility

Responsible purchasing

[102-9; 204-1; FP2; T4]



Local purchase rates stood for the ingredients, supplies and packaging material (MEIIs in their Spanish initials) categories for non-productive components.

92% and 92%

In terms of crude lipid material, local purchase rates for the operations in Colombia increased to

46%

rising in Mexico and Chile respectively.

56% y 66%

We hold RSPO certification for the palm oil chain of custody, guaranteeing that our customers' supplies will have strict production and operations controls in sustainability criteria. As last year,

6%

of the total amount of crude lipid material used had this certification, representing

9%

of palm oil and its derivatives. The purchase traceability of this raw material is vital to enable its impact on the environment to be analyzed and early warnings to be managed, and as a result we have levels to mill of **97%** for palm oil and **96%** for palm kernel oil. This allows us to share necessary information with our customers to provide more security for their supply chains. We are working to expand this traceability to plantations but the characteristics of the Colombian palm oil sector- which has over

2,000

independent palm oil suppliers- make this a challenging task.



Our corporate non-deforestation pledge in the palm oil chain continues

We have made progress with a complete diagnosis of our national and international palm oil supply chains, in line with our pledge to guarantee zero deforestation throughout our entire chain by 2030, as proposed in the agreement that we signed at the end of 2017. In this area we are working with two international non-profit organizations that are supporting us in these processes in order to identify shortcomings and establish action plans to address them in a timely manner. Furthermore, we have obtained a signed non-deforestation pledge from 88% of our suppliers, underlining the good reputation and strong commitment of the Colombian palm oil sector and the efforts being led on a variety of fronts to distinguish the Colombian raw material by its respect for the environment and the sustainability of the sector itself.



2019-2021 Challenges



1

To strengthen **research** and **development capabilities**.

2

To reformulate the entire portfolio of the Consumption strategic business unit in Colombia, according to the scientific consensus regarding ingredients deemed to not contribute to our corporate purpose.

3

To integrate the channels addressing our consumers' complaints and claims in **order to standardize best practices in the quality management of our entire operations**.

4

To enhance controls, formats and processes for greater security, flexibility, quality and compliance with specifications in the supply chain, according to market changes and the needs of our customers and consumers.

5

To continue with the inclusion of GDAs on the front labels of the products of B2C businesses.



3

Our people

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Edier Hernandez
Operator
Alianza Team® Barranquilla

As a priority across the organization throughout the year, with a view to making our operations more human with more committed and happier teams, Team People is one of our strongest competitive advantages and one of our main partners for the organization's profitable growth. From selection and recruitment processes to the management of working relationships and atmosphere, our talent team works feverishly to make Alianza Team® a great place to work.

Selection and recruitment

[T6; T7]

Our selection process proposes a comprehensive appraisal of candidates, allowing the quality and potential of the talent attracted to be assured to meet the present and future demands and expectations of the business. It is through

people that we achieve results and make the business sustainable, and as a result the success indicators proposed were defined in efficiency terms (the process completion time in days and the percentage of vacancies filled with internal talent). This gave the following results.

In Colombia, where vacancies are managed through the Soy Talento (I am Talent) platform, 42.25% of vacancies were published internally. This represents a significant increase compared with 2017, when 14% of vacancies were published at internal level.

Mexico

🕒 20 days

📊 10.7% (general) and 35% (levels 4 to 6)

Colombia

🕒 34 days

📊 19% (general) and 22% (levels 4 to 6)*

Chile

🕒 23 days

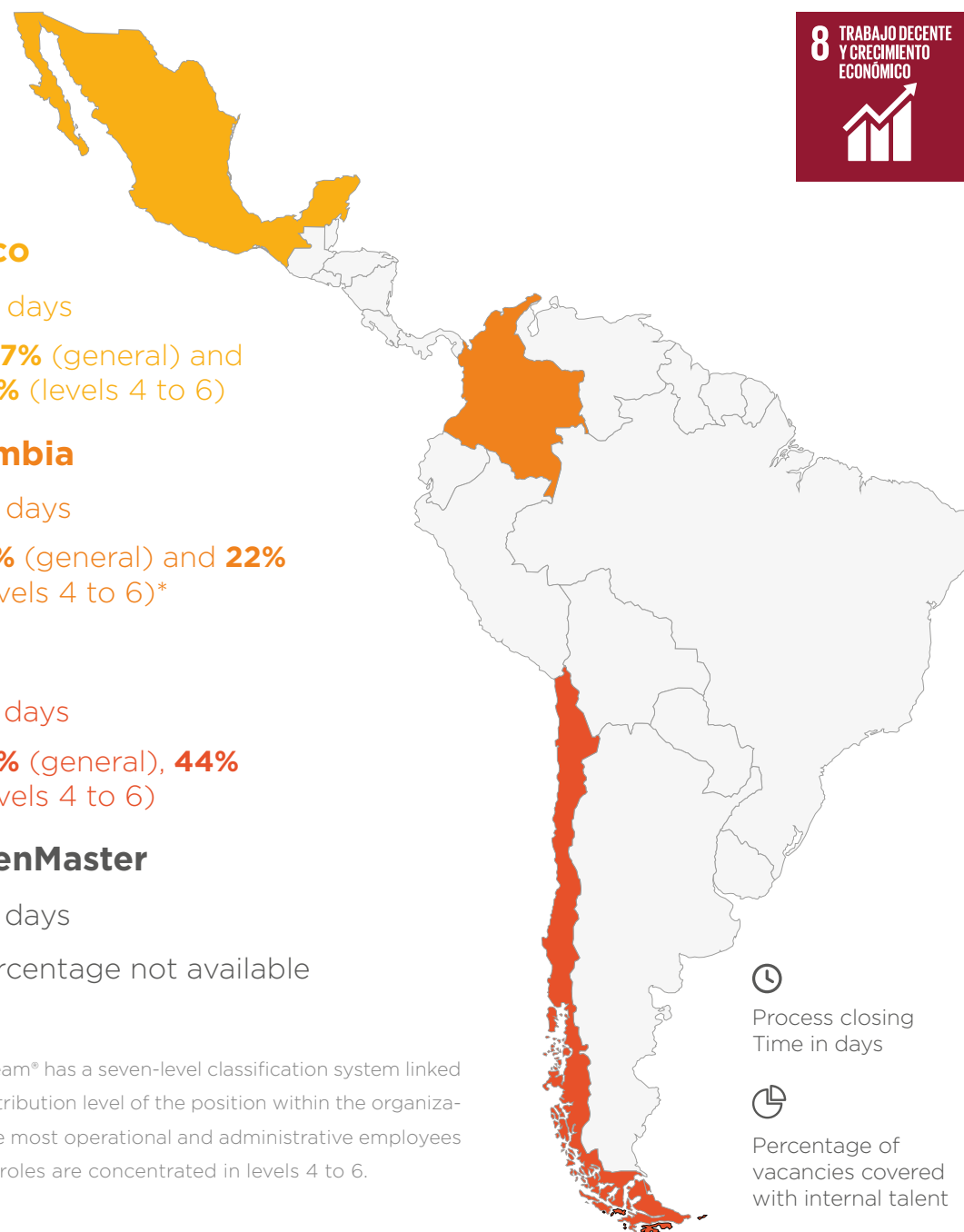
📊 53% (general), 44% (levels 4 to 6)

BredenMaster

🕒 39 days

📊 percentage not available

*Alianza Team® has a seven-level classification system linked to the contribution level of the position within the organization, where most operational and administrative employees in tactical roles are concentrated in levels 4 to 6.



Talent development

[T6; T7]

The company can secure the talent it requires and make the business sustainable in the future by deepening our knowledge of our employees and supporting them in their holistic development. We use the Talent Agenda to mobilize the organization and support employees to identify their strengths, talents and areas of opportunity, fostering spaces for feedback in order to reinforce self-knowledge and provide additional resources that will enable them to succeed with new challenges. In the two phases of the agenda- Evaluation/Planning and Monitoring- results of 93% and 59% were achieved respectively. Through psychometric tests such as DISC, Gallup, CRM, 360° and Korn Ferry, we evaluate team com-

petencies and determine action places to strengthen work teams.

A notable improvement was made in individual performance evaluations, reaching 94% of target employees compared with 89% the previous year. Similarly, 76% of target employees were evaluated under a multidimensional performance framework. The respective results in each country were as follows.

In 2019, we will work to heighten employees' awareness of the development of the organization. The Talent Agenda will be officially launched and each of its phases will be accompanied by learning spaces that will equip employees with tools and new information to take fullest advantage of the benefits of this initiative.



Training and education

[404-1; 404-2; 205-2]

We have increased the impact of training by defining plans focused on target groups in accordance with the organization's identified needs, providing support to the different departments at employee level in order to address training requirements and implement solutions through the following initiatives:

1

We're Exemplary: By year's end 2018 we achieved 94% coverage in the certification of policies regarding alcohol and substance use, anti-fraud, conflict of interests V2, personal data, human rights V2, business ethics, risk management, comprehensive manage-

ment V2, the Team conduct manual, SAGRLAFT, travel expenses, information security and vacations.

2

Internal facility compliance training:

A variety of compliance training sessions for the Quality, Work Health and Safety, Integrated Management Systems and TPM departments, including:

BPM attended by

187 employees

LUP attended by

390 employees

ISO 28000, 17024, 45001, 22000, 9001 y 14001, attended by **190 employees.**

3

Leadership training: Training sessions were carried out in order to boost leadership skills, including the six-module Leadership School for 39 employees in the Buga plant, and the Transformative Leadership session for 18 employees in the Barranquilla facility.

