

## SUSTAINABILITY 2022



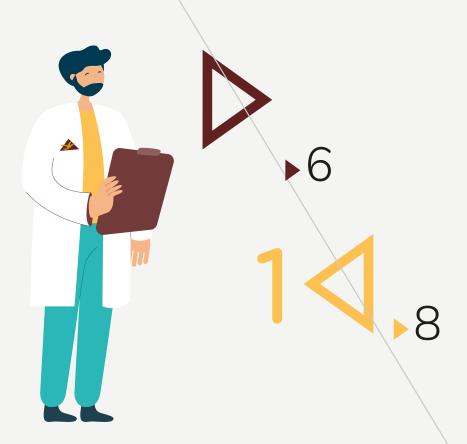
**Environmental Social Economic** 



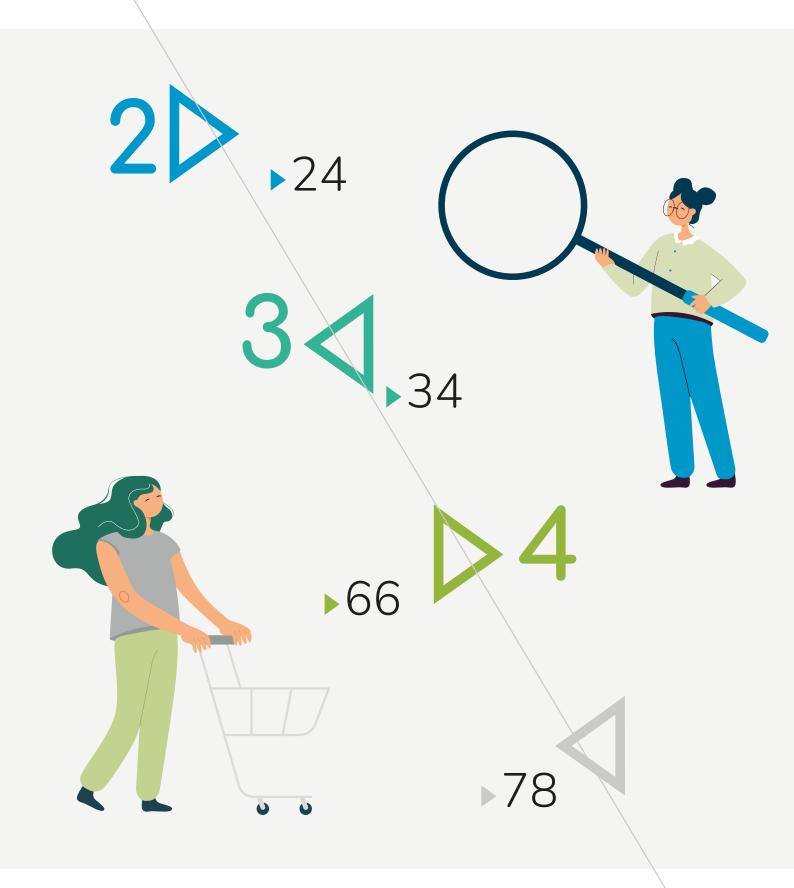


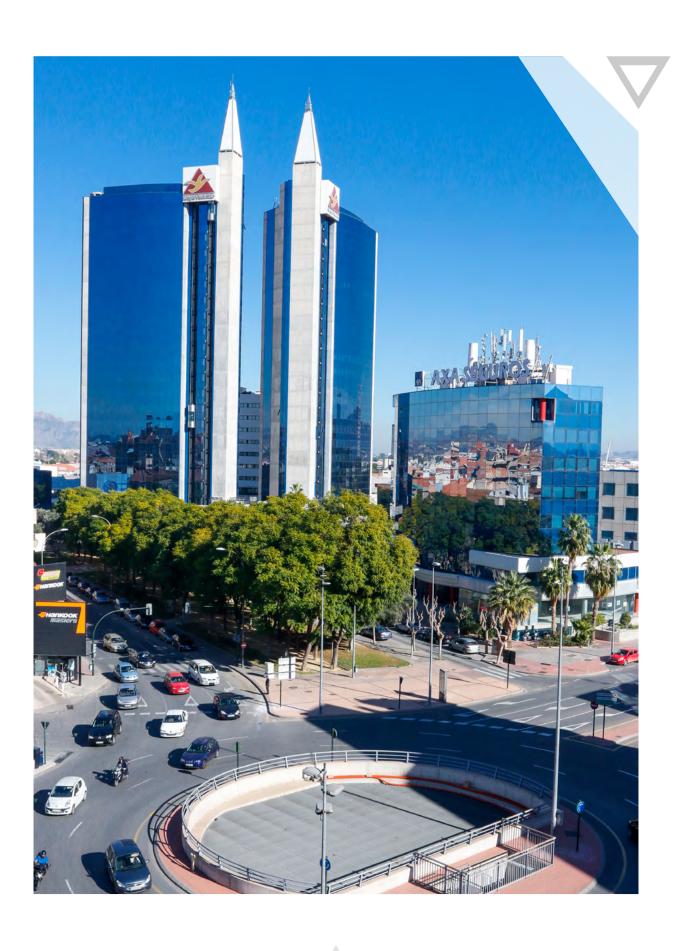














2022 has been a year of

## effort and surpassing expectations.

A year of looking to the future with responsibility and commitment.

We have mainly focused on our

## social, environmental, and economic impact.

At Grupo Fuertes, we seek to provide sustainable solutions that contribute to the

#### well-being of all.

Like a big family with a common purpose, each of us plays a crucial role in this journey of progress.

Every challenge demonstrates that we can excel, tackling obstacles with determination and a **spirit of perseverance.** 

Together, we build a **legacy** of excellence and improvement.

And because you are all part of this

### large family,

we want to thank you for your support and effort. Consumers, clients, suppliers, employees, investors, and society at large.

For making it possible for us to continue **moving forward** and forging a path of success.

### **THANK YOU**

## ▼ Letter from the Chairman

Dear Colleagues,

It's an honor to address all of you today as I introduce our Sustainability Report for 2021 and 2022. Unprecedented challenges and hurdles have marked these two years for our company. However, they have also showcased the resilient and committed spirit that drives us forward.

Despite the swift and uncertain changes we've encountered, we've tackled this complex period positively. Undoubtedly, the core of all our efforts rests upon our values. They are the foundation of our activities and propel us forward, ensuring our growth towards a more just and sustainable societal model.



This adverse environment has not deterred us from our path. At Grupo Fuertes, we've once again proven our ability to adapt and overcome obstacles. We've remained steadfast in our commitment to sustainability, recognizing its crucial role in ensuring our long-term success and contributing to the well-being of current and future generations.

For us, refining our approaches and methods daily is not only essential but an opportunity and a new avenue to create value. We're blessed with a team that brings passion to their work, ensuring success throughout the entire chain. We take great pride in contributing to society through various initiatives, but most notably, by creating employment opportunities for over 8,700 individuals within our group. We're also immensely proud that ElPozo, the flagship brand of Grupo Fuertes, graces so many households and family dining tables. This presence allows us to extend and share our commitments and values.



The global demand for guaranteed food sources is on the rise. Consequently, there's a pressing need to innovate products and solutions that sustainably enhance the global food system. We've reaffirmed our commitment to sustainability across all our operations to pave our way forward. We've set ambitious targets, encompassing our relationship with employees, combatting climate change, resource efficiency, governance, corporate responsibility, supply chain engagement, and social contributions to non-profit organizations and communities in need.

Over the past two years, we've gained invaluable insights into the importance of collaboration and foresight. Yet, we recognize that there's still much work ahead. We understand that sustainability is an ongoing journey, and we must persistently strive for improvement and challenge ourselves. In the coming years, we commit to amplifying our efforts and

sharing our vision with those who enrich our decision-making. Together, we can forge a brighter future.

At Grupo Fuertes, we're proud of our legacy and look to the future with optimism and determination. I am confident that, together, we will overcome any challenges that come our way, continuing to set the standard in the agri-food sector, leading with responsibility and a passion for sustainability.

Warm regards,

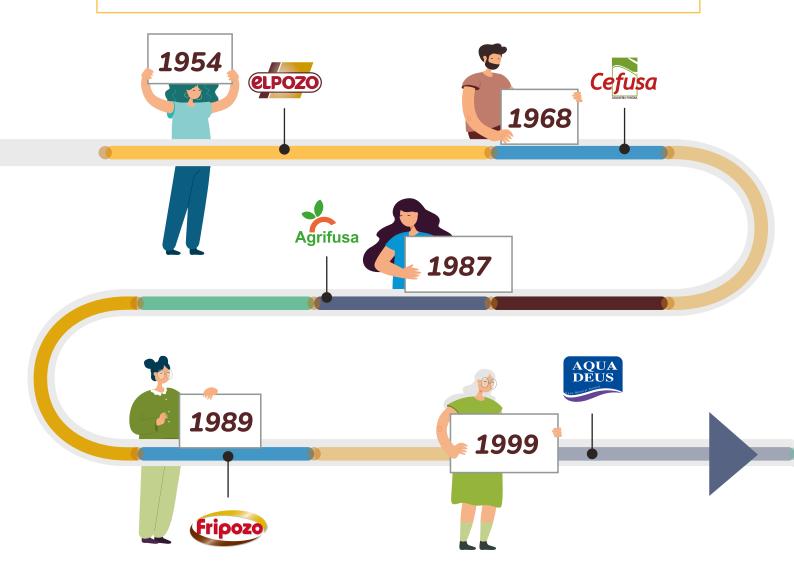
Tomás Fuertes Chairman of Grupo Fuertes



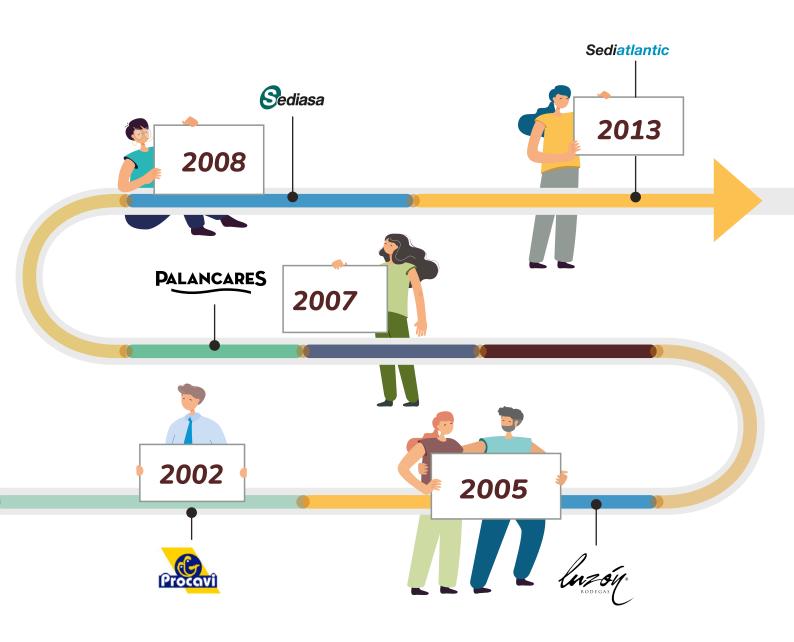


## Grupo Fuertes: A Sustainable Path

Food activity is the cornerstone of our company. Our business philosophy is grounded in continuous improvement, reinvestment, and sustainable development.











Since the company's inception in 1954, many businesses have joined us, complementing each other and working towards the shared goal of providing the best services and products to our consumers and clients.

