



# **SUSTAINABILITY AND NON-FINANCIAL INFORMATION REPORT 2019**



**CORPORACIÓN HIJOS DE RIVERA, S.L.  
AND SUBSIDIARY COMPANIES**

# LETTER FROM THE CHAIRMAN RESILIENCE



Never in our recent history had we experienced circumstances as exceptional as those that are causing such impact as this year, 2020.

Following the end of the 2019 financial year, covered in this report, there has been a worldwide spread of the COVID-19 virus, which was declared an international pandemic by the World Health Organization in March 2020.

This pandemic is having a tremendous impact on people's life and health, on the behaviour of societies in all countries, as well as on the world economy, all of which have been severely affected by the direct consequences, as well as by the uncertainty generated by the threat of this new virus.

Governments have had to adopt urgent and exceptional measures, which are generally resulting in a reduction of economic and social activity, as well as the restriction of mobility and a standstill in the activity of many sectors, with important loss of income for homes, freelancers and companies to which we are no strangers.

For all these reasons, this report detailing our 2019 exercise acquires a new meaning and significance in the current situation, which makes us face, out of necessity, a challenge that lies between Sustainability and Resilience in all its spheres of application.

In the sphere of finance, because future uncertainty will pose a challenge with serious consequences in all areas of economic management, which we will only be able to face from the solvency of our family business group which is responding without hesitation in line with our culture based on ethical behaviour, effort and the capacity to make sacrifices developed and exercised throughout our over a hundred years of history.

In the social sphere, as now more than ever, all agents, both public and private, must do our utmost to support a society that is going through a critical moment and needs real commitment, one that no one can enter into half-heartedly. Investing all our resources to support and protect our employees, collaborators, suppliers, and all the communities in which we work, as we are facing the same challenge as them and in the face of which we have to stand united, now more than ever.

Lastly, and without a shadow of a doubt, in the environmental sphere, we must be aware of the real threats we are facing, such as climate change, and those we have been speaking about for many years, which are all real and we must face immediately with determination and courage.

For all this, it is our duty to strengthen our strategy, the pillar of sustainability in its broadest meaning, and we will only achieve this with everybody's commitment and actions, together, consciously and responsibly.

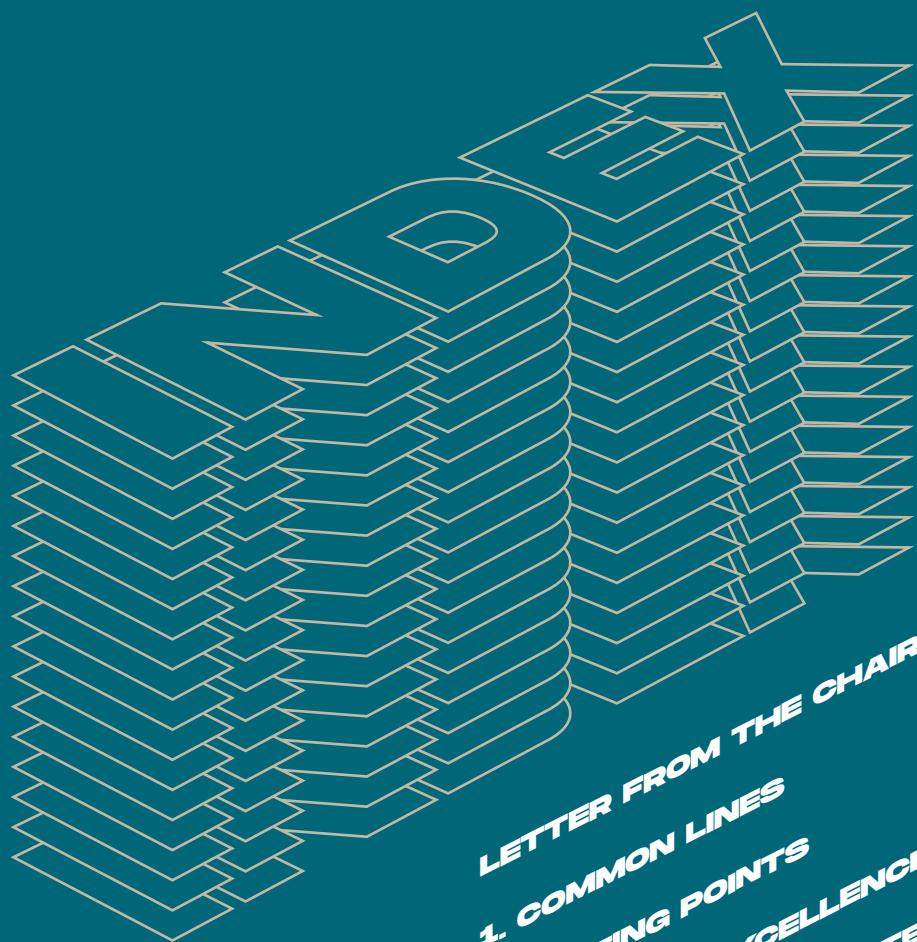
Only during these times of crisis and uncertainty and looking at the global weaknesses of our system critically, will we be even more aware of this necessary commitment and change of attitude, which is inescapable and is incumbent on all of us.

All the best to all and our most sincere gratitude.

## SANTIAGO OJEA RIVERA

Chairman

Corporación Hijos de Rivera SL



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# 2019 MILESTONES

## 2019 MILESTONES

1

Net turnover was €565 million, 11.32% higher than in the previous year.

2

We acquired 48.94% of the artisan beer Portuguese company, Fabrica de Cervejas Portuense, which makes Nortada beer.

3

We inaugurated MEGA, Mundo Estrella Galicia, over 2,500 square metres of exhibition and experiential space in A Coruña.

4

We featured in the Great Place to Work Ranking for the second consecutive year as one of the best companies to work in.

5

We joined the Fundación ONCE's INSERTA programme, a partnership whose objective is for our business group to employ disabled people within 5 years.

6

The brand *Fábrica de Cervezas Estrella Galicia* launched in Spain with eight seasonal special edition beers, all made with 100% natural ingredients.

7

We added *1906 Reserva Especial* beer to the Cerveza de Bodega business model.

8

Estrella Galicia 0,0 became the official beer of McLaren Racing.

9

We celebrated the 10th Anniversary of our music season *SON Estrella Galicia*.

10

Our collaborative entrepreneurship programme, The Hop, reached Brazil, held its second edition in Spain, and launched The Hop Intraentrepreneurship programme.







1.1



# OUR OBJECTIVE TO BE EXCELLENT

**For 113 years**, at the Corporación Hijos de Rivera group we have been working with one challenge in mind: to be excellent, combining respect for tradition with an innovative vision of the future.

Our strategic objective is to be a family brewing group consolidated in the national and international markets, specialised in the production, marketing and distribution of beverages. **We want to be recognised for the excellence of the products we make and services we carry out**, as well as for **the commitment to creating value for society and our stakeholders**, all in a sustainable manner and based on respect and **promotion of human rights, transparency, and continuous communication**.

This commitment is transferred to the different activities in which we operate:

- Brewing and marketing of **beer** and derivatives.
- Manufacturing, bottling, and marketing of **cider**.
- Bottling of natural mineral **water**.
- Manufacturing and marketing of **wines and orujos**.
- Marketing of **juices**.
- **Operating food and beverage establishments**.
- **Distribution** of drinks.
- **Execution of building works**, under commission and with contract, of facilities and finishing of premises, mainly aimed at serving as food and beverage establishments.
- **Cultivation of raw materials** associated to our products (hops, apples etc).

In all the above areas, the secret of our success resides in the constant search for excellence, prioritising a project in the mid and long term, placing it above short-term benefits.





# A RESPONSIBLE BUSINESS MODEL

**The framework of action established for our business model** and, therefore our activity in the current business environment, is based on pillars common to environmental issues, human rights with regards to the workforce, the fight against corruption and bribery, and social commitment:

## ETHICAL BEHAVIOUR

We are committed to a way of doing things under strict criteria of integrity, respect, responsibility, sustainability and ethical behaviour, which have accompanied us throughout our history. For us it is not only what we do that is important, but how we do it.

We have an ethical management model in place, made up of the Code of Ethics, the Corporate Ethics Committee, and the Ethical Channel (Canal Ético).

### Code of Ethics

This is an express declaration of the principles, values, and conduct guidelines that guide and promote the ethical behaviour of all the companies that make up the group and everyone who is part of it.

The Code guarantees the collective application of the group's commitments to the effective fulfilment of human and employment rights and the integration of all people, with its complexity and diversity, in the corporate culture.

It covers the ethical principles of action in relations with customers, suppliers, competitors, group personnel, civil society and public administrations, which are detailed throughout this report.

This policy is available both on the group's internal and corporate websites and has been shared with all group professionals. In addition, training workshops are held annually in which employees and managers of the organisation's companies participate.

### Corporate Ethics Committee

This is the body responsible for ensuring compliance, implementation, dissemination, promotion, updating and interpretation of the code, as well as for the proper functioning of procedures and protocols, and the establishment of measures that prevent its violation. There are rules in which its functions are set out.

## THE ETHICAL CHANNEL

Queries, suggestions and complaints related to the Code of Ethics that employees want to make may be addressed to the Ethics Committee via a complaints channel created for this purpose at the e-mail address: [etica@estrellagalicia.es](mailto:etica@estrellagalicia.es), or by post addressed to CORPORACIÓN HIJOS DE RIVERA, S.L., A/a. Secretario del Comité de Ética Corporativa (c/ José María Rivera Corral 6, 15008 A Coruña).

It has a set of regulations for its correct functioning.

In 2019 a complaint made by an employee through the Ethics Channel was deemed inadmissible as it was considered unfounded.

## DUE DILIGENCE

The group understands due diligence as the set of policies, procedures, measures and actions through which we identify, prevent, mitigate and control the possible negative impacts that our activities may produce on the environment, people, human rights and, in general, our stakeholders

The due diligence measures that the group has applied in response to the risks identified in each of the areas we report on are detailed throughout this report.

## COMPLAINTS MANAGEMENT

Complaints procedures are the basic pillars in due diligence processes, as they involve managing situations that may have a negative impact on the group's operational principles. The main tools that the company has available are Customer Service (*Servicio Atención al Cliente*) and the Ethical Channel (*Canal Ético*).





# LISTENING TO OUR STAKEHOLDERS

One of the key things on which our **business model** is based is the **active listening** that we carry out with the **stakeholders** that our activity has an impact on and that are related to each aspect of our value chain.

We are attentive to the new trends in our interest groups and society in general, with responsible, technological and committed citizens who are transforming social life and building a new economy, and who demand that we be active agents in the evolving model.

Below, we detail the channels through which we communicate with our stakeholders, the main activities carried out during the year and the most significant aspects for them.

STAKEHOLDERS	COMMUNICATION CHANNEL	ACTIVITIES CARRIED OUT IN 2019	HIGHLIGHTED ASPECTS
EMPLOYEES	MundoHR magazine, Employee portal (intranet), Work Council and legal representation, E-mail Notice boards, Corporate news blogs mundohr.com, internal meetings, Ethical Committee, social events, Training courses, workplace climate surveys.	Two issues of the MundoHR magazine, eight work Council meetings, 854 participants in the workplace climate survey, group Christmas dinner, 3,311 participants in training courses, 39,660 training hours, 55 participants in corporate volunteering activities.	Staff well-being: workplace health, professional career, equality and work-life balance.
AUTHORITIES	Relations with local tax, environmental, health, and employment authorities.	Meetings with the Directorate General for Taxation, communication with the Galician Regional Environmental, Planning and Housing Department, and the Xunta de Galicia Health department, and local councils.	Compliance with general regulations. Fight against fraud and bribery.
CLIENTS/ CONSUMERS	Customer Service, Advertising campaigns on the radio, printed press and Internet, social networks, Mobile applications (apps) press releases, corporate web pages, meetings with suppliers, sponsorship events, sales catalogues, participation in business and sector associations, presence at trade fairs.	Two issues of MundoHR magazine, web pages, 9,762 contacts via customer service, meeting with distributors in Brazil, National Maeloc Mixology Contest, <i>Premio Incitus</i> , publicity campaigns, national Beer Pulling Championship, Beer Master Next Generation, international beer pulling contests, events with producers from the <i>Mercado de la Cosecha</i> , national and international fairs, 10th anniversary of Son Estrella Galicia in Spain, <i>Ciclo 1906</i> , <i>Maketón Maeloc</i> programme, sport sponsorships, etc.	Beer culture programmes. Complaints management. Excellence and innovation in products and services. Being proactive with our clients' needs. Proximity to users. Active listening. Healthy products and responsible consumption. Compliance with food safety regulations.
SHAREHOLDERS	Governing body, Shareholders Annual Meeting, Shareholders channel, End of year accounts, Sustainability Report, Family Board.	Annual general meeting, and seven meetings of the Corporación Board of Directors.	Ethical behaviour, Fight against fraud and bribery. Responsible, sustainable, and committed company. Excellence of products. Group reputation. Developing good corporate governance
SOCIETY	Membership of associations and community collectives, corporate volunteering, participation in events, sport and music sponsorships, collaboration with NGOs and foundations, web pages, publicity campaigns, press releases, presence at national and international sector fairs.	Membership of over 20 sector organisations, second edition The Hop entrepreneurial programme in Spain and the first in Brazil, healthy leisure activities, sports sponsorships, cultural programmes, workshops with <i>Mercado de la Cosecha</i> producers, Hijos de Rivera Chair for Sustainable Development, collaboration with 56 associations and foundations via donations and 13 corporate volunteer group activities (55 employees participated), <i>Mercado de la Cosecha</i> , research projects (apple, hops, barley), <i>12 Miradas: Riverside programme</i> .	Respect for the environment linked to the consumption of raw materials, energy, water and other natural resources used in our production. Ethical behaviour of the organisation. Development of programmes with organisations that help collectives in need. Respect for human rights. Promotion of healthy habits. Collaboration with local communities.



# MEETING POINTS





# TOGETHER, TO GET FURTHER 2.1



At the Corporación Hijos de Rivera group, **commitment to continuous improvement and innovation** is part of our DNA, an attitude that is shared by all the 28 companies that make up the group at the close of 2019:

NAME	LOCATION	AREA OF ACTIVITY
Adega Ponte da Boga, S.L.	Ourense	Production of wines and <i>orujos</i> and their sale.
Aguas de Cabreiroá, S.A.U.	Ourense	Bottling of mineral water
Aguas de Cuevas, S.A.U.	Asturias	Bottling of mineral water
Aguas El Pilar, S.L.U.	Granada	Bottling of mineral water
Aguas envasadas en Formatos Especiales, S.L.U.	A Coruña	No activity.
Balearic Beverage Distributors Inc.	USA	Drinks distribution
Bares y Estrellas Food Services, S.L.	Madrid	Operating food and beverage establishments
Bares & Estrellas - Wine & Food Services Corporation	Philippines	Drinks distribution
Cervezas Estrella Galicia México, S. de L.R., de C.V.	Mexico	Drinks distribution
Cervinter, S.L.U.	Málaga	Drinks distribution
Cosecha de Galicia, S.L.U.	A Coruña	Planting and cultivation of hops
Carlow Craft Brewery Limited	Ireland	Production and sale of beer and derivatives
Craft Stars of the World, S.L.U.	A Coruña	Holding company
Customdrinks, S.L.U.	Lugo	Production, bottling and sale of cider
Desymo Gestión y Desarrollo de Inmuebles, S.L.U.	A Coruña	Execution of building works, under commission and with contract
Education Services Valhalla, S.L.	Madrid	Business consulting services
Estrella Galicia Importação e Comercialização de Bebidas e Alimentos, Ltda.	Brazil	Drinks distribution
Fabrica de Cervejas Portuense, PRHM TPRT, S.A.	Porto	Production and sale of beer and derivatives
Giste Cervecera, S.L.U.	A Coruña	Operating food and beverage establishments
Grupo Manantiales Con Origen Único, S.L.U.	A Coruña	Holding Company
Hijos de Rivera, S.A.U.	A Coruña	Production and sale of beer and derivatives
Hijos de Rivera Inversiones Corporativas, S.L.U.	A Coruña	Holding company
Justdrinks, Limitada	Portugal	Drinks distribution
Move Estrella Galicia Digital, S.L.U.	A Coruña	Holding company
Mundo Estrella Galicia, S.L.U.	A Coruña	Sale of brand merchandise
Rivera Business Trade (Shanghai) Co., Ltd.	China	Drinks distribution
Rivera Europe Trading Company, S.L.U.	A Coruña	Intermediation in the trade of beverages
Urban Brewing, Ltd.	Ireland	Operating food and beverage establishments

# OUR GOVERNANCE

## 2.2

At Corporación de Hijos de Rivera, we follow the best corporate governance practices, which are represented in a series of **bodies that ensure the correct governance of the group**, as well as specific **control committees** that strengthen the **integrity and honesty** of our business:

### BOARD OF DIRECTORS OF CORPORACIÓN HIJOS DE RIVERA S.L.

**Chairman**  
Santiago Ojea Rivera

Ignacio Rivera Quintana  
José María Rivera Trallero  
Fernando José Hernández Rivera  
Ramón Blanco–Rajoy Rivera  
María Josefa Ojea Rivera  
Fernando Wirz Rodríguez  
Juan Rodríguez Rivera  
Lorenzo Otero Martínez  
Carlos Blanco–Rajoy Rivera

The Audit and Management Control Committee, whose nature is voluntary, advisory, informative and has oversight, performs the following functions delegated by the Board of Directors of the Corporación: auditing of accounts and the relationship with account auditors, supervising the financial and non-financial information preparation process, and supervision of risk control and management.

### BOARD OF DIRECTORS HIJOS DE RIVERA S.A.U.

**Chairman**  
Santiago Ojea Rivera

**CEO**  
Ignacio Rivera Quintana  
  
Manuel Anca Mesejo  
Fernando José Hernández Rivera  
Ramón Blanco–Rajoy Rivera  
María Josefa Ojea Rivera  
Fernando Wirz Rodríguez  
María Romero Rivera  
Lorenzo Otero Martínez  
Carlos Blanco–Rajoy Rivera

**NEW CORPORATE POLICIES**  
In December 2019 the group's Board of Directors approved two new corporate policies: one in environmental responsibility, and the other regarding cybersecurity. Both standards constitute a general framework of action for the company as a whole and all personnel, since they establish the principles that must guide and promote responsible behaviour towards the environment, on the one hand, and mitigate risks, on the other.

### SOLE ADMINISTRATOR OF HIJOS DE RIVERA INVERSIONES CORPORATIVAS S.L.

Corporación Hijos de Rivera, S.L., represented by José María Rivera Trallero

As part of the Corporación Hijos de Rivera Board of Directors, we have working committees for consultations, information and control, which carry out the essential duties of governance:

- Audit and Management Control Committee
- Appointments and Remuneration Committee (in process of implementation)
- Strategy Committee (in process of implementation)

# CONTRIBUTING TO THE COUNTRY'S ECONOMIC GROWTH

Our ambition is to contribute to the economic growth of the country through the work we carry out. The figures obtained in 2019 evidence this and help us achieve this objective.

Our ambition is to **contribute to the economic growth of the country** through the work we carry out. The figures obtained in 2019 evidence this and help us achieve this objective.

In the month of May 2019, the socio-economic impact study of the Corporación Hijos de Rivera Group regarding the 2018 financial year was presented. This study, which was carried out for the first time in 2017, quantifies the impact of the activities of the Group using a standard model.

The study shows that over 46,500 jobs throughout Spain are linked in some way to our activity, which means that for each direct job we create, 48.4 related jobs are generated.

The group's contribution to the Spanish GDP was €2.155 billion in 2018. With regards to Galicia, the group's activity represents 1.3% of the Galician GDP and 1.63% of the active population of the community is related in any way to the group companies.

CONSOLIDATED DATA (IN EUROS)			
	2019	2018	
TURNOVER	565,248,803	507,764,992	
OPERATING COSTS	341,789,592	308,836,068	
WAGES AND SALARIES	56,849,349	49,322,213	
WELFARE CONTRIBUTIONS	14,183,390	12,201,066	
PAYMENT TO SUPPLIERS	441,978,194	398,573,011	
	2019	2018	
ENVIRONMENTAL ASSETS	4,822,661	2,567,316	
ENVIRONMENTAL EXPENSES	4,060,897	3,910,497	
	OUTSTANDING BALANCE 31-DEC-19	SUBSIDIES RECEIVED 2019	SUBSIDIES COLLECTED IN 2019
INVESTMENT SUBSIDIES	4,833,076	--	--
OPERATING SUBSIDIES	--	236,143	236,143
	2019	2018	
CONTRIBUTIONS TO PENSION PLANS	432,636	349,047	

# CONNECTED TO OUR SURROUNDINGS

**We collaborate with the most representative associations in the beverage sector.**

The objective is both to offer them support and to strengthen our position of reference within the market. We also participate in numerous associations related to the activities we carry out and to our local environment:

Cerveceros de España  
(Spanish Brewers)

Asociación Gallega de la Empresa Familiar (Association of Galician family businesses)

Instituto Empresa Familiar

APD: Asociación para el Progreso de la Dirección (Management Development Association)

Círculo de Empresarios de Galicia (Galician Business Circle)

Asociación de Amigos do CGAC

Asociación Foro Económico de Galicia

Autocontrol

Ecovidrio

"Club de los 20"

Calidalia

Asociación Española de Directivos

International Trademark Association

Asociación Española de Anunciantes

Centro Nacional de Tecnología y Seguridad Alimentaria

Ecoembes

AEUTRANSMER: Asociación Española de Usuarios del Transporte de Mercancías (Spanish Association of Freight Transport Users)

Asociación Empresarios Agrela

Asociación de Marcas Renombradas Españolas (Leading Brands of Spain Forum)

AECOC: Asociación de Fabricantes y Distribuidores (Association of Producers and Distributors)

AETCM: Asociación Española de Técnicos de Cerveza y Malta (Spanish Association of beer and malt experts)

ANEABE: Asociación Nacional de Empresas de Agua Envasada (Spanish Association of bottled water companies)

VLB (Research and Teaching Institute for Brewing in Berlin.)

