

7. SUPPORTING SURROUNDING COMMUNITIES

7.1. INTRODUCTION

Using as guidance the Policy for Supporting Surrounding Communities, which is available at www.jeronimomartins.pt, we aim to contribute towards fighting malnutrition and hunger and to help break the cycles of both poverty and social exclusion in two main groups: the elderly, disadvantaged children and young people.

7.2. MANAGING THE POLICY

The actions developed and supported by the Group are monitored and assessed according to the impact they produce, with a view to efficient allocation of resources to social projects covering the largest possible number of people.

The criteria underlying the methodology of social impact assessment of the London Benchmarking Group (LBG), a corporate network of which the Group is a member, enables the assessment of whether, and at what degree, are social changes achieved.

7.3. DIRECT SUPPORTS

In 2015, the Group remained committed to supporting charitable organisations which carry out work to fight social exclusion.

ACADEMIA DO JOHNSON

The mission of Academia do Johnson (Johnson's Academy) is to combat social exclusion and the dropout of about 100 children and young people from vulnerable communities in the Lisbon region.

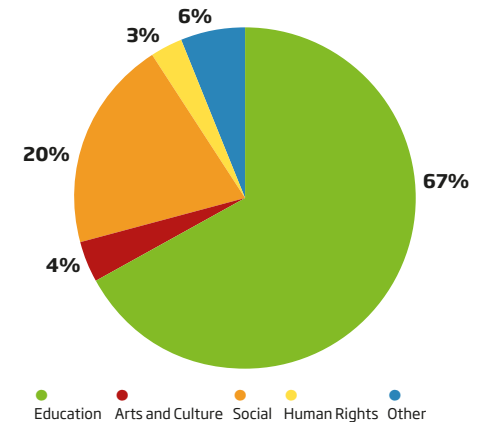
The institution promotes the practice of sport as a means of developing behavioural, social and technical skills that help prevent risk situations in their lives and that enhance their integration into society.



This Academy offers educational, professional and cultural tools provided by trained personnel.

In 2015, the Group support amounted to around 60 thousand euros.

INSTITUTIONAL SUPPORT



Direct support attributed to the surrounding communities by all the Group's Companies amounted to 17.4 million euros, which represents an increase of 9.4% compared to 2014.

At a corporate level, Jerónimo Martins' support is divided according to the graphic above:



The Group supported 40 institutions, donating more than 1.6 million euros, an increase of more than one million euros compared to 2014.

SUPPORT FROM THE GROUP'S COMPANIES

Pingo Doce provided foodstuffs and money to around 600 institutions that fulfil a social mission in the surrounding communities. This support amounted to over 14.6 million euros, an increase of more than 4% compared to the previous year.

Noteworthy was the support for the initiative of the Ministry of Education and Science in Portugal, the Projecto Escolar de Reforço Alimentar (PERA – School Food Reinforcement Project), which aims to provide breakfast to children in situations of food shortage. During the 2014/2015 school year, Pingo Doce supported 1,614 students, in an investment greater than 74 thousand euros.

Recheio donated food products and financial support to the amount of 265 thousand euros to 140 institutions that perform social work.

In 2015, JMDPC, Hussel and JMRS supported the Portuguese Food Bank, among other institutions. Donations of foodstuffs and money amounted to over 294 thousand euros, an increase of 4% compared to 2014. This amount was equivalent to the supply of more than 47 tonnes of products.

In Poland, the amount of support to institutions that help to fight hunger and malnutrition was over 575 thousand euros (around 2.5 million zlotys).

As part of International Children's Day, more than 200 thousand children had the opportunity to enjoy various entertainment activities and foodstuffs offered by Biedronka, representing an investment of over 185 thousand euros.

Biedronka also supported the organisation of charitable events such as World Day of the Sick and Saint Nicholas' Day, supporting communications campaigns and donating food products.

Other support from Biedronka included working with the association "Hope for the Euro", a partnership established in 2011 that aims to support the development of 400 institutionalized children from families with economic difficulties, representing a total investment of 45 thousand euros.

Ara continued its support to Abaco - Asociación de Bancos de Alimentos de Colombia (Colombian Association of Food Banks), the mission of which is to establish strategic alliances with public and private partners to fight against hunger and food waste. In 2015, Ara donated food products equivalent to over 33 thousand euros.



