



Natra



2015

PROGRESS REPORT
2020 Commitment to Corporate Social Responsibility

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Letter

from the CEO

I am pleased to present

the progress report of Natra corresponding to year 2015 in which we renew, evaluate our commitment with the ten principles of the Global Compact of the United Nations, and share with our stakeholders all actions executed during 2015 in order to progress in our Commitment 2020.

After the successful restructuration of its financial debt, Natra has set the basis to achieve the sustainability of a trend of growing, and positive profitability levels of the Group. In this regard, in 2015, the cocoa and chocolate business, which is the main activity of Natra, has achieved a turnover of 369 million euro, -which is 8,6% more than the turnover corresponding to 2014-, and 21.1 million euro EBITDA, which is significantly higher compared to 2014, and an evidence that Natra has started a growing and profitable path.

Despite the unfavorable global economic scene during the last years, and the restructuring process experimented internally, Natra has kept the same employment levels, showing by our actions that our team is the most important asset of the Company.

At the end of 2014, the Board of Directors passed the Code of Ethics of Natra. All 2015 long, the Code of Ethics has been communicated and spread so that all employees at Natra know its existence and content.

In consistency with the commitment related to the sustainable procurement of those raw materials used by Natra, we have purchased hazelnuts in 2015 from the first batch of UTZ certified hazelnuts. This certificate warrants, among other issues, that it is child labor free. Natra is a founder of this initiative that promotes sustainability standards in the hazelnut farming.

Regarding the care for the environment, we have continued progressing in the execution of actions mainly aimed to the reduction in water and energy consumption, as well as in the reduction of waste.

As we have been doing in the last few years, Natra continues supporting the activities of the Amigo Doumé Center, which is run by the Foundation Amigó in Ivory Coast. Natra also collaborates with local food banks and with other social and sportive activities.

Finally, I would like to thank the trust of our customers, the support of our suppliers, and the work and commitment of all Natra members.

Juan Dionis Trenor
Chief Executive Officer

Natra has set the basis to achieve the sustainability of a trend of growing, and positive profitability levels of the Group.

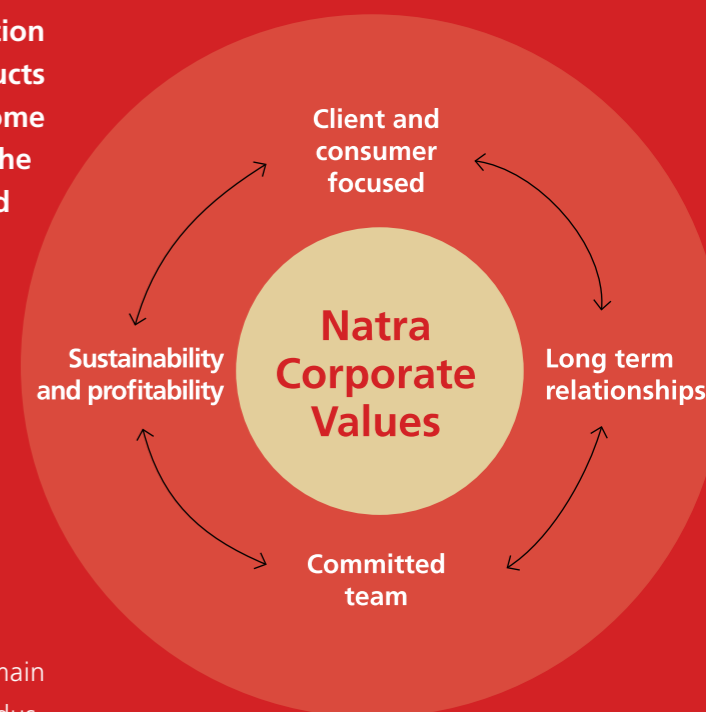
about

Natra



Natra is a multinational Company

with a leading position in the production and distribution of chocolate products and cocoa derivatives, aimed to become the global strategic partner for the retail industry, the food industry and other channels. In order to achieve its objective, Natra develops its business under four main corporate values:



Natra develops its business through two main divisions: consumer products division and industrial products division.

