



2016

Sustainability Report



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Our numbers



14,637

workers at the national level.



4

production plants in Lima, Piura, Trujillo and Arequipa.



276.7

million in sales, 17% higher than 2015.



14

products, including fresh, canned, and frozen products.

[ 1 ]

## Letter from the Chairman



Dear Friends,

We are a company with the firm belief that the only way to achieve sustained growth in the market is to guarantee a responsible management in all our processes, in tandem with our main stakeholders. Our social responsibility rests on three fundamental pillars: our consumers, our team, and the environment.

Families from all over the world are our consumers and our global clients are the gateway to them. Our commitment is to offer them the freshest, highest quality, most nutritiously valuable food products. We achieve the expectations of our consumers and clients through innovation, which is the main strategy and the DNA of our organization. We are always at the vanguard of the market, researching and creating new food products, new production processes to continuously decrease the use of post-harvest chemicals and technologies, ensuring our products conserve their quality until the moment they arrive at the table of the consumer.

An example of the satisfaction and preference of our clients, among other variables, is the 17% growth of our 2016 sales over the last period. Likewise, we placed 36th in FOB (Free on Board) sales among the main Peruvian exporters, positioning us as both the

leading exporter of non-traditional and agricultural sector products. It is our responsibility to offer our workers dignified, formal, and safe work, which enables them to grow with the company. Currently, we are the third largest employer in the country, hiring 14,637 people in 2016 (11% increase over 2015). It is important to note that 95% of our workers are laborers who inhabit our areas of direct influence.

Thus, we have become allies of the surrounding communities, as we contribute to dynamize the local economy. In addition to providing our workers with jobs, we give them the opportunity to develop new abilities, to professionalize their skills, to grow with the company and, therefore, to increase their income to improve the quality of life of their families.

Thanks to our good management practices, in 2016, we received 3 awards: First place in the Fisheries and agro-industrial category: "Where do I want to work, Peru 2016" Award, granted by Arellano Marketing; we received the Good Labor and Union Practices Award, granted by SMETA; and we are now included in the MERCOTALENTO ranking, which lists the 100 best companies to attract and retain talent.

Our commitment with the environment is to reduce and/or eliminate the environmental impacts that are unique to our sector, such as water consumption in the fields and the use of chemical pesticides that increase the effects of climate change. We rely on the innovation of our processes to address these impacts.

For example, we have helpful programs such as Integrated Pest Management (IPM), which enables us to reduce the use of chemical products in the fields and replace them with biological products such as beneficial insects and entomopathogenic fungi. Furthermore, to reduce water consumption, we have automated, high-tech irrigation infrastructure, and an irrigation control system that uses humidity sensors to determine the crop water consumption to perfect its use. Likewise, we have created an innovative biological system for the treatment of wastewater from the organization, which received various awards, such as the National Antonia Brack EGG, granted by the Ministry of the Environment; and the Entrepreneurial Creativity Award, granted by the Peruvian University of Applied Sciences. It is important to note that we are the first agro-industrial company to measure its water footprint under the standards of the ISO 14046, which demonstrates our commitment to manage this resource efficiently.

Once again, this letter ratifies our commitment to responsible management and CSR standards to which we adhere, such as the Global Compact, the Global Reporting Initiative, and, of course, the goals of the United Nations' sustainable development. Thanks to the application of these standards and to the commitment of our organization, we have made great advances in matters of sustainability, which are made available in the current Sustainability Report.

A handwritten signature in black ink, appearing to read 'Samuel Dyer Coriat', written over a white background.

**Samuel Dyer Coriat**  
PRESIDENT, CHAIRMAN OF THE BOARD



[2]

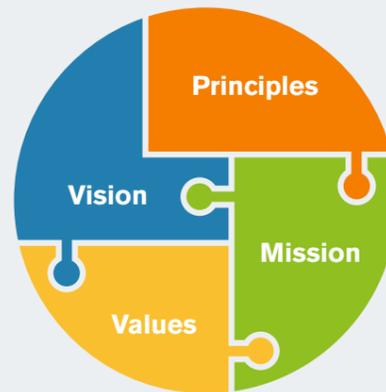
Camposol

Peru's leading exporter of non-traditional agricultural products

We are a Peruvian company that offers fresh, healthy, high quality food to families the all over the world. A 20-year solid trajectory has made us the leading agro-industrial company in the Peruvian market and the largest exporter of Hass avocados. Our commitment to nutrition motivates us to continue to grow with our focus on client-oriented innovation and to generate a shared value for our stakeholders. (102-16)

**VISION:**  
To be the global benchmark and vanguard provider of healthy and fresh food for the families of the world.

- VALUES:**
- **Integrity:** We are honest with ourselves.
  - **Excellence:** We work with the highest performance standards.
  - **Respect:** We propitiate a good treatment of others.
  - **Austerity:** We achieve efficiency controlling costs.
  - **Teamwork:** We foster a flexible environment with a prevalence for team values.



**PRINCIPLES:**  
Human resources management, ethics, social development, community relationship; environmental, safety, and health quality.

**MISSION:**  
To provide, in tandem with our clients, differentiated products to our consumers all over the world. We achieve this through our operative excellence, through innovation, and the development of our people, generating a positive and real impact on the wellbeing of the communities in which we operate and creating a sustainable value for our shareholders.

We work with the major global markets, which confirms our high standards of quality and safety. (102-6)



We keep a diversified portfolio of products that offers wellbeing to our clients.

**Fresh:**  
Asparagus  
Mangos  
Grapes  
Blueberries  
Avocados  
Pomegranate  
Mandarin.



**Canned:**  
Asparagus  
Mangos  
Artichoke  
Pepper.



**Frozen:**  
Avocados  
Asparagus  
Shrimp.



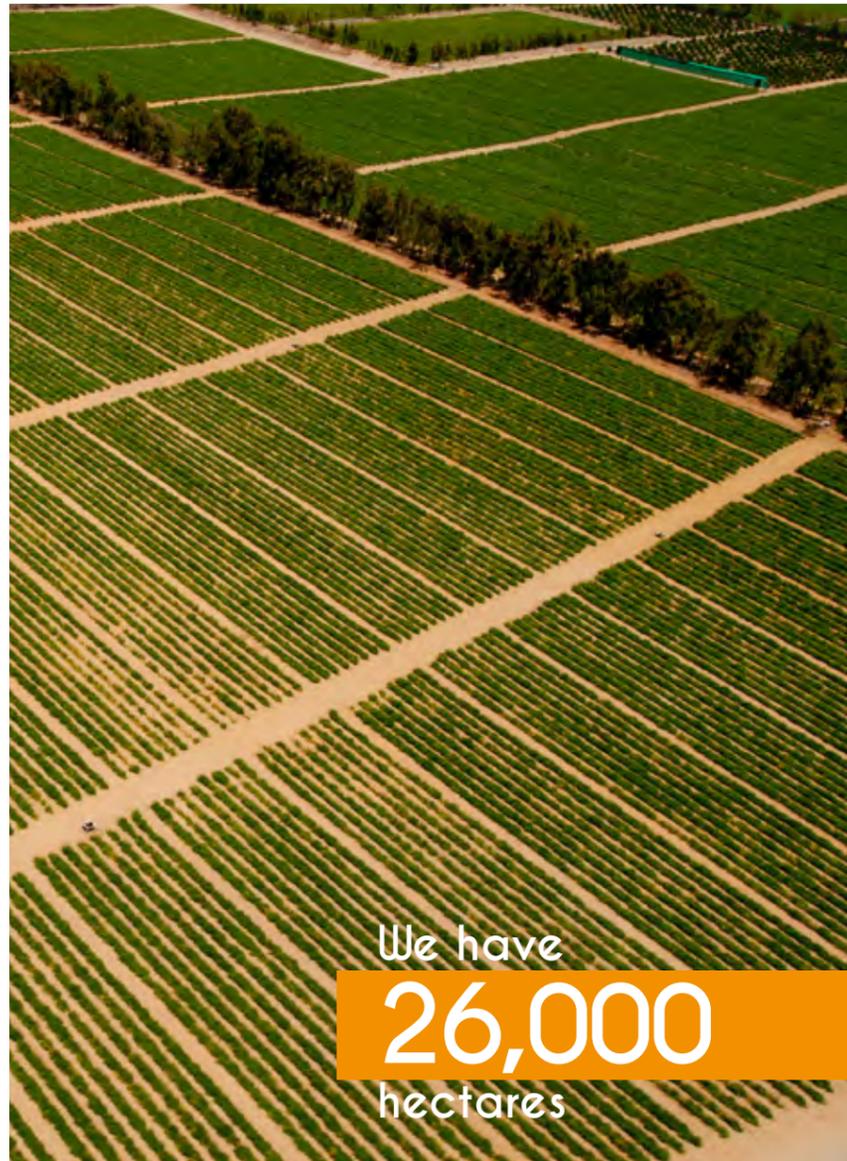
## 2.1 OUR BUSINESS (102-2)



We manage all the processes of the elaboration of our products directly, from the cultivation of the fields to domestic and international client marketing. This competitive advantage allows us to ensure compliance with regulations and standards at each stage of the value chain.