4

Saber Team: This is a new initiative that frames cross-cutting training topics and the transmission of internal Team knowledge. The programs carried out in terms of learning experiences were: -Leadership Talk, given by the president and attended by 101 employees; -Microbiota: Why do our microorganisms make us what we are? attended by 35 employees; -Digital Transformation, attended by 53 employees; -Sustainable Management, attended by 23 employees; -Digital Soup 1 and 2, attended by 17 employees.

5

Virtual Classroom Pilot: The pilot of the MyMentor platform from GetAbstract was launched for 96 employees, with the aim of supporting the processes of transmitting, managing and updating our knowledge.

The average number of training hours per employee increased from 17 to 20.9 in comparison with 2017, and the average investment per employee in training and development also followed the same trend. In this way, returns on investment in human capital have increased year on year over the last 5 years, starting at 1.52 in 2014, rising to 1.73 in 2017 and reaching 1.99 in 2018.



▲ Juan Manuel Solórzano, Vice-President of Talent Development, Alianza Team*

Succession

The talent map has been reviewed and updated in accordance with the structural changes made during 2018. We have therefore identified 52 key positions at corporate level (6.9% of the 759 positions that exist in the organization today) and 51 key talents associated with these positions (2% of a total population of 2,434 people).

Key positions in the organization are defined as those where the continuity of the business depends on the positions being occupied. Ultimately, key positions are those for which trusted employees with excellent technical and leadership skills are required, due to the positions' level of responsibility and impact and/or to the fact that they

require specialized talent that is not readily available in the market. Our target regarding replacement is focused on having at least two replacements for each position, with this indicator giving a result of

35% for 2018.

For 2019, while the exercise to monitor, review and update the talent map will continue, the proposed focus will be on strengthening the development plans in order to work on the "preparation" variable (the time required for people put forward as replacements to be ready to assume the roles) and keep filling the positions that need replacements.



▲ Employees at Alianza Team* Mexico Facility

Benefits and wellbeing

[401-2; T8]

The Estar bien es estar Team (Being Well is Being Team) program was furthered in 2018, continually strengthening its four pillars as well as the celebration of special dates and the recognition of employees. Some of our most important activities in 2018 were:



Social wellbeing

- **Celebration of special dates:** As in 2017, all the special dates were celebrated, such as Women's Day, Mother's Day, Father's Day, the International Day of Families, Halloween and end of year parties.
- **Happiness kit handout:** All employees were given a kit made up of a calendar, notebook and stress-reducing pen and ball.
- **Five-year celebrations:** We continued to celebrate with those employees who completed between 5 and 35 years working at Team with an event in each department. These gatherings were attended by the president, the vice-president of operations, and the person being recognized together with a companion.
- **Birthday and anniversary celebrations:** We began to send a personalized message and video to everyone who has an email address (work and personal) on their birthday, as well as on the anniversary of the day they joined Team.



◀ BredenMaster employees, Chile



▲ Erika Muñoz Riaño, Operator, Alianza Team® Bogota Facility



Physical wellbeing

- **Surprise Fridays:** Employees in our Bogota facilities were surprised with a gift on one Friday per month during the second half of 2018.



Financial wellbeing

- **Lonchera Team:** Over the course of 2018 we received two visits per month from Ramo and P&G, who offered their products at a discount to Team employees.
- **Tienda Team:** The e-commerce launch of Tienda Team (Team Shop) took place for the whole of Colombia, providing employees with access to products with a 25% discount.



Emotional wellbeing

- Nature walks, the Team Family Day, childrens' visits to the factories, a Christmas decoration workshop for wives, a couples' meeting, a baking day with wives, a hairstyling and braiding course and a fishing tournament, among other events.
- For the year 2019 we will continue to strengthen the Soy Feliz Trabajando en Team (I'm Happy Working at Team) campaign, framing its activities within the pillars of the wellbeing program.

2018 Investment in benefits

2018 Total

COP \$10,277,346,977



Reward and remuneration



[405-2]

Our focus during 2018 was on the reward and remuneration process, employing methodologies that provide us with comparative parameters that facilitate analysis as well as an evaluation of where we stand competitively in the salary market. We work tirelessly to be more competitive and equitable, given that we are dealing with a labor market that demands an attractive reward system for both current employees and candidates. The following actions have been implemented as a result:



Updating the assessments of the positions at the company in its 3 countries and 4 operations, following the methodology of the Hay Group and in line with the new code for each Strategic Business Group (SBG): Consumption, BredenMaster, Team Solutions, Operations and corporate areas. Based on this, the salary market surveys will be updated for each country in January 2019.



Based on the previous point, in January 2019, the market wage surveys of each country will be updated.



Designing a new annual results-based bonus program, incorporating custom matrices according to the impact of the position: corporate matrices, SBU matrices and business unit/department matrices.



Consolidating the reward committee, with the involvement of the president's office, the vice-president of finance, the vice president of talent and the organizational management team, to address changes to the company's reward strategy in a timely manner.



Approving the implementation of the flexible benefits program for a percentage of the workforce from April 2019.

In terms of aspects of **gender equality**, wage parity between men and women was maintained at all levels and in average remuneration, reaffirming the organization's commitment to providing equal working conditions according to internal policies and

guidelines. With regard to participation, the proportion of women in the workforce remained constant at 30.69%, with 36.1% employed in intermediate management positions, 29.27% in senior management positions and 37.5% in income-generating positions.

Working culture, environment and conditions

[T9; 401-1]

Our people are part of what we care about, and we work day by day to make Alianza Team® a great place to work. We have a structured process to measure working environment, allowing us to identify strengths, opportunities for improvement, commitment, credibility, camaraderie and impartiality. During 2018 we performed work environment measurements with the **Great Place to Work Institute (GPTW)**, which supplies us with detailed, relevant information in order to define action plans based on the organization's cross-cutting needs.

Colombia

Participation in Colombia stood at 98% (**952 surveys received from a total of 971 handed out**), giving us a margin of error of 0.1%. 22 variables showed a stable trend with an average rating (+), and 3 variables had a high rating.

We obtained a
result of
75
meaning
very satisfactory

and managed to remain at the same assessment level as before. We are currently working to define an action plan to improve this indicator, and **our 2019 target is to reach 81.2.**

Mexico

Participation of 97.1% was achieved in Mexico and as a result.

giving a rating of

69.4

We are currently working to define an action plan to improve this indicator, and **our 2019 target is to reach 76.8.**

Chile

Participation of 91.7% of the workforce was achieved in Chile.

giving a rating of

58.3

That exceeded the 2017 result of **39%**. Action plans have already been constructed and will be implemented in 2019. **A target of 69.3% has been set for 2019.**

BredenMaster® Chile

was measured in December 2018 with the participation of 98.2% of employees.

this gave a
result of
31.9

Representing an improvement in comparison with the 2017 result which stood at 26.1. **A target of 46.8 has been set for 2019.**

BredenMaster® Colombia

This gave
a result of
66.6

with 100% employee participation, showing an improvement compared with the 2017 evaluation in which the organization obtained a result of 60.6.



Icontec GPTW Certification

The Colombian Institute of Technical Standards and Certification (Icontec) certified the GPTW working environment measurement process in 2018. This means that not only were we recognized by the GPTW organization as the 15th best company to work for in our category in Colombia based on the measurement of our working environment, but also by Icontec for our outstanding talent management processes. We feel hugely proud of these recognitions, and we reaffirm our commitment to our people to make Alianza Team® a great place to work and to nourish a better tomorrow together.



I'm happy to work at Team

This communications campaign was launched in 2017 to promote a happy working environment and leverage the goals of the happiness project being led in plants, with the aim of fostering a positive working environment and focusing our activities until discovering the reasons why people feel happy to work at Team. The objective of this project is to heighten a sense of belonging to the issues associated with company culture in terms of the working happiness of Colombian employees.

We have achieved favorable results in reducing both general and voluntary staff turnover rates, reflecting the positive impact that the strategies implemented to stabilize staff turnover are having. The

target we have set ourselves as an organization is to maintain a healthy turnover rate of between 10% and 18%, in a way that will enable us to manage organizational performance, cultivate the best talent and also

control replacement costs. Our target in terms of voluntary staff turnover is to maintain it at a controlled level, given that it represents people that voluntarily decide to leave the organization.

Voluntary / undesired staff turnover (%)	2015	2016	2017	2018
Total Alianza Team®	9.91	24.45	15.69	9.96
Colombia	6.15	8.44	8.55	6.75
Mexico	23.02	9.10	13.07	16.87
Chile	21.18	23.52	15.65	14.23
BredenMaster	Unavailable	43.40	22.49	11.67

Health and safety at work

[T11; T12; T13]

Assuring the health and safety of our people at all times is a permanent undertaking that occupies us and ensures that we meet our strategic goals. A wide range of campaigns, activities and actions are carried out throughout our operations in order to emphasize the culture of health and safety at work as a commitment shared by all. More than COP\$1,000,000,000 (US\$318,000) were invested over the course of the year in areas such as the provision and use of personal protection, entry medical exams and monitoring, and the maintenance and adaptation of facilities. On top of employees' medical exams, the most emblematic initiatives across our different operations were as follows:



Vaccination campaigns and campaigns to prevent musculoskeletal injuries in Chile, and a system update to detect fires in the new warehouse of the Colombia plant for BredenMaster.



Analysis for the mapping of health risks in Mexico.



