



SUSTAINABILITY REPORT

LA FABRIL GROUP
2015 - 2016





EXTRACTORA AGRÍCOLA
RIO MANSO



LA FABRIL



Energy
& Palma
Energía que evoluciona

SUSTAINABILITY REPORT

LA FABRIL GROUP

2015 - 2016



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MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

102-14



Carlos González Artigas-Díaz
Chief Executive Officer

Dear friends:

We present you our fifth Sustainability Report, as a tangible commitment of providing maximum transparency to our business in the years 2015 and 2016. Throughout its 50 years of productive life, La Fabril Group has always endeavored to build a trust atmosphere with customers, suppliers, shareholders, employees and with the society as a whole.

Since the beginning of our history, we have been working focused on a corporate culture based on innovation and compliance, which have been key factors to the development of our activity. Our values, principles, and our Code of Conduct and Ethics that arise from such culture, guide us in our daily decisions and help us to act responsibly.

We still have a long way to go in our constant search for excellence, however the ongoing support of our customers and suppliers and the high level of training and commitment of our staff keep us moving forward, and we feel proud that by means of our philosophy of continuous improvement we contribute to the wellbeing of our country.

We put at your disposal this new Sustainability Report as part of our everyday commitment to a responsible development. Looking into the future, we will continue creating value for all our stakeholders to whom I thank for their trust and commitment, since they have made it possible for La Fabril Group to go far.

MESSAGE FROM THE GENERAL OFFICIAL REPRESENTATIVE

102-14

Dear friends:

It is always a pleasure for our company to have the opportunity of reporting in a transparent manner, the responsible and sustainable management developed, therefore we proudly give you this fifth Sustainability Report that collects in a complete and detailed manner, including also data on our agricultural enterprises, the most relevant information for the years 2015 - 2016 under the parameters set in the Global Reporting Initiative (GRI) in its GRI Standards version.

The difficult environment in which the company has moved in these last few years has not been an obstacle to consolidate and confirm our business model. The corporate management strategy that can be observed in these pages is based on axes related to products of easy access for the majority, impeccable operational efficiency and sustainable production.

Since its foundation La Fabril has believed in Ecuador and has been firmly committed to the country, keeping always in mind the flag of innovation and development. Thanks to this work, we can present you the existent operation which allows us to have successful trademarks of consumption in the categories of oils, fats, laundry, personal care, baking and pastry, and in turn we can offer close to 200 additional products addressed to industrial customers.

Our company is characterized for the development of sustainable, cost-effective and efficient projects that create value for all our stakeholders. This would not be possible without the commitment of all those involved that participate and rely on the development of our projects, who are more than 3900 fully committed collaborators and whom we thank for being key in the actions of La Fabril Group.

We are a company that is in search of continuous improvement, consistent high quality, sustainable development and fulfillment of our commitments. I invite all our interest groups to learn more about us and to share our objectives.

A hug to all.



Carlos González Artigas-Loor
General Officer Representative



A tropical landscape featuring palm trees and dense foliage under a cloudy sky. A large, vibrant green brushstroke graphic is overlaid on the scene, framing the title. The brushstroke starts from the left, curves upwards, and then downwards to the right, creating a dynamic, artistic frame.

INTRODUCTION

PARAMETERS OF THIS REPORT AND ITS SCOPE

102-1, 102-5, 102-49, 102-50, 102-51, 102-52, 102-54

- **Fifth Sustainability Report**
- **GRI STANDARDS**
Principles and Contents
- **GRI SERVICE**

This is the fifth Sustainability Report prepared by La Fabril S.A. and reflects information about the economic, social and environmental development for the two-year period 2015 - 2016. This document has been prepared in accordance with the GRI standards: Essential option. In addition, the "Materiality Disclosure Service" seal has been obtained from the Global Reporting Initiative (GRI).

This Report includes for the second time, information from other member companies of La Fabril: Extractora Agrícola Río Manso EXA S.A. and Energy & Palma S.A.

The financial information reported is based on the International Financial Reporting Standards (IFRS), established by the Superintendency of Companies of Ecuador.



MATERIALITY AND DIALOGS WITH THE STAKEHOLDERS

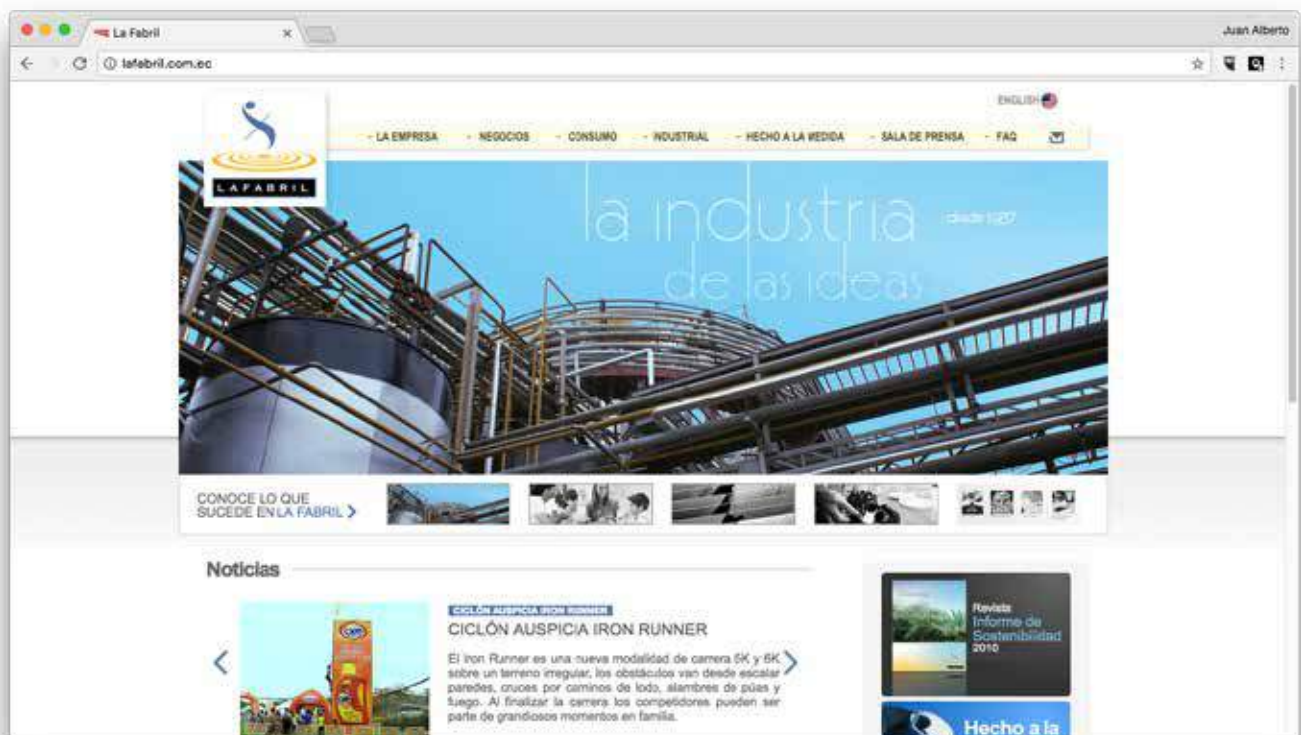
102-40

The definition of materiality has allowed our companies to assess the approach of Corporate Social Responsibility and sustainability to project ourselves in an integral vision of sustainability.

Our Report complies with the principles of the AA1000 Standard, presenting information relevant to the

business and stakeholders to which La Fabril S.A., Río Manso and Energy & Palma respond.

The content and information of this memory can be consulted in our website: www.lafabril.com.ec



STUDY OF MATERIALITY

102-42, 102-43, 102-44, 103-1



The materiality was carried out in order to identify, prioritize, analyze and validate the most important issues for our stakeholders, business and industry, taking into account the economic, social and environmental development of the country. For the development of this analysis we took into account the following considerations:

- Change the productive matrix of the country and import substitution.
- Vision of the business in the medium and long term within the sustainability framework.
- Review of the materiality study for year 2011-2012.
- Continuous communication with our stakeholders.
- Assessment of the impacts of our activities in the value chain.
- Benchmarking of the sector at national and international level.

To determine the material aspects, a total of 66 in-depth individual interviews were made to internal and external stakeholders, such as the following: directors, collaborators, suppliers, farmers, distributors, customers, community and civil society organizations.

In order to ensure the impartiality and independence in the collection and analysis of the information, the dialogs were conducted by an independent third party.

Questions were developed in order to assess the level of knowledge of the issues, priority, risk level and impact, perception and contribution of the matter for a sustainable performance.

We considered the relevant interests and subjects expressed by the stakeholders during the interviews. Subsequently a qualitative and quantitative analysis was conducted to determine the relevant issues. Through this analysis the materiality matrix was obtained.



CONSULTED ASPECTS

Specific issue	
1	Legal compliance
2	Transparency and accountability
3	Anti-corruption
4	Human rights
5	Relationship with the stakeholder
6	Communication with the stakeholder
7	Economic performance
8	Presence in the market
9	Environmental initiatives
10	Environmental impacts
11	Climate change
12	Sustainable agriculture
13	Emissions to air
14	Noise
15	Water management
16	Waste management
17	Human talent management
18	Work environment
19	Labor rights
20	Equality of opportunities

Specific issue	
21	Gender equality
22	Disability and inclusion
23	Labor and family conciliation
24	Incentives and benefits
25	Training to collaborators
26	Occupational health and safety
27	Transparency in the communication of the products
28	Product quality and price
29.	Social performance
30	Working with the community
31	Employment generation.
32	Education
33	Care and service
34	Selection and qualification of suppliers
35	Payments to suppliers
36	Training to suppliers
37	Training for distributors
38	CSR Initiatives
39	Communication of CSR initiatives
40	On site practices knowledge



MATERIALITY MATRIX

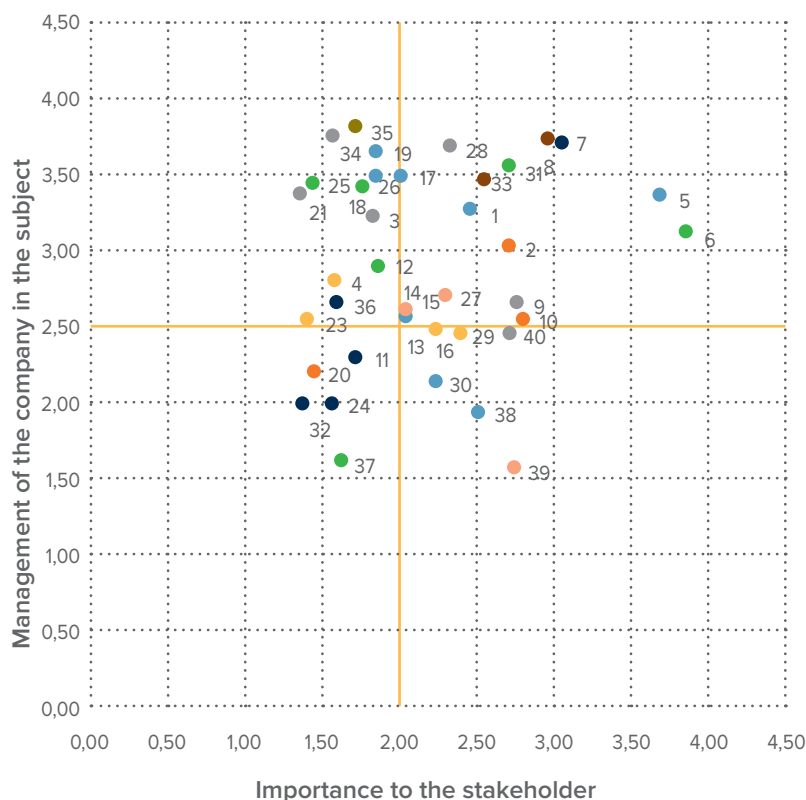
102-46, 102-47

The relevance to the stakeholder is indicated in the matrix and the management of the company with respect to each issue. Through the study of materiality made, the issues that are material to the company and to the stakeholders were identified.

RESULT OF MATTERS RELEVANT TO THE COMPANY AND STAKEHOLDERS

MATERIAL MATTERS

- | | |
|----|---------------------------------------------------|
| 6 | Communication with the stakeholder |
| 5 | Relationship with the stakeholder |
| 7 | Economic performance |
| 8 | Presence in the market |
| 10 | Environmental impacts |
| 9 | Environmental initiatives |
| 31 | Employment generation |
| 2 | Transparency and accountability |
| 40 | On site practices knowledge |
| 33 | Care and service |
| 1 | Legal compliance |
| 38 | CSR initiatives |
| 39 | Communication of CSR initiatives |
| 28 | Product quality and price |
| 27 | Transparency in the communication of the products |
| 29 | Social performance |
| 15 | Water management |
| 16 | Waste management |
| 30 | Working with the community |
| 17 | Human talent management |
| 14 | Noise |
| 13 | Emissions to air |







l a i n d u s t r i a d e l a s i d e a s

Mission

La Fabril is a company specialized in the production and marketing of vegetable oils and fats with superior quality, at the lowest cost and in an effective, efficient and flexible way, with a continuous vocation of service to its community. Day by day we strengthen our financial structure, working as a solid human team and overtake the competition on the basis of the sustainable management of the environment and an ethic comprehensive management. We create brands of undisputed leadership in the market, on the basis of a personal, fair, and transparent relationship with our customers, suppliers, the community and the environment.

Viable Vision

La Fabril will be the symbol of the new, ethical, strong, solvent and profitable Ecuadorian industry, recognized at national and international level by its extremely high levels of quality, innovative ideas, productivity, brand leadership and commitment with the sustainable management that promotes the development of its members, the community, customers and suppliers.

Corporate Values



THE COMMITMENT OF MAINTAINING
LEADERSHIP IS LIVED AT LA FABRIL, ON
THE BASIS OF RESPONSIBILITY, RESPECT AND HONESTY

Creed

- We Believe in us
- We believe in team work
- We believe in innovation and quality
- We believe in the development and progress
- We believe in the future

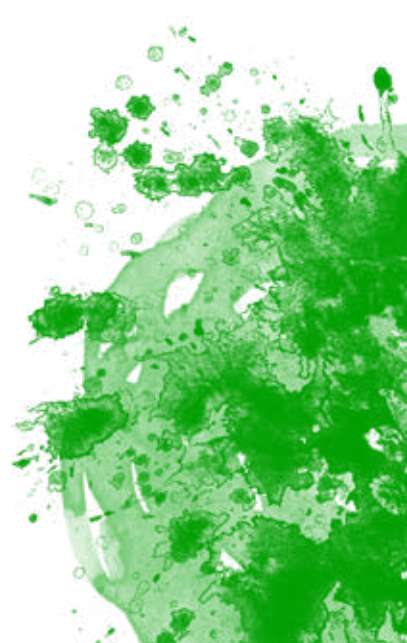


PRESENCE OF LA FABRIL IN ECUADOR

102-3, 102-4

La Fabril manufactures products that reach out to the Ecuadorian households, and to the international market at:

- One (1) industrial complex in Montecristi
- One (1) Industrial plant in Guayaquil
- Nine (9) local agencies situated in the cities of Guayaquil, Cuenca, Machala, Quito, Santo Domingo, Tulcán, Ibarra, Ambato and Manta.
- One (1) CND [Spanish acronym] (Montecristi National Distribution Center)
- Seven (7) oil extractors of palm and palm kernel
- Fourteen (14) Collection Centers (Centers of agricultural businesses) in Santo Domingo, Esmeraldas, Los Ríos





- AGENCIES
- EXTRACTORS

LA FABRIL PRODUCTS AND TRADEMARKS

102-2

CONSUMPTION

FOOD	Oil	La Favorita, La Favorita Vida, La Favorita Omega, La Favorita Achiote, Livian, Girasol, Girasol D'Oliva, Maizol, La Perla, Criollo, Sabrosón, Sabrofrito, Sabrosalsa.
	Margarines and Shortenings	Klar, Girasol, Ricamesa, la Sabrosa, Girasol Reduxerol.
	Concentrates	La Favorita (left the market in the second half of 2016).
	Dressings	La Favorita
	Spreads	Delilú
	Coverage	Coberchoc, Coberchoc (cream), Coberchoc (drops), Coberchoc (white drops), Coberchoc (mini drops).
	Packaging and Distribution	Carbonell