We manufacture our products on privileged land, with our fields are in areas with idyllic agricultural climatic conditions and soil. Thus, we can offer our clients a greater volume of world-class products and produce food during seasonal market shortages.

We are also able to respond to the ample demand of the market through alliances we established with other producers who support the processing and marketing of our products.



**Camposol's competitive advantages in the face of the global market**



**Growth Strategy**



**BLUEBERRIES**

To maintain a differential, absolute margin throughout the next 5 years.



**AVOCADOS**

To increase avocado off-season volumes in Chao.



**MANDARINS AND OTHERS**

To consolidate operative and commercial expansion.



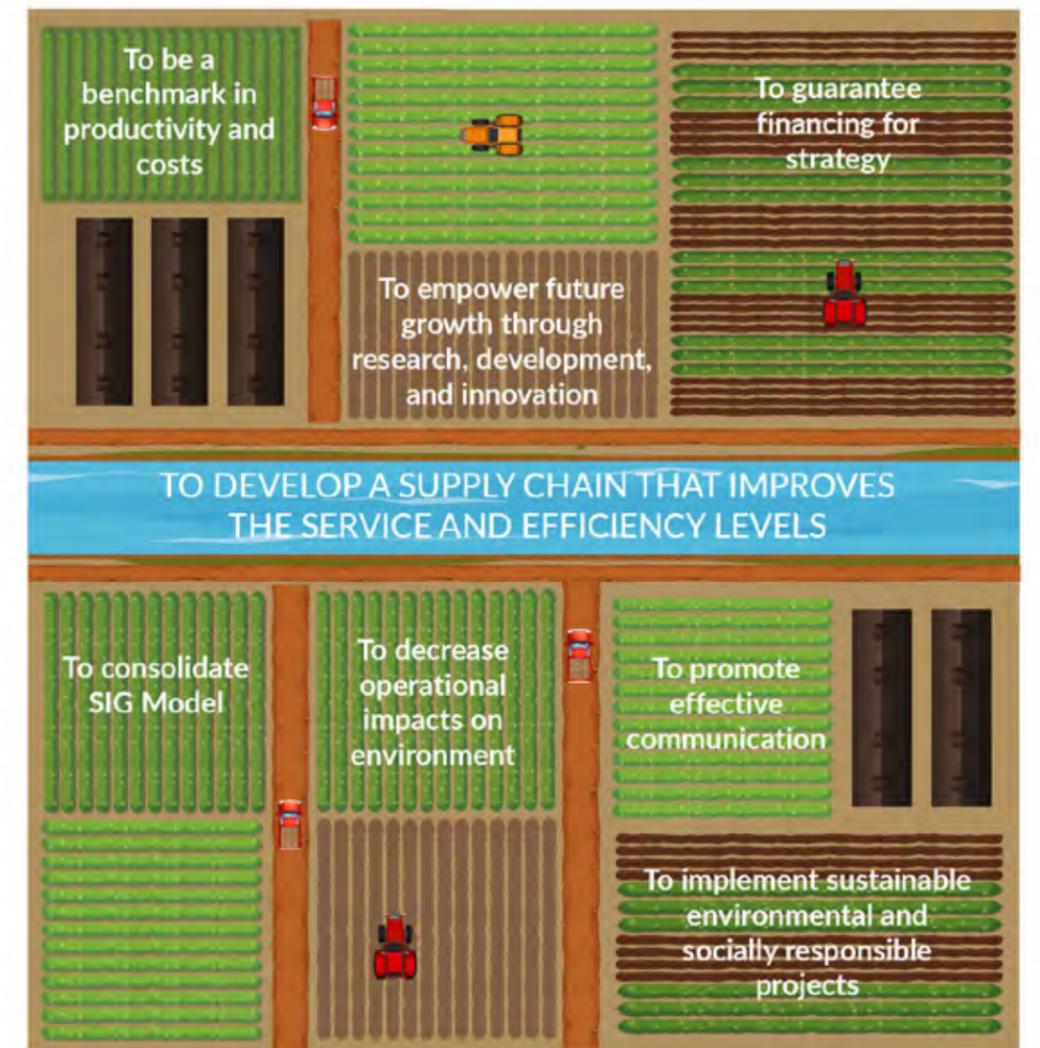
**MARINASOL**

To alter the production model to an efficient and profitable intensive pond system.



**TRADING**

To initiate operations in China and incorporate new services.





Research, innovation, and the development and acquisition of new knowledge and opportunistic discoveries form part of Camposol's DNA and incorporated transversally into all its processes.



## 2.2 THE BUSINESS VALUE CHAIN (102-9)

We handle the entire value chain of our business. This vertically integrated model ensures compliance with regulations and national and international certifications at each stage, as we ourselves are the direct supervisors and auditors of each one of the processes.



## 2.3 RESEARCH, DEVELOPMENT, AND INNOVATION (RDI)

Research, innovation, and the development and acquisition of new knowledge and opportunistic discoveries form part of Camposol's DNA and incorporated transversally into all its processes. This business strategy allows us to remain at the vanguard of the market, improving productivity, ensuring sustainability in our processes, bringing new products and packaging to clients, confronting the effects of climate change on our crops, and guaranteeing food safety. This way, we are to become the leaders in the fields of research, applied technology, and biological control in Latin America.

The senior management of our organization promotes a culture of innovation, which makes all this possible; they constantly encourage creativity and challenges to the status quo. In 2016, we began implementing the Stage Gate methodology, which is a process that allows teams to transform their ideas into profitable and successful opportunities. Moreover, we have a Research Center with strategic alliances with national and international universities, which allows us to combine efforts for the creation of scientific knowledge applied to our business.

### Research and Development Lines of Action

#### Improvement in Production

Develop Technology to improve productivity (shorter time with less recuses) and optimize key resources like water.

#### Control of Plagues and Disease

Identify and validate alternatives that solve sanitary problems and reduce the use of traditional chemicals.

#### Development of New Crops

Provide new products that are sustainable, for wich various analysis and assessments of adaptability, performance, and profitability are done.

#### Post Harvest Technology

Availability of post harvest to conserve the quality of a product in time.



Thanks to the research and the innovations that were developed, we have garnered satisfactory results to achieve greater efficiency in our processes.

of a parasitoid wasp among the blueberry pests, which is controlled using native microorganisms when in the larva stage.

- **Development of new crops:** We conducted 27 adaptability studies of new crops and new business opportunities.
- **Post-harvest technologies:** In 2015, we had oxidation problems with the frozen avocado pulp, causing considerable losses; in this period, we have solved the problem and improved sales by incorporating a natural antioxidant into the product. Likewise, in 2016, we used a natural antimicrobial coating to reduce the use of chemicals in the processing of fresh mandarins.

Thanks to the research and the innovations that were developed, we have garnered satisfactory results to achieve greater efficiency in our processes.

**Main indicators:**

- We conducted 43 research projects, 9 in biotechnology, 8 in biological control, and 26 for the diversification and adaptability of new crops in different areas of Peru.
- We have 14 multidisciplinary researchers with expertise in biology, microbiology, genetics, biotechnology, and agronomy.
- There was a USD \$900 thousand investment, 63% of which was earmarked for new crops.
- Our research publication: "Control of the attack of Diptera prodiplosis longifila gagne on the crop of Asparagus officinalis (asparagus) through the intake of dsRNA producing bacteria targeting important genes in their different stages," was published by ARENAGRO Magazine.

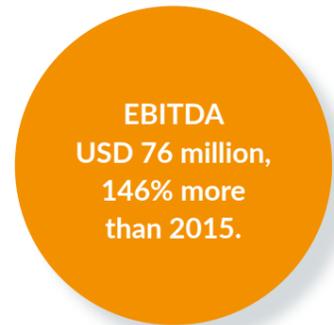
**Main Results:**

- **Improvement in production:** One of the milestones of the year was the use of in-vitro technology for the genetic improvement and propagation of crops. An example of this was the optimization of in-vitro commercial and native blueberry plants by using thermotherapy, which obtained a product of high agronomic potential in the field, which was free of pathogens, thus assuring sanitary quality. We also provide protocols for mass crop propagation with in-vitro crop technology to enable agricultural products to develop in any season of the year.
- **Pest and disease control:** We created a field device that uses the virgin adult female Lepidopteran (insect pest) to capture the male present in the crop. Camposol breeds this insect for this purpose. This is the natural way to conduct pest control in asparagus. Another great scientific finding was the identification

**2.4 ECONOMIC PERFORMANCE**

Our sales grew in 2016 by 17% compared to the preceding period. This is due to the greater volume of harvested blueberries (2.7 times greater than 2015), the increase in the production of shrimp and other marine products (1.6 times more than the preceding period), and the increase in the price of the avocado. We also had significant improvements in inventory management to achieve efficiencies in the management of working capital.