Various companies are part of our enterprise, with their primary focus being in the agri-food sector.

The leading company within our group is ElPozo Alimentación. This trusted brand stands as the top choice in Spanish households, as reported by the 'Brand Footprint' consumption study by Kantar Worldpanel.

Over our 70-year journey, we've expanded and diversified our business. This growth and expansion have facilitated the presence of our products and brands in 120 countries worldwide.

Our production activities are spread across various locations in Spain, ensuring we deliver rapid service and promptly address market demands. Currently, we operate from our production centers located in the Region of Murcia, Madrid, Castilla-La Mancha, Valencian Community, Andalusia, and the Canary Islands, with a team of over 8,700 individuals.

#### The primary areas where we conduct our business are:

### **FOOD**

/ Central to our food focus and the company's mainstay, involving the following industries:





















#### **DIVERSIFICATION**

/ We are a diversified group of companies whose operations range from leisure and real estate to healthcare, which include:











/ Moreover, we manage business stakes in companies that operate in diverse sectors and international cooperation projects. One such venture is our collaboration with the Canadian company EVAH Corporation, focusing on food sustainability.

## Our Agenda for the Planet's Future

### Sustainable Development Goals (SDGs)

We recognize the importance of collaborating with our business partners, suppliers, consumers, and the broader community to drive progress toward a more sustainable society and a brighter future.

Grupo Fuertes is committed to growing responsibly and earnestly while upholding its core values. From its inception, the company has undertaken various actions and projects that contribute to societal wellbeing and the protection of the planet. The company has meaningfully integrated the Sustainable Development Goals (SDGs) into its strategy to address future challenges.

Grupo Fuertes aligns with the working agenda for sustainability and the planet's future, consistent with the 17 SDGs set out by the United Nations' 'Agenda 2030'. These goals address humanity's most pressing challenges, and Grupo Fuertes's business model is deeply committed to them.

The company incorporates the SDGs into its business model and embraces many of these goals as its own. The responsible and sustainable production of its products, promoting health and well-being, generating employment and economic growth, and environmental protection to mitigate climate change are among its top priorities.

To achieve these, the company implements various programs and initiatives.







### Contributions to the SDGs

We periodically donate food and water to social entities.

Through ElPozo Alimentación, we support the 'Hospitality against Hunger' initiative, coordinated by the NGO Action Against Hunger and the Spanish Hospitality Association, to combat child malnutrition.

Within the vicinity of our facilities, we have the Antonio Fuertes Early Childhood Education Center, designed for the children of our employees, with schedules tailored to their work needs.

We partner with the University of Murcia through the Grupo Fuertes Business Excellence Chair, granting scholarships to students to further their education. We also promote the Grupo Fuertes Chair for Food Safety and Sustainability.

Every year, we provide educational assistance aimed at our employees' children

In 2021, ElPozo Alimentación, in collaboration with the NGO Save the Children, launched the 'Backpacks with an Extra Touch of Tenderness' campaign to raise funds for educational scholarships.

100% of the electrical energy in **Grupo Fuertes** companies is sourced from renewable origins.

ElPozo Alimentación has voluntarily registered with the Spanish Office for Climate Change, earning the 'Calculate and Reduce' certification.

We implement low-consumption LED technology.

We drive projects to use renewable fuels as alternatives to fossil fuels and install a photovoltaic park for selfconsumption.













We implement water optimization systems through purification and reuse, process improvements, and awareness campaigns.

Virtually all our water is treated for use in crops, vegetation, vineyards, adjacent plots, or secondary processes.

Our facilities are equipped with water-saving devices, new water optimization systems in reservoirs, and increased control of consumption in specific processes.







We generate quality employment and promote economic growth in the areas where we operate, with over 8,700 direct jobs and 30,000 indirect ones.

We help sustain rural environments.

with 96% of employment generated by **Grupo Fuertes'** agrifood companies located in areas with less than 22,000 inhabitants.



Anthony in Murcia (UCAM) on the health benefits of cured ham. ElPozo Alimentación was the first food company to be awarded as the European Sports and Health Company for 2018-2020,

In 2022, ElPozo Alimentación donated 50,730 euros to the Menudos Corazones Foundation, aiding children with congenital heart diseases.

and in 2021, it received the Gold distinction.

The ElPozo Workers Foundation annually supports the work of around twenty NGOs and non-profit organizations focused on the most vulnerable and disadvantaged groups.





Over the past two years, we've invested over 200 million euros in facility and infrastructure improvements, integrating the latest technology into processes.





We collaborate with initiatives such as Inserta from the Once Foundation and awareness campaigns against gender violence, endorsed by the 'Companies for a Society Free from Gender Violence' certification.

archaeological site in Pliego, recognized as the premier Argaric route site in Europe, to projects modernizing farms, ensuring the sector's sustainability.





We follow a circular integration model called Complete Process Control (CPC) that ensures food safety and product excellence. We maintain a waste management policy based on minimization and valorization, implementing specific actions to reduce consumption, energy, and materials and minimize waste.

Both ElPozo Alimentación and Cefusa have the 'ZERO WASTE' certification.

ElPozo Alimentación is also certified with 'Calculate and Reduce' for measuring and reducing its greenhouse gas emissions. It stands out as the first meat company to earn its first Lean&Green Star by reducing over 20% of its CO<sub>2</sub> emissions in land logistics.







We undertake our commitments alongside collaborators and partners, forming alliances to achieve a better future.



## **Materiality** Analysis

We are committed to listening to and understanding the needs of our stakeholders and incorporating their expectations into our management and business strategy.

We recognize that the sustainability of our project relies on the satisfaction and commitment of all involved stakeholders: consumers, customers, employees, suppliers, society, and investors. We acknowledge that their participation and support are crucial for our long-term success. Therefore, we strive to understand their needs and expectations, building relationships founded on trust and mutual respect.

Our engagement with stakeholders is grounded in consistent communication and active listening, driving our growth and continuous improvement. To facilitate this interaction, we have various channels through which we receive and channel their suggestions, maintaining a smooth dialogue that allows us to evolve and surpass ourselves daily. We deeply value their expectations and integrate them into the management and strategy of our company.

#### **Engagement with Stakeholder Groups**



#### **Consumers**

- / Consumer support
- / Market research
- / Brand panels
- / Trade fairs
- / Website and social media
- / Satisfaction surveys



#### **Clients**

- / Customer service
- / Commercial visits
- / Product launches
- / Sector forums
- / Email
- / Trade fairs



#### **Employees**

- / HR resources
- / Employee App and Portal
- / Company Committees
- / Suggestion Box
- / Social Media
- / Satisfaction surveys



#### **Suppliers**

- / e-Supplier Channel
- / Personalized listening
- / Sector fairs



#### Society

- / Media coverage report
- / Social Media
- / Sector associations
- / Public administration
- / Press conferences



#### **Investors**

- / Family councils
- / Board of Directors
- / General Shareholders' Meeting
- / Ethics and Compliance Committee



To continue growing and generate shared value for both people and the planet, we've asked and listened to our stakeholders about their expectations. This allows us to address them with confidence and proactively.

We identified the following aspects through a materiality exercise we conducted in 2021 in collaboration with the University of Murcia. This exercise compiled content related to the most pressing issues expressed by our stakeholders. This analysis provides us with a comprehensive view of our surroundings and aids us in identifying, prioritizing, and addressing relevant concerns. Moreover, it enables us to design the most suitable sustainability actions, considering their impact on business, society, and the environment.

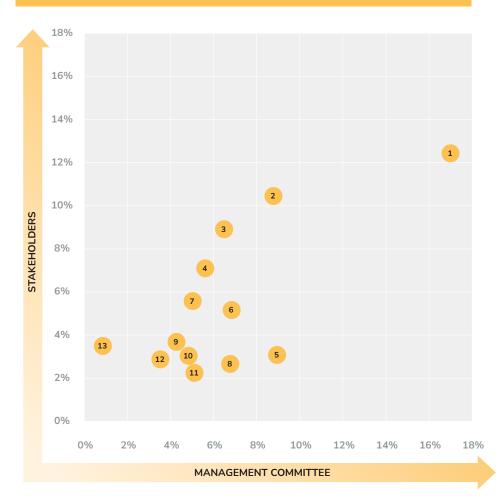
The materiality matrix is a vital tool in our sustainability strategy, allowing us to align our efforts with the expectations and needs of our stakeholders and positively contribute to sustainable development. Through an open and ongoing dialogue and input from the Steering Committee, we have developed this matrix, which captures the primary concerns and priorities internally and externally.

It outlines the issues relevant to our business, society, and the environment in which we operate. This matrix helps us better understand our surroundings and provides a clear guide for making strategic decisions on sustainability matters.

#### Identified Material Aspects

- Ethics and Integrity
- Communication and Engagement with Stakeholders
- 3 Transparency
- Adapting to regulatory changes
- 5 Brand prestige
- 6 Sustainable expansion and investment
- Product quality and safety
- 8 Succession and continuity
- 9 Investment in technology and R&D
- 10 Financial health
- 11 Clients
- 12 Strategy
- 13 Corruption

#### **Materiality Matrix**



# Industry Leaders: Milestones and Commitments

In the past two years at Grupo Fuertes, we have achieved significant milestones reflecting our dedication to excellence and sustainable growth. These initiatives highlight key accomplishments in various sectors of our organization, propelling our positive impact on business, society, and the environment. Through a blend of innovation, collaboration, and commitment, we have progressed towards our strategic goals, strengthening our position as industry frontrunners.



We continue to grow organically, boasting a turnover of 2.328 billion euros and a dedicated team of 8,738 employees.



Five new certifications advance our sustainability efforts: ZERO WASTE at ElPozo and Cefusa, ISO 45001 at Cefusa, and ISO 14001 at Cefusa and Sediasa.



For the eighth consecutive year, ElPozo remains the top chosen brand in Spanish households.

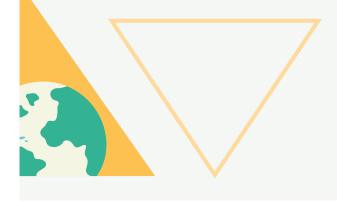


We have joined major international projects championing food sustainability, forming a strategic alliance with the Canadian firm EVAH Corporation.



ElPozo earned our first

Lean&Green star from AECOC, validating our commitment to emission reduction.









We reaffirm our support for sports by introducing CARLOS ALCARAZ as the brand ambassador for ElPozo.



We have incorporated NAVILENS technology to enhance the shopping experience for visually impaired individuals.



We launched our **BRAND AMBASSADORS program** to bolster the bond between employees and the company.



We have commenced operations at the Legado Ibérico factory in Jabugo (Huelva) and Hepabiotic in Alhama de Murcia.



We've implemented a *new payroll system* to streamline the process, making it more straightforward and secure.



