SUSTAINABILITY REPORT

2019









SUSTAINABILITY REPORT, ATLANTIC GRUPA 2019



GRI SUPPLEMENT



About this report

As a company committed to transparency and responsible business operations, in 2013 we decided to improve our reporting practices and to start annual reporting about our economic, social and environmental performance following for the first time GRI sustainability reporting guidelines. Since then, we have been developing and improving our reporting practices every year, thoroughly following the changes and updates of the GRI guidelines. As all the previous ones, the 2019 report provides a transparent overview of the Group's performance and progress in social responsibility, in line with our intention to share our successes and challenges with all stakeholders.

Towards Integrated Reporting

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

Our first reports were based on ten principles of the United Nation's Global Compact with respect to human rights, labour, environment and anticorruption. We have supported the UN Global Compact since 2007 and have reported on our progress regularly, except for the year 2010:

- Report on progress 2008-2009 http://unglobalcompact.undp.hr/show.jsp?page=111580
- Report on progress 2011-2012
 http://www.atlantic.hr/en/social-responsibility/towards-environment

Since 2013, we have been publishing annual sustainability reports alligned with Global Reporting Initiative guidelines. In 2018, we made a step further towards integrated reporting on our business and sustainability performance by publishing the sustanability performance data not as a separate publication, but as a supplement of our Annual report, thus providing a comprehensive picture to our stakeholders.

 Sustainability reports 2013, 2014, 2015, 2016, 2017, 2018 are available at: http://www.atlantic.hr/en/media/publications/gri-report

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Sustainability report 2019 is prepared in accordance with the GRI Standards, the latest generation of guidelines from GRI launched in 2016, at a "core" application level. Atlantic Grupa reports against ten performance indicators for which we believe can help us significantly improve the ability to participate in competitive markets. Unless otherwise stated, all information mentioned in the report is for the year 2019.

With the intention of providing a comprehensive and balanced account of the important non-financial aspects of our operations, this report covers the entire Atlantic Grupa and its strategic business units, referring to all companies falling within the scope of Consolidated audited financial results for FY 2019. Full information about financial results and risk management practices can be found in our Annual report 2019 and Financial report 2019: http://www.atlantic.hr/en/media/publications/annual-reports

Atlantic Grupa management is responsible for all aspects of this report.

If you have any feedback or questions on this Sustainability report, please contact:

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

No omissions regarding the reported information.

ABBREVIATIONS:

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

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Environment



GRI STANDARDS GRI 102: GENERAL DISCLOSURES

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

How we support UN Global Compact principles

Human rights

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

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

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

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

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

Atlantic Grupa strongly supports the right of association of its employees and the work of its Union alliance. In 2019, **57.13%** of our employees were covered with collective agreements.

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

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

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

tionary approach to environmental challenges.

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

Atlantic Grupa is one of the members of The Alliance for Gender Equality in the Workplace, network of companies launched in 2019, committed to increasing the number of women in managerial and other positions, equal pay for equal work for women and men, as well as equal opportunities for promotion and employment.

Each tender stresses gender equality when hiring. 51.3% of our employees are women. All of our employees, regardless of the contract they have. are guaranteed equal rights and opportunities to develop and grow.

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

Fully Integrated Environmental Management Sys-Principle 7 - Businesses should support a precau-

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

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Labor

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

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

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

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

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

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

Anti-Corruption

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

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

Moreover, considering the fact that Atlantic Grupa is company publicly listed on the Zagreb Stock Exchange, the Company also applies the Code of Corporate Governance issued by the Croatian Financial Services Supervisory Agency (HANFA) and the ZSE. Based on the principles set therein, the Company announces the Statement of its application for each business year, confirming its actions and development in accordance with the good corporate governance practice in all business segments.

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

The Statement can be found on the Company's website (www.atlanticgrupa.com) as well as on the official website of the ZSE (www.zse.hr).

In addition to the above, Atlantic Grupa acceded to the **Code of Ethics in Business issued by the Croatian Chamber of Economy.** The Code lays down guidelines for ethical behaviour of business subjects in the Croatian economy, contributing to more transparent and efficient business operations and high quality relations between economic operators in Croatia and the business environment in which they operate. By adjoining the Code, parties are obliged to responsible and ethical behavior towards the other companies on the market as well as the development of high quality relations and loyal competition.

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

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

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

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~ ORGANIZATIONAL PROFILE





How we support UN Sustainable development goals					
SDG	Actions	GRI Disclosure			
1 NO POVERTY 八本本本本	 Taking steps to identify and disclose potential human rights risks across value chain Paying fair share of taxes to the states in which we operate, supporting key statefunded poverty focused services such as education, health and infrastructure Creating employment opportunities and promoting job security, including the provision of decent work, respecting labour rights, improving skills and paying a living wage Community investments 	201-1 Direct economic value generated and distributed			
2 ZERO HUNGER	 Improving production, conservation and distribution of food by making full use of (existing and new) technical and scientific knowledge Improving the availability of nutritious food through product development, relative pricing and providing responsible communications, such as nutritional information, storage and safe use Community investments 	416-2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes 417-1 Requirements for product and service information and labelling and percentage of significant product and service			
3 GOOD HEALTH AND WELL-BEING	Disclosing industrial accidents and cases of occupational disease	403-2 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender			
4 QUALITY EDUCATION	 Providing access to relevant trainings to employees Supporting development of employability skills of young people in the community 	404-1 Average hours of training per year per employee by gender, and by employee category			



- Membership in The Alliance for Gender Equality in the Workplace
- Commitment to the Diversity Charter

401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region

404-1 Average hours of training per year per employee by gender, and by employee category



Minimizing negative impact on water quality through water usage, treatment and discharge

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- 7 AFFORDABLE AND CLEAN ENERGY
- Monitoring and reporting on the amount of energy produced, purchased and consumed, according to source
- Tracking and reporting energy usage, reduction and intensity over time
- Investing in initiatives on renewable energy and integrating these into business strategy

302-1 Energy consumption within the organization

302-3 Energy intensity



- Generating added value in the domestic economy through enhancing own productive capacity (e.g. through skills development of workers).
- Paying fair share of tax timely and responsibly
- Establishing fair policies for selection of suppliers, including human rights and environmental requirements
- Protecting basic labour rights including freedom of association and collective bargaining
- Embedding the principle of equality in policies and processes for both employees and governing bodies
- Strengthening the links between business and education, supporting youth employability
- Providing safe, secure and healthy working environments for all employees

- 201-1 Direct economic value generated and distributed
- 102 8 Information on employees and other workers
- 102 41 Collective bargaining agreements
- 401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region
- 404-1 Average hours of training per year per employee by gender, and by employee category
- 403-2 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

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SDG	Actions	GRI Disclosure
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	 Investing in technology innovation R&D Innovating and/or investing in energy efficiency of facilities 	-
10 REDUCED INEQUALITIES	 Embedding policies which promote diversity and inclusion throughout own operations, and encouraging suppliers to do the same Community investments 	201-1 Direct economic value generated and distributed 102-8 Information on employees and other workers 401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region
11 SUSTAINABLE CITIES AND COMMUNITIES	-	-
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	 Incorporating sustainable development into business vision, policies and strategies and developing sustainability targets and indicators across products and services Investing in improvement of environmental performance and establishing measureable targets Tracking and reporting waste generated by type, treatment and disposal destination Reporting economic, social and environmental sustainability using a common international reporting standard/framework 	302-1 Energy consumption within the organization 302-3 Energy intensity 306-2 Total weight of waste by type and disposal method
13 CLIMATE ACTION	 Identifying risks and opportunities caused by climate change Investing in environmental protection and improving the resilience to environmental hazards 	302-1 Energy consumption within the organization 302-3 Energy intensity

