NOURISHING MAGICAL MOMENTS

2019 Management Highlights

A LEADING MULTINATIONAL GROUP

FROM ARGENTINA, TO THE WORLD

In 1951, a group of young entrepreneurs met in the city of Arroyito, province of Córdoba, Argentina, with the dream of producing quality food accessible to consumers around the world. Today, Arcor is a leading multinational group that offers food for every moment of the day and occasions of consumption, and reaches more than 100 countries. Currently, Arcor Group is made up of three business divisions: Consumer Food Products (Food, Chocolates, Cookies, Confectionery, Ice-Creams and Functional Products), Agribusiness and Packaging. Thanks to sustainable management – which goes through all the areas of the company and our value chain- we develop leading brands that reach people all over the world. We have commercial offices in the Americas, Europe, Asia, and more than 40 industrial plants in Latin America.

ARCOR GROUP'S COMPANIES

ARCOR · Bagley · CARTOCOR · ZUCAMOR · LA SERENISIMA MASTELLONE HNOS. S.A. [1]

[1] 47,4% stake in Mastellone Hnos.

NUTRITIOUS BREAKFAST · DELIGHTFUL SNACKS · VARIED LUNCH · ENERGETIC AFTERNOON SNACK · FAMILY DINNER · DELICIOUS DESSERT TO SHARE

OUR PHILOSOPHY

Our Corporate Philosophy is made up of the Vision, Mission and Values. It reflects our organizational culture and seeks to guide the actions of all the people who are part of the company.

VISION

To be a leading food and confectionery company in Latin America, as well as in the international market, and to be recognized for our sustainable practices and our ability to venture into new businesses.

MISSION

To provide people all over the world with the opportunity to enjoy quality, delicious and healthy food and confectionery products that will turn their everyday life into magical moments for gatherings and celebrations.

OUR VALUES

ARCOR GROUP TODAY

MORE THAN 40 INDUSTRIAL PLANTS in Latin America

LARGEST PRODUCER of paper in Argentina and an important model in South America

Exports to more than 100 countries **FOR 270 MILLION DOLLARS**

3 MILLION kg of food produced daily

LEADING COOKIE, ALFAJOR AND CEREAL COMPANY in the region

200 PRODUCTS LAUNCHED annually

Investments for **950 MILLION DOLLARS** in the last 10 years

1st WORLD PRODUCER of hard candies

COMMERCIAL OFFICES in Argentina, Uruguay, Paraguay, Bolivia, Colombia, Ecuador, Mexico, the United States, Spain and China

Argentina's **LEADING FOOD COMPANY**

ARGENTINE LEADER in the production of corrugated cardboard

World-class retail **DISTRIBUTION MODEL**

1st MAIZE FLOUR PRODUCER in Argentina

20,000 collaborators

One of the **LARGEST MILK PRODUCERS** in Argentina

1 MILLION points of sale reached in the region

ONE OF THE LARGEST SUGAR PRODUCERS in Argentina

10 consecutive years as a **REPUTATION LEADER** in Argentina - Merco Ranking

OUR BUSINESSES

CONSUMER FOOD PRODUCTS

Because we believe that eating means nourishing, gratifying and bonding, we offer more than 1,200 quality, delicious and healthy products to accompany people from all over the world at every moment of the day, according to their preferences and dietary needs. We promote healthy lifestyles following a varied and balanced diet, based on a strategy developed together with the scientific community for the improvement of nutritional profiles and the incorporation of new categories; and to raise awareness of the value of a balanced lifestyle for all our target audiences.

FOOD

It is the main food company in Argentina, with a thorough selection of raw materials and advanced technological processes, which ensure high quality from the fields, to the table. **Featured products of the year:** La Campagnola Herbs, Spices and Mixes and Arcor Gluten-Free Premixes.

CHOCOLATES

Current leader of the Argentine market, present in all categories, with long track record brands that are highly valued by consumers. **Featured products of the year:** Assorted Boxes, Arcor Tablets, Rockleton and Aguila Nut.

ICE-CREAMS

The company leads the category with a varied, playful and innovative proposal. Much of the portfolio has the endorsement of chocolate sweets and cookies brands preferred by consumers, which adds a great differential value. **Featured products of the year:** Chocolinas Cofler, Arcor Super Water Gun and Mogul Extreme.