## Objectives for 2023-2026

The commitments set for 2023-2026 will steer our organization's direction in the coming years, tackling global challenges and aiming to impact all our areas of influence positively. We pledge to enhance our environmental performance through ambitious goals and specific actions, advocate for consumer health and well-being improvements, and drive the circular economy. These commitments inspire us to continue our journey towards a sustainable future, actively contributing to the well-being of people and the planet.

| Priority Area | Objectives  |
|---------------|---|
|               |   |
| Environment   | Reduce GHG emissions by 25%   |
|               |   |
| Environment   | Generate 20% of our electric consumption from our renewable sources (Photovoltaic Park)     |
|               |   |
| Packaging     | 90% of our packaging will be recyclable   |
|               |   |
| Packaging     | Reduction of plastic in packaging   |
|               |   |
| Health        | Reduction of allergens across our range of heat-treated products                            |
|               |   |
| Health        | Extension of nutritional composition improvement for products excluded by the NAOS Strategy |
|               |   |





| Scope                                       | KPI  | Start Date |
|---|--|------------|
|   |  |            |
| Global Scope 1 (direct)<br>and 2 (indirect) | % GHG emissions reduction                              | 2020       |
|   |  |            |
| Global                                      | % of self-produced renewable electric consumption      | 2022       |
|   |  |            |
| Global                                      | % Packaging Recyclability                              | 2022       |
|   |  |            |
| Global                                      | Tons of reduced plastic                                | 2022       |
|   |  |            |
| Global                                      | % of products with allergen removal                    | 2022       |
|   |  |            |
| Global                                      | % salt reduction in products excluded by NAOS Strategy | 2022       |
|   |  |            |

economic Grupo Fuertes

commitment

commitment





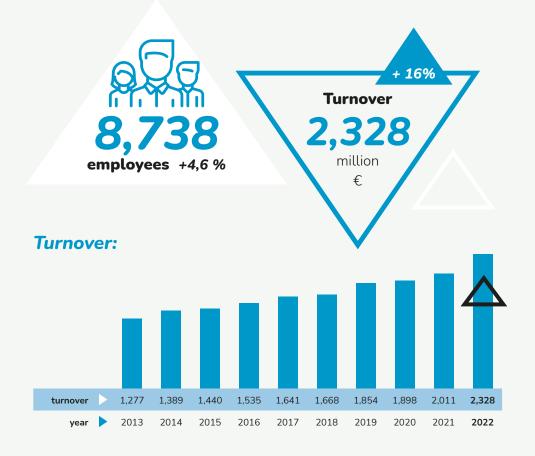
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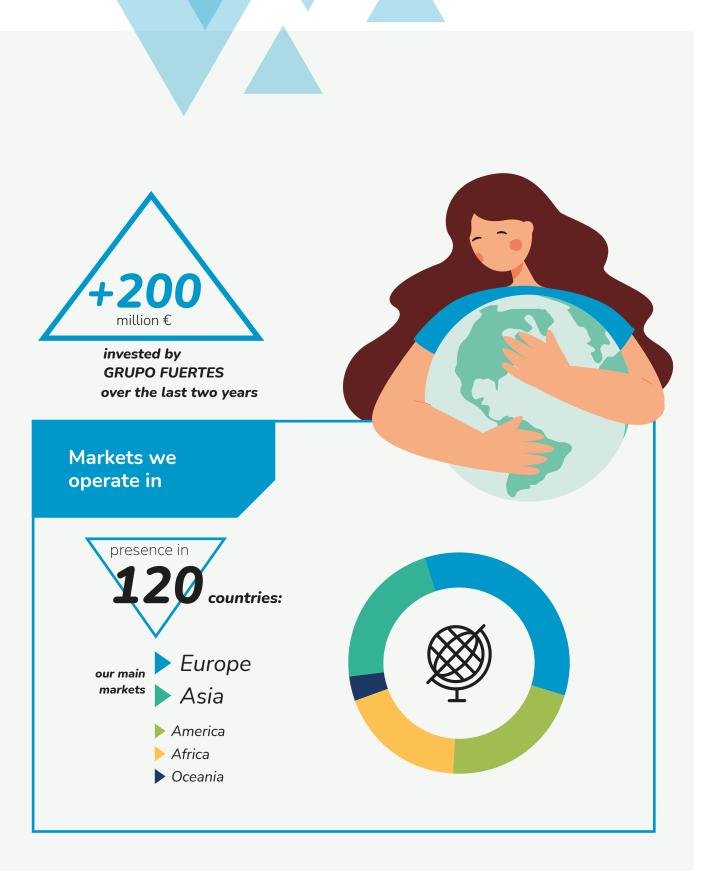
## Sustainable **Growth**

#### **Employment:**





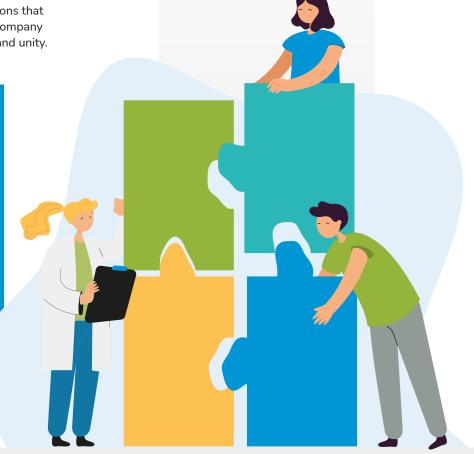




## Our Mission, Vision, Culture, and Values

Grupo Fuertes stands as a beacon of family business. Along our journey, we've successfully blended the growth of our company with the unity of the business family. By merging familial values with corporate ones, we've made decisions that fortify our brand's identity, driving our company toward increased prosperity, strength, and unity.

Competitiveness, reinvestment, job creation, and the generation of shared value form the pillars of our organization, ensuring sustained growth.



Today, our family organization sees the coexistence of the second and third generations. Our group has positioned itself as one of Spain's leading business holdings.





We are motivated to consolidate a business group that responsibly creates long-term shared value for consumers, employees, clients, suppliers, society, and investors by contributing to improving healthy eating.



We are a business group committed to profitable growth with a core focus on the healthy food sector, targeting markets in Spain, the European Union, and emerging territories. Our strategy is anchored in innovation, brand strength, and competitiveness.



We aim to be a leading integrated and diversified European food group recognized by society for its sustainable contributions towards a better future for all our stakeholders. We aspire to remain pioneers in all areas of innovation and technology.



/ Humility

/ Perseverance

/ Integrity

/ Responsibility

/ Honesty

/ Excellence

/ Loyalty

/ Entrepreneurial

Spirit

To ensure our organization's sustainability and profitability, we have a Family Protocol that establishes company operations guidelines, including forming a Family Council.

#### **Grupo Fuertes' Corporate Areas and Services include:**



Corporate
Strategy and
Development



Finance and Information Systems



Procurement



HR resources



Legal Services



Communication

## Grupo Fuertes' **Strategy**



Our culture is deeply rooted in transparency and good governance, ensuring decision-making integrity.



#### The main components of our strategy are:

- / Consolidating ourselves as a benchmark group in our business areas based on three strategic pillars: brand, innovation, and competitiveness.
- / We aim to strengthen our agri-food core with a meat base and prioritize national and international expansion,
- / emphasizing our stakeholders' needs and expectations and bolstering our consumer-focused brand and strategy.
- / Our growth is supported by significant investments, especially in Spain and in new countries where our presence is expanding.
- / We recognize the importance of creating shared value for all our stakeholders, ensuring their needs regarding sustainability aspects are met.

### Our strategy is underpinned by fundamental principles:

- / promoting ethical management based on transparency and good corporate governance practices;
- / fostering a work environment that encourages personal integrity and respect for the surroundings, reducing environmental impacts and optimizing resource use;
- / ensuring care for free competition;
- / and instilling a culture that respects human rights, focusing primarily on equal opportunities, nondiscrimination, and cultural values.





# Unveiling our Essence: Transparency as a foundational pillar

Ethics is one of the fundamental pillars guiding all our actions in pursuing our activities.

Our ethical management model is rooted in several key elements: Code of Conduct, Risk Management, Ethics and Compliance Committee, and Whistleblower Channel.

#### 1. Code of Conduct:

This document encapsulates our values, principles, and practices that direct the actions and behaviors of those in our organization. It also outlines the ethical standards upon which our interactions with stakeholders should be based. Cultivating a culture of regulatory compliance, fostering an environment respectful of moral values, and conveying that "the end does not justify the means" are the primary objectives steering our growth. For easy access, the document is available in Spanish and English on the company's website and Employee Portal. It's also on the e-supplier tool, allowing our value chain to familiarize themselves with the ethical principles

guiding our actions. Additionally, we run internal awareness campaigns to shed light on the specifics of this standard.

#### 2. Risk Management:

To effectively identify and manage risks, we have instituted a Risk Management and Regulatory Compliance Model. These models entail a comprehensive analysis of business and legal risks across the various entities of the organization. During our onboarding process for new hires, we emphasize training in compliance matters as one of the most crucial components of the company's educational content.



## 3. Ethics and Compliance Committee:

This body oversees the adherence to, implementation of, interpretation of, and updating of the rules, procedures, and protocols that ensure ethical and integral application. It also establishes measures to prevent their breach.

#### 4. Reporting Channel:

We provide a <u>confidential and secure reporting</u> <u>channel</u> for employees and stakeholders to report potential irregularities, ethical violations, queries, suggestions, or complaints about our Code of Conduct. This channel promotes transparency and allows us to effectively address and rectify any concerns.

### 5. Information Security and Data Protection:

Ensuring our stakeholders' information privacy is a priority. We've enhanced our data protection management and prioritized aligning Grupo Fuertes' businesses with the European General Data Protection Regulation (GDPR). Additionally, Grupo Fuertes spearheads a project managing various compliance processes via a new technological tool. Over 1,500 employees have undergone GDPR training in recent years.







## Our Firm Commitment to **Human Rights**

In our operations and value chain, we promote a culture of respect and instill principles aligned with Grupo Fuertes' values.

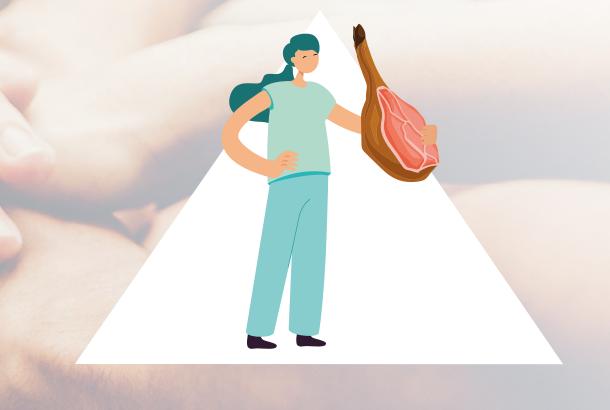
We operate with utmost respect for human rights, adhering to existing regulations and globally accepted ethical practices. Our corporate culture ensures compliance with the fundamental conventions regarding public labor freedoms, emphasizing equal opportunities, non-discrimination, and the values of every culture.

Our actions also involve implementing fair and ethical labor practices protecting workers' rights. We denounce employment discrimination, child labor, and forced or obligatory labor. We consistently respect freedom of association, collective bargaining, and minority rights, as the Universal Declaration states.

Furthermore, we've established mechanisms to report potential human rights violations safely.







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One of our core pillars for sustainable and shared growth is maintaining a social commitment that advocates for the development of local communities. Through our operations, primarily in the agrifood sector, we foster employment, stimulate the economy, and enhance the well-being of the areas in which we operate.

Our impact is evident through various indicators contributing to delivering social value, such as employment, economic contributions via tax payments, social assistance, sponsorships, and other partnerships with social groups.

The activities carried out by our businesses under the Grupo Fuertes umbrella also act as a vital factor against depopulation by revitalizing rural areas. 96% of employees from our agri-food companies are located in towns with fewer than 22,000 inhabitants.with 96% of employment generated by' agri-food companies located in areas with less than 22,000 inhabitants.





## Food Quality and Safety

#### The consumer as our customer.

We guarantee the finest foods and adhere to the strictest food safety standards.