HOME AND PERSONAL CARE

LAUNDRY	Washing soaps	Lavatodo, Megablu, Machete, Perla (pearl), Perla Bebé, Perla Secret.
	Liquid detergents	Ciclón, Perla Bebé, Perla Secret.
	Powder detergent	Ciclón, Lavatodo.
	Conditioning	Perla Soft
	Disinfectant	Olimpia, Olimpia 3EN1 (3 in 1).
	Home Care	Lavavajillas Brillex, Limpiador Brillex Polvo.
PERSONAL CAREFULNESS	Toilet soaps	Defense, Duet, Jolly, Ninacuro.
	Toothpaste	Polar
BAKERY AND PASTRIES	Butters	Especial, Sabropan, Panpan.
	Margarine	Marva, Marva (cream), Fabripan, Hojaldrina.
	Coverage	Coberchoc (drops), Coberchoc (cream), Coberchoc (Bar).
	Specialised	Desmold (Master line)
		Pre-mixes: Master Line Fabricake, Saf-Instant Yeast.
		Filled: milk dessert (Master Line), jam (Master Line)
		Essences: Fabriesencias (Master Line)
		Complementary: Fabrihorno polvo, Fabricrema pastelera (pastry cream)
		Sugar

INDUSTRIAL

OILS AND GREASES	High stability	Refined soy oil, sunflower oil, corn oil, extra oleic oil 65, extra oleic oil 90, extra oleic oil 200 RC.
	For frying	Oleofry 30, Oleina 22, Oleina 30, Chifol 20, Sabrofrito, Canguil oil (popcorn oil), BK90, Shordonut.
	Ice-cream products	Ice fat 220, Ambrolein, Palmiken 90, Oli-500
	Multipurpose biscuits	Unigal 213, Unigal 216, Unigal 8131, Oil spray, Fillerfat 80.
	Confectionery and chocolate making	Chocofat 100, Kaofat 100H, Kaofat 50, Kaofat 90, Kaofat 80 BC Cobe 36, Cobe 28, Cobe 24, Sucofat 100, Cream 90.
	Dairy substitutes	Lacto 350S, Lacto 520.
	Culinary fats	Cooking fat
	Vegetable fat	Cobe 100, Fat Powder.
	Structural basis	Fat base
	Release agent	Desmold100
	Animal nutrition	Toco 550, Toco 600, Toco BP.
SOAPS & DETERGENTS	Soaps & detergents	Base of toilet soap, base of laundry soap, Ciclón, Grassol.
CO-PACKING SERVICE	PNF - OIL & FATS - HCP	Bottled: washing soap, toilet soap, margarine, organic products, fishing maquilas.
OLEOCHEMICAL INDUSTRY	Oleochemicals	Soy RCB, Biodiesel, Gliconer, Fertilizers, Durko KP-35, Oleo chemicals.





102-2, 102-3, 102-4

This Report, besides the information of LA FABRIL S.A., also gives information about the Río Manso Agricultural Extractor and the Energy & Palma company.

RIO MANSO AGRICULTURAL EXTRACTOR

This Ecuadorian company of La Fabril Group is dedicated to the production and sale of red palm oil, palm kernel oil, palm kernel cake, and composting based on residues of the extraction process.

OPERATION DATA

Four (4) plants for the extraction of palm oil.

Two (2) plants of palm kernel oil.

Nine (9) purchasing centers.

They are located in Quinindé, La Concordia, Puerto Quito and Quevedo.

BUSINESS STRATEGY

Employment generation, development of the community, protection of the environment, health and safety of employees, suppliers, contractors and visitors.

ENERGY & PALMA

This Ecuadorian company of La Fabril Group is dedicated to agro-industrial activities of oil palm cultivation and extraction of its oil content.

OPERATION DATA

One (1) extraction plant of 60 MT FF/HR.

Oil palm plantation of 6,470 gross ha.

Forest plantation of 307 gross ha .

They are located in the Esmeraldas Province, San Lorenzo Canton, Carondelet Parish.

CORPORATE STRATEGY

To supply crude palm oil to the Montecristi Industrial Complex. To carry out social and community development, protection of the environment, agricultural investment, health and safety of the collaborators. Planting of Melina tree species for pallets production.

CORPORATE GOVERNANCE



102-18

La Fabril S.A. is a family business, where the governance of the company is carried out by the General Meeting of Shareholders, formed by the shareholders who are legally convened and gathered. The legal representation of the Company corresponds to the General Official Representative and in his absence is taken up by the Chief Executive Officer. The position of Chief Executive Officer is held by Mr. Carlos González - Artigas Díaz and the post of General Official Representative by Mr. Carlos González - Artigas Lóor.

By legal mandate, the General Meeting of Shareholders which is regulated by the statutes of the company, meets in ordinary form and mandatory manner once a year, with the purpose of approving the financial statements and reports of the Administrators, Commissioners and External Auditors. Extraordinary meetings of the General Meeting of Shareholders is performed whenever required by statutory mandate by the General Board.

Through Executive Committees, guidelines and action plans are established for each of the areas that are related to the business. These committees are part of a structure that is designed to mana-

ge the issues, opportunities and risks of the company. The Divisions and Management Departments have specific roles and functions that are oriented to seek operational efficiencies and a management with positive results for the company.

In the case of Energy & Palma S.A. the corporate governance is made up as follows: the highest authority is the General Meeting of Shareholders of the company, which meets regularly once a year, and extraordinarily whenever necessary. The Directory that operates in the company is in charge of executing the decisions taken by the General Meeting of Shareholders and has the powers conferred by the Statute of Incorporation of the company. It should be noted that this company made a capital increase for the amount of US\$ 34,526.70 on November 14, 2016.

In the case of the Río Manso Agricultural Extractor Exa S.A., the corporate governance is made up as follows: The highest authority is the General Meeting of Shareholders of the company, which meets regularly once a year, and extraordinarily whenever necessary. The company's Directory meets on a quarterly basis.

**ORGANIZATIONAL STRUCTURE
CORPORATE UNIT LA FABRIL S. A.**

102-18, 202-2

Carlos Gonzales
CEGAL: CHIEF EXECUTIVE

Carlos Gonzales-Artigas Loor
CEGAL: LEGAL GENERAL
OFFICIAL REPRESENTATIVE

Victor Loaiza Ycaza
CORPORATE MANAGER
OF LEGAL

Guillermo Baraldo Victoria
CORPORATE DIRECTOR
ORGANIZATIONAL DEVELOPMENT

Percival Andrade Arellano
CORPORATE DIRECTOR
OF INNOVATION



les-Artigas Díaz
EXECUTIVE OFFICER



Santiago Terán Dammer
FINANCIAL AND PLANNING
CORPORATE DIRECTOR



Nicolay Artieda
CORPORATE MANAGER
OF INTERNAL AUDIT



Jaime Gonzalez
RÍO MANSO
GENERAL MANAGER



Flavio Paredes
ENERGY & PALMA
GENERAL MANAGER

A FABRIL S.A.



A B R I L

**UNIDAD
AGRÍCOLA**

AWARDS AND ACHIEVEMENTS

During 2015 - 2016 La Fabril obtained the following recognitions and awards for its work and business management:

- The Ecuadorian Federation of Exporters (Fedexpor) organized the sixth edition of the 2016 PremiosXpor. In this event, La Fabril received the Employment Sustainability award.
- EFFIE 2016 WINNERS: THE FESTIVAL OF ADVERTISING AND MARKETING.
- During the new edition of the 2015 Ekos Gold Awards, held by the Ekos Corporation and the Deloitte international auditing firm in Quito, on November 2015, La Fabril received a distinction for its ongoing work in the field of extraction and production of fats and oils.
- In the ceremony of the fifth edition of the Expor Awards, organized by the Ecuadorian Exporters Federation (Fedexpor) on May 27, 2015, La Fabril, received an acknowledgment FOR ITS EXPORT ACHIEVEMENTS.

EFFIE SILVER

Category: Consumption Products

Advertiser: La Fabril S.A.

Agency: Maruri Advertising

Campaign: "You're going to have them near the whole life, better if they are clean".

EFFIE SILVER

Category: BTL:

Advertiser: La Fabril

Agency: McCann Erickson Ecuador.

Campaign: "Your friend The Favorite".

EFFIE GOLD

Category: Sustained Success

Advertiser: La Fabril



NETWORKS AND ASSOCIATIONS

102-12, 102-13

The company participates and promotes positive relationships with organizations and institutions whose objectives are related to the development of the industrial sector to which La Fabril belongs.



PRO ECUADOR (Institute for the Promotion of Exports and Investments), gives us support in the promotion of exports, strategic consulting, as well as the sponsorship in fairs and businesses abroad. This entity acts as a filter to promote our portfolio of products, and with its presence in international offices gives us the openness to move into new markets.



FEDEXPOR (Ecuadorian Exporters Federation) is an important non-profit institution that focuses on giving support to all exporting members, to go as a single guild before national public entities and

to achieve the stated objective. It provides technical assistance, gives training and internationalize the Ecuadorian companies. In addition, it gives us advice on foreign trade, customs and origin matters; it also gives us the opening to participate in national forums and events with the export sector such as the "National Award to the Exporter" and "National Convention of Exporters".

We are members of the RSPO table (Round Table on Sustainable Palm Oil). It is a non-profit association whose members are the oil palm companies, and that has as objective the promotion of the production and use of the palm with methods and criteria of environmental sustainability. This initiative is well known around the world. It is important to mention that in this year 2017, La Fabril, along with our plantation and Energy & Palma extractor, will be certified with RSBO MASS BALANCE.



ANCUPA
sirviendo al palmicultor



CEMDES
Consejo Empresarial para el
Desarrollo Sostenible del Ecuador





RESPONSIBLE AND SUSTAINABLE MANAGEMENT

102-11, 102-16, 103-2, 103-3, 205-2

The Code of Ethics is based on the axes of transparency and communication; it considers the development of the conduct criteria and includes the management of anti-corruption and fraud in a proactive manner.

The structure of the Code of Ethics covers the following areas:

- a. Corporate Governance. To lead and manage the company. It prioritizes equilibrium values, transparency, integrity, ethics, honesty, respect, fairness, accuracy, awareness of sustainability (social, environmental and economic), communication, participation and responsibility.
- b. Relationship of the company with partners. It promotes adequate, safe and healthy working conditions; communication and dialog; ethics.
- c. Relationship of employees with the company. It promotes the principles of commitment, honesty, fairness, integrity, communication, respect, responsibility with the actions and property, ethics and good relations between partners.
- d. Relationship with suppliers. It promotes good working conditions, mutual respect of the principles and ethics. Selection of suppliers by performance criteria.
- e. Relationship with customers and consumers. To distribute healthy and quality products, to meet its commitments. To use different channels in order to provide information to the final

consumer about the actions of the company, in a fluid and transparent manner.

- f. Relationships with the environment and future generations, sustainability. To establish a sustainable direction. To take care of environmental standards and to manage with excellence the operation, impact management, and proactivity in the biodiversity.
- g. Community Relations. To foster communication and ongoing dialog, coordination and participation with organizations and entities for the construction of projects.
- h. Relations with civil society, government and state. To contribute to the sustainable development of the cities related to its operation. It is part of the construction of public policies. It values the participation of its human talent in spaces of construction of social projects.

The system of responsible management is constantly fed back so that, at present, the Group is strengthening its policies and mechanisms for the relationship between shareholders, corporate members and co-workers; as well as the roles and procedures of interaction, self-assessment and achievement of the objectives of the highest governance body.

Between 2015 - 2016 La Fabril Group managed in a transparent manner its policies, practices, and mechanisms that ensure an ethical behavior of the stakeholders that are part of the business. Attention was given to 100% of the complaints and cases related to corruption issues.

PLASTIFICADOR
2

TUBO REPOSO
PARA HOJALDRE





**PROFITABLE
IDEAS**

ECONOMIC PERFORMANCE

102-7, 102-45, 201-1

We are proudly an Ecuadorian company that is committed to sustainable development. Our operations contribute to the development of the country and are a source of local work. To achieve this, the innovation and development are the keys to our business success.

The commitment of our company with the country translates into national and local development, including all of the stakeholders, such as shareholders, employees, suppliers, distributors, customers, consumers, community and institutions of the state.

MANAGEMENT AND CONTRIBUTIONS TO THE DEVELOPMENT OF THE COUNTRY IN FIGURES

La Fabril is an innovative company, which goal is to achieve a sustained growth, being a reference for the contribution to the development of the country in the economic, social and environmental issues. So, between 2015 - 2016 La Fabril experienced an economic growth that resulted in the generation of new sources of employment, both direct and indirect, investment, technological development, payment of taxes and duties to the Ecuadorian state throughout the value chain.

In this period the sales of products of hygiene and per-

sonal care increased; they have historically been imported from abroad. This change in the market has prompted to the company to diversify its portfolio in order to have a greater presence in this line.

As result of a strategy of growth in the domestic market, the company managed to sign agreements for the production of hair products from AVON and COLGATE PALMOLIVE, and toilet soaps, thus increasing the local production in this type of products.

We have completed the project of expansion of the plants of fractionation, hydrogenation and interesterification of vegetable fats, which began in 2013, to meet the demands of export of products with greater added value.

BALANCE SHEET

AS OF DECEMBER 31, 2015 - 2016
(in thousands of US dollars)

	2015	2016
Current assets	177,160	155,289
(+) Property plant and equipment net	99,548	95,827
(+) Other assets	53,932	62,052
= Total assets	330,640	313,168
Current liabilities	175,256	137,161
Total long term liabilities and provisions	50,085	76,044
(+) Shareholders' equity	105,299	99,963
= TOTAL LIABILITIES AND EQUITY	330,640	313,168

COMPREHENSIVE INCOME STATEMENT

For the period ended 31st of December 2015-2016
(in thousands of US dollars)

	2015	2016
Net sales	458.281	453.314
(-) Costs and expenses	435.766	438.222
= Profit before workers` participation and income taxes	22.515	15.092
(-) Participation workers and income tax	9.510	5.927
= NET PROFIT	13.005	9.165

TAXES PAID FOR THE YEAR 2015 - 2016

(in thousands of US dollars)

	2015	2016
Value-added tax - Current VAT	9.149	10.931
Tariffs - Imports	12.614	9.234
Current income tax	5.101	3.497
Currency outflow tax	5.744	5.968
Rural land tax	19	21
Municipal taxes	416	507
TOTAL	33.044	30.157

EMPLOYER CONTRIBUTIONS

(in thousands of US dollars)

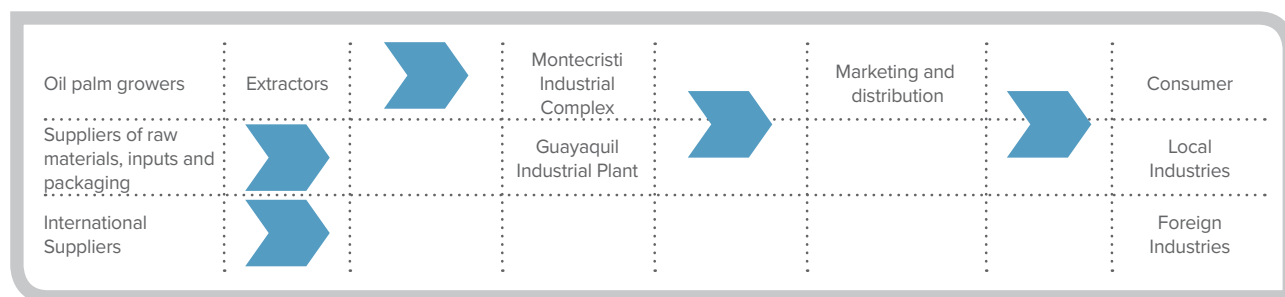
	2015	2016
Production employer contributions	1.692	1.747
Administrative employer contributions	804	823
Commercial employer contributions	1.361	1.614
TOTAL	3.856	4.184

* The financial information reported for the years 2015 - 2016 is based on International Financial Reporting Standards (IFRS), established by the Superintendency of Companies of Ecuador. The financial statements containing this information have been audited in the reported periods by the Deloitte & Touche company.

ADDING VALUE IN THE PRODUCTIVE CHAIN

102-9, 203-2, 204-1

The relationship based on the premise "win - win" is the basis for the growth and strengthening of the productive chain.