SDG	Actions	GRI Disclosure
14 LIFE BELOW WATER	 Eliminating own practices and/or helping eliminate practices in the supply chain that put marine species and resources at further risk of harm, exploitation or de- pletion 	304-4 Total number of IUCN red list species and national conserva- tion list species with habitats in ar- eas affected by operations
15 LIFE ON LAND	-	-
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	 Committing to own responsibility to respect human rights through a statement of policy and communicating their human rights expectations to employees and business partners Establishing effective, accountable and transparent governance structures Embedding policies and raising awareness on business ethics and anti-corruption among employees, suppliers and business partners 	 102 - 16 Values, principles, standards, and norms of behaviour 102-23 Chair of the highest governance body 102-24 Nominating and selecting the highest governance body 102-25 Conflicts of interest 102- 17 Mechanisms for advice and concerns about ethics 102-26 Role of highest governance body in setting purpose, values, and strategy 102-35 Remuneration policies
17 PARTNERSHIPS FOR THE GOALS	Membership in collaborative multi-sector platforms: UN Global Compact, Responsi- ble Business Forum, The Croatian Business Council for Sustainable Development	-



~ ETHICS AND INTEGRITY

Ethics and Integrity

FTHICS AND INTEGRITY

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

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

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

WHISTLEBLOWING PROCEDURE

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

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

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

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

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

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

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

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

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



~ ETHICS AND INTEGRITY

~ ETHICS AND INTEGRITY



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

ETHICAL CODE OF PURCHASING ORGANIZATION

- 1

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

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

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

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



Stakeholder engagement

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

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

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

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

~ STAKEHOLDER ENGAGEMENT

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

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STAKEHOLDER ENGAGEMENT IN PRACTICE

~

WE REDUCE THE NEGATIVE IMPACT ON THE ENVIRONMENT

At their traditional conference, the people in charge of environmental protection and energy of the Atlantic Grupa, who make up our Green Team, dealt with environmental issues in relation to the operations of our company. The conference has been a great starting point for many years for new knowledge, ideas and strengthening the Green Team's team spirit.

The focus was on project presentations and solutions that helped to increase energy efficiency, save costs and reduce the negative environmental impact that we want to further expand in our daily practice.

Some examples of good practice were presented: measures taken to prevent CO2 leakage in Cedevita Apatovec, own production of nitrogen for packaging in Grand Prom Belgrade, transformation of the line and roller wash in Mirna for better energy efficiency, improved and transparent waste management in Rogaski vrelci (Rogaska springs), remote control of energy consumption in Palanacki Kiseljak and Planinska.

In addition to examples of good practice, the conference participants gained new knowledge from the theoretical field, in particular about energy efficiency. Systematic approach, expertise and teamwork help to improve Atlantic Grupa's environmental and energy management processes and result in a reduction of negative environmental impacts.

BRIDGE TO INNOVATION

In 2019, the first "Innovation breakfast" event was held within ZICER premises at the Zagreb Fair on Friday, August 30th. It was an opportunity for Atlantic employees to get acquainted with the space where young entrepreneurs (start-ups) reside, but also to hear live short presentations of what some of them are doing.

The event was enriched by an interactive discussion between Miranda Mladin, CEO of Central Marketing and Innovation, Mark Kufrin, CEO of Corporate Strategy and New Growth, as well as the audience, who recognized the potential and significance of opening doors to the start-up community. The conclusion is that both sides can benefit from joint future projects, but also that it is necessary to learn from previous experiences to avoid potential pitfalls.

ATLANTIC GRUPA AS AN EXAMPLE OF A COMPANY ON HOW TO ATTRACT AND RETAIN YOUNG STAFF

Atlantic Grupa joined the initiative of the Serbian Association of Managers to launch a series of discussions with businessmen, government institutions and faculties in order to emphasize the importance of each of us, in our sphere, taking over the responsibility and trying to create conditions for better life and work of young people in Serbia, as Dragomir Kostic, General Manager of Strategic Distribution Area Serbia, spoke as a panel participant.

In what ways and through which programs are companies in Serbia struggling to retain and attract young staff, and what is the state's strategy on this current topic, was discussed at the Manager Forum organized by the Serbian Association of Managers (SAM).

The topic of brain drain from Serbia is as relevant today as never before, especially since it is estimated that at least 35,000 people leave our country each year, in search of a better standard and perspective. On that occasion, Kostic said in his discussion that Atlantic Grupa's focus is on supporting employees to utilize their full potential and improve their skills, but also on attracting and nurturing young talents and developing their skills: Talent management is a form of human capital management, and it is a long-term, comprehensive and integrated approach to supporting and strengthening the core competencies of the company, as well as retaining the talents and successors to Atlantic Grupa's current and future needs, as the most successful companies in the world build their advantage on the very development of the system of successful human resources management and attracting and retaining the best. In its activities in this field, Atlantic Grupa, in addition to activities within the company through various innovative programs of development and attracting employees, actively participates in dialogue with state and educational institutions, as well as with the wider business community, said Kostic.

IN SEARCH OF CURIOSITY WITH THE AMCHAMPS ATTENDANTS OF THE YOUNG TALENTS DEVELOPMENT PROGRAM

Atlantic Grupa is the patron sponsor of the 6th generation AmChamps Youth Development Program organized by the American Chamber of Commerce in Serbia. To satisfy their curiosity for new knowledge and experiences, we hosted them in Stark in early May. Over 40 young program participants, final year college students and their mentors, experienced managers from reputable companies in Serbia, came to meet Atlantic Grupa, the people and brands it covers.

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After gathering for a morning coffee, our Stark technologists took them through the entire production facility to learn first-hand how some of our most famous brands are produced. The tour aroused great curiosity about a number of topics related to the company, from investment and innovation to brand and people management.

ATLANTIC GRUPA TOOK PART IN THE CONFERENCE "ORIGINAL CONVERSATIONS"

Organized by the magazine Original and the Novak Djokovic Foundation, the "Original Conversations" conference was held, bringing together in excess of 200 young people having a unique opportunity to speak with the HR managers of 36 leading companies in the region and get acquainted with the entire job interview process, as well as however to get a complete analysis of their performance. It is just another example of Atlantic's drive to give young people a chance to get to know the business world in which they can learn, socialize and prosper.

CAREER COUNSELLING THROUGH SIMULATIONS AND CONSULTATIONS

Atlantic Grupa was one of the participants within the conference where it created a workshop as a job interview simulation for the positions of SAP Consultant and Junior Brand Operations Manager.

In the end, each candidate received feedback on the quality of the interview and what they were as candidates. Each participant who applied was advised on how to improve their CV, motivation letter and some other details related to the job interview process itself. Several candidates have met the criteria and are in line with our values, so they will continue their selection for Atlantic Grupa recruitment. The aim of the project was to present to young people the significance of constant progress, individual growth and work on themselves, as well as to present the possibility of fulfilling career and life goals.

Reporting Practice

MATERIALITY



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

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

LIST OF PRIMARY TOPICS:

ECONOMIC IMPACTS

~ TOPIC: ECONOMIC PERFORMANCE

ENVIRONMENT RESPONSIBILITY

- ~ TOPIC: ENERGY
- ~ TOPIC: BIODIVERSITY
- ~ TOPIC: WASTE

WORKPLACE RESPONSIBILITY

- ~ TOPIC: EMPLOYMENT
- ~ TOPIC: OCCUPATIONAL HEALTH AND SAFETY
- ~ TOPIC: TRAINING AND EDUCATION

PRODUCT RESPONSIBILITY

- ~ TOPIC: CUSTOMER HEALTH AND SAFETY
- ~ TOPIC: PRODUCT AND SERVICE LABELING

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

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~ TOPIC-SPECIFIC DISCLOSURES

GRI STANDARDS



Topic-specific disclosures

Economic GRI 200

GRI 201: ECONOMIC PERFORMANCE

Disclosure 201-1

Direct economic value generated and distributed

Atlantic Grupa Consolidated '000 HRK	2018	2019	Change 2019/2018
DIRECT ECONOMIC VALUE GENERATED	5,270,674	5,449,678	3.4%
REVENUES	5,270,674	5,449,678	3.4%
ECONOMIC VALUE DISTRIBUTED ¹	5,093,212	5,184,324	1.8%
Operating cost -incl. Education & Freelancers	3,887,042	3,886,364	0.0%
Employee wages and benefits -excl. Education, freelancers ²	781,995	824,223	5.4%
Payments to providers of capital ³	123,833	131,615	6.3%
Payments to Government⁴	100,939	105,129	4.2%
Community investments	44,787	37,974	-15.2%
CAPEX	154,616	199,018	28.7%
ECONOMIC VALUE RETAINED	177,461	265,354	49.5%

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

In 2019, Atlantic Grupa recorded sales of HRK 5.4 billion, which is a 3.4% growth compared to the same period of the previous year. The revenue growth was recorded in almost all business and distribution units due to excellent results of the majority of own as well as principal brands. If we exclude the effect of revenues of the Strategic Business Unit Sports and Functional Food, the segment that was fully disinvested at the beginning of April 2019, and the effect of the absence of sales of the Neva range in part in which the distribution was discontinued, the revenue growth would be 5.4%.