The consumer is at the heart of our strategy and is the focal point of our decision-making. The availability of various certified management systems attests to this commitment by the meat and agri-food companies of the Grupo Fuertes, which are subject to regulatory compliance. ElPozo Alimentación's case extends to over 80 countries for the export of meats and meat products.

#### Certifications



- / Audited Self-Control System Specific for Export (SAE)
- / ETG Serrano Ham (Traditional Specialty Guaranteed)
- Spanish Serrano Ham Consortium
- / Ibérico Quality Standard
- / IFS International Food Standard
- / BRC British Retail Consortium

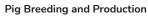


- / IFS International Food Standard
- / Spanish Federation of Celiac Associations (FACE) Seal
- / Irish Food Board Certification
- / Organic Production Certification
- Guaranteed ETG Serrano Ham
- / Ibérico Quality Standard
- / Meat Processor Quality Assurance Scheme (MPQAS) Origin Ireland



#### **Compound Feed Manufacturing**

- / "Certified Animal Feed" Guarantee
- "Compound Feed Traceability" Certificate
- / "Antibiotic Free Program" Certification



- / Pork Sector Traceability Certificate
- "Antibiotic Free Program" Certification
- / OCA Calitax (Feed and Farm Certificate)

**Cattle Breeding and Production** 

/ "Antibiotic Free Program" Certification



/ GLOBAL G.A.P. Certification



- / IFS International Food Standard / BRC British Retail Consortium
- / ISO 22000
- / Audited Self-Control System Specific for Export (SAE) / HALAL

Sediatlantic

/ IFS International Food Standard

**PALANCARES** 

- / IFS International Food Standard / BRC British Retail Consortium
- / Audited Self-Control System Specific for Export (SAE)
- / RSPO Roundtable on Sustainable Palm Oil / Protected Designation of Origin
- Certification



- / BRC British Retail Consortium / IFS International Food Standard



- / IFS International Food Standard
- / BRC British Retail Consortium
- / Jumilla Protected Designation of Origin Certification
- / Organic Wine Production Certification / Vegan Wine Production Certification
- / Tourist Quality Commitment (WINE
- TOURISM)



/ IFS International Food Standard











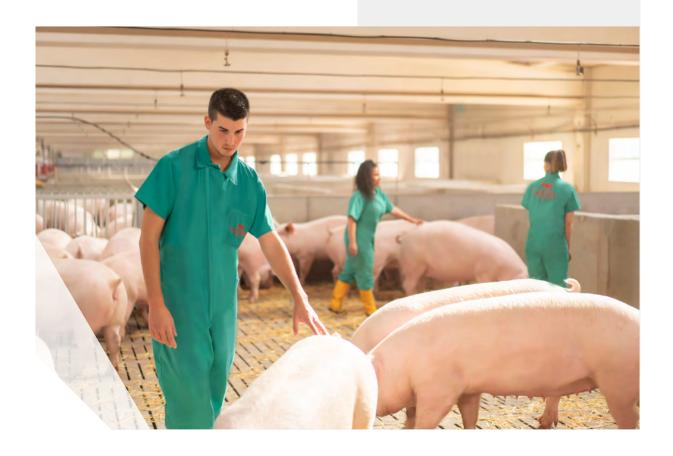


# Caring for Those Who Feed Us: **Animal Welfare**

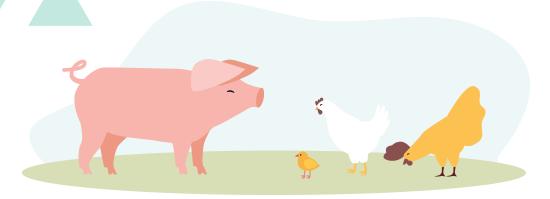
To ensure the health and optimal care of livestock, producing high-quality food, food safety, and public health, we continually strive to adapt to current regulations and standards. This includes both our internal standards and those of the industry that ensure the welfare and care of animals.

This commitment is made possible through strategic collaboration with both our own and approved farmers. They undergo rigorous analysis to ensure compliance with established requirements and best practice protocols, which are validated through checks and audits.

All our livestock is certified. This includes white pork, Iberian pork, and beef, all of which have the highest ratings in animal care and biosecurity practices.







#### **Certifications**

**ELPOZO** 

#### Pork

/ Certification of Technical Regulations and Animal Welfare and Biosecurity by INTERPORC-IAWS

/ Welfare Animal Welfare Certificate

#### **Iberian Pork**

 Certification of Technical Regulations and Animal Welfare and Biosecurity by ASICI-IBAW

#### Roof

- / "PAWS" (Provacuno Animal Welfare Spain) Certification of Technical Regulations
- / and Animal Welfare and Traceability
- / Welfare Animal Welfare Certificate



/ Welfare Animal Welfare Certificate

#### Por

- / Certification of Technical Regulations and Animal Welfare and Biosecurity by INTERPORC-IAWS
- / Welfare Animal Welfare Certificate

/ Certification of Technical Regulations and Animal Welfare and Biosecurity by ASICI-IBAW

#### Beef

**Iberian Pork** 

/ Welfare Animal Welfare Certificate
 / "PAWS" (Provacuno Animal
 Welfare Spain) Certification of
 Technical Regulations and Animal
 Welfare and Traceability



/ Welfare Animal Welfare Certificate for the preparation and packaging of fresh meat, meat products, and meat preparations of chicken, turkey, pork, and beef

ElPozo Alimentación, Cefusa, and Procavi are the first companies in Spain to certify the Animal Welfare seal for white coat pork (INTERPORC-IAWS), Iberian (ASICI-IBAW), and turkey (WELFAIR).











# **Innovation**Serving the Consumer

We allocate significant investments to R&D to meet consumer needs.



To provide value to the consumer, the company prioritizes brand protection and its values: talent, audacity, innovation, entrepreneurship, safety, and trust. Nurturing the brand is essential for building trust.

In carrying out our business activities, we prioritize continuous improvement. Hence, innovation is deeply ingrained in our strategy: in processes, in adapting products for new markets, in producing safer and healthier foods, in digitalization, and data traceability. We consistently work on improving nutritional attributes, continuously launching new products, and developing new product ranges that foresee, adapt to, and meet consumer needs.

At ElPozo Alimentación, we've developed a range of nutritionally optimized and healthy products backed by scientific research.

# All products manufactured by ElPozo are gluten-free.

We're currently collaborating with the University of Murcia on a research project to enhance the human body's utilization of meat protein. The strategy involves using only natural ingredients and eliminating any allergenic substances. Specifically, we're trying to measure the bioavailability of the protein in new products and its potential effects on consumers' digestive comfort.

The first outcome of this research was the launch of the Jamón Cocido Extra and 100% Natural Sliced Turkey Breast products. They contain no additives or preservatives, are allergen-free, and have a high protein content. These products fall under the ElPozo Bienstar brand. They boast an improved nutritional profile, are low in fat, are sugar-free, and are free from allergens.

Procavi continues its commitment to R&D with a project focusing on feed, product quality enhancement, and preservation. In 2022, they initiated the OXIPAVO project, aiming to improve the oxidative quality of turkey meat. The goal is to extend the shelf life of this food, whether fresh or processed, by preventing or delaying oxidation through various 'clean label' strategies and the bird's diet.

We offer numerous product references and categories, both fresh and other cured and cooked meat products under brand names like ElPozo, ElPozo Extratiernos, ElPozo Bienstar, ElPozo 1954, ElPozo King Upp, ElPozo Flexiterráneo, Legado Ibérico, and the new meal solution brand ElPozo AllPlato. These also include products targeted at the hospitality sector offered by other Grupo Fuertes companies, such as ElPozo with its Almirez brand, Fripozo, Bodegas Luzón, and Aquadeus.

Our future steps are geared towards the development of more natural foods. We're focusing on adding value to these products by reducing fat and salt and, thus, producing healthier foods.

> The best way to predict the future is to create it.



#### 1. Innovations



Legado Ibérico was the first brand to develop the umami concept, communicate the experience of the fifth taste, and include a tasting map in its product range.

ElPozo King Upp encourages innovative developments to reach the younger target audience seeking experiences, using fresh language and a different approach.

ElPozo introduced the Flexiterráneo range, the first product line made of meat and vegetables.

ElPozo Alimentación developed the first 100% natural product range without additives.

ElPozo Alimentación created the AllPlato brand, entering the ready-to-eat refrigerated meals segment.



ElPozo Alimentación introduced NaviLens technology, progressively incorporated into various product lines, to assist those with vision impairments or visual disabilities in reading labels.

Bodegas Luzón enhanced the production of allergen-free, organic, vegan wines and developed an aged wine without sulfites.

ElPozo is found in eight out of ten Spanish households\*



<sup>\*</sup>Based on the Brandfootprint report by Kantar Worldpanel.

#### 2. Scientific Collaboration

We maintain ongoing collaborations with universities, research centers, and scientific associations throughout Spain. Our joint ventures aim to enhance the nutritional quality of our products, directly translating to tangible health benefits and improved quality of life for individuals.



ElPozo Alimentación partners with various public and private research entities within the framework of several R&D projects and initiatives. Among these are initiatives with the University of Murcia, the Center for Edaphology and Applied Biology of the Segura (CEBAS-CSIC), the Institute of Agrochemistry and Food Technology (IATA-CSIC), and the Catholic University of San Antonio in Murcia (UCAM). Studies have shown that consuming long-cured ham with reduced salt content can enhance cardiovascular health.

For Fripozo, collaboration with research centers and universities is essential for mutual learning and further progress and innovation. The company has launched an initiative called the 'Innovation Observatory,' comprising a multidisciplinary team focused on developing new product references.

Cefusa continues with the design and implementation of projects for the farm of the future. In collaboration with the Polytechnic University of Cartagena, they are researching a tailored

sustainable manure management system through the Chair in Sustainable Environmental Management of Pig Production. The goal is to reduce emissions, enhance water resource management, and minimize potential effects on nearby communities.

Through this system, they've managed to reduce by 40% the agricultural land needed to fully utilize all the manure produced in the pilot operation, leveraging it both as an agricultural and water resource. There's also been an 80% reduction in fertilizer use for rainfed crops such as grapevines, cereals, almonds, and walnuts.



Bodegas Luzón is championing a collaborative effort with the Polytechnic University of Cartagena to revive the indigenous Merseguera grape by producing Tomás Ferro wine. Additionally, new grape varieties have been planted in association with the Murcian Institute for Agricultural Research and Development (IMIDA) and Agrifusa.



#### 3. Consumer Support Systems

#### Clear communication is a cornerstone of our management approach.

We strive to enhance our relationship with consumers and stakeholders. Therefore, we adhere to regulations in our communications, labeling, and advertising/marketing efforts. We also adopt voluntary mechanisms and codes that ensure transparency and truthfulness, demonstrating our commitment to sustainability through the 'Sustainable Corner' seal.



These tools encourage consumer and client participation to gather feedback, gauge satisfaction levels, and assess our quality and sales standards to improve our products or services.

Our feedback, complaints, and claims channel involves collecting, organizing, channeling, and analyzing submitted requests and opinions to provide the best possible response. This aligns with the ethical and transparency principles of our company. Moreover, it helps enhance the management of services, processes, and products provided across our various businesses. This channel ensures the loyalty and trust of our customers and consumers. Over the past two years, we have addressed and resolved 100% of the claims.