Consumer Division

Supplies to main
Food retailers

Chocolate bars
Belgian truffles and chocolates
Spreads
Chocolate tablets / slabs

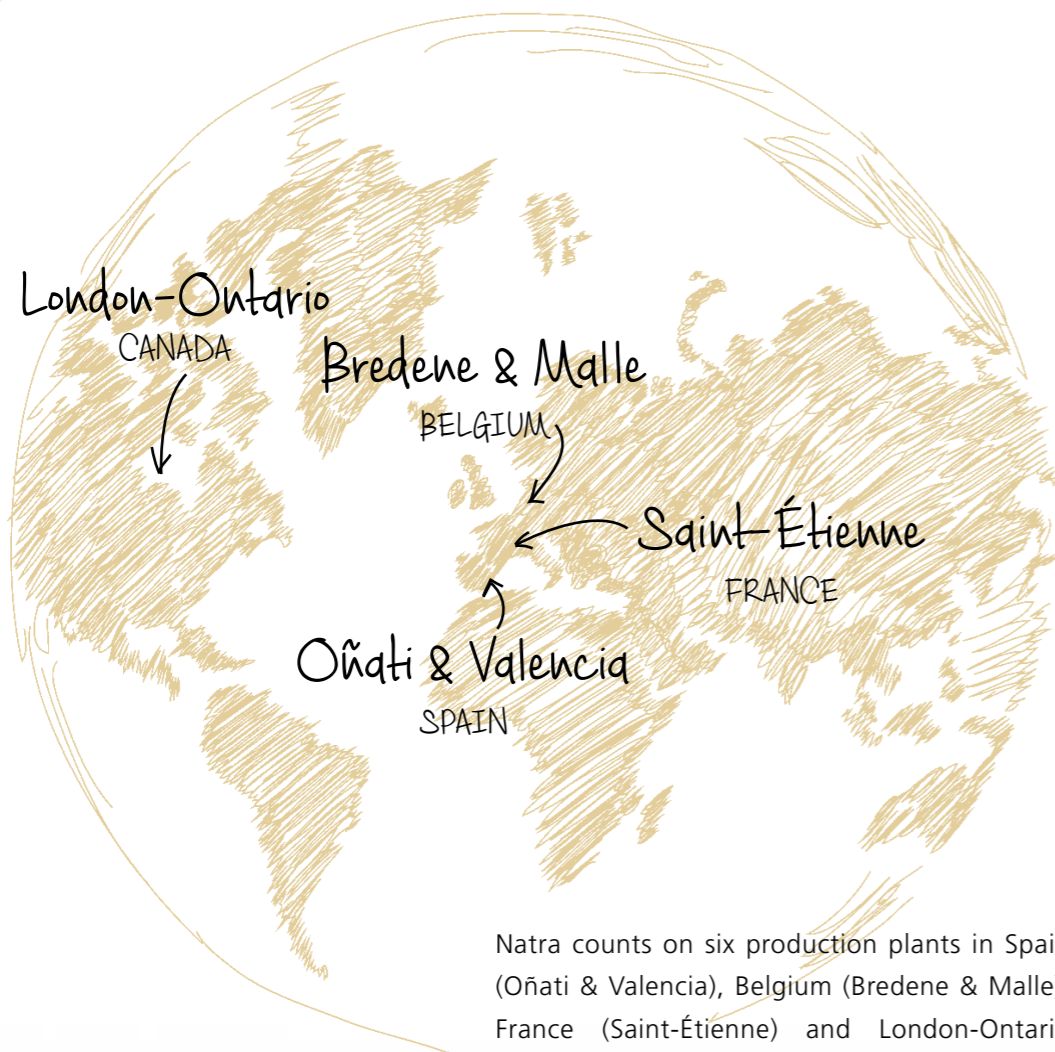


Industrial Division

Supplies to
Food Industry

Cocoa-paste, butter and powder
Solid and liquid chocolate





Natra counts on six production plants in Spain (Oñati & Valencia), Belgium (Bredene & Malle), France (Saint-Étienne) and London-Ontario (Canada). Natra also enjoys of an extended commercial network in Europe, United States, Canada and Asia through which its products are distributed all over the five continents.

Natra's shares are officially listed in the stock market of Madrid and Valencia. In addition to its main activity in the chocolate industry, Natra has a stake in the Spanish multinational Laboratorio Reig Jofré, S.A., a pharmaceutical company specialized in the commercialization of medicines and natural nutritional supplements.



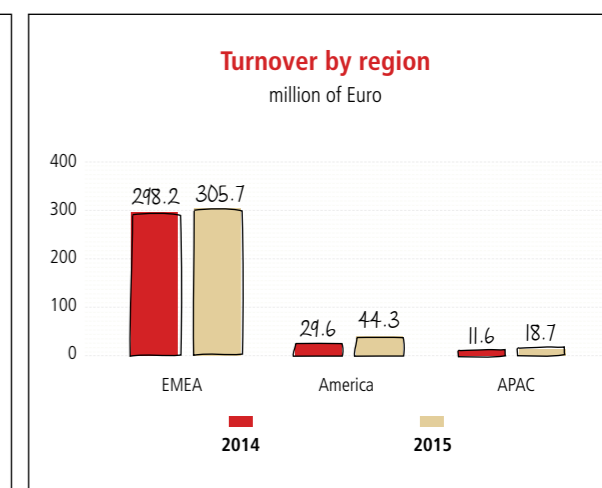
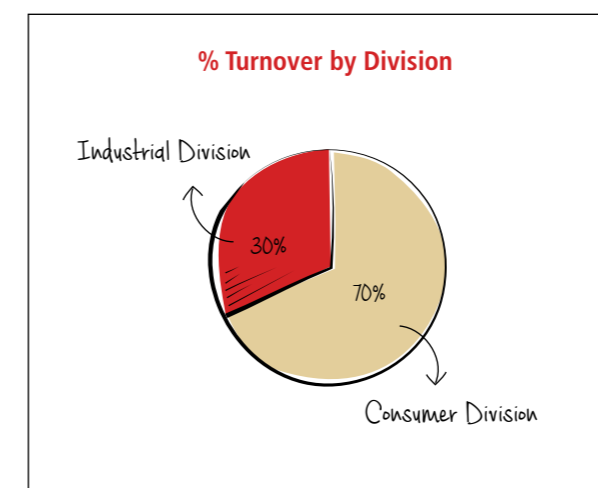
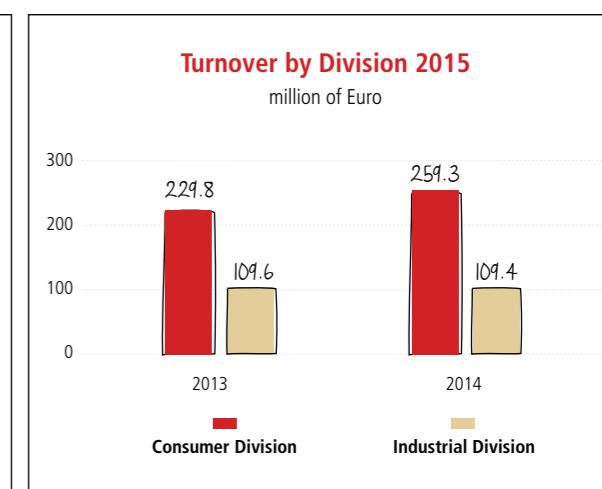
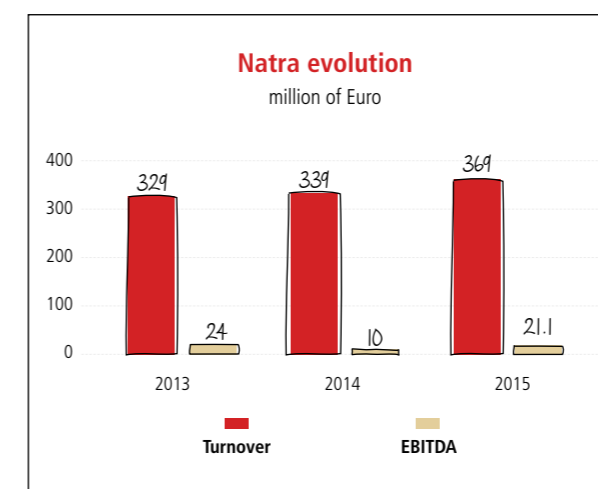
Natra in 2015