ACQUISITION PRACTICES

We consider our suppliers as strategic allies to our business, as it is reflected in the following figures:

- 122 domestic suppliers and 59 foreign suppliers
- 75% of local suppliers SGS qualified
- These providers are measured under the BCAT (in its Spanish acronym) performance indicator (good, complete, on time) and must score an A grading (greater than 95%) in order to be considered reliable
- 100% of suppliers in the value chain, with a payment agreement fair prices to be paid timely and on time

La Fabril S.A. through its Depart-

ment of Supply, strengthens a climate of confidence with its suppliers through dialogs, dealing with relevant issues that refer to their values and management indicators, in order to conduct them to develop and to strengthen long-term relationships

We have pricing policies, through arrangements, agreements, formulas, delivery times. All of this is recorded and integrated into a software managed by the company, so that payments are generated in the times agreed with our suppliers. Thanks to this, 99% of all our suppliers are satisfied with respect to the payments.

In addition, in the year 2016 the prompt payment system was implemented, under agreements with private banks, thus guaranteeing the payment

on the due date for the tranquility of our suppliers. Another good practice is the advance payment to suppliers to assist them having liquidity for the purchase of raw materials.

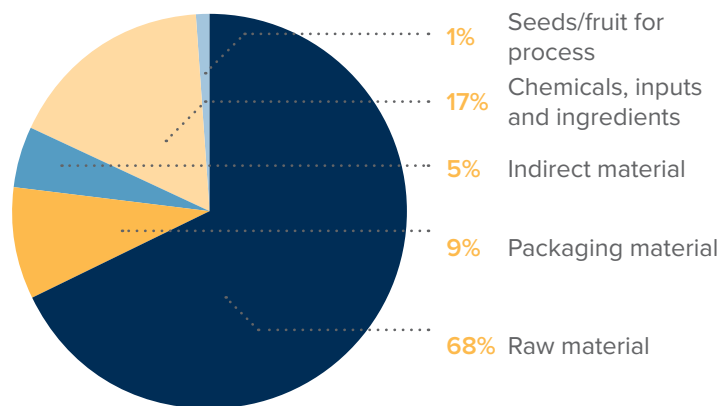
This win-win relationship has strengthened the confidence of our suppliers, even allowing the development of new products through the approval in our laboratories in order to have more options to choose from.

To maintain the optimal inventory in our warehouses, we have implemented a model of management of materials throughout the supply chain based on DDMRP (Demand Driven Material Requirements Planning) supported in the software R+ (Replenishment+). Nevertheless, the continuous improvement does not stop, this is why we continue to manage the “management by exception” in our supply chain, so that immediate action may be taken in the event of a disruption of supply, as well as to proceed activating early demand warnings.

This same model is replicated to our customers with whom we have implemented the system VMI (Vendor Management Inventory). With this methodology we have managed to maintain the BCAT company’s global indicator sustained above 95%. These results would be impossible without the support and actions of constant development of our strategic allies of the supply chain.

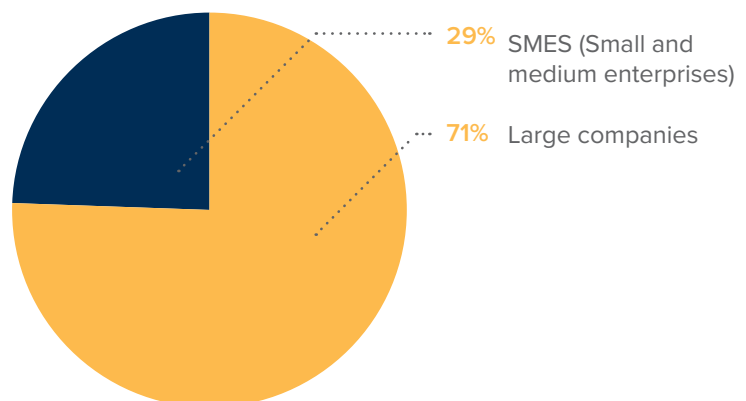
Most of our suppliers (68%) provide us with raw materials for our process. We also have suppliers of chemicals, supplies and ingredients, as well as suppliers of packing material, indirect material and other raw materials.

Percentage of participation



Of our local suppliers, 34% are from the highlands region and 66% from the coastal region, where we have our facilities.

Percentage of suppliers by size



PROCESS OF SELECTION, QUALIFICATION AND ASSESSMENT OF SUPPLIERS

414-1

For new suppliers La Fabril S.A. develops a process that starts with the assessment of samples of the product of interest, analyzing the cost/benefit, monitoring the

quality, the dangers associated with food safety and functionality of the inputs or packaging materials in our products. The process of approval and supplier selection is performed

by the SGS qualifier company of Ecuador. Among the points to be qualified are various environmental and social criteria which are detailed in the following tables:

ASPECTS TO BE EVALUATED AT THE ON-SITE AUDIT

Activity

Financial situation

Operational capacity

Commercial management and quality

Social responsibility

Safety, occupational health, and environment.

Documentary evaluation

ASPECTS TO BE EVALUATED FOR MANUFACTURER SUPPLIERS

Good practices relating to staff

Cleaning and disinfection

Pest control

Food security system

Quality systems

Focus on the customer

Control and security - BASC

ASPECTS FOR THE QUALIFICATION RELATED TO CORPORATE SOCIAL RESPONSIBILITY

Promotion of policies to people at risk of social exclusion

Child labor

Overtime payment policies to operators and workers.

Direct social projection work within the organization

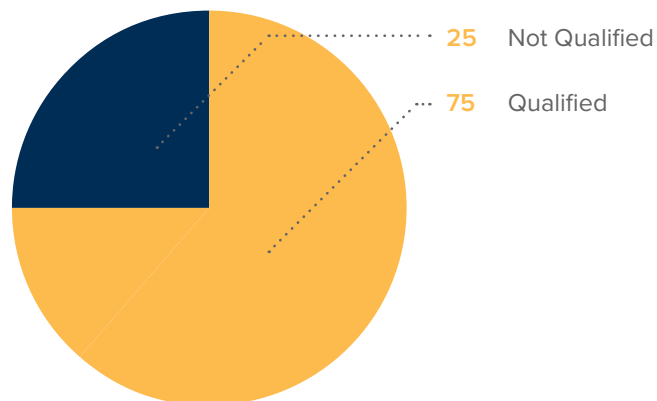
Social outreach activities to the community

Legal action issued by the government, such as citations, fines, notifications for violating labor laws

Once the suppliers start the relationship with La Fabril S.A. they know that their performance will be measured through the indicator BCAT (good, complete, on time). On the basis of their percentage of compliance, they are assigned a rating until they reach the A level known as "green supplier" under which they have proven to be suppliers of the utmost trust and then they can be given a full account.

During 2015 and 2016 of our 122 local suppliers, 75% were calified under standards of responsibility of production.

Percentage of Total suppliers vs. Qualified



PARAMETER OF INTERNAL EVALUATION OF BCAT SUPPLIERS

PERCENTAGE	GRADE
Up to 74%	C
From 75% to 94%	B
From 95% to 100%	A
Green supplier	

These were the results of the evaluation during 2015 and 2016:

Suppliers	Social Responsibility		Safety Safety, occupational health, and environment		Food security system	
	2015	2016	2015	2016	2015	2016
# Suppliers	58	66	59	70	38	56
Packaging	93%	93%	79%	82%	66%	71%
Chemicals and Inputs	94%	94%	85%	86%	84%	85%
Safety	90%	93%	50%	62%	0%	50%
Total Suppliers	92%	93%	71%	77%	50%	69%

RELATIONSHIP WITH OUR PALM SUPPLIERS

203-2

During the period 2015 - 2016 the Río Manso and Energy & Palma suppliers were trained on the following topics:

- Information on yield and crops
- Structure of costs
- Operations statistics
- Technical Improvements and quality

These trainings accomplish that suppliers improve their products and services to benefit also our organization.

OUR COMMITMENT TO WORK IN THE VALUE CHAIN BEGINS WITH THE OIL PALM GROWERS

The chain is composed by independent oil palm growers, oil palm plantations, oil extraction, collection centers and industrial plants.

MANAGEMENT INDICATORS	RIO MANSO		ENERGY & PALMA	
	2015	2016	2015	2016
Palm growers involved in the project	-	320	86	119
Small palm growers 1-50 ha	1.900	1.830	67	92
Medium palm growers 51-200 ha	150	202	16	21
Large oil palm growers 201 ha in forward	12	19	3	6
Employment generation / working places (wages approx.)	15.000	15.000	402	616
Involved families	1800	1750	197	289
Productivity				
Hectares planted with oil palm growers	50.000	50.000	4863	5215
Average productivity (annual Ton/ha.)	11 Ton	11 Ton	6	8
Sales (thousands of USD)	47.000	55.000	3.850	5.174
Monthly Income USD				
Small oil palm growers	950	930	1165	1418
Medium oil palm growers	1420	1400	6747	7770
Large oil palm growers	1780	1740	76548	55756
Technical advice				
Technical advice (hours of annual average training per farmer)	40	40	145	167

FIGURES OF THE PALM AGRICULTURAL DEVELOPMENT

PAYMENT DISTRIBUTION

(In thousands and millions of U.S. dollars)

	2015	2016		2015	2016
Payments to suppliers of palm fruit	47.2 (millions)	55.8 (millions)	Río Manso	3.8 (millions)	5.2 (millions)
Employer contributions IESS (Spanish acronym)	508 (thousand)	532 (thousand)		526 (thousand)	655 (thousand)
Payments SRI. Income tax and VAT	265 (thousand)	725 (thousand)		130.5 (thousand)	130.5 (thousand)

Energy & Palma

PRODUCTION BY PRODUCT TYPE (RÍO MANSO)

PRODUCT	TM 2015	TM 2016
Red palm oil	81.905 TN	96.662 TN
Palm kernel cake	12.521 TN	11.138 TN
Palm kernel oil	10.941 TN	10.067 TN
Compost - raquis	1516 TN	700 TN
Red palm oil export	4.989 TN	16.764 TN
Walnut extraction services	4.649 TN	-
Acid oil palm	60 TN	92 TN

PRODUCTION BY TYPE OF PRODUCT (ENERGY & PALMA)

PRODUCT	TM 2015	TM 2016
Red palm oil	10.506 TN	13.582 TN
Compost	12.543 TN	31.049 TN

Unfortunately the cultivation of oil palm plantations in Ecuador faces the most serious phytosanitary crisis plant that have been registered since the arrival of this plant to the country. This crisis has been produced by the advance of the disease known as the PC (putrefaction of the heart of the plants); and only in the area of San Lorenzo 15,000 hectares have been lost. The main impact of this crisis is the loss of direct and indirect jobs.

Despite this situation, the investors have invested again more than U.S.D. 30 million for replanting as described below:

ENERGY & PALMA

ACTIVITY	Unit	2015	2016
Replanting	ha	1.490,5	763,92

INNOVATING FOR THE DEVELOPMENT

416-1

We are committed to the development and innovation of products of marketable quality for the Ecuadorian households and industries at national and international level.

La Fabril has been able to learn and take advantage of the opportunities offered by Ecuador, thus, with great effort since 1968 it has become a leader company that produces international quality products and services, with local scope that positions us as a benchmark in the growth and leadership, on the basis of constant innovation in each one of our business facets.

The company invests in the research and development of oils and fats in accordance to the specific needs of the customers and the care of our consumers' health.

We have the largest oilseed refiner in the Andean Region; there we use the sublimation in the process of oils refining. This good practice is used for the first time in South America and prevents the generation of transisomers which eliminate the beneficial compounds of natural oils. In this way our oils retain their nutritional properties.

In addition, La Fabril is a pioneer in Ecuador in the research for the production of biofuels and biochemicals (biodegradable chemicals).

Today we are in the country, a leading company in the sector of edible oils and fats as well as one of the most important in the production of household soaps and toiletries. Many products have been developed for mass consumption, namely baking, pastry and home and personal care in addition to other industrial products.





INTERNATIONAL MARKET

102-6

We want to reiterate our unswerving commitment to the country's strategy: to attain a higher domestic production and to increase exports.

In fact, La Fabril is a benchmark in the Ecuadorian industry. It carries with pride the name of Ecuador to the world, offering high added value products made in accordance to the needs of customers located in dozens of countries located in Latin America, North America and Europe. Forty percent (40%) of our turnover is due to exports.

The above indicated refers to 85 exclusive export products we manufacture. Our main export products are special greases for biscuits, chocolate, creams and oils for frying. To a lesser extent we export, soaps and cosmetic products.

The geographical location of Ecuador in relation to the rest of the countries of South and North America has been invaluable for us, as we are equidistant to the Mercosur markets, and to the United States and Mexico markets, which allows us to have excellent response times compared with our competitors. In addition, with the largest mega-plant in South America, we are able to manufacture customized products for our customers, giving an excellent attention and service.

This allowed us to be present in 22 countries during 2015 and 2016, being our main destinations Venezuela, Peru, Colombia, Italy, Chile and Spain.

2015		2016	
Turnover (USD)	Tons	Turnover (USD)	Tons
\$80,298,985.78	77142.25	\$ 60,986,145.51	61168.82

During the period 2015-2016 we exported a total of 138,311 MT. The decrease in sales in terms of dollars and metric tons between these periods was basically due to the appreciation of the dollar, the fluctuation in the prices of raw materials and the currency system in Venezuela with a strong impact on the decline of our exports because it was our main market in the year 2015. These exogenous factors affected also exporters in many other countries; therefore, our main challenge for this new period is to implement strategies that mitigate that impact on the final price of our products and that will allow us to become competitive in different markets.

DISTRIBUTION OF EXPORTS BY PRODUCT TYPE

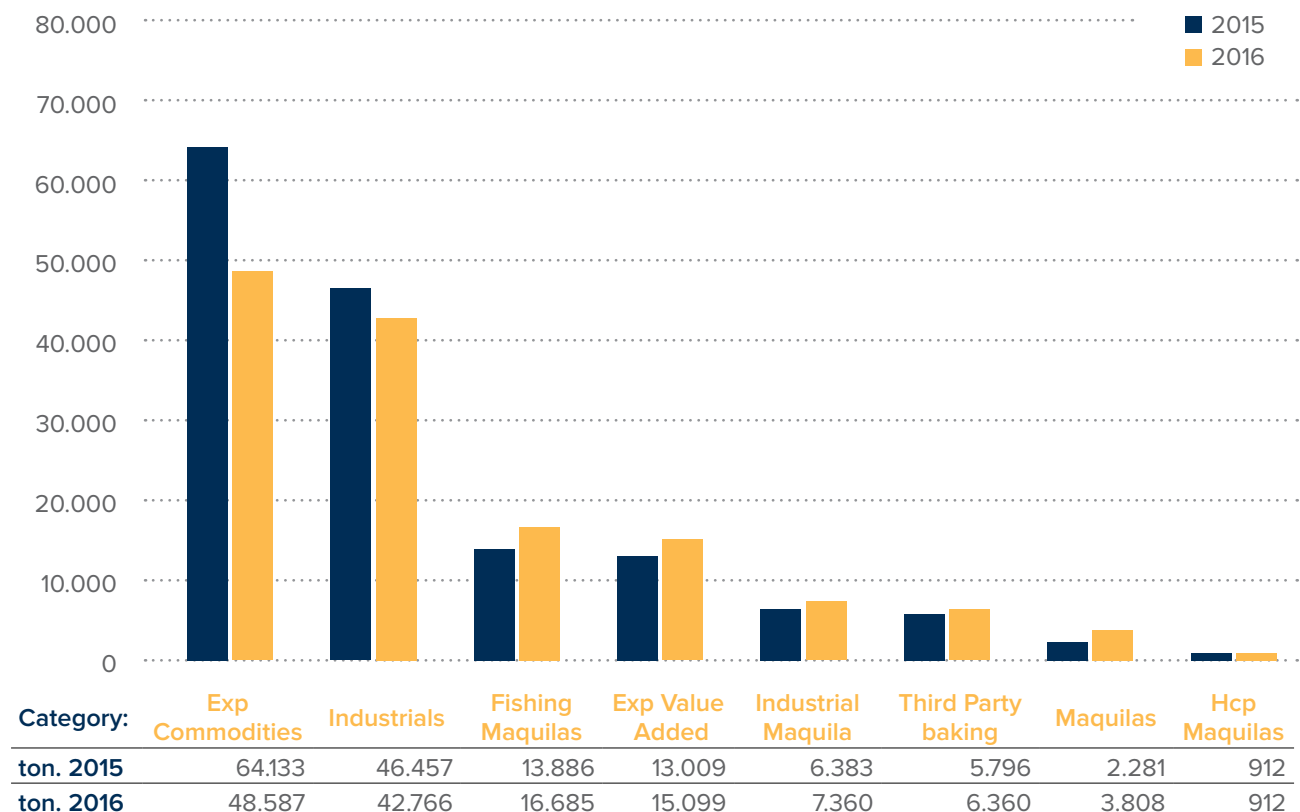
In the year 2015 the bulk category had a great participation in the total sales, this is basically due to exports



of oils in bulk to Venezuela, which accounted for 77% of all of the exportable supply. During this year the supply of bakery, chocolate, chemical industry

and consumption for households was kept, having an overall participation of 10%. For this period we continued offering Kosher certificated Products.