The debt measured as the net debt to normalised EBITDA ratio dropped from 1.5 at the end of 2018 to 0.9 at the end of 2019.

Revenues - growth was recorded in almost all business and distribution units due to excellent results, especially the following: Argeta (both meat and fish segments of savoury spreads) in all regional markets, Western European markets (Germany, Austria, Switzerland and the Netherlands) and in the market of Russia; visually refreshed Cockta, vitamin instant drink Cedevita and functional water Donat Mg in Beverages segment in all leading markets (greatest growth recorded in the markets of Croatia, Slovenia, Bosnia and Herzegovina and Serbia; double-digit growth was recorded in markets outside the region: Russia, Germany, Austria and Italy). Market Croatia recorded a significant sales growth (own brands recorded growth in almost all categories, while among principal brands the biggest growth was recorded sales growth both in almost all own brand and principal brands.

Operating costs - incl. Education & Freelancers - in 2019 costs remained on the similar level as in 2018 which is a result of increase in cost of goods sold as a consequence of higher sales of principal brands, mild decrease in costs of production materials together with the change in the value of inventories due to disinvesting non-core business units and lower average prices of production materials, primarily coffee and sugar, increase in energy costs due to larger production and higher prices, increase in costs of services due to higher costs of transport and logistics services as a consequence of higher sales and higher licence costs following higher investments in IT systems and digital technologies, lower marketing expenses due to disinvesting of non-core business units and lower other operating expenses due to lower impairment of trade receivables and inventories.

Employee wages and benefits - excl. Education, freelancers - Employee wages and benefits increased in 2019 due to a larger number of employees as a result of higher scope of operations by taking over new principals, the increase in legally prescribed minimum wages in Serbia and more variable payments following the increase in sales.

Payments to providers of capital - As a consequence of continuous deleveraging of the company, payments to providers of capital, i.e. interest payments, were lower than in 2018. The dividend payment in 2019 was HRK 107 million (HRK 32.0 per share) which represents increase in comparison to 2018 (67 million or HRK 20.0 per share).

Payments to Government – Corporate income tax expense is higher in 2019 in comparison to previous year, while payments in relation to corporate income tax are lower in comparison to 2018.

Community investments - Atlantic Grupa is a major sponsor focused primarily on the promotion of sports where most funds and involvement are dedicated to supporting

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² Including taxes and contributions on salaries

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

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

^{*}Restated for IFRS 16 effects



ture, business systems and applications.

~ TOPIC-SPECIFIC DISCLOSURES



Disclosure 302-1

Energy consumption within the organization (MWh)

Direct energy consumption: non renewable sources	2017	2018	2019
LPG (+propan)	22,981	20,011	22,162
Natural gas (+CNG)*	40,464	37,647	37,296
Fuel oil	6,996	6,552	5,596
Non -renewable fuel diesel	13,891	13,847	15,531
Direct energy consumption: renewable sources	2017	2018	2019
	-	-	-
Total direct energy consumption	84,332	78,057	80,585
Indirect energy consumption: non-renewable sources	2017	2018	2019
Electricity	45,774	45,113	46,430
Steam	7,457	8,274	7,791
Indirect energy consumption: renewable sources	2017	2018	2019
Electricity	255	242	241
Thermal energy	-	-	34
Total indirect energy consumption	53,486	53,629	54,496
Energy consumption by region			
SI	28,828	27,486	29,427
HR	29,107	25,358	25,673
RS	66,207	64,868	63,700
BA	11,657	11,797	12,635
MK	2,019	2,177	3,646
Total energy consumption	137,818	131,686	135,081

The consumption is calculated based on invoicing and meters. In 2016 and 2017 Slovenian standard conversion factors were used. In 2018 and 2019 we have used local standard conversions factors. Premises rented are not included in the calculation. Sold energy or cooling is not relevant for AG. Indirect energy consumption includes electricity produced with solar panels in the production site in Izola. In 2017 we have started to record fuel consumption for own transport vehicles in companies in Croatia, Bosnia and Hercegovina and Serbia. In 2019 we added the fuel consumption for own transport vehicles in North Macedonia which represents 1% of the energy consumption in 2019.

Capex - In 2019 the amount of the company's capital expenditure increased compared to the previous year and mostly relates to the investments in the production equipment of business units for the purpose of increasing the efficiency of production processes, in the development of new products and the development of IT infrastruc-

projects such as the basketball club Cedevita Olimpija and financing, organizing and

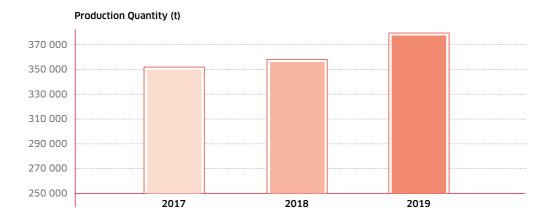
managing the club's Basketball Academy with over one thousand children. In the culture and knowledge segment, Atlantic Grupa has again in 2019 supported Sara-

jevo Film Festival as a central cultural manifestation in the region and Yammatovo

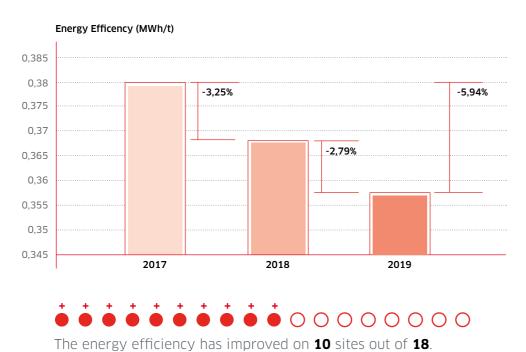
with Cockta as the main brand of this music event. When youth and knowledge are concerned, Atlantic has for the third year in a row supported the largest gathering of the so called changemakers in this part of Europe by presenting at the LEAP Summit



Atlantic grupa has continuos growth of production and distribution of goods.



Consequently our energy consumption rises, but thanks to constant monitoring of energy consumption and the measures of continuous improvement on many of our sites our Energy efficincy gets better year by year.



~ TOPIC-SPECIFIC DISCLOSURES

2017

Direct energy consumption: non-renewable sources	SI	HR	RS	ВА	MK
LPG	15,636	0	0	0	1,280
Natural gas	3,334	2,056	18,813	6,540	0
CNG	0	1,442	8,280	0	0
Propan	0	10	6,030	22	0
Fuel oil	0	1,372	3,955	1,547	123
Non-renewable fuel diesel	0	7,230	6,660	0	0
Total direct energy consumption	18,970	12,110	43,742	8,109	1,403
Total direct energy consumption Indirect energy consumption: non-renewable sources	18,970	12,110	43,742	8,109	1,403
	18,970 8,030	12,110 11,113	43,742 22,469	8,109 3,548	1,403
Indirect energy consumption: non-renewable sources					
Indirect energy consumption: non-renewable sources Electricity	8,030	11,113			
Indirect energy consumption: non-renewable sources Electricity Steam	8,030	11,113			
Indirect energy consumption: non-renewable sources Electricity Steam Indirect energy consumption: renewable sources	8,030 1,573	11,113			