#### The various consumer/client support channels serve as data collection centers:



#### **Corporate Channels**

- / Consumer/Client Support Phone Line
- / Contact Forms
- / Corporate Website and Email
- / Social Media
- / WhatsApp
- / Reporting Channel



#### Labeling

- / Consumer/Client Support Phone Line
- / Nutritional Information
- / Quality Recognitions
- / Sustainability Information



#### In-Person Channels

- / Sales Representatives
- / Surveys
- / Complaints and Suggestions Forms

### Solid Alliances

A robust and transparent relationship with our suppliers and clients is essential. We strive to be a trustworthy partner, always encouraging an open and constructive dialogue. We provide transparency in our processes and ensure traceability of our products. Additionally, we are committed to continuous improvement and innovation, always searching for new ways to deliver solutions that make a difference in people's lives and contribute to the collective well-being

+1,500
agri-food product references to meet the needs of consumers and clients.

We offer high-quality, safe, nutritious, and innovative products.

Our business is based on a IPC (Integrated Process Control), a circular integration model that guarantees complete food traceability from the beginning to the end of each process and on a vertical model focusing on the following areas:

#### / From Farm to Table

Focusing on sourcing from local suppliers, ensuring the utmost reliability in our supply chain, and producing grains, primarily barley and wheat.

/ Products Born from Quality Raw Materials

Developing increasingly natural foods.

/ New Technologies

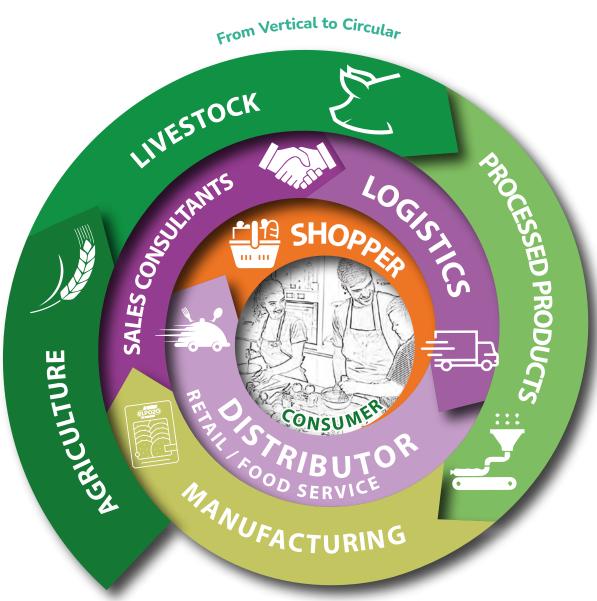
Implementing new technological developments that enhance the product's food safety levels.

/ Independent Certifications

Accreditations from independent chain control



# "The consumer, at the heart of our model."



From Circular to Spiral







































# Relationship with Our **Suppliers** and **Clients**

In 2022, we implemented a new approval and risk management tool within the value chain. With this tool, we conduct evaluations and audits of suppliers concerning sustainability matters. This allows us to measure and quantify their level of compliance.

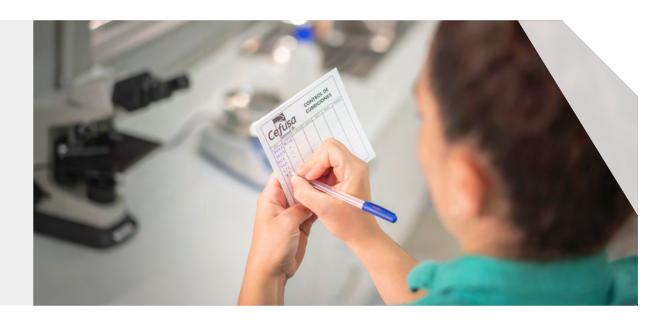


In our interactions with the value chain, we recognize the crucial importance of our distribution channels, the hospitality sector, and our suppliers. Together, we commit to actively contributing to society and addressing food needs by offering the highest quality products ensuring the strictest food safety standards.

Our clients, spanning various sectors such as Horeca, Retail, Food, Industrial, and others, hold a central position in our value chain. Our priority is their satisfaction, and we try to understand and effectively meet their needs and expectations. Through close collaboration, we collectively strive for excellence and innovation in our products and services and work on developing and promoting sustainable and social action initiatives. We maintain regular and open communication, constantly seeking opportunities to improve and adapt to their expectations and needs.

We forge robust, long-lasting alliances grounded in long-term professional relationships, fostering stable bonds with our strategic partners.





We collaborate closely with our suppliers to ensure every process step is carried out sustainably. Together, we set criteria that certify and support our dedication to sustainability at all production stages.

In the past year, we collaborated with 8,501 suppliers. Of these, 3,843, 45%, belong to the supply chain. All our suppliers must agree to a General Conditions document to ensure a trusting relationship and sustainability standards. This also incorporates a clause on Corporate Social Responsibility and a link to its detailed content. This document is hosted on the e-Suppliers web platform. Furthermore, they must adhere to the company's Code of Conduct and commit to following guidelines on social and environmental terms.

Additionally, the company's Supplier Evaluation procedure establishes selection filters in purchase relationships and values those with Corporate Social Responsibility policies and certifications like ISO 9001, ISO 14001, ISO 22000, BRC, IFS, or GLOBAL.

Also, the ISO 20400 standard for Sustainable and Environmentally, Socially, and Economically Committed Purchasing verifies the responsible management and best practices performed in the supply chain under sustainability principles.

We share commitments and challenges that contribute to achieving the Sustainable Development Goals.



CEFUSA and PROCAVI have launched an app to connect with 100% of their collaborators digitally.

# The Key to Our Success: Our Employees

People contribute to our organization's growth and stability with steadfast commitment and a shared focus on common goals and objectives.

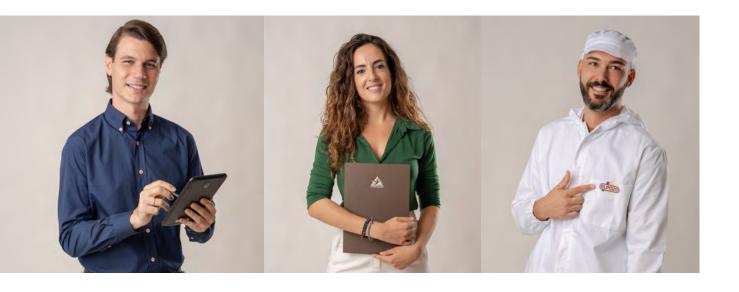
At Grupo Fuertes, employees are the heart of the company. Effective team management is pivotal, and we strive to promote a stable work environment, ensure the safety and health of our workers, and position ourselves as a model to attract the best talent in the market.

At Grupo Fuertes, one hundred percent of our workers are covered by a collective agreement.

The company continues with the implementation of SAP's 'SuccessFactors' human capital management program, which allows management of all talent processes, training, selection, performance evaluation, and compensation. This global project has standardized and unified the application of these processes across all group companies.

Moreover, we've progressed in our digital transformation agenda and have implemented a new payroll system to streamline and secure the process and to give it **more security**.

SAP EC PayRoll automates and speeds up the payment process across all group companies, reducing the risk of errors and simplifying payroll management.





#### **Initiatives**



#### Improvement Groups

ElPozo Alimentación and Fripozo acknowledge and reward every year the new ideas proposed by employees for continuous improvement of products, services, and processes through the 'Improvement Groups.'



#### **Family Visits**

The company organizes monthly visits to the facilities so employees' families can see where they work. Procavi extends these visits to educational centers and associations as well.



#### **Employee Experience Barometer**

ElPozo Alimentación and Grupo Fuertes participated in the second edition of the Employee Experience Barometer, spearheaded by the Instituto de Empresa nationally, to understand the current employee experience in Spain, identify the crucial moments in their relationship with the company and gauge how they feel at each of those moments.





Brand Ambassador Program at ElPozo Alimentación and Fripozo

#### **Chairs and Internships in Group Companies**

Grupo Fuertes drives the UMU Business Talent training program from the Grupo Fuertes Business Excellence Chair in collaboration with the University of Murcia. This program eases students' transition into the workforce. The initiative is complemented with internships for students from the Faculty of Economics and Business at UMU across the various companies that make up the holding, participation in international development programs in pursuit of business excellence, and conducting research and studies. Group companies also promote training for students on internships and Dual Vocational Training projects.



#### New recruitment website

- +12,900 applications
- +120,000 website visits



Grupo Fuertes has a job website, https://jobs. grupofuertes.com, aiming to attract talent for the various professional projects underway within the holding companies. The website showcases the company's global offerings and displays the values and entrepreneurial culture driving its activities. Integrity, respect, responsibility, and the drive for continuous improvement are deeply ingrained in its business philosophy.

#### 1. We are Grupo Fuertes

The Grupo Fuertes team comprises 8,738 employees, 4.6 percent more than the previous year's staff.

396 employees from different

nationalities

The average age of the workforce is 41 years.









#### 2. Social benefits and work-life balance measures for all our staff

Creating a positive work environment is one of our primary goals so that employees feel part of the company's shared vision, align with it, and drive the strategic sustainability of the Grupo Fuertes.







We continue our efforts to promote work-life balance for our employees by introducing measures that offer flexibility according to each professional's personal circumstances.

We support our employees with various social benefits that enhance their quality of life and that of their families. Specifically, we provide scholarships for employees' children and implement measures to foster a positive work atmosphere, such as:

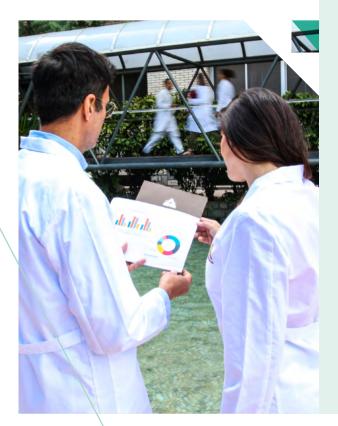
- / Medical and clinical psychology services.
- / Sports facilities.
- / Daycare.
- / €548,000 in educational assistance for children and employee schooling.
- / Flexible compensation (meals, childcare, transportation, and health insurance).
- / Private parking.
- / Gifts and bonuses for anniversaries and special events.
- / Flexible working hours.
- / Discounts at leisure parks like Terra Natura Murcia and Benidorm, supermarkets, and other services.
- / Accident insurance (for mobile workers).
- / Company store and discounts on purchasing products and services from the company.
- / Laundry service for work clothing and uniforms.
- / Team-building events.
- / Free tickets to ElPozo Fútbol Sala matches.
- / Christmas hamper.
- / Medical screenings for disease prevention.
- / On-site bank branch.
- / Joint vacations for parents when both are employees of the company.

#### 3. Training Our Employees

## Over the past two years, we have provided 85,244 hours of training

A company's competitiveness and sustainability largely depend on its employees' training. That's why we annually organize training sessions to ensure our staff is knowledgeable in various areas, such as Food Safety and Quality, Occupational Risk Prevention, and Environmental Awareness.

New members of the Grupo Fuertes Structure receive training related to the Prevention of Criminal Offenses and our Code of Conduct, as well as the General Data Protection Regulation (GDPR) when they join the company.



#### Design of the Essential Leaders Program

Our Human Resources department manages specific training requested by different companies to address the needs of business units, aligning with the strategic directions of the Group. The primary training subjects cover leadership, management, continuous improvement, communication, languages, new technologies, quality, and sales skills.

Additionally, we've made significant strides in digitizing and creating SCORM (Sharable Content Object Reference Model) content to share on a new training platform. Good hygiene and manufacturing practices, allergens, Food Defense, and Control Points are just a few topics we've developed over the past year.