It is important to note that, during this period, we held the 36<sup>th</sup> place among the main Peruvian FOB (Free on Board) exporters, which positions us as the leading exporter of non-traditional and agricultural sector products in Peru.



(201-1)

DIRECT ECONOMIC VALUE	USD (in thousands)
Income	276,691
<b>DIRECT ECONOMIC VALUE DISTRIBUTED</b>	
Operation Costs	(149,444)
Salaries and Social Benefits for Employees	(66,956)
State Taxes	(398)
Community Investment	(51.4)
Dividends Paid to all Types of Shareholders	(89)
Payment of Interest to Fund Providers	(20,691)
<b>(FINANCIAL EXPENSES)</b>	
Valor económico generado menos valor económico distribuido	39,113

We held the 36<sup>th</sup> place among the main Peruvian FOB (Free on Board) exporters, which positions us as the leading exporter of non-traditional and agricultural sector products in Peru.



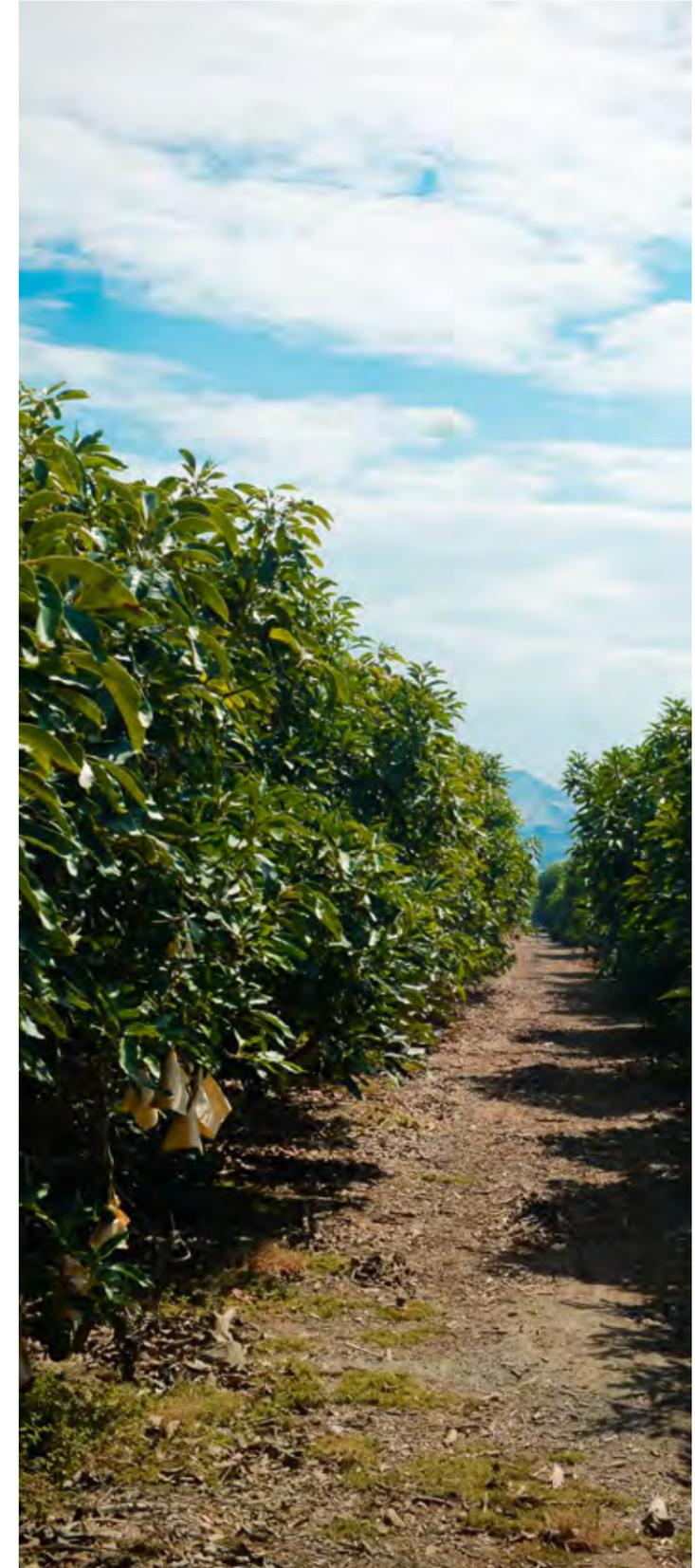
[3]

## Sustainability Management

We firmly believe that to guarantee a sustainable business, we must respect our ethical principals, our community, and our environment.



At Camposol, we work on contributing towards compliance with the Sustainable Development Goals of the United Nations, which set guidelines to eradicate poverty, protect the planet, and secure sustainability.



Since our foundation, our commitment is to manage our company by generating a shared value with our main stakeholders. Thus, we were the first agro-industrial company to adhere to the United Nations Global Compact and to report our performance with the methodology and guidelines of the Global Reporting Initiative (GRI).

Our Social Responsibility Policy outlines six sustainability challenges, upon which we set transversal management goals for the whole organization.

CHALLENGES	GOALS 2014-2016
Wellbeing of the community and employees	<ul style="list-style-type: none"> <li>• Development of two new business projects in the community.</li> <li>• Certify BSCI Conduct Code in the Piura operations.</li> <li>• Certify SA 8000 regulations in Viru operations</li> </ul>
Environmental Care	<ul style="list-style-type: none"> <li>• Certification of carbon footprint.</li> <li>• 100% of field and plant personnel with awareness of environmental issues</li> <li>• Promote the Adaptation and Environment Management Program (PAMAs) of Campo Trujillo (Virú, Chao, Planta); Piura (Terra, Agroalegre)</li> <li>• 100% Compliance with PAMA commitments</li> <li>• Get ISO 14001 Certification</li> </ul>
Quality assurance and product traceability	<ul style="list-style-type: none"> <li>• Continue optimizing the prevention processes in food safety in accordance with the new national and international regulations.</li> <li>• Implement a new microbiological laboratory with automated methods, which, through a strategic alliance, will be able to obtain the accreditation of its methods and the ISO 17025.</li> </ul>
Development of products and markets	<ul style="list-style-type: none"> <li>• Instill in our customers that Camposol is a socially responsible company, making this attribute a differentiating element that generates brand value and contributes to the improvement of the positioning.</li> <li>• Create social value in priority stakeholders.</li> </ul>
Creation and protection of the shared value	<ul style="list-style-type: none"> <li>• Develop a shared and sustained leadership.</li> <li>• Participate in fairs and forums as reference points in SR issues</li> </ul>
Reputation Management	<ul style="list-style-type: none"> <li>• Consolidate round tables with stakeholders</li> <li>• To establish Camposol as a leading company in social responsibility both locally and internationally.</li> <li>• Research corporate reputation.</li> </ul>

### 3.1 SUSTAINABLE DEVELOPMENT GOALS

At Camposol, we work on contributing towards compliance with the Sustainable Development Goals of the United Nations, which set guidelines to eradicate poverty, protect the planet, and secure sustainability.

While our strategy impacts different objectives with specific actions, it is the core of our business and our mission to contribute directly with three objectives: zero hunger, decent work and economic growth, and responsible production and consumption.



We offer consumers throughout the world fresh, healthy, high quality standards food to contribute to the wellbeing of families.



We are the third largest employer in the country. In periods of greater production, we have contracted more than 13 thousand people, thus generating formal jobs for thousands of inhabitants of the communities surrounding our plants.



