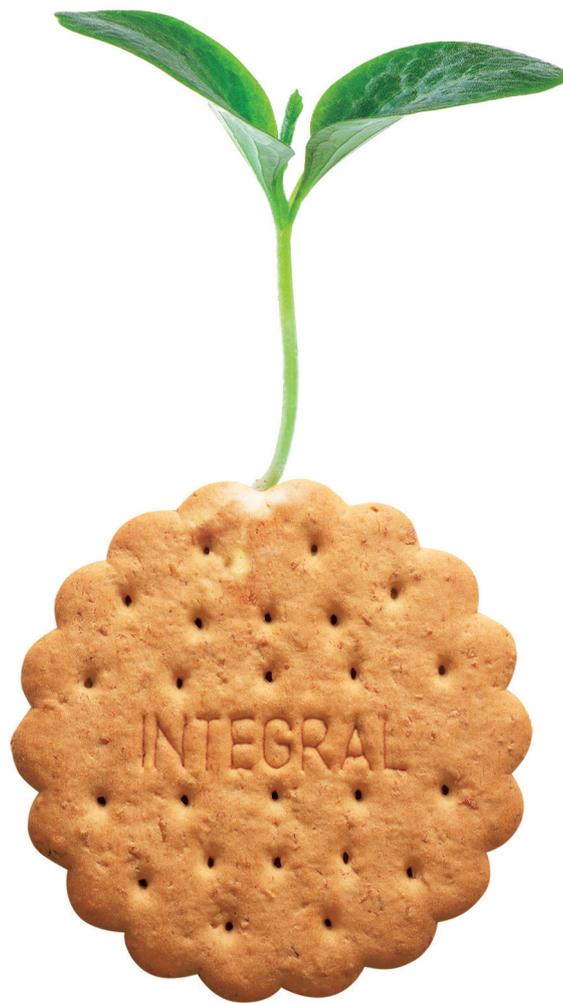


gullón



Sustainability report

GULLÓN

2019

MESSAGE FROM THE COMPANY

In June of this year, our Executive President, María Teresa Rodríguez Sainz-Rozas, handed over the baton to her daughter Lourdes Gullón Rodríguez to continue the project that she started 36 years ago. I would like to take this opportunity to thank her, on behalf of the entire team at Galletas Gullón, for her outstanding work at the head of the company, as an inspiring, relentless and tenacious businesswoman in the biscuit sector.

We achieved all of our established objectives in 2019. Our turnover of 387 million euros, an increase of 7.5% compared to the previous year, is a new record for the Gullón Group, once again consolidating our position as the most important biscuit manufacturer in Spain and a strategic partner for important national and international customers. The support and trust placed in us by our customers is what drives us to be better each and every day. Our relationship with them is based on a high level of mutual trust and our great commitment to service. In this respect, to improve stock receipt and delivery times, we have implemented an automated logistics warehouse system at the VIDA plant, with advanced robotic solutions for the efficient management of storage and picking.

Gullón continues to expand and to launch new products. We have reinforced the company's position with the opening of new commercial subsidiaries: 'Biscueterie Gullon' in France and 'Gullon Cookies' in the USA. We have launched new products within our healthiest ranges, specifically the Gluten-Free, Vitalday and Diet Nature ranges, with a new 'Selection' with no added sugars.

Our work within the local community is essential and each year we promote different educational, environmental and sports initiatives. We believe that the foundations of personality and learning are forged in childhood and, at Gullón, we want to do our part by promoting activities focused on education, sports and love for nature.

Well aware of existing environmental challenges, Gullón assumes and stands up to the challenges of the future, the climate emergency, technological disruption and Industry 4.0. We have implemented data collection, operations analysis and flow management systems at our manufacturing plants. Thanks to this control and measurement of our production lines, we are able to detect any inefficiency in terms of energy consumption and the use of resources.

Agenda 2030, as a commitment to the future, implicates both the public and private sector. At Galletas Gullón we are committed to the Sustainable Development Goals and take a stance of dedication and action with respect to many of the goals and the actions that they seek. All of our projects contribute towards achieving the SDGs, particularly SDG 3, health and well-being, SDG 8, decent work and economic growth, SDG 12, sustainable production and consumption and SDG 13, action to combat climate change, among others.