We mainly communicate with our employees through the internal Grupo Fuertes app, where almost all our workers are active. We also use other communication channels like our internal television circuit, notice boards, and monthly newsletters to update them on the most significant economic, social, and environmental developments.

Among other things, we share training plans, announce professional recognitions, internal promotions, and all kinds of corporate and ESG information. We also convey messages tied to the company's values, including healthy living habits, internal talent, diversity, excellence, and commitment.







#### 4. We Foster a Diverse and Equal Environment

We actively promote equal opportunities and diversity, advocating a culture of non-discrimination in every respect. We are dedicated to establishing an inclusive and respectful work setting, ensuring equitable working conditions.

This commitment is further reinforced through the equality plans we've implemented across various companies within our Group, outlining specific initiatives on this front.

Our pledge to integrate individuals with disabilities is framed within our partnerships with social entities and Third Sector organizations. These collaborations facilitate the annual employment of people with disabilities across our Group's companies. In 2022, individuals with disabilities comprised 2.3% of our workforce, totaling 203 employees.

Companies with Equality Plans

**Initiatives** 











PALANCARES







/ Career Advancement and Training

/ Recruitment and Hiring

/ Work-Life Balance and Work-Hour Management

/ Prevention of Sexual Harassment or Harassment Based on Gender

/ Compensation

/ Communication, Raising Awareness of Equality



Grupo Fuertes, ElPozo Alimentación, and Fripozo are signatories to the 'Companies for a Society Free from Gender Violence' protocol. In these companies, no form of gender discrimination is tolerated, and they are committed to developing actions for raising awareness and prevention.



Through Grupo Fuertes, we are part of the Diversity Charter and reaffirm our commitment to recognition based solely on talent, skills, experience, and individual potential.

We also support promoting female talent through our

endorsement of the "Universo Mujer" program, a comprehensive project aimed at enhancing female participation in all sports areas. In collaboration with ElPozo Alimentación, Grupo Fuertes sponsors the Women's La Vuelta cycling race and the Women's Football Club Alhama ElPozo. Both initiatives contribute to societal transformation through the values of women's sports.

#### 5. We Encourage a Safe and **Healthy Work Environment**

Our utmost priority is the safety and health of our employees. We uphold strict safety and hygiene standards, creating a workplace that enhances their overall quality of life.

We have a security and health management system tailored to legal requirements to ensure the company's excellence and the well-being of individuals. This management system undergoes regular scrutiny through both internal and external audits to guarantee its quality and effectiveness.

The outcomes of these audits are used to devise action plans, enhance our management system, or communicate best practices.

All employees of Grupo Fuertes are covered by the Occupational Safety and Health Management System in their respective companies.

Employees have access to a suggestion box (both physical and digital) to report any hazardous situations, propose improvements in production or organizational processes, and have a direct line of communication with their managers or supervisors.

The agri-food companies of the Group that have an Occupational Safety and Health Committee include Cefusa, ElPozo Alimentación, Fripozo, Palancares, Procavi, and Sediasa.

Periodically, we also provide specific training on safety and health to ensure all employees possess the necessary knowledge to perform their roles

**CEFUSA** has achieved the ISO 45001:2018 certification, endorsing its Occupational Health and Safety management.





In 2022, over 15,000 hours were allocated to training in Occupational Risk Prevention, accounting for nearly 33 percent of the total training hours provided.

We have internal communication channels such as the corporate intranet, the news bulletin, and the corporate app, as well as other materials (welcome manual and occupational risk prevention manual) that are used to disseminate messages, informative snippets, and recommendations on prevention, hygiene, and ergonomics in the workplace. These awareness messages seek to garner employee commitment to the principles of health and workplace safety.

### ElPozo Alimentación and the Grupo Fuertes

The ElPozo Alimentación facilities are equipped with two medical centers that provide 24-hour assistance, pharmaceutical care, clinical psychology services, and an extensive range of sports activities exclusively for their staff.

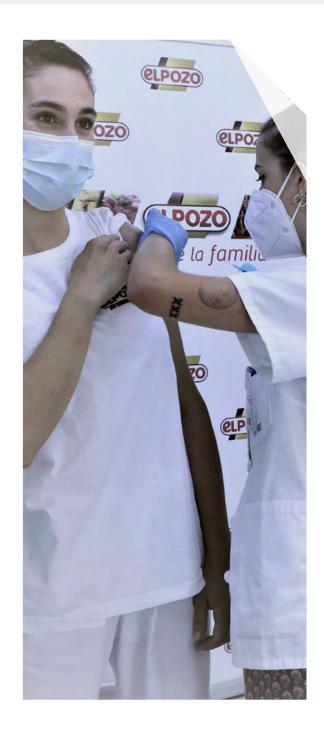
The company has three cafeterias and a restaurant that serve healthy menus daily. These menus are reviewed and approved weekly by the organization's medical service.

#### Fripozo

In 2022, Fripozo conducted medical examinations for 476 employees, an 18% increase from the previous year. They also initiated the 'Solidarity Steps' campaign, where interested employees participated in a step challenge. The winners donated Fripozo products to several NGOs.

#### **Procavi**

Procavi promotes healthy living programs and the Health School to prevent back problems. They are also working on obtaining the 'Healthy Company' certification from the Andalusian Council.



## Our **Community**

At the Grupo Fuertes, we believe in the transformative power of collaboration and commitment to local communities.

We are proud to join this noble endeavor through close partnerships with Third Sector collectives and entities. Together, we develop a broad range of projects and initiatives to create a lasting positive impact on our communities. Some of the projects we have been involved with include:

- / Spanish Federation of Food Banks (FESBAL), Jesús Abandonado, Proyecto Hombre, Cáritas, Las Flotas, Little Sisters of the Poor, A Little is a Lot Association, and Segura Food Bank: Regular product donations.
- / Save the Children: In 2021, we collaborated with the campaign 'Backpacks with an Extra Touch of Tenderness,' raising 66,275 euros, which provided 2,651 annual scholarships for school supplies.
- / Jesús Abandonado Foundation: Grupo Fuertes financed the construction of their new carpentry workshop.
- / Menudos Corazones Foundation: In 2022, we raised 50,730 euros to support children with congenital heart disease and back their families.
- / ElPozo Alimentación: A sponsor for the past seven years of the largest charity initiative against hunger, 'Hospitality Against Hunger,' a charitable project by Action Against Hunger and Spanish Hospitality.
- / ONCE Foundation: Direct job placement for people with disabilities through the Inserta agreement.
- / Special Employment Centers: Hiring people with disabilities.

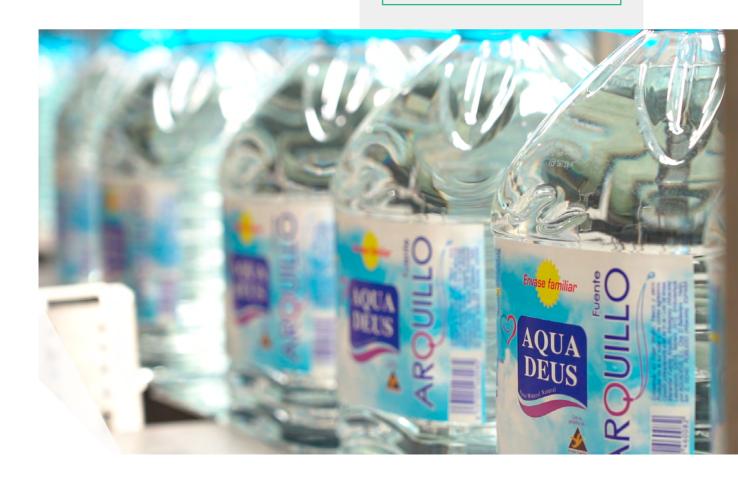
Aquadeus Gourmet Rosa: Their packaging features the logo of the Spanish Federation of Rare Diseases (FEDER). This product is tied to a charitable initiative through which Aquadeus has donated 50,000 euros to this association.





In addition to these societal actions undertaken by our companies, the ElPozo Workers' Foundation also assists employees and their families in difficult situations. Every year, it supports the efforts of about twenty NGOs and non-profit entities focused on the most vulnerable and disadvantaged groups. The Foundation allocates 200,000 euros annually to these causes.

In 2022, we donated over 515,000 kilograms of food and water in charitable and supportive efforts.















#### 1. We inspire with our support: Sponsorships

We belong to numerous associations and sectoral institutions across various business sectors. We share similar interests and challenges with them, aiming to progress together.

We promote, among others, the following sponsorships and collaborative activities associated with sports, culture, education, tourism, employment, and diversity:

#### **Main Sponsorships**

/ CF Femenino Alhama ElPozo

/ Support Plan for Paralympic Sports





Carlos Alcaraz, ElPozo brand ambassador





La Vuelta 2022, which had one of its stage starts from the ElPozo facilities



ElPozo Futsal (Indoor Football)



#### **Digital Campaigns**



ElPozo King Upp, sponsor of 'The Evening of the Year' by Ibai Llanos.

ElPozo King Upp sponsors the 'Kings League' and 'Queens League.'



#### Other Initiatives Include:



- / Grupo Fuertes, Chair of Business Excellence. University of Murcia
- / Grupo Fuertes, Chair of Food Safety and Sustainability. University of Murcia
- / Family Business Chair (University of Murcia)
- / CSR Chair. University of Murcia
- / Inter-University Chair of the Innovation Ecosystem of the Region of Murcia
- / Innoventures Capital Project for Entrepreneurship and Startups



- / 2021 Huelva World Badminton Championships
- / International Cante de las Minas Festival
- / Films 'Last Wills' and 'Methuselah'
- / Rugby Association, in Tournefeuille-Toulouse (France)
- / VTTeam78 Cycling Club, in Guerville-Paris (France)



/ Gastronomy Degree at UCAM



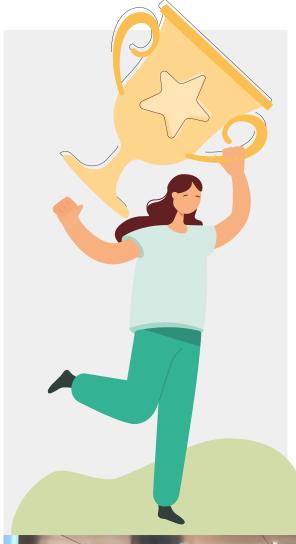






- / Rare Diseases Federation (FEDER)
- / Andalusian Triathlon Federation
- / Albacete Basketball
- / Albacete Women's Football Foundation
- / UCAM CF
- / Alhama CF Women's

- Chair in Sustainable
   Environmental Management
   of Pig Production at the
   Polytechnic University of
   Cartagena
- / La Almoloya archaeological excavation
- / Race for Diabetes ADIRMU Association
- / 'Running with You' charity race'. ASSIDO
- / 'Alfonso X' Culture Awards
- / Official sponsor of the Marchena Half Marathon



#### 2. Awards and Recognitions

The companies under the Grupo Fuertes banner have been distinguished for their work and involvement in society and for adding value to their stakeholder groups. Notable among their awards are:



#### **Grupo Fuertes**

- / ElPozo-Grupo Fuertes is among the top 100 companies with the best reputation in Spain (Merco Companies, 2023).
- / ElPozo Alimentación is in the top ten consumer companies where Spanish university students want to work (Merco University Talent 2023).
- / Tomás Fuertes ranks among the Spanish leaders with the best reputation (Merco Leaders 2023).
- / Tomás Fuertes is in the Top 20 of Spain's most influential business leaders.
- / Grupo Fuertes has been awarded the 'Mare Nostrum' prize for its partnership with the Public Universities of the Murcia Region.
- / Miriam Fuertes, a board member of Grupo Fuertes, was awarded the International Women Entrepreneurial Challenge (IWEC).