In 2015, the main milestone for Natra has been the execution of a finance restructuring agreement and the road map that had to be followed until the full formalization of the transaction. The process has undoubtedly strengthen Natra's financial structure and position.

Once the financial debt has been restructured and the operative efficiency has been improved, Natra has put the basis for a sustainable trend of

grow and positive profitability of the Group. As a result, Natra obtained a net benefit of 4.5 Million Euro in 2015.

The results in 2015 show the consolidation of the growing trend of sales and its higher profitability. Moreover, the closing of the financial restructuring means the reduction of the financial debt and getting better financing conditions.



procurements

2020 COMMITMENT

- To promote certification among the cocoa farmers cooperatives with whom Natra keeps a relationship
- To participate in non-profit organizations that promote the protection of farmers and their families, as well as the effective organization cooperatives to which they are members
- To publish information annually on the origin of cocoa, indicating the proportion of the total that has been certified and the certification seals
- To gradually increase the purchase of certified cocoa until it represents 100% of our own label consumer goods products by 2020*
- To encourage our customers to use certified cocoa*

* The initial goal to gradually increase the purchase of certified cocoa until it represents 100% of our consumption by 2010 has been reformulated and split into these two objectives

Cocoa,
which is the essence of Natra,

together with sugars, fats, dairy products and dried fruits and nuts, are the main relevant raw materials for Natra. From a sustainability point of view, Natra pays special attention to procurement of cocoa, fats and nuts.

In 2015, Natra has honored its commitment with the sustainable procurement mainly through programs that ensure the traceability of the products and the viability of its supply in the long term, with particular emphasis in the abolition of any kind of child or forced labor. Child labor is still one of the major challenges in some of the countries of origin of the raw materials Natra uses, as for example, Ivory Coast or Turkey.

Objetives 2015	Achievement
Increase the purchase of certified cocoa until 19% of the total consumption	17% was achieved
COOPADIS to be one of the 50 cocoa communities in Ivory Coast which the ICI intends to include during 2015 in its program of children protection	✓
Purchase first available UTZ hazelnuts from the 2015 crop	✓



65%

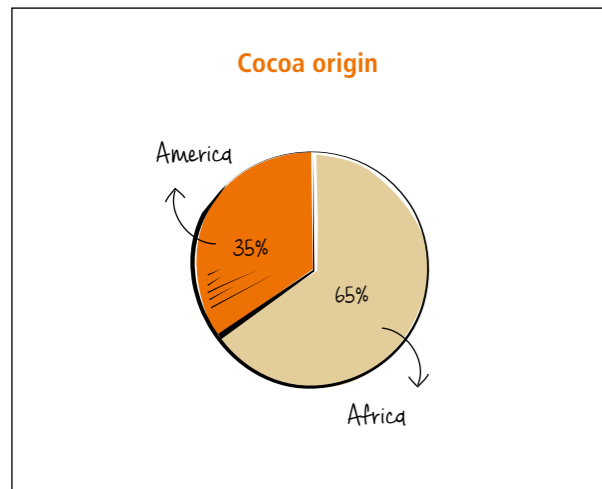
of the cocoa purchase by Natra in 2015 comes from Africa

ICI

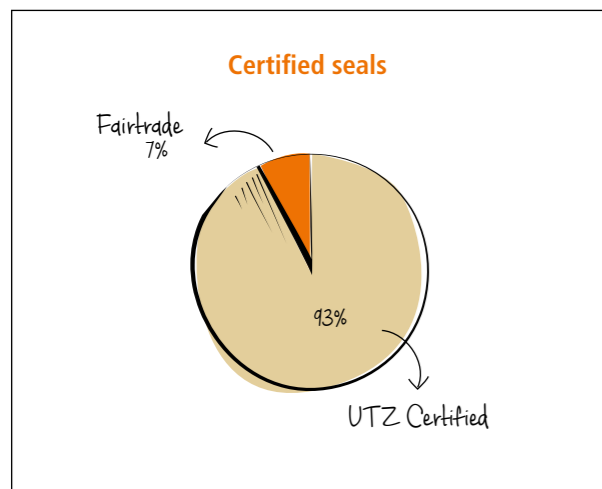
an organization who offers sustainable solutions to social challenges in the cocoa sector

Cocoa

In 2015, Natra purchased 65% of the cocoa from Africa and 35% of the cocoa from America. The volume of purchases from America has increased significantly, from 18% in 2014 up to 35% in 2015.