I would like to thank each and every member of the Galletas Gullón team for their hard work and dedication, their expertise and their enthusiasm. Thanks to their know-how, dedication and experience we have become a leading company in the food sector, meeting the demands of our customers and obtaining food certificates of the highest level.

Juan Miguel Martínez Gabaldón

**CEO and
Managing Director
of Galletas Gullón**

Lourdes Gullón Rodríguez

President of the Board of Directors



STRUCTURE AND CORPORATE GOVERNANCE



MEMBERS OF THE BOARD OF DIRECTORS

Lourdes Gullón Rodríguez
president

Salvador Ruiz Gallud
vice president

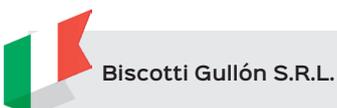
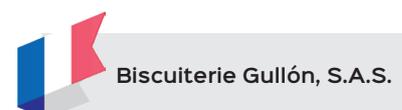
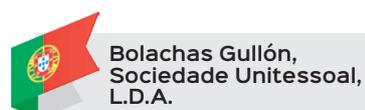
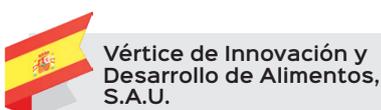
Juan Miguel Martínez Gabaldón
CEO and managing director

Enrique Sanz Fernández-Lomana
independent director

José Ramón Perán González
independent director



COMPANIES BELONGING TO THE GULLÓN GROUP

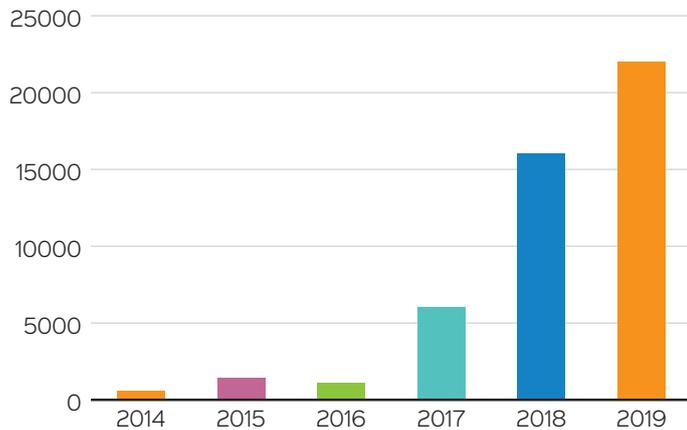


SAFE AND HEALTHY WORK ENVIRONMENT

Our prevention management system underwent a regulatory audit in 2019, in accordance with the provisions of Chapter V of Royal Decree 39/1997. The auditing company assessed our prevention system as excellent.



INFORMATION ABOUT OCCUPATIONAL RISK PREVENTION PROVIDED BY THE ORP SERVICE



In 2019, our PPE (Personal Protective Equipment) dispensing machines have provided over 21,000 PPEs, a figure that represents an increase of 14.5%, demonstrating a growing use and awareness among workers.

We ended 2019 with over 200 requests for improvement in the field of prevention. This represents over 3.5 improved prevention measures per week, a result of the continuous improvement process that has been in place in the organisation for years.



TRAINING AND SKILLS DEVELOPMENT

In total, 35,944 hours of training have been carried out this year in the group's companies, with an average of 26 hours per worker.

TALENT MANAGEMENT

In 2019, Gullón implemented 'Success Factors', a human resources tool for the management of employee talent. On one hand, this has allowed us to take more personalised decisions, adapted to the post and to the organisation itself and, on the other, it has enabled us to plan staffing on a long-term basis, forecasting future needs and short-term operations.