2018

Direct energy consumption: non-renewable sources	SI	HR**	RS	ВА	МК
LPG (+propan)	14,625	194	3,852	11	1,329
Natural gas (+CNG)*	2,897	1,019	27,194	6,537	0
Fuel oil	0	1,534	3,255	1,587	176
Non-renewable fuel diesel	0	6,723	7,112	12	0
Direct energy consumption: renewable sources					
Total direct energy consumption	17,522	9,470	41,413	8,147	1,505
Indirect energy consumption: non renewable sources					
Electricity	8,202	9,134	23,455	3,650	672
Steam	1,520	6,754			
Indirect energy consumption: renewable sources					
Electricity	242				
Total indirect energy consumption	9,964	15,888	23,455	3,650	672
Total energy consumption 2017	27,486	25,358	64,868	11,797	2,177

^{*}Multipower Bleckede in Germany left Atlantic Grupa in 2017

2019

Direct energy consumption: non-renewable sources	SI	HR	RS	ВА	MK
LPG (+propan)	15,706	769	4,230	41	1,416
Natural gas (+CNG)*	3,155	1,093	25,467	7,581	
CNG					
Propan					
Fuel oil	0	1,608	2,520	1,309	159
Non-renewable fuel diesel	0	7,132	7,008	14	1,377
Direct energy consumption: renewable sources					
Total direct energy consumption	18,861	10,602	39,224	8,945	2,952
Total direct energy consumption Indirect energy consumption: non renewable sources	18,861	10,602	39,224	8,945	2,952
	18,861 8,775	10,602 8,830	39,224 24,441	8,945 3,690	2,952 694
Indirect energy consumption: non renewable sources			·		
Indirect energy consumption: non renewable sources Electricity	8,775	8,830	·		
Indirect energy consumption: non renewable sources Electricity Steam	8,775	8,830	·		
Indirect energy consumption: non renewable sources Electricity Steam Indirect energy consumption: renewable sources	8,775 1,550	8,830	·		
Indirect energy consumption: non renewable sources Electricity Steam Indirect energy consumption: renewable sources Electricity	8,775 1,550	8,830	24,441		
Indirect energy consumption: non renewable sources Electricity Steam Indirect energy consumption: renewable sources Electricity Thermal energy	8,775 1,550 241	8,830 6,241	24,441	3,690	694

Disclosure 302 - 3 Energy intensity, MWh/Net sales (HRK Milion)	2017	2018	2019
Energy intensity	25.87*		
Energy intensity revalued**	26.21	24.98**	24.79***

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

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^{**} Aminolabs Atlantic and Neva in Croatia left Atlantic Grupa in 2018

^{*} recalculated values according to restarted Revenues for IRFS 15 effects

^{**}In the energy consumption for 2017 and 2018 the fuel for own transport vehicles is included. If we would consider the same scope in 2017 as in 2016 (without fuel for transport vehicles) the energy intensity in 2017 would be 23.26.
*** In 2019 the fuel for own transport vehicles for Atlantic Trade Skopje was included. If we would consider the same scope in 2018 (without fuel for transport vehicles in Atlantic trade Skopje) the energy intensity in 2019 would be 24.54.

~ TOPIC-SPECIFIC DISCLOSURES

GRI 304: BIODIVERSITY

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

Disclosure 304-4 IUCN red list species and national conservation list species with habitats in areas affected by operations

Number of raw materials used from the category	2017	2018	2019	Plan 2020
Critically endangered	0	0	0	0
Endangered	0	0	0	0
Vulnerable	0	0	0	0
Near threatened	1	1	1	1
Least concern	1	1	1	1

As most our operations/production sites are in urban locations, no Red List species are affected by any of the group's operations.

Only in one our operation, SBU Savoury spreads, we are using for production of tuna pate species from IUCN Red List:

- ~ Thunnus albacares / Yellowfin Tuna status: Near Threatened
- ~ Katsuwonus pelamis / Skipjack tuna status: Least concern

Although, that the certain species of tuna are commercially more favorable, we have made a conscious decision not to use such species in our products.

GRI 306: EFFLUENTS AND WASTE

Disclosure 306-2

Waste by type and disposal method

Waste by disposal method (t)	2017	2018**	2019
Non-hazardous			
reuse	1,224.66	1,305.03	1,809.1
recycling	2,848.93	2,730.90	2,725.84
composting	302.01	239.17	363.63
recovery	407.30	753.21	660.61
incineration	211.01	223.81	240.47
deep well injection	0.00	0.00	0.00
landfill	2,128.58	2,062.34	1,890.11
on-site storage*	-	-	-
Total in tones	7,122.48	7,314.47	7,689.76
Hazardous			
reuse	0.00	0.10	0.00
recycling	31.98	17.80	56.54
composting	0.00	0.00	0.00
recovery	0.02	0.01	0.00
incineration	10.98	12.59	9.78
deep well injection	0.00	0.00	0.00
landfill	12.96	17.65	22.1
on-site storage	-	-	-
Total in tones	55.94	48.14	88.42

*On-site storage waste is temporary and is reported in the next reporting ** Aminolabs Atlantic and Neva in Croatia left Atlantic Grupa in 2018 period by final disposal method

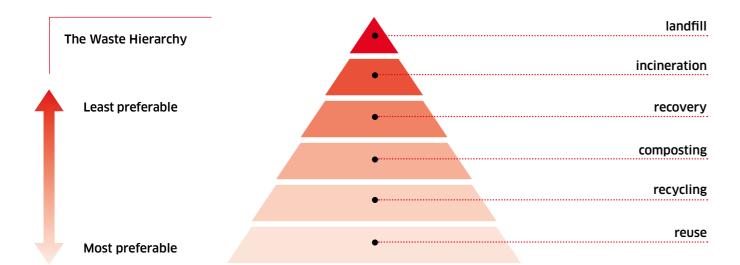
vided by the waste disposal contractors.

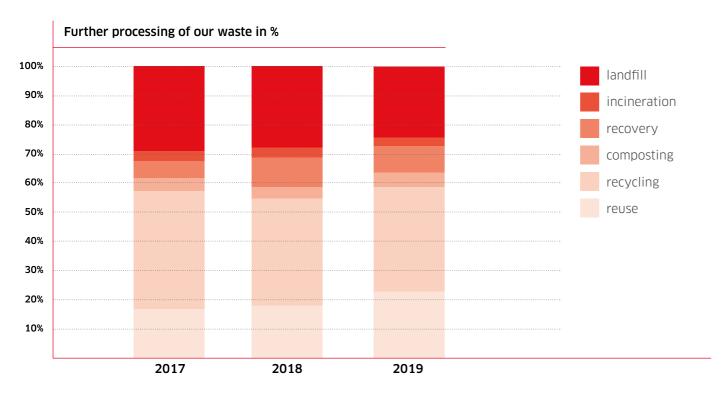
Within the Atlantic Grupa Environmental management system, we manage wastewater discharge in order to minimize the negative impact on The hazardous waste represents 1.15 % of total waste and it is disposed the environment.

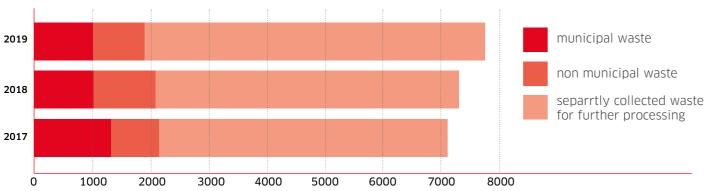
The disposal method has been determined based on information proproduction.

in accordance with the best practices available on the market.