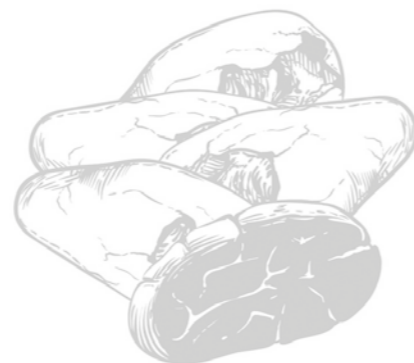
According to Natra's commitment to acquire high quality cocoa grown under sustainable practices, certified cocoa has been 17% from total cocoa purchases in 2015. The share amongst the different certified seals is the following:



Natra is a member of organizations such as Fairtrade International, UTZ Certified and Rainforest Alliance, who promote the sustainability of the cocoa crops through the improvement of the life conditions of the farmers, their families and communities, together with the environmental conservation. Additionally, Natra forms part of the UTZ Product Advisory Committee (PAC), whose role consists in advising about the development, implementation and review of the specific programs for UTZ products.

In 2014, Natra joined the International Cocoa Initiative (ICI), an organization who offers sustainable solutions to social challenges in the cocoa sector, particularly focused in the fight against child labor and the protection of youngsters. ICI counts amongst its members with some of the most relevant and influential world chocolate companies, cocoa processors and suppliers, and other organizations representative of civil society such as ILO and UNICEF.

It is a pleasure to inform that, with Natra's support, in September 2015, the community of Blédou Kangakro, which forms part of the cooperative who supplies Natra with UTZ cocoa –Coopadis Cooperative- was selected to develop the ICI's Program against child labor and the promotion of school attendance of children grown in communities who produce cocoa, such as Ivory Coast and Ghana.



Palm oil

Natra supports the production of palm oil under environmental, social and economic sustainability criteria. As a member of the initiative Roundtable on Sustainable Palm Oil (RSPO), Natra assumes the commitment to exclusively consume palm oil coming from plantations with RSPO certificate.

100% of palm oil purchased in 2015 comes from crops certified by RSPO, mainly in Malaysia and Indonesia.

In May 2014, Natra became member of the "Belgian Alliance for Sustainable Palm Oil" and of its Executive Committee. Important companies such as Ferrero, Vandemoortele, Lotus and Unilever joined their strength to pursue the objective consisting in the fact that all palm oil used in products to be distributed in the Belgian market is certified according to principles and requirements RSPO from the end of 2015. This objective is already a reality.

Natra has assumed the challenge for 2016 to continue working on different initiatives that promote the use of sustainable palm oil in other countries and markets.

100%
of palm oil purchased
in 2015 comes from plantations
certified by RSPO





Hazelnuts

The chocolate industry is the main consumer of hazelnuts, and Turkey is the main hazelnuts world producer. Natra purchases hazelnuts mainly from this region, in particular, 89% in 2015. The rest of the hazelnuts were purchased by Natra in Italy and Spain.

Child labor is still one of the main challenges in the hazelnuts sector in Turkey. In this regard, Natra cooperates with a project promoted by ILO and CAOBISCO with the purpose of supporting, aligned with the strategy of the Turk government, the eradication of child labor during the harvest season in Turkey, placing special efforts in the schooling of those children that move with their families to those areas where hazelnuts are grown. The project includes awareness activities addressed to families, employers, brokers, civil society and media. Between 2013 and 2015, 1.281 children aged between 4 and 16 have benefited from this project.

Natra

is working actively in the initiative UTZ Certified



Natra also is working actively in the initiative UTZ Certified whose aim is the promotion of sustainability standards in the hazelnut crops. Together with companies such as Rewe, Jumbo and Migros, Natra is a founder member, and member of the Director Committee.

This program was launched along year 2014. At the end of 2015, more than 2.000 farmers are trained to apply the UTZ Certified standards, which include requirements connected to good agricultural practices, safe and healthy labor conditions, and environment protection.

Being consistent with the acquired commitment, Natra has purchased part of the hazelnuts of 2015 crop from the first available certified UTZ hazelnuts batch, which warrants that no child labor has been used. Moreover, Natra is promoting the use of UTZ hazelnuts amongst its customers.





caring for the
environment

2020 COMMITMENT

- To acquire 100% of our palm oil from plantations which are compatible with the survival of tropical forests
- To promote the rational use of natural resources, with special emphasis on reducing energy and water consumption
- To measure the carbon footprint of each of our products
- To buy Green energy whenever possible
- To use cardboard produced via appropriate and socially beneficial environmental management
- To promote the re-use of all waste generated

Natra is committed to

work for a higher quality and healthier environment. Following this purpose, in the different manufacturing units, we are using certain control measures and setting objectives related to the reduction of water, energy and waste.

Within the Chapter related to Procurement, we have shown Natra's commitment with the consumption of certified cocoa and palm oil. These certificates warrant that many environmental criteria are also observed.