- / Tomás Fuertes received the 'FIAB Recognition' for his dedication to the food industry.
- / The FESBAL Food Bank Federation awarded ElPozo Alimentación a Golden Ear for supporting the most vulnerable individuals.
- / ElPozo Alimentación received an award from the Red Cross for employment inclusion.
- / ElPozo Alimentación won the Gold Award for 'European Company of Sport and Health,' which ACES Europe and the International Organization of Human Capital Directors DHC promoted.
- / ElPozo King Upp claimed ten awards for the Creativity displayed in their 'F\*\*KING YEAR 2020' campaign.
- / ElPozo Alimentación is among Spain's 30 most trusted brands, according to the iTrust Consumer Brands ranking.
- / ElPozo Extratiernos won the 'Together with Hospitality' award as the best press campaign, given by Hostelería de España, AECOC, and FIAB.
- / ElPozo Flexiterréno Meat&Veggie was chosen as the best product at the Gama Innovation Awards 2022.
- / ElPozo Alimentación received the Vocento award for 'International Expansion.'
- / ElPozo Alimentación achieved the Lean & Green star for reducing its emissions by over 20%.
- / ElPozo is the brand most present in Spanish households, per the Brand Footprint report by Kantar Worldpanel.





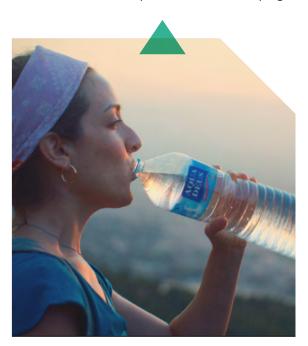
/ Inmaculada Cánovas, deputy director of Cefusa, was among the ten female directors selected by Forbes magazine.



/ 'Luzón Colección Monastrell' was chosen as the best young wine made from Monastrell grapes at the Jumilla Wine Quality Competition.



- / Two stars were awarded at the Superior Taste Awards by the International Taste Institute of Belgium.
- / The highest quality honor, the 'Grand Gold Quality Award,' was given by the 'Monde Selection' International Quality Institute to the Fuente Arquillo and Sierra Nevada springs.





- / Smile Festival 2022: Best social media effectiveness and use of language in a web spot.
- / Publifestival 2022: Best Creativity in a Social Media Campaign.
- / Fip Festival 2022: Promotional marketing (food product actions), continued success, and millennials (actions targeted at young people).
- / Publifestival 2023:
  - Best Effectiveness in an online viral campaign.
  - Best Creativity in a public relations action.
  - Best Originality in an outdoor graphic piece.
- Best Effectiveness in a Media Action.







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# Our pledge for a sustainable future: **environmental certifications**

We are committed to implementing measures that underscore our dedication to environmental protection and the continuous improvement of our processes and practices. This commitment is reflected in the ecological certifications we achieve, which stand as a testament to the success of our management model.

At Grupo Fuertes, we have strongly invested in obtaining environmental certifications, such as ISO 14001, as a crucial tool in our environmental management strategy. By implementing rigorous standards and adopting best practices, we aim to minimize our environmental impact and ensure we meet the requirements to achieve the most sustainable goals. Moreover, these certifications provide us with a robust framework to assess and reduce environmental risks, promote energy efficiency, enhance waste management, and foster environmental awareness throughout our organization.

In our processes, we implement improvements that help minimize the impacts of climate change. We strive for more efficient use of natural resources and mitigating Greenhouse Gas emissions.

#### Notably:

- / 100% of the electricity used by Grupo Fuertes companies comes with guarantees of renewable origin
- / ElPozo Alimentación is proactive in reducing its carbon footprint, introducing renewable fuels as an alternative to fossil fuels.
- / We treat all our water, which is then used for irrigating nearby crops.

#### **Environmental Certifications**



ISO 14001: 2015 GHG Protocol Retray, Ecosense Foundation Zero Waste Lean & Green



ISO 14001: 2015



ISO 14001: 2015 Zero Waste

#### **Environmental Certifications**



ISO 14001: 2015



ISO 14001: 2015 Wineries for Climate Protection (WFCP)



GLOBAL G.A.P. (AF6 'Waste Management and Pollutants, Recycling and Reuse') GLOBAL G.A.P. + Spring

# Challenging Climate Change

The commitment to making the world around us better is a foundational challenge for Grupo Fuertes, with climate change being one of the most pressing issues. Ensuring the availability of healthy and affordable food for future generations requires addressing this change and taking actions to protect the planet and build a more habitable world.

#### **Improvement Actions**

#### **Grupo Fuertes**

Is working on a project to install self-consumption photovoltaic plants across its various group companies. This setup will ensure that between 15% and 20% of the total energy consumed is renewable. Another of their key initiatives is to promote energy savings, relayed to all employees through awareness campaigns via internal communication channels.

#### ElPozo Alimentación

In the past two years, the company has prevented the emission of over 11,000 tons of  ${\rm CO_2}$  equivalents, thanks to its  ${\rm CO_2}$  emission reduction plan.

It promotes various actions and seeks more efficient solutions. Projects from the last two years have contributed to a 14% reduction in  $CO_2$  emissions





compared to 2020 levels. The aim is to reduce our emissions by 25% in 2026 through the development of new projects.

Another strategic aspect in the fight against climate change is their logistics operations. The company has joined the Lean&Green project, coordinated in Spain by Aecoc, achieving a 21.19% reduction in  ${\rm CO_2}$  emissions per kilogram transported from all its land-based logistics activities between 2017-2021.

#### **Sediasa**

Sediasa promotes the use of renewable energy at its facilities with the installation of a photovoltaic plant, which reduces  ${\rm CO}_2$  emissions to the atmosphere.

#### Cefusa

Cefusa is spearheading the project of artificial wetland biofilters to optimize soil fertilization and combat its degradation; the valorization of manure to minimize pollution, enhance soil fertility, and combat desertification; and the sealing of manure storage ponds with systems to collect leachate.

#### Aquadeus

Aquadeus has supported the setup of a photovoltaic park, resulting in about 40% self-consumption at the Robledo (Albacete) plant.

#### Fripozo

Fripozo has launched a new industrial self-consumption facility that will allow it to produce 30% of its energy needs.

ElPozo
Alimentación is
the first meat
company to receive
the Lean&Green
star for reducing
its logistic-process
related emissions
by more than 20%.



Redefining the Future of Waste: Circular

**Economy** 

We are dedicated to making a difference and leading the shift toward a circular economy, where waste becomes a resource and the environmental footprint is significantly reduced.

At Grupo Fuertes, we recognize the importance of minimizing our environmental impact and contributing to planet conservation. We are committed to implementing practices and policies that allow us to reduce waste across all our operations. This includes adopting more efficient processes and promoting the reuse of materials whenever possible.

Our **goals** include:



Enhancing the recyclability of packaging and increasing the content of recycled material.



Introducing more sustainable materials.



Driving the circular economy through waste valorization.



Launching initiatives to reduce food waste.

ElPozo Alimentación and Cefusa boast high valorization rates and have achieved ZERO WASTE certification.



Grupo Fuertes promotes the valorization of pig intestines to produce heparin through Hepabiotic, a joint venture with Horizon Products, located at the ElPozo Alimentación plant.





## In terms of developing more sustainable packaging and a commitment to packaging recyclability, notable actions include:

#### ElPozo Alimentación

- / Holds the Retray certification from the Ecosense Foundation, an initiative ensuring the recovery, recycling, and reincorporation of plastic material used in PET film and tray packaging.
- / Focuses on recyclable and recycled plastic, varying percentages based on material, packaging type, and market conditions.
- / Advocates for packaging compositions that are recyclable.
- / We strive for 100% of our structures to be free of non-recyclable compounds.
- /80% of our packaging is recyclable.
- / All paper and cardboard used are recyclable.
- / All display boxes come from sustainable forests (FSC).
- / Boxes used in the shipping process contain over 80% recycled material.

#### **Fripozo**

- / Has increased its volume of recycled waste by 60% in the past four years. Aim to achieve zero waste by 2025.
- / Introduced 230 tons of recyclable plastic to the market. Plans to increase this by 50% by 2025.
- / Their commitment to valorization has enabled the transformation of almost 1,000 tons of waste.
- / All the cardboard used originates from sustainable forests.

#### **Sediasa**

/ Reduced film weight and promoted tray-based cardboard usage. 80% of trays consist of recyclable material.

#### **Aquadeus**

- / Reduced packaging weight and incorporated rPET. All packaging they distribute is recyclable. The mineral water company has set a goal to recover 25% of the used PET by 2025 and 50% by 2030 as part of the Sectorial Plan of the Spanish Association of Mineral Waters (ANEABE).
- / It uses the 'snap' cap attached to the bottle, allowing the entire package to be recycled in one move. This cap uses less plastic than the regular screw cap.
- / All paper and cardboard used are recyclable.

#### **Palancares**

 Uses recyclable and recycled cardboard for boxes and cases.

#### **Procavi**

- / Removed voids to increase product quantity without altering packaging attributes and adopted newer, more sustainable alternatives.
- / Replaced cardboard boxes with returnable plastic boxes for clients. This material is 100% recyclable and 100% recycled.

#### **Bodegas Luzón**

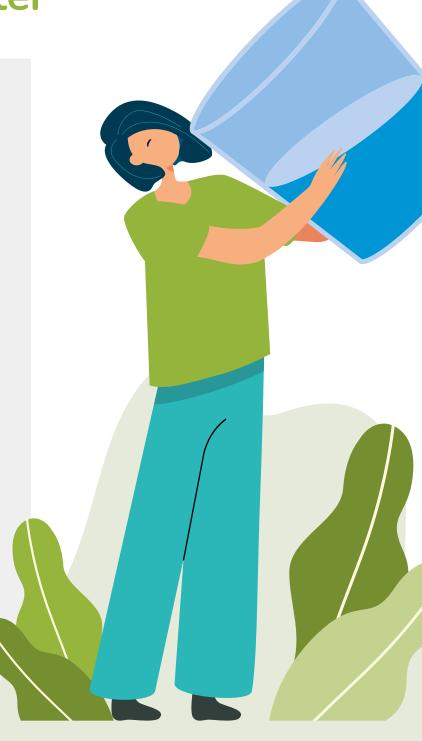
- / Their consumption of recycled cardboard ranges between 85% and 100% for boxes and 57% for
- / All their bottles contain a percentage of recycled glass depending on the color: the darkest has 78%, and the clear ones have 26%.

## We Preserve Our Most Vital Resource: Water

We understand the significance of every drop of water in food production and strive to conserve this resource.

At Grupo Fuertes, we are well aware of the importance of water. Thus, we champion initiatives and make investments to reduce and optimize its consumption, managing this resource more efficiently and effectively, especially in the regions where we conduct most of our operations. Our companies have installed water treatment plants that enable circular water management.

This treated water is reused for irrigating crops, vegetation, vineyards, adjoining plots, or for secondary processes. We also promote awareness messages and initiatives among our employees and install water-saving devices. We also increase the monitoring of water use in specific processes.







As part of the Grupo Fuertes's water consumption reduction plan, we save over 100,000 m<sup>3</sup> annually.

#### Highlighted below are some initiatives driven by various companies:

#### ElPozo Alimentación

/ Treats 100% of its water, which is then used for irrigating agricultural plots owned by the business group.