Disclosure 306-2

Waste by type and disposal method

HR 1,625.80 1,276.08 1,385. RS 2,954.39 3,256.52 3,172. BH 1,030.69 1,086.92 1,018. MK 81.10 82.90 65.3 TOTAL 7,122.48 7,314.47 7,689. Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	Waste by region (t)	2017	2018	2019
HR 1,625.80 1,276.08 1,385. RS 2,954.39 3,256.52 3,172. BH 1,030.69 1,086.92 1,018. MK 81.10 82.90 65.3 TOTAL 7,122.48 7,314.47 7,689. Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	Non-hazardous			
RS 2,954.39 3,256.52 3,172. BH 1,030.69 1,086.92 1,018. MK 81.10 82.90 65.3 TOTAL 7,122.48 7,314.47 7,689. Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	SI	1,430.51	1,612.05	2,048.12
BH 1,030.69 1,086.92 1,018. MK 81.10 82.90 65.3 TOTAL 7,122.48 7,314.47 7,689. Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.59	HR	1,625.80	1,276.08	1,385.42
MK 81.10 82.90 65.3 TOTAL 7,122.48 7,314.47 7,689 Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	RS	2,954.39	3,256.52	3,172.66
TOTAL 7,122.48 7,314.47 7,689.00 Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.59	ВН	1,030.69	1,086.92	1,018.26
Hazardous SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	MK	81.10	82.90	65.3
SI 15.39 20.43 25.1 HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	TOTAL	7,122.48	7,314.47	7,689.76
HR 35.28 20.03 42.3 RS 3.38 6.98 20.4 BA 0.89 0.69 0.5	Hazardous			
RS 3.38 6.98 20.4 BA 0.89 0.69 0.59	SI	15.39	20.43	25.11
BA 0.89 0.69 0.5	HR	35.28	20.03	42.34
	RS	3.38	6.98	20.47
MK 1.00 0.00 0.00	BA	0.89	0.69	0.5
	MK	1.00	0.00	0.00
TOTAL 55.94 48.14 88.4	TOTAL	55.94	48.14	88.42

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

Waste management improvements are one of the regular objectives of the environmental management system in all our business locations.

The landfill waste is divided to municipal waste and waste that was separately collected but ended on the landfill due to lack of solutions for further processing of waste on some markets. In the last year the quantity of landfill waste has decreased for 8%.

The municipal waste represents 53% of total landfill waste and has decreased for 3.85% comparing to the previous year.

GRI 401: EMPLOYMENT WORKFORCE

The company has 5117 employees* out of which 51.3% are women. In 2019, 0.39% were part-time and 99.61% were full-time employees. In the same period, 10.71% of employees had short-term contracts, while 89.29% had long-term contracts.

Region	No. of	%	М	F	М%	F%		Age group			Age group%	
(market)	employee	∕ o	IVI	-	IVI /o	Γ/0	< 30	30-50	>50	< 30	30-50	>50
AT	18	0.35%	9	9	50.0%	50.0%	3	14	1	16.7%	77.8%	5.6%
ВА	187	3.65%	132	55	70.6%	29.4%	18	115	54	9.6%	61.5%	28.9%
DE	2	0.04%	0	2	0.0%	100.0%	1	0	1	50.0%	0.0%	50.0%
HR	1,974	38.58%	820	1,154	41.5%	58.5%	404	1,150	420	20.5%	58.3%	21.3%
ME	3	0.06%	2	1	66.7%	33.3%	1	1	1	33.3%	33.3%	33.3%
MK	256	5.00%	163	93	63.7%	36.3%	49	170	37	19.1%	66.4%	14.5%
RS	1,947	38.05%	1,016	931	52.2%	47.8%	270	1,107	570	13.9%	56.9%	29.3%
RU	41	0.80%	19	22	46.3%	53.7%	3	31	7	7.3%	75.6%	17.1%
SI	689	13.46%	332	357	48.2%	51.8%	58	427	204	8.4%	62.0%	29.6%
Total	5,117	100.00%	2,493	2,624	48.7%	51.3%	807	3,015	1,295	15.8%	58.9%	25.3%

Atlantic Grupa Has Joined the Alliance of Gender Equality Companies in the Workplace

workplace called 'Equality is better for all' was held in Zagreb. The with the Croatian Business Council for Sustainable Development, Alliance for Gender Equality in the Workplace was presented at the following the signing of the Charter on Diversity, a document comconference, a network of companies committed to increasing the mitting signatories to the implementation of diversity and non-disnumber of women in managerial and other positions, equal pay for crimination policies in their working environments, with the goal of equal work for women and men, as well as equal opportunities for expanding to as many companies as possible that will share knowlpromotion and employment. The Charter on Equality was signed on edge and internal practices to achieve equal working environments. behalf of Atlantic Grupa by Vice-president for Business Development and Strategy, Lada Tedeschi Fiorio.

On the eve of Women's Day, a conference on gender equality in the The initiative of launching the Alliance was created in cooperation

The majority of our employees work in Croatia (38.58%), Serbia (38.05%) and Slovenia (13.46%).

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

In 2019, 57.13% of our employees were covered with collective agreements, comparing to 56.08% in 2018, while other employees are covered with industrial or federal collective agreements.

~ TOPIC-SPECIFIC DISCLOSURES

Disclosure 401-1

New employee hires and employee turnover

New employees in 2019

New hires	Nu	mber of new hi	res		New hire rate, %		
New IIIIes	2017	2018	2019	2017	2018	2019	
By age group							
< 30	181	307	415	51.00	39.9	48.8	
30 - 50	165	411	403	46.50	53.4	47.4	
> 50	9	52	32	2.50	6.8	3.8	
By gender							
Female	181	390	384	51	50.6	45.2	
Male	174	380	466	49	49.4	54.8	
By region							
AT	4	9	5	1.13%	1.17%	0.59%	
ВА	8	15	18	2.25%	1.95%	2.12%	
DE	6	7	4	1.69%	0.91%	0.47%	
HR	165	373	309	46.48%	48.44%	36.35%	
ME	0	0	2	0%	0%	0.24%	
MK	11	26	92	3.10%	3.38%	10.82%	
RS	84	274	322	23.66%	35.58%	37.88%	
RU	15	9	7	4.23%	1.17%	0.82%	
SI	62	57	91	17.46%	7.40%	10.71%	
UK	0	0	0	0.00%	0.00%	0.00%	
Total	355	770	850	100%	100%	100%	

In 2019, we employed a total of 850 people, representing an increase in total headcount number of 5.37% comparing to 2018.

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Employee turnover	Nu	mber of new leav	/ers	Т	urnover rate, S	%
Employee turnover	2017	2018	2019	2017	2018	2019
By age group						
< 30	121	149	194	28	24	31
30 - 50	225	324	333	52	53	53
> 50	88	138	100	20	23	16
By gender						
Female	223	268	306	51.4	43.9	48.8
Male	211	343	321	48.6	56.1	51.2
By region						
AT	6	11	5	1.4	1.8	0.8
BA	3	20	43	0.7	3.3	6.9
DE	21	43	20	4.8	7.0	3.2
ES	6	0	0	1.4	0	0
HR	192	323	246	44.2	52.9	39.2
ME	0	0	1	0	0	0,2
IT	1	2	0	0.2	0.3	0
MK	12	14	23	2.8	2.3	3.7
RS	96	126	199	22.1	20.6	31.7
RU	23	18	20	5.3	2.9	3.2
SI	70	48	70	16.1	7.9	11.1
UK	4	6	0	0.9	1.0	0
Total	434	611	627	100%	100%	100%

Due to a favorable economic situation and the opening of the market, a change of the trend in turnover can be noticed in the population under 30 (faster finding another job, the abolition of work permits in EU countries, etc.). The share of seasonal employment on fixed-term contracts in AG companies has also increased.

A planned closure of Zone West is the reason for a greater fluctuation in DE & RU (with already closed markets IT, UK, ES).



~ TOPIC-SPECIFIC DISCLOSURES

AWARDS AND RECOGNITIONS



Atlantic Grupa has won as many as five awards at the first Best Employer Branding Awards

The development of *employer branding*, i.e. branding of the company as a desirable employer, has been taking place in the Atlantic for the last five and a half years and involves activities that build a positive image of our company among potential employees and the community at large.

Atlantic was honoured with the following awards, based on the decision of an independent jury, at the Best Employer Branding Awards, held in Zagreb on 25 November 2019, organized by the Career Center.

- ~ Best Employer Brand Grand Prix
- ~ Best Employer Brand in the category of large companies
- ~ Best Employer Brand in FMCG sector
- ~ Best Employer Brand Manager Ivana Djordjevic
- ~ Employer External Communication Atlantic Alumni and Talent Clubs

The crown of this award is certainly the Grand Prix award with the explanation that Atlantic has shown the quality of certain activities in the area of employer branding, as well as a meaningful connection of all its activities into a single entirety, as well as a direct link to the strategy of human resources and culture management, as well as the so-called Employee Value Proposition (EVP).