Sales by Category



For the year 2016, the participation of bulk sales had a reduction of exports to Venezuela, but with the increase in sales to Colombia, a participation of 49% was achieved in this sector. In addition, this year we won a tender of Petroperú, which allowed us to have a share of 27% in the category of biofuels. Also, and not less important, among the bakery, chocolate and fat base we achieved a participation of

13% on the total of the exportable supply.

PRESENCE IN THE INTERNATIONAL MARKET

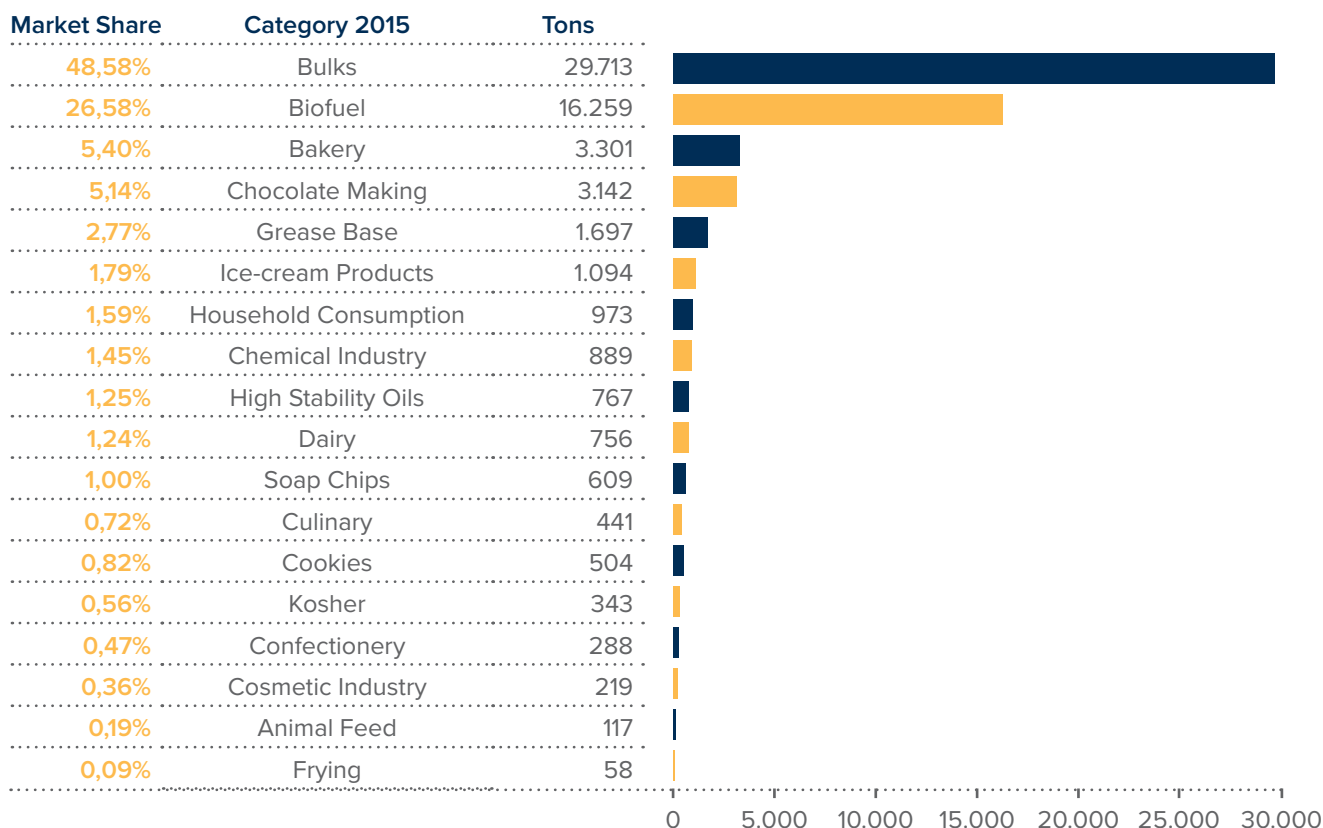
G4-6, G4-8

During the period 2015-2016 our exportable supply has had approximately 22 destination countries, being Venezuela, Perú, Colombia, Italy, Chile and Spain our major buyers.

However, while South America is our most significant market, specific efforts have been devoted to reach more market niches in Central America, Europe and Asia.

Our business strategy includes having representatives in Colombia, Venezuela, Brazil, Perú and the United States, who assist us in the search and recruitment of new and potential clients.

Sales by Category 2016



In these markets, our representatives are the filter to generate opportunities for business, they are the ones who have direct contact with the customer, analyze their needs and channel that information to our commercial area, and in this way we work in synergy to generate new business.

Our positioning and differentiation among our already established clients are our letter of introduction to search for and seize business opportunities with new customers in the rest of the countries and for the opening up of new markets; example of them are the sales to Clorox in Mexico, Colombia, Central America and Chile.

In both cases, a visit to the client or potential client in their facilities is carried out, if appropriate, or we give them the openness to visit our plant, which allows us to forge closer trade links and elucidate any concerns or suggestions.

The following table describes our sales destination in tons:

Sales Exports Tons 2015 - 2016

Country	2015 Tons	2016 Tons
Argentina	873.67	1962.02
Bolivia	119.34	191.96
Brasil	321.92	702.11
Canadá	67.61	189.56
Chile	2889.02	3928.13
China	-	621.21
Colombia	14862.81	24393.18
Costa Rica	25.92	0.29
Cuba	1407.91	764.66
Curazao	89.07	45.10
España	2535.07	3351.05
Estados Unidos	1707.08	1228.57
Guatemala	178.04	-
Haití	148.29	-
Italia	4238.39	85.76
Jamaica	105.03	78.78
México	186.41	115.84
Panamá	275.83	167.68
Perú	572.74	16888.33
Puerto Rico	378.85	500.77
Uruguay	56.86	291.79
Venezuela	46102.38	5662.02



During the period 2015-2016 there was a decrease of 21% in sales in terms of MT; this variation responds basically to the decline in commodity exports to Venezuela, a situation that arises due the exchange control system existent in that country; as a transcendental measure we decided to adapt to this market restrictions and as result, the margin of profitability dropped but we did not lose the export quota.

In the case of the added value products supply, we had a 10% growth in terms of tons; our exports to Chile, Argentina, Uruguay, Canada and Puerto Rico increased.

A SUCCESSFUL CASE



DOMESTIC MARKET

102-6

We are in constant search to achieve a connection with our clients and consumers through our products.

La Fabril is the "Industry of the Ideas" for its the permanent innovation of processes and the high quality of our products,

which comply with national and international standards.

Within the domestic market we have 32 very well known trademarks such as: La Favorita, Olimpia, Ciclón o Lavatodo. These trademarks are for the consumption of the population in general.

Additionally, among our clients there are also important industries for whom we have developed and co-developed more than 200 industrial new products, or we have made innovations of previous products, to meet their demand.



CUSTOMER CARE AND SERVICE

416-2, 417-3

La Fabril counts with the 1800-Fabril telephone line in order to maintain a fluid communication with our customers and consumers. During the period 2015 - 2016 we received more than two thousand calls, most of them being requests from clients. It should be noted that all the calls receive the necessary management to meet the requirement or concerns from the user.

It is also important to highlight that the calls for claims fell to a number of 58 versus 124 that were reported in the previous two years. This total corresponds to 39 complaints in 2015 and 19 claims in 2016. One hundred percent (100%) of these claims were properly managed.

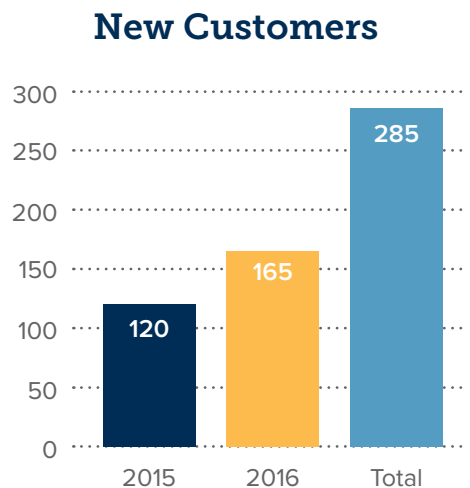
In addition, La Fabril Group respects and ensures the confidentiality in the handling of the information of employees, customers, suppliers and distributors. There were no complaints, claims or complaints for this concept.

Customer Care by Type of Matter	Received Calls 2015 - 2016	Received Call Management
Customers request	806	100%
Information on promotions	410	
Information about the company	346	
Sales information	252	
Product Information	119	
Request for visit	87	
Ordering Information	85	
Claims	58	
Other inquiries	100	

Total phone calls received: 2263

Type of claim	Quantity 2015	Quantity 2016
Seller visit	8	4
Delay in the delivery time	7	2
Non-conforming product	6	6
Problems with the carrier	5	3
Unsatisfied or incomplete delivery	7	0
Delivery of awards or promotions	2	0
Invoice pending payment	1	1
Expired product	1	0
Inconveniences with the seller	1	2
N/A	1	1
TOTAL	39	19

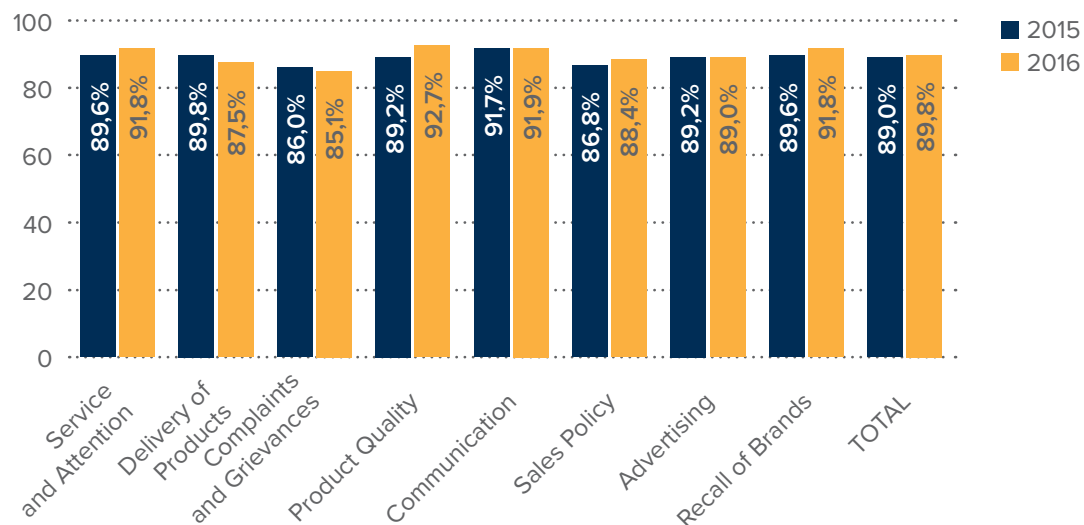
The 1800-Fabril phone line is also an opportunity to open up to new clients. During the period 2015 - 2016 we added 285 new customers to our portfolio through this means.



Customer satisfaction studies are conducted annually through surveys, emails and phone calls. In 2016, we obtained 89.8% of customer satisfaction. This is reflected in the fact that we

have low returns. However as part of our responsibility we have done recalls (revision and replacement of a product) to guarantee the total satisfaction of our customers.

Level of Satisfaction for Annual Comparative Attribute 2015 - 2016





GOOD PRACTICES

417-3

La Fabril Group has as management top priority, the defense of its consumers safety as well as the warranty for their total satisfaction. To achieve this aim, the company is subjected to rigorous international standards that guarantee the quality of the products placed on the market.

5s: It is a methodology which organizes work in a manner that minimizes waste, ensuring that the work areas are systematically clean and organized, improving productivity, security, and providing the basis for the implementation of efficient processes.

ISO 9001: It is an international standard that certifies a management system based on quality. This standard focuses on customer satisfaction and the ability to provide products and services that meet the internal and external requirements of the organization.

GPM: Good Manufacturing Practices (GMP) centralized in the hygiene and the form of manipulation are an indispensable tool for obtaining products that are safe for human consumption. They are used for the design and operation of the facilities, and for the development of processes and products related to food.



QUALITY SAFETY AND RESPONSIBILITY OF THE PRODUCTS

416-1, 416-2, 417-3



Our processes, standards and programs ensure that a product of high quality and safety be delivered to the consumer.

To control hazards related to the lack of food safety, La Fabril has the BPM, HACCP and FSSC22000 certifications, with the aim of providing products that according to their planned use, are safe for the consumer.

As part of the management, the main following procedures have been implemented to ensure food safety: the water and steam control, control of allergens, health and hygiene of the staff, cleanness and checking of the facilities, pest control, management of chemicals and wastes. In each of the products elaboration processes an analysis of risk and vulnerability has been carried out to determine the pre-requisite programs of food security and control measures of food defense.

La Fabril complies with the following regulations:

REGULATIONS

Category	Standard
Food	Health Organic Law and its Regulations
	Resolution arca of 067-2015-ggg, unified health technical regulation for processed foods, food processing plants, distribution, marketing, transport of food and catering establishments.
	Official registration N° 134 - Friday, November 29, 2013. To set maximum levels of trans fats to fats and edible oils, margarines and supplies for food industries, bakeries. Restaurants and food services (catering) (4439 Agreement)
	Alternative Health Regulations for the Labelling of Processed Foods for Human Consumption Regulation No. 5103 Official Registration No. 318 (August 25, 2014)
	Ecuadorian technical regulation RTE INEN 022 (1r) "labeling of processed, and packaged food products"
	Operating Permits Regulation No. 4712
	INEN Standard 1334-1; INEN Standard 1334-2 ; INEN Standard 1334-3
	Official registration N° 167 22-01-2014 guidelines for the implementation of the traceability
	Ecuadorian technical regulation RTE INEN 064 (1r) "edible fats and oils"
	Organic Law on Consumer Protection.
Cosmetics	Regulation concerning the authorization and control of the advertising of processed foods. Agreement No. 00000040
	Harmonization of legislation in the field of Cosmetic Products DECISION 516 CAN
	Decision 706 -CAN- Harmonization of legislation in the field of domestic hygiene and absorbent products of personal hygiene.
	Instructions for the Control and Surveillance of cosmetic products. 00002434 Agreement (Official Register 850.13-XII-2012)
	Resolution 1333. Additions to the Resolution 797 - Criteria for approval of codification in the field of cosmetics
	Resolution No. 1482. Modification of Resolution 1418: Microbiological content limits of cosmetic products
Domestic Hygiene	RTE INEN 093 - Cosmetic Products
	Harmonization of legislation in the field of domestic hygiene products and personal hygiene absorbent products Decision 706
	Resolution 1370 Formats for the NSO of domestic hygiene products

La Fabril, during the period 2015-2016 has received technical reports of post-control records issued by the Ministry of Public Health for minor breaches of the rule for food products labeling, which have been fixed in the established time.

INEN SEAL PRODUCTS

PRODUCTO	MARCA	NORMA
Edible Vegetable Oil	La Favorita	NTE INEN 34
	Favorita Vida (Light)	NTE INEN 33
	Criollo	NTE INEN 34
	Sabrosón	NTE INEN 34
Edible Butter	La Sabrosa	NTE INEN 1313
Industrial Margarine	Marva	NTE INEN 2184
Table Margarine	Girasol	NTE INEN 276
Powder Detergent	Ciclón Ultra Frutal	NTE INEN 849
	Ciclón Ultra Floral	NTE INEN 849
	Ciclón Ultra Citrus Limón	NTE INEN 849
Bar Soap	Perla Bebe	NTE INEN 839
	Megablú	NTE INEN 839
	Lava Todo 6	NTE INEN 839
Soap Toiletries Composite Type	Jolly	NTE INEN 841
	Duet	NTE INEN 841
	Defense	NTE INEN 841

In addition to regulatory compliance, La Fabril has several processes and services certified under voluntary standards that provide us with a differentiating value and allows us to enter markets such as the European Union.