Analytica-EBC

LGC Standards

AESI: Asociación Española de Sidras (Spanish Cider Association)

Asociación de Empresarios de Chantada

CLUSAGA: Clúster Alimentario de Galicia (Galician Food Cluster)

Asociación para la defensa de la marca

AUSAPE. Asociación de usuarios de SAP de España

Clúster de la Función Logística de Galicia (Logistics Function Cluster of Galicia)

ITENE. Instituto Tecnológico del Embalaje, Transporte y Logística (Technological Institute of Packaging, Transportation and Logistics)

Plataforma Tecnológica de Vino (PTV)

Consello Regulador de la Ribeira Sacra

Fundación Benéfico Docente de la Escuela Superior de Cerveza y Malta



# OUR PRESENCE IN THE WORLD

Our entrepreneurial spirit leads us to want to **continue growing**, and not only at a national level, but also **outside our borders**. Hence, **we are present in 62 countries**:

■ Subsidiaries ■ Present in

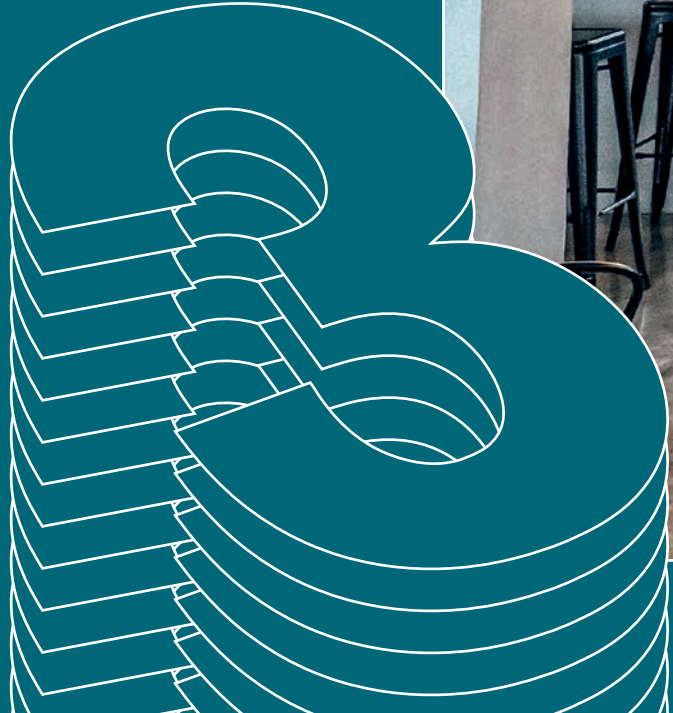
## AND WE ALSO HAVE NINE SUBSIDIARIES:

- Estrella de Galicia Importação e Comercialização de Bebidas e Alimentos, Ltda. (São Paulo, Brazil)
- Balearic Beverage Distributors Inc. (Washington, USA)
- Carlow Craft Brewery Limited (Carlow, Ireland)
- Justdrinks Limitada (Loulé, Portugal)
- Rivera Business Trade Shanghai Co. Ltd. (Shanghai, China)
- Bares & Estrellas - Wine & Food Services Corporation (Mandaluyong City, Philippines)
- Cervezas Estrella Galicia México, S. de R.L., de C.V. (Mexico DF, Mexico)
- Urban Brewing Ltd. (Dublin, Ireland)
- Fabrica de Cervejas Portuense, PRHM TPRT, S.A. (Porto, Portugal)

Andorra	Estonia	Kyrgyzstan	Singapore
Argentina	Finland	Kuwait	Slovenia
Australia	France	Malaysia	South Korea
Austria	Gambia	Latvia	South Sudan
Belgium	Germany	Lithuania	Sweden
Bolivia	Ghana	Morocco	Switzerland
Brazil	Greece	Mexico	Thailand
Chile	Guinea	Norway	Taiwan
China	Holland	Oman	Turkey
Colombia	India	Panama	United Arab Emirates
Cuba	England	Paraguay	U.S.A.
Czech Republic	Iraq	Peru	Uruguay
Denmark	Ireland	Philippines	Uzbekistan
Dominican Republic	Italy	Poland	Vietnam
Ecuador	Japan	Portugal	
Equatorial Guinea	Kazakhstan	Senegal	



# BOUND TO EXCELLENCE







# PRODUCTION CENTRES



At Corporación Hijos de Rivera **we search for excellence throughout our value chain.** This has led us to create **top quality products and services** adapted to different markets and different clients and consumers. Furthermore, **we continue to back innovation** - in all the areas in which we participate – in order to offer various alternatives within a sector as competitive as ours.

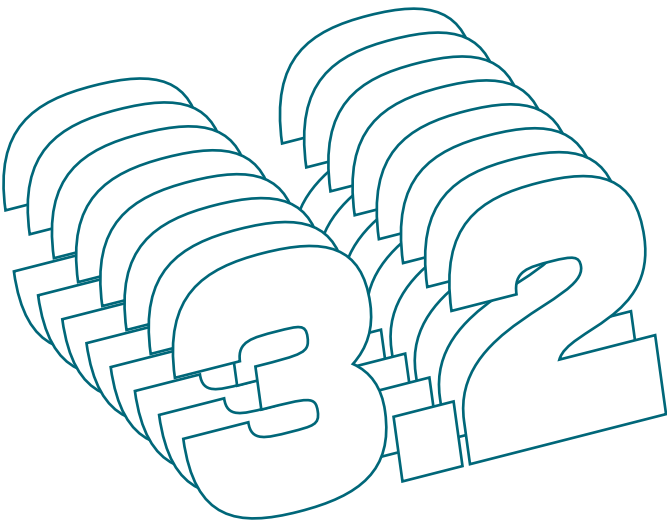
At the end of the 2019 financial year, 99% of all the group's brand products was produced in Spain.



BREWERY	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> A Grela Industrial Estate (A Coruña)</li><li>🏠 <b>SURFACE</b> 76,000 m²</li><li>📈 <b>PRODUCTION 2019</b> 347 million litres</li><li>🏠 <b>PRODUCTION CAPACITY 2020</b> 400 million litres</li><li>🏠 <b>PRODUCTION CAPACITY 2021</b> 430 million litres</li></ul>
CABREIROÁ	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> Verín (Ourense)</li><li>🏠 <b>SURFACE</b> 210,418 m²</li><li>📈 <b>PRODUCTION 2019</b> 97 million litres</li><li>💧 <b>FLOW CABREIROÁ</b> 3.5 litres/second</li><li>💧 <b>FLOW MAGMA DE CABREIROÁ</b> 13.8 litres/second</li></ul>
FONTAREL	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> Loja (Granada)</li><li>🏠 <b>SURFACE</b> 5 hectares</li><li>📈 <b>PRODUCTION 2019</b> 53 million litres</li><li>💧 <b>FLOW</b> 10 litres/second</li></ul>
AGUA DE CUEVAS	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> Felechosa (Asturias)</li><li>🏠 <b>SURFACE</b> 6,500 m²</li><li>📈 <b>PRODUCTION 2019</b> 48 million litres</li><li>💧 <b>FLOW</b> 3.5 litres/second</li></ul>
PONTE DA BOGA	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> Lg. de O Couto, San Paio Castro Caldelas (Ourense) y Lg. De San Adrián, Sacardebois, Parada de Sil (Ourense)</li><li>🏠 <b>SURFACE</b> 320,000 m²</li><li>📈 <b>PRODUCTION 2019</b> 400,000 litres</li><li>🏠 <b>CAPACIDAD PRODUCTIVA</b> 600,000 litres</li></ul>
CUSTOMDRINKS	<ul style="list-style-type: none"><li>📍 <b>LOCATION</b> Chantada (Lugo)</li><li>🏠 <b>SURFACE</b> 35,000 m²</li><li>📈 <b>PRODUCTION TOTAL 2019</b> 12.5 million litres</li><li>🏠 <b>PRODUCTION CAPACITY</b> 30 millones de litros del total de bebidas</li></ul>



# COMMITTED TO FOOD QUALITY AND SAFETY



Our production activity focuses on the **making of different beverages, mainly beer, but also cider, wine and other derivatives of apples and grapes.** Likewise, we market and distribute other beverages made by third parties.

The group, in accordance with Regulations (CE) N.º 852/2004 regarding the hygiene of foodstuffs, has implemented a Hazard Analysis and Critical Points Control System (HACCP) in its facilities that is reviewed annually by the Food Safety Team established for that purpose.

In order to ensure the health and safety of our consumers, we have a Food Safety Model both in the brewery and in the three mineral water bottling facilities.

This model is based on five pillars:

**Risk Management**

The application of methodology that allows us to identify and assess potential risks, as well as their prioritisation and the establishment of an action plan to minimise them.

**Food Defence**

Food Defence Plan with applicable measures in the company to minimise the possibility of intentional actions on products, brands and / or companies.



**Toxicological Evaluation**

Preventive methodology that measures the evaluation of potential damage to the population caused by physical, chemical and / or biological contamination of our products. We have prioritised its application based on the sensitivity of the different products and activities.

**Traceability**

The A Coruña brewery has a traceability system based on the SAP tool that allows to monitor the history, physical location and track a product throughout the value chain, from the reception of the raw material to the dispatch of the product. The robustness of the system has been proven to ensure traceability and will gradually extend to the rest of the units.

**Food Crisis Operating Procedure**

It establishes the systematics of decision making, coordination, risk communication management actions and information flow, in the following cases: management of actual or potential food safety problems and management of actions in the market that entail the withdrawal of products.

The crisis procedure is evaluated annually by conducting drills under different scenarios.

Our Food Safety model is certified by Bureau Veritas, through compliance with different standards in this area, included within the GFSI (Global Food Safety Initiatives). Likewise, we have other certifications related to the products we produce that we detail below:

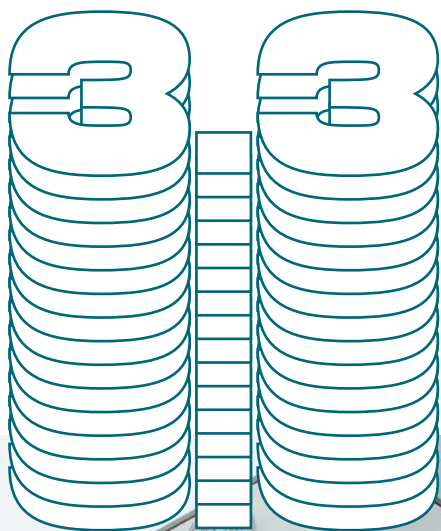
CERTIFICATION	HIJOS DE RIVERA S.A.U.	AGUAS DE CABREIROÁ S.A.U.	AGUAS DE CUEVAS S.A.	AGUAS EL PILAR S.L.U.	CUSTOMDRINKS S.L.U
UNE-EN ISO 22000:2005 Food Safety Management Systems	✓	✓	✓		✓
FSSC 22000 V4.1 + Technical specification ISO/TS 22002-1	✓		✓		
IFS Food Version 6				✓	
Galicie Calidade	✓	✓			✓
Ecological production certificate issued by the Regulatory Ecological Agriculture Council of Galicia					✓
European Licensing System (ELS). Crossed Grain symbol: <i>Cerveza Estrella Galicia Especial Sin Gluten</i>	✓				
Kosher Certification issued by the Court of the Chief Rabbi, London Beth Din	✓				
V-Label. Certification for vegans: <i>Sidras Maeloc</i> (Maeloc Ciders)					✓
Protected Geographical label "Orujos de Galicia": <i>Ilores Quenza</i>					✓



# WE ARE CLOSE

To be close to our clients and offer a personalised service that is adapted to their needs is key. That is why we have a wide logistics and sales network that allows us to be present in an efficient and immediate manner at the different distribution points.

In total, we have 29 sales areas and 18 logistics centres in Spain and Portugal, which allows us to take our products and services to the whole peninsula.



## NEW SALES OFFICE IN BERGANTIÑOS

In 2019 we inaugurated the new logistics centre in Vimianzo (A Coruña). With an area of 3,000 m<sup>2</sup> and a plot of about 4,800 m<sup>2</sup>, the Bergantiños sales office is destined for warehouses and offices, materialising the group's commitment to Galicia, through the creation of employment and wealth in the area. In addition, this year we have also made improvements in other sales offices such as Ferrol and Lugo.

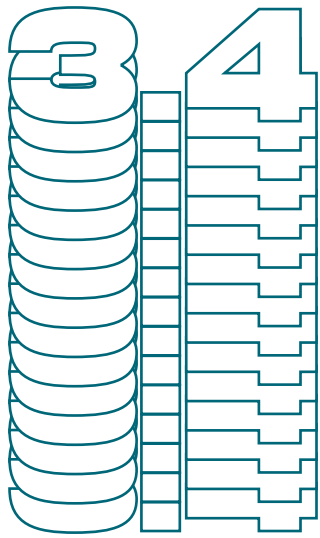


## WAREHOUSES AND LOGISTICS CENTRES MAP



## SALES AREAS MAP





# INNOVATING AT EVERY STEP

**Innovation is part of our DNA.** This commitment leads us to constantly improve the facilities that allow us to develop products for the consumer in an efficient manner and demonstrating a commitment to our surroundings.

## WE INNOVATE OUR PRODUCTS

### *Fábrica de Cervezas Estrella Galicia*

The success of previous years has encouraged us to continue researching and innovating through this label. Thus, in 2019 we launched eight recipes in Spain, recovering the classic ones made from Padrón peppers and gooseneck barnacles. Furthermore, for the first time, we launched a recipe in the Brazilian market.

### *Cervezas de la Casa*

Under this label, we continue the development of proposals based on unique recipes made with 100% natural ingredients, such as Galician hops. We have made a total of 10 beers in different styles such as the new varieties: Bock, Kolsch, Gose and Cream Ale; or relaunching others such as Saison and Weissbier, among others. From the pilot beer facilities at Customdrinks we have sent out a total of 842.97 hl into the market, 84% more than last year.

### *Vermut Rivera*

Developed by the innovation team at Customdrinks in Chantada, the new *Vermut Rivera* was added to the group's product portfolio in 2019. The differentiating factor of this product is the addition of the Cascade hop variety.

## Maeloc Organic cider in tank

We serve our Maeloc cider directly from the cellar of our cider making facilities to the bar or restaurant, minimizing the use of packaging and waste. It is available at our premises, La Tita Rivera, in Vigo.

### *1906, Cerveza de Bodega*

We continue to back formats like that of Cerveza de Bodega, allowing us to take a step further in the consumption of our products. 1906, therefore, has joined this business model in 2019 which not only reduces waste, due to the of elimination of packaging, but has also incorporated sustainable technology in its delivery trucks.

## WE INNOVATE IN CULTURE

In 2019 we opened MEGA, Mundo Estrella Galicia, an experiential and informative exhibition space that not only addresses content related to the group and its history, but also brings visitors closer to the beer world and allows them to see some of the points in the production process. More than 113 years of history within the walls of a space of over 2,500 m<sup>2</sup> whose core is the old brewhouse of our A Grela factory.

## WE INNOVATE IN OUR PROCESS

In a pilot experience that combines tradition and innovation, we have certified the Galician origin of the hops used in the limited edition of the *Fábrica de Cervezas* Galician India Pale Lager with Blockchain. This technology guarantees that the information displayed has been entered and verified by our suppliers.

In addition, we have immersed ourselves in the latest technologies such as augmented reality to improve communication between our industrial maintenance providers and plant technicians. The implementation of the Remote Technical Assistance System allows real-time and collaborative communication between our industrial maintenance providers and plant technicians.

This year, we have also automated and optimised processes related to the relationship with our customers, such as service processes in the modern on-trade channel, the digitisation of delivery notes or the automatic billing of off-trade customers, among others.

## WE INNOVATE VIA AN OPEN FORMULA

We have developed an Innovation Mailbox for the employees of Hijos de Rivera S.A.U., which is available 365 days / 24 hours a day. All ideas are evaluated by the Innovation Committee.

In the industrial area, we carried out various actions recognising the best ideas. The people who make up the brewery team came up with almost 300 individual ideas, developed 16 workshops and proposed over 37 collective improvement actions related to troubleshooting and critical or repetitive problems, that have helped achieve greater efficiency in the brewery, reliability of the facilities and significant reductions in both beer waste and rejects.

The winners were featured within the recognition system implemented at the brewery, Cabreiroá and Agua de Cuevas.

## WE INNOVATE WITH RAW MATERIALS

Through Cosecha de Galicia, S.L.U., the Corporación Hijos de Rivera group develops its production, innovation and research into raw materials projects and their integration into the beverages of our group.

### **Hops**

The group's company Cosecha de Galicia works in collaboration with bodies like CIAM, the cooperative LUTEGA and the USC. As in 2018, we have continued to work with the Laboratorio Fitopatológico de Galicia (Lafiga) on a study aimed at eradicating powdery mildew, an extremely harmful fungus for the crop. There has also been, for the seventh consecutive year, a harvest of the organic Nugget variety of hop, cultivated following the procedures outlined by the Regulatory Council of Organic Agriculture in Galicia (CRAEGA).

### **Apple**

Through the Maeloc Project we continue to study the different varieties of Galician apple in order to identify and catalogue them. We have four test fields in different parts of the Galician geography in which we have tested eleven varieties since 2015.

### **Grape**

We are immersed in the CDTI Project "BlancSacro", where we compare the agronomic and oenological potential of the Blanco Lexítimo variety in Ribeira Sacra, compared to other already consolidated varieties such as Godello and Albariño. The project started in 2018 and will serve as an alternative for wine growers in the area.

### **Barley**

We continue researching the cultivation of this cereal in various farms located in Puebla de Brollón, in the province of Lugo. The results show the adaptation of the cereal, both to the malting process and to the subsequent manufacture of beer with it.

In addition to promoting these projects, we also work very closely with producers in our region, applying the latest technological advances in the harvesting of these raw materials and respecting the environment. We acquired 2,269,321 kg of apple, of which 67.7% were from organic sources. Regarding barley, we reached a yield of about 3,100 kg /ha, one of the highest since 2009, while during the grape harvest season, we obtained 649,131 kg, 35% more than in 2018. The hop harvest was somewhat lower compared to other years, with a collection of 2,200 kg.

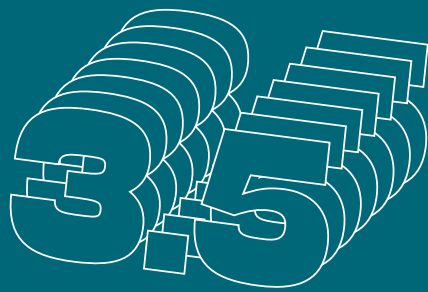
## WE INNOVATE IN A DISRUPTIVE WAY

With the development of the research project on functional drinks started in 2018, we have achieved results that will allow us to patent new innovative products in the sector.

In 2019 we launched the Hi-Bio 4.0 research project in which we work with advanced modelling tools and computational chemistry, to delve into the biotechnological processes that take place in our products. This knowledge will allow us to optimise the development of higher quality products with real functionality.