2015 Objectives	Plant	Achievement
10% Reduction of the amount of cocoa shell intended for waste	Natra Cacao	✓
Ensuring the safety of responsible management of the sewage sludge and validate its ecological use for the 100% of the sludge produced	Natra Cacao	✓
20% Reduction in organic waste.	Natra Oñati	✓



20% reduction of the amount of cocoa shell



Regarding the reduction of the amount of cocoa shell intended for waste, in 2015, Natra Cacao achieved a reduction of 20%, which means 10% more than what was achieved in 2014. This positive increase is due, partially, to the increase of the sale of cocoa shell as food for animal feeding. Consequently, Natra Cacao has been registered in the official register for animal feeding in Spain (RD 821/2008), and also in the Valencian Community.

it to authorized composting plants that process the sewage sludge before it is used in agricultural production activities, just immediately after the sewage sludge is removed from the sewage plant.

Compared to 2014, Natra Oñati has achieved a significant reduction of its organic waste, in a 22%, which is higher to the objective of 20%. This achievement is due to the execution of several actions aimed to increase the efficiency of some production lines and due to the increase of the recycling rate of the reprocessing.

Additionally, Natra Cacao has improved the management of its sewage sludge by delivering

	2013	2014	2015	%2015-2014
Production (t)	21,068	22,381	26,719	19%
Organic waste (t)*	1,429	1,125	1,038	-8%
Ratio Organic waste produced	6.8%	5.0%	3.9%	-22%

*The organic waste is sold as animal food

Among other actions, we have carried several evaluations about the energetic efficiency and improvement in some of our manufacturing units, and we have achieved a 25% improvement in the waste management in the offices and laboratory of Natra Cacao.

Following our purpose to continue working in our commitment with the environment, and with our eyes put in year 2020, we have already defined some Natra's objectives for 2016:

2016 Objectives	Plant
Install a waterwaste treatment plant	Natra St. Etienne
Upgrade the environmental management system in order to get ISO 14001:2015 certification	Natra Cacao
Reduce by 15% the scrap waste compared to last year	Natra Malle
Reduce the well water consumption by 15% compared to last year	Natra Cacao



the Natra
team



OBJECTIVES 2020

- Reporting on occupational health, safety and training indicators
- Design, harmonize and promote common policies in the human resources area
- Maintaining and improving where necessary the ratios relating to employee permanence in the company