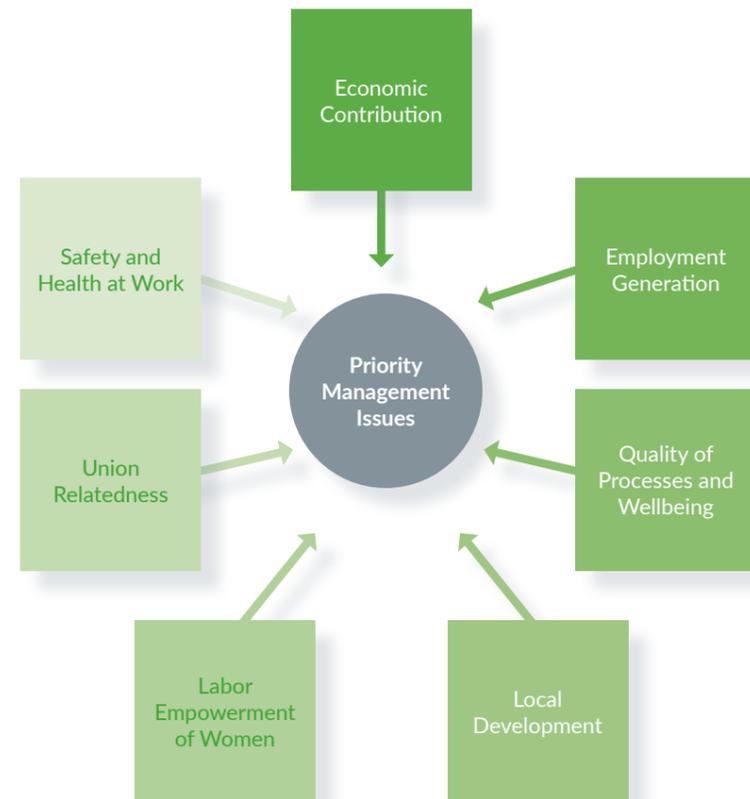
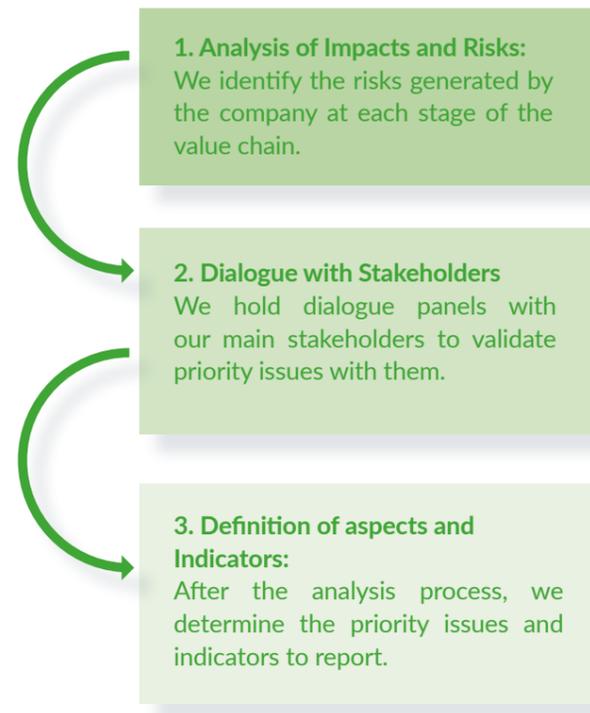
Our production process is environment friendly, as we conduct field pest control with biological products, and we are the first agro-industrial company to measure our water footprint to reduce our consumption of water, among others.



### 3.2 MATERIALITY PROCESS

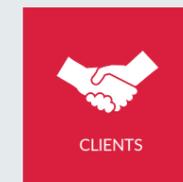
Our priority management aspects were identified in 2015 and will be updated every two years, with the purpose of aligning our issues to changes in the company and the industry. (102-46)

As a result of the materiality process, we identified 11 priority aspects, which will be expounded throughout this report. (102-47)



**We hold dialogue panels with our main stakeholders to validate priority issues with them.**

### Our Stakeholders (102-40)



### 3.3 STAKEHOLDERS

We have a close relationship with our main stakeholders, which allows us to work together to grow as a company amid the surroundings.

From our various areas, we create dialogue spaces with them where we can learn about their expectations, their concerns, and their suggestions. We can then include their viewpoints in our continuing improvement process. (102-43)

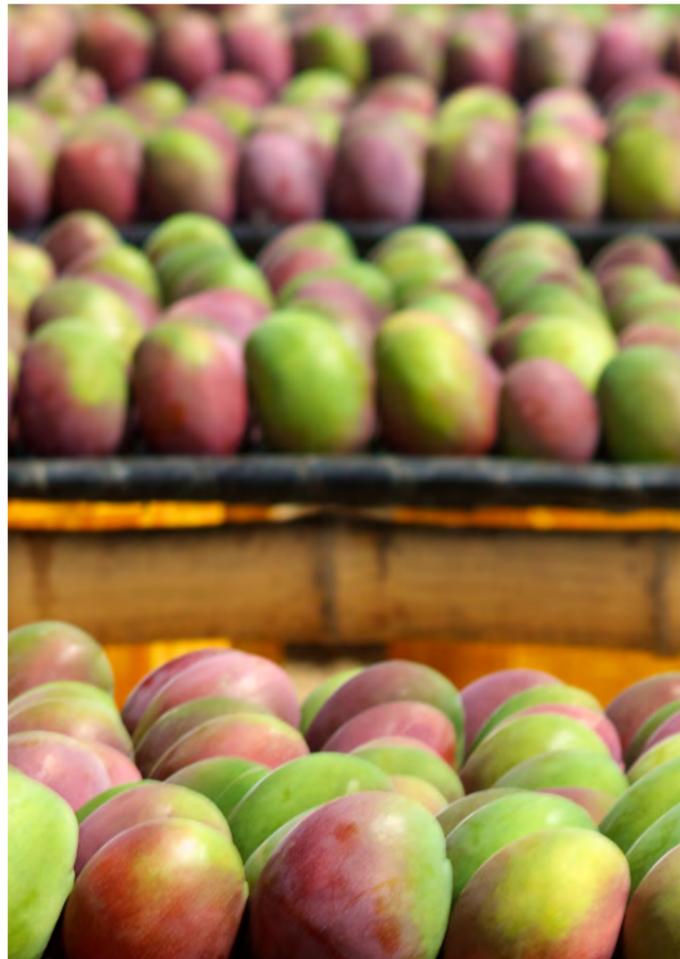
#### Dialogue with our main stakeholders: (102-44)

STAKEHOLDER	CHANNEL OF DIALOGUE	MAIN EXPECTATIONS
COMMUNITY	<ul style="list-style-type: none"> <li>Dialogue Panel</li> <li>Community Relations</li> <li>Annual Monitoring</li> <li>Survey of Perceptions and Image</li> </ul>	<ul style="list-style-type: none"> <li>Health Care</li> <li>Greater Access to Education for Young People</li> <li>Generation of Employment and Dynamization of the Economy</li> </ul>
WORKERS	<ul style="list-style-type: none"> <li>Dialogue Panel</li> <li>El Camposolino Magazine</li> <li>Open Door Policy</li> <li>Satisfaction Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Employment Generation</li> <li>Good Working Environment</li> <li>Company Growth</li> </ul>
GOVERNMENT AND INSTITUTIONS	<ul style="list-style-type: none"> <li>Dialogue Panels</li> <li>Periodic Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Laws and Regulations</li> <li>Increasing Industry Management Standards</li> </ul>
CLIENTS	<ul style="list-style-type: none"> <li>Dialogue Panels</li> <li>Periodic Meetings</li> <li>Satisfaction Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Products with Quality Standards</li> <li>Fair Price</li> <li>Deadlines</li> </ul>
ENVIRONMENT (cross-cutting stakeholders)	<ul style="list-style-type: none"> <li>Environmental Impact Studies</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Environmental Laws and Regulations</li> <li>Impact Reduction</li> </ul>

# [4]

## Corporate Governance

Our corporate governance is based on transparency and equal treatment.



The solidity and confidence Camposol enjoys in the market is due to our Good Corporate Governance, which sustains our main performance strategies. All practices of our Corporate Governance align with the national legislation and those of the countries where we have a presence.

The goal of our Corporate Governance is to ensure the adequate division of functions among shareholders, the Board, and management more comprehensively than required by the legislation in force.

Since 2013, our main shareholder is the Dyer Coriat Holding SL company, with a share participation of 90.47%. Our Board of Directors consists of seven professionals of extensive experience, trajectory, and reputation in the business world. Three of the total number of directors are independent, allowing us to ensure objectivity in decision making and preventing conflicts of interest.

Furthermore, our company's Corporate Governance consists of four committees: Audit, Control, and Risks; Ethics and Compliance Committee; Human Management, Ethics, Corporate Governance, and Social Responsibility; and Strategy, Business Development, and Finances. (102-22)

In keeping with our commitment to ensure fair and equal treatment between our majority and minority shareholders, we have various communication channels available at their behest. For example, periodically, we have telephone conferences directly with the CEO and CFO, we post updated business information on our institution's website, and we have an office of investor relations to respond to doubts opportunistically.

### 4.1 ETHICS AT CAMPOSOL

Ethical action is the responsibility of each worker, therefore, since 2014, we have a Camposol Ethics Line, which offers workers and other stakeholders various means of communication (telephone, email, website, postal address, and meetings) to enable them to report any irregularity or non-compliance with the guidelines of the Ethics Code. Ernst & Young, the audit firm, manages this system, ensuring an independent, transparent, and reliable process. (102-17)

In 2016, there were 58 cases of non-compliance with the Code of Conduct. The Ethics and Compliance Committee assessed these cases and referred them to the corresponding areas for a prompt solution. (102-11)

#### Board of Directors (102-18)

NAME	OFFICE
Samuel Dyer Coriat	Chief Executive Officer
Raúl Ubaldo Fernández	Vice-president (Independent)
Piero Dyer Coriat	Director
Sheyla Dyer Coriat	Director
William Dyer Osorio	Director
Susana Eléspuru Guerrero	Director (Independent)
Carmen Rosa Graham Ayllón	Director (Independent)



[5]

## People

Thanks to the talent and commitment of our workers,  
we are the leaders of the agroindustrial sector.