INNOVATION  
IS PART OF  
OUR DNA





# OUR BRANDS

## BEERS ESTRELLA GALICIA

Estrella Galicia Especial  
Estrella Galicia 0,0  
Estrella Galicia Sin Gluten  
La Estrella de Galicia  
Estrella Galicia Pilsen  
Cerveza de Bodega Estrella Galicia  
Estrella de Navidad 2019 (Christmas edition)



## FÁBRICA DE CERVEZAS ESTRELLA GALICIA

Galician Irish Red 'La Pelirroja'  
Con Miel de Galicia (with Galician honey)  
Bidueira  
Naranja Valencia Late (Valencian Orange)  
Galician India Pale Lager  
Grape Ale 12 Uvas  
Percebes (Gooseneck barnacles)  
Pimientos de Padrón  
Jabuticaba

## BEERS 1906

1906 Reserva Especial  
1906 Red Vintage  
1906 Black Coupage  
Cerveza de Bodega 1906



## WINES PONTE DA BOGA

Ponte da Boga Albariño  
Ponte da Boga Godello "O"  
Ponte da Boga Godello "G"  
Ponte da Boga Mencía  
Ponte da Boga Bancales Olvidados  
Ponte da Boga Capricho de Merenzao  
Ponte da Boga Expresión Histórica  
Ponte da Boga Porto de Lobos  
Ponte da Boga Fulgor



## VERMUT RIVERA

Vermut Rivera



## QUENZA

Blanco  
Licor de Hierbas  
Crema de Orujo  
Licor de café



## LICORES HIJOS DE RIVERA

Aguardiente de Orujo  
Licor de Hierbas  
Crema de Orujo  
Licor de café



## MAELOC

Cider with strawberry  
Cider with blackberry  
Cider with pear  
Cider with Pineapple & Pear  
Dry Cider  
Sweet Cider  
Natural Organic Cider  
Champagne-style organic cider  
Maeloc non-alcoholic  
Maeloc Organic Cider Vinegar



## LA TITA RIVERA

Tinto de verano  
Sangría  
Sangría Blanca  
Tinto de verano al limón  
Rebujito



## ZUVIT

Mosto Blanco  
Mosto Tinto



## TONIC

Me Tonic



## WAHR

Apple  
Aloe  
Açaí  
Coconut



## WATERS CABREIROÁ

Cabreiroá Mineral Natural Sin Gas (Still)  
Magma de Cabreiroá con Gas (Sparkling)  
Magma de Cabreiroá Original



## AGUA DE CUEVAS



## FONTAREL



# UNIQUE PRODUCTS, SUSTAINABLE FORMATS

## LAUNCHES

### NEW VERMUT RIVERA

The Cascade hop variety is the differentiating stamp of this vermouth conceived by the Customdrinks Innovation Laboratory. This product is presented in a 75cl bottle with a classic, retro image that seeks to reinforce sustainability values, promoting its reuse thanks to its swing top, which allows the container to be re-used once the product has been consumed. It is also available on tap for its service in bars.



### PONTE DA BOGA 'O' AND 'FULGOR'

Ponte da Boga launched its second Godello white in 2019, this time under the Valdeorras Denomination of Origin. After the success of 'G', their first Godello de D.O. Ribeira Sacra, the oenologists of the winery have gone one step further with the production of 'O', a new white from the same queen variety, but with a different D.O. 'G', the Godello DO Ribeira Sacra has changed to a burgundy bottle and its label is printed with heat-sensitive inks. The winery has also launched Fulgor, a fragrant and fun rosé wine, which preserves the elegance and complexity characteristic of this winery. This is the second edition of the *Vinos de Autor* collection.

## NEW SEASONAL BEERS

### FÁBRICA DE CERVEZAS ESTRELLA GALICIA

The line of seasonal beers *Fábrica de Cervezas Estrella Galicia* launched different limited editions throughout 2019, with ingredients from the land, sea and air as a common factor. The success in previous years has led our master brewers to create new recipes such as: *Fábrica de Cervezas Galician Irish Red 'La Pelirroja'*, *Fábrica de Cervezas con Miel de Galicia* (with Galician honey), *Fábrica de Cervezas Bidueira*, *Fábrica de Cervezas Naranja Valencia Late* (Valencian orange), *Fábrica de Cervezas Galician India Pale Lager* and *Fábrica de Cervezas Grape Ale 12 Uvas*. Along with them, the beers with Percebes da Costa da Morte and Pimientos de Padrón have been relaunched. In addition, this year the Jabuticaba variety was launched for the first time, the first limited edition of the *Fábrica de Cervezas Estrella Galicia* for the Brazilian market.





## SPECIAL EDITIONS

### CABREIROÁ

This year we have three special editions of the Cabreiroá labels with the Minions, Gorjuss and Trolls as protagonists. Likewise, the brand accompanied those attending the San Sebastián Film Festival with the launch of a special 1 litre edition for this festival.



### FONTAREL

Fontarel started the football season with a nod to the two clubs of which it is official water, Real Betis Balompié and Málaga CF., by presenting two special editions dressed in the colours of these teams that it has been accompanying since 2017



### ESTRELLA DE NAVIDAD

As every year, we launch our special and limited edition, Estrella de Navidad (Christmas Star), made with hops grown in Galicia. It is an edition that in recent years has been characterised by its presentation in a 75 cl champagne-style bottle, the perfect format to be shared and toasted with on these dates. In total, 110,000 litres were placed on the market.

### ESTRELLA GALICIA

We continue celebrating, alongside our clients and consumers, some of the most important festivals and traditions of our country with special editions of our Estrella Galicia bottles. In 2019 we launched special editions with labels dedicated to Carnival, the Fallas, the Ferias in Andalusia, San Isidro and El Pilar. We also launched special editions dedicated to autonomous communities such as the Balearic Islands and the Basque Country, Racing Club Ferrol football team and MEGA, Mundo Estrella Galicia.



### AGUA DE CUEVAS

In 2019, we relaunched a special edition of our 0.5l water bottles to celebrate the Descent of the Sella river. In addition, we launched the special Agua de Cuevas 'How to Train Your Dragon 3' and Agua de Cuevas 'Madagascar' editions in a 33 cl bottle format.



## NEW FORMATS



### ESTRELLA GALICIA 0,50 CL. INTERNATIONAL

On the other hand, and with the aim of adapting to international markets -especially the American - we launched a new format of Estrella Galicia 0,0 50 cl. in a can, an exclusive format within this category that is growing in popularity.

### MORE SUSTAINABLE PACKAGING

In our commitment and responsibility with the environment, we have launched two 1906 groupings whose packaging has been printed on 100% recycled paper and is FSC certified, which guarantees low environmental impact during its manufacture.

### ESTRELLA GALICIA 66 CL. IN SPAIN

In 2019, we permanently incorporated the 66cl Estrella Galicia bottle into our portfolio in Spain.

### 1906, CERVEZA DE BODEGA

In 2019, we continued to support innovation in our products. We included 1906 in our Cerveza de Bodega business model. This Project contributes to reducing the environmental impact of beer consumption, putting on the market a product with no associated packaging, minimising waste and providing delivery trucks much more advanced and sustainable technology, both with regards to consumption and emissions.

### CABREIROÁ 50% RECYCLED PET

In order to advance in sustainability and respect for the environment, Cabreiroá launched a 1L bottle with 50% recycled PET, an action that is part of a plan that will gradually incorporate recycled PET into all the group's water containers. In addition, its labels become a visual support to convey environmental awareness messages to the consumer.





# WE CONNECT WITH OUR PUBLIC

## 3.6

### CAMPAÑAS PUBLICITARIAS

#### 1906

'1906 Historias detrás de una cerveza' (Stories behind a beer) is a content project in which, with the help of the poet Benjamin Prado, we could be near the experience of artists such as Joaquín Sabina, Javier Rey or Diego Guerrero to discover stories that come out of a barrel, a theatre, a kitchen or a rehearsal room.



#### ESTRELLA GALICIA

We created 'La Resistencia' as a movement against the standardisation of beer that goes beyond an ad or an advertising campaign. It is more about "being authentic and believing in ourselves". This message is part of the declaration that our Estrella Galicia beer presents to the world. In the video, shot in part in our brewery, it is the employees who present this argument, vindicating our essence.



#### CABREIROÁ

In 2019, our water brand presented the advertising campaign "Recarga 100% natural" (100% natural charge), together with the most advanced humanoid robot in the world, Sophia, where the similarities between machines and humans are revealed as we both need to recharge.



#### SPECIAL CAMPAIGNS

We celebrated Marc Márquez's victory in the MotoGP World Championship through different amplification actions, including an ad, creative inserts in the press, and activation on social networks. In addition, the rider attended the Atresmedia programme "El Hormiguero" in the days following his World Championship victory.





# A YEAR OF RECOGNITION



ÚNETE A LA RESISTENCIA

RESISTENCIA DESDE 1906

## THE QUALITY OF OUR PRODUCTS

### World Beer Challenge:

Triple Gold for our 1906 beers

### World Beer Awards:

prize for three of the 1906 range of beers

## OUR LEADERS

Our CEO, Ignacio Rivera, achieved the highest marks in Spain in the **CEO Reprtrak Spain 2019** Report.

## OUR CAMPAIGNS AND POSITIONING

The positioning and execution strategy of Estrella Galicia in Brazil was recognised by the **Marketing Best** and **Lide Business Marketing** awards.

The '1906 Historias detrás de una cerveza' (1906 stories behind a beer) campaign won the gold medal in the **"Festival Publicitario Inspirational"** and an award at the **"Premios Eficacia" 2019**.

'La Resistencia' and 'Fábrica de Cervezas con Percebes, segunda edición' by Estrella Galicia were the winners of the **IV Premios Paraugas**.

The campaign 'Circuiter0'0s' by Estrella Galicia 0,0 won awards at the **Premios FIP**, in the 'Best Interactive App for Trade Marketing' and 'Best Loyalty and Consumer Incentive Programme' categories

We received one of the awards given by the Galician ministry for Sport at the **Galician Sports Awards 2019** for our continued support for sport throughout 2018 via sports sponsorships.

### Internacional Beer Challenge:

Silver medal for 1906 Black Coupage

### European Beer Star:

Gold star for 1906 Black Coupage

# WE ARE ONLINE

The website [www.corporacionhijosderivera.com](http://www.corporacionhijosderivera.com) collects the general information of the Group, while our brands, the group companies and subsidiaries abroad have their own websites and open communication channels on social networks.



## CORPORACIÓN HIJOS DE RIVERA

### MUNDO HR

[www.corporacionhijosderivera.com](http://www.corporacionhijosderivera.com)

### MEGA MUNDO ESTRELLA GALICIA

[www.mundohr.com](http://www.mundohr.com)

### ESTRELLA GALICIA

[www.mundoestrellagalicia.es](http://www.mundoestrellagalicia.es)

### ESTRELLA GALICIA 0,0

[www.estrellagalicia.es](http://www.estrellagalicia.es)

### CERVEZAS 1906

[www.estrellagalicia00.es](http://www.estrellagalicia00.es)

### SON ESTRELLA GALICIA

[www.cervezas1906.es](http://www.cervezas1906.es)

### CABREIROÁ

[www.estrellagalicia.es/son/](http://www.estrellagalicia.es/son/)

### CUSTOMDRINKS

[www.cabreiroa.es](http://www.cabreiroa.es)

### MAELOC

[www.customdrinks.es](http://www.customdrinks.es)

### PONTE DE BOGA

[www.maelocway.com](http://www.maelocway.com)

### LA TITA RIVERA

[www.pontedaboga.com](http://www.pontedaboga.com)

### AGUA DE CUEVAS

[www.latitarivera.com](http://www.latitarivera.com)

### FONTAREL

[www.aguadecuevas.es](http://www.aguadecuevas.es)

[www.fontarel.es](http://www.fontarel.es)

## AND OF OUR SUBSIDIARIES:

### ESTRELLA GALICIA USA

[www.estrellagaliciausa.com](http://www.estrellagaliciausa.com)

### ESTRELLA GALICIA BRAZIL

[www.estrellagalicia.com.br](http://www.estrellagalicia.com.br)

### ESTRELLA GALICIA UK

[www.estrellagaliciabeer.co.uk](http://www.estrellagaliciabeer.co.uk)

### ESTRELLA GALICIA ITALY

[birraestrellagalicia.it](http://birraestrellagalicia.it)

### ESTRELLA GALICIA PORTUGAL

[estrellagalicia.pt](http://estrellagalicia.pt)

### BARES & ESTRELLAS (PHILIPPINES)

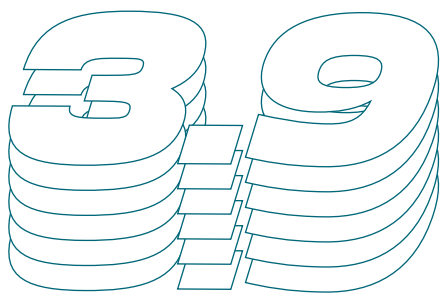
[www.bares.com.ph](http://www.bares.com.ph)

### RIVERA BUSINESS TRADE SHANGHAI (CHINA)

[www.riverashanghai.com](http://www.riverashanghai.com)



# BUSINESS DIVERSIFICATION



## DESIGN

Through company Desymo Group we offer a complete interior decoration service that draws on our experience in the sector, allowing us to advise customers at all stages on the way to creating differential spaces.

## ON-TRADE

We have our own premises that allow us to be present during our consumers' leisure time. Since the end of 2019, we have had premises in A Coruña, "La Cervecería de Cuatro Caminos"; two of "La Tita Rivera" (one in Vigo and another in Madrid), as well as a space for innovation and customer experience in Madrid called La Probeta.

## DISTRIBUTION

We distribute both our own products and other brands including O'Hara's, Erdinger, Grolsch, Peroni, Brewdog, Abadía Retuerta, Finca Allende, Cillar de Silos, Belondrade, Sanclodio, Dominio de Pingus, Finca Nueva, Marqués de Murrieta, Vallobera and Moët&Chandon.

In 2019 we added, the historic Czech brewer Budvar and the prestigious Bruges brands of the brewing group Halve Maan, Brugse Zot and Straffe Hendrik to our on and of trade distribution portfolio in Spain and Portugal.

From our origins we have had a clear **willingness to support customers** in the different needs they may have, taking a step further in the services we offer. In this way, **we have distribution, hospitality, design, customisation, merchandising and 'Beer Culture' services.**



## BEER CULTURE

**MEGA**, Mundo Estrella Galicia, opened its doors as a "place of pilgrimage" for beer lovers. On 19.06, an emblematic date for the group, this project which is integrated into the site of the Hijos de Rivera S.A.U. brewery in the A Grela industrial estate was officially inaugurated in A Coruña. It is an exhibition, experiential and informative space, consisting of 2,500 square metres that not only addresses content related to our history, but brings visitors closer to the brewing world and allows some of the different points of the production process to be seen in situ.

## CUSTOMIZATION

The Customdrinks Group company produces and packages innovative products adapted to the needs and tastes of our customers through the made-to-order concept.

## MERCHANDISING

At **MEGA**, we have a shop where we offer visitors a wide variety of merchandising products linked to our most iconic brands. In it you can find everything from official attire of our sports sponsorships in motorcycling, Formula 1 or football, to accessories and utensils linked to the brewing culture.





# PARTNERS WHO UNITE







# OUR TEAM

The Corporación Hijos de Rivera group **maintains its tradition of having people always present at the heart of the business.** We know that, without them, it would never be possible to achieve the goals we set ourselves. The talent, commitment, perseverance and hard work that each of our collaborators demonstrates day after day are the secret ingredients of a recipe that is impossible to copy and are the differentiating feature of our way of being.

Our approach to people is part of our business model, present in all our projects and helps us achieve the difficult balance between employee satisfaction and the level of demand of a leading company. This endeavour is responsible for our entry at number 14 into the Great Place to Work "Best Workplaces Ranking". In addition, we create employment, closing the last year with more than 1,200 employees.

## IN NUMBERS

The professional groups used in the indicators shown below correspond to those set out in the Hijos de Rivera S.A.U company agreement..

### TOTAL NUMBER AND DISTRIBUTION OF EMPLOYEES BY GENDER, AGE AND PROFESSIONAL CLASSIFICATION (OF 98% OF GROUP EMPLOYEES):

	2019			2018		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
<b>TOTAL EMPLOYEES</b>	230	948	1,178	213	874	1,087
<b>AGE</b>	2019			2018		
<30	133			110		
30-50	841			796		
>50	204			181		
	1,178			1,087		
<b>COUNTRY</b>	2019			2018		
Spain	1,089			1,005		
Rest of Countries (*)	89			82		
Total	1,178			1,087		
<b>PROFESSIONAL CATEGORY</b>	2019			2018		
Top management, middle management, qualified specialists	320			287		
Admin. and sales	264			243		
Plant employees and ancillary services	594			557		
	1,178			1,087		

(\*) Brazil and Portugal.





#### TOTAL NUMBER AND TYPES OF CONTRACT:

GENDER	2019			2018		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
<b>Permanent</b>	195	825	1,020	195	779	974
Full-time	187	819	1,006	176	710	886
Part-time	8	6	14	19	69	88
<b>Temporary</b>	35	123	158	30	175	205
Full-time	23	100	123	16	68	84
Part-time	12	23	35	14	107	121
	<b>230</b>	<b>948</b>	<b>1,178</b>	<b>225</b>	<b>954</b>	<b>1,179</b>

AGE	2019				2018			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
<b>Permanent</b>	81	756	183	1,020	72	729	173	974
Full-time	75	748	183	1,006	51	663	166	880
Part-time	6	8	--	14	21	66	7	94
<b>Temporary</b>	52	85	21	158	58	116	31	205
Full-time	40	76	7	123	21	41	22	84
Part-time	12	9	14	35	37	75	9	121
	<b>133</b>	<b>841</b>	<b>204</b>	<b>1,178</b>	<b>130</b>	<b>845</b>	<b>204</b>	<b>1,179</b>

PROFESSIONAL CATEGORY	2019				2018			
	Top management, middle management, qualified specialists	Admin. and sales	Plant employees and ancillary services	TOTAL	Top management, middle management, qualified specialists	Admin. and sales	Plant employees and ancillary services	TOTAL
<b>Permanent</b>	306	246	468	1,020	289	252	433	974
Full-time	304	244	458	1,006	255	219	406	880
Part-time	2	2	10	14	34	33	27	94
<b>Temporary</b>	14	18	126	158	16	13	176	205
Full-time	12	18	93	123	10	5	69	84
Part-time	2	--	33	35	6	8	107	121
	<b>320</b>	<b>264</b>	<b>594</b>	<b>1,178</b>	<b>305</b>	<b>265</b>	<b>609</b>	<b>1,179</b>



#### ANNUAL AVERAGE OF PERMANENT, TEMPORARY AND PART-TIME CONTRACTS BY GENDER AND PROFESSIONAL CATEGORY:

GENDER	2019			2018		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
<b>Permanent</b>	191.33	815.95	1,007.28	158.16	723.94	882.10
Full-time	185.86	812.19	998.05	154.95	702.98	857.93
Part-time	5.47	3.76	9.23	3.21	20.96	24.17
<b>Temporary</b>	29.49	106.10	135.59	14.64	118.14	132.78
Full-time	22.34	98.11	120.45	14.64	118.14	132.78
Part-time	7.15	7.99	15.14	--	--	--
	<b>220.82</b>	<b>922.05</b>	<b>1,142.87</b>	<b>172.80</b>	<b>842.08</b>	<b>1,014.88</b>

AGE	2019				2018			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
<b>Permanent</b>	77.03	744.81	185.46	1,007.30	64.14	653.02	164.94	882.10
Full-time	73.23	739.38	185.46	998.07	63.14	651.81	142.98	857.93
Part-time	3.80	5.43	--	9.23	1.00	1.21	21.96	24.17
<b>Temporary</b>	43.91	76.89	14.77	135.57	28.87	76.47	27.44	132.78
Full-time	38.05	72.91	9.47	120.43	28.87	76.47	27.44	132.78
Part-time	5.86	3.98	5.30	15.14	--	--	--	--
	<b>120.94</b>	<b>821.70</b>	<b>200.23</b>	<b>1,142.87</b>	<b>93.01</b>	<b>729.49</b>	<b>192.38</b>	<b>1,014.88</b>

PROFESSIONAL CATEGORY	2019				2018			
	Top management, middle management, qualified specialists	Admin. and sales	Plant employees and ancillary services	TOTAL	Top management, middle management, qualified specialists	Admin. and sales	Plant employees and ancillary services	TOTAL
<b>Permanent</b>	302.15	240.34	464.79	1,007.28	266.37	222.50	393.23	882.10
Full-time	300.47	238.84	458.74	998.05	264.77	219.00	374.16	857.93
Part-time	1.68	1.50	6.05	9.23	1.60	3.50	19.07	24.17
<b>Temporary</b>	11.39	14.34	109.86	135.59	10.49	14.05	108.24	132.78
Full-time	10.74	14.27	95.43	120.44	10.49	14.05	108.24	132.78
Part-time	0.65	0.07	14.43	15.15	--	--	--	--
	<b>313.54</b>	<b>254.68</b>	<b>574.65</b>	<b>1,142.87</b>	<b>276.86</b>	<b>236.55</b>	<b>501.47</b>	<b>1,014.88</b>



AVERAGE REMUNERATION BY AGE, PROFESSIONAL CATEGORY AND GENDER OF THE GROUP:

AGE	2019	2018	VARIATION
<30	25,230	23,281	9%
30-50	39,267	42,573	-8%
>50	57,523	57,345	--

PROFESSIONAL CATEGORY	2019	2018	VARIATION
Top management, middle management, qualified specialists	66,455	70,472	-6%
Admin. and sales	31,435	36,634	-14%
Plant employees and ancillary services	27,769	29,986	-7%

GENDER	2019	2018	VARIATION
Women	33,428	36,682	-9%
Men	42,659	44,587	-4%

The average total remuneration includes all items paid to workers in 2019 with the exception of those that are multiannual in nature.

In the 2019 financial year, five companies were incorporated into the calculation of the average remuneration that could not be included in the previous year. They operate in sectors of activity where their agreements establish, for both women and men, lower remuneration than the sectors in which most of the group's employees work, resulting in a reduction in average remuneration for 2019.

In the group there are no employees in the category of senior management. The Board of Directors consists of ten members. All executive directors are men. Non-executive directors are four men and one woman. There is no difference between the remuneration of male and female non-executive directors.

The remuneration of the members of the Board of Directors of Corporación Hijos de Rivera S.L is detailed in Note 27 of the Report of the Consolidated Annual Accounts, for the year ended December 31, 2019.