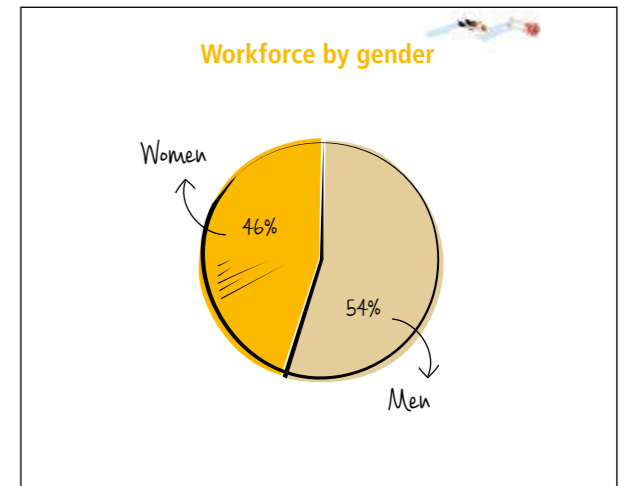
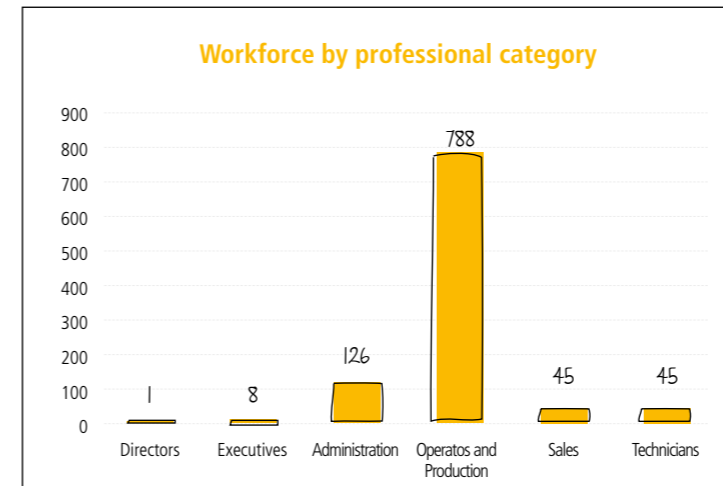
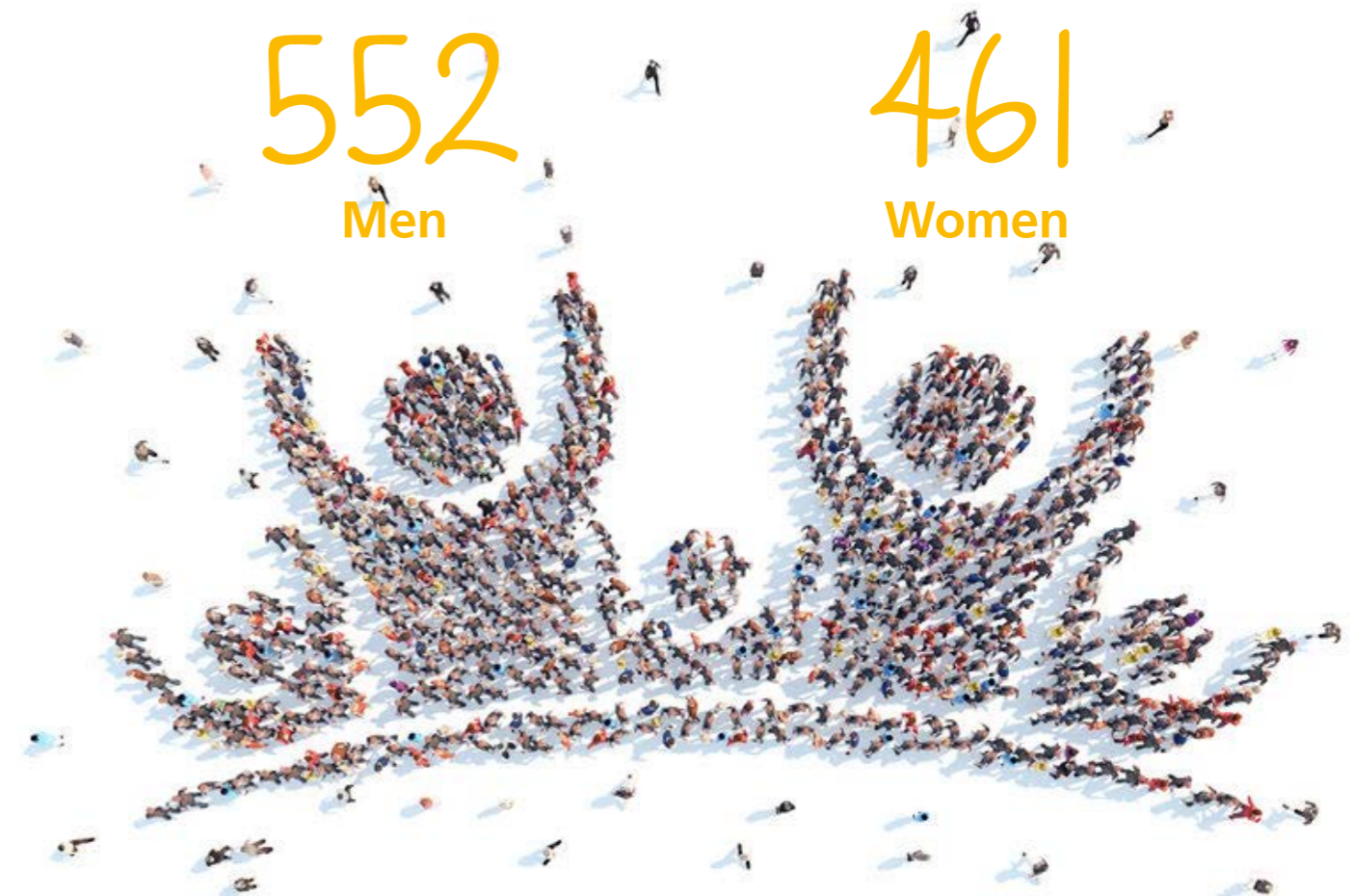
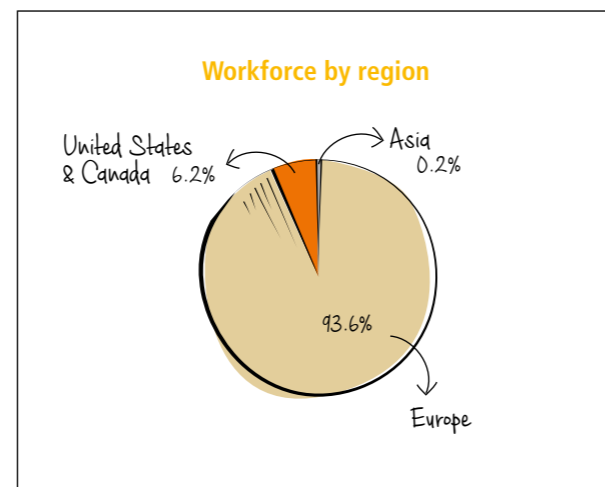
After a complex period,

due to the global financial crisis and to the internal process carried out by Natra to achieve the restructuring of its financial debt, because our team is the most important asset for Natra, we are satisfied to have kept the same employment levels as in the last years.

One of the main milestone in 2015 has been the design and the put in place of a new organizational model that includes the distribution of Natra business into four main business units, which are product oriented: Countlines; Cocoa; Chocolate & Tablets; Spreads and Belgian Specialties. Together with these business units, there are four main functional areas: Financial, Resources, Technical, Quality & Brands. Each Business Unit Director together with the Director of each functional area form part of the Executive Committee.

On 31 December 2015, Natra counted with 1,013 employees, 461 of which are women and 552 are men, distributed throughout Spain, Belgium, United Kingdom, Germany, Hong Kong, United States and Canada.

Natra continues making efforts for the stability of the staff. In this regard, Natra counts with 86% of the staff with permanent contract and 14% on temporary basis. Moreover, the rotation ratios are still low and around 1% for 2015.