#### Cefusa

- / Advocates for covering reservoirs to prevent natural evaporation.
- / Implements smart meters on farms.

#### **Procavi**

/ Pushes for a water consumption monitoring program with tracking devices and alarm systems.

#### **Aquadeus and Sediasa**

/ Rainwater, treated water, cleaning water, and bottling plant water are utilized for irrigating adjoining plots.

#### Fripozo

/ Achieved a 20% reduction in its water consumption. The goal is to reach 50% by 2025.

## Our Fight Against Food Waste

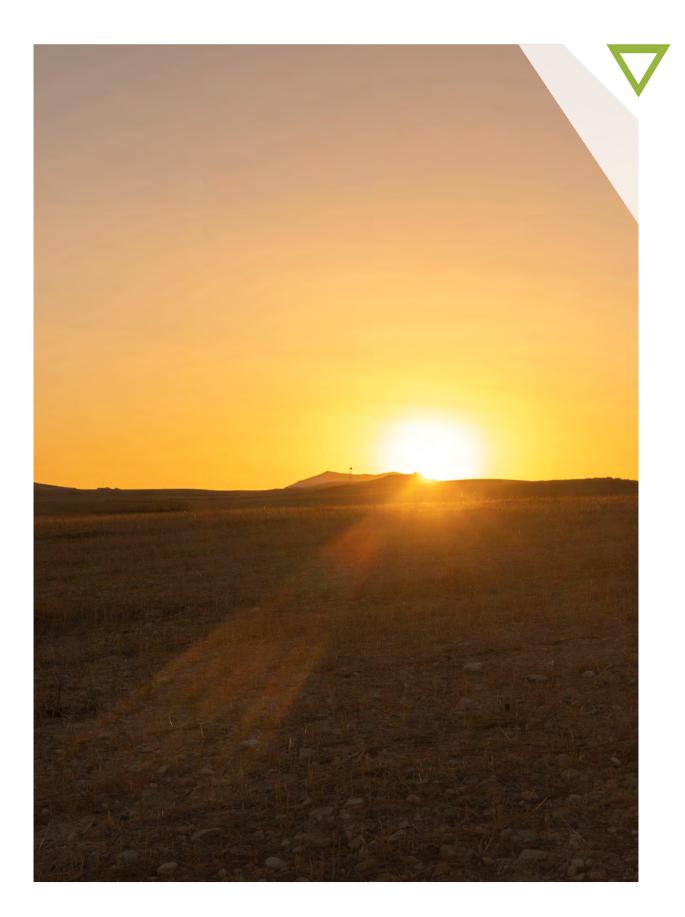
One of the fundamental rules across all our businesses is to maximize the use of raw materials and products to enhance process efficiency and reduce food waste. To achieve this, we've implemented control, prevention, and efficiency systems throughout the food supply chain, from maintaining the cold chain to donating products.

We have a coordinated and automated demand forecasting system and proper order planning to align production with sales, and we ensure adherence to best handling practices at every production stage. Additionally, we guarantee the uninterrupted cold chain for products from their origin right through to final dispatch. As part of these procedures, we are introducing innovative packaging and new preservation technologies for certain processed products, extending their shelf life. We're also incorporating various sales formats that allow product units per tray to align with customer needs.

We are deeply committed to combating food waste.







# Appendices

Grupo Fuertes



Grupo Fuertes

## **GRI TABLES**

| General Matters                                   |  |   |   |              |
|---|--|---|---|--------------|
| Requested by<br>Law 11/2018                       | Description GRI Reporting Criteria   | GRI<br>Indicator                                  | Page  | Observations |
| Business<br>Model                                 | Business Environment   | 102-1; 102-2;<br>102-3; 102-4;<br>102-7           | 10,11,26,27                                   |              |
|   | Organization and Structure   | 102-5; 102-45                                     | 12,13,28                                      |              |
|   | Markets in Which It Operates   | 102-6   | 27  |              |
|   | Goals and Strategy   | 102-14;<br>102-15                                 | 22,23,30                                      |              |
| Policy<br>Descriptions                            | Procedures for the identification, evaluation, prevention, and mitigation of significant risks and impacts   | 102-15 (2016);<br>103 (2016)                      | 31,32   |              |
| Policy<br>Outcomes                                | Relevant non-financial key performance indicators (GRI) pertinent to the specific business activity, complying with comparability, materiality, relevance, and reliability criteria. | 103 (2016)  | 31-33,37,39,<br>40-43,<br>45, 50-60,<br>69-76 |              |
| Main risks<br>associated with<br>group activities | Business Relationships   | 102-11;<br>102-15;<br>102-29;<br>102-30 (2016)    | 31,32   |              |
|   | Management of such risks   | 102-11;<br>102-15;<br>102-29 a);<br>102-30 (2016) | 31,32   |              |



| Environmental Issues                           |   |                               |          |              |
|--|---|-------------------------------|----------|--------------|
| Information<br>requested by<br>Law 11/2018     | Description GRI Reporting Criteria  | GRI<br>Indicator              | Page     | Observations |
| Management<br>Approach                         | Detailed information on current and foreseeable effects of company activities on the environment. Environmental assessment or certification procedures, application of the precautionary principle. | 103-1;103-2;<br>102-11 (2016) | 68-76    |              |
| Pollution                                      | Measures to prevent, reduce or repair carbon emissions  | 305-5 a)                      | 70,71    |              |
| Circular<br>Economy<br>and Waste<br>Management | Measures for the prevention, recycling, reuse, recovery, and disposal of waste.   | 306-1 a); 306-2<br>a) and b)  | 72,73    |              |
|  | Actions to combat food waste  |                               | 76       |              |
| Sustainable<br>Resource Usage                  | Use of renewable energies   |                               | 70,71    |              |
| Climate change                                 | Significant elements of GHG emissions   |                               | 70,71    |              |
|  | Measures adopted to adapt to the consequences of climate change   |                               | 70,71,75 |              |
|  | GHG reduction goals in the medium and long term   |                               | 22,23    |              |

### Social and Staff-Related Issues

| Information<br>requested by<br>Law 11/2018 | Description GRI Reporting Criteria   | GRI Indicator  | Page  | Observations |
|--|--|--|-------|--------------|
| Employment                                 | Employees with disabilities  | 405-1  | 57    |              |
| Work                                       | Organization of working time   |  | 56    |              |
| organization                               | Work-Life Balance Measures   | 401-2; 401-3   | 55    |              |
| Health and<br>Safety                       | Health and safety conditions at work   | 403-1 (2018)<br>403-8 (2018)<br>403-2 (2018)<br>403-4 (2018)<br>403-5 (2018)<br>403-6 (2018) | 58    |              |
| Social Relations                           | Percentage of employees covered by collective agreement by country                     | 102-41 (2016);<br>407-1  | 52    |              |
| Training                                   | Policies implemented in the field of training  | 402-2  | 56    |              |
| Work<br>organization                       | Universal accessibility for people with disabilities                                   |  | 57    |              |
|  | Measures taken to promote equal treatment and opportunities between women and men      | 405-1  | 57    |              |
|  | Equality plans   | 405-1  | 57    |              |
| Equality                                   | Protocols against sexual harassment and gender-based harassment                        | 405-1  | 57    |              |
|  | Integration and universal accessibility for people with disabilities                   | 405-1  | 57    |              |
|  | Policy against all forms of discrimination and, where applicable, diversity management | 405-1  | 33,57 |              |



| Information                                | on Human Rights Respect   |               |       |              |
|--|---|---------------|-------|--------------|
| Information<br>requested by<br>Law 11/2018 | Description GRI Reporting Criteria  | GRI Indicator | Page  | Observations |
| Information on<br>Human Rights<br>Respect  | Due diligence procedures concerning human rights  | 412-2 a)      | 33    |              |
|  | Prevention of risks of violating human rights and, if applicable, measures to mitigate, manage, and rectify potential abuses.   | 412-2         | 31-33 |              |
|  | Promotion and compliance with the fundamental conventions of the International Labour Organization concerning respect for freedom of association and the right to collective bargaining |               | 31-33 |              |
|  | Elimination of discrimination in employment and occupation  | 406-1         | 33,57 |              |
|  | Elimination of forced or compulsory labor   | 409-1)        | 33,57 |              |
|  | Effective abolition of child labor  | 408-1)        | 33,57 |              |

| Information on the Fight against Corruption and Bribery          |  |               |       |              |
|--|--|---------------|-------|--------------|
| Information<br>requested by<br>Law 11/2018                       | Description GRI Reporting Criteria               | GRI Indicator | Page  | Observations |
| Information on<br>the Fight against<br>Corruption and<br>Bribery | Measures taken to prevent corruption and bribery |               | 31,32 |              |
|  | Measures against money laundering                |               | 31,32 |              |

#### Information requested by **Description GRI Reporting Criteria GRI Indicator Page** Observations Law 11/2018 Impact of the company's activities on local 203-2 a); 204-1; 26,27,36 413-1 populations and territories Company's commitments Relationships with local community 18,19, stakeholders and modes of dialogue with to sustainable 60-63 them development Partnership or sponsorship actions 102-13 (2016) 62,63 Inclusion of social, gender equality, and 204-1 a) and b) 50,51 environmental issues in purchasing policies

102-9 (2016)

416-2

418-1

50,51

38,50,58

37-42

43

Consideration in relations with suppliers

Supervision and audit systems, and their

Measures for consumer health and safety

Complaint systems, complaints received, and

and subcontractors of their social and

environmental responsibility

results

their resolution.

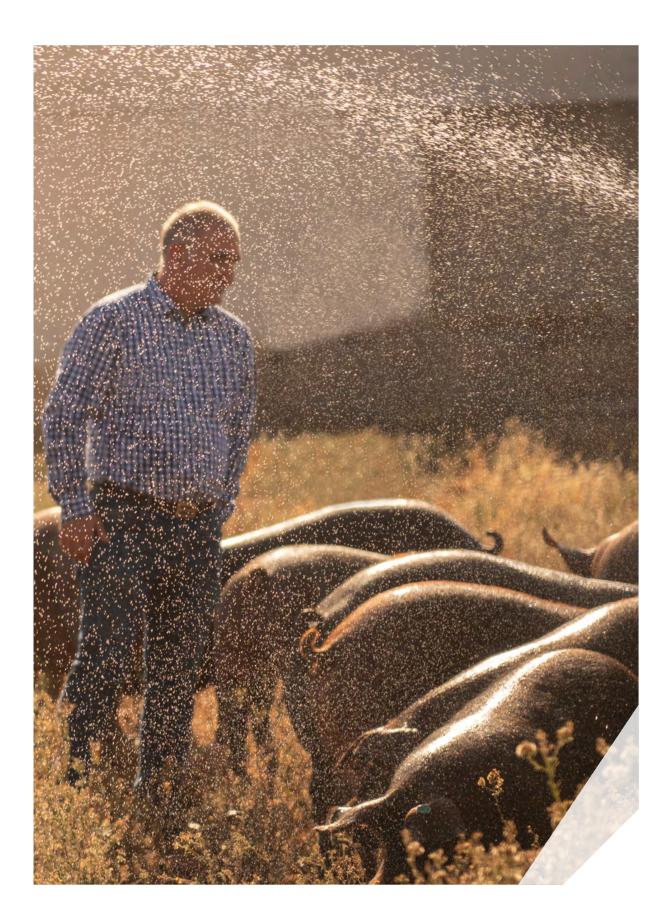
Information on the Company

**Outsourcing and** 

**Suppliers** 

Consumers





























Sediatlantic





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