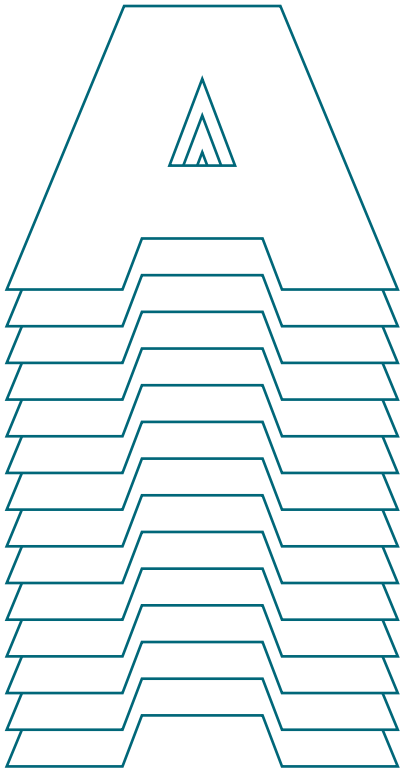
WAGE GAP

The Group's pay gap is -11.9% (-10.1% in the previous year) obtained by the difference between the median remuneration of women and that of men expressed as a percentage of the median remuneration of men. The calculation cannot be considered to reflect the reality of our group's remuneration policy in which gender pay differentiation is not contemplated or accommodated.

We have conducted a multivariate analysis on remuneration that shows that other factors influence the pay gap, so to obtain the value that is representative it would be necessary to calculate it taking into account the following aspects:

- Separate current professional categories that are not homogeneous.
- The different groups included in each professional category.
- The functional area, performance, knowledge or professional experience of the workers.
- The measures of conciliation and flexible work are used.
- The type of business activity (production, hospitality, distribution, etc.)

The wage gap obtained from the average annualised total remuneration is -21.6%.



DISABILITY

We abide by the principle of non-discrimination, on the basis of which we do not admit any case of discrimination on the grounds of people's disability. The highest concentration of workers in number in the group occurs in the production centres. The incorporation of people with disabilities is limited by issues related to the occupational safety of the same.

EMPLOYEES WITH DISABILITIES BY PROFESSIONAL ROLE AND GENDER:

AGE	TOP MANAGEMENT, MIDDLE MANAGEMENT, QUALIFIED SPECIALISTS		TOP MANAGEMENT, MIDDLE MANAGEMENT, QUALIFIED SPECIALISTS		PLANT EMPLOYEES AND ANCILLARY SERVICES		TOTAL	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
YEAR 2019								
<30	--	--	--	--	--	1	--	1
30-50	--	1	--	4	--	3	--	8
>50	--	1	--	1	--	4	--	6
	--	2	--	5	--	8	--	15
YEAR 2018								
<30	--	--	1	1	1	2	2	3
30-50	1	3	2	8	3	--	6	11
>50	--	1	3	--	1	--	4	1
	1	4	6	9	5	2	12	15

At Hijos de Rivera S.A.U. employees with disabilities have reached 2.28% of the company's average workforce (2.78% in the 2018 financial year). Of this percentage, 53.91% corresponds to direct employment (48.40% in the 2018 financial year) and the rest to LGD (General Law on the Rights of Persons with Disabilities) agreements, through which we have purchased goods and services offered by special centres, which represent an amount equivalent to the recruitment of 7.69 persons with disabilities (9.6 people in the 2018 financial year).

NUMBER OF DISMISSALS BY GENDER, AGE AND PROFESSIONAL CATEGORY:

AGE	2019	2018
<30	3	5
30-50	23	17
>50	6	5
	32	27

PROFESSIONAL CATEGORY	2019	2018
Top management, middle management, qualified specialists	--	8
Admin. and sales	12	17
Plant employees and ancillary services	9	2
	21	27

GENDER	2019	2018
Women	10	8
Men	22	19
	32	27



# BECAUSE OF AND FOR PEOPLE

**Creating an environment in which people can deliver the best of themselves** and develop as professionals while maintaining a high level of commitment and satisfaction is a long-term challenge that we address in two ways.

On the one hand, we want to maintain the balance between a strategic vision of the future of our business and the demands of everyday life. This is key to aligning our teams with the challenges we face. On the other hand, the evolution of organisational structure and work processes must take into account the human dimension to facilitate adaptation, change and two-way communication with all our teams.

## WE SUPPORT WELL-BEING

The well-being of the workforce, understood in its broadest sense (occupational health, training, remuneration, conciliation, equity, diversity, etc.), is the main challenge that the group's human resources management focuses on, being a determining factor in our success.

Therefore, we work to prevent, or where appropriate address, the risks that may affect the workforce, such as the increase in workplace accidents among our employees; that the remuneration system does not manage to retain and motivate employees; or that the training is insufficient for the performance of their functions. The occupational climate survey, the indicators for tracking accidents, absenteeism, people trained in the year, etc., are gauges of the management carried out for the well-being of the group's human team.

## RANKING GREAT PLACE TO WORK

For the fifth year, we conducted our work climate survey in all group companies with the consulting firm Great Place to Work® which produces the Best Workplaces Ranking, through a thorough process of analysis, evaluation and certification.

In this 18th edition, 382,239 employees have been consulted in 315 companies, the sectors with the highest representation in the ranking being Manufacturing and Production, and Professional Services, both with 22%. The group has been named as one of the Best Places to Work in Spain 2020, reaching the 13<sup>th</sup> position of the ranking among companies with between 501 and 5,000 employees.

## TRANSMITTING OUR CULTURE, VALUES AND MANAGEMENT STYLE

Constant growth makes it essential to spread and help others understand the culture and values that are the DNA of our Group.

Our policy in this area focuses on the Code of Ethics, highlighting the importance of business ethics and ensuring these values permeate throughout the organization. This Code, which applies to the whole group, is an express statement of the principles, values and guidelines that should guide and promote the ethical behavior of all the people who make up the organisation. The main principles of our Code of Ethics related to the workforce are:

- Non-discrimination and equal treatment and opportunity.
- Stability and quality of employment.
- Respect and promotion of work-life balance and personal and family life.
- Promotion of a communicative and deliberative work environment.
- Safety and health in the workplace.

To manage these principles and ensure they can be integrated into our scope of action, we have the Hijos de Rivera S.A.U.<sup>1</sup> Collective Agreement, a tool that contemplates the following aspects:

### Organisation of work

We address the implementation of conciliation actions as a means of achieving equal opportunities, avoiding situations of discrimination and making all our staff feel, whatever their sex or family situation, they have the possibility of advancing their career path, without having to give up their development.

These measures are in addition to others such as teleworking, flexible working and continuous working hours in the summer months. The Agreement also regulates overtime in accordance with the legal provisions.

At the moment, the Group does not have a policy of disconnection from work, beyond the aforementioned measures to promote the employment and work-life balance of our employees.

Likewise, our benefit plan at Hijos de Rivera S.A.U. is a differential value for our employees, since we put at their disposal measures that help them meet the day to day demands, such as a collective life and disability insurance, an annual school aid fund, special rates on products marketed by the group, parking, a discount club or private health insurance, among others.

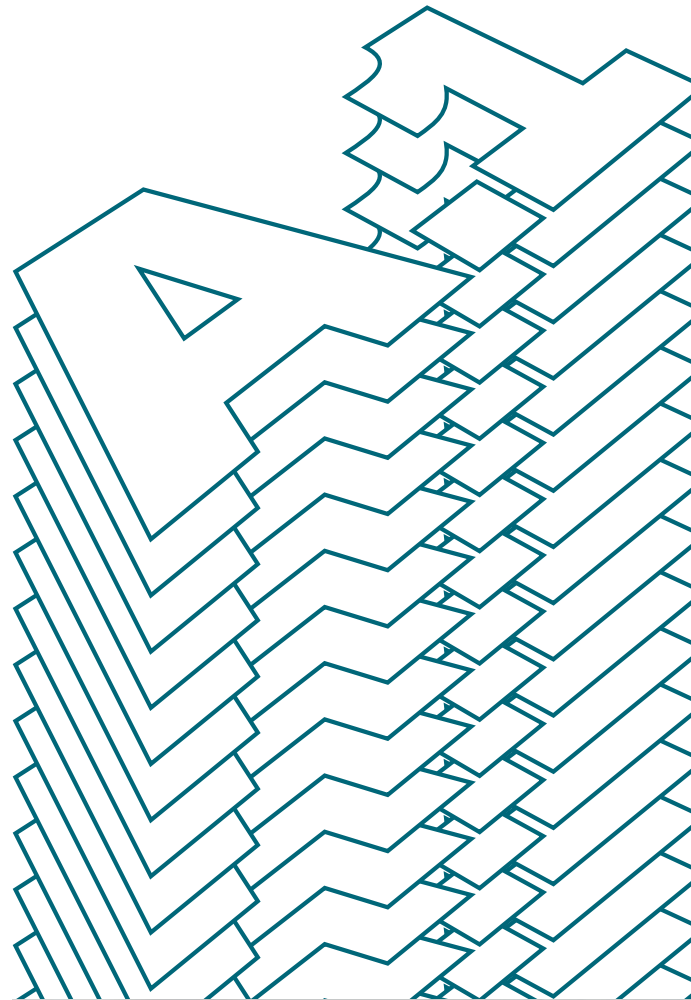
### Workplace health and safety

We have a Corporate Health policy in which, in addition to committing to continuously improve working conditions and the protection of our professionals, we promote the health of people both in and outside work through the "Tu Salud es la Estrella" ('Your Health is the Star') programme, encouraging physical activity, healthy habits, prevention of toxic habits, and improving psychosocial factors. We are also adhering to the Luxembourg Declaration and belong to the Spanish network of healthy businesses.

The companies Hijos de Rivera S.A.U. and Aguas de Cabreiroá S.A.U. are certified annually at OSHAS 18001:2007 Occupational Safety and Health Management Systems.

In the brewery we have our own prevention service that assumes two of the compulsory specialties, while in the three springs and in the cider and soft drink plant the prevention service is external.

Among the activities developed in 2019 in this area is the communication campaign 'One step for your health' carried out in our facilities. In addition, there have also been workshops on healthy cooking, Pilates and postural hygiene; paddle, football and paddle surfing tournaments; hiking activities; the Inspiring Games challenge or the HR Adventure Club, among many other actions.



<sup>1</sup> All group employees of which we report (98%) are covered by collective agreements



On the other hand, the Agreement also aims to prevent, or minimise, damage during work activity, by integrating preventive action in all areas of the organisation and promoting a preventive culture.

Finally, the company's management undertakes to comply with and enforce the current regulations on this matter,

in accordance with the provisions of the Law on the Prevention of Occupational Risks and other complementary rules. Hijos de Rivera S.A.U., and Aguas de Cabreiroá S.A.U., have an Occupational Safety and Health Committee which is the joint and collegiate participation body for regular and periodic consultation on actions in the area of risk prevention.

WORK-RELATED ACCIDENTS BROKEN DOWN BY FREQUENCY, GRAVITY AND GENDER:

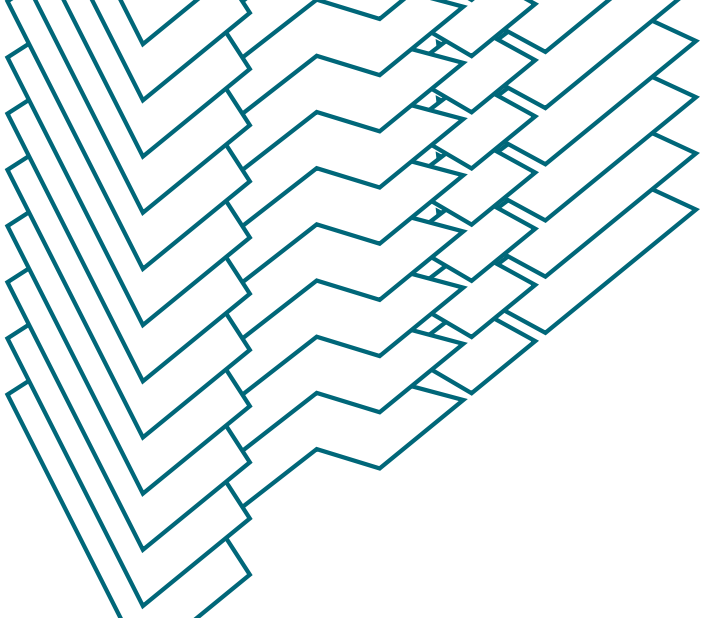
ACCIDENT RATES (1)	Nº ACCIDENTS WITH MEDICAL LEAVE	DAYS WITH MEDICAL LEAVE	INCIDENCE RATE (2)	FREQUENCY RATE (3)	SEVERITY RATE (4)
2019 (6)					
WOMEN	6	124	28.85	16.11	0.33
MEN	60	1,222	66.44	37.12	0.75
2018 (5)					
Nº Accidents with medical leave	34	1,246	35.10	20.04	0.76
(1) Includes in itinere					
(2) Incidence rate (nº of accidents during the work day with medical leave/nº of employees) * 1,000					
(3) Frequency rate (nº of accidents during the work day with medical leave /(nº of employees * hours worked in that period) * 1,000,000					
(4) Severity rate (nº of days lost due to work accident with medical leave/ (nº of theoretical hours worked in the period) * 1,000					
(5) In 2018 rates are not broken down by gender as that information is unavailable.					
(6) In 2019, four companies have been included that had not been previously included due to unavailable information. Estrella Galicia Inportação e Comercialização de Bebidas e Alimentos, Ltda has not been included.					
In 2019, there were no occupational diseases in the group.					

In 2019 the total hours of absenteeism was 68,896 (59,732 hours in 2018).

Equality

The guiding principle of our Equality Plan is to provide equal treatment and opportunity, committing to comply with Organic Law 3/2007, as well as to ensure that effective gender equality is fully integrated into the group's culture. In support of this commitment, Hijos de Rivera S.A.U. signed on July 17, 2008, with the Xunta de Galicia, the 'Agreement for the Integration of Equality in Business'.

In addition, since 2008 this company has had an Equality Commission made up of three members representing the Work Council and three others representing the company.



Social inclusion

In 2019, we joined the ONCE Foundation's INSERTA Program, a collaboration agreement whose objective is for our business group to recruit people with disabilities, with a five-year goal. This initiative will allow us to advance in the inclusion of people with different skills. In addition, our commitment also includes indirect insertion through the acquisition of goods and the procurement of services to special employment centres.

Our Group is committed to adapting those facilities that are necessary for the inclusion of our employees with disabilities.

COMMITMENT TO INTEGRITY

Our Global Ethical Commitment is published within our Code of Ethics, which states: "All staff, all customers, suppliers and stakeholders must carry out their activity and functions based on strict compliance with the legislation in force in all areas and territories in which they operate, while also respecting the good uses and customs of these".

This document is our main policy and due diligence to avoid the main risks related to corruption and bribery that occur should these practices affect employees, managers, partners or companies of our Group in any way. In addition, we have policies that regulate the following areas:

- Objectivity in supplier and contractor selection processes.
- Gifts, special treatment and favours.
- Diligent action and due business practices.
- Prevention of money laundering.
- Duty of confidentiality and professional secrecy.
- Conflicts of interest.

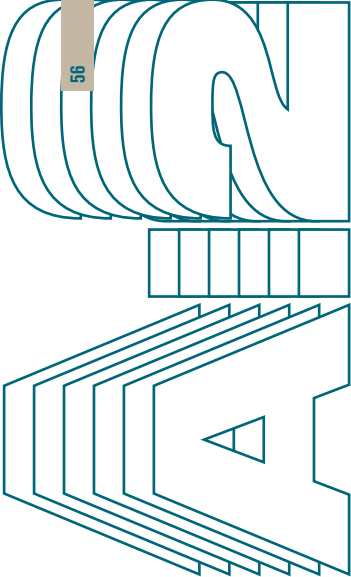
Communication channels

The Agreement regulates various channels of communication with employee representatives. They are articulated through committees and commissions, such as the Work Committee, the Health and Safety Committee, the Joint Commission, the Training Commission and the Work Committee for Equality, with regular meetings, with special emphasis on the bi-monthly meetings with the Work Committee and the quarterly meetings of the Committee on Safety and Health.

Likewise, the Board of Directors of Corporación Hijos de Rivera approved the "Policy for the Communication of Potential Situations of Conflict of Interest and / or Related Operations of the members of the Board of Directors with the Company and/or any of its subsidiaries in order to comply with the different regulatory obligations in the tax fields", and "Group Proxy Policy" establishing limitations, both internal and enforceable to third parties, aimed at controlling the most significant financial transactions and/or transfers of funds.

The Ethical Channel is the instrument through which any action in this matter can be reported. In 2019, no complaints were filed through the Ethical Channel regarding corruption, bribery or money laundering.





# WITH HUMAN RIGHTS

We act on and respect the criteria of the **United Nations Global Compact**, taking into account fundamental aspects such as human rights, labour and anti-corruption standards.

A core part of this commitment focuses on the aforementioned Code of Ethics, as it guarantees the implementation of commitments with the fulfilment of human rights and the integration of the entire collective of people, with its complexity and diversity.

Risks in this area include failing to respect the criteria of the United Nations Global Compact contemplated in the Code of Ethics, which would seriously affect our reputation and relations with our stakeholders.

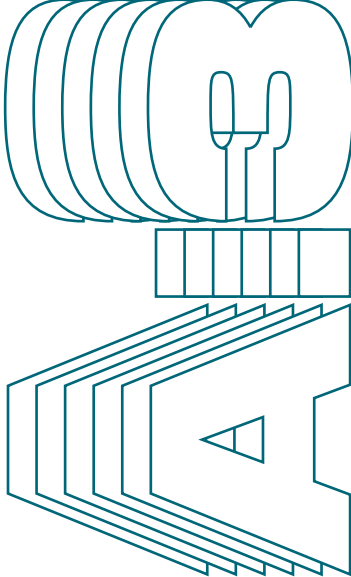
## POLICIES AND PROCEDURES

The main aspects of due diligence included in the Code of Ethics are based on the promotion and compliance with the provisions laid out in the fundamental Conventions of the International Labour Organisation relating to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour.

The Corporate Ethics Committee is the highest body responsible for ensuring compliance with human rights in the group and assumes the advisory, resolution, prevention and surveillance, and information functions.

Any type of violation of our Code of Ethics, including human rights violations, can be reported through the Ethical Channel.

In 2019, no complaints of human rights violations were registered through the channels available for this purpose.



# CAPTURING AND DEVELOPING TALENT

The incorporation of new talent and the development of our employees are two of the priority pillars to be able to achieve all our objectives.

Hence, during 2019 we have focused on quality training, making a special effort compared to previous years and investing about €1.7 million to carry out 39,660 hours of training, an increase of 27% and 57%, respectively, compared to 2018.

## TRAINING IN FIGURES:

INDICATOR	2019	2018	VARIATION
Total Investment	€1,687,229	€1,324,000	27%
Hours received (1)	39,660	25,244	57%
Participants (FTE)	3,311	1,903	74%
Investment/participant	€510	€696	-27%

(1) The hours corresponding to the Cicerone programme have been estimated on the basis of 30hrs per course.

## BREAKDOWN BY PROFESSIONAL CATEGORY:

CATEGORY	2019		2018	
	Participants	Hours	Participants	Hours
Management, and graduate technicians	1,523	22,828	1,087	14,849
Admin. and sales	1,133	9,128	236	3,129
Plant staff and ancillary services	655	7,705	580	7,266
TOTAL	3,311	39,660	1,903	25,244

## TRAINING AREAS

### BEER CULTURE

This training programme is directly related to our *raison d'être* and our goal of being market leaders in Beer Culture. In 2019 we offered 15,230 hours of training to 849 participants, through a dozen different actions.

### "I AM CICERONE"

With more than 12,600 estimated training hours received, this in-house training programme was provided to employees of Hijos de Rivera S.A.U. so that they could obtain Beer Host certification granted by the Cicerone Certification Programme. The Beer Culture department developed a programme with e-learning methodology and face-to-face workshops that were held throughout Spain. In total, 424 people

participated, allowing them to pass the 'Host' level exam of this certification.

### PERSONAL AND SKILLS DEVELOPMENT

Since 2016, this programme has sought to develop the skills of our employees efficiently from an analysis of personal preferences. In 2019, over 450 people received more than 2,700 hours of training through nine different actions, those dedicated to commercial teams focused on sales skills standing out.



## INDIVIDUALISED TRAINING FOR BREWERY TEAM LEADERS

Launched in 2018, this programme has been maintained this year to foster the ability to manage work teams. Personalised attention allows us to achieve high levels of mutual trust, efficiency and effectiveness of training, and the satisfaction of participants.

## DUAL VOCATIONAL TRAINING

In 2018 we launched a type of vocational training that uses training and work centres for better learning by the 30 participants. The programme was successful at the end of 2019, meeting the objectives and satisfaction of both the company and the students. In view of the outcome, we will clearly continue to offer these types of initiatives.

## WELCOMING NEW EMPLOYEES

Every year we dedicate resources to the onboarding of the people who join the group. It is a joint effort of all areas of the group to transmit the information and training that new colleagues need to understand our environment, our strategic plan, as well as the tools and knowledge necessary to carry out their functions. In 2019, more than 150 people participated in the reception plans, totalling almost 3,900 hours of training.