AGREEMENT FOR VIDA

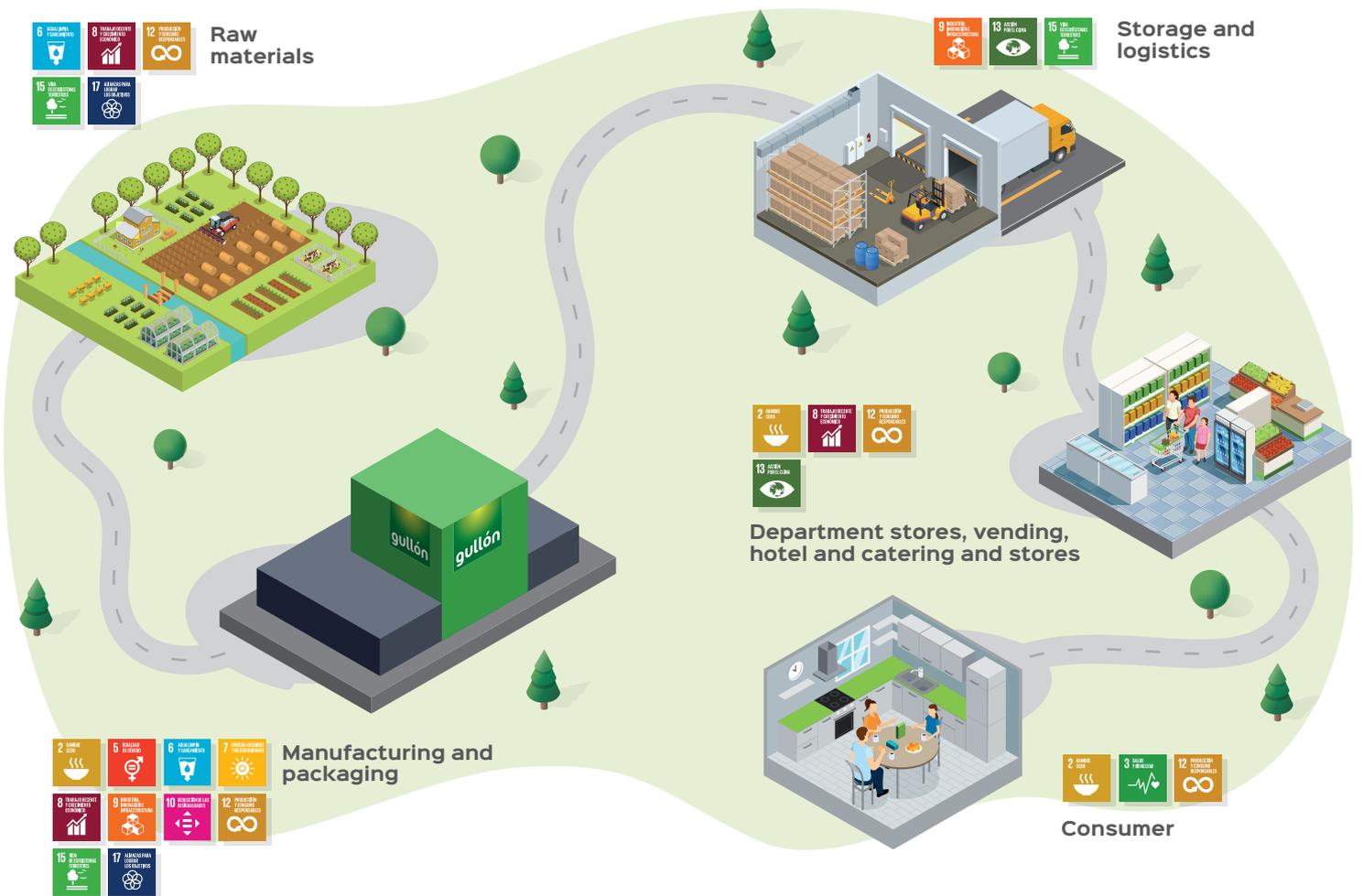
In 2019, a new collective agreement was signed for the company Innovación y Desarrollo de Alimentos, S.A.U (VIDA), seeking to obtain and maintain a framework of harmonious and stable relationships, based on good faith between the company and its workers. The basis of this agreement is equal rights and obligations, without discrimination on the basis of race, gender and religious, political or union ideology. The agreement will be in force from 1 January 2019 to 31 December 2023.



OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

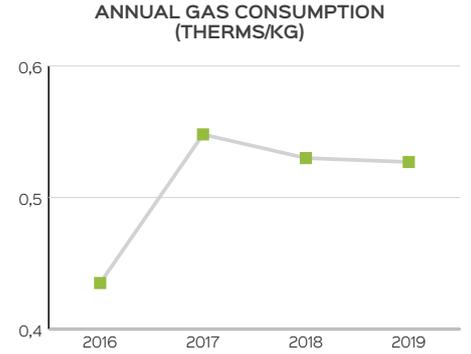
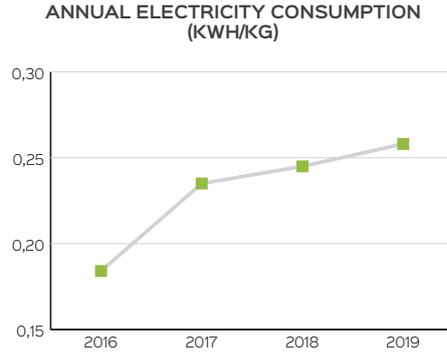
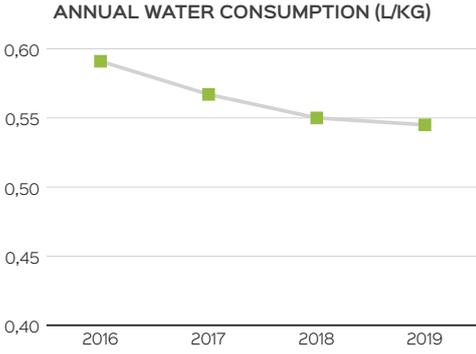
The different stakeholders that have a role in the day-to-day operation of our company have high expectations in us, with the hope that Galletas Gullón can make a positive contribution to improving the world in which we live. It is vital to include sustainable development in our decision-making and strategic planning processes.

We want to be actively engaged in the problems faced by the Sustainable Development Goals and Agenda 2030, in order to manage the expectations of our stakeholders, without losing sight of the generation of economic and social value by the company.

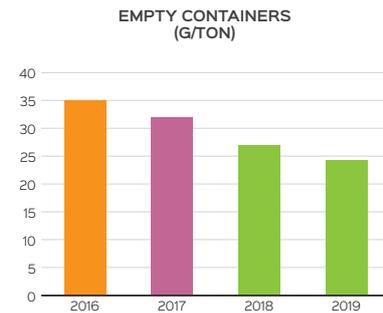
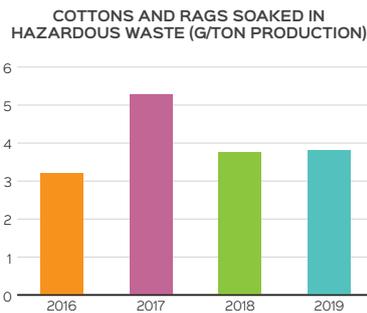
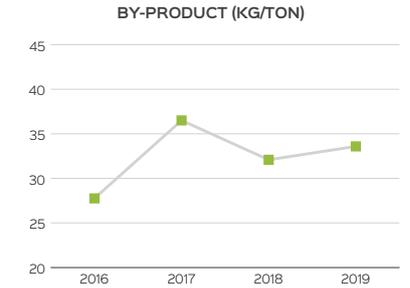
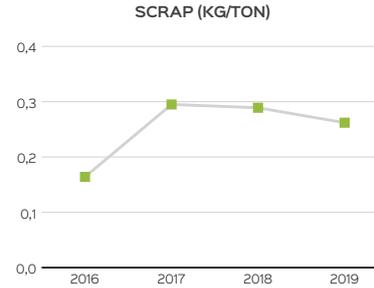
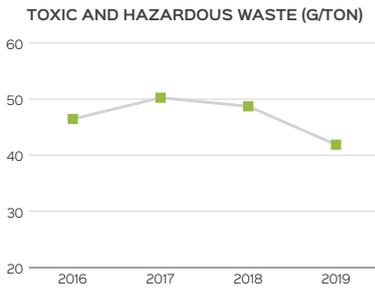
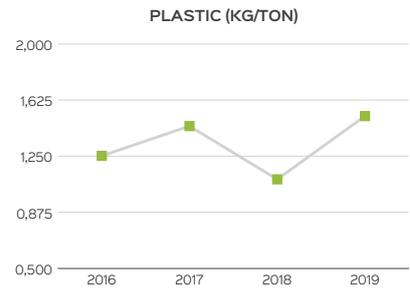
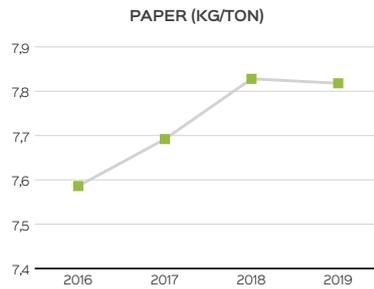