CERTIFICATIONS LA FABRIL S. A.

TYPE OF CERTIFICATION	CERTIFICATION CRITERION	CERTIFIER	VALIDITY OF THE CERTIFICATE	SCOPE OF CERTIFICATION
HACCP (Hazard Analysis Critical Control Point)	Codex Alimentarius	SGS	2019	
FOOD SAFETY SYSTEM CERTIFICATION 22000	ISO 22000:2005. ISO/TS22002-1. FSSC22000	SGS	2019	
GMP (GOOD MANUFACTURING PRACTICE)	Codex Alimentarius CAC/RCP 1-1969. Rev. 4 (2003)	SGS	2019	
QUALITY MANAGEMENT SYSTEM	ISO 9001:2008	SGS	2018	
INTERNATIONAL CERTIFICATION OF SUSTAINABILITY AND CARBON	ISCC 201, 202, 203, 204, 205	scs	2018	
ORGANIC CERTIFICATION	Regulation US National Organic Program (NOP) 7 CFR Part 205, Paragraph 1 of the Regulation (CE) NO. 834/2007	BCS	2017	



During 2015 and 2016 La Fabril approved 16 food safety and quality audits required by our clients, as detailed below:

AUDIT OF QUALITY AND SAFETY OF CLIENTS 2015 - 2016

Company	Audit Date	Grade	Purchased Product
Bieirsdorf Nivea	18 y 19/03/2015	72% approved	Maquila
Pronaca	08/04/2015	96% A	Maquila
Otelo & Fabell	18/05/2015	93.75% A	Soap base
Natura	26 and 27/05/2015	Approved	65 N Extraoleic
Burger King	03/09/2015	91.09% approved	200 BK Extraoleic
Tecopesca	29/10/2015	Approved	Soy, Sunflower
Alltech Venezuela	24/11/2015	Approved	Fatty Flake SY 100
Conservas Isabel	09/12/2015	Approved	Soy, Sunflower
Mc Donalds	14 and 15/12/2015	95% level A	200 MC Extraoleic
Salica	11 and 12/02/2016	98.5 Approved	Soy, Sunflower
Grupo Superior	12/02/2016	Approved	Grasa Amiel
Seafman	05/05/2016	Approved	Soy, Sunflower
Genomma Lab Internacional	15/07/2016	97.65 Good	Maquila
Papa John's	11/08/2016	Approved	Sabrosalsa Soybean oil
KFC	04/10/2016	Quality: 91.45	Oleofry 30
Flour Industry	07/12/2016	Approved	Oils, fats, chocolate and hygiene and personal care products



A landscape photograph featuring a central, vibrant green patch of vegetation that stands out against the surrounding greyish-brown, scrubby terrain. The background shows a line of trees under a cloudy sky. A white rectangular box with rounded corners is superimposed over the green patch, containing the text 'ECOLOGICAL IDEAS'. There are also some faint green splatters or paint-like marks scattered across the upper part of the image.

ECOLOGICAL IDEAS



103-2 304-1, 307-1, 419-1

At La Fabril Group we are committed to the protection of the environment and to a sustainable development.

For the mitigation of environmental impacts, and based on the legal requirements of the environmental reforms of Agreement No. 061, Ministerial Agreement 097A, Ministerial Agreement 142, NTE INEN 2266:2013, NTE INEN 2288, our company takes into account, available environmental aspects which include issues related to the prevention, control, and criticality of the materials. This management is referred in the integrated policy and procedures relating to the prevention of environmental damage.

La Fabril maintains the certification ISO 14001:2004, also it requests external audits to a certifying entity; in addition, it conducts internal audits made up by our own trained and competent staff; the internal and external facilitators keep up-to-date the staff of the Main Plant on environmental issues; it invests in the management of disposal of its hazardous waste in a responsible manner giving these wastes to environmental managers registered in the Ministry of the Environment.

The company also makes related investments to maintain its environmental license No. 131 granted by the Ministry of the Environment on February 25, 2011, and carries out the environmental audits of compliance every 2 years as instructed by the national environmental legislation and the compliance of the Environmental Management Plan.

La Fabril has a contracted program FIEL WEB SITE, where we review the updates of the environmental legislation; a group of representatives of the legal area and security and environment, analyze month-to-month the compliance and communicate to the corresponding processes; we also have the legal matrix that identifies the requirements that the company must meet at each of its operations, and the results of its environmental monitoring. All this information is available on the intranet.

Thanks to this constant monitoring, during the period 2015 - 2016, there were neither reported breaches of the environmental law nor payment of any type of fine. Also, there have not been complaints from the community.

It should be noted that considering the location coordinates of the industrial complex La Fabril S.A., according to the UTM datum WGS 84 System, we are not in protected areas.

According to the certificate of Use of the Soil, issued by the Very Illustrious Municipality of Montecristi, the area

where La Fabril S.A. is located, is categorized as "Industrial Zone (Z1)", feasible for commercial and industrial activities.

In the same manner, the premises of the companies Energy & Palma and Río Manso, are not within protected areas. Below are the geographical coordinates of our different properties.

	Location A	Location B	Location C
Geographic Coordinates	534400 E; 9890445 N	534431 E; 9890056 N	534424 E; 9889973 N
	534503 E; 9890233 N	534652 E; 9890165 N	534452E; 9889897 N
	534269 E; 9890365 N	534508 E; 9890833 N	534333 E; 9889924 N
	534418 E; 9890074 N	534749 E; 9890949 N	534337 E; 9889838 N

Energy & Palma	
744150 E	10125869 N
744140 E	10125903 N
744216 E	10125886 N
744243 E	10125854 N
744244 E	10125827 N
744217 E	10125827 N
744218 E	10125804 N
744183 E	10125804 N
744139 E	10125808 N

Río Manso		
Extractor	Decimal Cordinates	
	Latitude	Length
La Comuna	0,3258476	-79,3709000
Monterrey	-0,0441084	-79,4947000
Riomanso	-0,5414140	-79,3704800
Provasa	0,4903620	-79,3858500

AXES OF THE ENVIRONMENTAL MANAGEMENT

103-2

Residues

Water

Energy

Infrastructure
and Technology

Sustainability in
Agriculture



ENVIRONMENTAL INVESTMENT

305-7

INVESTMENTS AND ENVIRONMENTAL EXPENSES

(in thousands of US dollars)

AÑO	RÍO MANSO	ENERGY & PALMA	MONTECRISTI INDUSTRIAL COMPLEX
2015	752	148	145
2016	1.311	159	190



GENERATED EMISSIONS

103-2

La Fabril:

STEAM GENERATOR 25287 series

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT ALLOWABLE	MEASUREMENT I JAN. 26, 2015	MEASUREMENT II JUL. 24, 2015	MEASUREMENT I JAN. 21, 2016	MEASUREMENT II AUG. 16, 2016
Total Particles	diesel	mg/Nm3	150	5.6	18.90	4.9	48.90
NOx	diesel	mg/Nm3	550	62.0	263.7	230.8	261.5
SO2	diesel	mg/Nm3	1650	172.0	559.8	93.1	300.1

STEAM GENERATOR 25276 series

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT ALLOWABLE	MEASUREMENT I JAN. 26, 2015	MEASUREMENT II JUL. 24, 2015	MEASUREMENT I JAN. 21, 2016	MEASUREMENT II AUG. 16, 2016
Total Particles	diesel	mg/Nm3	150	5.4	14.3	4.3	21.6
NOx	diesel	mg/Nm3	550	66.0	309.2	249.1	252.7
SO2	diesel	mg/Nm3	1650	167.0	38.4	49.7	260.2

STEAM GENERATOR 25259 series

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT ALLOWABLE	MEASUREMENT I JAN. 26, 2015	MEASUREMENT II JUL. 24, 2015	MEASUREMENT I JAN. 21, 2016	MEASUREMENT II AUG. 16, 2016
Total Particles	diesel	mg/Nm3	150	10.10	11.10	11.0	5.50
NOx	diesel	mg/Nm3	550	70	267	256.1	242
SO2	diesel	mg/Nm3	1650	172.0	483.4	89.5	307.6

AQUATUBULAR CAULDRON

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT ALLOWABLE	MEASUREMENT I JAN. 26, 2015	MEASUREMENT II JUL. 24, 2015	MEASUREMENT I JAN. 21, 2016	MEASUREMENT II AUG. 16, 2016
NOx	diesel	mg/Nm3	550	121.0	206.2	90.8	89.6
SO2	diesel	mg/Nm3	1650	458.0	634.9	< 21.0	907.1

Energy & Palma:

CAULDRON

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT PERMISSIBLE	MEASUREMENT 2015	MEASUREMENT 2016
Particulate Matter	Diésel	Mg/M3 Dry Gas	200	157,6	152
Nox	Diésel	Mg/M3 Dry Gas	800	66,8	101

CATERPILLAR GENERATOR

EMITTED CONTAMINANT	FUEL	UNIT	MAX. LIMIT PERMISSIBLE	MEASUREMENT 2015	MEASUREMENT 2016
Particulate Matter	Diésel	Mg/M3 Dry Gas	150	2	Not measured
Nox	Diésel	Mg/M3 Dry Gas	2000	941,7	826
So2	Diésel	Mg/M3 Dry Gas	1500	62,8	249

Río Manso

CAULDRON 1

Parameters	Units	Monterrey Plant		Río Manso Plant		La Comuna Plant		Provasa Plant	
		2015	2016	2015	2016	2015	2016	2015	2016
Carbon Monoxide (Co)	Mg/Nm3	4156	510	401	3686	28878	11942	N/A	137
Sulphur Dioxide (So2)	Mg/Nm3	0	0	0	0	0	0	N/A	0
Oxides of Nitrogen (Nox)	Mg/Nm3	472	239	60	430	398	387	N/A	386
Particulate Matter (Pm)	Mg/Nm3	330	662	787	1332	53	587	N/A	580

CAULDRON 2

Parameters	Units	Monterrey Plant		Río Manso Plant		La Comuna Plant		Provasa Plant	
		2015	2016	2015	2016	2015	2016	2015	2016
Carbon Monoxide (Co)	Mg/Nm3	N/A	4156	2769	15308	133	3622	N/A	N/A
Sulphur Dioxide (So2)	Mg/Nm3	N/A	0	0	0	0	-	N/A	N/A
Oxides of Nitrogen (Nox)	Mg/Nm3	N/A	41	51	552	564	218	N/A	N/A
Particulate Matter (Pm)	Mg/Nm3	N/A	6492	1135	2302	89	587	N/A	N/A

WATER MANAGEMENT

303-1, 303-3



We know that water is one of the most important resources for our operations, so we have been concerned to maintain a sustainable use of this resource:

- In the facilities of the Montecristi Industrial Complex approximately 20% of the residual water from the cooling towers is reused, which amounted savings for 5,631.4 m³ in 2013 and 4,941.36 m³ in 2014.
- We have focused on achieving a better management and storage of raw materials to avoid the continuous washing of tanks, waste of water and effluent discharge.

The water consumption of the companies Energy & Palma and Río Manso is shown below:

WATER CONSUMPTION	2015	2016
	M3/ HOUR	M3/ HOUR
SUPERFICIAL WATER	8.69	9.96

CONSUMPTION OF WATER IN RÍO MANSO (M3)

YEAR	EXTRACTOR			
	MONTERREY	LA COMUNA	RIO MANSO	PROVASA
2015	919.598.976	115200	84.174.408	N/A
2016	8.800.597.036	134962,24	8.085.004.543	2.280.381.873

RESIDUAL WATER

306-1

The Montecristi Industrial Complex accounts with water treatment systems that are continuously monitored, it also has an internal laboratory for analysis of our effluents on a daily basis.

The water recovery rate was determined on the basis of the amount of water that enters the Florentino coming from industrial processes and the amount of water that the WWTP (Wastewater Treatment Plant) generates as treated water; detailed values do not include the domestic water and the water of the rejections of the osmosis of the cauldrons area.

The water that is treated in the WWTP is accounted with flow meters at the output site of the Reverse Osmosis Units, the water that is recovered in the WWTP is reused in its entirety as a replacement in the 5-6 cooling systems of refinery.

Residual Water	2015	2016	Measurement Method
Biodigesters	36.000	34.200	Volumetric
WWTP Processes	25.088,73	24.967,17	Volumetric
Water Production in WWTP m ³	6.831,34 (27,2%)	7.416,91 (29,7%)	Measured Flow
Condesa WWTP	9.360 (37,3%)	9.000 (36,05%)	by weight

*2015: 27.2% of treated water is reused for the cooling systems, 37.3% is sent to Condesa WWTP, 35.5% returns to the pre-treatment.

*2016: 29.7% of treated water is reused for the cooling systems, 36.05% is sent to Condesa WWTP, 34.25% returns to the pre-treatment.

	2015	2016
Volume of water discharged to the Florentino (m ³)	25.088,73	24.967,17
Water Production in WWTP (m ³)	6.831,34	7.416,91

Montecristi Industrial Complex

ENERGY & PALMA

Effluents	2015	2016	Destination
	Ton	Ton	
	42,402	40,344	Composting and Plots

RÍO MANSO

Extractor	Processed Fruit (ton)		Generated Effluent (m ³ /ton Rff)		Total Effluent Year m ³	
	2015	2016	2015	2016	2015	2016
Rio Manso	105218,01	105000,06	0,66	0,60	69443,89	63000,04
Monterrey	114949,87	114293,47	0,61	0,59	70023,63	67776,03
La Comuna	143657,90	174507,16	0,52	0,51	74702,11	88998,65
Povasa	-	29615,35	-	0,44	-	13030,75

RESIDUES

306-2

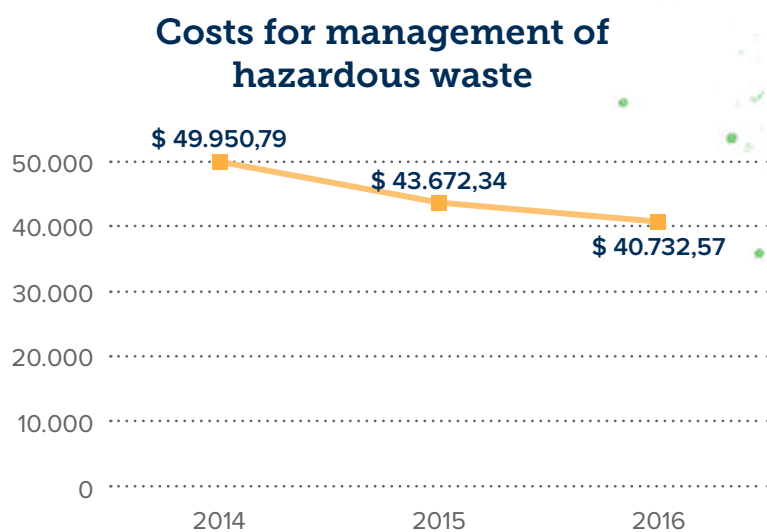
The Factory has registration of hazardous waste generation; in compliance with the environmental legislation has 2 collection centers, where pre-classified wastes are received according to their risk.