Equipment maintenance and building repairs in Chile.



Participation in the musculoskeletal program of the Simón Bolívar University in Barranquilla, the upgrading of extinguishers and emergency equipment in Bogota, illness-prevention activities and monitoring of patients with a doctor's referral in Buga for Team Colombia.



 Wilmer Cordero, Operator, Alianza Team* Buga



▲ Rafael Piedrahita, Vice-President Operations, Alianza Team*



Accident Frequency
Rate (AFR)

	2013	2014	2015	2016	2017	2018
# of cases / million man-hours worked	13.7	13.1	16.5	12.4	14.5	11.3
% weighted production	90	88	95	95	96	99



Accident Severity
Rate (ASR)

	2013	2014	2015	2016	2017	2018
Days / million man-hours worked	100.96	75.59	77.67	47.79	69.6	60.87
% weighted production	94	92	100	100	100	100

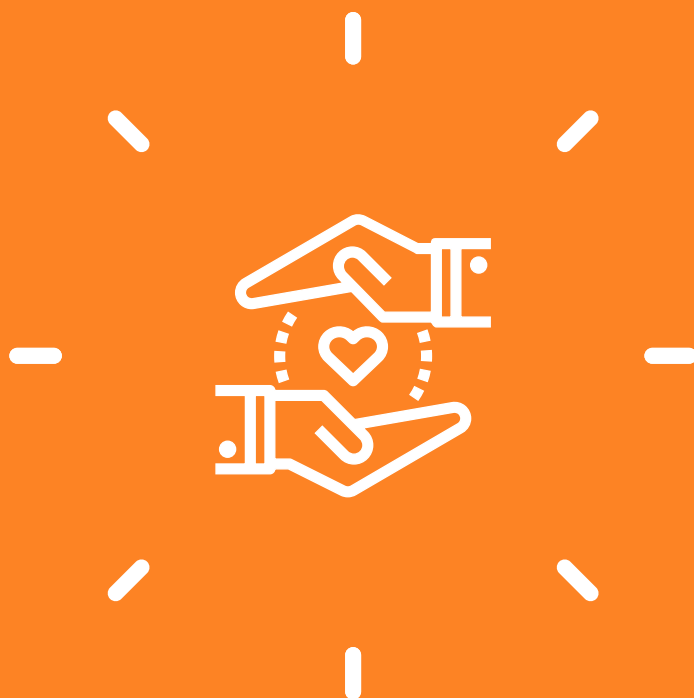


Absenteeism

	2013	2014	2015	2016	2017	2018
% time lost from the total number of scheduled work days / work accidents and common illness	7	7	8	8	7	7.6
% weighted production	73	73	95	95	96	96



2019-2021 Challenges



- 1 To lead the organization to decision-making based on data**, starting with the process of gathering information in a reliable system to enable the company to obtain the required inputs.
- 2 To reinforce employees' awareness of the development of the organization**, favoring the “preparation” variable in order to make progress with the target of having at least two replacements per position.
- 3 To maintain excellent working relationships in our different operations**, ensuring that Alianza Team® continues to be a great place to work.



4

Sustainability

- 41 Efficient resource use and environmental culture
- 45 Social management strategy
- 49 2019-2021 Challenges



Sebastian Castro
Operator
Alianza Team® Bogota Facility

[102-12]

As one of Alianza Team®'s four strategic priorities, sustainability leads us to think beyond what is expected of us and to exceed expectations at all times. In this way, we assure a better future for subsequent generations and give meaning to our purpose of nourishing a better tomorrow. Across the supply chain and through our internal management, we aim to promote environmentally-responsible management that is amicable with the communities that surround us, by strengthening communications channels with our stakeholders and acting as a partner for local development.



Committed to making progress with the international development agenda and the Sustainable Development Goals (SDGs), internally we encourage our employees to participate in the **Good Life Goals** campaign, so that they can use small actions in their everyday lives to contribute to these overall targets, recognizing the importance of individual actions in the 17 Goals. Find out more about this campaign at: <https://sdghub.com/goodlifegoals/>

Some Team People comments regarding how we can contribute to the SDGs on a daily basis are listed below:



1

"Gender equality starts with us women".

2

"Store and use rainwater, recycle plastic products and make good use of them".

3

"Lead by example by teaching our work and family groups about self-care and awareness of safety and integrity as individuals".

4

"Don't leave electronic devices plugged in all day".

5

"Provide support and contribute so that children have food and healthcare".

6

"Reduce the use of gas-powered vehicles".

Efficient resource use and environmental culture

[T15; 303-3; 305-1; 305-2; 305-3; 305-4; 302-3; T17]



Operational eco-efficiency and our commitment to a reduced and efficient use of natural resources in the organization remain as one of our priorities to enable us to contribute to the environment and work towards a better tomorrow. Climate change-related risks, water availability and security, and the growing impact of non-recyclable waste on land and marine ecosystems are among our daily concerns, and we are taking measures to mitigate the impact of our operations.



Intensity of water consumption

	2013	2014	2015	2016	2017	2018
m3 per packed ton	1.26	1.23	1.26	1.21	1.23	1.64
% weighted production	73	73	95	95	96	79



Recycled and reused water

	2013	2014	2015	2016	2017	2018
% total recycled and reused water	27	27	34	24	29	30
% weighted production	73	73	95	95	96	98



Intensity of emissions indicator

	2013	2014	2015	2016	2017	2018
kg CO2e per packed ton	196	178	184	182	156	166
% weighted production	73	73	85	86	88	88



Carbon footprint (Ton CO2e)	2013	2014	2015	2016	2017	2018
Scope 1 (direct greenhouse gas emissions)	39,901	46,037.4	45,059.08	46,717.37	51,675.83	59,218.5
Scope 2 (indirect greenhouse gas emissions)	4,949.2	6,117.1	6,770.09	9,327.65	8,806.96	8,651.56
Total carbon footprint	44,848.6	51,771	51,829.17	56,040.02	60,483.79	68,064.81
% weighted production	73	73	80	81	84	84
Scope 3 (indirect third-party emissions)	7,966.5	6,617.2	2,536.5	3,806.6	4,591.1	8,661.56
% weighted production	73	73	75	76	78	78



Intensity of energy consumption	2013	2014	2015	2016	2017	2018
MWh per packed ton	0.81	0.74	2.03	2.18	1.84	4.15
% weighted production	73	73	95	96	96	84



Recovery of ordinary waste	2013	2014	2015	2016	2017	2018
% waste recovered	69	77	72	69	71	63
% weighted production	73	77	85	100	100	100

There is evidence of favorable performance in the organization's use of natural resources in recent years, significantly increasing the scope of the production weighting of our measurements, for water and energy usage logs and the recovery of ordinary waste in particular. However, it is worth mentioning that there were several occurrences that negatively affected indicator performance. Specifically, these included the increased emissions generation caused by coal burning that took place at the Barranquilla facility and additional diesel consumption in Bogota the facility due to an interruption in the natural gas supply, shown in the result of the carbon footprint, intensity of emissions and intensity of energy consumption eco-indicators. Both coal and diesel have higher emission factors than natural gas, which is the regular source of energy. In México, less recovery of ordinary waste was achieved, affecting the overall result for the organization. The packaging engineering department has launched weight-reduction projects in the portfolio of PET containers for the brand units and own brands that allowed us to reduce the use of this raw



▲ Team of operators, Alianza Team® Barranquilla

material by between 12% and 27% and also consume less polyethylene due to a reduction in mouth diameters. Gourmet® is one of the brands that is leading this transformation, and they have reduced the use of plastic in their packaging by an average of 25%. This is a significant step forward, given that in Colombia these are the business units that place the largest amount of containers and packaging on the market, staying ahead of the regulatory changes that were introduced during the year to encourage the recovery of materials. The target is to expand this initiati-

ve to other products in the portfolio. Similarly, the container of the Vidalia® brand was redesigned, eliminating the use of PET and replacing it with glass for the three Mental, Vital and Active presentations. Finally, we would like to highlight the beginning of the validation process for co-extruded polyethylene anti-grease film for 2.5kg margarine wrappers, which seeks to improve the barrier to the transmission of grease and to obtain a material with biodegradable characteristics. This validation process is continuing in 2019 and is scheduled for the 2kg and 500g presentations.

In order to strengthen the management and raising of both corporate and individual awareness among our people, since 2015 we have been working on the Team Green at Heart environmental culture campaign. In this manner we reached over one thousand employees in Colombia in 2018 with strategies developed to educate and raise awareness among the Team People through experiences designed to change behavior. Thanks to the creation of “Green Teams” in every production plant, employees can take part in continuous, dynamic activities that encourage them to communicate and participate as ambassadors and agents for change within their communities and social networks, multiplying the message of what it means to be green at heart. Work was carried out on concepts of the 3 Rs (reduce, reuse and recycle), post-consumer programs and the celebration of special dates such as World Water Day, which took place on March 22nd.

We are clear about our opportunities, particularly in the standardization of practices and measurement standards for key eco-efficiency indicators in order to achieve 100% coverage. Setting medium and long-term targets is also a challenge that we will work on throughout 2019 to align both internal and external efforts in order to keep reducing our environmental impact, from individual responsibilities to the organization’s overall results.



Impact Campaign - World Water Day

The water supply in our corporate facilities at Calle 85 in Bogota was temporarily suspended in an attempt to raise awareness among employees of our need for and dependency on the resource. Employees experienced first-hand the impacts caused by water not being available in their day-to-day lives.