It has been pointed out that over the past five years there are many indicators showing that the company is going in the right direction in this area. Engagement is at its highest level so far, while fluctuation is at its lowest, and additional recognition of the same are certainly previous awards for the number 1 Employer partner in all markets, the most desirable employer in Slovenia, the entry into the TOP 5 employers in Croatia and the number 1 among students in Croatia and Serbia.

ATLANTIC AWARD FOR BEST ORGANIZATIONAL CULTURE PROGRAM

At the first Comeleon Conference, the Atlantic Grupa won the award for best organizational culture program in 2019. At the jury's choice, the award was earned by Atlantic's Be Well Program for achieved results in enhancing the commitment, health and overall well-being of the Atlantic human resources. The jury was composed of local and international experts.

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~ TOPIC-SPECIFIC DISCLOSURES

Through presentations and workshops by world-renowned experts and examples of companies that have undertaken radical changes over the past few years, the conference talked about the organizational culture and impact it has on the company's business, while Mojca Domiter, executive director of corporate human resources, participated in the panel.

BEST EMPLOYER PARTNER IN SERBIA

This year also the Atlantic Grupa acquired the status of Employer Partner in the Serbian market, once having undergone an independent analysis of its HR processes as part of the Employer Partner Certification project of the SELECTIO consulting company. Atlantic Grupa won an impressive 99% of points in the certification process, a result that has failed to outperform any other company in the Serbian market.

"Atlantic Grupa has again demonstrated in this year's certification process that their HR sector is a strategic partner to the business and that they are continuously making significant efforts to ensure the wellbeing of their employees," emphasized SELECTIO company Management Board member Aleksandar Zemunic at handing the Certificate over to Atlantic Grupa.

ATLANTIC GRUPA AMONG THE BEST AT THE CHOICE OF STUDENTS

In a survey conducted this year by the organization Ekof among Serbian students, Atlantic Grupa is the best company in student presentation, student lectures and among the top three most preferred employers for first-time work experience.

Ekof, a student organization that organizes two of the largest student events in Serbia - the Belgrade Youth Fair careers fair and the Future is Now conference, conducted a survey among visitors to its events in an effort to identify best employers and their best practices.

According to the voices of students, Atlantic Grupa has the best Employer branding presentation in the form of exhibition space/showroom, activations and youth access. The Atlantic exhibition space/showroom, the Atlantic Experience, connects our brands and represents the Ocean of opportunities we provide as an employer. In addition to the presentation at the Atlantic exhibition space/showroom, the students also liked our lectures through which we present youth employment and development opportunities with us, so Atlantic was awarded the Best Lecture award as well.

GRI 403: OCCUPATIONAL HEALTH AND SAFETY

We are committed to maintaining a safe and healthy working environment, which is communicated to all our partners, customers and communities we operate in.

Our work sites are regularly inspected, systematic analysis of accidents is conducted, the status of work environment is continuously evaluated and improved. As part of a continuous development process, focal points are regularly reviewed and enhanced in a coordinated process.

To promote employees' health over the long term, additional preventive health screenings for all employees are insured. To increase awareness levels regarding occupational safety, all employees have also been trained to report unsafe situations.

Fire drill emergency procedure was simulated on the locations, that aims to emulate the actions that would be undertaken in the event of a fire or other similar emergency. Fire drill involves creating a situation that replicates what would happen if a real fire were to occur the inclusion of fire alarms, and requiring of our employees, or anyone else who may be within our property at the time, to evacuate. Intended to make an evacuation in the event of a fire as simple, efficient and effective as possible, it involves running employees through evacuation procedures ensures they are familiar with the plan and can get out quickly and safely.

Disclosure 403-2

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

Type of injury	20	17	20	18	20	19
	М	F	М	F	М	F
Minor injuries	24	32	33	28	25	23
Major injuries	6	9	2	6	2	2
Fatalities	0	0	0	0	0	0
Total	30	41	35	34	27	25
Number of injuries	20	17	20	18	20	18
Number of injuries	М		М		М	
BA	1	2	5	1	1	2
HR	15	12	10	11	6	4
DE	1	0	0	0	0	0
MK	1	1	3	0	0	0
RU	0	0	0	0	0	0
RS	10	25	14	21	14	16
SI	2	1	3	1	6	3
Total	30	41	35	34	27	25

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~ TOPIC-SPECIFIC DISCLOSURES

Injury rate by region (IR)	2017	2018	2019
ва	1.94	3.55	1.63
HR	1.43	1.13	0.5
DE	0.67	0	0
MK	1.15	1.68	0
RU	0	0	0
RS	1.91	1.89	1.53
SI	0.45	0.60	1.31
Minor (first-aid level) injuries are included in the injury rate	(IR)		
Lost day rate (LDR)	2017	2018	2019
ВА	19.47	50.99	10.33
HR	36.67	65.21	8.07
DE	0	0	0
MK	8.64	26.88	0
RU	0	0	0
RS	62.04	61.29	37.34
SI	20.08	18.70	33.27
Lost days are scheduled work days. The lost days cout begin	s, the same day the accident.		
Absentee rate (AR)	2017	2018	2019
ВА	6,315.82	9,967.93	5,522.65
HR	13,573.38	15,061.68	14,404.61
DE	7,860.00	0	0
MK	4,949.18	3,815.05	0
RU	0	0	0
RS	12,096.36	12,670.39	10,258.74
SI	20,060.64	17,649.61	19,266.17

The agregat workplace monitoring report for Injury Rate (IR), Lost Day Rate (LDR) and Absentee Rate (AS) is prepared in base of the GRI methology:

- AR formula = total # of missed (absentee) days over the period /total # of workforce days worked for same period * 200.000 (the factor 200,000 is derived from 50 working weeks per 40 hours per 100 employees.
- LDR formula = total # of lost days / total hours worked * 200,000
- IR formula = total # of injuries / total hours worked * 200,000

~ TOPIC-SPECIFIC DISCLOSURES

The most common injuries are same-level slips and falls, injuries while loading and unloading trucks and during forklift transport, injuries caused by machinery and work equipment and cases of road traffic accidents in the course of work.

Avoiding occupational accidents is an essential component of Atlantic Grupa. There were no fatalities and occupational disease (OD). Atlantic Grupa records as accidents all cases that result in absence from work or involve treatment costs. In our action plan for this year we planned re-education in production / distribution with emphasis on the importance of safe work in accordance with the procedures. There were no fatal accidents at work involving our employees or contractors' employees at our site since the reporting period.

The Injury rate (IR), Lost day rate (LDR), Absentee rate (AS) for Slovenian market is slightly above regarding the previous year, however only minor injuries were involved. Specific action will be taken in 2020 at the sites that were most affected.

A total occupational injury, lost days, absence in 2019 for Croatia, B&H and Serbia sites are decreased compared to the previous year (e.g. The total number of occupational injuries was 43/ from 62 year before, or total of lost days was 942/ from 2,427 year before).

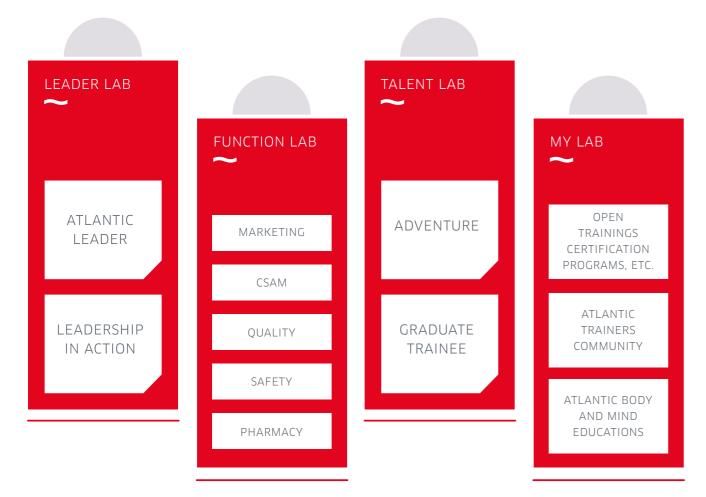
No injuries were reported on the Macedonian, Russian and German markets.