Training is also a key element of our human resources policy. The training information for 2015 is the following:

<p>INVESTMENT euro 330,000</p>	<p>TRAINING HOURS 26,224</p>	<p>PARTICIPANTS 921</p>
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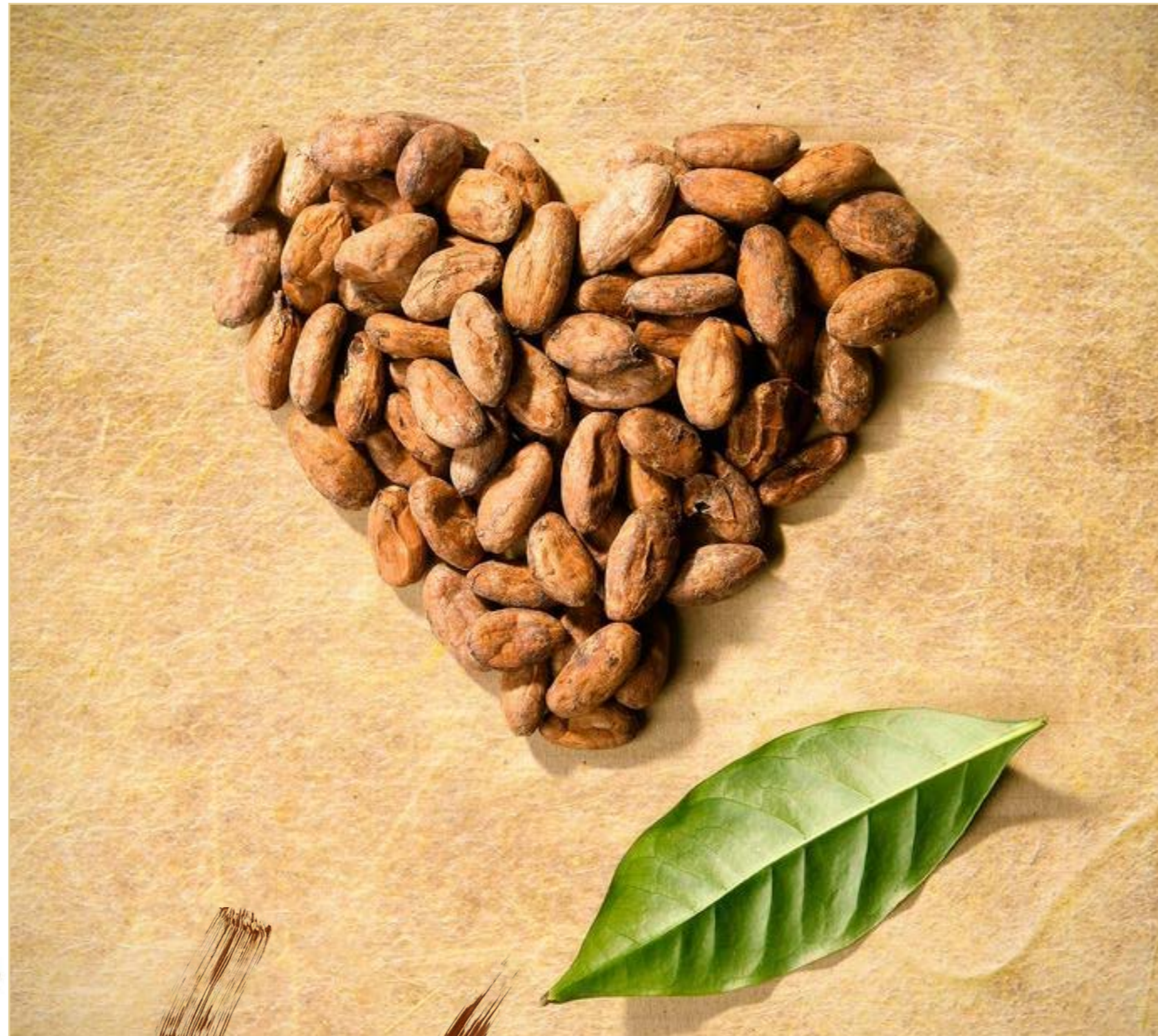
Training has been mainly focused in languages, food safety, fair trade, new processes and systems.

Moreover, with regard to health and safety, Natra has executed the following activities:

- Periodical medical examinations or due to a new incorporation or after prolonged leave.
- Research about accidents and set out of corrective actions.
- Communication actions related to safety indicators at plant level.
- Ergonomic improvements at the end of the production lines, innovative protection in structures and shelves.
- Modifications in infrastructures for improvements in labor safety.
- Training in machinery safety, noise exposure risks and preventive measures, handling of caustic soda.

During 2015 there have been a total of 69 accidents with medical leave (including 2 accidents going to or from work) and no fatal accidents.

Both factories in Spain are above the ratios requested by the Spanish Law for Social Integration of Disable. The ratio is 3.80% in Oñati and 3.73% in Valencia.



Culture of Ethics

At Natra, we are aware of the importance of having a corporate culture based in ethics. That is the reason why we have implemented several actions addressed to set out tools that help to develop a responsible behavior in all and every member of Natra.

In 2012, Natra launched the Program for the Prevention of Criminal Offences. Within the framework of said program, we designed Natra's risk map, we prioritized the risk of possible criminal offenses and we identified several indicators, being the above mentioned, the first steps towards an organizational model which will include a full Compliance Program.

Moreover, in 2014, the Board of Directors of Natra passed the Code of Ethics, which applies to all members of Natra and that includes the principles of ethics and behavior that must be followed by the Company, based in Natra corporate values, the ten principles of Global Compact and the law.

Together with the Code of Ethics, a new Ethics Committee was created as well as a channel for claims: canal.etico@natra.com.