DP Code	Name of the Residue	Managed Quantities per year (Ton.)	Basel Convention Code	Treatment of Waste
NE-03	Used Mineral Oils	10.42	Y8	Final disposal
NE-06	Industrial residual water whose concentrations of Cr (VI), As, Cd, Sb, Te, Hg, Pb, cyanide, phenols or other hazardous substances exceed the maximum permitted limits (Annex 1 of Book VI of TULSMA)	3.83	Y18	Chemical Treatment
NE-07	Lead-acid used Batteries	1.25	A1180	Recovery of Material / Chemical Treatment
NE-08	Used batteries that contain Hg, Ni Cd or other hazardous materials and that exhibit endangerment characteristics	0.74	A1180	Chemical Treatment
NE-09	Scrap contaminated with hazardous materials (refrigerant gas containers)	0.08	Y18	Thermal Treatment
NE-12	Waste mineral oils unfit for their originally intended use	1.03	Y8	Thermal Treatment
NE-18	Waste of acidic solutions with PH<2	0.36	Y34	Chemical Treatment
NE-23	Chemical waste from laboratories of analysis and quality control	12.45	Y8	Thermal Treatment
NE-27	Containers contaminated with hazardous materials	0.73	A4130	Thermal Treatment / Final Disposal
NE-29	Containers of inks and solvents	0.35	A4130	Thermal Treatment
NE-30	Contaminated or damaged personal protective equipment	0.98	Y18	Thermal Treatment
NE-32	Used mineral oil filters	0.74	Y8	Thermal Treatment



DP Code	Name of the Residue	Managed Quantities per year (Ton.)	Basel Convention Code	Treatment of Waste
NE-39	Sludge + Silicate	4.98	Y18	Thermal Treatment
NE-40	Luminaires, lamps, fluorescent tubes, used saver bulbs containing mercury	1.13	A1180	Thermal Treatment / Final Disposal
NE-42	Absorbent material contaminated with hydrocarbons, waipes, cloths, rags, sawdust, barriers and other absorbent solid materials	0.16	Y18	Thermal Treatment
NE-45	Oily mixtures of hydrocarbons, water and waste of soluble oil lubricant	9.47	Y9	Thermal Treatment
NE-48	Obsolete chemicals or that are outside of specifications (fragrances)	6.98	A4130	Thermal Treatment
NE-51	Worn out organic solvents and solvent mixtures	0.35	Y6	Thermal Treatment
NE-53	Used print cartridges of ink or tonners	0.70	Y12	Thermal Treatment / Final Disposal
R.N.P	Diesel + Mud	0.74	N/A	Thermal Treatment
ES-07	Vegetable oils used in frying processes	1.01	N/A	Thermal Treatment
C.10.02	Expired chemical additive products out of specifications	0.26	N/A	Thermal Treatment
B2020	Broken glass	0.65	N/A	Encapsulation
ES-06	Electrical and electronic equipment in use that have not been disassembled, separated their components or elements	0.47	N/A	Chemical Treatment: stabilization or sodicity + final disposal
TOTAL		59.85		



Name of the residue	DP Code	Managed Quantities per year	Treatment of waste
Scrap	N/D	108,7 Ton.	RM7 (Sale - recovery of metal)
Used tires	ES-04	342 units	RM7 (development of handicrafts on the basis of rubber tires)
Empty containers of toxic materials without prior treatment	NE-29 (Y4130)	11502 units	Recovery (triple washing)

The chart below shows the sale of materials resulting from processes, these materials are removed by environmental managers, the materials described may not be used in the process due to the rules that must be met applicable to food plants. G4-EN28

WASTE AS A % OF PRODUCTION

Year	Production (Ton)	Scrap	Plastic	Cardboard	Empty containers of inputs
2015	326.576	0,05%	0,12%	0,14%	0,031%
2016	324.182	0,03%	0,13%	0,17%	0,007%

	Montecristi Industrial Complex Quantity (tons)		Río Manso Quantity (tons)		Energy &Palma Quantity (tons)		
Type of residue	2015	2016	2015	2016	2015	2016	Type of treatment
Non-hazardous							
Scrap	268	154	52.15	91.2	3.81	63	Recycling
Plastic	108	126	>0.5	>0.5	>0.5	>0.5	Recycling
Cardboard	325	411	>0.5	>0.5	>0.5	>0.5	Recycling
Organic	1362	1054	10378	112970	24.32	34.71	Sanitary landfill, and at Río Manso and at Energy & Palm organic manure and compost is produced
Annatto draff	201	310					Recycling
Land	7701	5922	-	-	-	-	Landfill
Hazardous							
Used oil	4	3	3	4	3.1	4.27	Co-processing and/ or incineration by a qualified environmental manager
Contaminated containers	4374	6858	>0.5	>0.5	>0.5	>0.5	Weight in units Recovery through a qualified environmental manager
Other (samples of laboratories, batteries, fluorescent, Tonners. among others)	30.93	36.52	>0.5	>0.5	>0.5	>0.5	Incineration through environmental manager

ELECTRIC POWER MANAGEMENT

302-1

The Montecristi Industrial Complex has an electric substation that has a voltage ratio of 69/13.8 KV; on the basis of this, the Law Governing the Electricity Sector, the Replacement Regulation of the General Regulations, the Regulation of Concessions, Permits and Licen-

ses of the electricity sector, the Environmental Regulations on electricity activities and the CONELEC Regulation No. 003/06, establish the need to submit before the National Council of Electricity (CONOLEC by its Spanish acronym), the Ex-post Final Environmental Impact Study (EIAD by its Spanish acronym). This also applies to the cauldrons of Energy & Palma.

In compliance with environmental regulations, the company has established measures to optimize the consumption of electrical energy, as well as objectives, goals and programs that are reviewed on a monthly basis, and the results are monitored for compliance with the annual goals raised.

LA FABRIL - MONTECRISTI PLANT

Acquired Electricity (kW/H)	2015	2016	Acquired Electricity (Gj)	2015	2016
kW/HI	48'675.087,0	47'672.390,0	Gj	175.230,3	171.620,6
Internal Thermoelectric Generation (kW/H)	2015	2016	Internal Thermoelectric Generation (Gj)	2015	2016
kW/H	256.369,8	15.825,0	Gj	922,9	57,0
TOTAL EN4 (Gj)				176.153,2	171.677,6

LA FABRIL - MONTECRISTI PLANT

Energy Intensity Kw-H/Ton of Produced Oil													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
Productive 2015	150	175	156	125	142	164	154	123	148	137	144	151	147
Productive 2016	152	156	168	170	160	94	152	152	149	152	141	151	150

ENERGY MANAGEMENT AT ENERGY & PALMA

ENERGY CONSUMPTION	2015	2016
DIESEL (GLS)	17.350	23,110
ELECTRIC ENERGY CONSUMPTION	2015	2016
	kWh/ton RFF	kWh/ton RFF
JANUARY TO DECEMBER CONSUMPTION	14.50	12.39
BIOMASS BURNING	ton	ton
FIBRES	3,816	5,011



RÍO MANSO

	LA COMUNA		RIO MANSO		MONTERREY		TYSAI	
	2015	2016	2015	2016	2015	2016	2015	2016
JANUARY	151592	222883	112727	164108	101306	163416	365468	348904
FEBRUARY	118206	191297	111212	139271	90808	139932	375462	328343
MARCH	120240	193923	118975	160670	101091	145043	328177	372598
APRIL	82440	215605	127502	155311	114474	150413	345148	354298
MAY	118219	208552	120561	146645	127944	157852	351848	371307
JUNE	168303	204631	144972	163173	134787	169645	346855	388696
JULY	155851	197806	145585	148597	152957	155519	368118	87556
AUGUST	153830	194196	138090	170275	135839	154119	353867	368518
SEPTEMBER	141167	205874	124266	169679	117416	150059	347682	316517
OCTOBER	134903	191652	118403	187482	125701	151903	353914	378191
NOVEMBER	143393	204875	121674	179342	114023	160250	229176	317453
DECEMBER	154367	206824	137889	127509	140923	152750	301232	367994
TOTAL	1642511	2438118	1521854	1912063	1457271	1850901	4066945	4000375



CONSUMPTION OF MATERIALS

301-1

Material	Unit	Quantity 2015	Quantity 2016
Fuel	Gallons	4,978,064.00	4,377,704.00
Covers	Units	6,098,703.00	4,791,188.00
Raw Material RFF	Kilograms	243,983,763.18	236,908,861.53
Margarines Additives	Kilograms	5,373,488.52	5,145,762.54
Chocolates Inputs	Kilograms	425,607.39	515,547.23
Inputs from Plants	Kilograms	33,552,444.21	30,555,312.34
Inputs of Interesterification	Kilograms	36,509.15	35,305.04
Caustic Soda	Kilograms	12,872,333.48	11,438,612.42
Caustic Potash	Kilograms	1,600.00	45,525.00
Fragrances	Kilograms	337,177.29	339,548.31
Plastic Sheets and Rolls	Kilograms	1,107,563.36	1,163,943.32
Silicone	Kilograms	10,109.97	10,727.85
silicate	Kilograms	372,250.00	355,100.00
Regulating device (hipo)	Kilograms	7,328,491.00	6,460,152.89
Packing Tape	Meters	20,277,125.23	18,194,255.65
Preforms	Units	13,406,187.00	13,844,519.00
Coloring Agents	Kilograms	1,443.70	742.08
Packaging material (cardboard, containers, tanks, lids, terrines, others similar)	Units	180,689,460.97	186,584,403.30



CONSUMPTION OF MATERIALS ENERGY & PALMA

Material	2015	2016
	Tons	Tons
Processed palm fruit	53,002.85	69,603.99
Obtained palm kernel	2,671.42	3,428.11
Description	Quantity TM 2015	Quantity TM 2016
Fertilizers	692	1117.08
Agrochemicals	36.19	31.36

Material	Unit	Quantity 2015	Quantity 2016
Plastic bags nursery	Units	132.650	31.650

Seed 2015/2016

Year 2015	Year 2016	#Seed/Kg	Total Kg	Ton	Seed weight/Tn
141739		4450	31.8514607	1000	0.031851461
	11218	4450	2.52089888	1000	0.002520899

Lubricants 2015

Tons	7.36
------	------

Lubricants 2016

Tons	6.93
------	------

RÍO MANSO

Year	Processed fruit (Tons)	Processed nuts (Tons)
2015	395.262	68.329
2016	476.626	62.129
TOTAL	871.888	130.458

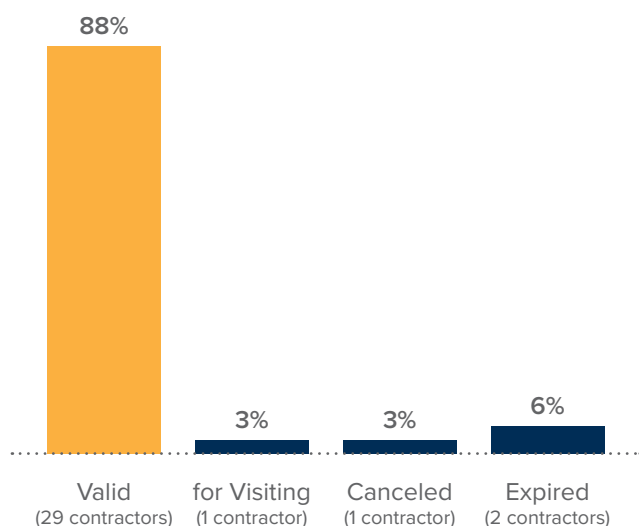
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

308-1

In order to involve the suppliers, La Fabril took the initiative to qualify them in accordance with the requirements of safety and environment, for this reason in their contracts major requirements on environmental practices and penalties in case of non-compliance are included, as part of this compliance we have implemented the system of tenders under which the suppliers compete among themselves to improve their services.

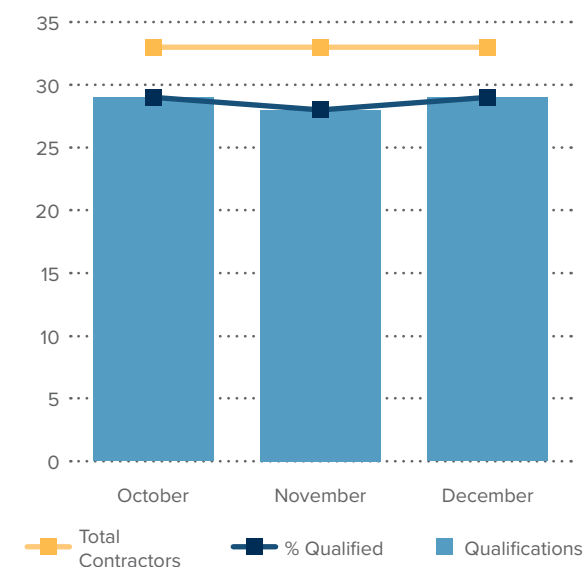
All of the 29 service providers recorded negative environmental effects related to the generation of waste, handling of hazardous products such as fuels, solvents and paints. All these elements are considered in the management of environmental aspects related to maintenance and projects. Likewise, we have helped the suppliers to define the recovery or disposal methods for the use of resources or the appropriate treatment according to their category.

Classification Status of Contractors



Percentage = (Status / Total contractors month) x 100

Advance Qualification of Contractors



% Qualified = (Valid qualified month / Total Contractors month) x 100

ENVIRONMENTAL CLAIMS

103-2, 419-1

As mentioned earlier, La Fabril has the 1800-Fabril phone line. In addition, there are 2 suggestion mailboxes available in the Montecristi Industrial Complex, one located at the entrance of the main plant gatehouse and another at the gatehouse of the multipurpose room, with the objective that the community can express their comments.

Likewise, there is a department of Communications that receives or is pending of any comments in the communication media, that could make mention of manufacturing activities within La Fabril that are not in accordance with the legal requirements and that are not in harmony with the population.

One of these cases occurred as a result of the earthquake that hit Ecuador in April 2016. The Factory has approximately 236 tanks for the preparation and storage of different products that vary in their dimensions. During the earthquake a product spill from one of the vessels occurred and it could not be contained due to the damage caused by the earthquake through the pressure of the same, then the Municipality of Manta made a claim, but La Fabril, anticipating the claim, managed the activation of its

insurance policies and implemented new security measures to prevent future similar situations.

CASES OF ENVIRONMENTAL SUCSESSES

- Definitive cancellation of bunker consumption for steam generation and improvement in the emissions results by reducing pollution and greenhouse gases; these results were evidenced by the environmental monitoring of fixed sources carried out every six months.
- After the April 16 earthquake La Fabril was able to restart normal operations in less than 15 days, there were no major losses that could cause irreversible damage to the environment.
- Not registering environmental fines that tarnish the operations of the factory, complying always with the applicable legal guidelines.
- Reduction of waste generation, utilization and marketing of recyclable waste.
- Maintaining the certification ISO 1400:2004 and the validity of the environmental license for the functioning of our operations.





**IDEAS
WITH HEART**

Our products are elaborated with proudly Ecuadorian hands.

We could not be the industry of ideas without committed, motivated, trained and innovative collaborators. That is why we consider the human talent is our most important resource and take concrete actions to take care of it and strengthen it.

From the first instant that the collaborators enter La Fabril, they know that are belonging to an ethic organization, where their rights will be respected, their comments will be listened and their talent will be valued. Their work will be carried out in a context of safety and hygiene. They will have a fair treatment without discrimination of any kind. They could associate freely to the association that they voluntarily decide to. They will receive additional social benefits to those required by law. They will be trained according to their area of work and on the basis of their performance, they may ascend in the company and make a career until they retire.

To achieve this, La Fabril is working on a number of programs of human talent such as the following:

- For the sales team, sustained programs such as Everest and Huracán.
- For operations, programs of first line such as Front Leadership.
- Multi-areas staff with a high performance team.
- Openness to continuous improvement processes through interventions of International external consul-

tants such as the London Consulting Group.

- National programs in determination of Engagement for the "Champions of the Commitment" action plans.
- Determination of high potential personnel (PAPs by its Spanish acronym) to determine lines of career or successions.
- Virtual Training with a Marketing Academy.
- Identification of psychosocial risks.

In addition to what is established by law, our collaborators receive the following benefits:

SOCIAL BENEFITS TO COLLABORATORS

Commissariat (with subsidized products)
Pharmacy
Loans
Salary Advance
Vacations Bonus
Scholarship bonus for children of workers
Bonus per birth
Compensation for length of service
Help for permanent disability or natural death
Help for death of relatives
Bonus for school supplies
Medical services for children and spouses of workers
Accident Insurance
Life Insurance
Health Insurance
Agreements with commercial houses

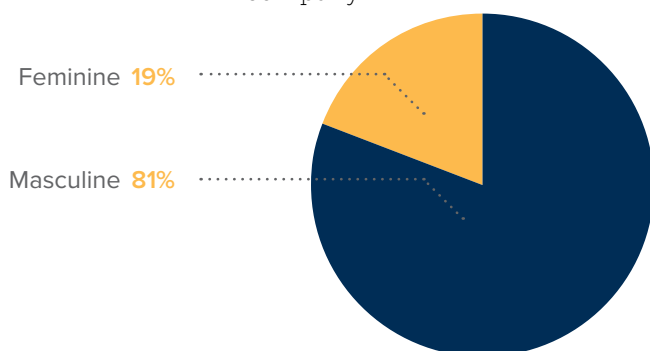


DIVERSITY AND EQUALITY OF OPPORTUNITIES

102-7, 102-8, 405-1

For La Fabril Group the equality of opportunities is something that lives within our culture. In fact, there are leaders in the company both men and women, that are responsible of different areas and the development for all of them is fair; the promotions that are carried out in the company provide the opportunity for all who are aligned to the needs of the position, independently if the applicant is a man or a woman.