We set a target to continuously improve the positive trends in our workplace. Information on work-related accidents that occur within the Group is shared among different companies, so that everyone has a common awareness of the cause of such accidents and promptly takes steps to prevent recurrences. The sharing of such information also helps us take a renewed look at the Group's safety standards.



GRI 404:

TRAINING AND EDUCATION



~ TOPIC-SPECIFIC DISCLOSURES

Disclosure 404-1

Average hours of training per year per employee

	2017	2018	2019
By gender			
FEMALE	9	13	14
MALE	9	9	11

Average training hours per employee = total number of training hours provided to employees/total number of employees; Total number of training hours provided to male employee/total number of male employee

By level			
Senior Management	83	85	90
Middle Management	51	57	70
Other*		10	11
By function			
Product Execution	8	7	9
Product Placement	9	12	15
Internal Perspective	14	19	18

 $^{^{\}star}$ Function such as technical, administrative, production

In 2019 number of training hours increased due to: introducing more trainings in Atlantic School programme, launching Atlantic School for Leaders, and providing more e-learning opportunities to employees through Marketing Academy programmes and LinkedIn learning.

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GRI 416: CUSTOMER HEALTH SAFETY

Disclosure 416-2

Incidents of non-compliance concerning the health and safety impacts of products and services

	2017	2018	Estimated risk 2019	2019	Estimated risk 2020
Incidents of non-compliance resulting in a fine	0	0	0	0	0
Incidents of non-compliance resulting in a warning	0	0	0	0	0
Incidents of non-compliance with voluntary codes	1	0	1	0	1

Note: in the GRI we exclude incidents for which the organization was determined not to be a fault

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

The results prove that the system is highly efficient in all strategic business programs, the risk of product non-compliance on the markets is reduced to the lowest possible level. The most important novelties that were introduced during 2019 in all our production facilities are as follows: the entire system has been upgraded to the requirements of ESSC 22000 v.5 and IES Food v.6.1.

Supplier management methodology: the methodology for auditing suppliers of raw materials, packaging materials, subcontracted production and services is defined in detail, whereby the output of one process becomes a valuable input for the other process. Also, the tool for proposing supplier audits, for suppliers of raw materials, packaging materials and subcontracted production, based on risk analysis was improved and additional parameters were considered. This has resulted in a better-quality selection of suppliers that must be audited.

The managing of suppliers of service providers that can have an impact on food safety has been redefined, with the aim of achieving better cooperation with suppliers of services. Pest Control KPI's have been extended. Food fraud methodology has been expanded to include packaging material to ensure compliance with all international standards. In collaboration with Procurement, we are still actively working to increase the number of suppliers that connect directly to the Atlantic Group through the digital cloud platform Ecratum, for better transparency and better control of documents and information from suppliers.

AWA digital tool for declarations/ artwork approval, we have intensified the involvement of our colleagues from legal department, introduced regulatory specialists for markets in the region, and made better connections with institutions, which help us with expertise in other international markets. In early 2019, operational testing of the program and eventual corrections were made. In the second half of 2019, the AWA digital tool began to be used in daily business.

Many other improvements that are constantly introduced in line with suggestions of our food safety experts show their efficiency through excellent results of all key performance indicators.

GRI 417: MARKETING AND LABELING

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

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Disclosure 417-1

Requirements for product and service information and labeling

VEGETABLE HUMMUS	5	% in 2017		ribed next		Note
VEGETABLE HUMMUS	5	70 III 2017	% in 2018	% in 2019	KPI 2020	
М	SC Tuna Pate	3.4%	2.7%	2.9%	3.5%	% of total tuna raw material (quantity); KPI 2020 higher due to new MSC SKU
ch The sourcing	nicken fat in recipes	97.0%	99.2%	97.1%	98.0%	3% of chicken fat was written off due to low quality or sold
of components book (raw materials,	ouillon in recipes	100%	98.2%	99%	100%	1% of chicken bouillon was written off
packaging)	PA-NI packaging	50%	92%	98.6%	99%	in 2019 only USA production still uses tin cans. For 2020 it is planned that we will increase sales in EU, so % of alu packaging with BPA-NI will be higher; % is calculated based on all pcs. Sold (EU vs. USA)
	utritional informa- on on the label	100,0%	100,0%	100,0%	100,0%	
Content of the product (recipe)		source of on	nega -3 claim			products: Sardine Adriatica pate, Sardine spicy pate, Mackerel&Sardine pate - % of all SKU's; delisting of Sardina postna
gl	uten free claim	100.0%	100.0%	100.0%	100.0%	communicated on 95g pate; no space for communication on single portion pates
Ve	egan symbol	0%	100.0%	100.0%	100.0%	Relevant for vegetable hummuses
		source o	f proteins			
SC	ource of fibers	Х	1.3%	2.5%	3%	Vegetable hummuses - % of all Argeta SKU's; claim is not on all vegetable SKU's - SKU for SLO don't have them.
	All	ergen informa	ation on the la	abel		
no	o additives	Χ	Χ	Χ	Χ	•
no	o preservatives	99.8%	99.8%	100.0%	100%	Prištinska pate was not produced this year so 100%; for next year plan to see if we can get free from sudjuk
no	o enhancers	99.9%	100.0%	100.0%	100%	
		no artific	ial colours			
product	efrigerate after pening info	100.0%	100.0%	100.0%	100%	on 95g pate; no need for single portion pates
	o not use if the roduct is inflated	100.0%	100.0%	100.0%	100%	Relevant for meat and fish pate
cl	hen opening jar, ick sound should be eard	100.0%	100.0%	100.0%	100%	Relevant for vegetable hummuses
	Р	ossible prese	nce of olive p	its		Relevant for vegetable hummuses - olive taste
product at	I signs for appropri- te recycling product ackaging	100.0%	100.0%	100.0%	100%	

SENDWICHES, VEGETABLE SALADS,	Information	cant prod	uct category	nd portfolio o in compliance described nex	Note	
<i>57</i> (27 (27 5)		% in 2017	% in 2018	% in 2019	KPI 2020	
The sourcing of components (raw materials, packaging)						
Content of the product (recipe)	nutritional information on the label	100%	100%	100%	100%	
	Allerger	n information	on the label			
	Do not use if the product is inflated	100%	100%	100%	100%	Relevant for triangle
Safe use of the product	Possib	temperature le presence d ble presence	of olive pits	8 °C		
Disposal of the product	all signs for appropriate recy- cling product packaging	100%	100%	100%	100%	

~ TOPIC-SPECIFIC DISCLOSURES

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GOURMET	Information	cant pro	duct categor	nd portfolio y in complia t described r	nce with	Note
		% in 2017	% in 2018	% in 2019	KPI 2020	
The sourcing of components (raw materials, packag-	usage of fruit which is not treated with pesticide (wild fruit)	7%	7%	15%	10.30%	number of SKUs in total number of GS SKUs, smaller due to delisted products
ing)	BPA-NI packaging	NA	100%	100%	100%	for whole GS /BT assortment
	without preservatives and coloring	100%	100%	100%	100%	for the whole assortment
	no sugar added	18%	18%	13%	17.20%	juices in all GS/BT assortment
	low calories - light	5%	5%	0%	0%	for light jams only - delisted in 2019
Contant of the	fructose instead of sugar	5%	5%	0%	0%	for light jams only-delisted in 2019
Content of the product (recipe)	honey instead of sugar	30%	30%	34%	0%	for jams category, fruit and honey spreads delisted in 2020
	alle	rgen info on	the label			for whole assortment
	extra virgine olive	oil instead	of refined s	unflower oil		for Ajvar category, delisted in 2020
	fruit juice instead of con- centrated juice	8%	8%	8%	20%	NFC orange juice and Tomato juice in juice category
	store in dark place and below the 25°C	100%	100%	100%	100%	for the whole assortment , except WFP
Safe use of the product	Pos	sible presen	ce of pits			jam apricot and plum, in jam category
	keep refregerated after opening	100%	100%	100%	100%	for the whole assortment, except WFP
Disposal of the product	all signs for appropriate re- cycling product packaging	100%	100%	100%	100%	for the whole assortment