MADRES COMUNITARIAS

In Colombia, Jerónimo Martins continued its support to *Madres Comunitarias* (Community Mothers), a governmental initiative aimed at providing foodstuffs to the nannies who take care of children up to the age of five in regions with low financial means.

In 2015, this programme expanded to another 147 nurseries, regularly supplying foodstuffs to a total of 262 community nurseries and fulfilling the aim of supporting two nurseries for every new Ara store opened. The number of children covered also increased by over two thousand to around 3,400 children. The value of the baskets amounted to more than 77 thousand euros and represented a supply of 84 tonnes of food.

The support given by Ara is monitored by the nannies through representatives of the Instituto Colombiano de Bienestar Familiar (ICBF – Colombian Institute of Family Well-being), who check the correct routing of the foodstuffs, as well as the mental and physical well-being of the children who benefit from the programme.

In 2015, 12 workshops took place, in which 480 community mothers were introduced to the programme model.

Other workshops were promoted with the community mothers of the programme to raise awareness of the methods of handling foodstuffs and the need for children to have a balanced and controlled diet.

7.4. VOLUNTEERING AND OTHER CAMPAIGNS

The Group's employees participated, during the 2014/2015 school year, in the programmes of Junior Achievement Portugal, an association whose objective is to foster entrepreneurship among children and young people by teaching on topics such as relations with family and the community, economics, the European Union and even on how to set up a business. The number of employees who participated in the 2015/2016 school year stood at 130 volunteers.

During the Christmas season, an internal welfare campaign was organised with great success, with the aim of offering gifts to 122 children until the age of 13, living in foster homes supported by the Group throughout the year.

There was also a fundraising campaign for the Caritas' Setúbal Diocese which was promoted during the Christmas Dinner, under the matching donation initiative, among the about 780 managers and Group's Management.

7.5. INDIRECT SUPPORTS

In 2015, the Group's banners carried out campaigns to collect food and other articles from customers in their stores.

At Pingo Doce, volunteers collected approximately 923 tonnes of food for the Portuguese Food Bank. For this and other institutions, such as C.A.S.A. - Centro de Apoio ao Sem Abrigo (Centre for Supporting the Homeless) and ACAPO - Associação dos Cegos e Amblíopes de Portugal (Blind and Partially Sighted Association of Portugal), vouchers

convertible into foodstuffs were raised among consumers to the amount of over 153 thousand euros, which translates into approximately 100 tonnes of products.

In Poland, in cooperation with the Federation of Polish Food Banks and Caritas Polska, Biedronka stores collected over 1,150 tonnes of foodstuffs donated by its customers.

In Colombia, Ara raised an amount of over 32 thousand euros among its clients to support the Fundación Aldeas Infantiles SOS Colombia (SOS Children's Villages Colombia Foundation), which helps more than 950 children and 675 families in the municipalities of Ríosucio and Bolívar. The number of children supported in 2015 has more than doubled over the previous year, following the expansion of Ara to the Caribbean Coast.

7.6. OTHER SUPPORTS

In Poland, as part of its partnership with Danone, Lubella and Instytut Matki i Dziecka (Institute of Mother and Child), - "Partnerstwo dla Zdrowia" (Partnership for Health) - more than 1.6 million units of Milk Start were sold every month at cost price. This project, initiated in 2006, aims at combating malnutrition of the most underprivileged Polish children. Over the past 10 years, approximately 200 million units of this range of products have been sold, the nutritional profiles of which meet the daily needs of children.

As part of this partnership, the awareness programme on the importance of breakfast - "Śniadanie Daje Moc" (Breakfast Gives You Strength) - has been extended to 7,300 schools, which account for more than half of all the primary schools in the country, involving more than 182,500 children.

PINGO DOCE AND BIEDRONKA CHILDREN'S LITERATURE PRIZES

The Pingo Doce and Biedronka Children's Literature Prizes have the aim of encouraging literary and artistic creativity, rewarding original works and democratising access to reading at an important stage in the cognitive and emotional development of children.



In Portugal, there was the 2nd edition of the Pingo Doce Children's Literature Prize which had more than three thousand participants for a prize of 50 thousand euros, divided between the winners of the text and illustration categories.

The number of copies sold of the winning work of the 1st edition of this prize was more than 10 thousand units.

In Poland, there was the 1st edition of the Biedronka Children's Literature Prize, with over five thousand works submitted and a monetary value equivalent to that of the Pingo Doce prize, also to be split by the winners of the text and illustration categories.