Within the training plans we consider both sexes, even in programs such as Brigade members we have women who are prepared to support the issue of industrial safety in the company.



In the same way, when we seek an external candidate to fill a vacancy in the company, the process of staff recruitment, selection and hiring have equality of opportunity for all, without discrimination of race, sex, socio-economic status, political / religious belief, ethnicity. Above criteria, in accordance to the declaration in our Internal Work Regulations, Code of Ethics and compliance with legal regulations such as the Labor Code.

La Fabril belongs to the industrial sector which usually hires more people of masculine gender. On the contrary, in our company we consider equality of opportunity and therefore between 2015 and 2016, 263 women were hired for the various administrative and operating processes.

With regard to the wage-ratio, both men and women receive the same salary on the basis of their position and responsibilities without distinction of sex.

COLLABORATORS BY SEX AT NATIONAL LEVEL

LA FABRIL GROUP	2015		2016	
	MEN	WOMEN	MEN	WOMEN
La Fabril	84%	16%	81%	19%
Río Manso	91%	9%	89%	11%
Energy & Palma	81%	19%	84%	16%

LABOR COMPOSITION BY REGION

G4-EC5,G4-EC6

TOWN	YEAR	
	2015	2016
AMBATO	55	56
CUENCA	45	46
GUAYAQUIL	253	273
IBARRA	16	19
MACHALA	27	27
MANTA	55	56
MATRIZ	1761	1759
PLANTA FAVORITA	56	52
QUITO	142	144
SANTO DOMINGO	73	75
TULCAN	22	20
Total general	2505	2527

* Data DO NOT include Río Manso and Energy & Palma

COLLABORATORS AT NATIONAL LEVEL

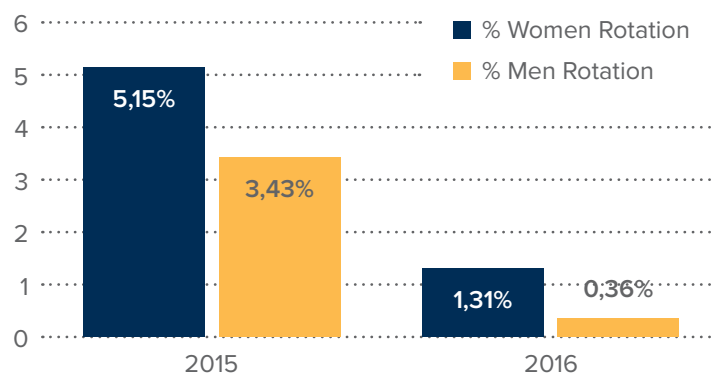
LA FABRIL GROUP	2015	2016
Río Manso	436	426
Energy & Palma	628	826

ANNUAL ROTATION

	2015	2016
La Fabril	8,58%	1,66%
Río Manso	1,67%	2,01%
Energy & Palma	6,86%	4,76%

* Average of men and women. In the case of Río Manso and Energy & Palma, rotation takes into account the seasonality of the oil palm cultivation

Rotation of Personnel 2015 - 2016



ON GOING TRAINING

103-2

In order to accompany the human talent in its development process the Industry of Ideas has created within the company, various programs of continuous training among which we can highlight the Operators School that is routed to the operational levels of the enterprise, with the aim of training the collaborators in technical skills such as mechanical, electrical, hydraulic, among others.

The main objective of the training is to equip the collaborators with the necessary knowledge to let them carry out their responsibilities with success and provide added value to the team. The idea is that each collaborator, after receiving a training, can replicate the knowledge to his/her team so that everyone can acquire the learning.

The knowledge and trainings that have generated the greatest impact in the company are those with which we were up dated into the latest versions of the regulations (Capa, Validation of processes, Lead Auditor FSSC, Cleaner production, ISO 14001 and ISO 9001 2015 version, BPM 516 of Cosmetic of

CAN and 721), in such a way that La Fabril is able to offer a quality product to the customer.

We also have continuous updates for contributors who maintain the Management Systems (Quality, Food Safety, Environment, Health and Safety at Work, Physical Security) within La Fabril, in order to permanently be in their most recent versions and provide the best product to the customer.

Keeping in mind that the industrial safety is essential to safeguard our collaborators from risks, we account with a group of Brigade members which are continually being trained in the following modules: fire fighting, first aid, evacuation, search and rescue, handling of hazardous spills.

On the other hand, the company is constantly training the leaders of the various areas in the Theory of Constraints methodology - TOC, which is part of our culture and with which we have worked to be successful. The TOC model includes the following chapters: finance and measurement,



Year	Average hours per Employee	Trained hours Operative	Trained hours Administrative	Total sw hours	Budget
2016	37,08	36.146,40	57.974,00	94.120,40	\$ 204.226,62
2015	29,93	38.349,65	36.614,30	74.963,95	\$ 135.077,00



thought processes, projects, operations, supply-distribution chain, marketing, sales, strategies and tactics, demand driven mrp.

The high-performance teams are also continuously participating in training programs to develop their skills, all this with the aim of addressing Innovation Projects that generate exceptional results for La Fabril.

On its part, in Río Manso and Energy & Palma, the major training initiatives were the following:

- Strategic Plan
- Coaching
- Industrial Safety and Occupational Health
- Social Benefits

TRAINING

	2015			2016		
	No. Trained persons	Total hours	Number of hours /man training / formation (annual average)	No. Trained persons	Total hours	Number of hours /man training/ formation (annual average)
Río Manso	344	11.138	32	363	5.357	15
Energy & Palma	628	57.148	91	826	78.470	95

PERFORMANCE ASSESSMENTS

404-3

We perform on an annual basis performance assessments that are designed to measure the human potential of our collaborators in the development of their tasks, as well as their level of productivity.

LEVEL	2015	2016
EMPLOYEE	31.05%	48.98%
OPERATIVE	68.95%	51.02%

* The percentage of La Fabril focuses on the manufacturing staff, directly involved in production. In the case of Rio Manso, data is not available.

La Fabril began with a program called Champions of the Commitment (CDC by its Spanish acronym) which seeks the psychological and emotional connection of the collaborator with the company, the idea is that this will generate greater Engagement in such a way that the collaborators continue to have excellent results but that they go hand in hand with the commitment and development of the persons.

A SUCCESSFUL CASE CHAMPIONS OF THE COMMITMENT

La Fabril has launched the strategic program "Champions of the Commitment - CDC" with the purpose of assessing, understanding and developing the commitment of its employees, as well as generating a great place to work and increasing the efficiency and productivity of the Organization. This program works in 4 important categories, namely My Manager, My Team, My Development and My Work.

To date, and in spite of all the difficult events that the company has lived, the CDC has shown significant and visible achievements in the established purposes. With this background at the end of 2016, the continuation of the program as a strategic objective was developed and the second survey was conducted on the basis of the categories raised, in order to see the progress obtained and the results achieved in this second stage. With these data we will continue working on plans of action to strengthen each element that is part of the respective categories.

FREEDOM OF ASSOCIATION

102-41

In accordance with the law, we respect the workers' right to have freedom of association and to express criteria that are necessary for the improvement of the relationship between the workers and the company.

Currently in La Fabril there are three guilds:

- Association of Employees
- National Association of Workers (men and women)
- Company Committee

The objective of these associations is to provide an opportunity in such a way that in a free and voluntary manner the person affiliates, with the aim of providing support in achieving improvements in the social, professional, cultural aspects and in the defense of the interests that are considered appropriate.

With regard to Río Manso and Energy & Palma, despite the fact that these rights enshrined in the labor law are reflected in the internal rules of procedure, the workers have constituted neither an association nor a company committee.

GUILD	YEAR	
	2015	2016
Workers Association	40%	41%
Company Committee	29%	28%
Lafabril Employees Association	30%	30%



OCCUPATIONAL HEALTH AND SAFETY

403-1, 403-2

Security focused on safe work environments is kept at La Fabril Group, in order to prevent and avoid injuries, accidents or occupational diseases, that may affect indirectly the performance of the company's activities, operations, assets, as well as the neighboring communities.

This is achieved thanks to the commitment of each collaborator with the company, through the identification and control of risk factors present in each workplace and at all levels of the organization, the continuing training in health and safety issues, training and technical advice from the support units, medical unit, brigades of first aid and against fire and the members of the Committee and Subcommittees, who together are active members of the company addressed to maintain the Health and Safety System.

In order to inform on its obligations as employer and to the workers on their obligations with the company, La Fabril maintains Internal Regulations on Safety and Health at Work which is reviewed by the Safety and Hygiene Committee and disseminated among all the company's personnel.

Throughout our organization, the practices of Health, Safety and Ma-

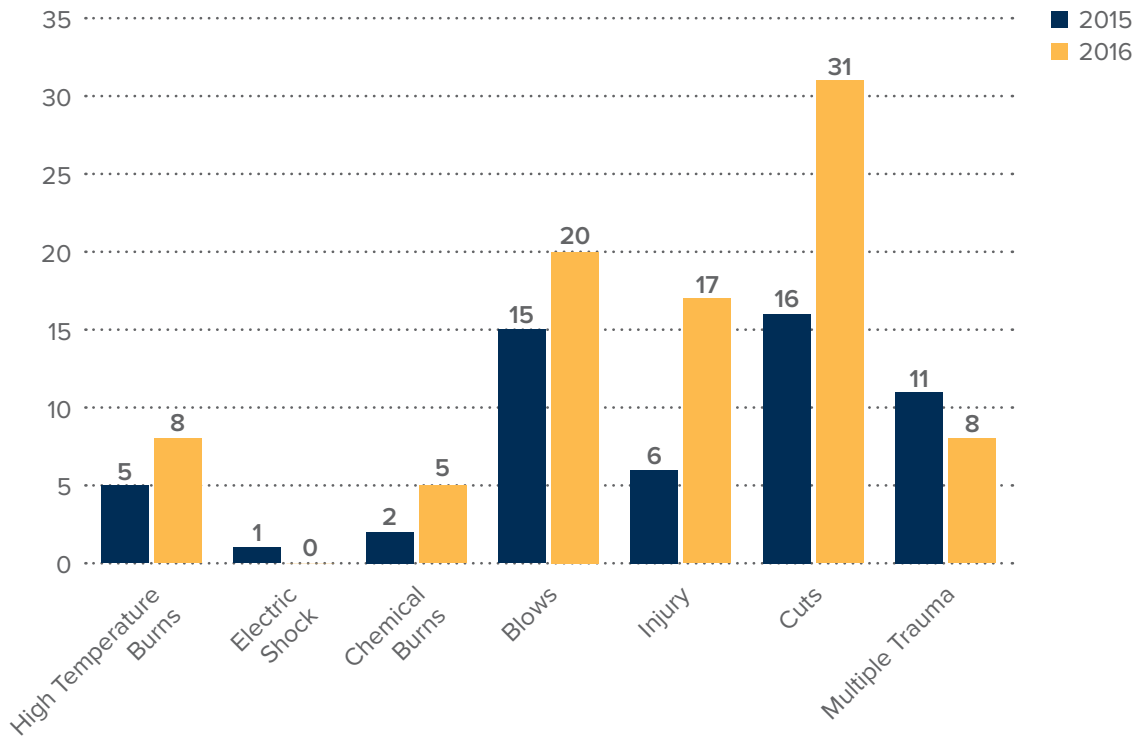
nagement are outlined with the guidelines laid down by the Ecuadorian legislation and the international standards.

INDEX OF ACCIDENTS WITH INJURIES AND TYPES OF INJURIES

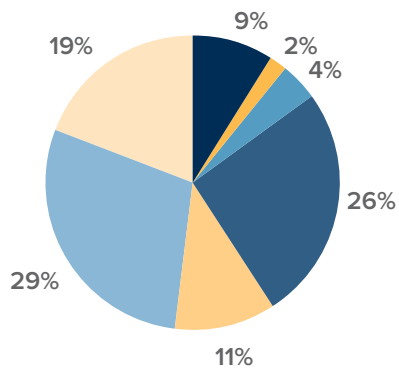
YEAR	ACCIDENTS IN ITINERE	ACCIDENTS DECLARED TO IESS (Spanish acronym)	MINOR ACCIDENTS	TOTAL
2015	12	20	24	56
2016	16	17	56	89

INJURY TYPES	2015	2016
High Temperature Burns	5	8
Electrical Shock	1	0
Chemical Burns	2	5
Blows	15	20
Injury	6	17
Cuts	16	31
Multiple Trauma	11	8
TOTAL	56	89

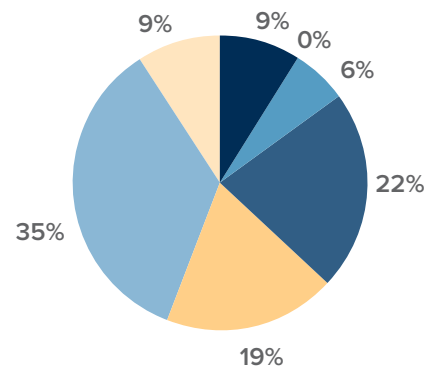
Number of accidents



Type of injury 2015



Type of injury 2016



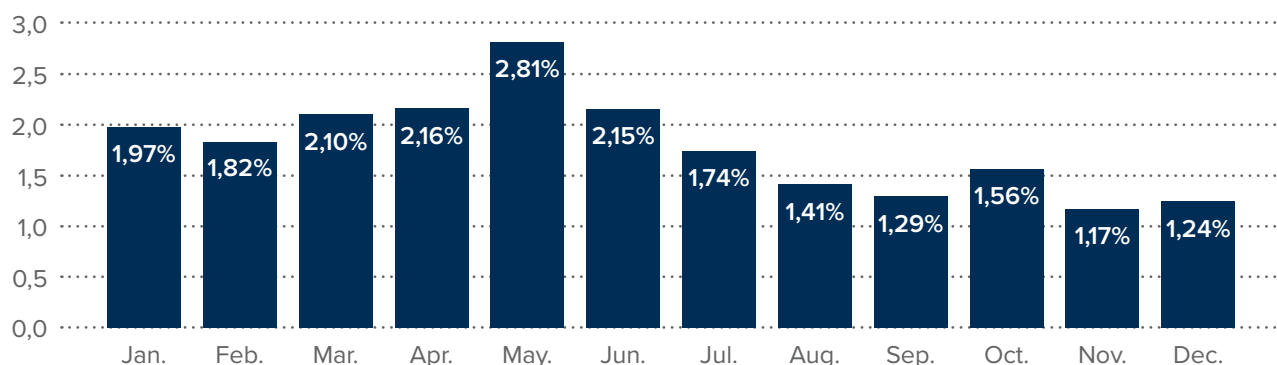
LOST DAYS

YEAR	LOST DAYS
2015	362
2016	144

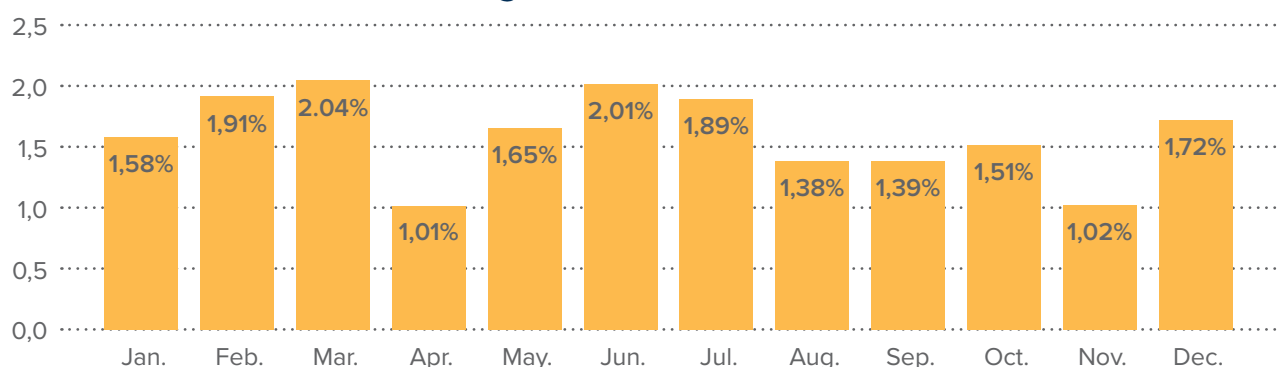
The increase of days lost from 2015 to 2016 is due to a serious accident which was presented in the month of June as a result of an electrical discharge; this led to several days of rest that in this case increased the indicator. In 2016 there have been mostly 56 minor accidents that have generated one day of rest, so that its value is inferior in this case.