An impact was generated across the entire office with the help of the president and CEO, through a video message in which he directly informed employees of what was happening and of the importance of valuing water at all times.



Manos Verdes

The Manos Verdes (Green Hands) collection program for used cooking oil (UCO) was launched in 2012 as part of the Team value proposition in supplying and monitoring the frying operations of the restaurants, hotels and cafes (Horeca) served by our businesses. The program ensures that UCO is collected from restaurant kitchens and disposed of correctly to prevent it from polluting water sources and blocking pipes, closing the product's cycle and creating value for all participants in the chain. Transforming UCO into biofuel benefits the environment, as every kilogram transformed reduces **CO2 emissions by 2.3kg** compared with fossil fuels. Our collection pledge is nationwi-

de and even UCO on the island of San Andrés is collected. More than an environmental initiative, it is a promise that we make as a brand, a commitment to our stakeholders and customers that is aligned with our corporate purpose of nourishing a better tomorrow. We also ensure that all our operators comply with the legal requirements laid down in Agreement **634** regulating UCO collection. Over the course of 2018, **923,404 kg of UCO were collected in 75 Colombian cities**, thus avoiding the potential contamination of one billion liters of water and the release of over **2.2 million kilograms of CO2** into the atmosphere. This is the equivalent of driving a traditional gas-powered vehicle between New York and Los Angeles more than **1,000** times! We have seen the participation of over **216** brands, over **1,500** sales points served, over **2,000** tons of

UCO and more than **406** million Colombian pesos in additional benefits generated. More than **2,000** people have been trained in the correct disposal of UCO, and our target over the next few years is to reach more people.



Social management strategy

[T14]

We remain committed to local development, by prioritizing the areas of influence of our operations with activities aligned with the organization's social management strategy.



▲ Rómulo Barrios, Operator, Alianza Team® Barranquilla

1

Health, nutrition and wellbeing:

We aim to have an impact on our surroundings by promoting active, safe and healthy eating habits and lifestyles, and to use our knowledge to contribute to nutritional development in Colombia.

2

The environment:

We got 2018 underway by formalizing two **new partnerships** for the organization: the first with the **Food Bank Association of Colombia (ABACO)** to join forces and work together for food security and waste reduction, and the second with the World Wildlife Fund (**WWF**) to work for the environment. Over the next two years, our focus will be to expand the scope of these partnerships to Mexico and Chile in order to incorporate Alianza Team®'s entire operations.

Corporate volunteers

We provide our employees with spaces where they can work for the

neediest in ABACO's facilities with logistical support, such as the reclassi-



impact was had on over

40,000
people

fication, collection and preparation of products for their subsequent distribution to charities and vulnerable communities. A total of three half-day sessions were held with the participation of 30 employees, and an indirect with the foodstuffs prepared.

ABACO Alimentatón



560

tons of food

Were collected

We participated as an organization and as individual volunteers in the 2018 Alimentatón, a national campaign by ABACO that sought to raise societal awareness of the high levels of food waste in the world and how we can work together to reduce them. The campaign's aim was to use this message to collect food items in order to improve the nutritional status of vulnerable populations, thus contributing to the fight against hunger in the country. The Team People gathered more

than 70kg of non-perishable food items to contribute to this cause. Through the participation of 13 food banks and 168 collection centers in Colombia the campaign generated significant results, including the collection of 560 tons of food items and COP\$15m in financial contributions, with over 1,554 associated donors. It fills us with pride to participate in these collective efforts where together we achieve more.

WWF Earth Hour 2018



As a global campaign, more than

18,000

Monuments and landmarks turned off the light for 1h

In 2018, the reason for this global WWF-led campaign was the fight against deforestation, a cause to which Alianza Team® is actively committed. We conducted communications campaigns across different internal and external channels, inviting our employees and their friends and families to sign up to Earth Hour in a nighttime bike ride in various cities in Colombia. As part of the global campaign over 18,000 monuments and landmarks in over 188 countries switched off their lights for an hour, with all our administrative headquarters in Colombia included among them.



▲ Team of operators, Alianza Team®
Barranquilla



Some comments from the Team People on the subject of what motivated them to participate in the event are included below

1

“Sharing with my family, and above all making our planet a decent, more pleasant place to live”. Javier Saavedra, Bogotá facility.

2

“Support the transformation of the world”. Juan Sebastián Alvarado, Calle 85.

3

“Help to promote a better environment on our planet for each and every person”. Shirly Villalobos, Barranquilla facility.

4

“We can contribute to improving Colombian forests for our generations”. Leidy Picón, Buga facility.

Together It's Possible *Environmental training*



88 Collaborators registered

More than 100

completed training modules

This campaign aimed to promote an environmental culture by providing education in responsible consumption to those company employees who voluntarily signed up to the platform, which included modules on different subjects such as water, forests, oceans, climate and energy, food and species. 88 employees signed up and a total of over 100 training modules were completed. Similarly, more than 25 volunteers joined the WWF's efforts and between them donated over COP\$5m in contributions. Thank you for your commitment!

Green at Heart Colombia



A range of

More than 500

people reached

Work with our partner Sentido Verde has been carried out internally on this environmental campaign since 2015. In 2018 we took the campaign to schools near our operations, expanding its scope and strengthening its impact in order to change the behavior that we exhibit in terms of natural resource use. Entertaining activities were designed that dealt with issues related to water, energy and waste, reaching over 550 people at Buga's Technical Agricultural Institute, the Barrio Abajo community in Barranquilla and the District Educational Institute in the Venecia neighborhood of Bogotá.

We are currently continuing to work with 15 organizations via direct donations, volunteer activities and partnerships in order to intensify our social management activities both inside and outside the organization.



Donations

\$ (Colombian pesos)

2014	300,465,000
2015	372,455,511
2016	181,487,110
2017	366,111,971
2018	301,785,074

[Cash: 86,600,000; Product: 22,603,622; Others: 173,131,452; Occasional: 19,450,000]

At BredenMaster Chile, we would like to emphasize our partnership with two foundations that has a major impact on the wellbeing of our employees. We have worked with the Sonrisas Foundation since 2014, an institution that enables 10 of our employees every year to receive dental work at no cost. Additionally, this donation helps to provide the same benefit for ano-

ther 10 people from outside BredenMaster in vulnerable situations. The Chile Unido Foundation, for its part, offers a legal and psychosocial support program that offers free telephone assistance to our employees and their families (parents, partner or spouse and children over 18 years old). As of the end of 2018, 13% of our employees remained active in the program.



Donations from Team People

Among our local activities, campaigns were held to encourage our employees to donate food items, clothes, books and toys, among other things, to share with those most in need. For this purpose, in Colombia work was carried out in conjunction with the Fiambre Foundation in Bogota, Hogar Madre Helena in Barranquilla and Hogar del Mendigo in Buga to hold an event aimed at encouraging the recycling, reuse and donation of items in good condition that were no longer being used. Across the country, over **350 items** were collected as part of individual contributions to **SDG12-Production and responsible consumption**.

In Mexico we worked with the Morelia A.C. Children's Home to hand out individual kits containing toys, clothes and hygiene products to **50 girls**. The TapaTeam campaign was conducted to support children with special health care needs, and by the end of the year five **200L** drums full of bottle lids were delivered. In Chile, work was done around Christmas time with the Koinomadelfia Foundation, with toys being collected by employees to be given out to the **67 beneficiaries** at a Christmas dinner.

Thanks to Team People for your generous contributions, and for contributing to our purpose of nourishing a better tomorrow based on your individual actions!



2019-2021 Challenges



- 1 To maintain operational excellence**, consolidating a culture of measurement and monitoring with a comprehensive set of indicators and medium and long term target-setting in eco-efficiency issues.
- 2 To use packaging engineering to identify opportunities** to optimize resources across the entire productive chain, in order to develop projects that include sustainability criteria.
- 3 To broaden the scope of the Manos Verdes program** by developing strategies to effectively reach final consumers and strengthen its reach in the Horeca sector.
- 4 To expand the reach of the social management strategies** in Mexico and Chile by establishing partnerships for local development with relevant actors and spaces for corporate volunteering days.



5

Our shareholders

- 51 Corporate integrity
- 53 Corporate governance, accountability and decision-making
- 54 Corporate risk management
- 55 Business performance
- 58 2019-2021 Challenges



María Paula Ríos
Director of Innovation and Strategy
Calle 85 Bogota



▲ Employees, Alianza Team® Chile

Last but not least, our shareholders matter to us and we have made a commitment to being the optimum investment for them, guaranteeing them profitable and sustained growth over time, protecting and enhancing our corporate reputation and proactively managing present and future risks as a guarantee.

Corporate integrity

[102-17]

The organization has adopted a compliance manual, integrating the risk management department into the vice-presidency of corporate affairs and strengthening the latter's management in the protection and assurance of corporate integrity and reputation and of cross-cutting support at corporate level. The training sessions and spaces of the Ethics and Compliance program continued in all countries and our prin-

ciples and values were reinforced through the program's 12 documents. A new third party due diligence policy has also been introduced, establishing the guidelines that must arise from the process for all third parties with which Alianza Team® carries out commercial transactions. Additionally, a face-to-face training course got underway concerning this policy, SARGLAFT, and recruitment and anti-corruption policies.



Integrity hotline

We have a phone line available 24 hours a day, 7 days a week, so that individuals or companies can report and/or discuss any infringement by the organization or a particular individual of the applicable principles, policies and laws, under any circumstances. The hotline is operated by a third party to ensure that calls are made in complete confidence and anonymity, and we reiterate our commitment to publicize and make use of it whenever deemed necessary. The system ensures that all reported cases are monitored and finally closed.