## 5.2 FEMALE EMPLOYMENT

Demand for female field labor characterizes agricultural activity; nevertheless, traditionally, these women have not had access to decent salaries, quality health, and education. Camposol commits to promoting equal opportunities for our workers and offers all of them employment that brings satisfaction, stability, and personal and professional growth opportunities.

### "Women in Agro" Program

The program benefits women who work in the plants and in the fields in the La Libertad and Piura regions, the core of our agricultural operations. We have programs that ease their work and aid growth in the company, such as training, safety and health at work, health care and assistance for their children, among others.

Results of the main programs we developed:

- **Training and work growth opportunities:** 4,082 women in the laborer category received training to improve their professional skills.
- **Pregnant women:** 65 pregnant women relocated to other positions that demanded less effort. This process is accompanied by constant training and we give them nutritious snacks to help them remain healthy.
- **Psychoprophylaxis and Prenatal Stimulation for pregnant workers:** 335 pregnant women took part in the course, which prepares the expectant mother for pregnancy, partum, and post-partum.
- **Wawa wasi "Rayito de Sol":** Specialized professionals cared for 410 children of our workers who were 4 years old and less. This space purports to keep our working mothers secure and calm at work.
- **Useful Holidays for children:** 620 children strengthened their educational, artistic, and sporting skills in the useful holidays workshops.

Other initiatives this year:

- 1382 workers received student and personal loans to cover their needs.
- 335 mothers got paid leave for unfettered prenatal controls.
- Dissemination and awareness campaigns about the use of institutional breast-feeding facilities to enable mothers to continue to lactate after returning to work.
- Family violence training developed by the Women's Emergency Center. The program proposes that women recognize the types of existing violence and report the incident if victimized.

We are the third largest employer in the country. At times of peak production, we have contracted over 13 thousand people, generating formal jobs for thousands of people from our areas of influence and throughout the country. (203-2)

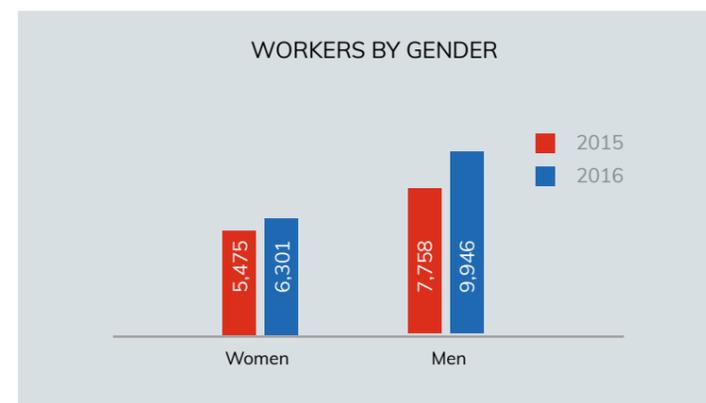
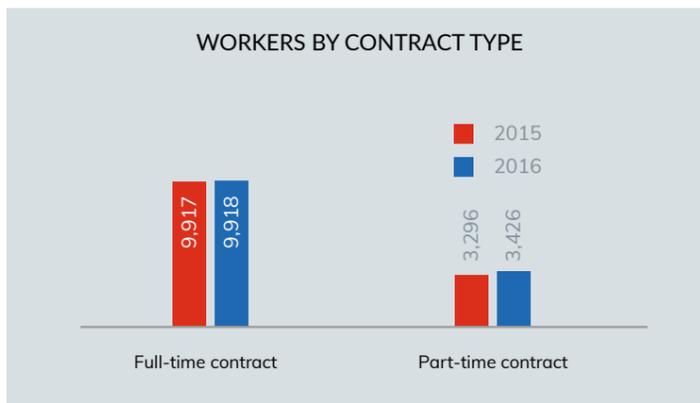
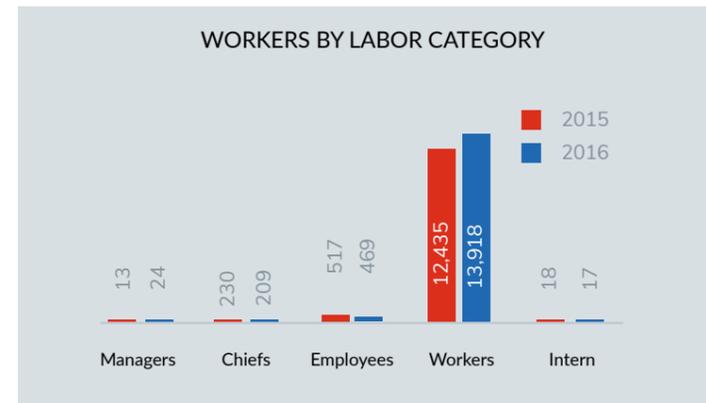
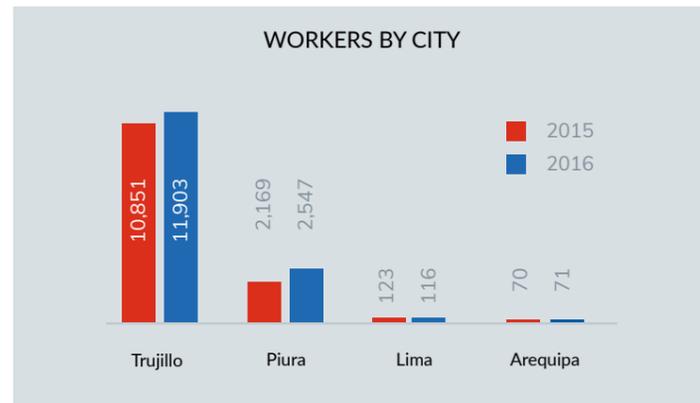
Our goal is to become Peru's leading employer. Thus, we continue our pursuit of strengthening the trade union dialogue to ensure industrial peace and promoting our quality mass recruitment strategy that accompanies the growth of our organization. In 2016, our management focused on improving our working environment, providing better team remuneration and benefits, and repositioning us as an employer brand.

Hence, we can offer our team both decent employment and the opportunity for growth and development for themselves and their families.

## 5.1 OUR TEAM



In the current period, our team consisted of 14,637 persons, 11% higher than 2015. This reflects the greater field labor needed by the increase in blueberry production. We emphasize that 95% of the workers fall under the category of labor workers who live in our areas of influence and take charge of the entirety of the production process of our products. (102-8)



"I feel happy working at Camposol because it has helped me get ahead as a worker and a professional, and now I am getting help to go to the university."

Casilda Calsina Yunganina



### 5.3 STRATEGY FOR TEAM GROWTH

One of our main challenges is to continually have a qualified workforce with the necessary knowledge and skills to meet international demands. Therefore, we have developed an attraction and retention strategy for our workers that involves 5 stages: Recruitment, acknowledgement, leadership, training, and talent development.

#### Recruitment and Onboarding:

It allows us to efficiently recruit a great number of personnel, mainly locals. In 2016, we had a great demand for jobs because of the high blueberry production.

In tandem with the Ministry of Women, we created an innovative program called "Yachay," which employs older adults, and, in exchange, their children stop working on the streets and return to school. This year, we also employed mothers, who wanted to work but had no one to care for their children after school, on a part-time basis.

#### Acknowledgement

We are aware that the success of our business is thanks to the effort and great performance of our team. In return, we give them higher benefits than the market and acknowledged their labor.

In 2016, we applied new labor benefits, such as leave days, extended the performance bonus to all workers, among others. Throughout this period, we granted our workers over 5 million soles in performance bonuses to benefit them and their families.

We also have acknowledgement programs called "Camposol Sol [Sun]" and "Mas Mas," [More More] among others.

#### Leadership

The program called "Forming Leaders," at the *Universidad Ricardo Palma*, trained 126 leaders of the organization. The subjects were: executive coaching, emotional and body management, organizational communication and climate, leadership and team management, negotiation and conflict management, and innovation and change.

#### Training and Organizational Development (404-2)

We offer our team spaces and training tools to reach their greatest potential and to develop the skills we need to be more competitive in the market and achieve national and international quality standards.

- **Internal training:** We conducted 3,508 internal training sessions, totaling 238 thousand-man hours. One hundred forty-three specialized workers were the teachers who performed the training.