COOKIES, CRACKERS, SNACKS AND CEREALS

Leading company in the region through Bagley Latinoamérica S.A., a partnership made up with Grupo Danone for the cookies, crackers, *alfajores* and cereals businesses. It offers a wide variety of products in 8 industrial plants. **Featured products of the year:** Bagley cereal cookies line and mini (little) *alfajores* Aguila.

CONFECTIONERY

1st confectionery exporter in Argentina, Chile and Peru and the leading company in the region in terms of production capacity, sales and brand development. **Featured products of the year:** Watermelon Mogul Extreme, Topline Menthol, Fiber Nougat Candy, Berries Natural Break Bar.

FUNCTIONAL PRODUCTS

Arcor follows the growing trend of consumers that proactively take care of their health with the dietary supplements segment. It has different options in practical formats to incorporate, on a daily basis, nutrients for a comprehensive well-being. **Featured products of the year:** Protein and Energy Bars, new Doypack presentation in the Simple line.

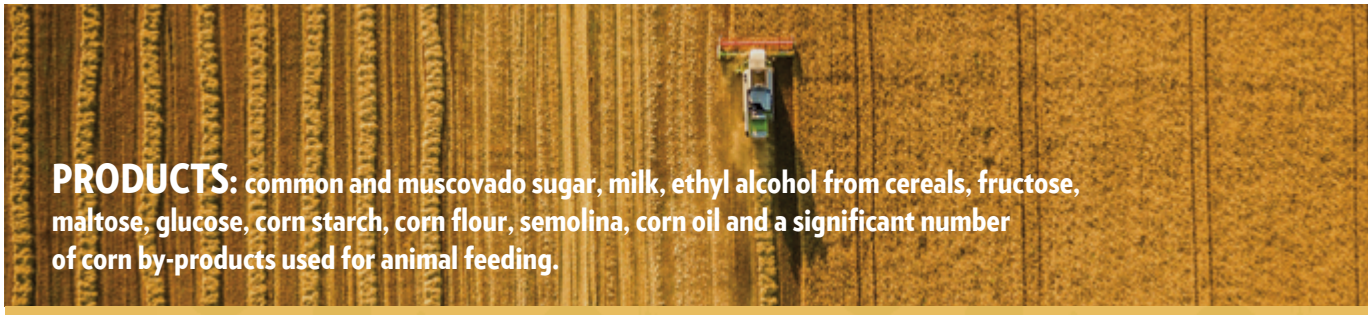
PRODUCTS FOR EVERYONE

GLUTEN-FREE PRODUCTS - LOW OR REDUCED IN SODIUM AND SUGARS - REDUCED IN SATURATED FATS - SOURCE OF FIBER, OMEGA 9 AND VITAMINS AND MINERALS - DIETARY SUPPLEMENTS - IN THE RIGHT PORTION SIZE.

OUR BRANDS

AGRIBUSINESS

The Agribusiness Division seeks to add value to the agro-industrial processes in order to offer new and better solutions to different industries driven by a commitment to quality in all of their products. The Group has five production units and seven industrial dairy farms. At Ingenio La Providencia, the production capacity is 150,000 tons of sugar, and we generate 11 MW of renewable energy through sugar cane bagasse. With the aim of promoting the Business, in 2019, the Common and Muscovado fractionated sugars were launched on the market, being Muscovado sugar the only one of its kind in Argentina and second worldwide with Bonsucro certification, a global platform that promotes economic, social and environmental sustainability in the Sugarcane sector.



PRODUCTS: common and muscovado sugar, milk, ethyl alcohol from cereals, fructose, maltose, glucose, corn starch, corn flour, semolina, corn oil and a significant number of corn by-products used for animal feeding.