In order to promote the integration of new members of staff, in addition, we organised the sessions 'Una Caña with Ignacio Rivera' (A beer with Ignacio Rivera) where they can share experiences and meet our CEO, in an attempt to always maintain proximity and closeness by transmitting the messages first hand.

## WE DRIVE TALENT

We believe in talent. Therefore, and with the aim of promoting and enhancing it, we have launched The Hop, our collaborative entrepreneurship programme that offers technological-digital startups the possibility of being part of an ecosystem that encourages them to grow together with our Group.

In 2019 we celebrated the second edition where six projects – among the more than 270 presented – **iCommunity Labs, Liight, Passion Motorbike Factory, 6DLAB, SStrategy and Watson** were winners. In addition, we took the opportunity to take the first edition outside our borders, to Brazil, where the initiatives of Carbono Zero, Kestreaa, Contraktor, Everlog and Chooop-Up have been the winners.

Likewise, at the end of the year we also developed the first The Hop Intrapreneurship Programme to support the mentors of the first edition. We received 19 proposals with the challenges of 11 mentors of the group and, of all of them, three have been chosen for their development. The elected intrapreneurs and startups have had the opportunity to attend The Hop Espazo for three days to turn their ideas into projects under the Design Sprint methodology, which allows teams to accelerate the process of developing the value proposal, design a business model and build a proof of concept validated by experts and potential customers.

We have also participated in Unleash and Talentia Summit'19, forums in which we develop presentations and activities that help to increase and consolidate the our group as a place where people and professionals develop.

## WE FOSTER A GOOD WORKING CLIMATE

We are committed to holding after-work activities to strengthen the relationship between the group and the employees. During these gatherings, we take the opportunity to taste our products such as the *Fábrica de Cervezas* launches or the new Vermut Rivera.

The human resources department offers invitations for various events such as the inauguration of MEGA, Mundo Estrella Galicia, the 10th Anniversary of SON Estrella Galicia concerts or the Riverside Workshop season, among many others.







# HAND IN HAND WITH OUR SUPPLIERS



# TRANSPARENT PROCESSES

Our activity could not be carried out without close collaboration with our suppliers, with whom **we establish links based on a relationship of trust**. We work with them within an honest and open professional framework that promotes a stable relationship policy based on the pursuit of continuous improvement and mutual benefit.

Likewise, and with the aim of ensuring that our relationship is based on integrity, we ensure that our suppliers comply with the regulations and laws in force in each country and at all times, paying special attention to respect for people and the environment. In addition, our guidelines prevent us from using our position to achieve personal gain by rejecting and denouncing any business practices unbecoming of these precepts.

We are aware of the possible risks that may arise from this collaboration, such as collaborators not meeting criteria of respect towards people, the environment and the ethical values of the group, because it would affect the quality of our products, the environment, human rights and the ethical behavior of our organisation, in short, the reputation of the group affecting the sustainable development model that we have developed in the short and medium term.



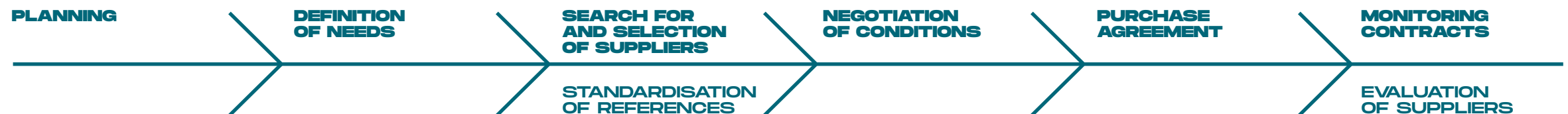
## B.1

### SUPPLY CHAIN

The Purchasing department is responsible for leading this process, which is based on the following stages:

- **Identification of needs**  
This phase takes place between the areas that detect a deficit and the Purchasing department. Together they define the technical, service, quality, occupational safety and environmental specifications, as well as the dates, budget and possible suppliers.
- **Negotiation**  
The Purchasing department, with input from other areas, evaluates the offers, selects and negotiates the best conditions, both economic and service level, with suppliers.
- **Award**  
To one or more suppliers, which will take place at the Procurement Committee in a consensual manner among those involved.
- **Closing of agreements**  
The Purchasing department will communicate the result of the award, place the order and ensure the signing of the contract and the communication of the conditions.
- **Follow-up**  
The Purchasing department will ensure compliance with the conditions agreed to in the agreement, taking corrective actions if necessary.

### STAGES OF THE PROCUREMENT PROCESS





PURCHASING POLICY

We have a Policy of Purchase of Goods and Services applicable to Hijos de Rivera S.A.U. and to the companies through which water springs are managed. It includes the requirements that new suppliers must meet:

- Respect for human values, the environment, and legal aspects.
- The quality of the product and/or service.
- Quality of service: delivery deadlines, long-term commitment, and the scope of the agreement.
- Financial stability.
- Social and environmental sustainability.

These requirements are set out in the general conditions of contract of Hijos de Rivera S.A.U., both for providers of goods and services. In addition, we carry out annual internal and external process verification audits, in particular within the scope of UNE-EN ISO 9001:2015 certification.

Likewise, since 2013, we have been part of Calidalia which is made up of the most important companies in the food and beverage sector in Spain which allows us to optimise the management of suppliers.

CERTIFICATION	HIJOS DE RIVERA S.A.U.	AGUAS DE CABREIROÁ S.A.U.	AGUAS DE CUEVAS S.A.U.	CUSTOMDRINKS S.L.U
UNE-EN ISO 9001:2015 Quality Management Systems	✓	✓	✓	✓

Procurement Manual

The Procurement manual arises from our policy and outlines the general principles of collaboration, and ethical environments in which they must be carried out, as well as the creation of a Procurement Committee, management of contracts, and the establishment of an evaluation and standardisation model.

It should be noted that in all procurement categories associated with beer production and water bottling there are action plans to minimise the risks of breakage in the supply chain.

SHARED RESPONSIBILITY

We ensure that commitment to people and sustainability also extends in the way our collaborators work, thus ensuring the highest levels of integrity and responsibility. Therefore, our Code of Ethics includes a number of guidelines related to purchasing processes:

- Declare any kind of self-interest that may affect impartiality.
- Protect margins of competitiveness in management in those long-term relationships with the supplier.
- Confidentiality and accuracy in the information provided by the parties, which should in no case be used for its own benefit with intent to deceive.
- 'Moderate hospitality' is allowed with the aim of maintaining fluidity in the relationships between the customer and the supplier, provided that it does not harm in decision-making.
- Avoid the practice of 'business gifts'.



WE SUPPORT QUALITY AND PROXIMITY SUPPLIERS

At the Corporación Hijos de Rivera group, in addition to seeking the best raw materials in order to offer products of the highest quality, **we contribute to the local economy through the contracting of local producers.** This allows us to drive sustainability across the value chain.

Of the acquisitions of raw materials for the production of beer, 91% come from suppliers that are domiciled in Spain. For its part, of the purchases of auxiliary packaging materials for beer and water, 82% come from providers that supply them from companies established in Spain.

Our commitment is extended in Galicia where we develop collaborative initiatives to support local farmers, which has materialised in research projects for the production of hops, barley, apple and grapes grown on the region's lands.

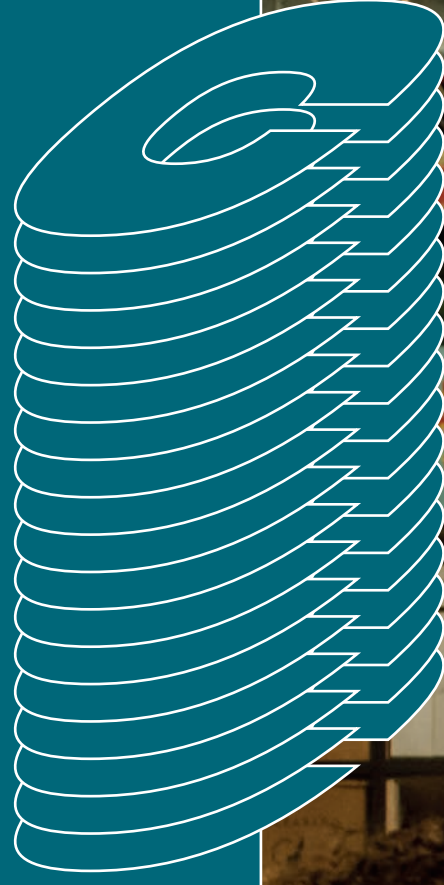
AUDITS TO CONTINUE IMPROVING

In 2018 we started a programme of regular audits that have allowed us to gather information about the processes and documentation associated with our suppliers and detect good practices. During 2019 we carried out four audits of collaborators of auxiliary packaging material and six of suppliers of raw materials from the beer and water plants.

The result of these controls was satisfactory and has allowed us to establish areas of improvement related to documentation, processes or product quality in six cases. These points are not considered relevant or significant.



# WE ACCOMPANY OUR CLIENTS





# IN CONSTANT COMMUNICATION

## CON EL CANAL DE DISTRIBUCIÓN

To serve our customers – the network of national and international distributors, on and off-trade channels – we have Customer Service (SAC), a point of contact that also listens to consumers and point of sale, being responsible for the resolution and closure of incidents.

The group is committed to the digital revolution and this is why we have strengthened our presence on social networks and on the internet with the aim of having a closer relationship with our users and customers.

A client and /or consumer can communicate by different means: website, social networks, by telephone, etc. Customer service (SAC) is responsible for managing the communications that are received on the phone and the website so that each case is categorised according to a prior relationship and, based on that categorisation, the case is sent to the department assigned to each category.

In complaints about products received through the indicated channels (those that may have a more negative impact), the communicator is contacted to expand on and/or confirm the requested information, manage the collection of samples, if applicable, and communicate the claim according to the list of categories defined in the instruction "Interactions Quality-SAC Department in Product complaints".

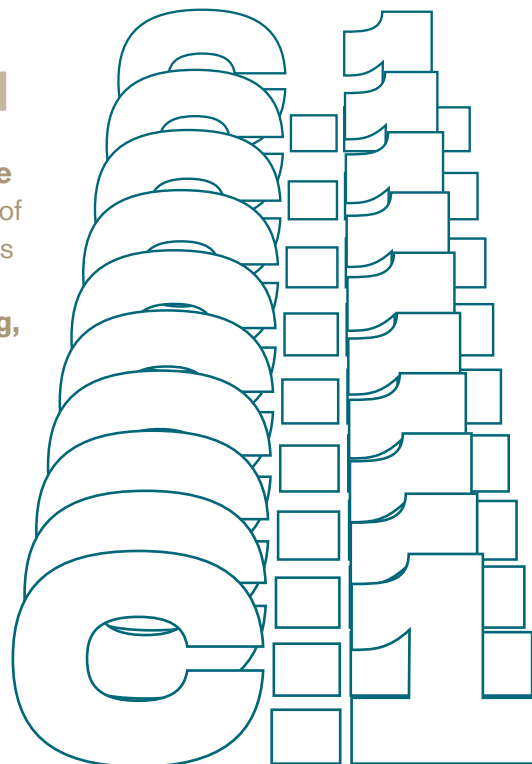
Once the communication investigation is complete, the Quality Department provides the report for the SAC who contacts the consumer to facilitate the timely response.

In the Corporación Hijos de Rivera group **we have an extensive commercial network** composed of 29 sales areas distributed throughout the Spain, as well as in Portugal, which **allows us to be close to our customers and consumers discovering, understanding their needs.**

In 2019 the SAC dealt with a total of 9,762 communications (4,222 in the previous year), of which 8,251 (3,480 in the previous year) were requests for information and 1,511 (742 in the previous year) complaints.

Regarding the source of communications managed by the SAC during the 2019 financial year, 47% correspond to retailers (54% in 2018), that is, to catering premises and customers who consume our products; 30% to potential customers (17% in 2018) who require information about our products and our organisation and the remaining 23% correspond to other profiles and other interests such as requests for collaborations and/or sponsorships and others (29% in 2018).

With regards to the complaints received, 593 were from consumers, of which 199 were pending resolution at the end of the financial year.



## DIGITAL TOOLS

We have different platforms and tools for managing and exchanging information with our collaborators which allows us to streamline processes and offer a better service thanks to digital transformation.

In 2018 an information collection system was incorporated into our on-trade channel, to learn consumers' opinions through digital surveys. To do this, we included a survey module in the after-sales service mobile terminals of our sales team that can be consulted in real time.

Other tools that we have and have been incorporating in this process of digitisation are:

- The implementation in the SAC of the Customer's Unique Vision Platform with SAP CX Service Cloud.
- Client Portals where they can track their activity.
- Automation for dealer sales.
- Electronic invoicing.
- Electronic messaging for processes.

## DISTRIBUTION CHANNEL

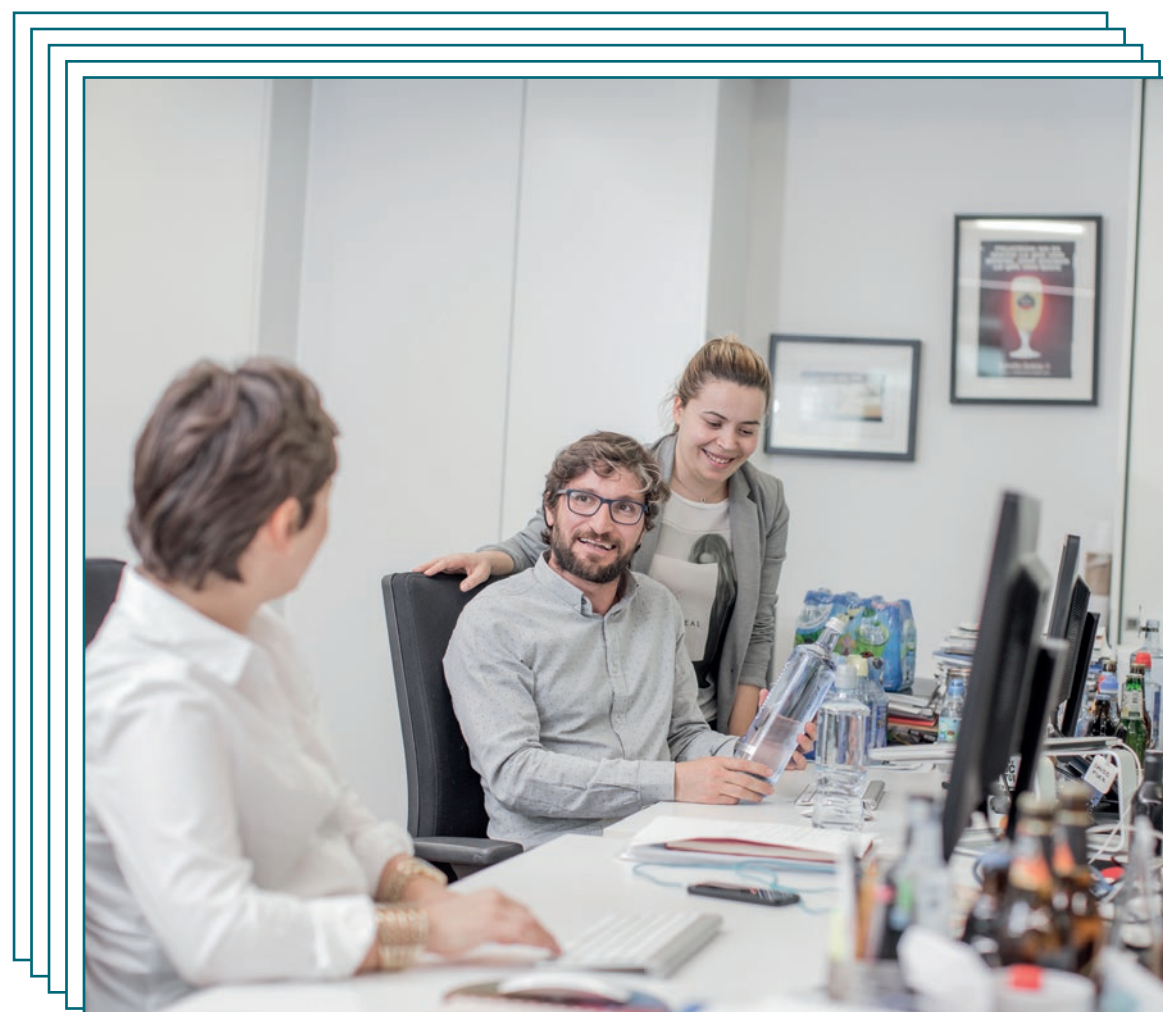
In the case of product distribution, a specific management model was created within the on-trade-SAP platform in 2018. This has allowed us to fully optimise each stage of work with all our customers, with special relevance in those with a large number of references as in the case of Coca-Cola European Partners.

## RESPONSIBILITY AND QUALITY

In order to address the potential risks of our relationship with customers and consumers (not meeting the quality expectations of our products, that these are not healthy or that the attention we provide through the sales network, technical support and customer service is not of quality, which would be reflected in increasing complaints and loss of clients/consumers) we have policies that help us create synergies and ensure that responsibility is present throughout the value chain.

Incorporating responsibility across the value chain is one of our priorities. Therefore, through the area of Beer Culture we accompany our customers by establishing synergies and offering them support through training activities such as the Beer Master Sessions programme that we continue to develop in 2019.

We also establish regular servicing of our equipment at the point of sale through our Post-Sales Service (SPV) that allows us to ensure its proper operation so consumers enjoy the highest quality of our products.





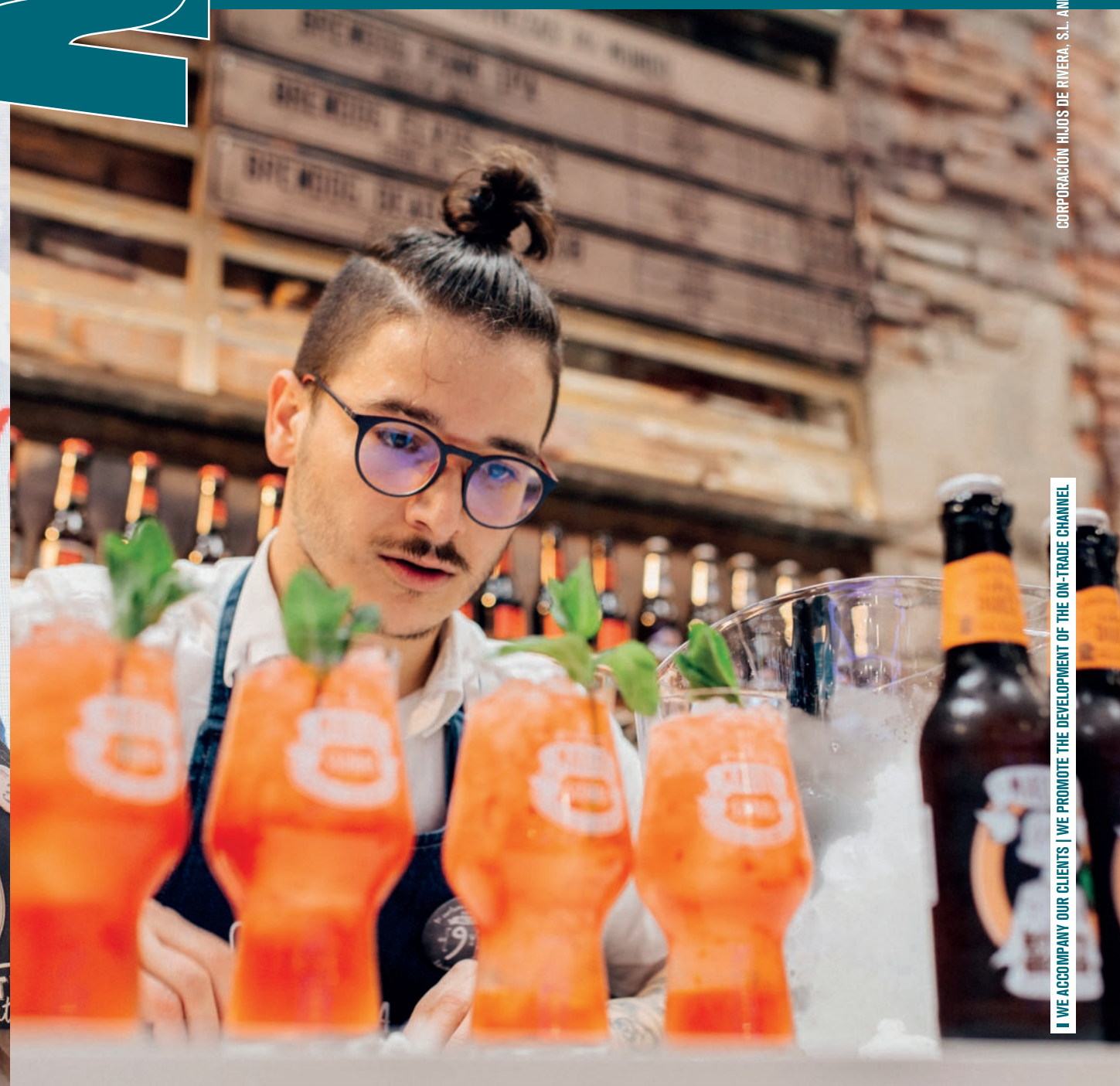
# WE PROMOTE THE DEVELOPMENT OF THE ON-TRADE CHANNEL

## CAMPEONATO NACIONAL DE TIRAJE DE CERVEZA ESTRELLA GALICIA

In 2019, we bid farewell to the sixth edition of the Estrella Galicia National Beer Pulling Championship, which toured Spain testing the talent and brewing knowledge of 178 bar tenders from six autonomous communities. The contest aims to reward the professionalism of bartenders and skill when serving beer, in addition to the quality of the service. During the last months of the year we took the opportunity to launch the seventh edition and, at the end of 2019, we held the competitions of Eastern Andalusia and Catalonia.