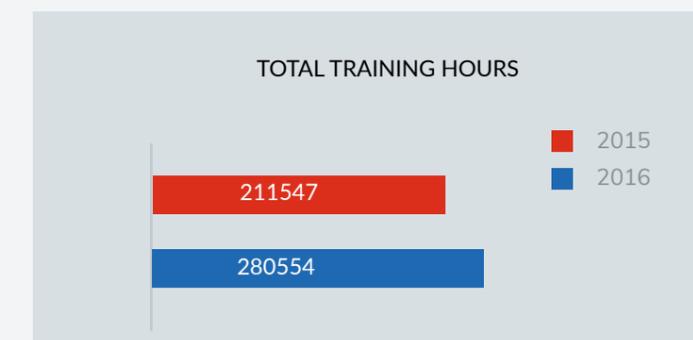


#### Indicators by Labor Category

Category	WORKER	LABORER
N° Training	557	3254
Training Hours	24437	256117
Total participants	826	19131

#### Indicators by Gender

	HOMBRE	MUJER
N° of Training	2143	1668
Training Hours	129890	150664
Total participants	11216	8741



- **External training:** We have expanded our institutional agreements with the *Universidad de Lima*, *Universidad del Pacífico*, *TECSUP*, among others. As a result, we offered 217 external trainings, totaling 40,200 person-hours, and an investment of more than 300 thousand new soles.

We also implemented an effectiveness test for the courses addressing the Critical Control Positions (CCP), to measure the level of learning achieved by the workers.





Thanks to our good management, we are recognized in the sector and the country as exemplar in social dialogue. In 2016 we were awarded for our good labor and union practices, granted by the Sedex Member's Ethical Trade Auditors (SMETA), which is one of most used auditing procedures in the world. (102-41)

## 5.4 LABOR RELATIONS

Camposol has 3 unions: Field, Plant, and the Syndicate of Workers of the Camposol Company, S.A. (SITECASA). We have a direct, effective, and reliable communication with them to maintain the labor peace we achieved 3 years ago.

### Work table requested aspects vs resolved aspects

UNION	REQUESTED	ASPECTOS RESUELTOS	PORCENTAJE DE CUMPLIMIENTO
Aspects	Resolved Aspects	Percentage of Compliance	100%
Plant	38	38	100%
SITECASA	37	36	97.3%

### Number of strikes and lost days

	2015	2016
Number of Strikes	0	0
Days lost to strikes	0	0

Once a month, we have work table meetings and program visits to the field or plant with each of our unions. We resolve requests and claims referring to, for example, infrastructure, bathroom, dining room improvements, among others. All requests are addressed at the following meeting. If a matter of urgency arises, we schedule an extraordinary table to discuss the issue.

In addition, trade union representatives are actively involved in social responsibility audits. Union registrars are formally invited for auditor's interviews and to provide their views during the rounds. (402-1)

Thanks to our good management, we are recognized in the sector and the country as exemplar in social dialogue. In 2016 we were awarded for our good labor and union practices, granted by the Sedex Member's Ethical Trade Auditors (SMETA), which is one of most used auditing procedures in the world. (102-41)

### Percentage of unionized workers

UNION	2015	2016
Field	2%	2%
Plant	2%	2%
SITECASA	4%	4%
Non- affiliated	92%	91%

## 5.5 SAFETY AND HEALTH AT WORK

Our workplace safety and health management system purports to prevent, opportunely, the risks to the health and integrity of our workers, visitors and third parties. We design and base our plans and programs on the analysis of the matrices of risks, the progress of our indicators, and the reports of safety and health audits and inspections. This allows us to use controls that lessen the incidence of accidents and disease in our team and environment.

This year, we started the certification process for OHSAS 18001 at the Chao plant. Phase 1 of the certification concluded successfully and in 2017, we will have the final certification for this plant.

Management goals:

- To ensure safety conditions and safeguard our worker's life, physical integrity, and wellbeing through the prevention of occupational accidents and diseases.
- To promote a work risk-prevention culture in workers, contractors, suppliers, and all service providers.
- To foster continued improvement of workplace safety and health conditions in all installations.
- To protect the company's installations and property to guarantee employment and production.

### Occupational Safety

The main occupational safety risks are the following:

OCCUPATION	LABOR RISKS
General Service Operator, Wastewater Treatment	<ul style="list-style-type: none"> <li>• Efforts of hands and wrists</li> <li>• Repetitive movements with high frequency</li> <li>• Organic powders</li> <li>• Animals / Insects / Fungi</li> <li>• Solar radiation</li> <li>• Vehicular Traffic</li> <li>• Solvents</li> </ul>
Operator of Agricultural Machinery and Heavy Machinery	<ul style="list-style-type: none"> <li>• Visibility problems (high lights, dust, weather: fog, rain, hail, dazzle of the sun, others)</li> <li>• Inadequate traffic areas</li> <li>• Machines/Movable parts</li> <li>• Vehicular traffic</li> <li>• Broken glass</li> <li>• Electric current</li> <li>• Poor posture for prolonged periods</li> <li>• Fragment detachment</li> <li>• Night shifts</li> </ul>



Following, we will describe the main initiative we developed to reduce the safety risks of our workers: (102-11)

- **Education and Training:** Based on the risks identified in the IPER matrix, we conduct a safety course to train and educate 100% of the team. We provide theoretical knowledge and certified practical training for high risk work and emergency response.
- **High Risk Work:** We have a program designed exclusively for persons who perform high risk work. It proposes standardization and dissemination of permits for this type of work, supervision of the process, and formation of incident rapid response brigades.
- **Road Safety and Safe Driving:** We offer periodic vehicle check-ups, post road signs, and conduct road safety campaigns to promote safe behavior to reduce the risk of accidents within and out of the confines of our company.
- **Contingency Plans:** They define the course of action for the various areas and the resources needed to achieve zero accidents. We also train the response team to ensure a good performance in case of incidents.
- **Control of Suppliers:** We identified risk suppliers and provided education, training, and review of their workplace safety and health system to align their management to our standards.



### Occupational Health

The main occupational health risks are the following: (403-3)

OCCUPATIONS	RISKS
Agro-industrial Operator	<ul style="list-style-type: none"> <li>• Falls at the same level</li> <li>• Hand cuts</li> <li>• Thermal Stress from cold</li> </ul>
Agricultural Worker	<ul style="list-style-type: none"> <li>• Musculoskeletal disorders</li> <li>• Falls at the same level</li> <li>• Heat Stress</li> <li>• Spider bites</li> <li>• Exposure to pesticides</li> </ul>

Following, we describe the main initiatives we developed to reduce the health risks of our workers: (102-11)

- **Preventive Health Campaigns:** We conduct vaccination programs to control danger of exposure to biological agents, and campaigns on tuberculosis, infectious, respiratory, and other prevalent diseases in the population.
- **Emergency Response and Urgent Medical and Health Care:** We have medical units for rapid response to any incident every day of the year.
- **Poisonous Animals Program:** We train field workers proper identification of poisonous animals, notification procedures, and immediate proper attention to this type of emergency.
- **Occupational Medical Surveillance:** We perform medical exams to identify possible employment restrictions to place workers in positions that are safe and healthy for them.
- **Vocational Rehabilitation and Job Rotation Program:** We rotate jobs according to the special needs of our team, such as pregnancy, and disabilities, among others.

**We instill a culture of prevention in our whole team with the purpose of making them the main actors of their own safety and health.**

Furthermore, we instill a culture of prevention in our whole team with the purpose of making them the main actors of their own safety and health. Therefore, we have training and prevention activities, we measure the rate of prevalence and incidence of risks, we conduct emergency drills, among others. In 2016, we gave our team 71,289 training hours.

## Occupational Health and Safety Indicators

We must emphasize that thanks to our management, in 2016 we reduced the index of severity of the Organization by 83%, despite having reduced the number of hours of exposure to the risk by only 2%. (403-2)

INDICATORS	2015	2016	Decrease
Accidents with Lost Time	525	413	-21%
Number of Accidents	799	756	-5%
Number of Occupational Illnesses	0	0	-
Number of Lost Days	7,701	1,296	-83%
Number of Fatalities	1	0	-100%
Person-hours Worked	18,674,016	18,391,204	-2%
Frequency Index	28.1	22.46	-20%
Severity Index	412.3	70.47	-83%



INDICATORS	GENDER		REGION			
	MEN	WOMEN	LIMA	TRUJILLO	PIURA	AREQUIPA
Accidents with Lost Time	283	130	1	371	41	0
Number of Accidents	464	292	1	692	63	0
Number of Occupational Illnesses	0	0	0	0	0	0
Number of Lost Days	865	431	112	862	322	0
Number of Fatalities	0	0	0	0	0	0
Man Hours Worked	11,851,583	6,539,621	276,481	14,964,284	3,068,000	82,439
Frequency Index	23.9	19.9	3.6	24.79	13.4	0
Severity Index	73	65.9	405.1	57.6	105	0

### Workplace safety and health indicators of suppliers at our installations

INDICATORS	2016
Accidents with Lost Time	0
Number of Accidents	0
Number of Occupational Illnesses	0
Number of Lost Days	0
Number of Fatalities	0
Person-hours Worked	0
Frequency Index	0
Severity Index	0

## 5.6 ACKNOWLEDGEMENTS TO OUR LABOR MANAGEMENT

Thanks to the good management of our staff, we are credited with different honors that drive us to continue to work to become the best employer of the Peru.