ABSENTEEISM RATE

Percentage of Absenteeism - 2015



Percentage of Absenteeism - 2016



YEAR	ABSENTEEISM RATE
2015	1.79%
2016	1.59%

In the year 2015 the absenteeism rate was 1.79%, declining in 2016 to 1.59% despite the occurrence of an event of force majeure (earthquake) in the month of April.

The summary of the statistics of Occupational Safety and Health during the period 2015 - 2016 for the companies Energy & Palma and Río Manso is the following:

OCCUPATIONAL HEALTH AND SAFETY

	Energy & Palma		Río Manso	
	2015	2016	2015	2016
Total Absenteeism	982	1106	17262	13464
Accidents Rate	1%	4%	3,4%	1,7%
Lost Days	65	73	145	101
Occupational Diseases	0	0	0	0

MANAGEMENT SYSTEM OF THE OHS AND REGULATION THAT APPLIES

The management system of the Occupational Health and Safety (OHS) is made up of 4 elements: administrative management, technical management, management of human talent, and operating procedures. This allows to have a bi-annual planning that is designed with proposed objectives and goals, its compliance is reviewed at the end of the semester and those actions that have not been able to be met are rescheduled for the next quarter. Additionally, the monitoring that is performed to the established planning is done through internal audits both in the main plant and in the agencies, obtaining observations or nonconformities to the system that allow the continuous improvement of the same.

It should be noted that in the year 2015 La Fabril based its OHS management system in the resolution CD333, Regulations for the Audit System of Labor Risks, with which the company gave continuity to the planning that was being carried after the Risks from Work audit - IESS of the year 2014.

However in 2016 the Resolution CD. 513 was published, in reference to the Rules of Procedure of the General Insurance of Risks at Work, which repealed the Resolution CD.333 In the month of March.

Due to this change in legal matters, La Fabril decided to continue with the OHS management system based on Resolution 957 of the Andean Community.

NUMBER OF HOURS OF TRAINING IN OHS ISSUES

TRAINING ISSUES OHS - 2015	MAN HOURS	TOTAL PERSONS
Work Accidents.	8	8
Industrial Brigades	5277.6	1552
Integrated Policy	959	959
Confined Spaces	72	24
Compressed Gases	110	110
Risks Identification	15	15
Drill Instructions	33.25	65
Handling of Extinguishers	80	80
Handling and Labeling of Chemicals	15	15
Emergency Plan	30.75	60
Procedure for Work Permits	115	67
Internal Safety Regulations	1001	1001
Ergonomic Hazards	56	28
Selection, Use and Cleaning of EPPs	15	15
Drill	37	37
TOTAL	7824.6	4036

YEAR	TOTAL PERSONS	TRAINING HOURS
2015	4681	527.3
2016	3166	782.3

TRAINING ISSUES OHS - 2016	MAN HOURS	TOTAL PERSONS
Extinguishing System, Fire	184	23
Evacuation, Search and Rescue	3916	555
Hazardous Materials and Spill Control	2645	357
First-aid	2843	473
Hands Care	14.25	19
Risk Matrix	145	85
Showers and Eyewash Devices	160	90
Self-contained Breathing Apparatus	61.5	37
Respiratory Protective Devices	42	21
Handling of Extinguishers and Emergency Notification	50	50
Chemicals Management	81	81
Safe Operation of Forklift	8	8
Hoisting Maneuver and Work with Crane	16	8
Assessment Methods of Fire Risk	256	32
Basic Rules of Safety for Contractors	151	151
Safety Standards for Work at Height	9	9
Emergency Plan	128	128
Investigation of Accidents Procedure	101.5	60
Personal Protective Equipment Procedure	83	49
Procedure for Work Permits	6	6
Regulation of Safety and Health at Work	225.5	162
Drill	57	57
TOTAL	11183	2461

DESCRIPTION OF HEALTH CARE IN THE COMPANY (MEDICAL DISPENSARY, IN SITU, IN PLANT SERVICE)

The company La Fabril S.A. has medical dispensaries annexed to the Ecuadorian Social Security Institute (IESS in its Spanish acronym), which have the basic essential drugs for the attention of the workers in cases of emergency, work accident or sudden common disease.

Besides, the company performs functions of prevention and promotion of the workers' health within the processes, implementing all of the health programs that are proposed to avoid the damage that might occur by the common risks related to specific activities.

- a. Monitoring the compliance of Good Manufacturing Practices.
- b. Control of the personnel who prepare the food in the dining rooms.
- c. Monitoring of working places throughout on site visits to the different processes.
- d. Executing planned inspections in the plant together with the department of health and security at work.

In spite of the tropical diseases prevention training, an increase between 2015 and 2016 has happened due the fact that those are diseases of the community that cannot be controlled.

However it should be noted that between 2015 and 2016, there were no cases of occupational diseases or work related that could have affected the normal development of activities.

MEDICAL CARE AT DOCTOR'S OFFICE

General most frequent diseases

	2015	2016
Acute respiratory failure [ARF]	42%	62%
Faryngo-tonsillitis [FT]	19%	20%
Acute diarrheal disease [ADD]	17.80%	21%
Zika	0%	11%
Dengue	0%	7%
Abscess	1%	7%
Urinary tract infections [UTIs]	10%	5%
Non-occupational accidents	6%	3%
Reno-ureteral lithiasis	4%	3%
Migraine	5%	3%
Chicungunya	0%	2%

RELATED DISEASES

	2015	2016
Lumbago	8%	13%
Otitis	4%	6%
Cervical pain	4%	3%
Dermatitis	3%	3%
Painful shoulder	2%	2%
Painful foot	3%	2%
Painful hand	3%	3%
Lumbo sciatica	2%	1%
Rotator cuff syndrome	0%	1%

CONTROL OF THE MASS INDEX

	2015	2016
Overweight	13%	40%
Obese	4%	7%
Super obese	0.05	0.50%

AMOUNT OF INVESTMENT IN OHS BETWEEN 2015 - 2016

YEAR	INVESTMENT AMOUNT			
	TRAINING TO PERSONNEL	LEGAL PERMITS	TECHNICAL ASSISTANCE	EPP
2015	\$ 8.934,72	\$ 3.000,00	\$ 11.751,91	\$ 3.7531,12
2016	\$ 12.235,00	\$ 3.000,00	\$ 13.339,00	\$ 1.569,00

In 2016 there was a decrease in the personal protective equipment due a restriction on the import of these inputs on the part of the supplying companies, however this allowed to give more training to the personnel both internally and externally.

OPERATION OF OHS COMMITTEES ACCORDING TO THE LAW

According to Art. 14 of the Regulation of Health and Safety of Workers and the Improvement of the Work Environment, Executive Decree 2393, the company La Fabril has

formed one main committee and seven subcommittees of occupational safety and hygiene in its various centers of operation. An additional subcommittee was created in the Machala Agency in 2015 and in 2016.

The joint bodies whose creation is held every year, have as objective the observance of the provisions on the risks prevention, and the participation in campaigns that encourage the staff participation in the adoption of safety measures.

Work Centers	Canton	Province	2015		2016	
			Bodies Formed	No. of employees	Bodies Formed	No. of employees
No. 1	Montecristi	Manabí	Committee	1788	Committee	1830
No. 2	Guayaquil	Guayas	Subcommittee	56	Subcommittee	54
No. 3	Guayaquil	Guayas	Subcommittee	237	Subcommittee	263
No. 4	Cuenca	Azuay	Subcommittee	43	Subcommittee	45
No. 5	Ambato	Tungurahua	Subcommittee	51	Subcommittee	56
No. 6	Santo Domingo	Santo Domingo	Subcommittee	60	Subcommittee	71
No. 7	Quito	Pichincha	Subcommittee	136	Subcommittee	147
No. 8	Tulcán	Carchi	Subcommittee	22	Subcommittee	20
No. 9	El Oro	Machala	Delegate	26	Subcommittee	27
No. 10	Imbabura	Ibarra	Delegate	12	Delegate	19



**IN THE CASE OF ENERGY & PALMA,
THE FIGURES WERE THE FOLLOWING:**

JOINT COMMITTEES AND SUB-COMMITTEES

2015

It had a committee, represented by six members of the workers and six members on the part of the employer of 628 workers.

2016

It has six members of the workers and six members on the part of the employer of 826 workers.

**FOR THE OTHER COMPANIES OF LA FABRIL GROUP,
THE FIGURES WERE THE FOLLOWING**

JOINT COMMITTEES AND SUB-COMMITTEES

Energy & Palma

It had a committee, represented by six members of the workers and six members from part of the employer.

Río Manso

It had one committee and five sub-committees represented by members of the workers and the employer.

CASE OF SUCCESS OF THE OHS MANAGEMENT IN THE PERIOD 2015-2016.

SCI - II Project (2015)

The implementation project of the system against fire in its second phase was continued by the company to make its installation in the bottling plant, establishing a cost of \$836,102.00; it was built between the end of 2014 and the beginning of 2015.

This system has two bombs: one

electric and one by diesel with a capacity of 2500 gallons/minute and 150 PSI. A Jockye pump, a sprinkler system (1735 units) installed in the different wineries. It has a water reservoir tank of 910 cubic meters of capacity, 10 double intakes, 2 firefighter jack connections, 13 enclosures, and the private vertical pipe network.

Also it has a valve of interconnection with the SCI-I, as mutual support in cases of maintenance or emergencies that could arise.

POSITIVE RELATIONSHIPS WITH THE STAKEHOLDERS

Between 2015 and 2016 La Fabril Group maintained positive and respectful relationships with the communities that form part of the direct areas of the operation centers. The

company worked hand in hand with local authorities and attended in a timely manner the requirements and community consultations in La Fabril, Río Manso and Energy & Palma.



SOCIAL ACTION

413-1

Following the sustainability axis, La Fabril Group proposes and develops action plans which allow to impact positively on the quality of life of the communities. We have generated employment, a responsible industrial development and cooperation with more than 20 social causes under a strict respect for the law.

A case to highlight refers to the donation of houses made along with Cartopel to those people affected by the earthquake of April 2016.

In addition, it should be noted the activities carried out by Energy & Palma:

- Chillavi del Agua curbs and sidewalks Project.
- Aqueduct in the community La Alegría.
- Land suitability for San Javier School.
- Meetings with the communities and the Mayor's Office for new social projects.
- Ninety percent (90%) of the enterprise collaborators come from local communities.



DEVELOPMENT OF FARMERS AND THEIR FAMILIES

413-1

WORK AREA S

RÍO MANSO

2,340 hours of training in the community.

Selection process for new staff under the parameters of competences and close residence to the plants.

Diagnosis of training needs with teachers.

Training in Non-violence to women.

Talks on values to parents, at “Manuel Córdova Galarza” School and High School in the Precint La Comuna - Quinindé.

Donations and delivery of food.

Visits of universities to our plants with the objective of contributing to the development of the students to stimulate interest in the agro-industrial sector and knowledge on the extraction of palm oil. Participating Universities: ESPOCH, UTE Santo Domingo, ESPE - IASA 2, Technical University of Ambato.

ENERGY & PALMA

Projects to improve the infrastructure in collaboration with the Sectional Government.

Processes of consultation and citizen participation for new projects.

Training and advice to farmers and their families.

A large part of the partners come from the communities in the area of direct influence of the company.

Trainings on topics of industrial safety, issues related to the IESS, affiliations, contributions and credits granted by this entity for the benefit of families. Training in operations and timely response to emergencies.

COLLABORATION DURING THE EARTHQUAKE

On April 16, 2016 Ecuador suffered an earthquake of 7.8 on the Richter scale having had its epicenter in Pedernales, a few kilometers from our headquarters in Manta. La Fabril did not suffer major structural damage but, for security reasons, we were partially retaking up our operations. The first priority for us was our human capital for which we focused our attention on conducting a census to the nearly 1800 collaborators that work at the Montecristi Industrial Complex to see what were their immediate needs.

The company donated tents, mattresses, building materials and even assisted them through a humanitarian bonus. To encourage them to rebuild their homes a fair was held with the aim that the banks and construction companies offered their services to this purpose and at a lower market interest rate.

It is important to highlight the strategic alliance with our supplier named Cartopel, which donated three houses to the collaborators selected by La Fabril after an in-depth analysis.

The industry of ideas was concerned with the economic and material well-being of our employees and their families, however one of the priorities was to help improve the emotional state that the natural disaster had left in humans close to La Fabril, in this process, we received the support of the Coaching Without Borders NGO.

After the earthquake catastrophe, we thought as necessary to implement security and protective measures for the employees for which the Cartopel company facilitated us a specialist in the field of earthquakes in order to train our human talent in basic

guidelines of survival and how to handle this kind of situation during and after an earth moving; additionally La Fabril hired an expert to address the above issues.

Also, to assist the hundreds of victims, we made donations giving various types of products, such as margarines, oil, toothpaste, among others, which were distributed in various Cantons, namely Manta, Montecristi, Jaramijó, Jama, Pedernales and San Vicente. Multiple collaborators of the company in other provinces as well as customers and suppliers of La Fabril were present through the donation of other kind of products (food & drinks) that were distributed in the affected areas.

Our response resulted in:

- 120 thousand meals prepared with La Favorita oil
- 217,728 kitchenware washed with Brillex
- 65,050 shower baths with Jolly soap and shampoo
- 58,000 mouths brushed with Polar toothpaste
- 15,120 pounds of clothing washed with Lavatodo
- 5,800 baby clothes washed with Perla Bebé
- 16,000 breads made with products of the Maestro Line
- 20,000 liters of drinkable water
- 10,000 kits of food and personal hygiene





**IDEAS FOR
THE FUTURE**

COMMITMENTS FOR 2017

TO BE MORE PROFITABLE:

- To increase our offer of value-added products in 30% for the year 2017 vs. 2016.
- To certify our plantation and extraction plant of Energy & Palma with RSPO mass balance.
- To increase productivity from us and from our suppliers in 10% in terms of tons of fresh fruit, on the basis of the application at the suppliers' cultivation fields, of the good agricultural practices already used in Energy & Palma, in charge of a specialist that highlights pollination with training and sale of pollen and equipment. Also, with the delivery of inputs and fertilizers at fair prices with suitable time limits for the parties.
- Compliance with the program of renovation of oil palm planting.

TO BE FRIENDLIER WITH THE ENVIRONMENT:

- To perform the calculation of the carbon footprint, and migrate the ISO 14001:2004 standard to the 2015 version.
- To reduce the generation of waste and to use the resources by applying cleaner production methodologies.
- To maintain the environmental licenses for planting and for the extractor and successfully perform compliance audits.
- To certify with organic oil, 600 hectares of Guineensis cultivation at Energy & Palma.

TO BE MORE HUMAN:

- To keep the Champions of the Commitment Program.
- To continue developing the Program of High Power Personnel (Hipo).

- To encourage a culture of honesty, assessment and feedback.
- To develop the fifth strategic pillar of La Fabril, "Orientation toward the People".
- To be a strategic partner for the Commercial Division with regard to the facilitation of ongoing programs (Traditional Channel Sales, Supply Chain).
- To train the middle management levels of Energy & Palma with coaching techniques and philosophy.

TO HAVE MORE HEALTH AND SAFETY:

- The company will maintain the safety management system based on the rules of procedure of the Andean Instrument on Safety and Health at Work, Resolution 957, and it will make the following up through internal audits in the main plant as well as in the North Regional and South Regional agencies.
- To implement throughout the plant the project of fire detection and alarm.
- To participate in the prevention program for reduction of the drugs consumption in conjunction with the Medical Department and the Committee of Safety and Hygiene.
- To make improvements in emergency exits and safety signs at the various processes.
- To continue with the training phase in different emergency situations that may occur in the plant with the qualified Brigade members.
- To implement improvements in the spray system for the 22 project (new warehouse for chemicals) and fire protection system for the new heliport, in addition to the measures of security for the construction of the new building of Quality Control.
- To reduce the labor risks at Energy & Palma with the program of 5S.



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L A F A B R I L

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