## CERTAMEN DE MIXOLOGÍA MAELOC

In 2019, we continue to hold this competition with our Maeloc ciders, with the aim of spreading the potential and versatility of this drink within the catering sector when making cocktails. In 2019, we held the Maeloc A Coruña Mixology Competition at the Gastronomic Forum and the Maeloc National Mixology Competition at the Gourmets Salon in Madrid. In addition, with our ciders and La Tita Rivera, we hold a series of workshops in which the best mixologists in Galicia demonstrate the full potential of cider for the creation of cocktails. The meetings, free and open to the public, were held in La Tita Rivera Vigo, during the month of October.



## MERCADO DE LA COSECHA TRAINING DAYS

Almost 500 students from 13 catering colleges had the opportunity to participate during this edition in the *Mercado de la Cosecha* Training Days, which we promote with the aim of adding value to their training. This initiative aims to bring them closer to the countryside through unique producers, as an opportunity to raise awareness of the importance of knowing the origin of the products and that their production is sustainable.

## PREMIO INCITUS

The *Premio Incitus* 'Negocios condenados al éxito' (Businesses condemned to success) is a non-profit initiative that aims to energise the Galician bar and restaurant sector and boost entrepreneurship through the mentoring of innovative and creative ideas. Yet another year, we support these awards through training and technical advice in the sphere of beer.



# PRESENT AT VARIOUS PROFESSIONAL EVENTS

We participate in the main trade fairs and professional food and beverage salons in Spain with the challenge of making our portfolio of products known, both to the experts in the sector and to the audience. For this purpose, we perform a wide variety of presentations, showcooking, and tastings in renowned forums such as the *Salón Gourmets* in Madrid, Granada Gourmet, the A Coruña and Barcelona *Fórum Gastronómico*, FEVINO, *Salón Etiqueta Negra* and the XX Best Wines in Spain Fair, among others. In addition, we were present at the *Xantar* fair in Ourense where we announced our collaboration agreement with the association *Cociña Ourense*.

It is worth highlighting the renewal of the agreement that we have with prestigious gastronomic associations such as the NOVE GROUP, through which we support projects such as NAVE NOVE, an ephemeral space that the chefs' association launched in Porto.

## OTHER GASTRONOMY CONTESTS IN SPAIN

Throughout the year we have also participated in important gastronomy events, whether our own or through collaborations, in Spain such as:

- Global food truck competition in Almería
- *Premios Gastronomía* in Madrid
- '*Petisquiño*' Tapas contest in Vigo
- Gourmet Burgers contest in Madrid
- A Coruña Street Food
- *Atlántica Gastronómica*

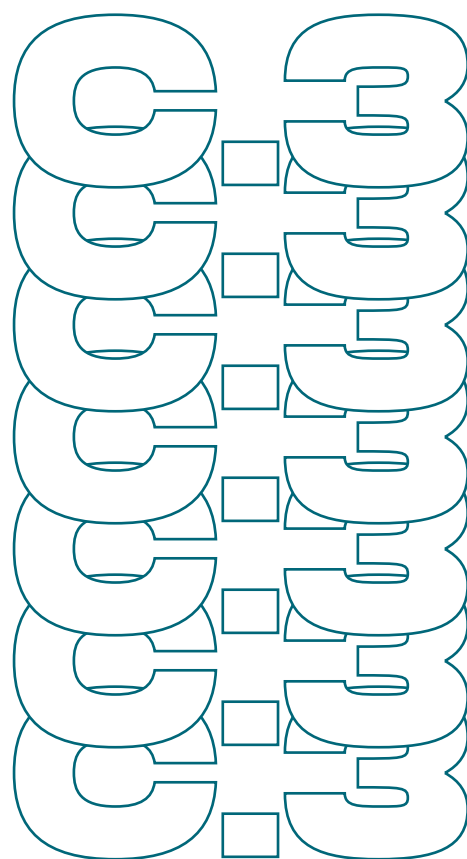
## SUSTAINABILITY AND HEALTHY FOOD

### Despesques 2019

Our beer and water brands accompanied attendees at this international sustainability discussion forum that brought together over 80 chefs and 100 Michelin stars to help the conservation of the seas and oceans. The event, organised by chef Angel León, featured representatives from the world's leading environmental NGOs and food industry and distribution managers to, together, put mistakes and possible solutions to the environmental problem on the table.

### Abrente 2019, Food and Nutrition of the Future

Some of our country's best scientific communicators were brought together in A Coruña by Cabreiroá to address some of the most common health eating concerns in a fun and entertaining way.



## BEYOND OUR BORDERS

To encourage and support our international presence, we attended numerous sector meetings and participate in events that allow us to publicise our products outside our borders. In 2019, some have been:

### AMERICA

- Best of the Bay Tampa (USA)
- Florida Restaurant and Lodging Show (USA)
- Disney Epcot Food & Wine Festival (USA)
- Summer Fancy Food Show (USA)
- Galician Cinema Food Festival (USA)
- Friends of Spain Brand Recognition Ceremony in NY (USA)
- Tampa Bay Beer Week (USA)
- Sprung Beer Festival Miami (USA)
- Seattle Beer Week (USA)
- Destinos al Sabor* (Perú)
- Revolution Fuegos* (Paraguay)
- Carnaval de Uruguay (Uruguay)
- Oktoberfest Punta del Este* (Uruguay)

### ASIA

- CIIE Fair in Shanghai (China)
- Hong Kong Wine & Spirits Fair (China)
- Interwine Guangzhou (China)

### EUROPE

- Carveiro and Lagos Music Festival (Portugal)
- Santos Populares* (Portugal)
- Laurus Nobilis Festival (Portugal)
- Gourmesse Zurich (Switzerland)
- Jamon Carving Awards (UK)
- Estrella Galicia Longest Lunch London by boat. Brindisa London Bridge / Battersea (UK)
- Four hands cooking collaboration. Barrafin & Brindisa London (UK)
- Nieves Barragan Hosted dinner at Sabor. London (UK)
- Estrella Galicia Tasting Menu. Barrafin London (UK)
- Estrella Galicia Dinner. Brindisa Battersea (UK)
- Take Over event. Bar 44 Cardiff (UK)
- Take Over event. Kultur Newcastle (UK)
- Take Over event. Pilgrim Liverpool (UK)
- Tapas Tour. London Restaurant Festival (UK)
- Prowein (Germany)
- Bier Festival Berlin (Germany)
- NOHclub Düsseldorf (Germany)
- #Discovertheunexpected (Ireland)

## WE CREATE LINKS

Throughout 2019, Hijos de Rivera S.A.U. carried out over 500 public relations actions with the aim of strengthening the link between our group and its clients and consumers and adding value to the business. These activities range from sports experiences at the hands of the teams we sponsor (motorcycling, football, basketball, hockey, etc.) that include passes and invitations to enjoy these events, as well as invitations to visit our facilities in A Coruña, the Cuatro Caminos bar or the newly opened MEGA.

This year we celebrate the first Estrella Galicia Beer Pulling Competition in the United States and the United Kingdom.

Alongside this, we held two very significant meetings abroad, such as the Greene King, our exclusive distributor for the UK market, Annual Sales Conference, an event that was held at the headquarters of the McLaren Formula 1 team, which has allowed us to transmit values such as innovation, craftsmanship and how to generate synergies to the sales team in a market so relevant to us; and the Annual Business Convention Estrella Galicia Brazil where we enhanced our relationships with the main on and off-trade players in this market and which was attended by more than 80 customers and distributors with whom we share the main strategic lines of business.

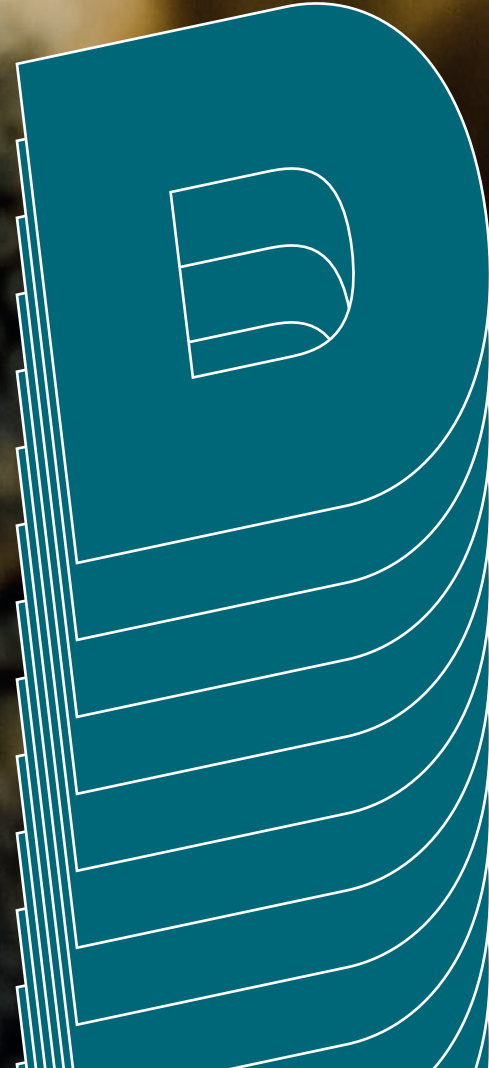
We also invited our overseas importers and distributors to our headquarters in A Coruña so that they could discover first-hand our history and the origin of our products. Throughout 2019, Hijos de Rivera S.A.U. welcomed teams from O'Hara's, Brindisa, Greene King, Andupez, Covin and CVEB, among others. At Rivera Europe, we welcomed visits from EMCA Global, Alliance UK and BFS Ecuador.

Our Ponte da Boga winery received 7,135 visits to its facilities in Ribeira Sacra last year.

MEGA received 28,066 visits from June 19, 2019 to December 31, 2019.







# INVOLVED WITH SOCIETY



# COMMITMENT TO SOCIO-ECONOMIC DEVELOPMENT

As a group, we have not only set ourselves the commitment to develop products of the highest quality, but we also want, through our activity, to help communities in which we operate to prosper through the generation of wealth and for our operations to be based on the **sustainable development of the environment**, becoming corporately responsible companies.

We are also aware of the risks that may negatively impact our business model, such as those related to the quality of our products and services, the protection of the environment in our production processes, the ethical behavior of the organisation or our commitment to the local environment and communities, as well as the well-being of our employees.

This social commitment to our closest environment is part of several initiatives among which we highlight the following for their impact:

## THE HOP

The Hop it is a collaborative programme that is committed to the creation of shared value. This open innovation project aims to identify entrepreneurs and startups that can have an impact on our sector and boost its potential.

In 2019 we presented the second edition with a new successful response to the call and we took a step further: we took the initiative outside our borders and celebrated the first edition in Brazil - a country of reference when it comes to creating successful startups.

## MERCADO DE LA COSECHA

Since 2013 we have been developing this programme with which we seek to transform the rural environment through a sustainable and responsible socio-economic model. The project aims to become a lever for competition and change through activities in the fields of research and training, as well as the promotion and dissemination of inspiring initiatives that contribute to the generation of wealth and development of rural areas.

## FITUR

The *Mercado de la Cosecha* proposals for transforming rural areas were presented at Europe's largest tourist fair, FITUR.

## Galicia Market Place

We held the *Mercado de la Cosecha* 'Parladoiros', our space to share unique initiatives that contribute to the sustainable development of the countryside, during the 'Galicia Market Place' meeting, held in the facilities of the "Círculo de Empresarios de Galicia".

## Fórum Gastronómico

The *Mercado de la Cosecha* was present at this professional event where it presented a full agenda of tastings, workshops and talks to publicise unique and inspiring initiatives that contribute to the generation of wealth and socio-economic development of the rural environment.

## Festival Noroeste Estrella Galicia

For the fourth consecutive year the *Mercado de la Cosecha* offered a huge leisure proposal for everyone, based on the transformation of our rural environment, and bringing the Noroeste Estrella Galicia Festival to a close. It attracted over 20,000 people with its leisure proposal based around a more sustainable countryside.

## Training Days

Nearly 500 students from 13 catering colleges had the opportunity to participate during this edition in the *Mercado de la Cosecha* training days, which we set up to add value to their training.

## Salón Gourmets

Yet another year, we were present at the Gourmets where some of the producers who participate in the *Mercado de la Cosecha* presented their products and shared their stories.

## Son D'Aldea

The *Mercado de la Cosecha* took part in the ninth edition of Son D'Aldea through the *Parladoiros*, which aims to provide a formal perspective on the challenges and solutions faced in the research and work carried out to transform rural areas.





# N CLOSE TO PEOPLE

## MEMORIAL MONCHO RIVERA

In 2019, we celebrated the twenty-first edition of the Moncho Rivera Memorial Charity Tournament that raised €36,653, with a match between Racing Club Ferrol and Real Club Deportivo de La Coruña at the stadium of A Malata. The main pull of this meeting is its charitable nature, as the total proceeds went to two entities with great impact in the city of Ferrol, ASPANEPS (Association of parents and children with Psychosocial Problems) and ASFEDRO (Ferrol Association of Drug addiction).

## COLLABORATING WITH THE THIRD SECTOR

We try to respond to the requests for help that reach us every day from non-profit organisations and foundations whose aim is to improve the situation or quality of life of collectives and those in disadvantaged situations. We collaborate through patronages, contributions and collaborations with 56 social organisations, always in line with our mission and objectives, and participate in 25 social initiatives. During 2019, our economic contribution to this end amounted to €127,173.76.

## CORPORATE VOLUNTEERING CORPORATE VOLUNTEERING CORPORATE VOLUNTEERING

We encourage corporate volunteering through social cooperation activities. Thus, in 2019 our volunteer team carried out actions worth €19,299, collaborating with 13 institutions and non-profit organizations

### Beer tasting with the ONCE

The volunteer team organised a tasting of beers for 24 visually impaired people from the ONCE Foundation at La Cervecería in Cuatro Caminos

### Solidarity sport

With the aim of promoting tolerance and respect, we promoted a day of awareness, accompaniment and inclusion, together with the members of the Pablo Beiro Foundation and the Association of Physical Disabilities of Vigo (AMFIV). Several inclusive basketball matches were played with children with different abilities.

### Painting for others others

Yet another year we carried out this joint activity with the NGO International Cooperation, in which our volunteers renovated and rehabilitated the home of a family with limited resources to improve their living conditions.

### Awareness-raising activity at AFACO

We went to the facilities of AFACO, an NGO dedicated to improving the lives of people with Alzheimer's and their families through comprehensive and quality care. There, our colleagues participated in a workshop and an awareness talk about this illness.

### Collaboration with ADCOR

The volunteer group participated in a very special activity: to become cooks for a day with the members of the ADCOR Foundation, a non-profit association that seeks to improve the lives of dependent adults. Also, with ADCOR, through MEGA, Mundo Estrella Galicia, we promoted the DLONAS Project, a social engagement activity to promote recycling, reuse and collaboration with the third sector. Through this activity, people with disabilities turn the canvas removed from our advertising campaigns into reusable bags.

### Charity 5km Race

The latest edition of this race, a 5km run around our brewery, gathered more than 800 people and raised €7,262.91 that went to the Rías Altas Food Bank of A Coruña.

### Companies Charity Day

For the third consecutive year, we participated in this day whose objective is to promote and facilitate the social participation of companies through awareness-raising activities. This year, the volunteers assisted in the preparation of breakfast and lunch, serving, and collaborating in the home delivery of food, in La Cocina Económica de La Coruña.

### Clothes collection

We managed to gather around 1,900 kg of clothing, between the Spring and Autumn Clothing Collection Campaigns. The clothes were delivered to La Cocina Económica, Caritas and Equus Zebra, on both occasions.

### Sea baptisms

For the fifth year in a row, the volunteer team accompanied 60 young people from three children's centres in A Coruña to enjoy several hours of sailing in which they tested their skills at sea.

### Collecting school supplies

Our first school supplies collection campaign was extremely well received by all colleagues, covering the school supplies needs of 372 children from 206 families in social emergency situation.

### A Smile for Christmas

Yet another year, this being the third, the volunteer team closed its activities in 2019 with this campaign. Colleagues in our work centres covered Christmas trees with more than 150 gifts that went to children at risk of social exclusion in Galicia, Asturias and Granada.

### Footwear Project

We collaborate with the Participa Association to provide shoes to children at risk of social exclusion.





# INVOLVED WITH SOCIETY

In the Corporación Hijos de Rivera group, we are present in and want to help build the future, promoting culture, sport and healthy leisure. Our programmes to achieve this goal have included:

## SON ESTRELLA GALICIA

In 2019 we celebrated the 10th Anniversary of our music season, SON Estrella Galicia. Last year it became one of the most ambitious on the Spanish scene, after scheduling 140 concerts in 25 theatres in 14 cities. After 10 years, there have been 1,230 concerts, 306,000 attendees and over 80 festivals, combining the best alternative music with the best beer.

The 10th Anniversary Tour featured artists of the likes of: La Dame Blanche, Vintage Trouble, José González, Dorian, Rocio Márquez, Niño de Elche, Depedro or Anna Meredith who put the finishing touch to this cycle at Independence Live in Madrid.

SON Estrella Galicia has also wanted to accommodate other types of creation and artistic interpretation, through a selection of five exclusive vinyl singles and an association of artists and producers who were able to build pieces of great cultural value and involve SON Records in the evolution of flamenco towards other styles.

In addition, SON Estrella Galicia supports and names festivals that are unique for their location and/or concepts such as Sinsal SON Estrella Galicia, SON Estrella Galicia Posidonia (the brand's first own festival), WOS Festival SON Estrella Galicia, Esmorga Fest, Monkey Week SON Estrella Galicia and MIRA SON Estrella Galicia, among many others.

The project also took place across the ocean once again, delighting Brazilian music lovers at the Estrella Galicia Room Estação Rio Verde for yet another year.

# D.3

## MORE SUSTAINABLE FESTIVALS

During the summer of 2019 we were present in five of the great festivals of Galicia: O Son do Camiño, Resurrection Fest, Portamérica, Festival de Ortigueira and Festival Noroeste Estrella Galicia. As part of our commitment to sustainability and the circular economy, we join the project 'Dar a lata', which promotes the European environmental awareness programme "Each Can Counts". This project seeks to maximise the recycling of all waste generated in this format, while wanting to raise awareness of the importance of depositing cans in the yellow container.

The SON Estrella Galicia Posidonia festival continued with its cause, advocating responsible tourism. Part of the festival's fundraising is intended to collaborate with 'Save Posidonia Project', a pioneering plan to conserve this marine plant responsible for the colour of Formentera's waters.

We also promote the use of biodegradable glasses, which we used in the *Mercado de Cosecha* event on the Paseo de los Puentes Park in A Coruña, or with the initiative 'Una entrada, a tree' (One ticket, one tree) at the PortAmérica festival, in which the reusable glasses of our brand Estrella Galicia were not mere ecological glasses, but continued their useful life cycle after the festival. Each festival-goer was given an indigenous tree seed that could germinate in the glass, which acted as a pot.

## MAKETÓN MAELOC

In collaboration with Los40 Vigo, we brought live music to the public of Vigo with bands such as Ex Hedera or Family Folks. In addition, we celebrated the 20th anniversary of the Reserva Rock hall in which more than 300 concerts have been held.

## CICLO 1906

Our 1906 season took a new turn in its concept in 2019 and added the motto 'music for the immense minority'. A new concept that remained true to the love of root music and styles that praise rhythm and feeling, but that took a step further by incorporating electronic sounds and experimentation. This new edition of the season arrived in 16 Spanish cities with more than 50 concerts with our 1906 beer. It also added new venues such as Café Berlin or the Coliseum theatre in Madrid.

CONNECTED  
THROUGH  
MUSIC



# WE LIVE SPORT

## ON WHEELS

### Motorcycling

In 2019 we celebrated the victories of Marc Marquez and Alex Marquez in the World Motorcycle Championship, in the categories of MotoGP and Moto2, respectively. We also celebrated with Moto3 Team Estrella Galicia 0,0 the good results obtained this season. 2019 was the year of the renewal our sponsorship agreement of the Repsol Honda motoGP team. In addition, we sponsored the Marquez Brothers Stand in collaboration with their respective fan clubs to cheer on the drivers in the last GP of the season.