- First place in the Fisheries and Agroindustrial award: “Where do I want to work, Peru 2016”, granted by Arellano Marketing.
- We are now included in the MERCOTALENTO ranking, which lists the 100 best companies to attract and retain talent (43<sup>rd</sup> place).
- We received the Good Labor and Union Practices Award, granted by SMETA.



[6]

# Clients and wellbeing

Our food meets international standards, ensuring safety from the field to the consumer's table.



100% of the products do not use adulterated additives in the process.

100% compliance with cross contamination and foreign materials.

50% reduction of inert surfaces in freezing process.

## 6.1 WELLBEING AND HEALTH FOR OUR CLIENTS

We evaluate 100% of our fresh and frozen products for the health and safety of our consumers through compliance with sanitary regulations that dictate the quality and safety microbiological criteria for human consumption according to the Ministry of Health. We analyze the physical and chemical parameters of that compliance according to the specifications of each product. Moreover, if the client thus requests and if international legislation thus petitions, we render assessments on other microorganisms. (416-1)

Our business commitment is to provide families with healthy and nutritious food. In this connection, the labelling of our products follows all national labelling standards and those of the destination country. All our products have a nutritional table listing the ingredients and additives used in the elaboration of the product to better inform the consumer about its components. It also details the conservation recommendations, among other aspects of law. (417-1)

Our HACCP management system – a system that guarantees food safety – is based on the proper identification and control of biological, chemical, and physical hazards that can affect our products. We handle and control all the stages of the value chain, therefore, we apply this system to the whole productive process and prioritize critical points, such as: raw material, intrinsic factors of the product, design of the process, production machines and equipment, personnel, packaging, storage, distribution, and prerequisites.

As part of the system, we also conduct internal audits and external audits performed by oversight bodies. In 2016, we had 59 audits that were all successfully approved. All these controls increase the confidence of international buyers and expedite business. Moreover, we audited 22 crucial suppliers to ensure the standards of our organization. (416-1)

In 2016, we made some adjustments to our management system to make it more efficient and effective:

- We reorganized the system management team's organigram and assigned the heads of Quality Assurance of each process to lead the process.
- We updated the flow of the processes for fresh blueberries, fresh and frozen avocado, and frozen mango.
- We received good results for our recertification from the BRC and IFS food quality regulations audit.

### Action Axes of Management System



#### Main Certifications and Quality Standards

Additionally, we complied with the national regulations for food safety, such as the Sanitary Authorization, granted by the by the National Service of Agrarian Safety and the technical validation of the HACCP plans granted by the General Board of Environmental Health.

Good Agricultural Practices

World Regulation of Food Safety

International Regulations for Food

Analysis of Risks and Critical Control Points

System of Quality Control of Food According to Jewish Regulations

## 6.2 DIALOGUE WITH CLIENTS

We have various channels of dialogue with our clients that keep us informed concerning their opinions and suggestions about the quality of our products, packaging, among others. The most used channels are the Customer Service and an exclusive e-mail created for a direct and immediate communication with them.

The most recurrent recommendations this year were for firmer containers, improvement in the color of the products, and expansion to new markets, such as China, Korea, and London.

This year, we had 142 claims, 57% less than 2015. One of the main complaints regarded the quality of fresh blueberries, which presented dehydration problems. As preventive measures, we reinforced the fruit classification controls, improved the assigned personnel's training, and strengthened quality review and oversight of future shipments. Thus, we continually attend to the feedback of our clients and resolve their claims immediately.



[7]

# Community

In our alliance we grow in tandem with the community and their families.



In our commitment to the surrounding community, we provide sustainable development programs to enable them to increase their incomes, improve their health, and ensure the quality of life of their families. We have become a key actor in the growth of our areas of influence, mainly in Chao and Viru, where we generate a great number of jobs each year from new businesses responding to our company's milieu.

Our Social Responsibility Policy and a community management strategy stipulate the guidelines for our actions with the community. With the implementation of this strategy, in 2016, we invested over USD \$51 thousand for the benefit of the children, youth, and adults of the community.

### Community Management Lines of Action



### 7.1 SOCIAL INVESTMENT IN INFRASTRUCTURE AND SOCIAL MANAGEMENT IN EDUCATION, HEALTH, AND SPORTS (413-1)

- **Nuevo Chao Health Center:** We provide health care to more than 6 thousand inhabitants of Nuevo Chao, mainly to vulnerable populations, such as mothers in prenatal care and to children under 5 years of age. This project is in partnership with the Regional Health Management, the Peruvian University Antenor Orrego, the Development Committee of the New Chao Town Center, and the Chao District Municipality.
- **Bakery La Casa del Pan:** It is a local entrepreneurship project that resolves to provide employment opportunities to young people in the Chao community. This profitable and successful bakery offers quality products to the community, the Sodexo Company, and Camposol.
- **Manos Solidarias Laundry:** It is a local entrepreneurship project that invites young people from Chao to provide washing, mending, uniform repair, and sewing services. Its main clients are Camposol and members of the community.
- **Entrepreneurship Workshops for Women:** These are cosmetology workshops targeted at women in the community of El Cerezl – Piura region, who want to generate abilities to allow them to create their own businesses. In addition, they attend workshops for self-esteem, and teamwork, among other social and leadership skills.
- **Donations:** We give periodic donations to the Municipality, populated areas, and communities in our areas of influence.

### 7.2 STRENGTHENING CAPACITIES IN ENTREPRENEURSHIP, EDUCATION, SPORTS, CULTURE, AND HEALTH (413-1)

- **Youth, Art, and Development Association:** It is a Chao youth association that was formed in 2006 with the aim of forming local leaders and entrepreneurs who promote sustainable development in the community. The participants receive training in business, such as the La Casa del Pan, and the Manos Solidarias Laundry. Young people have local and national recognition as they participate in national and international fairs.
- **Youth Educational Workshops:** These propose to enhance the skills and abilities of Chao youth to prevent gangs and violence in the community. To this end, in 2015, we trained young people in artistic workshops, personal development and entrepreneurship, key tools to contribute to their social and economic development.

### 7.3 ENVIRONMENTAL CARE

Social management for environmental care will be expounded further in the "Environment" chapter.

In our commitment to the surrounding community, we provide sustainable development programs to enable them to increase their incomes, improve their health, and ensure the quality of life of their families. We have become a key actor in the growth of our areas of influence, mainly in Chao and Viru, where we generate a great number of jobs each year from new businesses responding to our company's milieu.



[8]  
The environment



The use of chemical pesticides and fertilizers cause GHG (greenhouse effect gas) emissions and soil damage. We applied innovative processes to responsibly manage pesticides and use natural products for pest control and soil fertilizers.



Various impacts on the environment characterize our industry, particularly during the stage between planting and harvesting the crop, when pesticides are used for pest control and elevated water consumption is needed for irrigation of the land. Our commitment to the environment is to prevent, minimize and/or eliminate these impacts through our integrated management system and environmental plans. To achieve this goal, we have also developed innovative production processes that are environmentally and consumer-health friendly.

Climate change is an important factor that directly affects our crops. Therefore, in 2016, we responded with a contingency plan for the forecasted “El Niño” phenomena for 2017. This way, we propose to minimize the likely hazards this phenomenon could occasion. (102-11)

### 8.1 EMISSIONS

The use of chemical pesticides and fertilizers cause GHG (greenhouse effect gas) emissions and soil damage. We applied innovative processes to responsibly manage pesticides and use natural products for pest control and soil fertilizers.

#### Main activities to minimize the generation of emissions in 2016:

- We changed business strategy, whereby our company now focuses on the production of fresh and frozen products. This has reduced our consumption of fossil fuels, as canned food production required great amounts of fuel.
- Applied our Integrated Pest Management (IPM) to reduce the use of chemical products in the fields, replacing them with biological products, such as beneficial insects and entomopathogenic fungi.
- Use of low toxicity bio-reactive products, i.e., substances of natural origin that are not toxic to humans or the environment.
- We have our Integrated Pest Management (IPM) system, which is approved by the National Agrarian Health Service (SENASA- [Spanish acronym]) and we offer our personnel training for proper handling.
- We handle hazardous wastes (containers and effluents) responsibly, according to the law of the agricultural sector.

Every semester, we monitor the plant and field air components to evaluate the emissions and air quality parameters, hence identifying opportunities for improvement. The results of our monitoring meet the guidelines for air quality standards set forth by the Ministry of the Environment. This monitoring includes analysis of carbon monoxide, which becomes highly contaminant when it becomes carbon dioxide. During the evaluation, there were low concentrations of carbon monoxide, in keeping with the Ministry of the Environment guidelines.