Website

<https://teamfoods.alertline.com>



Hotlines



Colombia: 01800 911 0011



Mexico: 01800 288 2872



Chile: 800 360 312

Once the call has been answered, enter **888-265-9894** and select the language. All claimants will receive a PIN number to reenter the system and receive feedback on their reported case.



▲ Juan Sebastián Niño, Vice-President of Corporate Affairs, Alianza Team*

Through the same hotline, we maintain active communications to meet our commitment to respect, promote and strictly fulfill human rights norms, not only at internal level but across our entire chain. We verify that everyone who works in our su-

pply chain has read and committed to our Human Rights Policy (applicable to all our operations), and in turn we guarantee compliance with the guidelines that belonging to the supply chain of our global customers requires.

Corporate governance, accountability and decision-making

[205-3; 206-1]

To remain competitive over time, it is essential to ensure that decisions made throughout the organization are reliable, timely and of high-quality. We continue our pledge to make available the spaces required for information to reach the right people at the right time, strengthening existing accountabi-

lity tools and strengthening our internal governance schemes at the same time.

As in previous years, we have not incurred any fines or sanctions due to unfair competition practices, corruption or bribery, underlining our commitment to transparency, integrity and accountability.



◀ Alejandra Sambrano, Alianza Team® Bogota Facility



▲ Employees, Alianza Team® Chile

Corporate risk management

[T18]

Work continued on the development of risk prevention and mitigation, strengthening our methodology as well as the monitoring of already-identified risks in order to offer more reliable processes and provide greater confidence to stakeholders. The human rights due diligence process was included as an additional process component and in the corporate risk management policy, broadening the scope of management and reaffirming our pledge to respect and promote human rights. The organization's residual risk level remained moderate.

On this, the following actions should be highlighted:

- 1** The risk management methodology was aligned with ISO standard 31000/2018.
- 2** The most relevant risks at plant level were reclassified.
- 3** The risk of fraud was assessed for the most critical processes in our operations in Colombia, Chile and Mexico.
- 4** New risks were identified (non-covered processes and current processes) and action plans were drawn up to address the risks and enhance controls.
- 5** A compliance program was created and a number of the policies contained within it were strengthened.
- 6** We worked hand-in-hand with the insurance department and insurance broker in order to strengthen
- 7** The procedure for reporting risk events was disseminated (Buga, Barranquilla, TF Mexico, BredenMaster) with the aim of enhancing risk monitoring.
- 8** The risks for several projects were identified (Colombia and BredenMaster).

Business performance

[T19; T20; T21; T22; 201-1]

The global economy maintained its stable growth, despite the uncertainty caused by the tension between the U.S. and its main trading partners, particularly China, and by high levels of volatility at global level, with special emphasis on emerging countries like Turkey, Argentina, Brazil and Mexico. However, for Colombia, the growth outlook improved.. Despite this growth being lower than historic trends, when compared with the last two years it represents a recovery which has been driven by increased consumption stemming from an improvement in household confidence.

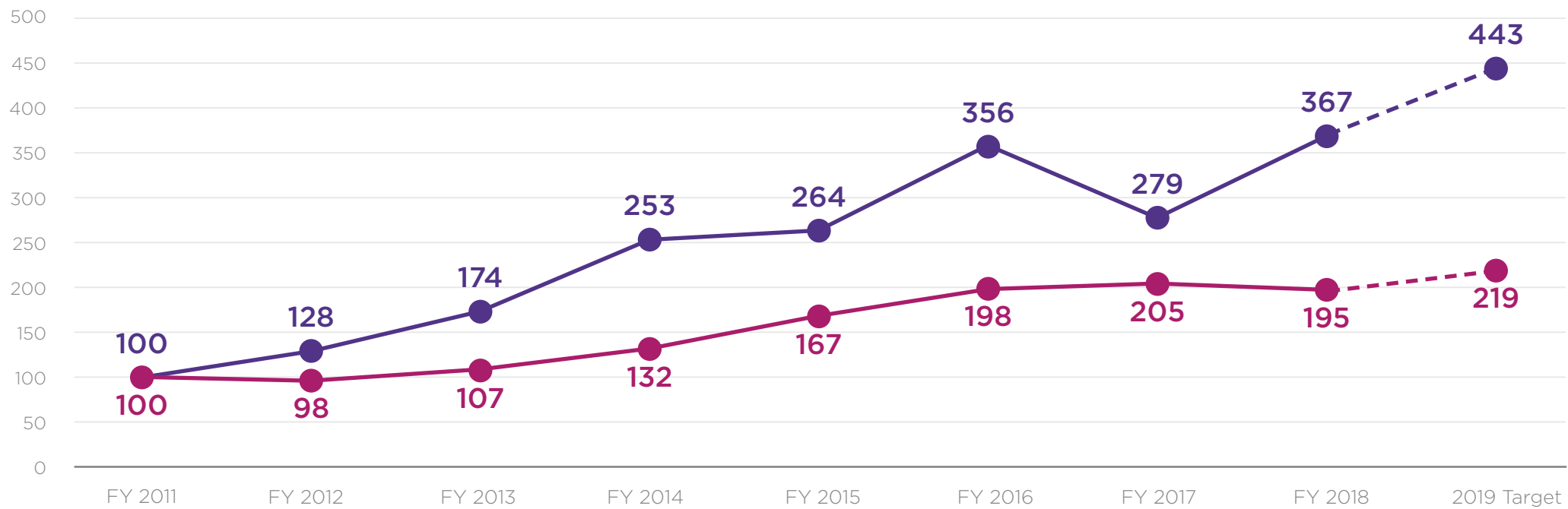
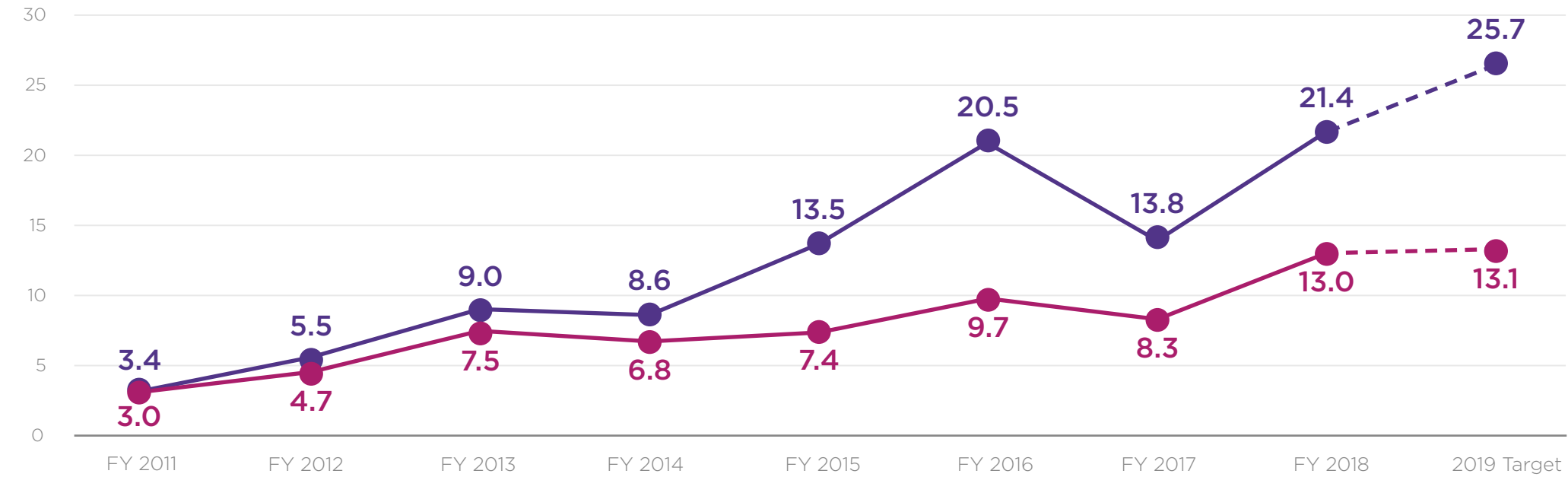
Amid this climate of a recovery and a rise in consumer confidence, we have managed to grow in terms of profitability and climbed four percentage points with regard to sales, continuing our consolidation in the lipids market. Equally, a tight control of spending, work capital and cash flow optimization was required, and this management is reflected in ROE and ROIC profitability indicators. It was also necessary to carefully manage purchases of raw materials in order to withstand the volatilities in their prices.



◀ Oscar Falla, General Director, Alianza Team* Chile



▲ Hernando Vergara, General Director, Alianza Team* Mexico



In this context, for 2019 it remains essential to permanently monitor the performance of our raw materials, the control and ratio-

nalization of spending, and the continuity of our value proposition focused on a profitable growth for our shareholders.