### Formula 1

In 2019 Estrella Galicia 0,0 and McLaren announced their new alliance. An agreement whereby our beer brand became the official beer of the Woking team. Together with McLaren, we announced in the same year our agreement to ride together in the Indianapolis 500 miles with the Spanish driver Fernando Alonso. We also accompanied the driver Carlos Sainz, who enjoyed one of his best seasons achieving his first podium at the Interlagos GP. To accompany the driver, we also launched the Carlos Sainz Stand during the Barcelona Grand Prix. We also supported young talent such as Caio Collet, a Brazilian driver and champion of the French Formula 4 in 2018, who we accompany with Estrella Galicia 0,0 in his dream of reaching Formula One. Together with McLaren we also developed the 'Together We Stand' campaign, which highlights the values we share with the British team.

### Karting

Cabreiroá appointed Adrián Malheiro as brand ambassador, a young driver from Baiona who is revolutionising the world of go-karts. In addition, Estrella Galicia 0,0 once again accompanied Carlos Sainz in his already traditional Christmas Karting event in which we brought the sports media together for Christmas.

## WE PLAY AS A TEAM

### Basketball

We continued to support the Galician basketball teams through our brands Estrella Galicia and Cabreiroá that accompany Breogán de Lugo, the Ourense Basketball Club and the Obradoiro CAB of Santiago.

### Football

In Brazil we continued to sponsor Corinthians, who in 2019 won the men's Paulista championship for the third time in a row, and the Copa Libertadores in the women's category. In Spain we accompanied the Galician teams, Real Club Deportivo de La Coruña, Celta de Vigo and Club Deportivo Lugo. We celebrated the rise of Real Club Deportivo to the top flight of women's football. We also renewed the agreements with Malaga CF and Real Betis Balompie through the Fontarel watermark and strengthened our proximity project with the sponsorships of Pontevedra CF. and Coruxo CF., among others.

## WATER SPORTS

### Surfing

In 2019 and through our Cabreiroá water brand we were present at the surf championships, Cabreiroá Pro Las Américas de Tenerife, Cabreiroá Pro Zarautz and Abanca Classic Galicia Surf Pro. We promoted sustainability and respect for the environment through awareness-raising activities at all these championships.

### Sailing

In 2019 the Mar de Maeloc project was born, with the aim of once again putting Galicia on the map of world sailing, exulting the value of its coastline in the world of nautical tourism.



## OTHER DISCIPLINES

### Padel

We celebrated the sixteenth edition of the Open de Padel Estrella Galicia, a tournament in which more than 800 people compete every year.

### Hockey

We became the main sponsor of the hockey section of club A.A. Dominicos in their adventure through the OK Silver League. In addition, we renewed our collaboration with the Hockey Club Liceo.

### Urban sport

Cabreiroá was present at the Street Games Coruña event. The event brought together thousands of fans and more than 200 professionals from 15 different countries. The Psicoblock, the most spectacular modality of sport climbing, was sponsored by our Cabreiroá brand, which promoted the Psicoblock Master Series by Cabreiroá.

### Rugby

The women's CRAT team was proclaimed champion of the queen category of women's rugby in our country and at La Cervecería Estrella Galicia de Cuatro Caminos.

### Canoeing

Javier Hernanz, Olympic canoeist, made the Sella Descent aboard a canoe built with recycled materials. It was supported by our brand Agua de Cuevas.

### Prize for best player Estrella Galicia

Every year we recognize the work of the best players of the teams we sponsor with this initiative. In 2019, in addition to the football teams RC Deportivo de La Coruña, Celta de Vigo, Pontevedra CF, CD Lugo, Racing de Ferrol, and Obradoiro basketball, the VRAC Rugby team of Valladolid and the Ourense Basketball Club were added. However, we don't forget a vital part of the teams: their fan, who are given the opportunity to vote for the best players on social media.







# THE CULTURE MARK

## RIVERSIDE

Riverside is our social commitment project to foster creativity and art as an engine of well-being and development through a more inspired, cultured and prosperous society, seeking to generate a positive impact in our surroundings.

One of the best known aspects of this project is 12 Miradas:: Riverside that the group promotes with the help of the Vilaseco Creative Laboratory. This edition made it possible for prestigious avant-garde artists such as Dutch photographer Ellen Kooi, Portuguese multidisciplinary creator Fernanda Fragateiro, and designers Jorge Acuña and Martín Azúa to bring their vision of the world closer to attendees in two complementary settings, one rural and one urban. With them, last year for the first time, we celebrated our first international workshop by the painter Antonio Murado in New York.



## SIGNATURE WINES COLLECTION

From our winery of Ribeira Sacra Ponte da Boga we launched the second limited edition "Vinos de Autor". On this occasion, the winery accompanied the musician Xosé Manuel Budiño on the release of his latest album, of the same name as the wine of Ponte da Boga, Fulgor.

## 1906 MENINAS DE CANIDO

As part of the constant support of our 1906 beer to artistic and cultural initiatives, we participated once again in the annual event of the neighborhood of Canido, in Ferrol, to promote urban art, which has managed to revive its streets thanks to the creativity of great artists. Our 1906 beer brought the soundtrack to this iconic meeting in which the neighbourhood was revived thanks to the reinterpretations of Velázquez's Las Meninas.

## SAN SEBASTIÁN FESTIVAL

Our Cabreiroá mineral water, for the ninth consecutive year, recharged those attending the 67th edition of the San Sebastián Festival. Cabreiroá was again an official collaborator and thus consolidates its link with the most international Spanish film festival, as well as its support for film and culture.



# LINKED TO THE ENVIRONMENT



# ENVIRONMENTAL CONTROL AND IMPROVEMENT

We carry out our activity through our six production centres located in Spain. Of all, the brewery is the most significant facility from the perspective of consumption indices (energy, water, raw materials and other materials), emissions, discharges, as well as in waste management and recycling.

Both the brewery and the Cabreiroá bottling plant have a certified Environmental Management System. Agua de Cuevas, Fontarel and Customdrinks implement prevention and control systems.

## INVESTMENTS AND CONTRIBUTIONS IN 2019 AND 2018

- Investment in environmental protection (treatment of spills, waste and emissions, consumption of raw materials): €224,670.09 (€173,234.79 in the 2018 financial year).
- Contribution to integrated packaging waste management systems: €3,836,226.98 (€3,737,261.81 during 2018).
- Investment related to environmental protection in the brewery: €4,257,566.08 in the sewage treatment plant and €565,095 at the biogas plant (€2,002,221.41 and €565,095 in 2018).

## COMMITTED TO THE ENVIRONMENT

As established by our Code of Ethics, we are firmly committed to protecting and respecting the environment which is why we work under the premise of minimising negative environmental impacts and preventing pollution, promoting R&D&I that improves processes, seeking the adequate training of our professionals and collaborators in environmental management, natural heritage and associated risks.

We also analyse the risks related to our environmental aspects (waste, emissions, discharges, consumption and environment), taking into account legal requirements and other application requirements, within the context of the organisation and the needs and expectations of stakeholders.

Thus, and in the spirit of transparency and collaboration that characterises our relationship with the community and environmental social agents, we publish the Environmental Declaration of Hijos de Rivera, S.A.U. on our website.

## EFFECTIVE COMPLIANCE

We set cross-sectional objectives and working guidelines to ensure that compliance is effective in protecting the environment. The environmental aspects generated during the design and processing of the products are identified and evaluated according to the precautionary principle, and controlled to avoid, or where appropriate limit, the associated negative impacts on the environment.

### Policies and procedures

We prioritise the sustainability of our business project over the desire for immediate enrichment. In the current social context, marked by climate change, pressure on natural resources, environmental degradation and pollution, respect for the environment is essential to ensure long-term success, ensuring the legitimate right of present and future generations to enjoy an adequate environment.

This commitment comes to life in the approval of the Corporate Environment Policy in December 2019, which establishes the reference framework and the principles to be respected in order to protect the environment in the activities carried out by our companies.

The Environmental Management System of Hijos de Rivera S.A.U. is certified in ISO 14001:2015 and EC Regulation No. 1221/2009 (EMAS III), as amended by Regulation (EU) 2017/1505, with registration number ES-GA-000121 for beer design and production activities. The Cabreiroá centre is also 14001:2015 certified for the packaging of natural mineral water, carbonic natural mineral water and natural mineral water with added carbonic gas.

This System allows us to:

- Study and evaluate the direct and indirect environmental aspects that arise from our activities.
- Ensure compliance with legal, and other, requirements.
- Define environmental improvement programmes.
- Implement respectful production techniques, taking into account sector BATs.
- Design and develop environmental training plans.
- Communicating our environmental commitment and behaviour to stakeholders.

The management is responsible for establishing the group's environmental objectives, as well as communicating, measuring, monitoring and reviewing them, correcting possible deviations, as well as monitoring the effectiveness and efficiency of the Environmental Management System.

We also have a specific procedure for identifying and updating the applicable legal requirements, in addition to the technical advice of a company specialised in the field. It should be noted that, in our case, we do not need to record accounting provisions for environmental guarantees and risks as we have not incurred any liabilities arising from non-compliance with current regulations.

We are aware of our responsibility for the environment. Therefore, as part of our commitment to the environment, our business strategy includes a commitment to reducing the impact of our activity, circular economy policies and energy efficiency that help mitigate climate change.





# AIR POLLUTION CONTROL

# 5.2

## COMBUSTION EMISSIONS

The brewery – the only centre to which regulations governing the emission trading scheme apply – has two combustion boilers that use natural gas and biogas generated by the facility itself (infrastructure that has a biogas washing system that minimises the environmental impact and improves the quality of emissions to the atmosphere), as fuels. In both boilers periodic measurements are made by an external entity accredited of different parameters (Opacity, SO<sub>2</sub>, CO, NO<sub>x</sub>) to carry out a thorough control of the emissions generated.

Every year, the factory informs the Competent Environmental Authority of the number of tons of CO<sub>2</sub>, CO and NO<sub>x</sub> emitted.

## ACOUSTIC EMISSIONS

All equipment and facilities are subject to preventive maintenance plans in order to avoid breakdowns or deterioration that cause changes in the sound pressure level. In addition, we have technical measures to attenuate the sound in areas where activities are carried out that generate more pronounced sound levels. In addition, environmental noise measurements are periodically carried out to check that sound pressure levels do not in any way exceed the established limits. So far, the results are satisfactory.



# 5.3

# TOWARDS A CIRCULAR ECONOMY

## WASTE

In this area, we prioritise the prevention of waste generation, its reuse, recycling and recovery, avoiding its elimination whenever possible.

Industrial waste generated at the brewery, cider and soft drinks facilities and springs is delivered to authorised waste managers. For its selection, the recovery operations used and their proximity to the withdrawal points are taken into account.

Also, in search of the circularity of materials, the glass and cardboard waste generated in the brewery facilities are used in the manufacture of new packaging materials (bottles and packs). Hence, we are pursuing “zero” residue target in facilities and springs in the next three years.

In 2019, to reinforce the awareness of workers in our offices, we also installed waste segregation points in each department and in the break rooms and removed individual bins. In addition, we issued information regarding good practices for a sustainable office.

## PACKAGING

Every year we implement different improvements in the design of our packaging to reduce the amount of waste that its consumption causes and facilitate its recycling. Thus, we use different percentages of recycled material in our products and, since 2019, all our PET bottles have a minimum of 25% R-PET, some formats having up to 50%. In addition, we have returnable formats for beer, mineral water and cider. In this sense, it should be noted that the beer sector is characterised by the use of large volumes of returnable packaging, which in our case accounts for more than 60% of production. We contribute to awareness in good recycling habits, including symbols on the labeling of our products (can symbols and PET bottles).

On the other hand, the *Cerveza de Bodega* model we develop allows us to place large quantities of product on the market without associated packaging residue. In 2019 the range of beers served through this channel has been expanded (1906 Reserva Especial).

We also adhere to various Integrated Management Systems: Ecovidrio, in the case of beer and cider, and Ecoembes in the case of water.

# 5.3

## BY-PRODUCTS

During the brewing process bagasse and yeast are produced as by-products, which are destined for animal feed, thus avoiding becoming waste. Bagasse is also generated in the cider making process, which in this case is used as fertilizer.

## WASTE

The wastewater generated in the brewery, in the cider and soft drink factories and in the springs, is the result of the effluent from beer brewing, water packaging and cider and soft drinks production, of the plant's cleaning and disinfection systems, and sanitary waters from the different factory facilities.

Wastewater is treated or managed to adapt its parameters to those legally established and carry out the discharge in accordance with the corresponding authorisations. In addition, to assess the effectiveness of the treatment system and compliance with legal implementation requirements, periodic internal checks and/or by accredited bodies are carried out.

# 5.2



INDICATORS

BREWERY		ABSOLUTE		ABSOLUTE/PRODUCTION (HL BEER)	
	UNIT	2018	2019	2018	2019
SINGLE USE PACKAGING	Kg	50,809,317	61,185,201	47.01*	47.11
REUSABLE PACKAGING	Kg	1,057,496	1,153,745	0.60*	0.59
NON-HAZARDOUS WASTE	Kg	4,753,937	4,886,369	1.54	1.41
HAZARDOUS WASTE	Kg	4,264	4,509	0.001	0.001
BY-PRODUCTS : BAGASSE	Kg	53,064,435	59,027,770	17.18	17.03
BY-PRODUCTS: YEAST	Kg	6,995,292	9,857,960	2.27	2.84
EFFLUENTS	m³	873,048	945,476**	0.28	0.27

\* Modified by change in calculation criteria.  
\*\* Calculation of discharge volume 2019 made by water consumption balance, using measures of flow meters installed at different points of the process.

SPRINGS			ABSOLUTE		ABSOLUTE/PRODUCTION (HL BOTTLED WATER)	
		UNIT	2018	2019	2018	2019
SINGLE USE PACKAGING	CABREIROÁ	Kg	3,706,801*	3,908,110	5.45*	5.51
	AGUA DE CUEVAS	Kg	1,399,542*	1,231,182	3.15*	2.55
	FONTAREL	Kg	1,282,667*	1,277,939	2.50*	2.42
NON-HAZARDOUS WASTE	CABREIROÁ	Kg	527,555	556,298	0.58	0.56
	AGUA DE CUEVAS	Kg	33,760	26,500	0.08	0.05
	FONTAREL	Kg	120,180	73,026	0.23	0.14
HAZARDOUS WASTE	CABREIROÁ	Kg	2,728	796	0.003	0.001
	AGUA DE CUEVAS	Kg	279	145	0.001	0.0003
	FONTAREL	Kg	314	313	0.0006	0,0006
EFFLUENTS	CABREIROÁ	m³	26,723*	30,656	0.03	0.03
		m³	11,762	13,811	0.02	0.03

\* Modified by change in calculation criteria.

The cider and soft drink plant generated, in the 2019 financial year, 596,480 Kgs of by-products (bagasse) (795,000 Kgs in 2018).

# WE BELIEVE IN THE SUSTAINABLE USE OF RESOURCES



Controlling water consumption, electricity, natural gas/LPG and other resources allows us to have information about our environmental behaviour and facilitates the identification of improvements. In order to reduce both consumption and demand for resources, for which annual targets are set in the brewery and springs, the feasibility of implementing the best available techniques identified in both the production process and the auxiliary processes is assessed.

Thus, in the last 10 years (2008-2018) we have managed to reduce the ratio of the brewery in:

- **Electricity:** 26%
- **Water:** 35%
- **Natural Gas:** 40%

The brewery incorporates the biogas generated in the anaerobic wastewater treatment process as a renewable energy source.

INDICATORS

BREWERY		ABSOLUTE		ABSOLUTE/PRODUCTION (HL BEER)	
	UNIT	2018	2019	2018	2019
ELECTRICITY*	kWh	23,527,147	25,658,597	7.62	7.40
NATURAL GAS	MJ	193,880,537	212,694,899	62.78	61.35
BIOGAS*	MJ	8,711,902	63,366,710	2.82	18.28
WATER: MUNICIPAL SUPPLY	m³	1,226,119	1,351,182	0.40	0.39
RAW MATERIALS	Kg	58,594,000	65,138,956	18.97	18.79

\*Renewable energy

SPRINGS			ABSOLUTE		ABSOLUTE/PRODUCTION (HL BOTTLED WATER)	
		UNIT	2018	2019	2018	2019
ELECTRICITY*	CABREIROÁ	kWh	3,496,882	3,685,413	3.84	3.73
	AGUA DE CUEVAS	kWh	1,113,426	1,164,338	2.51	2.41
	FONTAREL	kWh	2,063,957	2,182,790	3.96	4.14
PROPANE GAS	CABREIROÁ	Kg	153,848	168,239	0.17	0.17
MUNICIPAL WATER SUPPLY	CABREIROÁ	m³	1,153	634	0.001	0.001
GROUNDWATER	CABREIROÁ	m³	158,462	136,643	0.17	0.14
		m³	101,079	76,470	0.19	0.15

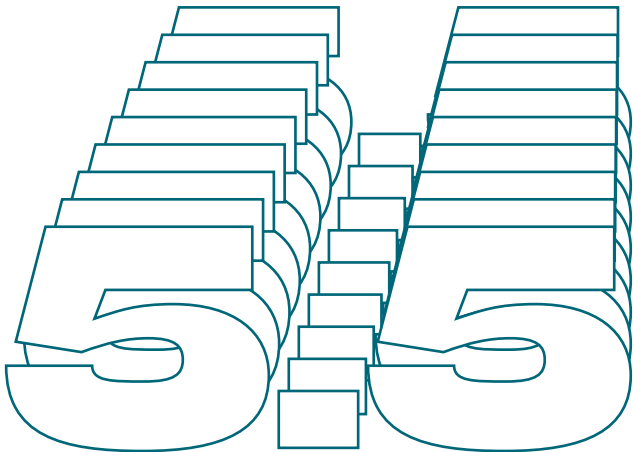
\*Renewable energy

CIDER AND SOFT DRINK		ABSOLUTE		ABSOLUTE/PRODUCTION (HL CIDER, SOFT DRINKS)	
		2019	2018	2019	2018
ELECTRICITY CONSUMPTION (Kwh)		1,220,000	1,070,969	9.76	9.80
WATER CONSUMPTION: MUNICIPAL SUPPLY (m³)		36,000,000	32,000,000	288	293
COMMODITY CONSUMPTION: APPLE (Kg)		2,269,321	2,192,000	126.35	128.94
CONSUMPTION OF MAT. SINGLE-USE PACKAGING (Kg)		1,915,020	1,643,906	15.32	15.05



# OUR FIGHT AGAINST CLIMATE CHANGE

The fight against climate change is one of the most important environmental challenges facing humanity. In order to respond to this global challenge, in 2019 we calculated the organisation’s carbon footprint with scope 1, 2 and 3 (base year 2018), in order to identify opportunities for improvement and set emission reduction targets across our value chain<sup>3</sup>.



The calculation of the carbon footprint has been verified by an external entity accredited and registered in the Register of the Spanish Office for Climate Change.

Hijos of Rivera S.A.U. has set as a target for 2021 to reduce their emissions:

- 30% in scope 1 and 2
- 10% in scope

Among the measures implemented in 2019 within this area are:

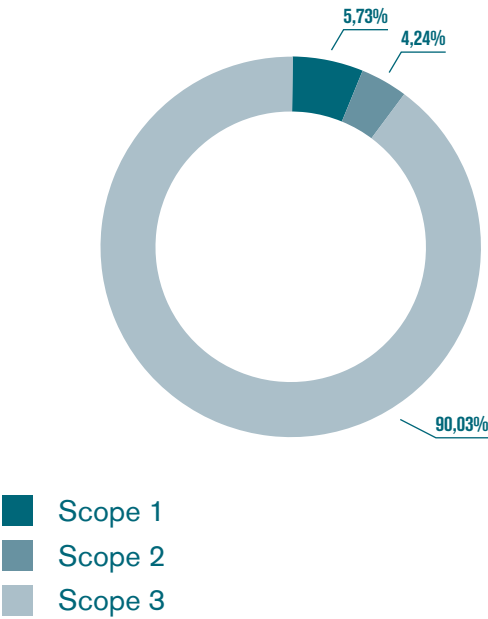
- Optimisation of biogas generated at the wastewater treatment plant of the brewery.
- Use of 100% electricity of renewable origin in the brewery and springs.
- Regarding vehicle fleet: incorporation of hybrids destined for commercial activity and gas-powered *Cerveza de Bodega* tanker trucks.
- Launch of a project to renew the refrigeration equipment and to switch from using R134 gas to R290 ecological gas, a hydrocarbon that does not damage the ozone layer and provides greater efficiency and cooling power.
- Renovation of the printer and MFP fleet for an eco-friendly model that reduces annual paper consumption and consequently reduces the carbon footprint.