## 8.2 WATER MANAGEMENT

We are the first agro-industrial company to measure our water footprint with the standards of the ISO 14046. We are committed to rational water use and apply various technologies and infrastructure to minimize its consumption.

Main activities for reduction of water consumption in 2016:

- We process our wastewater with a biological system that uses aquatic plants called "Jacinto de Agua" (*Eichhornia crassipes*). As intended, this project reduces the existing contaminants in wastewater, to get the greatest efficiency during its implementation and maintenance. This biological treatment is replicable and very efficient, and the results for eliminating contaminants found in the organization's wastewater are satisfactory. An analysis conducted by an accredited laboratory validated the quality of the final effluent, which determined that the parameters of oils and grease, DBO5, DQO, Ph, total suspended solids, and temperature were below national standards. This innovative project received the National Antonio Brack EGG Prize, granted by the Ministry of the Environment, and the Entrepreneurial Creativity Prize, granted by the Peruvian University for Applied Science.
- Our infrastructure includes automatic and technological irrigation, and an irrigation control system that uses humidity sensors to determine the water consumption of crops to optimize its use.

- We study and monitor the ground filtration capacity to eliminate irrigation water waste, and we apply computerized fertilization that allows us to program the irrigation frequency and optimize water use.
- We are participating in the Suizaagua Andina project, a public-private alliance between the Swiss government and 5 leading Peruvian companies. Its objective is to measure and reduce the water footprint and, as a first stage, concentrate on minimizing water consumption in asparagus production.
- In the industrial process, we have installed polyurethane floors, which are smooth and facilitate cleaning to optimize water use; we modified the diameter of cleaning hoses, and wastewater is re-used for forest risks. Thus, we have reduced industrial water consumption by 50% and reused 97%. (303-3)
- Furthermore, we imbedded a water resource care culture in our team. Therefore, we continually train our personnel about the importance of responsible consumption, maintenance of risk infrastructure, and research to identify new irrigation forms.

**We are the first agro-industrial company to measure our water footprint with the standards of the ISO 14046. We are committed to rational water use and apply various technologies and infrastructure to minimize its consumption.**

### Water Consumption

The water catchment for both projects was the Santa River surface waters. In 2016, we collected 58% less than 2015, and for the fields, we collected 7% less. We did not affect the source of the resource, as we extracted water from the Chavimochic project, which has been environmentally researched and uses Santa River excess water without affecting its mass. (303-2)

(303-1)	2015	2016
Chao Plant	1,209,565 m3	511,156 m3
Chao Fields	84,340,985 m3	78,247,981 m3

### Volume of effluents

The total discharged and managed effluents were 495,025 59% less than 2015. (306-1)

	2015	2016
Domestic waters	360,000 m3	102,849 m3
Industrial waters	849,565 m3	392,176 m3

Thanks to our good environmental management, in 2016, we have not reported significant fines for non-compliance with regulations.

# [9] GRI INDEX



## GRI INDEX(102-55)

Our 2016 Sustainability Report responds to the essential conformity indicators, under the requirements of the Guidelines for the Elaboration of the Global Reporting Initiative. The following table indicates the location of the information in our report in relation to the guidelines of the GRI Standards. (102-54)

General Basic Contents				
General Basic Contents		Page	Global Compact Principles	External Verification
<b>Profile of the Organization</b>				
102-1	Name of the organization	Camposol S.A.		No
102-2	Activities, brands, products, and services	Page 11		No
102-3	Location of the organization's headquarters	Avenida El Derby 250, Santiago de Surco		No
102-4	Location of operations	Page 12		No
102-5	Description of ownership and legal form	Limited Liability Company		No
102-6	Markets served by the organization	Page 10		No
102-7	Scale of the organization	Page 4 and 5		No
102-8	Information about employees and other workers	Page 28	Principle 4 Principle 5	No
102-9	Value chain	Page 14		No
102-10	Significant changes in the organization and its supply chain	In 2016, there were no significant changes in size, structure, ownership, or supply chain.		No
102-11	Precautionary approach or principle	Page 25, 34, 35 y 48	Principle 2 Principle 6 Principle 7 Principle 10	No
102-12	External Initiatives	We have adhered to the Global Compact since 2008. Hence, we endorse its principles and are aligned with the core subjects of ISO 26000 and Sustainable Development Goals.		No

102-13	Memberships and Associations	<ul style="list-style-type: none"> <li>• ADEX (Association of Exporters).</li> <li>• COMEX (Foreign Trade Society of Peru).</li> <li>• IPEH (Peruvian Institute of Asparagus and Vegetables).</li> <li>• APTCH (Agroexport Farmers Association proprietors of Chavimochica land.).</li> <li>• Chamber of Commerce of Lima.</li> <li>• Chamber of Commerce of La Libertad.</li> <li>• Peru China Chamber of Commerce (CAPECHI).</li> <li>• PROVID (Association of Grape Producers of Peru).</li> <li>• PROHASS (Association of Hass Avocado Producers of Peru).</li> <li>• PROCITRUS (Association of Citric Producers of Peru)</li> <li>• APEM (Peruvian Association of Mango Producers and Exporters).</li> </ul>		No
<b>Strategy</b>				
102-14	Statement of the Executive Board	Page 6 and 7		No
<b>Ethics and Integrity</b>				
102-16	Values, principles, standards, regulations, and norms of conduct	Page 10	Principle 1 Principle 6 Principle 10	No
102-17	Mechanisms for communicating concerns about ethical aspects	Page 25	Principle 6 Principle 10	No
<b>Governance</b>				
102-18	Governance Structure	Page 25		No
102-22	Highest governance body and its committees	Page 25		No
<b>Stakeholder Participation</b>				
102-40	List of stakeholders	Page 23		No
102-41	Collective Negotiation Agreements	Page 33	Principle 1 Principle 3	No
102-42	Identification of stakeholder groups engaged by the organization	We have 6 priority stakeholders that were selected based on the analysis of our positive and negative impacts on the whole value chain, on our sustainability challenges as a company and industry, and on the studies that are periodically conducted by the areas to know the relevance of each actor.		No
102-43	Organization's approach to stakeholder engagement	Page 23		No
102-44	Key topics and concerns raised through stakeholder engagement	Page 23		No
<b>Elaboration of Report</b>				
102-45	Entities included in the organization's consolidated financial statements	Camposol S.A.		No

102-46	Definition of the content of report and the limit of the impact of each material aspect	Identified material issues are applied for our operation at Camposol and the stakeholders with which we relate		No	
102-47	List of Material Aspects	Page 22		No	
102-48	Restatements of information	There have been no significant restatements of information provided in earlier reports.		No	
102-49	Changes in report	There were no changes to the Sustainability Report.		No	
102-50	Period covered by report	2016		No	
102-51	Date of Last Report	2015		No	
102-52	Presentation Cycle of reports	Annual		No	
102-53	Designated contact for questions about this report.	Francesca Carnesella Communications and Sustainability Manager fcarnesella@camposol.com.pe		No	
102-54	Statement of elaboration of reports in conformity with GRI regulations	Página 53		No	
102-55	GRI content index	Página 53		No	
102-56	External Verification	This sustainability report does not have a policy of external verification		No	
<b>Specific Basic Contents</b>					
GRI Material Aspects	Information on approach to management and indicators		Omissions	Principles of Global Compact	External Verification
Economic Contribution	201-1	Direct economic value generated and distributed	Page 17		No
Employment Generation	203-2	Significant indirect economic impacts and their scope	Page 28		No
Product Quality and Wellbeing	416-1	Evaluation of the impacts of the product categories and health and safety services	Page 40		No
	417-1	Requirements for information and labelling of products and services	Page 41		No
Local Development	413-1	Operations with local community participation, impact evaluations, and development programs	Page 44	Principle 1 Principle 2	No
Labor Empowerment of Women	404-1	Average yearly training hours per worker, itemized by gender and labor category	Page 31		No
	404-2	Programs to improve the worker's abilities and transition assistance programs	Page 30		No
Networking with the unions	402-1	Minimum period for notification of operational changes	Page 32	Principle 1 Principle 2 Principle 3	No

Occupational Safety and Health	403-2	Types of lesions, lesion rates, professional illnesses, lost days, and absenteeism, and work-related deaths.	Page 36		No
	403-3	Workers with high incidence or risk of occupation-related illnesses.	Page 34		No
Water Management	303-1	Water extraction by source.	Page 51	Principle 7 Principle 8 Principio 9	No
	303-2	Water sources significantly affected by water catchment.	Page 51	Principle 7 Principle 8 Principle 9	No
	303-3	Recycled and reused water.	Page 50	Principle 7 Principle 8 Principle 9	No
	306-1	Total water discharge, according to quality and destination.	Page 51	Principle 7 Principle 8 Principle 9	No



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