During 2015, the Code of Ethics has been disseminated so that all employees are informed about its content.



concern for the

community

OBJECTIVES 2020

- To increase the collaboration with organizations working directly for the welfare of the population in supplying countries where Natra sources cocoa
- To build ongoing collaboration with local food banks
- To continue promoting sponsorship activities related to sport and healthy living



One of Natra's cornerstone

with regard to corporate social responsibility is the concern for the community understood as an extension of the responsibility of our Company to suppliers, customers, consumers and communities linked to our sphere of business, particularly in those countries that are the origin of our raw materials.



Natra, through its involvement in initiatives promoted by certain organizations like UTZ Certified, CAOBISCO, ILO, etc, contributes to the socio-economic development of the origin countries of our raw materials as well as to the improvement of the living quality of its families and communities. Natra is specially committed with those projects focused in the fight against child labor and in the promotion of children schooling.

Furthermore, as in the past, Natra continues supporting with a limited economic amount the so-called Centro Amigo Doumé, managed by Foundation Amigó. Centro Amigo Doume is a shelter located in Abidjan (Ivory Coast) for the protection and professional training for youngsters aged between 13 and 21 years. Centro Amigo Doumé helps youngsters from the streets, orphans, under legal aged in conflict with the law and exploitation victims, in order to grant them an opportunity for education and protection.

New this year, Natra has extended this initiative to its team in order to inform them and make them aware of the activities of Centro Amigo Doumé and to grant them the opportunity to collaborate with the project. In this regard, during 2015, in the Corporate Headquarter in Madrid, as well as in the factories in Oñati and Quart de Poblet, some moneyboxes were put encouraging the team to donate between 10 and 20 cents of Euro each time they had a coffee. The collection from the team's contribution was aggregated to Natra's economic grant to the Foundation Amigó.

Furthermore, Natra continues collaborating with local food banks and other social and sportive initiatives to which Natra has granted, during 2015, more than forty thousand kilos of products from Natra's factories.

With regard to Natra's commitment related to the promotion of initiatives linked to sports and healthy living, during 2015, Natra also sponsorship the basketball team "Aloña Mendi".



Natra also influences and is present in society through its participation in forums and its membership in associations directly related to Natra's business, which is the food industry and the sustainable procurements. Some of the organizations to which Natra is a member are the following:

- Flanders Food
- Fevia. Belgian Federation for the food industry
- Choprabisco. Royal Belgian Association of the biscuit, pralines and confectionary
- Bioforum
- Asociación de Investigación de la Industria Agroalimentaria (AINIA)
- Federation of Cocoa Commerce (FCC)
- Asociación Nacional Prensadores de Cacao (AICE)
- International Cocoa Organization (ICCO)
- Produlce
- Syndicat du Chocolat
- RSPO, Roundtable Sustainable Palm Oil
- Belgian Alliance on Sustainable Palm Oil (BASP)
- ECOCERT. Organismo de certificación para el desarrollo sostenible
- International Cocoa Initiative (ICI)

As member of the Belgian Alliance on Sustainable Palm Oil (BASP), Natra is very proud to say that the objective consisting in using 100% of RSPO certified palm oil for Belgian market by all members of BASF has been achieved. Natra also collaborated in the organization of the press conference where BASF informed about the achievement of this objective and announced new objectives in order to continue improving sustainability related to the palm oil activity.



healthy
nutrition

OBJECTIVES 2020

- The elimination of trans fats
- The replacement of artificial aromas with 100% natural aromas
- The reduction of salt content
- The complete avoidance of artificial colorants

Nutrition and well-being

To achieve a nutritional well-being it is necessary a healthy, balanced and moderate diet and practicing exercise.

With regard to the chocolate consumption, many scientific studies highlight its benefits such as the improvement in blood flow, certain anti-oxidant effects, the insulin resistance or the improvement of the blood pressure. The scientific community concludes that the daily consumption of chocolate could make part of a healthy diet, although, the chocolate consumption must be moderated and accompanied by the consumption of fruits and vegetables, together with regular exercise.

Many scientific studies highlight the benefits of the chocolate consumption such as the improvement in blood flow, certain anti-oxidant effects, the insulin resistance or the improvement of the blood pressure.

Within the framework of our 2020 Commitment, Natra supports initiatives aimed to promote and encourage healthy nutrition and living styles. In this regard, as an example, Natra has reduced the levels of sugar used in its products, replacing it by stevia where possible, and replacing the use of soya lecithin by sunflower lecithin in order to reduce the level of allergens.

With regard to trans-fats (fats that may cause a higher risk of cardiovascular diseases), at the end of 2015, almost all hydrogenated fats have been eliminated from our products. Equally, the levels of salt in our spreads and pralines continue very low.

As an activity for the promotion of healthy living styles, Natra Malle encouraged the participation of its team in the Brussels Ekiden run, which took place in October 2015.

Quality and Food Safety

The requirements for food safety are higher and higher every day. Consumers and Governments demand for higher levels of quality and safety every day. For this reason, it is essential for our activity to guarantee the maximum level of quality and food safety in our products. In this regard, Natra counts with the adequate systems and processes to satisfy the growing requirements in this area. Moreover, as legal, safety and quality guarantee, at the end of 2015, Natra counts with the following certificates:

Plants	Certificates
Natra Malle	ISO 9001, IFS & BRC
Natra Oñati	ISO 9001, IFS & BRC
Natra St. Etienne	IFS & BRC
Natra Jacali	IFS & BRC
Natra Cacao	ISO 22000 & FSSC 22000





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