Economic value generated and distributed (Colombian pesos, millions)	2018
● (EVC) Total income: net sales plus income from financial investments and the sale of assets.	1,522,688
● (EVD) Operating costs: payments to suppliers, royalties and facilitation payments.	1,235,291
● (EVD) Total wages and social benefits for employees: total payments made to employees and social contributions, not including future payment contributions.	156,268
● (EVD) Payments to capital providers: dividends paid out to shareholders of all types.	44,784
● (EVD) Payments to governments: all the company's taxes, contributions and sanctions, including payments to regulatory bodies.	18,489
● (EVD) Investments in the community: voluntary contributions and the investment of funds in the community.	209
● Total EVD (excluding income)	1,455,041
● Economic value retained (EVR) = EVG - EVD	67,647



▲ Elisa Sotomonte, Vice-President of Finance and Supply Chain, Alianza Team®



2019-2021 Challenges



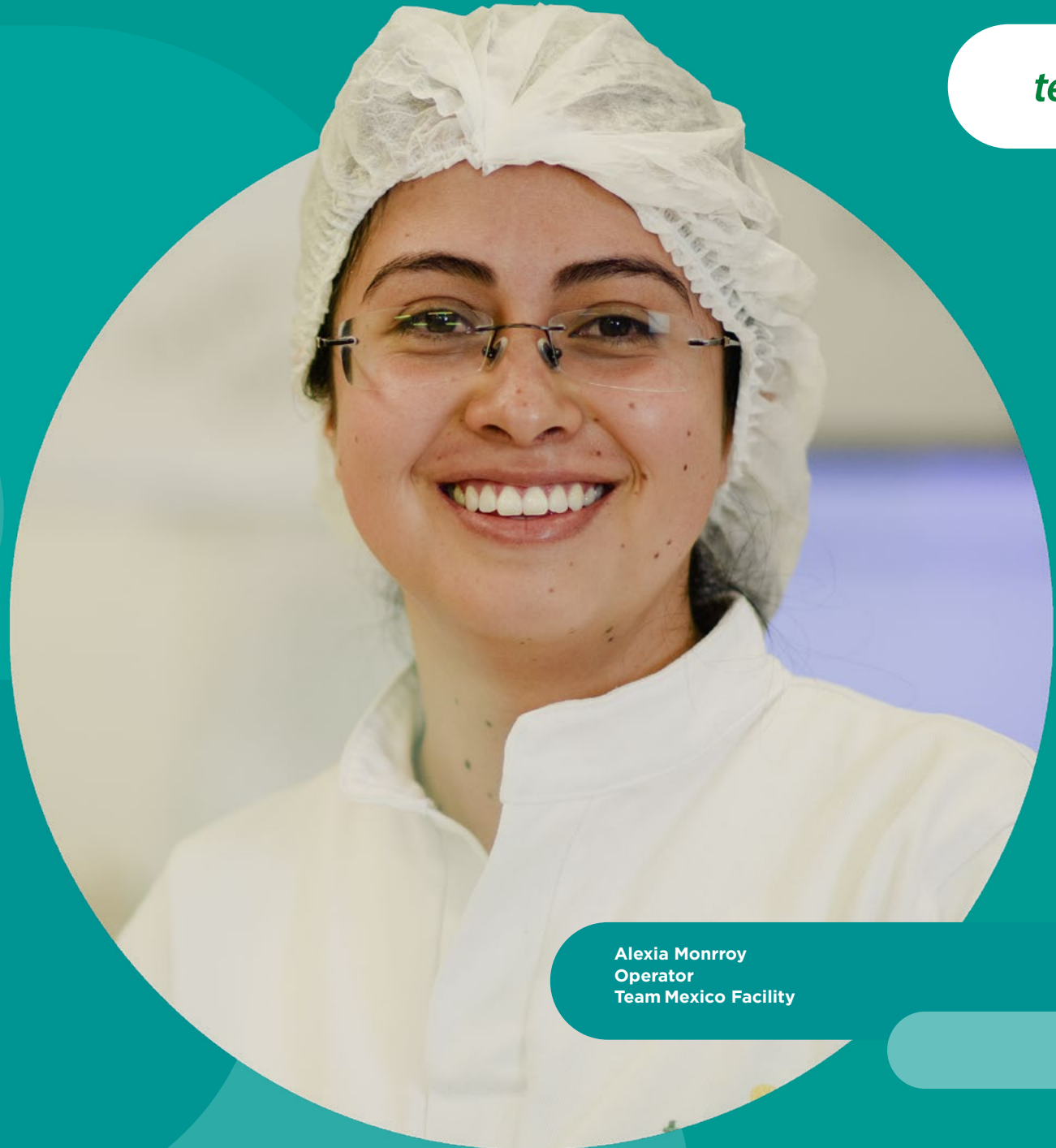
- 1 To continue to consolidate critical processes**, aiming to automate the processes in order to produce reports with in-depth analyses that will create value and contribute to appropriate decision-making.
- 2 Expand the solution business** towards consumers, industry and retail.
- 3 To strengthen a culture of risk management**, based on a holistic perspective that will enhance internal control and compliance, reinforcing the importance of the three internal control fronts, supported by monitoring and communication of related information throughout our operations.



6

Appendices

- 60 GRI Table
- 74 Memorandum of Independent Review



Alexia Monrroy
Operator
Team Mexico Facility

GRI Table



General contents:

INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
Strategy and analysis					
102-14. A Statement from the organization’s senior decision-maker regarding the relevance of sustainability to the organization..	We nourish a better tomorrow: President’s Letter	5	X		
102-15. A description of the key impacts, risks and opportunities.	We nourish a better tomorrow: President’s Letter	5	X		
Organizational profile					
102-1. The name of the organization.	Alianza Team	60	X		
102-2. Main brands, products and services.	We nourish a better tomorrow: How we manage ourselves	10	X		For more information, see the 2016 Sustainable Management Report at www.team.co/sostenibilidad
102-3. Location of headquarters	We nourish a better tomorrow: Who we are	7	X		
102-4. The number of countries where the organization operates, and the names of countries where it has significant operations and/ or that are relevant to the sustainability topics covered in the report.	We nourish a better tomorrow: Who we are	7	X		
102-5. Nature of ownership and legal form.	Private	60	X		



INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
102-6. Markets served (including the geographical break-down, sectors served and types of customers).	We nourish a better tomorrow: Who we are	10	X		
102-7. The scale of the organization, including: - Total number of employees. - Total number of operations. - Net sales or revenues.	We nourish a better tomorrow: Who we are	8	X		
102-8. The following information on employees and other workers: - Total number of employees by employment contract and by gender. - Total number of employees by region and by gender. .	We nourish a better tomorrow: Who we are	8	X	Not reported by contract type	
102-41. The percentage of total employees covered by collective bargaining agreements.	We nourish a better tomorrow: Who we are	8	X		
102 -9. A description of the organization's supply chain.	Our clients and consumers: Responsible purchasing	23	X		
102-10. Significant changes to the organization's size, structure, ownership or supply chain during the period covered by the report.	We nourish a better tomorrow: Organizational progress	12	X		
102-11. A description of how the organization applies the Precautionary Principle or approach.	We nourish a better tomorrow: How we manage ourselves	10	X		
102- 12. A list of externally developed economic, environmental or social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	Sustainability; Social management strategy	45	X		
102-13. A list of the main memberships of associations (such as sectoral associations), and/or national and international entities that the organization supports.	<ul style="list-style-type: none">• National Business Association of Colombia (ANDI)• Private Competitiveness Council• Asograsas• Cecodes• National Association of Foreign Trade (ANALDEX)• National Association of Advertisers (ANDA)• Corporación Calidad• Chileoliva• Defencarga• Aniname	61	X		

INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
Identification of material topics and boundaries					
102-45. A list of the entities included in the organization's consolidated financial statements, and whether any entity included in the statements is not covered by the report.	Not available	62	X	For reasons of confidentiality this information is not publicly disclosed.	
102-46. The process for defining report content and topic boundaries.	We nourish a better tomorrow: President's Letter	5	X		For more information, see the 2016 Sustainable Management Report at www.team.co/sostenibilidad
102-47. A list of all the material topics identified in the process for defining report content.	1. Nutrition and healthy lifestyles 2. Integrity, compliance and transparency 3. Quality and client and consumer satisfaction 4. Responsible sourcing 5. Strategic talent development 6. Contribution to community development 7. Environmental responsibility and natural resource conservation 8. Long-term economic and financial viability There	62	X		For more information, see pages 13-16 of the 2016 Sustainable Management Report at www.team.co/sostenibilidad
103-1. For each material topic, report whether the topic is material for the entire organization. Otherwise, indicate which aspect is not material for one of the entities that form part of the organization.	The topics reported as material are considered as such for the entire organization, both inside and out	62	X		
103-1. For each material topic, report whether the topic is material outside the organization.	The topics reported as material are considered as such for the entire organization, both inside and out.	62	X		
102-48. A description of the potential effect of any restatements of information given in previous reports, and the reasons for such restatements.	The results of the multidimensional development evaluations are restated, as it was not made clear in previous years that they are year-end results; that is, they correspond to 2017.	62	X		
102-49. Significant changes from previous reporting periods in the scope, topics covered, and evaluation methods applied in the report, with the reasons for such restatements.	There are no relative changes in the scope and coverage of the information.	62	X		

INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
Stakeholders					
102-40. A list of stakeholder groups engaged by the organization.	www.team.co/sostenibilidad	63	X		
102-42. The basis for identifying and selecting stakeholders with whom to engage.	www.team.co/sostenibilidad	63	X		
102-43. The organization's approach to stakeholder engagement, including frequency of engagement by type of stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Se cuenta con diversos escenarios de involucramiento con los diferentes grupos de interés, liderados por quienes tienen una relación más cercana con los mismos. En el contenido del Informe se exponen los ejemplos más representativos de estos diálogos que nos permiten como empresa mantener vigente nuestra materialidad.	63	X		
102-44. Key topics and concerns that have been raised through stakeholder engagement, including how the organization has responded to these issues in the preparation of the report, and the stakeholder groups that raised each of the key topics and concerns.	This year, reports have been prepared for each of the countries, addressing the concerns and needs raised by different stakeholders, fostering communication that is adjusted to the context of the operations and expanding the scope of the information reported in the 2018 corporate sustainable management report.	63	X		For more information on the materiality process and engagement objectives for each stakeholder, see pages 13-16 of the 2016 Sustainable Management Report.
Report profile					
102-50. The reporting period for the information provided in the report.	2018	63	X		
102-51. Date of the most recent previous report.	2017	63	X		
102-52. Reporting cycle (Annual/Biennial).	Annual	63	X		
102-53. Contact point for questions regarding the report or its contents.	Isabel Giraldo - isabel.giraldo@team.co	63	X		

INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
102-54. A description of the GRI Standard option chosen by the organization (Core or Comprehensive), including the GRI table of contents.	This report has been prepared under the GRI standard in accordance with the Core option and covers the 2017 calendar-year period. All the operations of Team Foods in Colombia, Mexico, Chile and BredenMaster are included. The latter is still in the process alignment and standardization phase, and the BredenMaster Colombia operations are not yet taken into account for the environmental aspect.	64	X		
102-55. GRI content index.	Appendices; GRI table	60	X		
102-56. A description of the organization's policy and current practice regarding seeking external assurance for the report.	This report has been verified by Deloitte & Touche in order to ensure the transparency, quality and scope of the information reported.	64	X		
Governance					
102-18. The governance structure of the organization, including committees of the highest governance body, including any committees responsible for decision-making on economic, environmental and social topics.	Corporate committees: Board of Directors; Group Committee; Corporate Committee; Business Committee; Financial Risk and Raw Materials; Occupational Risk; Corporate Finance; Talent; Operational Excellence; Operational Business Excellence; Crisis; Strategy and Budget	64	X		For more information, see the 2016 Sustainable Management Report at www.team.co/sostenibilidad
102-20. Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	Yes, the organization has a position with responsibility for economic, environmental and social topics that reports directly to the highest governance body.	64	X		
102-21. The processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.	The processes for consultation are delegated through the Group Committee and then the Board of Directors.	64	X		
102-23. Report whether the chair of the highest governance body is also an executive officer in the organization (and if so, describe his or her function within the organization's management and the reasons for this arrangement).	The chair of the highest governance body does not hold an executive position in the organization.	64	X		

INDICATOR	2018 RESPONSE	PAGE	EXTERNAL AUDITING	OMISSIONS	OBSERVATIONS
102-32. Report the highest committee or position that formally reviews and approves the organization’s sustainability report and ensures that all material topics are covered.	President	65	X		
102-33. Report the process for communicating critical concerns to the highest governance body. .	The Group Committee decides what will be taken to the next board meeting.	65	X		
Ethics and integrity					
102-16. A description of the organization’s values, principles, standards and norms of behavior, such as codes of conduct and codes of ethics.	https://team.co/acerca-de-team/	65	X		For more information, see the 2016 Sustainable Management Report at www.team.co/sostenibilidad
102-17. A description of the internal and external mechanisms for seeking advice about ethical behavior and organizational integrity, such as helplines or counseling lines.	Our shareholders; Corporate integrity	51	X		

Specific content- 2018

Strategic Priority	Management Aspect (Material Topic)	GRI Aspect	Management Approach of the Material Topic (The Section or Page Where Said Approach Can Be Found)	GRI and/or Company-Specific Indicator	Response to the Indicator (The Section or Page Where Said Response Can Be Found)	2018 Verification	Omissions
Clients and consumers	Producing healthy foodstuffs through research, development and innovation	N/A	17	T1. Investment in R&D&I as a percentage of revenue.	We nourish a better tomorrow; president's letter; our clients and consumers; producing healthy foodstuffs through research, development and innovation	X	The figure reported is rounded to the nearest whole number, which is recent years has remained constant at 1%. There may be decimal variations from year to year, with the 2018 investment standing at 0.6% of revenue.
Clients and consumers	Responsible communications and marketing	Marketing and labeling	20	417-1. The types of information that are required by the organization's procedures for product and service information and labeling, and the percentage of significant product or service categories that are subject to such requirements.	Our clients and consumers; responsible communications and marketing	X	
Clients and consumers	Responsible communications and marketing	Marketing and labeling	20	417-2. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, broken down according to the type of result.	We have an ongoing case of alleged non-compliance with the labeling requirements for one of our products.		
Clients and consumers	Responsible communications and marketing	Marketing and labeling	20	417-3. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, broken down according to the type of result.	We have not been notified of any incidents of non-compliance with voluntary codes concerning commercial communications.		



STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
Clients and consumers	Client and consumer satisfaction	N/A	21	T2. Client satisfaction survey.	Our clients and consumers; quality and client and consumer satisfaction		
Clients and consumers	Client and consumer satisfaction	N/A	21	T3. Consumer product complaints received and resolved.	Our clients and consumers; quality and client and consumer satisfaction	X	
Clients and consumers	Responsible sourcing	Sourcing practices	23	FP1. Percentage of purchased volume from suppliers compliant with the organization's sourcing policy.	100% of the volumes purchased from our suppliers are in compliance with the Sourcing Policy and its related procedures.		
Clients and consumers	Identifying, evaluating and selecting suppliers	N/A	23	T5. Critical new suppliers evaluated against environmental, human rights, labor and societal criteria.	Our clients and consumers; Identifying, evaluating and selecting suppliers	X	Information is only reported for suppliers of ingredients, supplies and packaging material (MEIs) and non-productive items (NPIs) in Colombia, and crude lipid material at corporate level.
Clients and consumers	Responsible purchasing	Sourcing practices	24	FP2. Percentage of purchased volume that is verified through some kind of internationally recognized responsible production standard, broken down by standard.	Our clients and consumers; Responsible purchasing		
Clients and consumers	Responsible purchasing	N/A	24	T4. Palm oil traceability.	Our clients and consumers; Responsible purchasing		



STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
Clients and consumers	Responsible purchasing	Purchasing practices	24	204-1. The percentage of spending that corresponds to local suppliers in locations with significant operations.	Our clients and consumers; responsible purchasing		Information on local purchases is only reported for MEIIs and NPIs in Colombia, and for crude lipid material at corporate level.
People	Selection and recruitment	N/A	27	T6. Vacancies filled with internal talent for levels 4-6.	Our people; Selection and recruitment		This information is not available for the Bre-denMaster operations.
People	Selection and recruitment	N/A	27	T7. Percentage of vacancies published internally.	Our people; Selection and recruitment		This information is not reported for Mexico and Chile as the Soy Talento platform, where internal vacancies are published, is only available in Colombia at present.
People	Talent development	Training and education	28	404-3. The percentage of employees whose performance and professional development is regularly evaluated, broken down by gender and employee category.	Our people; talent development	X	This information is not broken down by gender or professional category
People	Training and education	Training and education	29	404-1. Average number of training hours per employee per year, broken down by gender and employee category.	Our people; training and education		This information is not broken down by gender or professional category.
People	Training and education	Training and education	29	404-2. Continuous skill management and training programs that boost employee employability and help in the management of career endings.	Our people; training and education		

STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
People	Training and education	Anti-corruption	69	205-2. Communication and training about anti-corruption policies and procedures.	We have virtual training modules for all employees in the different policies (Somos Ejemplo) and in-person training sessions led by the legal department, covering topics related to the fight against corruption.		The percentage of people trained is mentioned and not the total number.
People	Benefits and wellbeing	Employment	31	401-2. Social benefits for full-time employees that are not provided to temporary or part-time employees, broken down by significant activity locations.	Our people; Benefits and wellbeing		Not reported by area.
People	Benefits and wellbeing	N/A	31	T8. Investment in benefits (\$COP).	Our people; Benefits and wellbeing		The consolidated amount is reported for the organization and by country.
People	Reward and remuneration	Market presence	69	202-1. Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operations.	All our employees are paid over the current legal minimum wage in the respective locations of operations, with a corporate rate of 1.12. The ratio in each country is as follows: - Colombia: 1,35 - Mexico: 1,43 - Chile: 1 - BredenMaster: 1		

STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
People	Reward and remuneration	Diversity and equal opportunities	34	405-2. Ratio of the basic salary of women to men for each employee category, by significant locations of operation.	Our people; Reward and remuneration		Information by location is only reported at corporate level.
People	Working culture, environment and conditions	N/A	34	T9. Working environment score – GPTW.	Our people; Working culture, environment and conditions	X	
People	Working culture, environment and conditions	Employment	35	401-1. Total number and rate of new employee hires and employee turnover, by age group, gender and region.	Our people; Working culture, environment and conditions	X	Only the turnover is reported and not the rate of new employee hires. The information is not broken down by age group or gender.
People	Working culture, environment and conditions	N/A	70	T10. Total number of formal complaints and claims received and resolved through labor practices.	Taking into account all our operations, 59 formal cases were dealt with in 2018, some of which have continued over from previous figures. In Colombia, 27 cases were dealt with and 3 were resolved; at BredenMaster 22 cases were dealt with and 2 resolved; in Mexico 5 cases were dealt with and 1 resolved, and likewise at Team Chile 5 cases were dealt with and 1 resolved.	X	Only labor claims with legal implications are reported.
People	Working culture, environment and conditions	Management of working relationships	70	FP3. Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country.	No time has been lost in the last 5 years due to lock-outs, strikes or labor disputes.		
People	Health and safety at work	N/A	37	T11. Accident Frequency Rate (AFR).	Our people; Health and safety at work	X	

STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
People	Health and safety at work	N/A	37	T12. Accident Severity Rate (ASR).	Our people; Health and safety at work	X	
People	Health and safety at work	N/A	37	T13. Absenteeism.	Our people; Health and safety at work	X	
Environment	Efficient resource use and environmental culture	N/A	41	T15. Intensity of water consumption.	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	Water	41	303-3. The percentage of the total volume of water that is recycled and reused.	Sustainability; Efficient resource use and environmental culture		
Environment	Efficient resource use and environmental culture	Emissions	42	305-1. Direct greenhouse gas emissions (scope 1).	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	Emissions	42	305-2. Indirect greenhouse gas emissions (scope 2).	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	Emissions	42	305-3. Other indirect greenhouse gas emissions (scope 3).	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	Emissions	42	305-4. Intensity of greenhouse gas emissions.	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	Energy	42	302-3. Intensity of energy consumption.	Sustainability; Efficient resource use and environmental culture	X	
Environment	Efficient resource use and environmental culture	N/A	42	T17. Percentage of recovery of ordinary waste	Sustainability; Efficient resource use and environmental culture	X	
Environment	Social management strategy	N/A	48	T14. Donations made (\$COP).	Sustainability; Social management strategy	X	Only reported for Colombia.



STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
Shareholders	Integrity, compliance and transparency	Anti-corruption	72	205-1. Total number and percentage of operations assessed for risks related to corruption, along with the risks identified.	100% of our operations have been assessed for risks related to corruption, and 79 significant risks have been identified.		
Shareholders	Corporate governance, accountability and decision-making	Anti-corruption	53	205-3. Confirmed incidents of corruption and actions taken.	Our shareholders; Corporate governance, accountability and decision-making		
Shareholders	Corporate governance, accountability and decision-making	Anti-competitive behavior	53	206-1. Number of legal actions regarding anti-competitive behavior and violations of anti-trust and monopoly legislation, and the outcomes of such actions.	Our shareholders; Corporate governance, accountability and decision-making	X	
Shareholders	Corporate governance, accountability and decision-making	Socio-economic compliance	72	419-1. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations.	In 2018 we received no fines or sanctions for non-compliance with laws and/or regulations.		
Shareholders	Corporate risk management	N/A	54	T18. Residual risk level.	Our shareholders; Corporate risk management		
Shareholders	Corporate risk management		72	412-1. Total number and percentage of operations that have been subject to human rights impact assessments.	All our contracts include human rights compliance clauses. As a good practice, we have put in place a risk analysis / due diligence in human rights every two year. Consequently, we will repeat the exercise in 2019, including third-party operations in order to expand its scope in comparison with 2017.		

STRATEGIC PRIORITY	MANAGEMENT ASPECT (MATERIAL TOPIC)	GRI ASPECT	MANAGEMENT APPROACH OF THE MATERIAL TOPIC (THE SECTION OR PAGE WHERE SAID APPROACH CAN BE FOUND)	GRI AND/OR COMPANY-SPECIFIC INDICATOR	RESPONSE TO THE INDICATOR (THE SECTION OR PAGE WHERE SAID RESPONSE CAN BE FOUND)	2018 VERIFICATION	OMISSIONS
Shareholders	Business performance	N/A	56	T19. Revenue base 100 (2011)	Our shareholders; Business performance		
Shareholders	Business performance	N/A	56	T20. EBITDA base 100 (2011)	Our shareholders; Business performance		
Shareholders	Business performance	N/A	56	T21. ROE (% trend)	Our shareholders; Business performance		
Shareholders	Business performance	N/A	56	T22. ROIC (% trend)	Our shareholders; Business performance		
Shareholders	Business performance	Economic performance	57	201-1. Direct economic value generated and distributed.	Our shareholders; Business performance		Reported at corporate level.

Memorandum of Independent Review

Memorandum of independent review on the Sustainable Management Report 2018 of Alianza Team

Scope of our work

We have reviewed the adaptation of the contents of the Sustainable Management Report 2018 of Alianza Team to the Consolidated set of GRI Sustainability Reporting Standards, hereinafter "GRI Standards".

Verification process

We conducted our work in accordance with ISAE 3000 - International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accounts (IFAC), with the Standard AA1000 Stakeholder Engagement Standard AA1000SES (2015) and the International framework of the International Integrated Reporting Council (IIRC).

Our review work consisted in formulating questions to the management, as well as to the various areas of Alianza Team who participated in the preparation of the 2018 Annual Report and the application of certain analytical procedures and review testing sample described below:

- Interviews with Alianza Team employees to know about the principles, management approaches and data consolidation systems applied to prepare the Report.
- Analysis of how the content, structure and indicators were defined, based on the materiality exercise according to the GRI Standards.
- Analysis of the processes to collect and validate the data presented in the report.
- Checking, by sample testing and review of quantitative and qualitative evidence corresponding to the GRI contents and Alianza Team internal indicators included in the Sustainable Management Report 2018, and proper compilation from the data supplied by Alianza Team the sources of information.

Responsibilities of the Management of Alianza Team and Deloitte

- The preparation of the Sustainable Management Report 2018 of Alianza Team and its content are the responsibility of the organi-

zation which is also responsible for defining, adapting and maintaining management systems and internal control which information is obtained.

- Our responsibility is to issue an independent report based on our review procedures applied.
- This Report has been prepared exclusively in the interest of the organization in accordance with the terms of our proposed services. We do not assume any liability to third parties other than the Management of the company.
- We have performed our work in accordance with the Independence regulations required by the ethic code of the International Federation of Accountants (IFAC).
- The scope of a limited review is substantially less than an audit. Therefore, we do not provide an audit about the Annual Report.

DELOITTE & TOUCHE LTDA.
Jorge Enrique Múnera D.
Partner



Medellin, March 2019

MATERIAL ISSUES	GRI DISCLOSURES OR TEAM FOODS INTERNAL INDICATOR	SCOPE OF VERIFICATION
Nutrition and healthy lifestyles	T1. Investment in R&D+I as sales percentage	Corporate
Responsible communication and marketing	417-1. Requirements for product and service information and labeling Corporate	Corporate
Client and consumer satisfaction	T3. Claims per product received from consumers and solved.	Corporate (BredenMaster Chile excluded)
Supplier identification, evaluation and selection	T5. New critical suppliers evaluated with environmental, labor, HR and society criteria	Colombia
Strategic talent development	404-3. Percentage of employees receiving regular performance and career development reviews	Corporate
Culture, environment and working conditions	T9. Work climate score - GPTW	Corporate
	401-1. New employee hires and employee turnover	Corporate
	T10. # of complaints and formal complaints received and resolved by labor practices	Corporate
Health and safety in the workplace	T11. IAFI - Accident Frequency Index	Colombia
	T12. ASI - Accidentalness Severity Index	Colombia
	T13. Absenteeism	Colombia

Confirmation that the Sustainable Management Report 2018 of Alianza Team has been prepared in accordance with GRI Standards: Core option "in accordance".

General aspects:

It was confirmed that the report meets the requirements of the Essential option "in accordance" of the general aspects of the GRI Standards.

Specific aspects:

We reviewed the management approach, GRI disclosures and Alianza Team internal indicators of the material issues below:

MATERIAL ISSUES	GRI DISCLOSURES OR TEAM FOODS INTERNAL INDICATOR	SCOPE OF VERIFICATION
Efficient use of resources and environmental culture	T15. Intensity of water consumption	Colombia
	305-1. Direct GHG emissions (scope 1)	Colombia
	305-2. Indirect GHG emissions (scope 2)	Colombia
	305-3. Other indirect GHG emissions (scope 3)	Colombia
	305-4. Intensity greenhouse gas emissions	Colombia
	302-3. Energy intensity	Colombia
	T17. Percentage of use of ordinary waste	Colombia
Contribution to community development	T14. Donations made (COP)	Colombia
Corporate governance, accountability and decision making	206-1. Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate

Conclusion

As a result of our review, it has not been revealed any aspect nor disclosure that leads us to believe that the Sustainable Management Report 2018 of Alianza Team contains significant errors or has not been prepared in accordance with the GRI Standards, Core option "in accordance".

Recommendations according to GRI principles¹

Completeness / Exhaustive

General remarks

Deloitte highlights the company's commitment to reporting, in a detailed and specific manner, the results of the management of each of the countries where they have operations, allowing stakeholders

to know in detail the progress of management and commitments and goals that are held at the corporate level and at the country level.

Recommendations

Deloitte recommends continuing efforts to consolidate and standardize the processes and measurement of strategic indicators in all countries, in order to evaluate in a timely manner the efficiency of controls and the performance of each of the indicators for decision-making.

Balance

General remarks

Deloitte highlights that the organization reports in detail its achievements and the management carried out during the year through specific reports for each operation and at a corporate level.

Recommendations

Deloitte recommends including testimonies, comments or interviews from different interest groups to have several perspectives on the management of Alianza Team and to give a different air to the report. Likewise, Deloitte recommends continuing to deepen the communication about the challenges encountered during the year.

¹GRI principles of quality and content: Inclusion of stakeholders, context of sustainability, materiality, completeness, precision, balance, clarity, comparability, reliability, punctuality.

ANNEX 1 Declaration of Independence

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We confirm our independence from Alianza Team. All our employees perform annual updates to the Ethics Policy which promptly declare that we have no conflicts of interest with Alianza Team, its subsidiaries and its stakeholders.

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