COFFEE	Information		% of products in brand portfolio of significant product category in compliance with the requirement described next				
		% in 2017	% in 2018	% in 2019	KPI 2020		
The sourcing of compo- nents (raw materials, packaging)	Organic product	1%	1%	1%	1%		
	Single origin	0 %	3%	4%	5%		
	Decaffeinated product	3%	3%	3%	3%		
Content of the	Store in a cool and dry place	100%	100%	100%	100%		
product (recipe)	Add cold water	7%	7%	7%	7%		
	Add hot but not boiling water	35%	35%	35%	35%		
Disposal of the product	Signs for appropriate recy- cling product packaging	100%	100%	100%	100%		

CARBONATED	Information			rtfolio of signific he requirement (Note
SOFT DRINKS		% in 2017	% in 2018	goal 2019	goal 2019	
The sourcing of com- ponents (raw materi- als, packaging)						
	caffeine and orthophosphoric acids free	100%	100%*	100%*	100%*	*Only caffeine free
	glucose-fructose syrup free	95%	0%	0%	0%	
Content of the	with sweeteners, sugar-free	5%	0%	10%	10%	
product (recipe)	with fruit juice	5%	5%	5%	5%	
	finest herbal extracts		100%	100%	100%	
	natural flavors		100%	100%	100%	
	natural CO2		100%	100%	100%	
Safe use of	serve cool	100%	100%	100%	100%	
the product	keep it in a dark place	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recy- cling product packaging	100%	100%	100% virgin PET	100% virgin PET	**Cockta - use 50% recycled PET bottles
	sign of dispose carefully	100%	100%	100%	100%	

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GRUPA

NATURAL MINERAL WATERS BOTTLED	Information		icts in brand por mpliance with tl			Note
IN RV		% in 2017	% in 2018	% in 2019	KPI 2020***	
The sourcing of com- ponents (raw materi- als, packaging)	natural sources of water	100%	100%	100%	100%	
	rich in minerals, contains hi- drogen carbonate, sulphate, sodium, magnesium, calcium	100%	100%	100%	100%	
Content of the product (recipe)	health claim CLINCALLY PROVEN REGULATES DIGES- TION	60%	60%	60%	60%	Only on markets where is possible and in accordance with legislation (17 markets of 28)
	It is not recommended to consume water by patients with acute renal failure and hyper volumetric state, with disturbances in acid-base equilibrium.	100%	100%	100%	100%	
Safe use of the product	Drinking in huge quantities could cause diarrhoea, which ends, if you stop drinking or respect recommended intake.	100%	100%	100%	100%	
	Keep away from heat sources and protected from direct sunlight.	100%	100%	100%	100%	
	after opening, store in refrigerator	100%	100%	100%	100%	
Disposal of	all signs for appropriate recycling product packaging	100%	100%	100%	100%	
the product	sign of dispose carefully	100%	100%	100%	100%	
	returnable glass bottle 1L	6%	6%	6%	8.9%	

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

~ TOPIC-SPECIFIC DISCLOSURES

VIN	Information		cts in brand por mpliance with tl	Note		
		% in 2017	% in 2018	% in 2019	KPI 2020	
The sourcing of com- ponents (raw materi-	source of vitamins	65%	65%	65%	65%	
als, packaging)	natural flavour	100%	100%	65%	65%	
	9 vitamins	100%	100%	100%	100%	
	EFSA Health claims	65%	65%	65%	65%	only for vitamins
Content of the prod- uct (recipe)	with sweeteners, sugar-free	5%	5%	5%	5%	
	chia, source of protein	0.5%	1%	0%	0%	
	with calcium	9%	9%	9%	9%	
	always use a dry spoon	100%	100%	100%	100%	
	after use, close the packaging tightly	100%	100%	100%	100%	
Safe use of the product	the recommended daily dose should not be ex- ceeded	100%	100%	100%	100%	
product	food supplements should not be used as a substitute for a varied diet	100%	100%	100%	100%	
	store in dry place out of reach small children	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%	

CANDIES	Information		% of products in brand portfolio of significant product category in compliance with the requirement described next				
		% in 2017	% in 2018	% in 2019	KPI 2020		
The sourcing of com- ponents (raw materi- als, packaging)							
	9 vitamins	78%	78%	78%	78%		
Content of the prod-	with vitamin C	22%	22%	22%	22%		
uct (recipe)	with calcium	8%	8%	8%	8%	Only for products with added calcium	
Safe use of the	store in cold and dry place	0%	0%	0%	0%		
Safe use of the product	excessive consumption may have a laxative effect	0%	0%	0%	0%		
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%		

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^{***}Last year the Donat Mg brand was separated from the SBU Beverages

CEDEVITA GO	Information			tfolio of significa he requirement o		Note
		% in 2017	% in 2018	% in 2019	KPI 2020	
The sourcing of com-	Granules with vitamins + spring water	100%	100%	100%	100%	
ponents (raw materi- als, packaging)	natural flavour	100%	100%	100%	100%	
,, ,	natural spring water	100%	100%	100%	100%	
	9 vitamins	100%	100%	100%	100%	
Content of the	EFSA Health claims	100%	100%	100%	100%	only for vitamins
product (recipe)	with sweeteners (steviol glycosides), 35% less sugar	6%	6%	100%*	100%*	*50% less sugar
	with calcium	7%	7%	7%	0%	
	Screw the cup of Cedevita granules will fall into the water. Screw the cup on and shake the bottle.	100%	100%	100%*	100%*	*will be changed, suitable to new cap
Safe use of	the recommended daily dose should not be ex- ceeded	100%	100%	100%	100%	
the product	food supplements should not be used as a substitute for a varied diet	100%	100%	100%	100%	
	store in dry place below the 25°C out of reach for small children	100%	100%	100%	100%	
Disposal of the product	all signs for appropriate recycling product packaging	100%	100%	100%	100%**	**Less packaging materials

NATURAL MINERAL WATERS BOTTLED	Information		cts in brand por mpliance with th	Note		
IN PK		% in 2017	% in 2018	% in 2019	KPI 2020	
	natural sources of water	100%	100%	100%	100%	
The sourcing of com- ponents (raw materi-	natural spring water	54%	54%	54%	54%	
als, packaging)	carbonated natural mineral water	46%	46%	46%	46%	
Content of the product (recipe)	contains hidrogen carbon- ate, sodium, magnesium	100%	100%	100%	100%	
Safe use of the product	Keep away from heat sources and protected from direct sunlight. It is recommended to store in a cold place.	100%	100%	100%	100%	
Disposal of	all signs for appropriate recy- cling product packaging	100%	100%	100%	100%	
the product	sign of dispose carefully	100%	100%	100%	100%	

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

The organisation in SBU Snacks has split in 2 strategic parts: Snack & Bars and Sweets. The strategic development has been renewed on each of the SBU strategic part.

SBU Snacks SNACK&BARS	Information	KPI 2020 (SKUs number)	Note
Content of the product (recipe)	High in fiber	3	Brand name: Prima Total brand (actual): 7 SKUs Number of products (new) with this claim: 3
	Without added additives	3	Brand name: Prima Total brand (actual): 7 SKUs Number of products (new) with this claim: 3
	with natural flavor	3	Brand name: Prima Total brand (actual): 7 SKUs Number of products (new) with this claim: 3
	with natural flavor	4	Brand name: Bananica Total brand (actual): 4 SKUs Number of products (actual) with this claim: 4
Safe use of the product	Easy open packaging	2	Brand name: Smoki MIX tortilla Number of products (new) with easy open packaging: 2

In 2020, Salty snacks will launch new portfolio of healthier Prima sticks – they are baked, made of wholegrain flours, yeast and linen and chia seeds, rich in fiber, with natural flavors and without additives.

In the SBU Snacks strategic part Sweets a cold seal flexible packaging will be introduced on 1% of the portfolio.

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