1.4 MILLION TONS
OF MILLED SUGAR CANE PER YEAR.

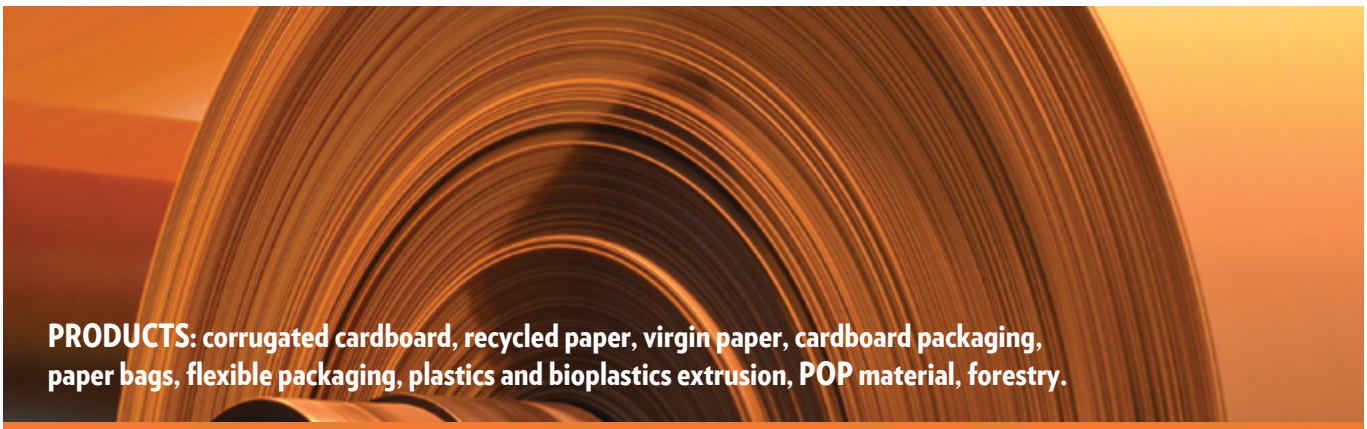
1.800 TONS
OF GROUND CORN PER DAY.

85 THOUSAND LITERS
OF ALCOHOL PRODUCED PER DAY.

50 THOUSAND LITERS
OF MILK PRODUCED PER DAY.

PACKAGING

The Packaging division of Arcor Group leads the cardboard, paper and flexible packaging market in Argentina and has a strong presence in the region- it is the most important packaging solutions company in the Southern Cone. Through Cartocor, Converflex and Zucamor, Arcor offers its customers innovative and sustainable packaging solutions at the forefront of world market trends. It stands out for its special emphasis on customer service, ongoing innovation, productivity, quality, and environment conservation.



PRODUCTS: corrugated cardboard, recycled paper, virgin paper, cardboard packaging, paper bags, flexible packaging, plastics and bioplastics extrusion, POP material, forestry.

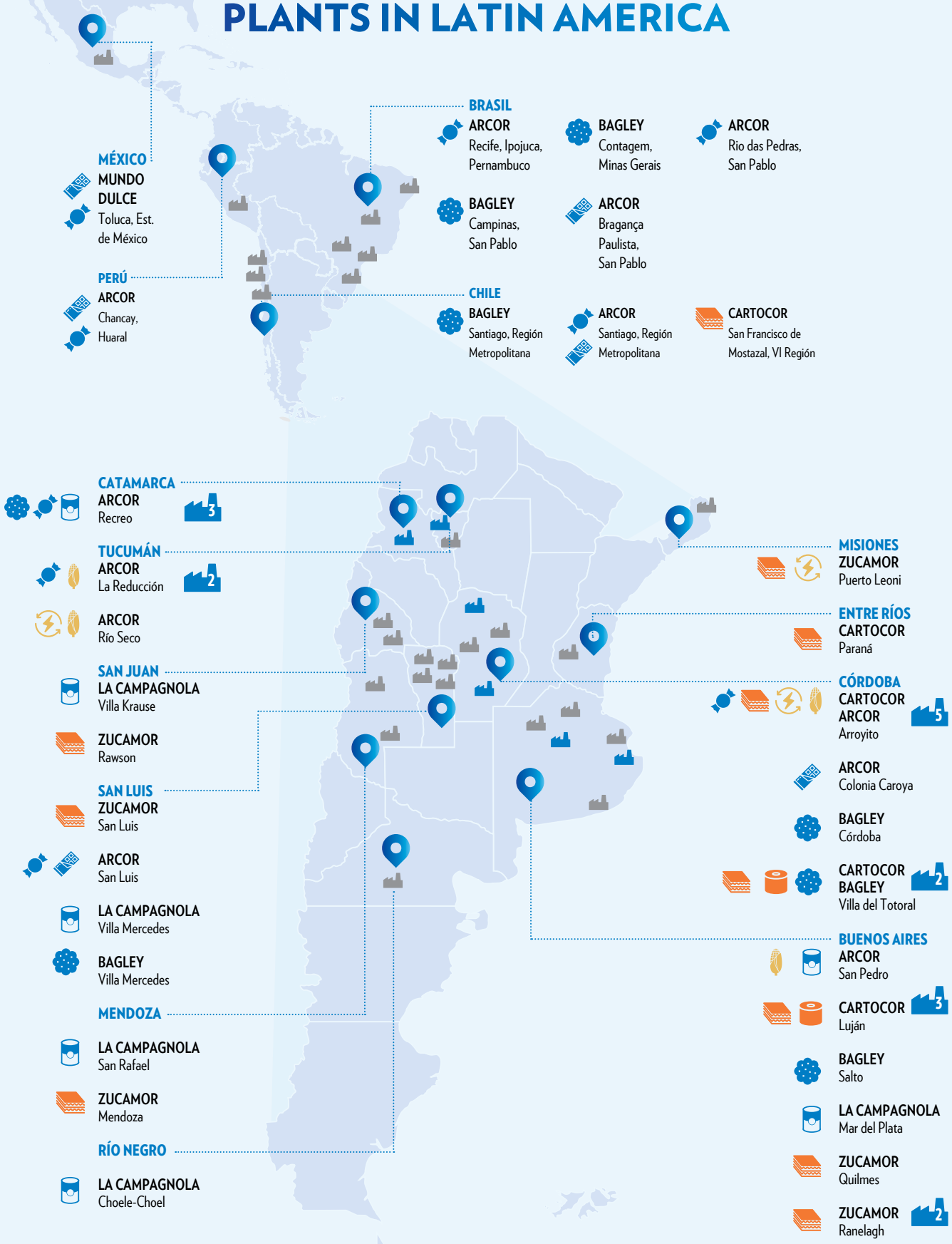
260,000 TONS
OF PAPER PER YEAR.