SUSTAINABILITY AND ENVIRONMENT

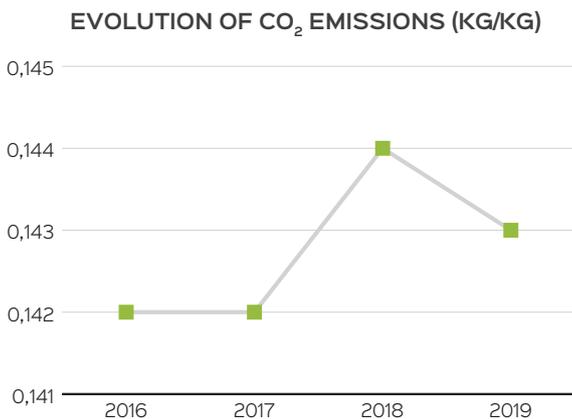
SUSTAINABLE MANAGEMENT OF WATER AND ENERGY



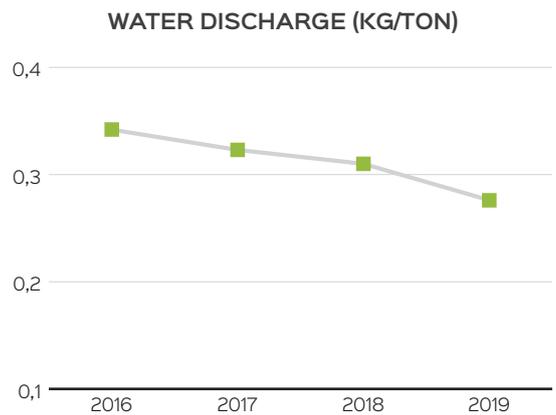
EVOLUTION OF WASTE GENERATION



CONCERNED ABOUT CLIMATE CHANGE



EVOLUTION OF DISCHARGE



ACTIVE PARTICIPATION IN ORGANISATIONS AND INSTITUTIONS

Galletas Gullón has joined the Social Responsibility Association “Visión Responsable”, besides taking part in a senior-level mentoring programme provided by DIRSE (Spanish Association of Social Responsibility for Directors). During 2019 Gullón has supported and taken part in several different conferences:

Gullón has shared its knowledge and presented its best practices in the following areas:

- LARGE COMPANIES AND THE SDGs
- 14TH ÁGORA FORUM
- CIRCULAR ECONOMY AND FOOD WASTE
- CSR IN CASTILE AND LEÓN

In collaboration with other partners, Galletas Gullón has sponsored several Economic Forums and Health Education Sessions organised by the newspapers El Norte de Castilla and El Diario Montañés, to raise citizen awareness on current economic and health issues.

EL DIARIO
MONTAÑÉS

El Norte de Castilla

Centro tecnológico
CARTIF

PRODULCÉ
EL SECTOR DEL DULCE

confederación palentina de
organizaciones empresariales
CPOE

EXECYL
Excelencia Empresarial

FLAB
ALIMENTAMOS
EL FUTURO
2020

VITARTIS

LINK TO THE LOCAL AREA

Given that our company is committed to its local community and we apply our corporate culture to each of our activities, each year we take part in different cultural, sports and social events within our local area, supporting different types of initiatives.

- INTERNATIONAL BACCALAUREATE VISIT
- INTERNATIONAL SHORT FILM FESTIVAL IN AGUILAR DE CAMPOO
- PALENCIA SWIMMING CLUB VISIT
- FAST PAINTING CONTEST



OUR SUPPORT TO SPORTS

Our dedication to sports is a philosophy of life, placing value on teamwork and self-improvement. In 2019 we have supported sports teams and grassroots sports.





LA GALLETA QUE QUIERES



GALLETAS GULLÓN S.A.

Avda. de Burgos, 2 - 34800
Aguilar de Campoo - Palencia - Spain
Tel.: +34 979 12 21 00
www.gullon.es