EMISSIONS INDICATORS

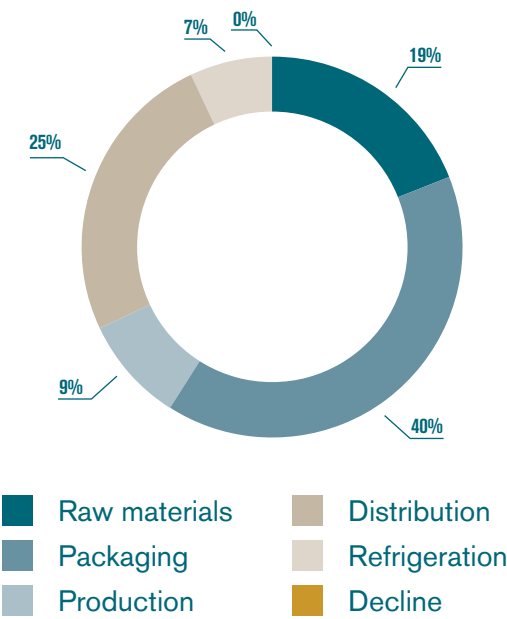
BREWERY			ABSOLUTE		ABSOLUTE/PRODUCTION (HL BEER)		
			UNIT	2018	2019	2018	2019
SCOPE 1			t CO2e	10,923	11,971	0.0035	0.0035
SCOPE 2			t CO2e	7,979	--	0.0026	--
SPRINGS			ABSOLUTE		ABSOLUTE/PRODUCTION (HL BOTTLED WATER)		
			UNIT	2018	2019	2018	2019
SCOPE 1	CABREIROÁ	t CO2e	469.69	526.33	0.00052	0.00053	
	AGUA DE CUEVAS	t CO2e	4.43	--	0.00001	--	
	FONTAREL	t CO2e	25.59	8.30	0.00005	0.00002	
SCOPE 2	CABREIROÁ	t CO2e	1,201.56	--	0.0013	--	
	AGUA DE CUEVAS	t CO2e	368.27	--	0.0008	--	
		t CO2e	678.62	--	0.0013	--	

CORPORACIÓN HIJOS DE RIVERA, S.L. AND SUBSIDIARIES

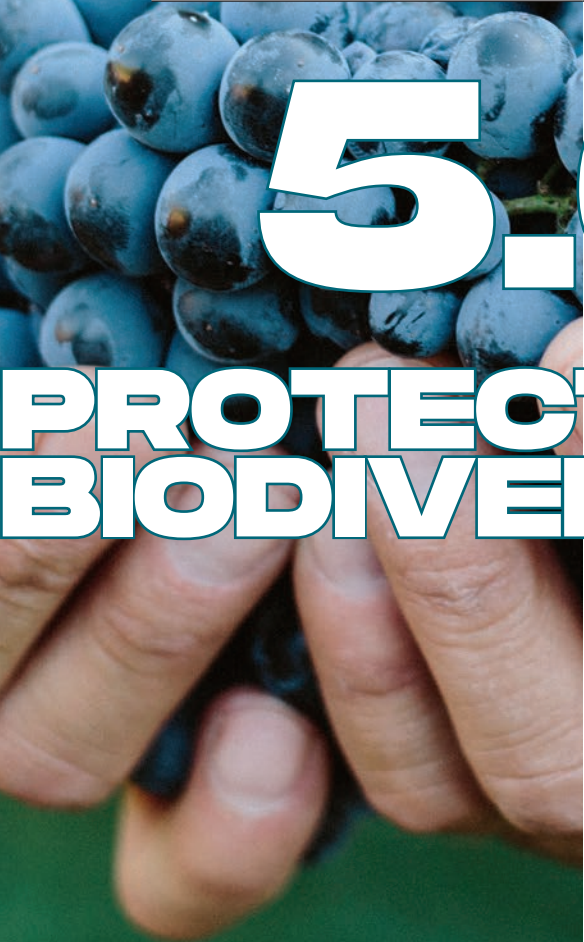
CARBON FOOTPRINT BY SCOPES



CARBON FOOTPRINT BY PROCESSES



<sup>3</sup> Organizational Limit: Hijos de Rivera S.A.U., Aguas de Cabreiroá S.A.U., Aguas de Cuevas S.A.U., Aguas El Pilar S.L.U., Cervinter S.L.U., Justdrinks LDA. and Estrella Galicia Importacaoao e Marketing of drinks and food LTDA.



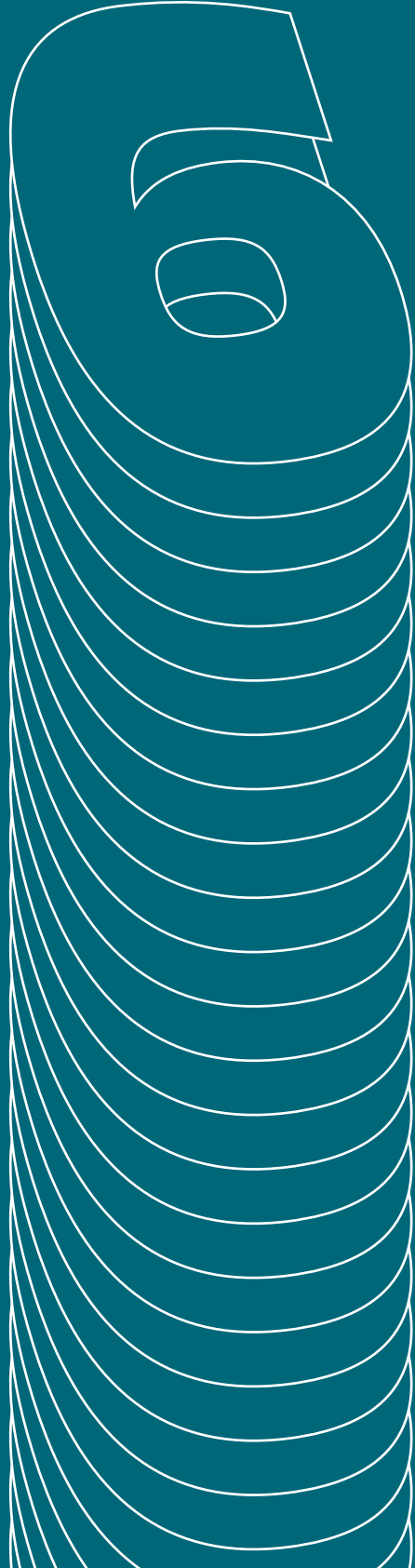
# 5.6 PROTECTING BIODIVERSITY

To limit our vulnerability to climate change, we are identifying and evaluating different measures that allow us to better adapt to this risk.

As the brewery and cider and soft drinks are located in an industrial area, there is no significant effect on biodiversity. For their part, the springs have established a perimeter of protection carrying out regular monitoring to verify that the environment is not altered.



# TAX INFORMATION





# TAX INFORMATION

The main risks identified at the group level in this area are as follows:

- **Compliance with formal obligations** arising from the different tax jurisdictions in which the group operates.
- **Technical Analysis:** adopting incorrect tax decisions taking into account the context of the organisation.
- **Fiscal Policy:** that derived from the amendment of the tax regulations or the administrative or jurisprudential criteria.
- **External Communication:** that derived from the market interpreting financial-fiscal information inadequately, causing a negative valuation of the company by economic agents or the Tax Administration.
- **Internal Communication:** risk arising from non-existent or inadequate communication between areas with tax liability and the rest of the business.
- **Specific risks** of the different taxes to which the group is subject in the different jurisdictions in which it operates.

In April 2019, the corporation's Board of Directors approved the group's tax policy, the group's tax risk map and the adherence to the Code of Good Tax Practices. The policy affects the fulfilment of its tax obligations and its relations with the Tax Administrations.

The group's tax policy responds to each of the risks indicated.

The group conducts its tax practices in accordance with responsible tax conduct whose principles are consistent with those set out in the OECD Guidelines for Multinational Enterprises (2011).

The different companies that make up the group are taxed on profits generated in the territories where each activity takes place. In Spain, where 98% of global sales and the main activities associated to the product are concentrated, €103 million of direct tax contribution is generated, around 99% of the group's total contribution.

In the 2019 and 2018 financial years the overview of the distribution of profits obtained country by country, as well as the taxes on profits paid in the different jurisdictions where it has a presence was the following:

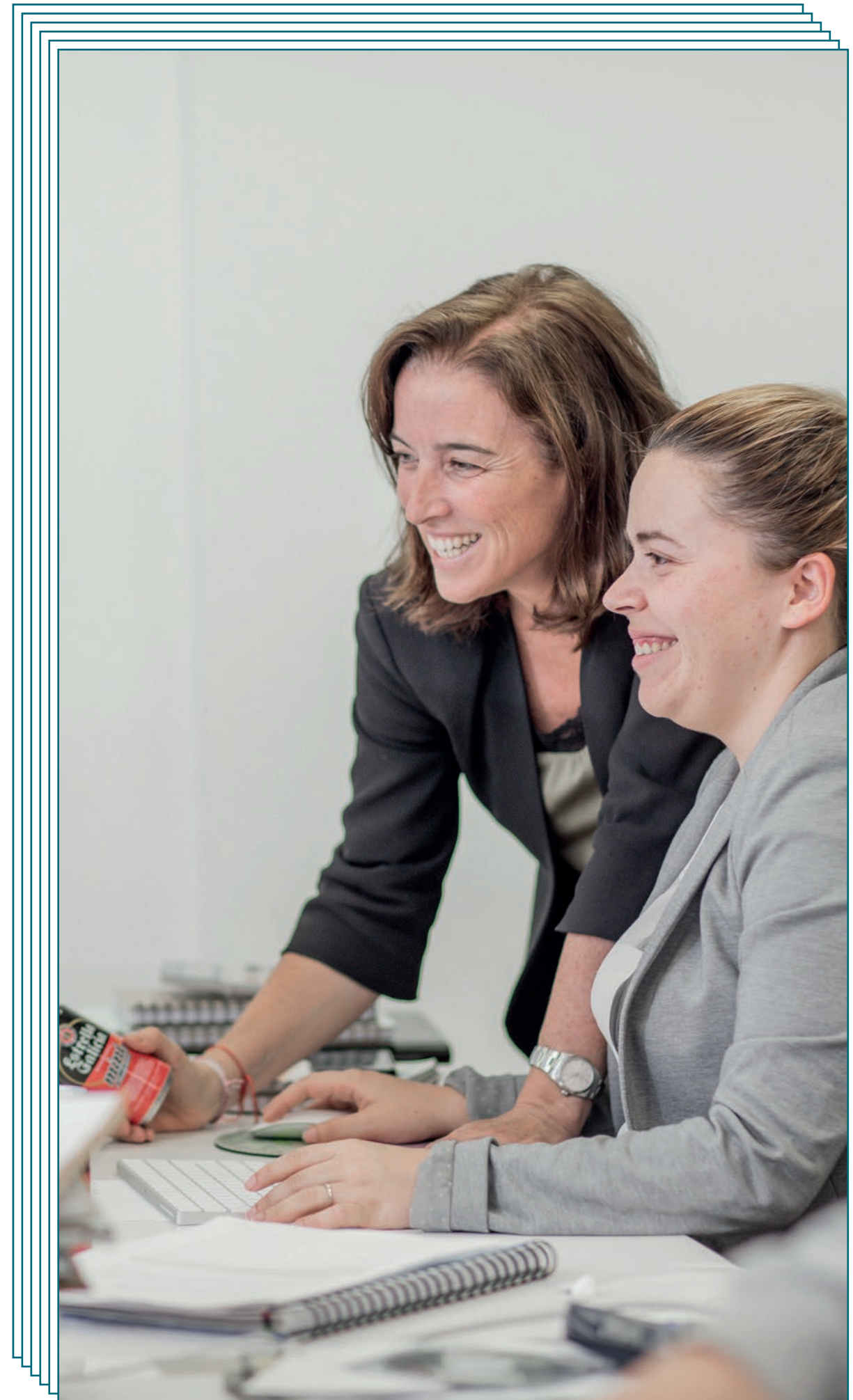
TAX JURISDICTION	PROFIT/LOSS BEFORE CORPORATION TAX	CORPORATE TAX PAID IN 2019	CORPORATE TAX ACCRUED. CURRENT YEAR
<b>2019</b>			
Spain	136,062,759	24,158,583	22,777,768
Rest of countries (*)	(740,917)	95,174	79,156
<b>2018</b>			
Spain	128,516,234	20,879,181	21,846,291
Rest of countries (*)	(5,106,836)	75,846	(970,214)

## PUBLIC SUBSIDIES

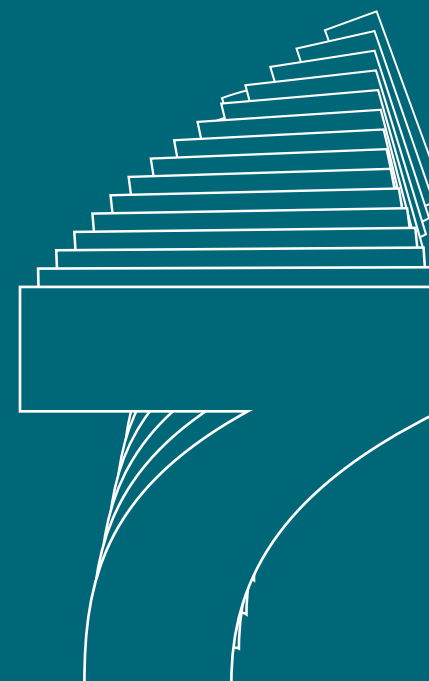
No capital subsidy has been received in 2019 and 2018. In the 2019 financial year, operating subsidies of €236,143 have been received.

The R&D&I deductions applied in the 2019 financial year amounted to €846,212 (€1,098,496.14 in the 2018 financial year).

(\*) Portugal, Brazil, Philippines, China, USA.







# OUTLINE OF REPORT

For the seventh consecutive year, and in an exercise in transparency and commitment with our stakeholders, we publish our Sustainability Report where we report on our performance on environmental and social issues, respect for human rights and the fight against corruption and bribery, as well as personnel, during the 2019 financial year.

The Report includes the consolidated non-financial statement of Corporación Hijos de Rivera S.L and Subsidiaries, which has been prepared in line with the requirements set out in Law 11/2018, December 28, amending the Code of Commerce, the consolidated text of the Capital Companies Law by Royal Legislative Decree 1/2010 of July 2, and Law 22/2015, of July 20, Auditing of Accounts, regarding non-financial information and diversity.

To prepare it, the Corporación has based itself on the standards of the Global Reporting Initiative (GRI), an international reporting framework referred to in the aforementioned Law, following the reporting principles contained therein, and using a selection of GRI Standards that adequately reflect its performance in the different issues contained in the Act, and which are indicated in the table included in paragraph 8. Table of Contents required by Law 11/2018 of this Report.

All issues contained in Law 11/2018 on non-financial information and diversity have been identified by the group as materials.

The information included in the non-financial statement, which is part of the Consolidated Management Report and accompanies the Consolidated Annual Accounts for the 2019 financial year, is verified by KPMG Asesores S.L.

## INFORMATION BOUNDARIES

The financial information included in this non-financial statement comes from the Consolidated Annual Accounts of Corporación Hijos de Rivera S.L. and subsidiaries for the year ended December 31, 2019.

Information regarding the 2019 Team does not include personnel of the companies Balearic Beverage Distributors Inc. Group. (USA), Bars & Stars Wine & Food Services Corporation (Philippines) and Rivera Business Trade (Shanghai) Co., Ltd. (China), which account for 2% of the total workforce.

The information regarding the environment refers to the main production centres: the brewery, springs, and the cider and soft drink factory, which account for 99.6% of the group's total production.

In cases where the reported information has a scope other than the established boundary, it shall be specified in the corresponding section or table with a footnote.



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# EXTERNAL VERIFICATION







KPMG Asesores, S.L.  
Paseo de la Castellana, 259 C  
28046 Madrid

## **Independent Assurance Report on the Consolidated Non-Financial Information Statement of Corporación Hijos de Rivera S.L. and subsidiaries for the year 2019**

(Free translation from the original in Spanish.  
In case of discrepancy, the Spanish language version prevails.)

To the Partners of Corporación Hijos de Rivera S.L.:

Pursuant to article 49 of the Spanish Code of Commerce, we have provided limited assurance on the Non-Financial Information Statement Consolidated (hereinafter NFIS) for the year ended 31 december 2019, of Corporación Hijos de Rivera S.L. (hereinafter the Parent Company) and subsidiaries (hereinafter the Group) which forms part of the Group's 2019 Sustainability and Non-Financial Information Report (hereinafter the Report).

The Report includes additional information to that required by prevailing mercantile legislation governing non- financial information that has not been subject of our assurance work. In this regard, our assurance work was limited only to providing assurance on the information contained in table "Table of contents required by Law 11/2018" of the accompanying Report.

### **Directors' responsibilities**

The Board of Directors of the Parent Company is responsible for the preparation and presentation of the NFIS included in the Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in accordance with each subject area in table "Table of contents required by Law 11/2018" of the aforementioned Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Parent Company's directors are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the NFIS was obtained.



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### **Our independence and quality control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

### **Our responsibility**

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed that exclusively refers to the year 2019.

We conducted our review engagement in accordance with International Standard on Assurance Engagements, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Performance Guide on assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units of the Parent Company that participated in the preparation of the NFIS, in the review of the processes for compiling and validating the information presented in the NFIS and in the application of certain analytical procedures and sample review testing described below:

- Meetings with the Parent Company personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these questions and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS based on the materiality analysis performed by the Parent Company and described in the section "Outline of Report" considering the content required in prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2019.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2019.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2019 and whether it has been adequately compiled based on data provided by internal and external information sources or third party reports.
- Procurement of a representation letter from the Directors and management.





### Conclusion (unqualified)

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Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Corporación Hijos de Rivera S.L. and subsidiaries for the year ended 31 december 2019 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and the content of the selected GRI Standards, in accordance with that mentioned for each subject area in the table “Table of contents required by Law 11/2018” of the aforementioned Report.

### Use and distribution

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This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

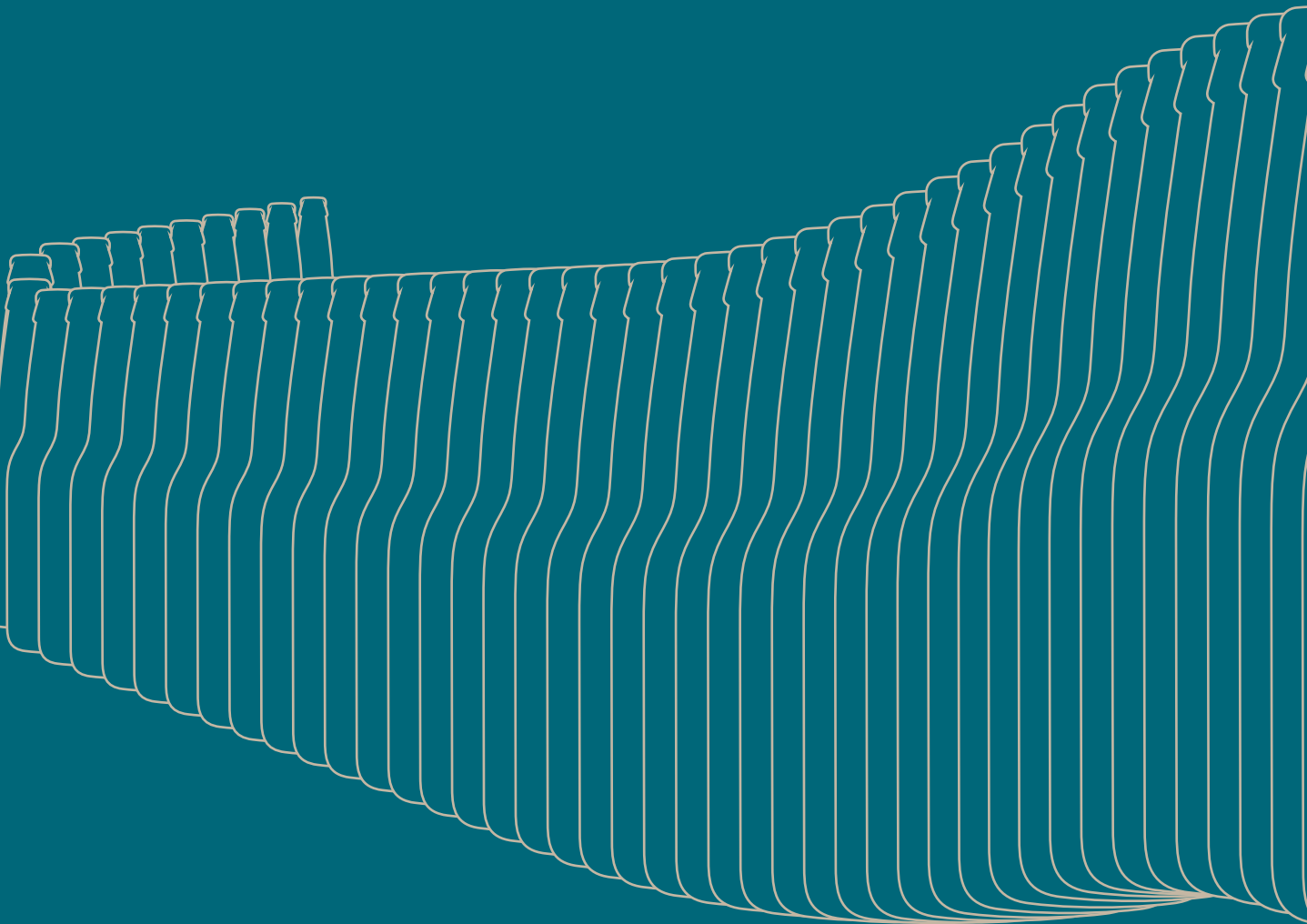
KPMG Asesores, S.L.

*(Signed on original in Spanish)*

Patricia Reverter Guillot

15 de mayo de 2020





[www.corporacionhijosderivera.com](http://www.corporacionhijosderivera.com)

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