900 MILLION M²
OF CORRUGATED CARDBOARD PER YEAR.

12,000 TONS
OF FLEXIBLE MATERIAL PER YEAR.

23,000 HECTARES
OF OUR OWN FOR FORESTRY DEVELOPMENT.

MORE THAN 40 INDUSTRIAL PLANTS IN LATIN AMERICA

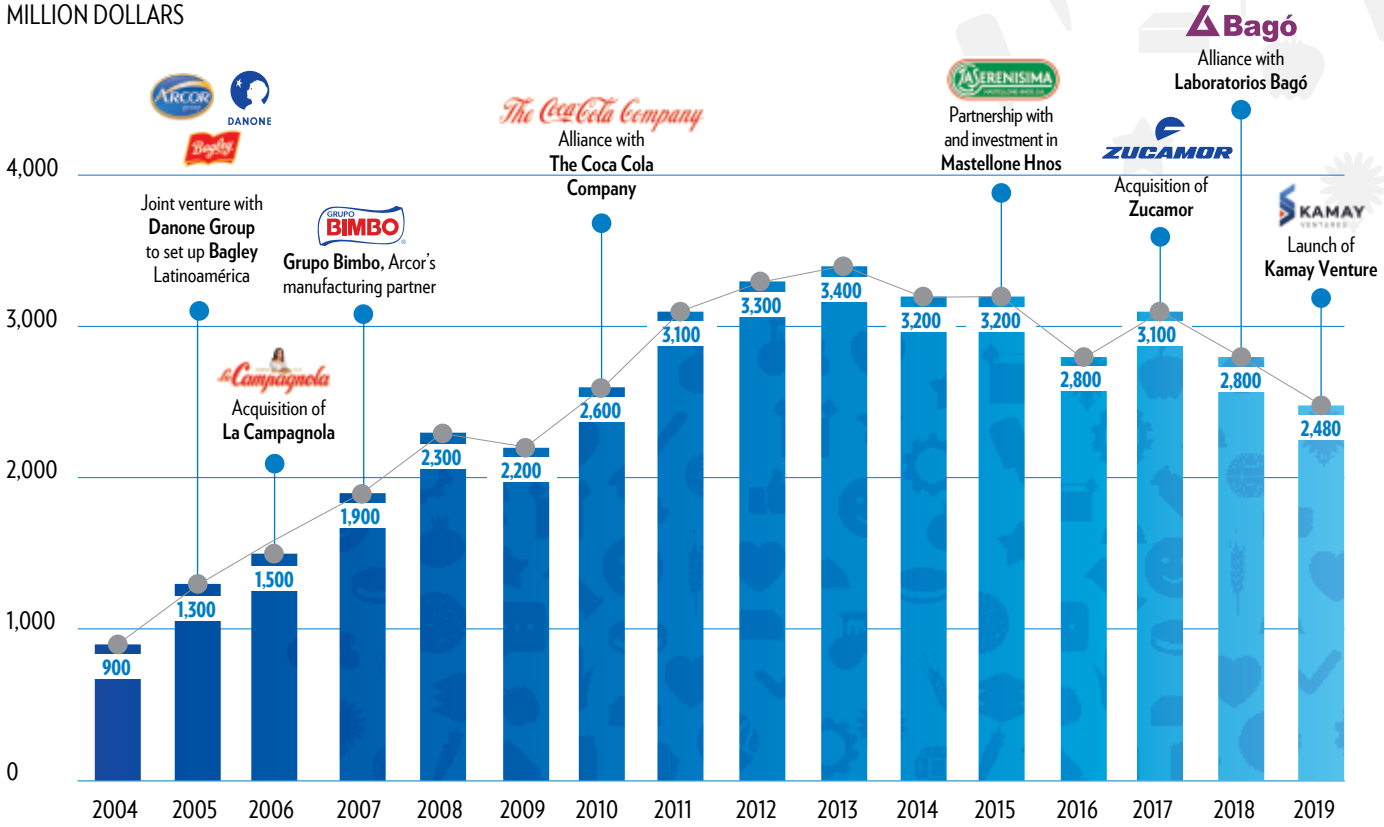


FOOD
CHOCOLATES
COOKIES AND CRACKERS
CONFECTIONERY
AGRIBUSINESS
ENERGY
CARDBOARD/ PAPER
FLEXIBLE PACKAGING
INDUSTRIAL PLANTS
COMPLEXES WITH MORE THAN ONE INDUSTRIAL PLANT

ARCOR GROUP'S EVOLUTION

TURNOVER

MILLION DOLLARS



2019 INSTITUTIONAL MILESTONES

TOP 3 AMONG THE BEST BRANDS
in Argentina, chosen by consumers - SEL Consultores

KAMAY VENTURE,
creation of the first Argentine capital fund to finance and advise startups in alliance with Coca Cola

Start of the construction of an **INDUTRIAL PLANT IN ANGOLA**
in conjunction with Webcor Group

1st place, for 10 consecutive years, in **CORPORATE REPUTATION** in Argentina

INCREASE OF STAKES
in Mastellone Hnos. to 47.4%

10 YEARS OF THE ARCOR INNOVATION AWARD
More than 250 cases presented, with a total of 12 winners

SUSTAINABILITY

The conviction that economic development must be in harmony with well-being and social inclusion, and with the value, conservation and defense of the environment, has been present in Arcor since its earliest days. Throughout our history, we have taken this conviction to the daily management of our businesses, through different strategies, governance and action models. With the aim of strengthening the sustainability advantage for the business and consolidating its integration in a cross-sectional way, in 2010 we created the Arcor Sustainability Policy, in which we assumed one general commitment and five specific commitments to sustainable development for the most relevant and priority issues of our business and our stakeholders:

- **RATIONAL USE OF WATER**
- **ENERGY EFFICIENCY AND CLIMATE CHANGE**
- **RATIONAL USE OF PACKAGING MATERIALS**
- **RESPECT FOR AND PROTECTION OF HUMAN AND LABOR RIGHTS**
- **ACTIVE LIFE AND HEALTHY NUTRITION**

The Strategy that we are currently pursuing seeks to increase our corporate value through the sustainable management and governance of businesses based on 3 pillars:

SUSTAINABLE IDENTITY

To strengthen the company's identity, based on our values and culture as distinctive features.

OPERATIONAL CONTINUITY

To guarantee the continuous improvement of our operations through the promotion of sustainable management in all our processes.

DEMAND GROWTH

To promote business models and strategies, products and brands that generate sustainable links.

2019 MANAGEMENT HIGHLIGHTS

833 SUSTAINABILITY INITIATIVES included in business plans

27 CORPORATE PROJECTS led by the Arcor Sustainability Committee

3,746 COLLABORATORS with sustainability performance goals

MORE THAN 15 AWARDS AND RECOGNITIONS for our sustainability management

CONTRIBUTION to the 17 United Nations Sustainable Development Goals

MORE THAN US$ 4,450,000 invested in the sustainable management of our operating bases

23,193 PEOPLE visited our plants

100% OF OUR SITES are certified under international management standards

MORE THAN $ 355,180,000 aimed at social investment and community impact management

22 COMMUNITY RELATIONS Committees

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